



AMERICAN HOSPITALITY PROPERTIES REIT, INC.

Premium Business Select Hotels:

Buying low, selling high, and
banking dividends along the way
isn't just for Warren Buffet.



PHOENIX AMERICAN
HOSPITALITY

OUR SUMMARY

Buy **Premium Business Select Hotels** now, while they're still at reduced prices. Make money by better managing the properties (we are experienced owner/operators) while the travel recovery takes its full effect.



Keeping it simple.

- ✓ Share the profits with our investors, **you get paid first**, monthly, until you reach a minimum annual 8% return. Notice we said “minimum,” we have averaged 11.5% in 2022.
- ✓ Sell the hotels (estimated within 3-4 years) if all goes according to plan, when they have reached “full market value” and buyers are plentiful.
- ✓ We will share any profits from sales, targeting more than a 20% annualized return. We are aiming to exceed this target as well.

That means, if all goes according to plan, you'll receive monthly dividends, your initial investment, plus growth.

A HISTORY OF THIS REIT DISTRIBUTING DIVIDENDS.

On average, over 11.5%.

MONTHLY DISTRIBUTION HISTORY							
Nov 2021	24%*	Jan 2022	8%	May 2022	10%	Sep 2022	10%
Dec 2021	8%	Feb 2022	8%	June 2022	10%	Oct 2022	11.5%
		Mar 2022	8%	July 2022	10%	Nov 2022	18%*
		April 2022	10%	Aug 2022	12%		

**REITS are mandated to distribute 90% of their profits before year-end.*

Monthly distributions are paid on an annualized basis. Monthly distribution payments may change due to hotel monthly performance.

The distribution percentage is calculated on total capital exclusive of bonus shares.

Dividends are not the only distributions you should anticipate, read on about receiving your capital back along with sharing in the anticipated returns when we sell our hotels.

WHY PHOENIX?

WHY CONSIDER AMERICAN HOSPITALITY PROPERTIES REIT, INC.?

Our goal is an 8% preferred return. We've already beaten it:

We have already distributed to our Investors an annualized 11.5% return through 09/30/22. Why the difference? As a REIT we are required to distribute 90% of our profits. The 8% is our assurance to you of a "preferred return," meaning you get paid first. We will not receive compensation until that return is met.

Strong growth potential:

In addition to planned monthly distributions, investors are scheduled to share in the profits (if all goes according to plan) when we sell our hotels. We are aiming for 3-4 years when we feel that they have reached full market rates, reflecting the value from buying at COVID-reduced rates, and from our improvements to operations and facilities.

Our investors earn 100% of the first 8% of returns. When—and only when—we outperform this hurdle, we begin to share in the profits. We are personally invested in this REIT with the exact same terms as you.

	PROFIT DISTRIBUTION		
Gross Profit of	8%	8-12%	12%+
Investors Receive	100%	80%	60%+

Our goal is a return of capital within 3-4 years:

Based on the current environment, Phoenix expects to liquidate its investments (sell hotels) within three to four years. There is no reinvestment of capital. Assuming we meet our time horizon goal, investors can expect to receive their initial investment, plus or minus appreciation, within 4 years.

The same opportunities that institutions and wealthy families have long enjoyed:

The world's wealthiest investors have always had access to top-quality, professionally managed investments in this high-potential sector of the real estate market. Now you can invest right alongside them.

Open to most investors:

Our Reg A+ offering allows investors of all income levels and portfolio sizes to invest. You do not have to meet accreditation hurdles to qualify.

ABOUT US

MANY INVESTORS ARE SEEKING MONTHLY INCOME AND GROWTH ALONG WITH IT.

Commercial real estate may be that answer.

As an asset class, real estate offers a number of compelling benefits, including regular income, capital appreciation (growth of your original investment) potential, and diversification. However, not all parts of the real estate market perform alike. Now, as the economy emerges from COVID-19 and growth heats up, hotels—we believe that particularly **Premium Business Select Hotels**—offer some of the strongest growth potential of any real estate sector.

- Up to now, all the benefits of hotel real estate investing—including capital preservation, income, and long-term capital appreciation—have only been available to institutions and very wealthy people.* Phoenix should know—that’s how we ran our first few funds. Now, we are opening this opportunity to everyone!**
- Our goal is to assist individual investors in adding real estate into their portfolios, moving beyond stocks and bonds. This can bring the potential to earn impressive monthly income, reduce volatility, diversify risk, preserve capital by investing in a “real” asset, and aim to contribute to your portfolio’s growth (within five years).*

**Investments are subject to risks, and there is no assurance this objective will be met.*

*** There are some restrictions on the maximum amount a non accredited investor may invest. Please see the offering circular for details.*

WORRIED ABOUT INFLATION? HOTELS MAY PROVIDE PROTECTION.

Premium Business Select Hotels can survive diverse economic conditions:

Dynamic pricing

- We change rates based on demand—which we can do daily, or even hourly.
- Unlike apartments, commercial real estate, or warehouses, hotel properties have no long-term leases. Rooms rent out by the day, meaning the hotel sector can quickly and easily adjust pricing up or down based on demand.
- As operational expenses increase from inflation, we can adjust staffing, material use, and room price.



THE PHOENIX ADVANTAGE

- Investing in hotels requires specialized expertise and hands-on knowledge of how the hospitality industry works.
- When you invest with Phoenix, you get the benefit of decades of experience and our 100% focus on the premium business select hotels sector.



Who should consider American Hospitality Properties REIT, Inc.?

- ✓ Investors who are seeking income and growth
- ✓ Investors looking for a hedge against inflation
- ✓ Investors who can afford to tie up capital for three to four years
- ✓ Investors with self-directed IRAs

HERE ARE EIGHT REASONS TO INVEST IN PHOENIX.

#1) This isn't our first rodeo.

- Phoenix has been successfully and profitably investing in the hotel sector since 2009, through good and bad markets.
- This fund offering is our firm's fourth—and all previous funds met or exceeded investor expectations for income and capital appreciation.
- Our team boasts decades of experience in the hotel business.

#2) We're owners *and* operators.

- Phoenix focuses on strongly branded (Marriott, Hilton, Hyatt) premium business select hotels.
- Most hospitality acquisition firms focus on acquisition and outsource management, investing in many types of hotels.
- For Phoenix, these hotels aren't just real estate investments—they're investments in *maximizing profits*.
 - › We specialize in taking hotels to the next level and seek to do the same with this offering. We intend to focus on revenue generation, quality, engagement, and of course, returns to our investors.



#3) Our investment process identifies properties that meet our criteria aimed at achieving the highest potential for success by focusing on five key characteristics:

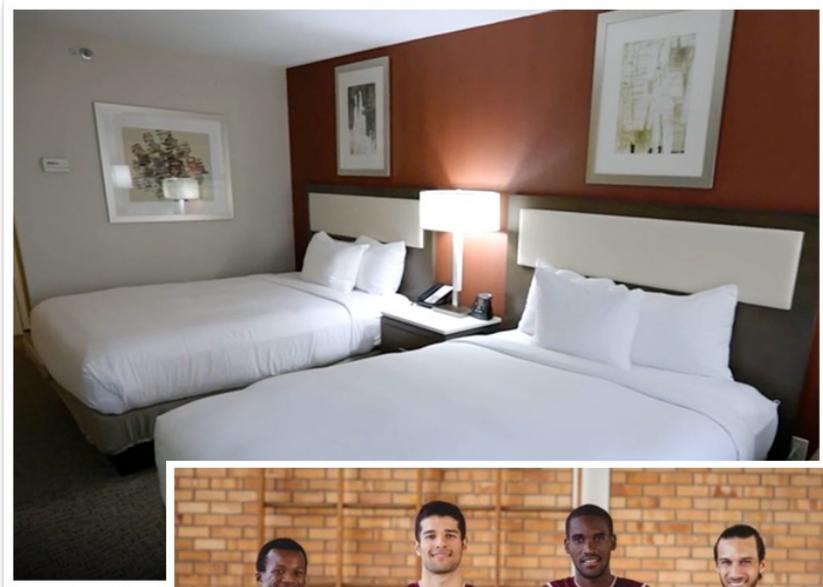
1. **Strong national brands:** We invest in names you know, like Hilton, Hyatt, and Marriott.
2. **Proven performance:** We seek out properties that are already making money, with strong, positive cash flow.
3. **Market leadership:** We look for hotels that are outperforming their competition.
4. **Location:** Our focus is on medium-sized urban markets with more than just a business travel focus (hospital, university, etc.).
5. **Price:** We purchase properties priced below what a new hotel would cost.

#4) We can put money to work immediately.

- We are continually seeking and evaluating new hotels that meet our criteria.
- Because we are in the thick of hotel industry deal flow, we believe we can put new money to work quickly, often within 30 days.
- That allows our team to take advantage of fast-moving opportunities in changing markets.



#5 We focus on what we believe to be the most resilient segment of the industry: **Premium Business Select Hotels.**

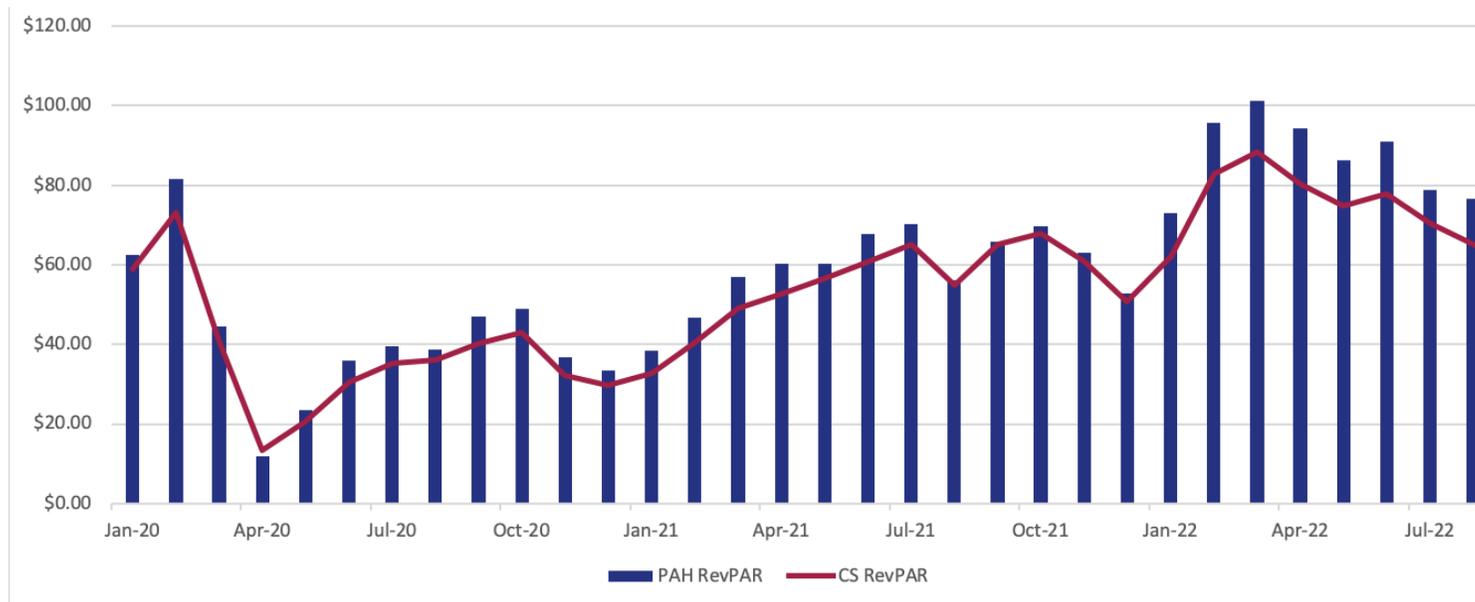


- Even within hotels, some are better positioned than others. The three main hotel types are luxury, **business select**, and budget.
- Business select hotels provide more amenities than budget hotels.
 - Business select hotels will typically offer small meeting spaces and a limited-service restaurant. You typically won't find a concierge, a bellhop, a spa, or room service at a business select hotel.
- Business select hotels appeal to a broad array of customers, including road warrior & regional business travelers, small business owners, amateur sports teams, and middle-class leisure travellers.
- These properties have historically been attractive in nearly all market climates, offering the highest operating and profit margins in the industry, but they are especially resilient during downturns.
- Business select hotels experienced less of a drop-off in demand during the pandemic, and we think will rebound rapidly.

#6 We believe we see the opportunity to boost performance.

- We buy good properties and aim to make them great, increasing profitability through aggressive room rate pricing, property upgrades, targeted sales campaigns, and cost-cutting.
- The proof is in our results: since the global pandemic began, **the Phoenix portfolio continued paying its preferred returns through August 2022 without interruption.**
- In arguably the worst period in American hotel history, we outperformed our peers in each and every month during the COVID-19 crisis 2020-2021.

PAH PERFORMANCE vs COMPETITIVE MARKET SET



Past performance is not a guarantee of future performance.

#7) We continue to pay distributions—even in the most challenging markets.*

- As the COVID-19 pandemic swept through the travel business, several hotel-focused investment funds immediately suspended distributions.
 - > This REIT has distributed higher than our targeted 8% annual distributions each month in 2022.

We manage risk through a variety of mechanisms:

- Purchasing already performing hotels at prices below replacement value.
- Investing in the relatively resilient business select sector rather than luxury or budget.
- Maintaining reserves for adverse circumstances.
- Avoiding hotels investment in America's largest cities, which we believe suffered the biggest losses during the same COVID-19 period.

#8) Institutional investors provide an additional layer of due diligence.

- Institutional investors have conducted due diligence on our prior offerings and chose to invest with us.
- Attracting seasoned institutional investors and delivering on our goals (historically) has provided steady growth of our firm.

**Distributions are not guaranteed.*

DEMAND FOR TRAVEL IS SURGING.

We are in the great travel rebound of 2022. This summer returned premium business select hotels to near pre-pandemic revenue.*

Analysis from CBRE, one of the nation's leading real estate companies, indicates that hotel occupancy rates and pricing should fully recover by 2023.**

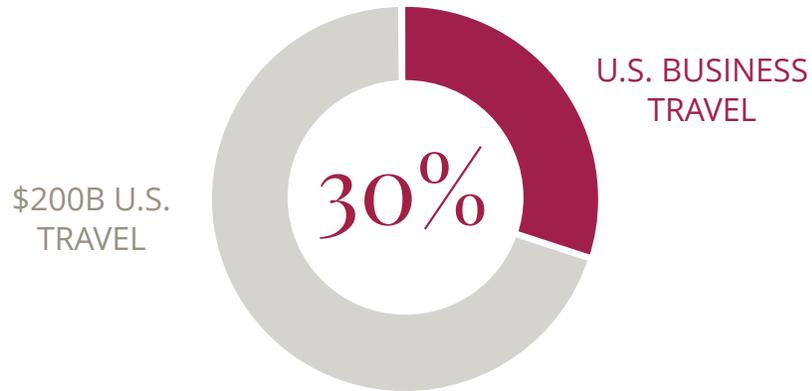
“ It’s simple: Phoenix has opened its doors to investors of all sizes to real estate. As so many of us are moving away from stocks and bonds, it’s good to invest in hotels which are operating businesses. The Phoenix team is managing a scalable strategy with essentially two prongs: hospitality real estate, and the chops for modern, roll-up-your-sleeves self-management. ”

**6 Charts Illustrate Where Pent-Up Demand Is Strongest (and Weakest) in a Post-Pandemic Economy Morning Consult, 03/24/21*

***2022 US Real Estate Market Outlook Hotels CBRE, 2022*

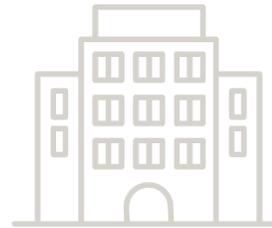
WHY BUSINESS SELECT HOTELS?

Business travel hotels historically boasted the highest operating and profit margins in the industry and are less affected by the cyclical nature of commercial real estate and overall economic downturns.



The U.S. hotel industry generates over \$200 billion in revenue.⁷ Business travel accounts for 30% of all travel expenditures.⁸

12-22%
RESORT



40%
BUSINESS SELECT HOTEL



Higher profit margins in
Business Select Hotels vs. Full-Service Hotels

⁷ Statista.com ⁸ U.S. Travel Association

MEET OUR TEAM

EXPERIENCE & SPECIALIZED KNOWLEDGE

Our team has decades of hands-on experience profitably buying, owning, and managing hotel properties. Our senior management leaders boast more than 60 years of collective experience.

W.L. "PERCH" NELSON, President & CEO



Perch Nelson's achievements demonstrate his strengths in real estate development, acquisition, and capital management. More specifically, he served as Capital Asset Manager for Wyndham Hotels & Resorts charged with capital improvement budgets. He was responsible for developing and executing the strategic re-positioning plans for the Garden, Hotel and Resort Divisions.

Upon merging with Wyndham Hotels & Resorts, Patriot American Hospitality, Mr. Nelson also assumed the departmental responsibility of the Capital Management and Product Development for all Wyndham International's brands. He was responsible for 200 hotels, but not only the Wyndham branded hotels but also the franchise products flagged by Hyatt, Radisson, Holiday Inn Select, Hampton Inn, Doubletree, and Marriott. Mr. Nelson, as head of the capital deployment area, managed post-merger growth in the annual development budget from \$214 million to well over \$300 million.

Mr. Nelson left Wyndham to acquire hotels for his own personal account. Using his own funds, Mr. Nelson successfully acquired and managed a small group of hotels. This served as additional exposure to the day-to-day management required to run a hotel. Post-acquisition, he oversaw hotel operations including management of the employees, revenue maximization, purchasing, customer relations, and human resources. Mr. Nelson, as the owner, had a hand in everything related to the operation of the hotel.

Mr. Nelson has over 30 years of experience in the Real Estate industry in acquisition, development, and the asset management of commercial properties. Mr. Nelson achieved Dean's list Honors at Southern Methodist University while pursuing a BA in Economics.

MEET OUR TEAM

JAY ANDERSON, Executive Vice President & Controller



Jay Anderson started as a Controller with Wyndham International, working in both the downtown hotel and resort markets. He was soon promoted to Area Controller, overseeing a diverse portfolio of fifteen hotels and resorts in the Northwest and Midwest, including The Buttes Resort, The Peaks, Carmel Valley Ranch, The Golden Door Spa, and the Boulders Resort. Soon after, Anderson moved to the corporate office in Dallas and maintained their SAP and Hyperion Essbase systems. He eventually moved to Aimbridge Hospitality as a Director of Finance, where he was responsible for building their reporting and budgeting tools. As Aimbridge grew, Anderson was promoted to Vice President of Finance and Assistant Treasurer and took ownership for the daily cash management of over eighty hotels as well as all corporate reporting to ownership. He then became the Vice President of Information Systems and successfully migrated the Aimbridge reporting system to Allosso Technologies.

MAX AILLS, Investment Analyst



Max Aills started his career in the Hospitality Industry with Phoenix American Hospitality after 5 years in the Finance Industry, where he specialized in Risk Management strategies for Commercial Real Estate companies. His past work experience gives him ample knowledge and familiarity within our industry to seamlessly transfer his skills into the Hospitality field. He works with Perch Nelson and Audrey Kamin to analyze, improve, and streamline the investment division. Max has already made a tremendous impact on our organization and will continue to provide support to the Investment Team.

MEET OUR TEAM

JAN KUEHNEMANN, Vice President of Acquisitions



Jan Kuehnemann joined Phoenix American Hospitality with more than 15 years of experience in hotel management and operations. In his position as VP of Mergers & Acquisitions, Mr. Kuehnemann plays a key role in the identification, evaluation and recommendation of merger and acquisition candidates. He spent nearly a decade as vice president of the capital transactions group at FelCor Lodging Trust, where he was responsible for all acquisitions and dispositions efforts of the company. During his tenure with FelCor, which also included serving as Director of capital transactions, he closed on more than \$2 billion in hotel transactions and negotiated management agreements for both newly acquired and existing hotels. Mr. Kuehnemann holds a B.A. from the School of Hotel Administration at Cornell University.

JEMEL JONES, Vice President of Operations & Asset Management



Jemel has over 20 years of experience in the hospitality industry, to include 10 years of hotel consulting and client support also 15 years of hotel operational and sales experience.

Jemel has a strong background spending many years with Hilton starting as Executive Housekeeper and working up to GM of a Hampton Inn in New Orleans. Followed by 4 years in Revenue Management both on property and at Hilton Worldwide RMCC, while in this position he increased Market Share for 5 full-service hotels in a year.

Most recently, Jemel was the opening GM of a Doubletree Hotel in Arlington, TX where he increased service scores above brand average. Also exceeded opening Food and Beverage budget by \$120k and opening budget by \$300k.

MEET OUR TEAM

KELLI JOSEPH, Senior Corporate Director of Human Resources



Kelli Joseph has over 20 years of human resources experience in the hospitality industry. Most recently, Joseph was the Senior Corporate Director of Human Resources for Wyndham Hotel Group's managed properties. In this role, Joseph oversaw the human resource function for 60 hotels and approximately 7,500 associates in the U.S. and was responsible for promoting the company's culture, ensuring hotel teams comply with all federal and state regulations and policies, recruiting and developing talent, and implementing succession planning initiatives.

Joseph joined Wyndham Hotel Group in 2009 as a Corporate Talent Acquisition Recruiter. Prior to Wyndham Hotel Group, she served as a Complex Human Resources Manager for Aramark where she led human resources functions for over 1,000 union and non-union employees at two major sports and entertainment arenas. In addition, she has also held various corporate and regional human resources roles with Pyramid Advisors Hotel Group, Wyndham International and the former Strawbridge's Department Store chain.

Joseph earned a bachelor's degree in communications from Pennsylvania State University in University Park, Pennsylvania, and has continued her studies in Business Management and Organizational Development at the university's Great Valley School of Graduate Professional Studies in Malvern, Pennsylvania.

TERESA KEMPER, Senior Director of Central Accounting



Teresa Kemper has over 30 years accounting experience, with the last 10 years working in the hospitality industry. Most recently, Kemper held the position of Director of Central Accounting for Aimbridge Hospitality where she led a team of 15 accountants and managers overseeing the full-service accounting for over 80 hotels. Her experience includes preparing monthly and quarterly consolidated GAAP financial statements, monthly owner reporting and leading annual external audits. Kemper has also been heavily involved in developing and maintaining accounting policies and procedures and systems of internal controls for corporate activities.

Prior to Aimbridge Hospitality, Kemper worked at the corporate offices of Mary Kay Cosmetics in their Financial Resources department and Natural Health Trends where she worked in cash management and accounting.

MEET OUR TEAM

CRAIG RIDGEWAY, Director of Operations



Craig has over 30 years of experience in the hospitality industry, from operations, corporate project management, I.T. project management and consulting. His brand experience includes Marriott / Starwood, Hilton, Hyatt, IHG, Harrah's Casino, and Choice Hotels. In addition, Craig has extensive experience in boutique, historic, resort and conference center properties. His career portfolios boast full – service, extended stay, select service hotels, independent restaurants, bars, and college dining facilities.

CONNIE RAUSCHER, Investor Relations



Connie Rauscher has over 25 years in the Hospitality Industry. She recently worked at Aimbridge Hospitality for 14 years in the Executive and Accounting departments. Prior to that, she was with Wyndham Hotels & Resorts for 11 years working in Human Resources, Development, Marketing and the Executive area.

This experience from all different areas enables her to assist our Investors after they have invested with Phoenix American Hospitality. She oversees the administrative functions in the corporate office in addition to working closely with our Investors.

MEET OUR TEAM

PRESCOTT KING, Business Analyst



Prescott King, born in Dallas, TX. Graduated from Southern Methodist University this May with a degree in finance. Played 4 years of lacrosse while at SMU and was team captain Junior and Senior year.

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THANK YOU FOR TAKING THE TIME
TO LEARN MORE ABOUT THIS
INVESTMENT OPPORTUNITY IN
PREMIUM BUSINESS SELECT HOTELS.



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