

Section 1: 8-K (8-K)

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 16, 2020

Drive Shack Inc.

(Exact name of registrant as specified in its charter)

Maryland

(State or other jurisdiction of incorporation)

001-31458
(Commission File Number)

81-0559116
(IRS Employer Identification No.)

218 W 18th St, 3rd Fl.
New York, New York
(Address of principal executive offices)

10011
(Zip Code)

Registrant's telephone number, including area code (646) 585-5591

N/A

(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))

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, \$0.01 par value per share	DS	New York Stock Exchange (NYSE)
9.75% Series B Cumulative Redeemable Preferred Stock, \$0.01 par value per share	DS-PB	New York Stock Exchange (NYSE)
8.05% Series C Cumulative Redeemable Preferred Stock, \$0.01 par value per share	DS-PC	New York Stock Exchange (NYSE)
8.375% Series D Cumulative Redeemable Preferred Stock, \$0.01 par value per share	DS-PD	New York Stock Exchange (NYSE)

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (17 CFR

Sec.230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 Sec.240.12b-2).

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.

Item 2.01. Completion of Acquisition or Disposition of Assets.

On October 16, 2020, Drive Shack Inc. (the “Company”) consummated the sale of the Rancho San Joaquin golf course, located in Irvine, California. Gross proceeds from the sale equaled \$34.5 million, prior to taking into account transaction fees and certain adjustments to the contract sale price based on current assets and liabilities of the golf course at the time of sale. The buyer of Rancho San Joaquin was a privately-held entity headquartered in California, and did not have any material relationship with the Company or any of its subsidiaries or affiliates or any director or officer of the registrant, or any associate of any director or officer of the Company.

A copy of the Company’s press release is attached as Exhibit 99.1 to this Current Report on Form 8-K.

Item 8.01. Other Events.

The Company currently intends to hold its 2020 Annual Meeting of Stockholders (the “Annual Meeting”) on December 14, 2020. Additional information regarding the Annual Meeting, including the time and location, will be provided in the Company’s proxy materials. The mailing of such proxy materials, including the definitive proxy statement and notice of meeting, to stockholders are expected to commence on or about November 4, 2020.

Under the rules of the U.S. Securities and Exchange Commission, the Company has set October 29, 2020 as the deadline for submitting a shareholder proposal for inclusion in the Company’s proxy materials for the Annual Meeting pursuant to Rule 14a-8 under the Securities Exchange Act of 1934, as amended. Accordingly, in order for a stockholder proposal to be considered for inclusion in the Company’s proxy materials for the Annual Meeting, the proposal must be received by the Secretary of the Company at the Company’s principal executive offices at 218 W. 18th Street, 3rd Floor, New York, New York 10011, no later than the close of business on such date, and comply with the procedures and requirements set forth in Rule 14a-8.

In accordance with the advance notice requirements contained in the Company’s Amended and Restated Bylaws (the “Bylaws”), for director nominations or other business to be brought before the Annual Meeting by a stockholder, other than Rule 14a-8 proposals described above, written notice must be delivered to the Secretary of the Company at the same address noted above, no later than the close of business on October 29, 2020. These stockholder notices also must comply with the requirements of the Bylaws and will not be effective otherwise.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

[99.1](#) Press Release, dated October 19, 2020.

104 Cover Page Interactive Data File (formatted as Inline XBRL).

SIGNATURE

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

DRIVE SHACK INC.
(Registrant)

/s/ Nicholas M. Foley

Secretary

Date: October 19, 2020

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Section 2: EX-99.1 (EXHIBIT 99.1)

Exhibit 99.1

DRIVE SHACK

October 19, 2020

Drive Shack Inc. Closes \$34.5 Million Sale of its Rancho San Joaquin, CA Golf Property

American Golf Corporation will continue to operate the facility under a management agreement

*Sale proceeds to be used to finance next phase of strategic growth plan,
including Drive Shack New Orleans and the launch of The Puttery in 2021*

NEW YORK, NY, October 19, 2020 -- Drive Shack Inc. (NYSE: DS), a leading owner and operator of golf-related leisure and entertainment businesses, announced the sale of its Rancho San Joaquin golf course, located in Irvine, California, to a private investment group. American Golf, a subsidiary of Drive Shack Inc., will continue to operate the facility under a management agreement.

At closing, the Company received net proceeds of approximately \$33.6 million in cash, which included the purchase price of \$34.5 million less transaction costs and adjustments to the sale price for working capital of approximately \$0.9 million. Proceeds from the sale will be used to finance the next phase of the Company's strategic growth plan, including Drive Shack New Orleans and the launch of The Puttery Dallas in 2021, as well as for general corporate purposes.

"The sale of our Rancho golf property is an important milestone as we near the completion of our asset monetization strategy of our owned courses, while optimizing and growing our leased and managed courses," said Chief Executive Officer, Hana Khouri. "We will work strategically with the new ownership group to ensure the continued success of the golf course, including Rancho San Joaquin's robust Players Club membership."

Khouri added, "Our plan to successfully launch The Puttery and open our New Orleans Drive Shack venue remains on track for 2021. Proceeds from this sale, coupled with ongoing measures currently in place, provides capital to fund these commitments and navigate the current environment. This is a key milestone in our long-term strategic financial plan focused on providing capital to fund a path to operating 50+ Puttery venues by the end of 2024. I look forward to sharing more details on our upcoming third quarter earnings call in early November."

Forward-Looking Statements

The Company cautions that this release contains forward-looking statements. Forward-looking statements involve risks and uncertainties. Accordingly, actual results may differ materially from the forward-looking statements, and the Company therefore cautions you against relying on such forward-looking statements. Future factors that could cause actual results or other expectations or intentions to differ from those included in forward-looking statements include, without limitation, the uncertain and unprecedented impact of the COVID-19 pandemic on our business and operations and the related impact on our liquidity needs; our ability to continue as a going concern; our ability to access funding sources; the potential imposition of government-mandated and voluntary shutdowns relating to the COVID-19 pandemic; the level of customer demand during the onset and continuance of the COVID-19 pandemic and thereafter; the economic impact of the COVID-19 pandemic and related disruptions on the communities we serve; our overall level of indebtedness and leverage; general business and economic conditions; the impact of competition; the seasonality of the Company's business; adverse weather conditions; guest and employee complaints and litigation; labor costs and availability; changes in consumer and corporate spending; changes in demographic trends; changes in governmental regulations; unfavorable publicity, our ability to open new venues, and acts of God. The Company intends these forward-looking statements to speak only as of the time of

this release and does not undertake to update or revise them as more appropriate information becomes available, except as required by law.

About Drive Shack

Drive Shack Inc. is a leading owner and operator of golf-related leisure and entertainment businesses.

Investor Relations

Kelley Buchhorn
646-585-5591