HOST
HOTELS & RESORTS®

August 19, 2013

Ms. Susan M. Cosper
Technical Director
File Reference No. 2013-230
Financial Accounting Standards Board
401 Merritt 7
PO Box 5116
Norwalk, Connecticut 06856-5116

Delivered electronically to: director@fasb.org

Subject: File Reference No. 2013-230 Presentation of Financial Statements (Topic 205) *Reporting Discontinued Operations* (the Exposure Draft)

Dear Ms. Cosper:

Host Hotels & Resorts, Inc. welcomes this opportunity to respond to the request for comments from the Financial Accounting Standards Board (FASB or the Board) on the above referenced Exposure Draft. We appreciate the FASB's consideration of a revised discontinued operations definition and we support the proposed definition. While it would increase convergence with standards issued by the International Accounting Standards Board (IASB), it would also represent a more accurate meaning of a discontinued operation.

About Host Hotels & Resorts, Inc.

Host Hotels & Resorts, Inc. is an S&P 500 and Fortune 500 company and is the largest U.S. lodging real estate investment trust (REIT) and one of the largest owners of luxury and upper-upscale hotels. We are also a member of the National Association of Real Estate Investment Trusts® (NAREIT). The Company currently owns 103 properties in the U.S. and 15 properties internationally totaling approximately 62,700 rooms. We also hold non-controlling interests in a joint venture in Europe that owns 19 hotels with approximately 6,100 rooms and a joint venture in Asia that owns one hotel in Australia and a minority interest in two hotels in India. Guided by a disciplined approach to capital allocation and aggressive asset management, the Company partners with premium brands such as Marriott®, Ritz-Carlton®, Westin®, Sheraton®, W®, St. Regis®, Le Meridien®, The Luxury Collection®, Hyatt®, Fairmont®, Four Seasons®, Hilton®, Swissotel®, ibis®, Pullman®, and Novotel® in the operation of properties in over 50 major markets worldwide. For additional information, please visit our website at www.hosthotels.com.

Host Hotels & Resorts, Inc.'s Comments and Recommendations

In support of NAREIT's advocacy, we agree with the Board's proposal to redefine a discontinued operation as the disposition of a component of an entity (or group of components) that represents a separate major line of business or major geographical area of operations. Under

existing guidance, we classify the sale of an individual property as a discontinued operation, regardless of its significance to our portfolio. Therefore, we agree with the Board's proposal that a discontinued operation should represent a major strategic shift in operations.

Additionally, as acknowledged by the Board in the Exposure Draft, the proposed definition would eliminate financial reporting costs and complexities. In certain circumstances, the current definition can cause companies to restate prior filings with the Securities and Exchange Commission (SEC) for the reclassification of operations that were subsequently discontinued, including the sale of a single, insignificant property. As a result, we support the Board's proposed definition.

While we agree with this definition, we have specific recommendations discussed below with respect to: i) investments accounted for under the equity method; and, ii) transition.

Investments Accounted for under the Equity Method

We recommend that equity method investments continue to be excluded from the scope of reporting discontinued operations. We believe that maintaining a net presentation of the total operations of these investments, including the discontinued operations, is more useful to financial statement users. This presentation clearly distinguishes an equity method investment from other arrangements to reflect our rights to the net assets, as well as our inability to exercise control over the investment and its operations.

Presenting an equity method investment, or a component of the investment, as a discontinued operation on the consolidated financial statements would appear to create a conflict with the presumption of control and consolidation. The current equity method presentation promotes the purpose of consolidated financial statements: to reflect a parent and its subsidiaries as if they were a single economic entity. Since a reporting entity lacks control over the operations of an equity method investment, these operations do not have the same significance as the consolidated operations of the parent and its subsidiaries. Therefore, we believe that a disposal of an equity method investment should not represent a discontinued operation of a consolidated entity.

Although this proposed scope inclusion would be consistent with the IASB's existing guidance, we recommend that the FASB retain the current presentation of equity method investments in their entirety as one line item on the financial statements. This presentation helps users to easily identify the operations of the investment separately from the consolidated operations. Additional information related to these investments, including disposals, should continue to be provided in the disclosures.

Transition

We recommend that the Board offer an election for retrospective application to permit the presentation of comparable operations for all periods presented during transition. Additionally, we support the Board's conclusion to permit early adoption.

Again, we appreciate the opportunity to participate in the FASB's due process toward the development of an improved discontinued operations definition. If you would like to discuss our comments, please contact Brian Macnamara, Senior Vice President and Corporate Controller, at (240) 744-5423 or brian.macnamara@hosthotels.com.

Respectfully submitted,

/s/ Brian Macnamara

Brian Macnamara
Senior Vice President and Corporate Controller
Host Hotels & Resorts, Inc.