

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT PURSUANT TO
SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported):

June 7, 2021

DiamondRock Hospitality Company

(Exact name of registrant as specified in charter)

Maryland
(State or Other Jurisdiction
of Incorporation)

001-32514
(Commission
File Number)

20-1180098
(IRS Employer
Identification No.)

2 Bethesda Metro Center, Suite 1400
Bethesda, MD 20814
(Address of Principal Executive Offices) (Zip Code)

(Registrant's telephone number, including area code): (240) 744-1150

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, \$0.01 par value	DRH	New York Stock Exchange
8.250% Series A Cumulative Redeemable Preferred Stock, par value \$0.01 per share	DRH Pr A	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

This Current Report on Form 8-K (“Current Report”) contains forward-looking statements within the meaning of federal securities laws and regulations. These forward-looking statements are identified by their use of terms and phrases such as “believe,” “expect,” “intend,” “project,” “anticipate,” “position,” and other similar terms and phrases, including references to assumptions and forecasts of future results. Forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors which may cause the actual results to differ materially from those anticipated at the time the forward-looking statements are made. These risks include, but are not limited to national and local economic and business conditions, including the impact of COVID-19 on occupancy rates at our hotels and the demand for hotel products and services, and those risks and uncertainties described from time to time in our filings with the Securities and Exchange Commission, including our Annual Report on Form 10-K filed on March 1, 2021 and our Quarterly Report on Form 10-Q filed on May 7, 2021. Although we believe the expectations reflected in such forward-looking statements are based upon reasonable assumptions, we can give no assurance that the expectations will be attained or that any deviation will not be material. All information in this Current Report is as of the date of this Current Report, and we undertake no obligation to update any forward-looking statement to conform the statement to actual results or changes in our expectations.

ITEM 7.01.Regulation FD Disclosure.

A copy of a slide presentation that DiamondRock Hospitality Company (the “Company”) intends to use at investor meetings is attached to this Current Report on Form 8-K (“Current Report”) as Exhibit 99.1 and is incorporated by reference herein. Additionally, the Company has posted the slide presentation in the investor relations/presentations section of its website at www.drhc.com.

The information in this Item 7.01, including Exhibit 99.1 attached hereto, is being furnished and shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities of such section. The information in this Current Report, including Exhibit 99.1, shall not be incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Exchange Act, regardless of any incorporation by reference language in any such filing. This Current Report will not be deemed an admission as to the materiality of any information in this Current Report that is required to be disclosed solely by Regulation FD.

ITEM 9.01. Financial Statements and Exhibits.

(d) Exhibits.

The following exhibits are included with this report:

Exhibit No. Description

99.1	Investor Presentation - June 2021
101.SCH	Inline XBRL Taxonomy Extension Schema Document
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document
104	Cover Page Interactive Data File

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

DIAMONDROCK HOSPITALITY COMPANY

Dated: June 7, 2021

By: /s/ Briony R. Quinn
Briony R. Quinn
Senior Vice President and Treasurer





Forward Looking Statements

Certain statements made during this presentation are forward-looking statements that are subject to risks and uncertainties. Forward-looking statements generally include the words “believe,” “expect,” “anticipate,” “plan,” “estimate,” “project,” “will,” “intend” or other similar expressions. Forward-looking statements include, without limitation, statements regarding, industry outlook, results of operations, cash flows, business strategies, growth and value opportunities, capital and other expenditures, financing plans, expense reduction initiatives and projected dispositions.

Factors that could cause actual results to materially differ from those contained in the forward-looking statements include, without limitation, national and local economic and business conditions, including the impact of COVID-19 on occupancy rates at the Company’s hotels and the demand for hotel products and services, and those risks and uncertainties discussed in the most recent Annual Report on Form 10-K, which DiamondRock Hospitality Company (the “Company”) has filed with the Securities and Exchange Commission, and which you should carefully review. The forward-looking statements made are based on our beliefs, assumptions and expectations of future performance, taking into account all information currently available to the Company. Actual results could differ materially from the forward-looking statements made in this presentation. The forward-looking statements made in this presentation are subject to the safe harbor of the Private Securities Litigation Reform Act of 1995.

Any forward-looking statement speaks only as of the date on which it is made. Although the Company believes the expectations reflected in such forward-looking statements are based upon reasonable assumptions, it can give no assurance that the expectations will be attained or that any deviation will not be material. All information in this presentation is as of the date of this presentation, and the Company undertakes no obligation to update any forward-looking statement to conform the statement to actual results or changes in the Company’s expectations.

This presentation contains statistics and other data that has been obtained or compiled from information made available by third-party service providers and believed to be reliable, but the accuracy and completeness of the information is not assured. The Company has not independently verified any such information.



Operations

	Trailing Three Months								
	March			April ⁽¹⁾			May ⁽¹⁾		
	Occ	ADR	RevPAR	Occ	ADR	RevPAR	Occ	ADR	RevPAR
Urban	55.4%	\$311.73	\$172.62	62.7%	\$335.28	\$210.28	62.9%	\$345.25	\$217.24
Resort	18.4%	\$131.21	\$24.11	23.3%	\$136.44	\$31.82	28.4%	\$144.08	\$40.97
Total Portfolio	26.9%	\$216.85	\$58.34	32.4%	\$225.16	\$72.96	36.4%	\$224.29	\$81.62

- Cash flow positive each month
- Expect cash flow in Q2 to be positive after corporate G&A
- Reopened Chicago Marriott on 4/15/21, Hilton Garden Inn Times Square on 5/3/21, and Courtyard Fifth Avenue on 6/1/21

Strategic Transactions

- Created \$350MM+ Investment Capacity
- Pending Sale of The Lexington for \$185MM
 - 6.3% capitalization rate on 2019 Hotel NOI
 - 5.8% capitalization rate on 2018 Hotel NOI
- Sold Frenchman's Reef for \$35MM plus profit participation
 - Preserves \$175MM of liquidity
 - Received \$240MM of insurance proceeds in December 2019

(1) Forecast as of 6/3/21

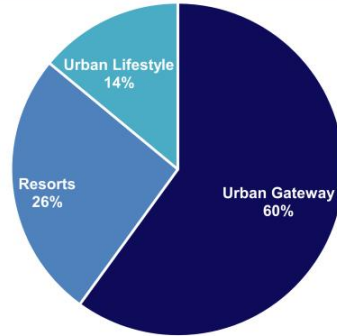


DiamondRock at a Glance

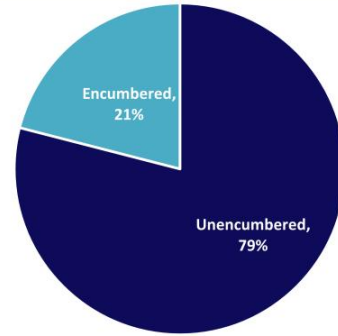
2020 FINANCIAL SUMMARY ⁽¹⁾	
Hotels (Rooms)	29 Hotels (~9K Rooms)
Stock Price	\$10.07
2019 Implied EBITDA Multiple	12.1x
2019 Implied NOI Cap Rate	7.6%
Enterprise Value per Key	\$321K



URBAN AND RESORT HOTELS IN TOP MARKETS⁽²⁾⁽⁴⁾



HIGH QUALITY BRANDS⁽²⁾⁽⁴⁾



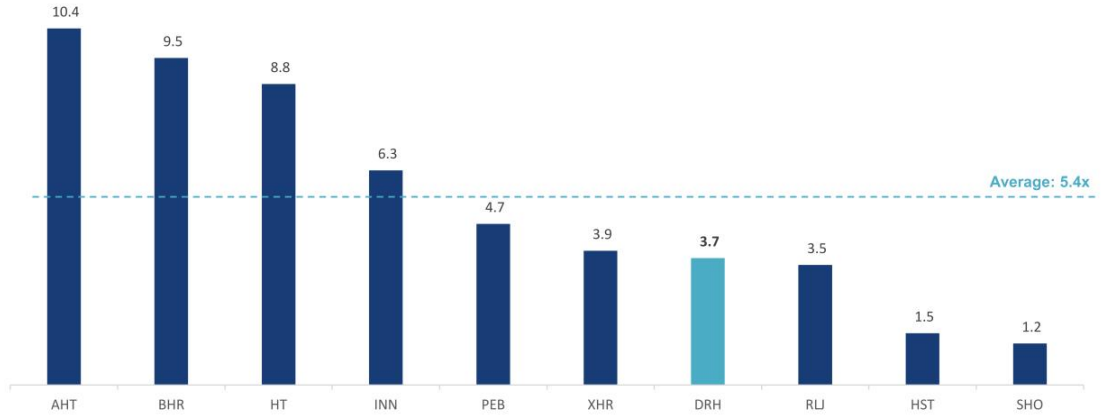
(1) Share price as of 6/3/21
 (2) All figures Pro Forma for sale of Frenchman's Reef (4/30/21) and pending sale of The Lexington (est. 6/30/21)
 (3) As of 12/31/2020. Source: Company Filings
 (4) Weighted by 2019 Actual EBITDA.



\$350MM+ of Investment Capacity

\$437MM liquidity available in cash and revolver capacity⁽¹⁾

LEVERAGE BELOW PEER AVERAGE⁽²⁾

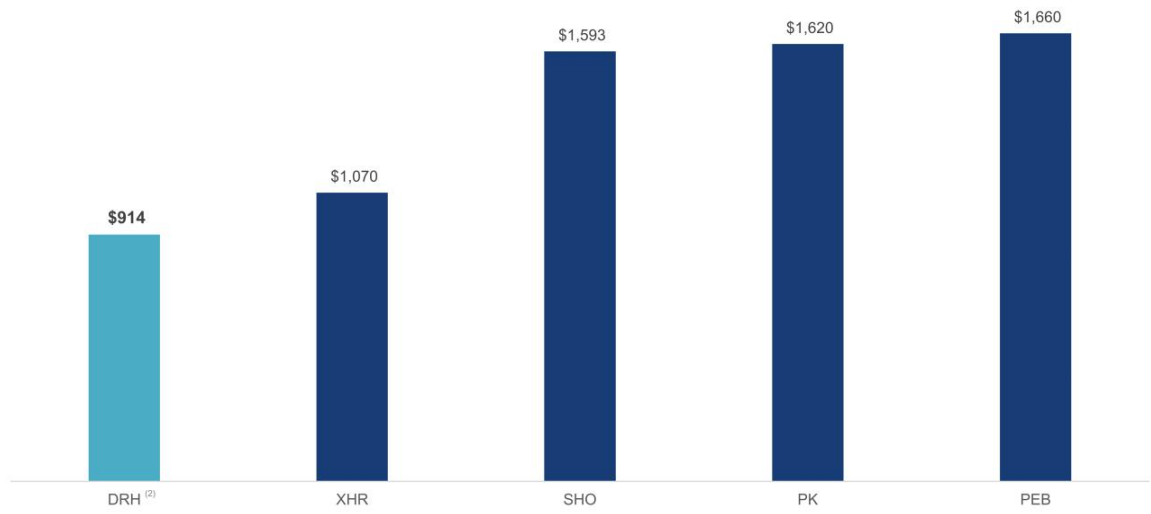


(1) As of 3/31/21
(2) Source: Baird. Net Debt plus preferred / 2019 Consensus EBITDA
Note: Leverage calculation is not adjusted for estimated EBITDA contribution from Frenchman's Reef



Superior Asset Management: Tightest Cost Controls

Average Monthly AFFO Burn Rate Per Key⁽¹⁾



Most Peers Have Burned Nearly 80% More Than DiamondRock

(1) Q2 2020 through Q1 2021 AFFO per key per month.

(2) Third Quarter AFFO excludes noncash income tax valuation allowance recognized in the quarter of \$12.4 million. Fourth Quarter AFFO excludes 2.2MM pandemic insurance claim.

Mitigating Cash Burn and Extending Runway



Quarterly Operating Metrics			
	Q4 2020A	Q1 2021A	Improvement
Occupancy	21.8%	26.9%	51 bps
Average Daily Rate	\$200.92	\$216.85	8%
RevPAR	\$43.78	\$58.34	33%
Total Revenue	\$59.3MM	\$72.9MM	23%

Monthly Burn Rate (\$MMs)					
	Q4 2020A	Q1 2021A	Improvement		Q2 2021E ⁽¹⁾
Hotel Net Operating Loss	3.3 ⁽²⁾	1.8	45%	▶	
Corporate G&A Expenses	1.3	1.8			
Corporate Burn Rate	4.6	3.6	22%		0.0 – 1.0
Debt Service	4.6	4.7			4.9
Preferred Dividends	0.8	0.9			0.8
Capital Expenditures ⁽³⁾	2.9	5.0			5.0
Total Monthly Cash Burn	12.9	14.2			10.7 – 11.7
Total Liquidity	\$482MM	\$437MM		▶	~\$425MM
Expected Runway	37 Months	31 Months		▶	36 - 40 Months

- (1) Internal forecast as of 6/3/21
 (2) Q4 2020A Hotel NOI Loss includes one time benefit of \$2.2MM related to a pandemic insurance claim
 (3) Assumes capital expenditure of \$5MM per month in 2021

All Demand Segments Improving



Group

- Room Nights Up 71% in Q1 2021 over Q4 2020
- Lead Volumes at 61% of Pre-Pandemic Levels
- City-wide room nights up 8.6% over 2019 in Boston, Chicago, and DC
- Industry-wide room rates in 2022 up 10% over 2019

Business Transient

- Room Nights Up 25% in Q1 2021 over Q4 2020
- "Return To Travel" expected to follow "Return to Office"

Leisure

- Revenue Increased 31% in Q1 2021 over Q4 2020
- ADR increased 16% in Q1 2021 over Q4 2020



INTERNAL GROWTH OPPORTUNITIES

Renaissance Charleston Historic District

\$85MM of ROI Projects at 35%+ IRRs




Property	Project	Estimated Capital Spend ⁽¹⁾	Estimated Incremental EBITDA ⁽¹⁾	Estimated IRR ⁽²⁾	Estimated Completion
Sonoma	Autograph Collection Conversion	\$9.8	\$1.4	25%	2021
Vail Marriott	Luxury Collection Brand Conversion	\$8.4	\$3.4	88%	2021
	Rooftop Renovation and F&B Concept	\$4.7	\$0.7	27%	2021
Denver JW Marriott	F&B and Public Space Renovation	\$2.5	\$0.5	42%	2021
	Luxury Collection Brand Conversion	\$3.6	\$1.2	74%	2021
Charleston Renaissance	F&B Repositioning	\$2.1	\$0.5	52%	2021
Total Upcoming		\$31.1	\$7.7	55%	
Orchards Inn	Resort Repositioning	\$19.8	\$2.6	22%	2022
The Landing	Additional 17 Keys	\$6.1	\$1.2	42%	2022
Boston Hilton	Additional 29 Keys	\$6.0	\$1.0	33%	2022
Total in Planning		\$31.9	\$4.8	28%	
Active ROI Pipeline		\$63.0	\$12.5	42%	
Shadow ROI Pipeline		\$25MM of Capital Spend		Estimated 20%+ IRR	

(1) Estimated Capital Spend and Estimated Incremental EBITDA based upon management proformas
 (2) Estimated IRR is calculated assuming a 3-year stabilization period and a 10.0x terminal multiple

Up-Branding Projects Create Value In 2022




JW Marriott Cherry Creek



THE LUXURY COLLECTION

Project Cost	\$3.6MM
IRR	74%
Estimated Completion	2021


Sonoma Renaissance



AUTOGRAPH COLLECTION HOTELS

Project Cost	\$9.8MM
IRR	25%
Estimated Completion	2021

Vail Marriott



THE LUXURY COLLECTION

Project Cost	\$8.4MM
IRR	88%
Estimated Completion	2021

Note: Estimated IRR is calculated assuming a 3-year stabilization period and a 10.0x terminal multiple

Sweeping Marriott Deal Increases Portfolio Margins +50bp



Vail Marriott Mountain Resort

In 2020, DRH entered into an agreement with Marriott to alter several brand and management contracts.

Franchise Conversions

The following were converted from brand-managed to franchised properties:

- Atlanta Marriott Alpharetta
- Salt Lake City Marriott Downtown
- The Lodge at Sonoma
- Charleston Renaissance
- Courtyard Manhattan 5th Avenue

Up-Branding

- The Vail Marriott Mountain Resort to up-brand to Luxury Collection Hotel
- JW Marriott Cherry Creek to up-brand to Luxury Collection Hotel

The Lexington Hotel

The franchise agreement for The Lexington Hotel has been amended to provide termination

Note: Refer to 8-K filed 8/31/20 [here](#) for additional terms

Created \$350MM+ of New Investment Capacity



Frenchman's Reef



Transaction Details

Proceeds Received	\$35MM + Promote
Closing Date	April 2021

- Sold Frenchman's Reef to an affiliate of Fortress Investment Group for
 - \$35MM in cash plus a contingent profit participation
- Received \$240MM from insurance claim (Dec'19)
- Saves \$175MM on funding rebuild

(1) Pending closure

The Lexington Hotel



Transaction Details⁽¹⁾

Proceeds Received	\$185MM
Estimated Closing Date	Q2/Q3 2021

- Signed Purchase & Sale agreement for \$185MM
- 6.3% capitalization rate on 2019 Hotel NOI
- 5.8% capitalization rate on 2018 Hotel NOI
- Buyer has posted \$7MM non-refundable deposit



Targeting 50 Resort *Micro-Markets and Lifestyle Cities*



***Synergies* with Existing Portfolio**



Heavily *Leisure-Oriented*



Mostly *Off-Market* Transactions



Cavallo Point, the Lodge at Golden Gate Bridge

Board Refreshment Strengthens Governance



Michael Hartmeier

- *Valuable Resource for Mergers & Acquisitions*
- *25-Years as Hospitality & Gaming Investment Banker*
- *M.B.A. Harvard Business School, B.A. UCLA*



Tabassum Zalatrowala

- *Leader in Construction and Design*
- *Advanced Management Program, Harvard Business School*
- *B.F.A., American Intercontinental University*



GRESB Annual Results					
	2016	2017	2018	2019	2020
DRH GRESB Score	50	53	75	81	84
Peer Score Average ⁽¹⁾	51	57	58	69	69
Index to Peer Score Average	98%	93%	129%	117%	122%




ISS ESG Rankings⁽²⁾

Environmental
3

Social
3

Governance
2

ISS-ESG Corporate Ranking

Currently Ranked in Top

1%

of all US Real Estate Companies

DiamondRock ranks in the **top 5%** of the Worldwide Real Estate Sector, earning an **ISS ESG Prime** designation

(1) Lodging Peer Average is based on 17 Lodging Companies including 10 REITs
 (2) ISS will not provide Quality Ranking of peer set to DRH without enrolling in their advisory services, however score is relative to peer set



DIAMONDROCK
HOSPITALITY





Havana Cabana Key West



DRH Lifestyle & Independent Strategy

CURRENT ALLOCATION⁽¹⁾



RATIONALE FOR TARGETING LIFESTYLE HOTELS, INDEPENDENTS, & SOFT BRANDS



Balances DRH's existing portfolio



Greater opportunity for smaller deals

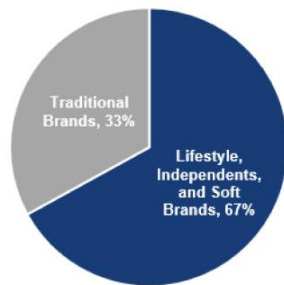


Reduces reliance on traditional brands



Cultural shift toward experiential travel

TARGET ALLOCATION

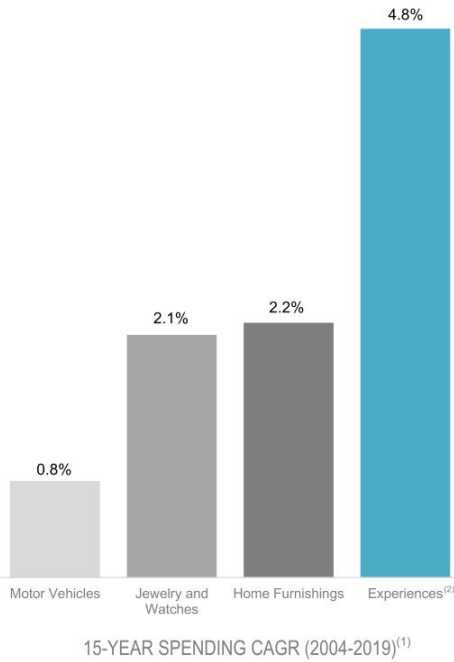


Target allocation will be **achieved through acquisitions** of lifestyle hotels, independents and soft brands and dispositions of traditional boxes

(1) All figures Pro Forma for sale of Frenchman's Reef (4/30/21) and pending sale of The Lexington (est. 6/30/21)



Experiential Travel Leads the Way



15-YEAR SPENDING CAGR (2004-2019)⁽¹⁾

In the past decade, consumer spending in the US has seen a drastic **shift toward experiences**, rather than products or “things”. DiamondRock’s **resort strategy** capitalizes on this trend by offering the once-in-a-lifetime travel experiences that consumers are willing spend their excess income on.

74% of Americans say they prioritize experiences over products⁽³⁾

49% of Generation Z and Millennials would sell their furniture or clothes to travel⁽³⁾

According to a recent survey, the **Top 3 drivers** of travel decisions are⁽³⁾:

#1 Activities I will be doing on my trip

#2 Having a “once-in-a-lifetime” experience

#3 Having a cultural experience

(1) Source: Bureau of Economic Analysis

(2) Experiences include the following Bureau of Economic Analysis categories: accommodations, air travel, foreign travel by US residents, membership clubs, sports centers, parks, theaters, museums, casino gambling, and food services.

(3) Source: Expedia and the Center for Generational Kinetics



The Next Generation of Travel

GENERATIONAL TRENDS

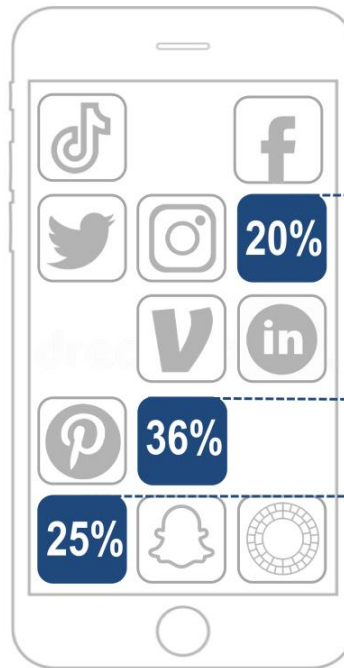
The future of travel will be dictated by the trends we see in Millennials (Generation Y) and Generation Z – who now account for **42.3% of the US population**.

These young generations have introduced **the importance of social media** into the travel landscape, turning to the platforms for trip inspiration and sometimes going on trips for the main purpose of sharing with followers.

Research also shows that travel is more important to these generations and seeing the world is one of their top priorities in life. A survey conducted by Deloitte shows Millennials and Generation Z ranking their life ambitions in the following order:

1. **See and travel the world**
2. Earn high salary/be wealthy
3. Buy a home
4. Make positive impacts on society
5. Have children/start families

SOCIAL MEDIA FUELED TOURISM⁽¹⁾



Nearly 20% of Gen-Z respondents said they have stayed at a specific hotel or destination in order to score a **positive response from followers** on posts on their own social media channels.

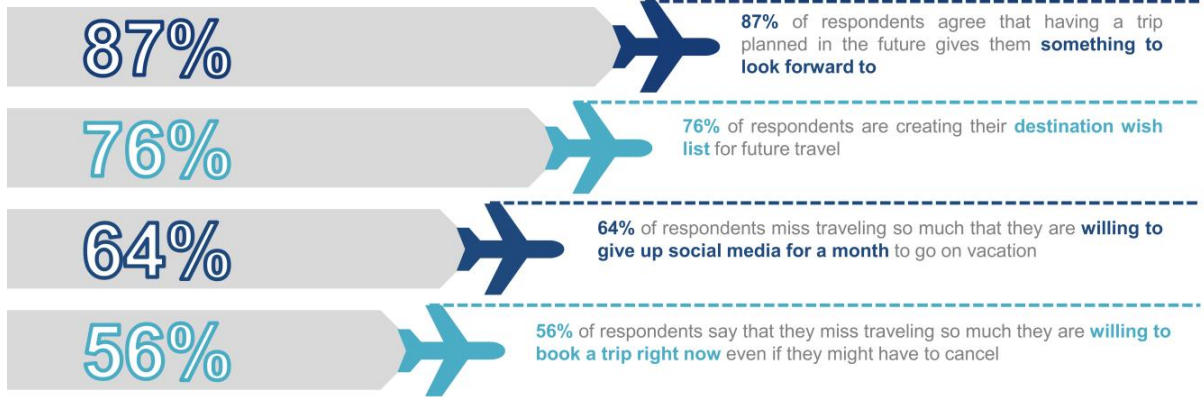
36% of Generation Z have chosen a travel destination because they **saw it on social media**

25% of millennials **posted a trip on social media before booking** in order to get the opinions of their followers

(1) Source: Expedia and the Center for Generational Kinetics



The Post-COVID-Recovery Traveler



SOCIALLY CONSCIOUS TRAVEL



Consumers have a newly-heightened awareness to **the values and ethics of companies** and are choosing to travel with those providers that align with their own moral compass.



• 72% of respondents are interested in traveling to destinations where they can help **boost tourism revenue** and **support the local economy** and small businesses that struggled through the pandemic

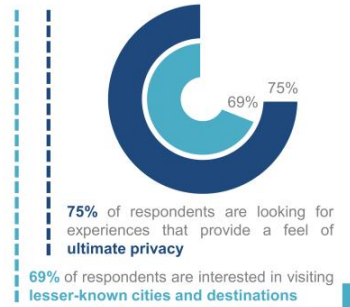


• 69% of respondents want to choose an airline or hotel that **values diversity and inclusion**, and whose employees reflect a diverse customer base

• 60% of respondents want to book trips with airlines that have made a **carbon neutral commitment**

Source: American Express 2021 Global Travel Trends Report

EMERGING DESTINATION TRENDS



Resort Thesis Already Proven Successful

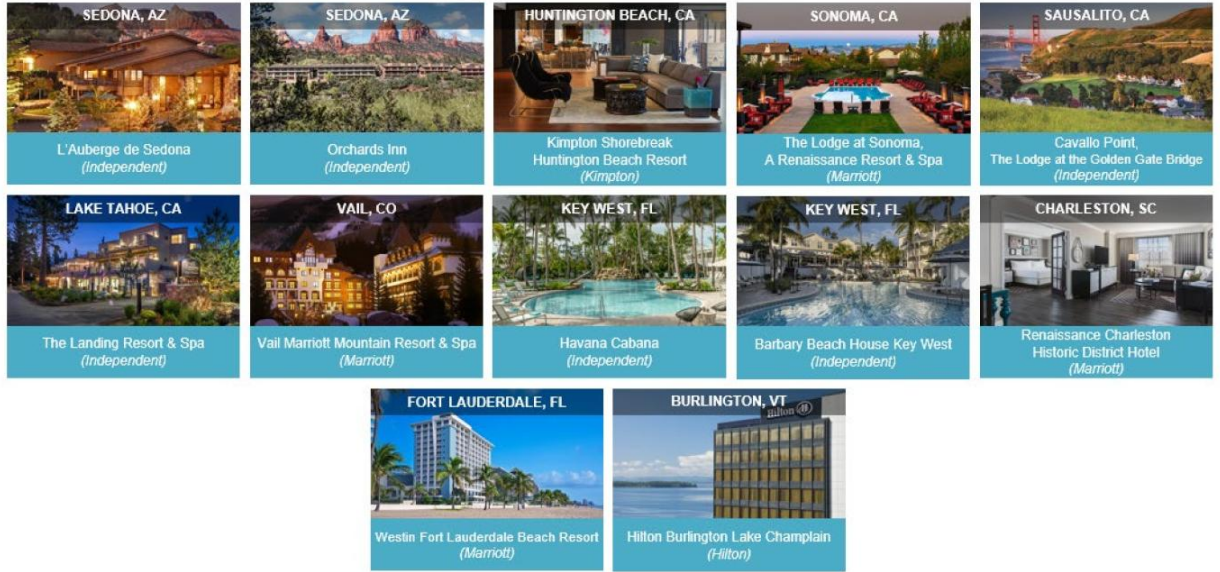


	Investment (\$MM)	EBITDA Multiple @		EBITDA Increase
		Purchase	YE 2019	\$MM
Burlington Hilton	\$64	16.5x	8.9x	\$3.9
Charleston Renaissance	\$43	11.9x	7.0x	\$2.9
Fort Lauderdale Westin	\$167	14.8x	10.7x	\$5.5
Havana Cabana	\$54	12.2x	15.8x	(\$0.5)
The Landing Resort & Spa	\$44	17.8x	25.9x	(\$0.7)
Sedona - L'Auberge	\$67	15.8x	8.6x	\$3.6
Sedona - Orchards Inn	\$31	13.7x	14.2x	(\$0.1)
Shorebreak	\$63	14.6x	11.5x	\$1.5
Sonoma Renaissance	\$40	10.7x	5.7x	\$4.0
Vail Marriott Mountain Resort	\$96	13.4x	8.7x	\$6.2
Total Resort	\$668	14.2x	9.9x	\$26.3

Note: Figures exclude Frenchman's Reef, Cavallo Point and Barbary Beach House as these assets are either repositioned or currently under construction.





















Strong Resort Market Presence





High Quality Portfolio in Key Gateway Markets

 <p>SAN FRANCISCO Hotel Emblem San Francisco <i>(Independent)</i></p>	 <p>PHOENIX Hotel Palomar Phoenix <i>(Intercontinental Hotel Group)</i></p>	 <p>SAN DIEGO Westin San Diego <i>(Marriott)</i></p>	 <p>DENVER JW Marriott Denver at Cherry Creek <i>(Marriott)</i></p>	 <p>DENVER Courtyard Denver Downtown <i>(Marriott)</i></p>
 <p>NEW YORK UNDER CONTRACT Lexington Hotel New York <i>(Marriott)</i></p>	 <p>NEW YORK Courtyard Manhattan/Midtown East <i>(Marriott)</i></p>	 <p>NEW YORK Courtyard Manhattan/Fifth Avenue <i>(Marriott)</i></p>	 <p>NEW YORK Hilton Garden Inn Times Square <i>(Hilton)</i></p>	 <p>WASHINGTON, DC Westin Washington, DC City Center <i>(Marriott)</i></p>
 <p>BOSTON Hilton Boston Downtown <i>(Hilton)</i></p>	 <p>BOSTON Westin Boston Waterfront <i>(Marriott)</i></p>	 <p>CHICAGO Chicago Marriott Downtown <i>(Marriott)</i></p>	 <p>CHICAGO The Gwen, a Luxury Collection Hotel <i>(Marriott)</i></p>	 <p>ATLANTA Atlanta Marriott Alpharetta <i>(Marriott)</i></p>
	 <p>DALLAS/FORT WORTH Worthington Renaissance Fort Worth <i>(Marriott)</i></p>	 <p>SALT LAKE CITY Salt Lake City Marriott Downtown <i>(Marriott)</i></p>	 <p>BETHESDA, MD Bethesda Marriott Suites <i>(Marriott)</i></p>	

