PARK
HOTELS & RESORTS

2024
ANNUAL REPORT

PARK HOTELS & RESORTS

We strive to be the preeminent lodging real estate investment trust (REIT), focused on consistently delivering superior, risk-adjusted returns to stockholders through active asset management and a thoughtful external growth strategy, while maintaining a strong and flexible balance sheet.

COVER: Signia by Hilton Orlando Bonnet Creek, Orlando, Florida
THIS PAGE: Hilton Chicago, Chicago, Illinois

TO OUR STOCKHOLDERS

THOMAS J. BALTIMORE, JR.
CHAIRMAN, PRESIDENT AND CHIEF EXECUTIVE OFFICER

2024 was a very successful year for Park Hotels as we advanced multiple strategic objectives while building a solid foundation for the Company's sustained growth and long-term success. Thanks in part to the hard work and dedication of our team and operating partners, our financial results exceeded our expectations, emphasizing our unwavering commitment to operational excellence and disciplined execution.

RETURN ON INVESTMENT PROJECTS AND OPERATIONAL EXCELLENCE

DELIVERING SECTOR-LEADING PERFORMANCE IN 2024

With the backdrop of positive demand trends across all lodging segments fueled by a healthy U.S. economy, which was offset by limited new hotel supply in our markets, our diverse portfolio of 40 hotels delivered sector-leading top line performance in 2024. Comparable RevPAR increased nearly 3%, or over 4% when excluding the impact of strikes and other labor activities during the fourth quarter of 2024. Our strong results were propelled by the continued success of our newly renovated Florida resorts—Waldorf Astoria Orlando and Signia by Hilton Orlando Bonnet Creek; and the Casa Marina Key West, Curio Collection—as well as solid group and business transient demand across key urban markets, including Chicago, Boston, New York and Washington, D.C.

In Orlando, our Bonnet Creek resort complex has exceeded expectations following a transformative $220 million renovation, which introduced over 100,000 square feet of meeting space, an upgraded Rees Jones Championship golf course, and a full-scale remodel of all guestrooms and public areas at both the Waldorf Astoria and Signia hotels.

RevPAR for the complex increased by over 17% at both hotels in 2024, fueled by strong group demand and sustained growth in the leisure transient segment. Notably, the Waldorf Astoria Orlando delivered outstanding results post-renovation, recording a 26% increase in transient revenue and a nearly 20% increase in group bookings for the year. Collectively, the two hotels generated over $82 million of EBITDA in 2024, a 36% increase over the prior year.

Looking ahead, we anticipate further momentum for these properties from the highly anticipated opening of Universal's $6 billion Epic theme park that is scheduled for May 2025, which is expected to accelerate leisure transient demand into the Orlando market. Additionally, our resort complex is primed for continued success following the Waldorf Astoria's prestigious Condé Nast recognition as a top-ten global resort destination for 2024.

In Key West, our Casa Marina resort has restored its place as a market leading resort following its comprehensive $80 million renovation substantially completed in 2023, generating a market share (i.e., RevPAR Index) of over 103, and producing better-than-expected RevPAR gains

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OPERATIONAL EXCELLENCE

- Reported **Net Income of $226 million** and **Adjusted EBITDA of $652 million**
- Increased Comparable **RevPAR** by nearly **3%**, and **over 4%** when excluding the impact from labor strikes in the fourth quarter
- Increased Adjusted Funds From Operations (AFFO) Per Share by **1.0% versus 2023 to $2.06**

CAPITAL ALLOCATION

- Returned **over $400 million** to stockholders in the form of dividends and share repurchases
- Strategically invested nearly **$230 million** across our iconic portfolio
- Reshaped portfolio by disposing of three non-core assets for **total proceeds of $200 million**

MEANINGFULLY IMPROVED BALANCE SHEET

- Issued **$550 million** of corporate debt and amended existing credit facility to include a new **$200 million** senior unsecured floating rate term loan to repay **$650 million** of near term debt, extending maturities and reducing borrowing costs
- Over **$1.4 billion of liquidity**[1] available including **$950 million** of available capacity under the Company's revolving credit facility

[1]As of December 31, 2024

MARKET HIGHLIGHT

CASA MARINA KEY WEST, CURIO COLLECTION

The completion of the transformative renovation of this iconic resort drove outstanding top-line and bottom-line performance, with **2024 RevPAR exceeding 2023** by **110%**, while **EBITDA/Key was over $96,000**, and ranking as the most profitable hotel in the portfolio.

of 110% over 2023, while EBITDA/Key was over $96,000—the highest within our portfolio. In November, we proudly unveiled Dorada, a new oceanfront restaurant, adding to an already exciting food and beverage experience at the resort which we anticipate will meaningfully increase Food & Beverage revenues in 2025 and beyond.

At our urban hotels, performance in 2024 was fueled by strong convention calendars and a surge in business transient demand with an increasing number of workers returning to the office full-time as companies transition away from hybrid work schedules. Overall, our urban portfolio generated RevPAR growth of 3.2% during the year, led by Chicago, Boston and New York.

In Chicago, our three hotels delivered 9% RevPAR growth for the year, with the Hilton Chicago leading the way, achieving an impressive 12% increase over the prior year. Meanwhile, the Hyatt Regency Boston and Hilton New York Midtown both demonstrated solid performances, posting RevPAR gains of nearly 12% and 4% over the prior year, respectively.

While 2024 was a challenging year for our hotels in Hawaii given the renovation displacement, coupled with the strikes and other labor activity at our Hilton Hawaiian Village resort in Oahu during the fourth quarter, we anticipate a solid rebound in demand in 2025, despite a modest start with very challenging year-over-year comparisons during the first quarter of 2025. While we continue to see improvements in demand from Japanese travelers, most of the gains are expected to be driven by inbound domestic travelers, along with increased city-wide activity with a nearly 85% increase in convention room nights anticipated for 2025.

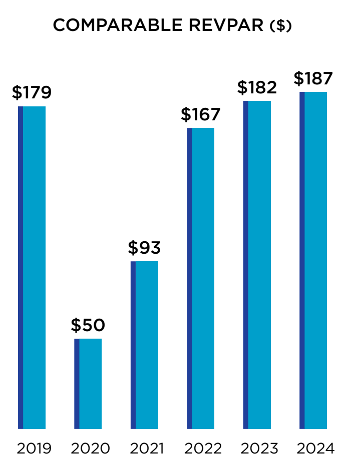
CAPITAL ALLOCATION PRIORITIES

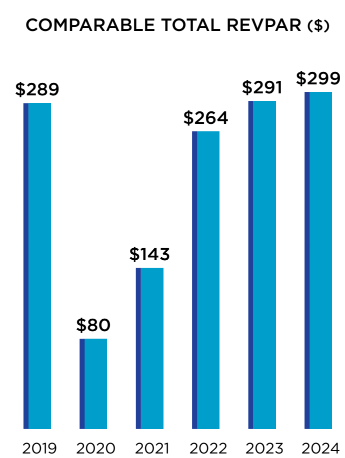
RECYCLING CAPITAL TO ENHANCE GROWTH PROFILE

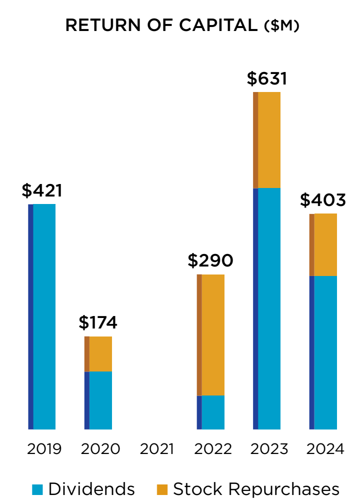
On the capital allocation front, we remained laser-focused on strategically reshaping our portfolio by divesting non-core hotels while maximizing returns through redevelopment opportunities in high-growth markets. During 2024, we disposed of three hotels including two hotels held in joint ventures that were sold for a combined $200 million, and the early termination of a ground lease and closure of the 360-room Hilton Oakland Airport, which incurred an EBITDA loss of nearly $4 million over the prior twelve months.

Our long-standing commitment to enhancing the quality of our portfolio and long term growth profile through non-core asset sales has significantly reshaped our holdings. The recent exits from DoubleTree Spokane and Hilton Oakland Airport exemplify this initiative, contributing to a $3 increase in Comparable RevPAR for 2024. Additionally, the removal of these assets enhanced Comparable Hotel Adjusted EBITDA margin by over 30 basis points, reinforcing our focus on long-term portfolio performance and profitability.

Looking ahead, we remain committed to an active capital recycling strategy having sold or disposed of 45 hotels for a total of $3 billion since 2017. Overall, we believe this strategy is a means to further optimize our portfolio and maximize stockholder returns. Looking ahead, we expect to be more aggressive with our non-core disposition efforts in 2025, targeting between $300 million to $400 million of non-core asset sales as we seek to further improve the overall quality of our portfolio and enhance our growth profile.







UNLOCKING THE EMBEDDED VALUE WITHIN OUR PORTFOLIO

As we execute our strategy to sell non-core assets, we remain laser-focused on allocating capital to maximize stockholder returns, including the reinvestment of a portion of the proceeds into our core portfolio of iconic assets. In 2024, we invested approximately $230 million into our portfolio, prioritizing value-enhancing projects designed to elevate the guest experience at some of our most iconic hotels.

Highlights include:

- Completed Phase 1 of a two-year phased guestroom renovation of the iconic Rainbow Tower at Hilton Hawaiian Village in Oahu. This project includes the upgrade of all 796 guestrooms and addition of 26 new keys, with a total expected investment of approximately $90 million
- Completed Phase 1 of a two-year phased guestroom renovation of Hilton Waikoloa Village's Palace Tower. This project includes the upgrade of all 400 guestrooms, and the addition of 14 new keys, with a total expected investment of $65 million
- Completed Phase 1 of a multi-phased guestroom renovation at Hilton New Orleans Riverside. The first two phases, totaling $47 million, include the upgrade of over half of the guestrooms at the 1,167-room Main Tower, with a third phase expected to fully renovate the remaining guestrooms

DEVELOPMENT POTENTIAL

TRACK RECORD OF SUCCESS DRIVES NEXT OPPORTUNITY: MIAMI

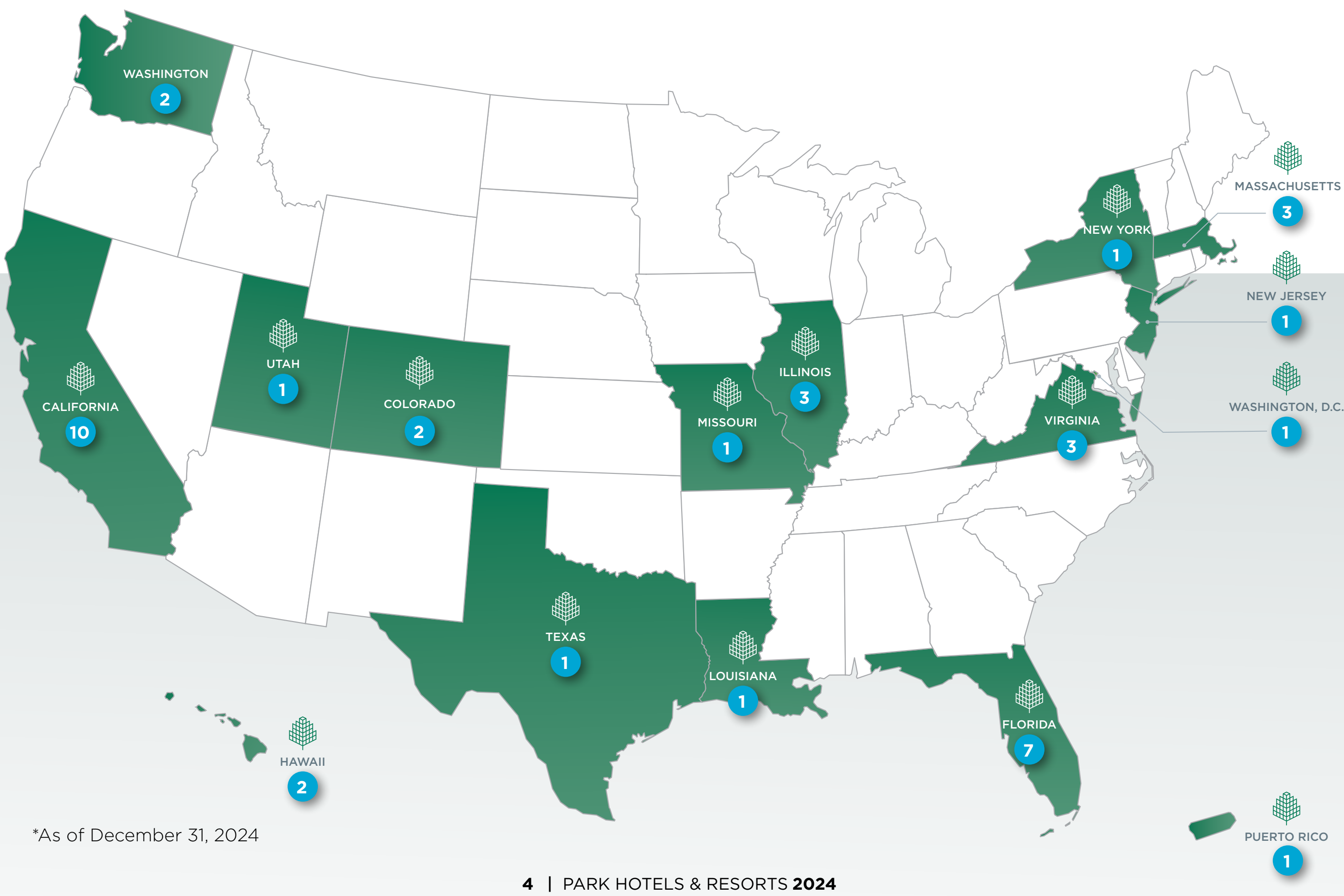
With our proven track record of value creation through major ROI projects, I am excited about our announced plans to reposition our Royal Palm Resort located in South Beach, Miami. This transformative $100 million investment is expected to significantly enhance the property's quality and guest experience, positioning it to compete more effectively with premium lifestyle resorts in the market and achieve a substantial ADR increase.

The comprehensive renovation plans feature:

- A full refurbishment of all 393 guestrooms, plus 11 new rooms
- A reimagined lobby bar and elevated food & beverage experiences
- Expanded meeting spaces to enhance group and event capabilities
- Redesigned pool and bar

Situated in a prime oceanfront location along South Beach's prestigious Collins Avenue corridor, the Royal Palm is positioned to capitalize on Miami's thriving premium lifestyle resort market. Based on our underwriting, we anticipate this investment could generate 15% to 20%

POWERFUL PORTFOLIO*



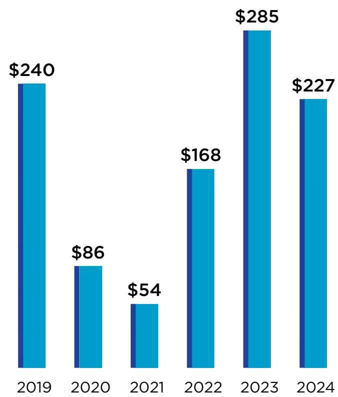
*As of December 31, 2024

MARKET HIGHLIGHT

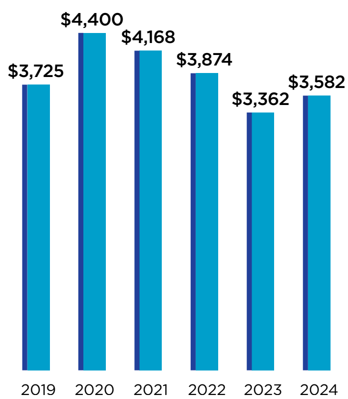
WALDORF ASTORIA ORLANDO & SIGNIA BY HILTON ORLANDO BONNET CREEK

Meeting space expansion and comprehensive renovation elevated the group profile and drove significant gains as groups flocked to utilize the new event spaces. Results at the complex have exceeded expectations, with **RevPAR** across the two hotels **increasing by over 17%** in 2024. Collectively, the two hotels generated over **$82 million of EBITDA** in 2024, a **36% increase over 2023.**

CAPITAL EXPENDITURES ($M)



NET DEBT ($M)
AS OF YEAR END



returns on invested capital, while potentially doubling the EBITDA of the hotel. If materialized, the Royal Palm would transition to being among the top three most profitable hotels in our portfolio on an EBITDA/Key basis.

In addition to Miami, we are also actively exploring development opportunities in key markets such as Hawaii, Key West and Santa Barbara in order to further unlock the significant embedded value in our portfolio. Our ROI pipeline currently exceeds $1 billion, with an estimated incremental value creation potential of over $300 million. We will remain disciplined and strategic in selecting which projects we pursue, as we invest our capital to unlock long-term value for our stockholders.

RETURNING STOCKHOLDER CAPITAL

In 2024, we continued to take advantage of the spread between public and private market valuations—repurchasing 8 million shares for $116 million at a significant discount to NAV. In addition, in 2024, we returned $287 million of capital to stockholders in the form of dividends—with dividends from operations totaling $1.40 per share, or an attractive 10% yield[2]—or a nearly 700 basis point spread between the average dividend yield for our peer set.

BALANCE SHEET MANAGEMENT

FINANCIAL FLEXIBILITY
WELL POSITIONED TO EXECUTE ON STRATEGIC OBJECTIVES

Park's balance sheet is in excellent shape, ending the year with approximately $1.4 billion of liquidity including approximately $400 million in cash, and a net debt to Adjusted EBITDA ratio of just 5.5 times. During the year, we made significant progress of improving our balance sheet and enhancing our liquidity. In May, we raised $750 million dollars of debt capital in a bond offering, consisting of the issuance of $550 million of unsecured senior notes maturing in 2030 with a fixed coupon of 7%. In addition, we amended Park's existing credit facility to include a new $200 million senior, unsecured floating rate term loan maturing in 2027. Proceeds from the new debt issuance were used to fully repay or redeem the $650 million, 7.5% senior notes which were scheduled to mature in 2025, while the remaining liquidity further enhances our financial flexibility to execute on our strategic growth initiatives.

In recognition of these improvements, in February 2024, S&P Global upgraded our corporate credit rating, improving it by two notches to "BB-" from "B". This marks a significant advancement for the Company and reflects the agency's acknowledgment of our dedicated efforts over the past several years to strengthen our balance sheet and credit metrics.

I want to express my sincere thanks to the entire Park team for their dedication and hard work. Their commitment is what has positioned our Company as one of the leading hotel REITs in the industry, and I'm confident that this strong foundation will continue to drive positive results moving forward.

[2] Based on closing stock price as of December 31, 2024

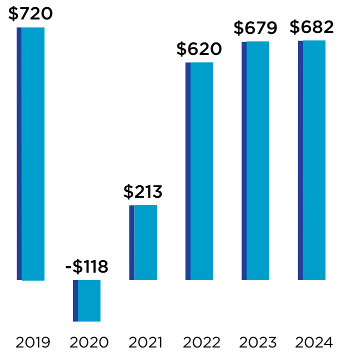
Hilton Waikoloa Village, Waikoloa, Hawaii

COMMITMENT TO CORPORATE RESPONSIBILITY

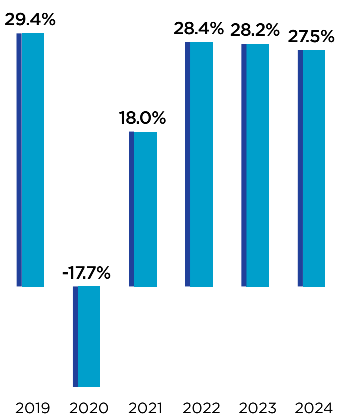
Park's corporate responsibility program continues to advance, led by our best-in-class risk management practices and strategic approach to increasing portfolio resiliency, managing our environmental footprint and increasing efficiency. Throughout 2024, we continued to explore ways to protect our assets from extreme weather events and other natural disasters, investing in cutting-edge resiliency measures such as portable flood barriers and air purification systems as well as the relocation of critical building equipment above the potential flood plain. Since 2019, Park's proactive risk management practices have removed an estimated $2.3 billion of risk from our portfolio. Additionally, we focused on improving our environmental data processes during 2024. Based on our analysis, we adjusted our environmental emissions baseline year to 2019 in order to better track our reduction progress of energy, greenhouse gas emissions, water and waste data against this new baseline. We achieved limited assurance of select environmental data for the reporting years 2019 and 2023 during the past year, thereby strengthening the quality of our environmental data.

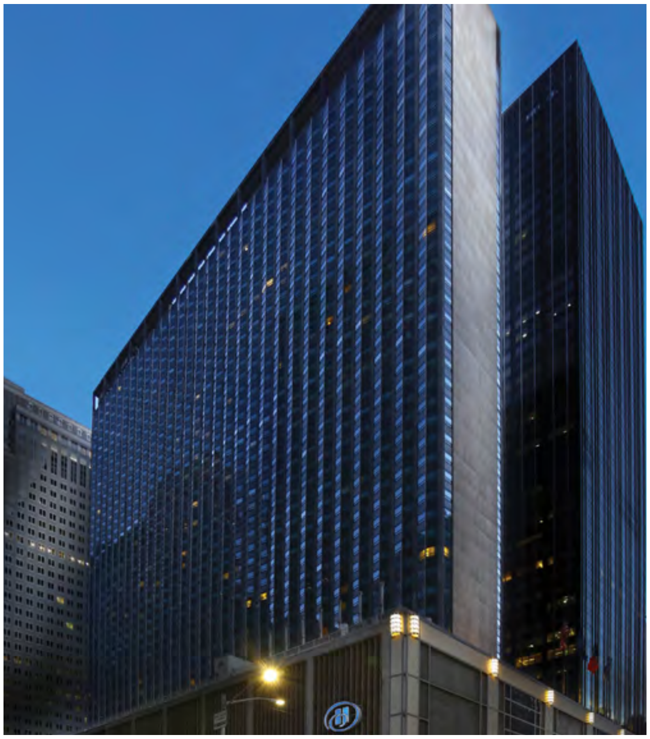
During 2024, our Green Park Committee focused on efficiency improvements through the retro commissioning of some of our older building systems, leading to substantial utility and labor savings and reduced environmental emissions at some of our largest assets. We also continue to explore opportunities to access renewable energy, either via on-site installations or utility contracts. Based on efforts such as these, we are proud to have been

COMPARABLE HOTEL ADJUSTED EBITDA ($M)



COMPARABLE HOTEL ADJUSTED EBITDA MARGIN





New York Hilton Midtown, New York, New York

named as an ENERGY STAR Partner of the Year in 2024 for Energy Management. Additionally, eight of our properties achieved ENERGY STAR superior energy performance certifications during 2024, including our flagship property, Hilton Hawaiian Village. Since Park's inception as an independent public company in 2017, Park properties have earned annual ENERGY STAR certifications for superior energy performance a total of 35 times.

Park participated in the Global Real Estate Sustainability Benchmark ("GRESB") in 2024 for the fifth consecutive year and ranked in the top 30% of all publicly listed GRESB participant companies in the Americas, registering a one-point increase over 2023. Park's GRESB Real Estate Assessment score has increased nine points overall since 2020, and Park once again achieved a GRESB Public Disclosure score of "A" in 2024. Furthermore, Park is thrilled to have been named as one of America's Most Responsible Companies by Newsweek in both 2024 and 2025.

Finally, on the governance side, Terri McClements was appointed to the Board of Directors in early 2024. With this addition, eight out of the nine members on Park's Board continue to be classified as independent, highlighting our dedication to maintaining strong governance practices. With a wide array of backgrounds, experiences, and skills—including expertise in relevant areas as well as public company and executive experience—our Board is well-equipped to guide Park's management team and help drive the Company's long-term strategy.

2025 OUTLOOK

POSITIONED FOR SUSTAINABLE GROWTH

As we look ahead to 2025, we remain positive on lodging fundamentals. We strongly believe Park remains well positioned for long-term growth based on the strategic investments that we have made in our portfolio. These investments, coupled with healthy gains expected from both business and leisure demand and less headwinds expected due to limited supply growth across our portfolio, should support our properties enjoying strong rate gains over the next several years.

From a macro standpoint, the US economy remains on firm footing, bolstered by a strong labor market, solid corporate profit growth and a resilient consumer base. Additionally, a pro-growth administration, coupled with more pragmatic regulations, further supports economic expansion. We believe these factors will continue to drive sustained demand for the lodging industry. Overall, we expect group to remain one of the strongest segments with group revenue pace for 2025 up 6% over the prior year as we begin the year, complemented by improving corporate business transient and low single digit leisure transient growth.

Furthermore, we will continue to strengthen our balance sheet by extending maturities and maintaining sufficient liquidity to seize opportunities for external growth initiatives. While the acquisition market has been challenging, we continue to evaluate potential transactions that could further enhance Park's portfolio, while creating long-term value for stockholders.

In summary, we were very pleased with our success in 2024, marking another strong year in which we achieved pivotal objectives that have positioned our Company for accelerated growth over time. Our strategic investment in ROI projects continue to yield strong returns, and our dedication to returning capital to stockholders underscores our commitment to maximizing stockholder value. We are optimistic about our long-term growth prospects as we unlock the significant embedded value within our portfolio with renovation projects such as the Royal Palm repositioning in Miami, while we further enhance the overall quality of our core portfolio through our ongoing capital recycling efforts.

We would like to sincerely thank our stockholders for their support over the last year, and we look forward to another productive year in 2025.

THOMAS J. BALTIMORE, JR.
CHAIRMAN, PRESIDENT AND CHIEF EXECUTIVE OFFICER

NON-GAAP FINANCIAL MEASURES

NET DEBT

(unaudited, $ in millions)

	December 31,					
	2024	2023	2022	2021	2020	2019
Debt	$ 3,841	$ 3,765	$ 4,617	$ 4,672	$ 5,121	$ 3,871
Add: unamortized deferred financing costs and discount	24	22	30	38	38	18
Less: unamortized premium	—	(1)	(3)	(4)	(3)	(3)
Debt, excluding unamortized deferred financing cost, premiums and discounts	3,865	3,786	4,644	4,706	5,156	3,886
Add: Park's share of unconsolidated affiliates debt, excluding unamortized deferred financing costs	157	164	169	225	225	225
Less: cash and cash equivalents[1]	(402)	(555)	(906)	(688)	(951)	(346)
Less: restricted cash	(38)	(33)	(33)	(75)	(30)	(40)
Net Debt	$ 3,582	$ 3,362	$ 3,874	$ 4,168	$ 4,400	$ 3,725
Full-year 2024 Comparable Adjusted EBITDA	$ 649					
Net Debt to full-year Comparable Adjusted EBITDA ratio	5.52x					

(1) As of December 31, 2023, considers the additional distribution of $162 million (or approximately $0.77 per share) in connection with the effective exit from the Hilton San Francisco Hotels. The cash dividend of $0.77 per share was declared on October 27, 2023 and paid on January 16, 2024 to stockholders of record as of December 29, 2023.

NON-GAAP FINANCIAL MEASURES (continued)

COMPARABLE HOTEL ADJUSTED EBITDA AND COMPARABLE HOTEL ADJUSTED EBITDA MARGIN

(unaudited, $ in millions)

	Year Ended December 31,					
	2024	2023	2022	2021	2020	2019
Net income (loss)	$ 226	$ 106	$ 173	$ (452)	$ (1,444)	$ 316
Depreciation and amortization expense	257	287	269	281	298	264
Interest income	(21)	(38)	(13)	(1)	(2)	(6)
Interest expense	214	207	217	228	183	110
Interest expense associated with hotels in receivership[(1)]	60	45	30	30	30	30
Income tax (benefit) expense	(61)	38	—	2	(6)	35
Interest expense, income tax and depreciation and amortization included in equity in earnings from investments in affiliates	10	8	9	11	16	23
EBITDA	685	653	685	99	(925)	772
(Gain) loss on sales of assets, net	(8)	(15)	(13)	5	(62)	(19)
Gain on derecognition of assets[(1)]	(60)	(221)	—	—	—	—
Gain on sale of investments in affiliates[(2)]	(19)	(3)	(101)	—	(1)	(44)
Acquisition costs	—	—	—	—	10	70
Severance expense	4	1	—	—	33	2
Share-based compensation expense	19	18	17	19	20	16
Impairment and casualty loss, net	14	204	6	9	696	(18)
Other items[(3)]	17	22	12	10	35	7
Adjusted EBITDA	652	659	606	142	(194)	786
Add: Adjusted EBITDA from hotels acquired	—	—	—	—	—	129
Less: Adjusted EBITDA from hotels disposed of	(1)	(4)	(21)	(10)	9	(105)
Less: Adjusted EBITDA from investments in affiliates disposed of	(2)	(4)	(13)	(4)	2	(20)
Less: Adjusted EBITDA from the Hilton San Francisco Hotels	—	(3)	11	46	20	(106)
Comparable Adjusted EBITDA	649	648	583	174	(163)	684
Less: Adjusted EBITDA from investments in affiliates	(21)	(20)	(12)	(3)	1	(17)
Add: All other[(4)]	54	51	49	42	44	53
Comparable Hotel Adjusted EBITDA	$ 682	$ 679	$ 620	$ 213	$ (118)	$ 720

	Year Ended December 31,					
	2024	2023	2022	2021	2020	2019
Total Revenues	$ 2,599	$ 2,698	$ 2,501	$ 1,362	$ 852	$ 2,844
Less: Other revenue	(86)	(85)	(75)	(51)	(29)	(77)
Add: Revenues from hotels acquired	—	—	—	—	—	406
Less: Revenues from hotels disposed of	(28)	(42)	(97)	(94)	(83)	(375)
Less: Revenues from the Hilton San Francisco Hotels	—	(162)	(145)	(29)	(73)	(354)
Comparable Hotel Revenues	$ 2,485	$ 2,409	$ 2,184	$ 1,188	$ 667	$ 2,444

	Year Ended December 31,					
	2024	2023	2022	2021	2020	2019
Comparable Hotel Revenues	$ 2,485	$ 2,409	$ 2,184	$ 1,188	$ 667	$ 2,444
Comparable Hotel Adjusted EBITDA	$ 682	$ 679	$ 620	$ 213	$ (118)	$ 720
Comparable Hotel Adjusted EBITDA margin[(5)]	27.5%	28.2%	28.4%	18.0%	(17.7)%	29.4%

(1) For the year ended December 31, 2024, represents accrued interest expense associated with the default of the SF Mortgage Loan, which is offset by a gain on derecognition for the corresponding increase of the *contract asset* on the consolidated balance sheet, as we expect to be released from this obligation upon final resolution with the lender. For the year ended December 31, 2023, represents accrued interest expense associated with the default of the SF Mortgage Loan and the gain from derecognizing the Hilton San Francisco Hotels from Park's consolidated balance sheet in October 2023, when the receiver took control of the hotels.

(2) Gain on sale of investments in affiliates is generally included in *other gain (loss), net* in the consolidated statements of operations. For the year ended December 31, 2024, includes a gain of $19 million on the sale of the Hilton La Torrey Pines included in *equity in earnings from investments in affiliates* in the consolidated statements of operations. For the year ended December 31, 2022, includes a gain of $9 million on the sale of the DoubleTree Hotel Las Vegas Airport included in *equity in earnings from investments in affiliates* in the consolidated statements of operations.

(3) For the year ended December 31, 2020 and 2019, includes a $12 million and $7 million reserve, respectively, related to ongoing claims in connection with Park's obligation to indemnify Hilton under agreements entered into with Hilton at the time of Park's spin-off from Hilton.

(4) Includes *other revenues and other expenses,* non-income taxes on TRS leases included in *other property expenses* and *corporate general and administrative expenses* in the consolidated statements of operations.

(5) Percentages are calculated based on unrounded numbers.

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

FORM 10-K

(Mark One)

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

For the fiscal year ended December 31, 2024

OR

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

For the transition period from ___ to ___

Commission File Number 001-37795

Park Hotels & Resorts Inc.

(Exact name of Registrant as specified in its Charter)

Delaware	**36-2058176**
(State or other jurisdiction of incorporation or organization)	(I.R.S Employer Identification No.)
1775 Tysons Boulevard, 7th Floor, Tysons, VA	**22102**
(Address of principal executive offices)	(Zip Code)

(Registrant's telephone number, including area code): (571) 302-5757

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

Title of each class	Trading Symbol	Name of exchange on which registered
Common Stock, $0.01 par value per share	PK	New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Act: None

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

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

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

Indicate by check mark whether the registrant has submitted electronically 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, 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 has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☒

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b). ☐

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

As of June 30, 2024, the aggregate market value of the registrant's common stock held by non-affiliates of the registrant was approximately $3,080 million (based upon the closing sale price of the common stock on that date on the New York Stock Exchange).

The number of shares of common stock outstanding on February 14, 2025 was 202,044,929.

Documents incorporated by reference: The information called for by Part III will be incorporated by reference from the registrant's definitive Proxy Statement for the 2025 Annual Meeting of Stockholders to be filed pursuant to Regulation 14A.

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Forward-Looking Statements

This Annual Report on Form 10-K contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (“Securities Act”), and Section 21E of the Securities Exchange Act of 1934, as amended (“Exchange Act”). Forward-looking statements include, but are not limited to, statements related to the effects of our decision to cease payments on the $725 million non-recourse CMBS loan ("SF Mortgage Loan") secured by two of our San Francisco hotels – the 1,921-room Hilton San Francisco Union Square and the 1,024-room Parc 55 San Francisco – a Hilton Hotel (collectively, the "Hilton San Francisco Hotels") and the lender's exercise of its remedies, including placing such hotels into receivership, the impact of strike and related labor activity on Park (and our third-party managers' ability to rebook group events that have been cancelled as a result of such activity) or any future strike or related labor activity, as well as our current expectations regarding the performance of our business, our financial results, our liquidity and capital resources, including anticipated repayment of certain of our indebtedness, the completion of capital allocation priorities, the expected repurchase of our stock, the impact from macroeconomic factors (including elevated inflation and interest rates, potential economic slowdown or a recession and geopolitical conflicts), the effects of competition, the effects of future legislation, executive action or regulations, tariffs, the expected completion of anticipated dispositions, the declaration, payment and any change in amounts of future dividends and other non-historical statements. Forward-looking statements include all statements that are not historical facts, and in some cases, can be identified by the use of forward-looking terminology such as the words “outlook,” “believes,” “expects,” “potential,” “continues,” “may,” “will,” “should,” “could,” “seeks,” “projects,” “predicts,” “intends,” “plans,” “estimates,” “anticipates”, “hopes” or the negative version of these words or other comparable words. You should not rely on forward-looking statements since they involve known and unknown risks, uncertainties and other factors which are, in some cases, beyond our control and which could materially affect our results of operations, financial condition, cash flows, performance or future achievements or events.

All such forward-looking statements are based on current expectations of management and therefore involve estimates and assumptions that are subject to risks, uncertainties and other factors that could cause actual results to differ materially from the results expressed in these forward-looking statements. You should not put undue reliance on any forward-looking statements and we urge investors to carefully review the disclosures we make concerning risks and uncertainties in Item 1A: “Risk Factors” in this Annual Report on Form 10-K. Except as required by law, we undertake no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise.

The risk factors discussed in Item 1A: “Risk Factors” could cause our results to differ materially from those expressed in forward-looking statements. There may be other risks and uncertainties that we are unable to predict at this time or that we currently do not expect to have a material adverse effect on our business. Any such risks could cause our results to differ materially from those expressed in forward-looking statements.

Definitions

Except where the context suggests otherwise, we define certain terms in this Annual Report on Form 10-K as follows:

- “Adjusted EBITDA” means EBITDA (as defined below) further adjusted to exclude: (i) gains or losses on sales of assets for both consolidated and unconsolidated investments; (ii) costs associated with hotel acquisitions or dispositions expensed during the period; (iii) severance expense; (iv) share-based compensation expense; (v) impairment losses and casualty gains or losses; and (vi) other items that we believe are not representative of our current or future operating performance. See “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Non-GAAP Financial Measures” for information regarding our use of Adjusted EBITDA, which is a non-GAAP financial measure.

- “Adjusted FFO attributable to stockholders” means Nareit funds from (used in) operations (“FFO”) attributable to stockholders (as defined below), as further adjusted to exclude: (i) costs associated with hotel acquisitions or dispositions expensed during the period; (ii) severance expense; (iii) share-based compensation expense; (iv) casualty gains or losses, and (v) other items that we believe are not representative of our current or future operating performance. See “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Non-GAAP Financial Measures” for information regarding our use of Adjusted FFO attributable to stockholders, which is a non-GAAP financial measure.

- “ADR” or “average daily rate,” (which we also refer to as "rate") represents rooms revenue divided by total number of room nights sold in a given period.

- “EBITDA” reflects net income (loss) excluding depreciation and amortization, interest income, interest expense, income taxes and also interest income and expense, income tax and depreciation and amortization included in equity in earnings (losses) from investments in affiliates. See “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Non-GAAP Financial Measures” for information regarding our use of EBITDA, which is a non-GAAP financial measure.

- “HGV” refers to Hilton Grand Vacations Inc. and its consolidated subsidiaries, and references to “HGV Parent” refers only to Hilton Grand Vacations Inc., exclusive of its subsidiaries.

- “Hilton” refers to Hilton Worldwide Holdings Inc. and its consolidated subsidiaries, and references to “Hilton Parent” or “Parent” refers only to Hilton Worldwide Holdings Inc., exclusive of its subsidiaries.

- “Hotel Adjusted EBITDA” measures hotel-level results before debt service, depreciation and corporate expenses for our consolidated hotels, which excludes hotels owned by unconsolidated affiliates. See “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Non-GAAP Financial Measures” for information regarding our use of Hotel Adjusted EBITDA, which is a non-GAAP financial measure.

- a “luxury” hotel refers to a luxury hotel as defined by Smith Travel Research (“STR”).

- “Nareit FFO attributable to stockholders” means net income (loss) attributable to stockholders (calculated in accordance with U.S. generally accepted accounting principles (“U.S. GAAP”)), excluding depreciation and amortization, gains or losses on sales of assets, impairment, and the cumulative effect of changes in accounting principles, plus adjustments for unconsolidated joint ventures. Adjustments for unconsolidated joint ventures are calculated to reflect our pro rata share of the FFO of those entities on the same basis. We calculate Nareit FFO attributable to stockholders for a given operating period in accordance with the guidelines of the National Association of Real Estate Investment Trusts (“Nareit”) and its December 2018 “Nareit Funds from Operations White Paper – 2018 Restatement”. See “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Non-GAAP Financial Measures” for information regarding our use of Nareit FFO attributable to stockholders, which is a non-GAAP financial measure.

- “occupancy” represents the total number of room nights sold divided by the total number of room nights available at a hotel or group of hotels.

- “Park Hotels & Resorts,” “we,” “our,” “us” and the “Company” refer to Park Hotels & Resorts Inc. and its consolidated subsidiaries, and references to “Park Parent” refers only to Park Hotels & Resorts Inc., exclusive of its subsidiaries.

- “RevPAR” or “revenue per available room” represents rooms revenue divided by the total number of room nights available to guests for a given period.

- “TRS” refers to a taxable REIT subsidiary under the Internal Revenue Code of 1986, as amended (the “Code”), and includes any subsidiaries or other, lower-tier entities of that taxable REIT subsidiary.

- an “upper midscale” hotel refers to an upper midscale hotel as defined by STR.

- an “upper upscale” hotel refers to an upper upscale hotel as defined by STR.

- an “upscale” hotel refers to an upscale hotel as defined by STR.

PART I

Item 1. Business

Our Company

We are one of the largest publicly-traded lodging real estate investment trusts ("REIT") with a diverse portfolio of iconic and market-leading hotels and resorts with significant underlying real estate value. On January 3, 2017, Hilton Parent completed the spin-off of a portfolio of hotels and resorts that established us as an independent, publicly traded company. On September 18, 2019, we acquired Chesapeake Lodging Trust. As of February 20, 2025, our portfolio consists of 40 premium-branded hotels and resorts with approximately 25,000 rooms, located in prime United States ("U.S.") markets with high barriers to entry. Approximately 87% of our rooms are luxury and upper upscale and all of our rooms are located in the U.S. and its territories. We are focused on consistently delivering superior risk-adjusted returns to stockholders through active asset management and a thoughtful external growth strategy while maintaining a strong and flexible balance sheet.

Park Intermediate Holdings LLC (our "Operating Company") directly or indirectly holds all of our assets and conducts all of our operations. We are structured as a traditional umbrella partnership REIT ("UPREIT"). Park Parent is the managing member of our Operating Company, and PK Domestic REIT Inc., a direct subsidiary of Park Parent, is a member of our Operating Company. We may, in the future, issue interests in (or from) our Operating Company in connection with acquiring hotels, financing, issuance of equity compensation or other purposes.

Our Business and Growth Strategies

Our objective is to be the preeminent lodging REIT, focused on consistently delivering superior, risk-adjusted returns to stockholders through active asset management and a thoughtful external growth strategy while maintaining a strong and flexible balance sheet. We intend to pursue this objective through the following strategies:

- ***Operational Excellence through Active Asset Management***. We collaborate with our third-party managers to improve property-level operating performance and profitability for each of our hotels and resorts through our proactive asset management efforts. We continue to identify revenue-enhancement opportunities and drive cost efficiencies to maximize the operating performance, cash flow and value of each property. As a pure-play lodging real estate company with significant financial resources and an extensive portfolio of large, multi-use assets, including seven hotels with 125,000 square feet of meeting space or more, we believe our ability to implement compelling return on investment initiatives represents a significant embedded growth opportunity. These may include the expansion of meeting platforms in convention and resort markets; the upgrade or redevelopment of existing amenities, including retail platforms, food and beverage outlets, pools and other facilities; the development of vacant land into income-generating uses, including retail or mixed-use properties; or the redevelopment or optimization of underutilized spaces. We recently completed over $220 million of projects at our Bonnet Creek complex, including the meeting space expansion project and renovation of guestrooms, existing meeting space, lobbies, golf course and other recreational amenities, $80 million of renovations to all guestrooms, public spaces, and certain hotel infrastructure at the Casa Marina Key West, Curio Collection, and $85 million of guestroom renovations at the Tapa Tower of the Hilton Hawaiian Village Waikiki Beach Resort. Additionally, in 2024, we commenced over $200 million of comprehensive guestroom renovations at the iconic Rainbow Tower at the Hilton Hawaiian Village Waikiki Beach Resort, the Palace Tower at the Hilton Waikoloa Village and the Main Tower at the Hilton New Orleans Riverside. We also may create value through repositioning certain hotels across brands or chain scale segments and exploring adaptive reuse opportunities to ensure our assets achieve their highest and best use. Finally, we are focused on maintaining the competitive strength of our properties and adapting to evolving customer preferences by renovating properties to provide updated guestroom design, open and activated lobby areas, food and beverage and public spaces, and modernized meeting space.

- ***Pursuing Growth and Diversification through Prudent Capital Allocation***. We intend to leverage our scale, liquidity and transaction expertise to create value throughout all phases of the lodging cycle through opportunistic acquisitions and dispositions and/or corporate transactions, in addition to value-enhancing return on investment projects, which we believe will enable us to further diversify our portfolio. Since our spin-off, we have sold or otherwise disposed of 45 hotels, most of them located in lower growth domestic and international markets for a total of $3 billion, which provided us with additional liquidity to de-leverage our balance sheet and to execute on a variety of strategic corporate initiatives. We will continue to opportunistically seek to expand our presence in target markets and further diversify over time, including by acquiring hotels that are affiliated with leading hotel brands and operators.

- ***Maintaining a Strong and Flexible Balance Sheet***. We intend to maintain a strong and flexible balance sheet that will enable us to navigate the various seasons of the lodging cycle. We expect to maintain sufficient liquidity with minimal short-term maturities and intend to have a mix of debt that will provide us with the flexibility to prepay debt when desired, dispose of assets, pursue our value enhancement strategies within our existing portfolio, and support acquisition activity. In May 2024, our Operating Company, PK Domestic Property LLC, an indirect subsidiary of the Company, and PK Finance Co-Issuer Inc. issued $550 million of 7.000% senior notes due 2030 ("2030 Senior Notes") and amended our existing credit agreement to include a new $200 million senior unsecured term loan due May 2027 ("2024 Term Loan"). Net proceeds from the 2030 Senior Notes and the 2024 Term Loan were used to repurchase or redeem all of the $650 million of 7.500% senior notes due in 2025 ("2025 Senior Notes"), and the remainder was used for general corporate purposes. Excluding the $725 million SF Mortgage Loan, which we ceased making debt service payments on in June 2023 and was due November 2023, we have no significant maturities until the fourth quarter of 2026. We expect to reduce our level of secured debt over time, which will provide additional balance sheet flexibility. Our senior management team has extensive experience managing capital structures over multiple lodging cycles and has extensive and long-standing relationships with numerous lending institutions and financial advisors to address our capital needs.

Our Properties

The following tables provide summary information regarding our portfolio as of February 20, 2025.

Brand Affiliations and Chain Scale

We own and lease hotels and resorts primarily in the upper upscale chain scale segment. The following table sets forth our portfolio by brand affiliations and chain scale segment:

Brand	Chain Scale	Number of Properties	Total Rooms
Hilton Hotels & Resorts	Upper Upscale	17	15,456
DoubleTree by Hilton	Upscale	7	3,168
Signia by Hilton	Upper Upscale	1	1,009
Marriott[(1)]	Upper Upscale	2	950
Hyatt Regency	Upper Upscale	2	940
Embassy Suites by Hilton	Upper Upscale	3	816
Marriott Tribute Portfolio	Upper Upscale	2	796
Curio – A Collection by Hilton	Upper Midscale	3	685
Waldorf Astoria Hotels & Resorts	Luxury	1	502
JW Marriott	Luxury	1	344
Hyatt Centric	Upper Upscale	1	316
Total		**40**	**24,982**

(1) Includes a white label property.

Type of Property Interest

The following table sets forth our properties according to the nature of our real estate interest:

Types of Interest	Number of Properties	Total Rooms
Fee Simple[1]	25	17,533
Ground Lease	12	5,178
	37	22,711
Unconsolidated Joint Ventures[2]		
Fee Simple	3	2,271
Total	**40**	**24,982**

(1) Includes certain properties that, while primarily owned in fee simple, are subject to ground lease in respect of certain portions of land or facilities. Refer to "—Ground Leases," Item 2: "Properties," and Note 9: "Leases" in our audited consolidated financial statements included elsewhere in this Annual Report on Form 10-K for additional information.

(2) Three of our hotels are owned by unconsolidated joint ventures in which we hold an interest. Refer to Item 2: "Properties" for the percentage ownership in such unconsolidated joint ventures.

Sustainability

We are committed to being a responsible corporate citizen and minimizing our impact on the environment. As part of our corporate strategy, we incorporate sustainability into our investment and asset management practices to help mitigate risks and enhance efficiency. When we evaluate the acquisition of new properties, we assess both sustainability opportunities and climate change-related risks as part of our due diligence process. During the ownership of our properties, we seek to invest in effective sustainability practices in both our renovation and redevelopment projects that can both enhance asset value and improve environmental performance. In such projects, we target specific environmental efficiency enhancements, equipment upgrades and replacements that reduce energy and water consumption and offer appropriate returns on investment.

Our approach to corporate citizenship is reinforced by periodic engagement with key stakeholders to understand their corporate responsibility priorities. As part of our ongoing stakeholder engagement and transparency efforts, we participated in the 2024 Global Real Estate Sustainability Benchmark ("GRESB") assessment for the fifth consecutive year, demonstrating the Company's continued support of its overall corporate responsibility program and desire to make meaningful improvements toward decarbonization. We were recognized by *Newsweek* as one of America's Most Responsible Companies for both 2024 and 2025, marking the fifth time Park has been included in the annual survey, as well as one of America's Most Trustworthy Companies for 2024.

We have published our 2024 Annual Corporate Responsibility Report on our website, which discloses our environmental and social programs and performance, our risk management strategy and our governance and oversight practices. The report also includes our Task Force Report on Climate-Related Financial Disclosures ("TCFD") as well as our Sustainability Accounting Standards Board ("SASB") and Global Reporting Index ("GRI") indices. Our executive-level Corporate Responsibility Committee provides oversight of Park's three dedicated corporate responsibility working subcommittees – the Green Park Committee, the Park Cares Committee and the Diversity & Inclusion Steering Committee. Additionally, corporate responsibility performance targets are embedded into executive performance objectives and compensation.

Each corporate responsibility initiative begins with analysis and work by one of the three working subcommittees, each of which specializes in specific corporate responsibility matters. The Green Park Committee is dedicated to Park's sustainability efforts and environmental performance and manages the Company's Green Park Program, which prioritizes the achievement of our sustainability goals, including the reduction of greenhouse gas ("GHG") emissions across our portfolio and business as a whole. We completed 73 efficiency-related projects that totaled nearly $21 million in 2023 and implemented efficiency best practices for our capital projects. We have implemented sustainability checklists where appropriate, and efficiency projects related to end-of-life equipment replacements or upgrades are routinely conducted. As a result of these efficiency projects, we are often able to notably decrease our environmental impact by replacing older equipment with more efficient options. We were named an ENERGY STAR® Partner of the Year in 2024 for Energy

Management for our outstanding contributions in the transition to a clean energy economy for the second consecutive year. Furthermore, eight of our properties earned the ENERGY STAR® Certification for Superior Energy Performance during 2024, including our largest hotel, the Hilton Hawaiian Village Waikiki Beach Resort. Our corporate headquarters is in a LEED Platinum certified building, the first building in Tysons, Virginia to achieve this certification.

Resiliency to the effects of climate change on our portfolio is also a central focus of our corporate responsibility program. We have conducted high-level resiliency studies on all assets in our core portfolio, mapping out climate-related risks that could impact our locations by 2050, and more in-depth studies have been conducted for key coastal properties that are most susceptible to climate-related risks. As a result of these findings, our risk management team has implemented several resiliency initiatives at our coastal hotels, such as the deployment of portable flood barriers around the perimeter of assets susceptible to potential storm surge flooding and the installation of manual transfer switches to more quickly access temporary power from generators in the event of a power loss so that our properties are able to get back up and running more quickly. Our risk management team continues to plan for adaptative measures across our portfolio over both the medium and long term.

Our Principal Agreements

In order for us to continue to qualify as a REIT, independent third parties must operate our hotels. We lease substantially all of our hotels to our TRS lessees, which, in turn have engaged independent third-parties to operate these hotels pursuant to management agreements. The hotels not leased to our TRS lessees are owned by TRSs, which have also engaged independent third-parties to operate these hotels pursuant to management agreements. Certain of our hotels also have franchise agreements. We may, in the future, re-flag existing properties, acquire additional properties that operate under other brands and/or engage other third-party hotel managers and franchisors.

Below is a general overview of our management and franchise agreements.

Management Agreements

Our hotel managers control the day-to-day operations of our hotels that are subject to a management agreement. We have consultative and specified approval rights with respect to certain actions of our hotel managers, including entering into long-term or high value contracts, engaging in certain actions relating to legal proceedings, approving the operating budget, making certain capital expenditures and hiring approval for certain management personnel.

As in our franchise agreements described below, we receive a variety of services and benefits under our management agreements with our hotel managers, including the benefit of the name, marks and system of operation of the brand, as well as centralized reservation systems, participation in customer loyalty programs, national advertising, marketing programs and publicity designed to increase brand awareness, as well as training of personnel and payroll and accounting services.

Term

Our management agreements have initial terms ranging from 5 to 30 years and most allow for one or more renewal periods. Assuming all renewal periods are exercised by our hotel managers, the total term of our management agreements range from 5 to 70 years.

Fees

Our management agreements generally contain a two-tiered fee structure, where our hotel managers receive a base management fee and an incentive management fee. The base management fee for our hotels range from approximately 1% to 4% of gross hotel revenues or receipts, as defined in each agreement. The incentive management fee is typically a percentage of a specified performance measure such as operating income, cash flow or other performance measures, as defined in the agreements with some agreements only providing for incentive fees following the satisfaction of certain dollar thresholds. We also pay certain service fees to our hotel managers and generally reimburse our hotel managers for salaries and wages of their employees at our hotels, as well as for certain other expenses incurred in connection with the operation of the hotel.

Termination Events

Subject to certain qualifications, notice requirements and applicable cure periods, the management agreements generally are terminable by either party upon a material casualty or condemnation of the hotel or the occurrence of certain customary events of default, including, among others: the bankruptcy or insolvency of either party; the failure of either party to make a payment when due, and failure to cure such non-payment after late payment notice; or breach by either party of covenants or obligations under the management agreement. In certain instances, we retain the right to terminate a management agreement if manager fails to meet specified performance criteria.

Additionally, our hotel managers generally have the right to terminate the management agreement in certain situations, including the occurrence of certain actions with respect to a mortgage or our failing to complete or commence required repair after damage or destruction to the hotel, or our failure to meet minimum brand standards. For certain properties, our management agreements also allow early termination, subject to entering into a franchise agreement with an affiliated brand. If our hotel managers terminate due to our default, our hotel managers may exercise all of their rights and remedies at law or in equity.

Sale of a Hotel

Our management agreements generally provide that we cannot sell a hotel to a person who (i) does not have sufficient financial resources, (ii) is of bad moral character, (iii) is a competitor of our hotel managers, or (iv) is a specially designated national or blocked person, as set forth in the applicable management agreement. It is generally an event of default if we proceed with a sale or an assignment of the hotel's management agreement to such a transferee, without receiving consent from our hotel managers.

Franchise Agreements

Seven of our hotels are subject to franchise agreements. Pursuant to the franchise agreements, we have been granted a limited, non-exclusive license to use our franchisor's brand names, marks and systems. The franchisor also may provide us with a variety of services and benefits, including centralized reservation systems, participation in customer loyalty programs, national advertising, marketing programs and publicity designed to increase brand awareness, as well as training of personnel. In return, we are required to operate franchised hotels consistent with the applicable brand standards. The franchise agreements specify operational, record-keeping, accounting, reporting and marketing standards and procedures with which we must comply, and will promote consistency across the brand by outlining standards for guest services, products, signage and furniture, fixtures and equipment, among other things. To monitor our compliance, the franchise agreements specify that we must make the hotel available for quality inspections by the franchisor.

Term

Our franchise agreements have initial terms ranging from 10 to 20 years and require the franchisor's consent to be extended.

Fees

Our franchise agreements require that we pay a royalty fee on gross rooms revenue at rates ranging from 5% to 6%, plus a percentage of food and beverage revenue for certain hotels, which in most cases is 3%. We must also pay certain marketing, reservation, program and other customary fees. In addition, the franchisor has the right to require that we renovate guest rooms and public facilities from time to time to comply with then-current brand standards.

Termination Events

Our franchise agreements provide for termination at the franchisor's option upon the occurrence of certain events, including, among others: the failure to maintain brand standards; the failure to pay royalties and fees or to perform other obligations under the franchise license; bankruptcy; and abandonment of the franchise or a change of control, and in the event of such termination, we are required to pay liquidated damages.

Spin-Off Related Agreements

On January 3, 2017, Hilton Parent completed the spin-off that resulted in our establishment as an independent, publicly traded company.

Distribution Agreement

We entered into a distribution agreement ("Distribution Agreement") with Hilton Parent regarding the principal actions taken or to be taken in connection with the spin-off. The Distribution Agreement provided for the division of assets and liabilities between Hilton Parent or its subsidiaries, HGV Parent or its subsidiaries and us, and the settlement or extinguishment of certain liabilities and other obligations among Hilton Parent and us.

In addition, notwithstanding the allocation described above, we, HGV and Hilton have agreed that losses related to certain contingent liabilities (and related costs and expenses), which generally are not specifically attributable to any of the separated real estate business, the timeshare business or the retained business of Hilton ("Shared Contingent Liabilities"), will be apportioned among the parties according to fixed percentages of 65%, 26% and 9% for each of Hilton, us and HGV, respectively. Examples of Shared Contingent Liabilities may include uninsured losses arising from actions (including derivative actions) against current or former directors or officers of Hilton in respect of acts or omissions occurring prior to the distribution date, or against current or former directors or officers of any of Hilton, HGV or us, arising out of, in connection with, or otherwise relating to, the spin-offs and the distribution, subject to certain exceptions described in the Distribution Agreement. In addition, costs and expenses of, and indemnification obligations to, third party professional advisors arising out of the foregoing actions may also be subject to these provisions. Subject to certain limitations and exceptions, Hilton shall generally be vested with the exclusive management and control of all matters pertaining to any such Shared Contingent Liabilities, including the prosecution of any claim and the conduct of any defense.

The Distribution Agreement also provides for cross-indemnities that, except as otherwise provided in the Distribution Agreement, are principally designed to place financial responsibility for the obligations and liabilities of each business with the appropriate company.

Tax Matters Agreement

We entered into a tax matters agreement ("Tax Matters Agreement") with Hilton Parent, HGV Parent and Hilton Domestic Operating Company that governs the respective rights, responsibilities and obligations of us, Hilton Parent and HGV Parent after the spin-off with respect to tax liabilities and benefits, tax attributes, tax contests and other tax sharing regarding U.S. federal, state, local and foreign income taxes, other tax matters and related tax returns. The Tax Matters Agreement provides for an allocation between the parties of pre-spin-off tax liabilities and tax liabilities in the event that the spin-off was not tax-free. Each party has agreed to indemnify the other against any amounts for which they are not responsible under the Tax Matters Agreement. Although binding between the parties, the Tax Matters Agreement is not binding on the IRS.

The Tax Matters Agreement also provides for cross-indemnities with respect to tax matters that, except as otherwise provided in the Tax Matters Agreement, are principally designed to place financial responsibility for the tax-related obligations and liabilities of each business with the appropriate company.

Ground Leases

The following table summarizes the remaining primary term, renewal rights and purchase rights as of February 20, 2025, associated with land underlying our hotels and meeting facilities that we lease from third parties:

Property	Rooms	Current Lease Term Expiration	Renewal Rights / Purchase Rights
Leases of Wholly-Owned Properties			
DoubleTree Hotel Seattle Airport	850	December 31, 2025	None
DoubleTree Hotel Sonoma Wine Country	245	December 31, 2025	None
Embassy Suites Kansas City Plaza	266	January 30, 2026	None
Embassy Suites Austin Downtown South Congress	262	February 28, 2029	1 x 10 years[(1)]
DoubleTree Hotel Durango	159	December 31, 2030	1 x 5 years
DoubleTree Hotel San Diego – Mission Valley	300	December 31, 2030	1 x 5 years
Hilton Salt Lake City Center	500	December 31, 2030	1 x 5 years
Hilton Orlando Lake Buena Vista	814	January 31, 2034	1 x 25 years
Hilton Boston Logan Airport	604	September 30, 2044	2 x 20 years
Hilton Seattle Airport & Conference Center	396	December 31, 2046	Purchase Rights[(2)] Renewal Rights 2 x 10 years; 1 x 5 years
Hyatt Regency Mission Bay Spa and Marina	438	January 31, 2056	None
JW Marriott San Francisco Union Square	344	January 14, 2083	None

(1) The term of this renewal option exceeds the expiration of the underlying master ground lease in 2031. No extension rights are available, and it is unlikely that the landlord under the master ground lease will grant a term past 2031.

(2) Tenant has a right of first offer with respect to the property.

We are also party to certain leases for facilities related to certain hotels owned by us.

Competition

The lodging industry is highly competitive. Our hotels compete with other hotels for guests on the basis of several factors, including the attractiveness of the facility, location, level of service, quality of accommodations, amenities, food and beverage options and outlets, public and meeting spaces and other guest services, consistency of service, room rate, brand reputation and the ability to earn and redeem loyalty program points through a global system. Competition is often specific to the individual markets in which our hotels are located and includes competition from existing and new hotels operated under brands primarily in the upper upscale chain scale segments. Increased competition could have a material adverse effect on the occupancy rate, average daily room rate and RevPAR of our hotels or may require us to make capital improvements that we otherwise would not have to make, which may result in decreases in our profitability. We believe our hotels enjoy certain competitive advantages as a result of being flagged with globally recognized brands, including access to centralized reservation systems and national advertising, marketing and promotional services, strong hotel management expertise and guest loyalty programs.

Our principal competitors include hotel operating companies, ownership companies (including other lodging REITs) and national and international hotel brands. We face increased competition from providers of less expensive accommodations, such as select-service hotels or independently managed hotels, during periods of economic downturn when leisure and business travelers become more sensitive to room rates. We also face competition from peer-to-peer inventory sources that allow travelers to stay at homes and apartments booked from owners, thereby providing an alternative to hotel rooms. We face competition for the acquisition of hotels from other REITs, private equity investors, institutional pension funds, sovereign wealth funds and numerous local, regional and national owners, including franchisors, in each of our markets. Some of these entities may have substantially greater financial resources than we do and may be able and willing to accept more risk than we believe we can prudently manage. During the recovery phase of the lodging cycle, competition among potential buyers may increase the bargaining power of potential sellers, which may reduce the number of suitable investment opportunities available to us or increase pricing. Similarly, during times when we seek to sell hotels, competition from other sellers may increase the bargaining power of the potential property buyers.

Seasonality

The lodging industry is seasonal in nature, which can be expected to cause fluctuations in our hotel rooms revenues, occupancy levels, room rates, operating expenses and cash flows. The periods during which our hotels experience higher or lower levels of demand vary from property to property, depending principally upon location, type of property and competitive mix within the specific location.

Cyclicality

The lodging industry is cyclical and demand generally follows, on a lagged basis, key macroeconomic indicators. There is a history of increases and decreases in demand for hotel rooms, in occupancy levels and in room rates realized by owners of hotels through economic cycles. Variability of results through some of the cycles in the past has been more severe due to changes in the supply of hotel rooms in given markets or in given segments of hotels. The combination of changes in economic conditions and in the supply of hotel rooms can result in significant volatility in results for owners of hotel properties. As a result, in a negative economic environment the rate of decline in earnings can be higher than the rate of decline in revenues.

Government Regulations

Our business is subject to various federal and state laws and regulations. In particular, we are subject to the Americans with Disabilities Act ("ADA"). Under the ADA, all public accommodations are required to meet certain U.S. federal requirements related to access and use by disabled persons. These regulations apply to accommodations first occupied after January 26, 1993. Public accommodations built before January 26, 1993 are required to remove architectural barriers to disabled access where such removal is "readily achievable." The regulations also mandate certain operational requirements that hotel operators must observe. The failure of a property to comply with the ADA could result in injunctive relief, fines, an award of damages to private litigants or mandated capital expenditures to remedy such noncompliance. Any imposition of injunctive relief, fines, damage awards or capital expenditures could result in reputational harm or otherwise materially and negatively affect our performance and results of operations.

In addition, a number of states regulate the activities of hospitality properties and restaurants, including safety and health standards, as well as the sale of liquor at such properties, by requiring licensing, registration, disclosure statements and compliance with specific standards of conduct. We are also subject to privacy and data security laws. Compliance with, or changes in, these laws could reduce the revenue and profitability of our properties and could otherwise adversely affect our operations.

Environmental Matters

We are subject to certain requirements and potential liabilities under various federal, state and local environmental, health and safety laws and regulations and incur costs in complying with such requirements. These laws and regulations govern our business including with respect to any associated air emissions; the use, storage and disposal of hazardous and toxic substances and petroleum products; and wastewater and stormwater discharges. In addition, as a current and former owner or operator of property, we could be subject to investigation and remediation liabilities that could arise under local, state and federal environmental laws, as well as third party claims for personal injury, property and natural resources damages, or other claims by third parties, or penalties, liens or restrictions on operations associated with environmental compliance or the presence, release, disposal or impacts of hazardous or toxic substances or petroleum products arising at or from our current or former properties. We may incur liability for investigation and remediation of such substances or products regardless of whether we knew of, or caused, the presence or release of such substances or products, and such liability may be joint and several. The presence of these substances or products, or the failure to investigate or remediate them, may adversely affect our ability to sell or develop a property or to borrow using the property as collateral or result in restrictions on or interruptions of operations at our properties. The cost of investigation or remediation of such substances or other liabilities related to hazardous substances or petroleum products may be substantial and could exceed the value of the property. Our hotels use and store hazardous and toxic substances and petroleum products, such as cleaning materials, pool chemicals, heating oil and fuel for back-up generators at some of our facilities, and also generate certain wastes in connection with operations. From time to time, we may also be required to manage, abate, remove or contain mold, lead, asbestos-containing materials, radon gas, polychlorinated biphenyls ("PCBs") or other hazardous substances or conditions found in or on our properties; and any known or presumed asbestos in our buildings must be properly managed and maintained. We have implemented an on-going operations and maintenance plan that seeks to identify, remediate and manage these conditions as appropriate. Although we have incurred, and expect that we will continue to incur, costs relating to the investigation, identification, management, and remediation of hazardous materials or petroleum products known or discovered to exist at our properties, as well as costs of complying with various local, state and federal environmental, health and safety laws, those costs have not had, and are not expected to have, a material adverse effect on our financial condition, results of operations or cash flow.

REIT Qualification

We are a REIT for U.S. federal income tax purposes. We have been organized and operated, and we expect to continue to be organized and operated, in a manner to qualify as a REIT. To qualify as a REIT, we must satisfy requirements related to, among other things, the real estate qualification of sources of our income, the real estate composition and values of our assets, the amounts we distribute to our stockholders annually and the diversity of ownership of our stock. To the extent we continue to remain qualified as a REIT, we generally will not be subject to U.S. federal (and state) income tax on taxable income generated by our REIT activities that we distribute annually to our stockholders. To comply with REIT requirements, we may need to forego otherwise attractive opportunities and limit our expansion opportunities and the manner in which we conduct our operations. Refer to “Risk Factors—Risks Related to our REIT Status and Certain Other Tax Items.”

Insurance

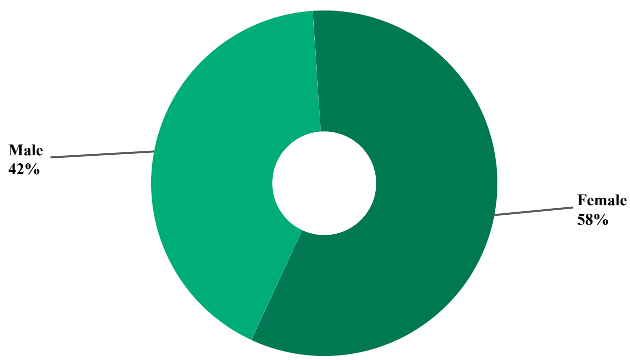
We or our hotel managers maintain insurance coverage for general liability, property, including business interruption, terrorism, and other risks with respect to our business for all of our hotels. We also maintain workers’ compensation insurance for our corporate employees, while our managers maintain workers’ compensation insurance for their employees at our hotels. Most of our insurance policies are written with self-insured retentions or deductibles that are common in the insurance market for similar risks. These policies provide coverage for claim amounts that exceed our self-insured retentions or deductibles. Our insurance provides coverage related to any claims or losses arising out of the design, development and operation of our hotels.

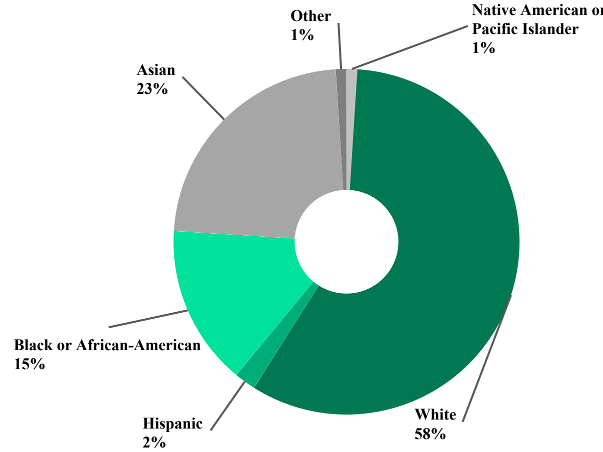
Human Capital

Employees

Through ongoing employee development programs, comprehensive and competitive compensation and benefits, and a focus on our employees’ health and well-being, we strive to help our employees in all aspects of their lives. As of December 31, 2024, we had 91 employees. We believe relations are positive between us and our employees. Our hotel managers are generally responsible for hiring and maintaining the labor force at each of our hotels. Although we do not employ the employees at our hotels, we still are subject to the costs and risks generally associated with the hotel labor force, particularly those hotels with unionized labor, including the risks associated with strikes and other labor activity, which some of our third-party operators recently experienced. However, long-term labor contracts were recently successfully negotiated by our third-party hotel managers, and we believe relations are positive between our third-party hotel managers and their employees. For a discussion of these relationships, refer to “Risk Factors—Risks Related to Our Business and Industry—We are subject to risks associated with the employment of hotel personnel, particularly with hotels that employ unionized labor, which could increase our operating costs, reduce flexibility of our hotel managers to adjust the size of the workforce at our hotels and could materially and adversely affect our revenues and profitability.”

We value the unique perspectives that a workforce with diverse cultures, ages, genders, and ethnicities brings to our process, and we are committed to fair treatment and full participation of people from all backgrounds. We have a skilled and highly diverse board, including eight independent directors (the "Board"), three of whom are gender diverse. It is Park's policy to consider diversity in Board nominations. In addition, our executive team is comprised of seven members, two of whom are gender diverse and three of whom are racially diverse. The following charts summarize the gender and ethnic diversity of our workforce as of December 31, 2024:





Our commitment to fair treatment and full participation is reflected both in the actions we take within our Company and our efforts in our larger community, such as through recruitment, employee development, mentorship, education, advocacy and community outreach. We have established a steering committee comprised of members of executive leadership and employees from all corporate departments across a broad assortment of levels, genders, ages and races. This committee is dedicated to enhancing our focus on activities that increase awareness and take actions in support of equality, and it seeks to develop partnerships and adopt new initiatives that support systematic change related to racism and diversity. To accomplish this goal, the committee works in concert with our Park Cares Committee to partner with local organizations that provide services and resources to underserved populations and those in need of social, economic, educational, mental and physical support in our community. The committee has also spent significant time focusing on actions and commitments that impact Park internally such as recruitment and retention practices, policy and process updates, training and increased communication and awareness programs. All our employees are encouraged to take part in initiatives implemented by these committees.

Additionally, our Chief Executive Officer, Thomas J. Baltimore, Jr., serves as one of the two co-chairs of Nareit's Dividends Through Diversity, Equity & Inclusion CEO Council, which supports the recruitment, inclusion, development, and advancement of women, Black professionals, other people of color, ethnically diverse individuals, and members of other under-represented groups in REITs and the publicly traded real estate industry.

We continually evaluate our practices related to fair treatment and full participation through internal and external resources. For example, we include a gender and ethnic diversity analysis in our bi-annual corporate compensation review, which continues to reflect no pay disparity based on any gender or ethnic group.

Training and Development

Human capital development underpins our efforts to successfully execute our Company-wide strategy. We continually invest in our employees' career growth and provide employees with a wide range of development opportunities. We also seek to increase awareness and understanding through Company-wide trainings on fair treatment, unconscious bias and other social issues, as well as an annual anti-bribery/anti-corruption training and modern slavery/ human trafficking awareness. All employees also participate in anti-harassment and compliance training at least once a year.

Additionally, we provide employees at corporate headquarters with leadership development programs, management development series programs, corporate technical "lunch and learn" trainings, REIT training, executive coaching and emotional intelligence training. Our leadership team encourages employees to continue education and professional certifications with time away from work and training budgets. Our Corporate Strategy and Design & Construction departments also participate in sustainability training, including Nareit's ESG JumpStart workshop and REITworks conference.

To support employee development, we provide regular and consistent feedback to our corporate employees through our continuous feedback performance management model. Regular one-on-one feedback sessions are conducted to ensure feedback is current and to reinforce positive performance. We encourage our employees to participate in our employee engagement survey, which is administered by a third party, and undertake initiatives to improve areas identified in the survey. As a direct result of the survey, each department Executive Committee leader conducts feedback sessions with their respective teams, and Company-wide action plans are created and implemented by our Human Resources department. In addition, each department also creates departmental action plans and implements them accordingly.

Also, in 2024, we conducted one pulse survey, in addition to our annual engagement survey targeted at creating a diverse and welcoming work environment for our employees and developing the leadership skills of our managers who support and empower our employees.

Our Board receives regular reports on these initiatives to ensure that we continue to demonstrate our strong commitment to our employees and other human capital matters.

Health, Safety and Well-being

We provide benefits to support our corporate employees and their families, including but not limited to medical, vision and dental insurance, gym memberships, a 401(k) match program, paid parental leave, and an employee assistance program. We also provide numerous initiatives focused on physical, mental and spiritual well-being including booster clinics, mindfulness training with dedicated coaches and leaders and emotional intelligence workshops.

Together with our hotel managers, we also aim to ensure the health, safety and well-being of all employees and guests at our properties. For example, we have committed to the American Hotel & Lodging Association's 5-Star Promise, which enhances policies, trainings and resources related to the safety of hotel employees and guests. We aim to promote health and well-being measures in our design and construction projects through the use of natural ventilation, daylighting and air and water quality monitoring. Hotel employee health and safety factors are designed into projects, which include alarm systems cameras, first aid locations and personal alert devices. Additionally, we have developed standardized procedures to be undertaken during and immediately following an extreme weather event or other emergency, including communication guidance, life safety and foreseen event preparedness instructions and guidance on how to manage environmental hazards, among other risk-related topics.

Community Engagement

Our Park Cares Committee focuses on engagement with local communities and spearheads volunteer work. In 2024, Park Cares sponsored three community service initiatives where employees were invited to participate with in-kind donations or by volunteering their time, of which 35-50 of our employees participated at each event. In 2024, we supported 20 organizations and/or programs through charitable contributions, sponsorships and scholarships contributing a total of approximately $289,000 in cash donations. The hotels within our portfolio are also extremely involved with their respective communities, raising money or donating supplies, food or services as well as contributing countless hours to many worthwhile causes.

For additional information on the above matters, please review our 2024 Annual Corporate Responsibility Report on our website.

Corporate Information

Our principal executive offices are currently located at 1775 Tysons Boulevard, 7th Floor, Tysons, Virginia 22102. Our telephone number is (571) 302-5757. Our website is located at *www.pkhotelsandresorts.com*. The information that is found on or accessible through our website is not incorporated into, and does not form a part of, this Annual Report on Form 10-K or any other report or document that we file with or furnish to the Securities and Exchange Commission ("SEC"). We have included our website address in this Annual Report on Form 10-K as an inactive textual reference and do not intend it to be an active link to our website.

We make available on our website, free of charge, our Annual Report on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K and amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Exchange Act as soon as reasonably practicable after we electronically file such material with, or furnish it to, the SEC. We also make our Code of Conduct, and any amendments or waivers thereto, for our directors, officers and employees available on our website on the Corporate Governance – Governance Documents page under the Investors section of our website.

Availability of Reports

The SEC maintains a website (*http://www.sec.gov*) that contains reports, proxy statements, information statements, and other information regarding issuers that file electronically with the SEC.

Item 1A. Risk Factors.

Owning our common stock involves a number of significant risks. You should consider carefully the following risk factors. If any of the following risks, as well as additional risks and uncertainties not currently known to us or that we currently deem immaterial, occur, our business, liquidity, financial condition and results of operations could be materially and adversely affected. If this were to happen, the market price of our common stock could decline significantly, and you could lose all or a part of the value of your ownership in our common stock. In addition, the statements in the following risk factors include forward-looking statements. See "Forward-Looking Statements."

Risks Related to Our Business

Economic disruptions, including the impact from inflation, elevated interest rates or an economic slowdown or recession, may adversely impact and disrupt, our business, financial performance and condition, operating results and cash flows.

Economic disruptions, including as a result of elevated interest rates and elevated rates of inflation or a potential economic slowdown or recession, may adversely affect our business by affecting consumer sentiment and demand for travel, which can cause fluctuations in hotel revenues or earnings at our hotels. Our labor or other costs may also rise due to inflation, and there can be no assurance that we will be able to pass cost increases on to travelers through higher rates. There can also be no assurances that we will not experience future fluctuations in hotel revenues or earnings at our hotels due to inflation and other macroeconomic factors, local economic factors and demand, a potential economic slowdown or a recession and geopolitical conflicts.

Additionally, the effects of the recent global COVID-19 pandemic on the hotel industry were unprecedented, and another pandemic or other unexpected event that results in a prolonged decrease in travel in the future could have similar affects, including a drastic reduction in global demand for lodging and historically low occupancy levels. These challenges may adversely impact and disrupt, our business, financial performance and condition, operating results and cash flows.

Other factors that would negatively impact our ability to successfully operate, or that could otherwise significantly adversely impact and disrupt our business, financial performance and condition, operating results and cash flows, include:

- sustained negative consumer or business sentiment, economic metrics (including inflation, unemployment levels, discretionary spending and declines in personal wealth) or demand for travel, which could further adversely impact demand for lodging;
- increased labor costs, including due to inflation, reduced labor supply due to increased immigration enforcement or otherwise;
- limited opportunities to acquire new properties or the need to dispose of properties to meet liquidity needs;
- the scaling back or delay of a significant amount of planned capital expenditures, including planned renovation projects, which could adversely affect the value of our properties and guest experience at our properties;
- our ability to obtain bank lending or access the capital markets could deteriorate;
- declines in our business performance or the general economy;
- adverse political conditions;
- new indebtedness that may contain more restrictive covenants, including as a result of sustained elevated interest rates as a response to increased inflation, than our existing indebtedness or may require new or incremental collateral, and decreased operating revenues, which could increase our risk of default on our loans;
- our dependence on our hotel managers, who may be facing similar challenges; and
- cybersecurity incidents and disruptions to internal control procedures.

We face various risks posed by our acquisition activities.

A key element of our business strategy is identifying and consummating acquisitions of additional hotels and portfolios. Since our acquisition of Chesapeake Lodging Trust in 2019, we have not acquired any new hotels, and we can provide no assurances that we will be successful in identifying attractive hotels in the future or that, once identified, we will be successful in consummating future acquisitions. We also face significant competition for attractive investment opportunities, which may impact our ability to acquire certain hotels or portfolios that we deem attractive at a favorable price, pursuant to acceptable terms, or at all. Any delay or failure on our part to identify, negotiate, finance on favorable terms, consummate and integrate such acquisitions could materially increase our costs or impede our growth.

We may continue to seek to sell or otherwise dispose of certain hotels as we seek to pursue growth and diversification through prudent capital allocation. However, investments in real estate are illiquid, and it may not be possible to dispose of assets in a timely manner or on favorable terms, which could adversely affect our financial condition, operating results and cash flows.

Our ability to dispose of properties on advantageous terms depends on factors beyond our control, including competition from other sellers and the availability of attractive financing for potential buyers, and we cannot predict whether we will be able to sell any hotel we desire to for the price or on the terms set by us or acceptable to us, or the length of time needed to find a willing buyer and to close the sale of the hotel. Upon sales of properties or assets, we may become subject to contractual indemnity obligations, incur unusual or extraordinary distribution requirements, be required to expend funds to correct defects or make capital improvements or, as a result of required debt repayment, face a shortage of liquidity. In addition, many of our hotel management and franchise agreements generally contain restrictive covenants that limit or restrict our ability to sell a hotel free of the management or franchise encumbrance other than to permitted transferees, and as a result we may be prohibited from taking disposition actions that would otherwise be in our and our stockholders' best interests.

Moreover, the Code imposes restrictions on a REIT's ability to dispose of properties that are not applicable to other types of real estate companies. In addition, our ability to dispose of some of our hotels could be constrained by their tax attributes. Many of our hotels, including related ancillary personal property, may have low tax bases. If we dispose of these hotels in taxable transactions, we may be required to pay tax on the sale and will be required to distribute the after-tax gain to our stockholders under the requirements of the Code applicable to REITs, which, in turn, would impact our cash flow. Therefore, as a result of the foregoing events or circumstances, we may not be able to adjust the composition of our portfolio promptly, on favorable terms or at all in response to changing economic, financial and investment conditions, which may adversely affect our cash flows and our ability to make distributions to stockholders.

We are subject to risks associated with the concentration of our portfolio in the Hilton family of brands. Any deterioration in the quality or reputation of the Hilton brands could have an adverse effect on our reputation, business, financial condition or results of operations.

A majority of our properties currently utilize brands owned by Hilton and participate in the Hilton Honors guest loyalty and rewards program. As a result, our ability to attract and retain guests depends, in part, on the public recognition of the Hilton brands and their associated reputation. Changes in ownership or management practices, the occurrence of accidents or injuries, force majeure events, crime, individual guest notoriety or similar events at our hotels or other properties managed, owned or leased by Hilton can harm our reputation, create adverse publicity, subject us to legal claims and cause a loss of consumer confidence in our business. If the Hilton brands become obsolete or consumers view them as unfashionable or lacking in consistency and quality, we may be unable to attract guests to our hotels, which could adversely affect our business, financial condition or results of operations. In addition, any adverse developments in Hilton's business and affairs, reputation or financial condition could impair its ability to manage our properties and could have a material adverse effect on us.

Hilton Honors guest loyalty program allows program members to accumulate points based on eligible stays and hotel charges and redeem the points for a range of benefits, including free rooms and other items of value. The program is an important aspect of our business and of the affiliation value of a majority of our hotels. Changes to the Hilton Honors loyalty program, which we do not control, or our access to it could negatively impact our business. If the program deteriorates or materially changes in an adverse manner, or if currently tax-exempt program benefits become subject to taxation such that a material number of Hilton Honors members choose to no longer participate in the program, our business, financial condition or results of operations could be materially adversely affected.

Contractual and other disagreements with or involving our current and future third-party hotel managers and franchisors could make us liable to them or result in litigation costs or other expenses.

Our management and franchise agreements require us and our managers to comply with operational and performance conditions that are subject to interpretation and could result in disagreements, and we expect this will be true of any management and franchise agreements that we enter into with future third-party hotel managers or franchisors. We cannot predict the outcome of any arbitration or litigation related to such agreements, the effect of any negative judgment against us or the amount of any settlement that we may enter into with any third-party. In the event we terminate a management or franchise agreement early and the hotel manager or franchisor considers such termination to have been wrongful, they may seek damages. Additionally, we may be required to indemnify our third-party hotel managers and franchisors against disputes with third parties pursuant to our management and franchise agreements. An adverse result in any of these proceedings could materially and adversely affect our revenues and profitability.

We are dependent on the performance of our managers and could be materially and adversely affected if our managers do not properly manage our hotels or otherwise act in our best interests or if we are unable to maintain a good relationship with our third-party hotel managers.

In order for us to continue to qualify as a REIT, independent third parties must operate our hotels. We lease substantially all of our hotels to our TRS lessees. Our TRS lessees and the TRSs that own our hotels, in turn, have entered into management agreements with independent third-party managers to operate our hotels. We could be materially and adversely affected if any third-party hotel manager fails to provide quality services and amenities, fails to maintain a quality brand name or otherwise fails to manage our hotels in our best interest, and could be held financially responsible for the actions and inactions of our third-party hotel managers pursuant to our management agreements. In addition, our third-party hotel managers manage, and in some cases may own or lease, or may have invested in or may have provided credit support or operating guarantees to hotels that compete with our hotels, any of which could result in conflicts of interest. As a result, third-party managers may make decisions regarding competing lodging facilities that are not in our best interests.

The success of our properties largely depends on our ability to establish and maintain good relationships with our hotel managers and other third-party hotel managers and franchisors that we may engage in the future. If we are unable to maintain good relationships with our third-party hotel managers and franchisors, we may be unable to renew existing management or franchise agreements or expand relationships with them. Additionally, opportunities for developing new relationships with additional third-party managers or franchisors may be adversely affected. This, in turn, could have an adverse effect on our results of operations and our ability to execute our growth strategy. In the event that we terminate any of our management agreements, we can provide no assurances that we could find a replacement hotel manager or that any replacement hotel manager will be successful in operating our hotels. If any of the foregoing were to occur, it could materially and adversely affect us.

Cyber threats and the risk of cybersecurity incidents affecting our hotel managers' or our own information technology and systems, including third-party service providers, could materially adversely affect our business.

Our hotel managers are dependent on information technology networks and systems, including the internet, to access, process, transmit and store proprietary and customer information, including personally identifiable information of hotel guests, including credit card numbers.

These information networks and systems can be vulnerable to threats such as system, network or internet failures; computer hacking or business disruption, including through network- and email-based attacks as well as social engineering; cyber-terrorism; cyber extortion; viruses, worms or other malicious software programs; software vulnerabilities and misconfigurations; and employee error, negligence or fraud. The risk of a cybersecurity incident or disruption, particularly through cyber-attack or cyber intrusion, including by computer hackers, nation-state affiliated actors and cyber terrorists, has generally increased as the number, intensity and sophistication of attempted attacks and intrusions from around the world have increased. Cyber-attackers increasingly are using more sophisticated techniques and tools (including artificial intelligence and machine learning) designed to evade detection and circumvent security controls, which may make it more difficult for us, our hotel managers, and third-party providers to fully identify, investigate or remediate cybersecurity incidents.

We rely on our hotel managers to protect proprietary and customer information from these threats. Any compromise of our own network or hotel managers' networks could result in a disruption to our booking or sales systems or other operations, in increased costs (e.g., related to response, investigation, and notification) or in potential litigation and liability. In addition, public disclosure or loss of customer or proprietary information could result in damage to the hotel manager's reputation, a loss of confidence among hotel guests, reputational harm for our hotels, potential litigation and increased regulatory oversight, including governmental investigations, enforcement actions, and regulatory fines, any of which may have a material adverse effect on our business, reputation, financial condition and results of operations.

In addition to the information technologies and systems our hotel managers use to operate our hotels, we have our own corporate technologies and systems that are used to access, store, transmit, and manage or support a variety of business processes and employee personally identifiable information. We may be required to expend significant attention and financial resources to protect these technologies and systems against physical or cybersecurity incidents and even then, our security measures may subsequently be deemed to have been inadequate by regulators or courts given the lack of prescriptive measures in data security and cybersecurity laws as well as regulators' evolving interpretations of cybersecurity laws and standards. There can be no assurance that the security measures we have taken to protect these systems will prevent failures, inadequacies or interruptions in system services or that system security will not be compromised, including through system or user error, physical or electronic break-ins, computer viruses, or cyber-attacks. Due to the complexity and interconnectedness of our information technologies and systems, and those upon which we rely, the process of upgrading or patching our protective measures could itself create a risk of cybersecurity issues or system disruptions for the Company. Further, any adoption of artificial intelligence by us or by third parties may pose new security challenges. Any cybersecurity incident or disruption to our information technologies and systems could have a material adverse effect on our business, our financial reporting and compliance, and could subject us to or result in liability claims, litigation, monetary losses or regulatory oversight, investigations or penalties which could be significant. In addition, the cost and operational consequences of responding to cybersecurity incidents and implementing remediation measures could be significant. If our hotel managers' information networks and systems, our corporate technologies and systems, or third-party information systems on which we rely suffer severe damage, disruption or shutdown, and our business continuity plans do not effectively resolve the issues in a timely manner, we may lose revenue and profits as a result of our inability to provide services or invoice and collect payments, and we could experience delays in reporting our financial results.

In the conduct of our business, both we and our hotel managers rely on relationships with third parties, including cloud data storage and other information technology service providers, suppliers, distributors, contractors and other external business partners, for certain functions or for services in support of key portions of our operations. These third-party entities are subject to similar risks related to cybersecurity, privacy violations, business interruption, and system and employee failures and an attack against such third-party service provider or partner could have a material adverse effect on our business.

Although the cybersecurity incidents that we and our third-party partners have experienced to date have not had a material effect on our business, financial condition or results of operations, such incidents could have a material adverse effect on us in the future.

While we have purchased cybersecurity insurance, there are no assurances that the coverage would be adequate in relation to any incurred losses. Moreover, as cyberattacks increase in frequency and magnitude, we may be unable to obtain cybersecurity insurance in amounts and on terms we view as adequate for our operations.

In addition, increased regulation of data collection, use and retention practices, including self-regulation and industry standards, changes in existing laws and regulations, enactment of new laws and regulations, increased enforcement activity, and changes in interpretation of laws, could increase our cost of compliance and operation, limit our ability to grow our business or otherwise harm the Company.

Costs associated with, or failure to maintain, brand operating standards may materially and adversely affect our results of operations and profitability.

The terms of our franchise and brand management agreements generally require us to meet specified operating standards and other terms and conditions, and compliance with such standards may be costly. Failure by us, or any hotel management company that we engage, to maintain these standards or other terms and conditions could result in a franchise license being cancelled or the franchisor requiring us to undertake a costly property improvement program. If a franchise license is terminated due to our failure to make required improvements or to otherwise comply with its terms, we also may be liable to the franchisor for a termination payment, which could materially and adversely affect our results of operations and profitability.

If we were to lose a brand license, the underlying value of a particular hotel could decline significantly (including from the loss of brand name recognition, marketing support, guest loyalty programs, brand manager or franchisor central reservation systems or other systems), which could require us to recognize an impairment on the hotel. Furthermore, the loss of a franchise license at a particular hotel could harm our relationship with the franchisor or brand manager and cause us to incur significant costs to obtain a new franchise license or brand management agreement for the particular hotel. Accordingly, if we lose one or more franchise licenses or brand management agreements, it could materially and adversely affect our results of operations and profitability as well as limit or slow our future growth.

Our efforts to develop, redevelop or renovate our properties, in connection with our active asset management strategy, could be delayed or become more expensive, which could reduce revenues or impair our ability to compete effectively.

If not maintained, the condition of certain of our properties could negatively affect our ability to attract guests or result in higher operating and capital costs. These factors could reduce revenues or profits from these properties. There can be no assurance that our planned replacements and repairs will occur, or even if completed, will result in improved performance. In addition, these efforts are subject to a number of risks, including the following: construction delays or cost overruns; delays in obtaining, or failure to obtain, zoning, occupancy and other required permits or authorizations; government restrictions on the size or kind of development; changes in economic conditions that may result in weakened or lack of demand for improvements that we make or negative project returns; and lack of availability of rooms or meeting spaces for revenue-generating activities during construction, modernization or renovation projects. If our properties are not updated to meet guest preferences or brand standards under our management and franchise agreements, if properties under development or renovation are delayed in opening as scheduled, or if renovation investments adversely affect or fail to improve performance, our operations and financial results could be negatively affected.

Our hotels are geographically concentrated in a limited number of markets and, accordingly, we could be disproportionately harmed by adverse changes to these markets, natural disasters, climate change and related regulations, or terrorist attacks.

A significant portion of our room count is located in a concentrated number of markets that exposes us to greater risk to local economic or business conditions, changes in hotel supply in these markets, and other conditions than more geographically diversified hotel companies. As of December 31, 2024, hotels in Florida, Hawaii, Chicago, New York City, New Orleans and Boston represented approximately 63% of our room count, with our hotels in Florida and Hawaii alone representing greater than 32% of our room count and 39% of our total revenue in 2024. An economic downturn, an increase in hotel supply, a change in guest preferences for certain geographic locations or markets, strikes or other labor activity, a force majeure event, a natural disaster, changing weather patterns and other physical effects of climate change (including supply chain disruptions), a terrorist attack or similar event in any one of these markets likely would cause a decline in the hotel market and adversely affect occupancy rates, the financial performance of our hotels in these markets and our overall results of operations, which could be material, and could significantly increase our costs.

Over time, our hotel properties located in coastal markets and other areas that may be impacted by climate change are expected to experience increases in storm intensity and rising sea-levels causing damage to our hotel properties, while hotels in other markets may experience prolonged variations in temperature or precipitation that may limit access to the water needed to operate our hotel properties, increasing operating costs at our hotels, such as the cost of water or energy, and requiring us to expend funds as we seek to repair and protect our hotels against such risks. The effects of climate change may also affect our business by increasing the cost of (or making unavailable) property insurance on terms we find acceptable in areas most vulnerable to such events, increase other costs, such as utilities, regulatory compliance or make travel more expensive, decreasing demand for our hotels. There can be no assurance that climate change will not have a material adverse effect on our hotels, operations or business.

If the insurance that we carry does not sufficiently cover damage or other potential losses or liabilities involving our properties, including as a result of terrorism and climate change, our profits could be reduced.

Because certain types of losses are uncertain, including those caused by natural disaster, the effects of climate change or other catastrophic losses, they may be uninsurable or prohibitively expensive. There are also other risks that may fall outside the general coverage terms and limits of our policies, including losses related to cybersecurity incidents, natural disaster or climate change. Market forces beyond our control could limit the scope of the insurance coverage that we can obtain or may otherwise restrict our ability to buy insurance coverage at reasonable rates. In the event of a substantial loss, the insurance coverage that we carry may not be sufficient to pay the full value of our financial obligations, our liabilities or the replacement cost of any lost investment or property. Furthermore, certain of our properties may currently qualify as legally permissible nonconforming uses and improvements, including certain of our iconic and most profitable properties, and we may not be permitted to rebuild such properties as they exist now or at all, regardless of insurance proceeds, if such properties are destroyed. Any loss of this nature, whether insured or not, could materially adversely affect our results of operations and prospects.

In addition, we carry insurance to respond to both first-party and third-party liability losses related to terrorism under a program authorized by Congress following the September 11, 2001 terrorist attacks, which is set to expire in 2027. If the program is not extended or renewed upon its expiration in 2027, or if there are changes to the program that would negatively affect insurance carriers, premiums for terrorism insurance coverage will likely increase and/or the terms of such insurance may be materially amended to increase stated exclusions or to otherwise effectively decrease the scope of coverage available, perhaps to the point where it is effectively unavailable.

We have investments in joint venture projects, which limit our ability to manage third-party risks associated with these projects.

In certain cases, we are minority participants and do not control the decisions of the joint ventures in which we are involved. Consequently, actions by a co-venturer or other third-party outside of our control could expose us to claims for damages, financial penalties and reputational harm, any of which could adversely affect our business and operations. In addition, we may be unable to take action without the approval of our joint venture partners (including approving distributions even from joint ventures with positive cash flow), or our joint venture partners could take actions binding on the joint venture without our consent (including actions taken that are inconsistent with our business interest or goals). Moreover, we may agree to guarantee indebtedness incurred by a joint venture or co-venturer or provide standard indemnifications to lenders for loss liability or damage occurring as a result of our actions or actions of the joint venture or other co-venturers. Such a guarantee or indemnity may be on a joint and several basis with a co-venturer, in which case we may be liable in the event that our co-venturer defaults on its guarantee obligation. The non-performance of a co-venturer's obligations (including due to bankruptcy or inability of such party to meet their capital contribution or other financial obligations) may cause losses to us in excess of the capital we initially may have invested or committed.

In addition, preparing our financial statements requires us to have access to information regarding the results of operations, financial position and cash flows of our joint ventures. Any deficiencies in our joint ventures' internal controls over financial reporting may affect our ability to report our financial results accurately or prevent or detect fraud. Such deficiencies also could result in restatements of, or other adjustments to, our previously reported or announced operating results, which could diminish investor confidence and reduce the market price for our shares. Additionally, if our joint ventures are unable to provide this information for any meaningful period or fail to meet expected deadlines, we may be unable to satisfy our financial reporting obligations or timely file our periodic reports, which could have a material adverse impact on our business, growth or liquidity, including our ability to access external sources of capital and our cost of capital.

We depend on external sources of capital for future growth. Any disruption to our ability to access capital at times and on terms reasonably acceptable to us may affect adversely our business and results of operations.

Ownership of hotels is a capital-intensive business that requires significant capital expenditures to acquire, operate, maintain and renovate properties. To continue to qualify as a REIT, we are required to distribute to our stockholders at least 90% of our REIT taxable income (determined without regard to the deduction for dividends paid and excluding any net capital gain), including taxable income recognized for U.S. federal income tax purposes but with regard to which we do not receive cash. As a result, we must finance our growth, fund debt repayments and fund significant capital expenditures largely with external sources of capital. Our ability to access external capital could be hampered by a number of factors, including, but not limited to, macroeconomic changes, changes in market perceptions of our growth potential, fluctuations in the market price of our common stock, and changes in the terms of our indebtedness, any of which may be outside of our control, and which, individually or in combination, could prevent us from being able to obtain the external capital we require on terms that are acceptable to us, or at all, which could have a material adverse effect on our ability to finance our future growth, our cost of capital, our liquidity and our financial condition and results of operations.

We are subject to risks associated with the employment of hotel personnel, particularly with hotels that employ unionized labor, which could increase our operating costs, reduce the flexibility of our hotel managers to adjust the size of the workforce at our hotels and could materially and adversely affect our revenues and profitability.

While our hotel managers are responsible for hiring and maintaining the labor force at our hotels, we are subject to the costs and risks generally associated with the hotel labor force, and increased labor costs due to factors like labor shortages and resulting increases in wages, additional taxes or requirements to incur additional employee benefits costs may adversely impact our operating costs. Labor costs, including wages, can be particularly challenging at those of our hotels with unionized labor, and additional hotels may be subject to new collective bargaining agreements in the future.

We recently experienced near-term disruption as a result of negotiations between our third-party operators and unions at certain hotels, which included strikes and other labor activity. Strikes, as well as lockouts, public demonstrations or other negative actions and publicity that may occur from time to time may disrupt hotel operations at any of our hotels, negatively impact our reputation or the reputation of our brands, or harm relationships with the labor forces at our hotels. We also have incurred and may in the future incur increased legal costs and indirect labor, maintenance and operational costs as a result of contract disputes or other events. Additionally, hotels where our hotel managers have collective bargaining agreements with employees are more highly affected by labor force activities than others. The resolution of labor disputes or new or re-negotiated labor contracts could lead to increased labor costs, either by increases in wages or benefits or by changes in work rules that raise hotel operating costs. Furthermore, labor agreements may limit the ability of our hotel managers to reduce the size of hotel workforces during an economic downturn because collective bargaining agreements are negotiated between the hotel managers and labor unions. As we do not directly employ the employees at our hotels, we do not have the ability to control the outcome of these negotiations.

We could be materially and adversely affected if we are found to be in breach of a ground lease or are unable to renew a ground lease.

Unless we purchase a fee interest in the land and improvements at our properties subject to our ground leases or extend the terms of these leases before their expiration, we will lose our right to operate these properties and we will not have any economic interest in the land or improvements at the expiration of our ground leases; therefore, we generally will not share in any increase in value of the land or improvements beyond the term of a ground lease, notwithstanding our capital outlay to purchase our interest in the hotel or fund improvements thereon, and will lose our right to use the hotel. We can provide no assurances that we will be able to renew any ground lease upon its expiration at all or on favorable terms. In addition, if we are found to be in breach of certain of our third-party ground leases, we could lose the right to use the applicable hotel. Our ability to exercise any extension options relating to our ground leases is subject to the condition that we are not in default under the terms of the ground lease at the time that we exercise such options. Additionally, if a governmental authority seizes a hotel subject to a ground lease under its eminent domain power, we may only be entitled to a portion of any compensation awarded for the seizure. If we were to lose the right to use a hotel, we would be unable to derive income from such hotel, which could adversely affect us.

Heightened focus on corporate responsibility may constrain our business operations, impose additional costs and expose us to new risks that could adversely impact our results of operations, financial condition and the price of our securities.

We are committed to corporate responsibility. Some investors may use corporate responsibility factors to guide their investment strategies, and potential and current employees, business partners and vendors may consider these factors when considering relationships with us, and guests may consider these factors when deciding whether to stay at our properties. Certain organizations that provide corporate risk and corporate governance advisory services to investors have developed scores and ratings to evaluate companies based upon corporate responsibility metrics. Many investors focus on corporate responsibility-related business practices and scores when choosing where to allocate their investments and may consider a company's score as a factor in making an investment decision. The focus and activism related to corporate responsibility and related matters may constrain our business operations or increase expenses. Additionally, we may face reputational damage in the event our corporate responsibility initiatives do not meet the standards set by various constituencies, including those of third-party providers of corporate responsibility ratings and reports. Furthermore, should peer companies outperform us in such metrics, potential or current investors may elect to invest with our competitors and employees, vendors and business partners may choose not to do business with us, or potential guests may choose to stay at competitor hotels, which could have an adverse impact on us or the price of our securities.

In recent years, diverse views about the value of environmental, social and governance ("ESG") specific efforts have emerged from consumers and policymakers. As we continue to invest and focus on corporate responsibility efforts and initiatives that we believe are appropriate, we could also be criticized by ESG detractors for the scope or nature of our corporate responsibility initiatives or goals. We could also be subjected to negative responses by governmental actors (such as anti-corporate responsibility legislation or retaliatory legislative treatment) and guests, that could adversely affect our reputation, financial condition and results of operations.

Risks Related to Our Industry

We operate in a highly competitive industry.

The lodging industry is highly competitive. Our principal competitors are other owners and investors in upper upscale, full-service hotels, including other lodging REITs, as well as major hospitality chains with well-established and recognized brands. Our hotels face competition for individual guests, group reservations and conference business. We also compete against smaller hotel chains and independent and local hotel owners and operators. Additionally, we face competition from peer-to-peer inventory sources that allow travelers to stay at homes and apartments booked from owners. New hotels may be constructed, and these additions create new competitors, in some cases without corresponding increases in demand for hotel rooms. Our competitors may have greater commercial, financial and marketing resources and more efficient technology platforms, which could allow them to improve their properties and expand and improve their marketing efforts in ways that could affect our ability to compete for guests effectively and adversely affect our revenues and profitability as well as limit or slow our future growth.

The growth of internet reservation channels is another source of competition that could adversely affect our business. A significant percentage of hotel rooms for individual customers are booked through internet travel intermediaries. As intermediary bookings increase, they may be able to obtain higher commissions, reduced room rates or other significant contract concessions from the brands and hotel management companies managing and operating our hotels. While internet travel intermediaries traditionally have competed to attract transient business rather than group and convention business, in recent years they have expanded their business to include marketing to large group and convention business. If that expansion continues, it could both divert group and convention business away from our hotels and increase our cost of sales for group and convention business and materially adversely affect our revenues and profitability.

We also face competition for the acquisition of hotels from other REITs, private equity investors, institutional pension funds, sovereign wealth funds and numerous local, regional and national owners, including franchisors, in each of our markets. Some of these entities may have substantially greater financial resources than we do and may be able and willing to accept more risk than we believe we can prudently manage, which may reduce the number of suitable investment opportunities available to us or increase pricing of assets.

The lodging industry is subject to seasonal volatility, which is expected to contribute to fluctuations in our financial condition and results of operations.

The lodging industry is typically seasonal in nature. The periods during which our properties experience higher revenues vary from property to property, depending principally upon location and the customer base served. This seasonality can be expected to cause periodic fluctuations in a hotel’s rooms revenues, occupancy levels, room rates and operating expenses. We can provide no assurances that our cash flows will be sufficient to offset any shortfalls that occur as a result of these fluctuations. Consequently, volatility in our financial performance resulting from the seasonality of the lodging industry could adversely affect our financial condition and results of operations.

Governmental regulation may adversely affect the operation of our properties and our Company as a whole.

The hotel industry is subject to extensive U.S. federal, state and local governmental regulations, including those relating to the service of alcoholic beverages, the preparation and sale of food, building and zoning requirements and data protection, cybersecurity and privacy. We and our hotel managers are also subject to licensing and regulation by U.S. state and local departments relating to health, sanitation, fire and safety standards, and to laws governing our relationships with employees, including minimum wage requirements, overtime, working conditions and citizenship requirements. Our existing systems may be unable to satisfy changing regulatory requirements and employee and customer expectations, or may require significant additional investments or time to do so. We are also subject to certain environmental compliance costs, including associated air emissions, the use, storage and disposal of hazardous and toxic substances, and wastewater and stormwater discharges. The cost to comply with environmental laws may be substantial, and our failure to comply with any such laws, including obtaining and complying with any required permits or licenses, or publicity resulting from actual or alleged compliance failures, could result in substantial fines, or possible revocation of our authority to conduct some of our operations or otherwise have an adverse effect on our business. Environmental, health and safety requirements have also become, and may continue to become, increasingly stringent, and our costs may increase as a result. New or revised laws and regulations or new interpretations of existing laws and regulations, such as those related to climate change, could affect the operation of our properties or result in significant additional expense and operating restrictions on us or our hotel managers or adversely affect our ability to sell properties or to use properties as collateral.

Environmental laws may also impose potential liability on a current or former owner or operator of real property for, among other things, investigation, removal or remediation of hazardous or toxic substances or petroleum products at our currently or formerly owned or leased real property, regardless of whether or not we knew of, or caused, the presence or release of such substances, and such liability may be joint and several. Some properties in our portfolio contain, may have contained, or are adjacent to or near other properties that have contained or currently contain, underground storage tanks for petroleum products or other hazardous substances. From time to time, we may be required to remediate such substances or remove, abate or manage asbestos, mold, radon gas, lead, PCBs, underground storage tanks, or other hazardous substances or conditions at our properties. The presence or release of toxic or hazardous substances or petroleum products at or from our currently or formerly owned or leased properties could result in substantial investigation and remediation costs, limitations on or interruptions to our operations or in third-party claims for personal injury, property or natural resource damages, business interruption or other losses, including liens in favor of the government for costs the government incurs in cleaning up contamination. Such claims and the presence of, or need to investigate, remediate or otherwise address hazardous, toxic or unsafe conditions could adversely affect our operations, the value of any affected real property, or our ability to develop, sell, lease or assign our rights in any such property, or could otherwise harm our business or reputation. In addition, we also may be liable for the costs of remediating contamination at off-site waste disposal facilities to which we have arranged for the disposal, transportation or treatment of hazardous substances without regard to whether we complied with environmental laws in doing so.

Further, failure of a property to comply with the ADA could result in injunctive relief, fines, an award of damages to private litigants or mandated capital expenditures to remedy such noncompliance. Any imposition of injunctive relief, fines, damage awards or capital expenditures could adversely impact our business or results of operations. If we fail to comply with the requirements of the ADA, we could be subject to fines, penalties, injunctive action, reputational harm and other business effects which could materially and negatively affect our performance and results of operations.

Risks Related to Our Indebtedness

Our indebtedness and other contractual obligations could adversely affect our financial condition, our ability to raise additional capital to fund our operations, our ability to operate our business, our ability to react to changes in the economy or our industry and our ability to pay our debts and could divert our cash flow from operations for debt payments.

Our outstanding debt and other contractual obligations could have important consequences, including requiring a substantial portion of cash flow from operations to be dedicated to debt service payments, thereby reducing our ability to use our cash flow to fund our operations, capital expenditures, distributions to stockholders and to pursue future business opportunities and limiting our flexibility in planning for, or reacting to, changes in our business or market conditions, increasing our vulnerability to adverse economic, industry or competitive developments and placing us at a competitive disadvantage compared to our competitors who may be better positioned to take advantage of opportunities that our leverage prevents us from exploiting.

Additionally, we may be able to incur significant additional indebtedness in the future. We may also incur significant additional obligations, such as trade payables, without restrictions under our debt instruments. In addition, we may incur mortgage debt by obtaining loans secured by a portfolio of some or all of the hotels that we own or acquire.

Certain of our debt agreements impose significant operating and financial restrictions on us and our subsidiaries, which may prevent us from capitalizing on business opportunities or could result in foreclosure of our hotels.

The debt agreements and instruments that govern our outstanding indebtedness, including our senior unsecured credit facility and senior notes, impose significant financial and operating restrictions on us, including covenants that may restrict our ability to implement our business plan, finance future operations, respond to changing business and economic conditions, secure additional financing, and engage in opportunistic transactions, such as strategic acquisitions, mergers or asset sales or transactions with affiliates. In addition, if we fail to satisfy the covenants contained in the credit agreement that governs our senior unsecured credit facilities, our ability to borrow additional funds under the credit facilities may be restricted. Furthermore, the credit agreement and indentures that govern our senior notes contain certain affirmative covenants that require us to be in compliance with certain leverage, liquidity and other financial ratios, and the loan documents governing the mortgage-backed loans of our subsidiaries also require them to maintain certain debt service coverage ratios and minimum net worth requirements. We cannot assure you that we will be able to comply with our financial or other covenants and, if we fail to do so, we may not be able to obtain waivers from the lenders or noteholders, as applicable, and/or amend the covenants. Our failure to comply with the restrictive covenants described above, as well as other terms of our other indebtedness and/or the terms of any future indebtedness from time to time, could result in an event of default, which, if not cured or waived, could result in our being required to repay these borrowings before their due date. If we are forced to refinance these borrowings on less favorable terms or are unable to refinance these borrowings, our financial condition and results of operations could be adversely affected. If we are unable to refinance our debt on acceptable terms or at all, we may be forced to dispose of hotels at inopportune times or on disadvantageous terms, which could result in losses. To the extent we cannot or do not meet our future debt service obligations, we will also risk losing to foreclosure some or all of our hotels that may be pledged to secure our obligation. For example, in June 2023, we ceased making debt service payments on the $725 million SF Mortgage Loan secured by the Hilton San Francisco Hotels, which was due November 2023, and in October 2023, the Hilton San Francisco Hotels were placed into receivership. See Note 7: "Debt" in our audited consolidated financial statements included elsewhere within this Annual Report on Form 10-K for further details.

For tax purposes, a foreclosure of any of our hotels would be treated as a sale of the hotel for a purchase price equal to the outstanding balance of the debt secured by the mortgage. If the outstanding balance of the debt secured by the mortgage exceeds our tax basis in the hotel, we would recognize taxable gain on foreclosure, but we would not receive any cash proceeds, which could impact our ability to meet the REIT distribution requirements. In October 2023, our effective exit from the two Hilton San Francisco Hotels that secured the SF Mortgage Loan resulted in such required distribution of our REIT taxable income. See Note 7: "Debt" in our audited consolidated financial statements included elsewhere within this Annual Report on Form 10-K for further details. In addition, we may give full or partial recourse guarantees to lenders of mortgage debt on behalf of the entities that own our hotels. When we give a recourse guarantee on behalf of an entity that owns one of our hotels, we will be responsible to the lender for satisfaction of the debt if it is not paid by such entity or if certain loan provisions are violated. If any of our hotels are foreclosed on due to a default, our ability to pay cash distributions to our stockholders will be limited.

Risks Related to the Spin-Off

In connection with the spin-offs, Hilton and HGV indemnified us for certain liabilities. These indemnities may not be sufficient to insure us against the full amount of the liabilities assumed by Hilton and HGV, and Hilton and HGV may be unable to satisfy their indemnification obligations to us in the future.

In connection with the spin-offs, each of Hilton and HGV indemnified us with respect to such parties' assumed or retained liabilities pursuant to the Distribution Agreement and breaches of the Distribution Agreement or other agreements related to the spin-offs. There can be no assurance that the indemnities from each of Hilton and HGV will be sufficient to protect us against the full amount of these and other liabilities. Third parties also could seek to hold us responsible for any of the liabilities that Hilton and HGV have agreed to assume. Even if we ultimately succeed in recovering from Hilton or HGV any amounts for which we are held liable, we may be temporarily required to bear those losses. Each of these risks could negatively affect our business, financial condition, results of operations and cash flows.

Risks Related to our REIT Status and Certain Other Tax Items

If we do not maintain our qualification as a REIT, we will be subject to tax as a C corporation and could face a substantial tax liability.

We have been taxed as a REIT for U.S. federal income tax purposes beginning January 4, 2017. We believe we have been organized and operated, and expect to continue to be organized and operate, in a manner to qualify as a REIT. However, qualification as a REIT involves the interpretation and application of highly technical and complex Code provisions for which no or only a limited number of judicial or administrative interpretations may exist. Notwithstanding the availability of cure provisions in the Code, we could fail to meet various compliance requirements, which could jeopardize our REIT status. Our REIT status is also dependent upon the ongoing and historic qualification of subsidiary entities qualifying as REITs or TRSs, as applicable, as a result of its substantial ownership interest in those entities. Furthermore, new tax legislation, administrative guidance or court decisions, in each instance potentially with retroactive effect, could make it more difficult or impossible for us to qualify as a REIT. If we, or any of our subsidiary entities qualifying as REITs, fail to qualify as a REIT in any tax year, then:

- we, or such subsidiary entity, would be taxed as a C corporation, which under current laws, among other things, means being unable to deduct dividends paid to stockholders in computing taxable income and being subject to U.S. federal income tax on our taxable income at corporate income tax rates;

- any resulting tax liability could be substantial and could have a material adverse effect on our value and financial condition;

- unless we, or such subsidiary entity, were entitled to relief under applicable statutory provisions, we, or such subsidiary entity, would be required to pay income taxes, and thus, our cash available for distribution to stockholders would be reduced for each of the years during which we, or such subsidiary entity, did not qualify as a REIT; and

- we, or such subsidiary entity, generally would not be eligible to requalify as a REIT for the subsequent four taxable years.

As a result of all these factors, our failure to qualify as a REIT could impair our ability to execute our business and growth strategies, as well as make it more difficult for us to raise capital and service our indebtedness. In addition, if we fail to qualify as a REIT, we will not be required to make distributions to stockholders.

We may face other tax liabilities that reduce our cash flows.

Even if we qualify for taxation as a REIT, we may be subject to certain U.S. federal, state and local taxes on our income and assets, including taxes on any undistributed income, tax on income from some activities conducted as a result of a foreclosure, and property and transfer taxes. Moreover, if we have net income from “prohibited transactions,” that income will be subject to a 100% tax. In addition, we could, in certain circumstances, be required to pay an excise or penalty tax (which could be significant in amount) in order to utilize one or more relief provisions under the Code to maintain our qualification as a REIT. We are subject to U.S. federal and state income tax on the income earned by our TRSs. Finally, we have operations and assets in Puerto Rico that are subject to tax. Any of these taxes decrease cash available for distribution to our stockholders.

Complying with REIT requirements may force us to borrow to make distributions to stockholders.

From time to time, our taxable income may be greater than our cash flow available for distribution to stockholders. If we do not have other funds available in these situations, we may be unable to distribute substantially all of our taxable income as required by the REIT provisions of the Code. In addition, we may be subject to limitations on the ability to use our net operating loss carryovers to offset taxable income that we do not distribute. Thus, we could be required to borrow funds, raise additional equity capital, sell a portion of our assets at disadvantageous prices, issue securities or find another alternative to make distributions to stockholders. These options could increase our costs or reduce our equity.

Our transactions with our TRSs may cause us to be subject to a 100% penalty tax on certain income or deductions if those transactions are not conducted on arm’s-length terms.

The Code imposes a 100% excise tax on certain transactions between a TRS and its parent REIT that are not conducted on an arm’s-length basis. The 100% tax may apply, for example, to the extent that we were found to have charged our TRS lessees rent in excess of an arm’s-length rent. It is our policy to evaluate material intercompany transactions and to attempt to set the terms of such transactions so as to achieve substantially the same result as would have been the case if they were unrelated parties. As a result, we believe that all material transactions between and among us and the entities in which we own a direct or indirect interest have been and will be negotiated and structured with the intention of achieving an arm’s-length result and that the potential application of the 100% excise tax will not have a material effect on us. There can be no assurance, however, that we will be able to comply with the TRS limitation or to avoid application of the 100% excise tax.

If the leases of our hotels to our TRS lessees are not respected as true leases for U.S. federal income tax purposes, we will fail to qualify as a REIT.

To continue to qualify as a REIT, we must annually satisfy two gross income tests, under which specified percentages of our gross income must be derived from certain sources, such as "rents from real property." Rents paid to us by our TRS lessees pursuant to the leases of our hotels will constitute substantially all of our rents from real property gross income. In order for such rent to qualify as "rents from real property" for purposes of the gross income tests, the leases must be respected as true leases for U.S. federal income tax purposes and not be treated as service contracts, financing arrangements, joint ventures or some other type of arrangement. We have structured our leases, and intend to structure any future leases, so that the leases will be respected as true leases for U.S. federal income tax purposes, but there can be no assurance that the IRS will agree with this characterization, not challenge this treatment or that a court would not sustain such a challenge. If our leases are not respected as true leases for U.S. federal income tax purposes, we will fail to qualify as a REIT.

If any third-party hotel managers do not qualify as "eligible independent contractors" or if our hotels are not "qualified lodging facilities," we will fail to qualify as a REIT.

Rent paid by a lessee that is a "related party tenant" of ours will not be qualifying income for purposes of the two gross income tests applicable to REITs. An exception is provided, however, for leases of "qualified lodging facilities" to a TRS so long as the hotels are operated by an "eligible independent contractor" and certain other requirements are satisfied. Substantially all of our hotels are leased to our TRS lessees which have engaged third-party hotel managers (including Hilton, which manages a majority of our hotels) that we believe qualify as "eligible independent contractors." Among other requirements, an operator will qualify as an eligible independent contractor if it meets certain ownership tests with respect to us, and if, at the time the operator enters into a property management contract with a TRS or its TRS lessee with respect to one of our properties, the operator is actively engaged in the trade or business of operating "qualified lodging facilities" (as defined below) for one or more persons not related to the REIT or its TRSs. No assurances can be provided that any of our current and future hotel managers will in fact comply with this requirement. Failure to comply with this requirement would require us to find other hotel managers for future contracts, and, if we hired a management company without knowledge of the failure, it could jeopardize our status as a REIT.

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

Changes to the U.S. federal income tax laws, including the enactment of certain tax reform measures, could have a material and adverse effect on us.

U.S. federal income tax laws governing corporations, including REITs and other businesses and the administrative interpretations of those laws may be amended at any time, potentially with retroactive effect. Changes to the U.S. federal income tax laws, including the possibility of comprehensive tax reform legislation, could have a material and adverse effect on us or our stockholders. We cannot predict whether, when, to what extent or with what effective dates new or revised U.S. federal tax laws, regulations, interpretations or rulings will be enacted or issued.

Risks Related to Ownership of Our Common Stock

Anti-takeover provisions in our organizational documents and Delaware law might discourage or delay acquisition attempts for us that stockholders might consider favorable.

Our amended and restated certificate of incorporation and bylaws contain provisions, as provided for under Delaware law, that may make the merger or acquisition of our company more difficult without the approval of our Board. Among other things, the provisions:

- include a restriction on ownership and transfer of our stock to prevent any person from acquiring more than 9.8% (in value or by number of shares, whichever is more restrictive) of our outstanding common stock or more than 9.8% (in value or by number of shares, whichever is more restrictive) of any outstanding class or series of our preferred stock without the approval of our Board (the "Ownership Limitation");
- would allow us to authorize the issuance of undesignated preferred stock in connection with a stockholder rights plan or otherwise, the terms of which may be established and the shares of which may be issued without stockholder approval, and which may include super voting, special approval, dividend, or other rights or preferences superior to the rights of the holders of common stock (although we do not have a stockholder rights plan, and our policy is to either submit any such plan to stockholders for ratification or cause such plan to expire within a year);
- provide that our Board is expressly authorized to make, alter or repeal our bylaws; and
- establish advance notice requirements for nominations for elections to our Board or for proposing matters that can be acted upon by stockholders at stockholder meetings.

These anti-takeover provisions could discourage, delay or prevent a transaction involving a change in control of our company, including actions that our stockholders may deem advantageous, or negatively affect the trading price of our common stock. These provisions could also discourage proxy contests and make it more difficult for you and other stockholders to elect directors of your choosing and to cause us to take other corporate actions you desire.

The stock ownership limits imposed by the Code for REITs and our amended and restated certificate of incorporation restrict stock transfers and/or business combination opportunities.

In order for us to maintain our qualification as a REIT under the Code, not more than 50% in value of our outstanding stock may be owned, directly or indirectly, by five or fewer individuals (as defined in the Code to include certain entities) at any time during the last half of each taxable year. Our amended and restated certificate of incorporation also contains other limitations, including the Ownership Limitation, and prohibits any person from: (1) beneficially or constructively owning, as determined by applying certain attribution rules of the Code, our stock if that would result in us being "closely held" under Section 856(h) of the Code or otherwise cause us to fail to qualify as a REIT; (2) beneficially or constructively owning shares of our stock that would cause any person, including Hilton Parent, to fail to qualify as our eligible independent contractor; (3) transferring stock if such transfer would result in our stock being owned by fewer than 100 persons; and (4) beneficially owning shares of our stock to the extent such ownership would result in our failing to qualify as a "domestically controlled qualified investment entity" within the meaning of Section 897(h) of the Code. In addition, there can be no assurances that our Board, as permitted in the charter, will not decrease the Ownership Limitation to lower than 9.8% in the future. These stock ownership limits, including the Ownership Limitation, might delay or prevent a transaction or a change in our control that might involve a premium price for our common stock or otherwise be in the best interests of our stockholders.

Future issuances of debt securities, which would rank senior to our common stock upon our liquidation, and future issuances of equity securities, which would dilute the holdings of our existing common stockholders and may be senior to our common stock for the purposes of making distributions, periodically or upon liquidation, may negatively affect the market price of our common stock.

In the future, we may issue debt or equity securities or incur additional borrowings. Upon our liquidation, holders of our debt securities and other loans and preferred stock will receive a distribution of our available assets before common stockholders. If we incur debt in the future, our future interest costs could increase, and adversely affect our liquidity, Nareit FFO, Adjusted FFO and results of operations. We are not required to offer any additional equity securities to existing common stockholders on a preemptive basis. Therefore, additional common stock issuances, directly or through convertible or exchangeable securities, warrants or options, will dilute the holdings of our existing common stockholders, and such issuances or the perception of such issuances may reduce the market price of our common stock. Our preferred stock, if issued, would likely have a preference on distribution payments, periodically or upon liquidation, which could eliminate or otherwise limit our ability to make distributions to common stockholders. Because our decision to issue debt or equity securities or incur additional borrowings in the future will depend on market conditions and other factors beyond our control, we cannot predict or estimate the amount, timing, nature or success of any future capital raising efforts. Thus, the common stockholders bear the risk that our future issuances of debt or equity securities or our incurrence of additional borrowings will negatively affect the market price of our common stock.

Item 1B. Unresolved Staff Comments.

None.

Item 1C. Cybersecurity.

Park maintains comprehensive technologies and programs to help ensure our information technology and systems are effective and prepared for data privacy and cybersecurity risks, including oversight of our programs for security monitoring for internal and external threats to help ensure the confidentiality, availability and integrity of our information assets.

Processes for Assessing, Identifying and Managing Material Risks from Cybersecurity Threats

Park's Audit Committee oversees its cybersecurity risk assessment, risk management and risk mitigation policies and programs. Park's Enterprise Risk Management ("ERM") Committee reports to the Audit Committee and is responsible for identifying Park's cybersecurity risks. Park also has a dedicated Risk Management team that reports to the ERM Committee, which includes representatives from several departments, external consultants and insurance professionals who interface with brand and management partners to assist with risk mitigation at our properties. Additionally, we have engaged third-party service providers to assist with risk mitigation activities, implementing security monitoring capabilities designed to alert us to suspicious activity, and developing an incident response program that is designed to restore business operations as quickly and as orderly as possible in the event of a cybersecurity incident. Our cybersecurity incident response plan requires prompt notification of senior management in the event of a cybersecurity incident that has affected or is expected to affect the Company and prompt briefings on subsequent developments as appropriate. We have undertaken table-top risk exercises and employees participate in mandatory annual trainings and receive communications regarding the cybersecurity environment to increase awareness throughout the Company. The Company's cybersecurity program is informed by industry-recognized security frameworks such as the U.S. National Institute of Standards and Technology Cybersecurity Framework. We use a risk-based approach with respect to our use and oversight of third-party service providers, tailoring processes according to the nature and sensitivity of the data accessed, processed, or stored by such third-party service provider and performing additional risk screenings and procedures, as appropriate.

Management and Board Oversight

Our Chief Financial Officer ("CFO") has significant work experience related to information security issues and oversight and is the executive officer that oversees our cybersecurity program, which includes the implementation of controls to identify threats, detect attacks and protect our information assets. Our dedicated ERM Committee, which includes our CFO and certain members of our executive leadership team, provides principal oversight and guidance of our cybersecurity risk management programs and processes. While our Board has overall responsibility for risk oversight, our Audit Committee oversees cybersecurity risk matters. Our Audit Committee is responsible for reviewing and overseeing the Company's data privacy, information technology and security and cybersecurity risk exposures and the guidelines, programs and steps implemented by management to assess, manage and mitigate any such exposures. The ERM Committee reports to the Audit Committee at least annually on the Company's enterprise risk management and will report cybersecurity incidents to the Audit Committee as they occur, if material.

Cybersecurity Risks

In addition to the reliance on our own information technology systems, we rely on the information technology systems of our hotel managers to protect proprietary and customer information as well as our third-party service providers who support key portions of our operations. Any compromises of our own network or the networks of our hotel managers or third-party service providers could materially affect our business, financial condition and results of operations. For a discussion of our cybersecurity risks, refer to "Part I - Item 1A. Risk Factors - Risks Related to Our Business - Cyber threats and the risk of cybersecurity incidents affecting our hotel managers' or our own information technology and systems, including third-party service providers, could materially adversely affect our business" included elsewhere within this Annual Report on Form 10-K. Although we have experienced cybersecurity incidents, to date, none have had a material adverse effect on us. We carry insurance that helps provide protection against the potential losses arising from cybersecurity incidents, although we may incur expenses and losses related to a cybersecurity incident that are not covered by insurance or are in excess of our insurance coverage.

Item 2. Properties.

Our Properties[1]

The following table provides a list of our portfolio as of February 20, 2025:

Location	Type[2]	Ownership Percentage	Rooms
California			
DoubleTree Hotel San Jose	FS	100%	505
DoubleTree Hotel Ontario Airport	FS	67%	482
Hyatt Regency Mission Bay Spa and Marina	GL	100%	438
Hilton Santa Barbara Beachfront Resort	FS	50%	360
JW Marriott San Francisco Union Square	GL	100%	344
Hyatt Centric Fisherman's Wharf	FS	100%	316
DoubleTree Hotel San Diego – Mission Valley	GL	100%	300
DoubleTree Hotel Sonoma Wine Country	GL	100%	245
Juniper Hotel Cupertino, Curio Collection	FS	100%	224
Hilton Checkers Los Angeles	FS	100%	193
Colorado			
Hilton Denver City Center	FS[3]	100%	613
DoubleTree Hotel Durango	GL	100%	159
District of Columbia			
Capital Hilton	JV, FS	25%	559
Florida			
Hilton Orlando	JV, FS	20%	1,424
Signia by Hilton Orlando Bonnet Creek	FS	100%	1,009
Hilton Orlando Lake Buena Vista	GL	100%	814
Waldorf Astoria Orlando	FS	100%	502
Royal Palm South Beach Miami, a Tribute Portfolio Resort	FS	100%	393
Casa Marina Key West, Curio Collection	FS	100%	311
The Reach Key West, Curio Collection	FS	100%	150
Hawaii			
Hilton Hawaiian Village Waikiki Beach Resort	FS[3]	100%	2,872
Hilton Waikoloa Village	FS[3]	100%	653
Illinois			
Hilton Chicago	FS	100%	1,544
The Wade[4]	FS	100%	520
The Midland Hotel, a Tribute Portfolio Hotel[5]	FS	100%	403
Louisiana			
Hilton New Orleans Riverside	FS[3]	100%	1,622
Massachusetts			
Hilton Boston Logan Airport	GL	100%	604
Hyatt Regency Boston	FS	100%	502
Boston Marriott Newton	FS	100%	430
Missouri			
Embassy Suites Kansas City Plaza	GL	100%	266
New Jersey			
Hilton Short Hills	FS	100%	314

Location	Type[2]	Ownership Percentage	Rooms
New York			
New York Hilton Midtown	FS[3]	100%	1,878
Puerto Rico			
Caribe Hilton	FS[3]	100%	652
Texas			
Embassy Suites Austin Downtown South Congress	GL	100%	262
Utah			
Hilton Salt Lake City Center	GL	100%	500
Virginia			
DoubleTree Hotel Washington DC – Crystal City	FS	100%	627
Hilton McLean Tysons Corner	FS	100%	458
Embassy Suites Alexandria Old Town	JV, FS[3]	50%	288
Washington			
DoubleTree Hotel Seattle Airport	GL	100%	850
Hilton Seattle Airport & Conference Center	GL	100%	396
Total			**24,982**

(1) Excludes the two Hilton San Francisco Hotels that were placed into receivership in October 2023.
(2) "FS" refers to fee simple ownership interest; "GL" refers to ground lease; "JV" refers to unconsolidated joint venture.
(3) Certain portions of land or facilities are subject to lease.
(4) In February 2025, the W Chicago – Lakeshore was converted to The Wade.
(5) In January 2025, the W Chicago – City Center was converted to The Midland Hotel, a Tribute Portfolio Hotel.

Item 3. Legal Proceedings.

We are involved in various claims and lawsuits arising in the ordinary course of business, some of which include claims for substantial sums, including proceedings involving tort and other general liability claims, employee claims and consumer protection claims. Most occurrences involving liability, claims of negligence and employees are covered by insurance with solvent insurance carriers. For those matters not covered by insurance, which include commercial matters, we recognize a liability when we believe the loss is probable and can be reasonably estimated. The ultimate results of claims and litigation cannot be predicted with certainty. We believe we have adequate reserves against such matters. We currently believe that the ultimate outcome of such lawsuits and proceedings will not, individually or in the aggregate, have a material adverse effect on our consolidated financial position, results of operations or liquidity. However, depending on the amount and timing, an unfavorable resolution of some or all of these matters could materially affect our future results of operations in a particular period.

Additionally, the spin-off agreements provide for cross-indemnities that, except as otherwise provided in the spin-off agreements, are principally designed to place financial responsibility for the obligations and liabilities of Hilton, HGV and the Company with the appropriate company. See "Spin-off Related Agreements – Distribution Agreement" and "– Tax Matters Agreement" and Note 15: "Commitments and Contingencies" in our audited consolidated financial statements included elsewhere within this Annual Report on Form 10-K for additional information.

Item 4. Mine Safety Disclosures.

Not applicable.

PART II

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

Market Information

Our common stock trades on the NYSE under the symbol "PK".

Shareholder Information

At February 14, 2025, we had 15 holders of record of our common stock. However, because our common stock is held by brokers and other institutions on behalf of stockholders, we believe there are substantially more beneficial holders of our common stock than record holders.

In order to comply with certain requirements related to our qualification as a REIT, subject to certain exceptions, our amended and restated certificate of incorporation provides that no person may own, or be deemed to own by virtue of the attribution provisions of the Code, more than 9.8% (in value or by number of shares, whichever is more restrictive) of our outstanding common stock or more than 9.8% (in value or by number of shares, whichever is more restrictive) of any outstanding class or series of our preferred stock.

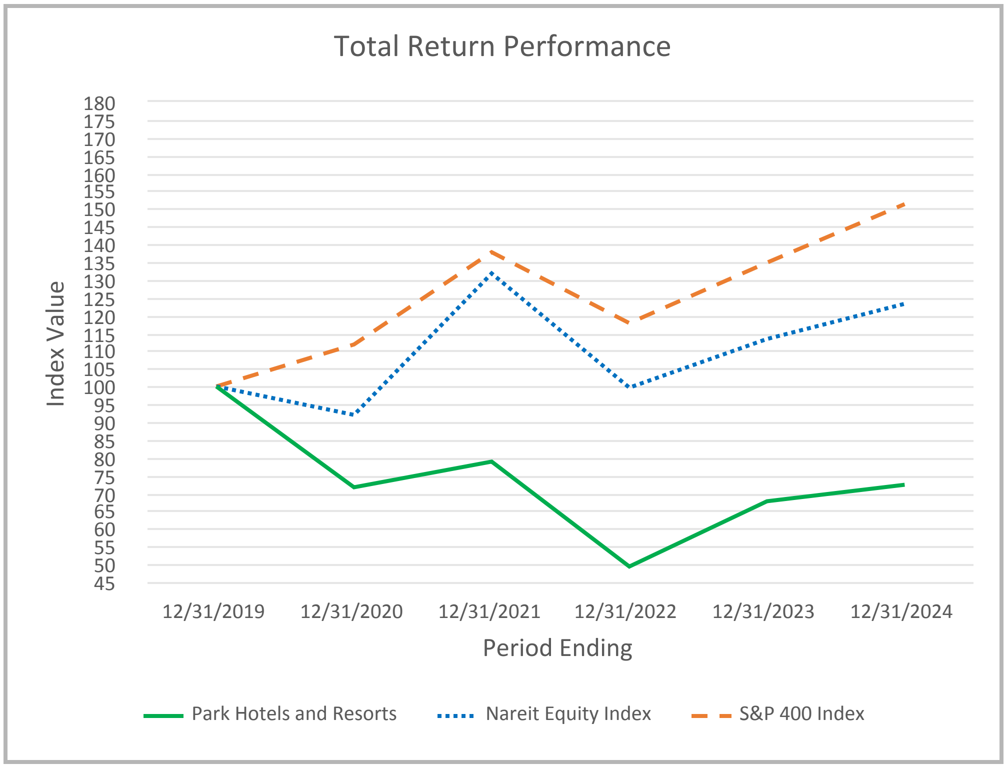
Distribution Information

In order to maintain our qualification for taxation as a REIT, we are required to distribute annually at least 90% of our REIT taxable income, determined without regard to the deduction for dividends paid and excluding any net capital gain, to our stockholders on an annual basis. Therefore, as a general matter, we intend to make distributions of all, or substantially all, of our REIT taxable income (including net capital gains) to our stockholders, and as a result, we will generally not be required to pay tax on our income.

Our future distributions will be at the sole discretion of our Board. When determining the amount of future distributions, we expect that our Board will consider, among other factors, (1) the amount required to be distributed to maintain our status as a REIT, (2) any limitations on our ability to make distributions contained in the indentures for our senior notes and credit facility, (3) the amount of cash generated from our operating activities, (4) our expectations of future cash flows, (5) our determination of near-term cash needs for debt repayments, existing or future share repurchases, and selective acquisitions of new properties, (6) the timing of significant capital investments and expenditures and the establishment of any cash reserves, (7) our ability to continue to access additional sources of capital, and (8) the sufficiency of legally available assets.

Share Performance Graph

The following graph compares our cumulative total stockholder return since December 31, 2019 against the cumulative total returns of the National Association of Real Estate Investment Trust (“Nareit”) Equity Index and the Standard and Poor’s MidCap 400 Index (“S&P 400 Index”). The graph assumes an initial investment of $100 in our common stock and each of the indexes on December 31, 2019, and that all dividends and other distributions were reinvested.



	12/31/2019	12/31/2020	12/31/2021	12/31/2022	12/31/2023	12/31/2024
Park Hotels and Resorts Inc.	$ 100.00	$ 71.64	$ 78.86	$ 49.35	$ 67.71	$ 72.35
S&P 400 Index	100.00	111.81	137.76	117.81	134.83	151.28
Nareit Equity Index	100.00	92.00	131.78	99.67	113.35	123.25

This performance graph shall not be deemed "filed" for the purposes of Section 18 of the Exchange Act, or incorporated by reference into any filing by us under the Securities Act, except as shall be expressly set forth by specific reference in such filing.

Unregistered Sales of Equity Securities and Use of Proceeds

We did not sell any equity securities during the fiscal year ended December 31, 2024 that were not registered under the Securities Act of 1933, as amended.

Purchases of Equity Securities by the Issuer and Affiliate Purchasers

Period	Total number of shares purchased[(1)]	Weighted average price paid per share[(2)]	Total number of shares purchased as part of publicly announced plans or programs[(3)]	Maximum number (or approximate dollar value) of common shares that may yet be purchased under the plans or programs[(3)] *(in millions)*
January 1, 2024 through January 31, 2024	—	$ —	—	$ 150
February 1, 2024 through February 29, 2024	162,539	$ 15.39	—	$ 150
March 1, 2024 through March 31, 2024	—	$ —	—	$ 150
April 1, 2024 through April 30, 2024	106	$ 17.12	—	$ 150
May 1, 2024 through May 31, 2024	1,483	$ 15.95	—	$ 150
June 1, 2024 through June 30, 2024	1,663,340	$ 15.01	1,662,959	$ 125
July 1, 2024 through July 31, 2024	260	$ 14.48	—	$ 125
August 1, 2024 through August 31, 2024	2,524,173	$ 13.85	2,524,001	$ 90
September 1, 2024 through September 30, 2024	242	$ 14.44	—	$ 90
October 1, 2024 through October 31, 2024	57	$ 14.44	—	$ 90
November 1, 2024 through November 30, 2024	1,846,863	$ 14.30	1,846,660	$ 64
December 1, 2024 through December 31, 2024	2,015,436	$ 14.84	2,015,436	$ 34
Total	8,214,499		8,049,056	

(1) The number of shares purchased represents shares of common stock repurchased under the applicable previously announced stock repurchase program as well as 165,443 shares of common stock surrendered by certain of our employees to satisfy their federal and state tax obligations associated with the vesting of restricted common stock.

(2) The weighted average price paid per share for shares of common stock surrendered by certain employees is based on the closing price of our common stock on the trading date immediately prior to the date of delivery of the shares. The weighted average price paid per share for shares repurchased excludes commissions paid.

(3) On February 17, 2023, our Board of Directors authorized and approved a $300 million stock repurchase program. On February 14, 2025, the Board of Directors terminated this stock repurchase program and authorized and approved a new $300 million stock repurchase program, which expires on February 19, 2027.

Stock Repurchase Program

In February 2025, our Board terminated a previous $300 million stock repurchase program that was approved in February 2023 (the "February 2023 Stock Repurchase Program") and authorized and approved a new stock repurchase program allowing us to repurchase up to $300 million of our common stock over a two-year period ending in February 2027 (the "February 2025 Stock Repurchase Program"), subject to any applicable limitations or restrictions set forth in our credit facility and indentures related to our senior notes. Stock repurchases may be made through open market purchases, including through Rule 10b5-1 trading programs, in privately negotiated transactions, or in such other manner that would comply with applicable securities laws. The timing of any future stock repurchases and the number of shares to be repurchased will depend upon prevailing market conditions and other factors, and we may suspend the repurchase program at any time. During the year ended December 31, 2024, we repurchased approximately 8.0 million shares of our common stock under the 2023 Stock Repurchase Program for a total purchase price of $116 million, and as of December 31, 2024, prior to the termination of the February 2023 Stock Repurchase program, $34 million remained available for stock repurchases. As of February 20, 2025, no shares of our common stock have been repurchased under the new February 2025 Stock Repurchase Program.

Item 6. [Reserved]

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

The following discussion and analysis of our financial condition and results of operations should be read in conjunction with the accompanying consolidated financial statements, related notes included thereto and Item 1A., "Risk Factors," appearing elsewhere in this Annual Report on Form 10-K. For the discussion and analysis of our 2022 financial condition and results of operations compared to 2023, refer to Item 7., "Management's Discussion and Analysis of Financial Condition and Results of Operations" of our Annual Report on Form 10-K for the year ended December 31, 2023.

Overview

We have a diverse portfolio of iconic and market-leading hotels and resorts with significant underlying real estate value. We currently have interests in 40 hotels consisting of premium-branded hotels and resorts with approximately 25,000 rooms, of which over 87% are luxury and upper upscale and are located in prime U.S. markets and its territories. Our high-quality portfolio currently includes hotels mostly in major urban and convention areas, such as New York City, Washington, D.C., Chicago, Boston, New Orleans and Denver; and premier resorts in key leisure destinations, including Hawaii, Orlando, Key West and Miami Beach; as well as hotels in select airport and suburban locations.

Our objective is to be the preeminent lodging real estate investment trust ("REIT"), focused on consistently delivering superior, risk-adjusted returns to stockholders through active asset management and a thoughtful external growth strategy while maintaining a strong and flexible balance sheet. As a pure-play real estate company with direct access to capital and independent financial resources, we believe our enhanced ability to implement compelling return on investment initiatives within our portfolio represents a significant embedded growth opportunity. Finally, given our scale and investment expertise, we believe we will be able to successfully execute single-asset and portfolio acquisitions and dispositions to further enhance the value and diversification of our assets throughout the lodging cycle, including potentially taking advantage of the economies of scale that could come from consolidation in the lodging REIT industry.

We operate our business through two operating segments, our consolidated hotels and unconsolidated hotels. Our consolidated hotels operating segment is our only reportable segment. Refer to Note 14: "Business Segment Information" in our audited consolidated financial statements included elsewhere within this Annual Report on Form 10-K for additional information regarding our operating segments.

Basis of Presentation

The consolidated financial statements reflect our financial position, results of operations and cash flows, in conformity with U.S. generally accepted accounting principles ("U.S. GAAP"). Refer to Note 2: "Basis of Presentation and Summary of Significant Accounting Policies" in our audited consolidated financial statements included elsewhere within this Annual Report on Form 10-K for additional information.

Outlook

Economic disruptions, including as a result of elevated interest and inflation rates, may adversely affect our business by affecting consumer sentiment and demand for travel. However, inflationary concerns have moderated and further interest rate reductions may continue. In addition, during the fourth quarter of 2024, the hotel operators for four of our hotels negotiated long-term labor agreements with labor organizations representing their hotel employees following strikes and other labor activity that affected our operating results beginning in late September 2024. Any future labor disruptions may result in increases in labor or other costs to maintain or operate hotels. During 2024, we have relied on the performance of our hotels and active asset management to mitigate the effects of current macroeconomic uncertainty and recent labor disruptions. Additionally, we continued to experience improvements in overall demand across our portfolio, although ADR growth has slowed as the industry recovery has stabilized and seasonal patterns have normalized. While there can be no assurances that we will not experience further fluctuations in hotel revenues or earnings at our hotels due to inflation and other macroeconomic factors, local economic factors and demand, a potential economic slowdown or a recession and geopolitical conflicts, we expect the positive momentum to continue for 2025 based on current demand trends, expected increases in city-wide events and as demand from international travel continues to improve.

Principal Components of and Factors Affecting Our Results of Operations

Revenues

Revenues from our hotels are primarily derived from two categories of customers: transient and group, which historically have accounted for approximately two thirds and one third, respectively, of our rooms revenue. Transient guests are individual travelers who are traveling for business or leisure. Group guests are traveling for group events that reserve rooms for meetings, conferences or social functions sponsored by associations, corporate, social, military, educational, religious or other organizations. Group business usually includes a block of room accommodations, as well as other ancillary services, such as meeting facilities, catering and banquet services. A majority of our food and beverage sales and other ancillary services are provided to customers who also are occupying rooms at our hotels. As a result, occupancy affects all components of revenues from our hotels.

Principal Components

Rooms. Represents the sale of room rentals at our hotels and accounts for a substantial majority of our total revenue.

Food and beverage. Represents revenue from group functions, which may include both banquet revenue and audio and visual revenue, as well as revenue from outlets such as restaurants and lounges at our hotels.

Ancillary hotel. Represents revenue for guest services provided at our hotels, including parking, telecommunications, golf course and spa. Also includes tenant leases and other rental revenue.

Other. Primarily related to support services we provide to HGV timeshare properties that have a presence within or adjacent to certain of our hotels, which include cost reimbursements for the costs of providing housekeeping, landscaping, general maintenance and other services plus a fee representing a percentage of cost reimbursements.

Factors Affecting our Revenues

Consumer demand. Consumer demand for our products and services is closely linked to the performance of the general economy and is sensitive to business and personal discretionary spending levels. Leading indicators of demand include gross domestic product, non-residential fixed investment and the consumer price index. Declines in consumer demand due to adverse general economic conditions, reductions in travel patterns, lower consumer confidence, outbreaks of pandemic or contagious diseases, and adverse political conditions can lower the revenues and profitability of our hotels. Further, competition for guests and the supply of services at our hotels affect our ability to sustain or increase rates charged to customers at our hotels. As a result, changes in consumer demand and general business cycles have historically subjected and could in the future subject our revenues to significant volatility. In addition, leisure travelers currently make up the majority of our transient demand. Therefore, we will be significantly more affected by trends in leisure travel than trends in business travel.

Supply. New room supply is an important factor that can affect the lodging industry's performance. Room rates and occupancy, and thus RevPAR, tend to increase when demand growth exceeds supply growth. The addition of new competitive hotels and resorts affects the ability of existing hotels and resorts to sustain or grow RevPAR, and thus profits. New development is determined largely by construction costs, the availability of financing and expected performance of existing hotels and resorts.

Expenses

Principal Components

Rooms. These costs include housekeeping, reservation systems, room supplies, laundry services at our hotels and front desk costs.

Food and beverage. These costs primarily include food, beverage and the associated labor and will correlate closely with food and beverage revenues.

Other departmental and support. These costs include labor and other costs associated with other ancillary revenue, such as parking, telecommunications, golf course and spa, as well as labor and other costs associated with administrative departments, sales and marketing, repairs and minor maintenance and utility costs. Additionally, these costs include franchise fees and are generally computed as a percentage of rooms revenues. Refer to Item 1: "Business – Our Principal Agreements," included elsewhere in this Annual Report on Form 10-K for additional information on franchise fees.

Other property. These costs consist primarily of real and personal property taxes, other local taxes, ground rent, equipment rent and property insurance.

Management fees. Base management fees are computed as a percentage of gross revenue. Incentive management fees generally are paid if specified financial performance targets are achieved. Refer to Item 1: "Business – Our Principal Agreements," included elsewhere in this Annual Report on Form 10-K for additional information.

Casualty and impairment gains or losses. Casualty losses are expenses that represent losses incurred resulting from property damage or destruction caused by any sudden, unexpected or unusual event such as a hurricane. Casualty gains are insurance proceeds for property damage claims that are in excess of any associated impairment loss recognized and clean-up and recovery costs incurred, less any insurance deductible. Impairment losses are non-cash expenses that are recognized when circumstances indicate that the carrying value of a long-lived asset is not recoverable. An impairment loss is recognized for the excess of the carrying value over the fair value of the asset.

Depreciation and amortization. These are non-cash expenses that primarily consist of depreciation of fixed assets such as buildings, furniture, fixtures and equipment at our hotels, as well as amortization of finite lived intangible assets.

Corporate general & administrative. These costs include general and administrative expenses, including costs associated with the potential disposition of hotels. General and administrative expenses consist primarily of compensation expense for our corporate staff and personnel supporting our business, professional fees, travel and entertainment expenses, and office administrative and related expenses.

Other. These costs include costs to provide support services to certain HGV timeshare properties located at some of our hotel properties.

Factors Affecting our Costs and Expenses

Variable expenses. Expenses associated with our room expense and food and beverage expense are mainly affected by occupancy and correlate closely with their respective revenues. These expenses can increase based on increases in salaries and wages, as well as on the level of service and amenities that are provided. Additionally, food and beverage expense is affected by the mix of business between banquet, catering and outlet sales.

Fixed expenses. Many of the other expenses associated with our hotels are relatively fixed. These expenses include portions of rent expense, property taxes and insurance. Since we generally are unable to decrease these costs significantly or rapidly when demand for our hotels decreases, any resulting decline in our revenues can have a greater adverse effect on our net cash flow, margins and profits. This effect can be especially pronounced during periods of economic contraction or slow economic growth. The effectiveness of any cost-cutting efforts is limited by the amount of fixed costs inherent in our business. As a result, we may not be able to successfully offset revenue reductions through cost cutting. The individuals employed at certain of our hotels are party to collective bargaining agreements with our hotel managers that may also limit the manager's ability to make timely staffing or labor changes in response to declining revenues. In addition, any efforts to reduce costs, or to defer or cancel capital improvements, could adversely affect the economic value of our hotels. We have taken steps to reduce our fixed costs to levels we believe are appropriate to maximize profitability and respond to market conditions without jeopardizing the overall customer experience or the value of our hotels.

Changes in depreciation and amortization expense. Changes in depreciation expense are due to renovations of existing hotels, acquisition or development of new hotels, the disposition of existing hotels through sale or closure or changes in estimates of the useful lives of our assets. As we place new assets into service, we will be required to recognize additional depreciation expense on those assets.

Key Business Metrics Used by Management

Occupancy

Occupancy represents the total number of room nights sold divided by the total number of room nights available at a hotel or group of hotels. Occupancy measures the utilization of our hotels' available capacity. We use occupancy to gauge demand at a specific hotel or group of hotels in a given period. Occupancy levels also help us determine achievable ADR levels as demand for rooms increases or decreases.

Average Daily Rate

ADR represents rooms revenue divided by total number of room nights sold in a given period. ADR measures average room price attained by a hotel and ADR trends provide useful information concerning the pricing environment and the nature of the customer base of a hotel or group of hotels. ADR is a commonly used performance measure in the hotel industry, and we use ADR to assess pricing levels that we are able to generate by type of customer, as changes in rates have a more pronounced effect on overall revenues and incremental profitability than changes in occupancy, as described above.

Revenue per Available Room

RevPAR represents rooms revenue divided by the total number of room nights available to guests for a given period. We consider RevPAR to be a meaningful indicator of our performance as it provides a metric correlated to two primary and key factors of operations at a hotel or group of hotels: occupancy and ADR. RevPAR is also a useful indicator in measuring performance over comparable periods.

Comparable Hotels Data

We present certain data for our hotels on a comparable hotel basis as supplemental information for investors. We present comparable hotel results to help us and our investors evaluate the ongoing performance of our comparable hotels. Our comparable hotels data includes results from hotels that were active and operating in our portfolio since January 1st of the previous year and excludes results from property dispositions that have occurred through December 31, 2024 and the Hilton San Francisco Hotels, which were placed into receivership at the end of October 2023.

Non-GAAP Financial Measures

We also evaluate the performance of our business through certain other financial measures that are not recognized under U.S. GAAP. Each of these non-GAAP financial measures should be considered by investors as supplemental measures to GAAP performance measures such as total revenues, operating profit and net income.

EBITDA, Adjusted EBITDA and Hotel Adjusted EBITDA

EBITDA, presented herein, reflects net income excluding depreciation and amortization, interest income, interest expense, income taxes and also interest income and expense, income tax and depreciation and amortization included in equity in earnings from investments in affiliates.

Adjusted EBITDA, presented herein, is calculated as EBITDA, further adjusted to exclude the following items that are not reflective of our ongoing operating performance or incurred in the normal course of business, and thus, excluded from management's analysis in making day-to-day operating decisions and evaluations of our operating performance against other companies within our industry:

- Gains or losses on sales of assets for both consolidated and unconsolidated investments;
- Costs associated with hotel acquisitions or dispositions expensed during the period;
- Severance expense;
- Share-based compensation expense;
- Impairment losses and casualty gains or losses; and
- Other items that we believe are not representative of our current or future operating performance.

Hotel Adjusted EBITDA measures hotel-level results before debt service, depreciation and corporate expenses for our consolidated hotels, which excludes hotels owned by unconsolidated affiliates, and is a key measure of our profitability. We present Hotel Adjusted EBITDA to help us and our investors evaluate the ongoing operating performance of our consolidated hotels.

EBITDA, Adjusted EBITDA and Hotel Adjusted EBITDA are not recognized terms under U.S. GAAP and should not be considered as alternatives to net income or other measures of financial performance or liquidity derived in accordance with U.S. GAAP. In addition, our definitions of EBITDA, Adjusted EBITDA and Hotel Adjusted EBITDA may not be comparable to similarly titled measures of other companies.

We believe that EBITDA, Adjusted EBITDA and Hotel Adjusted EBITDA provide useful information to investors about us and our financial condition and results of operations for the following reasons: (i) EBITDA, Adjusted EBITDA and Hotel Adjusted EBITDA are among the measures used by our management team to make day-to-day operating decisions and evaluate our operating performance between periods and between REITs by removing the effect of our capital structure (primarily interest expense) and asset base (primarily depreciation and amortization) from our operating results; and (ii) EBITDA, Adjusted EBITDA and Hotel Adjusted EBITDA are frequently used by securities analysts, investors and other interested parties as a common performance measure to compare results or estimate valuations across companies in our industry.

EBITDA, Adjusted EBITDA and Hotel Adjusted EBITDA have limitations as analytical tools and should not be considered either in isolation or as a substitute for net income (loss) or other methods of analyzing our operating performance and results as reported under U.S. GAAP. Some of these limitations are:

- EBITDA, Adjusted EBITDA and Hotel Adjusted EBITDA do not reflect our interest expense;
- EBITDA, Adjusted EBITDA and Hotel Adjusted EBITDA do not reflect our income tax expense;
- EBITDA, Adjusted EBITDA and Hotel Adjusted EBITDA do not reflect the effect on earnings or changes resulting from matters that we consider not to be indicative of our future operations; and
- other companies in our industry may calculate EBITDA, Adjusted EBITDA and Hotel Adjusted EBITDA differently, limiting their usefulness as comparative measures.

We do not use or present EBITDA, Adjusted EBITDA and Hotel Adjusted EBITDA as measures of our liquidity or cash flow. These measures have limitations as analytical tools and should not be considered either in isolation or as a substitute for cash flow or other methods of analyzing our cash flows and liquidity as reported under U.S. GAAP. Because of these limitations, EBITDA, Adjusted EBITDA and Hotel Adjusted EBITDA should not be considered as discretionary cash available to us to reinvest in the growth of our business or as measures of cash that will be available to us to meet our obligations. Some of these limitations are:

- EBITDA, Adjusted EBITDA and Hotel Adjusted EBITDA do not reflect changes in, or cash requirements for, our working capital needs;
- EBITDA, Adjusted EBITDA and Hotel Adjusted EBITDA do not reflect the cash requirements necessary to service interest or principal payments, on our indebtedness;
- EBITDA, Adjusted EBITDA and Hotel Adjusted EBITDA do not reflect the cash requirements to pay our taxes;
- EBITDA, Adjusted EBITDA and Hotel Adjusted EBITDA do not reflect historical cash expenditures or future requirements for capital expenditures or contractual commitments; and
- although depreciation and amortization are non-cash charges, the assets being depreciated and amortized will often have to be replaced in the future, and EBITDA, Adjusted EBITDA and Hotel Adjusted EBITDA do not reflect any cash requirements for such replacements.

The following table provides a reconciliation of Net income to Hotel Adjusted EBITDA:

	Year Ended December 31, 2024	Year Ended December 31, 2023
	(in millions)	
Net income	$ 226	$ 106
Depreciation and amortization expense	257	287
Interest income	(21)	(38)
Interest expense	214	207
Interest expense associated with hotels in receivership(1)	60	45
Income tax (benefit) expense	(61)	38
Interest income and expense, income tax and depreciation and amortization included in equity in earnings from investments in affiliates	10	8
EBITDA	685	653
Gain on sales of assets, net	(8)	(15)
Gain on derecognition of assets(1)	(60)	(221)
Gain on sale of investments in affiliates(2)	(19)	(3)
Share-based compensation expense	19	18
Impairment and casualty loss	14	204
Other items	21	23
Adjusted EBITDA	652	659
Less: Adjusted EBITDA from investments in affiliates	(23)	(24)
Add: All other(3)	54	51
Hotel Adjusted EBITDA	$ 683	$ 686

(1) For the year ended December 31, 2024, represents accrued interest expense associated with the default of the SF Mortgage Loan, which is offset by a gain on derecognition for the corresponding increase of the *contract asset* on our consolidated balance sheets, as we expect to be released from this obligation upon final resolution with the lender. For the year ended December 31, 2023, represents accrued interest expense associated with the default of the SF Mortgage Loan and the gain from derecognizing the Hilton San Francisco Hotels from our consolidated balance sheet in October 2023, when the receiver took control of the hotels.

(2) For the year ended December 31, 2024, includes a gain of $19 million on the sale of the Hilton La Jolla Torrey Pines included in *equity in earnings from investments in affiliates*. For the year ended December 31, 2023, the $3 million gain on sale of investments in affiliates is included in *other (loss) gain, net.*

(3) Includes *other revenues* and *other expenses*, non-income taxes on TRS leases included in *other property expenses* and *corporate general and administrative expenses.*

Nareit FFO attributable to stockholders and Adjusted FFO attributable to stockholders

We present Nareit FFO attributable to stockholders and Nareit FFO per diluted share (defined as set forth below) as non-GAAP measures of our performance. We calculate funds from (used in) operations ("FFO") attributable to stockholders for a given operating period in accordance with standards established by the National Association of Real Estate Investment Trusts ("Nareit"), as net income (loss) attributable to stockholders (calculated in accordance with U.S. GAAP), excluding depreciation and amortization, gains or losses on sales of assets, impairment, and the cumulative effect of changes in accounting principles, plus adjustments for unconsolidated joint ventures. Adjustments for unconsolidated joint ventures are calculated to reflect our pro rata share of the FFO of those entities on the same basis. As noted by Nareit in its December 2018 "Nareit Funds from Operations White Paper – 2018 Restatement," since real estate values historically have risen or fallen with market conditions, many industry investors have considered presentation of operating results for real estate companies that use historical cost accounting to be insufficient by themselves. For these reasons, Nareit adopted the FFO metric in order to promote an industry-wide measure of REIT operating performance. We believe Nareit FFO provides useful information to investors regarding our operating performance and can facilitate comparisons of operating performance between periods and between REITs. Our presentation may not be comparable to FFO reported by other REITs that do not define the terms in accordance with the current Nareit definition, or that interpret the current Nareit definition differently than we do. We calculate Nareit FFO per diluted share as our Nareit FFO divided by the number of fully diluted shares outstanding during a given operating period.

We also present Adjusted FFO attributable to stockholders and Adjusted FFO per diluted share when evaluating our performance because we believe that the exclusion of certain additional items described below provides useful supplemental information to investors regarding our ongoing operating performance. Management historically has made the adjustments detailed below in evaluating our performance and in our annual budget process. We believe that the presentation of Adjusted FFO provides useful supplemental information that is beneficial to an investor's complete understanding of our operating performance. We adjust Nareit FFO attributable to stockholders for the following items, which may occur in any period, and refer to this measure as Adjusted FFO attributable to stockholders:

- Costs associated with hotel acquisitions or dispositions expensed during the period;
- Severance expense;
- Share-based compensation expense;
- Casualty gains or losses; and
- Other items that we believe are not representative of our current or future operating performance.

The following table provides a reconciliation of Net income attributable to stockholders to Nareit FFO attributable to stockholders and Adjusted FFO attributable to stockholders:

	Year Ended December 31,	
	2024	2023
	(in millions, except per share amounts)	
Net income attributable to stockholders	$ 212	$ 97
Depreciation and amortization expense	257	287
Depreciation and amortization expense attributable to noncontrolling interests	(4)	(4)
Gain on sales of assets, net	(8)	(15)
Gain on sale of assets, net, attributable to noncontrolling interests	5	—
Gain on derecognition of assets(1)	(60)	(221)
Gain on sale of investments in affiliates(2)	(19)	(3)
Impairment loss	12	202
Equity investment adjustments:		
Equity in earnings from investments in affiliates(3)	(12)	(11)
Pro rata FFO of investments in affiliates	16	14
Nareit FFO attributable to stockholders	399	346
Casualty loss	2	2
Share-based compensation expense	19	18
Interest expense associated with hotels in receivership(1)	60	20
Release of deferred tax valuation allowance	(54)	—
Other items(4)	4	53
Adjusted FFO attributable to stockholders	$ 430	$ 439
Nareit FFO per share – Diluted(5)	$ 1.91	$ 1.61
Adjusted FFO per share – Diluted(5)	$ 2.06	$ 2.04

(1) For the year ended December 31, 2024, represents accrued interest expense associated with the default of the SF Mortgage Loan, which is offset by a gain on derecognition for the corresponding increase of the *contract asse*t on our consolidated balance sheets, as we expect to be released from this obligation upon final resolution with the lender. For the year ended December 31, 2023, reflects incremental default interest expense and late payment administrative fees associated with the default of the SF Mortgage Loan beginning in June 2023 and the gain from derecognizing the Hilton San Francisco Hotels from our consolidated balance sheet in October 2023, when the receiver took control of the hotels.

(2) For the years ended December 31, 2024 and 2023, the gain on sale of investments in affiliates is included in *equity in earnings from investments in affiliates* and *other (loss) gain, net*, respectively.

(3) For the year ended December 31, 2024, the gain of $19 million on the sale of the Hilton La Jolla Torrey Pines is presented within *gain on sale of investments in affiliates* above.

(4) For the year ended December 31, 2023, includes $28 million of income tax expense primarily associated with the effective exit from the Hilton San Francisco Hotels, of which $19 million was reversed during the year ended December 31, 2024 as it is no longer expected to be incurred.

(5) Per share amounts are calculated based on unrounded numbers.

Results of Operations

Our non-comparable hotels consist of two hotels sold and two hotels returned to the lessor upon termination of the ground leases since January 1, 2023. The results of operations of these hotels are included in our consolidated results only during our period of ownership. Additionally, our non-comparable hotels also consist of the two Hilton San Francisco Hotels, which are excluded from our consolidated results beginning in October 2023 as a result of the hotels being placed into receivership and had a significant effect on the year-over-year comparability of our operations as further illustrated in the table of Hotel Revenues and Operating Expenses below.

Hotel Revenues and Operating Expenses

	Year Ended December 31,				Change from Non-Comparable Hotels	
	2024	2023	Change	Change from Comparable Hotels[1]	Change from the Hilton San Francisco Hotels	Change from Other Non-Comparable Hotels
			(in millions)			
Rooms revenue	$ 1,569	$ 1,653	$ (84)	$ 47	$ (119)	$ (12)
Food and beverage revenue	688	696	(8)	27	(31)	(4)
Ancillary hotel revenue	256	264	(8)	2	(10)	—
Rooms expense	419	449	(30)	21	(47)	(4)
Food and beverage expense	474	501	(27)	12	(36)	(3)
Other departmental and support expense	605	635	(30)	25	(49)	(6)
Other property expense	231	241	(10)	9	(22)	3
Management fees expense	125	126	(1)	7	(6)	(2)

(1) Change from our comparable hotels primarily relates to the market-specific conditions discussed below.

Group, transient, contract and other rooms revenue for the year ended December 31, 2024, as well as the change for each type of rooms revenue compared to 2023 are as follows:

	Year Ended December 31,				Change from Non-Comparable Hotels	
	2024	2023	Change	Change from Comparable Hotels[1]	Change from the Hilton San Francisco Hotels	Change from Non-Comparable Hotels
			(in millions)			
Group rooms revenue	$ 461	$ 480	$ (19)	$ 34	$ (52)	$ (1)
Transient rooms revenue	986	1,043	(57)	1	(48)	(10)
Contract rooms revenue	90	92	(2)	12	(14)	—
Other rooms revenue	32	38	(6)	—	(5)	(1)
Rooms revenue	$ 1,569	$ 1,653	$ (84)	$ 47	$ (119)	$ (12)

(1) Change from our comparable hotels primarily relates to the market-specific conditions discussed below.

Market-Specific Conditions

The increases in hotel revenues and operating expenses for our comparable hotels during the year ended December 31, 2024, as compared to the same period in 2023, were primarily attributable to our hotels in the Orlando, Key West, New York, Chicago and Boston markets.

Our Orlando hotels both benefited from the comprehensive renovation and expansion projects completed in early 2024, which drove a 25% increase in food and beverage revenue for the year ended December 31, 2024 compared to the same period in 2023 and resulted in increases in occupancy and ADR of 3.0 percentage points and 6.1%, respectively, at the Signia by Hilton Orlando Bonnet Creek and increases in occupancy and ADR of 11.5 percentage points and 5.6%, respectively, at the Waldorf Astoria Orlando for the year ended December 31, 2024 compared to the same period in 2023.

The increase in the Key West market was driven by the Casa Marina Key West, Curio Collection, where operations were suspended for a comprehensive renovation that started in May 2023, with all rooms reopening by December 2023.

The New York Hilton Midtown and the Hilton Chicago both benefited from increases in group and transient demand, which drove increases in food and beverage revenue of 13% and 6%, respectively. Occupancy and ADR at the New York Hilton Midtown increased 1.8 percentage points and 1.6%, respectively, while occupancy and ADR at the Hilton Chicago increased 6.2 percentage points and 1.5%, respectively, for the year ended December 31, 2024 compared to the same period in 2023.

Combined occupancy and ADR at our Boston hotels increased 2.4 percentage points and 3.8%, respectively, for the year ended December 31, 2024 compared to the same period in 2023 also due to increases in group and transient demand.

These increases were partially offset by decreases in hotel revenues and operating expenses at our two Hawaii hotels where combined occupancy decreased 7.1 percentage points for the year ended December 31, 2024 compared to the same period in 2023 due to disruptions from strike and related labor activity that began in September 2024 and resolved during October and November 2024.

Corporate general and administrative

	Year Ended December 31,		
	2024	2023	Percent Change
	(in millions)		
General and administrative expenses	$ 46	$ 45	2.2 %
Share-based compensation expense	19	18	5.6 %
Other corporate expenses	4	2	100.0 %
Total corporate general and administrative	$ 69	$ 65	6.2 %

Impairment and casualty loss

During the year ended December 31, 2024, we recognized impairment losses of approximately $12 million related to two of our hotels subject to ground leases and our inability to recover the carrying value of the assets over the remaining lease term. Refer to Note 8: "Fair Value Measurements" in our audited consolidated financial statements included elsewhere within this Annual Report on Form 10-K for additional information.

During the year ended December 31, 2023, we recognized an impairment loss of approximately $202 million. Refer to Note 8: "Fair Value Measurements" in our audited consolidated financial statements included elsewhere within this Annual Report on Form 10-K for additional information.

Gain on sale of assets, net

During the years ended December 31, 2024 and 2023, we recognized a net gain of $8 million and $15 million, respectively, primarily from the sales of our consolidated hotels.

Gain on derecognition of assets

During the year ended December 31, 2024, we recognized a gain of $60 million from the accrued interest expense associated with the default of the SF Mortgage Loan, which resulted in a corresponding increase of the *contract asset* in our consolidated balance sheets, as we expect to be released from this obligation upon final resolution with the lender.

During the year ended December 31, 2023, we recognized a gain of $221 million from the derecognition of the Hilton San Francisco Hotels from our consolidated balance sheet in October 2023, when the receiver took control of the hotels. Refer to Note 7: "Debt" in our audited consolidated financial statements included elsewhere within this Annual Report on Form 10-K for additional information.

Non-operating Income and Expenses

Interest income

Interest income decreased $17 million during the year ended December 31, 2024 compared to the same period in 2023 primarily as a result of a decrease in average cash balances.

Interest expense

Interest expense increased $7 million during the year ended December 31, 2024 compared to the same period in 2023 due to the issuance of the $550 million of senior notes due in 2030 ("2030 Senior Notes") and the $200 million senior unsecured term loan due May 2027 ("2024 Term Loan"), partially offset by the repurchase and redemption of all the $650 million senior notes due in 2025 ("2025 Senior Notes"). Interest expense associated with our debt for the years ended December 31, 2024 and 2023 were as follows:

	Year Ended December 31,		
	2024	**2023**	**Percent Change**
	(in millions)		
HHV Mortgage Loan[1]	$ 55	$ 55	— %
Other mortgage loans	17	19	(10.5)%
Revolver	3	4	(25.0)%
2024 Term Loan	9	—	100.0 %
2025 Senior Notes[2]	19	49	(61.2)%
2028 Senior Notes[2]	43	43	— %
2029 Senior Notes[2]	36	36	— %
2030 Senior Notes	24	—	100.0 %
Other	8	1	700.0 %
Total interest expense	$ 214	$ 207	3.4 %

(1) In October 2016, we entered into a $1.275 billion CMBS loan secured by the Hilton Hawaiian Village Waikiki Beach Resort ("HHV Mortgage Loan").

(2) In May 2020, Park Intermediate Holdings LLC (our "Operating Company"), PK Domestic Property LLC, an indirect subsidiary of the Company ("PK Domestic"), and PK Finance Co-Issuer Inc. ("PK Finance") issued an aggregate of $650 million of 2025 Senior Notes, all of which were repurchased or redeemed during the second quarter of 2024. Our Operating Company, PK Domestic and PK Finance also issued an aggregate of $725 million of senior notes due 2028 ("2028 Senior Notes") in September 2020, an aggregate of $750 million of senior notes due 2029 ("2029 Senior Notes") in May 2021 and an aggregate of $550 million of 2030 Senior Notes in May 2024.

Our current debt outstanding is approximately $3.8 billion, excluding the SF Mortgage Loan, at a weighted average interest rate of 5.2%, of which 95% is fixed-rate debt, refer to Item 7A: "Interest Rate Risk" and Note 7: "Debt" in our audited consolidated financial statements included elsewhere within this Annual Report on Form 10-K for additional information.

Interest expense associated with hotels in receivership

Interest expense on the SF Mortgage Loan increased $15 million as compared to 2023 due to accrued default interest not beginning until June 2023 when we ceased making payments on the loan. The stated rate on the loan is 4.11%, however, beginning June 1, 2023, the default interest rate on the loan is 7.11%. Additionally, beginning June 1, 2023, the loan accrues a monthly late payment administrative fee of 3% of the monthly amount due.

Other (loss) gain, net

During the year ended December 31, 2024, we recognized a loss of approximately $4 million, which was primarily related to the write-off of the remaining unamortized deferred financing costs associated with the repurchase and redemption of all the 2025 Senior Notes.

During the year ended December 31, 2023, we recognized a gain of approximately $4 million for an early termination fee received from the lessor to terminate the lease for the Embassy Suites Phoenix Airport hotel.

Equity in earnings from investments in affiliates

Equity in earnings from investments in affiliates increased $20 million for the year ended December 31, 2024 primarily due to a $19 million gain from the sale of the Hilton La Jolla Torrey Pines.

Income tax benefit (expense)

During the year ended December 31, 2024, we recognized an income tax benefit of $61 million, which was primarily related to the release of $54 million of the valuation allowance on our deferred tax assets that we now believe to be realizable and $19 million of income tax expense that is no longer expected to be incurred primarily associated with the effective exit from the Hilton San Francisco Hotels. These benefits were offset by expense primarily generated from the taxable income of our TRSs.

During the year ended December 31, 2023, we recognized income tax expense of $38 million, primarily related to the effective exit from the Hilton San Francisco Hotels in October 2023, which resulted in incremental income tax expense of $28 million. The remaining income tax expense is primarily related to our TRSs.

Liquidity and Capital Resources

Overview

We seek to maintain sufficient amounts of liquidity with an appropriate balance of cash, debt and equity to provide financial flexibility. As of December 31, 2024, we had total cash and cash equivalents of $402 million and $38 million of restricted cash. Restricted cash primarily consists of cash restricted as to use by our debt agreements and reserves for capital expenditures in accordance with certain of our management agreements.

During 2024, we continued to experience improvements in overall demand across our portfolio and expect the improvement to continue through 2025 based on current demand trends, including an increase in city-wide events and from international travel. We continue to mitigate the effects of macroeconomic and inflationary pressures through active asset management.

With $950 million available under our revolving credit facility ("Revolver") and $402 million in existing cash and cash equivalents, we have sufficient liquidity to pay our debt maturities and to fund other liquidity obligations over the next 12 months and beyond. Excluding the SF Mortgage Loan for which we ceased to make debt service payments in June 2023 and is in default, and following the issuance of the 2030 Senior Notes and borrowings under the 2024 Term Loan, the proceeds from which collectively were used to repurchase or redeem all of the 2025 Senior Notes and for other general corporate purposes, we have no significant maturities until the fourth quarter of 2026. Refer to Note 7: "Debt" in our audited consolidated financial statements included elsewhere within this Annual Report on Form 10-K for additional information. We may also take actions to improve our liquidity, such as the issuance of additional debt, equity or equity-linked securities, if we determine that doing so would be beneficial to us. However, there can be no assurance as to the timing of any such issuance, which may be in the near term, or that any such additional financing will be completed on favorable terms, or at all.

Our known short-term liquidity requirements primarily consist of funds necessary to pay for operating expenses and other expenditures, including reimbursements to our hotel manager for payroll and related benefits, costs associated with the operation of our hotels, interest and contractually due principal payments on our outstanding indebtedness, capital expenditures for in-progress renovations and maintenance at our hotels, corporate general and administrative expenses and dividends to our stockholders. During 2024, we declared dividends of 1 per share, including our fourth quarter dividend of $0.65 that was paid on January 15, 2025 to stockholders of record as of December 31, 2024 based on 2024 operating results. In addition, we declared a first quarter dividend of $0.25 per share in February 2025 to be paid on April 15, 2025 to stockholders of record as of March 31, 2025. Many of the other expenses associated with our hotels are relatively fixed, including portions of rent expense, property taxes and insurance. Since we generally are unable to decrease these costs significantly or rapidly when demand for our hotels decreases, the resulting decline in our revenues can have a greater adverse effect on our net cash flow, margins and profits. Our long-term liquidity requirements primarily consist of funds necessary to pay for scheduled debt maturities, capital improvements at our hotels, and costs associated with potential acquisitions.

Our commitments to fund capital expenditures for renovations and maintenance at our hotels will be funded by cash and cash equivalents, restricted cash to the extent permitted by our lending agreements and cash flow from operations. We have construction contract commitments of approximately $95 million for capital expenditures at our properties, of which $25 million relates to guestroom and lobby renovations at the Hilton Hawaiian Village Waikiki Beach Resort, $15 million relates to guestroom renovations at the Hilton New Orleans Riverside and $13 million relates to guestroom and lobby renovations at the Hilton Waikoloa Village. Our contracts contain clauses that allow us to cancel all or some portion of the work. Additionally, we have established reserves for capital expenditures (“FF&E reserve”) in accordance with our management and certain debt agreements. Generally, these agreements require that we fund 4% of hotel revenues into an FF&E reserve, unless such amounts have been incurred.

Our cash management objectives continue to be to maintain the availability of liquidity, minimize operational costs, make debt payments and fund our capital expenditure programs and future acquisitions. Further, we have an investment policy that is focused on the preservation of capital and maximizing the return on new and existing investments.

Stock Repurchase Program

In February 2025, our Board terminated a previous $300 million stock repurchase program that was approved in February 2023 (the "February 2023 Stock Repurchase Program") and authorized and approved a new stock repurchase program allowing us to repurchase up to $300 million of our common stock over a two-year period ending in February 2027 (the "February 2025 Stock Repurchase Program"), subject to any applicable limitations or restrictions set forth in our credit facility and indentures related to our senior notes. Stock repurchases may be made through open market purchases, including through Rule 10b5-1 trading programs, in privately negotiated transactions, or in such other manner that would comply with applicable securities laws. The timing of any future stock repurchases and the number of shares to be repurchased will depend upon prevailing market conditions and other factors, and we may suspend the repurchase program at any time. During the year ended December 31, 2024, we repurchased approximately 8.0 million shares of our common stock under the 2023 Stock Repurchase Program for a total purchase price of $116 million, and as of December 31, 2024, prior to the termination of the February 2023 Stock Repurchase program, $34 million remained available for stock repurchases. As of February 20, 2025, no shares of our common stock have been repurchased under the new February 2025 Stock Repurchase Program.

Sources and Uses of Our Cash and Cash Equivalents

The following tables summarize our net cash flows and key metrics related to our liquidity:

	Year Ended December 31,		
	2024	2023	Percent Change
	(in millions)		
Net cash provided by operating activities	$ 429	$ 503	(14.7)%
Net cash used in investing activities	(166)	(217)	(23.5)%
Net cash used in financing activities	(573)	(475)	20.6 %

Operating Activities

Cash flow provided by operating activities are primarily generated from the operating income generated at our hotels. The $74 million decrease in net cash provided by operating activities for the year ended December 31, 2024 compared to the year ended December 31, 2023 was primarily due to an increase in cash paid for taxes of $8 million, a decrease in interest received of $17 million due to a decrease in average cash balances and timing of receipts from our customers and payments to our vendors and other third parties.

Investing Activities

The $166 million in net cash used in investing activities for the year ended December 31, 2024 was primarily attributable to $227 million of capital expenditures, partially offset by $30 million of net distributions from unconsolidated affiliates primarily related to the sale of the Hilton La Jolla Torrey Pines and $31 million of net proceeds from the sale of the DoubleTree Hotel Spokane City Center.

The $217 million in net cash used in investing activities for the year ended December 31, 2023 was primarily attributable to $296 million of capital expenditures and land acquisitions and a $30 million reduction of restricted cash associated with the derecognition of the Hilton San Francisco hotels, partially offset by $116 million of net proceeds from the sale of one of our hotels.

Financing Activities

The $573 million in net cash used in financing activities for the year ended December 31, 2024 was primarily attributable to $672 million of debt repayments, $512 million of dividends paid and the repurchase of approximately 8.0 million shares of our common stock for $116 million, offset by the issuance of $550 million of 2030 Senior Notes and the $200 million 2024 Term Loan.

The $475 million in net cash used in financing activities for the year ended December 31, 2023 was primarily attributable to the repurchase of approximately 14.6 million shares of our common stock for $180 million, $152 million of dividends paid and $133 million of debt repayments.

Dividends

As a REIT, we are required to distribute at least 90% of our REIT taxable income, determined without regard to the deduction for dividends paid and excluding net capital gains, to our stockholders on an annual basis. Therefore, as a general matter, we intend to make distributions of all, or substantially all, of our REIT taxable income (including net capital gains) to our stockholders, and, as a result, we will generally not be required to pay tax on our REIT income. Consequently, it is unlikely that we will be able to retain substantial cash balances that could be used to meet our liquidity needs from our annual taxable income. Instead, we will need to meet these needs from external sources of capital and amounts, if any, by which our cash flow generated from operations exceeds taxable income.

We declared the following dividends to holders of our common stock during 2024:

Record Date	Payment Date	Dividend per Share	
March 29, 2024	April 15, 2024	$	0.25
June 28, 2024	July 15, 2024	$	0.25
September 30, 2024	October 15, 2024	$	0.25
December 31, 2024	January 15, 2025	$	0.65

Debt

As of December 31, 2024, our total indebtedness was approximately $3.8 billion, including over $2 billion of our Senior Notes and excluding the $725 million SF Mortgage Loan (that we ceased making debt service payments in June 2023) and our share of debt from investments in affiliates. Substantially all the debt of such unconsolidated affiliates is secured solely by the affiliates' assets or is guaranteed by other partners without recourse to us. Refer to Note 7: "Debt" in our audited consolidated financial statements included elsewhere within this Annual Report on Form 10-K for additional information.

Critical Accounting Estimates

The preparation of our financial statements in accordance with U.S. GAAP requires us to make estimates and assumptions that affect the reported amounts of assets and liabilities as of the date of our financial statements, the reported amounts of revenues and expenses during the reporting periods and the related disclosures in our historical consolidated financial statements and accompanying footnotes. We believe that of our significant accounting policies, which are described in Note 2: "Basis of Presentation and Summary of Significant Accounting Policies" in our audited consolidated financial statements included elsewhere within this Annual Report on Form 10-K, the following accounting policies are critical because they involve a higher degree of judgment, and the estimates required to be made were based on assumptions that are inherently uncertain. As a result, these accounting policies could materially affect our financial position, results of operations and related disclosures. On an ongoing basis, we evaluate these estimates and judgments based on historical experiences and various other factors that are believed to reflect the current circumstances. While we believe our estimates, assumptions and judgments are reasonable, they are based on information presently available. Actual results may differ significantly from these estimates due to changes in judgments, assumptions and conditions as a result of unforeseen events or otherwise, which could have a material effect on our financial position or results of operations.

Acquisitions

We evaluate each of our acquisitions to determine if it is as an asset acquisition or a business combination. An asset acquisition occurs when substantially all the fair value of an acquisition is concentrated in a single identifiable asset or a group of similar identifiable assets. In an acquisition of assets, the total cash consideration, including transaction costs is allocated to the individual assets acquired and liabilities assumed, respectively, on a relative fair value basis. In a business combination, the assets acquired and liabilities assumed are measured at fair value. We evaluate several factors, including market data for similar assets, expected future cash flows discounted at risk-adjusted rates and replacement cost for the assets to determine an appropriate fair value of the assets. Changes to these factors could affect the measurement of assets and liabilities.

Impairment of Long-Lived Assets with Finite Lives

We evaluate the carrying value of our property and equipment and intangible assets with finite lives by comparing the expected undiscounted future cash flows to the net book value of the assets if we determine there are indicators of potential impairment. If it is determined that the expected undiscounted future cash flows are less than the net book value of the assets, the excess of the net book value over the estimated fair value is recorded in our consolidated statements of operations as an impairment loss.

As part of the process described above, we exercise judgment to:

- determine if there are indicators of impairment present. Factors we consider when making this determination include assessing the overall effect of trends in the hospitality industry and the general economy, historical experience, capital costs and other asset-specific information;
- determine the projected undiscounted future cash flows when indicators of impairment are present. Judgment is required when developing projections of future revenues and expenses based on estimated growth rates over the expected hold period of the asset group. These estimated growth rates are based on historical operating results, as well as various internal projections and external sources; and
- determine the asset fair value when required. In determining the fair value, we often use internally-developed discounted cash flow models. Assumptions used in the discounted cash flow models include estimating cash flows, which may require us to adjust for specific market conditions, as well as capitalization rates, which are based on location, property or asset type, market-specific dynamics and overall economic performance. The discount rate takes into account our weighted average cost of capital according to our capital structure and other market specific considerations.

Changes in estimates and assumptions used, including with respect to the anticipated holding period, in our impairment testing of property and equipment and intangible assets with finite lives could result in future impairment losses, which could be material.

Income Taxes

We account for income taxes using the asset and liability method under which deferred tax assets and liabilities are recognized for the estimated future tax consequences attributable to the differences between the financial statement carrying amounts of existing assets and liabilities and their respective income tax bases, and for net operating loss, capital loss and tax credit carryforwards. The deferred tax assets and liabilities are measured using the enacted income tax rates in effect for the year in which those temporary differences are expected to be realized or settled. Deferred tax assets are recognized only to the extent that it is more likely than not that they will be realized based on consideration of all available evidence, including the future reversals of existing taxable temporary differences, future projected taxable income and tax planning strategies. Valuation allowances are provided if, based upon the weight of available evidence, it is more likely than not that some or all of the deferred tax assets will not be realized.

We use a prescribed more-likely-than-not recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return if there is uncertainty in income taxes recognized in the financial statements. Assumptions and estimates are used to determine the more-likely-than-not designation. Changes to these assumptions and estimates can lead to an additional income tax expense (benefit), which can materially change our consolidated financial statements.

Consolidation

We use judgment when evaluating whether we have a controlling financial interest in an entity, including the assessment of the importance of rights and privileges of the partners based on voting rights, as well as financial interests in an entity that are not controllable through voting interests. If the entity is considered to be a variable interest entity (“VIE”), we use judgment determining whether we are the primary beneficiary, and then consolidate those VIEs for which we have determined we are the primary beneficiary. If the entity in which we hold an interest does not meet the definition of a VIE, we evaluate whether we have a controlling financial interest through our voting interest in the entity. Changes to judgments used in evaluating our partnerships and other investments could materially affect our consolidated financial statements.

Item 7A. Quantitative and Qualitative Disclosures About Market Risk.

We are exposed to market risk primarily from changes in interest rates, which may affect our future income, cash flows and fair value, depending on changes to interest rates. In certain situations, we may seek to reduce cash flow volatility associated with changes in interest rates by entering into financial arrangements intended to provide a hedge against a portion of the risks associated with such volatility.

Interest Rate Risk

We are exposed to interest rate risk on our variable-rate debt. The interest rate on our variable-rate debt discussed below is based on the secured overnight financing rate ("SOFR"), and our risk related to future interest rates is most vulnerable to changes in this rate.

The following table sets forth the contractual maturities and the total fair values as of December 31, 2024 for our financial instruments that are materially affected by interest rate risk:

	Maturities by Period							
	2025[1]	2026	2027	2028	2029	Thereafter	Carrying Value	Fair Value
	(in millions, excluding average interest rate)							
Liabilities:								
Fixed-rate debt	$ 60	$ 1,550	$ 30	$ 725	$ 750	$ 550	$ 3,665	$ 3,538
Average interest rate	4.82 %	4.20 %	5.37 %	5.88 %	4.88 %	7.00 %	5.11 %	
Variable-rate debt	$ —	$ —	$ 200	$ —	$ —	$ —	$ 200	$ 199
Average interest rate	— %	— %	6.21 %	— %	— %	— %	6.21 %	

(1) Excludes the SF Mortgage Loan.

Refer to Note 7: "Debt" in our audited consolidated financial statements included elsewhere in this Annual Report on Form 10-K for additional information.

Item 8. Financial Statements and Supplementary Data.

INDEX TO CONSOLIDATED FINANCIAL STATEMENTS

Management’s Report on Internal Control Over Financial Reporting

Management of Park Hotels & Resorts Inc. (the “Company”) is responsible for establishing and maintaining adequate internal control over financial reporting as such term is defined in Rules 13a-15(f) and 15d-15(f) under the Securities Exchange Act of 1934, as amended. The Company’s internal control over financial reporting is designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with U.S. generally accepted accounting principles. The Company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of the Company’s management and directors; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of assets of the Company that could have a material effect on the financial statements.

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

Management has assessed the effectiveness of the Company’s internal control over financial reporting as of December 31, 2024. In making this assessment, management used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) in Internal Control—Integrated Framework (2013). Based on this assessment, management determined that the Company maintained effective internal control over financial reporting as of December 31, 2024.

Ernst & Young LLP, the independent registered public accounting firm that has audited the consolidated financial statements included in this Annual Report on Form 10-K, has issued an attestation report on the Company’s internal control over financial reporting as of December 31, 2024. The report is included herein.

Report of Independent Registered Public Accounting Firm

To the Stockholders and the Board of Directors of Park Hotels & Resorts Inc.

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Park Hotels & Resorts Inc. (the Company) as of December 31, 2024 and 2023, the related consolidated statements of operations, cash flows and equity for each of the three years in the period ended December 31, 2024, and the related notes and financial statement schedule listed in the Index at Item 15 (collectively referred to as the "consolidated financial statements"). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company at December 31, 2024 and 2023, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2024, in conformity with U.S. generally accepted accounting principles.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of December 31, 2024, based on criteria established in Internal Control — Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework), and our report dated February 20, 2025 expressed an unqualified opinion thereon.

Basis for Opinion

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

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

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current period audit of the financial statements that was communicated or required to be communicated to the audit committee and that: (1) relates to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective or complex judgments. The communication of the critical audit matter does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Assessment of Property and Equipment for Impairment

Description of the Matter	The Company had property and equipment, net of $7,398 million as of December 31, 2024 and recognized an impairment loss of approximately $12 million during the year ended December 31, 2024 as disclosed in Note 4 of the consolidated financial statements. As discussed in Note 2 of the consolidated financial statements, property and equipment is evaluated for recoverability based on expected undiscounted future cash flows if there are indicators of impairment. If it is determined that the expected undiscounted future cash flows are less than the net book value of the asset group, the excess of the net book value over the estimated fair value is recorded within impairment losses. Auditing management's assessment of impairment of property and equipment was complex and highly judgmental due to the significant estimation required in determining the timing and amount of expected undiscounted future cash flows and capitalization rates used to assess properties for impairment. In particular, the expected future cash flows are based on significant estimates, including projections of future income and estimated growth rates. Further, a fair value measurement can be highly sensitive to changes in capitalization and discount rates, that are estimated based on future economic and market conditions.
How We Addressed the Matter in Our Audit	We obtained an understanding, evaluated the design, and tested the operating effectiveness of controls over the Company's review process for evaluating property and equipment for impairment, including controls over management's review of the significant assumptions described above. Our testing of the Company's impairment assessment included, among other procedures, evaluating the significant assumptions and testing the completeness and accuracy of the underlying data used by the Company to develop the expected future cash flows for their properties. We compared the significant assumptions, including growth rates and capitalization rates, used by management to current industry and economic trends, and changes to the Company's strategy. We assessed the historical accuracy of management's estimates and performed sensitivity analyses of significant assumptions to evaluate changes in the expected future cash flows that would result from changes in the assumptions. We also evaluated certain assumptions used in management's assessment for impairment using external sources.

/s/ Ernst & Young LLP

We have served as the Company's auditor since 2016.

Tysons, Virginia
February 20, 2025

Report of Independent Registered Public Accounting Firm

To the Stockholders and the Board of Directors of Park Hotels & Resorts Inc.

Opinion on Internal Control Over Financial Reporting

We have audited Park Hotels & Resorts Inc.'s internal control over financial reporting as of December 31, 2024, based on criteria established in Internal Control—Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework) (the COSO criteria). In our opinion, Park Hotels & Resorts Inc. (the Company) maintained, in all material respects, effective internal control over financial reporting as of December 31, 2024, based on the COSO criteria.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated balance sheets of the Company as of December 31, 2024 and 2023, the related consolidated statements of operations, cash flows and equity for each of the three years in the period ended December 31, 2024, and the related notes and financial statement schedule listed in the Index at Item 15 and our report dated February 20, 2025 expressed an unqualified opinion thereon.

Basis for Opinion

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

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

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

Definition and Limitations of Internal Control Over Financial Reporting

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

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

/s/ Ernst & Young LLP

Tysons, Virginia
February 20, 2025

PARK HOTELS & RESORTS INC.
CONSOLIDATED BALANCE SHEETS
(in millions, except share and per share data)

	December 31, 2024	December 31, 2023
ASSETS		
Property and equipment, net	$ 7,398	$ 7,459
Contract asset	820	760
Intangibles, net	41	42
Cash and cash equivalents	402	717
Restricted cash	38	33
Accounts receivable, net of allowance for doubtful accounts of $4 and $3	131	112
Prepaid expenses	69	59
Other assets	71	40
Operating lease right-of-use assets	191	197
TOTAL ASSETS (variable interest entities – $223 and $236)	$ 9,161	$ 9,419
LIABILITIES AND EQUITY		
Liabilities		
Debt	$ 3,841	$ 3,765
Debt associated with hotels in receivership	725	725
Accrued interest associated with hotels in receivership	95	35
Accounts payable and accrued expenses	226	210
Dividends payable	138	362
Due to hotel managers	138	131
Other liabilities	179	200
Operating lease liabilities	225	223
Total liabilities (variable interest entities – $201 and $218)	5,567	5,651
Commitments and contingencies – refer to Note 15		
Stockholders' Equity		
Common stock, par value $0.01 per share, 6,000,000,000 shares authorized, 203,407,320 shares issued and 202,553,194 shares outstanding as of December 31, 2024 and 210,676,264 shares issued and 209,987,581 shares outstanding as of December 31, 2023	2	2
Additional paid-in capital	4,063	4,156
Accumulated deficit	(420)	(344)
Total stockholders' equity	3,645	3,814
Noncontrolling interests	(51)	(46)
Total equity	3,594	3,768
TOTAL LIABILITIES AND EQUITY	$ 9,161	$ 9,419

Refer to the notes to the consolidated financial statements.

PARK HOTELS & RESORTS INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
(in millions, except per share data)

	Year Ended December 31, 2024	2023	2022
Revenues			
Rooms	$ 1,569	$ 1,653	$ 1,559
Food and beverage	688	696	606
Ancillary hotel	256	264	261
Other	86	85	75
Total revenues	2,599	2,698	2,501
Operating expenses			
Rooms	419	449	408
Food and beverage	474	501	449
Other departmental and support	605	635	613
Other property	231	241	223
Management fees	125	126	115
Impairment and casualty loss	14	204	6
Depreciation and amortization	257	287	269
Corporate general and administrative	69	65	63
Other	82	83	72
Total expenses	2,276	2,591	2,218
Gain on sale of assets, net	8	15	13
Gain on derecognition of assets	60	221	—
Operating income	391	343	296
Interest income	21	38	13
Interest expense	(214)	(207)	(217)
Interest expense associated with hotels in receivership	(60)	(45)	(30)
Equity in earnings from investments in affiliates	31	11	15
Other (loss) gain, net	(4)	4	96
Income before income taxes	165	144	173
Income tax benefit (expense)	61	(38)	—
Net income	226	106	173
Net income attributable to noncontrolling interests	(14)	(9)	(11)
Net income attributable to stockholders	$ 212	$ 97	$ 162
Earnings per share:			
Earnings per share – Basic	$ 1.02	$ 0.44	$ 0.71
Earnings per share – Diluted	$ 1.01	$ 0.44	$ 0.71
Weighted average shares outstanding – Basic	207	214	228
Weighted average shares outstanding – Diluted	209	215	228

Refer to the notes to the consolidated financial statements.

PARK HOTELS & RESORTS INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(in millions)

	Year Ended December 31,		
	2024	**2023**	**2022**
Operating Activities:			
Net income	$ 226	$ 106	$ 173
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization	257	287	269
Gain on sales of assets, net	(8)	(15)	(13)
Gain on derecognition of assets	(60)	(221)	—
Impairment loss	12	204	6
Equity in earnings from investments in affiliates	(31)	(11)	(15)
Other loss (gain), net	3	(2)	(90)
Share-based compensation expense	19	18	17
Amortization of deferred financing costs	9	9	10
Distributions from unconsolidated affiliates	8	10	7
Deferred income taxes	(62)	14	(2)
Changes in operating assets and liabilities:			
Accounts receivable, net	(19)	9	(33)
Prepaid expenses	(10)	(4)	(23)
Other assets	1	18	32
Accounts payable and accrued expenses	76	82	44
Due to hotel managers	7	(10)	30
Other liabilities	4	16	(4)
Other	(3)	(7)	1
Net cash provided by operating activities	429	503	409
Investing Activities:			
Capital expenditures for property and equipment	(227)	(285)	(168)
Acquisitions, net	—	(11)	—
Proceeds from asset dispositions, net	31	116	143
Proceeds from the sale of investments in affiliates, net	—	3	101
Reduction of restricted cash from derecognition of assets	—	(30)	—
Distributions from unconsolidated affiliates	37	—	11
Contributions to unconsolidated affiliates	(7)	(10)	—
Net cash (used in) provided by investing activities	(166)	(217)	87
Financing Activities:			
Proceeds from issuance of Senior Notes	550	—	—
Repurchase or redemption of Senior Notes	(650)	—	—
Borrowings from credit facilities	200	—	50
Repayments of credit facilities	—	(50)	(78)
Proceeds from issuance of mortgage debt	—	—	30
Repayments of mortgage debt	(22)	(83)	(64)
Debt issuance costs	(11)	(1)	(11)
Dividends paid	(512)	(152)	(7)
Distributions to noncontrolling interests, net	(7)	(7)	(10)
Tax withholdings on share-based compensation	(5)	(2)	(3)
Repurchase of common stock	(116)	(180)	(227)
Net cash used in financing activities	(573)	(475)	(320)
Net (decrease) increase in cash and cash equivalents and restricted cash	(310)	(189)	176
Cash and cash equivalents and restricted cash, beginning of period	750	939	763
Cash and cash equivalents and restricted cash, end of period	$ 440	$ 750	$ 939

For supplemental disclosures, refer to Note 16: "Supplemental Disclosures of Cash Flow Information"

Refer to the notes to the consolidated financial statements.

PARK HOTELS & RESORTS INC.
CONSOLIDATED STATEMENTS OF EQUITY
(in millions)

	Common Stock		Additional Paid-in Capital	(Accumulated Deficit) Retained Earnings	Non-controlling Interests	Total
	Shares	Amount				
Balance as of December 31, 2021	236	$ 2	$ 4,533	$ (83)	$ (49)	$ 4,403
Share-based compensation, net	—	—	15	—	—	15
Net income	—	—	—	162	11	173
Dividends and dividend equivalents[1]	—	—	—	(63)	—	(63)
Repurchase of common stock	(12)	—	(227)	—	—	(227)
Distributions to noncontrolling interests	—	—	—	—	(10)	(10)
Balance as of December 31, 2022	224	2	4,321	16	(48)	4,291
Share-based compensation, net	1	—	15	1	—	16
Net income	—	—	—	97	9	106
Dividends and dividend equivalents[1]	—	—	—	(458)	—	(458)
Repurchase of common stock	(15)	—	(180)	—	—	(180)
Distributions to noncontrolling interests	—	—	—	—	(7)	(7)
Balance as of December 31, 2023	210	2	4,156	(344)	(46)	3,768
Share-based compensation, net	1	—	11	3	—	14
Net income	—	—	—	212	14	226
Dividends and dividend equivalents[1]	—	—	—	(291)	—	(291)
Repurchase of common stock	(8)	—	(116)	—	—	(116)
Distributions to noncontrolling interests	—	—	—	—	(7)	(7)
Reallocation of noncontrolling interests	—	—	12	—	(12)	—
Balance as of December 31, 2024	203	$ 2	$ 4,063	$ (420)	$ (51)	$ 3,594

(1) Dividends declared per common share were $1.40, $2.15, which included a special cash dividend of $0.77 per common share, and $0.28 for the years ended December 31, 2024, 2023 and 2022, respectively.

Refer to the notes to the consolidated financial statements.

PARK HOTELS & RESORTS INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Note 1: Organization

Park Hotels & Resorts Inc. (“we,” “us,” “our” or the “Company” and, exclusive of any subsidiaries, "Park Parent") is a Delaware corporation that owns a portfolio of premium-branded hotels and resorts primarily located in prime city center and resort locations. On January 3, 2017, Hilton Worldwide Holdings Inc. (“Hilton” or "Parent") completed the spin-off of a portfolio of premium hotels and resorts that established Park Hotels & Resorts Inc. as an independent, publicly traded company. On September 18, 2019, we acquired Chesapeake Lodging Trust.

We are a real estate investment trust (“REIT”) for United States (“U.S.”) federal income tax purposes. We have been organized and operated, and we expect to continue to be organized and operate, in a manner to qualify as a REIT. From the date of our spin-off from Hilton, Park Intermediate Holdings LLC (our “Operating Company”), directly or indirectly, has held all our assets and has conducted all of our operations. We are structured as a traditional umbrella partnership REIT ("UPREIT"). Park Parent is the managing member of our Operating Company, and PK Domestic REIT Inc., a direct subsidiary of Park Parent, is a member of our Operating Company. We may, in the future, issue interests in (or from) our Operating Company in connection with acquiring hotels, financings, issuance of equity compensation or other purposes.

Note 2: Basis of Presentation and Summary of Significant Accounting Policies

Basis of Presentation

Principles of Consolidation

The consolidated financial statements include the accounts of the Company, our wholly owned subsidiaries and entities in which we have a controlling financial interest, including variable interest entities (“VIEs”) where we are the primary beneficiary. The consolidated financial statements reflect our financial position, results of operations and cash flows, in conformity with U.S. generally accepted accounting principles (“U.S. GAAP”). All significant intercompany transactions and balances within these consolidated financial statements have been eliminated.

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Summary of Significant Accounting Policies

Property and Equipment

Property and equipment are recorded at cost, and interest applicable to major construction or development projects is capitalized. Costs of improvements that extend the economic life or improve service potential are also capitalized. Capitalized costs are depreciated over their estimated useful lives. Costs for normal repairs and maintenance are expensed as incurred.

Depreciation is recorded using the straight-line method over the assets’ estimated useful lives, which are generally as follows: buildings and improvements (8 to 40 years); furniture and equipment (3 to 8 years); and computer equipment and acquired software (3 years). Leasehold improvements are depreciated over the shorter of the estimated useful life, based on the estimates above, or the lease term.

We evaluate the carrying value of our property and equipment if there are indicators of potential impairment. We perform an analysis to determine the recoverability of the asset’s carrying value by comparing the expected undiscounted future cash flows to the net book value of the asset. If it is determined that the expected undiscounted future cash flows are less than the net book value of the asset, the excess of the net book value over the estimated fair value is recorded in our consolidated statements of operations within impairment losses. Fair value is generally estimated using valuation techniques that consider the discounted cash flows of the asset using discount and capitalization rates deemed reasonable for the type of asset, as well as prevailing market conditions, appraisals, recent similar transactions in the market and, if appropriate and available, current estimated net sales proceeds from pending offers.

If sufficient information exists to reasonably estimate the fair value of a conditional asset retirement obligation, including environmental remediation liabilities, we recognize the fair value of the obligation when the obligation is incurred, which is generally upon acquisition, construction or development and/or through the normal operation of the asset.

Assets Held for Sale

We classify a property as held for sale when we commit to a plan to sell the asset, the sale of the asset is probable within one year, and it is unlikely that action to complete the sale will change or that the sale will be withdrawn. When we determine that classification of an asset as held for sale is appropriate, we cease recording depreciation for the asset and value the property at the lower of depreciated cost or fair value, less costs to dispose. Further, the related assets and liabilities of the held for sale property will be classified as assets held for sale in our consolidated balance sheets. Any gains on sales of properties are recognized at the time of sale or deferred and recognized in *net income* in subsequent periods as any relevant conditions requiring deferral are satisfied.

Investments in Affiliates

The consolidated financial statements include entities in which we have a controlling financial interest, including VIEs where we are the primary beneficiary. The determination of a controlling financial interest is based upon the terms of the governing agreements of the respective entities, including the evaluation of rights held by other interests. If the entity is considered to be a VIE, we determine whether we are the primary beneficiary, and then consolidate those VIEs for which we have determined we are the primary beneficiary. If the entity in which we hold an interest does not meet the definition of a VIE, we evaluate whether we have a controlling financial interest through our voting interests in the entity. We consolidate entities when we own more than 50 percent of the voting shares of a company or otherwise have a controlling financial interest. References in these financial statements to *net income attributable to stockholders* do not include non-controlling interests, which represent the outside ownership interests of our consolidated, non-wholly owned entities and are reported separately.

We hold investments in affiliates that primarily own or lease hotels. Investments in affiliates over which we exercise significant influence, but lack a controlling financial interest, are accounted for using the equity method. We account for investments using the equity method when we have the ability to exercise significant influence over the entity, typically through a more than minimal investment.

Our proportionate share of earnings (losses) from our equity method investments is presented as *equity in earnings from investments in affiliates* in our consolidated statements of operations. Distributions from investments in affiliates are presented as an operating activity in our consolidated statements of cash flows when such distributions are a return on investment. Distributions from investments in affiliates are recorded as an investing activity in our consolidated statements of cash flows when such distributions are a return of investment.

We assess the recoverability of our equity method investments if there are indicators of potential impairment. If an identified event or change in circumstances requires an evaluation to determine if an investment may have an other-than-temporary impairment, we assess the fair value of the investment based on accepted valuation methodologies, which include discounted cash flows, estimates of sales proceeds and external appraisals. If an investment's fair value is below its carrying value and the decline is considered to be other-than-temporary, we will recognize an impairment loss in *equity in earnings from investments in affiliates* in our consolidated statements of operations.

Non-controlling Interests

We present the portion of any equity that we do not own in entities that we have a controlling financial interest (and thus consolidate) as non-controlling interests and classify those interests as a component of total equity, separate from total stockholders' equity, on our consolidated balance sheets. For consolidated joint ventures with pro rata distribution allocations, net income or loss is allocated between the joint venture partners based on their respective stated ownership percentages. In addition, we include net income (loss) attributable to the noncontrolling interest in *net income* in our consolidated statements of operations.

Intangible Assets

Intangible assets with finite useful lives primarily include an air rights contract. The air rights contract value is based on the present value of the difference between the contractual rental amounts and the market rental rates for similar contracts, measured over a period equal to the remaining non-cancellable term of the contract. Intangible assets are amortized using the straight-line method over the remaining term of the contract.

We review all finite lived intangible assets for impairment when circumstances indicate that their carrying amounts may not be recoverable. If the carrying value of an asset group is not recoverable, we recognize an impairment loss for the excess of the carrying value over the fair value in our consolidated statements of operations.

Asset Acquisitions

We consider an asset acquisition to occur when substantially all the fair value of an acquisition is concentrated in a single identifiable asset or a group of similar identifiable assets. In an acquisition of assets, we are not required to expense our acquisition-related costs, and goodwill is not assigned. We will account for the properties purchased as asset acquisitions by allocating the total cash consideration, including transaction costs, to the individual assets acquired and liabilities assumed, respectively, on a relative fair value basis.

Business Combinations

We consider a business combination to occur when we take control of a business by acquiring its net assets or equity interests. We record the assets acquired, liabilities assumed and non-controlling interests at fair value as of the acquisition date, including any contingent consideration. We evaluate factors, including market data for similar assets, expected future cash flows discounted at risk-adjusted rates and replacement cost for the assets to determine an appropriate fair value of the assets. Acquisition-related costs, such as due diligence, legal and accounting fees, are expensed in the period incurred and are not capitalized or applied in determining the fair value of the acquired assets.

Cash and Cash Equivalents

Cash and cash equivalents include all highly liquid investments with original maturities, when purchased, of three months or less.

Restricted Cash

Restricted cash includes cash balances established as lender reserves required by our debt agreements and reserves for capital expenditures in accordance with certain of our management agreements.

Allowance for Doubtful Accounts

An allowance for doubtful accounts is provided on accounts receivable when losses are probable based on historical collection activity and current business conditions.

Leases

We consider an arrangement to contain a lease if it conveys the right to control the use of an identified asset for a period of time in exchange for compensation. Right-of-use (“ROU”) assets represent our right to use an underlying asset for the lease term and lease liabilities represent the present value of our fixed payment obligations. Leases with a term of 12 months or less are not recorded on the balance sheet. We use our estimated incremental borrowing rate to determine the present value of our lease obligations. Our operating leases may require fixed payments, variable payments based on a percentage of revenue or income, or payments equal to the greater of a fixed or variable payment. Variable payments are excluded from the ROU assets and lease liabilities and are recognized in the period in which the obligation is incurred. Operating lease expense is recognized on a straight-line basis over the lease term. Our lease terms include renewal options that we are reasonably certain to exercise, and renewal options controlled by the lessor.

Fair Value Measurements—Valuation Hierarchy

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants on the measurement date (an exit price). We use the three-level valuation hierarchy for classification of fair value measurements. The valuation hierarchy is based upon the transparency of inputs to the valuation of an asset or liability as of the measurement date. Inputs refer broadly to the assumptions that market participants would use in pricing an asset or liability. Inputs may be observable or unobservable. Observable inputs are inputs that reflect the assumptions market participants would use in pricing the asset or liability developed based on market data obtained from independent sources. Unobservable inputs are inputs that reflect our own assumptions about the assumptions market participants would use in pricing the asset or liability developed based on the best information available in the circumstances. The three-level hierarchy of inputs is summarized below:

- Level 1—Valuation is based upon quoted prices (unadjusted) for identical assets or liabilities in active markets.
- Level 2—Valuation is based upon quoted prices for similar assets and liabilities in active markets, or other inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the instrument.
- Level 3—Valuation is based upon other unobservable inputs that are significant to the fair value measurement.

The classification of assets and liabilities within the valuation hierarchy is based upon the lowest level of input that is significant to the fair value measurement in its entirety at the end of each reporting period.

Revenue Recognition

Our results of operations primarily consist of room rentals, food and beverage sales and other ancillary goods and services from hotel properties. Other revenues primarily relate to support services we provide to Hilton Grand Vacations (“HGV”). Hotel operating revenues are disaggregated into room revenue, food and beverage revenue, ancillary hotel revenue and other revenue on the consolidated statements of operations to illustrate how economic factors affect the nature, amount and timing, and uncertainty of revenue and cash flows. Rooms revenue is recognized over time when rooms are occupied and food and beverage revenue is recognized at a point in time when goods and services have been delivered or rendered. Ancillary hotel revenue and other revenue is generally recognized at a point in time as goods and services are delivered or rendered.

We assess if we are the principal or agent for certain ancillary services provided by third parties. If we are the principal, we recognize revenue based on the gross sales price. If we are the agent, we recognize revenue net of costs paid to service providers. Payment received for a future stay or event is recognized as an advance deposit, which is included in *other liabilities* on our consolidated balance sheets. Advance deposits are recognized as revenue when rooms are occupied or goods or services have been delivered or rendered to our customer. Our advance deposit balance as of December 31, 2024 and 2023 was $120 million and $107 million, respectively, and are generally recognized as revenue within a one-year period. Additionally, we collect sales, use, occupancy and similar taxes at our hotels, which we present on a net basis (excluded from revenues) in our consolidated statements of operations.

Share-based Compensation

We recognize the cost of services received in share-based payment transactions with employees and non-employee directors as services are received and recognize a corresponding increase in additional paid-in capital for equity classified awards. We account for any forfeitures when they occur.

The measurement objective for these equity awards is the estimated fair value at the grant date of the equity instruments that we will be obligated to issue when employees have rendered the requisite service and satisfied any other conditions necessary to earn the right to benefit from the instruments. The compensation expense for an award classified as an equity instrument is recognized ratably over the requisite service period. The requisite service period is the period during which an employee is required to provide service in exchange for an award.

Income Taxes

We have been organized and operated, and we expect to continue to be organized and operate, in a manner to qualify as a REIT. To qualify as a REIT, we must satisfy requirements related to, among other things, the real estate qualification of sources of our income, the real estate composition and values of our assets, the amounts we distribute to our stockholders annually and the diversity of ownership of our stock. To the extent we continue to remain qualified as a REIT, we generally will not be subject to U.S. federal (and state) income tax on taxable income generated by our REIT activities that we distribute annually to our stockholders. Accordingly, no provision for U.S. federal income taxes has been included in our accompanying consolidated financial statements for the years ended December 31, 2024, 2023 and 2022 related to our REIT activities other than taxes related to our sale of built-in gain property (representing property held by us with an excess of fair value over tax basis on January 4, 2017). We will remain subject to California income tax on taxable sales of built-in-gain property until January 2027. Further, our taxable REIT subsidiaries (“TRSs”) are generally subject to U.S. federal, state and local, and foreign income taxes (as applicable).

We account for income taxes using the asset and liability method. The objectives of accounting for income taxes are to recognize the amount of taxes payable or refundable for the current year, to recognize the deferred tax assets and liabilities that relate to tax consequences in future years, which result from differences between the respective tax basis of assets and liabilities and their financial reporting amounts, and to recognize tax loss and tax credit carry forwards. Deferred tax assets and liabilities are measured using enacted tax rates in effect for the year in which the respective temporary differences or operating loss or tax credit carry forwards are expected to be recovered or settled. The realization of deferred tax assets and tax loss and tax credit carry forwards is contingent upon the generation of future taxable income and other restrictions that may exist under the tax laws of the jurisdiction in which a deferred tax asset exists. Valuation allowances are provided to reduce such deferred tax assets to amounts more likely than not to be ultimately realized.

We use a prescribed recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken in a tax return. For all income tax positions, we first determine whether it is “more-likely-than-not” that a tax position will be sustained upon examination, including resolution of any related appeals or litigation processes, based on the technical merits of the position. If it is determined that a position meets the more-likely-than-not recognition threshold, the benefit recognized in the financial statements is measured as the largest amount of benefit that is greater than 50 percent likely of being realized upon settlement.

Recently Issued Accounting Pronouncements

Accounting Standards Not Yet Adopted

In December 2023, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2023-09 ("ASU 2023-09"), *Income Taxes (Topic 740) - Improvements to Income Tax Disclosures,* which enhances income tax disclosures, including disclosures about the existing rate reconciliation and income taxes paid information. We expect to adopt ASU 2023-09 when the requirements become effective for the year-ended December 31, 2025. ASU 2023-09 is required to be adopted on a prospective basis, but retrospective adoption is permitted. We are currently evaluating the effect that ASU 2023-09 will have on our consolidated financial statements.

In November 2024, the FASB issued ASU No. 2024-03 ("ASU 2024-03"), *Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures (Subtopic 220-40)*, which adds guidance on providing qualitative and quantitative disclosures about certain costs and expenses. Although early adoption is permitted, we expect to adopt ASU-2024 03 on a prospective basis when the requirements become effective for the year ended December 31, 2027. We are currently evaluating the effect that ASU 2024-03 will have on our consolidated financial statements.

Accounting Standards Adopted

In November 2023, the FASB issued ASU No. 2023-07 ("ASU 2023-07"), *Segment Reporting (Topic 280) – Improvements to Reportable Segment Disclosures*, which enhances segment disclosures, including disclosures about significant segment expenses. We adopted this ASU on a retrospective basis for the year-ended December 31, 2024. We have added incremental disclosures identifying the title and position of the chief operating decision maker (“CODM”) and how the CODM uses our reported measure of segment profit or loss in assessing segment performance and deciding how to allocate resources, as well as incremental disclosures about our significant expenses for our only reportable segment . Refer to Note 14: "Business Segment Information" for additional information.

Note 3: Acquisitions and Dispositions

Acquisitions

During the year ended December 31, 2023, we acquired two parcels of land, adjacent to the Hilton Hawaiian Village Waikiki Beach Resort, for a purchase price of approximately $18 million, including transaction costs. We accounted for the purchase as an acquisition of an asset, and the entire purchase price was allocated to land.

Dispositions

In December 2024, the consolidated joint venture that owned the DoubleTree Hotel Spokane City Center sold the hotel for gross proceeds of approximately $35 million. Proceeds were used to repay the $14 million mortgage loan secured by the hotel, and after paying customary closing expenses, our pro-rata share of the remaining net proceeds was approximately $10 million and will be used for general corporate purposes. We recognized a gain of approximately $8 million, which is included in *gain on sale of assets, net* in our consolidated statements of operations.

In July 2024, the unconsolidated joint venture that owned and operated the Hilton La Jolla Torrey Pines sold the hotel for gross proceeds of approximately $165 million, and our pro-rata share of the gross proceeds was approximately $41 million, which was reduced by our portion of debt of approximately $17 million. We recognized a gain of approximately $19 million, which is included in *equity in earnings from investments in affiliates* in our consolidated statements of operations.

Additionally, in August 2024, we permanently closed the Hilton Oakland Airport and subsequently terminated its ground lease, returning the property to the ground lessor.

In February 2023, we sold the Hilton Miami Airport hotel for gross proceeds of $118.25 million. We recognized a net gain of approximately $15 million, which is included in *gain on sale of assets, net* in our consolidated statements of operations.

Additionally, in June 2023, the ground lessor terminated the ground lease for the Embassy Suites Phoenix Airport hotel and, pursuant to an agreement, we received an early termination fee of approximately $4 million, which is included in *other (loss) gain, net* in our consolidated statements of operations.

During the year ended December 31, 2022, we sold the five consolidated hotels listed in the table below and received total gross proceeds of approximately $149 million. We recognized a net gain of approximately $15 million, which is included in *gain on sale of assets, net* in our consolidated statements of operations.

Hotel	Location	Month Sold
Hampton Inn & Suites Memphis – Shady Grove	Memphis, Tennessee	April 2022
Hilton Chicago/Oak Brook Suites	Chicago, Illinois	May 2022
Homewood Suites by Hilton Seattle Convention Center Pike Street	Seattle, Washington	June 2022
Hilton Garden Inn Chicago/Oakbrook Terrace	Chicago, Illinois	July 2022
Hilton Garden Inn LAX/El Segundo	El Segundo, California	September 2022

In June 2022, we sold our ownership interests in the joint ventures that owned and operated the Hilton San Diego Bayfront for gross proceeds of $157 million. Our gross proceeds were reduced by $55 million for our share of the mortgage debt in the joint venture. We recognized a gain of approximately $92 million, net of selling costs, which is included in *other (loss) gain, net* in our consolidated statements of operations. Additionally, in October 2022, the joint ventures that owned and operated the DoubleTree Hotel Las Vegas Airport sold the hotel for gross proceeds of approximately $22 million, and our pro-rata share of the gross proceeds was approximately $11 million. We recognized a gain of approximately $9 million, which is included in *equity in earnings from investments in affiliates* in our consolidated statements of operations.

Note 4: Property and Equipment

Property and equipment were:

	December 31, 2024	December 31, 2023
	(in millions)	
Land	$ 3,018	$ 2,990
Buildings and leasehold improvements	5,989	5,814
Furniture and equipment	1,023	947
Construction-in-progress	152	341
	10,182	10,092
Accumulated depreciation	(2,784)	(2,633)
	$ 7,398	$ 7,459

Depreciation of property and equipment was $256 million, $286 million and $268 million during the years ended December 31, 2024, 2023 and 2022, respectively.

During the year ended December 31, 2024, we recognized impairment losses of approximately $12 million related to two of our hotels subject to ground leases and our inability to recover the carrying value of the assets over the remaining lease term. Refer to Note 8: "Fair Value Measurements" for additional information.

For the year ended December 31, 2023, we recognized an impairment loss of approximately $202 million related to one of the hotels securing our $725 million non-recourse CMBS loan ("SF Mortgage Loan") as a result of a decision to cease making debt service payments. In October 2023, the 1,921-room Hilton San Francisco Union Square and the 1,024-room Parc 55 San Francisco – a Hilton Hotel (collectively, the "Hilton San Francisco Hotels") that secure the SF Mortgage Loan were placed into receivership. Refer to Note 7: "Debt" and Note 8: "Fair Value Measurements" for additional information.

Note 5: Consolidated Variable Interest Entities ("VIEs") and Investments in Affiliates

Consolidated VIEs

As of December 31, 2024, we consolidate VIEs that own two hotels in the U.S. In December 2024, the consolidated joint venture that owned the DoubleTree Hotel Spokane City Center sold the hotel. We are the primary beneficiary of these VIEs as we have the power to direct the activities that most significantly affect their economic performance. Additionally, we have the obligation to absorb their losses and the right to receive benefits that could be significant to them. The assets of our VIEs are only available to settle the obligations of these entities. Our consolidated balance sheets include the following assets and liabilities of these entities:

	December 31, 2024	December 31, 2023
	(in millions)	
Property and equipment, net	$ 181	$ 209
Cash and cash equivalents	34	17
Restricted cash	2	2
Accounts receivable, net	3	5
Prepaid expenses	3	3
Debt	186	202
Accounts payable and accrued expenses	10	11
Due to hotel manager	3	2
Other liabilities	2	3

Unconsolidated Entities

As of December 31, 2024, three of our hotels are owned by unconsolidated joint ventures in which we hold an interest. In July 2024, the joint ventures that owned and operated the Hilton La Jolla Torrey Pines sold the hotel. These hotels are accounted for using the equity method and had total debt of approximately $685 million and $702 million as of December 31, 2024 and 2023, respectively. Substantially all the debt is secured solely by the affiliates' assets or is guaranteed by other partners without recourse to us.

Note 6: Intangibles

Intangible assets were:

	December 31,	
	2024	2023
	(in millions)	
Air rights contract	45	45
Other	3	4
Accumulated amortization	(7)	(7)
	$ 41	$ 42

As of December 31, 2024, we estimated our future amortization expense for our intangible assets to be:

Year	(in millions)
2025	$ 1
2026	1
2027	1
2028	1
2029	1
Thereafter	36
	$ 41

Note 7: Debt

Debt balances and associated interest rates as of December 31, 2024 were:

	Interest Rate at December 31, 2024	Maturity Date	Principal balance as of December 31, 2024	Principal balance as of December 31, 2023
			(in millions)	
HHV Mortgage Loan	4.20%	November 2026	$ 1,275	$ 1,275
Other mortgage loans[1]	Average rate of 4.40%	2025 to 2027[2]	364	385
Revolver[3]	SOFR + 1.80%[4]	December 2026	—	—
2024 Term Loan	SOFR + 1.75%[4]	May 2027	200	—
2025 Senior Notes	7.50%	June 2025	—	650
2028 Senior Notes	5.88%	October 2028	725	725
2029 Senior Notes	4.88%	May 2029	750	750
2030 Senior Notes	7.00%	February 2030	550	—
Finance lease obligations	7.04%	2025 to 2028	1	1
			3,865	3,786
Add: unamortized premium			—	1
Less: unamortized deferred financing costs and discount			(24)	(22)
			$ 3,841	$ 3,765

(1) In December 2024, the $14 million mortgage loan secured by the DoubleTree Hotel Spokane City Center was fully repaid when the hotel was sold.

(2) Assumes the exercise of all extensions that are exercisable solely at our option. The mortgage loan for Hilton Denver City Center matures in 2042 but became callable by the lender in August 2022 with six months of notice. As of December 31, 2024, Park had not received notice from the lender.

(3) Our revolving credit facility ("Revolver") permits one or more standby letters of credit, up to a maximum aggregate outstanding balance of $50 million, to be issued on behalf of us. As of December 31, 2024, we had approximately $4 million outstanding on a standby letter of credit and $946 million of available capacity under our Revolver. In January 2025, the standby letter of credit was cancelled, increasing the available capacity under our Revolver to $950 million.

(4) The secured overnight financing rate ("SOFR") includes a credit spread adjustment of 0.1%.

Mortgage Loans

In October 2016, we entered into a $1.275 billion CMBS loan secured by the Hilton Hawaiian Village (“HHV Mortgage Loan”). The HHV Mortgage Loan bears interest at a fixed-rate and requires interest-only payments through its maturity date. The HHV Mortgage Loan may be partially or fully prepaid, subject to prepayment penalties.

Our other mortgage loans all bear interest at fixed-rates. Certain of our mortgage loans require interest-only loan payments through their respective maturity dates, and the remaining mortgage loans require payments of both principal and interest on a monthly basis.

Credit Facilities

2016 Term Loan and Revolver

In December 2016, we entered into a credit agreement (“Original Credit Agreement”) with Wells Fargo Bank, National Association as administrative agent, and certain other financial institutions party thereto as lenders. In December 2022, we amended and restated the Original Credit Agreement ("Credit Agreement"). The Credit Agreement provides aggregate commitments of $950 million for the Revolver, which can be increased by up to $500 million with lender approval, and matures on December 1, 2026, with the ability to extend its maturity by one year as (i) a one-year extension or (ii) two six-month extensions. Borrowings under the Revolver bear interest based upon the secured overnight financing rate ("SOFR") plus a credit spread adjustment of 0.1%, plus an applicable margin based on our leverage ratio. We incur an unused facility fee on the Revolver of between 0.2% and 0.3%, based on our level of usage. The Credit Agreement also contains certain financial covenants including a maximum leverage ratio, minimum fixed charge coverage ratio, maximum secured leverage ratio, maximum unsecured indebtedness to unencumbered asset value ratio and minimum unencumbered adjusted net operating income to unsecured interest coverage ratio. The Credit Agreement allows us to conduct share repurchases, subject to compliance with the financial covenants, and released all collateral securing the Revolver and Senior Notes. The Credit Agreement restricts activities of the Company, including our ability to grant liens on certain properties, mergers, affiliate transactions, asset sales and the payment of dividends and distributions (except to the extent required to maintain REIT status and certain other agreed exceptions). Additionally, the Revolver permits one or more standby letters of credit, up to a maximum aggregate outstanding balance of $50 million, to be issued on behalf of us. Any outstanding standby letters of credit reduce the available borrowings on the Revolver by a corresponding amount. As of December 31, 2024, we had approximately $4 million outstanding on a standby letter of credit, which was cancelled in January 2025.

2024 Term Loan

In May 2024, the Company, our Operating Company and PK Domestic Property LLC ("PK Domestic") amended the Credit Agreement to include a new $200 million senior unsecured term loan ("2024 Term Loan") with a scheduled maturity date of May 14, 2027. Borrowings under the 2024 Term Loan bear interest based upon SOFR plus a credit spread adjustment of 0.1%, plus an applicable margin based on our leverage ratio. As of December 31, 2024, our all-in interest rate was 6.21%. We capitalized $2 million of financing fees incurred during the year ended December 31, 2024.

The amendment did not amend or modify existing financial maintenance covenants or other terms and provisions under our existing credit agreement, except to provide that income, value and debt of the Hilton San Francisco Hotels be excluded from the calculations of our leverage ratio, the fixed charge coverage ratio and the secured leverage ratio under the existing credit agreement.

Senior Notes

2025 Senior Notes

In May 2020, our Operating Company, PK Domestic and PK Finance Co-Issuer Inc. (“PK Finance”) issued an aggregate of $650 million of senior notes due 2025 ("2025 Senior Notes"), which bore interest at a rate of 7.500% per annum. In May 2024, all of the 2025 Senior Notes were repurchased or redeemed using the proceeds from the $550 million of senior notes due in 2030 ("2030 Senior Notes") and the 2024 Term Loan.

2028 Senior Notes

In September 2020, our Operating Company, PK Domestic LLC and the PK Finance issued an aggregate of $725 million of senior notes due 2028 ("2028 Senior Notes"). The 2028 Senior Notes bear interest at a rate of 5.875% per annum, payable semi-annually in arrears on April 1 and October 1 of each year beginning April 1, 2021.

We may redeem the 2028 Senior Notes, in whole or in part, at the applicable redemption prices set forth in the indenture. On or after October 1, 2025, we may redeem the 2028 Senior Notes at 100% of the principal amount, plus accrued and unpaid interest, if any, to, but excluding, the redemption date.

2029 Senior Notes

In May 2021, our Operating Company, PK Domestic and PK Finance issued an aggregate of $750 million of senior notes due 2029 ("2029 Senior Notes"). The 2029 Senior Notes bear interest at a rate of 4.875% per annum, payable semi-annually in arrears on May 15 and November 15 of each year, beginning November 15, 2021. The 2029 Senior Notes will mature on May 15, 2029.

We may redeem the 2029 Senior Notes, in whole or in part, at the applicable redemption prices set forth in the indenture. On or after May 15, 2026, we may redeem the 2029 Senior Notes at 100% of the principal amount, plus accrued and unpaid interest, if any, to, but excluding, the redemption date.

2030 Senior Notes

In May 2024, our Operating Company, PK Domestic and PK Finance issued an aggregate of $550 million of 2030 Senior Notes. Net proceeds from the 2030 Senior Notes and the 2024 Term Loan were used to repurchase or redeem all of the 2025 Senior Notes, and the remainder was used for general corporate purposes. The 2030 Senior Notes bear interest at a rate of 7.000% per annum, payable semi-annually in arrears on February 1 and August 1 of each year, beginning February 1, 2025. The 2030 Senior Notes will mature on February 1, 2030. We capitalized approximately $9 million of issuance costs during the year ended December 31, 2024.

We may redeem the 2030 Senior Notes, in whole or in part, at the applicable redemption prices set forth in the indenture. On or after August 1, 2028, we may redeem the 2030 Senior Notes at 100% of the principal amount, plus accrued and unpaid interest, if any, to, but excluding, the redemption date.

Indentures

The 2028 Senior Notes, 2029 Senior Notes and 2030 Senior Notes (collectively, the "Senior Notes") are guaranteed by Park Parent, PK Domestic REIT Inc., and by the subsidiaries of our Operating Company that also guarantee indebtedness under our credit facility. The guarantees are full and unconditional and joint and several. The indentures governing the Senior Notes contain customary covenants that limit the issuers' ability and, in certain instances, the ability of the issuers' subsidiaries, to borrow money, create liens on assets, make distributions and pay dividends on or redeem or repurchase stock, make certain types of investments, sell stock in certain subsidiaries, enter into agreements that restrict dividends or other payments from subsidiaries, enter into transactions with affiliates, issue guarantees of indebtedness, and sell assets or merge with other companies. These covenants are subject to a number of exceptions and qualifications, including the ability to declare or pay any cash dividend or make any cash distribution to us to the extent necessary for us to fund a dividend or distribution by us that we believe is necessary to maintain our status as a REIT or to avoid payment of any tax for any calendar year that could be avoided by reason of such distribution, and the ability to make certain restricted payments not to exceed $100 million, plus 95% of our cumulative Funds From Operations (as defined in the indentures), plus the aggregate net proceeds from (i) the sale of certain equity interests in, (ii) capital contributions to, and (iii) certain convertible indebtedness of the Operating Company. In addition, the indentures require our Operating Company to maintain total unencumbered assets as of each fiscal quarter of at least 150% of total unsecured indebtedness, in each case calculated on a consolidated basis.

Debt Maturities

The contractual maturities of our debt, excluding the SF Mortgage Loan secured by the Hilton San Francisco Hotels and assuming the exercise of all extensions that are exercisable solely at our option, as of December 31, 2024 were:

Year	(in millions)
2025	$ 60
2026	1,550
2027	230
2028	725
2029	750
Thereafter	550
	$ 3,865

Debt Associated with Hotels in Receivership

In June 2023, we ceased making debt service payments towards the SF Mortgage Loan secured by the Hilton San Francisco Hotels, which was due November 2023, and we received a notice of default from the servicer. The stated rate on the loan is 4.11%; however, beginning June 1, 2023, the default interest rate on the loan is 7.11%. Additionally, beginning June 1, 2023, the loan accrues a monthly late payment administrative fee of 3% of the monthly amount due. In October 2023, the trustee for the SF Mortgage Loan filed a lawsuit against the borrowers under the SF Mortgage Loan. In connection with the lawsuit, the court appointed a receiver to take control of the Hilton San Francisco Hotels, which serve as security for the SF Mortgage Loan, and their operations, and thus, we have no further economic interest in the operations of the hotels. The receiver operates and has authority over the hotels and, until no later than March 31, 2025, has the ability to sell the hotels. The court order contemplates that the receivership will end with a non-judicial foreclosure by July 15, 2025, if the hotels are not sold within the predetermined sale period.

We derecognized the Hilton San Francisco Hotels from our consolidated balance sheet in October 2023, when the receiver took control of the hotels and, accordingly, recognized a gain of $221 million for the year ended December 31, 2023, which is included in *gain on derecognition of assets* in our consolidated statements of operations. For the year ended December 31, 2024, we recognized a gain of $60 million representing accrued interest expense associated with the default of the SF Mortgage Loan, which resulted in a corresponding increase of the *contract asset* on our consolidated balance sheets as we expect to be released from this obligation upon final resolution with the lender on the SF Mortgage Loan in exchange for the transfer of ownership of the Hilton San Francisco Hotels. As of December 31, 2024 and 2023, the *contract asset* on our consolidated balance sheets was $820 million and $760 million, respectively. The $725 million SF Mortgage Loan will remain a liability until final resolution with the lender is concluded, and thus is included in *debt associated with hotels in receivership* on our consolidated balance sheets.

Note 8: Fair Value Measurements

We did not elect the fair value measurement option for our financial assets or liabilities. The fair values of our other financial instruments not included in the table below are estimated to be equal to their carrying amounts.

The fair value of our debt and the hierarchy level we used to estimate fair values are shown below:

		December 31, 2024		December 31, 2023	
	Hierarchy Level	Carrying Amount	Fair Value	Carrying Amount	Fair Value
		(in millions)			
Liabilities:					
HHV Mortgage Loan	3	$ 1,275	$ 1,212	$ 1,275	$ 1,195
Other mortgage loans	3	364	349	385	365
2024 Term Loan	3	200	199	—	—
2025 Senior Notes	1	—	—	650	652
2028 Senior Notes	1	725	712	725	713
2029 Senior Notes	1	750	706	750	702
2030 Senior Notes	1	550	559	—	—

The fair value of the SF Mortgage Loan, which has a carrying value of $725 million as of both December 31, 2024 and 2023 and categorized as Level 3 of the fair value hierarchy, was $718 million as of both December 31, 2024 and 2023. Refer to Note 7: "Debt" for additional information.

During the year ended December 31, 2024, we recognized impairment losses related to two of our hotels subject to ground leases and our inability to recover the carrying value of the assets over the remaining lease term. During the year ended December 31, 2023, we recognized an impairment loss related to one of our hotels and in October 2023, that hotel, along with the other hotel securing our SF Mortgage Loan, were placed into receivership. Refer to Note 7: "Debt" for additional information. The estimated fair value of the assets that were measured on a nonrecurring basis were:

	December 31, 2024		December 31, 2023	
	Fair Value	Impairment Loss	Fair Value	Impairment Loss
	(in millions)		(in millions)	
Property and equipment[(1)]	$ 2	$ 12	$ 234	$ 202
Total	$ 2	$ 12	$ 234	$ 202

(1) We estimated fair value of the assets during the year ended December 31, 2024, using a discounted cash flow analysis, with an estimated stabilized growth rate range of 2% to 3%, a discounted cash flow term of 10 years and a discount rate ranging from 17.0% to 20.0%. We estimated fair value of the asset during the year ended December 31, 2023, using a discounted cash flow analysis, with an estimated stabilized growth rate of 3%, a discounted cash flow term of 10 years, terminal capitalization rate of 6.3% and discount rate of 9.5%. The discount and terminal capitalization rates used for the fair values of the assets reflected the risk profile of the markets where the properties are located. Fair value as of both December 31, 2024 and 2023 were measured using significant unobservable inputs (Level 3).

Note 9: Leases

We lease hotel properties, land and equipment under operating and financing leases. We are subject to ground leases on 12 of our consolidated properties as well as a lease for our corporate office. Our leases expire, including options under lessor control, at various dates through 2083, with varying renewal options, and the majority expire before 2031.

Our operating leases may require minimum rent payments, variable rent payments based on a percentage of revenue or income or rent payments equal to the greater of a minimum rent or variable rent. In addition, we may be required to pay some, or all, of the capital costs for property and equipment in the hotel during the term of the lease.

The future minimum rent payments under our current leases, due in each of the next five years and thereafter as of December 31, 2024, were:

Year	Operating Leases (in millions)
2025	$ 27
2026	23
2027	23
2028	23
2029	22
Thereafter	308
Total minimum rent payments	426
Less: imputed interest	201
Total operating lease liabilities	$ 225

As of December 31, 2024 and 2023, the weighted average remaining operating lease term was 24.6 years and 26.0 years, respectively, and the weighted average discount rate used to determine the operating lease liabilities was 5.7% as of both December 31, 2024 and 2023.

The components of rent expense, which are primarily included in *other property expenses* in our consolidated statements of operations, as well as supplemental cash flow and non-cash information for all operating leases were:

	Year Ended December 31, 2024	Year Ended December 31, 2023	Year Ended December 31, 2022
		(in millions)	
Operating lease expense	$ 23	$ 23	$ 28
Variable lease expense	16	16	13
Operating cash flows for operating leases	24	24	29
Operating lease right-of-use asset reassessments[1]	16	—	(4)

[1] For the year ended December 31, 2024, amount represents an increase to our right-of-use assets and lease liability due to changes in lease term as well as discount rate upon lease remeasurements. For the year ended December 31, 2022, amount represents a reduction to our right-of-use assets and lease liability due to a change in discount rate upon a lease remeasurement.

Note 10: Income Taxes

We have been organized and operated, and we expect to continue to be organized and operate in a manner to qualify as a REIT. To qualify as a REIT, we must satisfy requirements related to, among other things, the real estate qualification of sources of our income, the real estate composition and values of our assets, the amounts we distribute to our stockholders annually and the diversity of ownership of our stock. To the extent we continue to remain qualified as a REIT, we generally will not be subject to U.S. federal (and state) income tax on taxable income generated by our REIT activities that we distribute annually to our stockholders. Accordingly, no provision for U.S. federal income taxes has been included in our accompanying consolidated financial statements for the years ended December 31, 2024, 2023 and 2022 related to our REIT activities other than taxes related to our sale of built-in gain property. Our TRSs are generally subject to U.S. federal, state and local, and foreign income taxes (as applicable).

The components of our (benefit) provision for income taxes were:

	Year Ended December 31,		
	2024	2023	2022
		(in millions)	
Current:			
U.S. Federal	$ 5	$ 5	$ 1
State	(4)	19	1
Total current	1	24	2
Deferred:			
U.S. Federal	(43)	4	—
State	(19)	10	(2)
Total deferred	(62)	14	(2)
Total (benefit) provision for income taxes	$ (61)	$ 38	$ —

Reconciliations of our tax provision at the U.S. statutory rate to the (benefit) provision for income taxes were:

	Year Ended December 31,		
	2024	2023	2022
		(in millions)	
Statutory U.S. federal income tax provision	$ 35	$ 30	$ 36
State income taxes, net of U.S. federal tax benefit	(6)	29	1
Change in deferred tax asset valuation allowance	(54)	—	4
REIT income not subject to tax	(24)	(23)	(39)
Derecognition and remeasurement of deferred taxes	(14)	—	(2)
Other	2	2	—
(Benefit) provision for income taxes	$ (61)	$ 38	$ —

Deferred income taxes represent the tax effect of the differences between the book and tax bases of assets and liabilities plus carryforward items. The composition of net deferred tax balances were as follows:

	December 31,	
	2024	2023
	(in millions)	
Deferred income tax assets[(1)]	$ 39	$ 1
Deferred income tax liabilities[(2)]	—	(24)
Net deferred tax asset (liability)	$ 39	$ (23)

(1) Included within *other assets* in our consolidated balance sheets, net of valuation allowance.
(2) Included within *other liabilities* in our consolidated balance sheets.

The tax effects of the temporary differences and carryforwards that give rise to our net deferred tax balances were:

	December 31,	
	2024	2023
	(in millions)	
Deferred tax assets:		
Net operating loss carryforwards	$ 45	$ 49
Investments	6	5
Interest expense limitation	3	4
Other	4	7
Total gross deferred tax assets	58	65
Less: valuation allowance	(5)	(59)
Deferred tax assets	53	6
Deferred tax liabilities:		
Property and equipment	—	(16)
Investments	(13)	(10)
Accrued compensation	—	(2)
Other	(1)	(1)
Deferred tax liabilities	(14)	(29)
Net deferred tax asset (liability)	$ 39	$ (23)

As of December 31, 2024, we had U.S. federal and state net operating loss carryforwards of approximately $670 million, which resulted in deferred tax assets of $45 million. Our U.S. federal net operating loss carryforwards of approximately $266 million are not subject to expiration.

We have U.S. state net operating loss carryforwards of approximately $404 million, certain of which will begin to expire in 2030.

The cash distributions to stockholders in 2024, 2023 and 2022 are characterized, for U.S. federal income tax purposes, as follows:

	Year Ended December 31,		
	2024	2023	2022
Common distributions (per share):			
Ordinary dividends[1]	$ 1.285731	$ 0.000000	$ 0.000000
Capital gain distributions[2]	0.114269	2.150000	0.280000

(1) For the year ended December 31, 2024, the ordinary dividends include qualified dividends of $0.292918.

(2) Capital gain distribution disclosure pursuant to Treasury Regulation §1.1061-6(c). The following additional information relates to the capital gain distributions for calendar years 2024, 2023 and 2022, as reported on Park Hotels & Resorts Inc. Form 1099-DIV, Box 2a. For purposes of Internal Revenue Code Section 1061, which is generally applicable to direct and indirect holders of "applicable partnership interests": (i) the "One Year Amounts" are $0.000000 per share, and (ii) the "Three Year Amounts" are $0.000000 per share, with respect to the 2024, 2023 and 2022 capital gain distributions.

Note 11: Share-Based Compensation

We issue equity-based awards to our employees pursuant to the 2017 Omnibus Incentive Plan (the "2017 Employee Plan") and our non-employee directors pursuant to the 2017 Stock Plan for Non-Employee Directors (the "2017 Director Plan") both of which are amended and restated from time to time. The 2017 Employee Plan provides that a maximum of 14,070,000 shares of our common stock may be issued, and as of December 31, 2024, 6,670,858 shares of common stock remain available for future issuance. The 2017 Director Plan provides that a maximum of 950,000 shares of our common stock may be issued, and as of December 31, 2024, 143,583 shares of common stock remain available for future issuance. For the years ended December 31, 2024, 2023 and 2022, we recognized $19 million, $18 million and $17 million of share-based compensation expense, respectively. As of December 31, 2024, unrecognized compensation expense was $19 million, which is expected to be recognized over a weighted-average period of 1.5 years. The total fair value of shares vested (calculated as the number of shares multiplied by the vesting date share price) during the years ended December 31, 2024, 2023 and 2022 was $14 million, $7 million and $7 million, respectively.

Restricted Stock Awards

Restricted Stock Awards ("RSAs") generally vest in annual installments between one and three years from each grant date. The following table provides a summary of RSAs for the years ended December 31, 2024, 2023 and 2022:

	Number of Shares	Weighted-Average Grant Date Fair Value
Unvested at January 1, 2022	789,322	$ 22.52
Granted	471,614	18.16
Vested	(378,605)	22.51
Forfeited	(38,485)	20.28
Unvested at December 31, 2022	843,846	20.19
Granted	696,356	13.45
Vested	(539,133)	20.39
Forfeited	(18,484)	15.52
Unvested at December 31, 2023	982,585	15.40
Granted	629,151	16.17
Vested	(548,947)	15.79
Forfeited	(53,118)	15.47
Unvested at December 31, 2024	1,009,671	$ 15.66

Performance Stock Units

Performance Stock Units ("PSUs") generally vest at the end of a three-year performance period and are subject to the achievement of a market condition based on a measure of our total shareholder return relative to the total shareholder return of the companies that comprise the FTSE Nareit Lodging Resorts Index (that have a market capitalization in excess of $1 billion as of the first day of the applicable performance period). The number of PSUs that may become vested ranges from zero to 200% of the number of PSUs granted to an employee, based on the level of achievement of the foregoing performance measure.

Additionally, in November 2020, we granted special awards with vesting of these awards subject to the achievement of eight increasing levels of our average closing sales price per share, from $11.00 to $25.00, over a consecutive 20 trading day period ("Share Price Target"). One-eighth of PSUs vested at each date a Share Price Target was achieved, and at the end of the performance period in November 2024, six of the eight Share Price Targets were achieved (or 75% of the awards granted were vested), while the remaining two Share Price Targets were not achieved and the associated PSUs were forfeited.

The following table provides a summary of PSUs for the years ended December 31, 2024, 2023 and 2022:

	Number of Shares	Weighted-Average Grant Date Fair Value
Unvested at January 1, 2022	972,074	$ 22.59
Granted	393,225	21.93
Forfeited	(166,974)	34.47
Unvested at December 31, 2022	1,198,325	20.71
Granted	590,805	19.96
Forfeited	(261,554)	24.80
Unvested at December 31, 2023	1,527,576	19.72
Granted	592,132	17.75
Vested	(337,283)	26.99
Forfeited	(265,854)	7.78
Unvested at December 31, 2024	1,516,571	$ 19.43

The grant date fair values of the awards that are subject to the achievement of market conditions based on total shareholder return were determined using a Monte Carlo simulation valuation model with the following assumptions:

	Year Ended December 31,		
	2024	2023	2022
Expected volatility[(1)]	36.0 %	48.0 %	57.5 %
Dividend yield[(2)]	—	—	—
Risk-free rate[(3)]	4.5 %	4.3 %	1.7 %
Expected term	3 years	3 years	3 years

(1) Estimated using a blended approach of historical and implied volatility. Historical volatility is based on the historical movement of Park's stock price for a period that corresponds to the expected terms of the PSUs.

(2) Dividends are assumed to be reinvested in shares of our common stock and dividends will not be paid unless shares vest.

(3) Based on the yields of U.S. Department of Treasury instruments with similar expected terms of the PSUs at the date of each grant.

Note 12: Earnings Per Share

The following table presents the calculation of basic and diluted earnings per share ("EPS"):

	Year Ended December 31,		
	2024	2023	2022
	(in millions, except per share amounts)		
Numerator:			
Net income attributable to stockholders	$ 212	$ 97	$ 162
Earnings attributable to participating securities	(1)	(2)	—
Net income attributable to stockholders, net of earnings allocated to participating securities	$ 211	$ 95	$ 162
Denominator:			
Weighted average shares outstanding – basic	207	214	228
Unvested restricted shares	2	1	—
Weighted average shares outstanding – diluted	209	215	228
Earnings per share – Basic[1]	$ 1.02	$ 0.44	$ 0.71
Earnings per share – Diluted[1]	$ 1.01	$ 0.44	$ 0.71

(1) Per share amounts are calculated based on unrounded numbers and are calculated independently for each period presented.

Certain of our outstanding equity awards were excluded from the above calculation of EPS for the years ended December 31, 2024, 2023 and 2022 because their effect would have been anti-dilutive.

Note 13: Hotel Management Operating and License Agreements

Management and Franchise Fees

We have management agreements, whereby we pay a base fee equal to a percentage of total revenues, as defined, as well as an incentive fee if specified financial performance targets are achieved. Our managers generally have sole responsibility for all activities necessary for the operation of the hotels, including establishing room rates, processing reservations and promoting and publicizing the hotels. Our managers also generally provide all employees for the hotels, prepare reports, budgets and projections, and provide other administrative and accounting support services to the hotels. We have consultative and limited approval rights with respect to certain actions of our managers, including entering into long-term or high value contracts, engaging in certain actions relating to legal proceedings, approving the operating budget, making certain capital expenditures and the hiring of certain management personnel.

Our management agreements have initial terms ranging from 5 to 30 years and most allow for one or more renewal periods. Assuming all renewal periods are exercised by our hotel managers, the total term of our management agreements range from 5 to 70 years.

We also have franchise agreements for seven hotels. The franchise agreements have an initial term of 10 to 20 years and cannot be extended without the franchisor's consent.

Marketing Fees

Additionally, the management and franchise agreements generally require a marketing fee equal to a percentage of rooms revenues. Total marketing fees were $45 million, $47 million and $45 million for the years ended December 31, 2024, 2023 and 2022, respectively, and were included in *other departmental and support expense* in our consolidated statements of operations.

Employee Cost Reimbursements

We are responsible for reimbursing our managers for certain employee related costs outside of payroll. These costs include contributions to a defined contribution 401(k) Retirement Savings Plan administered by our managers, union-sponsored pension plans and other post-retirement plans. All of these plans are the responsibility of our managers and our obligation is only for the reimbursement of these costs for individuals who work at our hotel properties.

Note 14: Business Segment Information

As of December 31, 2024, we have two operating segments, our consolidated hotels and unconsolidated hotels. Our unconsolidated hotels operating segment does not meet the definition of a reportable segment, thus our consolidated hotels operating segment is our only reportable segment. Our CODM, who is our chief executive officer, evaluates our consolidated hotels primarily based on hotel adjusted earnings (loss) before interest income and expense, taxes and depreciation and amortization ("EBITDA") when deciding how to allocate resources, in making other day-to-day operating decisions and evaluating our operating performance against other companies within our industry.

Hotel Adjusted EBITDA, presented herein, is calculated as EBITDA from hotel operations, adjusted to exclude the following items that are not reflective of our ongoing operating performance or incurred in the normal course of business, and thus excluded from the CODM's analysis:

- Gains or losses on sales of assets for both consolidated and unconsolidated investments;
- Costs associated with hotel acquisitions or dispositions expensed during the period;
- Severance expense;
- Share-based compensation expense;
- Impairment losses and casualty gains or losses; and
- Other items that we believe are not representative of our current or future operating performance.

The following table presents our reportable segment revenues reconciled to our consolidated amounts, reportable segment expenses and Hotel Adjusted EBITDA reconciled to net income:

	Year Ended December 31,		
	2024	2023	2022
		(in millions)	
Revenues:			
Total revenues	$ 2,599	$ 2,698	$ 2,501
Less: Other revenues	(86)	(85)	(75)
Total segment revenues	2,513	2,613	2,426
Less:			
Rooms expense	419	449	408
Food and beverage expense	474	501	449
Other departmental and support expense	605	635	613
Management fees	122	125	115
Other property segment expenses[1]	210	217	211
Total segment expenses	1,830	1,927	1,796
Hotel Adjusted EBITDA	683	686	630
Other revenues	86	85	75
Depreciation and amortization expense	(257)	(287)	(269)
Corporate general and administrative expense	(69)	(65)	(63)
Impairment and casualty loss	(14)	(204)	(6)
Other operating expenses	(82)	(83)	(72)
Gain on sales of assets, net	8	15	13
Gain on derecognition of assets	60	221	—
Interest income	21	38	13
Interest expense	(214)	(207)	(217)
Interest expense associated with hotels in receivership	(60)	(45)	(30)
Equity in earnings from investments in affiliates[2]	31	11	15
Income tax benefit (expense)	61	(38)	—
Other (loss) gain, net	(4)	4	96
Other items	(24)	(25)	(12)
Net income	$ 226	$ 106	$ 173

(1) Other property segment expenses primarily include real and personal property taxes, other local taxes, ground rent, equipment rent and property insurance incurred in the normal course of business.

(2) For the year ended December 31, 2024, includes a gain of $19 million on the sale of the Hilton La Jolla Torrey Pines.

The following table presents total assets for our consolidated hotels, reconciled to total assets:

	December 31, 2024	December 31, 2023
	(in millions)	
Consolidated hotels	$ 9,153	$ 9,406
All other	8	13
Total assets	$ 9,161	$ 9,419

Note 15: Commitments and Contingencies

As of December 31, 2024, we had outstanding commitments under third-party contracts of approximately $95 million for capital expenditures at our properties, of which $25 million relates to guestroom and lobby renovations at the Hilton Hawaiian Village Waikiki Beach Resort, $15 million relates to guestroom renovations at the Hilton New Orleans Riverside and $13 million relates to guestroom and lobby renovations at the Hilton Waikoloa Village. Our contracts contain clauses that allow us to cancel all or some portion of the work. If cancellation of a contract occurred, our commitment would be any costs incurred up to the cancellation date, in addition to any costs associated with the discharge of the contract.

We are involved in litigation arising from the normal course of business, some of which includes claims for substantial sums, and may make certain indemnifications or guarantees to select buyers of our hotels as part of a sale process. We are also involved in claims and litigation that is not in the ordinary course of business in connection with the spin-off from Hilton. The spin-off agreements provide that Hilton will indemnify us from certain of these claims as well as require us to indemnify Hilton for other claims. In addition, losses related to certain contingent liabilities could be apportioned to us under the spin-off agreements. In connection with our obligation to indemnify Hilton under the spin-off agreements, we have reserved approximately $8 million as of December 31, 2024 related to litigation with respect to an audit by the Australian Tax Office ("ATO") of Hilton related to the sale of the Hilton Sydney in June 2015. This amount could change as the litigation of the ATO's claim progresses.

Additionally, as of December 31, 2024, Hilton remains subject to U.S. federal income tax examinations from 2011 through 2017, the year of our spin-off. Various income tax returns for Hilton filed with state, local and foreign jurisdictions remain subject to examination by the applicable taxing authorities.

Note 16: Supplemental Disclosures of Cash Flow Information

Interest paid during the years ended December 31, 2024, 2023 and 2022 was $185 million, $215 million and $245 million, respectively.

We paid $15 million, $7 million and $7 million in income taxes during the years ended December 31, 2024, 2023 and 2022, respectively.

Capital expenditures included within *accounts payable and accrued expenses* in our consolidated balance sheets were $37 million, $37 million and $33 million as of December 31, 2024, 2023 and 2022, respectively.

The following non-cash financing activity was excluded from the consolidated statements of cash flows:

During the year ended December 31, 2024:

- We declared $131 million of dividends that were unpaid and accrued as of December 31, 2024.

During the year ended December 31, 2023:

- We declared $355 million of dividends that were unpaid and accrued as of December 31, 2023.

During the year ended December 31, 2022:

- We declared $56 million of dividends that were unpaid and accrued as of December 31, 2022.

Note 17: Subsequent Events

In January 2025, we repurchased 1.4 million shares of our common stock for a total purchase price of $20 million.

Park Hotels & Resorts Inc.
Schedule III
Real Estate and Accumulated Depreciation
(Dollars in millions)

December 31, 2024

Hotel Property	Encumbrances	Initial Cost: Land	Initial Cost: Building & Improvements	Initial Cost: Furniture, Fixtures & Equipment	Costs Capitalized Subsequent to Acquisition	Gross Amounts at Which Carried at Close of Period: Land	Building & Improvements[1]	Furniture, Fixtures & Equipment	Total	Accumulated Depreciation	Date of Construction	Date Acquired[2]	Life Upon Which Depreciation is Computed
Caribe Hilton	$ —	$ 38	$ 56	$ 7	$ 87	$ 40	$ 113	$ 35	$ 188	$ (66)	1949	10/24/2007	3 - 40 years
DoubleTree Hotel Durango	—	—	—	2	6	—	2	6	8	(6)	1985	10/24/2007	3 - 40 years
DoubleTree Hotel Ontario Airport	30	14	58	3	21	13	64	19	96	(45)	1974	10/24/2007	3 - 40 years
DoubleTree Hotel San Diego – Mission Valley	—	—	—	2	18	—	10	10	20	(15)	1989	10/24/2007	3 - 40 years
DoubleTree Hotel San Jose	—	15	67	5	25	15	82	15	112	(48)	1980	10/24/2007	3 - 40 years
DoubleTree Hotel Seattle Airport	—	—	—	11	(3)	1	5	2	8	—	1969	10/24/2007	3 - 40 years
DoubleTree Hotel Sonoma Wine Country	—	—	—	4	12	—	6	10	16	(12)	1977	10/24/2007	3 - 40 years
Embassy Suites Austin Downtown South Congress	—	—	45	2	19	—	58	8	66	(45)	1983	10/24/2007	3 - 40 years
Hilton Boston Logan Airport	—	—	108	6	32	—	131	15	146	(65)	1999	10/24/2007	3 - 40 years
Hilton Chicago	—	69	233	12	202	71	385	60	516	(202)	1927	10/24/2007	3 - 40 years
Hilton Hawaiian Village Waikiki Beach Resort	1,275	925	807	17	500	984	1,132	133	2,249	(575)	1961	10/24/2007	3 - 40 years
Hilton McLean Tysons Corner	—	50	82	3	(9)	23	58	45	126	(71)	1987	10/24/2007	3 - 40 years
Hilton New Orleans Riverside	—	89	217	3	133	90	283	69	442	(162)	1977	10/24/2007	3 - 40 years
Hilton Salt Lake City Center	—	—	—	10	21	—	9	22	31	(25)	2002	10/24/2007	3 - 40 years
Hilton Santa Barbara Beachfront Resort	156	71	50	2	54	71	81	25	177	(48)	1986	10/24/2007	3 - 40 years
Hilton Seattle Airport & Conference Center	—	—	70	3	17	—	81	9	90	(46)	1961	10/24/2007	3 - 40 years
Hilton Short Hills	—	59	54	3	(91)	13	10	2	25	(3)	1988	10/24/2007	3 - 40 years
Hilton Waikoloa Village	—	160	340	25	(22)	112	328	63	503	(193)	1988	10/24/2007	3 - 40 years
New York Hilton Midtown	—	1,096	542	13	151	1,043	665	94	1,802	(348)	1963	10/24/2007	3 - 40 years
DoubleTree Hotel Washington DC – Crystal City	—	43	95	2	52	43	128	21	192	(77)	1982	12/14/2007	3 - 40 years
Hilton Orlando Lake Buena Vista	—	—	137	10	41	—	156	32	188	(85)	1983	8/30/2010	3 - 40 years
Embassy Suites Kansas City – Plaza	—	—	26	1	5	—	29	3	32	(27)	1973	7/25/2014	3 - 40 years
Signia by Hilton Orlando Bonnet Creek	—	15	377	31	128	31	463	57	551	(130)	2009	2/12/2015	3 - 40 years
Waldorf Astoria Orlando	—	34	274	29	77	48	312	54	414	(98)	2009	2/12/2015	3 - 40 years
Casa Marina Key West, Curio Collection	—	164	174	9	52	169	198	32	399	(47)	1920	2/17/2015	3 - 40 years
The Reach Key West, Curio Collection	—	57	67	3	22	57	82	10	149	(27)	1970	2/17/2015	3 - 40 years
Juniper Hotel Cupertino, Curio Collection	—	40	64	8	2	40	65	9	114	(23)	1973	6/2/2015	3 - 40 years
Boston Marriott Newton	—	24	74	15	3	24	76	16	116	(25)	1969	9/18/2019	3 - 40 years

Park Hotels & Resorts Inc.
Schedule III
Real Estate and Accumulated Depreciation
(Dollars in millions)

December 31, 2024

		Initial Cost				Gross Amounts at Which Carried at Close of Period							
Hotel Property	**Encumbrances**	**Land**	**Building & Improvements**	**Furniture, Fixtures & Equipment**	**Costs Capitalized Subsequent to Acquisition**	**Land**	**Building & Improvements[1]**	**Furniture, Fixtures & Equipment**	**Total**	**Accumulated Depreciation**	**Date of Construction**	**Date Acquired[2]**	**Life Upon Which Depreciation is Computed**
Hilton Checkers Los Angeles	$ —	$ 19	$ 44	$ 7	$ 3	$ 19	$ 46	$ 8	$ 73	$ (11)	1927	9/18/2019	3 - 40 years
Hilton Denver City Center	53	14	163	21	4	14	165	23	202	(40)	1982	9/18/2019	3 - 40 years
Hyatt Centric Fisherman's Wharf	—	33	122	11	7	33	126	14	173	(28)	1990	9/18/2019	3 - 40 years
Hyatt Regency Boston	125	—	177	14	4	—	180	15	195	(37)	1985	9/18/2019	3 - 40 years
Hyatt Regency Mission Bay Spa and Marina	—	5	118	15	7	6	121	18	145	(33)	1961	9/18/2019	3 - 40 years
JW Marriott San Francisco Union Square	—	—	191	13	7	—	198	13	211	(37)	1987	9/18/2019	3 - 40 years
Royal Palm South Beach Miami, a Tribute Portfolio Resort	—	16	139	12	15	16	150	16	182	(32)	1926	9/18/2019	3 - 40 years
The Midland Hotel, a Tribute Portfolio	—	20	76	14	7	20	81	16	117	(21)	1928	9/18/2019	3 - 40 years
The Wade[4]	—	22	58	8	4	22	60	10	92	(18)	1965	9/18/2019	3 - 40 years
Total	**$ 1,639**	**$ 3,092**	**$ 5,105**	**$ 356**	**$ 1,613**	**$ 3,018**	**$ 6,139**	**$ 1,009**	**$ 10,166**	**$ (2,771)**			

(1) Includes amounts classified as construction-in-progress.
(2) On October 24, 2007, a predecessor to our Parent became a wholly owned subsidiary of an affiliate of The Blackstone Group L.P. following the completion of the Blackstone Merger.
(3) In January 2025, the W Chicago – City Center was converted to The Midland Hotel, a Tribute Portfolio Hotel.
(4) In February 2025, the W Chicago – Lakeshore was converted to The Wade.

Notes:

(A) The change in total cost of properties for the fiscal years ended December 31, 2024, 2023 and 2022 is as follows:

	Year Ended December 31,		
	2024	2023	2022
		(in millions)	
Balance at beginning of period	$ 10,075	$ 11,008	$ 11,010
Additions during period:			
Capital expenditures	227	307	188
Deductions during period:			
Dispositions, including casualty losses and impairment loss on planned dispositions	(136)	(199)	(190)
Derecognition of assets[1]	—	(1,041)	—
Balance at end of period	$ 10,166	$ 10,075	$ 11,008

(1) For the year ended December 31, 2023, represents the derecognition of the Hilton San Francisco Hotels from our consolidated balance sheet in October 2023, when the receiver took control of the hotels.

(B) The change in accumulated depreciation for the fiscal years ended December 31, 2024, 2023 and 2022 is as follows:

	Year Ended December 31,		
	2024	2023	2022
		(in millions)	
Balance at beginning of period	$ 2,620	$ 2,712	$ 2,504
Additions during period:			
Depreciation expense	255	254	267
Deductions during period:			
Dispositions, including casualty losses and impairment loss on planned dispositions	(104)	(68)	(59)
Derecognition of assets[1]	—	(278)	—
Balance at end of period	$ 2,771	$ 2,620	$ 2,712

(1) For the year ended December 31, 2023, represents the derecognition of the Hilton San Francisco Hotels from our consolidated balance sheet in October 2023, when the receiver took control of the hotels.

(C) The aggregate cost of real estate for U.S. federal income tax purposes is approximately $5,807 billion as of December 31, 2024.

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

None.

Item 9A. Controls and Procedures.

Evaluation of Disclosure Controls and Procedures

Our management has evaluated, under the supervision and with the participation of the Company's Chief Executive Officer and Chief Financial Officer, the effectiveness of the disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended ("the Exchange Act"), as required by paragraph (b) of Rules 13a-15 and 15d-15 of the Exchange Act. Based on this evaluation, our Chief Executive Officer and Chief Financial Officer have concluded that as of December 31, 2024, our disclosure controls and procedures were effective to ensure that information we are required to disclose in reports filed or submitted with the Securities and Exchange Commission (i) is recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission's rules and forms and (ii) is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate to allow timely decisions regarding disclosure.

Management's Annual Report on Internal Control over Financial Reporting

We have set forth management's report on internal control over financial reporting and the attestation report of our independent registered public accounting firm on the effectiveness of our internal control over financial reporting in Item 8 of this Annual Report on Form 10-K. Management's report on internal control over financial reporting is incorporated in this Item 9A by reference.

Changes in Internal Control over Financial Reporting

There were no changes in our internal control over financial reporting during our most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

Item 9B. Other Information.

None.

Item 9C. Disclosure Regarding Foreign Jurisdictions that Prevent Inspections.

None.

PART III

Item 10. Directors, Executive Officers and Corporate Governance.

The information required by this item will be incorporated by reference from our definitive Proxy Statement to be filed pursuant to Regulation 14A.

Item 11. Executive Compensation.

The information required by this item will be incorporated by reference from our definitive Proxy Statement to be filed pursuant to Regulation 14A.

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

The information required by this item will be incorporated by reference from our definitive Proxy Statement to be filed pursuant to Regulation 14A.

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

The information required by this item will be incorporated by reference from our definitive Proxy Statement to be filed pursuant to Regulation 14A.

Item 14. Principal Accounting Fees and Services.

The information required by this item will be incorporated by reference from our definitive Proxy Statement to be filed pursuant to Regulation 14A.

PART IV

Item 15. Exhibits, Financial Statement Schedules.

The following documents are filed as part of this report.

(a) Financial Statements
We include this portion of Item 15 under Item 8 of this Annual Report on Form 10-K.

(b) Financial Statement Schedules
Schedule III – Real Estate and Accumulated Depreciation is filed herewith.

All other schedules are omitted as the required information is either not present, not present in material amounts or presented within the consolidated financial statements or related notes.

(c) Exhibits

Exhibit Index

Exhibit Number	Description
2.1	Distribution Agreement by and among Hilton Worldwide Holdings Inc., Park Hotels & Resorts Inc., Hilton Grand Vacations Inc. and Hilton Domestic Operating Company Inc., dated as of January 2, 2017 (incorporated by reference to Exhibit 2.1 to our Current Report on Form 8-K, filed on January 4, 2017).
2.2	Agreement and Plan of Merger by and among Park Hotels & Resorts Inc., PK Domestic Property LLC, PK Domestic Sub LLC, and Chesapeake Lodging Trust, dated as of May 5, 2019 (incorporated by reference to Exhibit 2.1 to our Current Report on Form 8-K, filed on May 6, 2019).
3.1	Amended and Restated Certificate of Incorporation of Park Hotels & Resorts Inc. (incorporated by reference to Exhibit 3.1 to our Current Report on Form 8-K, filed on April 30, 2019).
3.2	Amended and Restated By-laws of Park Hotels & Resorts Inc. (incorporated by reference to Exhibit 3.2 to our Current Report of Form 10-Q, filed on August 1, 2024).
3.3	Certificate of Amendment to the Amended and Restated Certificate of Incorporation of Park Hotels & Resorts Inc. (incorporated by reference to Exhibit 3.1 to our Current Report on Form 8-K, filed on April 19, 2024).
4.1	Description of Park Hotels & Resorts Inc. Common Stock (incorporated by reference to Exhibit 4.1 to our Current Report on Form 10-K, filed on February 26, 2021).
4.2	Indenture, dated as of May 29, 2020, among Park Intermediate Holdings LLC, PK Domestic Property LLC, PK Finance Co-Issuer Inc., Park Hotels & Resorts Inc., the subsidiary guarantors party thereto and The Bank of New York Mellon, as trustee. (incorporated by reference to Exhibit 4.1 to our Current Report on Form 8-K, filed on May 29, 2020).
4.3	Indenture, dated as of September 18, 2020, among Park Intermediate Holdings LLC, PK Domestic Property LLC, PK Finance Co-Issuer Inc., Park Hotels & Resorts Inc., the subsidiary guarantors party thereto and U.S. Bank National Association, as trustee. (incorporated by reference to Exhibit 4.1 to our Current Report on Form 8-K, filed on September 18, 2020).

4.4	Indenture, dated as of May 14, 2021, among Park Intermediate Holdings LLC, PK Domestic Property LLC, PK Finance Co-Issuer Inc., Park Hotels & Resorts Inc., the subsidiary guarantors party thereto and U.S. Bank National Association, as trustee and collateral agent (incorporated by reference to Exhibit 4.1 to the Company's Form 8-K, filed on May 14, 2021).
4.5	First Supplemental Indenture, dated as of December 1, 2022, to the Indenture dated as of May 14, 2021 among Park Intermediate Holdings LLC, PK Domestic Property LLC, PK Finance Co-Issuer Inc., Park Hotels & Resorts Inc., the subsidiary guarantors party thereto and U.S. Bank Trust Company, National Association, as trustee and collateral agent (incorporated by reference to Exhibit 4.5 to our Current Report on Form 10-K, filed on February 23, 2023).
4.6	First Supplemental Indenture, dated as of May 7, 2021, to the Indenture dated as of September 18, 2020, among Park Intermediate Holdings LLC, PK Domestic Property LLC, PK Finance Co-Issuer Inc., Park Hotels & Resorts Inc., the subsidiary guarantors party thereto and U.S. Bank Trust Company, National Association, as trustee and collateral agent (incorporated by reference to Exhibit 4.6 to our Current Report on Form 10-K, filed on February 23, 2023).
4.7	Second Supplemental Indenture, dated as of December 1, 2022, to the Indenture dated as of September 18, 2020, among Park Intermediate Holdings LLC, PK Domestic Property LLC, PK Finance Co-Issuer Inc., Park Hotels & Resorts Inc., the subsidiary guarantors party thereto and U.S. Bank Trust Company, National Association, as trustee and collateral agent (incorporated by reference to Exhibit 4.7 to our Current Report on Form 10-K, filed on February 23, 2023).
4.8	First Supplemental Indenture, dated as of May 7, 2021, to the Indenture dated as of May 29, 2020, among Park Intermediate Holdings LLC, PK Domestic Property LLC, PK Finance Co-Issuer Inc., Park Hotels & Resorts Inc., the subsidiary guarantors party thereto and U.S. Bank Trust Company, National Association, as trustee and collateral agent (incorporated by reference to Exhibit 4.8 to our Current Report on Form 10-K, filed on February 23, 2023).
4.9	Second Supplemental Indenture, dated as of December 1, 2022, to the Indenture dated as of May 29, 2020, among Park Intermediate Holdings LLC, PK Domestic Property LLC, PK Finance Co-Issuer Inc., Park Hotels & Resorts Inc., the subsidiary guarantors party thereto and U.S. Bank Trust Company, National Association, as trustee and collateral agent (incorporated by reference to Exhibit 4.9 to our Current Report on Form 10-K, filed on February 23, 2023).
4.10	Indenture, dated as of May 16, 2024, among Park Intermediate Holdings LLC, PK Domestic Property LLC, PK Finance Co-Issuer Inc., Park Hotels & Resorts Inc., PK Domestic REIT Inc., the subsidiary guarantors party thereto and U.S. Bank Trust Company, National Association, as trustee (incorporated by reference to Exhibit 4.1 to our Current Report on Form 8-K, filed on May 16, 2024).
10.1	Tax Matters Agreement, dated as of January 2, 2017, by and among Hilton Worldwide Holdings Inc., Park Hotels & Resorts Inc., Hilton Grand Vacations Inc. and Hilton Domestic Operating Company Inc. (incorporated by reference to Exhibit 10.2 to our Current Report on Form 8-K, filed on January 4, 2017).
10.2	Park Hotels & Resorts Inc. 2017 Omnibus Incentive Plan (as Amended and Restated Effective as of April 26, 2023) (incorporated by reference to Exhibit 10.1 to our Current Report on Form 8-K, filed on April 28, 2023). †

10.3	Loan Agreement, dated as of October 7, 2016, among S.F. Hilton LLC and P55 Hotel Owner LLC, collectively, as Borrowers and JPMorgan Chase Bank, National Association, Deutsche Bank, AG, New York Branch, Goldman Sachs Mortgage Company, Barclays Bank PLC and Morgan Stanley Bank, N.A., collectively, as Lenders and the other parties thereto (incorporated by reference to Exhibit 10.7 to our Registration Statement on Form 10 (File No. 001-37795), as filed on November 14, 2016).
10.4	Guaranty Agreement, dated as of October 7, 2016, among Park Intermediate Holdings LLC and JPMorgan Chase Bank, National Association, Deutsche Bank AG, New York Branch, Goldman Sachs Mortgage Company, Barclays Bank PLC and Morgan Stanley Bank, N.A., collectively, as Lender (incorporated by reference to Exhibit 10.8 to our Registration Statement on Form 10 (File No. 001-37795), as filed on November 14, 2016).
10.5	Employment Agreement dated April 26, 2016, between Park Hotels & Resorts Inc. and Thomas J. Baltimore Jr (incorporated by reference to Exhibit 10.10 to our Registration Statement on Form 10 (File No. 001-37795), as filed on September 16, 2016). †
10.6	Park Hotels & Resorts Inc. 2017 Stock Plan for Non-Employee Directors (as amended and restated as of April 30, 2021) (incorporated by reference to Exhibit 4.3 to the Company's Registration Statement on Form S-8, filed on April 30, 2021). †
10.7	Loan Agreement, dated as of October 24, 2016, among Hilton Hawaiian Village LLC, as Borrower, Hilton Hawaiian Village Lessee LLC, as Operating Lessee, and JPMorgan Chase Bank, National Association, Deutsche Bank AG, New York Branch, Goldman Sachs Mortgage Company, Barclays Bank PLC and Morgan Stanley Bank, N.A., collectively, as Lender and the other parties thereto (incorporated by reference to Exhibit 10.15 to our Registration Statement on Form 10 (File No. 001-37795), as filed on November 14, 2016).
10.8	Guaranty Agreement, dated as of October 24, 2016, among Park Intermediate Holdings LLC and JPMorgan Chase Bank, National Association, Deutsche Bank AG, New York Branch, Goldman Sachs Mortgage Company, Barclays Bank PLC and Morgan Stanley Bank, N.A., collectively, as Lender (incorporated by reference to Exhibit 10.16 to our Registration Statement on Form 10 (File No. 001-37795), as filed on November 14, 2016).
10.9	Form of Indemnification Agreement entered into between Park Hotels & Resorts Inc. and each of its directors and executive officers (incorporated by reference to Exhibit 10.5 to our Registration Statement on Form 10 (File No. 0001-37795), filed on November 14, 2016).†
10.10	Form of CEO Performance Stock Unit Agreement (incorporated by reference to Exhibit 10.3 to our Current Report on Form 8-K, filed on March 1, 2017).†
10.11	Form of CEO Amended and Restated Performance Stock Unit Agreement (incorporated by reference to Exhibit 10.4 to our Quarterly Report on Form 10-Q, filed on May 2, 2022).†
10.12	Form of CEO Restricted Stock Award Agreement (incorporated by reference to Exhibit 10.4 to our Current Report on Form 8-K, filed on March 1, 2017).†
10.13	Form of Executive Performance Stock Unit Award Agreement (incorporated by reference to Exhibit 10.5 to our Current Report on Form 8-K, filed on March 1, 2017).†
10.14	Form of Executive Amended and Restated Performance Stock Unit Award Agreement (incorporated by reference to Exhibit 10.5 to our Quarterly Report on Form 10-Q, filed on May 2, 2022).†

10.15	Form of Executive Restricted Stock Award Agreement (incorporated by reference to Exhibit 10.6 to our Current Report on Form 8-K, filed on March 1, 2017).†
10.16	Park Hotels & Resorts Inc. Executive Severance Plan (incorporated by reference to Exhibit 10.1 to our Current Report on Form 8-K, filed on May 3, 2017).†
10.17	Form of Award Notice and Nonqualified Stock Option Agreement (Converted Award) (incorporated by reference to Exhibit 10.19 to our Quarterly Report on Form 10-Q, filed on May 4, 2017).†
10.18	Form of Nonqualified Stock Option Agreement (Converted Award-2014 Grant) (incorporated by reference to Exhibit 10.20 to our Quarterly Report on Form 10-Q, filed on May 4, 2017).†
10.19	Park Hotels & Resorts Inc. Executive Short-Term Incentive Program (amended and restated as of January 25, 2019) (incorporated by reference to Exhibit 10.32 to our Annual Report on Form 10-K, filed on February 28, 2019). †
10.20	Amended and Restated Credit Agreement, dated as of December 1, 2022, by and among Park Hotels & Resorts Inc., PK Domestic Property LLC, Park Intermediate Holdings LLC. Wells Fargo Bank, National Association, as administrative agent, and the financial institutions party thereto as lenders and agents (incorporated by reference to Exhibit 10.1 to our current report on Form 8-K, filed December 2, 2022).
10.21	First Amendment to Amended and Restated Credit Agreement, dated as of May 16, 2024, among Park Intermediate Holdings LLC and PK Domestic Property LLC, as Borrowers, Park Hotels and Resorts Inc., the lenders party thereto and Wells Fargo Bank, National Association, as Administrative Agent (incorporated by reference to Exhibit 10.1 to our Current Report on Form 8-K, filed on May 16, 2024).
10.22	Form of CEO Special Restricted Stock Award Agreement (incorporated by reference to Exhibit 10.2 to our Current Report on Form 8-K, filed on February 26, 2020).†
10.23	Form of Executive Special Restricted Stock Award Agreement (incorporated by reference to Exhibit 10.4 to our Current Report on Form 8-K, filed on February 26, 2020).†
10.24	Park Hotels & Resorts Inc. Executive Short-Term Incentive Program (amended and restated as of February 24, 2020) (incorporated by reference to Exhibit 10.5 to our Current Report on Form 8-K, filed on February 26, 2020).†
10.25	Park Hotels & Resorts Inc. Executive Long-Term Incentive Program (amended and restated as of February 24, 2020) (incorporated by reference to Exhibit 10.6 to our Current Report on Form 8-K, filed on February 26, 2020).†
10.26	Form of CEO PSU Agreement (incorporated by reference to Exhibit 10.1 to our Current Report on Form 8-K, filed on November 10, 2020). †
10.27	Form of Executive PSU Agreement (incorporated by reference to Exhibit 10.2 to our Current Report on Form 8-K, filed on November 10, 2020). †
10.28	Form of Restricted Stock Agreement issued pursuant to the Park Hotels & Resorts Inc. 2017 Stock Plan for Non-Employee Directors (as amended and restated as of April 30, 2021) (incorporated by reference to Exhibit 10.2 to the Company's Form 8-K, filed on May 4, 2021). †

10.29	Park Hotels & Resorts Inc. Executive Long-Term Incentive Program (amended and restated as of February 24, 2022) (incorporated by reference to Exhibit 10.1 to our Current Report on Form 8-K, filed on February 25, 2022). †
19*	Park Hotels and Resorts Inc. Insider Trading Policy (Effective as of February 13, 2025).
21*	Subsidiaries of Park Hotels & Resorts Inc.
23*	Consent of Independent Registered Public Accounting Firm, Ernst & Young LLP.
24.1*	Power of Attorney (included on the Signature Page of this Annual Report on Form 10-K).
31.1*	Certification of Principal Executive Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2*	Certification of Principal Financial Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1*	Certification of Principal Executive Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, furnished herewith.
32.2*	Certification of Principal Financial Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, furnished herewith.
97.1	Park Hotels and Resorts Inc. Incentive Compensation Clawback Policy (Effective as of October 2, 2023) (incorporated by reference to Exhibit 97.1 to our Annual Report on Form 10-K, filed on February 28, 2024). †
101.INS*	Inline XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
101.SCH*	Inline XBRL Taxonomy Extension Schema Document.
101.CAL*	Inline XBRL Taxonomy Extension Calculation Linkbase Document.
101.DEF*	Inline XBRL Taxonomy Extension Definition Linkbase Document.
101.LAB*	Inline XBRL Taxonomy Extension Label Linkbase Document.
101.PRE*	Inline XBRL Taxonomy Extension Presentation Linkbase Document.
104*	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101).
*	Filed herewith
†	Denotes a management contract or compensatory plan, contract or arrangement

Item 16. Form 10-K Summary

None.

SIGNATURE

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

Park Hotels & Resorts Inc.

Date: February 20, 2025	By:	/s/ Thomas J. Baltimore Jr.
		Thomas J. Baltimore, Jr.
		Chairman of the Board, President and Chief Executive Officer

SIGNATURES AND POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS, that each person whose signature appears below hereby constitutes and appoints Thomas J. Baltimore, Jr., Sean M. Dell'Orto and Nancy M. Vu, and each of them (with full power to act alone), the individual's true and lawful attorneys-in-fact and agents, with full power of substitution and resubstitution, for the person and in his or her name, place and stead, in any and all capacities, to sign any and all amendments to this Annual Report on Form 10-K and any other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully to all intents and purposes as such person might or could do in person, hereby ratifying and confirming all that such attorneys-in-fact and agents, or their substitute or substitutes, may lawfully do or cause to be done by virtue hereof. This Power of Attorney may be signed in several counterparts.

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

Name	Title	Date
/s/ Thomas J. Baltimore, Jr. Thomas J. Baltimore, Jr.	Chairman of the Board, President and Chief Executive Officer (Principal Executive Officer)	February 20, 2025
/s/ Sean M. Dell'Orto Sean M. Dell'Orto	Executive Vice President, Chief Financial Officer and Treasurer (Principal Financial Officer)	February 20, 2025
/s/ Darren W. Robb Darren W. Robb	Senior Vice President and Chief Accounting Officer (Principal Accounting Officer)	February 20, 2025
/s/ Patricia M. Bedient Patricia M. Bedient	Director	February 20, 2025
/s/ Thomas D. Eckert Thomas D. Eckert	Director	February 20, 2025
/s/ Geoffrey M. Garrett Geoffrey M. Garrett	Director	February 20, 2025
/s/ Christie B. Kelly Christie B. Kelly	Director	February 20, 2025
/s/ Terri D. McClements Terri D. McClements	Director	February 20, 2025
/s/ Thomas A. Natelli Thomas A. Natelli	Director	February 20, 2025
/s/ Timothy J. Naughton Timothy J. Naughton	Director	February 20, 2025
/s/ Stephen I. Sadove Stephen I. Sadove	Director	February 20, 2025

EXHIBIT 21

PARK HOTELS & RESORTS INC.
LIST OF SUBSIDIARIES

Name	Jurisdiction
American Plaza Parking LLC	Utah
A-R HHC Orlando Convention Hotel Member, LLC	Delaware
A-R HHC Orlando Convention Hotel Mezz, LLC	Delaware
A-R HHC Orlando Convention Hotel, LLC	Delaware
A-R HHC Orlando New Parcel Owner, LLC	Delaware
Ashford HHC Partners III LP	Delaware
Austin Lessee LLC	Delaware
Bonnet Creek Equity Holdings LLC	Delaware
Bonnet Creek Hilton Lessee LLC	Delaware
Boston Airport Lessee LLC	Delaware
BRE/FL Development Parcels L.L.C.	Delaware
Buckingham's Chicago, LLC	Delaware
Casa Marina Equity Holdings LLC	Delaware
Casa Marina Lessee LLC	Delaware
Casa Marina Owner, LLC	Delaware
Chesapeake Lodging, L.P.	Delaware
CHH Capital Hotel GP, LLC	Delaware
CHH Capital Hotel Partners, LP	Delaware
CHH Capital Tenant Corp.	Delaware
CHH III Tenant Parent Corp.	Delaware
CHH Torrey Pines Hotel GP, LLC	Delaware
CHH Torrey Pines Hotel Partners, LP	Delaware
CHH Torrey Pines Tenant Corp.	Delaware
Chicago Hilton LLC	Delaware
Chicago Lessee LLC	Delaware
CHSP Boston II LLC	Delaware
CHSP Boston LLC	Delaware
CHSP Chicago LLC	Delaware
CHSP Denver LLC	Delaware
CHSP Fisherman Wharf LLC	Delaware
CHSP Lakeshore LLC	Delaware
CHSP LLC	Delaware
CHSP Los Angeles LLC	Delaware
CHSP Miami Beach Holdings LLC	Delaware
CHSP Mission Bay LLC	Delaware
CHSP Newton LLC	Delaware
CHSP San Francisco LLC	Delaware
CHSP TRS Boston II LLC	Delaware
CHSP TRS Boston LLC	Delaware
CHSP TRS Chicago LLC	Delaware
CHSP TRS Denver LLC	Delaware

CHSP TRS Fisherman Wharf LLC	Delaware
CHSP TRS Lakeshore LLC	Delaware
CHSP TRS LLC	Delaware
CHSP TRS Los Angeles LLC	Delaware
CHSP TRS Mission Bay LLC	Delaware
CHSP TRS Newton LLC	Delaware
CHSP TRS San Francisco LLC	Delaware
CHSP TRS Union Square II LLC	Delaware
CHSP TRS Union Square LLC	Delaware
CHSP Union Square II LLC	Delaware
CHSP Union Square LLC	Delaware
Crystal City Lessee LLC	Delaware
Crystal City LLC	Delaware
Cupertino Hotel Owner LLC	Delaware
Cupertino Lessee LLC	Delaware
DJONT Leasing, L.L.C.	Delaware
Doubletree Spokane City Center LLC	Delaware
DR Spokane City Center LLC	Delaware
DT Ontario GP LLC	Delaware
DT Ontario Hotel Partners LLC	Delaware
DT Ontario Hotel Partners Lessee LLC	California
DT Ontario Hotel Partners Member LLC	Delaware
DT Spokane Equity Holdings LLC	Delaware
DTR TM Holdings, LLC	Delaware
DTWC Spokane City Center SPE, LLC	Delaware
Durango Lessee LLC	Delaware
EPT Kansas City Limited Partnership	Delaware
EPT Meadowlands Limited Partnership	Delaware
Fess Parker-Red Lion Hotel	California
G/B/H Condo Owner, LLC	Delaware
G/B/H Four Star, LLC	Delaware
G/B/H Golf Course, LLC	Delaware
Global Resort Partners	Hawaii
Global Resort Partners GP LLC	Delaware
Hilton CMBS Holdings LLC	Delaware
Hilton Hawaiian Village Lessee LLC	Delaware
Hilton Hawaiian Village LLC	Hawaii
Hilton International of Puerto Rico LLC	Delaware
Hilton Land Investment 1, LLC	Delaware
Hilton New Orleans, LLC	Delaware
Hilton Orlando Partners III, LLC	Delaware
Hilton Riverside, LLC	Delaware
Hilton Seattle Airport LLC	Delaware
HLT Alexandria Equity Holding LLC	Delaware
HLT CA Hilton LLC	Delaware
HLT Domestic Owner LLC	Delaware
HLT Hawaii Holding LLC	Delaware
HLT Logan LLC	Delaware

HLT NY Hilton LLC	Delaware
HLT NY Waldorf LLC	Delaware
HLT Operate DTWC LLC	Delaware
HLT Property Acquisition LLC	Delaware
HLT Resorts GP LLC	Delaware
HLT San Jose LLC	Delaware
International Rivercenter, L.L.C.	Louisiana
Kansas City Plaza Lessee LLC	Delaware
KC Plaza GP LLC	Delaware
Key West Reach Lessee LLC	Delaware
Key West Reach Owner, LLC	Delaware
King Street Station Hotel Associates L.P.	Virginia
King Street Station Hotel Associates Lessee LLC	Delaware
Kitty O'Shea's Chicago, LLC	Delaware
Lake Buena Vista Lessee LLC	Delaware
McLean Hilton LLC	Delaware
McLean Lessee LLC	Delaware
Meritex, LLC	Delaware
Miami Airport Lessee LLC	Delaware
Miami Airport LLC	Delaware
New Orleans Rivercenter	Louisiana
New Orleans Riverside Lessee LLC	Delaware
New York Lessee LLC	Delaware
NORC Riparian Property, LLC	Delaware
Oakland Airport Lessee LLC	Delaware
P55 Hotel Owner LLC	Delaware
Parc 55 Lessee LLC	Delaware
Park Ala Moana LLC	Delaware
Park DT Ontario Lessee Holdings LLC	Delaware
Park Embassy Alexandria Lessee Holdings LLC	Delaware
Park Intermediate Holdings LLC	Delaware
Park LA Holdings LLC	Delaware
Park Las Vegas Lessee Holdings LLC	Delaware
Park US Lessee Holdings Inc.	Delaware
Park-OCCC Hotel, Inc.	Florida
Phoenix Lessee LLC	Delaware
PK Alternative Investments LLC	Delaware
PK Domestic Lessee LLC	Delaware
PK Domestic Property LLC	Delaware
PK Domestic REIT Inc.	Delaware
PK Domestic Sub LLC	Delaware
PK Finance Co-Issuer Inc.	Delaware
PK Risk Management LLC	Hawaii
Puerto Rico Caribe Lessee LLC	Delaware
Reach Equity Holdings LLC	Delaware
RP Holdings Trust	Maryland
RP Hotel Holdings, LLC	Delaware
RP Hotel Operating Co. LLC	Delaware

S.F. Hilton LLC	Delaware
Salt Lake City Lessee LLC	Delaware
San Diego Lessee LLC	Delaware
San Francisco Lessee LLC	Delaware
San Jose Lessee LLC	Delaware
Santa Barbara Hotel Lessee LLC	Delaware
Santa Barbara JV Holdings LLC	Delaware
Santa Barbara Lessee Holdings LLC	Delaware
Seattle Airport DT Lessee LLC	Delaware
Seattle Airport HLT Lessee LLC	Delaware
Short Hills Hilton LLC	Delaware
Short Hills Lessee LLC	Delaware
Sonoma Lessee LLC	Delaware
Suite Life LLC	Delaware
Tex Holdings LLC	Delaware
Waikoloa Village Lessee LLC	Delaware

EXHIBIT 23

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in the following Registration Statements:

(1) Registration Statement (Form S-3 No. 333-277821) of Park Hotels & Resorts Inc. and the related Prospectus,

(2) Registration Statement (Form S-8 No. 333-215324) pertaining to the Park Hotels & Resorts Inc. 2017 Omnibus Incentive Plan and the Park Hotels & Resorts Inc. 2017 Stock Plan for Non-Employee Directors,

(3) Registration Statement (Form S-8 No. 333- 255660) pertaining to the Park Hotels & Resorts Inc. 2017 Stock Plan for Non-Employee Directors (as amended and restated as of April 30, 2021), and

(4) Registration Statement (Form S-8 No. 333- 271534) pertaining to the Park Hotels & Resorts Inc. 2017 Omnibus Incentive Plan (as amended and restated as of April 26, 2023);

of our reports dated February 20, 2025, with respect to the consolidated financial statements of Park Hotels & Resorts Inc. and the effectiveness of internal control over financial reporting of Park Hotels & Resorts Inc. included in this Annual Report (Form 10-K) of Park Hotels & Resorts Inc. for the year ended December 31, 2024.

/s/ Ernst & Young LLP

Tysons, Virginia
February 20, 2025

Exhibit 31.1

CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Thomas J. Baltimore, Jr., certify that:

1. I have reviewed this Annual Report on Form 10-K of Park Hotels & Resorts 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 the Securities Exchange Act of 1934, as amended, Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and

5. The registrant’s other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

Date: February 20, 2025

By: /s/ Thomas J. Baltimore, Jr.

Thomas J. Baltimore, Jr.
Chairman of the Board, President and Chief Executive Officer

Exhibit 31.2

CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Sean M. Dell'Orto, certify that:

1. I have reviewed this Annual Report on Form 10-K of Park Hotels & Resorts 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 the Securities Exchange Act of 1934, as amended, Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 20, 2025

By: /s/ Sean M. Dell'Orto

Sean M. Dell'Orto
Executive Vice President,
Chief Financial Officer and Treasurer

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 Annual Report of Park Hotels & Resorts Inc. (the “Company”) on Form 10-K for the year ended December 31, 2024 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Thomas J. Baltimore, Jr., President and Chief Executive Officer, certify, 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 result of operations of the Company.

Date: February 20, 2025

By: /s/ Thomas J. Baltimore, Jr.

Thomas J. Baltimore, Jr.

**Chairman of the Board, President and
Chief Executive Officer**

In accordance with SEC Release NO. 34-47986, this Exhibit is furnished to the SEC as an accompanying document and is not deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that Section, nor shall it be deemed incorporated by reference into any filing under the Securities Act of 1933, as amended.

Exhibit 32.2

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Annual Report of Park Hotels & Resorts Inc. (the "Company") on Form 10-K for the year ended December 31, 2024 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Sean M. Dell'Orto, Executive Vice President and Chief Financial Officer, certify, 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 result of operations of the Company.

Date: February 20, 2025

By: /s/ Sean M. Dell'Orto

Sean M. Dell'Orto

Executive Vice President,
Chief Financial Officer and Treasurer

In accordance with SEC Release NO. 34-47986, this Exhibit is furnished to the SEC as an accompanying document and is not deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that Section, nor shall it be deemed incorporated by reference into any filing under the Securities Act of 1933, as amended.

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CORPORATE INFORMATION

BOARD OF DIRECTORS

Thomas J. Baltimore, Jr.
Chairman of the Board,
President and
Chief Executive Officer
Park Hotels & Resorts Inc.

Patricia M. Bedient
Former Executive Vice President
and Chief Financial Officer
Weyerhaeuser Company

Thomas D. Eckert
Former Chairman of the
Board, President and
Chief Executive Officer
Capital Automotive
Real Estate Services, Inc.

Geoffrey Garrett
Dean
Marshall School of Business
of the University of
Southern California

Christie B. Kelly
Former Executive Vice President,
Chief Financial Officer
and Treasurer
Realty Income Corporation

Terri D. McClements
Former Partner
PricewaterhouseCoopers

Thomas A. Natelli
President and
Chief Executive Officer
Natelli Communities

Timothy J. Naughton
Non-Executive Chairman
of the Board and
Former Chief Executive Officer
AvalonBay Communities, Inc.

Stephen I. Sadove
Founding Partner
JW Levin Management
Partners LLC and
Former Chairman and
Chief Executive Officer
Saks Incorporated

EXECUTIVE OFFICERS

Thomas J. Baltimore, Jr.
Chairman of the Board,
President and Chief
Executive Officer

Sean M. Dell'Orto
Executive Vice President,
Chief Financial Officer
and Treasurer

Carl A. Mayfield
Executive Vice President,
Design & Construction

Thomas C. Morey
Executive Vice President,
Chief Investment Officer

Jill C. Olander
Executive Vice President,
Human Resources

Joseph M. Piantedosi
Executive Vice President,
Asset Management

Nancy M. Vu
Executive Vice President,
General Counsel and Secretary

Common Stock
(based on closing price)

2024 Stock Price

	HIGH	LOW
1st Quarter	$17.75	$14.69
2nd Quarter	$17.77	$14.63
3rd Quarter	$15.70	$13.63
4th Quarter	$15.82	$13.67

Corporate Headquarters
Park Hotels & Resorts
1775 Tysons Blvd, 7th Floor
Tysons, VA 22102
(571) 302-5757
(703) 442-0370 (fax)

Transfer Agent and Registrar
EQ Shareowner Services
1110 Centre Pointe Curve, Suite 101
Mendota Heights, MN 55120
(800) 468-9716 Toll Free
(651) 450-4064 (Outside U.S.)
www.shareowneronline.com

Stock Exchange Listing
New York Stock
Exchange
Ticker Symbol: PK

Stockholders of Record
13 as of March 3, 2025

PARK HOTELS & RESORTS
1775 TYSONS BLVD, 7TH FLOOR
TYSONS, VA 22102

(571) 302-5757
PKHOTELSANDRESORTS.COM