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

FORM 10-K

(Mark One)

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

For the fiscal year ended December 31, 2017

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

For the transition period from _____ to _____

Commission File No. 1-13079

RYMAN HOSPITALITY PROPERTIES, INC.

(Exact Name of Registrant as Specified in Its Charter)

Delaware
(State or Other Jurisdiction of
Incorporation or Organization)

73-0664379
(I.R.S. Employer
Identification No.)

One Gaylord Drive, Nashville, Tennessee
(Address of Principal Executive Offices)

37214
(Zip Code)

Registrant's Telephone Number, Including Area Code: (615) 316-6000

Securities Registered Pursuant to Section 12(b) of the Act:

Common Stock - \$.01 par value per share
(Title of Class)

New York Stock Exchange
(Name of Exchange on Which Registered)

Securities Registered Pursuant to Section 12(g) of the Act:

NONE
(Title of Class)

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15 (d) of the Act. Yes No

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	<input checked="" type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/> (Do not check if a smaller reporting company)	Smaller reporting company	<input type="checkbox"/>
		Emerging growth company	<input type="checkbox"/>

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.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes No

The aggregate market value of the shares of Common Stock held by non-affiliates of the registrant based on the closing price of the Common Stock on the New York Stock Exchange on June 30, 2017 of \$64.01 per share was approximately \$2,814,206,819 (assuming for this purpose that shares beneficially owned by persons other than officers or directors of the registrant, and their affiliates, are held by non-affiliates).

As of January 31, 2018, there were 51,201,660 shares of Common Stock outstanding.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the registrant's definitive Proxy Statement for the 2018 Annual Meeting of Stockholders to be filed with the Securities and Exchange Commission are incorporated by reference into Part III of this Form 10-K.

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RYMAN HOSPITALITY PROPERTIES, INC.

2017 ANNUAL REPORT ON FORM 10-K

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PART I

Throughout this report, we refer to Ryman Hospitality Properties, Inc., a Delaware corporation (“Ryman”), together with its subsidiaries, as “we,” “us,” “our,” or the “Company.” For each year discussed, our fiscal year ends on December 31. All of the discussion and analysis in this report should be read with, and is qualified in its entirety by, the Consolidated Financial Statements and related notes included in this Annual Report on Form 10-K.

Forward-Looking Statements

This report contains “forward-looking statements” intended to qualify for the safe harbor from liability established by the Private Securities Litigation Reform Act of 1995. These forward-looking statements concern our goals, beliefs, expectations, strategies, objectives, plans, future operating results and underlying assumptions, and other statements that are not necessarily based on historical facts. Without limitation, you can identify these statements by the fact that they do not relate strictly to historical or current facts, and these statements may contain words such as “may,” “will,” “could,” “should,” “might,” “projects,” “expects,” “believes,” “anticipates,” “intends,” “plans,” “continue,” “estimate,” or “pursue,” or the negative or other variations thereof or comparable terms. In particular, they include statements relating to, among other things, future actions, strategies, future performance, the outcome of contingencies such as legal proceedings and future financial results. These also include statements regarding (i) the effect of our election to be taxed as a REIT and maintain REIT status for federal income tax purposes; (ii) the holding of our non-qualifying REIT assets in one or more taxable REIT subsidiaries; (iii) our announced dividend policy including the frequency and amount of any dividend we may pay; (iv) potential growth opportunities, including future expansion of the geographic diversity of our existing asset portfolio through acquisitions and our investment in the Gaylord Rockies joint venture (defined below); (v) Marriott International, Inc.’s (“Marriott”) ability to effectively manage our hotels and other properties; (vi) our anticipated capital expenditures and investments; (vii) the potential operating and financial restrictions imposed on our activities under existing and future financing agreements and other contractual arrangements with third parties, including management agreements with Marriott; and (viii) any other business or operational matters. We have based these forward-looking statements on our current expectations and projections about future events.

Although we believe that the expectations reflected in such forward-looking statements are based upon reasonable assumptions, beliefs and expectations, our actual results could differ materially from the results anticipated by the forward-looking statements as a result of many known and unknown factors including, but not limited to, those discussed in Item 1A, “Risk Factors,” Item 7, “Management’s Discussion and Analysis of Financial Condition and Results of Operations,” and elsewhere in this report. Any forward-looking statement made in this Annual Report on Form 10-K speaks only as of the date on which the statement is made. New risks and uncertainties may arise from time to time, and it is impossible for us to predict these events or how they may affect us. We have no duty to, and do not intend to, update or revise the forward-looking statements we make in this report, except as may be required by law.

Item 1. *Business*

Overview

Ryman is the successor to Gaylord Entertainment Company (“Gaylord”), a Delaware corporation originally incorporated in 1956. As part of the plan to restructure our business operations to facilitate our qualification as a real estate investment trust (“REIT”) for federal income tax purposes, Gaylord merged with and into its wholly-owned subsidiary, Ryman, on October 1, 2012, with Ryman as the surviving corporation, and Ryman succeeded to and began conducting, either directly or indirectly, all of the business conducted by Gaylord immediately prior to the merger. Ryman is a Delaware corporation that began operating as a self-advised and self-administered REIT for federal income tax purposes on January 1, 2013. We specialize in group-oriented, destination hotel assets in urban and resort markets. As a REIT, we generally will not be subject to federal corporate income taxes on that portion of our capital gain or ordinary income from our REIT operations that is distributed to our stockholders. This treatment substantially eliminates the federal “double taxation” on earnings from our REIT operations, or taxation once at the corporate level and again at the stockholder level, that generally results from investment in a regular C corporation. Our non-REIT operations, which consist of the activities of our taxable REIT subsidiaries (“TRSs”) that lease or sublease our hotels from our qualified REIT subsidiaries, as well as businesses within our Entertainment segment, will continue to be subject, as applicable, to federal and state corporate income taxes.

Our owned assets include a network of four upscale, meetings-focused resorts totaling 7,811 rooms that are managed by Marriott under the Gaylord Hotels brand. These four resorts, which we refer to as our Gaylord Hotels properties, consist of the Gaylord Opryland Resort & Convention Center in Nashville, Tennessee (“Gaylord Opryland”), the Gaylord Palms Resort & Convention

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Center near Orlando, Florida (“Gaylord Palms”), the Gaylord Texan Resort & Convention Center near Dallas, Texas (“Gaylord Texan”) and the Gaylord National Resort & Convention Center near Washington D.C. (“Gaylord National”). Other owned hotel assets managed by Marriott include the Inn at Opryland, a 303-room overflow hotel adjacent to Gaylord Opryland, and the AC Hotel at National Harbor, Washington D.C. (“AC Hotel”), a 192-room overflow hotel adjacent to Gaylord National, which we purchased in December 2014 and opened in April 2015. We also own a 35% interest in a joint venture that is developing and will own the Gaylord Rockies Resort & Convention Center near Denver, Colorado (“Gaylord Rockies”), which will be managed by Marriott upon its planned opening in late 2018.

We also own and operate media and entertainment assets including the Grand Ole Opry, the legendary weekly showcase of country music’s finest performers for over 90 years; the Ryman Auditorium, the storied live music venue and former home of the Grand Ole Opry located in downtown Nashville; WSM-AM, the Opry’s radio home; Ole Red, a brand of Blake Shelton-themed bar, music venue and event spaces, with a flagship location in Nashville expected to open in second quarter 2018; a 50% interest in a joint venture for Opry City Stage, a four-level entertainment complex in Times Square that opened in December 2017; and three Nashville-based assets managed by Marriott – Gaylord Springs Golf Links (“Gaylord Springs”), the Wildhorse Saloon, and the General Jackson Showboat (“General Jackson”).

Our operations are organized into three principal business segments: (i) Hospitality, which includes our hotel properties and the results of hotel operations, as well as our investment in the Gaylord Rockies joint venture; (ii) Entertainment, which includes our Grand Ole Opry assets, the Ryman Auditorium, WSM-AM, Ole Red, our equity investment in Opry City Stage and our Nashville-based attractions, among others; and (iii) Corporate and Other, which includes corporate expenses. These three business segments — Hospitality, Entertainment, and Corporate and Other — represented approximately 89%, 11%, and 0%, respectively, of our total revenues for the fiscal year ended December 31, 2017.

Financial information by business segment and for each of our Gaylord Hotels properties as of December 31, 2017 and for each of the three years then ended appears in Item 6, “Selected Financial Data,” Item 7, “Management’s Discussion and Analysis of Financial Condition and Results of Operations,” and in “Note 14 – Financial Reporting by Business Segments” to our consolidated financial statements included in this Annual Report on Form 10-K.

Our Strategic Plan

Our goal is to become the nation’s premier hospitality REIT for group-oriented, destination hotel assets in urban and resort markets.

- *Existing Hotel Property Design.* Our hotel properties focus on the large group meetings market in the United States and incorporate meeting and exhibition space, signature guest rooms, food and beverage offerings, fitness and spa facilities and other attractions within a large hotel property so attendees’ needs are met in one location. This strategy creates a better experience for both meeting planners and guests, and has led to our current hotel properties claiming a place among the leading convention hotels in the country.
- *Expansion of Hotel Asset Portfolio.* While our short-term capital allocation strategy has focused on returning capital to stockholders, part of our long-term growth strategy includes acquisitions of other hotels, particularly in the group meetings sector of the hospitality industry, either alone or through joint ventures or alliances with one or more third parties. We intend to pursue attractive investment opportunities which meet our acquisition parameters, specifically, group-oriented large hotels and overflow hotels with existing or potential leisure appeal. We are generally interested in highly accessible upper-upscale assets with over 400 hotel rooms in urban and resort group destination markets. We also consider assets that possess or are located near convention centers that present a repositioning opportunity and/or would significantly benefit from capital investment in additional rooms or meeting space. We plan to expand the geographic diversity of our existing asset portfolio through acquisitions. As a REIT, we no longer view independent, large-scale development of resort and convention hotels as part of our long-term growth strategy.
- *Leverage Brand Name Awareness.* We believe the Grand Ole Opry is one of the most recognized entertainment brands in the United States. We promote the Grand Ole Opry name through various media, including our WSM-AM radio station, the Internet and television, and through performances by the Grand Ole Opry’s members, many of whom are renowned country music artists. As such, we have alliances in place with multiple distribution partners in an effort to foster brand extension. We are continuously exploring additional products, such as television specials and retail products, through which we can capitalize on our brand affinity and awareness. We believe that licensing our brand for products may provide an opportunity to increase revenues and cash flow with relatively little capital investment. To this end, we are investing in the Opry City Stage, a joint venture that operates a four-level entertainment complex in Times Square, as well as a Company-owned, Blake Shelton-themed five-level bar, music venue and event space in Nashville named after the Shelton hit “Ole Red.”

Description of our Hotel Portfolio

Our Gaylord Hotels properties incorporate meeting, convention and exhibition space with a large hotel property so the attendees never have to leave the location during their meetings. This concept of a self-contained destination dedicated primarily to the meetings industry has placed our Gaylord Hotels properties among the leading convention hotels in the country.

Marriott is responsible for the day-to-day management of our Gaylord Hotels, the Inn at Opryland, and the AC Hotel. We believe that our Gaylord Hotels properties have benefitted and will continue to benefit from Marriott’s expansive sales force and popular frequent traveler program, as well as their ability to manage group business.

Based on our information and information and data obtained from Smith Travel Research, the top 10 hotels within the United States with the highest square footage of self-contained exhibit and meeting space as of January 2018 are as follows:

Facility	Location	Hotel Rooms	Total Exhibit and Meeting Space (sq. ft.)
The Venetian Resort & Casino	Las Vegas, NV	4,049	2,250,000
Mandalay Bay Resort & Casino	Las Vegas, NV	4,332	1,700,000
Gaylord Opryland Resort & Convention Center	Nashville, TN	2,888	640,000
MGM Grand Hotel & Casino	Las Vegas, NV	5,044	602,000
Gaylord National Resort & Convention Center	National Harbor, MD	1,996	470,000
Marriott Orlando World Center Resort	Orlando, FL	2,000	450,000
Rosen Shingle Creek Resort	Orlando, FL	1,500	445,000
Gaylord Texan Resort & Convention Center	Grapevine, TX	1,511	400,000
Gaylord Palms Resort & Convention Center	Kissimmee, FL	1,416	400,000
Hilton Anatole	Dallas, TX	1,608	345,000

Gaylord Opryland Resort and Convention Center — Nashville, Tennessee. Gaylord Opryland is one of the leading convention destinations in the United States based upon number of rooms, exhibit space and conventions held. Designed with lavish gardens and expansive atrium areas, the resort is situated on approximately 172 acres in the Opryland complex. Gaylord Opryland is one of the largest hotels in the United States in terms of number of guest rooms. Gaylord Opryland has a number of themed restaurants, retail outlets, and a full-service spa with 27,000 square feet of dedicated space. It also serves as a destination resort for vacationers due to its proximity to the Grand Ole Opry, the Ryman Auditorium, the General Jackson Showboat, and other attractions in the Nashville area. Gaylord Opryland has 2,888 signature guest rooms, four ballrooms with approximately 127,000 square feet, 111 banquet/meeting rooms, and total meeting, exhibit and pre-function space of approximately 640,000 square feet. Gaylord Opryland is routinely recognized by many industry and commercial publications, including being named a 2017 STELLA Award Finalist by *Meetings & Conventions* and *Successful Meetings* magazines, a 2017 Award of Excellence Recipient from *Corporate & Incentive Travel* magazine, 2017 Best of the South Award Winner from *Meetings Today*, and recognition as a member of *Meeting & Conventions* Hall of Fame. Construction is currently ongoing for a \$90 million luxury indoor/outdoor waterpark with over 200,000 square feet of water attractions and amenities adjacent to Gaylord Opryland that we expect to open in late 2018.

Gaylord Palms Resort and Convention Center — Kissimmee, Florida. Gaylord Palms has 1,416 signature guest rooms, three ballrooms with approximately 76,000 square feet, 76 banquet/meeting rooms, and total meeting, exhibit and pre-function space of approximately 400,000 square feet. The resort is situated on a 65-acre site in Osceola County, Florida, which we have leased pursuant to a 75-year ground lease with a 24-year renewal option. The resort is approximately a five-minute drive from the main gate of the Walt Disney World® Resort complex. Gaylord Palms has a number of themed restaurants, retail outlets, a new resort pool, and a full-service spa with 20,000 square feet of dedicated space. Hotel guests also have golf privileges at Celebration Golf Club, located approximately two miles from the property. Gaylord Palms is rated as a AAA Four-Diamond Hotel and is routinely recognized by many industry and commercial publications, including being named a 2017 STELLA Award Winner by *Meetings & Conventions* and *Successful Meetings* magazines, 2017 Best of the South Award Winner from *Meetings Today*, and recognition as a member of *Meeting & Conventions* Hall of Fame.

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Gaylord Texan Resort and Convention Center — Grapevine, Texas. Gaylord Texan is situated on approximately 85 acres and is located approximately six minutes from the Dallas/Fort Worth International Airport. Of the 85 acres, we own 75 acres and lease approximately 10 acres pursuant to a ground lease. The hotel features a lavish and expansive atrium, 1,511 signature guest rooms, three ballrooms with approximately 85,000 square feet, 70 banquet/meeting rooms, and total meeting, exhibit and pre-function space of approximately 400,000 square feet. The property also includes a number of themed restaurants, retail outlets, a recently expanded resort pool, a full-service spa with 25,000 square feet of dedicated space, and an entertainment complex consisting of an approximately 39,000 square foot venue with a performance stage, dance floor, and a two-story outdoor deck. Guests also have access to the adjacent Cowboys Golf Club. The Gaylord Texan is rated as a AAA Four-Diamond Hotel and is routinely recognized by many industry and commercial publications, including being named a 2017 STELLA Award Winner by *Meetings & Conventions* and *Successful Meetings* magazines and 2017 Best of the South Award Winner from *Meetings Today*. Construction is currently ongoing for a \$120 million expansion of Gaylord Texan that we anticipate will be completed in mid-2018. This expansion will include an additional 300 guest rooms and 86,000 square feet of meeting space.

Gaylord National Resort and Convention Center — National Harbor, Maryland. Gaylord National is situated on approximately 42 acres of land located on the Potomac River in Prince George's County, Maryland, eight miles south of Washington, D.C. The hotel has 1,996 signature guest rooms, four ballrooms with approximately 103,000 square feet, 82 conference and breakout rooms, and total meeting, exhibit and pre-function space of approximately 470,000 square feet. The hotel complex includes an 18-story glass atrium, a 20,000 square foot spa and fitness center, a new freestanding 24,000-square foot ballroom building offering 16,000 square feet of meeting space on the banks of the Potomac River that opened in May 2017, and entertainment options such as restaurants, shops, and a two-story rooftop nightclub. The Gaylord National is rated as a AAA Four-Diamond Hotel and is routinely recognized by many industry and commercial publications, including being named a 2017 STELLA Award Winner by *Meetings & Conventions* and *Successful Meetings* magazines and 2017 Best of the East Award Winner from *Meetings Today*.

Inn at Opryland. We also own the Inn at Opryland, which is located across the street from Gaylord Opryland. The hotel has 303 rooms and approximately 14,000 square feet of meeting space.

AC Hotel. We also own the AC Hotel, which is located near Gaylord National and opened in April 2015. The hotel has 192 rooms and approximately 3,700 square feet of meeting space.

Gaylord Rockies Resort and Convention Center — Aurora, Colorado. As further discussed in "Note 4 – Investment in Gaylord Rockies Joint Venture" to our consolidated financial statements included in this Annual Report on Form 10-K, we have invested in a 35% interest in a joint venture investment for Gaylord Rockies. Gaylord Rockies is situated on approximately 85 acres and is located approximately 10 minutes from Denver International Airport. The hotel will feature a lavish and expansive atrium, 1,500 signature guest rooms, including 114 suites, four ballrooms with up to approximately 60,000 square feet, up to 81 breakout rooms, and total meeting, exhibit and pre-function space of approximately 485,000 square feet. The property is also expected to include a number of themed restaurants, retail outlets, a full-service spa, five outdoor event spaces and an indoor/outdoor pool complex. The estimated \$800 million hotel project is expected to be completed in late 2018.

Description of our Entertainment Portfolio

The Grand Ole Opry. The Grand Ole Opry, which celebrated its 92nd anniversary in 2017, is one of the most widely known platforms for country music in the world. The Opry features a live country music show with performances every Friday and Saturday night, as well as additional weekly performances on a seasonal basis. The Grand Ole Opry House, home of the Grand Ole Opry, seats approximately 4,400, is located in the Opryland complex, and was named the Venue of the Year by the Academy of Country Music in 2014. The Grand Ole Opry moved to the Opry House in 1974 from its most famous home in the Ryman Auditorium in downtown Nashville. Each week, the Grand Ole Opry is broadcast live to millions of country lifestyle consumers on radio via WSM-AM and Sirius/XM Radio and streamed on the Internet. The show has been broadcast since 1925 on WSM-AM, making it the longest running live radio program in the United States. In addition to performances by its members, the Grand Ole Opry presents performances by many other country music artists and other acts. We recently announced a \$12 million expansion to the Grand Ole Opry House, which will include a larger retail space, additional food and beverage options, a redesigned box office, VIP lounge area with a backstage tour theater, and additional parking. Construction on the improvements is anticipated to be completed at various points from summer 2018 through January 2019.

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Ryman Auditorium. The Ryman Auditorium, which was built in 1892 and seats approximately 2,300, is designated as a National Historic Landmark. The former home of the Grand Ole Opry, the Ryman Auditorium was renovated and re-opened in 1994 for concerts and musical productions. In June 2015, the Ryman completed a \$14 million expansion, including updated museum exhibits, a new museum theatre and a new café. The Grand Ole Opry returns to the Ryman Auditorium periodically, most recently from November 2017 to January 2018. The Ryman Auditorium has been nominated for “Theatre of the Year” by Pollstar Concert Industry Awards every year since 2003, winning the award every year since 2010, and was named the Venue of the Year by the Academy of Country Music in 2009, 2011, 2013, 2015 and 2017.

WSM-AM. WSM-AM commenced broadcasting in 1925. The involvement of Ryman’s predecessors with country music dates back to the creation of the radio program that became The Grand Ole Opry, which has been broadcast live on WSM-AM since 1925. WSM-AM is broadcast from the Gaylord Opryland complex in Nashville and has a country music format. WSM-AM is one of the nation’s “clear channel” stations, meaning that no other station in a 750-mile radius uses the same frequency for night time broadcasts. As a result, the station’s signal, transmitted by a 50,000-watt transmitter, can be heard at night in much of the United States and parts of Canada.

Opry City Stage. We have invested in a joint venture with New York City-based SPK Hospitality Group LLC that owns and operates Opry City Stage, a four-level entertainment complex on historic Broadway in Times Square that opened in December 2017. Opry City Stage features live entertainment, simulcast performances from the Grand Old Opry House, a world-class listening room, private event space, and a two-story bar and restaurant space.

Ole Red. In January 2017, we announced plans for a multi-level entertainment venue in downtown Nashville. The 26,000-square foot venue will feature a two-story bar and restaurant, performance space, private event space and a 6,000-square foot rooftop restaurant and bar. Ole Red is expected to open in second quarter 2018.

The General Jackson Showboat. We own the General Jackson Showboat, a 300-foot, four-deck paddle wheel showboat on the Cumberland River, which flows past the Gaylord Opryland complex in Nashville. Its Victorian Theatre can seat 600 people for banquets and 1,000 people for theater-style presentations. The showboat stages Broadway-style shows and other theatrical productions. The General Jackson is one of many sources of entertainment that is available to conventions held at Gaylord Opryland. During the day, it operates cruises, primarily serving tourists visiting the Gaylord Opryland complex and the Nashville area. Marriott manages the day-to-day operations of the General Jackson.

Gaylord Springs. Minutes from Gaylord Opryland, Gaylord Springs (our 18-hole championship golf course) was designed by former U.S. Open and PGA Champion Larry Nelson. The 40,000 square-foot antebellum-style clubhouse offers meeting space for up to 500 guests. Marriott manages the day-to-day operations of Gaylord Springs.

The Wildhorse Saloon. Since 1994, we have owned the Wildhorse Saloon, a country music performance venue on historic Second Avenue in downtown Nashville. The three-story facility includes a dance floor of approximately 2,000 square feet, as well as a restaurant and banquet facility that can accommodate up to 2,000 guests. Marriott manages the day-to-day operations of the Wildhorse Saloon.

Corporate and Other Segment

Our Corporate and Other segment includes operating and general and administrative expenses related to the overall management of the Company which are not allocated to the other reportable segments, including certain costs for our retirement plans, equity-based compensation plans, information technology, human resources, accounting, and other administrative expenses.

Corporate History and Structure

We were originally incorporated in 1956 and were reorganized in connection with a 1997 corporate restructuring. Prior to our REIT conversion, we operated as a C corporation. In 2012, we completed restructuring transactions intended to facilitate our qualification as a REIT for federal income tax purposes, which included the merger, effective on October 1, 2012, of our predecessor, Gaylord, with and into its wholly-owned subsidiary, Ryman, with Ryman surviving the merger, at which time Ryman succeeded to and began conducting, directly or indirectly, all of the business conducted by Gaylord immediately prior to the merger. Prior to Marriott’s assumption of the day-to-day management of our hotels and certain of our Nashville attractions, we managed such assets. We elected REIT status effective January 1, 2013.

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All of our assets are held by, and all of our operations are conducted through, RHP Hotel Properties, LP, a Delaware limited partnership (the “Operating Partnership”). In the future, we may amend the limited partnership agreement of the Operating Partnership to provide that its partnership units will be convertible on a one-for-one basis for shares of our common stock. Under certain circumstances, we may issue such partnership units as consideration to acquire hotel properties. By offering partnership units, the seller of such hotel property could defer federal income tax on any of the seller’s gains on sale, and this tax advantage may enable us to acquire hotel properties in the future which otherwise may not be available for sale.

As a REIT, at least 75% of our gross income for each taxable year must generally be derived from “rents from real property” or other income permitted by the Internal Revenue Code of 1986, as amended (the “Code”). To meet this requirement, our hotel properties are owned or leased by certain subsidiaries of the Operating Partnership, which are disregarded entities for federal income tax purposes, and these subsidiaries lease or sublease our hotels to our TRSs pursuant to leases that contain economic terms which are similar to leases between unrelated parties. The rent that we receive from our TRS lessees qualifies as “rents from real property” as long as the property is operated on behalf of our TRS lessees by a person who qualifies as an “independent contractor” (as defined in the Code) and who is, or is related to a person who is, actively engaged in the trade or business of operating “qualified lodging facilities” (as defined in the Code) for any person unrelated to us and our TRS lessees (an “eligible independent contractor”). Our TRS lessees have engaged Marriott to manage the day-to-day operations of our hotels as an eligible independent contractor.

In addition, we own our Entertainment businesses in TRSs, and certain of those TRSs have engaged Marriott to manage their assets, as described above.

Tax Status

As a REIT, we generally are not subject to corporate federal income tax on that portion of our REIT taxable income that we distribute to our stockholders. In addition to the requirement that 75% of our gross income for each taxable year be derived from “rents from real property” discussed above, we are subject to other organizational and operational requirements including the requirement that we distribute at least 90% of our REIT taxable income each year and the requirement that no more than 50% in value of our outstanding shares may be owned, directly or indirectly, by five or fewer individuals (as defined in the Code to include various kinds of entities). We will be subject to federal and state income tax on our taxable income at regular corporate rates if we fail to qualify as a REIT for federal income tax purposes in any taxable year, or to the extent we distribute less than 100% of our REIT taxable income. In that event, we will also not be permitted to qualify for treatment as a REIT for federal income tax purposes until the fifth year following any year in which qualification is lost. Our non-REIT operations, which consist of the activities of our TRSs that lease or sublease our hotels from our qualified REIT subsidiaries, as well as businesses within our Entertainment segment, will continue to be subject, as applicable, to federal and state corporate income taxes.

Employees

At December 31, 2017, we had approximately 368 full-time and 531 part-time and temporary employees. Of these, approximately 301 full-time and 526 part-time employees were employed in our Entertainment segment; and approximately 67 full-time employees and 5 part-time employees were employed in our Corporate and Other segment. We believe our relations with our employees are good. In connection with Marriott’s assumption of the day-to-day management of our Gaylord Hotels properties and certain other assets, effective in 2012, our former employees involved in the day-to-day operations of our Gaylord Hotels, as well as the Inn at Opryland, the General Jackson, Gaylord Springs and the Wildhorse Saloon, became employees of Marriott. Since that time, Marriott has been responsible for hiring and maintaining the labor force at each of these properties, as well as the AC Hotel since its opening.

Competition

Hospitality

Our current hotel properties compete with numerous other hotels throughout the United States and abroad, particularly the approximately 100 convention hotels that, on average, have over 1,000 rooms and a significant amount of meeting and exhibit space. We believe that competition among convention hotels is based on, among other things: (i) the hotel’s reputation, (ii) the quality of the hotel’s facility, (iii) the quality and scope of a hotel’s meeting and convention facilities and services, (iv) the desirability of a hotel’s location, (v) travel distance to a hotel for meeting attendees, (vi) a hotel facility’s accessibility to a recognized airport, (vii) the amount of entertainment and recreational options available in and in the vicinity of the hotel, (viii) service levels at the hotel, and (ix) price. Our hotels also compete against large municipal convention centers, including Orlando, Chicago, Atlanta, Dallas, Nashville and Washington, D.C.

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The hotel business is management and marketing intensive. Our current hotel properties compete with other hotels throughout the United States for high quality management and marketing personnel. We believe that Marriott's international brand, marketing scale and ability to manage group business have improved our hotels' competitive position. However, there can be no assurance that Marriott will be able to continue to attract and retain employees with the requisite managerial and marketing skills.

Additionally, as a REIT, we compete for investment opportunities in the hospitality industry, particularly the group-oriented meetings sector of the hospitality industry, with entities that may have substantially greater financial and other resources than we have. These entities generally may be able to accept more risk than we can prudently manage. Our focus on acquiring hotels in the large group meetings sector of the hospitality industry and the competition in this sector may generally limit the number of hotel properties that we are able to acquire. This competition may also increase the bargaining power of property owners seeking to sell to us, making it more difficult for us to acquire new properties on attractive terms.

Entertainment

The Grand Ole Opry and our other entertainment businesses compete with all other forms of entertainment and recreational activities. The success of the Entertainment group is dependent upon certain factors beyond our control, including economic conditions, the amount of available leisure time, transportation cost, public taste and weather conditions. Our radio station competes with numerous other types of entertainment businesses and advertisement media, and success is often dependent on taste and fashion, which may fluctuate from time to time.

Management Agreements

Gaylord Hotels. We are a party to a management agreement with Marriott for each of our Gaylord Hotels properties, as well as a pooling agreement with Marriott with respect to the Gaylord Hotels properties on an aggregate basis. Each of the management agreements has a term expiring in 2047, with three automatic 10-year renewal periods (provided the applicable hotel has met certain performance thresholds). Each of the management agreements requires us to pay Marriott a base management fee of approximately 2% of gross revenues from the applicable property for each fiscal year or portion thereof. Additionally, the pooling agreement requires us to pay to Marriott an incentive fee of: (i) 10% of the first \$10.0 million of pooled available cash flow (which is generally operating profit for the pooled hotels less an owner's priority), plus 20% of any additional pooled available cash flow over such threshold for 2015; and (ii) 10% of the first \$15.0 million of pooled available cash flow plus 20% of any additional pooled available cash flow over such threshold in or after 2016. The owner's priority is collectively \$240 million, plus certain additional amounts, including 10% of certain non-routine capital expenditures and conversion work, and 10% of replacements of furniture, fixtures, and equipment and routine capital expenditures in excess of a reserve. If one or more of our Gaylord Hotels properties were not a "pooled hotel" (i.e., if we cease to own the hotel or we lease the hotel to a third party), the thresholds used to calculate the incentive fee in the pooling agreement will be adjusted, and the incentive fee for the non-pooled hotel will be based on such hotel's performance. The management agreements and pooling agreement also contain certain restrictions on our incurring indebtedness that encumber our Gaylord Hotels properties on an individual or aggregate basis. The management agreements may be terminated earlier than the stated term if certain events occur, including the failure of Marriott to satisfy certain performance standards. The management agreements prohibit us from selling the Gaylord Hotels properties to certain persons, including any person who does not, in Marriott's reasonable judgment, have sufficient financial resources and liquidity to fulfill our obligations under the management agreements, or any person who owns a controlling interest in a hotel brand (e.g., Hilton or Hyatt) totaling at least ten full-service hotels that are not affiliated with a brand but that are marketed and operated as a collective group, if such brand or group of hotels compete with Marriott. In addition, we may not sell a Gaylord Hotels property if we are then in breach of the applicable management agreement.

Inn at Opryland. Marriott manages the day-to-day operations of the Inn at Opryland pursuant to a management agreement that requires us to pay Marriott a base management fee of approximately 2% of gross revenues for each fiscal year or portion thereof. This management agreement expires in 2022, with five five-year renewal options, so long as neither party terminates the agreement. Additionally, this management agreement requires us to pay to Marriott an incentive fee of 20% of the excess of available cash flow (as defined in the management agreement) over a certain threshold.

AC Hotel. Marriott manages the day-to-day operations of the AC Hotel pursuant to a management agreement that requires us to pay Marriott a base management fee of 5% of gross revenues for the first fiscal year, 6% of gross revenues for the second fiscal year, and 7% of gross revenues for each fiscal year thereafter. This management agreement expires in 2040, with two ten-year renewal options so long as neither party terminates the agreement. Additionally, this management agreement requires us to pay to Marriott an incentive fee of 20% of the excess of available cash flow (as defined in the management agreement) over a certain threshold.

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Certain Nashville Attractions. Marriott manages the General Jackson, the Wildhorse Saloon, and Gaylord Springs pursuant to management agreements. Each of these management agreements require us to pay Marriott a base management fee of approximately 2% of total revenues. Additionally, the management agreements require us to pay to Marriott an incentive fee of 20% of the excess of available cash flow (as defined in the management agreements) over a certain threshold. The management agreements for the General Jackson and the Wildhorse Saloon expire in 2017, with five one-year renewal options, the first of which was exercised in 2017, so long as neither party terminates the agreement. The management agreement for Gaylord Springs expires in 2022.

Total base management fees incurred during 2017, 2016 and 2015 were \$22.0 million, \$21.4 million and \$17.4 million, respectively. Total incentive fees incurred during 2017, 2016 and 2015 were \$6.1 million, \$4.8 million and \$1.4 million, respectively. Management fees are presented in the accompanying financial information net of the amortization of the deferred management rights proceeds discussed further in “Note 6 – Deferred Management Rights Proceeds” to our consolidated financial statements included in this Annual Report on Form 10-K.

Seasonality

Portions of our business are seasonal in nature. The group convention business at our Gaylord Hotels properties is subject to reduced levels of demand during the year-end holiday periods.

Regulation and Legislation

Hospitality

Our current hotel properties are subject to certain federal, state, and local governmental laws and regulations including, without limitation, labor regulations, health and safety laws and environmental regulations applicable to hotel and restaurant operations. The hotels are also subject to the requirements of the Americans with Disabilities Act and similar state laws, as well as regulations pursuant thereto. We believe that our hotel properties and our attractions are in substantial compliance with such regulations. In addition, the sale of alcoholic beverages by a hotel requires a license and is subject to regulation by the applicable state and local authorities. The agencies involved have the power to limit, condition, suspend or revoke any such license, and any disciplinary action or revocation could have an adverse effect upon the results of operations of our Hospitality segment. Pursuant to management agreements with Marriott, we do not control many of these activities at our hotel properties, and we rely on Marriott to comply with all such federal, state and local governmental laws and regulations with respect to such properties. However, under the terms of our management agreements with Marriott, we may be required to bear the cost of any capital expenditures necessary to comply with a legal requirement.

Entertainment

WSM-AM is subject to regulation under the Communications Act of 1934, as amended. Under the Communications Act, the Federal Communications Commission, or FCC, among other things, assigns frequency bands for broadcasting; determines the frequencies, location, and signal strength of stations; issues, renews, revokes, and modifies station licenses; regulates equipment used by stations; and adopts and implements regulations and policies that directly or indirectly affect the ownership, operation, and other practices of broadcasting stations. Licenses issued for radio stations have terms of eight years. Radio broadcast licenses are renewable upon application to the FCC and in the past have been renewed except in rare cases. Competing applications will not be accepted at the time of license renewal, and will not be entertained at all unless the FCC first concludes that renewal of the license would not serve the public interest. A station will be entitled to renewal in the absence of serious violations of the Communications Act or FCC regulations or other violations which constitute a pattern of abuse. WSM-AM’s current radio station license will expire in August 2020; however, we are not aware of any reason why WSM-AM’s radio station license should not be renewed.

In addition, our entertainment attractions are also subject to the requirements of the Americans with Disabilities Act and similar state laws, as well as the laws and regulatory activities associated with the sale of alcoholic beverages described above. Pursuant to management agreements with Marriott, we do not control many of these activities with respect to the General Jackson Showboat, Gaylord Springs, and the Wildhorse Saloon, and we rely on Marriott to comply with all such federal, state and local governmental laws and regulations with respect to such businesses. However, under the terms of our management agreements with Marriott, we may be required to bear the cost of any capital expenditures necessary to comply with a legal requirement.

Additional Information

Our web site address is www.rymanhp.com. We make available free of charge through our web site our Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K, definitive proxy statements, and all amendments to those reports as soon as reasonably practicable after such material is electronically filed with or furnished to the Securities and Exchange Commission (the "SEC"). The information provided on our web site is not part of this report, and is therefore not incorporated by reference unless such information is otherwise specifically referenced elsewhere in this report. The public may also read and copy any materials that we file with the SEC at the SEC's public reference room located at 100 F. Street, N.E., Washington, D.C. 20549 or on their website at www.sec.gov. Questions regarding the operation of the public reference room may be directed to the SEC at 1-800-732-0330.

Executive Officers of the Registrant

The following table sets forth certain information regarding the executive officers of the Company at January 1, 2018. All officers serve at the discretion of the Board of Directors (subject to, in the case of officers who have entered into employment agreements with the Company, the terms of such employment agreements).

<u>NAME</u>	<u>AGE</u>	<u>POSITION</u>
Colin V. Reed	70	Chairman of the Board of Directors and Chief Executive Officer
Mark Fioravanti	56	President and Chief Financial Officer
Bennett Westbrook	51	Executive Vice President, Development and Design & Construction
Patrick Chaffin	44	Senior Vice President of Asset Management
Scott J. Lynn	44	Senior Vice President, General Counsel and Secretary
Jennifer Hutcheson	40	Senior Vice President and Corporate Controller

The following is additional information with respect to the above-named executive officers.

Colin V. Reed has served as Chief Executive Officer and a director of the Company since April 2001, and Mr. Reed was also elected Chairman of the Board of Directors of the Company in May 2005. Until November 2008, and again from November 2012 to March 2015, Mr. Reed also served as President of the Company. Prior to joining the Company, Mr. Reed had served as a member of the three-executive Office of the President of Harrah's Entertainment, Inc. (now Caesar's Entertainment) since May 1999, and he had served as Harrah's Chief Financial Officer since April 1997. Mr. Reed also was a director of Harrah's from 1998 to May 2001. Mr. Reed served in a variety of other management positions with Harrah's and its predecessor, Holiday Corp., since 1977. Mr. Reed is a director of First Horizon National Corporation.

Mark Fioravanti is President and Chief Financial Officer of the Company, a position he has held since March 2015. Prior to that time, Mr. Fioravanti served as Executive Vice President and Chief Financial Officer of the Company. Until June 2009, Mr. Fioravanti served as Senior Vice President of Finance and Treasurer of the Company, a position he had held since June 2007. Prior to such time, Mr. Fioravanti had served as Executive Vice President of the Company and President of ResortQuest International since March 2004. From August 2002 to March 2004, Mr. Fioravanti was the Company's Senior Vice President of Marketing. Prior to joining the Company in August 2002, Mr. Fioravanti spent nine years in a variety of roles with casino operator Harrah's Entertainment, Inc., where he was most recently Vice President of Finance and Administration of Harrah's New Orleans. Mr. Fioravanti graduated from The Ohio State University, where he earned his B.S. degree. He also holds an MBA from the University of Tennessee.

Bennett Westbrook is Executive Vice President, Development and Design & Construction, a position he has held since June 2016. Prior to that time, Mr. Westbrook served as Senior Vice President of Investments and Design and Construction for the Company. Mr. Westbrook leads the Company's acquisition, development, and design and construction efforts on hospitality projects and other real estate and investment-related projects. Prior to joining the Company in 2001, Mr. Westbrook was Corporate Director of Development at Harrah's Entertainment, Inc. from 2000-2001, Regional Real Estate Manager for Federated Department Stores (now Macy's, Inc.) from 1997-2000, and Director of Development at Harrah's Entertainment, Inc. from 1994-1997. Mr. Westbrook earned both his B.A. degree in Political Science and MBA degree at Vanderbilt University.

Patrick Chaffin is Senior Vice President of Asset Management for Ryman Hospitality Properties, a position he has held since January 2013. In this role, Mr. Chaffin's primary focus is oversight of the resort and convention center assets comprising the Gaylord Hotels brand. From January 2007 to December 2012, he led the strategic planning, operations analysis and investor relations functions for

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Gaylord Entertainment. Prior to its sale in June 2007, Mr. Chaffin served as the head of finance for ResortQuest International, formerly a division of Gaylord Entertainment. Prior to joining Gaylord Entertainment in January 2005, Mr. Chaffin worked for General Motors Corporation for 9 years serving in a variety of corporate and manufacturing positions. Mr. Chaffin earned a B.S. degree from Lipscomb University and an MBA from the Owen Graduate School of Management at Vanderbilt University.

Scott J. Lynn is the Senior Vice President, General Counsel and Secretary of the Company, a position he has held since January 2013. From August 2003 to January 2013, he served as the Company's Associate General Counsel. From May 2002 to August 2003, Mr. Lynn was Senior Counsel at Progeny Marketing Innovations, a subsidiary of Cendant Corporation. From August 1998 to May 2002, Mr. Lynn was an associate at the law firm of Stokes & Bartholomew, P.A. Mr. Lynn is a graduate of the Vanderbilt University School of Law and Tennessee Technological University.

Jennifer Hutcheson is the Senior Vice President and Corporate Controller of the Company, a position she has held since January 2013. From March 2006 to December 2012, she served as the Company's Vice President of Accounting and Tax. From May 2004 to March 2006, she served as the Company's Director of Corporate Accounting. From August 2002 to April 2004, she was the Corporate Accounting Manager at Private Business Inc. Prior to that time, she was an auditor with Ernst & Young LLP and Arthur Andersen. Ms. Hutcheson, who is a certified public accountant, has a B.S. degree in accounting from Tennessee Technological University and an MBA from the Owen Graduate School of Management at Vanderbilt University.

Item 1A. Risk Factors

You should carefully consider the following specific risk factors as well as the other information contained or incorporated by reference in this Annual Report on Form 10-K as these are important factors, among others, that could cause our actual results to differ from our expected or historical results. It is not possible to predict or identify all such factors. Consequently, you should not consider any such list to be a complete statement of all our potential risks or uncertainties. Some statements in the "Business" section and elsewhere in this Annual Report on Form 10-K are "forward-looking statements" and are qualified by the cautionary language regarding such statements. See "Forward-Looking Statements" above.

If we fail to remain qualified as a REIT, we would be subject to tax at corporate income tax rates and would not be able to deduct distributions to stockholders when computing our taxable income.

As a REIT, we hold our non-qualifying REIT assets in one or more TRSs. These non-qualifying REIT assets consist principally of non-real estate assets related to our Hospitality segment and the assets related to our Entertainment segment as historically structured and operated.

If, in any taxable year, we fail to qualify for taxation as a REIT, and are not entitled to relief under the Internal Revenue Code of 1986, as amended (the "Code"):

- we would not be allowed a deduction for distributions to stockholders in computing our taxable income; and
- we would be subject to federal and state income tax, including any applicable alternative minimum tax, on our taxable income at regular corporate rates.

Any such corporate tax liability could be substantial and would reduce the amount of cash available for other purposes. This adverse impact could last for five or more years because, unless we are entitled to relief under certain statutory provisions, we would be taxable as a C corporation, beginning in the year in which the failure occurs, and we would not be allowed to re-elect to be taxed as a REIT for the following four years.

If we fail to qualify for taxation as a REIT, we may need to borrow additional funds or liquidate certain assets to pay any additional tax liability. Accordingly, funds available for investment or distribution to stockholders would be reduced.

REIT qualification involves the application of highly technical and complex provisions of the Code to our operations, as well as various factual determinations concerning matters and circumstances not entirely within our control. There are limited judicial or administrative interpretations of these provisions. Although we plan to operate in a manner consistent with the REIT qualification rules, we cannot assure you that we will so qualify or remain so qualified.

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As a REIT, failure to make required distributions to our stockholders would subject us to federal and state corporate income tax.

Prior to 2012, we had not paid a cash distribution on our common stock since 1999. Beginning in 2013 we declared, and we intend to continue to declare, regular quarterly distributions, the amount of which will be determined, and will be subject to adjustment, by our board of directors. Our board of directors has approved a dividend policy pursuant to which we will pay a quarterly cash dividend in an amount equal to an annualized payment of at least 50% of adjusted funds from operations (as defined by us) less maintenance capital expenditures or 100% of REIT taxable income on an annual basis, whichever is greater. This dividend policy may be altered at any time by our board of directors, and certain provisions of our debt agreements may prohibit us from paying dividends in accordance with the policy. To be taxed as a REIT, we are generally required to distribute at least 90% of our REIT taxable income (determined without regard to the dividends paid deduction and excluding net capital gain) each year to our stockholders. If our cash available for distribution falls short of our estimates, we may be unable to maintain the proposed quarterly distributions that approximate our taxable income and may fail to qualify for taxation as a REIT. In addition, our cash flows from operations may be insufficient to fund required distributions as a result of differences in timing between the actual receipt of income and the recognition of income for federal and state income tax purposes, or the effect of nondeductible expenditures.

To the extent that we satisfy the 90% distribution requirement, but distribute less than 100% of our REIT taxable income, we will be subject to federal and state corporate income tax on our undistributed taxable income. In addition, we will be subject to a 4% nondeductible excise tax if the actual amount that we pay out to our stockholders for a calendar year is less than a minimum amount specified under the Code.

Covenants in our current and future debt instruments may limit our ability to make required distributions to our stockholders in accordance with our announced intended dividend policy.

Our credit facility imposes, and future financing agreements are likely to impose, operating and financial restrictions on our activities, including restrictions on the payment of dividends. These restrictions may prevent us from making distributions to our stockholders in accordance with our announced intended dividend policy.

We may be required to borrow funds, sell assets, or issue equity to satisfy our REIT distribution requirements or maintain the asset ownership tests.

To meet the REIT distribution requirements and maintain our qualification and taxation as a REIT, we may need to borrow funds, sell assets or issue equity, even if the then-prevailing market conditions are not favorable for these borrowings, sales or offerings. Any insufficiency of our cash flows to cover our REIT distribution requirements could adversely impact our ability to raise short- and long-term debt, to sell assets, or to offer equity securities to fund distributions required to maintain our qualification and taxation as a REIT. Furthermore, the REIT distribution requirements may increase the financing we need to fund capital expenditures, future growth and expansion initiatives. This would increase our total leverage.

In addition, if we fail to comply with certain REIT asset ownership tests at the end of any calendar quarter, we must correct the failure within 30 days after the end of the calendar quarter or qualify for certain statutory relief provisions to avoid losing our REIT qualification. As a result, we may be required to liquidate otherwise attractive assets. These actions may reduce our income and amounts available for distribution to our stockholders.

Complying with REIT requirements may limit our flexibility or cause us to forego otherwise attractive opportunities.

To qualify as a REIT for federal income tax purposes, we must continually satisfy tests concerning, among other things, the sources of our income, the nature and diversification of our assets, the amounts we distribute to our stockholders and the ownership of our common stock. Thus, compliance with these tests will require us to refrain from certain activities and may hinder our ability to make certain attractive investments, including the purchase of non-qualifying assets, the expansion of non-real estate activities, and investments in the businesses to be conducted by our TRSs, and to that extent limit our opportunities and our flexibility to change our business strategy. Furthermore, acquisition opportunities may be adversely affected if we need or require the target company to comply with some REIT requirements prior to closing. In addition, as a REIT, we may face investor pressures to forego growth opportunities that are not immediately accretive.

We conduct a significant portion of our business activities, including those currently operated within our Entertainment segment, through TRSs. Under the Code, no more than 25% of the value of the assets of a REIT may be represented by securities of one or more TRSs and other non-qualifying assets. In addition, for taxable years beginning after December 31, 2017, no more than 20% of

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the value of the assets of a REIT may be represented by securities of one or more TRSs. These limitations may affect our ability to make additional investments in our Entertainment segment as historically structured and operated or in other non-REIT qualifying operations or assets. To meet our annual distribution requirements, we may be required to distribute amounts that may otherwise be used for our operations, including amounts that may otherwise be invested in future acquisitions, capital expenditures or repayment of debt, and it is possible that we might be required to borrow funds, sell assets or issue equity to fund these distributions, even if the then-prevailing market conditions are not favorable for these borrowings, sales or offerings.

Our planned use of TRSs may cause us to fail to qualify as a REIT.

The net income of our TRSs is not required to be distributed to us, and income that is not distributed to us generally will not be subject to the REIT income distribution requirement. However, there may be limitations on our ability to accumulate earnings in our TRSs and the accumulation or reinvestment of significant earnings in our TRSs could result in adverse tax treatment. In particular, if the accumulation of cash in our TRSs causes the fair market value of our securities in our TRSs and certain other non-qualifying assets to exceed 25% of the fair market value of our assets, we would fail to qualify as a REIT. Furthermore, beginning with our taxable year commencing January 1, 2018, if the accumulation of cash in our TRSs causes the fair market value of our securities in our TRSs to exceed 20% of the fair market value of our assets, we would fail to qualify as a REIT.

If our leases of our hotel properties to TRS lessees are not true leases for federal income tax purposes, we may fail to qualify as a REIT.

In order for the lease payments by our TRS lessees to our property-owning subsidiaries to qualify for purposes of the gross income tests, the lease or sublease must be considered a true lease for federal income tax purposes and must not be treated as a service contract, joint venture, or some other type of arrangement. We believe we have structured our leases and subleases of our hotel properties to our TRS lessees so that the leases will be considered true leases for federal income tax purposes, but there can be no assurance that the IRS will agree with this characterization.

If Marriott or any future third-party hotel manager fails to qualify as an “eligible independent contractor,” or if our hotels are not “qualified lodging facilities,” we will fail to qualify as a REIT.

Rent paid by a lessee or sublessee that is a “related party tenant” of ours will not be qualifying income for purposes of the two gross income tests applicable to REITs. An exception is provided, however, for leases of “qualified lodging facilities” to a TRS so long as the hotels are managed by an “eligible independent contractor” and certain other requirements are satisfied. We lease or sublease our hotel properties to TRS lessees, and such TRS lessees have engaged Marriott as a third-party hotel manager. We believe Marriott and any other third-party hotel manager that our TRS lessees may engage in the future will qualify as “eligible independent contractors” for federal income tax purposes. Among other requirements, to qualify as an “eligible independent contractor,” the third-party hotel manager must not own, directly or through its stockholders, more than 35% of our outstanding shares, and no person or group of persons can own more than 35% of our outstanding shares and the shares (or ownership interest) of the third-party hotel manager, taking into account certain ownership attribution rules. The ownership attribution rules that apply for purposes of these 35% thresholds are complex, and monitoring actual and constructive ownership of our shares by the third-party hotel manager and their owners may not be practical. Accordingly, there can be no assurance that these ownership limits will not be exceeded.

In addition, for a third-party hotel manager to qualify as an “eligible independent contractor,” such company or a related person must be actively engaged in the trade or business of operating “qualified lodging facilities” (as defined below) for one or more persons not related to the REIT or its TRSs at each time that such company enters into a hotel management contract with a TRS lessee. We believe that Marriott operates “qualified lodging facilities” for certain persons who are not related to us or our TRSs, and Marriott has agreed in the hotel management agreements that it, or its affiliates, are eligible independent contractors and will maintain such status. However, no assurances can be provided that Marriott or any other hotel managers that we may engage in the future will in fact comply with this requirement. Failure to comply with this requirement would require us to find other third-party hotel managers for future contracts, and, if we hired a third-party hotel manager without knowledge of the failure, it could jeopardize our status as a REIT.

Finally, each property with respect to which our TRS lessees pay rent must be a “qualified lodging facility.” A “qualified lodging facility” is a hotel, motel or other establishment more than one-half of the dwelling units in which are used on a transient basis, including customary amenities and facilities, provided that no wagering activities are conducted at or in connection with such facility by any person who is engaged in the business of accepting wagers and who is legally authorized to engage in such business at or in connection with such facility. We believe that our current hotel properties are “qualified lodging facilities.” Although we intend to monitor future acquisitions and improvements of properties, REIT provisions of the Code provide only limited guidance for making determinations under the requirements for “qualified lodging facilities,” and there can be no assurance that these requirements will be satisfied.

Our cash distributions are not guaranteed and may fluctuate.

A REIT generally is required to distribute at least 90% of its REIT taxable income to its stockholders. Our board of directors, in its sole discretion, will determine on a quarterly basis the amount of cash to be distributed to our stockholders based on a number of factors including, but not limited to, our results of operations, cash flow and capital requirements, economic conditions, tax considerations, borrowing capacity and other factors, including debt covenant restrictions that may impose limitations on cash payments and plans for future acquisitions and divestitures. Our board of directors has approved a dividend policy pursuant to which we will pay a quarterly cash dividend based on an annualized amount of at least 50% of adjusted funds from operations (as defined by us) less maintenance capital expenditures or 100% of REIT taxable income on an annual basis, whichever is greater. The dividend policy may be altered at any time by our board of directors and certain provisions of our debt agreements may prohibit us from paying dividends in accordance with the policy. Consequently, our distribution levels may fluctuate.

There are uncertainties relating to the estimate of our special dividend paid on December 21, 2012.

To qualify for taxation as a REIT effective for the year ended December 31, 2013, we were required to distribute to our stockholders our undistributed accumulated earnings and profits attributable to taxable periods ended prior to January 1, 2013. To satisfy this requirement, on November 2, 2012, our board of directors declared a special dividend in the amount of \$6.84 per share of common stock, or an aggregate of approximately \$309.8 million to stockholders of record as of the close of business on November 13, 2012, payable on December 21, 2012 in a combination of cash and stock, as elected by stockholders. We believe that the total value of the special dividend was sufficient to fully distribute our accumulated earnings and profits and that a portion of the special dividend exceeded our accumulated earnings and profits. However, the amount of our undistributed accumulated earnings and profits is a complex factual and legal determination. We may have had less than complete information at the time we estimated our earnings and profits or may have interpreted the applicable law differently from the IRS. Substantial uncertainties exist relating to the computation of our undistributed accumulated earnings and profits, including the possibility that the IRS could successfully assert that our pre-REIT accumulated earnings and profits should be increased. Thus, we may fail to satisfy the requirement to distribute all of our pre-REIT accumulated earnings and profits by the close of our first taxable year as a REIT.

Even though we are conducting our business as a REIT, certain of our business activities will be subject to corporate level income tax, which will continue to reduce our cash flows, and we will have potential deferred and contingent tax liabilities.

Even though we are conducting our business as a REIT, we may be subject to certain federal, state, and local taxes on our income and assets, including alternative minimum taxes, taxes on any undistributed income, and state or local income, franchise, property and transfer taxes. In addition, we could in certain circumstances be required to pay an excise or penalty tax, which could be significant in amount, to utilize one or more relief provisions under the Code to maintain qualification for taxation as a REIT.

Our business related to the non-real estate assets of our Hospitality segment and the assets of our Entertainment segment is conducted through wholly-owned TRSs because these activities could generate non-qualifying REIT income as historically structured and operated. Those TRS assets and operations continue to be subject, as applicable, to federal and state corporate income taxes in the jurisdictions in which those assets and operations are located. Any of these taxes would decrease our earnings and our available cash. In addition, net operating losses in any of our TRSs generally will not provide any tax benefit, except for use against current or future taxable income in the TRSs.

Complying with REIT requirements may limit our ability to hedge effectively and increase the costs of our hedging, and may cause us to incur tax liabilities.

The REIT provisions of the Code limit our ability to hedge liabilities. Generally, income from hedging transactions that we enter into to manage risk of interest rate changes with respect to borrowings made or to be made to acquire or carry real estate assets and income from certain currency hedging transactions related to any non-U.S. operations do not constitute "gross income" for purposes of the REIT gross income tests. To the extent that we enter into other types of hedging transactions, the income from those transactions is likely to be treated as non-qualifying income for purposes of the REIT gross income tests. As a result of these rules, we may need to limit our use of advantageous hedging techniques or implement those hedges through a TRS. This could increase the cost of our hedging activities because our TRSs would be subject to tax on income or gains resulting from hedges entered into by them or expose us to greater risks associated with changes in interest rates than we would otherwise want to bear.

Recent tax legislation impacts certain U.S. federal income tax rules applicable to REITs and could adversely affect our current tax positions.

The Protecting Americans from Tax Hikes Act of 2015 (the “PATH Act”) contains changes to certain aspects of the U.S. federal income tax rules applicable to us. The PATH Act is the most recent example of changes to the REIT rules, and additional legislative changes may occur that could adversely affect our current tax positions. The PATH Act modifies various rules that apply to our ownership of, and business relationship with, our TRSs and reduces the maximum allowable value of our assets attributable to TRSs from 25% to 20%, which could impact our ability to enter into future investments or specifically impact the business or operations of our Entertainment segment businesses. The PATH Act also makes multiple changes related to the Foreign Investment in Real Property Tax Act, expands prohibited transaction safe harbors and qualifying hedges, and repeals the preferential dividend rule for public REITs previously applicable to us. Lastly, the PATH Act adjusts the way we may calculate certain earnings and profits calculations to avoid double taxation at the stockholder level, and expands the types of qualifying assets and income for purposes of the REIT requirements. The provisions enacted by the PATH Act could result in changes in our tax positions or investments, and future legislative changes related to those rules described above could have a materially adverse impact on our results of operations and financial condition.

U.S. federal tax reform legislation could affect REITs generally, the geographic markets in which we operate, our stock and our results of operations, both positively and negatively in ways that are difficult to anticipate.

The U.S. Congress recently passed tax reform legislation that made significant changes to corporate and individual tax rates and the calculations of taxes, as well as international tax rules for U.S. domestic corporations. In addition, it is uncertain if and to what extent various states will conform to the newly enacted federal tax law. As a REIT, we are generally not required to pay federal taxes otherwise applicable to regular corporations (except for income related to our TRSs) if we comply with the various tax regulations governing REITs. Stockholders, however, are generally required to pay taxes on REIT dividends. Tax reform legislation will affect the way in which dividends paid on shares of our common stock are taxed and could impact our stock price or how stockholders and potential investors view an investment in REITs generally.

Legislative or other actions affecting REITs could have a negative effect on us or our stockholders.

At any time, the federal income tax laws governing REITs or the administrative interpretations of those laws may be amended. Federal and state tax laws are constantly under review by persons involved in the legislative process, the IRS, the United States Department of the Treasury and state taxing authorities. Changes to the tax laws, regulations and administrative interpretations, which may have retroactive application, could adversely affect us. We cannot predict with certainty whether, when, in what forms, or with what effective dates, the tax laws, regulations and administrative interpretations applicable to us may be changed. Accordingly, we cannot assure you that any such change will not significantly affect our ability to qualify for taxation as a REIT or the federal income tax consequences to us of such qualification.

Even as a REIT, changes in federal, state, or local tax law, interpretations of existing tax law or agreements with tax authorities could affect our profitability and financial condition by increasing our tax costs.

We are subject to taxation at the federal, state and local levels in the United States. Our future tax rates could be affected by changes in the composition of earnings in jurisdictions with differing tax rates, changes in the valuation of our deferred tax assets and liabilities, or changes in determinations regarding the jurisdictions in which we are subject to tax. From time to time, the U.S. federal, state and local governments make substantive changes to tax rules and the application thereof, which could result in materially higher corporate taxes than would be incurred under existing tax law or interpretations and could adversely impact profitability. State and local tax authorities have increased their efforts to increase revenues through changes in tax law and audits. Such changes and proposals, if enacted, could increase our future effective income tax rates, as well as other taxes, including property taxes.

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The ability of our board of directors to revoke our REIT qualification, without stockholder approval, may cause adverse consequences to our stockholders.

Our Amended and Restated Articles of Incorporation (“Charter”) provides that the board of directors may revoke or otherwise terminate the REIT election, without the approval of our stockholders, if it determines that it is no longer in our best interest to continue to qualify as a REIT. If we cease to be a REIT, we will not be allowed a tax deduction with respect to distributions to our stockholders in computing our taxable income, and we will be subject to federal and state income tax at regular corporate rates and state and local taxes, which may have adverse consequences on our stock price, distributions, and total return to our stockholders.

If our third-party hotel managers do not manage our hotel properties or other businesses successfully, our financial condition, results of operations and our ability to service debt and make distributions to our stockholders may be negatively impacted.

Due to federal income tax laws that restrict REITs from operating and managing hotels, we do not operate or manage the day-to-day functions of any of our hotel properties as a REIT. We lease or sublease our hotel properties to TRSs, and such TRS lessees have engaged Marriott as a third-party hotel manager pursuant to hotel management agreements. Marriott manages the day-to-day operations of our Gaylord Hotels, as well as the Inn at Opryland and the AC Hotel, and will manage Gaylord Rockies upon completion. We will identify third-party hotel managers to operate and manage any hotels that we acquire in the future. Our third-party hotel managers will be responsible for the day-to-day management of our hotel properties, including, but not limited to, implementing significant operating decisions, setting rates for rooms and meeting space, controlling revenue and expenditures, collecting accounts receivable, and recruiting, employing and supervising employees at our hotel properties. We will not have the authority to require our third-party hotel managers to operate our hotel properties in a particular manner, although we will have consent and approval rights for certain matters under our hotel management agreements with Marriott, subject to the limitations described therein. As a result, our financial condition, results of operations and our ability to service debt and make distributions to our stockholders are largely dependent on the ability of our third-party hotel managers to operate our hotel properties successfully. Any failure by our third-party hotel managers to provide quality services and amenities or to maintain and protect a quality brand name and reputation could have a negative impact on their ability to operate and manage our hotel properties successfully and could negatively impact our financial condition, results of operations and our ability to service debt and make distributions to our stockholders.

We cannot assure you that our third-party hotel managers will operate and manage our hotel properties in a manner that is consistent with their obligations under the hotel management agreements, that our third-party hotel managers will not be negligent in their performance or engage in other criminal or fraudulent activity, or that they will not otherwise default on their management obligations to us.

Even if we believe our hotel properties are being operated inefficiently or in a manner that does not result in satisfactory operational metrics, we will have limited ability to require our third-party hotel managers to change their method of operation of our hotel properties. We generally will attempt to resolve issues with third-party hotel managers through discussions and negotiations. However, if we are unable to reach satisfactory results through discussions and negotiations, we may choose to litigate the dispute or submit the matter to third-party dispute resolution or arbitration. We would be able to seek redress only if a third-party hotel manager violates the terms of the applicable hotel management agreement, and then only to the extent of the remedies provided for under the terms of the hotel management agreement. Additionally, in the event we need to replace any of our third-party hotel managers, we may experience significant business disruptions at the affected hotel properties, and may be liable, under certain circumstances, for significant damages and/or be required to make certain payments to our third-party managers.

The operation and management of our current hotel properties, the operation of which generates substantially all our Hospitality segment revenue, is concentrated in Marriott.

Our current hotel properties, the operation of which generates substantially all our Hospitality segment revenue, are operated and managed by Marriott. As a result, our operational risk is concentrated in one third-party hotel manager, which makes us more vulnerable economically to any weakness of Marriott than if we entered into hotel management agreements with several third-party hotel managers. We cannot assure you that Marriott will satisfy its obligations to us or successfully operate and manage our current hotel properties. Any adverse developments in Marriott’s business and affairs, financial strength or ability to operate and manage our current hotel properties successfully could materially reduce our revenues and net income, which could in turn reduce the amount of distributions to our stockholders. Additionally, we rely on the resources of and financial information provided by Marriott to report the financial results of our hotel properties. A failure by Marriott to accurately report the financial results of our hotel properties could materially affect our understanding of the hotel properties’ performance as well as our ability to accurately report on the hotel properties’ performance. Further, Marriott now owns the Gaylord Hotels brand and trademarks, and a failure on their part to maintain quality standards could harm the brand and damage our business.

Revenue growth and cost synergies for our hotel operations are largely dependent on the efforts of Marriott. Marriott’s efforts to leverage its rewards program, customer channels and brands, as well as its management of demand for rooms, meeting space and banquets, have resulted in revenue growth and Marriott’s efforts to reduce hotel-level costs have yielded cost savings. There can be no assurance that improvements in revenue or cost savings can be sustained.

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Restrictive covenants and other provisions in our hotel management agreements with third-party hotel managers could limit our ability to sell or lease our hotel properties or refinance our existing debt.

Our hotel management agreements with Marriott contain, and we anticipate that hotel management agreements with our future third-party hotel managers will contain, restrictive covenants that limit our flexibility to sell or lease our hotel properties. For example, we may not sell or lease our current hotel properties to a competitor of Marriott (as defined in our management agreements with Marriott), and any purchaser or lessee must have, in Marriott's judgment, sufficient financial resources and liquidity to fulfill our obligations under the hotel management agreements. Such restrictions on our ability to sell or lease our hotel properties could negatively affect the marketability of our hotel properties and restrict our ability to refinance our existing debt secured by our hotel properties.

Marriott and any future third-party hotel manager may own or operate hotels that compete with our hotel properties.

Our third-party hotel managers may own or operate hotels that compete with our current hotel properties and any hotel properties that we acquire, which may result in a conflict of interest. For example, Marriott and its affiliates own, have invested in, operate, and have provided credit support or operating guarantees to hotels that compete or will compete with our current hotel properties, including the Marriott Orlando World Center, which competes with Gaylord Palms, and the Washington Marriott Marquis, which competes with Gaylord National. As a result, our third-party hotel managers may make decisions regarding competing hotel properties that are not or would not be in our best interest. In addition, such third-party hotel managers' operation of other hotels may divert attention away from the operation and management of our hotel properties.

Our concentration in the hospitality industry, and in particular the group-oriented meetings sector of the hospitality industry, exposes us to certain risks outside of our and Marriott's control.

Our primary business is hotel-related, and our current hotel properties, the operation of which generates substantially all our Hospitality segment revenue, are concentrated in the group-oriented meetings sector of the hospitality industry. Therefore, a downturn in the lodging industry, in general, and the group-oriented meetings sector, in particular, would have a material adverse effect on our financial condition, results of operations, the market price of our common stock and our ability to service debt and make distributions to our stockholders.

The ability of Marriott to successfully operate and manage our current hotel properties and convention business is subject to factors beyond our and their control, which could reduce the revenue and operating income of these properties. These factors include:

- the desirability and perceived attractiveness of the Nashville, Tennessee; Orlando, Florida; Dallas, Texas; and Washington D.C. areas as tourist and convention destinations;
- adverse changes in the national economy and in the levels of tourism and convention business that affect our current hotel properties;
- the level of governmental group business, which has decreased at times in the past due to uncertainty surrounding the U.S. government budget;
- Marriott's ability to attract group convention business;
- Marriott's ability to contract for and collect attrition and cancellation fees from groups that do not fulfill minimum stay or spending requirements;
- the opening of other new hotels could impact the group convention business at our current hotel properties;
- the highly competitive nature of the hotel, tourism and convention business in which our hotel properties operate, including the fact that we compete for convention business with publicly-financed civic convention centers;

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- the susceptibility of group convention business to reduced levels of demand during the year-end holiday periods, which Marriott may not be able to offset by attracting sufficient general tourism guests;
- the financial condition of the airline and other transportation-related industries and the resulting impact on travel; and
- organized labor activities, which could cause a diversion of business from our hotels involved in labor negotiations and loss of group business.

These factors could reduce the revenues and net operating profits of our TRS lessees, which in turn could adversely affect our financial condition, results of operations, the market price of our common stock and our ability to service debt and make distributions to our stockholders.

Due to the geographic concentration of our current hotel properties, we are subject to a greater degree of risk to certain factors.

Due to the geographic concentration of our current hotel properties, we are subject to a greater degree of risk to factors, including:

- local economic and competitive conditions;
- natural and other disasters;
- a decline in air passenger travel due to higher ticket costs or fears concerning air travel;
- a decline in the attractiveness of the areas in which our hotels are located as a convention and tourism destination; and
- a decrease in convention and meeting business at any of our properties.

Any of these could negatively affect our financial condition, results of operations and our ability to service debt and make distributions to our stockholders.

We may be unable to successfully identify and complete future acquisitions.

Acquisitions of other hotels, particularly in the group-oriented meetings sector of the hospitality industry, either alone or through joint ventures or alliances with one or more third parties, are part of our long-term growth strategy. We may be unable to successfully identify or complete future acquisitions at acceptable prices and terms or, if we are able to find favorable acquisition targets, we may not be able to obtain financing on acceptable terms or secure beneficial joint ventures or alliances. We will evaluate potential acquisition opportunities in the ordinary course of business, including those that could be material in size and scope.

The hotel business is capital-intensive, and our inability to obtain financing or successfully complete acquisitions or capital improvements could limit our growth.

Acquisitions of hotels will require significant capital expenditures, and hotels that we acquire may need renovations and capital improvements at the time of acquisition. All of our hotel properties will require periodic capital expenditures and renovation to remain competitive. We may also undertake hotel expansions or new features at our existing hotel properties that involve significant capital expenditures, such as our Gaylord Texan expansion and our resort pool project at Gaylord Opryland. If any hotels that we acquire are subject to franchise agreements, the franchisors of these hotels may also require periodic capital improvements as a condition to our maintaining the franchise licenses. We may not be able to fund capital improvements or acquisitions solely from cash provided from our operating activities because we must distribute at least 90% of our REIT taxable income (determined before the deduction for dividends paid and net of capital gains) each year to maintain our qualification as a REIT for federal income tax purposes. As a result, our ability to fund acquisitions or capital expenditures through any retained earnings or operating cash flow will be limited. Consequently, we will rely upon the availability of debt or equity capital to fund hotel acquisitions and improvements. Our ability to grow through acquisitions will be limited if we cannot obtain satisfactory debt or equity financing, which will depend on market conditions. We cannot assure you that we will be able to obtain additional equity or debt financing or that we will be able to obtain such financing on favorable terms.

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In addition, capital improvements may give rise to the following risks:

- possible environmental problems;
- construction cost overruns and delays;
- the possibility that revenues will be reduced while rooms, restaurants or other facilities are out of service due to capital improvement projects;
- a possible shortage of available cash to fund capital improvements and the related possibility that financing for these capital improvements may not be available to us on attractive terms; and
- uncertainties as to market demand or a loss of market demand after capital improvements have begun.

The costs of renovations and capital improvements could adversely affect our financial condition, results of operations, the market price of our common stock and our ability to service debt and make distributions to our stockholders.

Our TRS lessee structure will subject us to the risk of increased hotel operating expenses and the inability of our TRS lessees to make lease payments to us.

Our leases with our TRS lessees will require our TRS lessees to make lease payments to us based in part on gross revenues from our hotel properties. Our operating risks will include decreases in revenues at our hotel properties and increases in operating expenses of our hotel properties. Decreases in revenues or increases in operating expenses could adversely affect our TRS lessees' ability to make lease payments due under the leases, including, but not limited to, increases in wage and benefit costs, repair and maintenance expenses, property taxes, insurance costs, and other operating expenses. Increases in those operating expenses can have a significant adverse impact on our financial condition, results of operations, the market price of our common stock, and our ability to service debt and make distributions to our stockholders.

In addition, our TRS lessees' ability to make lease payments will be affected by factors beyond their control, such as changes in general economic conditions, the level of demand for hotels and the related services of our hotel properties, competition in the lodging and hospitality industry, the third-party managers' ability to maintain and increase gross revenue at our hotel properties and other factors relating to the operations of our hotel properties.

Our substantial debt could reduce our cash flow and limit our business activities.

We currently have a significant amount of debt. At December 31, 2017, we had approximately \$1.6 billion of total debt. We may incur additional debt in connection with any additional hotel acquisitions, development, investment in new projects, renovations, or capital improvement.

Our substantial amount of debt could have important consequences. For example, it could:

- increase our vulnerability to general adverse economic and industry conditions;
- require us to dedicate a substantial portion of our cash flow from operations to make interest and principal payments on our debt, thereby limiting the availability of our cash flow to make distributions to our stockholders and to fund future capital expenditures, working capital and other general corporate requirements;
- limit our flexibility in planning for, or reacting to, changes in our business and the hospitality industry, which may place us at a competitive disadvantage compared with competitors that are less leveraged;
- limit our ability to borrow additional funds, even when necessary to maintain adequate liquidity; and
- limit our ability to obtain additional financing for various projects, including possible expansions of our existing properties and acquisitions of additional properties.

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In addition, the terms of our credit facility allow, and instruments governing any new debt may allow, us to incur substantial amounts of additional debt subject to certain limitations. Any such additional debt could increase the risks associated with our substantial leverage. At the time any principal amount of our indebtedness is due, we may not have cash available to pay this amount, and we may not be able to refinance our indebtedness on favorable terms, or at all.

We will be required to refinance our debt before it matures and there is no assurance that we will be able to refinance our debt on acceptable terms.

Currently, the revolving loans and letters of credit under our credit facility mature in 2021, and we will be required to refinance this facility prior to such date. We have outstanding \$350.0 million in aggregate principal amount of our 5.00% senior unsecured notes that also mature in 2021. Further, we have outstanding \$200.0 million under our \$200 million term loan A, \$400.0 million in aggregate principal amount of additional 5.00% senior unsecured notes, and \$496.3 million under our \$500 million term loan B, which mature in 2022, 2023 and 2024, respectively.

Our ability to refinance each of our financial agreements on acceptable terms will be dependent upon a number of factors, including our degree of leverage, the value of our assets, borrowing restrictions which may be imposed by lenders and conditions in the credit markets at the time we refinance. If we are unable to refinance our debt on acceptable terms, we may be forced to choose from a number of unfavorable options, including agreeing to otherwise unfavorable financing terms, selling one or more hotel properties at unattractive prices or on disadvantageous terms, or defaulting on mortgages and allowing our lenders to foreclose. Any one of these options could have a material adverse effect on our business, financial condition, results of operations and our ability to make distributions to our stockholders.

To service our debt and pay other obligations, we will require a significant amount of cash, which may not be available to us.

Our ability to make payments on, or repay or refinance, our debt, including our obligations under our senior notes and any future debt we may incur, and to fund planned capital expenditures will depend largely upon our future operating performance and our ability to generate cash from operations. Our future performance, to a certain extent, is subject to general economic, financial, competitive, legislative, regulatory and other factors that are beyond our control. In addition, our ability to borrow funds in the future to make payments on our debt and other obligations will depend on the satisfaction of the covenants and financial ratios in our senior credit facility and our other debt agreements, including other agreements we may enter into in the future. Our business may not generate sufficient cash flow from operations or we may not have future borrowings available to us under our credit facility or from other sources in an amount sufficient to enable us to pay our debt or to fund our other liquidity needs.

The agreements governing our debt contain various covenants that may limit our ability to operate our business and impair our ability to make distributions to our stockholders.

Our existing financial agreements, including our credit facility and term loan B impose, and future financing agreements are likely to impose, operating and financial restrictions on our activities, including our ability to make distributions to any stockholder. Our credit facility currently requires us to comply with or maintain certain financial tests and ratios, including minimum consolidated tangible net worth, minimum fixed charge coverage ratio, minimum implied debt service coverage ratio and maximum funded debt to asset value ratio, and our financial agreements prohibit or limit our ability to, among other things:

- incur additional debt, issue guarantees of debt and issue preferred stock;
- create liens;
- sell assets;
- sell equity interests in our restricted subsidiaries;
- redeem and/or prepay certain debt;
- pay dividends on our stock to our stockholders or repurchase our stock or other equity interests;

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- make certain investments;
- enter new lines of business;
- engage in consolidations, mergers and acquisitions;
- enter into transactions with affiliates; or
- agree to restrictions on our subsidiaries' ability to pay dividends and make other distributions to us.

If we fail to comply with these covenants, we would be in default under our credit facility and the indenture governing each of our 5.00% senior unsecured notes, and the outstanding principal and accrued interest on such debt would become due and payable.

Various risks, uncertainties and events beyond our control could affect our ability to comply with these covenants and maintain these financial tests and ratios. Failure to comply with any of the covenants in our existing or future financing agreements could result in a default under those agreements and under other agreements containing cross-default provisions. A default would permit lenders to accelerate the maturity for the debt under these agreements and to foreclose upon any collateral securing the debt, including, in the case of our existing credit facility, our Gaylord Hotels properties. Under these circumstances, we might not have sufficient funds or other resources to satisfy all of our obligations. In addition, the limitations imposed by financing agreements on our ability to pay dividends, incur additional debt and to take other actions might significantly impair our ability to obtain other financing and to make distributions to our stockholders in accordance with our announced intended dividend policy.

Our indebtedness is secured by a substantial portion of our assets.

Subject to applicable laws and certain agreed-upon exceptions, our \$700 revolving credit facility, \$200 million term loan A, and \$500 million term loan B are secured by liens on the substantial majority of our assets, including mortgages on each of our Gaylord Hotels properties. In the event of a default under our credit facility, or if we experience insolvency, liquidation, dissolution or reorganization, the holders of our secured debt instruments would first be entitled to payment from their collateral security, and only then would holders of our unsecured debt be entitled to payment from our remaining assets.

We are a holding company and depend upon our subsidiaries' cash flow to meet our debt service obligations.

We are a holding company and we conduct our operations through our subsidiaries, including our TRSs. As a result, our ability to meet our debt service obligations substantially depends upon our subsidiaries' cash flows and payments of funds to us by our subsidiaries as dividends, loans, advances, leases or other payments. The payment of dividends and/or making of loans, advances, leases or other payments by our subsidiaries will be subject to the approval of those subsidiaries' boards. Our subsidiaries' ability to pay such dividends and/or make such loans, advances, leases or other payments may also be restricted by, among other things, applicable laws and regulations, current and future debt agreements and management agreements into which our subsidiaries may enter.

We and our third-party hotel manager rely on information technology in our operations, and any material failure, inadequacy, interruption, or security failure could harm our business.

We and our third-party hotel manager rely on information technology systems, including networks and the Internet, to process, transmit, and store electronic information, and to manage or support a variety of business processes, including financial transactions and records, personal identifying information, reservations, billing and operating data. Our businesses require collection of large volumes of internal and customer data, including credit card numbers and other personally identifiable information of our customers in various information systems and those of our service providers. The integrity and protection of customer, employee, and company data is critical to us. If that data is inaccurate or incomplete, we or the hotel managers could make faulty decisions. Customers and employees also have a high expectation that we and our service providers will adequately protect their personal information. The regulatory environment surrounding information, security and privacy is also increasingly demanding. Our existing systems may be unable to satisfy changing regulatory requirements and employee and customer expectations, or may require significant additional investments or time to do so. Despite implementation of various measures designed to protect our information systems and records, including those we maintain with our service providers, we or the hotel managers may be subject to security breaches, system failures, viruses, operator error or inadvertent releases of data. A significant theft, loss, or fraudulent use of customer, employee, or company data maintained by us or by a service provider or failure to comply with the various U.S. and international laws and regulations

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applicable to the protection of such data or with Payment Card Industry data security standards, could adversely impact our reputation and could result in remedial and other expenses, fines, or litigation. A breach in the security of our information systems or those of our service providers could lead to an interruption in the operation of our systems, resulting in operational inefficiencies and a loss of profits.

Our real estate investments are subject to numerous risks.

Because we own hotels and attractions properties, we are subject to the risks that generally relate to investments in real property. The investment returns available from equity investments in real estate depend in large part on the amount of income earned and capital appreciation generated by the related properties, as well as the expenses incurred. In addition, a variety of other factors affect income from properties and real estate values, including governmental regulations, insurance, zoning, tax and eminent domain laws, interest rate levels and the availability of financing. For example, new or existing real estate zoning or tax laws can make it more expensive and/or time-consuming to develop real property or expand, modify or renovate properties. When interest rates increase, the cost of acquiring, developing, expanding or renovating real property increases, particularly as the cost of borrowing increases, and real property values may decrease as the number of potential buyers decreases. Similarly, as financing becomes less available, it becomes more difficult both to acquire and to sell real property. Finally, governments can, under eminent domain laws, take real property. Sometimes this taking is for less compensation than the owner believes the property is worth. Any of these factors could have a material adverse impact on our results of operations or financial condition. In addition, equity real estate investments, such as the investments we hold and any additional properties that we may acquire, are relatively difficult to sell quickly. If our properties do not generate revenue sufficient to meet operating expenses, including debt service and capital expenditures, our income will be reduced.

Our properties are subject to environmental regulations that could impose significant financial liability on us.

Environmental laws, ordinances and regulations of various federal, state, local and foreign governments regulate certain of our properties and could make us liable for the costs of removing or cleaning up hazardous or toxic substances on, under or in the properties we currently own or operate or those we previously owned or operated. Those laws could impose liability without regard to whether we knew of, or were responsible for, the presence of hazardous or toxic substances. The presence of hazardous or toxic substances, or the failure to properly clean up such substances when present, could jeopardize our ability to develop, use, sell or rent the real property or to borrow using the real property as collateral. If we arrange for the disposal or treatment of hazardous or toxic wastes, we could be liable for the costs of removing or cleaning up wastes at the disposal or treatment facility, even if we never owned or operated that facility. Other laws, ordinances and regulations could require us to manage, abate or remove lead- or asbestos-containing materials. Similarly, the operation and closure of storage tanks are often regulated by federal, state, local and foreign laws. Finally, certain laws, ordinances and regulations, particularly those governing the management or preservation of wetlands, coastal zones and threatened or endangered species, could limit our ability to develop, use, sell or rent our real property. Existing governmental laws and regulations may be revised or new laws and regulations relating to climate change, air quality or other environmental and health concerns may be adopted or become applicable to us, which could affect the operations of our hotels and/or result in significant additional expense and operating restrictions. The costs to clean up a contaminated property, to defend a claim, or to comply with environmental laws could be material and could adversely affect our financial condition, results of operations, the market price of our common stock and our ability to make distributions to our stockholders. Additionally, because we rely on third-party managers to operate our hotel properties and certain attractions, we have limited control over ensuring compliance at those locations with applicable environmental laws or regulations or approving certain remediation action taken by the manager to resolve such issues.

Compliance with the Americans with Disabilities Act could require us to incur substantial costs.

Under the Americans with Disabilities Act of 1990, as amended (the “ADA”), all public accommodations must meet various federal requirements related to access and use by disabled persons. Compliance with the ADA’s requirements could require removal of access barriers, and non-compliance could result in the U.S. government imposing fines or in private litigants winning damages. Although we believe that our hotel properties substantially comply with present requirements of the ADA, we may be subject to audits or investigations of all of our hotels to determine our compliance, and one or more hotels may not be fully compliant with the ADA. Noncompliance with the ADA could result in the incurrence of additional costs to attain compliance. The obligation to make readily achievable accommodations is an ongoing one, and we will continue to assess our hotel properties and to make alterations as appropriate in this respect. If we are required to make substantial modifications to our hotel properties, whether to comply with the ADA or other changes in governmental rules and regulations, our financial condition, results of operations, the market price of our common stock and amount of cash available for debt service or distributions to our stockholders could be adversely affected. Additionally, because we rely on third-party managers to operate our hotel properties and certain attractions, we have limited control over ensuring compliance at those locations with applicable ADA requirements or approving certain remediation action taken by the manager to resolve such issues.

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We have invested in, and in the future may invest in, mortgage loans, mezzanine debt, joint ventures, such as our Gaylord Rockies investment, or certain minority equity interests over which we may not have significant control, to or for which we may owe significant funding or obligations and for which there is no readily available market, and these investments may not be profitable.

We may invest with third parties through partnerships, joint ventures or other entities, by acquiring non-controlling interests in or sharing responsibility for managing the affairs of a property, partnership, joint venture or other entity. Further, we may invest in mortgage loans or mezzanine financing for a property. These types of investments may not be liquid and we may have little or no rights, or ability, to exercise the direction or control of the respective enterprises. In connection with these investments, we may have obligations under certain guarantees related to such investments. The ultimate value of any debt investments, joint ventures or minority investments will be dependent upon the efforts of others over an extended period of time. The nature of our interests and the absence of a readily available market for those interests restrict our ability to dispose of them. Our lack of control over the management of any business in which we are a creditor, joint owner or minority investor and the lack of a readily available market to sell our interest in these businesses may cause us to recognize a loss on our investment in these businesses or to incur costs or liabilities that we do not control, but for which we may be required to contribute capital or satisfy financial commitments. These arrangements are subject to uncertainties and risks, including those related to credit risk, conflicting joint venture partner interests, including with respect to competition in other markets, and to our joint venture partners failing to meet their financial or other obligations.

As an owner of hotel properties and operator of leisure businesses, we are subject to risks relating to acts of God, outbreaks of pandemic disease, terrorist activity and war.

Our operating income and ability to make distributions to our stockholders may be reduced by acts of God, outbreaks of pandemic disease, or acts of terrorism in locations where we own and/or operate significant properties and areas of the world from which we draw a large number of customers. Gaylord Opryland, which is located adjacent to the Cumberland River and is protected by levees built to sustain a 100-year flood, suffered flood damage on May 3, 2010 as the river rose to levels that over-topped the levees. The per occurrence flood insurance limit for our Gaylord Opryland hotel is now \$500 million. We have also completed enhancements to the levees that protect the hotel to increase the height of the levees. While we believe these steps are reasonable given the likelihood of flood damage at Gaylord Opryland, there can be no assurances that flooding will not occur at Gaylord Opryland in the future. Some types of losses, such as from flood, earthquake, terrorism and environmental hazards, may be either uninsurable, subject to sublimit, or too expensive to justify insuring against. Should an uninsured loss or a loss in excess of insured limits occur, we could lose all or a portion of the capital we have invested in a hotel, as well as the anticipated future revenue from the hotel. In that event, we might nevertheless remain obligated for any mortgage debt or other financial obligations related to the property. Similarly, outbreaks of pandemic disease, wars (including the potential for war), terrorist activity (including threats of terrorist activity), political unrest and other forms of civil strife as well as geopolitical uncertainty, may cause our future results to differ materially from anticipated results.

We are subject to risks associated with our hotel managers' employment of hotel personnel, particularly with hotels whose managers employ unionized labor, which could increase our hotels' operating costs, reduce the flexibility of our third-party hotel managers to adjust the size of the workforce at our hotel properties and impair our ability to make distributions to our stockholders.

Our third-party hotel managers are responsible for hiring and maintaining the labor force at each of our hotel properties. Although we do not employ or manage employees at our hotel properties, we are subject to many of the costs and risks generally associated with the hotel labor force, including at those of our hotels with unionized labor. From time to time, hotel operations may be disrupted as a result of strikes, lockouts, public demonstrations or other negative actions and publicity. We also may incur increased legal costs and indirect labor costs as a result of contract disputes or other events. The resolution of labor disputes or re-negotiated labor contracts could lead to increased labor costs, either by increases in wages or benefits or by changes in work rules that raise hotel operating costs. Furthermore, labor agreements may limit the ability of our third-party hotel managers to reduce the size of hotel workforces during an economic downturn because collective bargaining agreements are negotiated between the third-party hotel managers and labor unions. We do not have the ability to control the outcome of these negotiations.

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Any failure to protect the trademarks and intellectual property used in our business could reduce the value of our brand names and harm our business.

Third-party infringement of the Gaylord Hotels marks now owned by Marriott or the marks we own and use in our attractions business, or the failure to enforce rights to the marks, could be damaging to our business.

The reputation and perception of the brands we use is critical to our success. If trademarks or intellectual property are copied or used without authorization, the value of those brands, their reputation, our competitive advantages and our goodwill could be harmed. We regularly apply to register our trademarks in the United States. However, we cannot assure you that those trademark registrations will be granted or that the steps we take to protect our trademarks or intellectual property in the United States will be adequate to prevent others, including third parties or former employees, from copying or using our trademarks or intellectual property without authorization. Our intellectual property is also vulnerable to unauthorized use in some countries outside the United States, where local law may not adequately protect it. Marriott owns and maintains the marks used in the Gaylord Hotels operations.

Monitoring the unauthorized use of our intellectual property is difficult. As we have in the past, we may need to resort to litigation to enforce our intellectual property rights. Litigation of this type could be costly, force us to divert our resources, lead to counterclaims or other claims against us or otherwise harm our business. Any failure to maintain and protect trademarks and other intellectual property used in our business could reduce the value of our brands and harm our business.

Hospitality companies have been the target of class actions and other lawsuits alleging violations of federal and state law and other claims, and we may be subject to legal claims.

Our operating income and profits may be reduced by legal or governmental proceedings brought by or on behalf of our employees, customers or other third parties. In recent years, a number of hospitality companies have been subject to lawsuits, including class action lawsuits, alleging violations of federal and state law regarding workplace and employment matters, discrimination and other alleged violations of law. A number of these lawsuits have resulted in the payment of substantial damages by the defendants. Similar lawsuits have been instituted against us from time to time and were resolved in an immaterial manner, but we cannot assure you that we will not incur substantial damages and expenses resulting from future lawsuits of this type or other claims, which could have a material adverse effect on our business, financial condition and results of operations. Additionally, because we rely on third-party managers to operate our hotel properties and certain attractions, we have limited control over defending lawsuits of this type or other claims.

Healthcare reform legislation could adversely affect our results of operations.

The Patient Protection and Affordable Care Act, as amended by the Health Care and Education Reconciliation Act of 2010 (collectively, the “Health Reform Law”) serves as the primary vehicle for comprehensive healthcare reform in the United States. Efforts by the presidential administration and certain members of Congress to repeal or make significant changes to the Affordable Care Act, its implementation and/or its interpretation in 2017, including the successful repeal of the individual shared responsibility penalty of the Health Reform Law, effective for 2019, have cast considerable uncertainty on the future of the Health Reform Law. There is uncertainty regarding whether, when, and how the Health Reform Law will be changed, though we anticipate Congress will continue to review and assess alternative health care delivery and payment systems and may in the future propose and adopt legislation effecting additional fundamental changes in the health care system. We cannot assure you as to the ultimate content, timing or effect of changes, nor is it possible at this time to estimate the impact of potential legislation on our business.

However, at this time, pursuant to our management agreements, our third-party managers may pass certain health care costs for employees working at our properties through to us. As such, the provisions of the Health Reform Law as currently in effect may significantly raise our and our third-party managers’ employee health benefits costs and/or alter the benefits we or our third-party managers are required to provide to our respective employees. Currently, we anticipate increased expenses relating to our and our third-party managers’ company-sponsored plans over the course of the next few years. If we or our third-party hotel managers are not able to limit or offset future cost increases, those costs could have an adverse effect on our results of operations.

Although the specific reforms to the current health care system cannot be accurately predicted at this time, such changes could have a considerable impact on how health care is reimbursed, particularly on the coverage for certain types of services and on the reimbursement levels provided by government sources. Changes by Congress or government agencies could eliminate or alter provisions beneficial to us while leaving in place provisions reducing our reimbursement. Government efforts to repeal or change the Affordable Care Act or implement other reform initiatives may have an adverse effect on our business, results or operations, cash flow, capital resources and liquidity.

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Our operating results and ability to service debt and make distributions to our stockholders may be adversely affected by various operating risks common to the lodging industry.

Our hotel properties have different economic characteristics than many other real estate assets, and a hotel REIT is structured differently than many other types of REITs. A typical office property owner, for example, has long-term leases with third-party tenants, which provide a relatively stable long-term stream of revenue. Our TRS lessees, on the other hand, do not enter into a lease with a third-party hotel manager. Instead, our TRS lessees engage our third-party managers pursuant to hotel management agreements and pay the third-party hotel managers fees for managing our hotel properties. The TRS lessees receive all the operating profit or losses at our hotel properties, net of fees and reimbursements. Moreover, virtually all hotel guests stay at a hotel for only a few nights at a time, so the rate and occupancy at each of our hotel properties may change every day. As a result, we may have highly volatile earnings.

In addition, our hotel properties are subject to various operating risks common to the lodging industry, many of which are beyond our or a manager's control, including the following:

- competition from other hotel properties and publicly-financed civic convention centers in our markets;
- over-building of hotels in our markets, which could adversely affect occupancy and revenues at our hotel properties;
- dependence on business and commercial travelers and tourism;
- increases in energy costs and other expenses affecting travel, which may affect travel patterns and reduce the number of business and commercial travelers and tourists;
- increases in operating costs due to inflation and other factors that may not be offset by increased room rates;
- changes in interest rates and in the availability, cost and terms of debt financing;
- changes in governmental laws and regulations, fiscal policies and zoning ordinances and the related costs of compliance with laws and regulations, fiscal policies and ordinances;
- adverse effects of international, national, regional and local economic and market conditions;
- the impact of the use of Internet travel intermediaries by consumers;
- unforeseen events beyond our control, such as terrorist attacks, travel-related health concerns including pandemics and epidemics, political instability, regional hostilities, imposition of taxes or surcharges by regulatory authorities, travel-related accidents and unusual weather patterns, including natural disasters, such as hurricanes and earthquakes;
- adverse effects of a downturn in the lodging industry; and
- risks generally associated with the ownership of hotels and real estate, as discussed in more detail below.

These factors could reduce the net operating profits of our TRS lessees, which in turn could adversely affect the amount and frequency of distributions we make to our stockholders and our ability to service our debt.

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Illiquidity of real estate investments could significantly impede our ability to respond to adverse changes in the performance of our hotel properties and harm our financial condition.

Because real estate investments are relatively illiquid, our ability to promptly sell one or more of our hotel properties in response to changing economic, financial and investment conditions may be limited. The real estate market is affected by many factors that are beyond our control, including:

- adverse changes in international, national, regional and local economic and market conditions;
- changes in interest rates and in the availability, cost and terms of debt financing;
- changes in governmental laws and regulations, fiscal policies and zoning ordinances and the related costs of compliance with laws and regulations, fiscal policies and ordinances;
- the ongoing need for capital improvements, particularly in older structures;
- changes in operating expenses; and
- civil unrest, acts of God, including earthquakes, floods and other natural disasters, which may result in uninsured losses, and acts of war or terrorism, including the consequences of the terrorist acts.

We may decide in the future to sell one or more of our hotel properties. We cannot predict whether we will be able to sell any hotel property for the price or on the terms set by us, or whether any price or other terms offered by a prospective purchaser would be acceptable to us. We also cannot predict the length of time needed to find a willing purchaser and to close the sale of a hotel property. Further, as a REIT, we are subject to a 100% excise tax on net income derived from prohibited transactions, including the sale of property (other than foreclosure property) held primarily for sale to customers in the ordinary course. There can be no assurances that the IRS will not contend that the sale of a hotel is subject to this 100% excise tax.

We may be required to expend funds to correct defects or to make improvements before a hotel property can be sold. We cannot assure you that we will have funds available to correct those defects or to make those improvements. In acquiring a hotel, we may agree to lock-out provisions that materially restrict us from selling that hotel for a period of time or impose other restrictions, such as a limitation on the amount of debt that can be placed or repaid on that hotel. These factors and any others that would impede our ability to respond to adverse changes in the performance of our hotel properties could have a material adverse effect on our operating results and financial condition, as well as the amount of cash available for distributions to our stockholders.

Our organizational documents and Delaware law could make it difficult for a third party to acquire control of us.

Our Charter and our Amended and Restated Bylaws contain provisions that could delay, deter or prevent a change in control of our company or our management. These provisions could also discourage proxy contests and make it more difficult for stockholders to elect directors and take other corporate actions. These provisions:

- impose restrictions on transfer and ownership of our common stock that are designed to assist us in maintaining our status as a REIT;
- authorize us to issue “blank check” preferred stock, which is preferred stock that can be created and issued by our board of directors, without stockholder approval, with rights senior to those of common stock;
- establish advance notice requirements for submitting nominations for election to our board of directors and for proposing matters that can be acted upon by stockholders at meetings;
- provide that special meetings of stockholders may be called only by our chairman or by a majority of the members of our board of directors;
- prohibit stockholder actions taken on written consent; and
- impose restrictions on ownership of common stock by certain persons (including non-United States persons) due to our ownership of a radio station.

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We are subject to anti-takeover provisions under Delaware law, which could also delay or prevent a change of control. Together, our Charter, Amended and Restated Bylaws, and Delaware law may discourage transactions that otherwise could provide for the payment of a premium over prevailing market prices for our common stock, and also could limit the price that investors are willing to pay in the future for shares of our common stock.

Our issuance of preferred stock could adversely affect holders of our common stock and discourage a takeover.

Our Charter permits our board of directors to issue up to 100 million shares of preferred stock without any action on the part of our stockholders. As of the date hereof, we have no shares of preferred stock outstanding. Our board of directors also has the power, without stockholder approval, to set the terms of any new series of preferred stock that may be issued, including voting rights, dividend rights, preferences over our common stock with respect to dividends or in the event of a dissolution, liquidation or winding up and other terms. In the event that we issue shares of preferred stock in the future that have preference over our common stock with respect to payment of dividends or upon our liquidation, dissolution or winding up, or if we issue preferred stock with voting rights that dilute the voting power of our common stock, the rights of the holders of our common stock or the market price of our common stock could be adversely affected. In addition, the ability of our board of directors to issue shares of preferred stock without any action on the part of our stockholders may impede a takeover of us and prevent a transaction favorable to our stockholders.

The ownership limitations in our Charter may restrict or prevent stockholders from engaging in certain transfers of our common stock.

To qualify and remain qualified as a REIT, no more than 50% in value of our outstanding shares may be owned, directly or indirectly, by five or fewer individuals (as defined in the Code to include various kinds of entities) during the last half of any taxable year. To assist us in qualifying as a REIT, our Charter contains a share ownership limit. Generally, any of our shares owned by affiliated owners will be added together for purposes of the share ownership limit. This share ownership limit provides that (subject to certain exceptions) no person may beneficially own, or be deemed to own by virtue of the attribution provisions of the Code, more than 9.8%, in value or in number of shares, whichever is more restrictive, of the outstanding shares of our capital stock, or any class or series of our capital stock. If anyone transfers shares in a manner that would violate the share ownership limit or prevent us from qualifying as a REIT, those shares instead will be transferred to a trust for the benefit of a charitable beneficiary and will be either redeemed by us or sold to a person whose ownership of the shares will not violate the share ownership limit or we will consider the transfer to be null and void from the outset, and the intended transferee of those shares will be deemed never to have owned the shares.

Our Charter also prohibits the ownership of shares by any person or entity if such ownership would violate or otherwise be inconsistent with federal communications laws or regulations pertaining to the ownership of television or radio stations, cable television or other radio authorizations by (i) foreign persons or entities, (ii) persons or entities having interests in television or radio broadcast stations, newspapers or cable television systems, and (iii) entities seeking direct or indirect control of us without prior federal regulatory approval. In the event of a transfer that would result in a violation or inconsistency with federal communications laws or regulations we may refuse to permit the transfer, suspend the rights of share ownership as necessary to prohibit the violation or inconsistency, or redeem the shares. Anyone who acquires shares in violation of the share ownership limit or the other restrictions on transfer in our Charter bears the risk of suffering a financial loss when the shares are redeemed or sold if the market price of our shares falls between the date of purchase and the date of redemption or sale. In addition, these ownership limitations may prevent an acquisition of control of us by a third party without the approval of our board of directors, even if our stockholders believe the change of control is in their interest.

The ability of our board of directors to change our major policies without the consent of stockholders may not be in our stockholders' interest.

Our board of directors determines our major policies, including any policies and guidelines we may maintain from time to time relating to our acquisitions, leverage, financing, growth, qualification as a REIT and distributions to our stockholders. Our board of directors may amend or revise these and other policies and guidelines from time to time without the vote or consent of our stockholders. Accordingly, our stockholders will have limited control over changes in our policies and those changes could adversely affect our financial condition, results of operations, the market price of our common stock and our ability to make distributions to our stockholders.

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We may not have sufficient funds to make cash distributions to stockholders at intended payment levels, and we may be unable to generate sufficient cash flows from our operations to make distributions to our stockholders at any time in the future.

As a REIT, we will generally be required to distribute to our stockholders at least 90% of our REIT taxable income (subject to certain adjustments and excluding any net capital gains) each year for us to maintain our qualification as a REIT under the Code, which requirement we currently intend to satisfy, and we must distribute 100% of our REIT taxable income, including capital gains, to eliminate federal corporate income tax liability. To the extent we satisfy the 90% distribution requirement but distribute less than 100% of our REIT taxable income, we will be subject to federal corporate income tax on our undistributed taxable income.

Subject to maintaining our REIT qualification, we intend to make regular quarterly distributions to our stockholders, but no assurances can be made as to the amount of distributions in the future. We have also announced our intention to make distributions at specified minimum levels. Our board of directors may alter our dividend policy at any time and will have the sole discretion to determine the timing, form and amount of any distributions to our stockholders. Among the factors that could impair our ability to make distributions to our stockholders are:

- our inability to invest our available cash;
- our inability to realize attractive risk-adjusted returns on our investments;
- unanticipated expenses that reduce our cash flow or non-cash earnings;
- defaults in our investment portfolio or decreases in the value of the underlying assets; and
- the fact that anticipated operating expense levels may not prove accurate, as actual results may vary from estimates.

As a result, no assurance can be given that the level of any distributions we make to our stockholders in the future will achieve a market yield or increase or even be maintained over time, any of which could materially and adversely affect the market price of our common stock.

In addition, distributions that we make to our stockholders will generally be taxable to our stockholders as ordinary income and will generally not be eligible for reduced rates applicable to “qualified” dividend income. However, a portion of our distributions may be designated by us as long-term capital gains to the extent that they are attributable to capital gains income recognized by us or may constitute a return of capital to the extent that they exceed our earnings and profits as determined for tax purposes. A return of capital is not taxable, but has the effect of reducing the basis of a stockholder’s investment in our common stock.

The market price of our common stock may vary substantially.

The trading prices of equity securities issued by REITs have historically been affected by changes in market interest rates and other factors. One of the factors that may influence the market price of our common stock is the annual yield from distributions on our common stock as compared to yields on other financial instruments. An increase in market interest rates, or a decrease in our distributions to stockholders, may lead prospective purchasers of our shares to demand a higher annual yield and choose other investments, which could reduce the market price of our common stock.

Other factors that could affect the market price of our common stock include the following:

- actual or anticipated variations in our quarterly results of operations;
- changes in market valuations of companies in the hotel or real estate industries;
- changes in expectations of future financial performance or changes in estimates of securities analysts;
- fluctuations in stock market prices and volumes;
- issuances of common stock or other securities in the future;

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- disputes with our hotel managers;
- the addition or departure of key personnel;
- announcements by us or our competitors of acquisitions, investments or strategic alliances; and
- unforeseen events beyond our control, such as terrorist attacks, travel related health concerns including pandemics and epidemics, political instability, regional hostilities, increases in fuel prices, imposition of taxes or surcharges by regulatory authorities, travel related accidents and unusual weather patterns, including natural disasters, such as hurricanes, tsunamis or earthquakes.

Item 1B. Unresolved Staff Comments

None.

Item 2. Properties

Hospitality Segment

Hotel	Location	Rooms	Meeting, Exhibit and Pre-Function Space
Gaylord Opryland	Nashville, TN	2,888	640,000
Gaylord National	National Harbor, MD (Washington, DC area)	1,996	470,000
Gaylord Palms	Kissimmee, FL (Orlando area)	1,416	400,000
Gaylord Texan	Grapevine, TX (Dallas area)	1,511	400,000
Inn at Opryland	Nashville, TN	303	14,000
AC Hotel	National Harbor, MD (Washington, DC area)	192	3,700

We own our Opryland complex in Nashville, Tennessee, which includes the site of Gaylord Opryland (approximately 172 acres). We also own the approximately 6-acre site of the Inn at Opryland, which is located near the Opryland complex. We have leased a 65-acre tract in Osceola County, Florida, on which the Gaylord Palms is located, pursuant to a 75-year ground lease with a 24-year renewal option. We acquired approximately 85 acres in Grapevine, Texas, through ownership (approximately 75 acres) and ground lease (approximately 10 acres), on which the Gaylord Texan is located. We also own an additional approximately 40 acres of property near the Gaylord Texan. We own approximately 42 acres on the Potomac River in Prince George's County, Maryland, on which the Gaylord National is located and we own fee title to the condominium unit in the eight-story building in which the AC Hotel is located. All of our existing Gaylord Hotels properties secure our credit facility, as described in the Liquidity and Capital Resources section of Item 7, "Management's Discussion and Analysis of Financial Condition and Results of Operations." Each of our hotel properties is leased or subleased to one of our TRSs, and such TRS has engaged Marriott to manage the day-to-day operations of the hotel. For a description of the management agreements with Marriott, see "Management Agreements" in Item 1, "Business." For the operating results of our hotels on a property basis, see "Operating Results – Detailed Segment Financial Information" in Item 7, "Management's Discussion and Analysis of Financial Condition and Results of Operations."

Entertainment Segment

We own the General Jackson's docking facility, the Grand Ole Opry House and WSM Radio's offices and studios, each of which are located within the Opryland complex. We also own Gaylord Springs, an 18-hole golf course situated on over 200 acres, which is located near the Opryland complex. In downtown Nashville, we own the Ryman Auditorium, the Wildhorse Saloon dance hall and production facility, and a four-story building that will house Ole Red and is scheduled to open in second quarter 2018. We also own an approximate 17,000 square foot building in downtown Nashville that we are currently evaluating for future use. Our TRSs have engaged Marriott to manage the day-to-day operations of the General Jackson Showboat, Gaylord Springs and the Wildhorse Saloon. For a description of the management agreements with Marriott, see "Management Agreements" in Item 1, "Business."

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Corporate and Other

We own our executive offices and headquarters located at One Gaylord Drive, Nashville, Tennessee, which consists of a five-story office building comprising approximately 80,000 square feet. We believe that these facilities and the facilities related to each of our business segments are generally well maintained.

Item 3. *Legal Proceedings*

We and various of our subsidiaries are involved in claims and lawsuits incidental to the ordinary course of our businesses, such as personal injury actions by guests and employees and complaints alleging employee discrimination. We maintain various insurance policies, including general liability and property damage insurance, as well as workers' compensation, business interruption, and other policies, which we believe provide adequate coverage for the risks associated with our range of operations. We believe that we are adequately insured against these claims by our existing insurance policies and that the outcome of any pending claims or proceedings will not have a material adverse effect on our financial position or results of operations.

For further discussion of legal proceedings, see "Note 12 – Commitments and Contingencies" of our consolidated financial statements included herein.

Item 4. *Mine Safety Disclosures*

None.

PART II

Item 5. *Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities*

Our common stock is listed on the New York Stock Exchange under the symbol "RHP". The following table sets forth, for the calendar quarters indicated, the high and low sales prices for a share of our common stock as reported by the NYSE for the last two years:

	2017			2016		
	High	Low	Dividends Declared	High	Low	Dividends Declared
First Quarter	\$67.97	\$59.48	\$ 0.80	\$53.70	\$41.50	\$ 0.75
Second Quarter	\$67.47	\$60.12	\$ 0.80	\$54.08	\$47.16	\$ 0.75
Third Quarter	\$65.29	\$57.78	\$ 0.80	\$56.77	\$47.93	\$ 0.75
Fourth Quarter	\$71.13	\$61.95	\$ 0.80	\$64.08	\$47.31	\$ 0.75

Dividends Declared in 2017

On February 28, 2017, the Company's board of directors declared the Company's first quarter 2017 cash dividend in the amount of \$0.80 per share of common stock, or an aggregate of approximately \$40.9 million in cash, which was paid on April 14, 2017 to stockholders of record as of the close of business on March 31, 2017.

On June 9, 2017, the Company's board of directors declared the Company's second quarter 2017 cash dividend in the amount of \$0.80 per share of common stock, or an aggregate of approximately \$41.0 million in cash, which was paid on July 14, 2017 to stockholders of record as of the close of business on June 19, 2017.

On September 18, 2017, the Company's board of directors declared the Company's third quarter 2017 cash dividend in the amount of \$0.80 per share of common stock, or an aggregate of approximately \$41.0 million in cash, which was paid on October 13, 2017 to stockholders of record as of the close of business on September 29, 2017.

On December 8, 2017, the Company's board of directors declared the Company's fourth quarter 2017 cash dividend in the amount of \$0.80 per share of common stock, or an aggregate of approximately \$41.0 million in cash, which was paid on January 16, 2018 to stockholders of record as of the close of business on December 29, 2017.

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Dividends Declared in 2016

On February 26, 2016, the Company's board of directors declared the Company's first quarter 2016 cash dividend in the amount of \$0.75 per share of common stock, or an aggregate of approximately \$38.2 million in cash, which was paid on April 15, 2016 to stockholders of record as of the close of business on March 31, 2016.

On June 13, 2016, the Company's board of directors declared the Company's second quarter 2016 cash dividend in the amount of \$0.75 per share of common stock, or an aggregate of approximately \$38.3 million in cash, which was paid on July 15, 2016 to stockholders of record as of the close of business on June 30, 2016.

On September 14, 2016, the Company's board of directors declared the Company's third quarter 2016 cash dividend in the amount of \$0.75 per share of common stock, or an aggregate of approximately \$38.3 million in cash, which was paid on October 14, 2016 to stockholders of record as of the close of business on September 30, 2016.

On December 2, 2016, the Company's board of directors declared the Company's fourth quarter 2016 cash dividend in the amount of \$0.75 per share of common stock, or an aggregate of approximately \$38.3 million in cash, which was paid on January 13, 2017 to stockholders of record as of the close of business on December 30, 2016.

Other Information

There were approximately 1,390 record holders of our common stock at January 31, 2018. The closing price for our stock on January 31, 2018 was \$76.55.

To maintain our qualification as a REIT for federal income tax purposes, we must distribute at least 90% of our REIT taxable income each year. Pursuant to our current dividend policy, we currently plan to pay a quarterly cash dividend to stockholders in an amount equal to an annualized payment of at least 50% of adjusted funds from operations (as defined by Ryman) less maintenance capital expenditures or 100% of REIT taxable income on an annual basis, whichever is greater. The declaration, timing and amount of dividends will be determined by future action of our board of directors. Our dividend policy may be altered at any time by our board of directors.

We also announced on August 20, 2015 that our board of directors authorized a share repurchase program for up to \$100 million of our common stock using cash on hand and borrowings under our revolving credit line. The repurchases were implemented through open market transactions on U.S. exchanges or in privately negotiated transactions, in accordance with applicable securities laws, and any market purchases were made during open trading window periods or pursuant to any applicable Rule 10b5-1 trading plans. The authorization expired December 31, 2016, terminating our repurchase program. During the three months ended March 31, 2016, the Company repurchased 0.5 million shares of its common stock for an aggregate purchase price of \$24.8 million, which the Company funded using cash on hand and borrowings under its revolving credit facility. The repurchased stock, which represents the entirety of shares that were repurchased under the authorization, was cancelled by the Company.

The terms of our credit facility restrict our ability to pay dividends. We may not pay a dividend to our stockholders if the aggregate amount of all distributions to our stockholders in a given year exceeds 95% of our funds from operations (as defined in the credit facility) for that fiscal year. Notwithstanding this restriction, we are permitted to pay dividends to stockholders to the extent necessary to maintain our status as a REIT.

Item 6. Selected Financial Data

The following selected historical financial information of the Company and its subsidiaries as of December 31, 2017 and 2016 and for each of the three years in the period ended December 31, 2017 was derived from our audited consolidated financial statements included herein. The selected financial information as of December 31, 2015, 2014 and 2013 and for each of the two years in the period ended December 31, 2014 was derived from previously issued audited consolidated financial statements. The information in the following table should be read in conjunction with Item 7, "Management's Discussion and Analysis of Financial Condition and Results of Operations" and our consolidated financial statements and related notes as of December 31, 2017 and 2016 and for each of the three years in the period ended December 31, 2017 included herein (in thousands, except per share amounts).

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	Years Ended December 31,				
	2017	2016	2015	2014	2013
Income Statement Data:					
Revenues:					
Rooms	\$ 431,768	\$ 420,011	\$ 404,457	\$ 384,185	\$ 357,313
Food and beverage	483,945	477,493	461,157	437,673	403,725
Other hotel revenue	143,947	142,139	128,989	132,308	117,471
Entertainment	125,059	109,564	97,521	86,825	76,053
Total revenues	<u>1,184,719</u>	<u>1,149,207</u>	<u>1,092,124</u>	<u>1,040,991</u>	<u>954,562</u>
Operating expenses:					
Rooms	112,636	109,618	110,067	111,864	103,171
Food and beverage	269,824	267,307	261,580	248,358	237,153
Other hotel expenses	326,560	322,774	312,989	311,836	298,830
Management fees, net	23,856	22,194	14,657	16,151	14,652
Total hotel operating expenses	<u>732,876</u>	<u>721,893</u>	<u>699,293</u>	<u>688,209</u>	<u>653,806</u>
Entertainment	84,393	74,550	67,363	59,815	56,528
Corporate	33,495	29,143	28,914	27,573	26,292
REIT conversion costs (1)	—	—	—	—	22,190
Casualty loss	—	—	—	—	54
Preopening costs	1,926	—	909	11	—
Impairment and other charges (2)	35,418	—	19,200	—	2,976
Depreciation and amortization:					
Hospitality	102,759	100,186	105,876	103,422	103,147
Entertainment	7,074	7,034	5,747	5,258	5,368
Corporate and Other	2,126	2,596	2,760	3,598	8,013
Total depreciation and amortization	<u>111,959</u>	<u>109,816</u>	<u>114,383</u>	<u>112,278</u>	<u>116,528</u>
Total operating expenses	<u>1,000,067</u>	<u>935,402</u>	<u>930,062</u>	<u>887,886</u>	<u>878,374</u>
Operating income (loss):					
Hospitality	224,025	217,564	189,434	162,535	121,556
Entertainment	33,592	27,980	24,411	21,752	14,157
Corporate and Other	(35,621)	(31,739)	(31,674)	(31,171)	(34,305)
REIT conversion costs (1)	—	—	—	—	(22,190)
Casualty loss	—	—	—	—	(54)
Preopening costs	(1,926)	—	(909)	(11)	—
Impairment and other charges (2)	(35,418)	—	(19,200)	—	(2,976)
Total operating income	<u>184,652</u>	<u>213,805</u>	<u>162,062</u>	<u>153,105</u>	<u>76,188</u>
Interest expense	(66,051)	(63,906)	(63,901)	(61,447)	(60,916)
Interest income	11,818	11,500	12,384	12,075	12,267
Loss on extinguishment of debt (3)	—	—	—	(2,148)	(4,181)
Loss from joint ventures	(4,402)	(2,794)	—	—	—
Other gains and (losses) (4)	928	4,161	(10,889)	23,400	2,332
Income before income taxes	126,945	162,766	99,656	124,985	25,690
(Provision) benefit for income taxes (5)	49,155	(3,400)	11,855	1,467	92,662
Net income	<u>176,100</u>	<u>159,366</u>	<u>111,511</u>	<u>126,452</u>	<u>118,352</u>
Loss on call spread modification related to convertible notes (6)	—	—	—	(5,417)	(4,869)
Net income available to common stockholders	<u>\$ 176,100</u>	<u>\$ 159,366</u>	<u>\$ 111,511</u>	<u>\$ 121,035</u>	<u>\$ 113,483</u>
Basic income per share available to common stockholders	<u>\$ 3.44</u>	<u>\$ 3.12</u>	<u>\$ 2.18</u>	<u>\$ 2.38</u>	<u>\$ 2.22</u>
Fully diluted income per share available to common stockholders	<u>\$ 3.43</u>	<u>\$ 3.11</u>	<u>\$ 2.16</u>	<u>\$ 2.17</u>	<u>\$ 1.81</u>
Dividends Declared per Common Share (7)	<u>\$ 3.20</u>	<u>\$ 3.00</u>	<u>\$ 2.70</u>	<u>\$ 2.20</u>	<u>\$ 2.00</u>
Balance Sheet Data:					
As of December 31,					
	2017	2016	2015	2014	2013
Total assets	\$ 2,524,228	\$ 2,405,753	\$ 2,331,434	\$ 2,391,500	\$ 2,405,323
Total debt	1,591,392	1,502,554	1,431,710	1,319,909	1,135,114
Total stockholders' equity (8)	378,156	367,997	379,562	401,407	757,695

- (1) We have segregated all costs related to the transactions that facilitated our conversion to a REIT from normal operations and reported these amounts as REIT conversion costs in the accompanying selected financial data. During 2013, we incurred \$22.2 million of REIT conversion costs, which includes \$14.4 million in employment, severance and retention costs, \$2.7 million in professional fees, and \$5.1 million in various other transition costs.

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- (2) Impairment charges in 2017 represent a portion of the notes receivable that we hold related to the Gaylord National construction, consisting of other-than-temporary impairment losses of \$35.4 million, which is net of \$6.5 million recognized in other comprehensive income. See further disclosure regarding this impairment in Note 3 to the consolidated financial statements included herein. Impairment charges in 2015 include costs associated with our decision to move forward with an expansion of the guest rooms and convention space at Gaylord Texan. This capital project replaced a previously contemplated expansion that we began incurring design costs for during 2007 and had been subsequently put on hold. As the new project is substantially different from the previously contemplated project, we incurred an impairment charge of \$16.3 million in the fourth quarter of 2015. In addition, during 2015, we incurred \$2.9 million in impairment charges related to assets previously used in special events programming that was discontinued. Impairment charges in 2013 are primarily associated with disposed equipment at Gaylord National and the decision not to move forward with a proposed expansion at Gaylord Palms in the near-term.
- (3) During 2014, we settled the repurchase of and subsequently cancelled \$56.3 million of our 3.75% convertible notes in private transactions for aggregate consideration of \$120.2 million. In addition, prior to their maturity we early settled the conversion of \$15.3 million of convertible notes that were converted by holders. We recorded a loss on extinguishment of debt of \$2.1 million in 2014 as a result of these transactions. During 2013, we settled the repurchase of and subsequently cancelled \$54.7 million of our 3.75% convertible notes in private transactions for aggregate consideration of \$98.6 million. In addition, we settled \$1.2 million of convertible notes that were converted by a holder. We recorded a loss on extinguishment of debt of \$4.2 million in 2013 as a result of these transactions.
- (4) Other gains and (losses) for 2015 includes a \$20.2 million loss on the repurchase of a portion of the common stock warrants associated with our convertible notes. Other gains and (losses) for 2015 also includes a \$6.9 million gain associated with the reimbursement by the current developer of costs that were previously incurred related to a proposed development in Aurora, Colorado. These costs were impaired in 2012 as part of our strategic shift away from long-term development. Other gains and (losses) for 2014 includes a \$26.1 million gain associated with the sale of our rights in a letter of intent which entitled us to a portion of an economic interest in the income from the land underlying the new MGM casino project in National Harbor, Maryland and a \$4.2 million loss on the repurchase of a portion of the common stock warrants associated with our convertible notes. Other gains and (losses) for 2017, 2016, 2015, 2014 and 2013 includes \$2.6 million, \$2.5 million, \$2.5 million, \$2.4 million and \$2.3 million in income, respectively, received from the marketing and maintenance fund associated with the Gaylord National bonds.
- (5) Benefit for income taxes for 2017 includes a benefit of \$53.4 million related to the release of valuation allowance. Benefit for income taxes during 2013 includes a benefit of \$64.8 million related to the REIT conversion and a benefit of \$19.2 million related to our current period operations.
- (6) In 2014 and 2013, in connection with the repurchase of portions of our previous 3.75% convertible notes, we entered into agreements with the note hedge counterparties to our convertible notes to proportionately reduce the number of related purchased options and warrants. In addition, in 2014, we entered into agreements with the note hedge counterparties to cash settle the remaining outstanding warrants prior to their maturity. These agreements were considered modifications to the purchased options and the warrants, and based on the terms of the agreements, we recognized a charge of \$5.4 million and \$4.9 million in 2014 and 2013, respectively, which is recorded as an increase to accumulated deficit and either additional paid-in-capital or derivative liabilities, as applicable based on whether the modification was settled in shares of common stock or cash, in the consolidated balance sheets included herein. This charge also represents a deduction from net income in calculating net income available to common stockholders and earnings per share available to common stockholders in the consolidated statements of operations included herein.
- (7) Dividends declared for 2017 represent quarterly dividends totaling \$3.20 per share, or an aggregate of \$163.7 million in cash. Dividends declared for 2016 represent quarterly dividends totaling \$3.00 per share, or an aggregate of \$153.0 million in cash. Dividends declared for 2015 represent quarterly dividends totaling \$2.70 per share, or an aggregate of \$138.4 million in cash. Dividends declared for 2014 represent quarterly dividends totaling \$2.20 per share, or an aggregate of \$112.0 million in cash. Dividends declared for 2013 represent quarterly dividends totaling \$2.00 per share, or an aggregate of \$101.7 million in cash.
- (8) As a result of the modifications to the warrant agreements described above, the fair value of the warrants at the modification date was reclassified from additional paid-in-capital to derivative liabilities, resulting in a \$304.4 million reduction to stockholders' equity during 2014.

Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations

Overview

We are a Delaware corporation, originally incorporated in 1956, that, following our REIT conversion in 2012, began operating as a self-advised and self-administered REIT for federal income tax purposes on January 1, 2013, specializing in group-oriented, destination hotel assets in urban and resort markets. Our owned assets include a network of four upscale, meetings-focused resorts totaling 7,811 rooms that are managed by Marriott International, Inc. (“Marriott”) under the Gaylord Hotels brand. These four resorts, which we refer to as our Gaylord Hotels properties, consist of the Gaylord Opryland Resort & Convention Center in Nashville, Tennessee (“Gaylord Opryland”), the Gaylord Palms Resort & Convention Center near Orlando, Florida (“Gaylord Palms”), the Gaylord Texan Resort & Convention Center near Dallas, Texas (“Gaylord Texan”) and the Gaylord National Resort & Convention Center near Washington D.C. (“Gaylord National”). Our other owned hotel assets managed by Marriott include the Inn at Opryland, a 303-room overflow hotel adjacent to Gaylord Opryland, and the AC Hotel at National Harbor, Washington D.C. (“AC Hotel”), a 192-room overflow hotel adjacent to Gaylord National that opened in April 2015. We also own a 35% interest in a joint venture that is developing and will own the Gaylord Rockies Resort & Convention Center near Denver, Colorado (“Gaylord Rockies”), which will be managed by Marriott upon its planned opening in late 2018.

We also own and operate media and entertainment assets including the Grand Ole Opry, the legendary weekly showcase of country music’s finest performers for over 90 years; the Ryman Auditorium, the storied live music venue and former home of the Grand Ole Opry located in downtown Nashville; WSM-AM, the Opry’s radio home; Ole Red, a brand of Blake Shelton-themed bar, music venue and event spaces, with a flagship location in Nashville expected to open in second quarter 2018; a 50% interest in a joint venture for Opry City Stage, a four-level entertainment complex in Times Square that opened in December 2017; and three Nashville-based assets managed by Marriott – Gaylord Springs Golf Links (“Gaylord Springs”), the Wildhorse Saloon, and the General Jackson Showboat (“General Jackson”).

Each of our award-winning Gaylord Hotels properties incorporates not only high quality lodging, but also at least 400,000 square feet of meeting, convention and exhibition space, superb food and beverage options and retail and spa facilities within a single self-contained property. As a result, our Gaylord Hotels properties provide a convenient and entertaining environment for convention guests. Our Gaylord Hotels properties focus on the large group meetings market in the United States.

Our goal is to become the nation’s premier hospitality REIT for group-oriented, destination hotel assets in urban and resort markets.

See “Forward-Looking Statements” and “Risk Factors” under Part I of this annual report for important information regarding forward-looking statements made in this report and risks and uncertainties we face.

Gaylord Rockies Resort & Convention Center

As further discussed in Note 4 to the consolidated financial statements included herein, in March 2016, certain subsidiaries of the Company entered into a series of agreements with affiliates of RIDA Development Corporation (“RIDA”) and Ares Management, L.P. (“Ares”) with respect to an equity investment in the Gaylord Rockies Resort & Convention Center in Aurora, Colorado (“Gaylord Rockies”), which is currently being developed by RIDA and Ares. The hotel will be managed by Marriott pursuant to a long-term management contract and is expected to consist of a 1,500-room resort hotel with over 485,000 square feet of exhibition, meeting, pre-function and outdoor space. The hotel is expected to be completed in late 2018 and has a total estimated project cost of approximately \$800 million.

We acquired a 35% interest in the project for a capital contribution of approximately \$86.5 million, of which the final portion was funded in the first quarter of 2017. The terms of our investment provide that we will have the ability to approve certain major decisions affecting the hotel, including, but not limited to, operating budgets, major capital expenditures, material transactions involving the hotel, and approval of designated hotel senior management. We also have a right of first offer to acquire the remainder of the project and designated rights to participate in any sales process with respect to the project after exercise of our first offer rights.

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A subsidiary of the Company is providing designated asset management services on behalf of the hotel during the construction period in exchange for a flat fee, and after opening of the hotel, in exchange for a fee based on the hotel's gross revenues on an annual basis.

In connection with the agreements, we agreed to provide certain guarantees of the hotel's construction loan and mezzanine debt. See Note 4 to the consolidated financial statements included herein for additional discussion of these guarantees.

Gaylord Opryland Luxury Waterpark

In January 2017, we announced plans for a proposed \$90 million investment to create a luxury indoor/outdoor waterpark adjacent to Gaylord Opryland and expected to open in 2018. The proposed project includes approximately 111,000 square feet of indoor water attractions and activities over three levels and approximately 106,000 square feet of outdoor water amenities. The project will include areas for adults, children and families, as well as dining options and bars. The project is being funded with cash on hand and borrowings under our credit facility.

Dividend Policy

Pursuant to our current dividend policy, we plan to continue to pay a quarterly cash dividend to stockholders in an amount equal to an annualized payment of at least 50% of adjusted funds from operations (as defined by us) less maintenance capital expenditures, or 100% of REIT taxable income, whichever is greater. During 2017, the Company's board of directors declared quarterly dividends totaling \$3.20 per share of common stock, or an aggregate of \$163.7 million in cash. During 2016, the Company's board of directors declared quarterly dividends totaling \$3.00 per share of common stock, or an aggregate of \$153.0 million in cash. During 2015, the Company's board of directors declared quarterly dividends totaling \$2.70 per share of common stock, or an aggregate of \$138.4 million in cash. The declaration, timing and amount of dividends will be determined by future action of our board of directors. Our dividend policy may be altered at any time by our board of directors.

Credit Facility Refinancing

In May 2017, we refinanced our existing credit facility to (i) extend the maturity of our existing \$700 million revolving credit facility to May 2021, (ii) upsize our existing \$400 million term loan B to \$500 million, improve its pricing, and extend the maturity to May 2024 and (iii) add a new \$200 million term loan A that matures in May 2022. Net proceeds, after repayment of the existing term loan B and closing costs, were approximately \$308.9 million and were used to pay down a portion of our revolving credit facility. See a detailed discussion of the refinanced terms of our credit facility under the "Principal Debt Agreements" section of "Liquidity and Capital Resources" below.

Our Current Operations

Our ongoing operations are organized into three principal business segments:

- Hospitality, consisting of our Gaylord Hotels properties, the Inn at Opryland, the AC Hotel, and our investment in the Gaylord Rockies joint venture, each of which is managed by Marriott. Marriott will manage Gaylord Rockies upon its opening.
- Entertainment, consisting of the Grand Ole Opry, the Ryman Auditorium, WSM-AM, Ole Red, our equity investment in Opry City Stage, and our other Nashville-based attractions. As a result of the REIT conversion, we own our Entertainment businesses in TRSs, which conduct their business consistent with past practice, except for the management agreements with Marriott for the General Jackson, Wildhorse Saloon and Gaylord Springs discussed above.
- Corporate and Other, consisting of our corporate expenses.

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For the years ended December 31, 2017, 2016 and 2015, our total revenues were divided among these business segments as follows:

<u>Segment</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Hospitality	89%	90%	91%
Entertainment	11%	10%	9%
Corporate and Other	0%	0%	0%

Key Performance Indicators

The operating results of our Hospitality segment are highly dependent on the volume of customers at our hotels and the quality of the customer mix at our hotels, which are managed by Marriott. These factors impact the price that Marriott can charge for our hotel rooms and other amenities, such as food and beverage and meeting space. The following key performance indicators are commonly used in the hospitality industry:

- hotel occupancy (a volume indicator);
- average daily rate (“ADR”) – a price indicator calculated by dividing room revenue by the number of rooms sold;
- Revenue per Available Room (“RevPAR”) – a summary measure of hotel results calculated by dividing room revenue by room nights available to guests for the period;
- Total Revenue per Available Room (“Total RevPAR”) – a summary measure of hotel results calculated by dividing the sum of room, food and beverage and other ancillary service revenue by room nights available to guests for the period; and
- Net Definite Room Nights Booked – a volume indicator which represents the total number of definite bookings for future room nights at our hotels confirmed during the applicable period, net of cancellations.

Hospitality segment revenue from our occupied hotel rooms is recognized as earned on the close of business each day and from concessions and food and beverage sales at the time of the sale. Cancellation fees, as well as attrition fees, which are charged to groups when they do not fulfill the minimum number of room nights or minimum food and beverage spending requirements originally contracted for, are recognized as revenue in the period they are collected. Almost all of our Hospitality segment revenues are either cash-based or, for meeting and convention groups meeting credit criteria, billed and collected on a short-term receivables basis. The hospitality industry is capital intensive, and we rely on the ability of our hotels to generate operating cash flow to repay debt financing and fund maintenance capital expenditures.

The results of operations of our Hospitality segment are affected by the number and type of group meetings and conventions scheduled to attend our hotels in a given period. A variety of factors can affect the results of any interim period, including the nature and quality of the group meetings and conventions attending our hotels during such period, which meetings and conventions have often been contracted for several years in advance, the level of attrition our hotels experience, and the level of transient business at our hotels during such period. We rely on Marriott, as the manager of our hotels, to manage these factors and to offset any identified shortfalls in occupancy.

Summary Financial Results

The following table summarizes our financial results for the years ended December 31, 2017, 2016 and 2015 (in thousands, except percentages and per share data):

	<u>2017</u>	<u>% Change</u>	<u>2016</u>	<u>% Change</u>	<u>2015</u>
Total revenues	\$1,184,719	3.1%	\$1,149,207	5.2%	\$1,092,124
Total operating expenses	1,000,067	6.9%	935,402	0.6%	930,062
Operating income	184,652	-13.6%	213,805	31.9%	162,062
Net income	176,100	10.5%	159,366	42.9%	111,511
Net income per share — fully diluted	3.43	10.3%	3.11	44.0%	2.16

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2017 Results as Compared to 2016 Results

The increase in our total revenues during 2017, as compared to 2016, is attributable to increases in our Hospitality segment and Entertainment segment revenues of \$20.0 million and \$15.5 million, respectively, as discussed more fully below.

The increase in total operating expenses during 2017, as compared to 2016, is primarily the result of impairment charges in 2017 of \$35.4 million, increases in Hospitality segment, Entertainment segment and Corporate segment expenses of \$11.0 million, \$9.8 million and \$4.4 million, respectively, as well as an increase in depreciation and amortization and preopening expenses of \$2.1 million and \$1.9 million, respectively, each as discussed more fully below.

The above factors resulted in a \$29.2 million decrease in operating income for 2017, as compared to 2016.

The \$16.7 million increase in our net income in 2017, as compared to 2016, was due to the change in our operating income described above, and the following factors, each as described more fully below:

- A benefit for income taxes of \$49.2 million in 2017, as compared to a provision for income taxes of \$3.4 million in 2016, primarily related to the release of \$53.4 million in valuation allowance in 2017.
- A \$3.2 million decrease in other gains and losses, net, primarily due to 2017 including a loss on certain assets that were disposed of in our Entertainment and Corporate segments, as well as 2016 including a gain on the sale of an incidental piece of land associated with our Hospitality segment.
- A \$2.1 million increase in interest expense, due primarily to 2017 including the write-off of \$0.9 million in deferred financing costs associated with the refinancing of our credit facility.

Factors and Trends Contributing to Operating Performance in 2017 Compared to 2016

The most important factors and trends contributing to our operating performance in 2017 as compared to 2016 were:

- Increased occupancy and outside-the-room spending at Gaylord National during 2017, as compared to 2016. The increase in occupancy (an increase of 4.5 points of occupancy) is primarily the result of an increase in groups. The increase in outside-the-room spending (an increase of 5.1%) is primarily attributable to an increase in banquets, including inauguration-related banquets in January 2017.
- Increased ADR at Gaylord Opryland during 2017, as compared to 2016 (an increase of 3.9%), primarily due to an increase in both group and transient rates.
- Decreased outside-the-room spending at Gaylord Palms during 2017, as compared to 2016 (a decrease of 4.1%), primarily due to the impacts of Hurricane Irma during September 2017, partially offset by a 2017 increase in ADR (an increase of 6.4%), due to an increase in both group and transient rates.
- Increased revenue for our Entertainment segment during 2017, as compared to 2016 (an increase of 14.1%), primarily due to increased shows, attendance and ancillary business, such as tours and retail, at the Grand Ole Opry and Ryman Auditorium, and increased revenues at the Wildhorse Saloon, due primarily to increased business attributable to the achieved benefits of a 2016 renovation.
- Decreased net definite group room nights booked during 2017, as compared to 2016 (a decrease of 2.3%), due primarily to the current year impact of Hurricane Irma, as well as the future cancellation of an individual group that had booked 17 different meetings through 2025.

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2016 Results as Compared to 2015 Results

The increase in our total revenues during 2016, as compared to 2015, is attributable to increases in our Hospitality segment and Entertainment segment revenues of \$45.0 million and \$12.0 million, respectively, as discussed more fully below.

The increase in total operating expenses during 2016, as compared to 2015, is primarily the result of increases in Hospitality segment and Entertainment segment expenses of \$16.9 million and \$8.5 million, respectively, partially offset by \$19.2 million in impairment and other charges during 2015 that did not recur during 2016, as discussed more fully below.

The above factors resulted in a \$51.7 million increase in operating income for 2016, as compared to 2015.

The \$47.9 million increase in our net income in 2016, as compared to 2015, was due to the change in our operating income described above, and the following factors, each as described more fully below:

- A \$15.1 million difference in other gains and losses, net between 2016 and 2015, due primarily to 2015 including losses for the change in the fair value of derivative liabilities associated with portions of warrants related to our previous 3.75% convertible notes. There was no such event in 2016. This change was partially offset by a \$6.9 million gain in 2015 associated with the reimbursement of costs that were previously incurred related to our proposed development in Aurora, Colorado. These costs were impaired in 2012 as part of our strategic shift away from long-term development, but were reimbursed in 2015 by the current developer.
- A provision for income taxes of \$3.4 million in 2016, as compared to a \$11.9 million tax benefit in 2015.
- A \$2.8 million loss from joint ventures during 2016 not incurred in 2015.

Factors and Trends Contributing to Operating Performance in 2016 Compared to 2015

The most important factors and trends contributing to our operating performance in 2016 as compared to 2015 were:

- Increased occupancy and outside-the-room spending at Gaylord Palms during 2016, as compared to 2015. The increase in occupancy (an increase of 2.9 points of occupancy) is primarily the result of an increase in both groups and transient. The increase in outside-the-room spending (an increase of 12.4%) is primarily the result of an increase in banquets, as well as an increase attributable to new and refurbished dining outlets and an increase in attrition and cancellation fee collections.
- Increased ADR and outside-the-room spending at Gaylord Opryland during 2016, as compared to 2015. The increase in ADR (an increase of 3.0%) was primarily a result of an increase in both group and transient rate. The increase in outside-the-room spending (an increase of 2.9%) was primarily the result of increased banquet revenues from corporate groups, as well as increased attrition and cancellation fee collections.
- Increased outside-the-room spending at Gaylord Texan (an increase of 5.7%) during 2016, as compared to 2015, primarily as a result of an increase in banquet revenue.
- Increased net definite group room nights booked (an increase of 8.5%) during 2016, as compared to 2015.
- Increased revenue for our Entertainment segment (an increase of 12.3%) for 2016, as compared to 2015, primarily due to increased attendance at the Grand Ole Opry, as well as increased ancillary business such as tours and retail at the Ryman Auditorium.

Operating Results – Detailed Segment Financial Information

Hospitality Segment

Total Segment Results. The following presents the financial results of our Hospitality segment for the years ended December 31, 2017, 2016 and 2015 (in thousands, except percentages and performance metrics):

	2017	% Change	2016	% Change	2015
Revenues (1):					
Rooms	\$ 431,768	2.8%	\$ 420,011	3.8%	\$ 404,457
Food and beverage	483,945	1.4%	477,493	3.5%	461,157
Other hotel revenue	143,947	1.3%	142,139	10.2%	128,989
Total Hospitality revenue	1,059,660	1.9%	1,039,643	4.5%	994,603
Hospitality operating expenses:					
Rooms	112,636	2.8%	109,618	-0.4%	110,067
Food and beverage	269,824	0.9%	267,307	2.2%	261,580
Other hotel expenses	326,560	1.2%	322,774	3.1%	312,989
Management fees, net	23,856	7.5%	22,194	51.4%	14,657
Depreciation and amortization	102,759	2.6%	100,186	-5.4%	105,876
Total Hospitality operating expenses	835,635	1.6%	822,079	2.1%	805,169
Hospitality operating income (2)	\$ 224,025	3.0%	\$ 217,564	14.8%	\$ 189,434
Hospitality performance metrics:					
Occupancy	75.5%	0.7%	75.0%	1.9%	73.6%
ADR	\$ 188.67	2.3%	\$ 184.36	1.0%	\$ 182.56
RevPAR (3)	\$ 142.42	3.0%	\$ 138.27	2.8%	\$ 134.44
Total RevPAR (4)	\$ 349.53	2.1%	\$ 342.25	3.5%	\$ 330.61
Net Definite Group Room Nights Booked	2,012,000	-2.3%	2,060,000	8.5%	1,898,000
Same-store Hospitality performance metrics (5):					
Occupancy	75.6%	0.5%	75.2%	1.8%	73.9%
ADR	\$ 188.36	2.1%	\$ 184.40	1.1%	\$ 182.34
RevPAR (3)	\$ 142.37	2.7%	\$ 138.67	2.9%	\$ 134.80
Total RevPAR (4)	\$ 353.81	2.0%	\$ 346.99	3.8%	\$ 334.14
Net Definite Group Room Nights Booked	1,998,000	-2.2%	2,043,000	8.6%	1,881,000

- Hospitality segment results and performance metrics include the results of our Gaylord Hotels and the Inn at Opryland for all periods presented. Results of the AC Hotel are included as of its opening date in April 2015.
- Hospitality segment operating income does not include preopening costs of \$0.3 million and \$0.9 million in 2017 and 2015, respectively. Hospitality segment operating income also does not include impairment charges of \$35.4 million and \$19.2 million during 2017 and 2015, respectively. See the discussion of these items set forth below.
- We calculate Hospitality segment RevPAR by dividing room revenue by room nights available to guests for the period. Hospitality segment RevPAR is not comparable to similarly titled measures such as revenues.
- We calculate Hospitality segment Total RevPAR by dividing the sum of room, food and beverage, and other ancillary services revenue (which equals Hospitality segment revenue) by room nights available to guests for the period. Hospitality segment Total RevPAR is not comparable to similarly titled measures such as revenues.
- Same-store Hospitality segment performance metrics do not include the AC Hotel, which opened in April 2015.

The increase in total Hospitality segment revenue in 2017, as compared to 2016, is primarily due to increases in revenue of \$12.5 million and \$5.9 million at Gaylord National and Gaylord Opryland, respectively, as discussed below. Total Hospitality revenues in 2017 include \$10.9 million in attrition and cancellation fee collections, a \$1.8 million decrease from 2016.

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The increase in total Hospitality segment revenue in 2016, as compared to the same period in 2015, is primarily due to increases in revenue of \$17.4 million, \$12.6 million and \$10.7 million at Gaylord Palms, Gaylord Opryland and Gaylord Texan, respectively, as discussed below. Total Hospitality revenues in 2016 include \$12.7 million in attrition and cancellation fee collections, a \$5.8 million increase from 2015.

The percentage of group versus transient business based on rooms sold for our Hospitality segment for the years ended December 31 was approximately as follows:

	<u>2017</u>	<u>2016</u>	<u>2015</u>
Group	71%	71%	72%
Transient	29%	29%	28%

The type of group based on rooms sold for our Hospitality segment for the years ended December 31 was approximately as follows:

	<u>2017</u>	<u>2016</u>	<u>2015</u>
Corporate Groups	51%	53%	51%
Associations	33%	33%	35%
Other Groups	16%	14%	14%

The increase in rooms operating expenses in 2017, as compared to 2016, is primarily attributable to an increase at Gaylord National, as described below. The decrease in rooms operating expenses in 2016, as compared to 2015, is primarily attributable to a decrease at Gaylord National, as described below.

The increase in food and beverage operating expenses in 2017, as compared to 2016, is primarily attributable to an increase at Gaylord National, as described below. The increase in food and beverage operating expenses in 2016, as compared to 2015, is attributable to increases at Gaylord Palms and Gaylord Texan, as described below.

Other hotel expenses for the following years ended December 31 included (in thousands):

	<u>2017</u>	<u>% Change</u>	<u>2016</u>	<u>% Change</u>	<u>2015</u>
Administrative employment costs	\$ 110,484	1.9%	\$ 108,475	0.9%	\$ 107,495
Utilities	27,596	-0.6%	27,758	-2.2%	28,394
Property taxes	33,231	3.7%	32,044	1.1%	31,683
Other	155,249	0.5%	154,497	6.2%	145,417
Total other hotel expenses	<u>\$326,560</u>	1.2%	<u>\$322,774</u>	3.1%	<u>\$312,989</u>

Administrative employment costs include salaries and benefits for hotel administrative functions, including, among others, senior management, accounting, human resources, sales, conference services, engineering and security. Administrative employment costs increased during 2017, as compared to 2016, primarily due to slight increases at Gaylord Opryland and Gaylord National. Utility costs decreased slightly during 2017, as compared to 2016. Property taxes increased during 2017, as compared to 2016, primarily due to increases at Gaylord National and Gaylord Texan due to increased property valuations. Other expenses, which include supplies, advertising, maintenance costs and consulting costs, increased during 2017, as compared to 2016, primarily as a result of various increases at Gaylord Opryland and Gaylord National, partially offset by various decreases at Gaylord Palms and Gaylord Texan.

Administrative employment costs increased slightly during 2016, as compared to 2015. Utility costs decreased slightly during 2016, as compared to 2015. Property taxes increased slightly during 2016, as compared to 2015. Other expenses, increased during 2016, as compared to 2015, primarily as a result of various increases at each of our Gaylord Hotels properties.

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As discussed above, each of our management agreements with Marriott requires us to pay Marriott a base management fee of approximately 2% of gross revenues from the applicable property for each fiscal year or portion thereof. Additionally, an incentive fee is based on the profitability of our Gaylord Hotels properties calculated on a pooled basis. We incurred \$21.4 million, \$20.8 million and \$16.8 million in total base management fees to Marriott related to our Hospitality segment during 2017, 2016 and 2015, respectively. We also incurred \$5.5 million, \$4.4 million and \$0.8 million related to incentive management fees for our Hospitality segment during 2017, 2016 and 2015, respectively. Management fees are presented throughout this Annual Report on Form 10-K net of the amortization of the deferred management rights proceeds discussed in Note 6 to the consolidated financial statements included herein.

Hospitality segment depreciation and amortization expense increased in 2017, as compared to 2016, primarily as a result of an increase at Gaylord Opryland, partially offset by a decrease at Gaylord National, as described below. Hospitality segment depreciation and amortization expense decreased in 2016, as compared to 2015, primarily as a result of a decrease at Gaylord National, as described below.

Property-Level Results. The following presents property-level financial results for our Gaylord Hotels properties for the years ended December 31, 2017, 2016 and 2015:

Gaylord Opryland Results. The results of Gaylord Opryland for the years ended December 31, 2017, 2016 and 2015 are as follows (in thousands, except percentages and performance metrics):

	<u>2017</u>	<u>% Change</u>	<u>2016</u>	<u>% Change</u>	<u>2015</u>
Revenues:					
Rooms	\$144,453	2.0%	\$141,624	5.5%	\$134,293
Food and beverage	139,478	1.3%	137,740	2.5%	134,321
Other hotel revenue	53,833	2.6%	52,464	3.7%	50,597
Total revenue	337,764	1.8%	331,828	4.0%	319,211
Operating expenses:					
Rooms	33,362	-1.3%	33,796	2.0%	33,133
Food and beverage	74,305	0.5%	73,958	0.4%	73,689
Other hotel expenses	102,650	2.9%	99,795	0.1%	99,701
Management fees, net	8,667	12.0%	7,738	58.1%	4,895
Depreciation and amortization	33,966	11.9%	30,343	-1.5%	30,793
Total operating expenses	252,950	3.0%	245,630	1.4%	242,211
Hospitality performance metrics:					
Occupancy	75.1%	-1.7%	76.4%	2.0%	74.9%
ADR	\$ 182.42	3.9%	\$ 175.61	3.0%	\$ 170.42
RevPAR	\$ 137.04	2.1%	\$ 134.16	5.1%	\$ 127.66
Total RevPAR	\$ 320.42	1.9%	\$ 314.35	3.6%	\$ 303.45

Rooms revenue and RevPAR increased at Gaylord Opryland during 2017, as compared to 2016, as a result of an increase in ADR for both groups and transient rates. These results were impacted by two separate completed rooms renovation projects that resulted in approximately 49,300 and 35,000 room nights out of service during 2017 and 2016, respectively. Rooms expenses decreased slightly during 2017, as compared to 2016.

The increase in food and beverage revenue at Gaylord Opryland during 2017, as compared to 2016, was primarily due to increased banquet revenues from corporate groups, as well as increased food and beverage outlet revenue. Food and beverage expenses increased modestly in 2017, as compared to 2016.

Other revenue increased at Gaylord Opryland during 2017, as compared to 2016, due primarily to increased holiday program-related revenue, partially offset by decreased attrition and cancellation fee collections. Other hotel expenses increased in 2017, as compared to 2016, due primarily to increased sales and marketing costs and increased utility costs due to an increase in rates.

Depreciation and amortization increased during 2017, as compared to 2016, primarily as a result of rooms renovations in both 2017 and 2016 that resulted in increased depreciable asset levels in 2017.

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Rooms revenue and RevPAR increased at Gaylord Opryland during 2016, as compared to 2015, as a result of an increase in occupancy and ADR for both groups and transient business. These results were impacted by two separate completed rooms renovation projects that resulted in approximately 35,000 and 18,000 room nights out of service during 2016 and 2015, respectively. The prior year was also impacted by a norovirus outbreak that occurred in January and February 2015 at the property, as well as a winter storm that occurred during February 2015. Rooms expenses increased during 2016, as compared to 2015, primarily as a result of increased group commissions.

The increase in food and beverage revenue at Gaylord Opryland during 2016, as compared to 2015, was primarily due to increased banquet revenues from corporate groups, as well as increased food and beverage outlet revenue. Food and beverage expenses increased modestly in 2016, as compared to 2015.

Other revenue increased at Gaylord Opryland during 2016, as compared to 2015, due primarily to increased attrition and cancellation fee collections, partially offset by the prior year including the receipt of \$3.6 million in insurance proceeds related to the norovirus outbreak. Other hotel expenses remained stable in 2016, as compared to 2015.

Depreciation and amortization decreased slightly during 2016, as compared to 2015.

Gaylord Palms Results. The results of Gaylord Palms for the years ended December 31, 2017, 2016 and 2015 are as follows (in thousands, except percentages and performance metrics):

	<u>2017</u>	<u>% Change</u>	<u>2016</u>	<u>% Change</u>	<u>2015</u>
Revenues:					
Rooms	\$ 75,001	7.3%	\$ 69,885	5.4%	\$ 66,331
Food and beverage	94,179	-2.4%	96,495	8.9%	88,573
Other hotel revenue	26,555	-9.5%	29,339	25.5%	23,375
Total revenue	<u>195,735</u>	<u>0.0%</u>	<u>195,719</u>	<u>9.8%</u>	<u>178,279</u>
Operating expenses:					
Rooms	16,526	3.4%	15,987	0.0%	15,981
Food and beverage	51,444	-1.1%	52,008	6.8%	48,682
Other hotel expenses	68,195	-1.6%	69,274	5.6%	65,628
Management fees, net	4,572	5.2%	4,344	68.2%	2,583
Depreciation and amortization	19,031	-0.4%	19,098	2.4%	18,651
Total operating expenses	<u>159,768</u>	<u>-0.6%</u>	<u>160,711</u>	<u>6.1%</u>	<u>151,525</u>
Hospitality performance metrics:					
Occupancy	78.3%	1.0%	77.5%	3.9%	74.6%
ADR	\$ 185.44	6.4%	\$ 174.32	0.7%	\$ 173.17
RevPAR	\$ 145.12	7.4%	\$ 135.08	4.5%	\$ 129.25
Total RevPAR	<u>\$ 378.71</u>	<u>0.1%</u>	<u>\$ 378.31</u>	<u>8.9%</u>	<u>\$ 347.39</u>

Rooms revenue and RevPAR increased at Gaylord Palms during 2017, as compared to 2016, as a result of an increase in transient occupancy and an increase in ADR from both groups and transient rates. Rooms expenses increased during 2017, as compared to 2016, due primarily to increased commission costs.

The decrease in food and beverage revenue at Gaylord Palms during 2017, as compared to 2016, was primarily due to a decrease in banquets from group cancellations related to Hurricane Irma in September 2017. Food and beverage expenses decreased in 2017, as compared to 2016, primarily as a result of a decrease in variable expenses related to the decrease in revenue.

Other hotel revenue at Gaylord Palms decreased during 2017, as compared to 2016, primarily due to decreased collection of attrition and cancellation fees. Other hotel expenses decreased during 2017, as compared to 2016, due primarily to a decrease in sales and marketing costs.

Depreciation and amortization was stable during 2017, as compared to 2016.

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Rooms revenue and RevPAR increased at Gaylord Palms during 2016, as compared to 2015, as a result of an increase in occupancy and ADR from both groups and transient business. Rooms expenses remained stable during 2016, as compared to 2015, as increased variable expenses associated with the increase in occupancy were offset by improved labor margins.

The increase in food and beverage revenue at Gaylord Palms during 2016, as compared to 2015, was primarily due to an increase in banquets. In addition, new and refurbished dining outlets were opened in the second quarter of 2016, which led to increased food and beverage outlet revenue. Food and beverage expenses increased in 2016, as compared to 2015, primarily as a result of the increase in variable expenses related to the increase in revenue, partially offset by improved labor margins.

Other hotel revenue at Gaylord Palms increased during 2016, as compared to 2015, primarily due to increased ancillary revenues, such as parking and resort fees related to the increase in occupancy, increased holiday programming revenue, and increased collection of attrition and cancellation fees. Other hotel expenses increased during 2016, as compared to 2015, due primarily to an increase in sales and marketing expenses.

Depreciation and amortization increased slightly during 2016, as compared to 2015.

Gaylord Texan Results. The results of Gaylord Texan for the years ended December 31, 2017, 2016 and 2015 are as follows (in thousands, except percentages and performance metrics):

	<u>2017</u>	<u>% Change</u>	<u>2016</u>	<u>% Change</u>	<u>2015</u>
Revenues:					
Rooms	\$ 80,691	-4.2%	\$ 84,198	3.4%	\$ 81,451
Food and beverage	115,158	1.3%	113,669	5.0%	108,285
Other hotel revenue	34,236	2.8%	33,312	8.3%	30,750
Total revenue	230,085	-0.5%	231,179	4.8%	220,486
Operating expenses:					
Rooms	17,495	2.5%	17,070	-3.5%	17,686
Food and beverage	59,334	-0.1%	59,371	3.4%	57,427
Other hotel expenses	67,328	-1.2%	68,135	4.4%	65,269
Management fees, net	4,867	0.7%	4,833	49.9%	3,225
Depreciation and amortization	20,575	1.9%	20,184	1.0%	19,986
Total operating expenses	169,599	0.0%	169,593	3.7%	163,593
Hospitality performance metrics:					
Occupancy	76.2%	-2.8%	78.4%	2.2%	76.7%
ADR	\$ 192.09	-1.1%	\$ 194.17	0.8%	\$ 192.66
RevPAR	\$ 146.31	-3.9%	\$ 152.25	3.1%	\$ 147.69
Total RevPAR	\$ 417.19	-0.2%	\$ 418.03	4.6%	\$ 399.78

Rooms revenue and RevPAR decreased at Gaylord Texan during 2017, as compared to 2016, due primarily to decreased occupancy due to a decrease in group rooms, partially attributable to Hurricane Harvey in August 2017, and decreased ADR for both group and transient rates. Rooms expenses increased during 2017, as compared to 2016, as decreased variable expenses associated with the decrease in occupancy were offset by increased group commissions.

Food and beverage revenue increased at Gaylord Texan during 2017, as compared to 2016, primarily due to an increase in both banquets and food and beverage outlet revenue. Food and beverage expenses decreased slightly in 2017, as compared to 2016, as the increase in variable expenses related to the increase in revenue were offset by decreased food costs and beverage costs, as well as improved labor margin.

Other revenue at Gaylord Texan increased during 2017, as compared to 2016, primarily as a result of an increase in attrition and cancellation fee collections. Other hotel expenses decreased in 2017, as compared to 2016, due primarily to a decrease in sales and marketing costs, partially offset by an increase in property taxes due to an increased property valuation.

Depreciation and amortization increased slightly during 2017, as compared to 2016.

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Rooms revenue and RevPAR increased at Gaylord Texan during 2016, as compared to 2015, due primarily to increased occupancy due to an increase in both group and transient rooms. Rooms expenses decreased during 2016, as compared to 2015, as increased variable expenses associated with the increase in occupancy were offset by improved productivity.

Food and beverage revenue increased at Gaylord Texan during 2016, as compared to 2015, primarily due to an increase in both banquets and food and beverage outlet revenue. Food and beverage expenses increased in 2016, as compared to 2015, as a result of the increase in variable expenses related to the increase in revenue.

Other revenue at Gaylord Texan increased during 2016, as compared to 2015, primarily as a result of increases in transportation and spa services, as well as increased holiday programming revenue. Other hotel expenses increased in 2016, as compared to 2015, primarily as a result of increased sales and marketing costs.

Depreciation and amortization increased slightly during 2016, as compared to 2015, primarily as a result of capital expenditures associated with a 2015 rooms renovation.

Gaylord National Results. The results of Gaylord National for the years ended December 31, 2017, 2016 and 2015 are as follows (in thousands, except percentages and performance metrics):

	<u>2017</u>	<u>% Change</u>	<u>2016</u>	<u>% Change</u>	<u>2015</u>
Revenues:					
Rooms	\$109,542	4.6%	\$104,723	-1.6%	\$106,408
Food and beverage	129,812	4.2%	124,539	-0.8%	125,604
Other hotel revenue	28,959	8.9%	26,584	10.7%	24,008
Total revenue	<u>268,313</u>	4.9%	<u>255,846</u>	-0.1%	<u>256,020</u>
Operating expenses:					
Rooms	39,654	5.2%	37,685	-3.8%	39,154
Food and beverage	80,895	3.2%	78,371	-0.3%	78,595
Other hotel expenses	81,027	2.8%	78,830	2.3%	77,036
Management fees, net	4,478	5.7%	4,235	28.3%	3,300
Depreciation and amortization	26,524	-5.1%	27,962	-17.8%	34,033
Total operating expenses	<u>232,578</u>	2.4%	<u>227,083</u>	-2.2%	<u>232,118</u>
Hospitality performance metrics:					
Occupancy	73.5%	6.5%	69.0%	-1.4%	70.0%
ADR	\$ 204.50	-1.6%	\$ 207.83	-0.5%	\$ 208.79
RevPAR	\$ 150.36	4.9%	\$ 143.35	-1.9%	\$ 146.06
Total RevPAR	\$ 368.29	5.2%	\$ 350.22	-0.3%	\$ 351.41

Rooms revenue and RevPAR increased at Gaylord National during 2017, as compared to 2016, primarily as a result of an increase in group occupancy, partially offset by a decrease in transient ADR. Rooms expenses increased during 2017, as compared to 2016, primarily due to increased variable costs associated with the increase in occupancy.

The increase in food and beverage revenue at Gaylord National during 2017, as compared to 2016, was primarily due to an increase in banquets, including inauguration-related banquets. Food and beverage expenses increased in 2017, as compared to 2016, primarily due to increased variable costs associated with the increase in revenue.

Other revenue increased at Gaylord National during 2017, as compared to 2016, primarily due to an increase in ancillary revenue, such as parking and resort fees associated with the increase in occupancy. Other hotel expenses increased in 2017, as compared to 2016, primarily as a result of an increase in property taxes due to an increased property valuation.

Depreciation and amortization decreased during 2017, as compared to 2016, as increased depreciation due to the completion of a new riverfront ballroom in 2017, and the resulting increase in depreciable asset levels, was offset by a portion of the initial furniture, fixtures and equipment placed in service at the property's opening in 2008 becoming fully depreciated during 2016.

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Rooms revenue and RevPAR decreased at Gaylord National during 2016, as compared to 2015, primarily as a result of a decrease in occupancy for groups, which was partially attributed to a severe winter storm during the first quarter of 2016. Rooms expenses decreased during 2016, as compared to 2015, primarily due to decreased variable costs associated with the decrease in occupancy.

The decrease in food and beverage revenue at Gaylord National during 2016, as compared to 2015, was primarily due to a decrease in banquets. Food and beverage expenses decreased in 2016, as compared to 2015, primarily due to decreased food and labor costs.

Other revenue increased at Gaylord National during 2016, as compared to 2015, primarily due to increased collection of attrition and cancellation fees. Other hotel expenses increased in 2016, as compared to 2015, primarily as a result of an increase in sales and marketing costs.

Depreciation and amortization decreased during 2016, as compared to 2015, primarily as a result of a portion of the initial furniture, fixtures and equipment placed in service at the property's opening in 2008 becoming fully depreciated during 2016.

Entertainment Segment

The following presents the financial results of our Entertainment segment for the years ended December 31, 2017, 2016 and 2015 (in thousands, except percentages):

	<u>2017</u>	<u>% Change</u>	<u>2016</u>	<u>% Change</u>	<u>2015</u>
Revenues	\$125,059	14.1%	\$109,564	12.3%	\$97,521
Operating expenses	84,393	13.2%	74,550	10.7%	67,363
Depreciation and amortization	7,074	0.6%	7,034	22.4%	5,747
Operating income (1)	<u>\$ 33,592</u>	20.1%	<u>\$ 27,980</u>	14.6%	<u>\$24,411</u>

(1) Entertainment segment operating income does not include preopening costs of \$1.6 million and \$0.1 million in 2017 and 2015, respectively.

Entertainment segment revenues increased during 2017, as compared to 2016, primarily due to increases at the Grand Ole Opry and Ryman Auditorium due to increased shows and attendance and increased ancillary business such as tours and retail, and an increase at the Wildhorse Saloon, due primarily to increased business attributable to the achieved benefits of a 2016 renovation. Entertainment segment revenues increased during 2016, as compared to 2015, primarily due to increased attendance and additional shows at the Grand Ole Opry, as well as increased ancillary business at the Ryman Auditorium.

Entertainment operating expenses increased during 2017, as compared to 2016, and in 2016, as compared to 2015, primarily as a result of increased compensation and consulting costs, as well as increased variable costs associated with the increase in revenue.

Entertainment depreciation and amortization expense remained stable in 2017, as compared to 2016, but increased in 2016, as compared to 2015, primarily as a result of the expansion of the Ryman Auditorium.

Corporate and Other Segment

The following presents the financial results of our Corporate and Other segment for the years ended December 31, 2017, 2016 and 2015 (in thousands, except percentages):

	<u>2017</u>	<u>% Change</u>	<u>2016</u>	<u>% Change</u>	<u>2015</u>
Operating expenses	\$ 33,495	14.9%	\$ 29,143	0.8%	\$ 28,914
Depreciation and amortization	2,126	-18.1%	2,596	-5.9%	2,760
Operating loss	<u>\$(35,621)</u>	-12.2%	<u>\$(31,739)</u>	-0.2%	<u>\$(31,674)</u>

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Corporate and Other operating expenses, which consist primarily of costs associated with senior management salaries and benefits, legal, human resources, accounting, pension and other administrative costs, increased in 2017, as compared to 2016, primarily due to increased administrative and employment costs associated with supporting our growth initiatives within our Hospitality and Entertainment segments. Corporate and Other operating expenses increased slightly during 2016, as compared to 2015.

Corporate and Other depreciation and amortization expense decreased modestly in 2017, as compared to 2016, and in 2016, as compared to 2015.

Operating Results – Preopening costs

We expense the costs associated with start-up activities and organization costs as incurred. Our preopening costs for 2017 include costs associated with a riverfront ballroom at Gaylord National, which opened in the second quarter of 2017, and costs associated with our various Entertainment segment development projects. Our preopening costs for 2015 primarily relate to the AC Hotel.

Operating Results – Impairment and Other Charges

Impairment charges in 2017 relate to the bonds we received in 2008 related to the Gaylord National construction, which we hold as notes receivable, and consisted of other-than-temporary impairment losses of \$35.4 million, which is net of \$6.5 million recognized in other comprehensive income. See further disclosure regarding this impairment in Note 3 to the consolidated financial statements included herein.

Impairment charges in 2015 include costs associated with our decision to move forward with an expansion of the guest rooms and convention space at Gaylord Texan. This capital project replaced a previously contemplated expansion that we began incurring design costs for during 2007 and had been subsequently put on hold. As the new project is substantially different from the previously contemplated project, we incurred an impairment charge of \$16.3 million in the fourth quarter of 2015. In addition, during 2015, we incurred \$2.9 million in impairment charges related to assets previously used in special events programming that was discontinued.

Non-Operating Results Affecting Net Income

General

The following table summarizes the other factors which affected our net income for the years ended December 31, 2017, 2016 and 2015 (in thousands, except percentages):

	<u>2017</u>	<u>% Change</u>	<u>2016</u>	<u>% Change</u>	<u>2015</u>
Interest expense	\$(66,051)	-3.4%	\$(63,906)	0.0%	\$(63,901)
Interest income	11,818	2.8%	11,500	-7.1%	12,384
Loss from joint ventures	(4,402)	-57.6%	(2,794)	-100.0%	—
Other gains and (losses)	928	-77.7%	4,161	138.2%	(10,889)
(Provision) benefit for income taxes	49,155	1545.7%	(3,400)	-128.7%	11,855

Interest Expense

Interest expense increased \$2.1 million in 2017, as compared to 2016, due primarily to the write-off of \$0.9 million in deferred financing costs associated with the refinancing of our credit facility, as well as increased interest expense associated with our new term loan A and increased borrowings under our refinanced term loan B. These increases were partially offset by increased capitalized interest in 2017. Our weighted average interest rate on our borrowings, excluding the write-off of deferred financing costs during the period, was 4.5% in 2017 as compared to 4.3% in 2016. Cash interest expense increased \$5.7 million to \$66.4 million in 2017, as compared to 2016, and noncash interest expense, which includes amortization of deferred financing costs and debt discounts, the write-off of deferred financing costs, and capitalized interest, decreased \$3.5 million to \$(0.3) million in 2017, as compared to 2016.

Interest expense remained stable at \$63.9 million in 2016 and 2015, as increased interest expense associated with our \$400 million 5% senior notes, which we issued in April 2015, was offset by lower interest expense associated with our credit facility due to lower interest rate terms associated with the refinancing of our credit facility, as well as 2015 including the write-off of \$1.9 million in

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deferred financing costs related to the refinancing. Our weighted average interest rate on our borrowings, excluding the write-off of deferred financing costs during the period, was 4.3% in 2016 as compared to 4.2% in 2015. Cash interest expense increased \$4.1 million to \$60.7 million in 2016, as compared to 2015, and noncash interest expense decreased \$4.1 million to \$3.2 million in 2016, as compared to 2015.

Interest Income

Interest income for 2017, 2016 and 2015 primarily includes amounts earned on the bonds that we received in April 2008 in connection with the development of Gaylord National, which we hold as notes receivable.

Loss from Joint Ventures

The loss from joint ventures for 2017 and 2016 primarily represents preopening expenses related to joint ventures that we entered into related to Opry City Stage in Times Square in New York City and Gaylord Rockies. Opry City Stage opened in December 2017, and Gaylord Rockies is anticipated to open in late 2018.

Other Gains and (Losses)

Other gains and (losses) for 2017, 2016 and 2015 includes gains of \$2.6 million, \$2.5 million and \$2.5 million, respectively, from a fund associated with the Gaylord National bonds to reimburse us for certain marketing and maintenance expenses. Other gains and (losses) for 2017 includes a loss on certain assets that were disposed of in our Entertainment and Corporate segments. Other gains and (losses) for 2015 includes \$20.2 million in losses on the change in the fair value of derivative liabilities associated with portions of the warrants associated with our 3.75% convertible notes. Other gains and (losses) for 2015 also includes a \$6.9 million gain associated with the reimbursement of costs that were previously incurred related to our proposed development in Aurora, Colorado. These costs were impaired in 2012 as part of our strategic shift away from long-term development, but reimbursed in 2015 by the current developer.

(Provision) Benefit for Income Taxes

As a REIT, we generally will not be subject to federal corporate income taxes on ordinary taxable income and capital gains income from real estate investments that we distribute to our stockholders. We will, however, be subject to corporate income taxes on built-in gains (the excess of fair market value over tax basis at January 1, 2013) that result from gains on certain assets occurring prior to January 1, 2018. In addition, we will continue to be required to pay federal and state corporate income taxes on earnings of our TRSs.

During 2017, 2016 and 2015, we recorded an income tax (provision) benefit of \$49.2 million, \$(3.4) million and \$11.9 million, respectively. These results differ from the statutory rate primarily due to the REIT dividends paid deduction and the change in valuation allowance required at the TRSs.

We evaluate our deferred tax assets each reporting period to determine if it is more likely than not that those assets will be realized or if a valuation allowance is needed. In the fourth quarter of 2017, due to projected future taxable income of our TRSs driven by fourth quarter 2017 modifications to internal hotel leases, we determined that the release of a significant portion of our federal and state valuation allowance was appropriate. This release of valuation allowance of \$53.4 million was the primary factor for the large income tax benefit for 2017 and is included as a component of income tax benefit.

On December 22, 2017, the Tax Cuts and Jobs Act ("TCJA") was enacted. The TCJA lowered the U.S. federal corporate income tax rate from 35% to 21% for tax years beginning after December 31, 2017. At December 31, 2017, we have not completed our accounting for the tax effects of the enactment; however, based on a reasonable estimate, we recorded a non-cash tax benefit of \$2.0 million during the fourth quarter of 2017 to reflect the impact of this rate change on existing deferred tax amounts, which is included as a component of income tax benefit for 2017.

The benefit recorded in 2017 is a provisional amount that is still being evaluated. We will continue to analyze certain aspects of the TCJA and will refine our calculations if necessary, with any changes that result from obtaining additional information or analyzing information in a future period being recorded in the next reporting period.

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The increase in our provision for income taxes for 2016, as compared to the benefit in 2015, was due primarily to an increase in income in our TRSs. In addition, 2015 included a one-time, non-cash tax benefit of \$5.2 million due to a federal tax law change enacted in the fourth quarter of 2015.

Liquidity and Capital Resources

Cash Flows from Operating Activities. Cash flow from operating activities is the principal source of cash used to fund our operating expenses, interest payments on debt, maintenance capital expenditures, and dividends to stockholders. During 2017, our net cash flows provided by our operating activities were \$295.8 million, reflecting primarily our income before depreciation expense, amortization expense, impairment charges and other non-cash charges of approximately \$283.8 million and favorable changes in working capital of approximately \$12.1 million. The favorable changes in working capital primarily resulted from an increase in accounts payable and accrued liabilities due to the timing of payments, partially offset by an increase in accounts receivable due to the timing of collections.

During 2016, our net cash flows provided by our operating activities were \$293.6 million, reflecting primarily our income before depreciation expense, amortization expense, and other non-cash charges of approximately \$280.5 million and favorable changes in working capital of approximately \$13.1 million. The favorable changes in working capital primarily resulted from a decrease in accounts receivable due to the timing of collections.

During 2015, our net cash flows provided by our operating activities were \$238.1 million, reflecting primarily our income before depreciation expense, amortization expense, impairment and other charges, loss on repurchase of warrants, and other non-cash charges of approximately \$265.1 million, partially offset by unfavorable changes in working capital of approximately \$27.0 million. The unfavorable changes in working capital primarily resulted from a decrease in accrued expenses as a result of the timing of payments and an increase in accounts receivable due to the timing of collections.

Cash Flows from Investing Activities. During 2017, our primary uses of funds for investing activities were purchases of property and equipment, which totaled \$182.6 million and our investment of \$16.3 million in the Gaylord Rockies joint venture. Purchases of property, plant and equipment consisted primarily of the expansion of the guest rooms and convention space at Gaylord Texan, the renovation of a portion of the guestrooms at Gaylord Opryland, the commencement of construction of the new luxury waterpark at Gaylord Opryland, a freestanding event ballroom and expanded event space at Gaylord National, construction of Ole Red, and ongoing maintenance for our existing properties.

During 2016, our primary uses of funds for investing activities were purchases of property and equipment, which totaled \$118.0 million and our investment of \$70.1 million in the Gaylord Rockies joint venture. These uses of cash were partially offset by the receipt of \$6.8 million in proceeds related to the sale of our rights in a letter of intent which entitled us to a portion of an economic interest in the income from the land underlying the new MGM casino project in National Harbor, Maryland. Purchases of property, plant and equipment consisted primarily of the renovation of a portion of the guestrooms at Gaylord Opryland, a freestanding event ballroom and expanded event space at Gaylord National, the expansion of the guest rooms and convention space at Gaylord Texan, a renovation of the Wildhorse Saloon, and ongoing maintenance for our existing properties.

During 2015, our primary uses of funds for investing activities were purchases of property and equipment, which totaled \$79.8 million, partially offset by the receipt of \$10.0 million in proceeds related to the sale of our rights in the letter of intent discussed above. Purchases of property, plant and equipment consisted primarily of an expansion of the Ryman Auditorium, the renovation of a portion of the guest rooms at Gaylord Opryland, and ongoing maintenance capital expenditures for our existing properties.

Cash Flows from Financing Activities. Our cash flows from financing activities reflect primarily the incurrence of and the repayment of long-term debt and the payment of dividends. During 2017, our net cash flows used in financing activities were approximately \$82.9 million, primarily reflecting the net repayment of \$211.4 million under our refinanced revolving credit facility, the payment of \$161.7 million in cash dividends and the payment of \$12.3 million in deferred financing costs related to our refinanced credit facility. These uses of cash were partially offset by \$200.0 million in borrowings under our new term loan A and \$106.3 million in net borrowings under our refinanced term loan B.

During 2016, our net cash flows used in financing activities were approximately \$111.5 million, primarily reflecting the payment of \$151.2 million in cash dividends and the payment of \$24.8 million to repurchase and retire 0.5 million shares of our common stock, partially offset by \$76.0 million in net borrowings under our revolving credit facility.

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During 2015, our net cash flows used in financing activities were approximately \$183.5 million, primarily reflecting \$280.1 million in net repayments under our revolving credit facility, the payment of \$154.7 million to cash settle the remaining 4.7 million warrants associated with our 3.75% convertible notes, the payment of \$131.3 million in cash dividends, and the payment of \$11.2 million in deferred financing costs, partially offset by the issuance of \$400.0 million in senior notes.

Liquidity

At December 31, 2017, we had \$57.6 million in unrestricted cash and \$527.2 million available for borrowing under our revolving credit facility. During 2017, we net borrowed \$94.9 million under our credit facility, paid cash dividends of \$161.7 million, incurred capital expenditures of \$182.6 million, invested \$16.3 million in the Gaylord Rockies joint venture, and paid \$12.3 million in deferred financing costs associated with the refinancing of our credit facility. These net outflows were offset by cash flows provided by operations discussed above, resulting in our cash balance remaining virtually unchanged from 2016 to 2017.

We currently plan to declare dividends of \$3.40 per share in 2018, payable in equal quarterly amounts, subject to future determinations as to the timing and amount by our board of directors. We anticipate investing in our operations during 2018 by spending between \$180 million and \$210 million in capital expenditures, which primarily includes ongoing maintenance capital of our current facilities, an expansion of the guest rooms and convention space at Gaylord Texan, and the construction of a luxury indoor/outdoor waterpark at Gaylord Opryland.

We believe that our cash on hand and cash from operations will be adequate to fund our general short-term commitments, as well as: (i) normal operating expenses, (ii) interest expense on long-term debt obligations, (iii) capital lease and operating lease obligations, and (iv) declared dividends. If our existing cash and cash from operations were inadequate to fund such commitments, as well as capital expenditures, we could draw on our credit facility, subject to the satisfaction of covenants in the credit facility.

Our outstanding principal debt agreements, none of which mature prior to 2021, are described below. Based on current projections for compliance under our financial covenants contained in these agreements, we do not foresee a maturity issue prior to their scheduled maturity date.

At December 31, 2017, we were in compliance with all covenants related to our outstanding debt.

Principal Debt Agreements

Credit Facility. On May 11, 2017, we entered into a Fifth Amended and Restated Credit Agreement (the “Amended Credit Agreement”) among the Company, as a guarantor, the Operating Partnership, as borrower, certain other subsidiaries of the Company party thereto, as guarantors, certain subsidiaries of the Company party thereto, as pledgors, the lenders party thereto and Wells Fargo Bank, N.A., as administrative agent, which amends and restates the Company’s existing credit facility. In addition, on May 23, 2017, we entered into an Amendment No. 1 (the “Amendment”) to the Amended Credit Agreement among the same parties. As amended, our credit facility consists of a \$700.0 million senior secured revolving credit facility (the “Revolver”), a new \$200.0 million senior secured term loan A (the “Term Loan A”), and an increased \$500.0 million senior secured term loan B (the “Term Loan B”), each as discussed below.

Each of the Revolver, Term Loan A and Term Loan B is guaranteed by us, each of our four wholly-owned subsidiaries that own the Gaylord Hotels properties, and certain of our other subsidiaries. Each is secured by (i) a first mortgage lien on the real property of each of our Gaylord Hotels properties, (ii) pledges of equity interests in our subsidiaries that own the Gaylord Hotels properties, (iii) our personal property and the personal property of the Operating Partnership and our guarantor subsidiaries and (iv) all proceeds and products from our Gaylord Hotels properties. Advances are subject to a 55% borrowing base, based on the appraisal value of the Gaylord Hotels properties (reduced to 50% in the event one of the Gaylord Hotel properties is sold).

In addition, each of the Revolver, Term Loan A and Term Loan B contains certain covenants which, among other things, limit the incurrence of additional indebtedness, investments, dividends, transactions with affiliates, asset sales, acquisitions, mergers and consolidations, liens and encumbrances and other matters customarily restricted in such agreements. The material financial covenants, ratios or tests contained in the Amended Credit Agreement are as follows (and are unchanged from the previous credit agreement):

- We must maintain a consolidated funded indebtedness to total asset value ratio as of the end of each calendar quarter of not more than .65 to 1.0.

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- We must maintain a consolidated tangible net worth (as defined in the Amended Credit Agreement) of not less than \$175 million plus 75% of the proceeds received by us or any of our subsidiaries in connection with any equity issuance.
- We must maintain a consolidated fixed charge coverage ratio, as defined in the Amended Credit Agreement, of not less than 1.50 to 1.00.
- We must maintain an implied debt service coverage ratio (the ratio of adjusted net operating income to monthly principal and interest that would be required if the outstanding balance were amortized over 25 years at an assumed fixed rate) of not less than 1.60 to 1.00.

If an event of default shall occur and be continuing under the Amended Credit Agreement, the commitments under the Amended Credit Agreement may be terminated and the principal amount outstanding under the Amended Credit Agreement, together with all accrued unpaid interest and other amounts owing in respect thereof, may be declared immediately due and payable.

\$700 Million Revolving Credit Facility. Pursuant to the Amendment, we extended the maturity of the Revolver to May 23, 2021, with two additional six-month extension options, at our election. Borrowings under the Revolver bear interest at an annual rate equal to, at our option, either (i) LIBOR plus the applicable margin ranging from 1.55% to 2.40%, dependent upon our funded debt to total asset value ratio (as defined in the Amended Credit Agreement) or (ii) a base rate as set in the Amended Credit Agreement. At December 31, 2017, the interest rate on the Revolver was LIBOR plus 1.55%. Principal is payable in full at maturity. No additional amounts were borrowed under the Revolver at closing.

At December 31, 2017, \$171.0 million of borrowings were outstanding under the Revolver, and the lending banks had issued \$1.8 million of letters of credit under the Amended Credit Agreement, which left \$527.2 million of availability under the Revolver (subject to the satisfaction of debt incurrence tests under the indentures governing our \$350 million in aggregate principal amount of senior notes due 2021 (the “\$350 Million 5% Senior Notes”) and \$400 million in aggregate principal amount of senior notes due 2023 (the “\$400 Million 5% Senior Notes”), which we met at December 31, 2017).

\$200 Million Term Loan A Facility. The Amendment also provides for the Term Loan A, which has a maturity date of May 23, 2022. Borrowings bear interest at an annual rate equal to, at our option, either (i) LIBOR plus the applicable margin ranging from 1.50% to 2.35%, dependent upon our funded debt to total asset value ratio (as defined in the Amended Credit Agreement) or (ii) a base rate as set in the Amended Credit Agreement. At December 31, 2017, the interest rate on the Term Loan A was LIBOR plus 1.50%. Amounts borrowed under the Term Loan A that are repaid or prepaid may not be reborrowed. At closing, we drew down on the Term Loan A in full and proceeds were used to pay down a portion of the Revolver.

\$500 Million Term B Loan Facility. In May 2017, as part of the Amended Credit Agreement discussed above, we increased the capacity under our previous \$400 million term loan B to \$500 million. The Term Loan B has a maturity date of May 11, 2024 and borrowings bear interest at an annual rate equal to, at our option, either (i) LIBOR plus 2.25% or (ii) a base rate as set in the Amended Credit Agreement. At December 31, 2017, the interest rate on the Term Loan B was LIBOR plus 2.25%. The Term Loan B amortizes in equal quarterly installments in aggregate annual amounts equal to 1.0% of the original principal amount of \$500.0 million, with the balance due at maturity. In addition, if for any fiscal year, there is Excess Cash Flow (as defined in the Amended Credit Agreement), an additional principal amount is required. Amounts borrowed under the Term Loan B that are repaid or prepaid may not be reborrowed. At closing, we drew down on the Term Loan B in full. Net proceeds, after the repayment of the previous \$400 million term loan B and certain transaction expenses payable at closing, were approximately \$114.3 million and were used to pay down a portion of the Revolver.

\$350 Million 5% Senior Notes. On April 3, 2013, the Operating Partnership and Finco completed the private placement of \$350.0 million in aggregate principal amount of senior notes due 2021, which are guaranteed by the Company and its subsidiaries that guarantee the Credit Facility. The \$350 Million 5% Senior Notes and guarantees were issued pursuant to an indenture by and among the issuing subsidiaries and the guarantors and U.S. Bank National Association as trustee. The \$350 Million 5% Senior Notes have a maturity date of April 15, 2021 and bear interest at 5% per annum, payable semi-annually in cash in arrears on April 15 and October 15 of each year. The \$350 Million 5% Senior Notes are general unsecured and unsubordinated obligations of the issuing subsidiaries and rank equal in right of payment with such subsidiaries’ existing and future senior unsecured indebtedness and senior in right of payment to future subordinated indebtedness, if any. The \$350 Million 5% Senior Notes are effectively subordinated to the issuing subsidiaries’ secured indebtedness to the extent of the value of the assets securing such indebtedness. The guarantees rank equally in right of payment with the applicable guarantor’s existing and future senior unsecured indebtedness and senior in right of payment to any future subordinated indebtedness of such guarantor. The \$350 Million 5% Senior Notes will be effectively

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subordinated to any secured indebtedness of any guarantor to the extent of the value of the assets securing such indebtedness and structurally subordinated to all indebtedness and other obligations of the Operating Partnership's subsidiaries that do not guarantee the \$350 Million 5% Senior Notes.

The \$350 Million 5% Senior Notes are redeemable, in whole or in part, at a redemption price expressed as a percentage of the principal amount thereof, which percentage is 102.50%, 101.25%, and 100.00% beginning on April 15 of 2017, 2018, and 2019, respectively, plus accrued and unpaid interest thereon to, but not including, the redemption date.

In connection with the issuance of the \$350 Million 5% Senior Notes, we completed a registered offer to exchange the \$350 Million 5% Senior Notes for registered notes with substantially identical terms as the \$350 Million 5% Senior Notes in November 2013.

\$400 Million 5% Senior Notes. On April 14, 2015, the Operating Partnership and Finco completed the private placement of \$400.0 million in aggregate principal amount of senior notes due 2023. The \$400 Million 5% Senior Notes are general unsecured senior obligations of the Company's issuing subsidiaries and are guaranteed by the Company and its subsidiaries that guarantee the Credit Facility. The \$400 Million 5% Senior Notes and guarantees were issued pursuant to an indenture by and among the issuing subsidiaries and the guarantors and U.S. Bank National Association as trustee. The \$400 Million 5% Senior Notes have a maturity date of April 15, 2023 and bear interest at 5% per annum, payable semi-annually in cash in arrears on April 15 and October 15 of each year. The \$400 Million 5% Senior Notes are general unsecured and unsubordinated obligations of the issuing subsidiaries and rank equal in right of payment with such subsidiaries' existing and future senior unsecured indebtedness, including the \$350 Million 5% Senior Notes, and senior in right of payment to future subordinated indebtedness, if any. The \$400 Million 5% Senior Notes are effectively subordinated to the issuing subsidiaries' secured indebtedness to the extent of the value of the assets securing such indebtedness. The guarantees rank equally in right of payment with the applicable guarantor's existing and future senior unsecured indebtedness and senior in right of payment to any future subordinated indebtedness of such guarantor. The \$400 Million 5% Senior Notes are effectively subordinated to any secured indebtedness of any guarantor to the extent of the value of the assets securing such indebtedness and structurally subordinated to all indebtedness and other obligations of the Operating Partnership's subsidiaries that do not guarantee the \$400 Million 5% Senior Notes.

The issuing subsidiaries may redeem the \$400 Million 5% Senior Notes before April 15, 2018, in whole or in part, at a redemption price equal to 100% of the principal amount plus accrued and unpaid interest, if any, up to, but excluding, the applicable redemption date plus a make-whole redemption premium. The \$400 Million 5% Senior Notes will be redeemable, in whole or in part, at any time on or after April 15, 2018 at a redemption price expressed as a percentage of the principal amount thereof, which percentage is 103.75%, 102.50%, 101.25%, and 100.00% beginning on April 15 of 2018, 2019, 2020, and 2021, respectively, plus accrued and unpaid interest thereon to, but not including, the redemption date.

In connection with the issuance of the \$400 Million 5% Senior Notes, we completed a registered offer to exchange the \$400 Million 5% Senior Notes for registered notes with substantially identical terms as the \$400 Million 5% Senior Notes in September 2015.

Additional Debt Limitations. Pursuant to the terms of the management agreements and pooling agreement with Marriott, we are subject to certain debt limitations described below.

The management agreements provide for the following limitations on indebtedness encumbering a hotel:

- The aggregate principal balance of all mortgage and mezzanine debt encumbering the hotel shall be no greater than 75% of the fair market value of the hotel; and
- The ratio of (a) aggregate Operating Profit (as defined in the management agreement) in the 12 months prior to the closing on the mortgage or mezzanine debt to (b) annual debt service for the hotel shall equal or exceed 1.2:1; but is subject to the pooling agreement described below.

The pooled limitations on Secured Debt (as defined in the pooling agreement) are as follows:

- The aggregate principal balance of all mortgage and mezzanine debt on Pooled Hotels (as defined in the pooling agreement), shall be no more than 75% of the fair market value of Pooled Hotels.
- The ratio of (a) aggregate Operating Profit (as defined in the pooling agreement) of Pooled Hotels in the 12 months prior to closing on any mortgage or mezzanine debt, to (b) annual debt service for the Pooled Hotels, shall equal or exceed 1.2:1.

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Off-Balance Sheet Arrangements

As described in Note 4 to our consolidated financial statements included herein, we have invested in a joint venture that is building and will subsequently own Gaylord Rockies. In connection with this investment, we agreed to provide guarantees of the hotel's construction loan, including a principal repayment guarantee of up to \$21 million of the total \$500 million principal amount of the construction loan previously obtained from a consortium of eight banks, with such amount reducing to \$14 million and further reducing to \$8.75 million upon the hotel's satisfaction of designated debt service coverage requirements following completion and opening of the hotel. We have also provided a completion guarantee under the construction loan capped at our pro rata share of all costs necessary to complete the project within the time specified in the senior loan documents. Further, we have agreed to a guarantee capped at our pro rata share of the joint venture's obligations under the construction loan prior to the hotel's opening related to interest accruing under the construction loan and the operating expenses of the property (estimated pro rata share of interest prior to the hotel opening is \$9.8 million). In addition to guarantees related to the construction loan, we agreed to provide a guarantee of the mezzanine debt related to the hotel including a payment guarantee capped at \$8.75 million for which we are only liable in the event there is a casualty or condemnation event at the hotel and the construction lenders elect to apply those proceeds to the construction loan balance and release the construction loan guarantees and liens. The guarantee related to the mezzanine debt also includes an uncapped completion guarantee and an uncapped guarantee of the joint venture's obligations under the mezzanine loan prior to the hotel's opening related to interest accruing under the mezzanine loan and the operating expenses of the property to the extent not already satisfied by the parties under the guarantees related to the construction loan. At December 31, 2017, we have not recorded any liability in the consolidated balance sheet associated with these guarantees.

In addition, we enter into commitments under letters of credit, primarily for the purpose of securing our deductible obligations with our insurers, and lending banks under our credit facility had issued \$1.8 million of letters of credit at December 31, 2017. Except as set forth in these paragraphs, we do not have any off-balance sheet arrangements that have or are reasonable likely to have a current or future effect on our financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources.

Commitments and Contractual Obligations

The following table summarizes our significant contractual obligations at December 31, 2017, including long-term debt and operating and capital lease commitments (amounts in thousands):

Contractual obligations	Total amounts committed	Less than 1 year	1-3 years	3-5 years	After 5 years
Long-term debt (1)	\$1,617,250	\$ 5,000	\$10,000	\$731,000	\$ 871,250
Capital leases	639	20	43	47	529
Operating leases (2)	615,347	4,597	9,599	10,162	590,989
Construction commitments (3)	20,003	20,003	—	—	—
Total contractual obligations	<u>\$2,253,239</u>	<u>\$29,620</u>	<u>\$19,642</u>	<u>\$741,209</u>	<u>\$1,462,768</u>

- (1) Long-term debt commitments do not include approximately \$319.5 million in interest payments projected to be due in future years (less than 1 year – \$66.8 million; 1-3 years – \$133.1 million; 3-5 years – \$90.4 million; more than 5 years – \$29.2 million) based on the stated interest rates on our fixed-rate debt and the rates in effect at December 31, 2017 for our variable-rate debt. Variable rates, as well as outstanding principal balances, could change in future periods. See "Principal Debt Agreements" above for a discussion of our outstanding long-term debt. See "Supplemental Cash Flow Information" in Note 1 to our consolidated financial statements included herein for a discussion of the interest we paid during 2017, 2016 and 2015.
- (2) Total operating lease commitments of \$615.3 million includes the 75-year operating lease agreement we entered into during 1999 for 65.3 acres of land located in Osceola County, Florida where Gaylord Palms is located.
- (3) With respect to our properties that are operated under management agreements with Marriott, we are obligated to maintain an FF&E reserve account for future planned and emergency-related capital expenditures at these properties. The amount funded into each of these reserve accounts is determined pursuant to the management agreements and is 5.0% of the respective properties' total annual revenue. At December 31, 2017, \$20.0 million was held in FF&E reserve accounts for future capital

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expenditures at our properties. According to the terms of each management agreement with Marriott, the reserve funds are to be held by Marriott in a restricted cash account. Although it is not required that such funds be expended in a given year, each management agreement provides any excess funds will carry over for use in future years.

The expected cash flows under our defined benefit pension plan, our non-qualified retirement plan, our non-qualified contributory deferred compensation plan and our defined benefit postretirement health care and life insurance plan are estimated based upon the best information currently available, but are not driven by contractual terms. Therefore, these obligations have been excluded from the contractual obligations table above. During 2018, we expect to contribute \$1.6 million, \$0.9 million and \$0.3 million, respectively, to our defined benefit pension plan, our non-qualified retirement plan and our defined benefit postretirement health care and life insurance plan. See Note 8 and Note 9 to our consolidated financial statements included herein for further discussion related to these obligations.

Critical Accounting Policies and Estimates

Item 7, "Management's Discussion and Analysis of Financial Condition and Results of Operations" discusses our consolidated financial statements, which have been prepared in accordance with U.S. generally accepted accounting principles. Accounting estimates are an integral part of the preparation of the consolidated financial statements and the financial reporting process and are based upon current judgments. The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reported period. Certain accounting estimates are particularly sensitive because of their complexity and the possibility that future events affecting them may differ materially from our current judgments and estimates.

This listing of critical accounting policies is not intended to be a comprehensive list of all of our accounting policies. In many cases, the accounting treatment of a particular transaction is specifically dictated by generally accepted accounting principles, with no need for management's judgment regarding accounting policy. We believe that of our significant accounting policies, which are discussed in Note 1 to the consolidated financial statements included herein, the following may involve a higher degree of judgment and complexity.

Revenue recognition. Revenue from our occupied hotel rooms is recognized as earned on the close of business each day and from concessions and food and beverage sales at the time of the sale. Revenues from other services at our hotels, such as spa, parking, and transportation services are recognized at the time services are provided. Cancellation fees, as well as attrition fees, which are charged to groups when they do not fulfill the minimum number of room nights or minimum food and beverage spending requirements originally contracted for, are recognized as revenue in the period they are collected. Revenues from the Entertainment segment are recognized when services are provided or goods are shipped, as applicable.

Impairment of long-lived and other assets. In accounting for our long-lived and other assets (including our notes receivable associated with the development of Gaylord National), we assess our long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying value of the assets or asset group may not be recoverable. Recoverability of long-lived assets that will continue to be used is measured by comparing the carrying amount of the asset or asset group to the related total future undiscounted net cash flows. If an asset or asset group's carrying value is not recoverable through those cash flows, the asset group is considered to be impaired. The impairment is measured by the difference between the assets' carrying amount and their fair value, which is estimated using discounted cash flow analyses that utilize comprehensive cash flow projections, as well as observable market data to the extent available. Recoverability of the notes receivable associated with Gaylord National is measured by comparing the carrying amount of the notes to the fair value of the notes. If the carrying value is greater than the fair value, we then assess if the decline in fair value is other-than-temporary. If the decline in fair value is deemed to be other than temporary, which is based on our intent and ability to hold the notes receivable to maturity and whether we expect to receive all debt service payments due under the notes, then the notes are impaired.

Stock-based compensation. For awards of restricted stock and restricted stock units, we measure compensation expense based on the fair value of the awards on the date of grant. The fair value of time-based awards is determined based on the closing trading price of our common shares on the measurement date, which is generally the date of grant. The fair value of performance-based awards based on a market condition is determined using a Monte Carlo simulation. A Monte Carlo simulation requires the use of a number of assumptions, including historical volatility and correlation of the price of our common shares and the price of the common shares of a peer group, a risk-free rate of return, and an expected term. For each award, compensation expense is recognized on a straight-line basis over the vesting period. For both time-based awards and performance-based awards, once the total amount of compensation

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expense is determined on the date of the grant, no adjustments are made to the amount recognized each period, unless there is a change to a non-market condition assumption. No compensation expense is recognized for awards for which employees do not render the requisite service.

Depreciation and amortization. Depreciation expense is based on the estimated useful life of our fixed assets. Amortization expense for leasehold improvements is based on the shorter of the lease term or the estimated useful life of the related assets. The lives of the assets are based on a number of assumptions, including cost and timing of capital expenditures to maintain and refurbish the assets, as well as specific market and economic conditions. While management believes its estimates are reasonable, a change in the estimated lives could affect our depreciation expense in future periods.

Income taxes. As a REIT, generally we will not be subject to federal corporate income taxes on ordinary taxable income and capital gains income from real estate investments that we distribute to our stockholders. We will, however, be subject to corporate income taxes on built-in gains (the excess of fair market value over tax basis at January 1, 2013) that result from gains on certain assets occurring prior to January 1, 2018. In addition, we will continue to be required to pay federal and state corporate income taxes on earnings of our TRSs.

Our deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases, using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

We must assess the likelihood that we will be able to recover our deferred tax assets. If recovery is not likely, the provision for taxes is increased by recording a reserve, in the form of a valuation allowance, against the estimated deferred tax assets that will not ultimately be recoverable.

In addition, we must deal with uncertainties in the application of complex tax regulations in the calculation of tax liabilities and are subject to routine income tax audits. We provide for uncertain tax positions and the related interest and penalties based upon management's assessment of whether a tax benefit is more likely than not to be sustained upon examination by tax authorities. We make this assessment based on only the technical merits of the tax position. The technical merits of a tax position derive from both statutory and judicial authority (legislation and statutes, legislative intent, regulations, rulings, and case law) and their applicability to the facts and circumstances of the tax position. If a tax position does not meet the more likely than not recognition threshold, the benefit of that position is not recognized in the financial statements and a liability for unrecognized tax benefits is established. A tax position that meets the more likely than not recognition threshold is measured to determine the amount of benefit to recognize in the financial statements. The tax benefit recognized is measured as the largest amount of benefit that is greater than 50 percent likely of being realized upon ultimate resolution with a taxing authority. To the extent that we prevail in matters for which a liability for an unrecognized tax benefit is established or are required to pay amounts in excess of the liability established, our effective tax rate in a given financial statement period may be affected. At December 31, 2017 and 2016, we had no accruals for unrecognized tax benefits. We recognize interest and penalties related to uncertain tax positions, if any, in income tax expense. At December 31, 2017 and 2016, we have accrued no interest or penalties related to uncertain tax positions.

Pension and postretirement benefits other than pension plans. The costs and obligations of our pension and postretirement benefits other than pension plans recognized in our consolidated financial statements are determined from actuarial valuations, which are dependent on significant assumptions, judgments, and estimates. These assumptions, judgments, and estimates, which include discount rates at which the liabilities could be settled at the measurement date, expected return on plan assets and mortality rates, are evaluated at each annual measurement date. In accordance with generally accepted accounting principles, actual results that differ from these assumptions, judgments, and estimates are accumulated and amortized over future periods and, therefore, affect expense recognized and obligations recorded in future periods.

The discount rate utilized for determining future benefit obligations is based on the market rate of a broad-based index of high-quality bonds receiving an AA- or better rating from a recognized rating agency on our annual measurement date that is matched to the future expected cash flows of the benefit plans by annual periods. The resulting discount rate decreased from 3.7% for the pension plan and 3.5% for the postretirement benefits other than pension plans at December 31, 2016 to 3.3% and 3.2%, respectively, at December 31, 2017.

We determine the overall expected long-term return on plan assets based on our estimate of the return that plan assets will provide over the period that benefits are expected to be paid out. In preparing this estimate, we assess the rates of return on each allocation of plan assets, and advice by our third-party actuary and investment consultants. The expected return on plan assets is a long-term

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assumption that is determined at the beginning of each year and generally does not significantly change annually. While historical returns are considered, the rate of return assumption is primarily based on projections of expected returns, using economic data and financial models to estimate the probability of returns. The probability distribution of annualized returns for the portfolio using current asset allocations is used to determine the expected range of returns for a ten-to-twenty-year horizon. While management believes that the assumptions used are appropriate, differences in actual experience or changes in assumptions may affect our pension expense. The expected return on plan assets assumption used for determining net periodic pension expense for 2017 and 2016 was 6.5%. Actual return on plan assets for 2017 and 2016 was 17.9% and 10.0%, respectively. Our historical actual return averaged 6.8% for the ten-year period ended December 31, 2017. In the future, we may make additional discretionary contributions to the plan or we could be required to make mandatory cash funding payments.

The mortality rate assumption used for determining future benefit obligations as of December 31, 2017 and 2016 was based on the RP 2014 Adjusted to 2006 Total Dataset Mortality Tables. In estimating the health care cost trend rate, we consider our actual health care cost experience, industry trends, and advice from our third-party actuary.

While management believes that the assumptions used are appropriate, differences in actual experience or changes in assumptions may affect our pension and postretirement benefit obligations and expense. For example, holding all other assumptions constant, a 1% increase or decrease in the assumed discount rate related to the retirement plan would increase or decrease, respectively, 2017 net periodic pension expense by approximately \$0.1 million. Likewise, a 1% increase or decrease in the assumed rate of return on plan assets would decrease or increase, respectively, 2017 net periodic pension expense by approximately \$0.6 million.

Legal Contingencies. We are subject to various legal proceedings and claims, the outcomes of which are subject to significant uncertainty. We record an accrual for loss contingencies when a loss is probable and the amount of the loss can be reasonably estimated. We review these accruals each reporting period and make revisions based on changes in facts and circumstances.

Recently Issued Accounting Standards

For a discussion of recently issued accounting standards, see Note 1 to our consolidated financial statements included herein.

Item 7A. Quantitative and Qualitative Disclosures about Market Risk

Market risk is the risk of loss arising from adverse changes in market rates and prices, such as interest rates, foreign currency exchange rates and commodity prices. Our primary exposures to market risk are from changes in interest rates and changes in asset values of investments that fund our pension plan. See Item 7, "Management's Discussion and Analysis of Financial Condition and Results of Operations" and Item 1A, "Risk Factors" in this Annual Report on Form 10-K for more discussion on how interest rate increases affect our operations and financial condition.

Risk Related to Changes in Interest Rates

Borrowings outstanding under the Revolver currently bear interest at an annual rate of LIBOR plus 1.55%, subject to adjustment as defined in the agreement. If LIBOR were to increase by 100 basis points, our annual interest cost on the \$171.0 million in borrowings outstanding under the revolving credit portion of our Credit Facility at December 31, 2017 would increase by approximately \$1.7 million.

Borrowings outstanding under our Term Loan A currently bear interest at an annual rate of LIBOR plus 1.50%, subject to adjustment as defined in the agreement. If LIBOR were to increase by 100 basis points, our annual interest cost on the \$200.0 million in borrowings outstanding under our Term Loan A at December 31, 2017 would increase by approximately \$2.0 million.

Borrowings outstanding under our Term Loan B currently bear interest at an annual rate of LIBOR plus 2.25%, subject to adjustment as defined in the agreement. If LIBOR were to increase by 100 basis points, our annual interest cost on the \$496.3 million in borrowings outstanding under our Term Loan B at December 31, 2017 would increase by approximately \$5.0 million.

Certain of our outstanding cash balances are occasionally invested overnight with high credit quality financial institutions. We do not have significant exposure to changing interest rates on invested cash at December 31, 2017. As a result, the interest rate market risk implicit in these investments at December 31, 2017, if any, is low.

Risk Related to Changes in Asset Values that Fund our Pension Plans

The expected rates of return on the assets that fund our defined benefit pension plan are based on the asset allocation of the plan and the long-term projected return on those assets, which represent a diversified mix of equity securities, fixed income securities and cash. At December 31, 2017, the value of the investments in the pension fund was \$69.2 million, and an immediate ten percent decrease in the value of the investments in the fund would have reduced the value of the fund by approximately \$6.9 million.

Summary

Based upon our overall market risk exposures at December 31, 2017, we believe that the effects of changes in interest rates and asset values of investments that fund our pension plan could be material to our consolidated financial position, results of operations or cash flows.

Item 8. Financial Statements and Supplementary Data

Information with respect to this Item is contained in the Company's consolidated financial statements included in the Index beginning on page 64 of this Annual Report on Form 10-K and incorporated by reference herein.

Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

None.

Item 9A. Controls and Procedures

Conclusion Regarding the Effectiveness of Disclosure Controls and Procedures

Under the supervision and with the participation of our management, including our principal executive officer and principal financial officer, we conducted an evaluation of our disclosure controls and procedures, as such term is defined under Rule 13a-15(e) and Rule 15d-15(e) promulgated under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), as of the end of the period covered by this Annual Report. Based on this evaluation, our principal executive officer and our principal financial officer concluded that our disclosure controls and procedures were effective, as of the end of the period covered by this Annual Report.

Management's Report on Internal Control over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act. The Company's internal control over financial reporting is designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. The Company's internal control over financial reporting includes those policies and procedures that:

- pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and
- provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the Company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

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Management assessed the effectiveness of the Company's internal control over financial reporting as of December 31, 2017. In making this assessment, management used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework) in Internal Control—Integrated Framework.

Based on management's assessment and those criteria, management believes that, as of December 31, 2017, the Company's internal control over financial reporting was effective.

The Company's independent registered public accounting firm, Ernst & Young LLP, has issued an attestation report on the Company's internal control over financial reporting, which is included herein.

Changes in Internal Control over Financial Reporting

There have been no changes in our internal control over financial reporting that occurred during the quarter ended December 31, 2017 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Item 9B. Other Information

None.

PART III

Item 10. Directors, Executive Officers and Corporate Governance

Information about our Board of Directors required by Item 401 of Regulation S-K is incorporated herein by reference to the discussion under the heading "Election of the Nominees for Director Identified in this Proxy Statement" in our Proxy Statement for the 2018 Annual Meeting of Stockholders, to be filed with the Securities and Exchange Commission. Information regarding procedures for stockholder nominations to our Board of Directors required by Item 407(c)(3) of Regulation S-K is incorporated by reference to the discussion under the heading "Submitting Stockholder Proposals and Nominations for 2019 Annual Meeting" in our Proxy Statement for the 2018 Annual Meeting of Stockholders to be filed with the Securities and Exchange Commission.

Information required by Item 405 of Regulation S-K is incorporated herein by reference to the discussion under the heading "Section 16(a) Beneficial Ownership Reporting Compliance" in our Proxy Statement for the 2018 Annual Meeting of Stockholders, to be filed with the Securities and Exchange Commission.

Certain other information concerning executive officers and certain other officers of the Company is included in Item 1 of Part I of this Annual Report on Form 10-K under the caption "Executive Officers of the Registrant."

The Company has a separately designated audit committee of the Board of Directors established in accordance with the Exchange Act. Rachna Bhasin, Alvin Bowles, Fazal Merchant, Patrick Q. Moore and Robert S. Prather, Jr. currently serve as members of the Audit Committee, and Mr. Moore serves as its chairman. Our Board of Directors has determined that Mr. Prather is an "audit committee financial expert" as defined by the SEC and is independent, as that term is defined in the Exchange Act and the listing standards of the New York Stock Exchange.

Our Board of Directors has adopted a Code of Business Conduct and Ethics applicable to the members of our Board of Directors and our officers, including our Principal Executive Officer, Principal Financial Officer and Principal Accounting Officer. In addition, the Board of Directors has adopted Corporate Governance Guidelines and restated charters for our Audit Committee, Human Resources Committee, and Nominating and Corporate Governance Committee. You can access our Code of Business Conduct and Ethics, Corporate Governance Guidelines and current committee charters on our website at www.rymanhp.com or request a copy of any of the foregoing by writing to the following address: Ryman Hospitality Properties, Inc., Attention: Secretary, One Gaylord Drive, Nashville, Tennessee 37214. The Company will make any legally required disclosures regarding amendments to, or waivers of, provisions of the Code of Business Conduct and Ethics, Corporate Governance Guidelines or current committee charters on its website. In accordance with the corporate governance listing standards of the New York Stock Exchange, the Company has designated Mr. Michael I. Roth as the lead director at all meetings of non-management directors, which meetings will be held on a regular basis. Stockholders, employees and other interested parties may communicate with Mr. Roth, individual non-management directors, or the non-management directors as a group, by email at boardofdirectors@rymanhp.com.

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Item 11. *Executive Compensation*

The information required by this Item is incorporated herein by reference to the discussions under the headings “Director Compensation,” “Compensation Discussion and Analysis,” “Executive Compensation – 2017 Summary Compensation Table,” “2017 Grants of Plan-Based Awards,” “Outstanding Equity Awards at 2017 Fiscal Year End,” “2017 Option Exercises and Stock Vested,” “Other Compensation Information – Pension Benefits,” “Other Compensation Information – Nonqualified Deferred Compensation,” “Potential Payments on Termination or Change of Control,” “Committees of the Board – Compensation Committee Interlocks and Insider Participation,” and “Human Resources Committee Report” in our Proxy Statement for the 2018 Annual Meeting of Stockholders, to be filed with the Securities and Exchange Commission.

Item 12. *Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters*

The information required by this Item is incorporated herein by reference to the discussions under the headings “Stock Ownership” and “Equity Compensation Plan Information” in our Proxy Statement for the 2018 Annual Meeting of Stockholders, to be filed with the Securities and Exchange Commission.

Item 13. *Certain Relationships and Related Transactions, and Director Independence*

The information required by this Item is incorporated herein by reference to the discussions under the headings “Company Information – Corporate Governance – Independence of Directors” in our Proxy Statement for the 2018 Annual Meeting of Stockholders, to be filed with the Securities and Exchange Commission.

Item 14. *Principal Accountant Fees and Services*

The information required by this Item is incorporated herein by reference to the discussion under the heading “Our Independent Registered Public Accounting Firm” in our Proxy Statement for the 2018 Annual Meeting of Stockholders, to be filed with the Securities and Exchange Commission.

PART IV**Item 15. Exhibits and Financial Statement Schedules****(a)(1) Financial Statements**

The accompanying index to financial statements on page 64 of this Annual Report on Form 10-K is provided in response to this Item.

(a)(2) Financial Statement Schedules

The following financial statement schedule is filed as a part of this report and is included herein on page 106 of this Annual Report on Form 10-K:

Schedule III – Real Estate and Accumulated Depreciation

All other financial statement schedules for which provision is made in the applicable accounting regulations of the Securities and Exchange Commission are not required under the related instructions or are inapplicable and, therefore, have been omitted.

(a)(3) Exhibits

The following exhibits are filed with this Annual Report on Form 10-K or are incorporated herein by reference:

EXHIBIT NUMBER	DESCRIPTION
3.1	Amended and Restated Certificate of Incorporation of the Company (incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K filed October 1, 2012 (File No. 1-13079)).
3.2	Amended and Restated Bylaws of the Company (incorporated by reference to Exhibit 3.2 to the Company's Current Report on Form 8-K filed October 1, 2012 (File No. 1-13079)).
4.1	Specimen of Common Stock certificate of the Company (incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K filed September 24, 2012 (File No. 1-13079)).
4.2	Reference is made to Exhibits 3.1 and 3.2 hereof for instruments defining the rights of common stockholders of the Company.
4.3	Indenture, dated as of April 3, 2013, among RHP Hotel Properties, LP, RHP Finance Corporation, Ryman Hospitality Properties, Inc., each of the guarantors named therein and U.S. Bank National Association, as trustee, relating to the 5.00% Senior Notes due 2021 (incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K filed April 5, 2013 (File No. 1-13079)).
4.4	Form of 5.00% Senior Note due 2021 (incorporated by reference to Exhibit 4.2 to the Company's Current Report on Form 8-K filed April 5, 2013 (File No. 1-13079)).
4.5	Registration Rights Agreement, dated as of April 3, 2013, among RHP Properties, LP, RHP Finance Corporation, Ryman Hospitality Properties, Inc., the Guarantors (as defined therein) and Deutsche Bank Securities Inc., Merrill Lynch, Pierce, Fenner & Smith Incorporated, J.P. Morgan Securities, LLC, Wells Fargo Securities, LLC, U.S. Bancorp Investments, Inc. and Credit Agricole Securities (USA) Inc., as representatives of the initial purchasers (incorporated by reference to Exhibit 4.3 to the Company's Current Report on Form 8-K filed April 5, 2013 (File No. 1-13079)).
4.6	Indenture, dated as of April 14, 2015, among RHP Hotel Properties, LP, RHP Finance Corporation, Ryman Hospitality Properties, Inc., each of the guarantors named therein and U.S. Bank National Association, as trustee, relating to the 5.00% Senior Notes due 2023 (incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K filed April 14, 2015 (File No. 1-13079)).
4.7	Form of 5.00% Senior Note due 2023 (incorporated by reference to Exhibit 4.2 to the Company's Current Report on Form 8-K filed April 14, 2015 (File No. 1-13079)).
4.8	Registration Rights Agreement, dated as of April 14, 2015, among RHP Properties, LP, RHP Finance Corporation, Ryman Hospitality Properties, Inc., the Guarantors (as defined therein) and Deutsche Bank Securities Inc., Merrill Lynch, Pierce, Fenner & Smith Incorporated, J.P. Morgan Securities LLC, Wells Fargo Securities, LLC, U.S. Bancorp Investments, Inc. and Credit Agricole Securities (USA) Inc., as representatives of the initial purchasers (incorporated by reference to Exhibit 4.3 to the Company's Current Report on Form 8-K filed April 14, 2015 (File No. 1-13079)).

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- 10.1 [Fifth Amended and Restated Credit Agreement dated as of May 11, 2017, by and among the Company, as a guarantor, RHP Hotel Properties, LP, as the borrower, certain subsidiaries of the Company party thereto, as guarantors, the lenders party thereto and Wells Fargo Bank National Association, as administrative agent \(incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed May 15, 2017 \(File No. 1-13079\)\).](#)
- 10.2 [Amendment No. 1 dated as of May 23, 2017, among Ryman Hospitality Properties, Inc., as a guarantor, RHP Hotel Properties, LP, as borrower, certain other subsidiaries of Ryman Hospitality Properties, Inc. party thereto, as guarantors, certain subsidiaries of Ryman Hospitality Properties, Inc. party thereto, as pledgors, the lenders party thereto and Wells Fargo Bank National Association, as administrative agent with respect to \\$200.0 million term loan A \(incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on May 24, 2017\).](#)
- 10.3 Opryland Hotel-Florida Ground Lease, dated as of March 3, 1999, by and between Xentury City Development Company, L.L.C., and Opryland Hotel-Florida Limited Partnership (incorporated by reference to Exhibit 10.11 to the Company's Annual Report on Form 10-K for the year ended December 31, 1999 (File No. 1-13079)).
- 10.4 [Hotel/ Convention Center Sublease Agreement, dated as of May 16, 2000, by and between the City of Grapevine, Texas and Opryland Hotel-Texas Limited Partnership \(incorporated by reference to Exhibit 10.21 to the Company's Annual Report on Form 10-K for the year ended December 31, 2002 \(File No. 1-13079\)\).](#)
- 10.5 [Sublease Addendum Number 1, dated July 28, 2000, by and between the City of Grapevine, Texas and Opryland Hotel-Texas Limited Partnership \(incorporated by reference to Exhibit 10.22 to the Company's Annual Report on Form 10-K for the year ended December 31, 2002 \(File No. 1-13079\)\).](#)
- 10.6# The Opryland USA Inc. Supplemental Deferred Compensation Plan (incorporated by reference to Exhibit 10.11 to the former Gaylord Entertainment Company's Registration Statement on Form S-1 (File No. 33-42329)).
- 10.7# [Gaylord Entertainment Company Retirement Benefit Restoration Plan \(incorporated by reference to Exhibit 10.19 to the Company's Annual Report on Form 10-K for the year ended December 31, 2000 \(File No. 1-13079\)\).](#)
- 10.8# [Executive Employment Agreement of Colin V. Reed, dated February 25, 2008, with the Company \(incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed with the SEC on February 27, 2008 \(File No. 1-13079\)\).](#)
- 10.9# [First Amendment to Executive Employment Agreement of Colin V. Reed, dated December 18, 2008, with Company \(incorporated by reference to Exhibit 10.3 of the Company's Current Report on Form 8-K filed with the SEC on December 23, 2008 \(File No. 1-13079\)\).](#)
- 10.10# [Second Amendment to Executive Employment Agreement, dated September 3, 2010, by and between the Company and Colin V. Reed \(incorporated by reference to Exhibit 10.2 to the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2010 \(File No. 1-13079\)\).](#)
- 10.11# [Third Amendment to Executive Employment Agreement, dated as of November 5, 2012, by and between the Company and Colin V. Reed \(incorporated by reference to Exhibit 10.5 to the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2012 \(File No. 1-13079\)\).](#)
- 10.12# [Indemnification Agreement, dated as of April 23, 2001, by and between the Company and Colin V. Reed \(incorporated by reference to Exhibit 10.30 to the Company's Annual Report on Form 10-K for the year ended December 31, 2001 \(File No. 1-13079\)\).](#)
- 10.13# [Form of Employment Agreement of Mark Fioravanti, dated February 25, 2008, with the Company \(incorporated by reference to Exhibit 10.3 to the Company's Current Report on Form 8-K filed with the SEC on February 27, 2008 \(File No. 1-13079\)\).](#)
- 10.14# [Form of Amendment No. 1 to Employment Agreement of Mark Fioravanti \(incorporated by reference to Exhibit 10.38 to the Company's Annual Report on Form 10-K for the year ended December 31, 2009 \(File No. 1-13079\)\).](#)
- 10.15# [Amendment No. 2 to Employment Agreement, dated September 3, 2010, by and between the Company and Mark Fioravanti \(incorporated by reference to Exhibit 10.5 to the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2010 \(File No. 1-13079\)\).](#)
- 10.16# [Third Amendment to Executive Employment Agreement dated as of November 5, 2012, by and between the Company and Mark Fioravanti \(incorporated by reference to Exhibit 10.6 to the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2012 \(File No. 1-13079\)\).](#)

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- 10.17# [Employment Agreement dated as of February 25, 2008 by and between the Company and Bennett Westbrook \(incorporated by reference to Exhibit 10.45 to the Company's Annual Report on Form 10-K for the year ended December 31, 2012 \(File No. 1-13079\)\).](#)
- 10.18# [Amendment No. 1 to Employment Agreement dated as of September 3, 2010 by and between Bennett Westbrook \(incorporated by reference to Exhibit 10.46 to the Company's Annual Report on Form 10-K for the year ended December 31, 2012 \(File No. 1-13079\)\).](#)
- 10.19# [Second Amendment to Employment Agreement dated as of November 5, 2012 by and between the Company and Bennett Westbrook \(incorporated by reference to Exhibit 10.47 to the Company's Annual Report on Form 10-K for the year December 31, 2012 \(File No. 1-13079\)\).](#)
- 10.20# [Third Amendment to Employment Agreement dated as of July 1, 2016 by and between the Company and Bennett Westbrook \(incorporated by reference to Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2016 \(File No. 1-13079\)\).](#)
- 10.21*# [Severance Agreement dated as of February 26, 2018 between the Company and Patrick Chaffin.](#)
- 10.22*# [Severance Agreement dated as of February 26, 2018 between the Company and Scott Lynn.](#)
- 10.23*# [Severance Agreement dated as of February 26, 2018 between the Company and Jennifer Hutcheson.](#)
- 10.24# [Form of Indemnification Agreement between the Company and each of its non-employee directors \(incorporated by reference to Exhibit 10.36 to the Company's Annual Report on Form 10-K for the year ended December 31, 2002 \(File No. 1-13079\)\).](#)
- 10.25*# [Summary of Director and Executive Officer Compensation.](#)
- 10.26# [Gaylord Entertainment Company Amended and Restated 2006 Omnibus Incentive Plan \(incorporated by reference to Annex A to the Company's Definitive Proxy Statement for the 2011 Annual Meeting of Stockholders filed with the SEC on April 1, 2011 \(File No. 1-13079\)\).](#)
- 10.27# [Amendment dated February 10, 2017 to Amended and Restated 2006 Omnibus Incentive Plan \(incorporated by reference to Exhibit 10.30 to the Company's Annual Report on Form 10-K for the year ended December 31, 2016 \(File No. 1-13079\)\).](#)
- 10.28# [Form of Restricted Share Award Agreement with respect to restricted stock granted pursuant to the Company's 2006 Omnibus Incentive Plan, as amended \(incorporated by reference to Exhibit 10.40 to the Company's Annual Report on Form 10-K for the year ended December 31, 2006 \(File No. 1-13079\)\).](#)
- 10.29# [Form of Non-Qualified Stock Option Agreement with respect to stock options granted pursuant to the Company's 2006 Omnibus Incentive Plan, as amended \(incorporated by reference to Exhibit 10.41 to the Company's Annual Report on Form 10-K for the year ended December 31, 2006 \(File No. 1-13079\)\).](#)
- 10.30# [Form of Director Non-Qualified Stock Option Agreement with respect to stock options granted pursuant to the Company's 2006 Omnibus Incentive Plan \(incorporated by reference to Exhibit 10.42 to the Company's Annual Report on Form 10-K for the year ended December 31, 2006 \(File No. 1-13079\)\).](#)
- 10.31# [Form of Director Restricted Stock Unit Award Agreement with respect to restricted stock units granted pursuant to the Company's 2006 Omnibus Incentive Plan \(incorporated by reference to Exhibit 10.43 to the Company's Annual Report on Form 10-K for the year ended December 31, 2006 \(File No. 1-13079\)\).](#)
- 10.32# [Form of Restricted Stock Unit Award Agreement with respect to performance-vesting restricted stock units granted pursuant to the Company's 2006 Omnibus Incentive plan \(incorporated by reference to Exhibit 10.35 to the Company's Annual Report on Form 10-K filed with the SEC on February 28, 2008 \(File No. 1-13079\)\).](#)
- 10.33# [Form of Restricted Stock Unit Award Agreement with respect to time-vesting restricted stock units granted pursuant to the Company's 2006 Omnibus Incentive Plan \(incorporated by reference to Exhibit 10.52 to the Company's Annual Report on Form 10-K for the year ended December 31, 2009 \(File No. 1-13079\)\).](#)
- 10.34# [Form of Restricted Stock Unit Award Agreement with respect to performance-based restricted stock units granted pursuant to the Company's 2006 Omnibus Incentive Plan \(incorporated by reference to Exhibit 10.2 to the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2012 \(File No. 1-13079\)\).](#)
- 10.35# [Form of 2013 Time-Based Restricted Stock Unit Award Agreement with respect to restricted stock units granted pursuant to the Company's 2006 Omnibus Incentive Plan \(incorporated by reference to Exhibit 10.67 to the Company's Annual Report on Form 10-K for the year December 31, 2012 \(File No. 1-13079\)\).](#)
- 10.36# [Form of 2013 Performance-Based Restricted Stock Unit Award Agreement with respect to restricted stock units granted pursuant to the Company's 2006 Omnibus Incentive Plan \(incorporated by reference to Exhibit 10.68 to the Company's Annual Report on Form 10-K for the year December 31, 2012 \(File No. 1-13079\)\).](#)
- 10.37# [Form of Director Restricted Stock Unit Award Agreement with respect to restricted stock units granted pursuant to the Company's 2006 Omnibus Incentive Plan in lieu of cash retainer fees \(incorporated by reference to Exhibit 10.68 to the Company's Annual Report on Form 10-K for the year December 31, 2013 \(File No. 1-13079\)\).](#)

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10.38#	Form of Director Restricted Stock Unit Award Agreement with respect to restricted stock units granted pursuant to the Company's 2006 Omnibus Incentive Plan to replace previously deferred cash retainer fees (incorporated by reference to Exhibit 10.69 to the Company's Annual Report on Form 10-K for the year December 31, 2013 (File No. 1-13079)).
10.39#	Ryman Hospitality Properties, Inc. 2016 Omnibus Incentive Plan (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed with the SEC on May 6, 2016 (File No. 1-13079)).
10.40#	Amendment dated February 10, 2017 to Ryman Hospitality Properties, Inc. 2016 Omnibus Incentive Plan (incorporated by reference to Exhibit 10.43 to the Company's Annual Report on Form 10-K for the year ended December 31, 2016 (File No. 1-13079)).
10.41#	Form of Restricted Stock Unit Award Agreement granted pursuant to the Company's 2016 Omnibus Incentive Plan (incorporated by reference to Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 2016 (File No. 1-13079)).
10.42#	Form of Restricted Stock Unit Award Agreement with respect to time-based vesting restricted stock units granted pursuant to the Company's 2016 Omnibus Incentive Plan (incorporated by reference to Exhibit 10.2 to the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 2016 (File No. 1-13079)).
10.43#	Form of Restricted Stock Unit Award Agreement with respect to performance-based vesting restricted stock units granted pursuant to the Company's 2016 Omnibus Incentive Plan (incorporated by reference to Exhibit 10.3 to the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 2016 (File No. 1-13079)).
21*	Subsidiaries of the Company.
23.1*	Consent of Independent Registered Public Accounting Firm.
31.1*	Certification of Chief Executive Officer of Periodic Report Pursuant to Rule 13a — 14(a) and Rule 15d — 14(a).
31.2*	Certification of Chief Financial Officer of Periodic Report Pursuant to Rule 13a — 14(a) and Rule 15d — 14(a).
32.1*	Certification of Chief Executive Officer Pursuant to 18 U.S.C. Section 1350.
32.2*	Certification of Chief Financial Officer Pursuant to 18 U.S.C. Section 1350.
101*	The following materials from Ryman Hospitality Property, Inc.'s Annual Form on Form 10-K for the year ended December 31, 2016, formatted in XBRL (eXtensible Business Reporting Language): (i) Consolidated Balance Sheets at December 31, 2016 and 2015, (ii) Consolidated Statements of Operations for the years ended December 31, 2016, 2015 and 2014, (iii) Consolidated Statements of Comprehensive Income (Loss) for the years ended December 31, 2016, 2015 and 2014, (iv) Consolidated Statements of Cash Flows for the years ended December 31, 2016, 2015 and 2014, (v) Consolidated Statement of Changes in Stockholders' Equity for the years ended December 31, 2016, 2015 and 2014, and (vi) Notes to Consolidated Financial Statements.

* Filed herewith.

† As directed by Item 601(b)(2) of Regulation S-K, certain schedules and exhibits to this exhibit are omitted from this filing. The Company agrees to furnish supplementally a copy of any omitted schedule or exhibit to the SEC upon request.

Management contract or compensatory plan or arrangement.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

RYMAN HOSPITALITY PROPERTIES, INC.

Date: February 27, 2018

By: /s/ Colin V. Reed

Colin V. Reed

Chairman of the Board of Directors and Chief Executive Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant in the capacities and on the dates indicated.

<u>Signature</u>	<u>Title</u>	<u>Date</u>
<u>/s/ Colin V. Reed</u> Colin V. Reed	Chairman of the Board of Directors and Chief Executive Officer	February 27, 2018
<u>/s/ Michael J. Bender</u> Michael J. Bender	Director	February 27, 2018
<u>/s/ Rachna Bhasin</u> Rachna Bhasin	Director	February 27, 2018
<u>/s/ Alvin Bowles</u> Alvin Bowles	Director	February 27, 2018
<u>/s/ Ellen R. Levine</u> Ellen R. Levine	Director	February 27, 2018
<u>/s/ Fazal F. Merchant</u> Fazal F. Merchant	Director	February 27, 2018
<u>/s/ Patrick Q. Moore</u> Patrick Q. Moore	Director	February 27, 2018
<u>/s/ Robert S. Prather, Jr.</u> Robert S. Prather, Jr.	Director	February 27, 2018
<u>/s/ Michael I. Roth</u> Michael I. Roth	Director	February 27, 2018
<u>/s/ Mark Fioravanti</u> Mark Fioravanti	President and Chief Financial Officer (Principal Financial Officer)	February 27, 2018
<u>/s/ Jennifer Hutcheson</u> Jennifer Hutcheson	Senior Vice President and Corporate Controller (Principal Accounting Officer)	February 27, 2018

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Stockholders and the Board of Directors of Ryman Hospitality Properties, Inc.

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Ryman Hospitality Properties, Inc. and subsidiaries (the Company) as of December 31, 2017 and 2016, the related consolidated statements of operations, comprehensive income, stockholders' equity and cash flows for each of the three years in the period ended December 31, 2017, and the related notes and financial statement schedule listed in the Index at Item 15(a)(2) (collectively referred to as the "consolidated financial statements"). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company at December 31, 2017 and 2016, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2017, in conformity with U.S. generally accepted accounting principles.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of December 31, 2017, based on criteria established in Internal Control – Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework), and our report dated February 27, 2018, expressed an unqualified opinion thereon.

Basis for Opinion

These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements and schedule based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

/s/ ERNST & YOUNG LLP

We have served as the Company's auditor since 2002.
Nashville, Tennessee
February 27, 2018

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Stockholders and the Board of Directors of Ryman Hospitality Properties, Inc.

Opinion on Internal Control over Financial Reporting

We have audited Ryman Hospitality Properties, Inc. and subsidiaries' internal control over financial reporting as of December 31, 2017, based on criteria established in Internal Control—Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework) (the COSO criteria). In our opinion, Ryman Hospitality Properties, Inc. and subsidiaries (the Company) maintained, in all material respects, effective internal control over financial reporting as of December 31, 2017, based on the COSO criteria.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated balance sheets of Ryman Hospitality Properties, Inc. and subsidiaries as of December 31, 2017 and 2016, the related consolidated statements of operations, comprehensive income, stockholders' equity, and cash flows for each of the three years in the period ended December 31, 2017, and the related notes and financial statement schedule listed in the Index at Item 15(a)(2) of the Company, and our report dated February 27, 2018, expressed an unqualified opinion thereon.

Basis for Opinion

The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting included in the accompanying Management's Report on Internal Control Over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects.

Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ ERNST & YOUNG LLP

Nashville, Tennessee
February 27, 2018

RYMAN HOSPITALITY PROPERTIES, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(Amounts in thousands, except per share data)

	December 31, 2017	December 31, 2016
ASSETS:		
Property and equipment, net of accumulated depreciation	\$ 2,065,657	\$ 1,998,012
Cash and cash equivalents—unrestricted	57,557	59,128
Cash and cash equivalents—restricted	21,153	22,062
Notes receivable	111,423	152,882
Investment in Gaylord Rockies joint venture	88,685	70,440
Trade receivables, less allowance of \$651 and \$629, respectively	57,520	47,818
Deferred income tax assets, net	50,117	—
Prepaid expenses and other assets	72,116	55,411
Total assets	<u>\$ 2,524,228</u>	<u>\$ 2,405,753</u>
LIABILITIES AND STOCKHOLDERS' EQUITY:		
Debt and capital lease obligations	\$ 1,591,392	\$ 1,502,554
Accounts payable and accrued liabilities	179,649	163,205
Dividends payable	42,129	39,404
Deferred management rights proceeds	177,057	180,088
Deferred income tax liabilities, net	—	1,469
Other liabilities	155,845	151,036
Commitments and contingencies		
Stockholders' equity:		
Preferred stock, \$.01 par value, 100,000 shares authorized, no shares issued or outstanding	—	—
Common stock, \$.01 par value, 400,000 shares authorized, 51,198 and 51,017 shares issued and outstanding, respectively	512	510
Additional paid-in capital	896,759	893,102
Treasury stock of 567 and 541 shares, at cost	(13,253)	(11,542)
Accumulated deficit	(479,170)	(491,805)
Accumulated other comprehensive loss	(26,692)	(22,268)
Total stockholders' equity	<u>378,156</u>	<u>367,997</u>
Total liabilities and stockholders' equity	<u>\$ 2,524,228</u>	<u>\$ 2,405,753</u>

The accompanying notes are an integral part of these consolidated financial statements.

RYMAN HOSPITALITY PROPERTIES, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS
For the Years Ended December 31, 2017, 2016 and 2015
(Amounts in thousands, except per share data)

	2017	2016	2015
Revenues:			
Rooms	\$ 431,768	\$ 420,011	\$ 404,457
Food and beverage	483,945	477,493	461,157
Other hotel revenue	143,947	142,139	128,989
Entertainment	125,059	109,564	97,521
Total revenues	<u>1,184,719</u>	<u>1,149,207</u>	<u>1,092,124</u>
Operating expenses:			
Rooms	112,636	109,618	110,067
Food and beverage	269,824	267,307	261,580
Other hotel expenses	326,560	322,774	312,989
Management fees, net	23,856	22,194	14,657
Total hotel operating expenses	<u>732,876</u>	<u>721,893</u>	<u>699,293</u>
Entertainment	84,393	74,550	67,363
Corporate	33,495	29,143	28,914
Preopening costs	1,926	—	909
Depreciation and amortization	111,959	109,816	114,383
Impairment and other charges	—	—	19,200
Other-than-temporary impairment loss on held-to-maturity securities:			
Total other-than-temporary impairment loss	41,961	—	—
Less portion recognized in other comprehensive income	(6,543)	—	—
Net impairment loss recognized in earnings on held-to-maturity securities	<u>35,418</u>	<u>—</u>	<u>—</u>
Total operating expenses	<u>1,000,067</u>	<u>935,402</u>	<u>930,062</u>
Operating income	184,652	213,805	162,062
Interest expense	(66,051)	(63,906)	(63,901)
Interest income	11,818	11,500	12,384
Loss from joint ventures	(4,402)	(2,794)	—
Other gains and (losses), net	928	4,161	(10,889)
Income before income taxes	126,945	162,766	99,656
(Provision) benefit for income taxes	49,155	(3,400)	11,855
Net income	<u>\$ 176,100</u>	<u>\$ 159,366</u>	<u>\$ 111,511</u>
Basic income per share	<u>\$ 3.44</u>	<u>\$ 3.12</u>	<u>\$ 2.18</u>
Fully diluted income per share	<u>\$ 3.43</u>	<u>\$ 3.11</u>	<u>\$ 2.16</u>
Dividends declared per common share	<u>\$ 3.20</u>	<u>\$ 3.00</u>	<u>\$ 2.70</u>

The accompanying notes are an integral part of these consolidated financial statements.

RYMAN HOSPITALITY PROPERTIES, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
For the Years Ended December 31, 2017, 2016 and 2015
(Amounts in thousands)

	<u>2017</u>	<u>2016</u>	<u>2015</u>
Net income	\$176,100	\$159,366	\$111,511
Other comprehensive income (loss), before tax:			
Gain on minimum pension liability:			
Unrealized gains arising during the period	3,111	2,599	1,920
Amount reclassified from accumulated other comprehensive loss	60	180	88
	<u>3,171</u>	<u>2,779</u>	<u>2,008</u>
Other-than-temporary impairment loss on held-to-maturity securities:			
Non-credit loss on other-than-temporary impairment	(6,543)	—	—
	<u>(6,543)</u>	<u>—</u>	<u>—</u>
Other comprehensive income (loss), before tax	(3,372)	2,779	2,008
Income tax expense related to items of comprehensive income (loss)	(1,052)	—	(724)
Other comprehensive income (loss), net of tax	<u>(4,424)</u>	<u>2,779</u>	<u>1,284</u>
Comprehensive income	<u>\$171,676</u>	<u>\$162,145</u>	<u>\$112,795</u>

The accompanying notes are an integral part of these consolidated financial statements.

RYMAN HOSPITALITY PROPERTIES, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
For the Years Ended December 31, 2017, 2016 and 2015
(Amounts in thousands)

	2017	2016	2015
Cash Flows from Operating Activities:			
Net income	\$ 176,100	\$ 159,366	\$ 111,511
Amounts to reconcile net income to net cash flows provided by operating activities:			
Provision (benefit) for deferred income taxes	(52,637)	321	(13,847)
Depreciation and amortization	111,959	109,816	114,383
Amortization of deferred financing costs	5,350	4,863	5,505
Impairment and other charges	—	—	19,200
Net impairment loss recognized in earnings on held-to-maturity securities	35,418	—	—
Loss on repurchase of warrants	—	—	20,246
Write-off of deferred financing costs	925	—	1,926
Stock-based compensation expense	6,640	6,128	6,158
Changes in:			
Trade receivables	(9,702)	7,215	(9,845)
Accounts payable and accrued liabilities	17,189	1,148	(13,019)
Other assets and liabilities	4,588	4,744	(4,156)
Net cash flows provided by operating activities	295,830	293,601	238,062
Cash Flows from Investing Activities:			
Purchases of property and equipment	(182,565)	(117,977)	(79,815)
Investment in Gaylord Rockies joint venture	(16,309)	(70,141)	—
Investment in other joint ventures	(9,313)	(2,500)	—
Proceeds from sale of Peterson LOI	—	6,785	10,000
(Increase) decrease in restricted cash and cash equivalents	909	293	(4,945)
Other investing activities	(7,234)	4,299	123
Net cash flows used in investing activities	(214,512)	(179,241)	(74,637)
Cash Flows from Financing Activities:			
Net borrowings (repayments) under revolving credit facility	(211,400)	76,000	(280,100)
Borrowings under term loan A	200,000	—	—
Borrowings under term loan B	500,000	—	—
Repayments under term loan B	(393,750)	(4,000)	(4,000)
Issuance of senior notes	—	—	400,000
Repayment of note payable related to purchase of AC Hotel	—	(6,000)	—
Repurchase of common stock warrants	—	—	(154,681)
Deferred financing costs paid	(12,268)	—	(11,155)
Repurchase of Company stock for retirement	—	(24,811)	—
Payment of dividends	(161,706)	(151,160)	(131,305)
Payment of tax withholdings for share-based compensation	(3,810)	(3,235)	(3,700)
Other financing activities	45	1,683	1,399
Net cash flows used in financing activities	(82,889)	(111,523)	(183,542)
Net change in cash and cash equivalents	(1,571)	2,837	(20,117)
Cash and cash equivalents—unrestricted, beginning of period	59,128	56,291	76,408
Cash and cash equivalents—unrestricted, end of period	<u>\$ 57,557</u>	<u>\$ 59,128</u>	<u>\$ 56,291</u>

The accompanying notes are an integral part of these consolidated financial statements.

RYMAN HOSPITALITY PROPERTIES, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
For the Years Ended December 31, 2017, 2016 and 2015
(Amounts in thousands)

	Common Stock	Additional Paid-in Capital	Treasury Stock	Accumulated Deficit	Accumulated Other Comprehensive Loss	Total Stockholders' Equity
BALANCE, December 31, 2014	\$ 510	\$882,193	\$ (8,002)	\$ (446,963)	\$ (26,331)	401,407
Net income	—	—	—	111,511	—	111,511
Other comprehensive income, net of income taxes	—	—	—	—	1,284	1,284
Payment of dividend	—	910	(1,999)	(137,952)	—	(139,041)
Exercise of stock options	1	1,776	—	—	—	1,777
Restricted stock units and stock options surrendered	2	(3,536)	—	—	—	(3,534)
Stock-based compensation expense	—	6,158	—	—	—	6,158
BALANCE, December 31, 2015	\$ 513	\$887,501	\$(10,001)	\$ (473,404)	\$ (25,047)	\$ 379,562
Net income	—	—	—	159,366	—	159,366
Tax benefit related to adoption of ASU 2016-09	—	—	—	75	—	75
Other comprehensive income, net of income taxes	—	—	—	—	2,779	2,779
Repurchase of Company stock for retirement	(5)	—	—	(24,806)	—	(24,811)
Payment of dividend	—	883	(1,541)	(153,036)	—	(153,694)
Exercise of stock options	—	1,702	—	—	—	1,702
Restricted stock units and stock options surrendered	2	(3,112)	—	—	—	(3,110)
Stock-based compensation expense	—	6,128	—	—	—	6,128
BALANCE, December 31, 2016	\$ 510	\$893,102	\$(11,542)	\$ (491,805)	\$ (22,268)	\$ 367,997
Net income	—	—	—	176,100	—	176,100
Other comprehensive loss, net of income taxes	—	—	—	—	(4,424)	(4,424)
Payment of dividend	—	745	(1,711)	(163,465)	—	(164,431)
Exercise of stock options	—	65	—	—	—	65
Restricted stock units and stock options surrendered	2	(3,793)	—	—	—	(3,791)
Stock-based compensation expense	—	6,640	—	—	—	6,640
BALANCE, December 31, 2017	\$ 512	\$896,759	\$(13,253)	\$ (479,170)	\$ (26,692)	\$ 378,156

The accompanying notes are an integral part of these consolidated financial statements.

RYMAN HOSPITALITY PROPERTIES, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. Description of the Business and Summary of Significant Accounting Policies

For financial statement presentation and reporting purposes, the Company is the successor to Gaylord Entertainment Company, a Delaware corporation (“Gaylord”). As part of the plan to restructure the business operations of Gaylord to facilitate its qualification as a real estate investment trust (“REIT”) for federal income tax purposes, Gaylord merged with and into its wholly-owned subsidiary, Ryman Hospitality Properties, Inc., a Delaware corporation (“Ryman”), on October 1, 2012, with Ryman as the surviving corporation (the “Merger”). At 12:01 a.m. on October 1, 2012, the effective time of the Merger, Ryman succeeded to and began conducting, directly or indirectly, all of the business conducted by Gaylord immediately prior to the Merger. The “Company” refers to Ryman and its subsidiaries and to Gaylord.

On January 1, 2013, the Company began operating as a REIT for federal income tax purposes, specializing in group-oriented, destination hotel assets in urban and resort markets. The Company’s owned assets include a network of upscale, meetings-focused resorts that are managed by Marriott International, Inc. (“Marriott”) under the Gaylord Hotels brand. These resorts, which the Company refers to as the Gaylord Hotels properties, consist of the Gaylord Opryland Resort & Convention Center in Nashville, Tennessee (“Gaylord Opryland”), the Gaylord Palms Resort & Convention Center near Orlando, Florida (“Gaylord Palms”), the Gaylord Texan Resort & Convention Center near Dallas, Texas (“Gaylord Texan”) and the Gaylord National Resort & Convention Center near Washington D.C. (“Gaylord National”). The Company’s other owned hotel assets managed by Marriott include the Inn at Opryland, an overflow hotel adjacent to Gaylord Opryland, and the AC Hotel at National Harbor, Washington D.C. (“AC Hotel”), an overflow hotel adjacent to Gaylord National that opened in April 2015. The Company also owns a 35% interest in a joint venture that is developing and will own the Gaylord Rockies Resort & Convention Center near Denver, Colorado (“Gaylord Rockies”), which will be managed by Marriott upon its planned opening in late 2018.

The Company also owns a number of media and entertainment assets, including the Grand Ole Opry, the legendary weekly showcase of country music’s finest performers; the Ryman Auditorium, the storied live music venue and former home of the Grand Ole Opry located in downtown Nashville; WSM-AM, the Opry’s radio home; Ole Red, a brand of Blake Shelton-themed bar, music venue and event spaces, with a flagship location in Nashville expected to open in second quarter 2018; a 50% interest in a joint venture for Opry City Stage, a four-level entertainment complex in Times Square that opened in December 2017; and three Nashville-based assets managed by Marriott – Gaylord Springs Golf Links (“Gaylord Springs”), the Wildhorse Saloon, and the General Jackson Showboat (“General Jackson”).

The Company conducts its business through an umbrella partnership REIT, in which all of its assets are held by, and all of its operations are conducted through, RHP Hotel Properties, LP, a subsidiary operating partnership (the “Operating Partnership”) that the Company formed in connection with its REIT conversion. Ryman is the sole limited partner of the Operating Partnership and currently owns, either directly or indirectly, all of the partnership units of the Operating Partnership. RHP Finance Corporation, a Delaware corporation (“Finco”), was formed as a wholly-owned subsidiary of the Operating Partnership for the sole purpose of being an issuer of debt securities with the Operating Partnership. Neither Ryman nor Finco has any material assets, other than Ryman’s investment in the Operating Partnership and its 100%-owned subsidiaries. As 100%-owned subsidiaries of Ryman, neither the Operating Partnership nor Finco has any business, operations, financial results or other material information, other than the business, operations, financial results and other material information described in this Annual Report on Form 10-K and Ryman’s other reports, documents or other information filed with the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934, as amended.

The Company principally operates, through its subsidiaries and its property managers, as applicable, in the following business segments: Hospitality; Entertainment; and Corporate and Other. The Company’s fiscal year ends on December 31 for all periods presented.

Business Segments

Hospitality

The Hospitality segment includes the Gaylord Hotels branded hotels, the Inn at Opryland and the AC Hotel, as well as the Company’s equity investment in Gaylord Rockies. See Note 4 for further discussion of this investment. Each of the Company’s hotels is managed by Marriott pursuant to a management agreement for each hotel, and Gaylord Rockies will be managed by Marriott upon its opening.

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Entertainment

The Entertainment segment includes the Grand Ole Opry, the Ryman Auditorium, WSM-AM, Ole Red, the Company's equity investment in Opry City Stage, the General Jackson, the Wildhorse Saloon, and Gaylord Springs, among others. Marriott manages the day-to-day operations of the General Jackson, Gaylord Springs and the Wildhorse Saloon pursuant to management agreements.

Corporate and Other

The Corporate and Other segment includes operating and general and administrative expenses related to the overall management of the Company which are not allocated to the other reportable segments, including certain costs for the Company's retirement plans, equity-based compensation plans, information technology, human resources, accounting, and other administrative expenses.

Principles of Consolidation

The accompanying consolidated financial statements include the accounts of the Company and all of its majority-owned subsidiaries. The Company's investments in non-controlled entities in which it has the ability to exercise significant influence over operating and financial policies are accounted for by the equity method. All significant intercompany accounts and transactions have been eliminated in consolidation.

The Company analyzes its variable interests, including loans, guarantees, management agreements, leasing arrangements and equity investments, to determine if an entity in which it has a variable interest is a variable interest entity ("VIE"). This analysis primarily includes a qualitative review, which is based on a review of the design of the entity, its organizational structure, including decision-making ability, and relevant financial agreements. This analysis is also used to determine if the Company must consolidate the VIE as the primary beneficiary.

The terms of the Company's investment in the Gaylord Rockies joint venture provide that the Company will have the ability to approve certain major decisions affecting the hotel, including, but not limited to, operating budgets, major capital expenditures, material transactions involving the hotel, and approval of designated hotel senior management. The Company also has a right of first offer to acquire the remainder of the project and designated rights to participate in any sales process with respect to the project after exercise of its first offer rights. However, because the power to direct the activities that most significantly impact the economic performance of the hotel are either shared or are held by some combination of the developers and Marriott, the Company is not the primary beneficiary of this variable interest entity, and thus, accounts for its investment in this joint venture under the equity method of accounting. As such, the Company does not consolidate any part of the assets or liabilities of the joint venture. The Company's share of equity method net income or loss will increase or decrease, as applicable, the carrying value of its equity method investment.

Acquisitions and Investments

In December 2014, the Company purchased from an affiliate of The Peterson Companies (the developer of the National Harbor, Maryland development in which Gaylord National is located) the AC Hotel, a 192-room hotel previously operated as the Aloft Hotel at National Harbor for a purchase price of \$21.8 million. The transaction required that the property be transferred to the Company unencumbered by any existing hotel franchise or management agreements. The Company rebranded the hotel and Marriott operates the property in conjunction with the Gaylord National pursuant to a separate management agreement. The hotel opened in April 2015. The Company paid the final \$6.0 million purchase price that was outstanding under a note payable in January 2016.

In March 2016, certain subsidiaries of the Company entered into a series of agreements with respect to an equity investment in Gaylord Rockies, which is expected to open in late 2018. See Note 4 for further discussion of this investment. In October 2016, a subsidiary of the Company entered into a series of agreements with respect to an equity investment in Opry City Stage, which opened in December 2017.

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Property and Equipment

Property and equipment are stated at cost. Improvements and significant renovations that extend the lives of existing assets are capitalized. Interest on funds borrowed to finance the construction of major capital additions not funded through furniture, fixtures and equipment reserves is included in the cost of the applicable capital addition. Maintenance and repairs are charged to expense as incurred. Property and equipment are generally depreciated using the straight-line method over the following estimated useful lives:

Buildings	40 years
Land improvements	20 years
Furniture, fixtures and equipment	5-8 years
Leasehold improvements	The shorter of the lease term or useful life

Cash and Cash Equivalents — Unrestricted

The Company considers all highly liquid investments purchased with an original maturity of three months or less to be cash equivalents.

Cash and Cash Equivalents — Restricted

Restricted cash and cash equivalents primarily represent funds held by our property managers for furniture, fixtures and equipment reserves. In addition, the Company holds certificates of deposit with an original maturity of greater than three months in order to secure its Tennessee workers' compensation self-insurance obligations.

For purposes of the statements of cash flows, changes in restricted cash and cash equivalents related to funds for furniture, fixtures and equipment replacement reserves are shown as investing activities.

Supplemental Cash Flow Information

Cash paid for interest for the years ended December 31 was comprised of (amounts in thousands):

	2017	2016	2015
Debt interest paid	\$63,325	\$60,780	\$53,978
Capitalized interest	(6,645)	(1,721)	(169)
Cash paid for interest, net of capitalized interest	<u>\$56,680</u>	<u>\$59,059</u>	<u>\$53,809</u>

Net cash payments of income taxes in 2017, 2016 and 2015 were \$4.1 million, \$1.7 million and \$5.2 million, respectively.

Accounts Receivable

The Company's accounts receivable are primarily generated by meetings and convention attendees' room nights and food and beverage. Receivables arising from these sales are not collateralized. Credit risk associated with the accounts receivable is minimized due to the large and diverse nature of the customer base.

Allowance for Doubtful Accounts

The Company provides allowances for doubtful accounts based upon a percentage of revenue and periodic evaluations of the aging of accounts receivable.

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Prepaid Expenses and Other Assets

Prepaid expenses and other assets at December 31 consist of (amounts in thousands):

	2017	2016
Prepaid expenses	\$14,526	\$14,001
Inventories	8,052	8,065
Supplemental deferred compensation plan assets	25,055	22,204
Other	24,483	11,141
Total prepaid expenses and other assets	<u>\$72,116</u>	<u>\$55,411</u>

Prepaid expenses consist of prepayments for property taxes, insurance and other contracts that will be expensed during the subsequent year. Inventories consist primarily of food and beverage inventory for resale and retail inventory sold in the Entertainment segment. Inventory is carried at the lower of cost or net realizable value. Cost is computed on an average cost basis. Other assets include capitalized software costs, intangible assets and investments in joint ventures, among others.

Investments

From time to time, the Company has owned minority interest investments in certain businesses. Generally, non-marketable investments (excluding limited partnerships and limited liability company interests) in which the Company owns less than 20 percent are accounted for using the cost method of accounting and investments in which the Company owns between 20 percent and 50 percent and limited partnerships are accounted for using the equity method of accounting.

Accounts Payable and Accrued Liabilities

Accounts payable and accrued liabilities at December 31 consist of (amounts in thousands):

	2017	2016
Trade accounts payable	\$ 32,663	\$ 32,315
Property and other taxes payable	34,282	34,844
Deferred revenues	51,232	41,080
Accrued salaries and benefits	25,178	20,567
Accrued interest payable	11,179	8,152
Other accrued liabilities	25,115	26,247
Total accounts payable and accrued liabilities	<u>\$179,649</u>	<u>\$163,205</u>

Deferred revenues consist primarily of deposits on advance bookings of hotel rooms and advance ticket sales at the Company's tourism properties, as well as uncollected attrition and cancellation fees. Other accrued liabilities include accruals for, among others, purchasing, meeting planner commissions and utilities.

Income Taxes

The Company establishes deferred tax assets and liabilities based on the difference between the financial statement and income tax carrying amounts of assets and liabilities using existing tax laws and tax rates. The Company reports a liability for unrecognized tax benefits resulting from uncertain tax positions taken or expected to be taken in a tax return. The Company recognizes interest and penalties, if any, related to unrecognized tax benefits in income tax expense. See Note 11 for more detail on the Company's income taxes.

The effect on deferred tax assets and liabilities of a change in the tax rate is recognized in income in the period that includes the enactment date of the rate change. The Company records a valuation allowance to reduce its deferred tax assets to the amount that is more likely than not to be realized. The Company has considered projected future taxable income and ongoing feasible tax planning strategies in assessing the need for a valuation allowance.

Deferred Management Rights Proceeds

The Company has deferred and amortizes the proceeds received from Marriott that were allocated to the sale of the management rights, as discussed further in Note 6, on a straight line basis over the 65-year term of the hotel management agreements, including extensions, as a reduction in management fee expense in the accompanying consolidated statements of operations.

Other Liabilities

Other liabilities at December 31 consist of (amounts in thousands):

	2017	2016
Pension and postretirement benefits liability	\$ 34,763	\$ 37,988
Straight-line lease liability	95,078	89,959
Deferred compensation liability	25,055	22,204
Other	949	885
Total other liabilities	<u>\$155,845</u>	<u>\$151,036</u>

Deferred Financing Costs

Deferred financing costs consist of loan fees and other costs of financing that are amortized over the term of the related financing agreements, using the effective interest method, and are presented as a reduction of the related debt liability. During 2017, 2016 and 2015, deferred financing costs of \$5.4 million, \$4.9 million and \$5.5 million, respectively, were amortized and recorded as interest expense in the accompanying consolidated statements of operations.

As a result of refinancing of the Company's credit facility in 2017 and 2015, the Company wrote off \$0.9 million and \$1.9 million of deferred financing costs during 2017 and 2015, respectively, which are included in interest expense in the accompanying consolidated statements of operations.

Revenue Recognition

Revenues from occupied hotel rooms are recognized as earned on the close of business each day and from concessions and food and beverage sales at the time of the sale. Revenues from other services at the Company's hotels, such as spa, parking, and transportation services, are recognized at the time services are provided. Cancellation fees and attrition fees, which are charged to groups when they do not fulfill the minimum number of room nights or minimum food and beverage spending requirements originally contracted for, are recognized as revenue in the period they are collected. The Company recognizes revenues from the Entertainment segment when services are provided or goods are shipped, as applicable. The Company is required to collect certain taxes from customers on behalf of government agencies and remit these to the applicable governmental entity on a periodic basis. These taxes are collected from customers at the time of purchase, but are not included in revenue. The Company records a liability upon collection from the customer and relieves the liability when payments are remitted to the applicable governmental agency.

Management Fees

The Company pays Marriott a base management fee of approximately 2% of revenues for the properties that Marriott manages, as well as an incentive fee that is based on profitability. The Company incurred \$22.0 million, \$21.4 million and \$17.4 million in base management fees to Marriott during 2017, 2016 and 2015, respectively. The Company incurred \$6.1 million, \$4.8 million and \$1.4 million in incentive fees to Marriott during 2017, 2016 and 2015, respectively. Management fees are presented in the consolidated statements of operations net of the amortization of the deferred management rights proceeds discussed further in Note 6.

Leases

The Company is a lessee of a 65.3 acre site in Osceola County, Florida on which the Gaylord Palms is located, a 10.0 acre site in Grapevine, Texas on which a portion of the Gaylord Texan is located, and office and other equipment. The Company's leases are discussed further in Note 12.

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Advertising Costs

Advertising costs are expensed as incurred and were \$38.4 million, \$36.7 million, and \$36.7 million for 2017, 2016 and 2015, respectively.

Stock-Based Compensation

The Company has stock-based employee compensation plans, which are described more fully in Note 7. The Company accounts for its stock-based compensation plan under the provisions of Financial Accounting Standards Board (“FASB”) Accounting Standards Codification (“ASC”) 718, “*Compensation – Stock Compensation*.”

Preopening Costs

The Company expenses the costs associated with start-up activities and organization costs associated with its development or reopening of hotels and significant attractions as incurred. The Company’s preopening costs during 2017 primarily relate to a riverfront ballroom at Gaylord National, which opened in May 2017, and costs associated with our various Entertainment segment projects. Preopening costs during 2015 primarily relate to the AC Hotel, which opened in April 2015.

Impairment of Long-Lived and Other Assets

In accounting for the Company’s long-lived and other assets (including its notes receivable associated with the development of Gaylord National), the Company assesses its long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying value of the assets or asset group may not be recoverable. Recoverability of long-lived assets that will continue to be used is measured by comparing the carrying amount of the asset or asset group to the related total future undiscounted net cash flows. If an asset or asset group’s carrying value is not recoverable through those cash flows, the asset group is considered to be impaired. The impairment is measured by the difference between the assets’ carrying amount and their fair value, which is estimated using discounted cash flow analyses that utilize comprehensive cash flow projections, as well as observable market data to the extent available. Recoverability of the notes receivable associated with Gaylord National is measured by comparing the carrying amount of the notes to the fair value of the notes. If the carrying value is greater than the fair value, the Company then assesses if the decline in fair value is other than temporary. If the decline in fair value is deemed to be other than temporary, which is based on the Company’s intent and ability to hold the notes receivable to maturity and whether it expects to receive all debt service payments due under the notes, then the notes receivable are impaired. See Note 3 for further disclosure.

During the fourth quarter of 2015, the Company elected to move forward with an expansion of the guest rooms and convention space at Gaylord Texan. This capital project replaced a previously contemplated expansion that the Company began incurring design costs for during 2007 and had been subsequently put on hold. As the new project is substantially different from the previously contemplated project, the Company incurred an impairment charge of \$16.3 million during 2015 to write off the carrying value of the previously contemplated project, which is included in impairment and other charges on the accompanying consolidated statement of operations for 2015.

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Income Per Share

Earnings per share is measured as basic earnings per share and diluted earnings per share. Basic earnings per share is computed by dividing net income by the weighted average number of common shares outstanding during the year. Diluted earnings per share is computed by dividing net income by the weighted average number of common shares outstanding after considering the effect of conversion of dilutive instruments, calculated using the treasury stock method. Net income per share amounts are calculated as follows for the years ended December 31 (income and share amounts in thousands):

	2017		
	Income	Shares	Per Share
Net income	\$176,100	51,147	\$ 3.44
Effect of dilutive stock-based compensation	—	224	—
Net income — assuming dilution	<u>\$176,100</u>	<u>51,371</u>	<u>\$ 3.43</u>
	2016		
	Income	Shares	Per Share
Net income	\$159,366	51,009	\$ 3.12
Effect of dilutive stock-based compensation	—	303	—
Net income — assuming dilution	<u>\$159,366</u>	<u>51,312</u>	<u>\$ 3.11</u>
	2015		
	Income	Shares	Per Share
Net income	\$111,511	51,241	\$ 2.18
Effect of dilutive stock-based compensation	—	371	—
Net income — assuming dilution	<u>\$111,511</u>	<u>51,612</u>	<u>\$ 2.16</u>

Accounting Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reported period. Actual results could differ from those estimates.

Newly Issued Accounting Standards

In May 2014, the FASB issued Accounting Standards Update (“ASU”) No. 2014-09, “*Revenue from Contracts with Customers*,” the core principle of which is that a company will recognize revenue when it transfers promised goods or services to customers in an amount that reflects the consideration to which the company expects to be entitled in exchange for those goods or services. Under this guidance, companies will need to use more judgment and make more estimates than under today’s guidance. These judgments may include identifying performance obligations in the contract, estimating the amount of variable consideration to include in the transaction price and allocating the transaction price to each separate performance obligation. The ASU is effective for the Company in the first quarter of 2018, and the Company plans to adopt this standard at that time using the modified retrospective approach. The Company has completed its assessment of how the new ASU will impact the amount and timing of the various revenue streams recorded in its financial statements, and due to the short-term, day-to-day nature of the Company’s hospitality and entertainment segment revenues, the adoption of this ASU will not have a material impact on the Company’s financial statements.

In February 2016, the FASB issued ASU No. 2016-02, “*Leases*,” that requires lessees to put most leases on their balance sheet, but recognize expenses on their income statements in a manner similar to previous accounting. The ASU also eliminates the required use of bright-line tests for determining lease classification. The ASU is effective for the Company in the first quarter of 2019 and currently requires a modified retrospective approach, with restatement of prior periods. The primary impact of this adoption will be the inclusion of the Company’s 75-year ground lease at Gaylord Palms on its balance sheet. See Note 12 for a further disclosure of the Company’s outstanding leases.

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In June 2016, the FASB issued ASU No. 2016-13, “*Financial Instruments – Credit Losses – Measurement of Credit Losses on Financial Instruments*,” which will change how entities will measure credit losses for most financial assets and certain other instruments that are not measured at fair value through net income. The ASU will replace the current “incurred loss” approach with an “expected loss” model for instruments measured at amortized cost. For trade and other receivables, held-to-maturity debt securities, loans and other instruments, entities will be required to use a new forward-looking “expected loss” model that generally will result in the earlier recognition of allowances for losses. The ASU is effective for the Company in the first quarter of 2020. The Company is currently evaluating the effects of this ASU on its financial statements, and such effects have not yet been determined.

In November 2016, the FASB issued ASU No. 2016-18, “*Restricted Cash*,” that will require entities to show changes in the total of cash and restricted cash in the statement of cash flows. As a result, entities will no longer present transfers between cash and restricted cash in the statement of cash flows, and will present a reconciliation of the totals in the statement of cash flows to the related captions on the balance sheet. The ASU is effective for the Company in the first quarter of 2018, and this adoption will not have a material impact on the Company’s financial statements.

In March 2017, the FASB issued ASU No. 2017-07, “*Compensation – Retirement Benefits: Improving the Presentation of Net Periodic Pension Cost and Net Periodic Postretirement Benefit Cost*,” which will change how employers that sponsor defined benefit pension and/or other postretirement benefit plans present the cost of benefits in the income statement. Under the new guidance, the service cost component of net periodic benefit cost will be presented in the same income statement line item(s) as other employee compensation costs. In addition, the other components of net periodic benefit cost will be presented separately from service cost and outside of operating income. The ASU is effective for the Company in the first quarter of 2018, and this adoption will not have a material impact on the Company’s financial statements.

2. Property and Equipment

Property and equipment at December 31 is recorded at cost and summarized as follows (amounts in thousands):

	<u>2017</u>	<u>2016</u>
Land and land improvements	\$ 267,051	\$ 266,053
Buildings	2,440,471	2,398,117
Furniture, fixtures and equipment	647,988	604,876
Construction in progress	138,702	50,273
	<u>3,494,212</u>	<u>3,319,319</u>
Accumulated depreciation	(1,428,555)	(1,321,307)
Property and equipment, net	<u>\$ 2,065,657</u>	<u>\$ 1,998,012</u>

Depreciation expense, including amortization of assets under capital lease obligations, during 2017, 2016 and 2015 was \$110.4 million, \$108.1 million, and \$112.2 million, respectively.

In June 2017, the Company entered into an agreement with the Industrial Development Board of the Metropolitan Government of Nashville and Davidson County (the “Board”) to implement a tax abatement plan related to Gaylord Opryland. The tax abatement plan provides for the capping of real property taxes for a period of eight years by legally transferring title to the Gaylord Opryland real property to the Board. The Board financed the acquisition of the Gaylord Opryland real property by issuing a \$650 million industrial revenue bond to the Company. The Board then leased this property back to the Company. The Company is obligated to make lease payments equal to the debt service on the industrial revenue bond. No cash was exchanged and no cash will be exchanged in connection with the Company’s lease payments under the lease. The tax abatement period extends through the term of the lease, which coincides with the nine-year maturity of the bond. At any time, the Company has the option to repurchase the real property at a de minimis amount.

Due to the form of these transactions, the Company has not recorded the bond or the lease obligation associated with the sale lease-back transaction, and the cost of the Gaylord Opryland real property remains recorded on the balance sheet and is being depreciated over its estimated useful life.

3. Notes Receivable

In connection with the development of Gaylord National, Prince George's County, Maryland ("the County") issued a bond with a face value of \$95 million ("Series A Bond") and an additional bond with a face value of \$50 million ("Series B Bond"), which were delivered to the Company upon substantial completion and opening of the Gaylord National on April 2, 2008. The interest rate on the Series A Bond and Series B Bond is 8.0% and 10.0%, respectively. The maturity date of the Series A Bond and the Series B Bond is July 1, 2034 and September 1, 2037, respectively.

Upon receipt in 2008, the Company calculated the present value of the future debt service payments from the Series A Bond and Series B Bond based on their effective interest rates of 8.04% and 11.42%, respectively, and recorded the notes receivable at their discounted values of \$93.8 million and \$38.3 million, respectively. The Company is currently holding the Series A Bond and Series B Bond, which have aggregate carrying values and approximate fair values of \$80.3 million and \$31.2 million, respectively, at December 31, 2017, and receiving the debt service and principal payments thereon, which is payable from tax increments, hotel taxes and special hotel rental taxes generated from the development through the maturity date. The Company is recording the amortization of discount on these notes receivable as interest income over the life of the notes.

As disclosed in previous financial statements, the Company has the intent and ability to hold the Series A Bond and Series B Bond to maturity and had previously expected to receive all debt service payments due, even though the estimated fair value of the Series B Bond was less than carrying value. Therefore, the Company had not previously considered the Series B Bond to be other-than-temporarily impaired ("OTTI"). In connection with the preparation of these financial statements for the fourth quarter and year ended December 31, 2017, and as part of its annual impairment analysis related to the Series B Bond, the Company considered reduced projected tax revenues, which will service the bond, as compared to previous impairment analyses, over the remaining term of the Series B Bond. These long-range tax revenue projections were reduced primarily as the result of two factors. First, transient rooms revenue growth rates have been reduced as the initial impact of the opening of the new nearby MGM casino on overnight regional guests has been less than originally anticipated. Second, while the anticipated recovery of the Washington D.C. market has materialized in the central business district, recovery of National Harbor and the surrounding areas has been at a slower pace than previously projected. In response, Gaylord National has developed marketing campaigns targeted to regional customers to help drive transient business among regional customers. While these campaigns have proven successful, this change has resulted in a lower average daily rate ("ADR") than previously forecasted. As a result, the level of anticipated transient occupancy and ADR increase included in previous long-range projections has not materialized.

As a result of these reduced long-range tax room revenue projections over the remaining life of the Series B Bond, the Company no longer believes it will receive all debt service payments due under the note, and the Company considers the Series B Bond to be OTTI. The Company compared the expected cash flows to be collected at the original discount rate of 11.42% to the carrying value and determined that the present value of the future cash flows was less than the carrying value. The Company then compared the expected cash flows to be collected at a current discount rate of 14.0% to the carrying value of the Series B Bond. The resulting discounted cash flows resulted in an OTTI of \$42.0 million, which has been recorded as a reduction in the carrying value of notes receivable in the accompanying consolidated balance sheet at December 31, 2017. The amount of the OTTI related to the credit loss, or the decrease in expected cash flows, of \$35.4 million has been recorded as an impairment in the accompanying consolidated statement of operations for 2017. The amount of the OTTI related to changing market conditions, or the increase in the discount rate, of \$6.5 million has been recorded as an increase to other comprehensive loss in the accompanying consolidated statement of comprehensive income and consolidated statement of stockholders' equity for 2017. The Company considers the projected future cash flows and the discount rate to be Level 3 fair value estimates. The discount rate was determined based on current market interest rates of notes receivable with comparable market ratings and current expectations about the timing of debt service payments under the note.

During 2017, 2016 and 2015, the Company recorded interest income of \$11.6 million, \$11.4 million and \$12.3 million, respectively, on these bonds. The Company received payments of \$11.1 million, \$11.1 million and \$9.4 million during 2017, 2016 and 2015, respectively, relating to these notes receivable, which includes principal and interest payments.

4. Investment in Gaylord Rockies Joint Venture

In March 2016, certain subsidiaries of the Company entered into a series of agreements with affiliates of RIDA Development Corporation ("RIDA") and Ares Management, L.P. ("Ares") with respect to an equity investment in Gaylord Rockies, which is currently being developed by RIDA and Ares. The hotel will be managed by Marriott pursuant to a long-term management contract and is expected to consist of a 1,500-room resort hotel with over 485,000 square feet of exhibition, meeting, pre-function and outdoor space. The hotel is expected to be completed in late 2018 and has a total estimated project cost of approximately \$800 million.

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The Company acquired a 35% interest in a limited liability company which will own the real property comprising the hotel, which the Company purchased for a capital contribution of approximately \$86.5 million, of which the final portion was funded in the first quarter of 2017. The Company also owns a 35% interest in a limited liability company which will lease the hotel from the property owner and assume the Marriott management agreement prior to the opening of the hotel.

A subsidiary of the Company is providing designated asset management services on behalf of the hotel during the pre-construction period in exchange for a flat fee and after opening of the hotel in exchange for a fee based on the hotel's gross revenues on an annual basis.

In connection with the agreements, the Company agreed to provide guarantees of the hotel's construction loan, including a principal repayment guarantee of up to \$21 million of the total \$500 million principal amount of the construction loan previously obtained from a consortium of eight banks, with such amount reducing to \$14 million and further reducing to \$8.75 million upon the hotel's satisfaction of designated debt service coverage requirements following completion and opening of the hotel. The Company has also provided a completion guarantee under the construction loan capped at its pro rata share of all costs necessary to complete the project within the time specified in the joint venture's loan documents. Further, the Company has agreed to a guarantee capped at its pro rata share of the joint venture's obligations under the construction loan prior to the hotel's opening related to interest accruing under the construction loan and the operating expenses of the property (estimated pro rata share of interest prior to the hotel opening is \$9.8 million). In addition to guarantees related to the construction loan, the Company agreed to provide a guarantee of the mezzanine debt related to the hotel including a payment guarantee capped at \$8.75 million for which the Company is only liable in the event there is a casualty or condemnation event at the hotel and the construction lenders elect to apply those proceeds to the construction loan balance and release the construction loan guarantees and liens. The guarantee related to the mezzanine debt also includes an uncapped completion guarantee and an uncapped guarantee of the joint venture's obligations under the mezzanine loan prior to the hotel's opening related to interest accruing under the mezzanine loan and the operating expenses of the property to the extent not already satisfied by the parties under the guarantees related to the construction loan. As of December 31, 2017, the Company had not recorded any liability in the consolidated balance sheet associated with these guarantees.

5. Debt

The Company's debt and capital lease obligations at December 31 consisted of (amounts in thousands):

	2017	2016
\$700 Million Revolving Credit Facility, less unamortized deferred financing costs of \$9,076 and \$5,267	\$ 161,924	\$ 377,133
\$200 Million Term Loan A, less unamortized deferred financing costs of \$1,557 and \$0	198,443	—
\$500 Million Term Loan B, less unamortized deferred financing costs of \$7,595 and \$0	488,655	—
\$400 Million Term Loan B, less unamortized deferred financing costs of \$0 and \$5,273	—	384,727
\$350 Million 5% Senior Notes, less unamortized deferred financing costs of \$3,340 and \$4,246	346,660	345,754
\$400 Million 5% Senior Notes, less unamortized deferred financing costs of \$4,929 and \$5,719	395,071	394,281
Capital lease obligations	639	659
Total debt	<u>\$ 1,591,392</u>	<u>\$ 1,502,554</u>

At December 31, 2017, the Company was in compliance with all covenants related to its outstanding debt.

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Annual maturities of long-term debt, excluding capital lease obligations, are as follows (amounts in thousands):

	\$700 Million Revolving Credit Facility	\$200 Million Term Loan A	\$500 Million Term Loan B	\$350 Million 5% Senior Notes	\$400 Million 5% Senior Notes	Total
2018	\$ —	\$ —	\$ 5,000	\$ —	\$ —	\$ 5,000
2019	—	—	5,000	—	—	5,000
2020	—	—	5,000	—	—	5,000
2021	171,000	—	5,000	350,000	—	526,000
2022	—	200,000	5,000	—	—	205,000
Years thereafter	—	—	471,250	—	400,000	871,250
Total	<u>\$ 171,000</u>	<u>\$ 200,000</u>	<u>\$ 496,250</u>	<u>\$ 350,000</u>	<u>\$ 400,000</u>	<u>\$1,617,250</u>

Credit Facility

On May 11, 2017, the Company entered into a Fifth Amended and Restated Credit Agreement (the “Amended Credit Agreement”) among the Company, as guarantor, the Operating Partnership, as borrower, certain other subsidiaries of the Company party thereto, as guarantors, certain subsidiaries of the Company party thereto, as pledgors, the lenders party thereto and Wells Fargo Bank, N.A., as administrative agent, which amends and restates the Company’s existing credit facility. In addition, on May 23, 2017, the Company entered into Amendment No. 1 (the “Amendment”) to the Amended Credit Agreement among the same parties. As amended, the Company’s credit facility consists of a \$700.0 million senior secured revolving credit facility (the “Revolver”), a new \$200.0 million senior secured term loan A (the “Term Loan A”), and an increased \$500.0 million senior secured term loan B (the “Term Loan B”), each as discussed below.

Each of the Revolver, Term Loan A and Term Loan B is guaranteed by the Company, each of the four wholly-owned subsidiaries that own the Gaylord Hotels properties, and certain other of the Company’s subsidiaries. Each is secured by (i) a first mortgage lien on the real property of each of the Gaylord Hotels properties, (ii) pledges of equity interests in the Company’s subsidiaries that own the Gaylord Hotels properties, (iii) the personal property of the Company, the Operating Partnership and the subsidiaries that guarantee the Amended Credit Agreement and (iv) all proceeds and products from the Company’s Gaylord Hotels properties. Advances are subject to a 55% borrowing base, based on the appraisal value of the Gaylord Hotels properties (reduced to 50% in the event one of the Gaylord Hotel properties is sold).

In addition, each of the Revolver, Term Loan A and Term Loan B contains certain covenants which, among other things, limit the incurrence of additional indebtedness, investments, dividends, transactions with affiliates, asset sales, acquisitions, mergers and consolidations, liens and encumbrances and other matters customarily restricted in such agreements.

If an event of default shall occur and be continuing under the Amended Credit Agreement, the commitments under the Amended Credit Agreement may be terminated and the principal amount outstanding under the Amended Credit Agreement, together with all accrued unpaid interest and other amounts owing in respect thereof, may be declared immediately due and payable.

As a result of the refinancing of its previous credit facility, the Company wrote off \$0.9 million of deferred financing costs during 2017.

\$700 Million Revolving Credit Facility

Pursuant to the Amendment, the Company extended the maturity of the Revolver to May 23, 2021. Borrowings under the Revolver bear interest at an annual rate equal to, at the Company’s option, either (i) LIBOR plus the applicable margin ranging from 1.55% to 2.40%, dependent upon the Company’s funded debt to total asset value ratio (as defined in the Amended Credit Agreement) or (ii) a base rate as set in the Amended Credit Agreement. At December 31, 2017, the interest rate on the Revolver is LIBOR plus 1.55%. No additional amounts were borrowed under the Revolver at closing.

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\$200 Million Term Loan A

The Amendment also provides for the Term Loan A, which has a maturity date of May 23, 2022. Borrowings under the Term Loan A bear interest at an annual rate equal to, at the Company's option, either (i) LIBOR plus the applicable margin ranging from 1.50% to 2.35%, dependent upon the Company's funded debt to total asset value ratio (as defined in the Amended Credit Agreement) or (ii) a base rate as set in the Amended Credit Agreement. At December 31, 2017, the interest rate on the Term Loan A was LIBOR plus 1.50%. Amounts borrowed under the Term Loan A that are repaid or prepaid may not be reborrowed. At closing, the Company drew down on the Term Loan A in full. Net proceeds, after certain transaction expenses payable at closing, were approximately \$194.6 million and were used to pay down a portion of the Revolver.

\$500 Million Term Loan B

Pursuant to the Amended Credit Agreement, the Company increased its previous \$400 million term loan B facility to the \$500 million Term Loan B and extended the maturity to May 11, 2024. Borrowings under the Term Loan B bear interest at an annual rate equal to, at the Company's option, either (i) LIBOR plus 2.25% or (ii) a base rate as set in the Amended Credit Agreement. At December 31, 2017, the interest rate on the Term Loan B was LIBOR plus 2.25%. The Term Loan B amortizes in equal quarterly installments in aggregate annual amounts equal to 1.0% of the original principal amount of \$500.0 million, with the balance due at maturity. Amounts borrowed under the Term Loan B that are repaid or prepaid may not be reborrowed. At closing, the Company drew down on the Term Loan B in full. Net proceeds, after the repayment of the previous \$400 million term loan B and certain transaction expenses payable at closing, were approximately \$114.3 million and were used to pay down a portion of the Revolver.

\$350 Million 5% Senior Notes Due 2021

On April 3, 2013, the Operating Partnership and Finco completed the private placement of \$350.0 million in aggregate principal amount of senior notes due 2021 (the "\$350 Million 5% Senior Notes"), which are guaranteed by the Company and its subsidiaries that guarantee the Credit Facility. The \$350 Million 5% Senior Notes and guarantees were issued pursuant to an indenture by and among the issuing subsidiaries and the guarantors and U.S. Bank National Association, as trustee. The \$350 Million 5% Senior Notes have a maturity date of April 15, 2021 and bear interest at 5% per annum, payable semi-annually in cash in arrears on April 15 and October 15 of each year. The \$350 Million 5% Senior Notes are general unsecured and unsubordinated obligations of the issuing subsidiaries and rank equal in right of payment with such subsidiaries' existing and future senior unsecured indebtedness and senior in right of payment to future subordinated indebtedness, if any. The \$350 Million 5% Senior Notes are effectively subordinated to the issuing subsidiaries' secured indebtedness to the extent of the value of the assets securing such indebtedness. The guarantees rank equally in right of payment with the applicable guarantor's existing and future senior unsecured indebtedness and senior in right of payment to any future subordinated indebtedness of such guarantor. The \$350 Million 5% Senior Notes are effectively subordinated to any secured indebtedness of any guarantor to the extent of the value of the assets securing such indebtedness and structurally subordinated to all indebtedness and other obligations of the Operating Partnership's subsidiaries that do not guarantee the \$350 Million 5% Senior Notes.

The \$350 Million 5% Senior Notes are redeemable, in whole or in part, at a redemption price expressed as a percentage of the principal amount thereof, which percentage is 102.50%, 101.25%, and 100.00% beginning on April 15, 2017, 2018 and 2019, respectively, plus accrued and unpaid interest thereon to, but not including, the redemption date.

In connection with the issuance of the \$350 Million 5% Senior Notes, the Company completed a registered offer to exchange the \$350 Million 5% Senior Notes for registered notes with substantially identical terms as the \$350 Million 5% Senior Notes in November 2013.

\$400 Million 5% Senior Notes Due 2023

On April 14, 2015, the Operating Partnership and Finco completed the private placement of \$400.0 million in aggregate principal amount of senior notes due 2023 (the "\$400 Million 5% Senior Notes"), which are guaranteed by the Company and its subsidiaries that guarantee the Credit Facility. The \$400 Million 5% Senior Notes and guarantees were issued pursuant to an indenture by and among the issuing subsidiaries and the guarantors and U.S. Bank National Association as trustee. The \$400 Million 5% Senior Notes have a maturity date of April 15, 2023 and bear interest at 5% per annum, payable semi-annually in cash in arrears on April 15 and October 15 of each year. The \$400 Million 5% Senior Notes are general unsecured and unsubordinated obligations of the issuing subsidiaries and rank equal in right of payment with such subsidiaries' existing and future senior unsecured indebtedness and senior in right of payment to future subordinated indebtedness, if any. The \$400 Million 5% Senior Notes are effectively subordinated to the

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issuing subsidiaries' secured indebtedness to the extent of the value of the assets securing such indebtedness. The guarantees rank equally in right of payment with the applicable guarantor's existing and future senior unsecured indebtedness and senior in right of payment to any future subordinated indebtedness of such guarantor. The \$400 Million 5% Senior Notes are effectively subordinated to any secured indebtedness of any guarantor to the extent of the value of the assets securing such indebtedness and structurally subordinated to all indebtedness and other obligations of the Operating Partnership's subsidiaries that do not guarantee the \$400 Million 5% Senior Notes.

The issuing subsidiaries may redeem the \$400 Million 5% Senior Notes before April 15, 2018, in whole or in part, at a redemption price equal to 100% of the principal amount plus accrued and unpaid interest, if any, up to, but excluding, the applicable redemption date plus a make-whole redemption premium. The \$400 Million 5% Senior Notes will be redeemable, in whole or in part, at any time on or after April 15, 2018 at a redemption price expressed as a percentage of the principal amount thereof, which percentage is 103.75%, 102.50%, 101.25% and 100.00% beginning on April 15 of 2018, 2019, 2020 and 2021, respectively, plus accrued and unpaid interest thereon to, but not including, the redemption date.

In connection with the issuance of the \$400 Million 5% Senior Notes, the Company completed a registered offer to exchange the \$400 Million 5% Senior Notes for registered notes with substantially identical terms as the \$400 Million 5% Senior Notes in September 2015.

6. Deferred Management Rights Proceeds

On October 1, 2012, the Company consummated its agreement to sell the Gaylord Hotels brand (the "IP Rights") and rights to manage the Gaylord Hotels properties (the "Management Rights") to Marriott for \$210.0 million in cash. Effective October 1, 2012, Marriott assumed responsibility for managing the day-to-day operations of the Gaylord Hotels properties pursuant to a management agreement for each Gaylord Hotel property. The Company allocated \$190.0 million of the purchase price to the Management Rights and \$20.0 million to the IP Rights. The allocation was based on the Company's estimates of the fair values for the respective components. The Company estimated the fair value of each component by constructing distinct discounted cash flow models.

For financial reporting purposes, the amount related to the Management Rights was deferred and is amortized on a straight line basis over the 65-year term of the hotel management agreements, including extensions, as a reduction in management fee expense in the accompanying consolidated statements of operations. The amount related to the IP Rights was recognized into income as other gains and losses during 2012.

7. Stock Plans

The Company's 2016 Omnibus Incentive Plan (the "Plan") permits the grant of stock options, stock appreciation rights, restricted stock, restricted stock units, performance awards and other share-based awards to its directors, employees and consultants. At December 31, 2017, approximately 1.6 million shares of common stock remained available for issuance pursuant to future grants of awards under the Plan.

The Company does not currently grant stock options under the Plan. There are approximately 17,000 options outstanding and exercisable at December 31, 2017, with an aggregate intrinsic value of \$0.9 million. The total intrinsic value of options exercised during 2017, 2016, and 2015 was \$0.1 million, \$3.9 million, and \$1.8 million, respectively.

Restricted stock units granted to employees vest one to four years from the date of grant, and restricted stock units granted to non-employee directors vest after one year from the date of grant, unless the recipient chooses to defer the vesting for a period of time. Depending on the type of award, the fair value of restricted stock units is determined either based on the market price of the Company's stock at the date of grant or based on a Monte-Carlo valuation. Forfeitures are estimated based on historical experience. The Company generally records compensation expense equal to the fair value of each restricted stock unit granted over the vesting period. The weighted-average grant-date fair value of restricted stock units granted during 2017, 2016, and 2015 was \$66.54, \$47.71, and \$57.21, respectively.

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A summary of the status of the Company's restricted stock units as of December 31, 2017 and changes during the year ended December 31, 2017, is presented below:

Restricted Stock Units	Shares	Weighted Average Grant-Date Fair Value
Nonvested shares at January 1, 2017	501,992	\$ 46.52
Granted	159,992	66.54
Vested	(237,262)	42.98
Canceled	(10,958)	57.15
Nonvested shares at December 31, 2017	<u>413,764</u>	<u>54.57</u>

The fair value of all restricted stock units that vested during 2017, 2016 and 2015 was \$10.2 million, \$8.9 million and \$14.0 million, respectively.

At December 31, 2017, there was \$11.1 million of total unrecognized compensation cost related to restricted stock units granted under the Company's equity incentive plans. That cost is expected to be recognized over a weighted-average period of 2.3 years.

The compensation cost that has been charged against pre-tax income for all of the Company's stock-based compensation plans was \$6.6 million, \$6.1 million, and \$6.2 million for 2017, 2016, and 2015, respectively. The total income tax benefit recognized in the accompanying consolidated statements of operations for all of the Company's stock-based employee compensation plans was \$1.5 million, \$2.0 million, and \$2.0 million for 2017, 2016, and 2015, respectively.

Cash received from option exercises under all stock-based employee compensation arrangements for 2017, 2016, and 2015 was \$0.1 million, \$1.7 million, and \$1.8 million, respectively. The actual tax benefit realized from exercise, vesting or cancellation of the stock-based employee compensation arrangements during 2017, 2016, and 2015 totaled \$1.0 million, \$1.7 million, and \$3.2 million, respectively, and is reflected as an adjustment to deferred tax liabilities in the accompanying consolidated balance sheets.

8. Pension Plans

Prior to January 1, 2001, the Company maintained a noncontributory defined benefit pension plan in which substantially all of its employees were eligible to participate upon meeting the pension plan's participation requirements. The benefits were based on years of service and compensation levels. On December 31, 2000, benefits credited under the plan's previous formula were frozen. On January 1, 2001, the Company amended its defined benefit pension plan to determine future benefits using a cash balance formula. Under the cash formula, each participant had an account which was credited monthly with 3% of qualified earnings and the interest earned on their previous month-end cash balance. In addition, the Company included a "grandfather" clause which assures that those participating at January 1, 2001 will receive the greater of the benefit calculated under the cash balance plan and the benefit that would have been payable if the defined benefit plan had remained in existence. The benefit payable to a terminated vested participant upon retirement at age 65, or as early as age 55 if the participant had 15 years of service at the time the plan was frozen, is equal to the participant's account balance, which increases with interest credits over time. At retirement, the employee generally receives the balance in the account as a lump sum. The funding policy of the Company is to contribute annually an amount which equals or exceeds the minimum required by applicable law. On December 31, 2001, the plan was frozen such that no new participants were allowed to enter the plan and existing participants were no longer eligible to earn service credits.

As a result of increased lump-sum distributions from the retirement plan during 2017, 2016 and 2015, net settlement losses of \$1.7 million, \$1.7 million and \$2.4 million were recognized in 2017, 2016 and 2015, respectively. These settlement losses have been classified as corporate operating expenses in the accompanying consolidated statements of operations.

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The following table sets forth the funded status at December 31 (amounts in thousands):

	<u>2017</u>	<u>2016</u>
CHANGE IN BENEFIT OBLIGATION:		
Benefit obligation at beginning of year	\$ 85,360	\$ 87,236
Interest cost	3,019	3,173
Actuarial loss	3,624	304
Benefits paid	<u>(6,308)</u>	<u>(5,353)</u>
Benefit obligation at end of year	85,695	85,360
CHANGE IN PLAN ASSETS:		
Fair value of plan assets at beginning of year	65,446	65,439
Actual return on plan assets	10,107	5,360
Benefits paid	<u>(6,308)</u>	<u>(5,353)</u>
Fair value of plan assets at end of year	69,245	65,446
Funded status and accrued pension cost	<u>\$ (16,450)</u>	<u>\$ (19,914)</u>

Net periodic pension expense reflected in the accompanying consolidated statements of operations included the following components for the years ended December 31 (amounts in thousands):

	<u>2017</u>	<u>2016</u>	<u>2015</u>
Interest cost	\$ 3,019	\$ 3,173	\$ 3,423
Expected return on plan assets	(4,202)	(4,131)	(4,627)
Recognized net actuarial loss	919	1,047	917
Net settlement loss	1,734	1,715	2,356
Total net periodic pension expense	<u>\$ 1,470</u>	<u>\$ 1,804</u>	<u>\$ 2,069</u>

Assumptions

The weighted-average assumptions used to determine the benefit obligation at December 31 are as follows:

	<u>2017</u>	<u>2016</u>	<u>2015</u>
Discount rate	3.30%	3.72%	3.90%
Rate of compensation increase	N/A	N/A	N/A

The weighted-average assumptions used to determine the net periodic pension expense for years ended December 31 are as follows:

	<u>2017</u>	<u>2016</u>	<u>2015</u>
Discount rate	3.59%	3.70%	3.77%
Rate of compensation increase	N/A	N/A	N/A
Expected long-term rate of return on plan assets	6.50%	6.50%	6.50%

The rate of increase in future compensation levels was not applicable for any reported years due to the Company amending the plan to freeze the cash balance benefit as described above.

The Company determines the overall expected long-term rate of return on plan assets based on its estimate of the return that plan assets will provide over the period that benefits are expected to be paid out. In preparing this estimate, the Company assesses the rates of return on each current allocation of plan assets, and advice from its third-party actuary and investment consultants. The expected return on plan assets is a long-term assumption and generally does not significantly change annually. While historical returns are considered, the rate of return assumption is primarily based on projections of expected returns based on fair value, using economic data and financial models to estimate the probability of returns. The probability distribution of annualized returns for the portfolio using current asset allocations is used to determine the expected range of returns for a ten-to-twenty-year horizon. While management believes that the assumptions used are appropriate, differences in actual experience or changes in assumptions may affect the Company's pension obligations and expense.

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Plan Assets

The plan's overall strategy is to achieve a rate of return necessary to fund benefit payments by utilizing a variety of asset types, investment strategies and investment managers. The plan seeks to achieve a real long-term rate of return over inflation resulting from income, capital gains, or both, which assists the plan in meeting its long-term objectives.

The long-term target allocations for the plan's assets are managed dynamically according to a sliding scale correlating with the funded status of the plan. As the plan's funded status increases, allocations are moved away from equity securities toward fixed income securities. Equity securities primarily include large cap and mid cap companies. Fixed income securities primarily include corporate bonds of companies in diversified industries, mortgage-backed securities and U.S. Treasuries. Investments in hedge funds and private equity funds are not held by the plan.

The allocation of the defined benefit pension plan's assets at December 31 are as follows (amounts in thousands):

<u>Asset Class</u>	<u>2017</u>	<u>2016</u>
Cash	\$ 642	\$ 728
Mutual funds	68,603	64,718
Total	<u>\$69,245</u>	<u>\$65,446</u>

All of the assets held by the plan consist of money market and mutual funds traded in an active market. The Company determined the fair value of these assets based on the net asset value per unit of the funds or the portfolio, which is based upon quoted market prices in an active market. Therefore, the Company has categorized these investments as Level 1.

Periodically, and based on market conditions, the entire account is rebalanced to maintain the desired allocation and the investment policy is reviewed. Within each asset class, plan assets are allocated to various investment styles. Professional managers manage all assets of the plan and professional advisors assist the plan in the attainment of its objectives.

Expected Contributions and Benefit Payments

The Company expects to contribute approximately \$1.6 million to its defined benefit pension plan in 2018. Based on the Company's assumptions discussed above, the Company expects to make the following estimated future benefit payments under the plan during the years ending December 31 (amounts in thousands):

2018	\$ 4,358
2019	5,102
2020	4,764
2021	5,029
2022	5,990
2023 - 2027	29,384

Other Information

The Company also maintains non-qualified pension plans (the "Non-Qualified Plans") to provide benefits to certain key employees. The Non-Qualified Plans are not funded and the beneficiaries' rights to receive distributions under these plans constitute unsecured claims to be paid from the Company's general assets. At December 31, 2017, the Non-Qualified Plans' projected benefit obligations and accumulated benefit obligations were \$15.1 million.

The Company's accrued cost related to its qualified and non-qualified pension plans of \$31.6 million and \$34.8 million at December 31, 2017 and 2016, respectively, is included in other liabilities in the accompanying consolidated balance sheets. The decrease in the deferred net loss related to the Company's retirement plans during 2017, 2016 and 2015 resulted in an increase in equity of \$4.5 million, \$3.8 million and \$0.1 million, respectively, net of taxes of \$1.5 million, \$0, and \$(0.1) million, respectively. Each of these adjustments to equity due to the change in the minimum liability are included in other comprehensive loss in the accompanying consolidated statements of stockholders' equity.

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The net gain recognized in other comprehensive income for the years ended December 31, 2017 and 2016 was \$4.5 million and \$3.8 million, respectively. Included in accumulated other comprehensive loss at December 31, 2017 and 2016 are unrecognized actuarial losses of \$35.9 million and \$40.4 million (\$25.0 million and \$27.9 million net of tax), respectively, that have not yet been recognized in net periodic pension expense. Net losses are amortized into net periodic pension expense based on the life expectancy of plan participants expected to receive benefits, using a corridor approach based on the greater of projected benefit obligation or fair value of plan assets. The estimated actuarial loss for the retirement plans included in accumulated other comprehensive loss that will be amortized from accumulated other comprehensive loss into net periodic pension expense over the next fiscal year is \$1.0 million.

9. Postretirement Benefits Other than Pensions

The Company sponsors an unfunded defined benefit postretirement health care plan for certain employees and contributes toward the cost of health insurance benefits. In order to be eligible for these postretirement benefits, an employee must retire after attainment of age 55 and completion of 15 years of service, or attainment of age 65 and completion of 10 years of service. The Company's Benefits Trust Committee determines retiree premiums. The Company amended the plans effective December 31, 2001 such that only retirees who were receiving benefits under the plans at that time and active employees at that time whose age plus years of service totaled at least 60 and who had at least 10 years of service as of December 31, 2001 remain eligible.

The following table reconciles the change in benefit obligation of the postretirement plans to the accrued postretirement liability as reflected in other liabilities in the accompanying consolidated balance sheets at December 31 (amounts in thousands):

	<u>2017</u>	<u>2016</u>
Benefit obligation at beginning of year	\$3,214	\$3,559
Interest cost	108	120
Actuarial (gain) loss	264	(47)
Benefits paid	(419)	(418)
Benefit obligation at end of year	<u>\$3,167</u>	<u>\$3,214</u>

Net postretirement benefit income reflected in the accompanying consolidated statements of operations included the following components for the years ended December 31 (amounts in thousands):

	<u>2017</u>	<u>2016</u>	<u>2015</u>
Interest cost	\$ 108	\$ 120	\$ 127
Amortization of net actuarial loss	245	242	255
Amortization of prior service credit	(1,314)	(1,314)	(1,314)
Net postretirement benefit income	<u>\$ (961)</u>	<u>\$ (952)</u>	<u>\$ (932)</u>

The discount rate used to determine the benefit obligation at December 31, 2017, 2016 and 2015 was 3.15%, 3.47% and 3.57%, respectively. The discount rate used to determine the net postretirement benefit expense for years ended December 31, 2017, 2016 and 2015 was 3.47%, 3.57% and 3.32%, respectively.

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The Company expects to contribute \$0.3 million to the plan in 2018. Based on the Company's assumptions discussed above, the Company expects to make the following estimated future benefit payments under the plan during the years ending December 31 (amounts in thousands):

2018	\$ 343
2019	327
2020	306
2021	284
2022	266
2023-2027	1,078

The net loss, amortization of net loss and amortization of prior service credit recognized in other comprehensive income for 2017 was \$0.3 million, \$0.2 million, and \$1.3 million, respectively. Included in accumulated other comprehensive loss at December 31, 2017 are the following amounts that have not yet been recognized in net postretirement benefit expense: unrecognized actuarial losses of \$3.5 million (\$1.9 million net of tax) and unrecognized prior service credits of \$12.4 million (\$6.9 million net of tax). The amortization of net loss and amortization of prior service credit recognized in other comprehensive income for 2016 was \$0.2 million and \$1.3 million, respectively. Included in accumulated other comprehensive loss at December 31, 2016 are the following amounts that have not yet been recognized in net postretirement benefit expense: unrecognized actuarial losses of \$3.4 million (\$2.0 million net of tax) and unrecognized prior service credits of \$13.7 million (\$7.8 million net of tax). The net gain, amortization of net loss, and amortization of prior service credit recognized in other comprehensive income for 2015 was \$2.8 million, \$0.3 million, and \$1.3 million, respectively.

10. Stockholders' Equity

Stock Repurchase Authorization

On August 20, 2015, the Company announced that its board of directors authorized a share repurchase program for up to \$100 million of the Company's common stock. The repurchases were intended to be implemented through open market transactions on U.S. exchanges or in privately negotiated transactions, in accordance with applicable securities laws, and any market purchases were made during open trading window periods or pursuant to any applicable Rule 10b5-1 trading plans. The authorization expired December 31, 2016. During 2016, the Company repurchased 0.5 million shares of its common stock for an aggregate purchase price of \$24.8 million, which the Company funded using cash on hand and borrowings under its revolving credit facility. The repurchased stock, which represents the entirety of shares that were repurchased under the authorization, was cancelled by the Company and has been reflected as an increase in accumulated deficit at December 31, 2016 in the accompanying consolidated financial statements.

Dividends

During 2017, the Company's board of directors declared quarterly dividends totaling \$3.20 per share of common stock for the full year, or an aggregate of \$163.7 million in cash.

During 2016, the Company's board of directors declared quarterly dividends totaling \$3.00 per share of common stock for the full year, or an aggregate of \$153.0 million in cash.

During 2015, the Company's board of directors declared quarterly dividends totaling \$2.70 per share of common stock for the full year, or an aggregate of \$138.4 million in cash.

To maintain its qualification as a REIT for federal income tax purposes, the Company must distribute at least 90% of its REIT taxable income each year. The Company's board of directors has approved the Company's current dividend policy pursuant to which the Company plans to pay a quarterly cash dividend to stockholders in an amount equal to an annualized payment of at least 50% of adjusted funds from operations (as defined by the Company) less maintenance capital expenditures or 100% of REIT taxable income on an annual basis, whichever is greater. The declaration, timing and amount of dividends will be determined by future action of the Company's board of directors. The dividend policy may be altered at any time by the Company's board of directors.

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Treasury Stock

On December 18, 2008, following approval by the Human Resources Committee and the Board of Directors, the Company and the Company's Chairman of the Board of Directors and Chief Executive Officer ("Executive") entered into an amendment to Executive's employment agreement. The amendment provided Executive with the option of making an irrevocable election to invest his existing Supplemental Employee Retirement Plan ("SERP") benefit in Company common stock, which election Executive subsequently made. The investment was made by a rabbi trust in which, during January 2009, the independent trustee of the rabbi trust purchased shares of Company common stock in the open market in compliance with applicable law. Executive is only entitled to a distribution of the Company common stock held by the rabbi trust in satisfaction of his SERP benefit. As such, the Company believes that the ownership of shares of common stock by the rabbi trust and the distribution of those shares to Executive in satisfaction of his SERP benefit meets the requirements necessary so that the Company will not recognize any increase or decrease in expense as a result of subsequent changes in the value of the Company common stock and the purchased shares are treated as treasury stock and the SERP benefit is included in additional paid-in capital in the Company's accompanying consolidated financial statements. The increase in treasury stock for a particular year represents dividends received on shares of Company common stock held by the rabbi trust.

Accumulated Other Comprehensive Loss

Changes in accumulated other comprehensive loss by component consisted of the following (amounts in thousands):

	Minimum Pension Liability	Other- Than- Temporary Impairment of Investment	Total
Balance, December 31, 2014	<u>\$ (26,331)</u>	<u>\$ —</u>	<u>\$ (26,331)</u>
Unrealized gains arising during period	1,920	—	1,920
Amounts reclassified from accumulated other comprehensive loss	88	—	88
Income tax expense	(724)	—	(724)
Net other comprehensive income	<u>1,284</u>	<u>—</u>	<u>1,284</u>
Balance, December 31, 2015	<u>\$ (25,047)</u>	<u>\$ —</u>	<u>\$ (25,047)</u>
Unrealized gains arising during period	2,599	—	2,599
Amounts reclassified from accumulated other comprehensive loss	180	—	180
Income tax expense	—	—	—
Net other comprehensive income	<u>2,779</u>	<u>—</u>	<u>2,779</u>
Balance, December 31, 2016	<u>\$ (22,268)</u>	<u>\$ —</u>	<u>\$ (22,268)</u>
Unrealized gains (losses) arising during period	3,111	(6,543)	(3,432)
Amounts reclassified from accumulated other comprehensive loss	60	—	60
Income tax expense	(1,052)	—	(1,052)
Net other comprehensive income (loss)	<u>2,119</u>	<u>(6,543)</u>	<u>(4,424)</u>
Balance, December 31, 2017	<u>\$ (20,149)</u>	<u>\$ (6,543)</u>	<u>\$ (26,692)</u>

Amounts reclassified from accumulated comprehensive loss related to the Company's minimum pension liability are presented in the accompanying consolidated statements of operations as follows (amounts in thousands):

	2017	2016	2015
Other hotel expenses	<u>\$ (214)</u>	<u>\$ (154)</u>	<u>\$ (209)</u>
Entertainment operating expenses	11	26	11
Corporate operating expenses	<u>263</u>	<u>308</u>	<u>286</u>
	<u>\$ 60</u>	<u>\$ 180</u>	<u>\$ 88</u>

11. Income Taxes

The Company has elected to be taxed as a REIT effective January 1, 2013, pursuant to the U.S. Internal Revenue Code of 1986, as amended. As a REIT, generally the Company will not be subject to federal corporate income taxes on ordinary taxable income and capital gains income from real estate investments that it distributes to its stockholders. The Company will, however, be subject to corporate income taxes on built-in gains (the excess of fair market value over tax basis at January 1, 2013) that result from gains on the sale of certain assets prior to January 1, 2018. In addition, the Company will continue to be required to pay federal and state corporate income taxes on earnings of its taxable REIT subsidiaries (“TRSs”).

The income tax (provision) benefit for continuing operations consists of the following (amounts in thousands):

	<u>2017</u>	<u>2016</u>	<u>2015</u>
CURRENT:			
Federal	\$ (1,107)	\$ (1,788)	\$ (763)
State	(2,375)	(1,291)	(1,229)
Total current provision	<u>(3,482)</u>	<u>(3,079)</u>	<u>(1,992)</u>
DEFERRED:			
Federal	32,308	321	8,866
State	18,299	(642)	(248)
Effect of federal tax law change	2,030	—	5,229
Total deferred (provision) benefit	<u>52,637</u>	<u>(321)</u>	<u>13,847</u>
Total (provision) benefit for income taxes	<u>\$49,155</u>	<u>\$(3,400)</u>	<u>\$11,855</u>

On December 22, 2017, the Tax Cuts and Jobs Act (“TCJA”) was enacted. The TCJA lowered the U.S. federal corporate income tax rate from 35% to 21% for tax years beginning after December 31, 2017. At December 31, 2017, the Company has not completed its accounting for the tax effects of the enactment; however, based on a reasonable estimate, the Company recorded a non-cash tax benefit of \$2.0 million during the fourth quarter of 2017 to reflect the impact of this rate change on existing deferred tax amounts, which is included above as a component of the benefit for income taxes for 2017.

On December 22, 2017, Staff Accounting Bulletin No. 118 was issued to address the application of U.S. GAAP in situations when a registrant does not have the necessary information available, prepared or analyzed (including computations) in reasonable detail to complete the accounting for certain income tax effects of the TCJA. The ultimate impact may differ from these provisional amounts due to additional analysis, changes in interpretations and assumptions the Company has made, additional regulatory guidance that may be issued and actions the Company may take as a result of the TCJA. The accounting is expected to be complete when the 2017 U.S. corporate tax return is filed in 2018.

The Company evaluates its deferred tax assets each reporting period to determine if it is more likely than not that those assets will be realized or if a valuation allowance is needed. In the fourth quarter of 2017, due to projected future taxable income of our TRSs driven by fourth quarter 2017 modifications to internal hotel leases, the Company determined that the release of a significant portion of its federal and state valuation allowance was appropriate. This release of valuation allowance totaling \$53.4 million was the primary factor for the large income tax benefit for 2017 and is included as a component of the benefit for income taxes for 2017.

In December 2015, the Protecting Americans from Tax Hikes Act of 2015 (the “PATH Act”) was passed. The PATH Act made permanent several key tax provisions including lowering the recognition period related to built-in gains from ten years to five years. As a result, the Company recorded a one-time, non-cash tax benefit of \$5.2 million during the fourth quarter of 2015 to reflect this change.

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The Company is required to distribute at least 90% of its annual taxable income, excluding net capital gains, to its stockholders in order to maintain its qualification as a REIT. The taxability of distributions to stockholders is determined by the Company's earnings and profits, which differs from net income reported for financial reporting purposes. The estimated taxability of cash distributions to common shareholders is as follows (per common share):

	<u>2017</u>	<u>2016</u>	<u>2015</u>
Ordinary income	\$2.97	\$2.98	\$2.50
Capital gains	0.03	0.17	0.23
Return of capital	0.15	—	—
	<u>\$3.15</u>	<u>\$3.15</u>	<u>\$2.73</u>

The differences between the income tax provision calculated at the statutory U.S. federal income tax rate of 35% and the actual income tax (provision) benefit recorded for continuing operations are as follows (amounts in thousands):

	<u>2017</u>	<u>2016</u>	<u>2015</u>
Statutory federal income tax provision	\$(44,431)	\$(56,914)	\$(34,774)
Adjustment for nontaxable income of the REIT	38,272	48,680	34,904
State taxes (net of federal tax benefit)	(1,317)	(1,705)	(740)
Permanent share-based compensation adjustment	1,446	1,571	—
Other permanent items	(251)	(200)	(165)
Federal valuation allowance reversal	36,156	5,519	8,271
State valuation allowance reversal (net of federal tax benefit)	17,241	(228)	(737)
Effect of federal tax law change	2,030	—	5,229
Other	9	(123)	(133)
	<u>\$ 49,155</u>	<u>\$ (3,400)</u>	<u>\$ 11,855</u>

In 2016, the Company adopted ASU 2016-09, "Improvements to Employee Share-Based Payment Accounting". Upon adoption, the Company recorded an immaterial one-time adjustment to retained earnings for prior unrecognized excess tax benefits, net of allowance, as shown in the accompanying consolidated statement of stockholders' equity for the year ended December 31, 2016. Beginning in 2016, any excess tax benefit or tax deficiency from share-based payment vesting or settlement is recorded as part of a permanent share-based compensation adjustment.

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Significant components of the Company's deferred tax assets and liabilities at December 31 are as follows (amounts in thousands):

	2017	2016
DEFERRED TAX ASSETS:		
Accounting reserves and accruals	\$ 14,830	\$ 20,979
Defined benefit plan	4,148	7,665
Deferred management rights proceeds	44,651	69,317
Federal and State net operating loss carryforwards	44,789	51,615
Tax credits and other carryforwards	640	819
Investment in joint ventures	317	584
Other assets	4,353	6,171
Total deferred tax assets	113,728	157,150
Valuation allowance	(14,616)	(88,653)
Total deferred tax assets, net of valuation allowance	99,112	68,497
DEFERRED TAX LIABILITIES:		
Property and equipment, net	47,416	67,168
Goodwill and other intangibles	705	1,201
Other liabilities	874	1,597
Total deferred tax liabilities	48,995	69,966
Net deferred tax assets (liabilities)	<u>\$ 50,117</u>	<u>\$ (1,469)</u>

Federal net operating loss carryforwards at December 31, 2017 totaled \$89.1 million, resulting in a deferred tax benefit of \$18.7 million, which will begin to expire in 2033. Charitable contribution carryforwards at December 31, 2017 totaled \$2.9 million, resulting in a deferred tax benefit of \$0.6 million, which will begin to expire in 2018. The use of certain federal net operating losses, credits and other deferred tax assets are limited to the Company's future taxable earnings. As a result, a valuation allowance has been provided for certain federal deferred tax assets. The valuation allowance related to federal deferred tax assets increased (decreased) \$(60.6) million, \$0.6 million and \$(8.3) million in 2017, 2016 and 2015, respectively. State net operating loss carryforwards at December 31, 2017 totaled \$454.6 million, resulting in a deferred tax benefit of \$26.1 million, which will expire between 2018 and 2037. The use of certain state net operating losses, credits and other state deferred tax assets are limited to the future taxable earnings of separate legal entities. As a result, a valuation allowance has been provided for certain state deferred tax assets, including loss carryforwards. The valuation allowance related to state deferred tax assets decreased \$13.4 million, \$0.2 million and \$1.8 million in 2017, 2016 and 2015, respectively. The total 2017 decrease in federal and state valuation allowance of \$74.0 million differs from the amounts shown in the rate reconciliation of \$53.4 million due primarily to the effects of the rate change enacted as a result of the TCJA, which resulted in a reduction in deferred tax assets and liabilities offset by a reduction in the corresponding valuation allowance. Management believes that it is more likely than not that the results of operations will generate sufficient taxable income to realize the deferred tax assets after giving consideration to the valuation allowance.

The Company has concluded IRS examinations of the TRS through the 2015 tax year. For federal income tax purposes and substantially all the states with which the Company has nexus, the statute of limitations has expired through 2013. However, the Company has state net operating loss carryforwards from closed years, which could be adjusted upon audit. The Company is routinely subject to other various jurisdictional income tax audits; however, there were no outstanding state or local audits at December 31, 2017.

At December 31, 2017 and 2016, the Company had no accruals for unrecognized tax benefits. The Company recognizes interest and penalties related to uncertain tax positions, if any, in income tax expense. At December 31, 2017 and 2016, the Company has accrued no interest or penalties related to uncertain tax positions.

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12. Commitments and Contingencies

Leases

In the accompanying consolidated balance sheets, the following amounts of assets under capitalized lease agreements are included as shown and the related obligations are included in debt (amounts in thousands):

	<u>2017</u>	<u>2016</u>
Property and equipment	\$ 3,636	\$ 3,636
Prepaid expenses and other assets	130	130
Accumulated depreciation	<u>(2,717)</u>	<u>(2,429)</u>
Net assets under capital leases	<u>\$ 1,049</u>	<u>\$ 1,337</u>

Rental expense for operating leases was \$12.5 million, \$12.4 million, and \$12.3 million for 2017, 2016 and 2015, respectively.

The Company entered into a 75-year operating lease agreement during 1999 for 65.3 acres of land located in Osceola County, Florida for the development of Gaylord Palms. The lease requires the Company to make annual base lease payments, which were approximately \$4.1 million in 2017. The lease agreement provides for an annual 3% escalation of base rent. The terms of this lease require that the Company recognize lease expense on a straight-line basis, which resulted in an annual base lease expense of approximately \$9.4 million for 2017, 2016, and 2015. This rent included approximately \$5.1 million, \$5.2 million, and \$5.4 million of non-cash expenses during 2017, 2016, and 2015, respectively. At the end of the 75-year lease term, the Company may extend the operating lease to January 31, 2101, at which point the buildings and fixtures will be transferred to the lessor. The Company also records contingent rental expense based upon net revenues associated with the Gaylord Palms operations. The Company recorded \$2.2 million, \$2.2 million, and \$2.0 million of contingent rental expense related to the Gaylord Palms in 2017, 2016, and 2015, respectively.

Future minimum cash lease commitments under all non-cancelable leases in effect at December 31, 2017 are as follows (amounts in thousands):

	<u>Capital Leases</u>	<u>Operating Leases</u>
2018	\$ 46	\$ 4,597
2019	46	4,732
2020	46	4,867
2021	46	5,009
2022	46	5,153
Years thereafter	704	590,989
Total minimum lease payments	934	<u>\$615,347</u>
Less amount representing interest	<u>(295)</u>	
Total present value of minimum payments	<u>\$ 639</u>	

Other Commitments and Contingencies

The Company is self-insured up to a stop loss for certain losses relating to workers' compensation claims and general liability claims through September 30, 2012, and for certain losses related to employee medical benefits through December 31, 2012. The Company's insurance program has subsequently transitioned to a low or no deductible program. The Company has purchased stop-loss coverage in order to limit its exposure to any significant levels of claims relating to workers' compensation, employee medical benefits and general liability for which it is self-insured.

The Company has entered into employment agreements with certain officers, which provides for severance payments upon certain events, including after a change of control.

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The Company, in the ordinary course of business, is involved in certain legal actions and claims on a variety of other matters. It is the opinion of management that such legal actions will not have a material effect on the results of operations, financial condition or liquidity of the Company.

13. Fair Value Measurements

The Company uses a three-tier fair value hierarchy, which prioritizes the inputs used in measuring fair value. These tiers include: Level 1, defined as observable inputs such as quoted prices in active markets; Level 2, defined as inputs other than quoted prices in active markets that are either directly or indirectly observable; and Level 3, defined as unobservable inputs in which little or no market data exists, therefore requiring an entity to develop its own assumptions.

At December 31, 2017 and 2016, the Company held certain assets that are required to be measured at fair value on a recurring basis. These included investments held in connection with the Company's non-qualified contributory deferred compensation plan.

These investments consist of money market and mutual funds traded in an active market. The Company determined the fair value of these assets based on the net asset value per unit of the funds or the portfolio, which is based upon quoted market prices in an active market. Therefore, the Company has categorized these investments as Level 1.

The Company has consistently applied these valuation techniques in all periods presented and believes it has obtained the most accurate information available for the types of instruments it holds.

The Company had no liabilities required to be measured at fair value at December 31, 2017 and December 31, 2016. The Company's assets measured at fair value on a recurring basis at December 31, were as follows (in thousands):

	December 31, 2017	Markets for Identical Assets (Level 1)	Observable Inputs (Level 2)	Unobservable Inputs (Level 3)
Deferred compensation plan investments	\$ 25,055	\$ 25,055	\$ —	\$ —
Total assets measured at fair value	\$ 25,055	\$ 25,055	\$ —	\$ —
	December 31, 2016	Markets for Identical Assets (Level 1)	Observable Inputs (Level 2)	Unobservable Inputs (Level 3)
Deferred compensation plan investments	\$ 22,204	\$ 22,204	\$ —	\$ —
Total assets measured at fair value	\$ 22,204	\$ 22,204	\$ —	\$ —

The remainder of the assets and liabilities held by the Company at December 31, 2017 are not required to be measured at fair value, and the carrying value of these assets and liabilities approximates fair value.

14. Financial Reporting By Business Segments

The Company's continuing operations are organized into the following principal business segments:

- *Hospitality*, which includes the Gaylord Hotels properties, the Inn at Opryland, the AC Hotel, and the Company's investment in the Gaylord Rockies joint venture;
- *Entertainment*, which includes the Grand Ole Opry, the Ryman Auditorium, WSM-AM, Ole Red, the Company's equity investment in Opry City Stage, and the Company's Nashville-based attractions; and
- *Corporate and Other*, which includes the Company's corporate expenses.

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The following information (amounts in thousands) is derived directly from the segments' internal financial reports used for corporate management purposes.

	<u>2017</u>	<u>2016</u>	<u>2015</u>
REVENUES:			
Hospitality	\$ 1,059,660	\$ 1,039,643	\$ 994,603
Entertainment	125,059	109,564	97,521
Corporate and Other	—	—	—
Total revenues	<u>\$ 1,184,719</u>	<u>\$ 1,149,207</u>	<u>\$ 1,092,124</u>
DEPRECIATION AND AMORTIZATION:			
Hospitality	\$ 102,759	\$ 100,186	\$ 105,876
Entertainment	7,074	7,034	5,747
Corporate and Other	2,126	2,596	2,760
Total depreciation and amortization	<u>\$ 111,959</u>	<u>\$ 109,816</u>	<u>\$ 114,383</u>
OPERATING INCOME (LOSS):			
Hospitality	\$ 224,025	\$ 217,564	\$ 189,434
Entertainment	33,592	27,980	24,411
Corporate and Other	(35,621)	(31,739)	(31,674)
Preopening costs	(1,926)	—	(909)
Impairment and other charges	(35,418)	—	(19,200)
Total operating income	184,652	213,805	162,062
Interest expense, net of amounts capitalized	(66,051)	(63,906)	(63,901)
Interest income	11,818	11,500	12,384
Loss from joint ventures	(4,402)	(2,794)	—
Other gains and (losses)	928	4,161	(10,889)
Income before income taxes	<u>\$ 126,945</u>	<u>\$ 162,766</u>	<u>\$ 99,656</u>
	<u>December 31,</u>	<u>December 31,</u>	
	<u>2017</u>	<u>2016</u>	
IDENTIFIABLE ASSETS:			
Hospitality	\$ 2,256,395	\$ 2,206,304	
Entertainment	132,671	113,441	
Corporate and Other	135,162	86,008	
Total identifiable assets	<u>\$ 2,524,228</u>	<u>\$ 2,405,753</u>	

The following table represents the capital expenditures by segment for the years ended December 31 (amounts in thousands):

	<u>2017</u>	<u>2016</u>	<u>2015</u>
CAPITAL EXPENDITURES:			
Hospitality	\$ 163,227	\$ 96,372	\$ 65,651
Entertainment	18,814	20,940	13,477
Corporate and other	524	665	687
Total capital expenditures	<u>\$ 182,565</u>	<u>\$ 117,977</u>	<u>\$ 79,815</u>

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15. Quarterly Financial Information (Unaudited)

The following is selected unaudited quarterly financial data for the fiscal years ended December 31, 2017 and 2016 (amounts in thousands, except per share data).

The sum of the quarterly per share amounts may not equal the annual totals due to rounding.

	2017			
	First Quarter	Second Quarter	Third Quarter	Fourth Quarter
Revenues	\$276,042	\$298,778	\$264,724	\$345,175
Depreciation and amortization	27,637	27,679	28,546	28,097
Operating income	47,060	64,693	36,409	36,490
Income before income taxes	33,213	48,191	24,400	21,141
(Provision) benefit for income taxes	(593)	(899)	(530)	51,177
Net income	32,620	47,292	23,870	72,318
Net income per share	0.64	0.92	0.47	1.41
Net income per share — assuming dilution	0.63	0.92	0.46	1.41

	2016			
	First Quarter	Second Quarter	Third Quarter	Fourth Quarter
Revenues	\$261,497	\$296,215	\$271,720	\$319,775
Depreciation and amortization	28,773	26,409	26,706	27,928
Operating income	38,794	66,945	46,567	61,499
Income before income taxes	25,461	52,746	35,415	49,144
(Provision) benefit for income taxes	885	(1,415)	(1,822)	(1,048)
Net income	26,346	51,331	33,593	48,096
Net income per share	0.52	1.01	0.66	0.94
Net income per share — assuming dilution	0.51	1.00	0.66	0.94

During the fourth quarter of 2017, the Company incurred an impairment charge of \$35.4 million associated with the bonds it received in 2008 related to the Gaylord National construction, which it holds as notes receivable, as described in Note 3. This impairment charge is included in other-than-temporary impairment loss on held-to-maturity securities in the accompanying consolidated statement of operations.

During the fourth quarter of 2017, the Company recognized an income tax benefit of \$53.4 million associated with the release of valuation allowance, as described in Note 11, which is included in benefit for income taxes in the accompanying consolidated statement of operations.

16. Information Concerning Guarantor and Non-Guarantor Subsidiaries

The \$350 Million 5% Senior Notes and the \$400 Million 5% Senior Notes were each issued by the Operating Partnership and Finco and are guaranteed on a senior unsecured basis by the Company, each of the Company's four wholly-owned subsidiaries that own the Gaylord Hotels properties, and certain other of the Company's subsidiaries, each of which guarantees the Operating Partnership's Amended Credit Agreement (such subsidiary guarantors, together with the Company, the "Guarantors"). The subsidiary Guarantors are 100% owned, and the guarantees are full and unconditional and joint and several. Not all of the Company's subsidiaries have guaranteed the \$350 Million 5% Senior Notes and the \$400 Million 5% Senior Notes.

The following condensed consolidating financial information includes certain allocations of expenses based on management's best estimates, which are not necessarily indicative of financial position, results of operations and cash flows that these entities would have achieved on a stand-alone basis.

RYMAN HOSPITALITY PROPERTIES, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATING BALANCE SHEET
As of December 31, 2017

(in thousands)	Parent Guarantor	Issuer	Guarantors	Non- Guarantors	Eliminations	Consolidated
ASSETS:						
Property and equipment, net of accumulated depreciation	\$ —	\$ —	\$1,640,274	\$ 425,383	\$ —	\$2,065,657
Cash and cash equivalents—unrestricted	38	759	36	56,724	—	57,557
Cash and cash equivalents—restricted	—	—	—	21,153	—	21,153
Notes receivable	—	—	—	111,423	—	111,423
Investment in Gaylord Rockies joint venture	—	—	—	88,685	—	88,685
Trade receivables, less allowance	—	—	—	57,520	—	57,520
Deferred income tax assets, net	—	—	(301)	50,418	—	50,117
Prepaid expenses and other assets	—	—	5	72,111	—	72,116
Intercompany receivables, net	—	—	1,717,157	—	(1,717,157)	—
Investments	1,006,461	2,890,032	651,006	1,364,814	(5,912,313)	—
Total assets	<u>\$1,006,499</u>	<u>\$2,890,791</u>	<u>\$4,008,177</u>	<u>\$2,248,231</u>	<u>\$(7,629,470)</u>	<u>\$2,524,228</u>
LIABILITIES AND STOCKHOLDERS' EQUITY:						
Debt and capital lease obligations	\$ —	\$1,590,753	\$ —	\$ 639	\$ —	\$1,591,392
Accounts payable and accrued liabilities	150	11,180	15,795	152,524	—	179,649
Dividends payable	42,129	—	—	—	—	42,129
Deferred management rights proceeds	—	—	—	177,057	—	177,057
Other liabilities	—	—	95,078	60,767	—	155,845
Intercompany payables, net	586,064	895,408	—	235,685	(1,717,157)	—
Commitments and contingencies						
Stockholders' equity:						
Preferred stock	—	—	—	—	—	—
Common stock	512	1	1	2,387	(2,389)	512
Additional paid-in-capital	896,759	671,875	2,835,468	2,073,818	(5,581,161)	896,759
Treasury stock	(13,253)	—	—	—	—	(13,253)
Accumulated deficit	(479,170)	(278,426)	1,061,835	(427,954)	(355,455)	(479,170)
Accumulated other comprehensive loss	(26,692)	—	—	(26,692)	26,692	(26,692)
Total stockholders' equity	<u>378,156</u>	<u>393,450</u>	<u>3,897,304</u>	<u>1,621,559</u>	<u>(5,912,313)</u>	<u>378,156</u>
Total liabilities and stockholders' equity	<u>\$1,006,499</u>	<u>\$2,890,791</u>	<u>\$4,008,177</u>	<u>\$2,248,231</u>	<u>\$(7,629,470)</u>	<u>\$2,524,228</u>

RYMAN HOSPITALITY PROPERTIES, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATING BALANCE SHEET
As of December 31, 2016

(in thousands)	Parent Guarantor	Issuer	Guarantors	Non- Guarantors	Eliminations	Consolidated
ASSETS:						
Property and equipment, net of accumulated depreciation	\$ —	\$ —	\$1,600,288	\$ 397,724	\$ —	\$1,998,012
Cash and cash equivalents—unrestricted	28	1,234	23	57,843	—	59,128
Cash and cash equivalents—restricted	—	—	—	22,062	—	22,062
Notes receivable	—	—	—	152,882	—	152,882
Investment in Gaylord Rockies joint venture	—	—	—	70,440	—	70,440
Trade receivables, less allowance	—	—	—	47,818	—	47,818
Prepaid expenses and other assets	460	42	5	55,407	(503)	55,411
Intercompany receivables, net	—	—	1,640,220	—	(1,640,220)	—
Investments	988,467	2,886,113	546,007	803,618	(5,224,205)	—
Total assets	<u>\$ 988,955</u>	<u>\$2,887,389</u>	<u>\$3,786,543</u>	<u>\$1,607,794</u>	<u>\$(6,864,928)</u>	<u>\$2,405,753</u>
LIABILITIES AND STOCKHOLDERS' EQUITY:						
Debt and capital lease obligations	\$ —	\$1,501,895	\$ —	\$ 659	\$ —	\$1,502,554
Accounts payable and accrued liabilities	740	8,152	11,863	142,940	(490)	163,205
Dividends payable	39,404	—	—	—	—	39,404
Deferred management rights proceeds	—	—	—	180,088	—	180,088
Deferred income tax liabilities, net	828	—	573	68	—	1,469
Other liabilities	—	—	89,989	61,060	(13)	151,036
Intercompany payables, net	579,986	752,852	—	307,382	(1,640,220)	—
Commitments and contingencies						
Stockholders' equity:						
Preferred stock	—	—	—	—	—	—
Common stock	510	1	1	2,387	(2,389)	510
Additional paid-in-capital	893,102	835,294	2,827,692	1,410,611	(5,073,597)	893,102
Treasury stock	(11,542)	—	—	—	—	(11,542)
Accumulated deficit	(491,805)	(210,805)	856,425	(475,133)	(170,487)	(491,805)
Accumulated other comprehensive loss	(22,268)	—	—	(22,268)	22,268	(22,268)
Total stockholders' equity	<u>367,997</u>	<u>624,490</u>	<u>3,684,118</u>	<u>915,597</u>	<u>(5,224,205)</u>	<u>367,997</u>
Total liabilities and stockholders' equity	<u>\$ 988,955</u>	<u>\$2,887,389</u>	<u>\$3,786,543</u>	<u>\$1,607,794</u>	<u>\$(6,864,928)</u>	<u>\$2,405,753</u>

RYMAN HOSPITALITY PROPERTIES, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATING STATEMENT OF OPERATIONS
AND COMPREHENSIVE INCOME
For the Year Ended December 31, 2017

(in thousands)	<u>Parent Guarantor</u>	<u>Issuer</u>	<u>Guarantors</u>	<u>Non- Guarantors</u>	<u>Eliminations</u>	<u>Consolidated</u>
Revenues:						
Rooms	\$ —	\$ —	\$ —	\$ 431,768	\$ —	\$ 431,768
Food and beverage	—	—	—	483,945	—	483,945
Other hotel revenue	—	—	316,402	159,162	(331,617)	143,947
Entertainment	—	—	—	125,844	(785)	125,059
Total revenues	<u>—</u>	<u>—</u>	<u>316,402</u>	<u>1,200,719</u>	<u>(332,402)</u>	<u>1,184,719</u>
Operating expenses:						
Rooms	—	—	—	112,636	—	112,636
Food and beverage	—	—	—	269,824	—	269,824
Other hotel expenses	—	—	44,386	599,037	(316,863)	326,560
Management fees, net	—	—	—	23,856	—	23,856
Total hotel operating expenses	<u>—</u>	<u>—</u>	<u>44,386</u>	<u>1,005,353</u>	<u>(316,863)</u>	<u>732,876</u>
Entertainment	—	—	—	84,284	109	84,393
Corporate	253	1,596	2	31,644	—	33,495
Preopening costs	—	—	—	1,926	—	1,926
Impairment and other charges	—	—	—	35,418	—	35,418
Corporate overhead allocation	8,615	—	7,033	—	(15,648)	—
Depreciation and amortization	—	—	59,534	52,425	—	111,959
Total operating expenses	<u>8,868</u>	<u>1,596</u>	<u>110,955</u>	<u>1,211,050</u>	<u>(332,402)</u>	<u>1,000,067</u>
Operating income (loss)	<u>(8,868)</u>	<u>(1,596)</u>	<u>205,447</u>	<u>(10,331)</u>	<u>—</u>	<u>184,652</u>
Interest expense	—	(66,025)	—	(26)	—	(66,051)
Interest income	—	—	—	11,818	—	11,818
Loss from joint ventures	—	—	—	(4,402)	—	(4,402)
Other gains and (losses), net	—	—	—	928	—	928
Income (loss) before income taxes	<u>(8,868)</u>	<u>(67,621)</u>	<u>205,447</u>	<u>(2,013)</u>	<u>—</u>	<u>126,945</u>
(Provision) benefit for income taxes	—	—	(37)	49,192	—	49,155
Equity in subsidiaries' earnings, net	<u>184,968</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>(184,968)</u>	<u>—</u>
Net income (loss)	<u>\$176,100</u>	<u>\$(67,621)</u>	<u>\$ 205,410</u>	<u>\$ 47,179</u>	<u>\$ (184,968)</u>	<u>\$ 176,100</u>
Comprehensive income (loss)	<u>\$171,676</u>	<u>\$(67,621)</u>	<u>\$ 205,410</u>	<u>\$ 42,755</u>	<u>\$ (180,544)</u>	<u>\$ 171,676</u>

RYMAN HOSPITALITY PROPERTIES, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATING STATEMENT OF OPERATIONS
AND COMPREHENSIVE INCOME
For the Year Ended December 31, 2016

(in thousands)	<u>Parent Guarantor</u>	<u>Issuer</u>	<u>Guarantors</u>	<u>Non- Guarantors</u>	<u>Eliminations</u>	<u>Consolidated</u>
Revenues:						
Rooms	\$ —	\$ —	\$ —	\$ 420,011	\$ —	\$ 420,011
Food and beverage	—	—	—	477,493	—	477,493
Other hotel revenue	—	—	307,840	157,274	(322,975)	142,139
Entertainment	209	—	—	110,333	(978)	109,564
Total revenues	<u>209</u>	<u>—</u>	<u>307,840</u>	<u>1,165,111</u>	<u>(323,953)</u>	<u>1,149,207</u>
Operating expenses:						
Rooms	—	—	—	109,618	—	109,618
Food and beverage	—	—	—	267,307	—	267,307
Other hotel expenses	—	—	43,197	587,908	(308,331)	322,774
Management fees, net	—	—	—	22,194	—	22,194
Total hotel operating expenses	<u>—</u>	<u>—</u>	<u>43,197</u>	<u>987,027</u>	<u>(308,331)</u>	<u>721,893</u>
Entertainment	—	—	—	74,604	(54)	74,550
Corporate	355	1,615	2	27,171	—	29,143
Corporate overhead allocation	8,735	—	6,833	—	(15,568)	—
Depreciation and amortization	156	—	59,076	50,584	—	109,816
Total operating expenses	<u>9,246</u>	<u>1,615</u>	<u>109,108</u>	<u>1,139,386</u>	<u>(323,953)</u>	<u>935,402</u>
Operating income (loss)	<u>(9,037)</u>	<u>(1,615)</u>	<u>198,732</u>	<u>25,725</u>	<u>—</u>	<u>213,805</u>
Interest expense	—	(63,880)	—	(26)	—	(63,906)
Interest income	28	—	—	11,472	—	11,500
Loss from joint ventures	—	—	—	(2,794)	—	(2,794)
Other gains and (losses), net	—	—	1,868	2,293	—	4,161
Income (loss) before income taxes	<u>(9,009)</u>	<u>(65,495)</u>	<u>200,600</u>	<u>36,670</u>	<u>—</u>	<u>162,766</u>
Provision for income taxes	(752)	—	(273)	(2,375)	—	(3,400)
Equity in subsidiaries' earnings, net	169,127	—	—	—	(169,127)	—
Net income (loss)	<u>\$159,366</u>	<u>\$ (65,495)</u>	<u>\$ 200,327</u>	<u>\$ 34,295</u>	<u>\$ (169,127)</u>	<u>\$ 159,366</u>
Comprehensive income (loss)	<u>\$162,145</u>	<u>\$ (65,495)</u>	<u>\$ 200,327</u>	<u>\$ 37,074</u>	<u>\$ (171,906)</u>	<u>\$ 162,145</u>

RYMAN HOSPITALITY PROPERTIES, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATING STATEMENT OF OPERATIONS
AND COMPREHENSIVE INCOME
For the Year Ended December 31, 2015

(in thousands)	<u>Parent Guarantor</u>	<u>Issuer</u>	<u>Guarantors</u>	<u>Non- Guarantors</u>	<u>Eliminations</u>	<u>Consolidated</u>
Revenues:						
Rooms	\$ —	\$ —	\$ —	\$ 404,457	\$ —	\$ 404,457
Food and beverage	—	—	—	461,157	—	461,157
Other hotel revenue	—	—	298,698	145,817	(315,526)	128,989
Entertainment	261	—	—	98,228	(968)	97,521
Total revenues	<u>261</u>	<u>—</u>	<u>298,698</u>	<u>1,109,659</u>	<u>(316,494)</u>	<u>1,092,124</u>
Operating expenses:						
Rooms	—	—	—	110,067	—	110,067
Food and beverage	—	—	—	261,580	—	261,580
Other hotel expenses	—	—	43,388	568,830	(299,229)	312,989
Management fees, net	—	—	—	14,657	—	14,657
Total hotel operating expenses	<u>—</u>	<u>—</u>	<u>43,388</u>	<u>955,134</u>	<u>(299,229)</u>	<u>699,293</u>
Entertainment	—	—	—	67,366	(3)	67,363
Corporate	328	1,433	2	27,151	—	28,914
Corporate overhead allocation	9,682	—	7,580	—	(17,262)	—
Preopening costs	—	—	—	909	—	909
Impairment and other charges	—	—	16,310	2,890	—	19,200
Depreciation and amortization	127	—	58,998	55,258	—	114,383
Total operating expenses	<u>10,137</u>	<u>1,433</u>	<u>126,278</u>	<u>1,108,708</u>	<u>(316,494)</u>	<u>930,062</u>
Operating income (loss)	<u>(9,876)</u>	<u>(1,433)</u>	<u>172,420</u>	<u>951</u>	<u>—</u>	<u>162,062</u>
Interest expense	—	(64,038)	17	120	—	(63,901)
Interest income	—	—	—	12,384	—	12,384
Other gains and (losses), net	(13,346)	—	—	2,457	—	(10,889)
Income (loss) before income taxes	(23,222)	(65,471)	172,437	15,912	—	99,656
(Provision) benefit for income taxes	5,080	—	(222)	6,997	—	11,855
Equity in subsidiaries' earnings, net	129,653	—	—	—	(129,653)	—
Net income (loss)	<u>\$ 111,511</u>	<u>\$ (65,471)</u>	<u>\$ 172,215</u>	<u>\$ 22,909</u>	<u>\$ (129,653)</u>	<u>\$ 111,511</u>
Comprehensive income (loss)	<u>\$ 112,795</u>	<u>\$ (65,471)</u>	<u>\$ 172,215</u>	<u>\$ 24,193</u>	<u>\$ (130,937)</u>	<u>\$ 112,795</u>

RYMAN HOSPITALITY PROPERTIES, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATING STATEMENT OF CASH FLOWS
For the Year Ended December 31, 2017

(in thousands)	Parent Guarantor	Issuer	Guarantor	Non- Guarantor	Eliminations	Consolidated
Net cash provided by (used in) operating activities	\$ 165,461	\$ (83,057)	\$ 96,529	\$ 116,897	\$ —	\$ 295,830
Purchases of property and equipment	—	—	(96,516)	(86,049)	—	(182,565)
Investment in Gaylord Rockies joint venture	—	—	—	(16,309)	—	(16,309)
Investment in other joint ventures	—	—	—	(9,313)	—	(9,313)
Decrease in restricted cash and cash equivalents	—	—	—	909	—	909
Other investing activities	—	—	—	(7,234)	—	(7,234)
Net cash used in investing activities	—	—	(96,516)	(117,996)	—	(214,512)
Net repayments under revolving credit facility	—	(211,400)	—	—	—	(211,400)
Borrowings under term loan A	—	200,000	—	—	—	200,000
Borrowings under term loan B	—	500,000	—	—	—	500,000
Repayments under term loan B	—	(393,750)	—	—	—	(393,750)
Deferred financing costs paid	—	(12,268)	—	—	—	(12,268)
Payment of dividends	(161,706)	—	—	—	—	(161,706)
Payment of tax withholdings for share-based compensation	(3,810)	—	—	—	—	(3,810)
Other financing activities, net	65	—	—	(20)	—	45
Net cash provided by (used in) financing activities	(165,451)	82,582	—	(20)	—	(82,889)
Net change in cash and cash equivalents	10	(475)	13	(1,119)	—	(1,571)
Cash and cash equivalents at beginning of period	28	1,234	23	57,843	—	59,128
Cash and cash equivalents at end of period	<u>\$ 38</u>	<u>\$ 759</u>	<u>\$ 36</u>	<u>\$ 56,724</u>	<u>\$ —</u>	<u>\$ 57,557</u>

RYMAN HOSPITALITY PROPERTIES, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATING STATEMENT OF CASH FLOWS
For the Year Ended December 31, 2016

(in thousands)	<u>Parent</u> <u>Guarantor</u>	<u>Issuer</u>	<u>Guarantor</u>	<u>Non-</u> <u>Guarantor</u>	<u>Eliminations</u>	<u>Consolidated</u>
Net cash provided by (used in) operating activities	\$ 171,231	\$(66,344)	\$ 31,365	\$ 157,349	\$ —	\$ 293,601
Purchases of property and equipment	(507)	—	(36,122)	(81,348)	—	(117,977)
Investment in Gaylord Rockies joint venture	—	—	—	(70,141)	—	(70,141)
Investment in other joint ventures	—	—	—	(2,500)	—	(2,500)
Proceeds from sale of Peterson LOI	6,785	—	—	—	—	6,785
Decrease in restricted cash and cash equivalents	—	—	—	293	—	293
Other investing activities	—	—	4,622	(323)	—	4,299
Net cash provided by (used in) investing activities	6,278	—	(31,500)	(154,019)	—	(179,241)
Net borrowings under revolving credit facility	—	76,000	—	—	—	76,000
Repayments under term loan B	—	(4,000)	—	—	—	(4,000)
Repayment of note payable related to purchase of AC Hotel	—	(6,000)	—	—	—	(6,000)
Repurchase of Company stock for retirement	(24,811)	—	—	—	—	(24,811)
Payment of dividends	(151,160)	—	—	—	—	(151,160)
Payment of tax withholdings for share-based compensation	(3,235)	—	—	—	—	(3,235)
Other financing activities, net	1,702	—	—	(19)	—	1,683
Net cash provided by (used in) financing activities	(177,504)	66,000	—	(19)	—	(111,523)
Net change in cash and cash equivalents	5	(344)	(135)	3,311	—	2,837
Cash and cash equivalents at beginning of period	23	1,578	158	54,532	—	56,291
Cash and cash equivalents at end of period	<u>\$ 28</u>	<u>\$ 1,234</u>	<u>\$ 23</u>	<u>\$ 57,843</u>	<u>\$ —</u>	<u>\$ 59,128</u>

RYMAN HOSPITALITY PROPERTIES, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATING STATEMENT OF CASH FLOWS
For the Year Ended December 31, 2015

(in thousands)	<u>Parent</u> <u>Guarantor</u>	<u>Issuer</u>	<u>Guarantor</u>	<u>Non-</u> <u>Guarantor</u>	<u>Eliminations</u>	<u>Consolidated</u>
Net cash provided by (used in) operating activities	\$ 277,963	\$(104,168)	\$ 5,794	\$ 58,473	\$ —	\$ 238,062
Purchases of property and equipment	(422)	—	(5,672)	(73,721)	—	(79,815)
Proceeds from sale of Peterson LOI	10,000	—	—	—	—	10,000
Increase in restricted cash and cash equivalents	—	—	—	(4,945)	—	(4,945)
Other investing activities	—	—	—	123	—	123
Net cash provided by (used in) investing activities	9,578	—	(5,672)	(78,543)	—	(74,637)
Net repayments under revolving credit facility	—	(280,100)	—	—	—	(280,100)
Repayments under term loan B	—	(4,000)	—	—	—	(4,000)
Issuance of senior notes	—	400,000	—	—	—	400,000
Repurchase of common stock warrants	(154,681)	—	—	—	—	(154,681)
Deferred financing costs paid	—	(11,155)	—	—	—	(11,155)
Payment of dividends	(131,305)	—	—	—	—	(131,305)
Payment of tax withholdings for share-based compensation	(3,700)	—	—	—	—	(3,700)
Other financing activities, net	1,776	—	—	(377)	—	1,399
Net cash provided by (used in) financing activities	(287,910)	104,745	—	(377)	—	(183,542)
Net change in cash and cash equivalents	(369)	577	122	(20,447)	—	(20,117)
Cash and cash equivalents at beginning of period	392	1,001	36	74,979	—	76,408
Cash and cash equivalents at end of period	<u>\$ 23</u>	<u>\$ 1,578</u>	<u>\$ 158</u>	<u>\$ 54,532</u>	<u>\$ —</u>	<u>\$ 56,291</u>

RYMAN HOSPITALITY PROPERTIES, INC. AND SUBSIDIARIES
SCHEDULE III – REAL ESTATE AND ACCUMULATED DEPRECIATION
December 31, 2017
(Amounts in thousands)

	Encmbr	Initial Cost to Company			Costs Capitalized Subs to Acq	Gross Amount at End of Year			Date Acq/ Constr	Depr Life (yrs)
		Land	Bldgs & Impr			Land	Bldgs & Impr	Total (2)		
Gaylord Opryland	(1)	\$ 9,817	\$ 77,125	\$ 574,220	\$ 48,484	\$ 612,678	\$ 661,162	\$ 334,961	1983	20-40
Gaylord Palms	(1)	21,564	314,661	52,411	35,021	353,615	388,636	154,317	2002	20-40
Gaylord Texan	(1)	21,235	388,030	81,903	46,411	444,757	491,168	157,298	2004	20-40
Gaylord National	(1)	43,212	840,261	37,511	47,411	873,573	920,984	208,448	2008	20-40
Inn at Opryland	—	2,675	7,248	14,507	2,960	21,470	24,430	8,480	1998	20-40
AC Hotel	—	9,079	17,340	3,655	9,099	20,975	30,074	1,606	2014	20-40
Miscellaneous	—	21,290	16,250	16,396	36,127	17,809	53,936	18,335	N/A	20-40
		<u>\$128,872</u>	<u>\$1,660,915</u>	<u>\$780,603</u>	<u>\$225,513</u>	<u>\$2,344,877</u>	<u>\$2,570,390</u>	<u>\$883,445</u>		

	2017	2016	2015
Investment in real estate:			
Balance at beginning of year	\$ 2,529,641	\$ 2,510,579	\$ 2,488,361
Acquisitions	—	—	—
Improvements	40,749	21,899	22,302
Disposals	—	(2,837)	(84)
Balance at end of year	<u>\$2,570,390</u>	<u>\$2,529,641</u>	<u>\$2,510,579</u>
Accumulated depreciation:			
Balance at beginning of year	\$ 818,323	\$ 754,861	\$ 691,691
Depreciation	65,122	63,718	63,180
Disposals	—	(256)	(10)
Balance at end of year	<u>\$ 883,445</u>	<u>\$ 818,323</u>	<u>\$ 754,861</u>

- (1) Pledged as collateral under the Company's credit facility. At December 31, 2017, \$869.1 million in borrowings and letters of credit were outstanding under such facility.
- (2) The aggregate cost of properties for federal income tax purposes is approximately \$2.4 billion at December 31, 2017.

SEVERANCE AGREEMENT

AGREEMENT between Ryman Hospitality Properties, Inc., a Delaware corporation (“RHP”), and Patrick Chaffin (the “Key Employee”).

WITNESSETH

WHEREAS, the Board of Directors of RHP (the “Board”) believes that, in the event of a threat or occurrence of a “Change of Control” (as defined hereafter) of RHP, it is in the best interest of RHP and its present and future shareholders that the business of RHP be continued with a minimum of disruption, and that such objective will be achieved if RHP key management employees are given reasonable assurances of employment security during the period of uncertainty often associated with Change of Control; and

WHEREAS, RHP believes the giving of such assurances by RHP will enable it (a) to secure the continued services of both its key operational and management employees in the performance of both their regular duties and such extra duties as may be required of them during such period of uncertainty, (b) to be able to rely on such employees to manage and maintain their focus on the affairs of RHP during any such period, and (c) to have the ability to attract new key employees as needed; and

WHEREAS, the Board has approved entering into severance agreements with certain key management employees of RHP in order to achieve the foregoing objectives; and

WHEREAS, Key Employee is a key management employee of RHP or one of its subsidiaries;

NOW, THEREFORE, RHP and Key Employee agree as follows:

1. Change of Control. For the purposes of this Agreement, a “Change of Control” shall be deemed to have taken place if:

(i) any person or entity, including a “group” as defined in Section 13(d)(3) of the Securities Exchange Act of 1934, other than RHP, a wholly-owned subsidiary thereof, or any employee benefit plan of RHP or any of its subsidiaries becomes the beneficial owner of RHP securities having 35% or more of the combined voting power of the then outstanding securities of RHP that may be cast for the election of directors of RHP (other than as a result of an issuance of securities initiated by RHP in the ordinary course of business);

(ii) as the result of, or in connection with, any cash tender or exchange offer, merger or other business combination, sale of assets or contested election, or any combination of the foregoing transactions, the holders of 100% of RHP’s securities entitled to vote generally in the election of directors of RHP immediately prior to such transaction constitute, following such transaction, less than a majority of the combined voting power of the then-outstanding securities of RHP or any successor corporation or entity entitled to vote generally in the election of directors of RHP or any successor corporation or entity after such transaction;

(iii) individuals who, as of the date of this Agreement, were members of the Board (the “Incumbent Board”) cease for any reason to constitute at least a majority of the members of the Board; provided that any individual who becomes a director after such date whose election or nomination for election by RHP’s shareholders was approved by two-thirds of the members of the Incumbent Board (other than an election or nomination whose initial assumption of office is in connection with an actual or threatened “election contest” relating to the election of the directors of RHP (as such terms are used in Rule 14a-11 under the Securities Exchange Act of 1934), “tender offer” (as such term is used in Section 14(d) of the Securities Exchange Act of 1934) or a proposed transaction described in clause (ii) above) shall be deemed to be members of the Incumbent Board; or

(iv) RHP sells all or substantially all of the assets of RHP.

Upon a Change of Control of RHP while the Key Employee is still an employee of RHP, this Agreement and all of its provisions shall become operative immediately.

2. Employment. RHP and Key Employee hereby agree that, if Key Employee is in the employ of RHP on the date on which a Change of Control occurs (the “Change of Control Date”), RHP will continue to employ Key Employee and Key Employee will remain in the employ of RHP, for the period commencing on the Change of Control Date and ending on the second anniversary of such date (the “Employment Period”), to exercise such authority and perform such duties as are commensurate with the authority being exercised and duties being performed by the Key Employee immediately prior to the Change of Control Date. Nothing expressed or implied in this Agreement shall create any right or duty on the part of RHP or the Key Employee to have the Key Employee remain in the employment of RHP prior to any Change in Control, provided; however, that any termination of employment of the Key Employee or the removal of the Key Employee from the office or position in RHP following the commencement of any discussion with a third person that ultimately results in a Change in Control with that or another person shall be deemed to be a termination or removal of the Key Employee after a Change in Control for purposes of this Agreement.

3. Compensation and Benefits. During the Employment Period, RHP will continue to pay the Key Employee a salary at not less than the amount paid to Key Employee on the Change of Control Date, and continue employee benefit programs to or for the benefit of Key Employee and his or her beneficiaries at levels in effect on the Change of Control Date as more particularly described in Section 5.

4. Termination of Employment.

(a) If, during the Employment Period, Key Employee’s employment is terminated by RHP (or a subsidiary of RHP) or a successor thereto for other than gross misconduct¹;

(b) or if:

(i) there is a reduction in Key Employee’s salary under Section 3, a material reduction in Key Employee’s benefits, or a material change in Key Employee’s status, working conditions or management responsibilities, or

¹ For purposes of this Agreement, the term “gross misconduct” shall mean an intentional act of fraud or embezzlement, intentional wrongful damage to property of RHP, or intentional wrongful disclosure of material confidential information of RHP. No act or failure to act on the part of the Key Employee shall be deemed intentional unless determined by a final judicial decision to be done, or omitted to be done, by Key Employee not in good faith and without reasonable belief that his or her action or omission was in the best interest of RHP.

(ii) Key Employee is required to relocate his or her residence more than 100 miles from his or her city of employment, and Key Employee voluntarily terminates his or her employment within 60 days of any such event, or the last in a series of events, then Key Employee shall be entitled to receive a lump sum payment (“Severance Compensation”) equal to two (2) times the Key Employee’s “Base Amount” as determined under paragraph (c) below together with a payment equal to two (2) times the Key Employee’s annual bonus for the preceding year.

The lump sum payment shall be subject to and reduced by all applicable federal and state withholding taxes and shall be paid to the Key Employee within 30 business days after his or her termination of employment. The termination of employment pursuant to Section 4(a) or 4(b) shall be referred to herein as a “Termination Event.”

(c) The Base Amount for purposes of this Section 4 shall be Key Employee’s base salary paid to him or her during the 12-month period preceding the date of the Termination Event. If Key Employee has not been employed for a 12-month period, his or her Base Amount shall be his or her annualized base salary at the rate then in effect.

5. Normal Employee Benefits. During the Employment Period, Key Employee and his or her dependents shall be entitled to participate in any and all employee benefit plans maintained by RHP (or a subsidiary of RHP), or a successor thereto, which provide benefits for its executives and for its salaried employees generally, including, without limitation, its tax-qualified retirement plans, supplemental executive retirement plan, stock option and other stock award plans, and welfare benefit plans providing medical and dental benefits, group life insurance, disability benefits and accidental death and dismemberment insurance. Any future increases in benefits in any of such plans available to executives or salaried employees of RHP generally shall also be provided to Key Employee.

Nothing in this Agreement shall preclude RHP from amending or terminating any employee benefit plan, but it is the intent of the parties that Key Employee and his or her dependents shall be entitled during the Employment Period to the same level of benefits in all employee benefit plans as the level in effect in the respective plans of RHP on the Change of Control Date. In the case of the stock option and other stock award plans, the requirement that the same level of benefits be provided shall be satisfied if Key Employee enjoys at least the same reward opportunities as provided by RHP prior to the Change of Control Date. If any of the employee benefit plans are amended to reduce benefits to Key Employee or his or her dependents, or if Key Employee or his or her dependents become ineligible to participate in any such plans, RHP shall arrange to provide Key Employee and his or her dependents with benefits equivalent to those which they were receiving under such plans immediately prior to the Change of Control Date, such benefits to be provided at RHP’s expense by means of individual insurance policies, or if such policies cannot be obtained, from RHP’s assets.

6. Confidentiality. Key Employee recognizes that he or she has or will have access to and may participate in the origination of non-public confidential information and will owe a fiduciary duty with respect to such information to RHP. Confidential information includes, but is not limited to, trade secrets, supplier information, pricing information, internal corporate planning, RHP secrets, methods of marketing, methods of showroom selection and operation, ideas and plans for development, historical financial data and forecasts, long range plans and strategies, and any other

data or information of or concerning RHP that is not generally known to the public or in the industry in which RHP is engaged. Key Employee agrees that from the date of this Agreement and throughout the Employment Period he or she will, except as specifically authorized by RHP in writing, maintain in strict confidence and will not use or disclose, other than disclosure made in the ordinary course of business of RHP or to other employees of RHP, any confidential information belonging to RHP. If Key Employee shall breach the terms of this Section 6, all of his or her rights under this Agreement shall terminate.

7. Withholding of Taxes. RHP may withhold from any amounts payable under this Agreement all federal, state, city or other taxes as shall be required pursuant to any law or government regulations or ruling.

8. Governing Law. This Agreement shall be construed according to the laws of Tennessee, without giving effect to the principles of conflicts of laws of such State.

9. Amendment; Modification; Waiver. This Agreement may not be amended except by the written agreement of the parties hereto. No provisions of this Agreement may be modified, waived or discharged unless such waiver, modification or discharge is agreed to in writing signed by Key Employee and RHP. No waiver by either party hereto at any time of any breach by the other party hereto or compliance with any condition or provision of this Agreement to be performed by such other party shall be deemed a waiver of similar or dissimilar provisions or conditions at the same or at any prior or subsequent time.

10. Binding Effect.

(a) This Agreement shall be binding on RHP, its successors and assigns. Should there be a consolidation or merger of RHP with or into another corporation, or a purchase of all or substantially all of the assets of RHP by another entity, the surviving or acquiring corporation will succeed to the rights and obligations of RHP under this Agreement.

(b) This Agreement shall inure to the benefit of and be enforceable by Key Employee's personal or legal representatives, executors, administrators, successors, heirs, distributees and/or legatees.

(c) This Agreement is personal in nature and neither of the parties hereto shall, without the consent of the other, assign, transfer or delegate this Agreement or any rights or obligations hereunder except as expressly provided in paragraphs (a) or (b) hereof. Without limiting the generality of the foregoing, Key Employee's right to receive payments hereunder shall not be assignable, transferable or delegable, whether by pledge, creation of a security interest or otherwise, other than by a transfer by will or by the laws of descent and distribution and, in the event of any attempted assignment or transfer contrary to this Section 10 (c), RHP shall have no liability to pay any amount so attempted to be assigned, transferred or delegated.

(d) RHP and Key Employee recognize that each party will have no adequate remedy at law for breach by the other of any of the agreements contained herein and, in the event of any such breach, RHP and Key Employee hereby agree and consent that the other shall be entitled to a decree of specific performance, mandamus or other appropriate remedy to enforce performance of this Agreement.

(e) Notwithstanding anything to the contrary contained in this Agreement, in any plan of RHP or its affiliates, or in any other agreement or understanding, RHP shall pay to Key Employee all amounts required to be paid hereunder, as well as amounts required by the terms of any other plan, agreement or understanding (including the accelerated vesting of stock options and restricted stock upon a Change of Control).

11. Entire Contract. This Agreement constitutes the entire agreement and supersedes all other prior agreements and understandings, both written and oral, express or implied with respect to the subject matter of this Agreement.

12. Notice. For all purposes of this Agreement, all communications provided for herein shall be in writing and shall be deemed to have been duly given when delivered or after three business days after having been mailed registered or certified mail, return receipt requested, addressed to the addresses set forth at the end of this Agreement or to such other address as any party furnishes in writing to the other party.

13. Term. This Agreement shall be effective from the date of its execution by RHP and for the twenty-four (24) months next succeeding any Change of Control, and shall continue in effect from year to year after such twenty-four (24) month period, unless RHP shall notify Key Employee in writing 90 days in advance of an anniversary of its execution that the Agreement shall terminate or unless, prior to a Change of Control or the commencement of any discussion with a third person that ultimately results in a Change of Control, the Key Employee ceases for any reason to be an employee of RHP in which event this Agreement shall immediately terminate and be of no further effect.

IN WITNESS WHEREOF the parties hereto have executed this Severance Agreement as of the 26th day of February, 2018.

RYMAN HOSPITALITY PROPERTIES, INC.

KEY EMPLOYEE:

PATRICK CHAFFIN

By:

Colin V. Reed
Chief Executive Officer
One Gaylord Drive
Nashville, TN 37214

Address: _____

SEVERANCE AGREEMENT

AGREEMENT between Ryman Hospitality Properties, Inc., a Delaware corporation (“RHP”), and Scott Lynn (the “Key Employee”).

W I T N E S S E T H

WHEREAS, the Board of Directors of RHP (the “Board”) believes that, in the event of a threat or occurrence of a “Change of Control” (as defined hereafter) of RHP, it is in the best interest of RHP and its present and future shareholders that the business of RHP be continued with a minimum of disruption, and that such objective will be achieved if RHP key management employees are given reasonable assurances of employment security during the period of uncertainty often associated with Change of Control; and

WHEREAS, RHP believes the giving of such assurances by RHP will enable it (a) to secure the continued services of both its key operational and management employees in the performance of both their regular duties and such extra duties as may be required of them during such period of uncertainty, (b) to be able to rely on such employees to manage and maintain their focus on the affairs of RHP during any such period, and (c) to have the ability to attract new key employees as needed; and

WHEREAS, the Board has approved entering into severance agreements with certain key management employees of RHP in order to achieve the foregoing objectives; and

WHEREAS, Key Employee is a key management employee of RHP or one of its subsidiaries;

NOW, THEREFORE, RHP and Key Employee agree as follows:

1. Change of Control. For the purposes of this Agreement, a “Change of Control” shall be deemed to have taken place if:

(i) any person or entity, including a “group” as defined in Section 13(d)(3) of the Securities Exchange Act of 1934, other than RHP, a wholly-owned subsidiary thereof, or any employee benefit plan of RHP or any of its subsidiaries becomes the beneficial owner of RHP securities having 35% or more of the combined voting power of the then outstanding securities of RHP that may be cast for the election of directors of RHP (other than as a result of an issuance of securities initiated by RHP in the ordinary course of business);

(ii) as the result of, or in connection with, any cash tender or exchange offer, merger or other business combination, sale of assets or contested election, or any combination of the foregoing transactions, the holders of 100% of RHP’s securities entitled to vote generally in the election of directors of RHP immediately prior to such transaction constitute, following such transaction, less than a majority of the combined voting power of the then-outstanding securities of RHP or any successor corporation or entity entitled to vote generally in the election of directors of RHP or any successor corporation or entity after such transaction;

(iii) individuals who, as of the date of this Agreement, were members of the Board (the “Incumbent Board”) cease for any reason to constitute at least a majority of the members of the Board; provided that any individual who becomes a director after such date whose election or nomination for election by RHP’s shareholders was approved by two-thirds of the members of the Incumbent Board (other than an election or nomination whose initial assumption of office is in connection with an actual or threatened “election contest” relating to the election of the directors of RHP (as such terms are used in Rule 14a-11 under the Securities Exchange Act of 1934), “tender offer” (as such term is used in Section 14(d) of the Securities Exchange Act of 1934) or a proposed transaction described in clause (ii) above) shall be deemed to be members of the Incumbent Board; or

(iv) RHP sells all or substantially all of the assets of RHP.

Upon a Change of Control of RHP while the Key Employee is still an employee of RHP, this Agreement and all of its provisions shall become operative immediately.

2. Employment. RHP and Key Employee hereby agree that, if Key Employee is in the employ of RHP on the date on which a Change of Control occurs (the “Change of Control Date”), RHP will continue to employ Key Employee and Key Employee will remain in the employ of RHP, for the period commencing on the Change of Control Date and ending on the second anniversary of such date (the “Employment Period”), to exercise such authority and perform such duties as are commensurate with the authority being exercised and duties being performed by the Key Employee immediately prior to the Change of Control Date. Nothing expressed or implied in this Agreement shall create any right or duty on the part of RHP or the Key Employee to have the Key Employee remain in the employment of RHP prior to any Change in Control, provided; however, that any termination of employment of the Key Employee or the removal of the Key Employee from the office or position in RHP following the commencement of any discussion with a third person that ultimately results in a Change in Control with that or another person shall be deemed to be a termination or removal of the Key Employee after a Change in Control for purposes of this Agreement.

3. Compensation and Benefits. During the Employment Period, RHP will continue to pay the Key Employee a salary at not less than the amount paid to Key Employee on the Change of Control Date, and continue employee benefit programs to or for the benefit of Key Employee and his or her beneficiaries at levels in effect on the Change of Control Date as more particularly described in Section 5.

4. Termination of Employment.

(a) If, during the Employment Period, Key Employee’s employment is terminated by RHP (or a subsidiary of RHP) or a successor thereto for other than gross misconduct¹;

(b) or if:

(i) there is a reduction in Key Employee’s salary under Section 3, a material reduction in Key Employee’s benefits, or a material change in Key Employee’s status, working conditions or management responsibilities, or

¹ For purposes of this Agreement, the term “gross misconduct” shall mean an intentional act of fraud or embezzlement, intentional wrongful damage to property of RHP, or intentional wrongful disclosure of material confidential information of RHP. No act or failure to act on the part of the Key Employee shall be deemed intentional unless determined by a final judicial decision to be done, or omitted to be done, by Key Employee not in good faith and without reasonable belief that his or her action or omission was in the best interest of RHP.

(ii) Key Employee is required to relocate his or her residence more than 100 miles from his or her city of employment, and Key Employee voluntarily terminates his or her employment within 60 days of any such event, or the last in a series of events, then Key Employee shall be entitled to receive a lump sum payment (“Severance Compensation”) equal to two (2) times the Key Employee’s “Base Amount” as determined under paragraph (c) below together with a payment equal to two (2) times the Key Employee’s annual bonus for the preceding year.

The lump sum payment shall be subject to and reduced by all applicable federal and state withholding taxes and shall be paid to the Key Employee within 30 business days after his or her termination of employment. The termination of employment pursuant to Section 4(a) or 4(b) shall be referred to herein as a “Termination Event.”

(c) The Base Amount for purposes of this Section 4 shall be Key Employee’s base salary paid to him or her during the 12-month period preceding the date of the Termination Event. If Key Employee has not been employed for a 12-month period, his or her Base Amount shall be his or her annualized base salary at the rate then in effect.

5. Normal Employee Benefits. During the Employment Period, Key Employee and his or her dependents shall be entitled to participate in any and all employee benefit plans maintained by RHP (or a subsidiary of RHP), or a successor thereto, which provide benefits for its executives and for its salaried employees generally, including, without limitation, its tax-qualified retirement plans, supplemental executive retirement plan, stock option and other stock award plans, and welfare benefit plans providing medical and dental benefits, group life insurance, disability benefits and accidental death and dismemberment insurance. Any future increases in benefits in any of such plans available to executives or salaried employees of RHP generally shall also be provided to Key Employee.

Nothing in this Agreement shall preclude RHP from amending or terminating any employee benefit plan, but it is the intent of the parties that Key Employee and his or her dependents shall be entitled during the Employment Period to the same level of benefits in all employee benefit plans as the level in effect in the respective plans of RHP on the Change of Control Date. In the case of the stock option and other stock award plans, the requirement that the same level of benefits be provided shall be satisfied if Key Employee enjoys at least the same reward opportunities as provided by RHP prior to the Change of Control Date. If any of the employee benefit plans are amended to reduce benefits to Key Employee or his or her dependents, or if Key Employee or his or her dependents become ineligible to participate in any such plans, RHP shall arrange to provide Key Employee and his or her dependents with benefits equivalent to those which they were receiving under such plans immediately prior to the Change of Control Date, such benefits to be provided at RHP’s expense by means of individual insurance policies, or if such policies cannot be obtained, from RHP’s assets.

6. Confidentiality. Key Employee recognizes that he or she has or will have access to and may participate in the origination of non-public confidential information and will owe a fiduciary duty with respect to such information to RHP. Confidential information includes, but is not limited to, trade secrets, supplier information, pricing information, internal corporate planning, RHP secrets, methods of marketing, methods of showroom selection and operation, ideas and plans for development, historical financial data and forecasts, long range plans and strategies, and any other

data or information of or concerning RHP that is not generally known to the public or in the industry in which RHP is engaged. Key Employee agrees that from the date of this Agreement and throughout the Employment Period he or she will, except as specifically authorized by RHP in writing, maintain in strict confidence and will not use or disclose, other than disclosure made in the ordinary course of business of RHP or to other employees of RHP, any confidential information belonging to RHP. If Key Employee shall breach the terms of this Section 6, all of his or her rights under this Agreement shall terminate.

7. Withholding of Taxes. RHP may withhold from any amounts payable under this Agreement all federal, state, city or other taxes as shall be required pursuant to any law or government regulations or ruling.

8. Governing Law. This Agreement shall be construed according to the laws of Tennessee, without giving effect to the principles of conflicts of laws of such State.

9. Amendment; Modification; Waiver. This Agreement may not be amended except by the written agreement of the parties hereto. No provisions of this Agreement may be modified, waived or discharged unless such waiver, modification or discharge is agreed to in writing signed by Key Employee and RHP. No waiver by either party hereto at any time of any breach by the other party hereto or compliance with any condition or provision of this Agreement to be performed by such other party shall be deemed a waiver of similar or dissimilar provisions or conditions at the same or at any prior or subsequent time.

10. Binding Effect.

(a) This Agreement shall be binding on RHP, its successors and assigns. Should there be a consolidation or merger of RHP with or into another corporation, or a purchase of all or substantially all of the assets of RHP by another entity, the surviving or acquiring corporation will succeed to the rights and obligations of RHP under this Agreement.

(b) This Agreement shall inure to the benefit of and be enforceable by Key Employee's personal or legal representatives, executors, administrators, successors, heirs, distributees and/or legatees.

(c) This Agreement is personal in nature and neither of the parties hereto shall, without the consent of the other, assign, transfer or delegate this Agreement or any rights or obligations hereunder except as expressly provided in paragraphs (a) or (b) hereof. Without limiting the generality of the foregoing, Key Employee's right to receive payments hereunder shall not be assignable, transferable or delegable, whether by pledge, creation of a security interest or otherwise, other than by a transfer by will or by the laws of descent and distribution and, in the event of any attempted assignment or transfer contrary to this Section 10 (c), RHP shall have no liability to pay any amount so attempted to be assigned, transferred or delegated.

(d) RHP and Key Employee recognize that each party will have no adequate remedy at law for breach by the other of any of the agreements contained herein and, in the event of any such breach, RHP and Key Employee hereby agree and consent that the other shall be entitled to a decree of specific performance, mandamus or other appropriate remedy to enforce performance of this Agreement.

(e) Notwithstanding anything to the contrary contained in this Agreement, in any plan of RHP or its affiliates, or in any other agreement or understanding, RHP shall pay to Key Employee all amounts required to be paid hereunder, as well as amounts required by the terms of any other plan, agreement or understanding (including the accelerated vesting of stock options and restricted stock upon a Change of Control).

11. Entire Contract. This Agreement constitutes the entire agreement and supersedes all other prior agreements and understandings, both written and oral, express or implied with respect to the subject matter of this Agreement.

12. Notice. For all purposes of this Agreement, all communications provided for herein shall be in writing and shall be deemed to have been duly given when delivered or after three business days after having been mailed registered or certified mail, return receipt requested, addressed to the addresses set forth at the end of this Agreement or to such other address as any party furnishes in writing to the other party.

13. Term. This Agreement shall be effective from the date of its execution by RHP and for the twenty-four (24) months next succeeding any Change of Control, and shall continue in effect from year to year after such twenty-four (24) month period, unless RHP shall notify Key Employee in writing 90 days in advance of an anniversary of its execution that the Agreement shall terminate or unless, prior to a Change of Control or the commencement of any discussion with a third person that ultimately results in a Change of Control, the Key Employee ceases for any reason to be an employee of RHP in which event this Agreement shall immediately terminate and be of no further effect.

IN WITNESS WHEREOF the parties hereto have executed this Severance Agreement as of the 26th day of February, 2018.

RYMAN HOSPITALITY PROPERTIES, INC.

KEY EMPLOYEE:

SCOTT LYNN

By: _____
Colin V. Reed
Chief Executive Officer
One Gaylord Drive
Nashville, TN 37214

Address: _____

SEVERANCE AGREEMENT

AGREEMENT between Ryman Hospitality Properties, Inc., a Delaware corporation (“RHP”), and Jennifer Hutcheson (the “Key Employee”).

W I T N E S S E T H

WHEREAS, the Board of Directors of RHP (the “Board”) believes that, in the event of a threat or occurrence of a “Change of Control” (as defined hereafter) of RHP, it is in the best interest of RHP and its present and future shareholders that the business of RHP be continued with a minimum of disruption, and that such objective will be achieved if RHP key management employees are given reasonable assurances of employment security during the period of uncertainty often associated with Change of Control; and

WHEREAS, RHP believes the giving of such assurances by RHP will enable it (a) to secure the continued services of both its key operational and management employees in the performance of both their regular duties and such extra duties as may be required of them during such period of uncertainty, (b) to be able to rely on such employees to manage and maintain their focus on the affairs of RHP during any such period, and (c) to have the ability to attract new key employees as needed; and

WHEREAS, the Board has approved entering into severance agreements with certain key management employees of RHP in order to achieve the foregoing objectives; and

WHEREAS, Key Employee is a key management employee of RHP or one of its subsidiaries;

NOW, THEREFORE, RHP and Key Employee agree as follows:

1. Change of Control. For the purposes of this Agreement, a “Change of Control” shall be deemed to have taken place if:

(i) any person or entity, including a “group” as defined in Section 13(d)(3) of the Securities Exchange Act of 1934, other than RHP, a wholly-owned subsidiary thereof, or any employee benefit plan of RHP or any of its subsidiaries becomes the beneficial owner of RHP securities having 35% or more of the combined voting power of the then outstanding securities of RHP that may be cast for the election of directors of RHP (other than as a result of an issuance of securities initiated by RHP in the ordinary course of business);

(ii) as the result of, or in connection with, any cash tender or exchange offer, merger or other business combination, sale of assets or contested election, or any combination of the foregoing transactions, the holders of 100% of RHP’s securities entitled to vote generally in the election of directors of RHP immediately prior to such transaction constitute, following such transaction, less than a majority of the combined voting power of the then-outstanding securities of RHP or any successor corporation or entity entitled to vote generally in the election of directors of RHP or any successor corporation or entity after such transaction;

(iii) individuals who, as of the date of this Agreement, were members of the Board (the "Incumbent Board") cease for any reason to constitute at least a majority of the members of the Board; provided that any individual who becomes a director after such date whose election or nomination for election by RHP's shareholders was approved by two-thirds of the members of the Incumbent Board (other than an election or nomination whose initial assumption of office is in connection with an actual or threatened "election contest" relating to the election of the directors of RHP (as such terms are used in Rule 14a-11 under the Securities Exchange Act of 1934), "tender offer" (as such term is used in Section 14(d) of the Securities Exchange Act of 1934) or a proposed transaction described in clause (ii) above) shall be deemed to be members of the Incumbent Board; or

(iv) RHP sells all or substantially all of the assets of RHP.

Upon a Change of Control of RHP while the Key Employee is still an employee of RHP, this Agreement and all of its provisions shall become operative immediately.

2. Employment. RHP and Key Employee hereby agree that, if Key Employee is in the employ of RHP on the date on which a Change of Control occurs (the "Change of Control Date"), RHP will continue to employ Key Employee and Key Employee will remain in the employ of RHP, for the period commencing on the Change of Control Date and ending on the first anniversary of such date (the "Employment Period"), to exercise such authority and perform such duties as are commensurate with the authority being exercised and duties being performed by the Key Employee immediately prior to the Change of Control Date. Nothing expressed or implied in this Agreement shall create any right or duty on the part of RHP or the Key Employee to have the Key Employee remain in the employment of RHP prior to any Change in Control, provided; however, that any termination of employment of the Key Employee or the removal of the Key Employee from the office or position in RHP following the commencement of any discussion with a third person that ultimately results in a Change in Control with that or another person shall be deemed to be a termination or removal of the Key Employee after a Change in Control for purposes of this Agreement.

3. Compensation and Benefits. During the Employment Period, RHP will continue to pay the Key Employee a salary at not less than the amount paid to Key Employee on the Change of Control Date, and continue employee benefit programs to or for the benefit of Key Employee and his or her beneficiaries at levels in effect on the Change of Control Date as more particularly described in Section 5.

4. Termination of Employment.

(a) If, during the Employment Period, Key Employee's employment is terminated by RHP (or a subsidiary of RHP) or a successor thereto for other than gross misconduct¹;

(b) or if:

(i) there is a reduction in Key Employee's salary under Section 3, a material reduction in Key Employee's benefits, or a material change in Key Employee's status, working conditions or management responsibilities, or

¹ For purposes of this Agreement, the term "gross misconduct" shall mean an intentional act of fraud or embezzlement, intentional wrongful damage to property of RHP, or intentional wrongful disclosure of material confidential information of RHP. No act or failure to act on the part of the Key Employee shall be deemed intentional unless determined by a final judicial decision to be done, or omitted to be done, by Key Employee not in good faith and without reasonable belief that his or her action or omission was in the best interest of RHP.

(ii) Key Employee is required to relocate his or her residence more than 100 miles from his or her city of employment, and Key Employee voluntarily terminates his or her employment within 60 days of any such event, or the last in a series of events, then Key Employee shall be entitled to receive a lump sum payment (“Severance Compensation”) equal to one (1) times the Key Employee’s “Base Amount” as determined under paragraph (c) below together with a payment equal to one (1) times the Key Employee’s annual bonus for the preceding year.

The lump sum payment shall be subject to and reduced by all applicable federal and state withholding taxes and shall be paid to the Key Employee within 30 business days after his or her termination of employment. The termination of employment pursuant to Section 4(a) or 4(b) shall be referred to herein as a “Termination Event.”

(c) The Base Amount for purposes of this Section 4 shall be Key Employee’s base salary paid to him or her during the 12-month period preceding the date of the Termination Event. If Key Employee has not been employed for a 12-month period, his or her Base Amount shall be his or her annualized base salary at the rate then in effect.

5. Normal Employee Benefits. During the Employment Period, Key Employee and his or her dependents shall be entitled to participate in any and all employee benefit plans maintained by RHP (or a subsidiary of RHP), or a successor thereto, which provide benefits for its executives and for its salaried employees generally, including, without limitation, its tax-qualified retirement plans, supplemental executive retirement plan, stock option and other stock award plans, and welfare benefit plans providing medical and dental benefits, group life insurance, disability benefits and accidental death and dismemberment insurance. Any future increases in benefits in any of such plans available to executives or salaried employees of RHP generally shall also be provided to Key Employee.

Nothing in this Agreement shall preclude RHP from amending or terminating any employee benefit plan, but it is the intent of the parties that Key Employee and his or her dependents shall be entitled during the Employment Period to the same level of benefits in all employee benefit plans as the level in effect in the respective plans of RHP on the Change of Control Date. In the case of the stock option and other stock award plans, the requirement that the same level of benefits be provided shall be satisfied if Key Employee enjoys at least the same reward opportunities as provided by RHP prior to the Change of Control Date. If any of the employee benefit plans are amended to reduce benefits to Key Employee or his or her dependents, or if Key Employee or his or her dependents become ineligible to participate in any such plans, RHP shall arrange to provide Key Employee and his or her dependents with benefits equivalent to those which they were receiving under such plans immediately prior to the Change of Control Date, such benefits to be provided at RHP’s expense by means of individual insurance policies, or if such policies cannot be obtained, from RHP’s assets.

6. Confidentiality. Key Employee recognizes that he or she has or will have access to and may participate in the origination of non-public confidential information and will owe a fiduciary duty with respect to such information to RHP. Confidential information includes, but is not limited to, trade secrets, supplier information, pricing information, internal corporate planning, RHP secrets, methods of marketing, methods of showroom selection and operation, ideas and plans for development, historical financial data and forecasts, long range plans and strategies, and any other

data or information of or concerning RHP that is not generally known to the public or in the industry in which RHP is engaged. Key Employee agrees that from the date of this Agreement and throughout the Employment Period he or she will, except as specifically authorized by RHP in writing, maintain in strict confidence and will not use or disclose, other than disclosure made in the ordinary course of business of RHP or to other employees of RHP, any confidential information belonging to RHP. If Key Employee shall breach the terms of this Section 6, all of his or her rights under this Agreement shall terminate.

7. Withholding of Taxes. RHP may withhold from any amounts payable under this Agreement all federal, state, city or other taxes as shall be required pursuant to any law or government regulations or ruling.

8. Governing Law. This Agreement shall be construed according to the laws of Tennessee, without giving effect to the principles of conflicts of laws of such State.

9. Amendment; Modification; Waiver. This Agreement may not be amended except by the written agreement of the parties hereto. No provisions of this Agreement may be modified, waived or discharged unless such waiver, modification or discharge is agreed to in writing signed by Key Employee and RHP. No waiver by either party hereto at any time of any breach by the other party hereto or compliance with any condition or provision of this Agreement to be performed by such other party shall be deemed a waiver of similar or dissimilar provisions or conditions at the same or at any prior or subsequent time.

10. Binding Effect.

(a) This Agreement shall be binding on RHP, its successors and assigns. Should there be a consolidation or merger of RHP with or into another corporation, or a purchase of all or substantially all of the assets of RHP by another entity, the surviving or acquiring corporation will succeed to the rights and obligations of RHP under this Agreement.

(b) This Agreement shall inure to the benefit of and be enforceable by Key Employee's personal or legal representatives, executors, administrators, successors, heirs, distributees and/or legatees.

(c) This Agreement is personal in nature and neither of the parties hereto shall, without the consent of the other, assign, transfer or delegate this Agreement or any rights or obligations hereunder except as expressly provided in paragraphs (a) or (b) hereof. Without limiting the generality of the foregoing, Key Employee's right to receive payments hereunder shall not be assignable, transferable or delegable, whether by pledge, creation of a security interest or otherwise, other than by a transfer by will or by the laws of descent and distribution and, in the event of any attempted assignment or transfer contrary to this Section 10 (c), RHP shall have no liability to pay any amount so attempted to be assigned, transferred or delegated.

(d) RHP and Key Employee recognize that each party will have no adequate remedy at law for breach by the other of any of the agreements contained herein and, in the event of any such breach, RHP and Key Employee hereby agree and consent that the other shall be entitled to a decree of specific performance, mandamus or other appropriate remedy to enforce performance of this Agreement.

(e) Notwithstanding anything to the contrary contained in this Agreement, in any plan of RHP or its affiliates, or in any other agreement or understanding, RHP shall pay to Key Employee all amounts required to be paid hereunder, as well as amounts required by the terms of any other plan, agreement or understanding (including the accelerated vesting of stock options and restricted stock upon a Change of Control).

11. Entire Contract. This Agreement constitutes the entire agreement and supersedes all other prior agreements and understandings, both written and oral, express or implied with respect to the subject matter of this Agreement.

12. Notice. For all purposes of this Agreement, all communications provided for herein shall be in writing and shall be deemed to have been duly given when delivered or after three business days after having been mailed registered or certified mail, return receipt requested, addressed to the addresses set forth at the end of this Agreement or to such other address as any party furnishes in writing to the other party.

13. Term. This Agreement shall be effective from the date of its execution by RHP and for the twelve (12) months next succeeding any Change of Control, and shall continue in effect from year to year after such twelve (12) month period, unless RHP shall notify Key Employee in writing 90 days in advance of an anniversary of its execution that the Agreement shall terminate or unless, prior to a Change of Control or the commencement of any discussion with a third person that ultimately results in a Change of Control, the Key Employee ceases for any reason to be an employee of RHP in which event this Agreement shall immediately terminate and be of no further effect.

IN WITNESS WHEREOF the parties hereto have executed this Severance Agreement as of the 26th day of February, 2018.

RYMAN HOSPITALITY PROPERTIES, INC.

KEY EMPLOYEE:

JENNIFER HUTCHESON

By: _____

Colin V. Reed
Chief Executive Officer
One Gaylord Drive
Nashville, TN 37214

Address: _____

Ryman Hospitality Properties, Inc. (the “Company”)
Summary of Director and Executive Officer Compensation

- I. **Director Compensation.** Directors who are employees of the Company do not receive additional compensation for serving as directors of the Company. The following table sets forth current rates of cash compensation for the Company’s non-employee directors.

<u>Retainer</u>	<u>2018</u>
Board retainer	\$60,000
Lead Non-Management Director retainer	\$30,000
Audit chair retainer	\$25,000
Human Resources chair retainer	\$20,000
Nominating and Corporate Governance chair retainer	\$15,000
Human Resources/Nominating and Corporate Governance member retainer	\$ 7,500
Audit member retainer	\$10,000

Non-employee directors may elect payment in cash or may defer this portion of their compensation and receive restricted stock units pursuant to the Company’s 2016 Omnibus Incentive Plan with a value equal to the fees, based on the fair market value of the Company’s common stock on the date of issuance. Such restricted stock units will be deferred until a specified date or the end of the director’s service on the Board of Directors. All directors are reimbursed for expenses incurred in attending meetings.

In addition, as of the date of our board meeting following our annual meeting of stockholders, each non-employee director will receive an annual grant of restricted stock units having a dollar value of \$80,000, based on the fair market value of the Company’s common stock on the date of grant. The restricted stock units vest fully on the first anniversary of the date of grant, pursuant to the Company’s 2016 Omnibus Incentive Plan, unless deferred by the director until either a specified date or the end of the director’s service on the Board of Directors. Directors will not receive fees for attending meetings.

- II. **Compensation of Named Executive Officers.** The following table sets forth the 2018 annual base salaries and the fiscal 2017 short-term cash incentive compensation provided to the Company’s Chief Executive Officer, the Company’s Chief Financial Officer and the three other most highly compensated executive officers to be named in the Company’s proxy statement to be filed in connection with the 2018 annual meeting of stockholders (the “Named Executive Officers”).

	<u>2018 Salary</u>	<u>Fiscal 2017 Bonus Amount</u>
Colin Reed	\$ 925,000	\$ 2,248,831
Mark Fioravanti	\$ 530,450	\$ 937,480
Bennett Westbrook	\$ 397,838	\$ 562,488
Patrick Chaffin	\$ 334,750	\$ 468,426
Scott Lynn	\$ 344,500	\$ 468,426

The above-described fiscal 2017 Bonus Amounts were paid pursuant to the Company’s short-term cash incentive compensation program under the Company’s 2016 Omnibus Incentive Plan. In addition, certain performance-based restricted stock unit awards under the Company’s Amended and Restated 2006 Omnibus Incentive Plan with respect to performance periods ended December 31, 2017 will vest on March 15, 2018, as will be reflected in Form 4 filings made with the SEC.

The following table sets forth the fiscal 2018 bonus targets as a percentage of 2018 base salary set for the Named Executive Officers:

	<u>Threshold</u>	<u>Target</u>	<u>Maximum</u>
Colin Reed	75%	150%	300%
Mark Fioravanti	62.5%	125%	250%
Bennett Westbrook	50%	100%	200%
Patrick Chaffin	50%	100%	200%
Scott Lynn	50%	100%	200%

The fiscal 2018 bonuses will be determined based upon the achievement of certain goals and Company performance criteria, and if earned, will be paid pursuant to the Company's cash bonus program under the Company's 2016 Omnibus Incentive Plan.

The Named Executive Officers also receive long-term incentive awards, as discussed below, pursuant to the Company's stockholder-approved equity incentive plans.

On February 21, 2018, the Named Executive Officers were granted the following awards of time-based vesting restricted stock units (vesting ratably over four years beginning on March 15, 2019) and the following awards of performance-vesting restricted stock units for the 2018-2020 performance period (of which up to 150% will vest on March 15, 2021 based on the achievement of designated financial goals), pursuant to the Company's 2016 Omnibus Incentive Plan.

	<u>Time- Based RSUs</u>	<u>Performance- Based RSUs</u>
Colin Reed	17,929	16,823
Mark Fioravanti	5,712	5,360
Bennett Westbrook	2,856	2,680
Patrick Chaffin	2,403	2,255
Scott Lynn	2,473	2,320

- III. **Additional Information.** The foregoing information is summary in nature. Additional information regarding the compensation of directors and named executive officers may be provided in the Company's filings with the SEC, including the proxy statement to be filed in connection with the 2018 annual meeting of stockholders.

<u>Subsidiary Name</u>	<u>Jurisdiction of Organization</u>
300 Broadway, LLC	Delaware
300 Broadway Holdings, LLC	Delaware
300 Broadway MidCo, LLC	Delaware
300 Broadway Operations, Inc.	Delaware
Attractions IP, LLC	Delaware
Country Music Television International, LLC	Delaware
GN Bond Holdings, LLC	Delaware
GOO Broadway, LLC	Delaware
GPSI, Inc.	Delaware
Grand Ole Opry, LLC	Delaware
Grand Ole Opry IP, LLC	Delaware
RHP Corporate Properties, LLC	Delaware
RHP Creative Group, Inc.	Delaware
RHP Finance Corporation	Delaware
RHP Hotel Operations HoldCo, LLC	Delaware
RHP Hotel Properties, LP	Delaware
RHP Hotels, LLC	Delaware
RHP Operations and Attractions Holdings, LLC	Delaware
RHP Operations DC, LLC	Delaware
RHP Operations GP, LLC	Delaware
RHP Operations GT, LLC	Delaware
RHP Operations Inn at Opryland, LLC	Delaware
RHP Operations NH, LLC	Delaware
RHP Operations OH, LLC	Delaware
RHP Partner, LLC	Delaware
RHP Property DC, LLC	Delaware
RHP Property GP, LP	Florida
RHP Property GT, LP	Delaware
RHP Property GT, LLC	Delaware
RHP Property NH, LLC	Maryland
RHP Sub Holdings, LLC	Delaware
RHPA Management, LLC	Delaware
RHPAHP, LLC	Delaware
RHPAHO, LLC	Delaware
Ole Red Holdings, Inc.	Delaware
OLH,GP	Tennessee
OLH Holdings, LLC	Delaware
Opry Attractions HoldCo, LLC	Delaware
Opry Entertainment Group Holdings, LLC	Delaware
Opryland Attractions, LLC	Delaware
Opryland Hospitality, LLC	Tennessee
Park Holdings, LLC	Delaware
Springhouse Golf, LLC	Delaware
Wildhorse Saloon Entertainment Ventures, LLC	Tennessee

Consent of Independent Registered Public Accounting Firm

We consent to the incorporation by reference in the following Registration Statements:

- (1) Registration Statement (Form S-8 No. 333-211214) pertaining to the Ryman Hospitality Properties, Inc. 2016 Omnibus Incentive Plan;
- (2) Registration Statement (Form S-3 No. 333-183105) of Ryman Hospitality Properties, Inc.;
- (3) Registration Statement (Form S-8 No. 333-136494) pertaining to the Gaylord Entertainment Company 2006 Omnibus Incentive Plan;
- (4) Registration Statement (Form S-8 No. 333-174070) pertaining to the Gaylord Entertainment Company Amended and Restated 2006 Omnibus Incentive Plan;
- (5) Registration Statement (Form S-8 No. 333-37051) pertaining to the Amended and Restated Gaylord Entertainment Company 401(K) Savings Plan;

of our reports dated February 27, 2018 with respect to the consolidated financial statements and schedule of Ryman Hospitality Properties, Inc. and subsidiaries and the effectiveness of internal control over financial reporting of Ryman Hospitality Properties, Inc. and subsidiaries, included in this Annual Report (Form 10-K) of Ryman Hospitality Properties, Inc. for the year ended December 31, 2017.

/s/ Ernst & Young LLP

Nashville, Tennessee
February 27, 2018

CERTIFICATION

I, Colin V. Reed, certify that:

1. I have reviewed this annual report on Form 10-K of Ryman Hospitality Properties, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's Board of Directors (or persons performing the equivalent functions):

a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 27, 2018

By: /s/ Colin V. Reed

Colin V. Reed

Chairman of the Board of Directors and Chief Executive Officer

CERTIFICATION

I, Mark Fioravanti, certify that:

1. I have reviewed this annual report on Form 10-K of Ryman Hospitality Properties, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's Board of Directors (or persons performing the equivalent functions):

a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 27, 2018

By: /s/ Mark Fioravanti

Mark Fioravanti

President and Chief Financial Officer

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Annual Report of Ryman Hospitality Properties, Inc. (the "Company") on Form 10-K for the period ended December 31, 2017, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Colin V. Reed, Chairman of the Board of Directors and Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, to the best of my knowledge, that:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Colin V. Reed

Colin V. Reed

Chairman of the Board of Directors and Chief Executive Officer

February 27, 2018

A signed original of this certification has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Annual Report of Ryman Hospitality Properties, Inc. (the "Company") on Form 10-K for the period ended December 31, 2017, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Mark Fioravanti, Executive Vice President and Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, to the best of my knowledge, that:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Mark Fioravanti

Mark Fioravanti
President and Chief Financial Officer
February 27, 2018

A signed original of this certification has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.