



12%
**ANNUALIZED,
DISTRIBUTED
MONTHLY,
PLUS GROWTH**

**Beginning with our first distribution, 11/15/23.*

AMERICAN HOSPITALITY PROPERTIES, REIT II, INC.

Phoenix REIT II: A Portfolio of Premium Business Select Hotels

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



PHOENIX AMERICAN
HOSPITALITY

Phoenix American Hospitality and its REITs own, operate, and manage ALL of the hotels pictured in this guide and on our website.

OUR SUMMARY

Buy **Premium Business Select Hotels** that meet our investment process criteria. Make money by better managing the properties (we are experienced owners AND operators) and potentially improve the facilities.



Keeping it simple.

- ✓ **Monthly distributions of 12% annualized.** Share the profits from operating the hotels with our investors, you get paid first monthly, until you reach a minimum annual 8% return.
- ✓ **Share the growth in values of our hotels.** Sell the hotels (estimated within 4-5 years). We aim to sell the entire portfolio when we believe they have reached “full market value.”
- ✓ We will **share the anticipated profits** from selling the hotels, 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 distributions, your initial investment, plus growth.

**Since 10/31/21*

WE'RE AN INDUSTRY LEADER IN DISTRIBUTING HIGH MONTHLY YIELDS FROM REAL ESTATE-BACKED INVESTMENTS.

PAH REIT II MONTHLY DISTRIBUTION HISTORY

October 2023	10%	annualized	January 2024	10%	annualized
November 2023	10%	annualized	February 2024	10%	annualized
December 2023	10%	annualized	March 2024	10%	annualized
Q4 Quarterly Bonus 2023	6%	annualized	Q1 Quarterly Bonus 2024	6%	annualized

**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.

Operating profits are not the only distributions you should anticipate, read on about receiving your capital back along with sharing in the anticipated profit when we sell our hotels in 4-5 years.

THE MORE YOU INVEST, THE MORE YOU EARN!
*Invest and earn **bonus shares**.*

BONUS SHARE PROGRAM				
INVESTMENT AMOUNT	NUMBER OF SHARES	BONUS SHARES	TOTAL NUMBER OF SHARES	PERCENT BONUS
\$100,000	10,000	200	10,200	2%
\$250,000	25,000	875	25,875	3.5%
OVER \$500,000	50,000	2,500	52,500	5%

WHY PHOENIX?

WHY CONSIDER PHOENIX AMERICAN HOSPITALITY PROPERTIES REIT II, INC.?

Monthly distributions.

Just like with REIT I, we are already exceeding expectations by distributing, 12% annualized, monthly, including our end of 2023 bonus distribution. Our structure compels us distribute 90% of operating profits by year-end.. The 12% goal 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 in 4-5 years. We are aiming to sell when we calculate that they have reached full market value, reflecting the value purchasing hotels in opportune locations and from our improvements to operations and facilities. There is no reinvestment of capital. Assuming we meet our time horizon goal, investors can expect to receive their initial investment, plus or minus appreciations.

Putting our investors first:

Our investors earn 100% of the first 10% 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.

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 hospitality investments in this high-potential sector. Now you can invest right alongside them. Our Reg A+ offering allows investors of all income levels and portfolio sizes to invest.

PROFIT DISTRIBUTION

Gross Profit of	10%	10-12%	12%+
Investors Receive	100%	80%	60%+

ABOUT US

MANY INVESTORS FOUND GROWTH IN OUR FIRST REIT AND WE'RE RUNNING REIT II USING THE SAME CRITERIA.

Commercial real estate may address many investor needs.

As an asset class, real estate offers several 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 continues to grow, hotels—we believe that particularly **Premium Business Select Hotels**—offer some of the strongest growth potential of any real estate sector. This is the second REIT we have released to the public, the first has been successfully distributing 12% annually since 10/31/21.

- Historically, 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.* That is, until Phoenix's REIT I has been helping more than 2,000 investors benefit from consistent monthly income.
- 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.*

WORRIED ABOUT INFLATION? HOTELS MAY PROVIDE PROTECTION.

Premium Business Select Hotels have thrived in a wide range of economic conditions:

Dynamic pricing

- Unlike apartments, offices, 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 daily, or even hourly, based on demand and other factors.
- As experienced operators, we embrace the small staff required compared to resorts or other full-service hotels, we pay them a little better, reducing turnover and increasing customer satisfaction.
- We ONLY buy national brands!



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 Hotel sector.

Who should consider Phoenix American Hospitality Properties REIT II, Inc.?

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



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 eighth—and all previous funds met or exceeded investor expectations for income and capital appreciation.
- Our last REIT has been successfully distributing a 12% annualized return monthly since 10/31/21—and that is BEFORE growth.
- Our team boasts decades of experience in the hotel business.

#2 We're owners *and* operators.

- Phoenix focuses on strongly recognized brands — 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. 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:

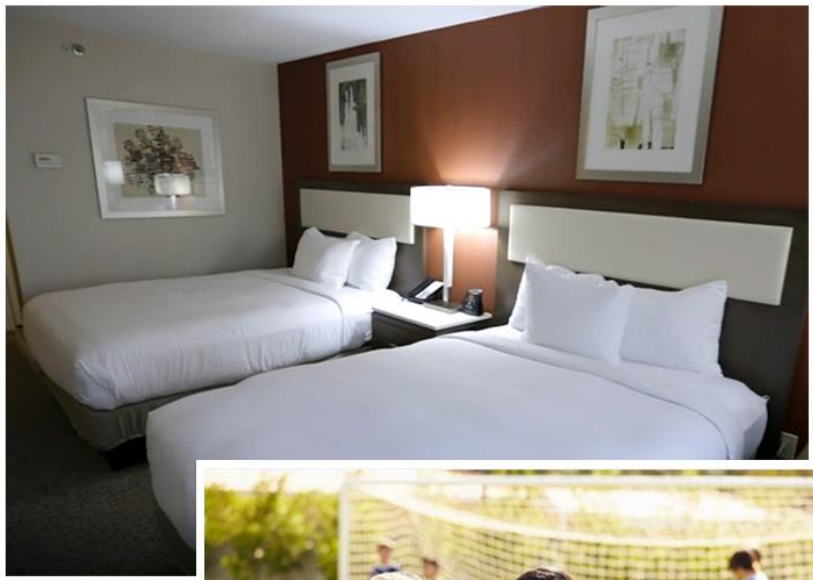
1. **Strong national brands:** We invest in names everyone knows, Marriott and Hilton.
2. **Proven performance:** We seek out properties that are already making money, with strong, positive cash flow.
3. **Market leadership:** We look for hotels that are outperforming their competition.
4. **Location:** 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.



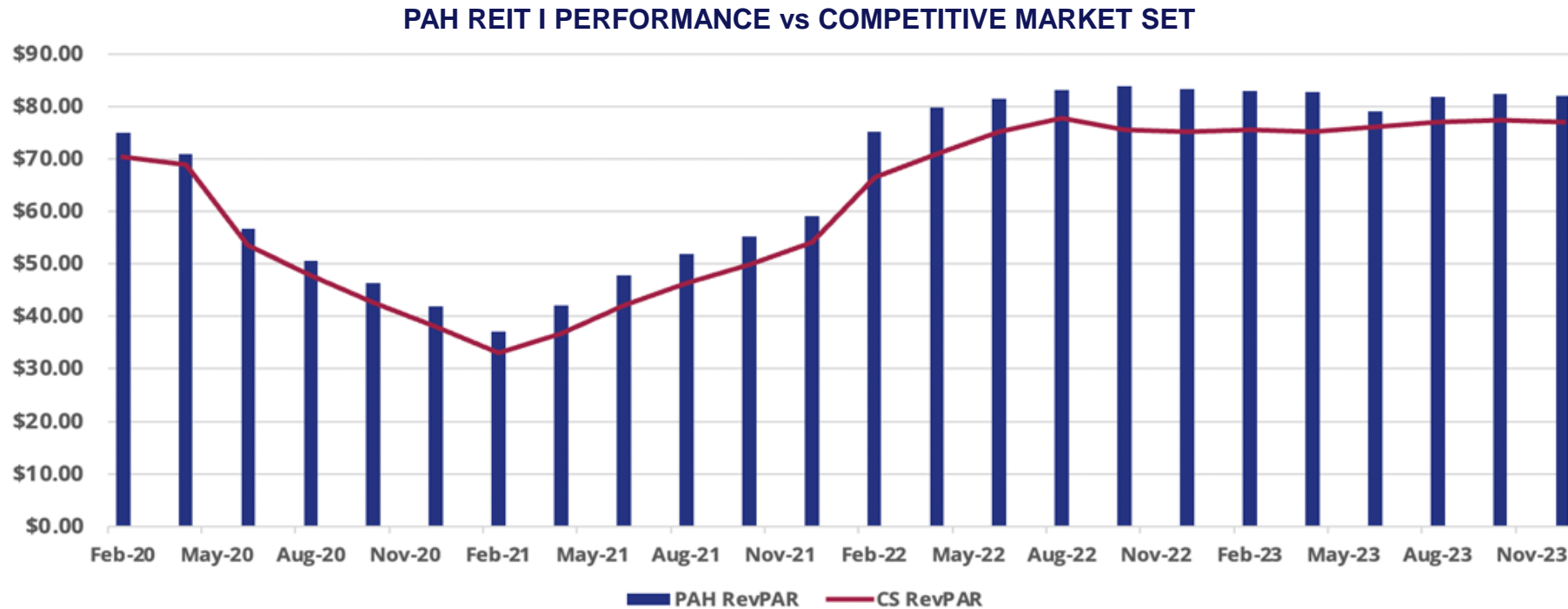
#5 We focus on what we believe to be the most resilient segment of the industry: Premium Business Select Hotels.



- 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 travellers, 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 book up fast when the big game is in town, weddings overflow, being near hospitals, college move-in and out weekends—which all lead to higher room rates during peak demand.

#6 We have a history of performance that speaks for itself.

- In REIT I, we bought good properties and aimed to make them great, increasing profitability through aggressive room rate pricing, property upgrades, targeted sales campaigns, and cost-cutting.
- Our strategy resulted in consistent monthly income for our investors that can be annualized at 12% since 10/31/21.
- 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.



Past performance is not a guarantee of future performance.

#7) We manage risk through a variety of mechanisms.

- Purchasing already performing hotels at prices below replacement value.
- Investing in the resilient Premium Business Select sector rather than luxury or budget.
- Maintaining reserves for adverse circumstances.
- Avoiding hotels investment in America's largest cities, which we believe to have unique challenges and competition.

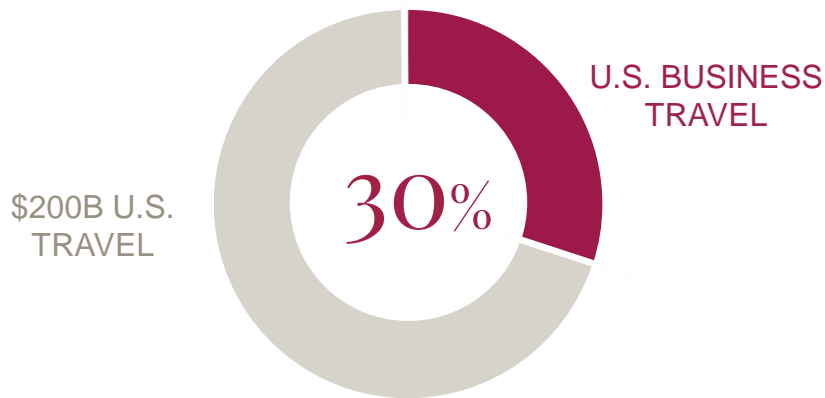
#8) Institutional investors provide an additional layer of due diligence.

- 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.*

WHY PREMIUM 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



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

⁷ Statistica.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.

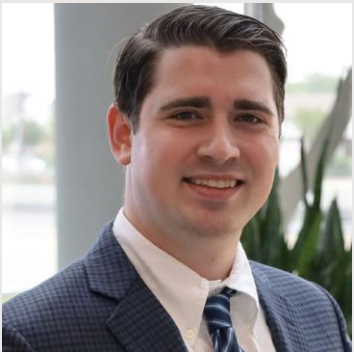
MEET OUR TEAM

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

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.

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.

MEET OUR TEAM

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.

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.

RISK DISCLOSURE

THE OFFERING IS MADE ONLY BY MEANS OF THE OFFERING CIRCULAR WHICH CAN BE FOUND AT investpah.com/oc, AN OFFERING STATEMENT REGARDING THIS OFFERING HAS BEEN FILED WITH THE SEC. THE SEC HAS QUALIFIED THAT OFFERING STATEMENT WHICH ONLY MEANS THAT PHOENIX AMERICAN HOSPITALITY PROPERTIES REIT II, INC. MAY MAKE SALES OF THE SECURITIES DESCRIBED BY THAT OFFERING STATEMENT. IT DOES NOT MEAN THAT THE SEC HAS APPROVED, PASSED UPON THE MERITS, OR PASSED UPON THE ACCURACY OR COMPLETENESS OF THE INFORMATION IN THE OFFERING STATEMENT.

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SOME OF THE STATEMENTS UNDER “OFFERING SUMMARY”, “RISK FACTORS”, “MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS”, “THE COMPANY’S BUSINESS” AND ELSEWHERE IN THE OFFERING CIRCULAR CONSTITUTE FORWARD-LOOKING STATEMENTS. FORWARD-LOOKING STATEMENTS RELATE TO EXPECTATIONS, BELIEFS, PROJECTIONS, FUTURE PLANS AND STRATEGIES, ANTICIPATED EVENTS OR TRENDS, AND SIMILAR MATTERS THAT ARE NOT HISTORICAL FACTS. IN SOME CASES, YOU CAN IDENTIFY FORWARD-LOOKING STATEMENTS BY SUCH TERMS AS “ANTICIPATE”, “BELIEVE”, “COULD”, “ESTIMATE”, “EXPECT”, “INTEND”, “MAY”, “PLAN”, “POTENTIAL”, “SHOULD”, “WILL”, AND “WOULD” OR THE NEGATIVES OF THESE TERMS OR OTHER COMPARABLE TERMINOLOGY.

YOU SHOULD NOT PLACE UNDUE RELIANCE ON FORWARD-LOOKING STATEMENTS. THE CAUTIONARY STATEMENTS SET FORTH HERE AND IN THE OFFERING CIRCULAR, INCLUDING IN “RISK FACTORS” AND ELSEWHERE, IDENTIFY IMPORTANT FACTORS WHICH YOU SHOULD CONSIDER IN EVALUATING OUR FORWARD-LOOKING STATEMENTS.

PROSPECTIVE INVESTORS SHOULD INFORM THEMSELVES AS TO THE LEGAL REQUIREMENTS AND TAX CONSEQUENCES WITHIN THE COUNTRIES OF THEIR CITIZENSHIP, RESIDENCE, DOMICILE, AND PLACE OF BUSINESS WITH RESPECT TO THE ACQUISITION, HOLDING, OR DISPOSAL OF SECURITIES OF THE TYPE DESCRIBED HEREIN, AND ANY FOREIGN EXCHANGE OR OTHER NON-U.S. RESTRICTIONS THAT MAY BE RELEVANT THERETO.

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



PHOENIX AMERICAN
H O S P I T A L I T Y

AMERICAN HOSPITALITY PROPERTIES, REIT II, INC.

INVEST - online

INVEST - with the support
of a team member

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