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**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): May 20, 2010**

**DiamondRock Hospitality Company**

(Exact name of registrant as specified in its charter)

**Maryland**

(State or other Jurisdiction of  
Incorporation)

**001-32514**

(Commission File Number)

**20-1180098**

(IRS Employer Identification No.)

**6903 Rockledge Drive, Suite 800  
Bethesda, MD**

(Address of Principal Executive Offices)

**20817**

(Zip Code)

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

(Former name or former address if changed since last report.)

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:

- 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))
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## **ITEM 8.01. OTHER EVENTS**

On May 14, 2010 and May 19, 2010, DiamondRock Hospitality Company, through its operating partnership, DiamondRock Hospitality Limited Partnership (“DiamondRock”), entered into agreements (the “Purchase Agreements”) to acquire from the current holders certain senior mortgage loans (the “Mortgages”) secured by the Allerton Hotel located in downtown Chicago, Illinois at a discount to the balance of the Mortgages.

DiamondRock made deposits in an aggregate amount of \$3.0 million upon entering into the Purchase Agreements, which may be refunded to DiamondRock if it elects to terminate the transactions following a 15-day due diligence period. Upon the expiration of the due diligence period, if DiamondRock elects to proceed with the transactions, DiamondRock will make additional deposits in an aggregate amount of \$3.0 million, which will be non-refundable, except in the case of a seller default or failure to satisfy closing conditions. The transactions are scheduled to close within the next 30 days. There can be no assurance that DiamondRock will complete the transactions as they remain subject to the completion of satisfactory due diligence and the satisfaction of customary closing conditions.

A copy of the press release issued by DiamondRock on May 20, 2010 pertaining to the transactions is being furnished to the Securities and Exchange Commission and is attached as Exhibit 99.1 to this Form 8-K.

### **Forward-Looking Statements**

This Current Report on Form 8-K 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 “anticipate,” “believe,” “could,” “estimate,” “expect,” “intend,” “may,” “plan,” “predict,” “project,” “should,” “will,” “continue” and other similar terms and phrases, including references to the expected closings of the transactions 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. A detailed discussion of these and other risks and uncertainties that could cause actual results and events to differ materially from such forward-looking statements is included in Item 1A “Risk Factors” of our Annual Report on Form 10-K for the fiscal year ended December 31, 2009 and other reports that we file with the Securities and Exchange Commission. We undertake no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise.

## **ITEM 9.01. FINANCIAL STATEMENTS AND EXHIBITS**

(d) Exhibits

See Index to Exhibits attached hereto.

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**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

Date: May 20, 2010

By: /s/ William J. Tennis  
William J. Tennis  
Executive Vice President and  
General Counsel

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EXHIBIT INDEX

| <u>Exhibit No.</u> | <u>Description</u>  |
|--------------------|---|
| 99.1               | Press Release issued by DiamondRock Hospitality Company on May 20, 2010 |

**COMPANY CONTACT**

Chris King  
(240) 744-1150

**FOR IMMEDIATE RELEASE****THURSDAY, MAY 20, 2010****DIAMONDROCK TO ACQUIRE MORTGAGE DEBT ON ALLERTON HOTEL ON CHICAGO'S MAGNIFICENT MILE**

**BETHESDA, Maryland, Thursday May 20, 2010 – DiamondRock Hospitality Company** (the "Company") (NYSE: DRH) today announced that it has agreed to acquire the \$69 million senior mortgage loan (the "Mortgage") secured by the 443-room Allerton Hotel (the "Hotel") located in downtown Chicago, Illinois from the current holders of the Mortgage at a discount to par value. Upon completion of the acquisitions the Company intends to pursue the foreclosure action against the Hotel recently filed in the Cook County Circuit Court. The Company expects to own fee title to the Hotel upon completion of the foreclosure proceedings.

The iconic Allerton Hotel opened in 1924 and is located at 701 North Michigan Avenue in the heart of Chicago's famed Magnificent Mile. The Hotel, which was declared a Chicago landmark in 1998, is currently operated as an independent non-branded hotel. The Hotel was acquired by current ownership near the peak of the market in late 2006. Current ownership made additional investments into the Hotel which consisted of a significant renovation including rooms, common areas, meeting space and HVAC infrastructure.

The outstanding principal balance of the Mortgage is approximately \$69 million and the Company will purchase the Mortgage at a discount to this principal balance. Further, the purchase price of the Mortgage is significantly below replacement cost. The Mortgage is currently in default and, in the event the Mortgage is repaid in full, the Company will receive proceeds of approximately \$69 million plus additional accrued interest from December 2009 and certain costs incurred.

"The Allerton Hotel is a high-quality asset located in an irreplaceable location in a top 5 MSA. This is an exceptional opportunity for DiamondRock to gain ownership through foreclosure of a distressed asset –which could then be repositioned or, alternatively, earn a strong economic return if we are repaid in full on a mortgage note that was purchased at a discount," stated Mark W. Brugger, Chief Executive Officer of DiamondRock Hospitality Company.

The Company expects to close on the acquisition of the Mortgage within the next 30 days. There can be no assurances, however, that the Company will complete the proposed acquisition as it remains subject to a variety of conditions including the completion of satisfactory due diligence and the satisfaction of customary closing conditions. There also can be no assurances that the Company will acquire the Hotel through a foreclosure procedure or that the Mortgage will be repaid in full by the borrower.

## **About the Company**

DiamondRock Hospitality Company is a self-advised real estate investment trust (REIT) that is an owner of premium hotel properties. DiamondRock owns 20 hotels with approximately 9,600 guestrooms. For further information, please visit DiamondRock Hospitality Company's website at [www.drhc.com](http://www.drhc.com).

This press release 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 "anticipate," "believe," "could," "estimate," "expect," "intend," "may," "plan," "predict," "project," "should," "will," "continue" and other similar terms and phrases, including references to the expected closings of the transactions, the expected outcome of foreclosure proceedings and other 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.