

* REVISED *

**Report of Organizational Actions
Affecting Basis of Securities**

OMB No. 1545-0123

▶ See separate instructions.

Part I Reporting Issuer

1 Issuer's name AMERICAN HOTEL INCOME PROPERTIES REIT INC.		2 Issuer's employer identification number (EIN) 98-1091240	
3 Name of contact for additional information ANNE YU	4 Telephone No. of contact 604-633-2876	5 Email address of contact AYU@AHIPREIT.COM	
6 Number and street (or P.O. box if mail is not delivered to street address) of contact 800-925 WEST GEORGIA STREET		7 City, town, or post office, state, and ZIP code of contact VANCOUVER, BC, CANADA V6C 3L2	
8 Date of action SEE PAYMENT DATES IN BOX 14 BELOW		9 Classification and description COMMON STOCK AND SERIES A PREFERRED SHARE	
10 CUSIP number	11 Serial number(s)	12 Ticker symbol	13 Account number(s)

Part II Organizational Action Attach additional statements if needed. See back of form for additional questions.

14 Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ▶ SEE APPENDIX A

15 Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ▶ DIVIDENDS PAID IN EXCESS OF THE CURRENT AND ACCUMULATED EARNINGS AND PROFITS OF A CORPORATION REDUCE THE BASIS OF THE STOCK OF THE CORPORATION PURSUANT TO INTERNAL REVENUE CODE (IRC) SECTION 301(C)(2) AND SECTION 316(A). THE CORPORATION CURRENTLY ESTIMATES THAT 14.34% OF THE TOTAL DISTRIBUTIONS PAID IN EACH MONTH OF 2017 SHOULD CONSTITUTE A RETURN OF CAPITAL, WHICH WOULD REDUCE THE TAX BASIS OF THE STOCK OF THE OF THE ISSUER FOR U.S. FEDERAL INCOME TAX PURPOSES ON A PER SHARE BASIS.

16 Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ▶ BASED ON THE ISSUER'S CURRENT AND ACCUMULATED EARNINGS AND PROFITS, A PORTION OF THE TOTAL DISTRIBUTION PAID IN EACH MONTH OF 2017 SHOULD REDUCE THE BASIS OF THE STOCK OF THE ISSUER. SEE APPENDIX A.

Part II **Organizational Action** (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ► IRC SEC. 301(C)(2)
PROVIDES THAT THE PORTION OF A DISTRIBUTION WHICH IS NOT A DIVIDEND SHALL BE APPLIED AGAINST AND REDUCE THE
ADJUSTED BASIS OF THE STOCK OF THE ISSUER.

18 Can any resulting loss be recognized? ► FOR US FEDERAL INCOME TAX PURPOSES, THE DISTRIBUTION WILL NOT RESULT IN ANY
TAX LOSS FOR THE SHAREHOLDERS OF THE ISSUER.

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ► N/A

**Sign
Here**

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Signature ►



Date ►

04/16/2018

Print your name ►

Azam Lalanani

Title ►

CFO

AMERICAN HOTEL INCOME PROPERTIES REIT INC.
FEIN: 98-1091240

FORM 8937
TAX YEAR: 2017

THE CORPORATION PAID DISTRIBUTIONS AS FOLLOWS:

		RETURN OF CAPITAL ALLOCATED TO ONE LIMITED PARTNERSHIP UNIT OF AMERICAN HOTEL INCOME PROPERTIES REIT LP (NOTE A)
FOR THE MONTH	PAYABLE DATE	
Jan-17	2/15/2017	0.00774
Feb-17	3/15/2017	0.00774
Mar-17	4/14/2017	0.00774
Apr-17	5/15/2017	0.00774
May-17	6/15/2017	0.00774
Jun-17	7/14/2017	0.00774
Jul-17	8/15/2017	0.00774
Aug-17	9/15/2017	0.00774
Sep-17	10/13/2017	0.00774
Oct-17	11/15/2017	0.00774
Nov-17	12/15/2017	0.00774
Dec-17	1/15/2018	0.00774

NOTE A: DISTRIBUTIONS PAID EACH MONTH FROM AMERICAN HOTEL INCOME PROPERTIES REIT INC. TO AMERICAN HOTEL INCOME PROPERTIES REIT LP ALLOCATED TO EACH LIMITED PARTNERSHIP UNIT OF AMERICAN HOTEL INCOME PROPERTIES REIT LP SHOULD CONSTITUTE AS RETURN OF CAPITAL, WHICH WOULD REDUCE THE TAX BASIS FOR U.S. FEDERAL INCOME TAX PURPOSES ON A PER UNIT BASIS.