

The Depository Trust Company
IMPORTANT

B#: 2042
DATE: May 24, 2001
TO: All participants
CATEGORY: Dividends
FROM: Anthony Capizzi, Domestic Tax Services, Dividend Dept.
ATTENTION: Managing Partner/Officer, Cashier, Dividend Mgr. Tax Mgr.
SUBJECT: InnSuites Hospitality Trust
CUSIP# 457919108
2000 Tax Information

The attached correspondence containing tax information was received by the Depository Trust Company. If applicable please consult your tax advisor to assure proper treatment of this event.

Attachment



InnSuites Hospitality Trust

AMEX: IHT

B #2042

January 30, 2001

RE: 2000 1099 DIV FEDERAL INCOME TAX DIVIDEND INFORMATION

Dear Fellow InnSuites Hospitality Trust Shareholder:


The following provides additional information regarding 1099's (mailed under separate cover) for the 2000 tax year and represents the non-taxable, return of capital, federal income tax status of cash dividends paid during the 2000 calendar year by *InnSuites Hospitality Trust* - (American Stock Exchange symbol IHT - E.I.N. 34-6647590). This information should be utilized in preparing 2000 income tax returns. You should provide this information to your tax advisor.

<u>2000 Distribution Date Paid</u>	<u>Amount Paid Per Share</u>
January 31, 2000	\$.01
April 30, 2000	.01
July 31, 2000	.01
October 31, 2000	.01
	\$.04

We are pleased to report a 31 consecutive year dividend payment history. Although Dividends are modest in relationship to the Trust's Funds From Operations and earnings potential, this conservative payout allows us to pursue attractive internal growth opportunities including the following:

- With an estimated net asset value of \$4.65 per share, the Board of Trustees has identified InnSuites Hospitality Trust's share as one of these investment opportunities. January 2001 purchases of over 60,000 shares and the purchase of approximately 577,000 during fiscal 2000 and the first nine months of fiscal 2001 support this commitment. By re-investing a portion of the capital that otherwise would have been paid out in the form of higher dividends, the Trust will be better able to maximize shareholder returns, including the ability to pay higher dividends in the future.
- InnSuites Hospitality Trust announced on September 6, 2000 that its Operating Partnership had purchased the Albuquerque Best Western Airport Inn through its wholly owned subsidiary, Albuquerque Suite Hospitality, LLC. The purchase of the 122-suite hotel increased the number of suites available through the Trust to 1787 and is also its first hotel in the New Mexico market. Preliminary results are favorable. Also, during the second quarter of fiscal 2001, the Trust, acquired an option to purchase the 166 suite InnSuites Hotels Fort Worth/Dallas. In addition, management committed more than \$1.6 million in refurbishment projects in the various hotels during fiscal 2001.
- The Trust is in the implementation phase of a web-based Property Management System that allows system-wide real-time access to reservations availability of suites at all of the Trust's hotels. These physical and technological enhancements assist InnSuites Hospitality Trust in improving performance and in remaining competitive with benefits expected to be increasingly realized in the coming fiscal year.
- The Trust is taking steps to benefit from the REIT Modernization Act


Marc E. Berg
Executive Vice President


Anthony Waters
CFO

InnSuites Hotels Centre

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