



**AMERICAN HOTEL INCOME PROPERTIES REIT LP
ANNOUNCES STRATEGIC BRAND LICENSING AGREEMENT WITH WYNDHAM
FOR ITS RAIL HOTEL PORTFOLIO**

- Portfolio of rail crew hotels to be rebranded under Wyndham Hotel Group brands
 - Announced acquisition of two additional rail crew hotels
 - New master agreement with a major existing railway customer

(All numbers are in U.S. dollars unless otherwise indicated)

VANCOUVER, B.C. (November 1, 2017) – American Hotel Income Properties REIT LP (“AHIP”, “the Company”) (TSX: HOT.UN; TSX: HOT.DB.U), which has 114 select-service hotels located across the United States, is pleased to announce it has entered into a significant branding agreement with Wyndham Hotel Group (“Wyndham”) to rebrand 44 hotels in the Company’s Rail Hotel portfolio under Wyndham’s Baymont Inn and Suites®, Travelodge®, and Super 8® brands. In addition, AHIP has announced today the acquisition of two additional rail crew hotels, and, has negotiated a new master agreement with one of its largest railway customers for its future rail crew lodging needs.

“The branding agreement with Wyndham provides a transformational and sustainable long-term strategy for our Rail Hotel portfolio, which we believe will drive improved hotel performance, generate more consistent returns, and create additional value for our unitholders,” said Ian McAuley, AHIP’s President. “By leveraging Wyndham’s well-known and internationally recognized brands, we expect to attract more transient guests, and draw higher occupancy and RevPAR across the hotels in our portfolio that were historically branded Oak Tree Inns and primarily used for rail crew lodging. While our valued railway customers will continue to enjoy our promise of a ‘dark and quiet’ sleeping experience, they – and other Wyndham customers – will now also benefit from the quality and hospitality expected from each of Wyndham’s brands.”

Rob O’Neill, AHIP’s CEO, added, “Our partnership with Wyndham is strategically significant and allows us to leverage their strong distribution network, positive brand appeal and outstanding customer loyalty program. We are very pleased to have Wyndham as a valued brand partner for our growing portfolio of select-service hotels.”

“The team at American Hotel Income Properties has built a tremendous collection of clean, comfortable and affordable accommodations that guests have come to love. We could not be prouder to partner with them to expand our brands in the places everyday travelers want to be, while helping to drive incremental revenue to their hotels,” said Chip Ohlsson, Wyndham’s Executive Vice President and Chief Development Officer.

1) Wyndham Brand Agreement:

Through its new agreement with Wyndham, AHIP will rebrand 44 hotels in its existing Rail Hotel portfolio under a selection of Wyndham brands: 28 will convert to Travelodge®, 14 hotels will convert to the Baymont Inn and Suites® brand, and two will become Super 8® properties. These Rail Hotels previously operated under AHIP’s proprietary brand, Oak Tree Inn. In total 46 hotels, including the two new acquisitions (discussed below), are scheduled to be licensed under a Wyndham brand by the end of 2017.

Wyndham operates 20 iconic brands in more than 8,300 hotels across 78 countries. Through this new agreement, AHIP’s 46 newly Wyndham-branded hotels will leverage the award-winning Wyndham Rewards program –

broadening AHIP's hotel appeal to Wyndham Rewards members, who number more than 53 million worldwide. In addition, these properties will be included in Wyndham's strong distribution network, which will further increase AHIP's hotel prominence with online travel agents.

AHIP expects to spend approximately \$4.0 million over the next 24 months in transition costs that include new signage, adoption of Wyndham brand standards and select Property Improvement Plans. Wyndham will be contributing an amount to partially offset the conversion costs. All 46 hotels will continue to be managed by ONE Lodging Management Inc., AHIP's exclusive external hotel manager. As a result of the significant number of hotels being converted to Wyndham brands, AHIP believes it has negotiated favourable terms as part of this 15-year agreement, with carveouts related to rail crew lodging contracts.

2) Acquisition of Two Rail Hotels:

AHIP is also pleased to announce the following two rail crew hotel acquisitions:

Fargo, North Dakota: On October 13, 2017, AHIP acquired the 74-guestroom Days Inn Fargo, located in Fargo, North Dakota, for a total investment (inclusive of purchase price and expected renovations), before closing costs and post-acquisition adjustments, of \$3.8 million, or \$50,700 per key. This hotel has a rail crew lodging agreement that currently guarantees 77% of the available guestrooms. The Days Inn Fargo was re-licensed with terms consistent with the new Wyndham license agreement.

Whitefish, Montana: On October 27, 2017, AHIP committed to acquire a 64-guestroom hotel in Whitefish, Montana, for a total investment (inclusive of purchase price and expected renovations), before closing costs and post-acquisition adjustments, of approximately \$3.7 million, or \$57,800 per key. The Company expects the Whitefish hotel acquisition will be completed in early November, after which it will be rebranded under one of Wyndham's brands. The hotel will have a rail crew lodging agreement that will initially guarantee 60% of the annual available guestrooms.

3) New Master Agreement with One of its Largest Railway Customers:

AHIP is also pleased to announce that it has entered into a new Master Agreement with one of its largest and most significant railway customers for its future rail crew lodging contracts. This new Master Agreement will allow both parties to expedite future contracts and contract renewals, and underscores the long-term commitment this railway customer has to using AHIP's hotels for future rail crew lodging needs. The railroad has one of the largest freight railroad networks in North America.

ABOUT AMERICAN HOTEL INCOME PROPERTIES REIT LP

American Hotel Income Properties REIT LP (TSX: HOT.UN, TSX: HOT.DB.U), or AHIP, is a limited partnership formed to invest in hotel real estate properties located substantially in the United States. The company currently has 114 hotels, and is actively engaged in growing its portfolio of premium branded, select-service hotels in larger secondary markets that have diverse and stable demand. AHIP hotels operate under brands affiliated with Marriott, Hilton, IHG, Wyndham and Choice Hotels through license agreements. The company's long-term objectives are to build on its proven track record of successful investment, deliver reliable and consistent U.S. dollar denominated distributions to unitholders, and generate value through the continued growth of its diversified hotel portfolio. More information is available at www.ahipreit.com.

ABOUT WYNDHAM HOTEL GROUP

Wyndham Hotel Group, a hotel giant with an unmatched global presence, is one of three hospitality business units of Wyndham Worldwide (NYSE: WYN). Driving the democratization of travel, Wyndham Hotel Group is elevating the experience of the everyday traveler, changing the game so every traveler – no matter how much they spend or how they like to travel – has an extraordinary experience. As both a leading hotel brand franchisor and hotel management services provider, the company's global portfolio consists of more than 8,300 hotels and over 708,500 rooms in 78 countries under the following brands: The Trademark Hotel Collection®, Dolce Hotels and Resorts®, Wyndham Grand®, Dazzler® Hotels, Esplendor® Boutique Hotels, Wyndham Hotels and Resorts®, Wyndham Garden® Hotels, TRYP by Wyndham®, Wingate by Wyndham®, Hawthorn Suites by Wyndham®, Microtel Inn & Suites by Wyndham®, Ramada®, Baymont Inn & Suites®, Days Inn®, Super 8®, Howard Johnson®, Travelodge®, Knights Inn® and the recently-acquired AmericInn. Wyndham Rewards®, named a best hotel rewards program for the past three consecutive years by U.S. News and World Report, offers more than 53 million members the opportunity to earn and redeem points at more than 30,000 hotels, condos and homes globally. For more information, visit www.wyndhamworldwide.com.

For further information, please contact:

For American Hotel Income Properties REIT LP:

Jamie Kokoska

Director, Investor Relations

Phone: 604-670-6242

Email: jkokoska@ahipreit.com

For Wyndham Hotel Group:

Gabriella Chiera

Senior Manager, Global Communications

Phone: 973-753-6590

Email: gabriella.chiera@wyn.com

FORWARD-LOOKING STATEMENTS

Certain statements contained in this news release may constitute forward-looking statements or forward looking information within the meaning of applicable securities laws (collectively, "forward-looking statements". Forward-looking statements are often, but not always, identified by the use of words such as "anticipate", "plan", "expect", "may", "will", "intend", "should", and similar expressions. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. Forward-looking statements in this news release include, without limitation, references to the following: the rebranding of 46 hotels in AHIP's Rail Hotel portfolio under Wyndham's Baymont Inn and Suites®, Travelodge®, and Super 8® brands by the end of 2017; AHIP management's belief that the rebranding will drive improved hotel performance (including by attracting more transient guests and drawing higher occupancy and RevPar at the rebranded hotels), generate more consistent returns, and create additional value for AHIP's unitholders; guests at the rebranded hotels will continue to enjoy a 'dark and quiet' sleeping experience and will also benefit from the quality and hospitality from each of Wyndham's brands; AHIP management's expectation that the rebranded hotels will leverage the award-winning Wyndham Rewards program – broadening AHIP's hotel appeal to Wyndham Rewards members; the inclusion of the rebranded hotels in Wyndham's distribution network, which will further increase AHIP's hotel prominence with online travel agents; the expected costs of the rebranding; the continued management of the rebranded hotels by ONE Lodging Management Inc.; the expected timing of the

closing of AHIP's acquisition of the rail hotel in Whitefish Montana; the rail hotel in Whitefish Montana will have a rail crew lodging agreement that guarantees 60% of available guestrooms; expected renovations at the recently acquired rail hotel in Fargo, North Dakota and the rail hotel in Whitefish Montana; the expectation that the new Master Agreement will allow both parties to expedite future contracts and contract renewals; and the long term commitment of the rail partner that is party to the new Master Agreement to using AHIP's hotels for future rail crew lodging needs.

Forward-looking information is based on a number of key expectations and assumptions made by AHIP, including, without limitation: a reasonably stable North American economy and stock market; the continued strength of the U.S. lodging industry; the successful rebranding of AHIP's Oak Tree Inn hotels; the rebranding of AHIP's Oak Tree Inn's achieving its intended results; the costs and timing of the rebranding being consistent with management's current estimates; the ability to successfully integrate the new rail hotel acquisitions into AHIP's existing portfolio of rail hotels; AHIP's rail partner not terminating the Master Agreement and continuing to rely on AHIP for its future rail crew lodging needs; and the value of the U.S. dollar. Although the forward-looking information contained in this news release is based on what AHIP's management believes to be reasonable assumptions, AHIP cannot assure investors that actual results will be consistent with such information.

Forward-looking information reflects current expectations of AHIP's management regarding future events and operating performance as of the date of this news release. Such information involves significant risks and uncertainties, should not be read as guarantees of future performance or results, and will not necessarily be accurate indications of whether or not such results will be achieved. Actual results could differ materially from those currently anticipated due to a number of factors and risks. These include, without limitation, those factors that can be found under "Risk Factors" in AHIP's Annual Information Form dated March 27, 2017 and under "Risks and Uncertainties" in AHIP's Management's Discussion and Analysis dated August 8, 2017, both of which are available on SEDAR at www.sedar.com.

The forward-looking statements contained herein represent AHIP's expectations as of the date of this news release, and are subject to change after this date. AHIP assumes no obligation to update or revise any forward-looking statements whether as a result of new information, future events or otherwise, except as required by applicable law.