

## IMPORTANT TAX NOTICE

### **Alternative Minimum Tax Adjustments**

Tax year 2008 alternative minimum tax adjustment items have been apportioned to Host Hotels & Resorts, Inc. common and preferred shareholders and the holders of its Exchangeable Senior Debentures due April 15, 2024 (“the Debenture Holders”) in an amount equal to .61778% of the total 2008 ordinary taxable dividends. These adjustment items will only impact common and preferred shareholders and Debenture Holders that are subject to the alternative minimum tax for 2008.

Your share of the 2008 alternative minimum tax adjustment items is computed by multiplying the ordinary taxable dividend amount in box 1a of your 2008 Form 1099-DIV by .61778%. Individual taxpayers should report this amount on their 2008 Form 6251, line 18 – Depreciation on assets placed in service after 1986 (difference between regular tax and AMT). Please note that this amount is a positive adjustment (i.e., increase to alternative minimum taxable income). Please consult your tax advisor for the proper treatment of this adjustment item.

Included on the back of this Notice is a summary of the 2008 taxable distributions from Host Hotels & Resorts, Inc. for your information. If you require additional information, please consult our website at [www.hosthotels.com](http://www.hosthotels.com) or call Computershare at 1-800-519-3111, 9 a.m.-4 p.m. Eastern Time, Monday through Friday.

### **Taxability of Fourth Quarter 2008 Common and Preferred Dividends Received in January 2009**

Although the fourth quarter 2008 dividend checks related to our Class A common stock and Class E preferred stock were not distributed until January 15, 2009, for federal income tax purposes these dividends are treated as both paid by Host Hotels & Resorts, Inc. and received by common and preferred shareholders on December 31, 2008. The fourth quarter 2008 Class A common and Class E preferred dividends are, therefore, taxable to common and preferred shareholders in 2008, and have been included in the amount of your taxable dividends reflected in box 1a of your 2008 Form 1099-DIV.