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June 9, 2017

Via Federal Express and Email

Town of Brookhaven
Industrial Development Agency
1 Independence Hill, 2nd Floor
Farmingville, NY 11738

Attn: Lisa Mulligan, Executive Director

Re: AHIP NY Bellport Properties LLC and AHIP NY Bellport Enterprises LLC
(together, the "Applicant")

Dear Ms. Mulligan:

This letter refers to the application pending consideration by the Town of Brookhaven Industrial Development Agency in relation to the SpringHill Suites – Brookhaven (the "Hotel"), and provides more background on American Hotel Income Properties ("AHIP") and its hotel management company, O'Neill Hotels & Resorts Ltd. and its subsidiaries ("OHR").

American Hotel Income Properties REIT LP ("AHIP LP") was formed in 2012 and went public with a listing on the Toronto Stock Exchange in February 2013. The partnership units of AHIP LP are widely held, and trade on the Toronto Stock Exchange and the OTC QX platform in the United States. Through its U.S. subsidiary, American Hotel Income Properties REIT Inc., a Maryland corporation (the "US REIT"), and the subsidiaries of the US REIT, AHIP LP indirectly owns 95 hotels (which will be 113 after the transaction with MCR is completed on June 22nd). AHIP LP and the US REIT indirectly own 100% of the Applicant.

Among the founders of AHIP LP was Mr. Robert O'Neill, who has served since inception as the Chief Executive Officer of AHIP LP through AHIP LP's general partner. Mr. O'Neill is AHIP LP's largest individual unitholder.

Mr. O'Neill is also a 50% shareholder in OHR, the parent company of ONE NY Bellport 2 Management LLC (the "Brookhaven Management Company"). The other 50% shareholder of OHR, and OHR's Chief Executive Officer, is Mr. John O'Neill (Robert O'Neill's brother). OHR indirectly owns 100% of the Brookhaven Management Company.

Pursuant to U.S. and Canadian laws and regulations, AHIP's REIT structure does not permit the Applicant to directly manage and operate its hotels, and therefore it will enter into a comprehensive hotel management agreement between AHIP NY Bellport Enterprises LLC and the Brookhaven Management Company at closing. Pursuant to that hotel management agreement, the Brookhaven Management Company is appointed for a 10 year term to provide the management services to AHIP NY Bellport Enterprises LLC and to operate the Hotel. Similar arrangements have been entered into for all of AHIP's hotels with subsidiaries of OHR.

If you have any questions or if additional information is required, please let me know.

Very truly yours,



Duncan J. Reid

cc: Howard Gross, Esq.
Frank Davis, Esq.
Russell Shattan
Jeffrey Chang
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Azim Lalani
Daniel Miller
Joyce Wright, Esq.