

**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):

**July 7, 2008**

**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.)

**6903 Rockledge Drive, Suite 800**

**Bethesda, MD 20817**

(Address of Principal Executive Offices) (Zip Code)

**(240) 744-1150**

(Registrant's telephone number, including area code)

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))

**ITEM 5.02**

**Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers**

On July 7, 2008, the Board of Directors of DiamondRock Hospitality Company ("DiamondRock") issued a press release announcing that, effective September 1, 2008, it will appoint Mark W. Brugger as DiamondRock's Chief Executive Officer to succeed William W. McCarten upon his retirement as DiamondRock's Chief Executive Officer as of September 1, 2008. Mr. McCarten will remain as the Chairman of the Board of Directors of DiamondRock. A copy of the press release announcing the transition is being furnished as Exhibit 99.1 to this Current Report on Form 8-K.

The Board of Directors also announced that, effective September 1, 2008, it will expand the Board of Directors from 6 members to 7 members with the appointment of Mr. Brugger as a member of the Board of Directors.

Mark Brugger, 38, has had a wide array of experience in lodging and real estate over the last 13 years. He is one of the founders of DiamondRock and has served as its Executive Vice President, Chief Financial Officer and Treasurer since its formation. In this role, he led all of the Company's capital markets activities, helped to formulate strategies, and sourced a number of DiamondRock's hotel acquisitions.

Prior to helping form DiamondRock in 2004, Mr. Brugger served as Vice President of Project Finance for Marriott International, Inc. In this capacity he was responsible for a number of large and complex lodging transactions on behalf of Marriott International, Inc. From 1997 to 2000, Mr. Brugger served as Vice President of Investment Sales at Transwestern Commercial Services, formerly the Carey Winston Company. From 1995 to 1997, Mr. Brugger was the Land Development Director for Brookfield Homes.

Mr. Brugger received a Juris Doctorate from American University School of Law and a Bachelors of Arts from the University of Maryland at College Park.

There are no arrangements or understandings between Mr. Brugger or any other person(s) pursuant to which he was selected as an officer, and DiamondRock has not entered into, nor has any currently proposed plans to enter into, any transactions in which Mr. Brugger, or any of his immediate family members, has or will have a direct or indirect material interest. In addition, there are no family relationships between Mr. Brugger and any other director or executive officer of DiamondRock.

DiamondRock has not entered into an employment agreement with any of its employees, including Mr. Brugger, Mr. McCarten or John L. Williams, the Company's President and Chief Operating Officer.

Effective September 1, 2008, DiamondRock intends to pay Mr. Brugger a base salary of \$600,000 per year with a bonus payable under DiamondRock's incentive compensation plan; the bonus may range from 0% to 150% of his base salary, with a target of 100%, threshold of 50% and

2

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maximum bonus of 150%. DiamondRock does not currently intend to adjust his cash compensation in 2009. In addition, while it has not made any commitments, the Board of Directors currently intends to grant Mr. Brugger an annual equity grant with a value of \$1.5 million starting in February of 2009.

Through December 31, 2008, Mr. McCarten will continue to receive his existing base salary of \$564,000 per year and earn any bonus that he is entitled to under the 2008 incentive compensation plan. Commencing January 1, 2009, DiamondRock intends to pay Mr. McCarten a base salary of \$300,000 per year with a bonus payable under DiamondRock's incentive compensation plan; the bonus may range from 0% to 150% of his base salary, with a target of 100%, threshold of 50% and maximum bonus of 150%. In addition, while it has not made any commitments, the Board of Directors currently intends to grant Mr. McCarten an annual equity grant with a value of \$500,000 starting in February of 2009.

Effective September 1, 2008, DiamondRock intends to pay Mr. Williams a base salary of \$525,000 per year. Under DiamondRock's 2008 incentive compensation plan, Mr. Williams is entitled to a bonus which may range from 0% to 120% of his base salary received in 2008, with a target of 80%, threshold of 40% and maximum bonus of 120%. DiamondRock does not currently intend to adjust his cash compensation in 2009. In addition, while it has not made any commitments, the Board of Directors currently intends to grant Mr. Williams a special one-time equity grant with a value of \$2.0 million in September 2008. The equity grant will be in the form of restricted stock and will vest in its entirety on September 1, 2011 if Mr. Williams is employed by DiamondRock on such date.

Each of Messrs. McCarten, Brugger and Williams will continue to be covered by the March 2007 severance agreements, which are described in DiamondRock's Proxy Statement, dated March 24, 2008, and are incorporated herein by reference, except that, upon appointment as the Company's Chief Executive Officer, Mr. Brugger's severance agreement will be amended so that his severance multiple will be three times his base salary and his target bonus.

**ITEM 9.01. Financial Statements and Exhibits.**

(d) Exhibits.

See Index to Exhibits attached hereto.

3

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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: July 7, 2008

By: /s/ Michael D. Schecter  
Michael D. Schecter  
Executive Vice President, General Counsel and  
Corporate Secretary

4

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**EXHIBIT INDEX**

<u>Exhibit No.</u>	<u>Description</u>
99.1	Press release dated July 7, 2008.

5

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DiamondRock Hospitality Company  
 Corporate Headquarters  
 6903 Rockledge Drive  
 Bethesda, MD 20817  
 (240) 744-1150

## NEWS

**CONTACT:** Chris King  
 (240) 744-1150  
 info@drhc.com

### **DIAMONDROCK ANNOUNCES THE APPOINTMENT OF MARK W. BRUGGER AS CHIEF EXECUTIVE OFFICER EFFECTIVE SEPTEMBER 2008**

BETHESDA, MD — July 7, 2008, DiamondRock Hospitality Company (NYSE:DRH) (“DiamondRock”) today announced that Mark W. Brugger has been named Chief Executive Officer, effective September 1, 2008. After that date, Bill McCarten, DiamondRock’s current Chief Executive Officer and Chairman of the Board of Directors, will continue in his role as Chairman. In addition, the Board of Directors has announced that, effective September 1, 2008, it will expand the Board of Directors from 6 members to 7 members through the appointment of Mr. Brugger as a member of the Board of Directors.

Bill McCarten stated, “DiamondRock is one of the best positioned owners of premier hotels in the United States. I have worked closely with Mark Brugger for nearly five years. He is an exceptionally talented real estate executive and he will bring energy, creativity and good judgment to DiamondRock in his new role. The Board of Directors and I enthusiastically support Mark and are confident that he will provide outstanding leadership to DiamondRock.”

Mr. McCarten added, “With the promotion of Mark to Chief Executive Officer, we will continue to have one of the strongest executive teams in the industry. I’m especially pleased that Mark will continue to receive sound advice from the same team that has driven its success. In particular, John Williams, one of the most respected hotel executives in the United States, will continue to lead our acquisition and asset management activities as President and Chief Operating Officer and will continue to serve on our Board of Directors. With strong leadership and the complementary skills of the team, DiamondRock is poised for future success.”

Mark Brugger is one of the founders of DiamondRock and has served as its Executive Vice President, Chief Financial Officer and Treasurer since its formation in 2004. In this role, he led all of the Company’s capital markets activities, helped to formulate strategies, and sourced a number of DiamondRock’s hotel acquisitions. Prior to joining DiamondRock, Mr. Brugger had significant experience in real estate and lodging as a Vice President for Marriott International, Inc., where he was involved in numerous hotel transactions. He has also held the position of Vice President of Investment Sales at Transwestern Commercial Services and as Land Development Director at Brookfield Homes.

Mr. Brugger received his Juris Doctorate from American University School of Law and his Bachelor of Arts from the University of Maryland at College Park.

*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 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 potential for additional terrorist attacks, that will affect occupancy rates at our hotels and the demand for hotel products and services; operating risks associated with the hotel business; risks associated with the level of our indebtedness and our ability to meet covenants in our debt agreements; relationships with property managers; our ability to maintain our properties in a first-class manner, including meeting capital expenditure requirements; our ability to complete planned renovation on budget; our ability to compete effectively in areas such as access, location, quality of accommodations and room rate structures; changes in travel patterns, taxes and government regulations which influence or determine wages, prices, construction procedures and costs; our ability to complete acquisitions; our ability to raise equity capital; the performance of acquired properties after they are acquired; necessary capital expenditures on the acquired properties; and our ability to continue to satisfy complex rules in order for us to qualify as a REIT for federal income tax purposes; and other risks and uncertainties associated with our business described from time to time in our filings with the Securities and Exchange Commission. Although we believe 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 release is as of the date of this release, and we undertake no obligation to update any forward-looking statement to conform the statement to actual results or changes in our expectations.*