UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

(Mark one)

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

For the quarterly period ended June 30, 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 001-37754

RED ROCK RESORTS, INC.

(Exact name of registrant as specified in its charter)

Delaware	**47-5081182**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

1505 South Pavilion Center Drive, Las Vegas, Nevada
(Address of principal executive offices)
89135
(Zip Code)
(702) 495-3000
(Registrant's telephone number, including area code)
N/A
(Former name, former address and former fiscal year, if changed since last report)

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

Title of each class	Trading Symbol	Name of each exchange on which registered
Class A Common Stock, $.01 par value	RRR	NASDAQ Stock Market

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

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

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

Large accelerated filer	☑	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☐
		Emerging growth company	☐

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

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

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

Class	Outstanding at July 31, 2024
Class A Common Stock, $0.01 par value	59,618,824
Class B Common Stock, $0.00001 par value	45,985,804

RED ROCK RESORTS, INC.
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Part I. Financial Information

Item 1. Financial Statements

RED ROCK RESORTS, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(amounts in thousands, except share data)

	June 30, 2024	December 31, 2023
	(unaudited)	
ASSETS		
Current assets:		
Cash and cash equivalents	$ 136,449	$ 137,586
Receivables, net	65,825	61,930
Income tax receivables	7,146	14,443
Inventories	15,539	15,255
Prepaid gaming tax	30,361	24,888
Prepaid expenses and other current assets	30,573	28,190
Total current assets	285,893	282,292
Property and equipment, net of accumulated depreciation of $1,337,609 and $1,288,470 at June 30, 2024 and December 31, 2023, respectively	2,804,833	2,771,818
Goodwill	195,676	195,676
Intangible assets, net of accumulated amortization of $20,583 and $19,794 at June 30, 2024 and December 31, 2023, respectively	82,017	82,806
Land held for development	454,729	451,010
Native American development costs	51,133	45,879
Deferred tax asset, net	50,972	43,381
Other assets, net	87,995	81,650
Total assets	$ 4,013,248	$ 3,954,512
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	$ 22,726	$ 25,353
Accrued interest payable	35,674	15,607
Other accrued liabilities	224,785	280,493
Current portion of payable pursuant to tax receivable agreement	1,166	1,662
Current portion of long-term debt	20,975	26,104
Total current liabilities	305,326	349,219
Long-term debt, less current portion	3,419,431	3,301,658
Other long-term liabilities	43,549	39,319
Payable pursuant to tax receivable agreement, less current portion	19,263	20,429
Total liabilities	3,787,569	3,710,625
Commitments and contingencies (Note 12)		
Stockholders' equity:		
Preferred stock, par value $0.01 per share, 100,000,000 shares authorized; none issued and outstanding	—	—
Class A common stock, par value $0.01 per share, 500,000,000 shares authorized; 59,548,042 and 58,866,439 shares issued and outstanding at June 30, 2024 and December 31, 2023, respectively	595	589
Class B common stock, par value $0.00001 per share, 100,000,000 shares authorized; 45,985,804 shares issued and outstanding at June 30, 2024 and December 31, 2023	1	1
Additional paid-in capital	8,282	7,345
Retained earnings	150,092	160,904
Total Red Rock Resorts, Inc. stockholders' equity	158,970	168,839
Noncontrolling interest	66,709	75,048
Total stockholders' equity	225,679	243,887
Total liabilities and stockholders' equity	$ 4,013,248	$ 3,954,512

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

RED ROCK RESORTS, INC.
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(amounts in thousands, except per share data)
(unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Operating revenues:				
Casino	$ 319,629	$ 269,507	$ 636,483	$ 557,747
Food and beverage	91,718	77,623	184,996	155,770
Room	50,142	44,892	103,030	88,831
Other	24,914	24,108	50,791	47,418
Net revenues	486,403	416,130	975,300	849,766
Operating costs and expenses:				
Casino	87,853	69,583	172,822	141,294
Food and beverage	74,267	60,883	147,714	120,995
Room	16,075	13,473	31,946	27,080
Other	7,760	8,994	15,027	16,706
Selling, general and administrative	111,318	93,480	216,123	185,985
Depreciation and amortization	46,703	32,738	91,576	63,833
Write-downs and other, net	2,193	10,066	4,334	29,685
	346,169	289,217	679,542	585,578
Operating income	140,234	126,913	295,758	264,188
Earnings from joint ventures	721	754	1,444	1,653
Operating income and earnings from joint ventures	140,955	127,667	297,202	265,841
Other expense:				
Interest expense, net	(57,434)	(44,340)	(114,635)	(86,796)
Loss on extinguishment/modification of debt	—	—	(14,402)	—
Change in fair value of derivative instruments	(1,923)	—	(1,923)	—
	(59,357)	(44,340)	(130,960)	(86,796)
Income before income tax	81,598	83,327	166,242	179,045
Provision for income tax	(11,788)	(8,417)	(18,061)	(18,608)
Net income	69,810	74,910	148,181	160,437
Less: net income attributable to noncontrolling interests	34,134	35,397	69,670	76,248
Net income attributable to Red Rock Resorts, Inc.	$ 35,676	$ 39,513	$ 78,511	$ 84,189
Earnings per common share (Note 11):				
Earnings per share of Class A common stock, basic	$ 0.60	$ 0.68	$ 1.33	$ 1.46
Earnings per share of Class A common stock, diluted	$ 0.59	$ 0.65	$ 1.29	$ 1.40
Weighted-average common shares outstanding:				
Basic	59,069	57,828	58,935	57,741
Diluted	60,748	103,329	103,720	103,260

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

RED ROCK RESORTS, INC.
CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
(amounts in thousands)
(unaudited)

	Red Rock Resorts, Inc. Stockholders' Equity						Noncontrolling interest	Total stockholders' equity
	Common stock				Additional paid-in capital	Retained earnings		
	Class A		Class B					
	Shares	Amount	Shares	Amount				
Balances, March 31, 2024	59,610	$ 596	45,986	$ 1	$ 5,327	$ 129,321	$ 50,233	$ 185,478
Net income	—	—	—	—	—	35,676	34,134	69,810
Share-based compensation	—	—	—	—	11,947	—	—	11,947
Distributions	—	—	—	—	—	—	(22,422)	(22,422)
Dividends	—	—	—	—	—	(14,905)	—	(14,905)
Stock option exercises and issuance of restricted stock, net	13	—	—	—	—	—	—	—
Repurchase of Class A common stock	(75)	(1)	—	—	(3,921)	—	—	(3,922)
Withholding tax on share-based compensation	—	—	—	—	(307)	—	—	(307)
Rebalancing of ownership percentage between the Company and noncontrolling interests in Station Holdco	—	—	—	—	(4,764)	—	4,764	—
Balances, June 30, 2024	59,548	$ 595	45,986	$ 1	$ 8,282	$ 150,092	$ 66,709	$ 225,679

	Red Rock Resorts, Inc. Stockholders' Equity						Noncontrolling interest	Total stockholders' equity
	Common stock				Additional paid-in capital	Retained earnings		
	Class A		Class B					
	Shares	Amount	Shares	Amount				
Balances, March 31, 2023	58,219	$ 582	45,986	$ 1	$ 1,166	$ 73,327	$ 18,557	$ 93,633
Net income	—	—	—	—	—	39,513	35,397	74,910
Share-based compensation	—	—	—	—	4,933	—	—	4,933
Distributions	—	—	—	—	—	—	(32,807)	(32,807)
Dividends	—	—	—	—	—	(14,542)	—	(14,542)
Stock option exercises and issuance of restricted stock, net	172	2	—	—	(2)	—	—	—
Withholding tax on share-based compensation	—	—	—	—	(5,420)	—	—	(5,420)
Rebalancing of ownership percentage between the Company and noncontrolling interests in Station Holdco	—	—	—	—	427	—	(427)	—
Balances, June 30, 2023	58,391	$ 584	45,986	$ 1	$ 1,104	$ 98,298	$ 20,720	$ 120,707

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

RED ROCK RESORTS, INC.
CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY (Continued)
(amounts in thousands)
(unaudited)

	Red Rock Resorts, Inc. Stockholders' Equity							
	Common stock							
	Class A		Class B					
	Shares	Amount	Shares	Amount	Additional paid-in capital	Retained earnings	Noncontrolling interest	Total stockholders' equity
Balances, December 31, 2023	58,866	$ 589	45,986	$ 1	$ 7,345	$ 160,904	$ 75,048	$ 243,887
Net income	—	—	—	—	—	78,511	69,670	148,181
Share-based compensation	—	—	—	—	17,942	—	—	17,942
Distributions	—	—	—	—	—	—	(79,904)	(79,904)
Dividends	—	—	—	—	—	(89,323)	—	(89,323)
Stock option exercises and issuance of restricted stock, net	774	7	—	—	(7)	—	—	—
Repurchase of Class A common stock	(75)	(1)	—	—	(3,921)	—	—	(3,922)
Withholding tax on share-based compensation	(17)	—	—	—	(11,182)	—	—	(11,182)
Rebalancing of ownership percentage between the Company and noncontrolling interests in Station Holdco	—	—	—	—	(1,895)	—	1,895	—
Balances, June 30, 2024	59,548	$ 595	45,986	$ 1	$ 8,282	$ 150,092	$ 66,709	$ 225,679

	Red Rock Resorts, Inc. Stockholders' Equity							
	Common stock							
	Class A		Class B					
	Shares	Amount	Shares	Amount	Additional paid-in capital	Retained earnings	Noncontrolling interest (deficit)	Total stockholders' equity
Balances, December 31, 2022	58,013	$ 580	45,986	$ 1	$ —	$ 43,203	$ (11,541)	$ 32,243
Net income	—	—	—	—	—	84,189	76,248	160,437
Share-based compensation	—	—	—	—	10,317	—	—	10,317
Distributions	—	—	—	—	—	—	(44,303)	(44,303)
Dividends	—	—	—	—	—	(29,094)	—	(29,094)
Stock option exercises and issuance of restricted stock, net	407	4	—	—	(4)	—	—	—
Withholding tax on share-based compensation	(29)	—	—	—	(8,893)	—	—	(8,893)
Rebalancing of ownership percentage between the Company and noncontrolling interests in Station Holdco	—	—	—	—	(316)	—	316	—
Balances, June 30, 2023	58,391	$ 584	45,986	$ 1	$ 1,104	$ 98,298	$ 20,720	$ 120,707

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

RED ROCK RESORTS, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(amounts in thousands)
(unaudited)

	Six Months Ended June 30,	
	2024	**2023**
Cash flows from operating activities:		
Net income	$ 148,181	$ 160,437
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	91,576	63,833
Write-downs and other, net	216	(1,138)
Amortization of debt discount and debt issuance costs	3,961	4,752
Share-based compensation	17,681	10,125
Loss on extinguishment/modification of debt	3,092	—
Change in fair value of derivative instruments	1,923	—
Deferred income tax	(7,591)	(1,150)
Changes in assets and liabilities:		
Receivables, net	(3,843)	1,892
Inventories and prepaid expenses	(8,633)	(7,764)
Accounts payable	(2,796)	572
Accrued interest payable	20,067	(155)
Income tax receivable/payable	7,297	4,914
Other accrued liabilities	(2,375)	(2,265)
Other, net	247	1,128
Net cash provided by operating activities	269,003	235,181
Cash flows from investing activities:		
Capital expenditures, net of related payables	(176,667)	(377,104)
Acquisition of land held for development	(1,944)	(2,108)
Native American development costs	(4,986)	(2,678)
Other, net	(1,475)	(2,244)
Net cash used in investing activities	(185,072)	(384,134)

RED ROCK RESORTS, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (Continued)
(amounts in thousands)
(unaudited)

	Six Months Ended June 30, 2024	Six Months Ended June 30, 2023
Cash flows from financing activities:		
Borrowings under credit agreements with original maturity dates greater than three months	1,946,853	270,000
Payments under credit agreements with original maturity dates greater than three months	(2,322,327)	(47,390)
Proceeds from issuance of 6.625% Senior Notes	500,000	—
Payment of debt issuance costs	(23,413)	—
Distributions to noncontrolling interests	(79,904)	(44,303)
Repurchases of Class A common stock	(3,922)	—
Withholding tax on share-based compensation	(11,182)	(8,893)
Dividends paid	(88,855)	(29,532)
Payments on tax receivable agreement liability	(1,662)	(6,632)
Other, net	(656)	(637)
Net cash (used in) provided by financing activities	(85,068)	132,613
Decrease in cash and cash equivalents	(1,137)	(16,340)
Balance, beginning of period	137,586	117,289
Balance, end of period	$ 136,449	$ 100,949
Supplemental cash flow disclosures:		
Cash paid for interest, net of $0 and $11,867 capitalized, respectively	$ 90,672	$ 82,330
Cash paid for income taxes	$ 9,600	$ 14,800
Non-cash investing and financing activities:		
Capital expenditures incurred but not yet paid	$ 46,495	$ 114,540

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

RED ROCK RESORTS, INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)

1. Organization, Basis of Presentation and Significant Accounting Policies

Organization

Red Rock Resorts, Inc. ("Red Rock," or the "Company") was formed as a Delaware corporation in 2015 to own an indirect equity interest in and manage Station Casinos LLC ("Station LLC"), a Nevada limited liability company. Station LLC is a gaming, development and management company established in 1976 that owns and operates seven major gaming facilities and ten smaller casino properties (three of which are 50% owned) in the Las Vegas regional market. In December 2023, the Company opened Durango Casino & Resort ("Durango").

The Company owns all of the outstanding voting interests in Station LLC and has an indirect equity interest in Station LLC through its ownership of limited liability interests in Station Holdco LLC ("Station Holdco," and such interests, "LLC Units"), which owns all of the economic interests in Station LLC. At June 30, 2024, the Company held 58% of the economic interests and 100% of the voting power in Station Holdco, subject to certain limited exceptions, and is designated as the sole managing member of both Station Holdco and Station LLC. The Company controls and operates all of the business and affairs of Station Holdco and Station LLC, and conducts all of its operations through these entities.

Basis of Presentation

The accompanying condensed consolidated financial statements have been prepared by the Company pursuant to the rules and regulations of the Securities and Exchange Commission. Certain information and footnote disclosures normally included in financial statements prepared in accordance with accounting principles generally accepted in the United States ("GAAP") have been condensed or omitted pursuant to such rules and regulations, although management believes that the disclosures are adequate to make the information presented not misleading. In the opinion of management, all adjustments necessary for a fair presentation of the results for the interim periods have been made, and such adjustments were of a normal recurring nature. The interim results reflected in these condensed consolidated financial statements are not necessarily indicative of results to be expected for the full fiscal year. These financial statements should be read in conjunction with the audited financial statements and related notes included in the Company's Annual Report on Form 10-K for the year ended December 31, 2023.

Principles of Consolidation

Station Holdco and Station LLC are variable interest entities, of which the Company is the primary beneficiary. Accordingly, the Company consolidates the financial position and results of operations of Station LLC and its consolidated subsidiaries and Station Holdco, and presents the interests in Station Holdco not owned by Red Rock within noncontrolling interest in the condensed consolidated financial statements. All significant intercompany accounts and transactions have been eliminated. Investments in all 50% or less owned affiliated companies are accounted for using the equity method.

Use of Estimates

The preparation of condensed consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect amounts reported and disclosed. Actual results could differ from those estimates.

Significant Accounting Policies

A description of the Company's significant accounting policies is included in the audited financial statements within its Annual Report on Form 10-K for the year ended December 31, 2023.

Recently Issued Accounting Standards

In November 2023, the FASB issued ASU 2023-07, Segment Reporting (Topic 280). The ASU is intended to improve disclosures of significant segment expenses by requiring disclosure of significant segment expenses regularly provided to the chief operating decision maker ("CODM"), requiring disclosure of other segment items by reportable segment, extend certain annual disclosures to interim periods, permit more than one measure of segment profit or loss to be reported under certain conditions and requiring disclosure of the CODM's title and position and how the CODM uses reported measure(s) in assessing segment performance. The amendments are effective for the Company in fiscal years beginning after December 15, 2023, and interim periods within fiscal years beginning after December 15, 2024 and are required to be applied retrospectively to all periods presented. Early adoption is permitted, including adoption in any interim periods for which financial statements have not been issued. The Company is currently evaluating the guidance and its impact to the financial statements.

In December 2023, the FASB issued ASU 2023-09, Income Taxes (Topic 740). The ASU is intended to provide more transparency of income tax information through improvements to income tax disclosures, primarily rate reconciliation and income taxes paid. For public entities, the amendments in this update are effective for annual periods beginning after December 15, 2024. Amendments should be applied on a prospective basis. The Company does not anticipate that this ASU will have a material impact on its financial statements.

2. Noncontrolling Interest in Station Holdco

As discussed in Note 1, Red Rock holds a controlling interest in and consolidates the financial position and results of operations of Station LLC and its subsidiaries and Station Holdco. The interests in Station Holdco not owned by Red Rock are presented within noncontrolling interest in the condensed consolidated financial statements. Entities controlled by Frank J. Fertitta III, the Company's Chairman of the Board and Chief Executive Officer, and Lorenzo J. Fertitta, the Company's Vice Chairman of the Board and a vice president of the Company (the "Fertitta Family Entities"), hold 99% of the noncontrolling interest.

The ownership of the LLC Units is summarized as follows:

	June 30, 2024		December 31, 2023	
	Units	Ownership %	Units	Ownership %
Red Rock	63,837,833	58.1 %	63,027,745	57.8 %
Noncontrolling interest holders	45,985,804	41.9 %	45,985,804	42.2 %
Total	109,823,637	100.0 %	109,013,549	100.0 %

The Company uses monthly weighted-average LLC Unit ownership to calculate the pretax income or loss and other comprehensive income or loss of Station Holdco attributable to Red Rock and the noncontrolling interest holders. Station Holdco equity attributable to Red Rock and the noncontrolling interest holders is rebalanced, as needed, to reflect LLC Unit ownership at period end.

3. Native American Development

The Company, the North Fork Rancheria of Mono Indians (the "Mono"), a federally recognized Native American tribe located near Fresno, California and the North Fork Rancheria Economic Development Authority (the "Authority") have entered into a Third Amended and Restated Management Agreement (the "Management Agreement") and a Third Amended and Restated Development Agreement (the "Development Agreement"), each dated as of November 7, 2023. Pursuant to the Development Agreement, the Company has assisted and will assist the Mono and the Authority in developing a gaming and entertainment facility (the "North Fork Project") to be located in Madera County, California. Pursuant to the Management Agreement, the Company will assist the Mono and the Authority in operating the North Fork Project. The Company purchased a 305-acre parcel of land adjacent to Highway 99 north of the city of Madera (the "North Fork Site"), which was taken into trust for the benefit of the Mono by the Department of the Interior ("DOI") in February 2013.

As currently contemplated, the North Fork Project is expected to include approximately 2,000 Class III slot machines and additional Class II slot machines, approximately 40 table games and several restaurants. Future development costs of the project are expected to be between $ 375 million and $425 million. The following table summarizes the Company's evaluation at June 30, 2024 of each of the critical milestones that it has identified as necessary to complete the North Fork Project. As of January 5, 2024, the date the Mono received the approval of the Management Agreement from the Chair of the National Indian Gaming Commission ("NIGC"), each of these critical milestones has substantially been resolved.

The following table summarizes the Company's evaluation at June 30, 2024 of each of the critical milestones necessary to complete the North Fork Project.

Federally recognized as an Indian tribe by the Bureau of Indian Affairs ("BIA")	Yes
Date of recognition	Federal recognition was terminated in 1966 and restored in 1983.
Tribe has possession of or access to usable land upon which the project is to be built	The DOI accepted approximately 305 acres of land for the project into trust for the benefit of the Mono in February 2013.
Status of obtaining regulatory and governmental approvals:	
Tribal-state compact	A compact was negotiated and signed by the Governor of California and the Mono in August 2012. The California State Assembly and Senate passed Assembly Bill 277 ("AB 277") which ratified the Compact in May 2013 and June 2013, respectively. Opponents of the North Fork Project qualified a referendum, "Proposition 48," for a state-wide ballot challenging the legislature's ratification of the Compact. In November 2014, Proposition 48 failed. The State took the position that the failure of Proposition 48 nullified the ratification of the Compact and, therefore, the Compact did not take effect under California law. In March 2015, the Mono filed suit against the State to obtain a compact with the State or procedures from the Secretary of the Interior under which Class III gaming may be conducted on the North Fork Site. In July 2016, the DOI issued Secretarial procedures (the "Secretarial Procedures") pursuant to which the Mono may conduct Class III gaming on the North Fork Site.
Approval of gaming compact by DOI	The Compact was submitted to the DOI in July 2013. In October 2013, notice of the Compact taking effect was published in the Federal Register. The Secretarial Procedures supersede and replace the Compact.
Record of decision regarding environmental impact published by BIA	In November 2012, the record of decision for the Environmental Impact Statement for the North Fork Project was issued by the BIA. In December 2012, the Notice of Intent to take land into trust was published in the Federal Register.
BIA accepting usable land into trust on behalf of the tribe	The North Fork Site was accepted into trust in February 2013.
Approval of management agreement by NIGC	In December 2015, the Mono submitted a Second Amended and Restated Management Agreement, and certain related documents, to the NIGC. In July 2016, the Mono received a deficiency letter from the NIGC seeking additional information concerning the Second Amended and Restated Management Agreement. In March 2018, the Mono submitted the Management Agreement and certain related documents to the NIGC. In June 2018, the Mono received a deficiency letter from the NIGC seeking additional information concerning the Management Agreement. In April 2021, the Mono received an issues letter from the NIGC identifying issues to be addressed prior to approval of the Management Agreement. In September 2022, the Mono received an additional issues letter from the NIGC identifying remaining issues to be addressed prior to approval of the Management Agreement. Following dialogue with the NIGC, the Mono submitted executed North Fork Project agreements to the NIGC in November, 2023. On January 5, 2024, the Chairman of the NIGC approved the Management Agreement.
Gaming licenses:	
Type	The North Fork Project will include the operation of Class II and Class III gaming, which are allowed pursuant to the terms of the Secretarial Procedures and IGRA, following approval of the Management Agreement by the NIGC.
Number of gaming devices allowed	The Secretarial Procedures allow for the operation of a maximum of 2,000 Class III slot machines at the facility during the first two years of operation and thereafter up to 2,500 Class III slot machines. There is no limit on the number of Class II gaming devices that the Mono can offer.
Agreements with local authorities	The Mono has entered into memoranda of understanding with the City of Madera, the County of Madera and the Madera Irrigation District under which the Mono agreed to pay one-time and recurring mitigation contributions, subject to certain contingencies. The memoranda of understanding have all been amended to restructure the timing of certain payments due to delays in the development of the North Fork Project.

In addition to the critical milestones, there is a remaining unresolved legal matter related to the North Fork Project.

In March 2016, Picayune Rancheria of Chukchansi Indians ("Picayune") filed a complaint for declaratory relief and petition for writ of mandate in California Superior Court for the County of Madera against Governor Edmund G. Brown, Jr., alleging that the referendum that invalidated the Compact also invalidated Governor Brown's concurrence with the Secretary of the Interior's determination that gaming on the North Fork Site would be in the best interest of the Mono and not detrimental to the surrounding community. The complaint seeks to vacate and set aside the Governor's concurrence and was stayed from December 2016 to September 2021, when the Supreme Court of California denied the Mono's and the State of California's petition for review in *Stand Up for California! v. Brown*. As a result of the denial, litigation of this matter has resumed and a first amended complaint was filed by Picayune in December 2022. Each of the State of California and the Mono filed demurrers challenging the first amended complaint; in July 2023, the State of California's demurrer was granted and the Mono's demurrer was denied. The Mono has answered the first amended complaint and each of the Mono and Picayune have filed motions for summary judgment, which motions are fully briefed. In May 2024, the Superior Court of California granted Picayune's motion for summary judgment and denied the Mono's motion for summary judgment.

Under the terms of the Development Agreement, the Company has agreed to arrange the financing for the ongoing development costs and construction of the facility, and has contributed significant financial support to the North Fork Project. Through June 30, 2024, the Company has paid approximately $66.2 million of reimbursable advances to the Mono, primarily to complete the environmental impact study, purchase the North Fork Site and pay the costs of litigation. The repayment of the advances is expected to come from the proceeds of the North Fork Project's financing, from cash flows from the North Fork Project's operations, or from a combination of both. In accordance with the Company's accounting policy, accrued interest on the advances will not be recognized in income until the carrying amount of the advances has been recovered. The carrying amount of the reimbursable advances was reduced by $15.1 million to fair value upon the Company's adoption of fresh-start reporting in 2011. At June 30, 2024, the carrying amount of the advances was $51.1 million.

In addition to the reimbursable advances, the Company expects to receive a development fee of 4% of the costs of construction for its development services, which will be paid upon the commencement of gaming operations at the facility. The Management Agreement provides for the Company to receive a management fee of 30% of the North Fork Project's net income. The repayment of all or a portion of the reimbursable advances is anticipated to be subordinated to the Mono's debt service obligations under the North Fork Project's financing. The Management Agreement has a term of seven years from the opening of the North Fork Project. The Management Agreement includes termination provisions whereby either party may terminate the agreement for cause, and may also be terminated at any time upon agreement of the parties. There is no provision in the Management Agreement allowing the tribe to buy-out the agreement prior to its expiration. The Management Agreement provides that the Company will train the Mono tribal members such that they may assume responsibility for managing the North Fork Project upon the expiration of the agreement.

The Company expects that, upon termination or expiration of the Development Agreement, the Mono will continue to be obligated to repay any unpaid principal and interest on the advances from the Company. Amounts due to the Company under the Development Agreement and Management Agreement are secured by substantially all of the assets of the North Fork Project except the North Fork Site. In addition, each of the Development Agreement and the Management Agreement contains waivers of the Mono's sovereign immunity from suit for the purpose of enforcing the agreements or permitting or compelling arbitration and other remedies.

The timing of both the North Fork Project and of the repayment of the reimbursable advances is difficult to predict and is contingent on the achievement of the critical milestones, the financing of the North Fork Project, and the cash flows from the North Fork Project. The Company currently estimates that construction of the North Fork Project may begin in the next three months and estimates that the North Fork Project would be completed and opened for business approximately 18 to 20 months after construction begins. The Company expects to assist the Mono in obtaining financing for the North Fork Project once all necessary critical milestones have been achieved and prior to commencement of construction.

The Company has evaluated the likelihood that the North Fork Project will be successfully completed and opened, and has concluded that the likelihood of successful completion is in the range of 75% to 85% at June 30, 2024. The Company's evaluation is based on its consideration of all available positive and negative evidence about the status of the North Fork Project, including, but not limited to, the status of required regulatory approvals, as well as the progress being made toward the achievement of any remaining critical milestones, the arrangement of financing for the North Fork Project and the status of any remaining litigation and contingencies. There can be no assurance that all the necessary governmental and regulatory approvals will be obtained, that financing will be obtained, that the financing and/or the cash flows from the North Fork Project will be sufficient to repay the advances, that the North Fork Project will be successfully completed or that future events and circumstances will not change the Company's estimates of the timing, scope, and potential for successful completion or that any such changes will not be material. In addition, there can be no assurance that the Company will recover all of its investment in the North Fork Project even if it is successfully completed and opened for business.

4. Other Accrued Liabilities

Other accrued liabilities consisted of the following (amounts in thousands):

	June 30, 2024	December 31, 2023
Contract and customer-related liabilities:		
Unpaid wagers, outstanding chips and other customer-related liabilities	$ 21,789	$ 23,361
Advance deposits and future wagers	13,339	20,195
Rewards program liability	11,721	11,192
Other accrued liabilities:		
Construction payables and equipment purchase accruals	65,018	118,316
Accrued payroll and related	37,871	42,048
Accrued gaming and related	30,139	29,497
Operating lease liabilities, current portion	6,096	6,137
Other	38,812	29,747
	$ 224,785	$ 280,493

Construction payables and equipment purchase accruals at June 30, 2024 and December 31, 2023 included $ 38.6 million and $100.2 million, respectively, related to the development of Durango.

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5. Long-term Debt

Long-term debt consisted of the following indebtedness of Station LLC (amounts in thousands):

	June 30, 2024	December 31, 2023
Term Loan B Facility due March 14, 2031, interest at margin above SOFR or base rate (7.59% at June 30, 2024), net of unamortized discount and deferred costs of $22.0 million at June 30, 2024	$ 1,548,011	$ —
Term Loan B Facility due February 7, 2027, interest at a margin above SOFR or base rate (7.71% at December 31, 2023), net of unamortized discount and deferred issuance costs of $15.9 million at December 31, 2023	—	1,442,054
Term Loan A Facility due February 7, 2025, interest at a margin above SOFR or base rate (6.96% at December 31, 2023), net of unamortized discount and deferred issuance costs of $0.6 million at December 31, 2023	—	152,955
Revolving Credit Facility due March 14, 2029, interest at a margin above SOFR or base rate (6.84% at June 30, 2024)	178,000	—
Revolving Credit Facility due February 7, 2025, interest at a margin above SOFR or base rate (6.96% at December 31, 2023)	—	512,000
6.625% Senior Notes due March 14, 2032, net of unamortized deferred issuance costs of $ 6.5 million at June 30, 2024	493,483	—
4.625% Senior Notes due December 1, 2031, net of unamortized deferred issuance costs of $4.7 million and $ 4.9 million at June 30, 2024 and December 31, 2023	495,268	495,006
4.50% Senior Notes due February 15, 2028, net of unamortized discount and deferred issuance costs of $ 4.1 million and $4.7 million at June 30, 2024 and December 31, 2023, respectively	686,648	686,129
Other long-term debt, weighted-average interest of 3.88% at June 30, 2024 and December 31, 2023, net of unamortized discount and deferred issuance costs of $0.1 million at June 30, 2024 and December 31, 2023	38,996	39,618
Total long-term debt	3,440,406	3,327,762
Current portion of long-term debt	(20,975)	(26,104)
Total long-term debt, net	$ 3,419,431	$ 3,301,658

Credit Facility

On March 14, 2024, Station LLC entered into an amended and restated credit agreement (the “Credit Agreement”), which amended and restated the existing credit agreement and pursuant to which the Company repaid all loans outstanding under the existing credit agreement and (a) incurred (i) a new senior secured term “B” loan facility in an aggregate principal amount of $1,570.0 million (the “New Term B Facility” and the term “B” loans funded thereunder, the “New Term B Loan”) and (ii) a new senior secured revolving credit facility in an aggregate principal amount of $1,100.0 million (the “New Revolving Credit Facility” and, together with the New Term B Facility, the “New Credit Facilities”), and (b) made certain other amendments to the existing credit agreement, including the extinguishment of the existing term loan “A” facility. The New Revolving Credit Facility will mature on March 14, 2029 and the New Term B Facility will mature on March 14, 2031.

Borrowings under the New Credit Facilities bear interest at a rate per annum, at Station LLC’s option, equal to either the forward-looking Secured Overnight Financing Rate term (“Term SOFR”) or a base rate determined by reference to the highest of (i) the federal funds rate plus 0.50%, (ii) the administrative agent’s “prime rate” and (iii) the one-month Term SOFR rate plus 1.00%, in each case plus an applicable margin. Such applicable margin is, in the case of the New Term B Loan, 2.25% per annum in the case of any Term SOFR loan and 1.25% in the case of any base rate loan. The applicable margin in the case of the New Revolving Credit Facility is shown below:

	Revolving Credit Facility due March 14, 2029	
Consolidated Senior Secured Net Leverage Ratio	**SOFR**	**Base Rate**
Greater than 3.00 to 1.00	1.75 %	0.75 %
Equal to or less than 3.00 to 1.00	1.50 %	0.50 %

The New Credit Facilities contain a number of customary covenants, including requirements that Station LLC maintain throughout the term of such facilities and measured as of the end of each quarter, a maximum total secured net leverage ratio of 5.00 to 1.00. A breach of the financial ratio covenants shall only become an event of default if not cured and a Covenant Facility Acceleration has occurred. Management believes the Company was in compliance with all applicable covenants at June 30, 2024.

Revolving Credit Facility

At June 30, 2024, Station LLC's borrowing availability under the New Revolving Credit Facility, subject to continued compliance with the terms of the facility, was $876.2 million, which was net of $178.0 million in outstanding borrowings and $45.8 million in outstanding letters of credit and similar obligations.

6.625% Senior Notes

On March 14, 2024, Station LLC issued $500.0 million in aggregate principal amount of 6.625% senior notes due 2032 (the "6.625% Senior Notes") pursuant to an indenture dated as of March 14, 2024, among Station LLC, the guarantors party thereto and Deutsche Bank Trust Company Americas, as trustee. The net proceeds of the sale of the 6.625% Senior Notes together with the borrowings under the New Term B Loan were used (i) to refinance all loans and commitments outstanding under the Credit Facility, (ii) to pay fees and costs associated with such transactions and (iii) for general corporate purposes. Interest on the 6.625% Senior Notes will be paid every six months in arrears on March 15 and September 15, commencing on September 15, 2024. The Company capitalized $6.7 million in new costs associated with the 6.625% Senior Notes, which were primarily lender fees.

The indenture governing the 6.625% Senior Notes contains a number of customary covenants that, among other things and subject to certain exceptions, restrict the ability of Station LLC and its restricted subsidiaries to incur or guarantee additional indebtedness; issue disqualified stock or create subordinated indebtedness that is not subordinated to the 6.625% Senior Notes; create liens; engage in mergers, consolidations or asset dispositions; enter into certain transactions with affiliates; engage in lines of business other than its core business and related businesses; make investments or pay dividends or distributions (other than customary tax distributions); or create restrictions on dividends or other payments by our restricted subsidiaries. These covenants are subject to a number of exceptions and qualifications as set forth in the indenture. The indenture governing the 6.625% Senior Notes also provides for events of default which, if any of them occurs, would permit or require the principal of and accrued interest on such 6.625% Senior Notes to be declared due and payable.

6. Derivative Instruments

The Company's objective in using derivative instruments is to manage its exposure to interest rate movements associated with its variable interest rate debt. To accomplish this objective, the Company uses interest rate contracts as a primary part of its cash flow hedging strategy. The Company does not use derivative financial instruments for trading or speculative purposes.

On April 9, 2024, Station LLC entered into two zero cost interest rate collar agreements with an aggregate notional amount of $750.0 million. Both interest rate collars became effective in April 2024 and include a Term SOFR cap of 5.25% and a weighted average Term SOFR floor of 2.89% and will mature in April 2029. Monthly cash settlements are received from or paid to the counterparties when interest rates rise above or fall below the contractual cap or floor rates. The interest rate collars are not designated in hedging relationships for accounting purposes.

The Company records all derivative instruments on the balance sheet at fair value, which it determines using widely accepted valuation techniques including discounted cash flow analysis on the expected cash flows of each derivative. This analysis reflects the contractual terms of the derivatives, including the period to maturity, and uses observable market-based inputs, including forward interest rate curves. The Company incorporates credit valuation adjustments to appropriately reflect both its own nonperformance risk and the respective counterparty's nonperformance risk in the fair value measurements. The Company does not offset derivative asset and liability positions when interest rate contracts are held with the same counterparty.

As the Company's derivative instruments are not designated in hedging relationships, the changes in fair value and the related pretax gains and losses are recognized in Change in fair value of derivative instruments in the Condensed Consolidated Statements of Income in the period in which the change occurs. The Company recognizes cash settlements received or paid, if any, on the derivative instruments within Change in fair value of derivative instruments and classifies such cash flows within investing activities in the Condensed Consolidated Statements of Cash Flows.

Station LLC has not posted any collateral related to its interest rate collars; however, its obligations under the interest rate collars are subject to the security and guarantee arrangements applicable to the Credit Facility. The interest rate collar agreements contain cross-default provisions under which Station LLC could be declared in default on its obligations under such agreements if certain conditions of default exist on the Credit Facility. At June 30, 2024, the aggregate termination value of the interest rate collars, including accrued interest, but excluding any adjustment for nonperformance risk, was a liability of $2.2 million. Had Station LLC been in breach of the provisions of its interest rate collar agreements, it could have been required to pay the termination value to settle the obligations.

7. Fair Value Measurements

Information about the Company's assets and liabilities measured at fair value on a recurring basis, aggregated by the level in the fair value hierarchy within which those measurements fall, is presented below (amounts in thousands):

	Balance Sheet Classification	June 30, 2024	December 31, 2023	Level of Fair Value Hierarchy
Assets				
Interest rate collars	Other current assets	$ 542	$ —	Level 2 – Significant unobservable inputs
Liabilities				
Interest rate collars	Other long-term liabilities	$ 2,583	$ —	Level 2 – Significant unobservable inputs

Fair Value of Long-term Debt

The estimated fair value of Station LLC's long-term debt compared with its carrying amount is presented below (amounts in millions):

	June 30, 2024	December 31, 2023
Aggregate fair value	$ 3,373	$ 3,245
Aggregate carrying amount	3,440	3,328

The estimated fair value of Station LLC's long-term debt is based on quoted market prices from various banks for similar instruments, which is considered a Level 2 input under the fair value measurement hierarchy.

8. Stockholders' Equity

Net Income Attributable to Red Rock Resorts, Inc. and Transfers (to) from Noncontrolling Interests

The table below presents the effect on Red Rock Resorts, Inc. stockholders' equity from net income and transfers (to) from noncontrolling interests (amounts in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Net income attributable to Red Rock Resorts, Inc.	$ 35,676	$ 39,513	$ 78,511	$ 84,189
Transfers (to) from noncontrolling interests:				
Rebalancing of ownership percentage between the Company and noncontrolling interests in Station Holdco	(4,764)	427	(1,895)	(316)
Net transfers (to) from noncontrolling interests	(4,764)	427	(1,895)	(316)
Change from net income attributable to Red Rock Resorts, Inc. and net transfers (to) from noncontrolling interests	$ 30,912	$ 39,940	$ 76,616	$ 83,873

Dividends and Distributions

During the three and six months ended June 30, 2024 and 2023, the Company declared and paid quarterly cash dividends of $ 0.25 and $0.50 per share of Class A common stock, respectively, which included $2.1 million and $4.2 million, respectively, paid to Fertitta Family Entities.

Prior to the quarterly cash dividend payments, during the three and six months ended June 30, 2024 and 2023, Station Holdco paid distributions to noncontrolling interest holders of $11.5 million and $23.0 million, respectively, which included $11.3 million and $22.7 million, respectively, paid to Fertitta Family Entities. During the three months ended June 30, 2024 and 2023, Station Holdco paid tax distributions to noncontrolling interest holders of $10.9 million and $21.3 million, respectively, including $10.8 million and $21.0 million, respectively, paid to Fertitta Family Entities.

On July 23, 2024, the Company announced that it would pay a dividend of $ 0.25 per share to Class A shareholders of record as of September 16, 2024 to be paid on September 30, 2024. Prior to the payment of the dividend, Station Holdco will make a cash distribution to all LLC Unit holders, including the Company, of $0.25 per LLC Unit, a portion of which will be paid to the other unit holders of Station Holdco.

Special Dividends

In February 2024, the Company declared a special cash dividend of $ 1.00 per share of Class A common stock to shareholders of record as of February 22, 2024, which was paid on March 4, 2024, and included $8.5 million paid to Fertitta Family Entities. Prior to the payment of the special dividend, Station Holdco made a cash distribution to all LLC unit holders, including the Company, of $1.00 per unit, of which $ 45.4 million was paid to Fertitta Family Entities.

Equity Repurchase Program

On May 2, 2024, the Company's board of directors authorized the extension of the $ 600 million equity repurchase program for repurchases of Class A common stock through December 31, 2025. During the three and six months ended June 30, 2024, the Company repurchased 75,000 shares of its Class A common stock for an aggregate purchase price of $3.9 million and a weighted average price per share of $ 52.29 in open market transactions. The Company made no repurchases during the three and six months ended June 30, 2023 under the program. At June 30, 2024, the remaining amount authorized for repurchases under the program was $309.0 million.

9. Share-based Compensation

The Company maintains an equity incentive plan designed to attract, retain and motivate employees and align the interests of those individuals with the interests of the Company. A total of 23.8 million shares of Class A common stock are reserved for issuance under the plan, of which approximately 12.3 million shares were available for issuance at June 30, 2024.

The following table presents information about the Company's share-based compensation awards:

	Restricted Class A Common Stock		Stock Options	
	Shares	Weighted-average grant date fair value	Shares	Weighted-average exercise price
Outstanding at January 1, 2024	422,684	$ 42.39	6,179,510	$ 33.35
Activity during the period:				
Granted	182,542	58.50	712,772	58.50
Vested/exercised (a)	(66,481)	31.92	(1,422,656)	25.86
Forfeited/expired	—	—	(22,636)	41.37
Antidilution adjustment (b)	—	—	101,083	n/m
Outstanding at June 30, 2024	538,745	$ 49.14	5,548,073	$ 37.86

(a) Stock options exercised included 831,277 options that were not converted into shares due to net share settlements to cover the aggregate exercise price and employee withholding taxes.

(b) As a result of the special dividend paid in March 2024, all outstanding stock option awards were adjusted to decrease the exercise price of the options and increase the number of shares issuable under the awards pursuant to an antidilution provision in the Equity Incentive Plan.

The Company recognized share-based compensation expense of $ 11.8 million and $17.7 million for the three and six months ended June 30, 2024, respectively, and $4.8 million and $10.1 million for the three and six months ended June 30, 2023, respectively. At June 30, 2024, unrecognized share-based compensation cost was $ 62.0 million, which is expected to be recognized over a weighted-average period of 2.8 years.

10. Income Taxes

Red Rock is a corporation and pays corporate federal, state and local taxes on its income, primarily pass-through income from Station Holdco based upon Red Rock's economic interest held in Station Holdco. Station Holdco is a partnership for income tax reporting purposes. Station Holdco's members, including the Company, are liable for federal, state and local income taxes based on their respective share of Station Holdco's pass-through taxable income.

The Company's tax provision or benefit from income taxes for interim periods is determined using an estimate of the Company's annual effective tax rate, adjusted for discrete items, if any, that are taken into account in the relevant period. Each quarter, the Company updates the estimate of the annual effective tax rate and makes necessary cumulative adjustments to the total tax provision or benefit.

The Company's effective tax rate for the three and six months ended June 30, 2024 was 14.4% and 10.9%, respectively, as compared to 10.1% and 10.4% for the three and six months ended June 30, 2023. The Company's effective tax rate for the three and six months ended June 30, 2024 differs from the 21% statutory rate primarily because its effective tax rate includes a rate benefit attributable to the fact that Station Holdco operates as a limited liability company, which is not subject to federal income tax. Accordingly, the Company is not taxed on the portion of Station Holdco's income attributable to noncontrolling interests. Additionally, the effective tax rate is impacted by the permanent tax benefit attributable to the stock compensation activity from Station Holdco.

As a result of the Company's 2016 initial public offering ("IPO") and certain reorganization transactions, the Company recorded a net deferred tax asset resulting from the outside basis difference of its interest in Station Holdco. The Company also recorded a deferred tax asset for its liability related to payments to be made pursuant to the tax receivable agreement ("TRA") representing 85% of the tax savings the Company expects to realize from the amortization deductions associated with the step-up in the basis of depreciable assets under Section 754 of the Internal Revenue Code. This deferred tax asset will be recovered as cash payments are made to the TRA participants. In addition, the Company has recorded deferred tax assets related to net operating losses and other tax attributes, as applicable.

The Company considers both positive and negative evidence when measuring the need for a valuation allowance. A valuation allowance is not required to the extent that, in management's judgment, positive evidence exists with a magnitude and duration sufficient to result in a conclusion that it is more likely than not (a likelihood of more than 50%) that the Company's deferred tax assets will be realized.

Under the 2017 U.S. federal tax year examination, the Internal Revenue Service ("IRS") issued a Notice of Proposed Adjustment in relation to the 2017 land lease deduction. During the second quarter of 2024, Station Holdco held its appeals conference with the IRS. As a result of the preliminary appeals conference, the Company recorded a current unrecognized tax benefit liability and deferred tax asset associated with the land lease deduction.

Tax Receivable Agreement

In connection with the IPO, the Company entered into the TRA with certain owners who held LLC Units prior to the IPO. In the event that such parties exchange any or all of their LLC Units for Class A common stock or cash, at the election of the Company, the TRA requires the Company to make payments to such holders for 85% of the tax benefits realized by the Company as a result of such exchange. The Company expects to realize these tax benefits based on current projections of taxable income. The annual tax benefits are computed by calculating the income taxes due, including such tax benefits, and the income taxes due without such benefits.

At June 30, 2024 and December 31, 2023, the Company's liability under the TRA was $ 20.4 million and $22.1 million, respectively, of which $5.6 million and $6.0 million, respectively, was payable to Fertitta Family Entities. No LLC Units were exchanged during the six months ended June 30, 2024 or 2023. During the six months ended June 30, 2024 the Company made payments on the TRA liability of $1.7 million and expects to pay $ 1.2 million of the TRA liability within the next twelve months.

The timing and amount of aggregate payments due under the TRA may vary based on a number of factors, including the amount and timing of the taxable income the Company generates each year and the tax rate then applicable. The payment obligations under the TRA are Red Rock's obligations and are not obligations of Station Holdco or Station LLC. Payments are generally due within a specified period of time following the filing of the Company's annual tax return and interest on such payments will accrue from the original due date (without extensions) of the income tax return until the date paid. Payments not made within the required period after the filing of the income tax return generally accrue interest.

The TRA will remain in effect until all such tax benefits have been utilized or expired, unless the Company exercises its right to terminate the TRA. The TRA will also terminate if the Company breaches its obligations under the TRA or upon certain mergers, asset sales or other forms of business combinations, or other changes of control. If the Company exercises its right to terminate the TRA, or if the TRA is terminated early in accordance with its terms, the Company's payment obligations would be accelerated based upon certain assumptions, including the assumption that the Company would have sufficient future taxable income to utilize such tax benefits, and may substantially exceed the actual benefits, if any, the Company realizes in respect of the tax attributes subject to the TRA.

11. Earnings Per Share

Basic earnings per share is calculated by dividing net income attributable to Red Rock by the weighted-average number of shares of Class A common stock outstanding during the period. The calculation of diluted earnings per share gives effect to all potentially dilutive shares, including shares issuable pursuant to outstanding stock options and nonvested restricted shares of Class A common stock, based on the application of the treasury stock method, and outstanding Class B common stock that is exchangeable, along with an equal number of LLC Units, for Class A common stock, based on the application of the if-converted method. Dilutive shares included in the calculation of diluted earnings per share for the three months ended June 30, 2024 represented nonvested restricted shares of Class A common stock and outstanding stock options. For the six months ended June 30, 2024, dilutive shares included in the calculation of diluted earnings per share represented outstanding shares of Class B common stock, nonvested restricted shares of Class A common stock and outstanding stock options. For the three and six months ended June 30, 2023, dilutive shares included in the calculation of diluted earnings per share represented outstanding shares of Class B common stock, nonvested restricted shares of Class A common stock and outstanding stock options. All other potentially dilutive securities have been excluded from the calculation of diluted earnings per share because their inclusion would have been antidilutive.

A reconciliation of the numerator and denominator used in the calculation of basic and diluted earnings per share is presented below (amounts in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	**2023**	**2024**	**2023**
Net income	$ 69,810	$ 74,910	$ 148,181	$ 160,437
Less: net income attributable to noncontrolling interests	(34,134)	(35,397)	(69,670)	(76,248)
Net income attributable to Red Rock, basic	35,676	39,513	78,511	84,189
Effect of dilutive securities	437	27,963	55,039	60,236
Net income attributable to Red Rock, diluted	$ 36,113	$ 67,476	$ 133,550	$ 144,425

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	**2023**	**2024**	**2023**
Weighted average shares of Class A common stock outstanding, basic	59,069	57,828	58,935	57,741
Effect of dilutive securities	1,679	45,501	44,785	45,519
Weighted average shares of Class A common stock outstanding, diluted	60,748	103,329	103,720	103,260

The calculation of diluted earnings per share of Class A common stock excluded the following potentially dilutive securities that were outstanding at June 30, 2024 and 2023, respectively, because their inclusion would have been antidilutive (amounts in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Shares of Class B common stock and LLC Units exchangeable for Class A common stock	45,986	—	—	—
Stock options	1,878	2,310	2,122	2,310
Unvested restricted shares of Class A common stock	87	153	87	153

Shares of Class B common stock are not entitled to share in the earnings of the Company and are not participating securities. Accordingly, earnings per share of Class B common stock under the two-class method has not been presented.

12. Commitments and Contingencies

The Company and its subsidiaries are defendants in various lawsuits relating to routine matters incidental to their business. No assurance can be provided as to the outcome of any legal matters and litigation inherently involves significant risks. The Company does not believe there are any legal matters outstanding that would have a material impact on its financial condition or results of operations.

13. Segments

The Company views each of its Las Vegas casino properties and each of its Native American management arrangements as an individual operating segment. The Company aggregates all of its Las Vegas operating segments into one reportable segment because all of its Las Vegas properties offer similar products, cater to the same customer base, have the same regulatory and tax structure, share the same marketing techniques, are directed by a centralized management structure and have similar economic characteristics. The Company also aggregates its Native American management arrangements into one reportable segment. There was no Native American management activity in the current or prior year periods.

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The Company utilizes adjusted earnings before interest, taxes, depreciation and amortization ("Adjusted EBITDA") as its primary performance measure. The Company's segment information and a reconciliation of net income to Adjusted EBITDA are presented below (amounts in thousands).

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Net revenues				
Las Vegas operations:				
Casino	$ 319,629	$ 269,507	$ 636,483	$ 557,747
Food and beverage	91,718	77,623	184,996	155,770
Room	50,142	44,892	103,030	88,831
Other (a)	21,720	20,556	44,267	40,279
Las Vegas operations net revenues	483,209	412,578	968,776	842,627
Corporate and other	3,194	3,552	6,524	7,139
Net revenues	$ 486,403	$ 416,130	$ 975,300	$ 849,766
Net income	$ 69,810	$ 74,910	$ 148,181	$ 160,437
Adjustments				
Depreciation and amortization	46,703	32,738	91,576	63,833
Share-based compensation	11,806	4,829	17,681	10,125
Write-downs and other, net	2,193	10,066	4,334	29,685
Interest expense, net	57,434	44,340	114,635	86,796
Loss on extinguishment/modification of debt	—	—	14,402	—
Change in fair value of derivative instruments	1,923	—	1,923	—
Provision for income tax	11,788	8,417	18,061	18,608
Adjusted EBITDA (b)	$ 201,657	$ 175,300	$ 410,793	$ 369,484
Adjusted EBITDA				
Las Vegas operations	$ 223,147	$ 193,051	$ 452,906	$ 407,140
Corporate and other	(21,490)	(17,751)	(42,113)	(37,656)
Adjusted EBITDA	$ 201,657	$ 175,300	$ 410,793	$ 369,484

(a) Includes tenant lease revenue of $7.4 million and $15.1 million for the three and six months ended June 30, 2024, respectively, and $ 6.8 million and $12.6 million for the three and six months ended June 30, 2023, respectively. Revenue from tenant leases is accounted for under the lease accounting guidance and included in Other revenues in the Company's Condensed Consolidated Statements of Income.

(b) Adjusted EBITDA for the three and six months ended June 30, 2024 and 2023 includes net income plus depreciation and amortization, share-based compensation, write-downs and other, net (including gains and losses on asset disposals, preopening and development, business innovation and technology enhancements, demolition costs and non-routine items), interest expense, net, loss on extinguishment/modification of debt, change in fair value of derivative instruments and provision for income tax.

Item 2.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following Management's Discussion and Analysis of the Financial Condition and Results of Operations (the "MD&A") of Red Rock Resorts, Inc. ("we," "our," "us," "Red Rock" or the "Company") is intended to help the reader understand the Company's financial condition and results of operations. The MD&A is provided as a supplement to and should be read in conjunction with our condensed consolidated financial statements and related notes (the "Condensed Consolidated Financial Statements") included in Part I, Item 1 of this Quarterly Report on Form 10-Q, and with our audited consolidated financial statements and related notes included in our Annual Report on Form 10-K for the year ended December 31, 2023.

Overview

Red Rock was formed as a Delaware corporation in 2015 to own an indirect equity interest in and manage Station Casinos LLC ("Station LLC"), a Nevada limited liability company. Station LLC is a gaming, development and management company established in 1976 that owns and operates seven major gaming and entertainment facilities and ten smaller casino properties (three of which are 50% owned) in the Las Vegas regional market. In December 2023, we opened Durango Casino & Resort ("Durango").

We own all of the outstanding voting interests in Station LLC and have an indirect equity interest in Station LLC through our ownership of limited liability company interests in Station Holdco LLC ("Station Holdco," and such interests, ("LLC Units"), which owns all of the economic interests in Station LLC. At June 30, 2024, we held 58% of the economic interests and 100% of the voting power in Station Holdco, subject to certain limited exceptions, and we are designated as the sole managing member of both Station Holdco and Station LLC. We control and operate all of the business and affairs of Station Holdco and Station LLC, and conduct all of our operations through these entities. Other than assets and liabilities related to income taxes and the tax receivable agreement, our only material assets are our equity interest in Station Holdco, our voting interest in Station LLC and a note receivable from Station LLC. We have no operations outside of our management of Station Holdco and Station LLC.

Our Condensed Consolidated Financial Statements reflect the consolidation of Station LLC and its consolidated subsidiaries, and Station Holdco. The financial position and results of operations attributable to LLC Units we do not own are reported separately as noncontrolling interest.

Our principal source of revenue and operating income is gaming, and our non-gaming offerings include restaurants, hotels and other entertainment amenities. Approximately 80% to 85% of our casino revenue is generated from slot play. The majority of our revenue is cash-based and as a result, fluctuations in our revenues have a direct impact on our cash flows from operations. Because our business is capital intensive, we rely heavily on the ability of our properties to generate operating cash flow to repay debt financing and fund capital expenditures.

A significant portion of our business is dependent upon customers who live and/or work in the Las Vegas metropolitan area. In June 2024, the unemployment rate in the Las Vegas metropolitan area was 6.2% as compared to 6.0% in June 2023. Statewide, the unemployment rate for June 2024 was 5.2% as compared to 5.4% in June 2023. In June 2024, the median price of an existing single-family home in Las Vegas according to the Las Vegas Realtors® was $475,000, up 7.7% from $440,990 in June 2023. In light of uncertainty in the economic outlook stemming from inflation, higher interest rates, increased energy costs and increased geo-political and regional conflicts, we cannot predict whether the trend in unemployment or the trend in housing prices in the Las Vegas area will continue.

We have continued to experience favorable customer trends, including strong and consistent visitation from our guests and strong spend per visit across the majority of our properties. These trends, in combination with our operational discipline and our focus on our core local guests, as well as regional and out of town guests, continued to drive strong operating results in 2024. However, we cannot predict whether these trends will continue, nor can we predict the extent to which impacts of inflation, increased energy costs and interest rate fluctuations may affect our business in the future.

Information about our results of operations is included herein and in the notes to our Condensed Consolidated Financial Statements.

Key Performance Indicators

We use certain key indicators to measure our performance.

Gaming revenue measures:

- Slot handle, table game drop and race and sports write are measures of volume. Slot handle represents the dollar amount wagered in slot machines, and table game drop represents the total amount of cash and net markers issued that are deposited in table game drop boxes.
- Win represents the amount of wagers retained by us.
- Hold represents win as a percentage of slot handle, table game drop or race and sports write.

As our customers are primarily Las Vegas residents, our hold percentages are generally consistent from period to period. Fluctuations in our casino revenue are primarily due to the volume and spending levels of customers at our properties.

Food and beverage revenue measures:

- Average guest check is a measure of food sales volume and product offerings at our restaurants, and represents the average amount spent per customer visit.
- Number of guests served is an indicator of volume.

Room revenue measures:

- Occupancy is calculated by dividing occupied rooms, including complimentary rooms, by rooms available.
- Average daily rate ("ADR") is calculated by dividing room revenue, which includes the retail value of complimentary rooms, by rooms occupied, including complimentary rooms.
- Revenue per available room is calculated by dividing room revenue by rooms available.

Results of Operations

Information about our results of operations is presented below (amounts in thousands):

	Three Months Ended June 30, 2024	Three Months Ended June 30, 2023	Percent change	Six Months Ended June 30, 2024	Six Months Ended June 30, 2023	Percent change
Net revenues	$ 486,403	$ 416,130	16.9 %	$ 975,300	$ 849,766	14.8 %
Operating income	140,234	126,913	10.5 %	295,758	264,188	11.9 %
Casino revenues	319,629	269,507	18.6 %	636,483	557,747	14.1 %
Casino expenses	87,853	69,583	26.3 %	172,822	141,294	22.3 %
Margin	72.5 %	74.2 %		72.8 %	74.7 %	
Food and beverage revenues	91,718	77,623	18.2 %	184,996	155,770	18.8 %
Food and beverage expenses	74,267	60,883	22.0 %	147,714	120,995	22.1 %
Margin	19.0 %	21.6 %		20.2 %	22.3 %	
Room revenues	50,142	44,892	11.7 %	103,030	88,831	16.0 %
Room expenses	16,075	13,473	19.3 %	31,946	27,080	18.0 %
Margin	67.9 %	70.0 %		69.0 %	69.5 %	
Other revenues	24,914	24,108	3.3 %	50,791	47,418	7.1 %
Other expenses	7,760	8,994	(13.7)%	15,027	16,706	(10.1)%
Selling, general and administrative expenses	111,318	93,480	19.1 %	216,123	185,985	16.2 %
Percent of net revenues	22.9 %	22.5 %		22.2 %	21.9 %	
Depreciation and amortization	46,703	32,738	42.7 %	91,576	63,833	43.5 %
Write-downs and other, net	2,193	10,066	n/m	4,334	29,685	n/m
Interest expense, net	57,434	44,340	29.5 %	114,635	86,796	32.1 %
Loss on extinguishment/modification of debt	—	—	n/m	14,402	—	n/m
Change in fair value of derivative instruments	1,923	—	n/m	1,923	—	n/m
Net income attributable to noncontrolling interests	34,134	35,397	(3.6)%	69,670	76,248	(8.6)%
Provision for income tax	11,788	8,417	40.0 %	18,061	18,608	(2.9)%
Net income attributable to Red Rock	35,676	39,513	(9.7)%	78,511	84,189	(6.7)%

n/m = Not meaningful

We view each of our Las Vegas casino properties as an individual operating segment. We aggregate all of our Las Vegas operating segments into one reportable segment because all of our Las Vegas properties offer similar products, cater to the same customer base, have the same regulatory and tax structure, share the same marketing programs, are directed by a centralized management structure and have similar economic characteristics. We also aggregate our Native American management arrangements into one reportable segment. There was no Native American management activity in the current or prior year periods. The results of operations for our Las Vegas operations are discussed in the remaining sections below.

Net Revenues. Net revenues for the three months ended June 30, 2024 were $486.4 million, up 16.9% as compared to $416.1 million for the prior year period. For the six months ended June 30, 2024, net revenues were $975.3 million, an increase of 14.8% compared to $849.8 million for the prior year period. Contributing to the increase for both the three and six months ended June 30, 2024 is our Durango property which opened on December 5, 2023. For the three months ended June 30, 2024, our casino revenue, food and beverage, room and other revenues increased by 18.6%, 18.2%, 11.7% and 3.3%, respectively, as compared to the same quarter in 2023, and for the six months ended June 30, 2024, we achieved year over year growth of 14.1%, 18.8%, 16.0% and 7.1% for casino revenue, food and beverage, room and other revenues, respectively.

Operating Income. For the three and six months ended June 30, 2024, our operating income was $140.2 million and $295.8 million, respectively. For the three and six months ended June 30, 2023, our operating income was $126.9 million and $264.2 million, respectively. Our Durango property contributed to the increase in operating income for both the three and six months ended June 30, 2024 as compared with the prior year periods. Additional information about factors impacting our operating income is included below.

Casino. As described at *Net Revenues* above, our casino revenues increased by 18.6% and 14.1% for the three and six months ended June 30, 2024 as compared to the same periods in the prior year. For the three months ended June 30, 2024 as compared to the prior year period, our slot handle increased by 9.8%, table games drop increased by 54.7% and race and sports write decreased by 4.9%. For the six months ended June 30, 2024 as compared to the prior year period, our slot handle increased 9.5%, table games drop increased 52.5% and race and sports write decreased by 3.0%. For the three months ended June 30, 2024, slots and tables games hold were consistent while race and sports hold increased 2.1%, all as compared to the prior year period. In addition, for the six months ended June 30, 2024 our slots and race and sports hold were consistent while our table games hold decreased 1.9%, all as compared to the prior year period. Casino expenses for the three and six months ended June 30, 2024 as compared to the prior year periods increased by 26.3% and 22.3%, respectively, primarily due to our Durango property.

Food and Beverage. Food and beverage includes revenue and expenses from our restaurants, bars and catering. For the three and six months ended June 30, 2024, food and beverage revenue increased by 18.2% and 18.8%, respectively, as compared to the same periods in the prior year due to additional food and beverage offerings. For the three and six months ended June 30, 2024, the average guest check increased by 10.4% and 10.9%, respectively, and the number of restaurant guests served increased by 14.5% and 11.6%, respectively, all as compared to the prior year periods. Food and beverage expenses for three and six months ended June 30, 2024 as compared to the prior year periods increased by 22.0% and 22.1%, respectively, primarily due to food and beverage expenses at our Durango property.

Room. For the three and six months ended June 30, 2024, room revenues increased by 11.7% and 16.0%, respectively, and room expenses increased by 19.3% and 18.0%, respectively, all as compared to the prior year periods. Room expenses were higher for the three and six months ended June 30, 2024 as compared to the prior year periods, primarily due to our Durango property.

Information about our hotel operations is presented below:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	**2023**	**2024**	**2023**
Occupancy	89.7 %	88.6 %	88.8 %	87.8 %
Average daily rate	$ 201.03	$ 193.35	$ 208.78	$ 195.83
Revenue per available room	$ 180.32	$ 171.38	$ 185.45	$ 171.91

For the three and six months ended June 30, 2024, our ADR increased by 4.0% and 6.6%, respectively, our revenue per available room improved by 5.2% and 7.9%, respectively, and our occupancy rate improved by 1.1 and 1.0 percentage points, respectively, all as compared to the prior year periods, primarily due to our Durango property.

Other. Other primarily represents revenues from tenant leases, retail outlets, bowling, spas, and entertainment, and their corresponding expenses. For the three and six months ended June 30, 2024, other revenues increased by 3.3% and 7.1%, respectively, as compared to the prior year period, primarily driven by additional leased outlets. For the same periods, other expenses decreased by 13.7% and 10.1%, respectively.

Selling, General and Administrative ("SG&A"). For the three and six months ended June 30, 2024, SG&A expenses increased by 19.1% to $111.3 million and 16.2% or $216.1 million, respectively, as compared to the prior year periods. The increases in SG&A expenses were primarily due to expenses associated with our Durango property. As a percentage of net revenue, SG&A expenses for the three and six months ended June 30, 2024 increased slightly as compared to the prior year periods. Management continues to focus on operational discipline and opportunities for improved efficiency.

Depreciation and Amortization. For the three and six months ended June 30, 2024, depreciation and amortization expense increased by 42.7% and 43.5%, respectively, as compared to the prior year periods, primarily due to higher depreciation expense associated with Durango's assets placed in service in December 2023.

Write-downs and Other, net. For the three and six months ended June 30, 2024, write-downs and other, net totaled $2.2 million and $4.3 million, respectively, primarily comprising development and preopening expenses and business innovation development expenses. For the three and six months ended June 30, 2023, write-downs and other, net totaled $10.1 million and $29.7 million, respectively, primarily comprising development and preopening expenses, business innovation development expenses and demolition costs associated with our closed properties.

Interest Expense, net. Interest expense, net increased to $57.4 million and $114.6 million for the three and six months ended June 30, 2024, respectively, as compared to $44.3 million and $86.8 million, respectively, for the same periods in 2023. The increase in interest expense was due to increased borrowings and higher variable interest rates applicable to our credit facility for the current year periods. We expect that the interest rates on our credit facility may continue to vary in response to macroeconomic conditions. On March 14, 2024, we completed a series of refinancing transactions pursuant to which we entered into an amended and restated credit agreement (the "Credit Agreement") and issued $500 million of 6.625% senior notes due 2032 (the "6.625% Senior Notes"). The proceeds of the 6.625% Senior Notes, together with borrowings under the Credit Agreement, were used to repay all amounts outstanding under our existing credit facility, pay fees and costs associated with the transactions, and for general corporate purposes. See Note 5 to the Condensed Consolidated Financial Statements for additional information about the refinancing transactions as well as our other long-term debt.

Provision for Income Tax. For the three and six months ended June 30, 2024, we recognized a provision for income tax of $11.8 million and $18.1 million, respectively. Station Holdco is treated as a partnership for income tax reporting purposes and Station Holdco's members are liable for federal, state and local income taxes based on their share of Station Holdco's taxable income. We are not liable for income tax on the noncontrolling interests' share of Station Holdco's taxable income or benefit from a taxable loss, and therefore our effective tax rates of 14.4% and 10.9% for the three and six months ended June 30, 2024, respectively, were less than the statutory rate. We recognized income tax expense of $8.4 million and $18.6 million for the three and six months ended June 30, 2023, respectively.

Net Income Attributable to Noncontrolling Interests. Net income attributable to noncontrolling interests for the three and six months ended June 30, 2024 and 2023 represented the portion of net income attributable to the ownership interest in Station Holdco not held by us.

Adjusted EBITDA

Adjusted EBITDA for the three and six months ended June 30, 2024 and 2023 for our two reportable segments and a reconciliation of net income to Adjusted EBITDA are presented below (amounts in thousands). The Las Vegas operations segment includes all of our Las Vegas casino properties and the Native American management segment includes our Native American management arrangements. There was no Native American management activity in the current or prior year three and six month periods.

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	**2023**	**2024**	**2023**
Net revenues				
Las Vegas operations	$ 483,209	$ 412,578	$ 968,776	$ 842,627
Corporate and other	3,194	3,552	6,524	7,139
Net revenues	$ 486,403	$ 416,130	$ 975,300	$ 849,766
Net income	$ 69,810	$ 74,910	$ 148,181	$ 160,437
Adjustments				
Depreciation and amortization	46,703	32,738	91,576	63,833
Share-based compensation	11,806	4,829	17,681	10,125
Write-downs and other, net	2,193	10,066	4,334	29,685
Interest expense, net	57,434	44,340	114,635	86,796
Loss on extinguishment/modification of debt	—	—	14,402	—
Change in fair value of derivative instruments	1,923	—	1,923	—
Provision for income tax	11,788	8,417	18,061	18,608
Adjusted EBITDA	$ 201,657	$ 175,300	$ 410,793	$ 369,484
Adjusted EBITDA				
Las Vegas operations	$ 223,147	$ 193,051	$ 452,906	$ 407,140
Corporate and other	(21,490)	(17,751)	(42,113)	(37,656)
Adjusted EBITDA	$ 201,657	$ 175,300	$ 410,793	$ 369,484

The year-over-year changes in Adjusted EBITDA were due to the factors described within *Results of Operations* above.

Adjusted EBITDA is a non-GAAP measure that is presented solely as a supplemental disclosure. We believe that Adjusted EBITDA is a widely used measure of operating performance in our industry and is a principal basis for valuation of gaming companies. We believe that in addition to net income, Adjusted EBITDA is a useful financial performance measurement for assessing our operating performance because it provides information about the performance of our ongoing core operations. Adjusted EBITDA for the three and six months ended June 30, 2024 and 2023 includes net income plus depreciation and amortization, share-based compensation, write-downs and other, net (including gains and losses on asset disposals, preopening and development, business innovation and technology enhancements, demolition costs and non-routine items), interest expense, net, loss on extinguishment/modification of debt, change in fair value of derivative instruments and provision for income tax.

To evaluate Adjusted EBITDA and the trends it depicts, the components should be considered. Each of these components can significantly affect our results of operations and should be considered in evaluating our operating performance, and the impact of these components cannot be determined from Adjusted EBITDA. Adjusted EBITDA does not represent net income or cash flows from operating, investing or financing activities as defined by GAAP and should not be considered as an alternative to net income as an indicator of our operating performance. Additionally, Adjusted EBITDA does not consider capital expenditures and other investing activities and should not be considered as a measure of our liquidity. It should be noted that not all gaming companies that report EBITDA or adjustments to this measure may calculate EBITDA or such adjustments in the same manner as we do, and therefore, our measure of Adjusted EBITDA may not be comparable to similarly titled measures used by other gaming companies.

Holding Company Financial Information

The indentures governing the 4.50% Senior Notes, 4.625% Senior Notes and 6.625% Senior Notes contain certain covenants that require Station LLC to furnish to the holders of the notes certain annual and quarterly financial information relating to Station LLC and its subsidiaries. The obligation to furnish such information may be satisfied by providing consolidated financial information of the Company along with additional disclosure explaining the differences between such information and the financial information of Station LLC and its subsidiaries on a standalone basis. The following financial information about the Company and its consolidated subsidiaries, exclusive of Station LLC and its subsidiaries (the “Holding Company”), is furnished to explain the differences between the financial information of the Holding Company and the financial information of Station LLC and its subsidiaries for the periods presented in this report. The primary differences between the financial information of the Holding Company and that of Station LLC relate to income taxes, the liability associated with the tax receivable agreement (“TRA”) and a note receivable from Station LLC.

At June 30, 2024, the difference between the balance sheet for Station LLC and its consolidated subsidiaries and the balance sheet for the Holding Company is that the Holding Company had cash of $1.4 million, $7.1 million of income tax receivable, $51.0 million of deferred tax assets, net, and a $40.6 million note receivable from Station LLC, which are solely assets of the Holding Company, and liabilities that are solely the Holding Company’s, consisting of a $20.4 million liability under the TRA, of which $1.2 million is expected to be paid in the next twelve months and $12.5 million of other liabilities. The Holding Company’s $40.6 million intercompany note receivable from Station LLC is eliminated in consolidation. At December 31, 2023, the Holding Company had cash of $0.2 million, $14.4 million of income tax receivable, $43.4 million of deferred tax assets, net, and a $34.0 million note receivable from Station LLC, which are solely assets of the Holding Company, and liabilities that are solely the Holding Company’s, consisting of a $22.1 million liability under the TRA, of which $1.7 million was current, and $3.3 million of other liabilities.

The Holding Company recognized net losses of $11.3 million and $17.1 million for the three and six months ended June 30, 2024, respectively, and $8.1 million and $18.3 million for the three and six months ended June 30, 2023, respectively, primarily due to the provision for income taxes.

Liquidity and Capital Resources

The following financial condition, capital resources and liquidity discussion contains certain forward-looking statements with respect to our business, financial condition, results of operations, dispositions, acquisitions, expansion projects and issuances of debt and equity, which involve risks and uncertainties that cannot be predicted or quantified, and consequently, actual results may differ materially from those expressed or implied herein. Such risks and uncertainties include, but are not limited to, the risks described in *Item 1A—Risk Factors* in our Annual Report on Form 10-K for the year ended December 31, 2023.

At June 30, 2024, we had $136.4 million in cash and cash equivalents. Station LLC maintains its borrowing availability under its revolving credit facility, subject to continued compliance with the terms of the credit facility. At June 30, 2024, Station LLC’s borrowing availability under the revolving credit facility was $876.2 million, which was net of $178.0 million in outstanding borrowings and $45.8 million in outstanding letters of credit and similar obligations.

On March 14, 2024, Station LLC entered into an amended and restated credit agreement (the “Credit Agreement”), which amended and restated the existing credit agreement and pursuant to which Station LLC repaid all loans outstanding under the existing credit agreement and (a) incurred (i) a new senior secured term “B” loan facility in an aggregate principal amount of $1,570.0 million (the “New Term B Facility” and the term “B” loans funded thereunder, the “New Term B Loan”) and (ii) a new senior secured revolving credit facility in an aggregate principal amount of $1,100.0 million (the “New Revolving Credit Facility” and, together with the New Term B Facility, the “New Credit Facilities”), and (b) made certain other amendments to the existing credit agreement, including the extinguishment of the existing term loan “A” facility. The New Revolving Credit Facility will mature on March 14, 2029 and the New Term B Facility will mature on March 14, 2031. Borrowings under the New Credit Facilities bear interest at a rate per annum, at our option, equal to either the forward-looking Secured Overnight Financing Rate term (“Term SOFR”) or a base rate determined by reference to the highest of (i) the federal funds rate plus 0.50%, (ii) the administrative agent’s “prime rate” and (iii) the one-month Term SOFR rate plus 1.00%, in each case plus an applicable margin. Such applicable margin is, in the case of the New Term B Loan, 2.25% per annum in the case of any Term SOFR loan and 1.25% in the case of any base rate loan.

In April 2024, we entered into two zero cost interest rate collars to manage our exposure to interest rate movements associated with our variable interest rate debt. The interest rate collars, which have a total notional amount of $750.0 million, include a Term SOFR cap of 5.25% and a weighted average Term SOFR floor of 2.89%. The interest rate collars became effective in April 2024 and will mature in April 2029. See Note 6 to the Condensed Consolidated Financial Statements for additional information about our derivative instruments.

In addition, on March 14, 2024, we issued $500.0 million in aggregate principal amount of 6.625% Senior Notes pursuant to an indenture dated as of March 14, 2024, among Station LLC, the guarantors party thereto and Deutsche Bank Trust Company Americas, as trustee. The net proceeds of the sale of the 6.625% Senior Notes together with the borrowings under the New Term B Loan were used (i) to refinance all loans and commitments outstanding under the existing credit agreement, (ii) to pay fees and costs associated with such transactions and (iii) for general corporate purposes. Interest on the 6.625% Senior Notes will be paid every six months in arrears on March 15 and September 15, commencing on September 15, 2024. See Note 5 to the Condensed Consolidated Financial Statements for additional information about our long-term debt.

Our primary capital requirements for the near term are expected to be related to the operation and maintenance of our properties, debt service payments, dividends and distributions. Our anticipated uses of cash for the remainder of 2024 include (i) approximately $60 million to $100 million for capital expenditures, including amounts to close out our Durango project, (ii) required principal and interest payments on Station LLC's indebtedness totaling $12.4 million and $114.6 million, respectively, (iii) dividends to our Class A common stockholders, including approximately $14.9 million to be paid in September 2024, and (iv) distributions to noncontrolling interest holders of Station Holdco, including approximately $11.5 million to be paid in September 2024 and including "tax distributions" that may be made quarterly when required and in amounts that may vary from quarter to quarter. Other payment obligations include salaries, wages and employee benefits, service contracts, property taxes, insurance and other obligations.

On May 2, 2024, our board of directors extended the expiration date of our equity repurchase program to December 31, 2025. Our board of directors has authorized $600.0 million for repurchases of Class A common stock under our equity repurchase program. We are not obligated to repurchase any shares under the program. Subject to applicable laws and the provisions of any agreements restricting our ability to do so, repurchases may be made at our discretion from time to time through open market purchases, negotiated transactions or tender offers, depending on market conditions and other factors. During the six months ended June 30, 2024, we repurchased 75,000 shares of our Class A common stock in open market transactions at a weighted-average price of $52.29 per share. At June 30, 2024, we had $309.0 million of remaining repurchases authorized under the program. From time to time, we may also seek to repurchase our outstanding indebtedness. Any such purchases may be funded by existing cash balances or the incurrence of debt, including borrowings under our credit facility. The amount and timing of any repurchases will be based on business and market conditions, capital availability, compliance with debt covenants and other considerations.

We expect that cash on hand, cash generated from operations and borrowings available under the credit facility will be sufficient to fund our operations and capital requirements and service our outstanding indebtedness for the next twelve months. We regularly assess our projected cash requirements for capital expenditures, repayment of debt obligations, and payment of other general corporate and operational needs. In the long term, we expect that we will fund our capital requirements with a combination of cash generated from operations, borrowings under the credit facility and the issuance of debt or equity as market conditions may permit. However, our cash flow and ability to obtain debt or equity financing on terms that are satisfactory to us, or at all, may be affected by a variety of factors, including competition, general economic and business conditions and financial markets. As a result, we cannot provide any assurance that we will generate sufficient income and liquidity to meet all of our liquidity requirements or other obligations.

Following is a summary of our cash flow information (amounts in thousands):

	Six Months Ended June 30,	
	2024	**2023**
Net cash provided by (used in):		
Operating activities	$ 269,003	$ 235,181
Investing activities	(185,072)	(384,134)
Financing activities	(85,068)	132,613

Cash Flows from Operations

Our operating cash flows primarily consist of operating income or loss generated by our properties (excluding depreciation and other non-cash charges), interest and income tax payments, and changes in working capital accounts such as inventories, prepaid expenses, receivables and payables. The majority of our revenue is generated from our slot machine and table game play, which is conducted primarily on a cash basis. Our food and beverage, room and other revenues are also primarily cash-based. As a result, fluctuations in our revenues have a direct impact on our cash flow from operations.

For the six months ended June 30, 2024, net cash provided by operating activities was $269.0 million as compared to $235.2 million for the prior year period. Cash flows from operating activities for the six months ended June 30, 2024 and 2023 included $90.7 million and $82.3 million in interest payments, respectively. For the six months ended June 30, 2024, we also paid $34.7 million in fees and costs related to debt modification. In addition, our operating cash flows for the six months ended June 30, 2024 increased as compared to the prior year period due to changes in working capital accounts. Information about our operating activities is presented within *Results of Operations* above.

Cash Flows from Investing Activities

For the six months ended June 30, 2024 and 2023, cash paid for capital expenditures totaled $176.7 million and $377.1 million, respectively. Capital expenditures for the six months ended June 30, 2023 were primarily related to the Durango project.

Cash Flows from Financing Activities

As described above, during the six months ended June 30, 2024, Station LLC entered into an amended and restated credit agreement pursuant to which it repaid all loans outstanding under the existing credit agreement, borrowed $1,570.0 million under the New Term B Facility and borrowed $200.0 million under the New Revolving Credit Facility. Station LLC also issued $500.0 million in principal amount of 6.625% Senior Notes due 2032 and paid $23.4 million in debt issuance costs. In addition, we paid $88.9 million in dividends to Class A common stockholders and $79.9 million in cash distributions to the noncontrolling interest holders of Station Holdco. We also paid $11.2 million related to tax withholding on share-based compensation during the period.

During the six months ended June 30, 2023, we borrowed $270.0 million under the existing revolving credit facility, and paid $29.5 million in dividends to Class A common stockholders and $44.3 million in cash distributions to noncontrolling interest holders of Station Holdco. We also paid $8.9 million related to tax withholding on share-based compensation.

Restrictive Covenants

The agreements governing our credit facility and the indentures governing our senior notes impose significant operating and financial restrictions on us, including certain limitations on our and our subsidiaries' ability to, among other things, obtain additional debt or equity financing due to applicable financial and restrictive covenants in our debt agreements. The financial ratio covenants contained in the recent amendments to the Credit Agreement include a maximum Consolidated Senior Secured Net Leverage Ratio of 5.00 to 1.00. We believe that as of June 30, 2024, Station LLC was in compliance with the covenants contained in the credit facility and the indentures governing the senior notes.

As a result of these covenants and restrictions, we are limited in how we conduct our business and we may be unable to raise additional debt or equity financing to provide liquidity if changes in the economy, discretionary spending, consumer confidence or other external factors negatively affect our business. In addition, such covenants and restrictions may limit our ability to compete effectively or to take advantage of new business opportunities. Further, our ability to comply with covenants and restrictions contained in the agreements governing our indebtedness may be adversely affected by general economic conditions and industry conditions.

Failure to satisfy the covenants contained in the credit agreements, indentures or other agreements governing our indebtedness would require us to seek waivers or amendments of such covenants. There can be no assurance that we would be able to obtain required waivers or amendments, as such matters depend, in part, on factors outside of our control. If we fail to satisfy our covenants and are unable to obtain such waivers or amendments, our creditors could exercise remedies under the applicable documents governing such indebtedness, including acceleration of such indebtedness.

Off-Balance Sheet Arrangements

At June 30, 2024, we had no variable interests in unconsolidated entities that provide off-balance sheet financing, liquidity, market risk or credit risk support, or that engage in leasing, hedging or research and development arrangements with us, nor did we have retained or contingent interests in assets transferred to an unconsolidated entity. At June 30, 2024, we had outstanding letters of credit and similar obligations totaling $45.8 million.

Inflation

Our business continues to experience the impact of inflation and higher interest rates and we expect the impact to continue through the remainder of 2024. Commodity prices have increased and become more volatile, and we continue to experience price inflation in ordinary goods and services such as food costs, supplies, energy costs and construction costs. In addition, we have been impacted by a shortage of qualified workers which places additional upward pressure on wages and benefit costs as we seek to attract and retain qualified workers. We attempt to minimize the impact of inflation on our business by implementing cost controls, adjusting prices and optimizing our procurement strategy.

Native American Development

We have development and management agreements with the North Fork Rancheria of Mono Indians, a federally recognized Native American tribe located near Fresno, California, pursuant to which we will assist the tribe in developing, financing and operating a gaming and entertainment facility to be located on Highway 99 north of the city of Madera, California. See Note 3 to the Condensed Consolidated Financial Statements for information about this project.

Regulation and Taxes

We are subject to extensive regulation by Nevada gaming authorities as well as the National Indian Gaming Commission and the California Gambling Control Commission. In addition, we will be subject to regulation, which may or may not be similar to that in Nevada, by any other jurisdiction in which we may conduct gaming activities in the future.

The gaming industry represents a significant source of tax revenue, particularly to the State of Nevada and its counties and municipalities. From time to time, various state and federal legislators and officials have proposed changes in tax law, or in the administration of such law, affecting the gaming industry. The Nevada legislature meets every two years for 120 days and when special sessions are called by the Governor. The most recent special legislative session ended on June 14, 2023. There are currently no specific legislative proposals to increase taxes on gaming revenue, but there are no assurances that an increase in taxes on gaming or other revenue will not be proposed and passed by the Nevada legislature in the future.

Description of Certain Indebtedness

A description of our indebtedness is included in Note 8 to the audited consolidated financial statements included in our Annual Report on Form 10-K for the year ended December 31, 2023 and Note 5 to the Condensed Consolidated Financial Statements. Material changes to the terms of our indebtedness during the six months ended June 30, 2024 are described therein and include a description of the March 2024 amendment to Station LLC's credit facility and the issuance of $500.0 million in aggregate principal amount of 6.625% Senior Notes due 2032.

Critical Accounting Policies and Estimates

A description of our critical accounting policies and estimates is included in Item 7 of our Annual Report on Form 10-K for the year ended December 31, 2023. There were no material changes to our critical accounting policies and estimates during the six months ended June 30, 2024.

Forward-looking Statements

When used in this report and elsewhere by management from time to time, the words "may," "might," "could," "believes," "anticipates," "expects" and similar expressions are intended to identify forward-looking statements with respect to our financial condition, results of operations and our business including our expansions, development and acquisition projects, legal proceedings and employee matters. Certain important factors, including but not limited to, financial market risks, could cause our actual results to differ materially from those expressed in our forward-looking statements. Potential factors which could affect our financial condition, results of operations and business include, without limitation, the impact of rising inflation, higher interest rates and increased energy costs on consumer demand and our business and results of operations, financial results and liquidity; the impact of our substantial indebtedness; the effects of local and national economic, credit and capital market conditions on consumer spending and the economy in general, and on the gaming and hotel industries in particular; the effects of competition, including locations of competitors and operating and market competition; changes in laws, including increased tax rates, regulations or accounting standards, third-party relations and approvals, and decisions of courts, regulators and governmental bodies; risks associated with construction projects, including disruption of our operations, shortages of materials or labor, unexpected costs, unforeseen permitting or regulatory issues and weather; litigation outcomes and judicial actions, including gaming legislative action, referenda and taxation; acts of war or terrorist incidents, pandemics, natural disasters or civil unrest; risks associated with the collection and retention of data about our customers, employees, suppliers and business partners; and other risks described in our filings with the Securities and Exchange Commission. All forward-looking statements are based on our current expectations and projections about future events. Readers are cautioned not to place undue reliance on any forward-looking statements, which speak only as of the date thereof. We undertake no obligation to publicly release any revisions to such forward-looking statements to reflect events or circumstances after the date hereof.

Item 3. Quantitative and Qualitative Disclosures about Market Risk

Market risk is the risk of loss arising from adverse changes in market rates and prices, such as interest rates, foreign currency exchange rates and commodity prices. Our primary exposure to market risk is interest rate risk associated with our long-term debt. In April 2024, we entered into two zero cost interest rate collars to manage our exposure to interest rate risk. See Note 6 to the Condensed Consolidated Financial Statements for additional information. There have been no material changes in our market risks from those disclosed in Part II, Item 7A of our Annual Report on Form 10-K for the year ended December 31, 2023.

Item 4. Controls and Procedures

The Company's management conducted an evaluation, under the supervision and with the participation of the principal executive officer and principal financial officer, of the effectiveness of the Company's disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934 (the "Exchange Act")) as of June 30, 2024. In designing and evaluating disclosure controls and procedures, management recognizes that any controls and procedures, no matter how well designed and operated, can only provide reasonable assurance of achieving the desired control objectives, and management is required to apply its judgment in evaluating the cost-benefit relationship of possible controls and procedures. Based on this evaluation, the principal executive officer and principal financial officer concluded that, as of June 30, 2024, the Company's disclosure controls and procedures were effective, at the reasonable assurance level, and are designed to ensure that information required to be disclosed by the Company in reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in Securities and Exchange Commission rules and forms, and that such information is accumulated and communicated to management, including our principal executive officer and principal financial officer, to allow timely decisions regarding required disclosure.

There was no change in the Company's internal control over financial reporting during the Company's most recently completed fiscal quarter that materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.

Part II. Other Information

Item 1. Legal Proceedings

The Company and its subsidiaries are defendants in various lawsuits relating to routine matters incidental to their business. No assurance can be provided as to the outcome of such matters and litigation inherently involves significant risks.

Item 1A. Risk Factors

There have been no material changes in the risk factors previously disclosed in Part I, Item 1A of our Annual Report on Form 10-K for the year ended December 31, 2023.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

Issuer Purchases of Equity Securities

The following table presents our Class A share purchases for the three months ended June 30, 2024. All of our Class A share repurchases during the periods presented were made in open market transactions pursuant to our publicly announced equity repurchase program. The Class A shares were retired upon repurchase.

Period	Total Number of Shares Purchased	Average Price Paid per Share (1)	Total Number of Shares Purchased as Part of a Publicly Announced Program (2)	Approximate Dollar Value That May Yet Be Purchased Under the Program (2)
April 1 to April 30, 2024	—	$ —	—	$312,891,984
May 1 to May 31, 2024	—	—	—	$312,891,984
June 1 to June 30, 2024	75,000	$ 52.27	75,000	$308,970,496
Total	75,000	$ 52.27	75,000	$ 308,970,496

(1) Excludes commissions.

(2) In February 2019, we announced that our board of directors had approved an equity repurchase program authorizing the repurchase of our Class A common stock through open market purchases, negotiated transactions or tender offers. On August 4, 2022, our board of directors increased the authorization for repurchases of Class A common stock under our equity repurchase program by $300 million, resulting in total repurchase authorization of $600 million. On May 2, 2024, our board of directors extended the expiration date of the equity repurchase program to December 31, 2025. The remaining amount authorized for repurchases under the program was $309 million at June 30, 2024.

Item 3. Defaults Upon Senior Securities—None.

Item 4. Mine Safety Disclosures—None.

Item 5. Other Information—None.

Item 6. Exhibits

(a) Exhibits

No. 31.1—Certification pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.

No. 31.2—Certification pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.

No. 32.1—Certification pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

No. 32.2—Certification pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

No. 101.INS—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.

No. 101.SCH—XBRL Taxonomy Extension Schema Document

No. 101.CAL—XBRL Taxonomy Extension Calculation Linkbase Document

No. 101.DEF—XBRL Taxonomy Extension Definition Linkbase Document

No. 101.LAB—XBRL Taxonomy Extension Label Linkbase Document

No. 101.PRE—XBRL Taxonomy Extension Presentation Linkbase Document

No. 104—Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)

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 thereunto duly authorized.

		RED ROCK RESORTS, INC., Registrant
Date:	August 7, 2024	/s/ STEPHEN L. COOTEY
		Stephen L. Cootey *Executive Vice President, Chief Financial Officer and Treasurer* (Principal Financial Officer)

Exhibit 31.1

CERTIFICATION

I, Frank J. Fertitta III, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Red Rock 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 and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

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

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

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

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

5. The registrant's other certifying officer 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 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: August 7, 2024

/s/ FRANK J. FERTITTA III

Frank J. Fertitta III
Chief Executive Officer

Exhibit 31.2

CERTIFICATION

I, Stephen L. Cootey, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Red Rock 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 and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

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

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

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

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

5. The registrant's other certifying officer 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 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: August 7, 2024

/s/ STEPHEN L. COOTEY

Stephen L. Cootey
Executive Vice President, Chief Financial Officer and Treasurer
(Principal Financial Officer)

Exhibit 32.1

Red Rock Resorts, Inc.
Certification Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
(18 U.S.C. Section 1350)

Pursuant to the requirements of Section 906 of the Sarbanes-Oxley Act of 2002 (18 U.S.C. Sections 1350(a) and (b)), the undersigned hereby certifies as follows:

1. Frank J. Fertitta III is the Chief Executive Officer of Red Rock Resorts, Inc. (the "Company").

2. The undersigned certifies to the best of his knowledge:

   (A) The Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 2024 accompanying this Certification, in the form filed with the Securities and Exchange Commission (the "Report") fully complies with the requirements of Section 13(a) of the Securities Exchange Act of 1934; and

   (B) The information in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: August 7, 2024

/s/ FRANK J. FERTITTA III

Frank J. Fertitta III
Chief Executive Officer

Exhibit 32.2

Red Rock Resorts, Inc.
Certification Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
(18 U.S.C. Section 1350)

Pursuant to the requirements of Section 906 of the Sarbanes-Oxley Act of 2002 (18 U.S.C. Sections 1350(a) and (b)), the undersigned hereby certifies as follows:

1. Stephen L. Cootey is the Principal Financial Officer of Red Rock Resorts, Inc. (the "Company").

2. The undersigned certifies to the best of his knowledge:

   (A) The Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 2024 accompanying this Certification, in the form filed with the Securities and Exchange Commission (the "Report") fully complies with the requirements of Section 13(a) of the Securities Exchange Act of 1934; and

   (B) The information in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: August 7, 2024

/s/ STEPHEN L. COOTEY

Stephen L. Cootey
Executive Vice President, Chief Financial Officer and Treasurer
(Principal Financial Officer)