

HOST HOTELS & RESORTS, INC.

Form 8-K

October 21, 2015

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT

PURSUANT TO SECTION 13 OR 15(d)

OF THE SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported) October 19, 2015

HOST HOTELS & RESORTS, INC.

HOST HOTELS & RESORTS, L.P.

(Exact name of registrant as specified in its charter)

Maryland (Host Hotels & Resorts, Inc.)

Delaware (Host Hotels & Resorts, L.P.)

(State or other jurisdiction)

001-14625

0-25087

(Commission)

53-0085950

52-2095412

(IRS Employer)

of incorporation)

File Number)

Identification No.)

6903 Rockledge Drive, Suite 1500

Bethesda, Maryland 20817

(Address of principal executive offices) (Zip Code)

(240) 744-1000

Registrant's telephone number, including area code

Not Applicable

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

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- .. Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- .. Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- .. Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- .. Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 8.01 Other Events

On October 19, 2015, Host Hotels & Resorts, L.P. (Host L.P.), for whom Host Hotels & Resorts, Inc. (Host Inc.) acts as sole general partner, gave notice that it intends to redeem the remaining \$391.3 million in outstanding principal amount of Host L.P.'s 2.50% Exchangeable Senior Debentures due 2029 (the Exchangeable Debentures). The redemption date for the Exchangeable Debentures is November 3, 2015 (the Redemption Date) pursuant to an irrevocable notice delivered by the trustee on Host L.P.'s behalf on October 19, 2015. The Exchangeable Debentures were issued pursuant to a supplement to Host L.P.'s Amended and Restated Indenture, dated August 5, 1998, originally among HMH Properties, Inc. (now Host L.P.), the subsidiary guarantors named therein, and HSBC Bank USA f/k/a Marine Midland Bank (now succeeded by The Bank of New York Mellon), as trustee. Under the terms of the Exchangeable Debentures, the redemption price will be 100.000% of the principal amount thereof, together with accrued and unpaid interest (including liquidated damages, if any) thereon to the redemption date.

Because Host L.P. has called the Exchangeable Debentures for redemption on the Redemption Date, the Exchangeable Debentures will remain exchangeable until 5:00 p.m., New York City time, on October 30, 2015, which is the second business day prior to the Redemption Date. We intend to settle any exchange in shares of Host Inc.'s common stock and the current exchange price is 80.3053 shares of Host Inc. common stock per \$1,000 principal amount of Exchangeable Debentures (which is equivalent to an exchange price of \$12.45 per share). Based on the exchange price, we expect that holders of Exchangeable Debentures will elect to exchange their Exchangeable Debentures for shares of Host Inc. common stock rather than receive the cash redemption price at par as long as the common stock price exceeds \$12.45.

Assuming that all holders of Exchangeable Debentures elect to exchange their Exchangeable Debentures for shares of Host Inc. common stock, Host Inc. expects to issue approximately 32.1 million shares of Host Inc. common stock (including shares issued for Exchangeable Debentures already exchanged). To the extent dilutive, these shares have been included in the historical calculations of diluted earnings per common share and Adjusted FFO per common share on a weighted average basis. For the second quarter and year-to-date 2015 and 2014 Adjusted FFO per common share calculations included in our Quarterly Report on Form 10-Q, the Exchangeable Debentures were included in the share count on a weighted average basis, as they were dilutive for all periods presented. Host Inc. will issue the shares of common stock in a private placement pursuant to Section 4(2) of the Securities Act.

Forward-Looking Statements

In this Current Report on Form 8-K we make forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements are identified by their use of terms and phrases such as anticipate, believe, could, expect, may, intend, predict, project, plan, will, estimate and other phrases. Forward-looking statements are based on management's current expectations and assumptions, are not guarantees of future performance, and involve known and unknown risks, uncertainties and other factors which may cause our actual results to differ materially from those anticipated at the time the forward-looking statements are made. These risks and uncertainties include changes in Host Inc.'s stock price, which will affect whether holders elect to exchange their Exchangeable Debentures for Host Inc. common stock and other risks and uncertainties associated with our business described in our Annual Report on Form 10-K for the year ended December 31, 2014, and in other filings with the Securities and Exchange Commission. Although we believe the expectations reflected in such forward-looking statements are based upon reasonable assumptions, we can give no assurance that we will attain these expectations or that any deviations will not be material. Except as otherwise required by the federal securities laws, we disclaim any obligations or undertaking to publicly release updates to any forward-looking statement contained in this report to conform the statement to actual results or changes in our expectations.

SIGNATURES

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

HOST HOTELS & RESORTS, INC.
(Registrant)

Date: October 20, 2015

By: /s/ Brian G. Macnamara
Brian G. Macnamara
Senior Vice President and Corporate Controller

SIGNATURES

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

HOST HOTELS & RESORTS, L.P.
(Registrant)

By: HOST HOTELS & RESORTS, INC.
Its General Partner

Date: October 20, 2015

By: /s/ Brian G. Macnamara
Brian G. Macnamara
Senior Vice President and Corporate Controller