



FOR IMMEDIATE RELEASE

SYMBOL: "RYL.UN"

ROYAL HOST REIT ANNOUNCES NORMAL COURSE ISSUER BID FOR ITS TRUST UNITS

Calgary, Alberta, January 8, 2010 – Royal Host Real Estate Investment Trust ("Royal Host") (TSX:RYL.UN) (TSX:RYL.DB.B) (TSX:RYL.DB.C) (TSX:RYL.DB.D) announced today that the Toronto Stock Exchange ("TSX") has accepted Royal Host's Notice of Intention to make a Normal Course Issuer Bid (the "Bid") to purchase for cancellation, from time to time, as Royal Host considers advisable, its trust units (Trading Symbol: RYL.UN) (the "Units") through the facilities of the TSX. Royal Host intends to purchase for cancellation up to a maximum of 1,298,871 Units, being approximately 10% of Royal Host's "public float" outstanding on the date hereof, calculated in accordance with the rules of the TSX. As of the date hereof, the public float and the issued and outstanding are 12,988,712 and 18,304,670 Units, respectively. The price which Royal Host will pay for any Units purchased by it will be the prevailing market price of the Units on the TSX at the time of such purchase. The actual number of Units that may be purchased for cancellation and the timing of any such purchases will be determined by Royal Host.

The Bid will commence on January 12, 2010 and will terminate on January 11, 2011 or such earlier time as the Bid is completed or terminated at the option of Royal Host.

Management of Royal Host believes that, from time to time, the market price of the Units may not fully reflect the underlying value of the Units and that at such times the purchase of Units would be in the best interests of Royal Host. Such purchases will increase the proportionate interest of, and may be advantageous to, all remaining Unit holders. In addition, the purchases by Royal Host may increase liquidity to Royal Host's Unit holders wishing to sell their Units.

The actual number of Units that may be purchased for cancellation and the timing of any such purchases will be determined by Royal Host, subject to a maximum daily purchase limitation of 6,813 Units which equals 25% of Royal Host's average daily trading volume for the previous six months of trading. The average daily trading volume for the previous six months was 27,253.

Royal Host has made purchases of 1,419,030 Units during the previous twelve months at a weighted average price of \$2.77 under a previous normal course issuer bid which expires on January 11, 2010.

Royal Host is a uniquely diversified hospitality trust that delivers Unitholder value through hotel ownership, investment, management and franchising. Royal Host's portfolio of Canadian hotels operates under a variety of recognizable brands as well as a number of unbranded properties. The Trust's hotel

portfolio is further enhanced by a stable franchising business, a successful hotel management operation, and a portfolio of publicly-traded securities from within the hospitality and service sectors.

Royal Host trust units and convertible debentures are traded on the Toronto Stock Exchange under the trading symbols "RYL.UN", "RYL.DB.B", "RYL.DB.C" and "RYL.DB.D", respectively.

FOR FURTHER INFORMATION PLEASE CONTACT:

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