UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549
FORM 10-Q

(Mark One)

☒ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the quarterly period ended September 30, 2023

or

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
Commission file number 1-13079

RYMAN HOSPITALITY PROPERTIES, INC.
(Exact Name of Registrant as Specified in its Charter)

Delaware	73-0664379
(State or Other Jurisdiction of Incorporation or Organization)	(I.R.S. Employer Identification No.)

One Gaylord Drive
Nashville, Tennessee 37214
(Address of Principal Executive Offices)
(Zip Code)

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

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

Title of Each Class	Trading Symbol(s)	Name of Each Exchange on Which Registered
Common stock, par value $.01	RHP	New York Stock Exchange

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 every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). ☒ Yes ☐ No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an 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 ☒ Accelerated filer ☐ Non-accelerated filer ☐ Smaller reporting company ☐ Emerging growth company ☐

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

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

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Class	**Outstanding as of October 31, 2023**
Common Stock, par value $.01	59,708,499 shares

RYMAN HOSPITALITY PROPERTIES, INC.

FORM 10-Q

For the Quarter Ended September 30, 2023

INDEX

Part I – FINANCIAL INFORMATION
Item 1. – FINANCIAL STATEMENTS.

RYMAN HOSPITALITY PROPERTIES, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS
(Unaudited)
(In thousands)

	September 30, 2023	December 31, 2022
ASSETS:		
Property and equipment, net	$ 3,928,921	$ 3,171,708
Cash and cash equivalents - unrestricted	543,076	334,194
Cash and cash equivalents - restricted	112,904	110,136
Notes receivable, net	60,512	67,628
Trade receivables, net	118,345	116,836
Prepaid expenses and other assets	173,642	134,170
Intangible assets, net	126,433	105,951
Total assets	$ 5,063,833	$ 4,040,623
LIABILITIES AND EQUITY:		
Debt and finance lease obligations	$ 3,374,787	$ 2,862,592
Accounts payable and accrued liabilities	438,265	385,159
Dividends payable	61,381	14,121
Deferred management rights proceeds	165,632	167,495
Operating lease liabilities	129,037	125,759
Deferred income tax liabilities, net	17,810	12,915
Other liabilities	66,474	64,824
Total liabilities	4,253,386	3,632,865
Commitments and contingencies		
Noncontrolling interest in consolidated joint venture	336,388	311,857
Equity:		
Preferred stock, $.01 par value, 100,000 shares authorized, no shares issued or outstanding	—	—
Common stock, $.01 par value, 400,000 shares authorized, 59,708 and 55,167 shares issued and outstanding, respectively	597	552
Additional paid-in capital	1,480,501	1,102,733
Treasury stock of 648 and 648 shares, at cost	(18,467)	(18,467)
Distributions in excess of retained earnings	(971,995)	(978,619)
Accumulated other comprehensive loss	(19,692)	(10,923)
Total stockholders' equity	470,944	95,276
Noncontrolling interest in Operating Partnership	3,115	625
Total equity	474,059	95,901
Total liabilities and equity	$ 5,063,833	$ 4,040,623

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

RYMAN HOSPITALITY PROPERTIES, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME
(Unaudited)
(In thousands, except per share data)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
Revenues:				
Rooms	$ 180,309	$ 154,940	$ 510,052	$ 418,039
Food and beverage	202,850	186,188	616,562	486,387
Other hotel revenue	63,039	49,474	161,708	149,089
Entertainment	82,313	77,153	236,751	183,579
Total revenues	528,511	467,755	1,525,073	1,237,094
Operating expenses:				
Rooms	45,879	41,366	128,210	112,740
Food and beverage	117,435	103,221	339,642	272,039
Other hotel expenses	122,748	103,321	330,397	289,248
Management fees, net	15,947	11,276	46,560	27,542
Total hotel operating expenses	302,009	259,184	844,809	701,569
Entertainment	56,222	54,148	164,744	131,549
Corporate	10,103	9,449	30,582	31,423
Preopening costs	168	—	425	525
Loss on sale of assets	—	—	—	469
Depreciation and amortization	58,086	47,969	154,700	160,712
Total operating expenses	426,588	370,750	1,195,260	1,026,247
Operating income	101,923	97,005	329,813	210,847
Interest expense	(58,521)	(40,092)	(150,228)	(105,987)
Interest income	6,112	1,378	13,977	4,138
Loss on extinguishment of debt	—	—	(2,252)	(1,547)
Loss from unconsolidated joint ventures	(12,566)	(2,720)	(17,525)	(8,348)
Other gains and (losses), net	5,993	2,058	5,470	2,222
Income before income taxes	42,941	57,629	179,255	101,325
Provision for income taxes	(2,156)	(10,178)	(7,333)	(27,747)
Net income	40,785	47,451	171,922	73,578
Net (income) loss attributable to noncontrolling interest in consolidated joint venture	715	(1,887)	(1,656)	(2,167)
Net income attributable to noncontrolling interest in Operating Partnership	(273)	(323)	(1,176)	(507)
Net income available to common stockholders	$ 41,227	$ 45,241	$ 169,090	$ 70,904
Basic income per share available to common stockholders	$ 0.69	$ 0.82	$ 2.96	$ 1.29
Diluted income per share available to common stockholders	$ 0.64	$ 0.79	$ 2.78	$ 1.28
Comprehensive income, net of taxes	$ 40,732	$ 55,917	$ 163,153	$ 90,732
Comprehensive (income) loss, net of taxes, attributable to noncontrolling interest in consolidated joint venture	537	(1,887)	(2,190)	(2,167)
Comprehensive income, net of taxes, attributable to noncontrolling interest in Operating Partnership	(272)	(383)	(1,118)	(629)
Comprehensive income, net of taxes, available to common stockholders	$ 40,997	$ 53,647	$ 159,845	$ 87,936

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

RYMAN HOSPITALITY PROPERTIES, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)
(In thousands)

	Nine Months Ended September 30, 2023	Nine Months Ended September 30, 2022
Cash Flows from Operating Activities:		
Net income	$ 171,922	$ 73,578
Amounts to reconcile net income to net cash flows provided by operating activities:		
Provision for deferred income taxes	4,894	4,545
Depreciation and amortization	154,700	160,712
Amortization of deferred financing costs	7,989	7,178
Loss from unconsolidated joint ventures	17,525	8,348
Stock-based compensation expense	11,480	11,134
Changes in:		
Trade receivables	13,233	(55,346)
Accounts payable and accrued liabilities	11,721	44,094
Other assets and liabilities	(23,535)	(8,273)
Net cash flows provided by operating activities	369,929	245,970
Cash Flows from Investing Activities:		
Purchases of property and equipment	(122,150)	(48,219)
Collection of notes receivable	5,903	3,718
Purchase of Hill Country, net of cash acquired	(791,466)	—
Purchase of Block 21, net of cash acquired	—	(93,992)
Investment in Circle	(10,500)	(10,207)
Other investing activities, net	(9,998)	838
Net cash flows used in investing activities	(928,211)	(147,862)
Cash Flows from Financing Activities:		
Net repayments under revolving credit facility	—	(190,000)
Borrowings under term loan B	500,000	—
Repayments under term loan A	—	(300,000)
Repayments under term loan B	(377,500)	(3,750)
Borrowings under OEG term loan	—	288,000
Repayments under OEG term loan	(2,250)	—
Repayments under Block 21 CMBS loan	(2,054)	(847)
Issuance of senior notes	400,000	—
Deferred financing costs paid	(23,400)	(15,212)
Issuance of common stock, net	395,444	—
Sale of noncontrolling interest in OEG	—	286,218
Payment of dividends	(115,861)	(296)
Payment of tax withholdings for share-based compensation	(4,249)	(4,361)
Other financing activities, net	(198)	(157)
Net cash flows provided by financing activities	769,932	59,595
Net change in cash, cash equivalents, and restricted cash	211,650	157,703
Cash, cash equivalents, and restricted cash, beginning of period	444,330	163,000
Cash, cash equivalents, and restricted cash, end of period	$ 655,980	$ 320,703
Reconciliation of cash, cash equivalents, and restricted cash to balance sheet:		
Cash and cash equivalents - unrestricted	$ 543,076	$ 224,696
Cash and cash equivalents - restricted	112,904	96,007
Cash, cash equivalents, and restricted cash, end of period	$ 655,980	$ 320,703

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

RYMAN HOSPITALITY PROPERTIES, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF EQUITY (DEFICIT)
AND NONCONTROLLING INTEREST
(Unaudited)
(In thousands)

	Common Stock	Additional Paid-in Capital	Treasury Stock	Distributions in Excess of Retained Earnings	Accumulated Other Comprehensive Loss	Total Stockholders' Equity	Noncontrolling Interest in Operating Partnership	Total Equity (Deficit)	Noncontrolling Interest in Consolidated Joint Venture
BALANCE, December 31, 2022	$ 552	$ 1,102,733	$ (18,467)	$ (978,619)	$ (10,923)	$ 95,276	$ 625	$ 95,901	$ 311,857
Net income (loss)	—	—	—	61,320	—	61,320	437	61,757	(763)
Adjustment of noncontrolling interest to redemption value	—	(8,659)	—	—	—	(8,659)	—	(8,659)	8,659
Other comprehensive loss, net of income taxes	—	—	—	—	(6,292)	(6,292)	—	(6,292)	—
Payment of dividends ($0.75 per share)	—	106	—	(41,900)	—	(41,794)	(296)	(42,090)	—
Restricted stock units and stock options surrendered	1	(4,080)	—	—	—	(4,079)	—	(4,079)	—
Equity-based compensation expense	—	3,739	—	—	—	3,739	—	3,739	—
BALANCE, March 31, 2023	$ 553	$ 1,093,839	$ (18,467)	$ (959,199)	$ (17,215)	$ 99,511	$ 766	$ 100,277	$ 319,753
Net income	—	—	—	66,543	—	66,543	466	67,009	3,134
Adjustment of noncontrolling interest to redemption value	—	(4,762)	—	—	—	(4,762)	—	(4,762)	4,762
Other comprehensive loss, net of income taxes	—	—	—	—	(2,424)	(2,424)	—	(2,424)	
Issuance of common stock, net	44	395,400	—	—	—	395,444	—	395,444	—
Payment of dividends ($1.00 per share)	—	154	—	(60,285)	—	(60,131)	(395)	(60,526)	—
Restricted stock units and stock options surrendered	—	(103)	—	—	—	(103)	—	(103)	—
Equity-based compensation expense	—	3,801	—	—	—	3,801	—	3,801	—
BALANCE, June 30, 2023	$ 597	$ 1,488,329	$ (18,467)	$ (952,941)	$ (19,639)	$ 497,879	$ 837	$ 498,716	$ 327,649
Net income (loss)	—	—	—	41,227	—	41,227	273	41,500	(715)
Adjustment of noncontrolling interest to redemption value	—	(9,454)	—	—	—	(9,454)	—	(9,454)	9,454
Reallocation of noncontrolling interest in Operating Partnership	—	(2,401)	—	—	—	(2,401)	2,401	—	—
Other comprehensive loss, net of income taxes	—	—	—	—	(53)	(53)	—	(53)	—
Payment of dividends ($1.00 per share)	—	156	—	(60,281)	—	(60,125)	(396)	(60,521)	—
Restricted stock units and stock options surrendered	—	(69)	—		—	(69)	—	(69)	—
Equity-based compensation expense	—	3,940	—	—	—	3,940	—	3,940	—
BALANCE, September 30, 2023	$ 597	$ 1,480,501	$ (18,467)	$ (971,995)	$ (19,692)	$ 470,944	$ 3,115	$ 474,059	$ 336,388

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

RYMAN HOSPITALITY PROPERTIES, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF EQUITY (DEFICIT) AND NONCONTROLLING INTEREST
(Unaudited)
(In thousands)

	Common Stock	Additional Paid-in Capital	Treasury Stock	Distributions in Excess of Retained Earnings	Accumulated Other Comprehensive Loss	Total Stockholders' Equity (Deficit)	Noncontrolling Interest in Operating Partnership	Total Equity (Deficit)	Noncontrolling Interest in Consolidated Joint Venture
BALANCE, December 31, 2021	$ 551	$ 1,112,867	$ (18,467)	$ (1,088,105)	$ (29,080)	$ (22,234)	$ (159)	$ (22,393)	$ —
Net loss	—	—	—	(24,621)	—	(24,621)	(176)	(24,797)	—
Other comprehensive income, net of income taxes	—	—	—	—	9,986	9,986	—	9,986	—
Restricted stock units and stock options surrendered	—	(3,761)	—	—	—	(3,761)	—	(3,761)	—
Equity-based compensation expense	—	3,786	—	—	—	3,786	—	3,786	—
BALANCE, March 31, 2022	$ 551	$ 1,112,892	$ (18,467)	$ (1,112,726)	$ (19,094)	$ (36,844)	$ (335)	$ (37,179)	$ —
Net income	—	—	—	50,284	—	50,284	360	50,644	280
Other comprehensive loss, net of income taxes	—	—	—	—	(1,298)	(1,298)	—	(1,298)	—
Sale of noncontrolling interest in OEG	—	(9,467)	—	—	—	(9,467)	—	(9,467)	295,956
Restricted stock units and stock options surrendered	1	(124)	—	—	—	(123)	—	(123)	—
Equity-based compensation expense	—	3,654	—	—	—	3,654	—	3,654	—
BALANCE, June 30, 2022	$ 552	$ 1,106,955	$ (18,467)	$ (1,062,442)	$ (20,392)	$ 6,206	$ 25	$ 6,231	$ 296,236
Net Income	—	—	—	45,241	—	45,241	323	45,564	1,887
Adjustment of noncontrolling interest to redemption value	—	(5,726)	—	—	—	(5,726)	—	(5,726)	5,726
Other comprehensive income, net of income taxes	—	—	—	—	8,466	8,466	—	8,466	—
Sale of noncontrolling interest in OEG	—	(270)	—	—	—	(270)	—	(270)	—
Payment of dividends ($0.10 per share)	—	13	—	(5,569)	—	(5,556)	(40)	(5,596)	—
Restricted stock units and stock options surrendered	—	(477)	—	—	—	(477)	—	(477)	—
Equity-based compensation expense	—	3,694	—	—	—	3,694	—	3,694	—
BALANCE, September 30, 2022	$ 552	$ 1,104,189	$ (18,467)	$ (1,022,770)	$ (11,926)	$ 51,578	$ 308	$ 51,886	$ 303,849

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

RYMAN HOSPITALITY PROPERTIES, INC. AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)

1. BASIS OF PRESENTATION:

On January 1, 2013, Ryman Hospitality Properties, Inc. ("Ryman") and its subsidiaries (collectively with Ryman, the "Company") began operating as a real estate investment trust ("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 five 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"), the Gaylord National Resort & Convention Center near Washington D.C. ("Gaylord National"), and the Gaylord Rockies Resort & Convention Center near Denver, Colorado ("Gaylord Rockies"). The Company's other owned hotel assets managed by Marriott include the Inn at Opryland, an overflow hotel adjacent to Gaylord Opryland, the AC Hotel at National Harbor, Washington D.C. ("AC Hotel"), an overflow hotel adjacent to Gaylord National, and effective June 30, 2023, the JW Marriott San Antonio Hill Country Resort & Spa ("JW Marriott Hill Country"). See Note 2, "JW Marriott Hill Country Transaction" for further disclosure.

The Company also owns a controlling 70% equity interest in a business comprised of a number of entertainment and media assets, known as the Opry Entertainment Group, which the Company reports as its Entertainment segment. These assets include 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; WSM-AM, the Opry's radio home; Ole Red, a brand of Blake Shelton-themed bar, music venue and event spaces; two Nashville-based assets – the Wildhorse Saloon and the General Jackson Showboat; and as of May 31, 2022, Block 21, a mixed-use entertainment, lodging, office, and retail complex located in Austin, Texas ("Block 21"). See Note 3, "Block 21 Transaction," for further disclosure regarding Block 21. Opry Entertainment Group also owns a 50% interest in a joint venture that creates and distributes a linear multicast and over-the-top channel dedicated to the country music lifestyle ("Circle") (see Note 15, "Commitments and Contingencies" for further disclosure regarding Circle).

As further disclosed in Note 1 to the consolidated financial statements included in the Company's Annual Report on Form 10-K for the year ended December 31, 2022, on June 16, 2022, the Company and certain of its subsidiaries, including OEG Attractions Holdings, LLC ("OEG"), which directly or indirectly owns the assets that comprise the Company's Entertainment segment, consummated the transactions contemplated by an investment agreement with Atairos Group, Inc. ("Atairos") and A-OEG Holdings, LLC, an affiliate of Atairos (the "OEG Investor"), pursuant to which OEG issued and sold to the OEG Investor, and the OEG Investor acquired, 30% of the equity interests of OEG for approximately $296.0 million (the "OEG Transaction"). The Company retains a controlling 70% equity interest in OEG and continues to consolidate the assets, liabilities and results of operations of OEG in the accompanying condensed consolidated financial statements. The portion of OEG that the Company does not own is recorded as noncontrolling interest in consolidated joint venture, which is classified as mezzanine equity in the accompanying condensed consolidated balance sheet, and any adjustment necessary to reflect the noncontrolling interest at its redemption value is shown in the accompanying condensed consolidated statement of equity (deficit) and noncontrolling interest. See Note 5, "Income Per Share," for further disclosure.

The condensed consolidated financial statements include the accounts of Ryman and its subsidiaries and have been prepared by the Company, without audit, pursuant to the rules and regulations of the Securities and Exchange Commission (the "SEC"). Certain information and footnote disclosures normally included in annual financial statements prepared in accordance with generally accepted accounting principles have been condensed or omitted from this report pursuant to such rules and regulations. These condensed consolidated financial statements should be read in conjunction with the audited consolidated financial statements and the notes thereto included in the Company's Annual Report on Form 10-K for the year ended December 31, 2022. In the opinion of management, all adjustments necessary for a fair statement of the results of operations for the interim periods have been included. All adjustments are of a normal, recurring nature. The results of operations for such interim periods are not necessarily indicative of the results for the full year because of seasonal and short-term variations.

The Company principally operates, through its subsidiaries and its property managers, as applicable, in the following business segments: Hospitality, Entertainment, and Corporate and Other.

Newly Issued Accounting Standards

In March 2020, the Financial Accounting Standards Board ("FASB") issued ASU No. 2020-04, "*Reference Rate Reform – Facilitation of the Effects of Reference Rate Reform on Financial Reporting*" ("ASU 2020-04"), which provides temporary optional expedients and exceptions to the existing guidance on contract modifications and hedge accounting to ease the financial reporting burdens of the expected market transition from the London Interbank Offered Rate ("LIBOR") and other interbank offered rates to alternative reference rates, such as the Secured Overnight Financing Rate ("SOFR"). The guidance in ASU 2020-04 is optional, effective immediately, and may be elected over time as reference rate reform activities occur generally through December 31, 2022. In December 2022, the FASB issued ASU No. 2022-06, "*Reference Rate Reform – Deferral of the Sunset Date of Topic 848*" ("ASU 2022-06"), which extends the transition period for the shift from LIBOR to December 2024. The Company has now converted all of its LIBOR-indexed debt and derivatives to SOFR-based indexes. For all derivatives in hedge accounting relationships, the Company utilized the elective relief in ASU 2020-04 and ASU 2022-06 that allows for the continuation of hedge accounting through the transition process.

2. JW MARRIOTT HILL COUNTRY TRANSACTION:

On June 30, 2023, the Company purchased JW Marriott Hill Country for approximately $800 million. Located amid approximately 600 acres in the Texas Hill Country region outside of San Antonio, JW Marriott Hill Country, which opened in 2010, is a premier group-oriented resort with 1,002 rooms and 268,000 total square feet of indoor and outdoor meeting and event space. The resort's amenities include a 26,000 square foot spa; eight food and beverage outlets; a 9-acre water experience; and TPC San Antonio, which features two 18-hole golf courses. The Company funded the purchase price with approximately $395 million in net proceeds of an underwritten registered public offering of approximately 4.4 million shares of the Company's common stock (see Note 16, "Equity"), approximately $393 million in net proceeds of a private placement of $400 million aggregate principal amount of 7.25% senior notes due 2028 (see Note 9, "Debt") and cash on hand. JW Marriott Hill Country assets are reflected in the Company's Hospitality segment beginning June 30, 2023.

The Company performed a valuation of the fair value of the acquired assets and liabilities as of June 30, 2023. The valuations of the various components of property and equipment were determined principally based on the cost approach, which uses assumptions regarding replacement values from established indices. The valuation of intangible assets was based on various methods to evaluate the values of advanced bookings previously received for the hotel and the values of golf memberships and water rights for the golf course. The Company considers each of these estimates as Level 3 fair value measurements.

The Company determined that the acquisition represents an asset acquisition and has capitalized transaction costs and allocated the purchase price to the relative fair values of assets acquired and liabilities assumed, adjusted for working capital adjustments as set forth in the purchase agreement and transaction costs, in the Company's balance sheet at June 30, 2023 as follows (amounts in thousands):

Property and equipment	$ 772,821
Cash and cash equivalents - unrestricted	12,690
Cash and cash equivalents - restricted	5,477
Trade receivables	14,743
Prepaid expenses and other assets	3,953
Intangible assets	25,097
Total assets acquired	834,781
Accounts payable and accrued liabilities	(25,148)
Total liabilities assumed	(25,148)
Net assets acquired	$ 809,633

3. BLOCK 21 TRANSACTION:

As further disclosed in Note 1 to the consolidated financial statements included in the Company’s Annual Report on Form 10-K for the year ended December 31, 2022, on May 31, 2022, the Company purchased Block 21 for a stated purchase price of $260 million, as subsequently adjusted to $255 million pursuant to the terms of the purchase agreement, which includes the assumption of approximately $136 million of existing mortgage debt. Block 21 is the home of the Austin City Limits Live at The Moody Theater (“ACL Live”), a 2,750-seat entertainment venue that serves as the filming location for the Austin City Limits television series. The Block 21 complex also includes the 251-room W Austin Hotel, which Marriott manages, the 3TEN at ACL Live club and approximately 53,000 square feet of other Class A commercial space. The Company funded the cash portion of the purchase price with cash on hand and borrowings under its revolving credit facility. The acquisition was accounted for as a business combination, given the different nature of the principal operations acquired (a hotel and an entertainment venue). Block 21 assets are reflected in the Company’s Entertainment segment beginning May 31, 2022.

During the first quarter of 2023, the Company concluded its valuation of the fair value of the acquired assets and liabilities as of May 31, 2022, and no significant changes were made to the provisional amounts disclosed in the Company’s Annual Report on Form 10-K for the year ended December 31, 2022.

4. REVENUES:

Revenues from occupied hotel rooms are recognized over time as the daily hotel stay is provided to hotel groups and guests. Revenues from concessions, food and beverage sales, and group meeting services are recognized over the period or at the point in time those goods or services are delivered to the hotel group or guest. Revenues from ancillary services at the Company’s hotels, such as spa, parking, and transportation services, are generally recognized at the time the goods or 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 generally recognized as revenue in the period the Company determines it is probable that a significant reversal in the amount of revenue recognized will not occur, which is typically the period these fees are collected. The Company generally recognizes revenues from the Entertainment segment at the point in time that services are provided or goods are delivered or shipped to the customer, as applicable. Cash received from advanced ticket sales is deferred and recognized at the time of the event. Entertainment segment revenues from licenses of content are recognized at the point in time the content is delivered to the licensee and the licensee can use and benefit from the content. Revenue related to content provided to Circle is eliminated for the portion of Circle that the Company owns. Almost all of the Company’s revenues are either cash-based or, for meeting and convention groups who meet the Company’s credit criteria, billed and collected on a short-term receivables basis. 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 of such taxes from the customer and relieves the liability when payments are remitted to the applicable governmental agency.

The Company's revenues disaggregated by major source are as follows (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
Hotel group rooms	$ 115,626	$ 100,417	$ 356,473	$ 273,359
Hotel transient rooms	64,683	54,523	153,579	144,680
Hotel food and beverage - banquets	134,503	129,449	433,664	332,783
Hotel food and beverage - outlets	68,347	56,739	182,898	153,604
Hotel other	63,039	49,474	161,708	149,089
Entertainment admissions/ticketing	31,030	30,805	87,289	73,087
Entertainment food and beverage	27,706	25,075	80,413	63,472
Entertainment produced content	2,687	1,372	4,781	3,931
Entertainment retail and other	20,890	19,901	64,268	43,089
Total revenues	$ 528,511	$ 467,755	$ 1,525,073	$ 1,237,094

The Company's Hospitality segment revenues disaggregated by location are as follows (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
Gaylord Opryland	$ 111,939	$ 106,819	$ 334,220	$ 285,835
Gaylord Palms	63,885	60,516	222,260	188,653
Gaylord Texan	73,991	70,734	241,868	205,035
Gaylord National	72,124	68,925	221,910	173,735
Gaylord Rockies	68,203	77,346	199,377	182,888
JW Marriott Hill Country	50,026	—	50,747	—
AC Hotel	3,244	2,932	8,856	7,800
Inn at Opryland and other	2,786	3,330	9,084	9,569
Total Hospitality segment revenues	$ 446,198	$ 390,602	$ 1,288,322	$ 1,053,515

The majority of the Company's Entertainment segment revenues are concentrated in Nashville, Tennessee and Austin, Texas.

The Company records deferred revenues when cash payments are received in advance of its performance obligations, primarily related to advanced deposits on hotel rooms and advanced ticketing at its OEG venues. At September 30, 2023 and December 31, 2022, the Company had $188.0 million and $136.5 million, respectively, in deferred revenues, which are included in accounts payable and accrued liabilities in the accompanying condensed consolidated balance sheets. Of the amount outstanding at December 31, 2022, approximately $96.9 million was recognized in revenue during the nine months ended September 30, 2023.

5. INCOME PER SHARE:

The computation of basic and diluted earnings per common share is as follows (in thousands, except per share data):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
Numerator:				
Net income available to common stockholders	$ 41,227	$ 45,241	$ 169,090	$ 70,904
Net (income) loss attributable to noncontrolling interest in consolidated joint venture	(715)	1,887	1,656	—
Net income available to common stockholders - if-converted method	$ 40,512	$ 47,128	$ 170,746	$ 70,904
Denominator:				
Weighted average shares outstanding - basic	59,707	55,159	57,089	55,132
Effect of dilutive stock-based compensation	225	178	238	197
Effect of dilutive put rights	3,688	3,978	4,064	—
Weighted average shares outstanding - diluted	63,620	59,315	61,391	55,329
Basic income per share available to common stockholders	$ 0.69	$ 0.82	$ 2.96	$ 1.29
Diluted income per share available to common stockholders	$ 0.64	$ 0.79	$ 2.78	$ 1.28

As more fully discussed in Note 1 to the consolidated financial statements included in the Company's Annual Report on Form 10-K for the year ended December 31, 2022, although currently not exercisable, the OEG Investor has certain put rights (the "OEG Put Rights") to require the Company to purchase the OEG Investor's equity interest in OEG, which the Company may pay in cash or Company stock, at the Company's option. The Company calculated potential dilution for the OEG Put Rights based on the if-converted method, which assumes the OEG Put Rights were converted on the first day of the period or the date of issuance and the OEG Investor's noncontrolling equity interest was redeemed in exchange for shares of the Company's common stock.

The operating partnership units ("OP Units") held by the noncontrolling interest holders in RHP Hotel Properties, LP (the "Operating Partnership") have been excluded from the denominator of the diluted income per share calculation for the three and nine months ended September 30, 2023 and 2022 as there would be no effect on the calculation of diluted income per share because the income attributable to the OP Units held by the noncontrolling interest holders would also be subtracted to derive net income available to common stockholders.

6. ACCUMULATED OTHER COMPREHENSIVE LOSS:

The Company's balance in accumulated other comprehensive loss is comprised of amounts related to the Company's minimum pension liability discussed in Note 13, "Pension Plans," interest rate derivatives designated as cash flow hedges related to the Company's outstanding debt as discussed in Note 9, "Debt," and amounts related to an other-than-temporary impairment of a held-to-maturity investment that existed prior to 2020 with respect to the notes receivable discussed in Note 8, "Notes Receivable," to the condensed consolidated financial statements included herein.

Changes in accumulated other comprehensive loss by component for the nine months ended September 30, 2023 and 2022 consisted of the following (in thousands):

	Minimum Pension Liability	Other-Than-Temporary Impairment of Investment	Interest Rate Derivatives	Total
Balance, December 31, 2022	$ (18,021)	$ (3,087)	$ 10,185	$ (10,923)
Gains arising during period	—	—	3,029	3,029
Amounts reclassified from accumulated other comprehensive loss	(220)	156	(11,734)	(11,798)
Net other comprehensive income (loss)	(220)	156	(8,705)	(8,769)
Balance, September 30, 2023	$ (18,241)	$ (2,931)	$ 1,480	$ (19,692)

	Minimum Pension Liability	Other-Than-Temporary Impairment of Investment	Interest Rate Derivatives	Total
Balance, December 31, 2021	$ (16,419)	$ (3,298)	$ (9,363)	$ (29,080)
Gains (losses) arising during period	(6,437)	—	15,642	9,205
Amounts reclassified from accumulated other comprehensive loss	1,416	158	6,375	7,949
Net other comprehensive income (loss)	(5,021)	158	22,017	17,154
Balance, September 30, 2022	$ (21,440)	$ (3,140)	$ 12,654	$ (11,926)

7. PROPERTY AND EQUIPMENT:

Property and equipment, including right-of-use finance lease assets, at September 30, 2023 and December 31, 2022 is recorded at cost (except for right-of-use finance lease assets) and summarized as follows (in thousands):

	September 30, 2023	December 31, 2022
Land and land improvements	$ 593,197	$ 443,469
Buildings	4,373,388	3,785,968
Furniture, fixtures and equipment	1,121,244	1,015,078
Right-of-use finance lease assets	1,793	1,613
Construction-in-progress	110,728	50,312
	6,200,350	5,296,440
Accumulated depreciation and amortization	(2,271,429)	(2,124,732)
Property and equipment, net	$ 3,928,921	$ 3,171,708

8. NOTES RECEIVABLE:

As further discussed in the Company’s Annual Report on Form 10-K for the year ended December 31, 2022, in connection with the development of Gaylord National, the Company holds two issuances of governmental bonds (“Series A bond” and “Series B bond”) with a total carrying value and approximate fair value of $60.5 million and $67.6 million at September 30, 2023 and December 31, 2022, respectively, net of credit loss reserve of $38.0 million at each of September 30, 2023 and December 31, 2022. The Company receives debt service and principal payments thereon, payable from property tax increments, hotel taxes and special hotel rental taxes generated from Gaylord National through the maturity dates of July 1, 2034 and September 1, 2037, respectively. The Company records interest income over the life of the notes using the effective interest method.

The Company has the intent and ability to hold these bonds to maturity. The Company’s quarterly assessment of credit losses considers the estimate of projected tax revenues that will service the bonds over their remaining terms. These tax revenue projections are updated each quarter to reflect updated industry projections as to future anticipated operations of the hotel. As a result of reduced tax revenue projections over the remaining life of the bonds, the Series B bond is fully reserved. The Series A bond is of higher priority than other tranches which fall between the Company’s two issuances.

During the three months ended September 30, 2023 and 2022, the Company recorded interest income of $1.2 million and $1.3 million, respectively, on these bonds. During the nine months ended September 30, 2023 and 2022, the Company recorded interest income of $3.7 million and $4.0 million, respectively, on these bonds. The Company received payments of $11.0 million and $9.1 million during the nine months ended September 30, 2023 and 2022, respectively, relating to these bonds. At September 30, 2023 and December 31, 2022, before consideration of the credit loss reserve, the Company had accrued interest receivable related to these bonds of $39.8 million and $41.0 million, respectively.

9. DEBT:

The Company's debt and finance lease obligations at September 30, 2023 and December 31, 2022 consisted of (in thousands):

	September 30, 2023	December 31, 2022
$700M Revolving Credit Facility, interest at SOFR plus 1.50%, maturing May 18, 2027	$ —	$ —
$500M Term Loan B, interest at SOFR plus 2.75%, maturing May 18, 2030	497,500	371,250
$400M Senior Notes, interest at 7.25%, maturing July 15, 2028	400,000	—
$600M Senior Notes, interest at 4.50%, maturing February 15, 2029	600,000	600,000
$700M Senior Notes, interest at 4.75%, maturing October 15, 2027	700,000	700,000
$800M Gaylord Rockies Term Loan, interest at SOFR plus 2.50%, maturing July 2, 2024	800,000	800,000
$300M OEG Term Loan, interest at SOFR plus 5.00%, maturing June 16, 2029	297,000	299,250
$65M OEG Revolver, interest at SOFR plus 4.50%, maturing June 16, 2027	—	—
Block 21 CMBS Loan, interest at 5.58%, maturing January 5, 2026	132,582	134,636
Finance lease obligations	846	685
Unamortized deferred financing costs	(38,332)	(30,482)
Unamortized discounts and premiums, net	(14,809)	(12,747)
Total debt	$ 3,374,787	$ 2,862,592

Amounts due within one year of the balance sheet date consist of the $800 million Gaylord Rockies term loan, the amortization payments for the $500 million term loan B of 1.0% of the original principal balance, amortization payments for the $300 million OEG term loan of 1.0% of the original principal balance, and amortization of the Block 21 CMBS loan based on a 30-year amortization. The Gaylord Rockies term loan has two, one-year extension options remaining, subject to certain requirements in the Gaylord Rockies term loan.

At September 30, 2023, there were no defaults under the covenants related to the Company's outstanding debt.

Credit Facility

On May 18, 2023, the Company entered into a Credit Agreement (the "Credit Agreement") among the Company, as a guarantor, its subsidiary RHP Hotel Properties, LP (the "Borrower"), 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, National Association, as administrative agent.

The Credit Agreement provides a $700 million revolving credit facility (the "Revolver") and $500 million term loan B (the "Term Loan B"), as well as an accordion feature that will allow Borrower to increase the facilities following the closing date by an aggregate total of up to $475 million, which may be allocated between the Revolver and the Term Loan B at the option of the Borrower. The Revolver replaced the Company's previous $700 million revolving credit facility, and a portion of the proceeds of the Term Loan B were used to repay in full the approximately $370 million balance of the Company's previous term loan B. The Revolver was undrawn at closing.

Borrowings under the Revolver under the Credit Agreement bear interest at an annual rate equal to, at the Company's option, either (i) Adjusted Term SOFR plus the applicable margin ranging from 1.40% to 2.00%, dependent upon the Company's funded debt to total asset value ratio (as defined in the Credit Agreement), (ii) Adjusted Daily Simple SOFR plus the applicable margin ranging from 1.40% to 2.00%, dependent upon the Company's funded debt to total asset value ratio (as defined in the Credit Agreement) or (iii) a base rate as set forth in the Credit Agreement plus the applicable margin ranging from 0.40% to 1.00%, dependent upon the Company's funded debt to total asset value ratio (as defined in the Credit Agreement). Borrowings under the Term Loan B bear interest at an annual rate equal to, at the Company's option, (i) Term SOFR plus 2.75%, (ii) Daily Simple SOFR plus 2.75% or (iii) a base rate as set forth in the Credit Agreement plus 1.75%. The Revolver matures on May 18, 2027, with the option to extend the maturity date for a maximum of one additional year through either (i) a single 12-month extension option or (ii) two individual 6-month extensions, and the Term Loan B matures on May 18, 2030.

The Revolver and the Term Loan B are subject to certain events of default which can be triggered by failing to meet customary financial covenants. If an event of default shall occur and be continuing, the principal amount outstanding under the Revolver and Term Loan B, together with all accrued and unpaid interest and other amounts owing in respect thereof, may be declared immediately due and payable.

$400 Million 7.25% Senior Notes due 2028

On June 22, 2023, the Operating Partnership and RHP Finance Corporation (collectively, the "issuing subsidiaries") completed the private placement of $400.0 million in aggregate principal amount of 7.25% senior notes due 2028 (the "$400 Million 7.25% Senior Notes"), which are guaranteed by the Company and its subsidiaries that guarantee the Credit Agreement.

The $400 Million 7.25% Senior Notes and guarantees were issued pursuant to an indenture by and among the issuing subsidiaries, the guarantors and U.S. Bank Trust Company, National Association, as trustee. The $400 Million 7.25% Senior Notes have a maturity date of July 15, 2028 and bear interest at 7.25% per annum, payable semi-annually in cash in arrears on January 15 and July 15 each year, beginning on January 15, 2024. The $400 Million 7.25% 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 Company's $700 million in aggregate principal amount of 4.75% senior notes due 2027 and $600 million in aggregate principal amount of 4.50% senior notes due 2029, and senior in right of payment to future subordinated indebtedness, if any.

The $400 Million 7.25% 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 7.25% 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 7.25% Senior Notes.

The net proceeds from the issuance of the $400 Million 7.25% Senior Notes totaled approximately $393 million, after deducting the initial purchasers' discounts, commissions and offering expenses. The Company used these proceeds to pay a portion of the purchase price for JW Marriott Hill Country discussed in Note 2.

The $400 Million 7.25% Senior Notes are redeemable before July 15, 2025, in whole or in part, at 100.00%, plus accrued and unpaid interest thereon to, but not including, the redemption date, plus a make-whole premium. The $400 Million 7.25% Senior Notes will be redeemable, in whole or in part, at any time on or after July 15, 2025 at a redemption price expressed as a percentage of the principal amount thereof, which percentage is 103.625%, 101.813%, and 100.000% beginning on July 15 of 2025, 2026, and 2027, respectively, plus accrued and unpaid interest thereon to, but not including, the redemption date.

Interest Rate Derivatives

The Company has entered into or previously entered into interest rate swaps to manage interest rate risk associated with the Company's previous term loan B, the Gaylord Rockies $800 million term loan and the $300 million OEG term loan. Each swap has been designated as a cash flow hedge whereby the Company receives variable-rate amounts in exchange for fixed-rate payments over the life of the agreement without exchange of the underlying principal amount. The Company does not use derivatives for trading or speculative purposes and currently does not hold any derivatives that are not designated as hedges.

For derivatives designated as and that qualify as cash flow hedges of interest rate risk, the gain or loss on the derivative is recorded in accumulated other comprehensive loss and subsequently reclassified to interest expense in the same period during which the hedged transaction affects earnings. These amounts reported in accumulated other comprehensive loss will be reclassified to interest expense as interest payments are made on the related variable-rate debt. The Company estimates that $1.6 million will be reclassified from accumulated other comprehensive income as a reduction to interest expense in the next twelve months.

The estimated fair value of the Company's derivative financial instruments at September 30, 2023 and December 31, 2022 is as follows (in thousands):

Hedged Debt	Type	Strike Rate	Index	Maturity Date	Notional Amount	Estimated Fair Value Asset (Liability) Balance September 30, 2023	December 31, 2022
Term Loan B	Interest Rate Swap	1.2235%	1-month LIBOR	May 11, 2023	$ 87,500	$ -	$ 1,096
Term Loan B	Interest Rate Swap	1.2235%	1-month LIBOR	May 11, 2023	87,500	-	1,096
Term Loan B	Interest Rate Swap	1.2235%	1-month LIBOR	May 11, 2023	87,500	-	1,096
Term Loan B	Interest Rate Swap	1.2315%	1-month LIBOR	May 11, 2023	87,500	-	1,093
Gaylord Rockies Term Loan	Interest Rate Swap	3.3410%	1-month LIBOR	August 1, 2023	800,000	-	6,969
Gaylord Rockies Term Loan	Interest Rate Swap	5.2105%	Daily SOFR	July 2, 2024	800,000	864	-
OEG Term Loan	Interest Rate Swap	4.5330%	3-month SOFR	December 18, 2025	100,000	616	(1,164)
						$ 1,480	$ 10,186

Derivative financial instruments in an asset position are included in prepaid expenses and other assets, and those in a liability position are included in other liabilities in the accompanying condensed consolidated balance sheets.

The effect of the Company's derivative financial instruments on the accompanying condensed consolidated statements of operations for the respective periods is as follows (in thousands):

	Amount of Gain (Loss) Recognized in OCI on Derivatives Three Months Ended September 30, 2023	2022	Location of Gain (Loss) Reclassified from Accumulated OCI into Income (Expense)	Amount of Gain (Loss) Reclassified from Accumulated OCI into Income (Expense) Three Months Ended September 30, 2023	2022
Derivatives in Cash Flow Hedging Relationships:					
Interest rate swaps	$ 1,562	$ 7,453	Interest expense	$ 1,578	$ (251)
Total derivatives	$ 1,562	$ 7,453		$ 1,578	$ (251)

	Amount of Gain (Loss) Recognized in OCI on Derivatives Nine Months Ended September 30, 2023	2022	Location of Gain (Loss) Reclassified from Accumulated OCI into Income (Expense)	Amount of Gain (Loss) Reclassified from Accumulated OCI into Income (Expense) Nine Months Ended September 30, 2023	2022
Derivatives in Cash Flow Hedging Relationships:					
Interest rate swaps	$ 3,029	$ 15,642	Interest expense	$ 11,734	$ (6,375)
Total derivatives	$ 3,029	$ 15,642		$ 11,734	$ (6,375)

Reclassifications from accumulated other comprehensive loss for interest rate swaps are shown in the table above and included in interest expense. Total consolidated interest expense for the three months ended September 30, 2023 and 2022 was $58.5 million and $40.1 million, respectively, and for the nine months ended September 30, 2023 and 2022 was $150.2 million and $106.0 million, respectively.

As of September 30, 2023, the Company has not posted any collateral related to these agreements and was not in breach of any agreement provisions. In addition, the Company has an agreement with its derivative counterparty that contains a provision whereby the Company could be declared in default on its derivative obligations if repayment of the underlying indebtedness is accelerated by the lender due to the Company's default on the indebtedness.

10. DEFERRED MANAGEMENT RIGHTS PROCEEDS:

On October 1, 2012, the Company consummated its agreement to sell the Gaylord Hotels brand 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, based on the Company's estimates of the fair values for the respective components. For financial accounting 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.

11. LEASES:

The Company is a lessee of a 65.3-acre site in Osceola County, Florida on which Gaylord Palms is located; building or land leases for Ole Red Gatlinburg, Ole Red Orlando, Ole Red Tishomingo, Ole Red Nashville International Airport and Ole Red Las Vegas; and various warehouse, general office and other equipment leases. The Gaylord Palms land lease has a term through 2074, which may be extended through January 2101, at the Company's discretion. The leases for Ole Red locations range from five to ten years, with renewal options ranging from five to fifty-five years, at the Company's discretion, with the exception of Ole Red Nashville International Airport, which has no extension option. Extension options are not considered reasonably assured to be exercised and, as a result, are not included in the Company's calculation of its right-of-use assets and lease liabilities.

The terms of the Gaylord Palms lease include variable lease payments based upon net revenues at Gaylord Palms, and certain other of the Company's leases include rental payments adjusted periodically for inflation. The Company's lease agreements do not contain any material residual value guarantees or material restrictive covenants.

As the discount rate implicit in the Company's operating leases is not readily determinable, the Company applies judgments related to the determination of the discount rates used to calculate the lease liability as required by Accounting Standards Codification Topic 842, "*Leases*". The Company calculates its incremental borrowing rates by utilizing judgments and estimates regarding the Company's secured borrowing rates, market credit rating, comparable bond yield curve, and adjustments to market yield curves to determine a securitized rate.

The Company's lease costs for the three and nine months ended September 30, 2023 and 2022 are as follows (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	**2022**	**2023**	**2022**
Operating lease cost	$ 4,411	$ 3,826	$ 13,499	$ 11,171
Finance lease cost:				
Amortization of right-of-use assets	58	31	119	92
Interest on lease liabilities	6	8	18	26
Net lease cost	$ 4,475	$ 3,865	$ 13,636	$ 11,289

Future minimum lease payments under non-cancelable leases at September 30, 2023 are as follows (in thousands):

	Operating Leases	Finance Leases
Year 1	$ 9,814	$ 148
Year 2	9,276	94
Year 3	9,258	74
Year 4	9,227	46
Year 5	9,146	47
Years thereafter	558,415	603
Total future minimum lease payments	605,136	1,012
Less amount representing interest	(476,099)	(166)
Total present value of minimum payments	$ 129,037	$ 846

The remaining lease term and discount rate for the Company's leases are as follows:

Weighted-average remaining lease term:	
Operating leases	43.1 years
Finance leases	11.2 years
Weighted-average discount rate:	
Operating leases	7.0 %
Finance leases	3.7 %

12. STOCK PLANS:

During the nine months ended September 30, 2023, the Company granted 0.2 million restricted stock units with a weighted-average grant date fair value of $87.04 per unit. There were 0.6 million restricted stock units outstanding at each of September 30, 2023 and December 31, 2022.

Compensation expense for the Company's stock-based compensation plans was $3.9 million and $3.7 million for the three months ended September 30, 2023 and 2022, respectively, and $11.5 million and $11.1 million for the nine months ended September 30, 2023 and 2022, respectively.

13. PENSION PLANS:

Net periodic pension expense reflected in other gains and (losses), net in the accompanying condensed consolidated statements of operations included the following components for the respective periods (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
Interest cost	$ 787	$ 763	$ 2,437	$ 1,829
Expected return on plan assets	(728)	(820)	(2,187)	(2,882)
Amortization of net actuarial loss	195	271	651	694
Net settlement loss	—	723	—	1,576
Total net periodic pension expense	$ 254	$ 937	$ 901	$ 1,217

As a result of increased lump-sum distributions from the Company's qualified retirement plan during 2022, a net settlement loss of $1.6 million was recognized in the nine months ended September 30, 2022.

14. INCOME TAXES:

The Company 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 is not 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 continues to be required to pay federal and state corporate income taxes on earnings of its taxable REIT subsidiaries ("TRSs").

For the three months ended September 30, 2023 and 2022, the Company recorded an income tax provision of $2.2 million and $10.2 million, respectively, related to its TRSs. For the nine months ended September 30, 2023 and 2022, the Company recorded an income tax provision of $7.3 million and $27.7 million, respectively, related to its TRSs. The decrease in the income tax provision for the three and nine months ended September 30, 2023, as compared to the same periods in the prior year, primarily relates to a decrease in income at the Company's TRSs.

At September 30, 2023 and December 31, 2022, the Company had no unrecognized tax benefits.

15. COMMITMENTS AND CONTINGENCIES:

In April 2019, a subsidiary of the Company acquired a 50% equity interest in Circle and has made capital contributions of $41.5 million through September 30, 2023. The Company accounts for its investment in this joint venture under the equity method of accounting. In September 2023, Company management determined to pivot from television network ownership in favor of a distribution approach. Therefore, the Company and its joint venture partner agreed to wind down the joint venture, with operations expected to cease December 31, 2023. As a result, the Company incurred a loss related to Circle of approximately $10.6 million, which is included in loss from unconsolidated joint ventures in the accompanying condensed consolidated statement of operations for the three and nine months ended September 30, 2023. Included in this loss is approximately $3.5 million, which is the Company's portion of the remaining net obligations of the joint venture, which the Company has committed to fund.

In connection with the purchase of Block 21, the Company provided (i) limited guarantees to the Block 21 lenders under the Block 21 CMBS Loan via a guaranty agreement, a guaranty of completion agreement and an environmental indemnity, and (ii) a letter of credit drawable by the Block 21 lenders in the event of a default of the Block 21 CMBS Loan.

The Company has entered into employment agreements with certain officers, which provide for severance payments upon certain events, including certain terminations in connection with a change of control.

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

16. EQUITY

Equity Offering

In June 2023, the Company completed an underwritten public offering of approximately 4.4 million shares of its common stock, par value $0.01 per share, at a price to the public of $93.25 per share. Net proceeds to the Company, after deducting underwriting discounts and commissions and other expenses paid by the Company, were approximately $395 million. The Company used these proceeds to pay a portion of the purchase price for JW Marriott Hill Country discussed in Note 2.

Dividends

On February 23, 2023, the Company's board of directors declared the Company's first quarter 2023 cash dividend in the amount of $0.75 per share of common stock, or an aggregate of approximately $41.7 million in cash, which was paid on April 17, 2023 to stockholders of record as of the close of business on March 31, 2023. On May 3, 2023, the Company's board of directors declared the Company's second quarter 2023 cash dividend in the amount of $1.00 per share of common stock, or an aggregate of approximately $60.1 million in cash, which was paid on July 17, 2023 to stockholders of record as of the close of business on June 30, 2023. On September 18, 2023, the Company's board of directors declared the Company's third quarter 2023 cash dividend in the amount of $1.00 per share of common stock, or an aggregate of approximately $60.1 million in cash, which was paid on October 16, 2023 to stockholders of record as of the close of business on September 29, 2023. Any future dividend is subject to the Company's board of directors' determination as to the amount of distributions and the timing thereof.

Noncontrolling Interest in the Operating Partnership

The Company consolidates the Operating Partnership, which is a majority-owned limited partnership that has a noncontrolling interest. The outstanding OP Units held by the noncontrolling limited partners are redeemable for cash, or if the Company so elects, in shares of the Company's common stock on a one-for-one basis, subject to certain adjustments. At September 30, 2023, 0.4 million outstanding OP Units, or less than 1% of the outstanding OP Units, were held by the noncontrolling limited partners and are included as a component of equity in the accompanying condensed consolidated balance sheets. The Company owns, directly or indirectly, the remaining 99.3% of the outstanding OP Units.

At-the-Market ("ATM") Equity Distribution Agreement

On May 27, 2021, the Company entered into an ATM equity distribution agreement (the "ATM Agreement") with a consortium of banks (each a "Sales Agent" and collectively, the "Sales Agents"), pursuant to which the Company may offer and sell to or through the Sales Agents (the "ATM Offering"), from time to time, up to 4.0 million shares (the "Shares") of the Company's common stock in such share amounts as the Company may specify by notice to the Sales Agents, in accordance with the terms and conditions set forth in the ATM Agreement.

Under the ATM Agreement, the Company will set the parameters for the sale of the Shares, including the number of the Shares to be issued, the time period during which sales are requested to be made, limitation on the number of the Shares that may be sold in any one trading day and any minimum price below which sales may not be made. Each Sales Agent will use its commercially reasonable efforts, consistent with its normal trading and sales practices, to sell such Shares up to the amount specified, and otherwise in accordance with mutually agreed terms between the Sales Agent and the Company. Neither the Company nor any of the Sales Agents are obligated to sell any specific number or dollar amount of Shares under the ATM Agreement. The Sales Agents will be paid a commission of up to 2.0% of the gross sales price from the sale of any Shares. The Company intends to use the net proceeds from any sale of Shares for the repayment of outstanding indebtedness, which may include the repayment of amounts outstanding under the Credit Agreement. Net proceeds which are not used for the repayment of outstanding indebtedness (to the extent then permitted by the Credit Agreement) may be used for general corporate purposes.

No shares were issued under the ATM Agreement during the nine months ended September 30, 2023.

17. 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.

The investments held by the Company in connection with its deferred compensation plan consist of mutual funds traded in an active market. The Company determined the fair value of these mutual funds 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's interest rate swaps consist of over-the-counter swap contracts, which are not traded on a public exchange. The Company determines the fair value of these swap contracts based on a widely accepted valuation methodology of netting the discounted future fixed cash flows and the discounted expected variable cash flows, using interest rates derived from observable market interest rate curves and volatilities, with appropriate adjustments for any significant impact of non-performance risk of the parties to the swap contracts. Therefore, these swap contracts have been classified as Level 2.

The Company has consistently applied the above valuation techniques in all periods presented and believes it has obtained the most accurate information available for each type of instrument.

The Company's assets and liabilities measured at fair value on a recurring basis at September 30, 2023 and December 31, 2022, were as follows (in thousands):

	September 30, 2023	Markets for Identical Assets (Level 1)	Observable Inputs (Level 2)	Unobservable Inputs (Level 3)
Deferred compensation plan investments	$ 31,334	$ 31,334	$ —	$ —
Variable to fixed interest rate swaps	1,480	—	1,480	—
Total assets measured at fair value	$ 32,814	$ 31,334	$ 1,480	$ —

	December 31, 2022	Markets for Identical Assets (Level 1)	Observable Inputs (Level 2)	Unobservable Inputs (Level 3)
Deferred compensation plan investments	$ 29,245	$ 29,245	$ —	$ —
Variable to fixed interest rate swaps	11,350	—	11,350	—
Total assets measured at fair value	$ 40,595	$ 29,245	$ 11,350	$ —
Variable to fixed interest rate swaps	$ 1,164	$ —	$ 1,164	$ —
Total liabilities measured at fair value	$ 1,164	$ —	$ 1,164	$ —

The remainder of the assets and liabilities held by the Company at September 30, 2023 are not required to be recorded at fair value, and financial assets and liabilities approximate fair value, except as described below.

The Company has outstanding $600.0 million in aggregate principal amount of $600 million 4.50% senior notes. The carrying value of these notes at September 30, 2023 was $592.7 million, net of unamortized deferred financing costs ("DFCs"). The fair value of these notes, based upon quoted market prices (Level 1), was $516.5 million at September 30, 2023.

The Company has outstanding $700.0 million in aggregate principal amount of $700 million 4.75% senior notes. The carrying value of these notes at September 30, 2023 was $694.6 million, net of unamortized DFCs and premiums. The fair value of these notes, based upon quoted market prices (Level 1), was $640.2 million at September 30, 2023.

See Note 2, "JW Marriott Hill Country Transaction," for additional disclosures related to the fair value measurements used in accounting for the purchase of JW Marriott Hill Country.

18. FINANCIAL REPORTING BY BUSINESS SEGMENTS:

The Company's operations are organized into three principal business segments:

- *Hospitality*, which includes the Gaylord Hotels properties, JW Marriott Hill Country (effective June 30, 2023), the Inn at Opryland and the AC Hotel;
- *Entertainment*, which includes the OEG business, specifically the Grand Ole Opry, the Ryman Auditorium, WSM-AM, Ole Red, Block 21, the Company's equity investment in Circle, and the Company's Nashville-based attractions; and
- *Corporate and Other*, which includes the Company's corporate expenses.

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

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
Revenues:				
Hospitality	$ 446,198	$ 390,602	$ 1,288,322	$ 1,053,515
Entertainment	82,313	77,153	236,751	183,579
Corporate and Other	—	—	—	—
Total	$ 528,511	$ 467,755	$ 1,525,073	$ 1,237,094
Depreciation and amortization:				
Hospitality	$ 52,466	$ 42,517	$ 137,987	$ 146,804
Entertainment	5,400	5,249	16,067	13,293
Corporate and Other	220	203	646	615
Total	$ 58,086	$ 47,969	$ 154,700	$ 160,712
Operating income (loss):				
Hospitality	$ 91,723	$ 88,901	$ 305,526	$ 205,142
Entertainment	20,691	17,756	55,940	38,737
Corporate and Other	(10,323)	(9,652)	(31,228)	(32,038)
Preopening costs	(168)	—	(425)	(525)
Loss on sale of assets	—	—	—	(469)
Total operating income	101,923	97,005	329,813	210,847
Interest expense	(58,521)	(40,092)	(150,228)	(105,987)
Interest income	6,112	1,378	13,977	4,138
Loss on extinguishment of debt	—	—	(2,252)	(1,547)
Loss from unconsolidated joint ventures (1)	(12,566)	(2,720)	(17,525)	(8,348)
Other gains and (losses), net	5,993	2,058	5,470	2,222
Income before income taxes	$ 42,941	$ 57,629	$ 179,255	$ 101,325

(1) Loss from unconsolidated joint ventures relates to the Entertainment segment.

	September 30, 2023	December 31, 2022
Total assets:		
Hospitality	$ 4,038,490	$ 3,314,444
Entertainment	533,490	502,913
Corporate and Other	491,853	223,266
Total identifiable assets	$ 5,063,833	$ 4,040,623

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS.

Ryman Hospitality Properties, Inc. ("Ryman") is a Delaware corporation that conducts its operations so as to maintain its qualification as a real estate investment trust ("REIT") for federal income tax purposes. The Company conducts its business through an umbrella partnership REIT, in which all of its assets are held by, and operations are conducted through, RHP Hotel Properties, LP, a subsidiary operating partnership (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 a co-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 the Operating Partnership's subsidiaries. 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 Quarterly Report on Form 10-Q and Ryman's other reports, documents or other information filed with the Securities and Exchange Commission (the "SEC") pursuant to the Securities Exchange Act of 1934, as amended (the "Exchange Act"). In this report, we use the terms the "Company," "we" or "our" to refer to Ryman Hospitality Properties, Inc. and its subsidiaries unless the context indicates otherwise.

The following discussion and analysis should be read in conjunction with our condensed consolidated financial statements and related notes included elsewhere in this report and our audited consolidated financial statements and related notes for the year ended December 31, 2022, included in our Annual Report on Form 10-K that was filed with the SEC on February 24, 2023.

Cautionary Note Regarding Forward-Looking Statements

This Quarterly Report on Form 10-Q 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 future performance of our business, anticipated business levels and our anticipated financial results during future periods, and other business or operational issues; (ii) the effect of our election to be taxed as a REIT and maintain REIT status for federal income tax purposes; (iii) the holding of our non-qualifying REIT assets in one or more taxable REIT subsidiaries ("TRSs"); (iv) our dividend policy, including the frequency and amount of any dividend we may pay; (v) our strategic goals and potential growth opportunities, including future expansion of the geographic diversity of our existing asset portfolio through acquisitions and investment in joint ventures; (vi) Marriott International, Inc.'s ("Marriott") ability to effectively manage our hotels and other properties; (vii) our anticipated capital expenditures and investments; (viii) the potential operating and financial restrictions imposed on our activities under existing and future financing agreements including our credit facility and other contractual arrangements with third parties, including management agreements with Marriott; (ix) our use of cash during the remainder of 2023; (x) our ability to borrow available funds under our credit facility; (xi) our expectations about successfully amending the agreements governing our indebtedness should the need arise; (xii) the effects of inflation and increased costs on our business and on our customers, including group customers at our hotels; (xiii) risks associated with our acquisition of the JW Marriott San Antonio Hill Country Resort & Spa; and (xiv) any other business or operational matters. We have based these forward-looking statements on our current expectations and projections about future events.

We caution the reader that forward-looking statements involve risks and uncertainties that cannot be predicted or quantified, and, consequently, actual results may differ materially from those expressed or implied by such forward-looking statements. Important factors that could cause actual results to differ materially from those in the forward-looking statements include, among other things, risks and uncertainties associated with economic conditions affecting the hospitality business generally, the geographic concentration of our hotel properties, business levels at our hotels, the effects of inflation on our business, including the effects on costs of labor and supplies and effects on group customers at our hotels and customers in our OEG businesses, our ability to remain qualified as a REIT, our ability to execute our strategic goals as a REIT, our ability to generate cash flows to support dividends, future board determinations regarding the timing and amount of dividends and changes to the dividend policy, our ability to borrow funds pursuant to our credit agreements and to refinance indebtedness and/or to successfully amend the agreements governing our indebtedness in the future, changes in interest rates, any effects of COVID-19 on us and the hospitality and entertainment industries generally, and those factors described elsewhere in this Quarterly Report on Form 10-Q and our Annual Report on Form 10-K for the year ended December 31, 2022 or described from time to time in our other reports filed with the SEC.

Any forward-looking statement made in this Quarterly Report on Form 10-Q speaks only as of the date on which the statement is made. New risks and uncertainties 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 Quarterly Report on Form 10-Q, except as may be required by law.

Overview

We operate as a REIT for federal income tax purposes, specializing in group-oriented, destination hotel assets in urban and resort markets. Our core holdings include a network of five upscale, meetings-focused resorts totaling 9,917 rooms that are managed by Marriott under the Gaylord Hotels brand. These five 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”), the Gaylord National Resort & Convention Center near Washington D.C. (“Gaylord National”), and the Gaylord Rockies Resort & Convention Center near Denver, Colorado (“Gaylord Rockies”). Our other owned hotel assets managed by Marriott include the Inn at Opryland, an overflow hotel adjacent to Gaylord Opryland, the AC Hotel at National Harbor, Washington D.C. (“AC Hotel”), an overflow hotel adjacent to Gaylord National, and effective June 30, 2023, the JW Marriott San Antonio Hill Country Resort & Spa (“JW Marriott Hill Country”).

We also own a controlling 70% equity interest in a business comprised of a number of entertainment and media assets, known as the Opry Entertainment Group (“OEG”), which we report as our Entertainment segment. These assets include the Grand Ole Opry, the legendary weekly showcase of country music’s finest performers for 98 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; two Nashville-based assets – the Wildhorse Saloon and the General Jackson Showboat; and as of May 31, 2022, Block 21, a mixed-use entertainment, lodging, office, and retail complex located in Austin, Texas (“Block 21”). OEG owns a 50% interest in a joint venture that creates and distributes a linear multicast and over-the-top channel dedicated to the country music lifestyle (“Circle”) (see “Loss from Unconsolidated Joint Ventures” below for further disclosure regarding Circle). See “OEG Transaction” below for additional disclosure regarding our sale of a 30% interest in OEG effective June 16, 2022.

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.

See “Cautionary Note Regarding Forward-Looking Statements” in this Item 2 and Item 1A, “Risk Factors,” in Part II of this Quarterly Report on Form 10-Q and Item 1A, “Risk Factors,” in our Annual Report on Form 10-K for the year ended December 31, 2022 for important information regarding forward-looking statements made in this report and risks and uncertainties we face.

JW Marriott Hill Country

On June 30, 2023, we purchased JW Marriott Hill Country for approximately $800 million. Located amid approximately 600 acres in the Texas Hill Country region outside of San Antonio, JW Marriott Hill Country, which opened in 2010, is a premier group-oriented resort with 1,002 rooms and 268,000 total square feet of indoor and outdoor meeting and event space. The resort's amenities include a 26,000 square foot spa; eight food and beverage outlets; a 9-acre water experience; and TPC San Antonio, which features two 18-hole golf courses. We funded the purchase price with approximately $395 million in net proceeds of an underwritten registered public offering of approximately 4.4 million shares of the Company's common stock, approximately $393 million in net proceeds of a private placement of $400 million aggregate principal amount of 7.25% senior notes due 2028 and cash on hand. JW Marriott Hill Country assets are reflected in our Hospitality segment beginning June 30, 2023.

Credit Facility Refinancing

In May 2023, we completed the refinancing of our previous credit facility by entering into a new credit agreement, which extends the maturity of our $700 million revolving credit facility to 2027 and an increased $500 million term loan B to 2030. The new credit facility also includes an accordion feature that will allow us to increase the facilities by an aggregate total of up to $475 million. A portion of the proceeds of the term loan B were used to repay in full the approximately $370 million balance of our previous term loan B. The revolver was undrawn at closing.

Issuance of $400 Million 7.25% Senior Notes due 2028

On June 22, 2023, the Operating Partnership and RHP Finance Corporation completed the private placement of $400.0 million in aggregate principal amount of 7.25% senior notes due 2028 (the "$400 Million 7.25% Senior Notes"), which are guaranteed by the Company and its subsidiaries that guarantee our credit agreement.

The net proceeds from the issuance of the $400 Million 7.25% Senior Notes totaled approximately $393 million, after deducting the initial purchasers' discounts, commissions and offering expenses. We used these proceeds to pay a portion of the purchase price for JW Marriott Hill Country discussed above.

Equity Offering

In June 2023, we completed an underwritten public offering of approximately 4.4 million shares of our common stock, par value $0.01 per share, at a price to the public of $93.25 per share. Our net proceeds, after deducting underwriting discounts and commissions and other expenses paid by us, were approximately $395 million. We used these proceeds to pay a portion of the purchase price for JW Marriott Hill Country discussed above.

OEG Transaction

As more fully described in Note 1, "OEG Transaction," to the consolidated financial statements included in our Annual Report on Form 10-K for the year ended December 31, 2022, on June 16, 2022, we and certain of our subsidiaries, including OEG Attractions Holdings, LLC, which directly or indirectly owns the assets that comprise our Entertainment Segment, consummated the transactions contemplated by an investment agreement (the "Investment Agreement") with Atairos Group, Inc. ("Atairos") and A-OEG Holdings, LLC, an affiliate of Atairos (the "OEG Investor"), pursuant to which OEG issued and sold to the OEG Investor, and the OEG Investor acquired, 30% of the equity interests of OEG for approximately $296.0 million (the "OEG Transaction"). The purchase price for the OEG Transaction may be increased by $30.0 million if OEG achieves certain financial objectives in 2023 or 2024.

We retained a controlling 70% equity interest in OEG and continue to consolidate OEG and the other subsidiaries comprising our Entertainment segment in our consolidated financial statements. After the payment of transaction expenses, we used substantially all of the net proceeds from the OEG Transaction, together with the net proceeds we received from the OEG Term Loan (as defined in "Principal Debt Agreements" below), to repay the then-outstanding balance of our former $300 million term loan A and to pay down substantially all borrowings then outstanding under our revolving credit facility.

Dividend Policy

In September 2022, our board of directors approved a dividend policy pursuant to which we will make minimum dividends of 100% of REIT taxable income annually, subject to the board of directors' future determinations as to the amount of any distributions and the timing thereof. The dividend policy may be altered at any time by our board of directors (as otherwise permitted by our credit agreement) and certain provisions of our agreements governing our other indebtedness may prohibit us from paying dividends in accordance with any policy we may adopt.

Our Long-Term Strategic Plan

Our goal is to be the nation's premier hospitality REIT for group-oriented meeting hotel assets in urban and resort markets.

Existing Hotel Property Design. Our Gaylord Hotels 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 Gaylord Hotels properties claiming a place among the leading convention hotels in the country.

Expansion of Hotel Asset Portfolio. Part of our long-term growth strategy includes acquisitions or developments 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 will consider 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 or luxury assets with over 400 hotel rooms in urban and resort group destination markets. We also consider assets that possess significant meeting space or present a repositioning opportunity and/or would significantly benefit from capital investment in additional rooms or meeting space. We are consistently considering acquisitions that would expand the geographic diversity of our existing asset portfolio. To this end, we purchased JW Marriott Hill Country in June 2023.

Continued Investment in Our Existing Properties. We continuously evaluate and invest in our current portfolio and consider enhancements or expansions as part of our long-term strategic plan. In 2021, we completed our $158 million expansion of Gaylord Palms, and we also completed our renovation of all of the guestrooms at Gaylord National. In 2022, we completed a re-concepting of the food and beverage options at Gaylord National and began a $98 million multi-year interior and exterior enhancement project at Gaylord Rockies to better position the property for our group customers.

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 believe that licensing our brand for products may provide an opportunity to increase revenues and cash flow with relatively little capital investment. We are continuously exploring additional products, such as television specials and retail products, through which we can capitalize on our brand affinity and awareness. To this end, we have invested in six Ole Red locations, purchased Block 21, and in April 2023 announced a partnership with Luke Combs for an entertainment venue concept expected to be completed in 2024. Further, in 2022, we completed a strategic transaction to sell a minority interest in OEG to an affiliate of Atairos and its strategic partner NBCUniversal, who we believe will be able to help us expand the distribution of our OEG brands.

Short-Term Capital Allocation. Our short-term capital allocation strategy is focused on returning capital to stockholders through the payment of dividends, in addition to investing in our assets and operations. Our dividend policy provides that we will make minimum dividends of 100% of REIT taxable income annually, subject to the board of directors' future determinations as to the amount of any distributions and the timing thereof.

Our Operations

Our ongoing operations are organized into three principal business segments:

- Hospitality, consisting of our Gaylord Hotels properties, JW Marriott Hill Country (effective June 30, 2023), the Inn at Opryland and the AC Hotel.
- Entertainment, consisting of the Grand Ole Opry, the Ryman Auditorium, WSM-AM, Ole Red, Block 21, our equity investment in Circle, and our other Nashville-based attractions.
- Corporate and Other, consisting of our corporate expenses.

For the three and nine months ended September 30, 2023 and 2022, our total revenues were divided among these business segments as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
Segment	2023	2022	2023	2022
Hospitality	84 %	84 %	84 %	85 %
Entertainment	16 %	16 %	16 %	15 %
Corporate and Other	0 %	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 and are used by management to evaluate hotel performance and allocate capital expenditures:

- hotel occupancy – a volume indicator calculated by dividing total rooms sold by total rooms available;
- 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 group room nights booked – a volume indicator which represents the total number of definite group bookings for future room nights at our hotels confirmed during the applicable period, net of cancellations.

We also use certain “non-GAAP financial measures,” which are measures of our historical performance that are not calculated and presented in accordance with GAAP, within the meaning of applicable SEC rules. These measures include:

- Earnings Before Interest Expense, Income Taxes, Depreciation and Amortization for Real Estate (“EBITDA*re*”), Adjusted EBITDA*re* and Adjusted EBITDA*re*, Excluding Noncontrolling Interest in Consolidated Joint Venture, and
- Funds From Operations (“FFO”) available to common stockholders and unit holders and Adjusted FFO available to common stockholders and unit holders.

See “Non-GAAP Financial Measures” below for further discussion.

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 (and applicable room rates) 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. Increases in costs, including labor costs, costs of food and other supplies, and energy costs can negatively affect our results, particularly during an inflationary economic environment. We rely on Marriott, as the manager of our hotels, to manage these factors and to offset any identified shortfalls in occupancy.

Selected Financial Information

The following table contains our unaudited selected summary financial data for the three and nine months ended September 30, 2023 and 2022. The table also shows the percentage relationships to total revenues and, in the case of segment operating income, its relationship to segment revenues (in thousands, except percentages).

	Unaudited Three Months Ended September 30,				Unaudited Nine Months Ended September 30,			
	2023	**%**	**2022**	**%**	**2023**	**%**	**2022**	**%**
REVENUES:								
Rooms	$ 180,309	34.1 %	$ 154,940	33.1 %	$ 510,052	33.4 %	$ 418,039	33.8 %
Food and beverage	202,850	38.4 %	186,188	39.8 %	616,562	40.4 %	486,387	39.3 %
Other hotel revenue	63,039	11.9 %	49,474	10.6 %	161,708	10.6 %	149,089	12.1 %
Entertainment	82,313	15.6 %	77,153	16.5 %	236,751	15.5 %	183,579	14.8 %
Total revenues	528,511	100.0 %	467,755	100.0 %	1,525,073	100.0 %	1,237,094	100.0 %
OPERATING EXPENSES:								
Rooms	45,879	8.7 %	41,366	8.8 %	128,210	8.4 %	112,740	9.1 %
Food and beverage	117,435	22.2 %	103,221	22.1 %	339,642	22.3 %	272,039	22.0 %
Other hotel expenses	122,748	23.2 %	103,321	22.1 %	330,397	21.7 %	289,248	23.4 %
Hotel management fees, net	15,947	3.0 %	11,276	2.4 %	46,560	3.1 %	27,542	2.2 %
Entertainment	56,222	10.6 %	54,148	11.6 %	164,744	10.8 %	131,549	10.6 %
Corporate	10,103	1.9 %	9,449	2.0 %	30,582	2.0 %	31,423	2.5 %
Preopening costs	168	0.0 %	—	— %	425	0.0 %	525	0.0 %
Loss on sale of assets	—	— %	—	— %	—	— %	469	0.0 %
Depreciation and amortization:								
Hospitality	52,466	9.9 %	42,517	9.1 %	137,987	9.0 %	146,804	11.9 %
Entertainment	5,400	1.0 %	5,249	1.1 %	16,067	1.1 %	13,293	1.1 %
Corporate and Other	220	0.0 %	203	0.0 %	646	0.0 %	615	0.0 %
Total depreciation and amortization	58,086	11.0 %	47,969	10.3 %	154,700	10.1 %	160,712	13.0 %
Total operating expenses	426,588	80.7 %	370,750	79.3 %	1,195,260	78.4 %	1,026,247	83.0 %
OPERATING INCOME (LOSS):								
Hospitality	91,723	20.6 %	88,901	22.8 %	305,526	23.7 %	205,142	19.5 %
Entertainment	20,691	25.1 %	17,756	23.0 %	55,940	23.6 %	38,737	21.1 %
Corporate and Other	(10,323)	(A)	(9,652)	(A)	(31,228)	(A)	(32,038)	(A)
Preopening costs	(168)	(0.0)%	—	— %	(425)	(0.0)%	(525)	(0.0)%
Loss on sale of assets	—	— %	—	— %	—	— %	(469)	(0.0)%
Total operating income	101,923	19.3 %	97,005	20.7 %	329,813	21.6 %	210,847	17.0 %
Interest expense	(58,521)	(A)	(40,092)	(A)	(150,228)	(A)	(105,987)	(A)
Interest income	6,112	(A)	1,378	(A)	13,977	(A)	4,138	(A)
Loss on extinguishment of debt	—	(A)	—	(A)	(2,252)	(A)	(1,547)	(A)
Loss from unconsolidated joint ventures	(12,566)	(A)	(2,720)	(A)	(17,525)	(A)	(8,348)	(A)
Other gains and (losses), net	5,993	(A)	2,058	(A)	5,470	(A)	2,222	(A)
Provision for income taxes	(2,156)	(A)	(10,178)	(A)	(7,333)	(A)	(27,747)	(A)
Net income	40,785	(A)	47,451	(A)	171,922	(A)	73,578	(A)
Net (income) loss attributable to noncontrolling interest in consolidated joint venture	715	(A)	(1,887)	(A)	(1,656)	(A)	(2,167)	(A)
Net income attributable to noncontrolling interest in the Operating Partnership	(273)	(A)	(323)	(A)	(1,176)	(A)	(507)	(A)
Net income available to common stockholders	$ 41,227	(A)	$ 45,241	(A)	$ 169,090	(A)	$ 70,904	(A)

(A) These amounts have not been shown as a percentage of revenue because they have no relationship to revenue.

Summary Financial Results

Results of Operations

The following table summarizes our financial results for the three and nine months ended September 30, 2023 and 2022 (in thousands, except percentages and per share data):

	Three Months Ended September 30,			Nine Months Ended September 30,		
	2023	2022	% Change	2023	2022	% Change
Total revenues	$ 528,511	$ 467,755	13.0 %	$ 1,525,073	$ 1,237,094	23.3 %
Total operating expenses	426,588	370,750	15.1 %	1,195,260	1,026,247	16.5 %
Operating income	101,923	97,005	5.1 %	329,813	210,847	56.4 %
Net income	40,785	47,451	(14.0)%	171,922	73,578	133.7 %
Net income available to common stockholders	41,227	45,241	(8.9)%	169,090	70,904	138.5 %
Net income available to common stockholders per share - diluted	0.64	0.79	(19.0)%	2.78	1.28	117.2 %

Total Revenues

The increase in our total revenues for the three months ended September 30, 2023, as compared to the same period in 2022, is attributable to increases in our Hospitality segment and Entertainment segment of $55.6 million and $5.2 million, respectively, as presented in the tables below. The increase in our total revenues for the nine months ended September 30, 2023, as compared to the same period in 2022, is attributable to increases in our Hospitality segment and Entertainment segment of $234.8 million and $53.2 million, respectively, as presented in the tables below.

Total Operating Expenses

The increase in our total operating expenses for the three months ended September 30, 2023, as compared to the same period in 2022, is primarily the result of increases in our Hospitality segment and Entertainment segment of $42.8 million and $2.1 million, respectively, as well as an increase in depreciation expense of $10.1 million, as presented in the tables below. The increase in our total operating expenses for the nine months ended September 30, 2023, as compared to the same period in 2022, is primarily the result of increases in our Hospitality segment and Entertainment segment of $143.2 million and $33.2 million, respectively, partially offset by a decrease in depreciation expense of $6.0 million, as presented in the tables below.

Net Income

Our decrease in net income of $6.7 million for the three months ended September 30, 2023, as compared to the same period in 2022, was primarily due to the changes in our revenues and operating expenses reflected above, and the following factors, each as described more fully below:

- An $18.4 million increase in interest expense in the 2023 period, as compared to the 2022 period.
- A $9.8 million increase in loss from unconsolidated joint ventures in the 2023 period, as compared to the 2022 period.
- An $8.0 million decrease in the provision for income taxes in the 2023 period, as compared to the 2022 period.

Our increase in net income of $98.3 million for the nine months ended September 30, 2023, as compared to the same period in 2022, was primarily due to the changes in our revenues and operating expenses reflected above, and the following factors, each as described more fully below:

- A $44.2 million increase in interest expense in the 2023 period, as compared to the 2022 period.
- A $9.2 million increase in loss from unconsolidated joint ventures in the 2023 period, as compared to the 2022 period.
- A $20.4 million decrease in the provision for income taxes in the 2023 period, as compared to the 2022 period.

Factors and Trends Contributing to Performance and Current Environment

Important factors and trends contributing to our performance during the three months ended September 30, 2023, compared to the three months ended September 30, 2022, were:

- The addition of JW Marriott Hill Country, including $50.0 million in revenues; the property averaged $235.43 in RevPAR and $542.67 in Total RevPAR.
- An increase in same-store (Hospitality segment excluding JW Marriott Hill Country) group rooms traveled in the 2023 period of 3.1% over the 2022 period.
- A decrease in same-store cancelled room nights at our hotels of 16.9% in the 2023 period, as compared to the 2022 period, and a decrease in same-store group attrition at our hotels from 19.2% in the 2022 period to 14.7% in the 2023 period.
- An increase in same-store incentive management fees of 106.8% in the 2023 period, as compared to the 2022 period, primarily due to improved full year results.
- An increase in Entertainment revenue of 6.7% in the 2023 period, as compared to the 2022 period, primarily attributable to a revenue increase at the Grand Ole Opry as a result of increased attendance.

Important factors and trends contributing to our performance during the nine months ended September 30, 2023, compared to the nine months ended September 30, 2022, which was partially impacted by the Omicron variant of COVID-19, were:

- The addition of JW Marriott Hill Country on June 30, 2023, including $50.7 million in revenues.
- Same-store hotel occupancy of 72.3% and ADR of $237.74 in the 2023 period, an increase of 8.4 points of occupancy and 3.3%, respectively, over the 2022 period.
- An increase in same-store group rooms traveled in the 2023 period of 21.2% over the 2022 period.
- A same-store increase of 17.9% in outside-the-room spend at our hotels in the 2023 period, as compared to the 2022 period, with group catering revenue particularly strong.
- A decrease in same-store cancelled room nights at our hotels of 43.6% in the 2023 period, as compared to the 2022 period, and a decrease in same-store group attrition at our hotels from 22.2% in the 2022 period to 15.5% in the 2023 period.
- A decrease in attrition and cancellation fee collections of $13.3 million, as compared to the prior year period, as cancellations and the related fee collections continue to decline. As these collections have no direct associated expenses, this decrease has had a negative impact on operating income as a percentage of revenue, or margin.
- An increase in same-store incentive management fees of 213.6% in the 2023 period, as compared to the 2022 period, primarily due to improved full year results.

- An increase in Entertainment revenue of 29.0% in the 2023 period, as compared to the 2022 period, primarily attributable to the addition of Block 21, as well as revenue increases throughout our other OEG businesses as a result of increased attendance or volume, as applicable. Excluding the addition of Block 21, Entertainment revenue increased 15.9% in the 2023 period, as compared to the 2022 period.

Other important factors and trends for the three and nine months ended, and as of, September 30, 2023 include:

- On a same-store basis, group room nights on the books for all future years at our hotels at September 30, 2023 are slightly ahead of those on the books at the same point in 2022. In addition, the ADR on those group nights on the books at September 30, 2023 is 5.3% higher than the same point in 2022.

- The improved revenue performance noted above has mitigated increasing costs in the current inflationary environment, which include increased interest rates, which drove higher interest expense on our higher debt levels, as well as increased wages.

Operating Results – Detailed Segment Financial Information

Hospitality Segment

Total Segment Results. The following presents the financial results of our Hospitality segment for the three and nine months ended September 30, 2023 and 2022 (in thousands, except percentages and performance metrics):

	Three Months Ended September 30,			Nine Months Ended September 30,		
	2023	2022	% Change	2023	2022	% Change
Revenues:						
Rooms	$ 180,309	$ 154,940	16.4 %	$ 510,052	$ 418,039	22.0 %
Food and beverage	202,850	186,188	8.9 %	616,562	486,387	26.8 %
Other hotel revenue	63,039	49,474	27.4 %	161,708	149,089	8.5 %
Total hospitality revenue	446,198	390,602	14.2 %	1,288,322	1,053,515	22.3 %
Hospitality operating expenses:						
Rooms	45,879	41,366	10.9 %	128,210	112,740	13.7 %
Food and beverage	117,435	103,221	13.8 %	339,642	272,039	24.9 %
Other hotel expenses	122,748	103,321	18.8 %	330,397	289,248	14.2 %
Management fees, net	15,947	11,276	41.4 %	46,560	27,542	69.1 %
Depreciation and amortization	52,466	42,517	23.4 %	137,987	146,804	(6.0)%
Total Hospitality operating expenses	354,475	301,701	17.5 %	982,796	848,373	15.8 %
Hospitality operating income	$ 91,723	$ 88,901	3.2 %	$ 305,526	$ 205,142	48.9 %
Hospitality performance metrics:						
Occupancy	71.8 %	71.5 %	0.3 pts	72.3 %	63.9 %	8.4 pts
ADR	$ 239.00	$ 226.20	5.7 %	$ 240.53	$ 230.07	4.5 %
RevPAR (1)	$ 171.71	$ 161.75	6.2 %	$ 173.80	$ 147.07	18.2 %
Total RevPAR (2)	$ 424.91	$ 407.77	4.2 %	$ 439.00	$ 370.63	18.4 %
Net Definite Group Room Nights Booked (3)	572,574	416,128	37.6 %	1,273,161	994,838	28.0 %
Same-store Hospitality performance metrics (4):						
Occupancy	71.8 %	71.5 %	0.3 pts	72.3 %	63.9 %	8.4 pts
ADR	$ 230.50	$ 226.20	1.9 %	$ 237.74	$ 230.07	3.3 %
RevPAR (1)	$ 165.58	$ 161.75	2.4 %	$ 171.80	$ 147.07	16.8 %
Total RevPAR (2)	$ 413.58	$ 407.77	1.4 %	$ 435.39	$ 370.63	17.5 %
Net Definite Group Room Nights Booked (3)	546,724	416,128	31.4 %	1,247,311	994,838	25.4 %

(1) We calculate Hospitality RevPAR by dividing room revenue by room nights available to guests for the period. Hospitality RevPAR is not comparable to similarly titled measures such as revenues.

(2) We calculate Hospitality 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 Total RevPAR is not comparable to similarly titled measures such as revenues.

(3) Net definite group room nights booked includes approximately 77,000 and 93,000 group room cancellations in the three months ended September 30, 2023 and 2022, respectively, and approximately 194,000 and 343,000 group room cancellations in the nine months ended September 30, 2023 and 2022, respectively.

(4) Same-store Hospitality segment metrics do not include JW Marriott Hill Country, which we purchased June 30, 2023.

The increase in total Hospitality segment revenue in the three months ended September 30, 2023, as compared to the same period in 2022, is primarily due to the addition of $50.0 million in revenue from JW Marriott Hill Country, which we purchased June 30, 2023, as well as increases of $5.1 million, $3.4 million, $3.3 million and $3.2 million at Gaylord Opryland, Gaylord Palms, Gaylord Texan and Gaylord National, respectively, partially offset by a decrease of $9.1 million at Gaylord Rockies, as presented in the tables below.

The increase in total Hospitality segment revenue in the nine months ended September 30, 2023, as compared to the same period in 2022, is primarily due to the addition of $50.7 million in revenue from JW Marriott Hill Country, as well as increases of $48.4 million, $48.2 million, $36.8 million, $33.6 million and $16.5 million at Gaylord Opryland, Gaylord National, Gaylord Texan, Gaylord Palms and Gaylord Rockies, respectively, as presented in the tables below.

Total Hospitality segment revenues in the three and nine months ended September 30, 2023 include $11.7 million and $31.7 million, respectively, in attrition and cancellation fee revenue, an increase of $1.7 million and a decrease of $13.3 million, respectively, in attrition and cancellation fees from the 2022 periods.

The percentage of group versus transient business based on rooms sold for our Hospitality segment for the periods presented was approximately as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
Group	72 %	73 %	76 %	72 %
Transient	28 %	27 %	24 %	28 %

Rooms expenses increased in the three and nine months ended September 30, 2023, as compared to the same periods in 2022. The increase in rooms expenses in the three months ended September 30, 2023, as compared to the same period in 2022, is primarily due to JW Marriott Hill Country, which we purchased June 30, 2023. The increase in rooms expenses in the nine months ended September 30, 2023, as compared to the same period in 2022, is primarily due to JW Marriott Hill Country, as well as increases at each of our Gaylord Hotels properties due to increased volume, as presented in the tables below.

The increase in food and beverage expenses in the three months ended September 30, 2023, as compared to the same period in 2022, is primarily due to JW Marriott Hill Country, as well as increases at Gaylord Opryland and Gaylord National, partially offset by a decrease at Gaylord Rockies, as presented in the tables below.

The increase in food and beverage expenses in the nine months ended September 30, 2023, as compared to the same period in 2022, is primarily due to JW Marriott Hill Country, as well as increases at each of our Gaylord Hotels properties due to increased volume, as presented in the tables below.

Other hotel expenses for the three and nine months ended September 30, 2023 and 2022 consist of the following (in thousands):

	Three Months Ended September 30,			Nine Months Ended September 30,		
	2023	2022	% Change	2023	2022	% Change
Administrative employment costs	$ 44,312	$ 38,764	14.3 %	$ 122,988	$ 109,580	12.2 %
Utilities	12,194	10,653	14.5 %	30,861	27,890	10.7 %
Property taxes	11,458	8,377	36.8 %	29,501	27,397	7.7 %
Other	54,784	45,527	20.3 %	147,047	124,381	18.2 %
Total other hotel expenses	$ 122,748	$ 103,321	18.8 %	$ 330,397	$ 289,248	14.2 %

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 the three and nine months ended September 30, 2023, as compared to the same periods in 2022, primarily due to the addition of JW Marriott Hill Country, as well as increases at Gaylord Opryland and Gaylord National associated with increased business levels. Utility costs increased during the three and nine months ended September 30, 2023, as compared to the same periods in 2022, primarily due to the addition of JW Marriott Hill Country, as well as an increase at Gaylord Opryland associated with increased utility rates. Property taxes increased during the three and nine months ended September 30, 2023, as compared to the 2022 periods, primarily due to the addition of JW Marriott Hill Country, partially offset by a decrease at Gaylord National due to a settlement of an appeal from prior tax years. Other expenses, which include supplies, advertising, maintenance costs and consulting costs, increased during the three and nine months ended September 30, 2023, as compared to the same periods in 2022, primarily due to the addition of JW Marriott Hill Country, as well as a various increases at Gaylord Opryland, Gaylord Palms, Gaylord National and Gaylord Texan due to increased business levels.

Each of our management agreements with Marriott requires us to pay Marriott a base management fee based on the gross revenues from the applicable property for each fiscal year or portion thereof. The applicable percentage for our Gaylord Hotels properties, excluding Gaylord Rockies, is approximately 2% of gross revenues, Gaylord Rockies is approximately 3% of gross revenues, and JW Marriott Hill Country is approximately 3.5% of gross revenues. Additionally, we pay Marriott an incentive management fee based on the profitability of our hotels. In the three months ended September 30, 2023 and 2022, we incurred $10.5 million and $8.6 million, respectively, and in the nine months ended September 30, 2023 and 2022, we incurred $28.9 million and $23.2 million, respectively, related to base management fees for our Hospitality segment. In the three months ended September 30, 2023 and 2022, we incurred $6.2 million and $3.4 million, respectively, and in the nine months ended September 30, 2023 and 2022, we incurred $20.0 million and $6.6 million, respectively, related to incentive management fees for our Hospitality segment. Management fees are presented throughout this Quarterly Report on Form 10-Q net of the amortization of the deferred management rights proceeds discussed in Note 10, "Deferred Management Rights Proceeds," to the accompanying condensed consolidated financial statements included herein.

Total Hospitality segment depreciation and amortization expense increased in the three months ended September 30, 2023, as compared to the same period in 2022, primarily due to JW Marriott Hill Country, which we purchased June 30, 2023. Total Hospitality segment depreciation and amortization expense decreased in the nine months ended September 30, 2023, as compared to the same period in 2022, as the increase related to JW Marriott Hill Country was offset by the intangible asset associated with advanced bookings at Gaylord Rockies when we purchased an additional interest in Gaylord Rockies in 2018 becoming fully amortized during 2022.

Property-Level Results. The following presents the property-level financial results of our Hospitality segment for the three and nine months ended September 30, 2023 and 2022.

Gaylord Opryland Results. The results of Gaylord Opryland for the three and nine months ended September 30, 2023 and 2022 are as follows (in thousands, except percentages and performance metrics):

	Three Months Ended September 30,			Nine Months Ended September 30,		
	2023	**2022**	**% Change**	**2023**	**2022**	**% Change**
Revenues:						
Rooms	$ 46,812	$ 45,960	1.9 %	$ 139,285	$ 122,491	13.7 %
Food and beverage	47,876	42,245	13.3 %	143,179	111,753	28.1 %
Other hotel revenue	17,251	18,614	(7.3)%	51,756	51,591	0.3 %
Total revenue	111,939	106,819	4.8 %	334,220	285,835	16.9 %
Operating expenses:						
Rooms	11,351	10,996	3.2 %	31,981	30,699	4.2 %
Food and beverage	25,566	23,229	10.1 %	75,076	61,814	21.5 %
Other hotel expenses	31,819	30,608	4.0 %	92,435	81,782	13.0 %
Management fees, net	5,170	3,824	35.2 %	15,923	8,806	80.8 %
Depreciation and amortization	8,484	8,674	(2.2)%	25,550	25,820	(1.0)%
Total operating expenses	82,390	77,331	6.5 %	240,965	208,921	15.3 %
Performance metrics:						
Occupancy	72.7 %	73.0 %	(0.3)pts	72.2 %	65.7 %	6.5 pts
ADR	$ 242.37	$ 236.83	2.3 %	$ 244.82	$ 236.35	3.6 %
RevPAR	$ 176.18	$ 172.98	1.8 %	$ 176.66	$ 155.36	13.7 %
Total RevPAR	$ 421.30	$ 402.04	4.8 %	$ 423.91	$ 362.54	16.9 %

Gaylord Palms Results. The results of Gaylord Palms for the three and nine months ended September 30, 2023 and 2022 are as follows (in thousands, except percentages and performance metrics):

	Three Months Ended September 30,			Nine Months Ended September 30,		
	2023	2022	% Change	2023	2022	% Change
Revenues:						
Rooms	$ 22,812	$ 21,982	3.8 %	$ 83,332	$ 71,006	17.4 %
Food and beverage	30,891	30,803	0.3 %	111,525	90,245	23.6 %
Other hotel revenue	10,182	7,731	31.7 %	27,403	27,402	0.0 %
Total revenue	63,885	60,516	5.6 %	222,260	188,653	17.8 %
Operating expenses:						
Rooms	6,003	5,480	9.5 %	18,438	15,527	18.7 %
Food and beverage	17,902	17,607	1.7 %	58,389	48,469	20.5 %
Other hotel expenses	22,154	20,403	8.6 %	64,510	59,538	8.4 %
Management fees, net	2,927	1,889	54.9 %	8,915	4,788	86.2 %
Depreciation and amortization	5,650	5,526	2.2 %	16,803	16,644	1.0 %
Total operating expenses	54,636	50,905	7.3 %	167,055	144,966	15.2 %
Performance metrics:						
Occupancy	67.4 %	65.2 %	2.2 pts	74.2 %	65.2 %	9.0 pts
ADR	$ 214.22	$ 213.17	0.5 %	$ 239.56	$ 232.26	3.1 %
RevPAR	$ 144.33	$ 139.08	3.8 %	$ 177.67	$ 151.39	17.4 %
Total RevPAR	$ 404.19	$ 382.88	5.6 %	$ 473.89	$ 402.23	17.8 %

Gaylord Texan Results. The results of Gaylord Texan for the three and nine months ended September 30, 2023 and 2022 are as follows (in thousands, except percentages and performance metrics):

	Three Months Ended September 30,			Nine Months Ended September 30,		
	2023	2022	% Change	2023	2022	% Change
Revenues:						
Rooms	$ 28,485	$ 26,808	6.3 %	$ 86,662	$ 76,066	13.9 %
Food and beverage	35,962	34,803	3.3 %	128,270	99,932	28.4 %
Other hotel revenue	9,544	9,123	4.6 %	26,936	29,037	(7.2)%
Total revenue	73,991	70,734	4.6 %	241,868	205,035	18.0 %
Operating expenses:						
Rooms	6,540	6,530	0.2 %	19,287	17,891	7.8 %
Food and beverage	20,752	19,780	4.9 %	67,024	55,385	21.0 %
Other hotel expenses	18,302	17,932	2.1 %	54,563	51,092	6.8 %
Management fees, net	3,172	1,915	65.6 %	10,092	5,000	101.8 %
Depreciation and amortization	5,670	5,704	(0.6)%	17,154	18,144	(5.5)%
Total operating expenses	54,436	51,861	5.0 %	168,120	147,512	14.0 %
Performance metrics:						
Occupancy	73.0 %	70.6 %	2.4 pts	75.0 %	67.6 %	7.4 pts
ADR	$ 233.92	$ 227.40	2.9 %	$ 233.19	$ 227.10	2.7 %
RevPAR	$ 170.68	$ 160.63	6.3 %	$ 175.00	$ 153.60	13.9 %
Total RevPAR	$ 443.36	$ 423.84	4.6 %	$ 488.40	$ 414.03	18.0 %

Gaylord National Results. The results of Gaylord National for the three and nine months ended September 30, 2023 and 2022 are as follows (in thousands, except percentages and performance metrics):

	Three Months Ended September 30,			Nine Months Ended September 30,		
	2023	2022	% Change	2023	2022	% Change
Revenues:						
Rooms	$ 28,486	$ 26,462	7.6 %	$ 88,481	$ 69,743	26.9 %
Food and beverage	35,430	36,402	(2.7)%	110,390	87,271	26.5 %
Other hotel revenue	8,208	6,061	35.4 %	23,039	16,721	37.8 %
Total revenue	72,124	68,925	4.6 %	221,910	173,735	27.7 %
Operating expenses:						
Rooms	10,543	10,065	4.7 %	32,014	27,547	16.2 %
Food and beverage	21,164	19,907	6.3 %	65,658	51,322	27.9 %
Other hotel expenses	20,655	20,465	0.9 %	62,352	56,138	11.1 %
Management fees, net	1,492	1,176	26.9 %	4,084	2,868	42.4 %
Depreciation and amortization	8,415	8,268	1.8 %	24,966	25,267	(1.2)%
Total operating expenses	62,269	59,881	4.0 %	189,074	163,142	15.9 %
Performance metrics:						
Occupancy	71.5 %	65.4 %	6.1 pts	68.9 %	55.1 %	13.8 pts
ADR	$ 216.85	$ 220.25	(1.5)%	$ 235.67	$ 232.23	1.5 %
RevPAR	$ 155.12	$ 144.11	7.6 %	$ 162.38	$ 127.99	26.9 %
Total RevPAR	$ 392.76	$ 375.35	4.6 %	$ 407.24	$ 318.83	27.7 %

Gaylord Rockies Results. The results of Gaylord Rockies for the three and nine months ended September 30, 2023 and 2022 are as follows (in thousands, except percentages and performance metrics):

	Three Months Ended September 30,			Nine Months Ended September 30,		
	2023	2022	% Change	2023	2022	% Change
Revenues:						
Rooms	$ 27,092	$ 28,536	(5.1)%	$ 75,447	$ 64,478	17.0 %
Food and beverage	32,365	40,956	(21.0)%	101,379	94,484	7.3 %
Other hotel revenue	8,746	7,854	11.4 %	22,551	23,926	(5.7)%
Total revenue	68,203	77,346	(11.8)%	199,377	182,888	9.0 %
Operating expenses:						
Rooms	6,164	6,833	(9.8)%	18,215	17,021	7.0 %
Food and beverage	19,383	21,892	(11.5)%	59,314	52,878	12.2 %
Other hotel expenses	11,454	11,652	(1.7)%	33,022	34,167	(3.4)%
Management fees, net	2,031	2,299	(11.7)%	5,927	5,423	9.3 %
Depreciation and amortization	14,201	13,703	3.6 %	42,370	59,001	(28.2)%
Total operating expenses	53,233	56,379	(5.6)%	158,848	168,490	(5.7)%
Performance metrics:						
Occupancy	79.9 %	86.9 %	(7.0)pts	75.9 %	67.7 %	8.2 pts
ADR	$ 245.52	$ 237.69	3.3 %	$ 242.57	$ 232.32	4.4 %
RevPAR	$ 196.19	$ 206.65	(5.1)%	$ 184.12	$ 157.35	17.0 %
Total RevPAR	$ 493.90	$ 560.11	(11.8)%	$ 486.56	$ 446.32	9.0 %

JW Marriott Hill Country Results. We purchased JW Marriott Hill Country June 30, 2023. The results of JW Marriott Hill Country for the three and nine months ended September 30, 2023 are as follows (in thousands, except percentages and performance metrics):

	Three Months Ended September 30,	Nine Months Ended September 30,
	2023	2023
Revenues:		
Rooms	$ 21,702	$ 21,702
Food and beverage	19,373	19,373
Other hotel revenue	8,951	9,672
Total revenue	50,026	50,747
Operating expenses:		
Rooms	3,853	3,853
Food and beverage	11,867	11,867
Other hotel expenses	16,128	16,621
Management fees, net	801	801
Depreciation and amortization	9,501	9,501
Total operating expenses	42,150	42,643
Performance metrics:		
Occupancy	72.0	72.0
ADR	$ 327.17	$ 327.17
RevPAR	$ 235.43	$ 235.43
Total RevPAR	$ 542.67	$ 550.50

Entertainment Segment

Total Segment Results. The following presents the financial results of our Entertainment segment for the three and nine months ended September 30, 2023 and 2022 (in thousands, except percentages):

	Three Months Ended September 30,			Nine Months Ended September 30,		
	2023	2022	% Change	2023	2022	% Change
Revenues	$ 82,313	$ 77,153	6.7 %	$ 236,751	$ 183,579	29.0 %
Operating expenses	56,222	54,148	3.8 %	164,744	131,549	25.2 %
Depreciation and amortization	5,400	5,249	2.9 %	16,067	13,293	20.9 %
Operating income (1)(2)	$ 20,691	$ 17,756	16.5 %	$ 55,940	$ 38,737	44.4 %

(1) Entertainment segment operating income does not include preopening costs of $0.2 million in the three months ended September 30, 2023 and $0.4 million and $0.5 million in the nine months ended September 30, 2023 and 2022, respectively. See discussion of this item below.

(2) Entertainment segment operating income does not include loss from unconsolidated joint ventures of $12.6 million and $2.7 million in the three months ended September 30, 2023 and 2022, respectively, and $17.5 million and $8.3 million in the nine months ended September 30, 2023 and 2022, respectively. See discussion of this item below.

Revenues and operating expenses increased in our Entertainment segment in the three months ended September 30, 2023, as compared to the prior year period, primarily due to increased revenue and operating expenses at the Grand Ole Opry, primarily due to increased attendance.

Revenues, operating expenses and depreciation and amortization increased in our Entertainment segment in the nine months ended September 30, 2023, as compared to the prior year period, primarily due to Block 21, which we acquired in May 2022. In addition, Entertainment segment revenues increased in the 2023 periods, as compared to the 2022 period, due to increased revenues throughout our other OEG businesses as a result of increased attendance or volume, as applicable. Entertainment segment operating expenses also increased in the 2023 periods, as compared to the 2022 periods, due to increased variable expenses associated with higher business levels.

Corporate and Other Segment

Total Segment Results. The following presents the financial results of our Corporate and Other segment for the three and nine months ended September 30, 2023 and 2022 (in thousands, except percentages):

	Three Months Ended September 30,			Nine Months Ended September 30,		
	2023	2022	% Change	2023	2022	% Change
Operating expenses	$ 10,103	$ 9,449	6.9 %	$ 30,582	$ 31,423	(2.7)%
Depreciation and amortization	220	203	8.4 %	646	615	5.0 %
Operating loss (1)	$ (10,323)	$ (9,652)	(7.0)%	$ (31,228)	$ (32,038)	2.5 %

(1) Corporate segment operating expenses do not include a loss on sale of assets of $0.5 million in the nine months ended September 30, 2022.

Corporate and Other operating expenses consist primarily of costs associated with senior management salaries and benefits, legal, human resources, accounting, pension, information technology, consulting and other administrative costs. Corporate and Other segment operating expenses increased in the three months and decreased in the nine months ended September 30, 2023, respectively, as compared to the prior year periods, primarily as a result of changes in employment expenses.

Operating Results – Preopening Costs

Preopening costs during the three and nine months ended September 30, 2023 primarily include costs associated with Ole Red Las Vegas, which is expected to be completed in January 2024. Preopening costs during the nine months ended September 30, 2022 primarily include costs associated with Ole Red Nashville International Airport, which was completed in May 2022.

Operating Results – Loss on Sale of Assets

Loss on sale of assets during the nine months ended September 30, 2022 includes the sale of a parcel of land in Nashville, Tennessee.

Non-Operating Results Affecting Net Income

The following table summarizes the other factors which affected our net income for the three and nine months ended September 30, 2023 and 2022 (in thousands, except percentages):

	Three Months Ended September 30,			Nine Months Ended September 30,		
	2023	2022	% Change	2023	2022	% Change
Interest expense	$ 58,521	$ 40,092	46.0 %	$ 150,228	$ 105,987	41.7 %
Interest income	6,112	1,378	343.5 %	13,977	4,138	237.8 %
Loss on extinguishment of debt	—	—	— %	(2,252)	(1,547)	(45.6)%
Loss from unconsolidated joint ventures	(12,566)	(2,720)	(362.0)%	(17,525)	(8,348)	(109.9)%
Other gains and (losses), net	5,993	2,058	191.2 %	5,470	2,222	146.2 %
Provision for income taxes	(2,156)	(10,178)	78.8 %	(7,333)	(27,747)	73.6 %

Interest Expense

Interest expense increased $18.4 million and $44.2 million during the three and nine months ended September 30, 2023, as compared to the same periods in 2022, due primarily to higher interest rates and higher levels of indebtedness attributable to the new OEG Term Loan and the Block 21 CMBS loan, as well as the May 2023 refinancing and increase of the term loan B and the June 2023 issuance of the $400 Million 7.25% Senior Notes.

Cash interest expense increased $18.9 million to $55.9 million in the three months and increased $43.5 million to $141.8 million in the nine months ended September 30, 2023, as compared to the same periods in 2022. Non-cash interest expense, which includes amortization of deferred financing costs and debt discounts or premiums and is offset by capitalized interest, decreased $0.5 million to $2.7 million in the three months and increased $0.7 million to $8.4 million in the nine months ended September 30, 2023, as compared to the same periods in 2022.

Our weighted average interest rate on our borrowings, excluding capitalized interest, but including the impact of interest rate swaps, was 6.8% and 5.5% for the three months ended September 30, 2023 and 2022, respectively, and 6.4% and 4.8% for the nine months ended September 30, 2023, respectively.

Interest Income

Interest income for the three and nine months ended September 30, 2023 primarily includes amounts earned on our larger than historical cash balances, as well as the bonds that were received in connection with the development of Gaylord National, which we hold as notes receivable. See Note 8, “Notes Receivable,” to the accompanying condensed consolidated financial statements included herein for additional discussion of interest income on these bonds. In addition, the nine-month 2023 period includes interest earned on amounts held in escrow from the issuance of the $400 Million 7.25% Senior Notes as part of the JW Marriott Hill Country transaction.

Loss on Extinguishment of Debt

As a result of the May 2023 refinancing of our credit facility and the extension of the Gaylord Rockies $800 million term loan, we recognized a loss on extinguishment of debt of $2.3 million in the nine months ended September 30, 2023.

As a result of the June 2022 repayment of our previous $300 million term loan A with the proceeds from a $300 million OEG term loan, we recognized a loss on extinguishment of debt of $1.5 million in the nine months ended September 30, 2022.

Loss from Unconsolidated Joint Ventures

The loss from unconsolidated joint ventures for the three and nine months ended September 30, 2023 and 2022 represents our equity method share of losses associated with Circle.

In September 2023, we determined to pivot from television network ownership in favor of a distribution approach. Therefore, we and our joint venture partner agreed to wind down the joint venture, with operations expected to cease December 31, 2023. As a result, we incurred a loss related to Circle of approximately $10.6 million, which is included in loss from unconsolidated joint ventures in the accompanying condensed consolidated statement of operations for the three and nine months ended September 30, 2023.

Other Gains and (Losses), net

Other gains and (losses), net for the three and nine months ended September 30, 2023 and 2022 primarily includes a gain of $6.1 million and $2.9 million, respectively, from a fund associated with the Gaylord National bonds to reimburse us for certain marketing and maintenance expenses.

Provision for Income Taxes

As a REIT, we generally are not 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 are required to pay federal and state corporate income taxes on earnings of our TRSs.

For the three months ended September 30, 2023 and 2022, we recorded an income tax provision of $2.2 million and $10.2 million, respectively, and for the nine months ended September 30, 2023 and 2022, we recorded an income tax provision of $7.3 million and $27.7 million, respectively, related to our TRSs. The decrease in the income tax provision for the 2023 periods, as compared to the 2022 periods, primarily relates to a decrease in income at our TRSs.

Non-GAAP Financial Measures

We present the following non-GAAP financial measures, which we believe are useful to investors as key measures of our operating performance:

EBITDAre, Adjusted EBITDAre and Adjusted EBITDAre, Excluding Noncontrolling Interest in Consolidated Joint Venture Definition

We calculate EBITDA*re*, which is defined by the National Association of Real Estate Investment Trusts ("NAREIT") in its September 2017 white paper as net income (calculated in accordance with GAAP) plus interest expense, income tax expense, depreciation and amortization, gains or losses on the disposition of depreciated property (including gains or losses on change in control), impairment write-downs of depreciated property and of investments in unconsolidated affiliates caused by a decrease in the value of depreciated property in the affiliate, and adjustments to reflect the entity's share of EBITDA*re* of unconsolidated affiliates.

Adjusted EBITDA*re* is then calculated as EBITDA*re*, plus to the extent the following adjustments occurred during the periods presented:

- Preopening costs;
- Non-cash lease expense;
- Equity-based compensation expense;
- Impairment charges that do not meet the NAREIT definition above;
- Credit losses on held-to-maturity securities;
- Transaction costs of acquisitions;
- Interest income on bonds;
- Loss on extinguishment of debt;
- Pension settlement charges;
- Pro rata Adjusted EBITDA*re* from unconsolidated joint ventures; and
- Any other adjustments we have identified herein.

We then exclude the pro rata share of Adjusted EBITDA*re* related to noncontrolling interests in consolidated joint ventures to calculate Adjusted EBITDA*re*, Excluding Noncontrolling Interest in Consolidated Joint Venture.

We use EBITDA*re*, Adjusted EBITDA*re* and Adjusted EBITDA*re*, Excluding Noncontrolling Interest in Consolidated Joint Venture to evaluate our operating performance. We believe that the presentation of these non-GAAP financial measures provides useful information to investors regarding our operating performance and debt leverage metrics, and that the presentation of these non-GAAP financial measures, when combined with the primary GAAP presentation of net income, is beneficial to an investor's complete understanding of our operating performance. We make additional adjustments to EBITDA*re* when evaluating our performance because we believe that presenting Adjusted EBITDA*re* and Adjusted EBITDA*re*, Excluding Noncontrolling Interest in Consolidated Joint Venture provides useful information to investors regarding our operating performance and debt leverage metrics.

FFO, Adjusted FFO, and Adjusted FFO available to common stockholders and unit holders Definition

We calculate FFO, which definition is clarified by NAREIT in its December 2018 white paper as net income (calculated in accordance with GAAP) excluding depreciation and amortization (excluding amortization of deferred financing costs and debt discounts), gains and losses from the sale of certain real estate assets, gains and losses from a change in control, impairment write-downs of certain real estate assets and investments in entities when the impairment is directly attributable to decreases in the value of depreciated real estate held by the entity, income (loss) from consolidated joint ventures attributable to noncontrolling interest, and pro rata adjustments for unconsolidated joint ventures.

To calculate Adjusted FFO available to common stockholders and unit holders, we then exclude, to the extent the following adjustments occurred during the periods presented:

- Right-of-use asset amortization;
- Impairment charges that do not meet the NAREIT definition above;
- Write-offs of deferred financing costs;
- Amortization of debt discounts or premiums and amortization of deferred financing costs;
- Loss on extinguishment of debt;
- Non-cash lease expense;
- Credit loss on held-to-maturity securities;
- Pension settlement charges;
- Additional pro rata adjustments from unconsolidated joint ventures;
- (Gains) losses on other assets;
- Transaction costs of acquisitions;
- Deferred income tax expense (benefit); and
- Any other adjustments we have identified herein.

FFO available to common stockholders and unit holders and Adjusted FFO available to common stockholders and unit holders exclude the ownership portion of the joint ventures not controlled or owned by the Company.

We believe that the presentation of FFO available to common stockholders and unit holders and Adjusted FFO available to common stockholders and unit holders provides useful information to investors regarding the performance of our ongoing operations because they are a measure of our operations without regard to specified non-cash items such as real estate depreciation and amortization, gain or loss on sale of assets and certain other items, which we believe are not indicative of the performance of our underlying hotel properties. We believe that these items are more representative of our asset base than our ongoing operations. We also use these non-GAAP financial measures as measures in determining our results after considering the impact of our capital structure.

We caution investors that amounts presented in accordance with our definitions of Adjusted EBITDA*re*, Adjusted EBITDA*re*, Excluding Noncontrolling Interest, FFO available to common stockholders and unit holders, and Adjusted FFO available to common stockholders and unit holders may not be comparable to similar measures disclosed by other companies, because not all companies calculate these non-GAAP measures in the same manner. These non-GAAP financial measures, and any related per share measures, should not be considered as alternative measures of our Net Income (Loss), operating performance, cash flow or liquidity. These non-GAAP financial measures may include funds that may not be available for our discretionary use due to functional requirements to conserve funds for capital expenditures and property acquisitions and other commitments and uncertainties. Although we believe that these non-GAAP financial measures can enhance an investor's understanding of our results of operations, these non-GAAP financial measures, when viewed individually, are not necessarily better indicators of any trend as compared to GAAP measures such as Net Income (Loss), Operating Income (Loss), or cash flow from operations.

The following is a reconciliation of our consolidated GAAP net income to EBITDA*re* and Adjusted EBITDA*re* for the three and nine months ended September 30, 2023 and 2022 (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
Net income	$ 40,785	$ 47,451	$ 171,922	$ 73,578
Interest expense, net	52,409	38,714	136,251	101,849
Provision for income taxes	2,156	10,178	7,333	27,747
Depreciation and amortization	58,086	47,969	154,700	160,712
Loss on sale of assets	—	—	—	327
Pro rata EBITDA*re* from unconsolidated joint ventures	5	23	22	68
EBITDA*re*	153,441	144,335	470,228	364,281
Preopening costs	168	—	425	525
Non-cash lease expense	1,495	1,059	4,495	3,340
Equity-based compensation expense	3,940	3,694	11,480	11,134
Pension settlement charge	—	723	—	1,576
Interest income on Gaylord National bonds	1,201	1,314	3,742	3,993
Loss on extinguishment of debt	—	—	2,252	1,547
Transaction costs of acquisitions	—	—	—	1,348
Pro rata adjusted EBITDA*re* from unconsolidated joint ventures (1)	10,629	—	10,629	—
Adjusted EBITDA*re*	170,874	151,125	503,251	387,744
Adjusted EBITDA*re* of noncontrolling interest in consolidated joint venture	(7,686)	(6,345)	(20,801)	(7,476)
Adjusted EBITDA*re*, excluding noncontrolling interest in consolidated joint venture	$ 163,188	$ 144,780	$ 482,450	$ 380,268

(1) In September 2023, we determined to pivot from television network ownership in favor of a distribution approach. Therefore, we and our joint venture partner agreed to wind down the Circle joint venture, with operations expected to cease December 31, 2023. As a result, we incurred a loss related to Circle of approximately $10.6 million in the three and nine months ended September 30, 2023.

The following is a reconciliation of our consolidated GAAP net income to FFO and Adjusted FFO for the three and nine months ended September 30, 2023 and 2022 (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
Net income	$ 40,785	$ 47,451	$ 171,922	$ 73,578
Noncontrolling interest in consolidated joint venture	715	(1,887)	(1,656)	(2,167)
Net income available to common stockholders and unit holders	41,500	45,564	170,266	71,411
Depreciation and amortization	58,028	47,938	154,581	160,620
Adjustments for noncontrolling interest	(1,620)	(1,575)	(4,820)	(1,808)
Pro rata adjustments from joint ventures	23	24	69	69
FFO available to common stockholders and unit holders	97,931	91,951	320,096	230,292
Right-of-use asset amortization	58	31	119	92
Non-cash lease expense	1,495	1,059	4,495	3,340
Pension settlement charge	—	723	—	1,576
Pro rata adjustments from joint ventures (1)	10,629	—	10,629	—
Loss on other assets	—	—	—	469
Amortization of deferred financing costs	2,682	2,640	7,989	7,178
Amortization of debt discounts and premiums	637	501	1,688	489
Loss on extinguishment of debt	—	—	2,252	1,547
Adjustments for noncontrolling interest	(3,616)	(382)	(4,898)	(414)
Transaction costs of acquisitions	—	—	—	1,348
Deferred tax provision	1,463	4,250	4,894	4,545
Adjusted FFO available to common stockholders and unit holders	$ 111,279	$ 100,773	$ 347,264	$ 250,462

(1) In September 2023, we determined to pivot from television network ownership in favor of a distribution approach. Therefore, we and our joint venture partner agreed to wind down the Circle joint venture, with operations expected to cease December 31, 2023. As a result, we incurred a loss related to Circle of approximately $10.6 million in the three and nine months ended September 30, 2023.

Liquidity and Capital Resources

Cash Flows Provided By 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 the nine months ended September 30, 2023, our net cash flows provided by operating activities were $369.9 million, primarily reflecting our net income before depreciation expense, amortization expense and other non-cash charges of $368.5 million and favorable changes in working capital of $1.4 million. The favorable changes in working capital primarily resulted from a decrease in accounts receivable due to the timing of collections, an increase in advanced ticket sales at our OEG venues, and an increase in advanced deposits at our hotel properties, partially offset by an increase in prepaid expenses primarily in advance of our upcoming holiday-themed programming.

During the nine months ended September 30, 2022, our net cash flows provided by operating activities were $246.0 million, primarily reflecting our net income before depreciation expense, amortization expense and other non-cash charges of $265.5 million, partially offset by unfavorable changes in working capital of $19.5 million. The unfavorable changes in working capital primarily resulted from an increase in accounts receivable due to an increase in group business at our Gaylord Hotels properties, partially offset by an increase in accounts payable and accrued liabilities related to increased advanced ticket purchases at our OEG venues and advanced deposits on future hotel room stays.

Cash Flows Used In Investing Activities. During the nine months ended September 30, 2023, our primary uses of funds for investing activities were the use of $791.5 million in net cash to purchase JW Marriott Hill Country and purchases of property and equipment, which totaled $122.2 million. Purchases of property and equipment consisted primarily of enhancements at Gaylord Rockies to better position the property for our group customers, the construction of Ole Red

Las Vegas, a rooms, restaurant and meeting space renovation at Gaylord Palms, enhancements to the offerings at Block 21, and ongoing maintenance capital expenditures for each of our existing properties.

During the nine months ended September 30, 2022, our primary use of funds for investing activities were the use of $94.0 million in net cash to fund a portion of the purchase price of Block 21 and purchases of property and equipment, which totaled $48.2 million, and consisted primarily of the enhancements at Gaylord Rockies, a re-concepting of the food and beverage options at Gaylord National, the construction of Ole Red Nashville International Airport, and ongoing maintenance capital expenditures for each of our existing properties.

Cash Flows Provided By Financing Activities. Our cash flows from financing activities primarily reflect the incurrence and repayment of long-term debt, and the payment of cash dividends. During the nine months ended September 30, 2023, our net cash flows provided by financing activities were $769.9 million, primarily reflecting the issuance of the $400 Million 7.25% Senior Notes, $395.4 million in net proceeds from the issuance of approximately 4.4 million shares of our common stock, and the net borrowing of $122.5 million under our refinanced credit facility, partially offset by the payment of $115.9 million in cash dividends and the payment of $23.4 million in deferred financing costs.

During the nine months ended September 30, 2022, our net cash flows provided by financing activities were $59.6 million, primarily reflecting the net proceeds for the OEG Transaction of $286.2 million and the issuance of the OEG term loan and the repayment of our then-existing term loan A, partially offset by the net repayment of $194.6 million under our various debt agreements and the payment of $15.2 million in deferred financing costs.

Liquidity

At September 30, 2023, we had $543.1 million in unrestricted cash and $750.4 million available for borrowing in the aggregate under our revolving credit facility and the OEG revolving credit facility. During the nine months ended September 30, 2023, we issued $400 million in new senior notes, received $395.4 million from the issuance of approximately 4.4 million shares of our common stock, net borrowed $118.2 million under our various debt agreements, used $791.5 million in net cash to purchase JW Marriott Hill Country, incurred capital expenditures of $122.2 million and paid $115.9 million in cash dividends. These changes, as well as the cash flows provided by operations discussed above, were the primary factors in the increase in our cash balance from December 31, 2022 to September 30, 2023.

We anticipate investing in our operations during the remainder of 2023 by spending between approximately $55 million and $75 million in capital expenditures, which primarily includes enhancements at Gaylord Rockies to better position the property for our group customers, enhancements to the offerings at Block 21, the construction of Ole Red Las Vegas, and ongoing maintenance capital for each of our existing properties. Further, our dividend policy provides that we will make minimum dividends of 100% of REIT taxable income annually. Future dividends are subject to our board of directors' future determinations as to amount and timing. Following completion of the one-year extension of the Gaylord Rockies Loan (as defined and discussed below), we currently have no debt maturities until July 2024. We believe we will be able to refinance our debt agreements prior to their maturities, including extension options.

We believe that our cash on hand and cash flow from operations, together with amounts available for borrowing under each of our revolving credit facility and the OEG revolving credit facility, will be adequate to fund our general short-term commitments, as well as: (i) current operating expenses, (ii) interest expense on long-term debt obligations, (iii) financing lease and operating lease obligations, (iv) declared dividends and (v) the capital expenditures described above. Our ability to draw on our credit facility and the OEG revolving credit facility is subject to the satisfaction of provisions of the credit facility and the OEG revolving credit facility, as applicable.

Our outstanding principal debt agreements are described below. At September 30, 2023, there were no defaults under the covenants related to our outstanding debt.

Principal Debt Agreements

Credit Facility. On May 18, 2023, we entered into a Credit Agreement (the "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, National Association, as administrative agent, which replaced the Company's previous credit facility.

The Credit Agreement provides for a $700.0 million revolving credit facility (the “Revolver”) and a $500.0 million senior secured term loan B (the “Term Loan B”), as well as an accordion feature that will allow us to increase the facilities following the closing date by an aggregate total of up to $475 million, which may be allocated between the Revolver and the Term Loan B at our option.

Each of the Revolver and the Term Loan B is guaranteed by us, each of our subsidiaries that own the Gaylord Hotels properties, other than Gaylord Rockies, and certain of our other subsidiaries. Each of the Revolver and the Term Loan B is secured by equity pledges of our subsidiaries that are the fee owners of Gaylord Opryland and Gaylord Texan, their respective direct and indirect parent entities, and the equity of Ryman Hotel Operations Holdco, LLC, a wholly owned indirect subsidiary of the Company. Assets and equity of Gaylord Rockies and OEG are not subject to the liens of the Credit Agreement.

In addition, each of the Revolver 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 Credit Agreement are as follows:

- We must maintain a consolidated net leverage ratio of not greater than 6.50x.
- We must maintain a consolidated fixed charge coverage ratio of not less than 1.50x.
- Our secured indebtedness must not exceed 30% of consolidated total asset value.
- Our secured recourse indebtedness must not exceed 10% of consolidated total asset value.
- Unencumbered leverage ratio must not exceed 55% (with the ability to surge to 60% in connection with a material acquisition).
- Unencumbered adjusted NOI to unsecured interest expense ratio must not exceed 2.0x.

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

Revolving Credit Facility. The maturity date of the Revolver is May 18, 2027, with the option to extend the maturity date for a maximum of one additional year through either (i) a single 12-month extension option or (ii) two individual 6-month extensions. Borrowings under the Revolver bear interest at an annual rate equal to, at our option, either (i) Adjusted Term SOFR plus the applicable margin ranging from 1.40% to 2.00%, dependent upon our funded debt to total asset value ratio (as defined in the Credit Agreement), (ii) Adjusted Daily Simple SOFR plus the applicable margin ranging from 1.40% to 2.00%, dependent upon our funded debt to total asset value ratio (as defined in the Credit Agreement), or (iii) a base rate as set forth in the Credit Agreement plus the applicable margin ranging from 0.40% to 1.00%, dependent upon the our funded debt to total asset value ratio (as defined in the Credit Agreement). Principal is payable in full at maturity, and the Revolver was undrawn at closing.

For purposes of the Revolver, Adjusted Term SOFR is calculated as the sum of Term SOFR plus an adjustment of 0.10% (all as more specifically described in the Credit Agreement), subject to a floor of 0.00%. Adjusted Daily Simple SOFR is calculated as the sum of SOFR plus an adjustment of 0.10% (all as more specifically described in the Credit Agreement), subject to a floor of 0.00%.

At September 30, 2023, no amounts were outstanding under the Revolver, and the lending banks had issued $14.6 million of letters of credit under the Credit Agreement, which left $685.4 million of availability under the Revolver (subject to the satisfaction of debt incurrence tests under the indentures governing our $600 million in aggregate principal amount of senior notes due 2029 (the “$600 Million 4.50% Senior Notes”), our $700 million in aggregate principal amount of senior notes due 2027 (the “$700 Million 4.75% Senior Notes”) and our $400 Million 7.25% Senior Notes, which we met at September 30, 2023).

Term Loan B. The Term Loan B has a maturity date of May 18, 2030. The applicable interest rate margins for borrowings under the Term Loan B are, at our option, either (i) Term SOFR plus 2.75%, (ii) Daily Simple SOFR plus 2.75% or (iii) a base rate as set forth in the Credit Agreement plus 1.75%. At September 30, 2023, the interest rate on the Term Loan B was Term SOFR plus 2.75%. 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 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 September 30, 2023, $497.5 million in borrowings were outstanding under the Term Loan B. A portion of the proceeds of the Term Loan B were used to repay in full the approximately $370 million balance of our previous term loan B.

For purposes of the Term Loan B, each of Term SOFR and Daily Simple SOFR are subject to a floor of 0.00%.

$700 Million 4.75% Senior Notes. In September 2019, the Operating Partnership and Finco completed the private placement of $500.0 million in aggregate principal amount of senior notes due 2027 (the “$500 Million 4.75% Senior Notes”), which are guaranteed by the Company and its subsidiaries that guarantee the Credit Agreement. The $500 Million 4.75% Senior Notes and guarantees were issued pursuant to an indenture by and among the issuing subsidiaries and the guarantors and U.S. Bank Trust Company, National Association as trustee. The $500 Million 4.75% Senior Notes have a maturity date of October 15, 2027 and bear interest at 4.75% per annum, payable semi-annually in cash in arrears on April 15 and October 15 of each year. The $500 Million 4.75% 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 $600 Million 4.50% Senior Notes and the $400 Million 7.25% Senior Notes, and senior in right of payment to future subordinated indebtedness, if any. The $500 Million 4.75% 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 $500 Million 4.75% 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 $500 Million 4.75% Senior Notes.

In October 2019, we completed a tack-on private placement of $200.0 million in aggregate principal amount of 4.75% senior notes due 2027 (the “additional 2027 notes”) at an issue price of 101.250% of their aggregate principal amount plus accrued interest from the September 19, 2019 issue date for the $500 Million 4.75% Senior Notes. The additional 2027 notes and the $500 Million 4.75% Senior Notes constitute a single class of securities (collectively, the “$700 Million 4.75% Senior Notes”). All other terms and conditions of the additional 2027 notes are identical to the $500 Million 4.75% Senior Notes.

The $700 Million 4.75% Senior Notes are currently redeemable, in whole or in part, at a redemption price expressed as a percentage of the principal amount thereof, which percentage is 102.375%, 101.188%, and 100.000% beginning on October 15 of 2023, 2024, and 2025, respectively, plus accrued and unpaid interest thereon to, but not including, the redemption date.

We completed a registered offer to exchange the $700 Million 4.75% Senior Notes for registered notes with substantially identical terms as the $700 Million 4.75% Senior Notes in July 2020.

$400 Million 7.25% Senior Notes. On June 22, 2023, the Operating Partnership and Finco completed the private placement of $400.0 million in aggregate principal amount of 7.25% senior notes due 2028, which are guaranteed by the Company and its subsidiaries that guarantee the Credit Agreement. The $400 Million 7.25% Senior Notes and guarantees were issued pursuant to an indenture by and among the issuing subsidiaries, the guarantors and U.S. Bank Trust Company, National Association as trustee. The $400 Million 7.25% Senior Notes have a maturity date of July 15, 2028 and bear interest at 7.25% per annum, payable semi-annually in cash in arrears on January 15 and July 15 each year, beginning on January 15, 2024. The $400 Million 7.25% 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 $700 Million 4.75% Senior Notes and $600 Million 4.50% Senior Notes, and senior in right of payment to future subordinated indebtedness, if any. The $400 Million 7.25% 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 7.25% 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 7.25% Senior Notes.

The $400 Million 7.25% Senior Notes are redeemable before July 15, 2025, in whole or in part, at 100.00%, plus accrued and unpaid interest thereon to, but not including, the redemption date, plus a make-whole premium. The $400 Million 7.25% Senior Notes will be redeemable, in whole or in part, at any time on or after July 15, 2025 at a redemption price expressed as a percentage of the principal amount thereof, which percentage is 103.625%, 101.813% and 100.000% beginning on July 15 of 2025, 2026, and 2027, respectively, plus accrued and unpaid interest thereon to, but not including, the redemption date.

The net proceeds from the issuance of the $400 Million 7.25% Senior Notes totaled approximately $393 million, after deducting the initial purchasers' discounts, commissions and offering expenses. We used these proceeds to pay a portion of the purchase price for JW Marriott Hill Country.

$600 Million 4.50% Senior Notes. On February 17, 2021, the Operating Partnership and Finco completed the private placement of $600.0 million in aggregate principal amount of 4.50% senior notes due 2029, which are guaranteed by the Company and its subsidiaries that guarantee the Credit Agreement. The $600 Million 4.50% Senior Notes and guarantees were issued pursuant to an indenture by and among the issuing subsidiaries and the guarantors and U.S. Bank Trust Company, National Association as trustee. The $600 Million 5% Senior Notes have a maturity date of February 15, 2029 and bear interest at 4.50% per annum, payable semi-annually in cash in arrears on February 15 and August 15 each year. The $600 Million 4.50% 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 $700 Million 4.75% Senior Notes and the $400 Million 7.25% Senior Notes, and senior in right of payment to future subordinated indebtedness, if any. The $600 Million 4.50% 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 $600 Million 4.50% 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 $600 Million 4.50% Senior Notes.

The $600 Million 4.50% Senior Notes are redeemable before February 15, 2024, in whole or in part, at 100.00%, plus accrued and unpaid interest thereon to, but not including, the redemption date, plus a make-whole premium. The $600 Million 4.50% Senior Notes will be redeemable, in whole or in part, at any time on or after February 15, 2024 at a redemption price expressed as a percentage of the principal amount thereof, which percentage is 102.250%, 101.500%, 100.750%, and 100.000% beginning on February 15 of 2024, 2025, 2026, and 2027, respectively, plus accrued and unpaid interest thereon to, but not including, the redemption date.

Each of the indentures governing the $700 Million 4.75% Senior Notes, the $600 Million 4.50% Senior Notes and the $400 Million 7.25% Senior Notes contain certain covenants which, among other things and subject to certain exceptions and qualifications, 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. In addition, if the Company experiences specific kinds of changes of control, the Company must offer to repurchase some or all of the senior notes at 101% of their principal amount, plus accrued and unpaid interest, if any, up to, but excluding, the repurchase date.

$800 Million Term Loan (Gaylord Rockies). On July 2, 2019, Aurora Convention Center Hotel, LLC ("Hotel Owner") and Aurora Convention Center Hotel Lessee, LLC ("Tenant" and collectively, with Hotel Owner, the "Loan Parties"), subsidiaries of the entities that comprised the joint venture that owned Gaylord Rockies (the "Gaylord Rockies joint venture"), entered into a Second Amended and Restated Loan Agreement (as amended, the "Gaylord Rockies Loan") with Wells Fargo Bank, National Association, as administrative agent, which refinanced the Gaylord Rockies joint

venture's previous $500 million construction loan and $39 million mezzanine loan, which were scheduled to mature in December 2019. The Gaylord Rockies Loan consists of an $800.0 million secured term loan facility, matures July 2, 2024 with two, one-year extension options remaining, subject to certain requirements in the Gaylord Rockies Loan. The first one-year extension option was successfully completed in May 2023. The Gaylord Rockies Loan bears interest at Adjusted Daily Simple SOFR plus 2.50%. We have entered into an interest rate swap to fix the SOFR portion of the interest rate at 5.2105% for the fifth year of the loan. We have designated this interest rate swap as an effective cash flow hedge.

The Gaylord Rockies Loan is secured by a deed of trust lien on the Gaylord Rockies real estate and related assets. Generally, the Gaylord Rockies Loan is non-recourse to the Company, subject to customary non-recourse carve-outs.

On June 30, 2020, the Loan Parties entered into Amendment No. 1 (the "Loan Amendment") to the Gaylord Rockies Loan, by and among the Loan Parties, Wells Fargo Bank, National Association, as administrative agent, and the lenders from time to time party thereto. The Loan Amendment modified the Gaylord Rockies Loan to (i) provide for the ability to use cash for certain purposes, even during a Cash Sweep Period (as defined in the Loan Agreement) and (ii) provide favorable changes to the debt service coverage ratio provisions. The Loan Amendment includes restrictions on distributions to our subsidiaries that own Gaylord Rockies.

Further, on May 2, 2023, the Loan Parties entered into a Benchmark Replacement Modification Agreement to the Gaylord Rockies Loan Agreement, which replaced LIBOR with Adjusted Daily Simple SOFR.

OEG Credit Agreement. On June 16, 2022, OEG Borrower, LLC ("OEG Borrower") and OEG Finance, LLC ("OEG Finance"), each a wholly owned direct or indirect subsidiary of OEG, entered into a credit agreement (the "OEG Credit Agreement") among OEG Borrower, as borrower, OEG Finance, certain subsidiaries of OEG Borrower from time to time party thereto as guarantors, the lenders party thereto and JPMorgan Chase Bank, N.A., as administrative agent. The OEG Credit Agreement provides for (i) a senior secured term loan facility in the aggregate principal amount of $300.0 million (the "OEG Term Loan") and (ii) a senior secured revolving credit facility in an aggregate principal amount not to exceed $65.0 million (the "OEG Revolver"). The OEG Term Loan matures on June 16, 2029 and the OEG Revolver matures on June 16, 2027. The OEG Term Loan bears interest at a rate equal to either, at OEG Borrower's election, (i) the Alternate Base Rate plus 4.00% or (ii) Adjusted Term SOFR plus 5.00% (all as specifically more described in the OEG Credit Agreement). The OEG Revolver bears interest at a rate equal to either, at OEG Borrower's election, (i) the Alternate Base Rate plus 3.75% or (ii) Adjusted Term SOFR plus 4.50%, which shall be subject to reduction in the applicable margin based upon OEG's First Lien Leverage Ratio (all as specifically more described in the OEG Credit Agreement). The OEG Term Loan and OEG Revolver are each secured by substantially all of the assets of OEG Finance and each of its subsidiaries (other than Block 21 and Circle, as more specifically described in the OEG Credit Agreement) and include customary financial covenants and restrictions. The net proceeds we received from the OEG Term Loan were used to repay the outstanding balance of our former $300 million Term Loan A. At September 30, 2023, $297.0 million was outstanding under the OEG Term Loan and there were no amounts outstanding under the OEG Revolver.

Block 21 CMBS Loan. At the closing of the purchase of Block 21 on May 31, 2022, a subsidiary of the Company assumed the $136 million, ten-year, non-recourse term loan secured by a mortgage on Block 21 (the "Block 21 CMBS Loan"). The Block 21 CMBS Loan has a fixed interest rate of 5.58% per annum, payable monthly, matures January 5, 2026, and payments are due monthly based on a 30-year amortization. At September 30, 2023, $132.6 million was outstanding under the Block 21 CMBS Loan.

The Block 21 CMBS Loan contains customary financial covenants and other restrictions, including sponsor net worth and liquidity requirements, and debt service coverage ratio targets that Block 21 must meet in order to avoid a "Trigger Period," the occurrence of which does not constitute a default. During a Trigger Period, any cash generated in excess of amounts necessary to fund loan obligations, budgeted operating expenses and specified reserves will not be distributed to Block 21. Block 21 was in a Trigger Period as of our purchase date but exited the Trigger Period with first quarter 2023 results.

Additional Debt Limitations. Pursuant to the terms of the management agreements and pooling agreement with Marriott for our Gaylord Hotels properties, excluding Gaylord Rockies, 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.

Gaylord Rockies is not a Pooled Hotel for this purpose.

Estimated Interest on Principal Debt Agreements

Based on the stated interest rates on our fixed-rate debt and the rates in effect at September 30, 2023 for our variable-rate debt after considering interest rate swaps, our estimated interest obligations through 2027 are $724.3 million. These estimated obligations are $55.8 million for the remainder of 2023, $194.7 million in 2024, $165.8 million in 2025, $157.9 million in 2026, and $150.2 million in 2027. 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 the consolidated financial statements included in our Annual Report on Form 10-K for the year ended December 31, 2022 for a discussion of the interest we paid during 2022, 2021 and 2020.

Inflation

Inflation has had a more meaningful impact on our business during recent periods than in historical periods. However, favorable occupancy, ADR and outside-the-room spend in our Hospitality segment and business levels in our Entertainment segment have reduced the impact of increased operating costs, including increased wages and food and beverage costs, on our financial position and results of operations. We continue to monitor inflationary pressures and may need to consider potential mitigation actions in future periods. A prolonged inflationary environment could adversely affect our operating costs, customer spending and bookings, and our financial results.

Supplemental Guarantor Financial Information

The Company's $400 Million 7.25% Senior Notes, $600 Million 4.50% Senior Notes and $700 Million 4.75% Senior Notes were each issued by the Operating Partnership and RHP Finance Corporation, a Delaware corporation (collectively, the "Issuers"), and are guaranteed on a senior unsecured basis by the Company (as the parent company), each of the Operating Partnership's subsidiaries that own the Gaylord Hotels properties, excluding Gaylord Rockies, and certain other of the Company's subsidiaries, each of which also guarantees the Credit Agreement, as amended (such subsidiary guarantors, together with the Company, the "Guarantors"). The Guarantors are 100% owned by the Operating Partnership or the Company, and the guarantees are full and unconditional and joint and several. The guarantees rank equally in right of payment with each Guarantor's existing and future senior unsecured indebtedness and senior in right of payment to all future subordinated indebtedness, if any, of such Guarantor. Not all of the Company's subsidiaries have guaranteed these senior notes, and the guarantees are structurally subordinated to all indebtedness and other obligations of such subsidiaries that have not guaranteed these senior notes.

The following tables present summarized financial information for the Issuers and the Guarantors on a combined basis. The intercompany balances and transactions between these parties, as well as any investments in or equity in earnings from non-guarantor subsidiaries, have been eliminated (amounts in thousands).

	September 30, 2023
Other assets	2,525,484
Total assets	$ 2,525,484
Net payables due to non-guarantor subsidiaries	41,714
Other liabilities	2,380,652
Total liabilities	$ 2,422,366
Total noncontrolling interest	$ 3,115

	Nine Months Ended September 30, 2023
Revenues from non-guarantor subsidiaries	$ 319,747
Operating expenses (excluding expenses to non-guarantor subsidiaries)	98,601
Expenses to non-guarantor subsidiaries	10,440
Operating income	210,706
Interest income from non-guarantor subsidiaries	626
Net income	136,767
Net income available to common stockholders	133,935

Critical Accounting Policies and Estimates

We prepare our condensed consolidated financial statements in conformity with accounting principles generally accepted in the United States. Certain of our accounting policies, including those related to revenue recognition, impairment of long-lived and other assets, credit losses on financial assets, depreciation and amortization, income taxes, pension plans, acquisitions and purchase price allocations, and legal contingencies, require that we apply significant judgment in defining the appropriate assumptions for calculating financial estimates. By their nature, these judgments are subject to an inherent degree of uncertainty. Our judgments are based on our historical experience, our observance of trends in the industry, and information available from other outside sources, as appropriate. There can be no assurance that actual results will not differ from our estimates. For a discussion of our critical accounting policies and estimates, please refer to Item 7, “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and “Notes to Consolidated Financial Statements” presented in our Annual Report on Form 10-K for the year ended December 31, 2022. There were no newly identified critical accounting policies in the first nine months of 2023, nor were there any material changes to the critical accounting policies and estimates discussed in our Annual Report on Form 10-K for the year ended December 31, 2022.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

There have been no material changes in our quantitative and qualitative market risks since December 31, 2022. For a discussion of the Company’s exposure to market risk, refer to the Company’s market risk disclosures set forth in Part II, Item 7A. “Quantitative and Qualitative Disclosures About Market Risk” of the Company’s Annual Report on Form 10-K for the year ended December 31, 2022.

ITEM 4. CONTROLS AND PROCEDURES.

The Company maintains disclosure controls and procedures, as defined in Rule 13a-15(e) promulgated under the Exchange Act, that are designed to ensure that information required to be disclosed by us in the reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the

SEC's rules and forms and that such information is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure. The Company carried out an evaluation under the supervision and with the participation of our management, including our Chief Executive Officer and Chief Financial Officer, of the effectiveness of the design and operation of our disclosure controls and procedures as of the end of the period covered by this report. Based on the evaluation of these disclosure controls and procedures, the Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures were effective as of the end of the period covered by this report.

There has been no change in our internal control over financial reporting that occurred during the period covered by this report that materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

On June 30, 2023, we acquired JW Marriott Hill Country. We are currently in the process of assessing JW Marriott Hill Country's internal control over financial reporting and integrating the entity's internal control over financial reporting with our existing internal control over financial reporting. As permitted by SEC regulations, we intend to exclude JW Marriott Hill Country from our assessment of internal control over financial reporting as of December 31, 2023.

PART II — OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS.

The Company is a party to certain litigation in the ordinary course, as described in Note 15, "Commitments and Contingencies," to our condensed consolidated financial statements included herein and which our management deems will not have a material effect on our financial statements.

ITEM 1A. RISK FACTORS.

Except as otherwise described herein, there have been no material changes from the risk factors disclosed in Part I, Item 1A, "Risk Factors," of our Annual Report on Form 10-K for the fiscal year ended December 31, 2022.

Our financial and operating results may suffer if we are unsuccessful in integrating JW Marriott Hill Country with our existing assets.

If we are unable to successfully integrate JW Marriott Hill Country with our other assets in an efficient and effective manner, the anticipated benefits of the JW Marriott Hill Country transaction may not be realized fully, or at all, or may take longer to realize than expected and may not meet estimated growth projections or expectations. Further, we may not achieve the projected efficiencies and synergies once we have fully integrated JW Marriott Hill Country into our operations, which may lead to additional costs not anticipated at the time of the JW Marriott Hill Country transaction. An inability to realize the full extent of the anticipated benefits of the JW Marriott Hill Country transaction or any delays encountered in the integration process could have an adverse effect on our results of operations, cash flows and financial position.

Integrating JW Marriott Hill Country may be more difficult, costly or time consuming than expected.

The integration of JW Marriott Hill Country with our other assets will require the dedication of significant management resources, which may distract management's attention from day-to-day business operations. San Antonio, Texas is a new market for us, and our relative unfamiliarity with the market may result in our having to devote additional time and expense to gain familiarity with the market and effectively manage this asset. Many of these factors will be outside of our control and any one of them could result in delays, increased costs, decreases in revenues and diversion of management's time and energy from ongoing business concerns, which could materially affect our financial position, results of operations and cash flows.

Each of our Gaylord Hotels properties and JW Marriott Hill Country operate under a brand owned by Marriott; therefore, we are subject to risks associated with concentrating our hotel portfolio in brands owned by Marriott.

Each of our hotel properties are managed by Marriott under Marriott-owned brands, including JW Marriott Hill Country, which is managed under the JW Marriott brand. As a result, our success is dependent in part on the continued success of

Marriott and, in particular, the Gaylord Hotels and JW Marriott brands. Consequently, if market recognition or the positive perception of Marriott is reduced or compromised, the goodwill associated with the Gaylord Hotels and JW Marriott hotel in our portfolio may be adversely affected, which could negatively impact our financial condition, results of operations and our ability to service debt and make distributions to our stockholders.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS.

Inapplicable.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES.

Inapplicable.

ITEM 4. MINE SAFETY DISCLOSURES.

Inapplicable.

ITEM 5. OTHER INFORMATION.

During the fiscal quarter ended September 30, 2023, no director or Section 16 officer adopted or terminated any Rule 10b5-1 trading arrangements or non-Rule 10b5-1 trading arrangements (in each case, as defined in Item 408(a) of Regulation S-K).

ITEM 6. EXHIBITS.

Exhibit Number	Description
3.1	Amended and Restated Certificate of Incorporation of Ryman Hospitality Properties, Inc. (incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K filed October 1, 2012).
3.2	Second Amended and Restated Bylaws of Ryman Hospitality Properties, Inc. (incorporated by reference to Exhibit 3.2 to the Company's Annual Report on Form 10-K filed February 24, 2023).
22*	List of Parent and Subsidiary Guarantors.
31.1*	Certification of Mark Fioravanti pursuant to Section 302 of Sarbanes-Oxley Act of 2002.
31.2*	Certification of Jennifer Hutcheson pursuant to Section 302 of Sarbanes-Oxley Act of 2002.
32.1**	Certification of Mark Fioravanti and Jennifer Hutcheson pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of Sarbanes-Oxley Act of 2002.
101*	The following materials from Ryman Hospitality Properties, Inc.'s Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2023, formatted in Inline XBRL (eXtensible Business Reporting Language): (i) Condensed Consolidated Balance Sheets (unaudited) at September 30, 2023 and December 31, 2022, (ii) Condensed Consolidated Statements of Operations and Comprehensive Income (unaudited) for the three and nine months ended September 30, 2023 and 2022, (iii) Condensed Consolidated Statements of Cash Flows (unaudited) for the nine months ended September 30, 2023 and 2022, (iv) Condensed Consolidated Statements of Equity (Deficit) (unaudited) for the three and nine months ended September 30, 2023 and 2022, and (v) Notes to Condensed Consolidated Financial Statements (unaudited).
104*	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101).

* Filed herewith.
** Furnished herewith.

SIGNATURES

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

RYMAN HOSPITALITY PROPERTIES, INC.

Date: November 7, 2023

By:/s/ Mark Fioravanti
Mark Fioravanti
President and Chief Executive Officer

By:/s/ Jennifer Hutcheson
Jennifer Hutcheson
Executive Vice President, Chief Financial Officer and Chief Accounting Officer

Exhibit 22

List of Parent and Subsidiary Guarantors

Ryman Hospitality Properties, Inc., a Delaware corporation (the "Company"), as the parent company, serves as guarantor, and each of the below listed subsidiaries of the Company serves as an issuer or guarantor, as applicable, for the Company's (i) 4.75% Senior Notes due 2027, (ii) 4.50% Senior Notes due 2029 and (iii) 7.25% Senior Notes due 2028.

Exact Name of Subsidiary	Jurisdiction of Organization	Type of Obligor
RHP Hotel Properties, LP	Delaware	Issuer
RHP Finance Corporation	Delaware	Issuer
Opryland Hospitality, LLC	Tennessee	Guarantor
RHP Hotels, LLC	Delaware	Guarantor
RHP Partner, LLC	Delaware	Guarantor
RHP Property GP, LP	Florida	Guarantor
RHP Property GT, LLC	Delaware	Guarantor
RHP Property GT, LP	Delaware	Guarantor
RHP Property NH, LLC	Maryland	Guarantor
RHP Property SA, LLC	Delaware	Guarantor

CERTIFICATIONS

I, Mark Fioravanti, certify that:

1. I have reviewed this quarterly report on Form 10-Q 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: November 7, 2023

By: /s/ Mark Fioravanti
Name: Mark Fioravanti
Title: President and Chief Executive Officer

EXHIBIT 31.2

CERTIFICATIONS

I, Jennifer Hutcheson, certify that:

1. I have reviewed this quarterly report on Form 10-Q 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: November 7, 2023

By: /s/ Jennifer Hutcheson
Name: Jennifer Hutcheson
Title: Executive Vice President, Chief Financial Officer
and Chief Accounting Officer

EXHIBIT 32.1

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 Quarterly Report of Ryman Hospitality Properties, Inc. (the "Company") on Form 10-Q for the quarter ended September 30, 2023, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), each of the undersigned certifies, pursuant to 18 U.S.C. § 1350, as adopted pursuant to §906 of the Sarbanes-Oxley Act of 2002, 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.

By: /s/ Mark Fioravanti
Mark Fioravanti
President and Chief Executive Officer
November 7, 2023

By: /s/ Jennifer Hutcheson
Jennifer Hutcheson
Executive Vice President, Chief Financial Officer
and Chief Accounting Officer
November 7, 2023

A signed original of this written statement required by Section 906, or other document authenticating, acknowledging or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906, 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.