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

FORM 10-K

FOR ANNUAL AND TRANSITION REPORTS PURSUANT TO SECTIONS 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

(Mark One)

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

For the fiscal year ended December 31, 2005

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

For the transition period from to

Commission File No. 1-13079

GAYLORD ENTERTAINMENT COMPANY
(Exact name of Registrant as Specified in its Charter)

Delaware	**73-0664379**
(State or Other Jurisdiction of Incorporation or Organization)	*(I.R.S. Employer Identification No.)*
One Gaylord Drive, Nashville, Tennessee	**37214**
(Address of Principal Executive Offices)	*(Zip Code)*

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

Securities Registered Pursuant to Section 12(b) of the Act:

Common Stock — $.01 par value per share	**New York Stock Exchange**
(Title of Class)	*(Name of Exchange on Which Registered)*

Securities Registered Pursuant to Section 12(g) of the Act:
NONE
(Title of Class)

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

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

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

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. ☑

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of "accelerated filer and large accelerated filer" in Rule 12b-2 of the Exchange Act (check one):

☑ Large Accelerated Filer   Accelerated Filer o   Non-accelerated Filer o

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

The aggregate market value of the shares of Common Stock held by non-affiliates of the registrant based on the closing price of the Common Stock on the New York Stock Exchange as of June 30, 2005 was approximately $1,839,837,147.

As of March 1, 2006, there were 40,450,834 shares of Common Stock outstanding.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the registrant's definitive Proxy Statement for the Annual Meeting of Stockholders to be held May 4, 2006 are incorporated by reference into Part III of this Form 10-K.

GAYLORD ENTERTAINMENT COMPANY

2005 FORM 10-K ANNUAL REPORT

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PART I

Throughout this report, we refer to Gaylord Entertainment Company, together with its subsidiaries, as “we,” “us,” “Gaylord Entertainment,” “Gaylord,” or the “Company.”

Item 1. *Business*

We are the only hospitality company whose stated primary focus is the large group meetings segment of the lodging market. Our hospitality business includes our Gaylord branded hotels consisting of the Gaylord Opryland Resort & Convention Center in Nashville, Tennessee, the Gaylord Palms Resort & Convention Center near Orlando, Florida and the Gaylord Texan Resort & Convention Center near Dallas, Texas. We also own and operate the Radisson Hotel at Opryland in Nashville, Tennessee. We are also developing a hotel, to be known as the Gaylord National Resort & Convention Center, in Prince George’s County, Maryland (in the Washington, D.C. market), which we plan to open in 2008. Driven by our “All-in-One-Place” strategy, our award-winning Gaylord branded hotels incorporate not only high quality lodging, but also significant meeting, convention and exhibition space, superb food and beverage options and retail and spa facilities within a single self-contained property. As a result, our properties provide a convenient and entertaining environment for our convention guests. In addition, our custom-tailored, all-inclusive solutions cater to the unique needs of meeting planners.

In order to strengthen and diversify our hospitality business, on November 20, 2003, we acquired ResortQuest International, Inc. (“ResortQuest”) in a stock-for-stock transaction. ResortQuest is a leading provider of vacation condominium and home rental property management services in premier destination resort locations in the United States and Canada (based on the number of units it manages), with a branded network of vacation rental properties. As of December 31, 2005, ResortQuest provided management services to approximately 16,000 vacation rental properties, all of which were under exclusive management contracts.

We also own and operate several attractions in Nashville, including the Grand Ole Opry, a live country music variety show, which is the nation’s longest running radio show and an icon in country music. Our local Nashville attractions provide entertainment opportunities for Nashville-area residents and visitors, including our Nashville hotel and convention guests, while adding to our destination appeal.

We were originally incorporated in 1956 and were reorganized in connection with a 1997 corporate restructuring. Our operations are organized into four principal business segments: (i) Hospitality, which includes our hotel operations; (ii) ResortQuest; (iii) Opry and Attractions, which includes our Nashville attractions and assets related to the Grand Ole Opry; and (iv) Corporate and Other. These four business segments — Hospitality, ResortQuest, Opry and Attractions, and Corporate and Other — represented approximately 66%, 26%, 8%, and 0%, respectively, of total revenues in the year ended December 31, 2005. Financial information by industry segment and our Gaylord hotel properties as of December 31, 2005 and for each of the three years in the period then ended, appears in Item 6, “Selected Financial Data,” and Item 7, “Management’s Discussion and Analysis of Financial Condition and Results of Operations,” and in the Financial Reporting by Business Segments note (Note 18) to our Consolidated Financial Statements included in this Annual Report on Form 10-K.

Strategy

Our goal is to become the nation’s premier hotel brand serving the meetings and conventions sector and to enhance our business by offering additional vacation and entertainment opportunities to our guests and target consumers. Our Gaylord branded hotels focus on the $86 billion large group meetings market. Our properties and services are designed to appeal to meeting planners who arrange these large group meetings. Through our ResortQuest business, we operate a leading provider of vacation, condominium and home rental management services. The Grand Ole Opry is one of the brands best-known by the “country lifestyle” consumer, which we estimate to number approximately 70 million people in the United States. Country lifestyle consumers are persons who have recently participated in one or more of a number of activities identified by our management. These activities include listening to country music, buying country music recordings, attending country music concerts or reading country-themed publications.

“All-in-One-Place” Product Offering. Through our “All-in-One-Place” strategy, our Gaylord branded hotels incorporate meeting and exhibition space, signature guest rooms, award-winning food and beverage offerings, fitness and spa facilities and other attractions within a large hotel property so our attendees’ needs are met in one location. This strategy creates a better experience for both meeting planners and our guests, allows us to capture a greater share of their event spending, and has led to our Gaylord hotels claiming a place among the leading convention hotels in the country.

Create Customer Rotation Between Our Hotels. In order to further capitalize on our success in Nashville, we opened our Gaylord Palms hotel in January 2002 and our Gaylord Texan hotel in April 2004, and are scheduled to open our Gaylord National hotel, which will be located in the Washington D.C. area, in 2008. In 2001, we refocused the efforts of our sales force to capitalize on our expansion and the desires of some of our large group meeting clients to meet in different parts of the country each year and to establish relationships with new customers as we increase our geographic reach. There is a significant opportunity to establish strong relationships with new customers and rotate them to our other properties.

Leverage Brand Name Awareness. We believe that the Grand Ole Opry is one of the most recognized entertainment brands within the United States. We promote the Grand Ole Opry name through various media including our WSM-AM radio station, the Internet, television and performances by the Grand Ole Opry's members, many of whom are renowned country music artists, and we believe that significant growth opportunities exist through leveraging and extending the Grand Ole Opry brand into other products and markets. As such, we have alliances in place with multiple distribution partners in an effort to foster brand extension. We are continuously exploring additional products, such as television specials and retail products, through which we can capitalize on our brand affinity and awareness. We believe that licensing our brand for products may provide an opportunity to increase revenues and cash flow with relatively little capital investment.

Capitalize on the ResortQuest Acquisition. We believe the combination of Gaylord and ResortQuest has formed a stronger, more diversified hospitality company with the ability to offer a broader range of accommodations to existing and potential customers. We believe that there are significant opportunities to cross-sell hospitality products by offering ResortQuest's vacation properties to our hotels and attractions consumers and introducing our hotels and attractions offerings to ResortQuest's customers. We believe that we can more fully develop the ResortQuest brand and take advantage of future growth opportunities through increased scale, improved operational efficiency and access to additional sources of capital. In addition, we are continuing to implement a number of cost saving opportunities and synergies, including eliminating redundant functions and optimization of the combined company's infrastructure.

Industry Description

Hospitality

According to *Tradeshow Week*, the large group meetings market generated approximately $86 billion of revenues for the companies that provide services to it. The convention hotel industry is estimated to have generated approximately $15 billion of these revenues. These revenues include event producer total gross sales (which include exhibitor and sponsor expenditures) and attendee "economic impact" (which includes spending on lodging, meals, entertainment and in-city transportation), not all of which we capture. The convention hotels that attract these group meetings often have more than 1,000 guest rooms and, on average, contain approximately 107,000 square feet of exhibit space and approximately 40 meeting rooms.

The large group meetings market is comprised of approximately one million events annually, of which we estimate approximately 80% are corporate meetings and approximately 20% are association meetings. A majority of the venues hosting these events contain less than 250,000 square feet of exhibit or meeting space, with only 8% containing over 500,000 square feet. Examples of industries participating in these meetings include health care, home furnishings, computers, sporting goods and recreation, education, building and construction, industrial, agriculture, food and beverage, boats and automotive. Association-sponsored events, which draw a large number of attendees requiring extensive meeting space and room availability, account for over half of total group spending and economic impact. Because associations and trade shows generally select their sites 2 to 6 years in advance, thereby increasing earnings visibility, the convention hotel segment of the lodging industry is more predictable and less susceptible to economic downturns than the general lodging industry.

A number of factors contribute to the success of a convention center hotel, including the following: the availability of sufficient meeting and exhibit space to satisfy large group users; the availability of rooms at competitive prices; access to quality entertainment and food and beverage venues; destination appeal; appropriate regional professional and consumer demographics; adequate loading docks, storage facilities and security; ease of site access via air and ground transportation; and the quality of service provided by hotel staff and event coordinators. The ability to offer as many as possible of these elements within close proximity of each other is important in order to reduce the organizational and logistical planning efforts of the meeting planner. The meeting planner, who acts as an intermediary between the hotel event coordinator and the group scheduling the event, is typically a convention hotel's direct customer. Effective interaction and coordination with meeting planners is key to booking events and generating repeat customers.

Largest Hotel Exhibit Hall Rankings 2005

Facility	City	Total Exhibit Space (sq. ft.)	Number of Meeting Rooms	Total Meeting Space (sq. ft.)
Sands Expo / Venetian Resort Hotel & Casino	Las Vegas, NV	1,125,600	146	231,477
Mandalay Bay Resort & Casino	Las Vegas, NV	934,731	121	360,924
Walt Disney World Swan and Dolphin	Lake Buena Vista, FL	329,000	84	248,655*
Gaylord Opryland Resort & Convention Center	Nashville, TN	288,972	85	300,000
Wyndham Anatole Hotel	Dallas, TX	231,103**	76	341,620
Adam's Mark International Conference & Exposition Center	Dallas, TX	230,000	67	99,000*
Hyatt Regency Chicago's Riverside Center	Chicago, IL	228,000	63	228,000*
Orlando World Center Marriott	Orlando, FL	214,000	69	214,000*
MGM Grand Hotel & Conference Center	Las Vegas, NV	210,000	60	315,000
The Westin Diplomat Resort & Spa	Hollywood, FL	209,000	39	60,000
Reno Hilton	Reno, NV	190,000	40	110,000
Gaylord Texan Resort & Convention Center	Grapevine, TX	179,800	69	180,000
Gaylord Palms Resort & Convention Center	Kissimmee, FL	178,500	61	200,000

* Space also included in Total Exhibit Space

** Space also included in total meeting space.

Source: the Company; *Tradeshow Week Major Exhibit Hall Directory 2005*

Gaylord Hotels — Strategic Plan. Our goal is to become the nation's premier brand in the meetings and convention sector. To accomplish this, our business strategy is to develop resorts and convention centers in desirable event destinations that are created based in large part on the needs of meeting planners and attendees. Using the slogan "All-in-One-Place," our hotels incorporate meeting, convention and exhibition space with a large hotel property so the attendees never have to leave the location during their meetings. This concept of a self-contained destination dedicated primarily to the meetings industry has made Gaylord Opryland one of the leading convention hotels in the country. In addition to operating Gaylord Opryland, we opened the Gaylord Palms in January 2002 and the Gaylord Texan in April 2004, and we are developing the Gaylord National hotel in the Washington, D.C. area. We believe that our other hotels will enable us to capture additional convention business from groups that currently utilize Gaylord Opryland but must rotate their meetings to other locations due to their attendees' desires to visit different areas. Gaylord also anticipates that our other hotels will capture new group business that currently does not come to the Nashville market and will seek to gain additional business at Gaylord Opryland in Nashville once these groups have experienced a Gaylord hotel in other markets.

Gaylord Opryland Resort and Convention Center — Nashville, Tennessee. Our flagship, Gaylord Opryland in Nashville, is one of the leading convention destinations in the United States based upon number of rooms, exhibit space and conventions held. Designed with lavish gardens and expansive atrium areas, the resort is situated on approximately 172 acres in the Opryland complex. Gaylord Opryland is one of the largest hotels in the United States in terms of number of guest rooms. Gaylord Opryland has a number of themed restaurants, retail outlets, and a full-service spa with 27,000 square feet of dedicated space and 12 treatment rooms. It also serves as a destination resort for vacationers due to its proximity to the Grand Ole Opry, the General Jackson Showboat, the Gaylord Springs Golf Links (Gaylord's 18-hole championship golf course), and other attractions in the Nashville area. Gaylord Opryland has 2,881 guest rooms, four ballrooms with approximately 121,000 square feet, 85 banquet/meeting rooms, and total dedicated exhibition space of approximately 289,000 square feet. Total meeting, exhibit and pre-function space in the hotel is approximately 600,000 square feet. The Gaylord Opryland has been recognized by many industry and commercial publications, receiving *Successful Meetings* magazine's Pinnacle Award in 2003 and 2004, as well as receiving *Meeting & Convention's* Gold Key Elite and Gold Platter Elite Awards for 2005.

Gaylord Palms Resort and Convention Center — Kissimmee, Florida. We opened Gaylord Palms in January 2002. Gaylord Palms has 1,406 signature guest rooms, two ballrooms with approximately 76,000 square feet, 76 banquet/meeting rooms, and total dedicated exhibition space of approximately 180,000 square feet. Total meeting, exhibit and pre-function space in the hotel is approximately

400,000 square feet. The resort is situated on a 65-acre site in Osceola County, Florida and is approximately 5 minutes from the main gate of the Walt Disney World® Resort complex. Gaylord Palms has a number of themed restaurants, retail outlets, and a full-service spa, with 20,000 square feet of dedicated space and 15 treatment rooms. Hotel guests also have golf privileges at the world class Falcon's Fire Golf Club, located a half-mile from the property. The Gaylord Palms has been recognized by many publications, receiving *Meeting and Convention's* Gold Key and Gold Platter Awards for 2005 and being named Best Florida Resort by *Florida Monthly* for 2005.

Gaylord Texan Resort and Convention Center — Grapevine, Texas. We opened the Gaylord Texan in April 2004. The resort is situated on approximately 150 acres and is located approximately eight minutes from the Dallas/ Fort Worth International Airport. The hotel features a lavish and expansive atrium, 1,511 signature guest rooms, 3 ballrooms with approximately 85,000 square feet, 70 banquet/meeting rooms, and total dedicated exhibition space of approximately 180,000 square feet. Total meeting, exhibit and pre-function space in the hotel is approximately 400,000 square feet. The property also includes a number of themed restaurants, retail outlets and a full-service spa with 25,000 square feet of dedicated space and 12 treatment rooms. Guests also have access to the adjacent Cowboys Golf Club. In 2004, the Gaylord Texan was named the "Development of the Year" (prevailing over the other finalists, the Mandarin Oriental in Washington, D.C. and the Omni Resort at ChampionsGate) by the Americas Lodging Investment Summit. In 2005, the Gaylord Texan received *Meeting and Convention's* Gold Key Award.

Gaylord National Resort and Convention Center — Prince George's County, Maryland. We are developing a hotel, to be known as the Gaylord National Resort & Convention Center, which is under construction on approximately 42 acres of land we acquired on February 23, 2005 located on the Potomac River in Prince George's County, Maryland (in the Washington, D.C. market). We currently expect to open the hotel in 2008. We refer to this project as our Gaylord National hotel project.

Radisson Hotel at Opryland. We also own and operate the Radisson Hotel at Opryland, a Radisson franchise hotel, which is located across the street from Gaylord Opryland. The hotel has 303 rooms and approximately 14,000 square feet of meeting space. In March 2000, we entered into a 20-year franchise agreement with Radisson in connection with the operation of this hotel.

Our management is also considering other sites to locate future Gaylord Hotel properties, including Chula Vista, California (located in the San Diego area). We have not made any commitments, received any government approvals or made any financing plans in connection with Chula Vista or other potential sites.

ResortQuest

ResortQuest's rental properties are generally second homes or investment properties owned by individuals who assign to ResortQuest the responsibility of managing, marketing and renting their properties. ResortQuest earns management fees as a percentage of the rental income from each property, but generally has no ownership interest in the properties. In addition to the vacation property management business, ResortQuest offers real estate brokerage services and other rental and property owner services.

ResortQuest provides value-added services to both vacationers and property owners. For vacationers, ResortQuest offers the value, convenience and features of a condominium or home while providing many of the amenities and services of a hotel, such as centralized billing, check-in and housekeeping services. For property owners, ResortQuest offers a comprehensive package of marketing, management and rental services designed to enhance rental income and profitability while providing services to maintain the property. Property owners also benefit from ResortQuest's QuestPerks program, which offers benefits such as discounts on lodging, air travel and car rentals. To manage guests' expectations, ResortQuest has developed and implemented a five-tier rating system that segments its property portfolio into five categories: Exclusive Vacation Property, Platinum, Gold, Silver and Bronze.

Utilizing its marketing database, ResortQuest markets its properties through various media channels, including direct mail and targeted advertising solicitations. ResortQuest has significant distribution through ResortQuest.com, its proprietary website offering "real-time" reservations, and its inventory distribution partnerships such as Expedia, Travelocity, Condosaver, retail travel agents, travel wholesalers and others. ResortQuest is constantly enhancing its website to improve the booking experience for leisure travelers. In addition to detailed property descriptions, virtual tours, interior and exterior photos, floor plans and local information, vacationers can search for properties by date, activity, event or location; comparison shop among similar vacation rental units; check for special discounts and promotions; and obtain maps and driving directions.

Opry and Attractions

The Grand Ole Opry. The Grand Ole Opry, which celebrated its 80th anniversary in 2005, is one of the most widely known platforms for country music in the world. The Opry features a live country music show with performances every Friday and Saturday night, as well as a Tuesday Night Opry on a seasonal basis. The Opry House, home of the Grand Ole Opry, seats approximately 4,400 and is located in the Opryland complex. The Grand Ole Opry moved to the Opry House in 1974 from its most famous home in the Ryman Auditorium in downtown Nashville.

Each week, the Grand Ole Opry is broadcast live to millions of country lifestyle consumers on terrestrial radio via WSM-AM, and on satellite radio via Sirius Satellite Radio. In addition, the Grand Ole Opry is broadcast weekly on television via the Great American Country network and CMT-Canada. The broadcast of the Grand Ole Opry is also streamed on the Internet via www.opry.com and www.wsmonline.com. The show has been broadcast since 1925 on WSM-AM, making it the longest running live radio program in the United States. The television broadcast schedule on the Great American Country network will include 52 weekly telecasts airing on Saturday nights at 8 p.m. EST and repeating a minimum of three times during the following week. The Grand Ole Opry produces a two hour show each week that is aired on 205 radio stations across the country through syndication of “America’s Grand Ole Opry Weekend,” which is distributed by Westwood One and also on the Armed Forces Radio Network. In addition to performances by members, the Grand Ole Opry presents performances by many other country music artists.

Ryman Auditorium. The Ryman Auditorium, which was built in 1892 and seats approximately 2,300, is designated as a National Historic Landmark. The former home of the Grand Ole Opry, the Ryman Auditorium was renovated and re-opened in 1994 for concerts and musical productions. The Grand Ole Opry returns to the Ryman Auditorium periodically, most recently from November 2005 to February 2006. In 2003 and 2004, the Ryman Auditorium was named “Theatre of the Year” by Pollstar Concert Industry Awards.

The General Jackson Showboat. We operate the General Jackson Showboat, a 300-foot, four-deck paddle wheel showboat, on the Cumberland River, which flows past the Gaylord Opryland complex in Nashville. Its Victorian Theatre can seat 600 people for banquets and 1,000 people for theater-style presentations. The showboat stages Broadway-style shows and other theatrical productions. The General Jackson is one of many sources of entertainment that Gaylord makes available to conventions held at Gaylord Opryland. During the day, it operates cruises, primarily serving tourists visiting Gaylord Opryland complex and the Nashville area.

Gaylord Springs Golf Links. Home to a Senior PGA Tour event from 1994 to 2003 and minutes from Gaylord Opryland, the Gaylord Springs Golf Links was designed by former U.S. Open and PGA Champion Larry Nelson. The 40,000 square-foot antebellum-style clubhouse offers meeting space for up to 500 guests.

The Wildhorse Saloon. Since 1994, we have owned and operated the Wildhorse Saloon, a country music performance venue on historic Second Avenue in downtown Nashville. The three-story facility includes a dance floor of approximately 2,000 square feet, as well as a restaurant and banquet facility that can accommodate up to 2,000 guests.

Corporate Magic. In March 2000, we acquired Corporate Magic, Inc., a company specializing in the production of creative and entertainment events in support of the corporate and meeting marketplace. We believe the event and corporate entertainment planning function of Corporate Magic complements the meeting and convention aspects of our Gaylord Hotels business.

WSM-AM. WSM-AM commenced broadcasting in 1925. The involvement of Gaylord’s predecessors with country music dates back to the creation of the radio program that became The Grand Ole Opry, which has been broadcast live on WSM-AM since 1925. WSM-AM is broadcast from the Gaylord Opryland complex in Nashville and has a country music format. WSM-AM is one of the nation’s “clear channel” stations, meaning that no other station in a 750-mile radius uses the same frequency for night time broadcasts. As a result, the station’s signal, transmitted by a 50,000 watt transmitter, can be heard at night in much of the United States and parts of Canada.

On July 21, 2003, we, through our wholly-owned subsidiary Gaylord Investments, Inc., sold the assets primarily used in the operations of WSM-FM and WWTN(FM) to Cumulus Broadcasting, Inc. for $62.5 million in cash, and Gaylord entered into a joint sales agreement with Cumulus for WSM-AM in exchange for approximately $2.5 million in cash. Under the joint sales agreement with Cumulus, Cumulus sells all of the commercial advertising on WSM-AM and provides certain sales promotion and billing and collection services relating to WSM-AM, all for a specified fee. The joint sales agreement has a term of five years.

Corporate and Other

Bass Pro Shops. We own a 13% interest in Bass Pro Group, LLC (formerly a 26.6% interest in Bass Pro, Inc.) ("Bass Pro"). Bass Pro owns and operates Bass Pro Shops, a retailer of premium outdoor sporting goods and fishing tackle. After the Bass Pro restructuring as further discussed under "Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations," Bass Pro also owns and operates Tracker Marine, a manufacturer and retailer of fishing and other boats, and the Big Cedar Lodge, a resort lodge located outside Springfield, Missouri. Bass Pro Shops serves its customers through an extensive mail order catalog operation, a retail center in Springfield, Missouri, and additional retail stores at Opry Mills in Nashville and in various other U.S. locations.

Viacom. We hold an investment of approximately 11 million shares of Viacom Class B common stock ("Viacom stock"), which was received as the result of the sale of television station KTVT to CBS in 1999 and the subsequent acquisition of CBS by Viacom in 2000. We entered into a secured forward exchange contract related to 10.9 million shares of the Viacom stock in 2000. The secured forward exchange contract protects us against decreases in the fair market value of the Viacom stock, while providing for participation in increases in the fair market value. At December 31, 2005, the fair market value of our investment in the shares of Viacom stock was $356.6 million, or $32.60 per share. The secured forward exchange contract protects us against decreases in the fair market value of the Viacom Stock below $56.05 per share by way of a put option; the secured forward exchange contract also provides for participation in the increases in the fair market value of the Viacom Stock in that we receive 100% of the appreciation between $56.05 and $64.45 per share and, by way of a call option, 25.93% of the appreciation above $64.45 per share, as of December 31, 2005. The call option strike price decreased from $67.97 as of December 31, 2004 to $64.45 as of December 31, 2005 due to the Company receiving dividend distributions from Viacom during 2005. We elected not to retain the dividend distribution declared by Viacom during the third and fourth quarters of 2005 and expect to remit any future dividend distributions declared by Viacom to Credit Suisse. See "Management's Discussion and Analysis of Financial Condition and Results of Operations", as well as Notes 7 and 20 to our consolidated financial statements for the year ended December 31, 2005 included herewith.

Nashville Predators. On February 22, 2005, we concluded the settlement of litigation with the Nashville Hockey Club Limited Partnership ("NHC"), which owns the Nashville Predators NHL hockey team, over (i) NHC's obligation to redeem our ownership interest, and (ii) our obligations under the Nashville Arena Naming Rights Agreement dated November 24, 1999. Under the Naming Rights Agreement, which had an original 20-year term, we were required to make annual payments to NHC, beginning at $2,050,000 in 1999 and with a 5% escalation each year thereafter, and to purchase a minimum number of tickets to Predators games each year. At the closing of the settlement, NHC redeemed all of our outstanding limited partnership units in the Predators pursuant to a Purchase Agreement dated February 22, 2005, effectively terminating our ownership interest in the Predators. In addition, the Naming Rights Agreement was cancelled pursuant to the Acknowledgment of Termination of Naming Rights Agreement.

As a part of the settlement, we made a one-time cash payment to NHC of $4 million and issued to NHC a 5-year, $5 million promissory note bearing interest at 6% per annum. The note is payable at $1 million per year for 5 years, with the first payment due on October 5, 2006, which is the first anniversary of the resumption of NHL hockey in Nashville, Tennessee.

Our obligation to pay the outstanding amount under the note shall terminate immediately if, at any time before the note is paid in full, the Predators cease to be an NHL team playing its home games in Nashville, Tennessee. In addition, if the Predators cease to be an NHL team playing its home games in Nashville prior to the first payment under the note, then in addition to the note being cancelled, the Predators will pay us $4 million. If the Predators cease to be an NHL team playing its home games in Nashville after the first payment but prior to the second payment under the note, then in addition to the note being cancelled, the Predators will pay us $2 million.

In addition, pursuant to a Consent Agreement among us, the National Hockey League and owners of NHC, our Guaranty dated June 25, 1997 has been limited so that we are not responsible for any debt, obligation or liability of NHC that arises from any act, omission or circumstance occurring after the date of the Consent Agreement. As a part of the settlement, each party agreed to release the other party from any claims associated with this litigation.

Implementation of Strategic Direction

During the second quarter of 2001, we hired a new Chairman of the Board and a new Chief Executive Officer. Once the new senior management team was in place, they devoted a significant portion of 2001 to reviewing the many different businesses they inherited when they joined the Company. After significant review, it was determined that, while we had four business segments for financial reporting purposes (Hospitality, Opry and Attractions Group, Media, consisting of our radio stations and other media assets, and Corporate and Other), the future direction of the Company would be based on two core asset groups, which were aligned as follows:

(i) Hospitality Core Asset Group: consisting of the Gaylord Hotels and the various attractions that provide entertainment to guests of the hotels and (ii) Opry Core Asset Group: consisting of the Grand Ole Opry, WSM-AM radio, and the Ryman Auditorium. As a result, it was determined that Acuff-Rose Music Publishing, Word Entertainment, Music Country/CMT International, Oklahoma RedHawks, Opry Mills, GET Management (comprised of multiple businesses), WSM-FM and WWTN (FM) were not core assets of the Company, and as a result each has either been sold or otherwise disposed of by the Company as reflected in the following table:

Business Sold	Date	Net Proceeds From Sale (Cash and Other) (in millions)
Interest in Oklahoma RedHawks	November 17, 2003	$ 6.0
WSM-FM and WWTN(FM)	July 21, 2003	62.5
Acuff-Rose Music Publishing	August 27, 2002	157.0
Opry Mills 33.3% Partnership Interest	June 28, 2002	30.8
Music Country/CMT International	February 25, 2002	3.7
Word Entertainment	January 4, 2002	84.1
Gaylord Production Company, Gaylord Films, Pandora Films, Gaylord Sports Management Group and Gaylord Event Television	March 9, 2001	41.3(1)

(1) Shortly after the closing, the Oklahoma Publishing Company, or OPUBCO, which purchased these assets, asserted that the Company breached certain representations and warranties in the purchase agreement. The Company entered into settlement negotiations pursuant to which the Company paid OPUBCO an aggregate of $825,000.

Gaylord Digital, Z Music and the Opryland River Taxis, also not core assets of the Company, had previously been sold or otherwise disposed of by the Company. The Company also has miscellaneous real estate holdings that will be sold from time to time. Following the decision to divest certain businesses, we restructured the corporate organization to streamline operations and remove duplicative costs.

Employees

As of December 31, 2005, we had approximately 9,126 full-time and 3,052 part-time and temporary employees. Of these, approximately 5,252 full-time and 1,597 part-time employees were employed in Hospitality; approximately 409 full-time and 738 part-time employees were employed in Opry and Attractions; approximately 3,148 full-time and 711 part-time employees were employed in ResortQuest; and approximately 317 full-time and 6 part-time employees were employed in Corporate and Other. We believe our relations with our employees are good.

Competition

Hospitality

The Gaylord Hotel properties compete with numerous other hotels throughout the United States and abroad, particularly the approximately 100 convention hotels located outside of Las Vegas, Nevada that have approximately 1,060 rooms on average and a significant amount of meeting and exhibit space. Many of these hotels are operated by companies with greater financial, marketing and human resources than the Company. We believe that competition among convention hotels is based on, among other things: (i) the hotel’s reputation, (ii) the quality of the hotel’s facility, (iii) the quality and scope of a hotel’s meeting and convention facilities and services, (iv) the desirability of a hotel’s location, (v) travel distance to a hotel for meeting attendees, (vi) a hotel facility’s accessibility to a recognized airport, (vii) the amount of entertainment and recreational options available in and in the vicinity of the hotel, and (viii) price. Our hotels also compete against municipal convention centers. These include the largest convention centers (e.g., Orlando, Chicago and Atlanta) as well as, for Gaylord Opryland, mid-size convention centers (between 100,000 and 500,000 square feet of meeting space located in second-tier cities).

The hotel business is management and marketing intensive. The Gaylord Hotels compete with other hotels throughout the United States for high quality management and marketing personnel. There can be no assurance that our hotels will be able to attract and retain employees with the requisite managerial and marketing skills.

ResortQuest

The vacation rental and property management industry is highly competitive and has low barriers to entry. The industry has two distinct customer groups: vacation property renters and vacation property owners. We believe that the principal competitive factors in attracting vacation property renters are:

- market share and visibility;
- quality, cost and breadth of services and properties provided; and
- long-term customer relationships.

The principal competitive factors in attracting vacation property owners are the ability to generate higher rental income and the ability to provide comprehensive management services at competitive prices. ResortQuest competes for vacationers and property owners primarily with over 4,000 individual vacation rental and property management companies that typically operate in a limited geographic area. Some of our competitors are affiliated with the owners or operators of resorts in which such competitors provide their services. Certain of these smaller competitors may have lower overhead cost structures and may be able to provide their services at lower rates.

ResortQuest also competes for vacationers with large hotel and resort companies and timeshare operators. Many of these competitors have greater financial resources than we have, enabling them to finance acquisition and development opportunities, to pay higher prices for the same opportunities or to develop and support their own operations. In addition, many of these companies can offer vacationers services not provided by vacation rental and property management companies, and they may have greater name recognition among vacationers. These companies might be willing to sacrifice profitability to capture a greater portion of the market for vacationers or pay higher prices than we would for the same acquisition opportunities. Consequently, we may encounter significant competition in our efforts to achieve our internal and acquisition growth objectives as well as our operating strategies focused on increasing the profitability of our existing and subsequent acquisitions.

Opry and Attractions Group

The Grand Ole Opry and other attractions businesses compete with all other forms of entertainment and recreational activities. The success of the Opry and Attractions group is dependent upon certain factors beyond our control including economic conditions, the amount of available leisure time, transportation cost, public taste and weather conditions. Our radio station competes with numerous other types of entertainment businesses, and success is often dependent on taste and fashion, which may fluctuate from time to time. Under a joint sales agreement with Cumulus, we own and operate WSM-AM, and Cumulus sells all commercial advertising on WSM-AM and provides certain sales promotion and billing and collection services for a specified fee.

Seasonality

Portions of our business are seasonal in nature. Our group convention business is subject to reduced levels of demand during the year-end holiday periods. Although we typically attempt to attract general tourism guests by offering special events and attractions during these periods, there can be no assurance that our hotels can successfully operate such events and attractions. In addition, certain of the geographic regions in which ResortQuest operates, such as ski resorts, typically attract fewer vacationers in off-peak seasons. Our ResortQuest business can also be adversely affected by negative weather conditions (e.g., lack of snow during winter months at our mountain ski locations or hurricanes at our beach locations).

Regulation and Legislation

Hospitality

Our hotels are subject to certain federal, state, and local governmental laws and regulations including, without limitation, health and safety laws and environmental regulations applicable to hotel and restaurant operations. The hotels are also subject to the requirements of the Americans with Disabilities Act and similar state laws, as well as regulations pursuant thereto. We believe that we are in substantial compliance with such regulations. In addition, the sale of alcoholic beverages by a hotel requires a license and is subject to regulation by the applicable state and local authorities. The agencies involved have the power to limit, condition, suspend or revoke any such license, and any disciplinary action or revocation could have an adverse effect upon the results of operations of the Company’s Hospitality Group segment.

ResortQuest

The operations of ResortQuest are subject to various federal, state, local and foreign laws and regulations, including licensing requirements applicable to real estate operations and the sale of alcoholic beverages, laws and regulations relating to consumer protection and local ordinances. Many states have adopted specific laws and regulations which regulate our activities, such as:

- disclosure requirements in connection with real estate sales;
- anti-fraud laws;
- real estate and travel services provider license requirements, including escrow requirements;
- environmental laws;
- telemarketing and consumer privacy laws;
- the Fair Housing Act; and
- consumer protection laws regarding the purchase of condominiums

The agencies involved in enforcing these laws and regulations have the power to limit, condition, suspend, or revoke any such license or activity by ResortQuest, and any disciplinary action or revocation affecting a significant portion of the operations of ResortQuest could have an adverse effect upon the results of operations of ResortQuest.

Opry and Attractions Group

WSM-AM is subject to regulation under the Communications Act of 1934, as amended. Under the Communications Act, the Federal Communications Commission, or FCC, among other things, assigns frequency bands for broadcasting; determines the frequencies, location, and signal strength of stations; issues, renews, revokes, and modifies station licenses; regulates equipment used by stations; and adopts and implements regulations and policies that directly or indirectly affect the ownership, operation, and other practices of broadcasting stations.

Licenses issued for radio stations have terms of eight years. Radio broadcast licenses are renewable upon application to the FCC and in the past have been renewed except in rare cases. Competing applications will not be accepted at the time of license renewal, and will not be entertained at all unless the FCC first concludes that renewal of the license would not serve the public interest. A station will be entitled to renewal in the absence of serious violations of the Communications Act or the FCC regulations or other violations which constitute a pattern of abuse. The Company is not aware of any reason why its radio station license should not be renewed.

The foregoing is only a brief summary of certain provisions of the Communications Act and FCC regulations. The Communications Act and FCC regulations may be amended from time to time, and the Company cannot predict whether any such legislation will be enacted or whether new or amended FCC regulations will be adopted, or the effect on the Company of any such changes.

In addition, our Nashville area attractions are also subject to the laws and regulatory activities associated with the sale of alcoholic beverages described above.

Additional Information

Our web site address is www.gaylordentertainment.com. Please note that our web site address is provided as an inactive textual reference only. We make available free of charge through our web site the Annual Report on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K, and all amendments to those reports as soon as reasonably practicable after such material is electronically filed with or furnished to the SEC. The information provided on our web site is not part of this report, and is therefore not incorporated by reference unless such information is otherwise specifically referenced elsewhere in this report.

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Executive Officers of the Registrant

The following table sets forth certain information regarding the executive officers of the Company as of December 31, 2005. All officers serve at the discretion of the Board of Directors.

NAME	AGE	POSITION
Colin V. Reed	58	Chairman of the Board of Directors, President and Chief Executive Officer
David C. Kloeppel	36	Executive Vice President and Chief Financial Officer
Jay D. Sevigny (1)	46	Executive Vice President and Chief Operating Officer, Gaylord Hotels
Mark Fioravanti	44	Executive Vice President, and President, ResortQuest
John P. Caparella (1)	48	Senior Vice President and General Manager, Gaylord Palms Resort and Convention Center
Carter R. Todd	48	Senior Vice President, Secretary and General Counsel
Rod Connor	53	Senior Vice President and Chief Administrative Officer
Melissa J. Buffington	48	Senior Vice President, Human Resources and Communications

(1) On February 10, 2006, Mr. Caparella was promoted to Executive Vice President and Chief Operating Officer, Gaylord Hotels, and Mr. Sevigny was named Industry Relations Advisor.

The following is additional information with respect to the above-named executive officers.

Colin V. Reed was elected President and Chief Executive Officer and a director of the Company in April 2001 and was elected Chairman of the Board of Directors in May 2005. Prior to that time, he was a member of the three-executive Office of the President of Harrah's Entertainment since May 1999 and the Chief Financial Officer of Harrah's Entertainment since April 1997. Mr. Reed was a director of Harrah's Entertainment from 1998 to May 2001. He was Executive Vice President of Harrah's Entertainment from September 1995 to May 1999 and has served in several other management positions with Harrah's Entertainment and its predecessor, Holiday Corp., since 1977. As part of his duties at Harrah's Entertainment, Mr. Reed served as a director and Chairman of the Board of JCC Holding Company, an entity in which Harrah's Entertainment held a minority interest. On January 4, 2001, JCC Holding Company filed a petition for reorganization relief under Chapter 11 of the United States Bankruptcy Code.

David C. Kloeppel is the Company's Executive Vice President and Chief Financial Officer. Prior to joining the Company in September of 2001, Mr. Kloeppel worked in the Mergers and Acquisitions Department at Deutsche Bank in New York, where he was responsible for that department's activities in the lodging, leisure and real estate sectors. Mr. Kloeppel earned an MBA from Vanderbilt University's Owen Graduate School of Management, graduating with highest honors. He received his bachelor of science degree from Vanderbilt University, majoring in economics. Mr. Kloeppel is a director of FelCor Lodging Trust, Inc.

Jay D. Sevigny was Executive Vice President of the Company and Chief Operating Officer, Gaylord Hotels until February 10, 2006, positions he held since January 2004. Effective February 10, 2006, he became Industry Relations Advisor. From February 2002 until December 2003, Mr. Sevigny served as President of the Company's Gaylord Opryland Resort and Convention Center in Nashville. Mr. Sevigny was hired in October 2001 as the Senior Vice President in charge of the Company's Marketing and Attractions. Prior to joining the Company, Mr. Sevigny worked in different capacities for Harrah's Entertainment, most recently as Division President Hotel/Casino in Las Vegas during 2000 and 2001, and as President and Chief Operating Officer of Harrah's New Orleans casino operations from 1998 to 2000. From 1997 to 1998, Mr. Sevigny was President of Midwest Operations for Station Casino in Kansas City, Missouri. Mr. Sevigny has a finance degree from the University of Nevada and an MBA from Vanderbilt University's Owen Graduate School of Management.

Mark Fioravanti has been an Executive Vice President of the Company and President of ResortQuest International since March 2004. From August 2002 until March 2004, Mr. Fioravanti was the Company's Senior Vice President of Marketing. Prior to joining the Company in August 2002, Mr. Fioravanti spent nine years with Harrah's Entertainment, where he was most recently Vice President of Finance and Administration of Harrah's New Orleans. Mr. Fioravanti's other roles at Harrah's Entertainment included Corporate Director of Strategic Planning and Director of Market Planning and Strategy. Mr. Fioravanti, who has over 16 years' experience in the hospitality, casino entertainment and real estate industries, graduated from The Ohio State University, where he earned his bachelor of science degree. He also holds an MBA from the University of Tennessee.

John P. Caparella is Executive Vice President of the Company and Chief Operating Officer, Gaylord Hotels, positions he has held since February 10, 2006. Prior to such time, he served as Senior Vice President of the Company and General Manager of Gaylord Palms Resort and Convention Center since joining the Company in November 2000. Prior to such time, Mr. Caparella served as Executive Vice President, Planning, Development and Administration and President of PlanetHollywood.com for Planet Hollywood International, Inc., a creator and developer of consumer brands relating to movies, sports and other entertainment-based themes, in Orlando, Florida since September 1997. Before joining Planet Hollywood, Mr. Caparella was with ITT Sheraton, an owner and operator of hotel brands, for 17 years in convention, resort, business and 4-star luxury properties, as well as ITT Sheraton's corporate headquarters. Mr. Caparella graduated from the State University of New York at Delhi and has an MBA from Rollins College Crummer Graduate School of Management.

Carter R. Todd joined Gaylord Entertainment Company in July 2001 as the Company's Senior Vice President, General Counsel and Secretary. Prior to that time, he was a Corporate and Securities partner in the Nashville office of the regional law firm Baker, Donelson, Bearman & Caldwell. Mr. Todd has practiced law in Nashville since 1982 and is a graduate of Vanderbilt University School of Law and Davidson College.

Rod Connor is the Senior Vice President and Chief Administrative Officer of the Company, a position he has held since September 2003. From January 2002 to September 2003, he was Senior Vice President of Risk Management and Administration. From December 1997 to January 2002, Mr. Connor was Senior Vice President and Chief Administrative Officer. From February 1995 to December 1997, he was the Vice President and Corporate Controller of the Company. Mr. Connor has been an employee of the Company for over 30 years. Mr. Connor, who is a certified public accountant, has a B.S. degree in accounting from the University of Tennessee.

Melissa J. Buffington is the Senior Vice President of Human Resources and Communications of the Company, a position she has held since August 2003. From 1999 until she joined the Company, Ms. Buffington was senior vice president of human resources and strategic planning for Dollar General Corp., where she oversaw all human resource programs for a company with over 60,000 employees. From 1996 to 1999, Ms. Buffington held the position of executive vice president of human resources at First American Corporation. From 1992 to 1996, Ms. Buffington was First American's senior vice president and director of quality management, and director of strategic planning and mergers and acquisitions. Ms. Buffington is a graduate of The College of William and Mary, where she received her degree in business management. She earned her master's in business administration with a concentration in finance from Old Dominion University.

Item 1A. *Risk Factors*

You should carefully consider the following specific risk factors as well as the other information contained or incorporated by reference in this Annual Report on Form 10-K as these are important factors, among others, that could cause our actual results to differ from our expected or historical results. It is not possible to predict or identify all such factors. Consequently, you should not consider any such list to be a complete statement of all our potential risks or uncertainties. Some statements in this "Business" section and elsewhere in this Annual Report on Form 10-K are "forward-looking statements" and are qualified by the cautionary language regarding such statements.

The successful implementation of our business strategy depends on our ability to generate cash flows from our existing operations and other factors.

We have refocused our business strategy on the development of additional resort and convention center hotels in selected locations in the United States, on our ResortQuest vacation rental and property management business and on our attractions properties, including the Grand Ole Opry, which are focused primarily on the country music genre. The success of our future operating results depends on our ability to implement our business strategy by successfully operating the Gaylord Opryland, the Gaylord Palms and the Gaylord Texan, by successfully developing and financing our proposed Gaylord National hotel project near Washington, D.C. and by further exploiting our attractions assets and our vacation rental business. Our ability to do this depends upon many factors, some of which are beyond our control. These include:

- our ability to generate cash flows from existing operations;
- our ability to hire and retain hotel management, catering and convention-related staff for our hotels and staff for our vacation rental offices;
- our ability to successfully attract and maintain increased levels of customer and homeowner utilization of our ResortQuest vacation rental and property management business

- our ability to capitalize on the strong brand recognition of certain of our Opry and Attractions assets; and
- the continued popularity and demand for country music.

If we are unable to successfully implement the business strategies described above, our cash flows and net income may be reduced.

Our hotel and convention business and our vacation rental and property management business are subject to significant market risks.

Our ability to continue to successfully operate the Gaylord Opryland, the Gaylord Palms and the Gaylord Texan, as well as our ability to operate our ResortQuest vacation rental business, is subject to factors beyond our control which could reduce the revenue and operating income of these properties. These factors include:

- the desirability and perceived attractiveness of the Nashville, Tennessee area; the Orlando, Florida area; and the Dallas, Texas area as tourist and convention destinations;
- the ability of our proposed Gaylord National hotel project near Washington, D.C. to operate in a new market which is extremely competitive;
- adverse changes in the national economy and in the levels of tourism and convention business that would affect our hotels or vacation rental properties we manage;
- the hotel and convention business is highly competitive, and the Gaylord Palms and the Gaylord Texan are operating in extremely competitive markets for convention and tourism business;
- our group convention business is subject to reduced levels of demand during the year-end holiday periods, and we may not be able to attract sufficient general tourism guests to offset this seasonality; and
- the vacation rental and property management business is highly competitive and has low barriers to entry, and we compete primarily with local vacation rental and property management companies located in its markets, some of whom are affiliated with the owners or operators of resorts where these competitors provide their services or which may have lower cost structures and may provide their services at lower rates.

Our efforts to integrate and improve the ResortQuest business involve substantial risks.

Since our acquisition of ResortQuest in November 2003, we have invested and are continuing to invest substantial capital and management efforts in integrating and realigning ResortQuest's operations, including advancing its technology, making strategic acquisitions and divestitures to focus our property management on key markets, and terminating unprofitable management contracts. If these measures are not successful in improving the operations and profitability of ResortQuest, then our overall business, results of operations, financial condition or prospects could be adversely affected.

Unanticipated costs of hotels we open in new markets, including our Gaylord National hotel project, may reduce our operating income.

As part of our growth plans, we may open or acquire new hotels in geographic areas in which we have little or no operating experience and in which potential customers may not be familiar with our business. As a result, we may have to incur costs relating to the opening, operation and promotion of those new hotel properties that are substantially greater than those incurred in other areas. Even though we may incur substantial additional costs with these new hotel properties, they may attract fewer customers than our existing hotels. As a result, the results of operations at new hotel properties may be inferior to those of our existing hotels. The new hotels may even operate at a loss. Even if we are able to attract enough customers to our new hotel properties to operate them at a profit, it is possible that those customers could simply be moving future meetings or conventions from our existing hotel properties to our new hotel properties. Thus, the opening of a new hotel property could reduce the revenue of our existing hotel properties.

Our hotel development, including our Gaylord National hotel project, is subject to timing, budgeting and other risks.

We intend to develop additional hotel properties as suitable opportunities arise, taking into consideration the general economic climate. New project development has a number of risks, including risks associated with:

- construction delays or cost overruns that may increase project costs;
- construction defects or noncompliance with construction specifications;
- receipt of zoning, occupancy and other required governmental permits and authorizations;
- other risks of construction described below;
- development costs incurred for projects that are not pursued to completion;
- so-called acts of God such as earthquakes, hurricanes, floods or fires that could delay the development of a project;
- the availability and cost of capital; and
- governmental restrictions on the nature or size of a project or timing of completion.

Our development projects may not be completed on time or within budget.

Our plans to develop the Gaylord National hotel project are subject to numerous risks.

Our plans to develop the Gaylord National hotel are subject to market conditions, the availability of financing, receipt of necessary building permits and other authorizations, and other factors, including those described in the preceding and following risk factors. Our ability to begin construction of the planned 500-room expansion is also subject to the receipt of governmental approvals. Our costs to construct and open the Gaylord National (including the planned 500-room expansion) are expected to exceed our initial estimates due to rising construction costs and the additional costs of the proposed expansion. Our construction budget, based on current estimates, is in the range of $785 million to $835 million, which exceeds our initial estimates by $285 million to $335 million. These estimates include the estimated construction costs for the expanded 2,000 room facility and exclude $69 million in capitalized interest, $41 million in pre-opening costs, and existing and anticipated additional governmental economic incentives we may receive, which are currently estimated to be $145 million. The current Gaylord National budget estimate includes approximately $36 million of contingency, which if not spent would be saved entirely by the Company. Because the project is in the early stages of construction and certain portions of the project have not been bid or contracted, we cannot be certain of the final costs of the project.

As of the date of this filing, we have in place a guaranteed maximum price construction contract with our general contractor for the Gaylord National project covering $236 million of the work to be performed at this project. As additional portions of the Gaylord National project are bid and contracted, they are being added to our existing guaranteed maximum price contract by way of amendment. We anticipate having a guaranteed maximum price contract covering the entire project within the next 12 months. Because we do not have the entire project under contract at this time, there is a risk that the total construction cost for the project could increase beyond our current estimates or that the necessary contractors and subcontractors, as well as materials, will not be available.

The anticipated costs and completion dates for the Gaylord National are based on budgets, designs, development and construction documents and schedule estimates that we have prepared with the assistance of architects and our general contractor and that are subject to change as the design, development and construction documents are finalized and more actual construction work is performed. A failure to complete the Gaylord National on budget or on schedule may adversely affect our financial condition, results of operations or cash flows.

We intend to use cash flow from operations, our $600 million credit facility, and governmental incentives to finance the costs of constructing and opening the Gaylord National. We are considering our alternatives to finance the proposed 500-room expansion of the Gaylord National, including governmental incentives, but as of this date we have neither sought nor secured any commitments for that financing. We may seek additional debt or equity financing for this or other projects. In addition, our $600 million credit facility requires the Gaylord National to be substantially completed by June 30, 2008 (subject to customary force majeure provisions) and currently limits the aggregate amount of capital expenditures made to complete the project. The failure to obtain the necessary financing, or to satisfy or receive waivers of the credit facility requirements, could adversely affect our ability to construct the Gaylord National and any other hotel projects in the future.

In addition, we do not have experience operating in the Washington, D.C. market. We cannot assure you that the project will be completed, that it will be opened on time or on budget, or that its future operations will be successful.

There are significant risks associated with our planned construction projects, which could adversely affect our financial condition, results of operations or cash flows from these planned projects.

Our ongoing and future construction projects, such as the Gaylord National, entail significant risks. Construction activity requires us to obtain qualified contractors and subcontractors, the availability of which may be uncertain. Construction projects are subject to cost overruns and delays caused by events outside of our control or, in certain cases, our contractors’ control, such as shortages of materials or skilled labor, unforeseen engineering, environmental and/or geological problems, work stoppages, weather interference, unanticipated cost increases and unavailability of construction materials or equipment. Construction, equipment or staffing problems or difficulties in obtaining any of the requisite materials, licenses, permits, allocations and authorizations from governmental or regulatory authorities, construction defects or non-compliance with construction specification, could increase the total cost, delay, jeopardize or prevent the construction or opening of such projects or otherwise affect the design and features of the Gaylord National or other projects. In addition, we will be required to obtain financing for development projects and to use cash flow from operations for development and construction. We may seek additional debt or equity financing for development and construction projects. We have no financing plans for projects other than the Gaylord National, and we do not know if any needed financing will be available on favorable terms.

Our real estate investments are subject to numerous risks.

Because we own hotels and attractions properties, we are subject to the risks that generally relate to investments in real property. The investment returns available from equity investments in real estate depend in large part on the amount of income earned and capital appreciation generated by the related properties, as well as the expenses incurred. In addition, a variety of other factors affect income from properties and real estate values, including governmental regulations, insurance, zoning, tax and eminent domain laws, interest rate levels and the availability of financing. For example, new or existing real estate zoning or tax laws can make it more expensive and/or time-consuming to develop real property or expand, modify or renovate properties. When interest rates increase, the cost of acquiring, developing, expanding or renovating real property increases and real property values may decrease as the number of potential buyers decreases. Similarly, as financing becomes less available, it becomes more difficult both to acquire and to sell real property. Finally, governments can, under eminent domain laws, take real property. Sometimes this taking is for less compensation than the owner believes the property is worth. Any of these factors could have a material adverse impact on our results of operations or financial condition. In addition, equity real estate investments, such as the investments we hold and any additional properties that we may acquire, are relatively difficult to sell quickly. If our properties do not generate revenue sufficient to meet operating expenses, including debt service and capital expenditures, our income will be reduced.

Our hotel and vacation rental properties are concentrated geographically and our revenues and operating income could be reduced by adverse conditions specific to our property locations.

Our existing hotel properties are located predominately in the southeastern United States. As a result, our business and our financial operating results may be materially affected by adverse economic, weather or business conditions in the Southeast. In addition, our ResortQuest vacation rental business manages properties that are significantly concentrated in beach and island resorts located in Florida and Hawaii and mountain resorts located in Colorado. Adverse events or conditions which affect these areas in particular, such as economic recession, changes in regional travel patterns, extreme weather conditions or natural disasters, may have an adverse impact on our ResortQuest operations. Our ResortQuest operations in the coastal areas of the Southeast have been adversely impacted by hurricanes in recent years, with many units out of service for extended periods, and we may experience a significant impact on our results of operations if future adverse weather conditions occur.

Hospitality companies have been the target of class actions and other lawsuits alleging violations of federal and state law.

Our operating income and profits may be reduced by legal or governmental proceedings brought by or on behalf of our employees or customers. In recent years, a number of hospitality companies have been subject to lawsuits, including class action lawsuits, alleging violations of federal and state law regarding workplace and employment matters, discrimination and similar matters. A number of these lawsuits have resulted in the payment of substantial damages by the defendants. Similar lawsuits have been instituted against us from time to time, and we cannot assure you that we will not incur substantial damages and expenses resulting from lawsuits of this type, which could have a material adverse effect on our business.

Our properties are subject to environmental regulations that could impose significant financial liability on us.

Environmental laws, ordinances and regulations of various federal, state, local and foreign governments regulate certain of our properties and could make us liable for the costs of removing or cleaning up hazardous or toxic substances on, under or in the properties we currently own or operate or those we previously owned or operated. Those laws could impose liability without regard to whether we knew of, or were responsible for, the presence of hazardous or toxic substances. The presence of hazardous or toxic substances, or the failure to properly clean up such substances when present, could jeopardize our ability to develop, use, sell or rent the real property or to borrow using the real property as collateral. If we arrange for the disposal or treatment of hazardous or toxic wastes, we could be liable for the costs of removing or cleaning up wastes at the disposal or treatment facility, even if we never owned or operated that facility. Other laws, ordinances and regulations could require us to manage, abate or remove lead- or asbestos-containing materials. Similarly, the operation and closure of storage tanks are often regulated by federal, state, local and foreign laws. Finally, certain laws, ordinances and regulations, particularly those governing the management or preservation of wetlands, coastal zones and threatened or endangered species, could limit our ability to develop, use, sell or rent our real property.

Any failure to attract, retain and integrate senior and managerial level executives could negatively impact our operations and development of our properties.

Our future performance depends upon our ability to attract qualified senior executives, retain their services and integrate them into our business. Our future financial results also will depend upon our ability to attract and retain highly skilled managerial and marketing personnel in our different areas of operation. Competition for qualified personnel is intense and is likely to increase in the future. We compete for qualified personnel against companies with significantly greater financial resources than ours.

We have certain minority equity interests over which we have no significant control, to or for which we may owe significant obligations and for which there is no market, and these investments may not be profitable.

We have certain minority investments which are not liquid and over which we have little or no rights, or ability, to exercise the direction or control of the respective enterprises. These include our equity interests in Viacom, Bass Pro and RHAC, LLC (the entity which owns the Aston Waikiki Beach Hotel). When we make these investments, we sometimes extend guarantees related to such investments. The ultimate value of each of these investments will be dependent upon the efforts of others over an extended period of time. The nature of our interests and the absence of a market for those interests restricts our ability to dispose of them. Our lack of control over the management of these businesses and the lack of a market to sell our interest in these businesses may cause us to recognize a loss on our investment in these businesses. See “Management’s Discussion and Analysis of Financial Condition and Results of Operations.” In addition, we may enter into joint venture arrangements. These arrangements are subject to uncertainties and risks, including those related to conflicting joint venture partner interests and to our joint venture partners failing to meet their financial or other obligations.

We are subject to risks relating to acts of God, terrorist activity and war.

Our operating income may be reduced by acts of God, such as natural disasters or acts of terror, in locations where we own and/or operate significant properties and areas of the world from which we draw a large number of customers. Some types of losses, such as from earthquake, hurricane, terrorism and environmental hazards, may be either uninsurable or too expensive to justify insuring against. Should an uninsured loss or a loss in excess of insured limits occur, we could lose all or a portion of the capital we have invested in a hotel, as well as the anticipated future revenue from the hotel. In that event, we might nevertheless remain obligated for any mortgage debt or other financial obligations related to the property. Similarly, wars (including the potential for war), terrorist activity (including threats of terrorist activity), political unrest and other forms of civil strife as well as geopolitical uncertainty may cause in the future our results to differ materially from anticipated results.

The hospitality industry and the vacation and property management industry are heavily regulated, including with respect to food and beverage sales, real estate brokerage licensing, employee relations and construction concerns, and compliance with these regulations could increase our costs and reduce our revenues and profits.

Our hotel operations are subject to numerous laws, including those relating to the preparation and sale of food and beverages, liquor service and health and safety of premises. Our vacation rental operations are also subject to licensing requirements applicable to real estate operations, laws and regulations relating to consumer protection and local ordinances. We are also subject to laws regulating our relationship with our employees in areas such as hiring and firing, minimum wage and maximum working hours, overtime and working conditions. Although none of our employees are currently represented by labor unions, labor union organizing activities may take place at any new hotel property we open. Additionally, we may in the future experience attempts to unionize employees at our existing hotels. A lengthy strike or other work stoppage at one of our hotels, or the threat of such activity, could have an adverse effect on our business and results of operations. The success of expanding our hotel operations also depends upon our obtaining necessary building permits and zoning variances from local authorities. Compliance with these laws is time intensive and costly and may reduce our revenues and operating income.

If vacation rental property owners do not renew a significant number of property management contracts, revenues and operating income from our ResortQuest vacation rental business would be reduced.

Through our ResortQuest vacation rental business, we provide rental and property management services to property owners pursuant to management contracts, which generally have one-year terms. The majority of such contracts contain automatic renewal provisions but also allow property owners to terminate the contract at any time. If property owners do not renew a significant number of management contracts or if we are unable to attract additional property owners, revenues and operating income for our ResortQuest business may be reduced. In addition, although most of its contracts are exclusive, industry standards in certain geographic markets dictate that rental services be provided on a non-exclusive basis.

Our substantial debt could reduce our cash flow and limit our business activities.

We currently have a significant amount of debt. As of December 31, 2005, we had $600.3 million of total debt, exclusive of our $613.1 million secured forward exchange contract, and stockholders' equity of $848.6 million.

Our substantial amount of debt could have important consequences. For example, it could:

- increase our vulnerability to general adverse economic and industry conditions;
- require us to dedicate a substantial portion of our cash flow from operations to make interest and principal payments on our debt, thereby limiting the availability of our cash flow to fund future capital expenditures, working capital and other general corporate requirements;
- limit our flexibility in planning for, or reacting to, changes in our business and the hospitality industry, which may place us at a competitive disadvantage compared with competitors that are less leveraged;
- increase our vulnerability to general adverse economic and industry conditions; and
- limit our ability to borrow additional funds, even when necessary to maintain adequate liquidity.

In addition, the terms of our $600 million credit facility and the indentures governing our 8% senior notes and our 6.75% senior notes allow us to incur substantial amounts of additional debt subject to certain limitations. Any such additional debt could increase the risks associated with our substantial leverage. Our substantial leverage is evidenced by our earnings being insufficient to cover fixed charges by $47.6 million and $97.8 million for the years ended December 31, 2005 and 2004, respectively. At the time any principal amount of our indebtedness is due, we may not have cash available to pay this amount, and we may not be able to refinance this indebtedness on favorable terms, or at all. We may incur additional debt in connection with our planned expansion of the Gaylord National hotel project or any additional hotel development.

The agreements governing our debt, including our 8% senior notes, our 6.75% senior notes and our $600 million credit facility, contain various covenants that limit our discretion in the operation of our business and could lead to acceleration of debt.

Our existing financial agreements, including our $600 million credit facility and the senior notes, impose, and future financing agreements are likely to impose, operating and financial restrictions on our activities. These restrictions require us to comply with or maintain certain financial tests and ratios, including minimum consolidated net worth, minimum interest coverage ratio and maximum leverage ratios, and limit or prohibit our ability to, among other things:

- incur additional debt and issue preferred stock;
- create liens;
- redeem and/or prepay certain debt;
- pay dividends on our stock to our stockholders or repurchase our stock;
- make certain investments;
- enter new lines of business;
- engage in consolidations, mergers and acquisitions;
- make certain capital expenditures; and
- pay dividends and make other distributions from our subsidiaries to us.

These restrictions on our ability to operate our business could seriously harm our business by, among other things, limiting our ability to take advantage of financing, merger and acquisition and other corporate opportunities.

Various risks, uncertainties and events beyond our control could affect our ability to comply with these covenants and maintain these financial tests and ratios. Failure to comply with any of the covenants in our existing or future financing agreements could result in a default under those agreements and under other agreements containing cross-default provisions. A default would permit lenders to accelerate the maturity for the debt under these agreements and to foreclose upon any collateral securing the debt. Under these

circumstances, we might not have sufficient funds or other resources to satisfy all of our obligations, including our obligations under the notes. In addition, the limitations imposed by financing agreements on our ability to incur additional debt and to take other actions might significantly impair our ability to obtain other financing.

Fluctuations in our operating results and other factors may result in decreases in our stock price.

In recent periods, the market price for our common stock has fluctuated substantially. From time to time, there may be significant volatility in the market price of our common stock. We believe that the current market price of our common stock reflects expectations that we will be able to continue to operate our existing hotels profitably and to develop new hotel properties profitably. If we are unable to accomplish this, investors could sell shares of our common stock at or after the time that it becomes apparent that the expectations of the market may not be realized, resulting in a decrease in the market price of our common stock. In addition to our operating results, the operating results of other hospitality companies, changes in financial estimates or recommendations by analysts, adverse weather conditions, increased construction costs, increased labor and other costs, changes in general conditions in the economy or the financial markets or other developments affecting us or our industry, such as the recent terrorist attacks, could cause the market price of our common stock to fluctuate substantially. In recent years, the stock market has experienced extreme price and volume fluctuations. This volatility has had a significant effect on the market prices of securities issued by many companies for reasons unrelated to their operating performance.

To service our debt and pay other obligations, we will require a significant amount of cash, which may not be available to us.

Our ability to make payments on, or repay or refinance, our debt, including any future debt we may incur, and to fund planned capital expenditures will depend largely upon our future operating performance and our ability to generate cash from operations. Our future performance, to a certain extent, is subject to general economic, financial, competitive, legislative, regulatory and other factors that are beyond our control. In addition, our ability to borrow funds in the future to make payments on our debt will depend on the satisfaction of the covenants and financial ratios in our $600 million credit facility and our other debt agreements, including the indentures governing our 6.75% senior notes due 2014 and our 8% senior notes due 2013 and other agreements we may enter into in the future. At the expiration of the secured forward exchange contract relating to shares of Viacom stock we own, we will be required to incur additional debt or use any cash on hand to pay the estimated $152.3 million deferred tax payable at that time. Our business may not generate sufficient cash flow from operations or we may not have future borrowings available to us under our $600 million credit facility or from other sources in an amount sufficient to enable us to pay our debt, to fund our tax liability or to fund our other liquidity needs.

Our certificate of incorporation and bylaws and Delaware law could make it difficult for a third party to acquire our company.

The Delaware General Corporation Law and our certificate of incorporation and bylaws contain provisions that could delay, deter or prevent a change in control of our company or our management. These provisions could also discourage proxy contests and make it more difficult for stockholders to elect directors and take other corporate actions. These provisions:

- authorize us to issue “blank check’’ preferred stock, which is preferred stock that can be created and issued by our board of directors, without stockholder approval, with rights senior to those of common stock;
- provide that directors may only be removed with cause by the affirmative vote of at least a majority of the votes of shares entitled to vote thereon;
- establish advance notice requirements for submitting nominations for election to the board of directors and for proposing matters that can be acted upon by stockholders at meeting;
- provide that special meetings of stockholders may be called only by our chairman or by majority of the members of our board of directors;
- impose restrictions on ownership of our common stock by non-United States persons due to our ownership of a radio station; and
- prohibit shareholder actions taken on written consent.

We are also subject to anti-takeover provisions under Delaware law, which could also delay or prevent a change of control. Together, these provisions of our certificate of incorporation and bylaws and Delaware law may discourage transactions that otherwise could provide for the payment of a premium over prevailing market prices for publicly traded equity securities, and also could limit the price that investors are willing to pay in the future for shares of our publicly traded equity securities. We have considered other measures such as adoption of a stockholder rights plan. Although we have not adopted such a plan to date, we may do so in the future.

Our issuance of preferred stock could adversely affect holders of our common stock and discourage a takeover.

Our board of directors has the power to issue up to 100.0 million shares of preferred stock without any action on the part of our stockholders. As of March 1, 2006, we had no shares of preferred stock outstanding. Our board of directors also has the power, without stockholder approval, to set the terms of any new series of preferred stock that may be issued, including voting rights, dividend rights, preferences over our common stock with respect to dividends or in the event of a dissolution, liquidation or winding up and other terms. In the event that we issue additional shares of preferred stock in the future that have preference over our common stock with respect to payment of dividends or upon our liquidation, dissolution or winding up, or if we issue preferred stock with voting rights that dilute the voting power of our common stock, the rights of the holders of our common stock or the market price of our common stock could be adversely affected. In addition, the ability of our board of directors to issue shares of preferred stock without any action on the part of our stockholders may impede a takeover of us and prevent a transaction favorable to our stockholders.

Item 1B. ***Unresolved Staff Comments***

None.

Item 2. ***Properties***

Corporate and Other

We own our executive offices and headquarters located at One Gaylord Drive, Nashville, Tennessee, which consists of a five-story office building comprising approximately 80,000 square feet. We also own our shared services center located within the Opryland complex, which contains approximately 84,000 square feet of space. Gaylord believes that these facilities and the facilities described below utilized for each of its business segments are generally well maintained.

Hospitality

We own our Opryland complex in Nashville, Tennessee, which includes the site of Gaylord Opryland (approximately 172 acres). We also own the 6.5 acre site of the Radisson Hotel at Opryland, which is located near the Opryland complex. Gaylord has leased a 65-acre tract in Osceola County, Florida, on which Gaylord Palms is located pursuant to a 75-year ground lease with a 24-year renewal option. Gaylord has granted a leasehold mortgage to the lender under its revolving credit facility. Gaylord acquired approximately 100 acres in Grapevine, Texas, through ownership (approximately 75 acres) and ground lease (approximately 25 acres), on which the Gaylord Texan is located. Gaylord acquired approximately 42 acres on the Potomac River in Prince George's County, Maryland, on which it is developing a hotel to be known as the Gaylord National Resort & Convention Center. All properties secure our $600 million credit facility, as described in the Liquidity and Capital Resources section of Item 7, "Management's Discussion and Analysis of Financial Condition and Results of Operations."

ResortQuest

ResortQuest currently has approximately 190 properties in 12 states in the U.S. and one province in Canada. These properties consist principally of offices and maintenance, laundry and storage facilities. We own approximately 35 of these facilities and lease approximately 155 properties. We consider all of these owned and leased properties to be suitable and adequate for the conduct of our business.

Opry and Attractions Group

We own the General Jackson Showboat's docking facility and the Opry House, both of which are located within the Opryland complex. We also own the Gaylord Springs Golf Links, an 18-hole golf course situated on over 200 acres, which is located near the Opryland complex. In downtown Nashville, we own the Ryman Auditorium and the Wildhorse Saloon dance hall and production facility. We own WSM Radio's offices and studios, which are also located within the Opryland complex.

Item 3. ***Legal Proceedings***

We and various of our subsidiaries are involved in lawsuits incidental to the ordinary course of our businesses, such as personal injury actions by guests and employees and complaints alleging employee discrimination. We maintain various insurance policies, including general liability and property damage insurance, as well as workers' compensation, business interruption, and other policies, which we believe provide adequate coverage for the risks associated with our range of operations. We believe that we are adequately insured against these claims by our existing insurance policies and that the outcome of any pending claims or proceedings will not have a material adverse effect on our financial position or results of operations.

We may have potential liability under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended ("CERCLA" or "Superfund"), for response costs at two Superfund sites. The liability relates to properties formerly owned by our predecessor. In 1991, OPUBCO assumed these liabilities and agreed to indemnify us for any losses, damages, or other liabilities incurred by it in connection with these matters. We believe that OPUBCO's indemnification will fully cover our Superfund liabilities, if any, and that, based on our current estimates of these liabilities, OPUBCO has sufficient financial resources to fulfill its indemnification obligations.

Item 4. ***Submission of Matters to a Vote of Security Holders***

None.

PART II

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

The Company's common stock is listed on the New York Stock Exchange under the symbol "GET". The following table sets forth, for the calendar quarters indicated, the high and low sales prices for our common stock as reported by the NYSE for the last two years:

	2005		2004	
	High	Low	High	Low
First Quarter	$44.19	$38.27	$32.70	$28.25
Second Quarter	47.19	38.20	32.70	28.05
Third Quarter	48.97	42.12	31.71	26.55
Fourth Quarter	48.80	38.50	42.06	30.43

There were approximately 2,150 record holders of our common stock as of March 1, 2006.

We have not paid dividends on our common stock during the 2004 or 2005 fiscal years. We do not presently intend to declare any cash dividends. We intend to retain our earnings to fund the operation of our business, to service and repay our debt, and to make strategic investments as they arise. Moreover, the terms of our debt contain financial covenants that restrict our ability to pay dividends. Our Board of Directors may reevaluate this dividend policy in the future in light of our results of operations, financial condition, cash requirements, future prospects, loan agreements and other factors deemed relevant by our Board.

The following table includes information about our stock option plans as of December 31, 2005:

	Number of securities to be issued upon exercise of outstanding options, warrants and rights	Weighted average exercise price of outstanding options, warrants and rights	Number of securities remaining available for future issuance under equity compensation plans
Equity compensation plans approved by security holders	3,757,855	$28.17	1,196,356
Equity compensation plans not approved by security holders(1)	—	—	—

(1) In connection with our acquisition of ResortQuest on November 20, 2003, we assumed the obligations of ResortQuest under its Amended and Restated 1998 Long-Term Incentive Plan. As of December 31, 2005, there were 153,163 shares of our common stock reserved for issuance upon the exercise of options previously granted under this stock option plan. No additional options to purchase our common stock will be issued under this plan.

Item 6. ***Selected Financial Data***

GAYLORD ENTERTAINMENT COMPANY AND SUBSIDIARIES
SELECTED FINANCIAL DATA

The following selected historical financial information of Gaylord and its subsidiaries as of December 31, 2005, 2004 and 2003 and for each of the three years in the period ended December 31, 2005 was derived from our audited consolidated financial statements included herein. The selected financial information as of December 31, 2002 and 2001 and for each of the two years in the period ended December 31, 2002 was derived from previously issued audited consolidated financial statements adjusted for unaudited revisions for the Bass Pro investment and discontinued operations. The information in the following table should be read in conjunction with “Management’s Discussion of Financial Condition and Results of Operations” and our consolidated financial statements and related notes as of December 31, 2005 and 2004 and for each of the three years in the period ended December 31, 2005 included herein. We acquired ResortQuest on November 20, 2003 and the results of operations of ResortQuest are included in our results since November 20, 2003.

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	Years Ended December 31,				
	2005	2004	2003	2002	2001
	(in thousands, except per share amounts)				
Income Statement Data:					
Revenues:					
Hospitality	$ 576,927	$ 473,051	$ 369,263	$ 339,380	$ 228,712
Opry and Attractions	67,097	66,565	61,433	65,600	67,064
ResortQuest	224,253	190,823	16,383	—	—
Corporate and Other	512	388	184	272	290
Total revenues	868,789	730,827	447,263	405,252	296,066
Operating expenses:					
Operating costs	554,860	466,511	275,812	254,583	201,299
selling, general and administrative	204,662	184,952	116,864	108,732	67,212
Preopening costs(1)	5,005	14,205	11,562	8,913	15,927
Gain on sale of assets(2)	—	—	—	(30,529)	—
Impairment and other charges	—	1,212(4)	856(4)	—	14,262(4)
Restructuring charges	—	196(5)	—	(17)(5)	2,182(5)
Depreciation and amortization:					
Hospitality	63,188	58,521	46,536	44,924	25,593
Opry and Attractions	5,347	5,215	5,129	5,778	6,270
ResortQuest	10,645	9,210	1,157	—	—
Corporate and Other	4,049	4,737	6,099	5,778	6,542
Total depreciation and amortization	83,229	77,683	58,921	56,480	38,405
Total operating expenses	847,756	744,759	464,015	398,162	339,287
Operating income (loss):					
Hospitality	72,705	43,525	42,347	25,972	34,270
Opry and Attractions	1,889	1,548	(600)	1,596	(5,010)
ResortQuest	(7,290)	359	(2,685)	—	—
Corporate and Other	(41,266)	(43,751)	(43,396)	(42,111)	(40,110)
Preopening costs(1)	(5,005)	(14,205)	(11,562)	(8,913)	(15,927)
Gain on sale of assets(2)	—	—	—	30,529	—
Impairment and other charges	—	(1,212) (4)	(856) (4)	—	(14,262) (4)
Restructuring charges	—	(196) (5)	—	17(5)	(2,182) (5)
Total operating income (loss)	21,033	(13,932)	(16,752)	7,090	(43,221)
Interest expense, net of amounts capitalized	(73,169)	(55,064)	(52,804)	(46,960)	(39,365)
Interest income	2,479	1,501	2,461	2,808	5,554
Unrealized (loss) gain on Viacom stock	(41,554)	(87,914)	39,831	(37,300)	782
Unrealized gain (loss) on derivatives, net	35,705	56,533	(33,228)	86,476	54,282
Income (loss) from unconsolidated companies	2,169	3,825	2,340	3,058	(385)
Other gains and (losses)	6,656	1,089	2,209	1,163	2,661
(Loss) income from continuing operations before income taxes	(46,681)	(93,962)	(55,943)	16,335	(19,692)
(Benefit) provision for income taxes	(15,147)	(39,709)	(23,784)	2,509	(9,291)
(Loss) income from continuing operations	(31,534)	(54,253)	(32,159)	13,826	(10,401)
(Loss) gain from discontinued operations, net of taxes(3)	(2,416)	615	34,411	85,757	(48,833)
Cumulative effect of accounting change, net of taxes	—	—	—	(2,572)(6)	11,202(7)
Net (loss) income	$ (33,950)	$ (53,638)	$ 2,252	$ 97,011	$ (48,032)
(Loss) Income Per Share:					
(Loss) income from continuing operations	$ (0.78)	$ (1.37)	$ (0.93)	$ 0.41	$ (0.31)
(Loss) gain from discontinued operations	(0.07)	0.02	1.00	2.54	(1.45)
Cumulative effect of accounting change	—	—	—	(0.08)	0.33
Net (loss) income	$ (0.85)	$ (1.35)	$ 0.07	$ 2.87	$ (1.43)
(Loss) Income Per Share — Assuming Dilution:					
(Loss) income from continuing operations	$ (0.78)	$ (1.37)	$ (0.93)	$ 0.41	$ (0.31)
(Loss) gain from discontinued operations	(0.07)	0.02	1.00	2.54	(1.45)
Cumulative effect of accounting change	—	—	—	(0.08)	0.33
Net (loss) income	$ (0.85)	$ (1.35)	$ 0.07	$ 2.87	$ (1.43)

	As of December 31,				
	2005	2004	2003	2002	2001
			(in thousands)		
Balance Sheet Data:					
Total assets	$2,532,590(8)	$2,521,045(8)	$2,581,010(8)	$2,180,098(8)	$2,175,993(8)
Total debt	600,300(9)	576,409(9)	548,759(9)	340,638(9)	468,997(9)
Secured forward exchange contract	613,054(8)	613,054(8)	613,054(8)	613,054(8)	613,054(8)
Total stockholders' equity	848,567	869,601	906,793	788,437	695,979

(1) Preopening costs are related to the Gaylord Palms, the Gaylord Texan and our Gaylord National hotel project in the Washington, D.C. area. Gaylord Palms opened in January 2002 and the Gaylord Texan opened in April 2004. The Gaylord National hotel is expected to open in 2008.

(2) During 2002, we sold our one-third interest in the Opry Mills Shopping Center in Nashville, Tennessee and the related land lease interest between the Company and the Mills Corporation.

(3) In August 2001, the FASB issued SFAS No. 144, "Accounting for the Impairment or Disposal of Long-Lived Assets". In accordance with the provisions of SFAS No. 144, we have presented the operating results and financial position of the following businesses as discontinued operations: certain ResortQuest markets; WSM-FM and WWTN(FM); Word Entertainment; Acuff-Rose Music Publishing; GET Management, our artist management business; Oklahoma RedHawks; our international cable networks; the businesses sold to affiliates of The Oklahoma Publishing Company consisting of Pandora Films, Gaylord Films, Gaylord Sports Management, Gaylord Event Television and Gaylord Production Company; and our water taxis.

(4) Reflects the divestiture of certain businesses and reduction in the carrying values of certain assets. The components of the impairment and other charges related to continuing operations are as follows:

	Years Ended December 31,		
	2004	2003	2001
		(in thousands)	
Programming, film and other content	$1,212	$856	$ 6,858
Gaylord Digital and other technology investments	—	—	4,576
Property and equipment	—	—	2,828
Total impairment and other charges	$1,212	$856	$14,262

(5) Related primarily to employee severance and contract termination costs.

(6) Reflects the cumulative effect of the change in accounting method related to adopting the provisions of SFAS No. 142. We recorded an impairment loss related to impairment of the goodwill of the Radisson Hotel at Opryland. The impairment loss was $4.2 million, less taxes of $1.6 million.

(7) Reflects the cumulative effect of the change in accounting method related to recording the derivatives associated with the secured forward exchange contract at fair value as of January 1, 2001, of $18.3 million less a related deferred tax provision of $7.1 million.

(8) In 1999 we recognized a pretax gain of $459.3 million as a result of the divestiture of television station KTVT in Dallas-Ft. Worth in exchange for CBS Series B preferred stock (which was later converted into 11,003,000 shares of Viacom, Inc. Class B common stock), $4.2 million of cash, and other consideration. The Viacom, Inc. Class B common stock was included in total assets at its market values of $356.6 million, $400.4 million, $488.3 million, $448.5 million and $485.8 million

at December 31, 2005, 2004, 2003, 2002, and 2001, respectively. During 2000, we entered into a seven-year forward exchange contract for a notional amount of $613.1 million with respect to 10,937,900 shares of the Viacom, Inc. Class B common stock. Prepaid interest related to the secured forward exchange contract of $37.3 million, $64.3 million, $91.2 million, $118.1 million and $145.0 million was included in total assets at December 31, 2005, 2004, 2003, 2002 and 2001, respectively.

(9) Related primarily to the construction of the Gaylord Palms, the Gaylord Texan, and the Gaylord National.

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

Our Current Operations

Our operations are organized into four principal business segments:

- Hospitality, consisting of our Gaylord Opryland Resort and Convention Center ("Gaylord Opryland"), our Gaylord Palms Resort and Convention Center ("Gaylord Palms"), our Gaylord Texan Resort and Convention Center ("Gaylord Texan"), and our Radisson Hotel at Opryland ("Radisson Hotel").
- ResortQuest, consisting of our vacation rental property management business.
- Opry and Attractions, consisting of our Grand Ole Opry assets, WSM-AM and our Nashville attractions.
- Corporate and Other, consisting of our ownership interests in certain entities and our corporate expenses.

During the third quarter of 2003, we completed a sale of the assets primarily used in the operation of WSM-FM and WWTN(FM) (collectively, the "Radio Operations") to Cumulus Media, Inc. ("Cumulus"). The Radio Operations were previously included in a separate business segment, Media, along with WSM-AM. Although the Radio Operations are included in discontinued operations for the year ended December 31, 2003, WSM-AM is now grouped in the Opry and Attractions segment for all periods presented. During the fourth quarter of 2003, we completed the disposition of our ownership interests in the Oklahoma RedHawks, and the financial results of this business are included in discontinued operations for the year ended December 31, 2003.

The acquisition of ResortQuest International, Inc. was completed on November 20, 2003. The results of operations of ResortQuest have been included in our financial results beginning November 20, 2003.

For the years ended December 31, our total revenues were divided among these business segments as follows:

Segment	2005	2004	2003
Hospitality	66%	65%	83%
ResortQuest	26%	26%	3%
Opry and Attractions	8%	9%	14%
Corporate and Other	0%	0%	0%

We generate a significant portion of our revenues from our Hospitality segment. We believe that we are the only hospitality company focused primarily on the large group meetings and conventions sector of the lodging market. Our strategy is to continue this focus by concentrating on our "All-in-One-Place" self-contained service offerings and by emphasizing customer rotation among our convention properties, while also offering additional vacation and entertainment opportunities to guests and target customers through the ResortQuest and Opry and Attractions business segments.

Our concentration in the hospitality industry, and in particular the large group meetings sector of the hospitality industry, exposes us to certain risks outside of our control. General economic conditions, particularly national and global economic conditions, can affect the number and size of meetings and conventions attending our hotels. Our business is also exposed to risks related to tourism, including terrorist attacks and other global events which affect levels of tourism in the United States and, in particular, the areas of the country in which our properties are located. Competition and the desirability of the locations in which our hotels and other vacation properties are located are also important risks to our business.

Key Performance Indicators

Hospitality Segment. The operating results of our Hospitality segment are highly dependent on the volume of customers and the quality of the customer mix at our hotels. These factors impact the price we can charge for our hotel rooms and other amenities, such as food and beverage and meeting space. Key performance indicators related to revenue are:

- hotel occupancy (volume indicator)

- average daily rate (“ADR”) (price indicator)
- Revenue per Available Room (“RevPAR”) (a summary measure of hotel results calculated by dividing room sales by room nights available to guests for the period)
- Total Revenue per Available Room (“Total RevPAR”) (a summary measure of hotel results calculated by dividing the sum of room, food and beverage and other ancillary service revenue by room nights available to guests for the period)
- Net Definite Room Nights Booked (a volume indicator which represents the total number of definite bookings for future room nights at Gaylord hotels confirmed during the applicable period, net of cancellations)

We recognize Hospitality segment revenue from rooms as earned on the close of business each day and from concessions and food and beverage sales at the time of sale. Almost all of our Hospitality segment revenues are either cash-based or, for meeting and convention groups meeting our credit criteria, billed and collected on a short-term receivables basis. Our industry is capital intensive, and we rely on the ability of our hotels to generate operating cash flow to repay debt financing, fund maintenance capital expenditures and provide excess cash flow for future development.

The results of operations of our Hospitality segment are affected by the number and type of group meetings and conventions scheduled to attend our hotels in a given period. We attempt to offset any identified shortfalls in occupancy by creating special events at our hotels to attract transient guests or offering incentives to groups in order to attract increased business during this period. A variety of factors can affect the results of any interim period, including the nature and quality of the group meetings and conventions attending our hotels during such period, which have often been contracted for several years in advance, and the level of transient business at our hotels during such period.

ResortQuest Segment. Our ResortQuest segment earns revenues through property management fees and other sources such as real estate commissions and food and beverage sales. The operating results of our ResortQuest segment are primarily dependent on the volume of guests staying at vacation properties managed by us and the number and quality of vacation properties managed by us. Key performance factors related to revenue are:

- occupancy rate of units available for rental (volume indicator)
- average daily rate (price indicator)
- ResortQuest Revenue per Available Room (“ResortQuest RevPAR”) (a summary measure of ResortQuest results calculated by dividing gross lodging revenue for properties under exclusive rental management contracts by net available unit nights available to guests for the period)
- Total Units Under Management (a volume indicator which represents the total number of vacation properties available for rental)

We recognize revenues from property management fees ratably over the rental period based on our share of the total rental price of the vacation rental property. Almost all of our vacation rental property revenues are deducted from the rental fees paid by guests prior to paying the remaining rental price to the property owner. Other ResortQuest revenues are recognized at the time of sale.

The results of operations of our ResortQuest segment are principally affected by the number of guests staying at the vacation rental properties managed by us in a given period. A variety of factors can affect the results of any interim period, such as adverse weather conditions, units out of service due to weather-related property damage, economic conditions in a particular region or the nation as a whole, the perceived attractiveness of the vacation destinations in which we are located, and the quantity and quality of our vacation rental property units under management. In addition, many of the units that we manage are located in seasonal locations (for example, our beach resorts in Florida), resulting in our business locations recognizing a larger percentage of their revenues during the peak seasons in their respective locations.

Overall Outlook

Hospitality Segment. We have invested heavily in our operations in the years ended December 31, 2005, 2004 and 2003, primarily in connection with the continued construction and ultimate opening of the Gaylord Texan in 2003 and 2004, the ResortQuest acquisition, completed on November 20, 2003, and beginning construction of the Gaylord National hotel project, described below, in 2005. Our investments in 2006 will consist primarily of ongoing capital improvements for our existing properties and the continued construction of the Gaylord National.

On February 23, 2005, we acquired approximately 42 acres of land and related land improvements in Prince George's County, Maryland (located in the Washington D.C. area) for approximately $29 million on which are developing a hotel to be known as the Gaylord National Resort & Convention Center. Approximately $17 million of this was paid in the first quarter of 2005, with the remainder payable upon completion of various phases of the project. We currently expect to open the hotel in 2008.

In connection with this project, Prince George's County, Maryland approved, in July 2004, two bond issues related to the development. The first bond issuance, in the amount of $65 million, was issued by Prince George's County, Maryland in April 2005 to support the cost of infrastructure being constructed by the project developer, such as roads, water and sewer lines. The second bond issuance, in the amount of $95 million, was issued by Prince George's County, Maryland in April 2005 and placed into escrow until the project is completed. Upon completion of the project, these bonds will be delivered to us. We will initially hold the bonds and receive the debt service thereon which is payable from tax increment, hotel tax and special hotel rental taxes generated from our development.

We have entered into several agreements with a general contractor and other suppliers for the provision of certain construction services at the site. The agreement with the general contractor (the Perini/Tompkins Joint Venture) is with our wholly-owned subsidiary, Gaylord National, LLC, provides for the construction of a portion of the Gaylord National hotel project in a guaranteed maximum price format, and is filed as Exhibit 10.14 to this Annual Report on Form 10-K. As of December 31, 2005, we had committed to pay $220.7 million under this agreement and the other agreements for construction services and supplies. Construction costs to date have exceeded our initial estimates from 2004. In addition, on February 14, 2006, we announced a planned 500-room expansion of the Gaylord National hotel project, contingent upon approval by Prince George's County, Maryland of additional economic incentives for the project. We estimate the total cost of the project to be in the range of $785 million to $835 million, which includes the estimated construction costs for the expanded 2,000 room facility and excludes $69 million in capitalized interest, $41 million in pre-opening costs and the governmental economic incentives. The current Gaylord National budget estimate includes approximately $36 million of contingency, which if not spent would be saved entirely by the Company. As of December 31, 2005, we have spent $65.9 million (including capitalized interest but excluding pre-opening costs) on the project. We intend to use proceeds of our $600 million credit facility, cash flow from operations, and after completion, the proceeds of tax increment payments on the $95 million government bond described above, as well as additional debt or equity financing and additional governmental incentives (the value of which we estimate to be approximately $50 million) that we hope to secure in connection with the 500-room expansion, to fund the development and construction costs and to pay related fees and expenses.

We are also considering other potential hotel sites throughout the country, including Chula Vista, California (located in the San Diego area). The timing and extent of any of these development projects is uncertain.

ResortQuest Segment. We plan to grow our ResortQuest brand through acquisitions from time to time depending on the opportunities. On January 1, 2005, we acquired from East West Resorts certain managed vacation rental units in Aspen and Breckenridge, Colorado and the South Carolina Beach destinations of Hilton Head and Charleston Outer Islands. On February 1, 2005, we acquired the Whistler, British Columbia lodging business of O'Neill Hotels and Resorts, Ltd.

We also plan to take advantage of real estate development opportunities as these opportunities arise. On May 31, 2005 we completed the purchase of the Aston Waikiki Beach Hotel in Honolulu, Hawaii for a purchase price of $107 million and the simultaneous sale of an 80.1% interest in the property to a private real estate fund managed by DB Real Estate Opportunities Group. Additionally, ResortQuest (which was already managing the property) entered into a new 20-year management agreement with respect to the property. In December 2005, a portion of the hotel property was sold, and we received our proportionate share of the sale proceeds. The transactions involving the Aston Waikiki Beach Hotel are discussed in further detail in Note 7 to our financial statements included herewith, which are incorporated by reference herein.

During the third quarter of 2005, we committed to a plan of disposal of certain ResortQuest markets that were considered to be inconsistent with our long term growth strategy. Exiting these markets, which represent less than 10% of ResortQuest's total inventory, will not have a material impact on ResortQuest's financial results. The operating results for these ResortQuest markets are reflected in Gaylord's consolidated financial results as discontinued operations, net of taxes, for all periods presented since their acquisition in November 2003.

The 2005 hurricane season had an adverse effect on ResortQuest's results of operations for 2005. In particular, Hurricane Dennis, which made landfall in Northwest Florida in early July, severely disrupted travel to the Southeast during a peak demand period resulting in a large number of cancellations in affected markets. Given a seasonal ramp-up of staffing levels tied to servicing the greater number of vacationers during the summer months, an unexpected shortfall in demand contributed to high operating losses in Florida's seasonally strong profit generating markets. While the total extent of the damage to our inventory and business interruption due to hurricane Dennis is in the process of being assessed, we have filed a business interruption claim with our insurers. Results in 2005 were also adversely affected by the ongoing reinvestment in brand-building initiatives, such as technology, marketing and organizational improvements. ResortQuest's results of operations for 2004 were also adversely impacted by Florida hurricanes in 2004, but the impact was much less severe than in 2005.

Selected Financial Information

The following table contains our selected financial information for each of the three years ended December 31, 2005, 2004 and 2003. The table also shows the percentage relationships to total revenues and, in the case of segment operating income, its relationship to segment revenues.

	2005	%	2004	%	2003	%
			(in thousands, except percentages)			
Income Statement Data:						
REVENUES:						
Hospitality	$ 576,927	66.4%	$ 473,051	64.7%	$ 369,263	82.6%
Opry and Attractions	67,097	7.7%	66,565	9.1%	61,433	13.7%
ResortQuest	224,253	25.9%	190,823	26.2%	16,383	3.7%
Corporate and Other	512	0.0%	388	0.0%	184	0.0%
Total revenues	868,789	100.0%	730,827	100.0%	447,263	100.0%
OPERATING EXPENSES:						
Operating costs	554,860	63.9%	466,511	63.8%	275,812	61.7%
Selling, general and administrative	204,662	23.6%	184,952	25.3%	116,864	26.1%
Preopening costs	5,005	0.6%	14,205	1.9%	11,562	2.6%
Impairment and other charges	—	0.0%	1,212	0.2%	856	0.2%
Restructuring charges	—	0.0%	196	0.0%	—	0.0%
Depreciation and amortization:						
Hospitality	63,188	7.3%	58,521	8.0%	46,536	10.4%
Opry and Attractions	5,347	0.6%	5,215	0.7%	5,129	1.1%
ResortQuest	10,645	1.2%	9,210	1.3%	1,157	0.3%
Corporate and Other	4,049	0.5%	4,737	0.6%	6,099	1.4%
Total depreciation and amortization	83,229	9.6%	77,683	10.6%	58,921	13.2%
Total operating expenses	847,756	97.6%	744,759	101.9%	464,015	103.7%
OPERATING INCOME (LOSS):						
Hospitality	72,705	12.6%	43,525	9.2%	42,347	11.5%
Opry and Attractions	1,889	2.8%	1,548	2.3%	(600)	-1.0%
ResortQuest	(7,290)	-3.3%	359	0.2%	(2,685)	-16.4%
Corporate and Other	(41,266)	(A)	(43,751)	(A)	(43,396)	(A)
Preopening costs	(5,005)	(B)	(14,205)	(B)	(11,562)	(B)
Impairment and other charges	—	(B)	(1,212)	(B)	(856)	(B)
Restructuring charges	—	(B)	(196)	(B)	—	(B)
Total operating income (loss)	21,033	2.4%	(13,932)	-1.9%	(16,752)	-3.7%
Interest expense, net of amounts capitalized	(73,169)	(C)	(55,064)	(C)	(52,804)	(C)
Interest income	2,479	(C)	1,501	(C)	2,461	(C)
Unrealized (loss) gain on Viacom stock and derivatives, net	(5,849)	(C)	(31,381)	(C)	6,603	(C)
Income from unconsolidated companies	2,169	(C)	3,825	(C)	2,340	(C)
Other gains and (losses)	6,656	(C)	1,089	(C)	2,209	(C)
Benefit for income taxes	15,147	(C)	39,709	(C)	23,784	(C)
Gain from discontinued operations, net of taxes	(2,416)	(C)	615	(C)	34,411	(C)
Net (loss) income	$ (33,950)	(C)	$ (53,638)	(C)	$ 2,252	(C)

(A) These amounts have not been shown as a percentage of segment revenue because the Corporate and Other segment generates only minimal revenue.

(B) These amounts have not been shown as a percentage of segment revenue because the Company does not associate them with any individual segment in managing the Company.

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

Summary Financial Results

Results

The following table summarizes our financial results for the years ended December 31, 2005, 2004 and 2003:

	Years Ended December 31,				
	2005	% Change	2004	% Change	2003
	(in thousands, except percentages and per share data)				
Total revenues	$868,789	18.88%	$730,827	63.40%	$447,263
Total operating expenses	847,756	13.83%	744,759	60.50%	464,015
Operating income (loss)	21,033	250.97%	(13,932)	16.83%	(16,752)
Net (loss) income	(33,950)	-36.71%	(53,638)	-2481.79%	2,252
Net (loss) income per share — fully diluted	(0.85)	-37.04%	(1.35)	-2028.57%	0.07

2005 Results As Compared to 2004 Results

The increase in our total revenues and total operating expenses in 2005, as compared to 2004, was due to improved Hospitality operating segment performance and the related increase in operating expenses necessary to service this revenue, a full year of operations for the Gaylord Texan and increased revenues and operating expenses at our ResortQuest segment. Results at our Hospitality segment, along with a $9.2 million reduction in preopening costs in 2005 as compared to 2004, are primarily responsible for our operating income in 2005, as compared to our operating loss in 2004. However, the ResortQuest segment's operating loss of $7.3 million in 2005, as compared to an operating income of $0.4 million in 2004, served to decrease the amount of our operating income in 2005.

Our operating income in 2005 was responsible in part for the reduction in size of our net loss in 2005, as compared to 2004, although the following factors, among others, also impacted our net loss for 2005:

- The recognition of a net unrealized loss on our investment in Viacom stock and the related secured forward exchange contract of $5.8 million in 2005, as compared to a net unrealized loss of $31.4 million in 2004.
- An increase in interest expense, net of amounts capitalized, of approximately $18.1 million in 2005, as compared to 2004.
- A $24.6 million reduction in the amount of our benefit for income taxes in 2005, as compared to 2004.
- A $5.6 million increase in our other gains and losses, net, in 2005, as compared to 2004.

2004 Results As Compared to 2003 Results

The increase in our total revenues and total operating expenses in 2004, as compared to 2003, was primarily due to a full year of operations for our ResortQuest subsidiary and the opening of the Gaylord Texan. Although our operating loss decreased $2.8 million in 2004, as compared to 2003, the following factors contributed to our net loss for 2004, as compared to our net income for 2003:

- The recognition of a net unrealized loss on our investment in Viacom stock and the related secured forward exchange contract of $31.4 million in 2004, as compared to a net unrealized gain of $6.6 million in 2003.
- The recognition of a gain on discontinued operations, net of taxes, of $0.6 million in 2004, as compared to a gain on discontinued operations, net of taxes, of $34.4 million in 2003.

- An additional $18.8 million of depreciation and amortization expense in 2004 due to the opening of the Gaylord Texan, the acquisition of ResortQuest and additional capital expenditures.
- An additional $2.6 million in preopening costs in 2004 primarily as a result of the construction of the Gaylord Texan.
- A $2.3 million increase in interest expense, net of amounts capitalized, in 2004.

Factors and Trends Contributing to Operating Performance

The most important factors and trends contributing to our operating performance during the periods described herein have been:

- Increased Hospitality segment occupancy rates and ADR in 2005, which resulted in an increased Hospitality RevPAR in 2005.
- Improved food and beverage, banquet and catering services at our hotels for 2005 and 2004, which positively impacted Total RevPAR at our hotels as compared to prior periods.
- The opening of the Gaylord Texan in April 2004 and the resulting addition of Hospitality segment revenues and operating expenses associated with the hotel, as well as the incurrence of preopening costs in 2003 and 2004 prior to its opening.
- The ResortQuest acquisition, which was completed on November 20, 2003, and the resulting addition of revenues and expenses for the full 2004 and 2005 fiscal years associated with the ResortQuest segment.

Operating Results – Detailed Segment Financial Information

Hospitality Segment

Total Segment Results. The following presents the financial results of our Hospitality segment for the years ended December 31, 2005, 2004 and 2003:

	Years Ended December 31,				
	2005	% Change	2004	% Change	2003
	(in thousands, except percentages and performance metrics)				
Hospitality revenue (1)	$ 576,927	21.96%	$ 473,051	28.11%	$ 369,263
Hospitality operating expenses:					
Operating costs	346,179	21.07%	285,930	32.44%	215,901
Selling, general and administrative	94,855	11.50%	85,075	31.94%	64,479
Depreciation and amortization	63,188	7.97%	58,521	25.75%	46,536
Total Hospitality operating expenses	504,222	17.39%	429,526	31.39%	326,916
Hospitality operating income (2)	$ 72,705	67.04%	$ 43,525	2.78%	$ 42,347
Hospitality performance metrics:					
Occupancy (6)	73.9%	4.38%	70.8%	-1.94%	72.2%
ADR	$ 149.73	4.96%	$ 142.65	0.06%	$ 142.57
RevPAR (3) (6)	$ 110.65	9.57%	$ 100.99	-1.82%	$ 102.86
Total RevPAR (4) (6)	$ 262.65	16.26%	$ 225.91	2.48%	$ 220.44
Net Definite Room Nights Booked (5)	1,840,000	16.71%	1,580,000	22.48%	1,290,000

(1) Hospitality results and performance metrics include the results of our Radisson Hotel for all periods presented but only include the results of the Gaylord Texan from April 2, 2004, its first date of operation.

(2) Hospitality operating income does not include the effect of preopening costs. See the discussion of preopening costs set forth below.

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

(4) We calculate Hospitality Total RevPAR by dividing the sum of room sales, food and beverage, and other ancillary revenues (which equals Hospitality segment revenue) by room nights available to guests for the period. The term “other ancillary revenues” means non-room revenue other than food and beverage and consists primarily of revenue from banquets and other events hosted by the hotel, gift shop and other miscellaneous sales. Hospitality Total RevPAR is not comparable to similarly titled measures such as revenues.

(5) Net Definite Room Nights Booked included 434,000 and 113,000 room nights for the years ended December 31, 2005 and 2004, respectively, related to Gaylord National, which we expect to open in 2008.

(6) Excludes 28,997 room nights that were taken out of service during the year ended December 31, 2005 as a result of a continued multi-year rooms renovation program at Gaylord Opryland.

The increase in total Hospitality segment revenue for the year ended December 31, 2005, as compared to the same period in 2004, was due to improved performance in the segment and a full year of results at the Gaylord Texan. The increase in total Hospitality segment revenue for the year ended December 31, 2004, as compared to the same period in 2003, is primarily due to the inclusion of $102.1 million of revenues from the Gaylord Texan after its April 2, 2004 opening and improved performance at the Gaylord Palms.

Hospitality segment operating expenses consist of direct operating costs, selling, general and administrative expenses, and depreciation and amortization expense. The increase in Hospitality operating expenses for both the year ended December 31, 2005 and the year ended December 31, 2004, as compared to prior periods, is attributable to an increase in Hospitality segment operating costs, Hospitality segment selling, general and administrative expenses and Hospitality segment depreciation and amortization expense, which is discussed further below.

Hospitality operating costs which consist of direct costs associated with the daily operations of our hotels (primarily room, food and beverage and convention costs), increased in 2005, as compared to 2004, primarily due to additional costs necessary to service the additional occupancy and services and a full year of operations at the Gaylord Texan. Hospitality segment operating costs increased in the year ended December 31, 2004, as compared to the same period in 2003, due primarily to the inclusion of $73.3 million in operating costs related to the Gaylord Texan.

Total Hospitality segment selling, general and administrative expenses, consisting of administrative and overhead costs, increased in the year ended December 31, 2005, as compared to the same period in 2004, primarily due to additional marketing and sales expenditures during the period, including a full year of operations at the Gaylord Texan. The increase in Hospitality selling, general and administrative expenses in the year ended December 31, 2004, as compared to the same period in 2003, is due primarily to the inclusion of $17.3 million in selling, general and administrative expenses related to the Gaylord Texan.

The increase in total Hospitality depreciation and amortization expense for the year ended December 31, 2005, as compared to the same period in 2004, is primarily due to a full year of depreciation and amortization at the Gaylord Texan. Total Hospitality depreciation and amortization expense increased in the year ended December 31, 2004, as compared to the same period in 2003, due to the opening of the Gaylord Texan.

Property-Level Results. The following presents the property-level financial results for Gaylord Opryland, Gaylord Palms, and Gaylord Texan for the years ended December 31, 2005, 2004 and 2003:

Gaylord Opryland Results. The results of Gaylord Opryland for the years ended December 31, 2005, 2004 and 2003 are as follows:

	Years Ended December 31,				
	2005	% Change	2004	% Change	2003
	(in thousands, except percentages and performance metrics)				
Total revenues	$238,495	14.44%	$208,410	-3.18%	$215,265
Operating expense data:					
Operating costs	146,955	16.56%	126,079	-3.34%	130,435
Selling, general and administrative	36,674	15.24%	31,825	0.36%	31,712
Hospitality performance metrics:					
Occupancy (1)	75.4%	6.95%	70.5%	-2.62%	72.4%
ADR	$ 139.43	0.28%	$ 139.04	1.14%	$ 137.47
RevPAR (1)	$ 105.14	7.22%	$ 98.06	-1.54%	$ 99.59
Total RevPAR (1)	$ 233.36	18.07%	$ 197.65	-3.47%	$ 204.75

(1) Excludes 28,997 room nights that were taken out of service during the year ended December 31, 2005 as a result of a continued multi-year rooms renovation program at Gaylord Opryland.

The increase in Gaylord Opryland revenue, RevPAR and Total RevPAR in the year ended December 31, 2005, as compared to the same period in 2004, was due to increased occupancy at the hotel combined with a relatively stable ADR in 2005 (as compared to the prior period). The increase in occupancy was driven by more group business at the hotel and improved transient business (driven by greater consumer response to changes in the hotel's holiday events) in the fourth quarter of 2005, as compared to 2004. Gaylord Opryland's revenues and operating performance metrics were also impacted by a continued multi-year rooms renovation program, as described above.

The decrease in Gaylord Opryland revenue, RevPAR and Total RevPAR in the year ended December 31, 2004, as compared to the same period in 2003, was due to lower occupancy rates at the hotel. Occupancy rates in 2004 were adversely affected by lower transient business during the fourth quarter, which was due to poor consumer response to the new holiday show at the hotel. Although Gaylord Opryland ADR increased slightly in 2004 due to higher average nightly rates charged to guests, the decrease in occupancy and the somewhat lower food and beverage and other ancillary revenue resulted in a decrease in Total RevPAR in the year ended December 31, 2004, as compared to the same period in 2003.

The increase in operating costs at Gaylord Opryland in 2005, as compared to 2004, was due to the increased levels of occupancy, and corresponding increase in variable expenses, at the hotel during 2005. The increase in selling, general and administrative expenses at Gaylord Opryland in the year ended December 31, 2005, as compared to the same period in 2004, was due to sales and marketing efforts and additional expenses associated with events designed to attract transient guests in the summer and winter months.

The decrease in operating costs at Gaylord Opryland in the year ended December 31, 2004, as compared to the same period in 2003, was due to the decreased levels of occupancy, and corresponding decrease in variable expenses, at the hotel during 2004. Selling, general and administrative expenses at Gaylord Opryland in the year ended December 31, 2004, as compared to the same period in 2003, remained flat.

Gaylord Palms Results. The results of Gaylord Palms for the years ended December 31, 2005, 2004 and 2003 are as follows:

	Years Ended December 31,				
	2005	% Change	2004	% Change	2003
	(in thousands, except percentages and performance metrics)				
Total revenues	$165,547	6.7%	$155,116	5.7%	$146,800
Operating expense data:					
Operating costs	92,618	7.9%	85,805	5.0%	81,716
Selling, general and administrative	34,086	-1.0%	34,413	10.0%	31,286
Hospitality performance metrics:					
Occupancy	74.1%	0.3%	73.9%	2.2%	72.3%
ADR	$ 170.48	3.6%	$ 164.61	-0.7%	$ 165.79
RevPAR	$ 126.32	3.8%	$ 121.69	1.5%	$ 119.87
Total RevPAR	$ 322.58	7.0%	$ 301.43	5.4%	$ 286.05

The increase in Gaylord Palms revenue, RevPAR and Total RevPAR in the year ended December 31, 2005, as compared to the same period in 2004, was due to a slight increase in occupancy, combined with a higher ADR, during the period. The higher ADR was driven by higher-paying group meetings and conventions at the hotel during the period. The increase in Gaylord Palms revenue and RevPAR in the year ended December 31, 2004, as compared to the same period in 2003, was due to higher occupancy rates and relatively stable ADR. Strong food and beverage and other ancillary revenues served to further increase the hotel's Total RevPAR in both 2005 and 2004, as compared to prior periods.

The increase in operating costs at Gaylord Palms in 2005, as compared to 2004, was due to increases in variable expenses at the hotel, including expenses associated with servicing the increased food and beverage revenues at the hotel, during the period. Selling, general and administrative expenses at Gaylord Palms in the year ended December 31, 2005, as compared to the same period in 2004, remained stable.

The increase in the hotel's operating costs for the year ended December 31, 2004, as compared to the same period in 2003, was the result of the increased levels of occupancy, and corresponding increase in variable expenses, at the hotel. The increase in the hotel's selling, general and administrative expense for the year ended December 31, 2004, as compared to the same period in 2003, was due to increases in special events advertising at the hotel.

Gaylord Texan Results. The results of Gaylord Texan for the year ended December 31, 2005 and for the period from April 2, 2004, its date of opening, to December 31, 2004 are as follows:

	Years Ended December 31,				
	2005	% Change	2004	% Change	2003
	(in thousands, except percentages and performance metrics)				
Total revenues	$165,015	61.7%	$102,063	N/A	N/A
Operating expense data:					
Operating costs	103,211	46.9%	70,281	N/A	N/A
Selling, general and administrative	22,149	28.1%	17,286	N/A	N/A
Hospitality performance metrics:					
Occupancy	71.7%	4.7%	68.5%	N/A	N/A
ADR	$ 162.03	17.3%	$ 138.19	N/A	N/A
RevPAR	$ 116.20	22.7%	$ 94.70	N/A	N/A
Total RevPAR	$ 299.20	21.4%	$ 246.52	N/A	N/A

The increase in Gaylord Texan revenue in the year ended December 31, 2005, as compared to the same period in 2004, was due in part to a full year of operations in 2005. However, the hotel's maturing operations, higher occupancy and a mix of higher-paying customers led to increased ADR, RevPAR and Total RevPAR in 2005, which also contributed to the increase in revenues.

The increase in operating costs at the Gaylord Texan in the year ended December 31, 2005, as compared to the same period in 2004, is due to the hotel's full year of operations and increased costs necessary to service the increased occupancy.

The increase in the hotel's selling, general and administrative expense for the year ended December 31, 2005, as compared to the same period in 2004, was due primarily to the hotel's full year of operations in 2005.

ResortQuest Segment

Total Segment Results. The following presents the financial results of our ResortQuest segment for the years ended December 31, 2005 and 2004 and the period from November 20, 2003 (the date of our acquisition of ResortQuest) to December 31, 2003:

	Years Ended December 31,				
	2005	% Change	2004	% Change	2003
	(in thousands, except percentages and performance metrics)				
Total revenues	$ 224,253	17.5%	$ 190,823	1064.8%	$ 16,383
Operating expense data:					
Operating costs	159,399	22.2%	130,459	961.7%	12,288
Selling, general and administrative	61,499	21.1%	50,795	803.3%	5,623
Depreciation and amortization	10,645	15.6%	9,210	696.0%	1,157
Operating (loss) income	$ (7,290)	2130.6%	$ 359	113.4%	$ (2,685)
ResortQuest performance metrics:					
Occupancy	53.1%	-2.4%	54.4%	2.6%	53.0%
ADR	$ 157.26	5.8%	$ 148.64	5.6%	$ 140.72
RevPAR (1)	$ 83.56	3.4%	$ 80.82	8.3%	$ 74.60
Total Units Under Management (2)	16,353	6.5%	15,358	-2.7%	15,784

(1) We calculate ResortQuest RevPAR by dividing gross lodging revenue for properties under exclusive rental management contracts by net available unit nights available to guests for the period. Our ResortQuest segment revenue represents a percentage of the gross lodging revenues based on the services provided by ResortQuest. Net available unit nights (those available to guests) are equal to total available unit nights less owner, maintenance, and complimentary unit nights. ResortQuest RevPAR is not comparable to similarly titled measures such as revenues.

(2) Represents units under exclusive management only.

Revenues. Our ResortQuest segment earns revenues primarily as a result of property management fees and service fees recognized over the time during which our guests stay at our properties. Property management fees paid to us are generally a designated percentage of the rental price of the vacation property, plus certain incremental fees, all of which are based upon the type of services provided by us to the property owner and the type of rental units managed. We also recognize other revenues primarily related to real estate broker commissions, food and beverage sales (and prior to our divestiture of our First Resort Software business on December 15, 2004, software and software maintenance sales). The increase in ResortQuest revenues for the year ended December 31, 2005, as compared to the same period in 2004, is due primarily to the addition of units associated with the East-West and Whistler acquisitions, as well as higher average daily rates, offset by slightly lower occupancy rates. The increase in ResortQuest revenue for the year ended December 31, 2004, as compared to the same period in 2003, is due to the inclusion of a full year of operations in 2004, as compared to, in 2003, only the inclusion of results from the period November 20, 2003 to December 31, 2003. ResortQuest's revenues in 2004 and 2005 were adversely impacted by the hurricanes which affected the Gulf Coast region, as well as the units that were out of service due to damage from these hurricanes.

Operating Expenses. ResortQuest operating expenses primarily consist of operating costs, selling, general and administrative expenses and depreciation and amortization expense. Operating costs of ResortQuest are comprised of payroll expenses, credit card transaction fees, travel agency fees, advertising, payroll for managed entities and various other direct operating costs. Selling, general and administrative expenses of ResortQuest are comprised of payroll expenses, rent, utilities and various other general and administrative costs. The increase in ResortQuest operating costs, selling, general and administrative expenses, and depreciation and amortization expense for the year ended December 31, 2005, as compared to the same period in 2004, is due to the addition of units and general and administrative expenses associated with the East-West and Whistler acquisitions and as a result of our continued investment in brand-building initiatives such as technology, marketing and organizational improvements. The increase in ResortQuest operating costs, selling, general and administrative expenses, and depreciation and amortization expense for the years ended December 31, 2004, as compared to the same period in 2003, is due to the inclusion of a full year of operations in 2004, as compared to, in 2003, only the inclusion of results from the period November 20, 2003 to December 31, 2003.

ResortQuest's results of operations were also impacted by our decision to dispose of certain ResortQuest markets that were considered to be inconsistent with our long term growth strategy. The results of operations of these markets are excluded from the results of continuing operations presented above for all periods presented.

Opry and Attractions Segment

Total Segment Results. The following presents the financial results of our Opry and Attractions segment for the years ended December 31, 2005, 2004 and 2003:

	Years Ended December 31,				
	2005	% Change	2004	% Change	2003
	(in thousands, except percentages)				
Total revenues	$67,097	0.8%	$66,565	8.4%	$61,433
Operating expense data:					
Operating costs	42,263	1.0%	41,837	6.4%	39,310
Selling, general and administrative	17,598	-2.0%	17,965	2.1%	17,594
Depreciation and amortization	5,347	2.5%	5,215	1.7%	5,129
Operating income (loss) (1)	$ 1,889	22.0%	$ 1,548	358.0%	$ (600)

(1) Opry and Attractions operating income (loss) for 2004 excludes the effects of an impairment charge of $1.2 million recorded during 2004. See the discussion of impairment and other charges set forth below.

The increase in revenues in the Opry and Attractions segment for the years ended December 31, 2005 and 2004, as compared to prior periods, is due to increased attendance at the Grand Ole Opry, as well as increased Grand Ole Opry sponsorship and licensing revenues.

The increase in Opry and Attractions operating costs in 2005 and 2004, as compared to prior periods, were due to increased costs necessary to service the additional attendance.

Opry and Attractions selling, general and administrative expenses remained relatively flat in 2005 and 2004, as compared to prior periods.

Corporate and Other Segment

Total Segment Results. The following presents the financial results of our Corporate and Other segment for the year ended December 31, 2005, 2004 and 2003:

	Years Ended December 31,				
	2005	% Change	2004	% Change	2003
	(in thousands, except percentages and performance metrics)				
Total revenues	$ 512	32.0%	$ 388	110.9%	$ 184
Operating expense data:					
Operating costs	7,019	-15.3%	8,285	-0.3%	8,313
Selling, general and administrative	30,710	-1.3%	31,117	6.7%	29,168
Depreciation and amortization	4,049	-14.5%	4,737	-22.3%	6,099
Operating loss (1)	$(41,266)	5.7%	$(43,751)	-0.8%	$(43,396)

(1) Corporate and Other operating loss for 2004 excludes the effects of an adjustment to restructuring charges of $0.2 million recorded during 2004. Corporate and other operating loss for 2003 excludes the effects of an impairment charge of $0.9 million recorded during 2003. See the discussion of impairment and other charges and restructuring charges set forth below.

Corporate and Other group revenue consists of rental income and corporate sponsorships.

Corporate and Other operating expenses are comprised of operating costs, selling, general and administrative expenses and depreciation and amortization expense. Corporate and Other operating costs, which consist primarily of costs associated with information technology, decreased in 2005, as compared to 2004, due to a reduction in contract service costs and consulting fees related to information technology initiatives. Corporate and Other operating costs decreased slightly in 2004, as compared to the same period in 2003, as costs stabilized after the 2003 increase due to the changes in our long-term incentive plan compensation program and changes to the actuarial assumptions used in our pension plan.

Corporate and Other selling, general and administrative expenses, which consist primarily of the Gaylord Entertainment Center naming rights agreement (prior to its termination on February 22, 2005), senior management salaries and benefits, legal, human resources, accounting, pension and other administrative costs, remained relatively stable in 2005, as compared to 2004, driven by the net reversal of $2.4 million of expense previously accrued under the naming rights agreement as a result of the settlement of litigation in connection with that agreement, the effect of which was largely offset by the contribution by us of $2.3 million of Viacom stock to the newly formed Gaylord charitable foundation in 2005. Corporate and Other selling, general and administrative expenses increased in 2004, as compared to the same period in 2003, primarily due to an increase of $1.8 million in consulting and audit fees related to our efforts to comply with the Sarbanes-Oxley Act of 2002.

Corporate and Other depreciation and amortization expense, which is primarily related to information technology equipment and capitalized electronic data processing software costs, decreased in 2005, as compared to the same period in 2004, due to the retirement of certain depreciable assets. Corporate and Other depreciation and amortization expense decreased in 2004, as compared to the same period in 2003, due to certain electronic data processing software becoming fully depreciated in 2004.

Operating Results - Preopening costs

In accordance with AICPA SOP 98-5, “Reporting on the Costs of Start-Up Activities”, we expense the costs associated with start-up activities and organization costs of our hotel development activities as incurred. Preopening costs decreased in 2005, as compared to 2004, due to the opening of the Gaylord Texan in April 2004. Preopening costs increased $2.6 million, or 22.9%, in 2004 as compared to 2003 due to development of the Gaylord Texan. Preopening costs related to our Gaylord Texan hotel, which opened in April 2004, totaled $13.7 million in 2004 and $11.3 million in 2003.

Operating Results - Impairment and other charges

We began production of an IMAX movie during 2000 to portray the history of country music. In the third quarter of 2003, based on the revenues generated by the theatrical release of the IMAX movie, the asset was reevaluated on the basis of estimated future cash flows. As a result, an impairment charge of $0.9 million was recorded in the third quarter of 2003. During the second quarter of 2004, due to a continued decline in the revenues generated by the film, we again evaluated the carrying value of the IMAX film asset based on current estimates of future cash flows. As a result, an impairment charge of $1.2 million was recorded during the second quarter of 2004 to write off the remaining carrying value of the film.

Operating Results – Restructuring charges

During 2000, we recognized pretax restructuring charges of $13.1 million related to continuing operations. During 2001, we negotiated reductions in certain contract termination costs, which allowed the reversal of $3.7 million of the restructuring charges originally recorded during 2000. During the second quarter of 2002, we entered into a sublease that reduced the liability that we were originally required to pay, and we reversed $0.1 million of the 2000 restructuring charge related to the reduction in required payments. During the second quarter of 2004, we evaluated the 2000 restructuring accrual and determined that the remaining severance payments that we were scheduled to make were less than originally estimated. As a result, we reversed $0.1 million of the 2000 restructuring charge during 2004 related to continuing operations.

During 2001, we recognized net pretax restructuring charges from continuing operations of $5.8 million related to streamlining operations and reducing layers of management. During the second quarter of 2002, we entered into two subleases to lease certain office space we previously had recorded in the 2001 restructuring charges. As a result, we reversed $0.9 million of the 2001 restructuring charges during 2002. Also during the second quarter of 2002, we evaluated the 2001 restructuring accrual and determined certain severance benefits and outplacement agreements had expired and adjusted the previously recorded amounts by $0.2 million. During the second quarter of 2004, we evaluated the 2001 restructuring accrual and determined that the remaining sublease payments we were scheduled to receive were less than originally estimated. During the fourth quarter of 2004, we again

evaluated the 2001 restructuring accrual due to a continued decline in the creditworthiness of a sublessee and determined that the remaining sublease payments that we would collect were less than estimated during the second quarter of 2004. As a result of these evaluations, we increased the 2001 restructuring charge by $0.3 million during 2004 related to continuing operations.

Non-Operating Results Affecting Net Income (Loss)

General

The following table summarizes the other factors which affected our net (loss) income for the years ended December 31, 2005, 2004 and 2003:

	Years Ended December 31,				
	2005	% Change	2004	% Change	2003
	(in thousands, except percentages and performance metrics)				
Interest expense, net of amounts capitalized	$(73,169)	32.9%	$(55,064)	4.3%	$(52,804)
Interest income	2,479	65.2%	1,501	-39.0%	2,461
Unrealized (loss) gain on Viacom stock and derivatives, net	(5,849)	-81.4%	(31,381)	-575.3%	6,603
Income from unconsolidated companies	2,169	-43.3%	3,825	63.5%	2,340
Other gains and (losses)	6,656	511.2%	1,089	-50.7%	2,209
Benefit for income taxes	(15,147)	-61.9%	(39,709)	67.2%	(23,784)
(Loss) gain from discontinued operations, net of taxes	(2,416)	-492.8%	615	-98.2%	34,411

Interest Expense, Net of Amounts Capitalized

Interest expense increased $18.1 million, or 32.9%, to $73.2 million in 2005, net of capitalized interest of $2.7 million. The increase in our interest expense is primarily due to higher average debt balances during 2005, the write-off of $0.5 million of deferred financing costs in 2005 in connection with the replacement of our $100.0 million credit facility, and a $2.8 million decrease in capitalized interest. Capitalized interest decreased from $5.5 million during 2004 to $2.7 million during 2005 as a result of the opening of the Gaylord Texan in April 2004. Our weighted average interest rate on our borrowings, including the interest expense associated with the secured forward exchange contract and excluding the write-off of deferred financing costs during the period, was 6.3% in 2005 as compared to 5.2% in 2004.

Interest expense increased $2.3 million, or 4.3%, to $55.1 million in 2004, net of capitalized interest of $5.5 million. The increase in our interest expense is primarily due to higher average debt balances in 2004 as compared to 2003. Our weighted average interest rate on our borrowings, including the interest expense associated with the secured forward exchange contract related to our Viacom stock investment and excluding the write-off of deferred financing costs during the period, was 5.2% in 2004 as compared to 5.3% in 2003.

As further discussed in Note 8 to our consolidated financial statements for the year ended December 31, 2005 included herewith, the secured forward exchange contract related to our Viacom Stock investment resulted in non-cash interest expense of $26.9 million, $27.0 million, and $26.9 million for the years ended December 31, 2005, 2004, and 2003, respectively.

Interest Income

The increase in interest income during the year ended December 31, 2005, as compared to the same period in 2004, is due to higher cash balances invested in interest-bearing accounts. The decrease in interest income during the year ended December 31, 2004, as compared to the same period in 2003, is due to lower cash balances invested in interest-bearing accounts.

Unrealized (Loss) Gain on Viacom Stock and Derivatives, Net

During 2000, we entered into a seven-year secured forward exchange contract with respect to 10.9 million shares of our Viacom Class B common stock investment. Effective January 1, 2001, we adopted the provisions of SFAS No. 133, as amended. Components of the secured forward exchange contract are considered derivatives as defined by SFAS No. 133.

For the year ended December 31, 2005, we recorded net pretax gains of $35.7 million related to the increase in fair value of the derivatives associated with the secured forward exchange contract. For the year ended December 31, 2005, we recorded net pretax losses of $41.6 million related to the decrease in fair value of the Viacom stock. For the year ended December 31, 2004, we recorded net pretax gains of $56.5 million related to the increase in fair value of the derivatives associated with the secured forward exchange contract. For the year ended December 31, 2004, we recorded net pretax losses of $87.9 million related to the decrease in fair value of the Viacom stock. For the year ended December 31, 2003, we recorded net pretax losses of $33.2 million related to the decrease in fair value of the derivatives associated with the secured forward exchange contract. For the year ended December 31, 2003, we recorded net pretax gains of $39.8 million related to the increase in fair value of the Viacom stock.

Income From Unconsolidated Companies

We account for our investments in Bass Pro and RHAC Holdings, LLC, the entity which owns the Aston Waikiki Beach Hotel, under the equity method of accounting. Income from unconsolidated companies for the years ended December 31, 2005, 2004 and 2003 consisted of equity method income from these investments as follows:

	Years Ended December 31,				
	2005	% Change	2004	% Change	2003
	(in thousands, except percentages and performance metrics)				
Bass Pro	$ 2,012	-47.4%	$ 3,825	63.5%	$ 2,340
RHAC Holdings, LLC	157	0.0%	—	0.0%	—
Total	$ 2,169	-43.3%	$ 3,825	63.5%	$ 2,340

Bass Pro. Previously, from January 1, 2000 to July 8, 2004, we accounted for our investment in Bass Pro under the cost method of accounting. On July 8, 2004, Bass Pro redeemed the approximate 28.5% interest held in Bass Pro by private equity investor, J.W. Childs Associates. As a result, our ownership interest in Bass Pro increased to 26.6% as of the redemption date from approximately 19%. Because our ownership interest in Bass Pro increased to a level exceeding 20%, we were required by Accounting Principles Board Opinion No. 18, “The Equity Method of Accounting for Investments in Common Stock”, to account for our investment in Bass Pro under the equity method of accounting beginning in the third quarter of 2004. The equity method of accounting has been applied retroactively to all periods presented. This change in accounting principle resulted in an increase in net income for the year ended December 31, 2003 of $1.4 million.

In the second quarter of 2005, Bass Pro restated its previously issued historical financial statements to reflect certain non-cash changes, which resulted primarily from a change in the manner in which Bass Pro accounts for its long term leases. This restatement resulted in a cumulative reduction in Bass Pro’s net income of $8.6 million through December 31, 2004, which resulted in a pro-rata cumulative reduction in our income from unconsolidated companies of $1.7 million. We determined that the impact of the adjustments recorded by Bass Pro is immaterial to our consolidated financial statements in all prior periods. Therefore, we reflected our $1.7 million share of the restatement adjustments as a one-time adjustment to income from unconsolidated companies during the second quarter of 2005.

On December 14, 2005, the shareholders of Bass Pro, Inc. contributed their equity in Bass Pro, Inc. to a newly formed limited liability company, Bass Pro Group, LLC in exchange for ownership interests in Bass Pro Group, LLC. The majority owner of Bass Pro, Inc. also contributed (simultaneously with the contributions of the Bass Pro, Inc. stock) his equity interest in Tracker Marine, LLC and Big Cedar LLC to Bass Pro Group, LLC. As a result, Bass Pro, Inc., Tracker Marine, LLC and Big Cedar, LLC are all wholly-owned subsidiaries of Bass Pro Group, LLC. Because the new entity owns these additional businesses, our ownership interest in Bass Pro decreased from 26.6% to 13.0%. However, we will continue to account for our investment in Bass Pro under the equity method of accounting. Because we record equity in the income of Bass Pro one month in arrears, the restructuring of Bass Pro did not impact our recognition of income from our investment in Bass Pro in 2005.

RHAC Holdings, LLC. On May 31, 2005, we, through a wholly-owned subsidiary named RHAC, LLC, entered into an agreement to purchase the 716-room Aston Waikiki Beach Hotel and related assets located in Honolulu, Hawaii (“the Waikiki Hotel”) for an aggregate purchase price of $107.0 million. Simultaneously with this purchase, G.O. IB-SIV US, a private real estate fund managed by DB Real Estate Opportunities Group (“IB-SIV”) acquired an 80.1% ownership interest in the parent company of RHAC, LLC, RHAC Holdings, LLC, in exchange for its capital contribution of $19.1 million to RHAC Holdings, LLC. As a part of this transaction, we entered into a joint venture arrangement with IB-SIV and retained a 19.9% ownership interest in RHAC Holdings,

LLC in exchange for our $4.7 million capital contribution to RHAC Holdings, LLC. RHAC, LLC financed the purchase of the Waikiki Hotel by entering into a series of loan transactions with Greenwich Capital Financial Products, Inc. consisting of a $70.0 million loan secured by the Waikiki Hotel and a $16.25 million mezzanine loan secured by the ownership interest of RHAC, LLC. IB-SIV is the managing member of RHAC Holdings, LLC, but certain actions of RHAC Holdings, LLC initiated by IB-SIV require our approval as a member. In addition, under the joint venture arrangement, our ResortQuest subsidiary secured a 20-year hotel management agreement from RHAC, LLC. Pursuant to the terms of the hotel management agreement, ResortQuest is responsible for the day-to-day operations of the Waikiki Hotel in accordance with RHAC, LLC's business plan. We account for our investment in RHAC Holdings, LLC under the equity method of accounting.

For the period June 1, 2005 to December 31, 2005, ResortQuest earned total fees of $1.5 million from its management agreement with RHAC, LLC. During December 2005, RHAC, LLC sold the Mauka Tower, a 72-room hotel adjacent to the Aston Waikiki Beach Hotel. We received a cash distribution of $2.3 million from RHAC Holdings, LLC for our share of the proceeds from the sale.

Other Gains and (Losses)

Our other gains and (losses) for the year ended December 31, 2005 primarily consisted of a gain resulting from the settlement of certain litigation, the receipt of dividend distributions from our investment in Viacom stock, a gain on the sale of an internet domain name, a $2.1 million gain on the sale of the Ryman Auditorium parking lot, gains and losses on the sales of certain other fixed assets and other miscellaneous income and expenses. Our other gains and (losses) for the year ended December 31, 2004 primarily consisted of the receipt of dividend distributions from our investment in Viacom stock, offset by a loss of $1.8 million on the sale of our First Resort Software, Inc. business, and other miscellaneous income and expenses. Our other gains and (losses) for the year ended December 31, 2003 primarily consisted of the receipt of dividend distributions from our investment in Viacom stock, gains and losses on the disposals of fixed assets, and other miscellaneous income and expenses.

Benefit for Income Taxes

The effective tax rate as applied to pretax loss from continuing operations differed from the statutory federal rate due to the following:

	2005	2004	2003
U.S. federal statutory rate	**35%**	35%	35%
State taxes (net of federal tax benefit and change in valuation allowance)	**-1%**	8%	8%
Other	**-2%**	-1%	0%
	32%	42%	43%

The decrease in our effective tax rate for the year ended December 31, 2005, as compared to our effective tax rate for the same period in 2004, was due primarily to a change in the rate used to value certain prior year state deferred tax assets.

The slight decrease in our effective tax rate for the year ended December 31, 2004, as compared to our effective tax rate for 2003, was primarily due to the settlement of certain federal income tax issues with the Internal Revenue Service related to its audits of our 1999, 2000, and 2001 income tax returns.

(Loss) Gain from Discontinued Operations, Net of Taxes

We reflected the following businesses as discontinued operations in our financial results for the years ended December 31, 2005, 2004, and 2003, consistent with the provisions of SFAS No. 144. The results of operations, net of taxes (prior to their disposal where applicable), and the estimated fair value of the assets and liabilities of these businesses have been reflected in our consolidated financial statements as discontinued operations in accordance with SFAS No. 144 for all periods presented.

ResortQuest Discontinued Markets. During the third quarter of 2005, we committed to a plan of disposal of certain markets of our ResortQuest business that were considered to be inconsistent with our long term growth strategy. In connection with this plan of disposal, we recorded pre-tax restructuring charges of $0.8 million during 2005 for employee severance benefits related to the discontinued markets. Based on our decision to dispose of these markets, we also recorded pre-tax impairment charges of $2.8 million during 2005. Included in this charge are the impairment of goodwill of $2.3 million, the impairment of fixed assets of $0.4 million, and the impairment of intangible assets of $0.1 million.

We completed the sale of four of these markets during the fourth quarter of 2005 for approximately $1.4 million in cash. We recognized a pretax loss of $0.4 million during the fourth quarter of 2005 related to these sales, which is recorded in income from discontinued operations in the consolidated statement of operations. We plan to sell the remaining markets as soon as practical.

WSM-FM and WWTN(FM). During the first quarter of 2003, we committed to a plan of disposal of WSM-FM and WWTN(FM) (“Radio Operations”). Subsequent to committing to a plan of disposal, we, through a wholly-owned subsidiary, entered into an agreement to sell the assets primarily used in the operations of the Radio Operations to Cumulus Broadcasting, Inc. (“Cumulus”) in exchange for approximately $62.5 million in cash. In connection with this agreement, we also entered into a local marketing agreement with Cumulus pursuant to which, from April 21, 2003 until the closing of the sale of the assets, we, for a fee, made available to Cumulus substantially all of the broadcast time on WSM-FM and WWTN(FM). In turn, Cumulus provided programming to be broadcast during such broadcast time and collected revenues from the advertising that it sold for broadcast during this programming time. On July 22, 2003, we finalized the sale of the Radio Operations for approximately $62.5 million, at which time, net proceeds of approximately $50 million were placed in an escrow account for completion of the Gaylord Texan. Concurrently, we also entered into a joint sales agreement with Cumulus for WSM-AM in exchange for $2.5 million in cash. We continue to own and operate WSM-AM, and under the terms of the joint sales agreement with Cumulus, Cumulus is responsible for all sales of commercial advertising on WSM-AM and provides certain sales promotion, billing and collection services relating to WSM-AM, all for a specified commission. The joint sales agreement has a term of five years.

During the third quarter of 2005, due to the expiration and resolution of certain claims and indemnifications in the sales contract, a previously established indemnification reserve of $0.1 million was reversed and is included in income from discontinued operations in the consolidated statement of operations.

Acuff-Rose Music Publishing. During the second quarter of 2002, we committed to a plan of disposal of our Acuff-Rose Music Publishing catalog entity. During the third quarter of 2002, we finalized the sale of the Acuff-Rose Music Publishing entity to Sony/ ATV Music Publishing for approximately $157.0 million in cash. We recognized a pretax gain of $130.6 million during the third quarter of 2002 related to the sale. Proceeds of $25.0 million were used to reduce our outstanding indebtedness.

During the third quarter of 2004, due to the expiration of certain indemnification periods as specified in the sales contract, a previously established indemnification reserve of $1.0 million was reversed and is included in income from discontinued operations in the consolidated statement of operations.

Oklahoma RedHawks. During 2002, we committed to a plan of disposal of our approximately 78% ownership interest in the Oklahoma RedHawks, a minor league baseball team based in Oklahoma City, Oklahoma. During the fourth quarter of 2003, we sold our interests in the RedHawks and received cash proceeds of approximately $6.0 million. We recognized a loss of $0.6 million, net of taxes, related to the sale in discontinued operations in the accompanying consolidated statement of operations.

Word Entertainment. During 2001, we committed to a plan to sell Word Entertainment. As a result of the decision to sell Word Entertainment, we reduced the carrying value of Word Entertainment to its estimated fair value by recognizing a pretax charge of $30.4 million in discontinued operations during 2001. The estimated fair value of Word Entertainment’s net assets was determined based upon ongoing negotiations with potential buyers. Related to the decision to sell Word Entertainment, a pretax restructuring charge of $1.5 million was recorded in discontinued operations in 2001. The restructuring charge consisted of $0.9 million related to lease termination costs and $0.6 million related to severance costs. In addition, we recorded a reversal of $0.1 million of restructuring charges originally recorded during 2000. During the first quarter of 2002, we sold Word Entertainment’s domestic operations to an affiliate of Warner Music Group for $84.1 million in cash. We recognized a pretax gain of $0.5 million in discontinued operations during the first quarter of 2002 related to the sale of Word Entertainment. Proceeds from the sale of $80.0 million were used to reduce outstanding indebtedness. During the third quarter of 2003, due to the expiration of certain indemnification periods as specified in the sales contract, a previously established indemnification reserve of $1.5 million was reversed and is included in income from discontinued operations in the consolidated statement of operations.

International Cable Networks. During the second quarter of 2001, we adopted a formal plan to dispose of our international cable networks. As part of this plan, we hired investment bankers to facilitate the disposition process, and formal communications with potentially interested parties began in July 2001. In an attempt to simplify the disposition process, in July 2001, we acquired an additional 25% ownership interest in its music networks in Argentina, increasing its ownership interest from 50% to 75%. In August 2001, the partnerships in Argentina finalized a pending transaction in which a third party acquired a 10% ownership interest in the companies in exchange for satellite, distribution and sales services, bringing our interest to 67.5%.

In December 2001, we made the decision to cease funding of our cable networks in Asia and Brazil as well as our partnerships in Argentina if a sale had not been completed by February 28, 2002. At that time we recorded pretax restructuring charges of $1.9 million consisting of $1.0 million of severance and $0.9 million of contract termination costs related to the networks. Also during 2001, we negotiated reductions in the contract termination costs with several vendors that resulted in a reversal of $0.3 million of restructuring charges originally recorded during 2000. Based on the status of our efforts to sell our international cable networks at the end of 2001, we recorded pretax impairment and other charges of $23.3 million during 2001. Included in this charge are the impairment of an investment in the two Argentina-based music channels totaling $10.9 million, the impairment of fixed assets, including capital leases associated with certain transponders leased by us, of $6.9 million, the impairment of a receivable of $3.0 million from the Argentina-based channels, current assets of $1.5 million, and intangible assets of $1.0 million.

During the first quarter of 2002, we finalized a transaction to sell certain assets of our Asia and Brazil networks, including the assignment of certain transponder leases. Also during the first quarter of 2002, we ceased operations based in Argentina. The transponder lease assignment required us to guarantee lease payments in 2002 from the acquirer of these networks. As such, we recorded a lease liability for the amount of the assignee's portion of the transponder lease.

Businesses Sold to OPUBCO. During 2001, we sold five businesses (Pandora Films, Gaylord Films, Gaylord Sports Management, Gaylord Event Television and Gaylord Production Company) to affiliates of the Oklahoma Publishing Company ("OPUBCO") for $22.0 million in cash and the assumption of debt of $19.3 million. OPUBCO owns a minority interest in the Company. Until their resignation from the board of directors in April 2004, two of our directors were also directors of OPUBCO and voting trustees of a voting trust that controls OPUBCO. Additionally, these two directors collectively beneficially owned a significant ownership interest in the Company prior to their sale of a substantial portion of this interest in April 2004.

The following table reflects the results of operations of businesses accounted for as discontinued operations for the years-ended December 31, 2005, 2004 and 2003:

	2005	2004	2003
REVENUES:			
ResortQuest Discontinued Markets	**$15,962**	$18,626	$ 1,537
Radio Operations	**—**	—	3,703
RedHawks	**—**	—	5,034
Total revenues	**$15,962**	$18,626	$10,274
OPERATING (LOSS) INCOME:			
ResortQuest Discontinued Markets	**$ (1,421)**	$ (71)	$ 69
Radio Operations	**—**	—	615
Acuff-Rose Music Publishing	**—**	1	16
RedHawks	**—**	—	436
Word Entertainment	**—**	40	22
Businesses sold to OPUBCO	**—**	—	(620)
Impairment charges	**(2,749)**	—	—
Restructuring charges	**(840)**	—	—
Total operating (loss) income	**(5,010)**	(30)	538
INTEREST EXPENSE	**—**	—	(1)
INTEREST INCOME	**33**	20	8
OTHER GAINS AND (LOSSES)			
ResortQuest Discontinued Markets	**(393)**	—	—
Radio Operations	**136**	—	54,555
Acuff-Rose Music Publishing	**—**	1,015	450
RedHawks	**—**	—	(1,159)
Word Entertainment	**—**	—	1,503
International cable networks	**—**	—	497
Total other gains and (losses)	**(257)**	1,015	55,846
(Loss) income before (benefit) provision for income taxes	**(5,234)**	1,005	56,391
(BENEFIT) PROVISION FOR INCOME TAXES	**(2,818)**	390	21,980
(Loss) gain from discontinued operations	**$ (2,416)**	$ 615	$34,411

Liquidity and Capital Resources

Cash Flows –Summary

Our cash flows consisted of the following during the years ended December 31 (in thousands):

	2005	2004	2003
Operating Cash Flows:			
Net cash flows provided by operating activities — continuing operations	$ 83,652	$ 57,704	$ 63,953
Net cash flows (used in) provided by operating activities — discontinued operations	(2,800)	(1,991)	2,833
Net cash flows provided by operating activities	80,852	55,713	66,786
Investing Cash Flows:			
Purchases of property and equipment	(129,540)	(127,536)	(223,655)
Other	19,447	32,416	375
Net cash flows used in investing activities — continuing operations	(110,093)	(95,120)	(223,280)
Net cash flows provided by investing activities — discontinued operations	1,195	(318)	65,289
Net cash flows (used in) provided by investing activities	(108,898)	(95,438)	(157,991)
Financing Cash Flows:			
Repayment of long-term debt	—	(199,181)	(425,104)
Proceeds from issuance of long-term debt	20,000	225,000	550,000
Other	23,956	(1,900)	(22,738)
Net cash flows provided by (used in) financing activities — continuing operations	43,956	23,919	102,158
Net cash flows used in financing activities — discontinued operations	389	359	(340)
Net cash flows provided by (used in) financing activities	44,345	24,278	101,818
Net change in cash and cash equivalents	$ 16,299	$ (15,447)	$ 10,613

Cash Flow From Operating Activities. Cash flow from operating activities is the principal source of cash used to fund our operating expenses, interest payments on debt, and maintenance capital expenditures. During 2005, our net cash flows provided by our operating activities - continuing operations were $83.7 million, reflecting primarily our loss from continuing operations before non-cash depreciation expense, amortization expense, income tax benefit, interest expense, loss on the Viacom stock and related derivatives, income from unconsolidated companies, dividends received from unconsolidated companies, and gains on sales of certain fixed assets of approximately $67.8 million, as well as favorable changes in working capital of approximately $15.9 million. The favorable changes in working capital primarily resulted from the timing of payment of various liabilities, including accrued interest, taxes, incentive compensation, utilities, and expenses associated with the Christmas show at Gaylord Opryland, as well as an increase in receipts of deposits on advance bookings of hotel rooms (primarily related to the timing of advanced bookings and deposits received by the Gaylord Opryland and Gaylord Texan). These favorable changes in working capital were partially offset by an increase in trade receivables due to a change in the timing of guest lodging versus payments received at Gaylord Opryland and ResortQuest, as well as the payment of a portion of the accrued advertising expenses associated with the Naming Rights Agreement pursuant to the settlement of litigation associated with that agreement. During 2004, our net cash flows provided by operating activities — continuing operations were $57.7 million, reflecting primarily our income from continuing operations before non-cash depreciation expense, amortization expense, income tax benefit, interest expense, loss on the Viacom stock and related derivatives, impairment charges, income from unconsolidated companies, and loss on sale of First Resort Software assets of approximately $43.6 million, as well as favorable changes in working capital of approximately $14.1 million. The favorable changes in working capital primarily resulted from the timing of payment of various liabilities, including accrued interest, taxes, advertising expenses, and other accrued expenses, as well as an increase in receipts of deposits on advance bookings of hotel rooms (primarily related to advance bookings at the recently constructed Gaylord Texan which opened in April 2004 and the timing of deposits received by the Gaylord Palms). These favorable changes in working capital were partially offset by an increase in trade receivables due to the opening of the

Gaylord Texan, as well as a slight decrease in receipts of deposits on advance bookings of vacation properties at ResortQuest. During 2003, our net cash flows provided by operating activities — continuing operations were $64.0 million, reflecting primarily our income from continuing operations before non-cash depreciation expense, amortization expense, income tax benefit, interest expense, gain on the Viacom stock and related derivatives, impairment charges, and income from unconsolidated companies of approximately $30.0 million, as well as favorable changes in working capital of approximately $34.0 million. The favorable changes in working capital primarily resulted from improved collection of trade receivables due to increased emphasis on timely collections, the timing of payment of various liabilities, including accrued interest, taxes, salaries and benefits, and advertising expenses, and an increase in deferred revenues due to increased receipts of deposits on advance bookings of rooms (primarily related to advance bookings at the recently constructed Gaylord Texan which opened in April 2004 and the timing of deposits received by the Gaylord Opryland hotel for large group meetings occurring in early 2004) and an increase in the volume of events occurring in early 2004 managed by our Corporate Magic business that require advance deposits.

Cash Flows From Investing Activities. During 2005, our primary uses of funds and investing activities were the purchase of property and equipment totaling $129.5 million and the purchases of two businesses (Whistler Lodging Company, Ltd. and East West Resorts), which totaled $20.2 million. Our capital expenditures during 2005 included construction at the new Gaylord National Resort & Convention Center of $58.2 million, continuing construction at the Gaylord Texan of $17.9 million, approximately $25.8 million at Gaylord Opryland primarily related to the construction of a new spa facility and a room refurbishment project, and approximately $15.2 million related to ResortQuest. We also collected a $7.5 million note receivable from Bass Pro and received proceeds from the sale of assets totaling approximately $10.5 million in 2005. During 2004, our primary uses of funds and investing activities were the purchases of property and equipment which totaled $127.5 million. These capital expenditures included continued construction at the Gaylord Texan of $96.1 million, approximately $4.4 million related to the development of the Gaylord National hotel and approximately $12.2 million related to Gaylord Opryland. During 2003, our primary uses of funds and investing activities were also the purchases of property and equipment which totaled $223.7 million. These capital expenditures include continued construction at the Gaylord Texan of $193.3 million, approximately $1.3 million related to the development of the Gaylord National hotel and approximately $11.2 million related to Gaylord Opryland. In addition, there were approximately $7.3 million of capital expenditures related to the Grand Ole Opry in 2003. We also collected a $10.0 million note receivable from Bass Pro and received proceeds from the sale of assets and the sale of discontinued operations totaling approximately $64.7 million in 2003.

Cash Flows From Financing Activities. The Company's cash flows from financing activities reflected primarily the issuance of debt and the repayment of long-term debt. During 2005, the Company's net cash flows provided by financing activities – continuing operations of $44.0 reflected primarily a $20.0 million borrowing under the new $600.0 million credit facility, a $24.0 million decrease in restricted cash and cash equivalents, and $9.0 million in proceeds received from the exercise of stock options, partially offset by the payment of $8.5 million of deferred financing costs in connection with our entering into a new $600.0 million credit facility. During 2004, the Company's net cash flows provided by financing activities – continuing operations were $23.9 million, primarily reflecting the issuance of $225.0 million in 6.75% Senior Notes and the repayment of $199.2 million in debt outstanding under the Nashville Hotel Loan. During 2003, the Company's net cash flows provided by financing activities – continuing operations were $102.2 million, primarily reflecting the issuance of $550.0 million in debt, which consisted of the issuance of $350.0 million in 8% Senior Notes and additional borrowings under our 2003 Florida/ Texas senior secured credit facility, and the repayment of $425.1 million in debt.

Working Capital

As of December 31, 2005, we had total current assets of $188.3 million and total current liabilities of $196.2 million, which resulted in a working capital deficit of $7.9 million. A significant portion of our current liabilities consist of deferred revenues, which primarily represent deposits received on advance bookings of hotel rooms and vacation properties. These deferred revenue liabilities do not require future cash payments by us, so we believe our current assets, cash flows from operating activities, and availability under our $600.0 million credit facility will be sufficient to repay our current liabilities as they become due.

Principal Debt Agreements

$600 Million Revolving Credit Facility. On March 10, 2005, we entered into a new $600.0 million credit facility with Bank of America, N.A. acting as the administrative agent. Our new credit facility consists of the following components: (a) a $300.0 million senior secured revolving credit facility, which includes a $50.0 million letter of credit sublimit, and (b) a $300.0 million senior secured delayed draw term loan facility, which may be drawn on in one or more advances during its term. The credit facility also includes an accordion feature that will allow us, on a one-time basis, to increase the credit facilities by a total of up to $300.0 million, subject to

securing additional commitments from existing lenders or new lending institutions. The revolving loan, letters of credit and term loan mature in March 9, 2010. At our election, the revolving loans and the term loans may have an interest rate of LIBOR plus 2% or the lending banks' base rate plus 1%, subject to adjustments based on our financial performance. Interest on our borrowings is payable quarterly, in arrears, for base rate loans and at the end of each interest rate period for LIBOR rate-based loans. Principal is payable in full at maturity. We are required to pay a commitment fee ranging from 0.25% to 0.50% per year of the average unused portion of the credit facility.

The purpose of the new credit facility is for working capital and capital expenditures and the financing of the costs and expenses related to the construction of the Gaylord National hotel. Construction of the Gaylord National hotel is required to be substantially completed by June 30, 2008 (subject to customary force majeure provisions).

The new credit facility is (i) secured by a first mortgage and lien on the real property and related personal and intellectual property of our Gaylord Opryland hotel, Gaylord Texan hotel, Gaylord Palms hotel and Gaylord National hotel (to be constructed) and pledges of equity interests in the entities that own such properties and (ii) guaranteed by each of the four wholly owned subsidiaries that own the four hotels as well as ResortQuest International, Inc. Advances are subject to a 60% borrowing base, based on the appraisal value of the hotel properties (reducing to 50% in the event a hotel property is sold). Our former $100.0 million revolving credit facility has been paid in full and the related mortgages and liens have been released.

In addition, the new credit facility contains certain covenants which, among other things, limit the incurrence of additional indebtedness, investments, dividends, transactions with affiliates, asset sales, acquisitions, mergers and consolidations, liens and encumbrances and other matters customarily restricted in such agreements. The material financial covenants, ratios or tests contained in the new credit facility are as follows:

- We must maintain a consolidated leverage ratio of not greater than (i) 7.00 to 1.00 for calendar quarters ending during calendar year 2007, and (ii) 6.25 to 1.00 for all other calendar quarters ending during the term of the credit facility, which levels are subject to increase to 7.25 to 1.00 and 7.00 to 1.00, respectively, for three (3) consecutive quarters at our option if we make a leverage ratio election.
- We must maintain a consolidated tangible net worth of not less than the sum of $550.0 million, increased on a cumulative basis as of the end of each calendar quarter, commencing with the calendar quarter ending March 31, 2005, by an amount equal to (i) 75% of consolidated net income (to the extent positive) for the calendar quarter then ended, plus (ii) 75% of the proceeds received by us or any of our subsidiaries in connection with any equity issuance.
- We must maintain a minimum consolidated fixed charge coverage ratio of not less than (i) 1.50 to 1.00 for any reporting calendar quarter during which the leverage ratio election is effective; and (ii) 2.00 to 1.00 for all other calendar quarters during the term hereof.
- We must maintain an implied debt service coverage ratio (the ratio of adjusted net operating income to monthly principal and interest that would be required if the outstanding balance were amortized over 25 years at an assumed fixed rate) of not less than 1.60 to 1.00.
- Our investments in entities which are not wholly-owned subsidiaries (other than any such investment in any of our subsidiaries in existence as of March 10, 2005) may not exceed an amount equal to ten percent (10.0%) of our consolidated total assets.

As of December 31, 2005, we were in compliance with the foregoing covenants. As of December 31, 2005, $20.0 million in borrowings were outstanding under the revolving credit facility, and the lending banks had issued $13.5 million of letters of credit under the revolving credit facility for us. The revolving credit facility is cross-defaulted to our other indebtedness.

8% Senior Notes. On November 12, 2003, we completed our offering of $350 million in aggregate principal amount of senior notes due 2013 (the "8% Senior Notes") in an institutional private placement. We filed an exchange offer registration statement on Form S-4 with the SEC with respect to the 8% Senior Notes and subsequently exchanged the existing 8% Senior Notes for publicly registered 8% Senior Notes with the same terms after the registration statement was declared effective in April 2004. The interest rate of the notes is 8%, although we have entered into interest rate swaps with respect to $125 million principal amount of the 8% Senior Notes which results in an effective interest rate of LIBOR plus 2.95% with respect to that portion of the notes. The 8% Senior Notes, which mature on November 15, 2013, bear interest semi-annually in cash in arrears on May 15 and November 15 of each year, starting on May 15, 2004. The 8% Senior Notes are redeemable, in whole or in part, by us at any time on or after November 15,

2008 at a designated redemption amount, plus accrued and unpaid interest. In addition, we may redeem up to 35% of the 8% Senior Notes before November 15, 2006 with the net cash proceeds from certain equity offerings. The 8% Senior Notes rank equally in right of payment with our other unsecured unsubordinated debt, but are effectively subordinated to all of our secured debt to the extent of the assets securing such debt. The 8% Senior Notes are fully and unconditionally guaranteed, jointly and severally, on a senior unsecured basis by each of our subsidiaries that was a borrower or guarantor under our former $100 million revolving credit facility. In connection with the offering and subsequent registration of the 8% Senior Notes, we paid approximately $10.1 million in deferred financing costs. The net proceeds from the offering of the 8% Senior Notes, together with cash on hand, were used as follows:

- $275.5 million was used to repay our $150 million senior term loan portion and the $50 million subordinated term loan portion of the 2003 Florida/Texas loans, as well as the remaining $66 million of our $100 million Nashville hotel mezzanine loan and to pay certain fees and expenses related to the ResortQuest acquisition; and
- $79.2 million was placed in escrow pending consummation of the ResortQuest acquisition, at which time that amount was used, together with available cash, to repay ResortQuest's senior notes and its credit facility.

In addition, the 8% Senior Notes indenture contains certain covenants which, among other things, limit the incurrence of additional indebtedness, investments, dividends, transactions with affiliates, asset sales, capital expenditures, mergers and consolidations, liens and encumbrances and other matters customarily restricted in such agreements. The 8% Senior Notes are cross-defaulted to our other indebtedness.

6.75% Senior Notes. On November 30, 2004, we completed our offering of $225 million in aggregate principal amount of senior notes due 2014 (the "6.75% Senior Notes") in an institutional private placement. In April 2005, we filed an exchange offer registration statement on Form S-4 with the SEC with respect to the 6.75% Senior Notes and subsequently exchanged the existing 6.75% Senior Notes for publicly registered 6.75% Senior Notes with the same terms after the registration statement was declared effective in May 2005. The interest rate of the notes is 6.75%. The 6.75% Senior Notes, which mature on November 15, 2014, bear interest semi-annually in cash in arrears on May 15 and November 15 of each year, starting on May 15, 2005. The 6.75% Senior Notes are redeemable, in whole or in part, by us at any time on or after November 15, 2009 at a designated redemption amount, plus accrued and unpaid interest. In addition, we may redeem up to 35% of the 6.75% Senior Notes before November 15, 2007 with the net cash proceeds from certain equity offerings. The 6.75% Senior Notes rank equally in right of payment with our other unsecured unsubordinated debt, but are effectively subordinated to all of our secured debt to the extent of the assets securing such debt. The 6.75% Senior Notes are fully and unconditionally guaranteed, jointly and severally, on a senior unsecured basis by each of our subsidiaries that was a borrower or guarantor under our former $100 million revolving credit facility. In connection with the offering of the 6.75% Senior Notes, we paid approximately $4.2 million in deferred financing costs. The net proceeds from the offering of the 6.75% Senior Notes, together with cash on hand, were used to repay the senior loan secured by the Nashville hotel assets and to provide capital for growth of the Company's other businesses and other general corporate purposes. In addition, the 6.75% Senior Notes indenture contains certain covenants which, among other things, limit the incurrence of additional indebtedness, investments, dividends, transactions with affiliates, asset sales, capital expenditures, mergers and consolidations, liens and encumbrances and other matters customarily restricted in such agreements. The 6.75% Senior Notes are cross-defaulted to our other indebtedness.

Prior Indebtedness

$100 Million Revolving Credit Facility. Prior to the completion of our $600 million credit facility on March 10, 2005, we had in place, from November 20, 2003, a $65.0 million revolving credit facility, which was increased to $100.0 million on December 17, 2003. The revolving credit facility, which replaced the revolving credit portion of our 2003 Florida/Texas senior secured credit facility discussed below, was scheduled to mature in May 2006. The revolving credit facility had an interest rate, at our election, of either LIBOR plus 3.50%, subject to a minimum LIBOR of 1.32%, or the lending banks' base rate plus 2.25%. Interest on our borrowings was payable quarterly, in arrears, for base rate loans and at the end of each interest rate period for LIBOR rate-based loans. Principal was payable in full at maturity. The revolving credit facility was guaranteed on a senior unsecured basis by our subsidiaries that were guarantors of our 8% Senior Notes and 6.75% Senior Notes, described above (consisting generally of all our active domestic subsidiaries including, following repayment of the Nashville hotel loan arrangements in December 2004, the subsidiaries owning the Nashville hotel assets), and was secured by a leasehold mortgage on the Gaylord Palms. We were required to pay a commitment fee equal to 0.5% per year of the average daily unused revolving portion of the revolving credit facility.

In addition, the revolving credit facility contained certain covenants which, among other things, limited the incurrence of additional indebtedness, investments, dividends, transactions with affiliates, asset sales, acquisitions, capital expenditures, mergers and consolidations, liens and encumbrances and other matters customarily restricted in such agreements. The material financial covenants,

ratios or tests in the revolving credit facility were as follows:

- a maximum total leverage ratio requiring that at the end of each fiscal quarter, our ratio of consolidated indebtedness minus unrestricted cash on hand to consolidated EBITDA for the most recent four fiscal quarters, subject to certain adjustments, not exceed a range of ratios (decreasing from 7.5 to 1.0 for early 2004 to 5.0 to 1.0 for 2005 and thereafter) for the recent four fiscal quarters;
- a requirement that the adjusted net operating income for the Gaylord Palms be at least $25 million at the end of each fiscal quarter ending December 31, 2003, through December 31, 2004, and $28 million at the end of each fiscal quarter thereafter, in each case based on the most recent four fiscal quarters; and
- a minimum fixed charge coverage ratio requiring that, at the end of each fiscal quarter, our ratio of consolidated EBITDA for the most recent four fiscal quarters, subject to certain adjustments, to the sum of (i) consolidated interest expense and capitalized interest expense for the previous fiscal quarter, multiplied by four, and (ii) required amortization of indebtedness for the most recent four fiscal quarters, be not less than 1.5 to 1.0.

Nashville Hotel Loan. On March 27, 2001, we, through wholly owned subsidiaries, entered into a $275.0 million senior secured loan and a $100.0 million mezzanine loan with Merrill Lynch Mortgage Lending, Inc. The mezzanine loan was repaid in November 2003 with the proceeds of the 8% Senior Notes and the senior loan was repaid in November 2004 with the proceeds of the 6.75% Senior Notes. The senior and mezzanine loan borrower and its sole member were subsidiaries formed for the purposes of owning and operating the Nashville hotel and entering into the loan transaction and were special-purpose entities whose activities were strictly limited, although we fully consolidate these entities in our consolidated financial statements. The senior loan was secured by a first mortgage lien on the assets of Gaylord Opryland. The terms of the senior loan required us to purchase interest rate hedges in notional amounts equal to the outstanding balances of the senior loan in order to protect against adverse changes in one-month LIBOR which have been terminated. We used $235.0 million of the proceeds from the senior loan and the mezzanine loan to refinance an existing interim loan incurred in 2000.

2003 Florida/Texas Senior Secured Credit Facility. Prior to the closing of the 8% Senior Notes offering and establishment of our $100 million revolving credit facility, we had in place our 2003 Florida/Texas senior secured credit facility, consisting of a $150 million term loan, a $50 million subordinated term loan and a $25 million revolving credit facility, outstanding amounts of which were repaid with proceeds of the 8% Senior Notes offering. When the 2003 loans were first established, proceeds were used to repay 2001 term loans incurred in connection with the development of the Gaylord Palms.

Future Developments

As previously announced, we are developing a hotel, to be known as the Gaylord National Resort and Convention Center and to be located on property we have acquired on the Potomac River in Prince George's County, Maryland (in the Washington, D.C. market). We currently expect to open the hotel in 2008. We have completed the foundations and are in the early stages of constructing the vertical structure of the project.

In connection with this project, Prince George's County, Maryland approved, in July 2004, two bond issues related to the development. The first bond issuance, in the amount of $65 million, was issued by Prince George's County, Maryland in April 2005 to support the cost of infrastructure being constructed by the project developer, such as roads, water and sewer lines. The second bond issuance, in the amount of $95 million, was issued by Prince George's County, Maryland in April 2005 and placed into escrow until the project is completed. Upon completion of the project, these bonds will be delivered to us. We will initially hold the bonds and receive the debt service thereon which is payable from tax increment, hotel tax and special hotel rental taxes generated from our development.

We have entered into several agreements with a general contractor and other suppliers for the provision of certain construction services at the site. The agreement with the general contractor (the Perini/Tompkins Joint Venture) is with our wholly-owned subsidiary, Gaylord National, LLC, provides for the construction of a portion of the Gaylord National hotel project in a guaranteed maximum price format, and is filed as Exhibit 10.14 to this Annual Report on Form 10-K. As of December 31, 2005, we had committed to pay $220.7 million under this agreement and the other agreements for construction services and supplies. Construction costs to date have exceeded our initial estimates from 2004. In addition, on February 14, 2006, we announced a planned 500-room expansion of the Gaylord National hotel project, contingent upon approval by Prince George's County, Maryland of additional economic incentives for the project. We estimate the total cost of the project to be in the range of $785 million to $835 million, which includes the estimated construction costs for the expanded 2,000 room facility and excludes $69 million in capitalized interest, $41 million in pre-opening costs and the governmental economic incentives. The current Gaylord National budget estimate includes approximately $36 million of contingency, which if not spent would be saved entirely by the Company. As of December 31, 2005, we have spent $65.9 million (including capitalized interest but excluding pre-opening costs) on the project. We intend to use proceeds of our $600 million credit facility, cash flow from operations, and after completion,

the proceeds of tax increment payments on the $95 million government bond described above, as well as additional debt or equity financing and additional governmental incentives (the value of which we estimate to be approximately $50 million) that we hope to secure in connection with the 500-room expansion, to fund the development and construction costs and to pay related fees and expenses.

We also are considering other potential hotel sites throughout the country including Chula Vista, California (located in the San Diego area). The timing and extent of any of these development projects is uncertain.

During 1998, ResortQuest recorded a note receivable of $4.0 million as a result of cash advances made to a primary stockholder ("Debtor") of the predecessor company who is no longer an affiliate of ResortQuest. The note was collateralized by a third mortgage on residential real estate owned by the Debtor. Due to the failure to make interest payments, the note receivable was in default. We accelerated the note and demanded payment in full. We also contracted an independent external third party to appraise the property by which the note was secured, confirm the outstanding senior claims on the property and assess the associated credit risk. Based on this assessment, we assigned no value to the note receivable in the purchase price allocation associated with the ResortQuest acquisition. On January 23, 2006, the bankruptcy court approved a plan to restructure the note receivable, and we received $5.7 million in cash and a secured administrative claim of $0.5 million in full settlement of the note receivable and accrued interest. Because we assigned no value to this note receivable as part of the ResortQuest purchase price allocation, we anticipate that recovery of this note receivable will result in a gain of $5.7 million during the first quarter of 2006.

Commitments and Contractual Obligations

The following table summarizes our significant contractual obligations as of December 31, 2005, including long-term debt and operating and capital lease commitments (amounts in thousands):

Contractual obligations	Total amounts committed	Less than 1 year	1-3 years	3-5 years	After 5 years
Long-term debt	$ 595,000	$ —	$ —	$ 20,000	$ 575,000
Capital lease obligations	2,129	825	986	318	—
Construction commitments (1)	248,386	114,019	95,442	38,925	—
Promissory note payable to Nashville Predators	5,000	1,000	2,000	2,000	—
Operating leases (2)	712,764	12,532	20,678	14,192	665,362
Other long-term liabilities	700	175	350	175	—
Total contractual obligations	$ 1,563,979	$ 128,551	$ 119,456	$ 75,610	$ 1,240,362

(1) During 2005, we entered into a series of agreements with a general contractor and other suppliers related to the construction of the Gaylord National. As of December 31, 2005, we had committed to pay $220.7 million under those agreements.

(2) The total operating lease commitments of $712.7 million above includes the 75-year operating lease agreement we entered into during 1999 for 65.3 acres of land located in Osceola County, Florida where Gaylord Palms is located.

The cash obligations in the table above do not include future cash obligations for interest associated with our outstanding long-term debt, capital lease obligations, and promissory note payable to Nashville Predators. See "Supplemental Cash Flow Information" in Note 1 to our consolidated financial statements for the year ended December 31, 2005 included herewith for a discussion of the interest we paid during 2005, 2004, and 2003.

The cash obligations in the table above also do not include obligations to pay deferred taxes on our secured forward exchange contract relating to the Viacom stock owned by us. At the expiration of the secured forward exchange contract, which is scheduled for May 2007, we will be required to pay the deferred taxes relating thereto. This deferred tax payable is estimated to be $152.3 million. We have not identified a specific source of funds to finance this obligation. A complete description of the secured forward exchange contract is contained in Note 8 to our consolidated financial statements included herewith.

Critical Accounting Policies and Estimates

Management's Discussion and Analysis of Financial Condition and Results of Operations discusses our consolidated financial statements, which have been prepared in accordance with U.S. generally accepted accounting principles. Accounting estimates are an integral part of the preparation of the consolidated financial statements and the financial reporting process and are based upon current judgments. The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reported period. Certain accounting estimates are particularly sensitive because of their complexity and the possibility that future events affecting them may differ materially from our current judgments and estimates.

This listing of critical accounting policies is not intended to be a comprehensive list of all of our accounting policies. In many cases, the accounting treatment of a particular transaction is specifically dictated by generally accepted accounting principles, with no need for management's judgment regarding accounting policy. We believe that of our significant accounting policies, which are discussed in Note 1 to the consolidated financial statements included herein, the following may involve a higher degree of judgment and complexity.

Revenue recognition. We recognize revenue from our hotel rooms as earned on the close of business each day. Revenues from concessions and food and beverage sales are recognized at the time of the sale. We recognize revenues from the Opry and Attractions segment when services are provided or goods are shipped, as applicable.

We earn revenues from ResortQuest through property management fees, service fees, and other sources. We receive property management fees when the properties are rented, which are generally a percentage of the rental price of the vacation property. Management fees range from approximately 3% to over 40% of gross lodging revenues collected based upon the type of services provided to the property owner and the type of rental units managed. Revenues are recognized ratably over the rental period based on our proportionate share of the total rental price of the vacation condominium or home. We provide or arrange through third parties certain services for property owners or guests. Service fees include reservations, housekeeping, long-distance telephone, ski rentals, lift tickets, beach equipment and pool cleaning. Internally provided services are recognized as service fee revenue when the service is provided. Services provided by third parties are generally billed directly to property owners and are not included in the accompanying consolidated financial statements. We recognize other revenues primarily related to real estate broker commissions. We recognize revenues on real estate sales when the transactions are complete, and such revenue is recorded net of the related agent commissions. Prior to the sale of First Resort Software, Inc. in December 2004, we also sold an integrated software package specifically designed for the vacation property management business, along with ongoing service contracts. Software and maintenance revenues were recognized when the systems were installed and ratably over the service period, respectively, in accordance with SOP 97-2, "Software Revenue Recognition." Provision for returns and other adjustments are provided for in the same period the revenue was recognized. We defer revenues related to deposits on advance bookings of rooms and vacation properties and advance ticket sales at our tourism properties.

Impairment of long-lived assets and goodwill. In accounting for our long-lived assets other than goodwill, we apply the provisions of SFAS No. 144, "Accounting for the Impairment or Disposal of Long-Lived Assets." Under SFAS No. 144, we assess our long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying value of the assets or asset group may not be recoverable. Recoverability of long-lived assets that will continue to be used is measured by comparing the carrying amount of the asset or asset group to the related total future undiscounted net cash flows. If an asset or asset group's carrying value is not recoverable through those cash flows, the asset group is considered to be impaired. The impairment is measured by the difference between the assets' carrying amount and their fair value, based on the best information available, including market prices or discounted cash flow analysis.

Effective January 1, 2002, we adopted SFAS No. 142, "Goodwill and Other Intangible Assets." Under SFAS No. 142, goodwill and other intangible assets with indefinite useful lives are not amortized but are tested for impairment at least annually and whenever events or circumstances occur indicating that these intangibles may be impaired. We perform our review of goodwill for impairment by comparing the carrying value of the applicable reporting unit to the fair value of the reporting unit. If the fair value is less than the carrying value then we measure potential impairment by allocating the fair value of the reporting unit to the tangible assets and liabilities of the reporting unit in a manner similar to a business combination purchase price allocation. The remaining fair value of the reporting unit after assigning fair values to all of the reporting unit's assets and liabilities represents the implied fair value of goodwill of the reporting unit. The impairment is measured by the difference between the carrying value of goodwill and the implied fair value of goodwill.

The key assumptions used to determine the fair value of our reporting units for purposes of evaluating goodwill for impairment included (a) a perpetuity cash flow period, (b) a nominal terminal value, and (c) a discount rate of approximately 9%, which was based on our weighted average cost of capital adjusted for the risks associated with the operations. These assumptions and judgments are subject to change, which could cause a different conclusion regarding impairment or a different calculation of an impairment loss. There were no goodwill impairment charges recorded in continuing operations during 2005. However, we did record an impairment charge in discontinued operations during 2005 related to the goodwill, intangible assets, and fixed assets of certain ResortQuest markets as discussed elsewhere herein.

As a result of management committing to a plan to exit certain markets in which ResortQuest did business, but were considered to be inconsistent with our long term growth strategy, we recognized pre-tax impairment charges of goodwill, intangible assets and fixed assets of approximately $2.3 million, $0.1 million, and $0.4 million, respectively. For purposes of evaluating the goodwill and long-lived assets of these markets for impairment, we determined the fair value of these markets based on current negotiations of sales prices with potential buyers for each market.

Restructuring charges. We have recognized restructuring charges in accordance with SFAS No. 146, “Accounting for Costs Associated with Exit or Disposal Activities” and Emerging Issues Task Force (“EITF”) Issue No. 94-3, “Liability Recognition for Certain Employee Termination Benefits and Other Costs to Exit an Activity (including Certain Costs Incurred in a Restructuring)”, in our consolidated financial statements. Restructuring charges are based upon certain estimates of liabilities related to costs to exit an activity. Liability estimates may change as a result of future events, including negotiation of reductions in contract termination liabilities and expiration of outplacement agreements.

Derivative financial instruments. We utilize derivative financial instruments to reduce interest rate risks and to manage risk exposure to changes in the value of certain owned marketable securities. We record derivatives in accordance with SFAS No. 133, “Accounting for Derivative Instruments and Hedging Activities”, which was subsequently amended by SFAS No. 138. SFAS No. 133, as amended, established accounting and reporting standards for derivative instruments and hedging activities. SFAS No. 133 requires all derivatives to be recognized in the statement of financial position and to be measured at fair value. Changes in the fair value of those instruments will be reported in earnings or other comprehensive income depending on the use of the derivative and whether it qualifies for hedge accounting.

We obtain valuations of our derivative assets and liabilities from counterparties and record changes in the derivative assets and liabilities based on those valuations. The derivative assets and liabilities held by us at December 31, 2005 include a secured forward exchange contract with respect to 10,937,900 shares of Viacom stock and a fixed to variable interest rate swap. The measurement of these derivatives’ fair values requires the use of estimates and assumptions.

The key assumption used to determine the fair value of our secured forward exchange contract was the underlying value of the Viacom stock. Changes in this assumption could materially impact the determination of the fair value of the secured forward exchange contract and the related net gain or loss on the investment in Viacom stock and related derivatives. For example, a 5% increase in the value of the Viacom stock at December 31, 2005 would have resulted in a decrease of $1.1 million in the 2005 net pre-tax loss on the investment in Viacom stock and related derivatives. Likewise, a 5% decrease in the value of the Viacom stock at December 31, 2005 would have resulted in an increase of $0.8 million in the 2005 net pre-tax loss on the investment in Viacom stock and related derivative. The key assumption used to determine the fair value of our fixed to variable interest rate swap was changes in LIBOR interest rates. Changes in this assumption could materially impact the determination of the fair value of this derivative and the related charge to 2005 interest expense. For example, if LIBOR rates were to increase by 100 basis points each, our annual net interest cost on debt amounts associated with this interest rate swap would increase by approximately $1.3 million.

Income taxes. We account for income taxes in accordance with SFAS No. 109, “Accounting for Income Taxes.” Under SFAS 109, deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases, using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

We must assess the likelihood that we will be able to recover our deferred tax assets. If recovery is not likely, the provision for taxes is increased by recording a reserve, in the form of a valuation allowance, against the estimated deferred tax assets that will not ultimately be recoverable.

We have federal and state net operating loss and tax credit carryforwards for which management believes it is more-likely-than-not that future taxable income will be sufficient to realize the recorded deferred tax assets. Management considers the scheduled reversal of deferred tax liabilities, projected future taxable income and tax planning strategies, which involve estimates and uncertainties, in making this assessment. Projected future taxable income is based on management's forecast of our operating results. Management periodically reviews such forecasts in comparison with actual results and expected trends. We have established valuation allowances for deferred tax assets primarily associated with certain subsidiaries with state operating loss carryforwards and tax credit carryforwards. At December 31, 2005, we had federal net operating loss carryforwards of $133.0 million, federal tax credits of $7.0 million, state net operating loss carryforwards of $408.8 million, and foreign net operating loss carryforwards of $14.0 million. A valuation allowance of $15.2 million has been provided for certain state and foreign deferred tax assets, including loss carryforwards, as of December 31, 2005. In the event management determines that sufficient future taxable income, in light of tax planning strategies, may not be generated to fully recover net deferred tax assets, we will be required to adjust our deferred tax valuation allowance in the period in which we determine recovery is not probable.

In addition, we must deal with uncertainties in the application of complex tax regulations in the calculation of tax liabilities and are subject to routine income tax audits. We estimate the contingent income tax liabilities that may result from these audits based on our assessment of potential income tax-related exposures and the relative probabilities of those exposures translating into actual future liabilities. Probabilities are estimated based on the likelihood that the taxing authority will disagree with a tax position that will negatively affect the amount of taxes previously paid or currently due. If payment of the accrued amounts ultimately proves to be unnecessary, the reversal of the liabilities would result in either the recognition of tax benefits or an adjustment to goodwill in the period when we determine the liabilities are no longer necessary. If our estimate of tax liabilities proves to be less than the ultimate assessment, a further charge to our tax provision or an adjustment to goodwill would result.

Retirement and postretirement benefits other than pension plans. The costs and obligations of our retirement and postretirement benefits other than pension plans recognized in our consolidated financial statements are determined from actuarial valuations, which are dependent on significant assumptions, judgments, and estimates. These assumptions, judgments, and estimates, which include discount rates at which the liabilities could be settled at the measurement date (September 30), expected return on plan assets, mortality rates, and health care cost trend rates, are evaluated at each annual measurement date. In accordance with generally accepted accounting principles, actual results that differ from these assumptions, judgments, and estimates are accumulated and amortized over future periods and, therefore, affect expense recognized and obligations recorded in future periods.

The discount rate utilized for determining future benefit obligations is based on the market rate of a broad-based index of high-quality bonds receiving an AA- or better rating from a recognized rating agency on our annual measurement date that is matched to the future expected cash flows of the benefit plans by annual periods. The resulting discount rate decreased from 6.0% at September 30, 2004 to 5.5% at September 30, 2005 for the retirement and postretirement benefit other than pension plans.

We determine the expected return on plan assets based on our estimate of the return that plan assets will provide over the period that benefits are expected to be paid out. In preparing this estimate, we consider our targeted allocation of plan assets among securities with various risk and return profiles, as well as the actual returns provided by plan assets in prior periods. The expected return on plan assets is a long-term assumption and generally does not change annually. The expected return on plan assets assumption used for determining net periodic pension expense for 2005 and 2004 was 8.0%. Our historical actual return averaged 8.5% for the ten-year period ended December 31, 2005.

The mortality rate assumption used for determining future benefit obligations as of September 30, 2005 was based on the RP 2000 Mortality Tables. The mortality rate assumption used for determining future benefit obligations as of September 30, 2004 was based on the 1983 Group Annuity Mortality Tables. We changed the basis for our mortality rate assumption in 2005 because we believe the RP 2000 Mortality Tables provides more current data on mortality rates. In estimating the health care cost trend rate, we consider our actual health care cost experience, industry trends, and advice from our third-party actuary. We assume that the relative increase in health care costs will generally trend downward over the next several years, reflecting assumed increases in efficiency in the health care system and industry-wide cost containment initiatives.

While management believes that the assumptions used are appropriate, differences in actual experience or changes in assumptions may affect our pension and postretirement benefit obligations and expense. For example, holding all other assumptions constant, a 1% increase or decrease in the assumed discount rate related to the retirement plan would (decrease) or increase, respectively, 2005 net period pension expense by approximately ($1.0 million) and $1.1 million, respectively. Likewise, a 1% increase or decrease in the assumed rate of return on plan assets would decrease or increase, respectively, 2005 net periodic pension expense by approximately $0.5 million.

A 1% increase or decrease in the assumed discount rate related to the postretirement benefit plan would increase or decrease, respectively, the aggregate of the service and interest cost components of 2005 net postretirement benefit expense by approximately $9,000 and $25,000, respectively. Finally, a 1% increase in the assumed health care cost trend rate each year would increase the aggregate of the service and interest cost components of 2005 net postretirement benefit expense by $0.1 million. Conversely, a 1% decrease in the assumed health care cost trend rate each year would decrease the aggregate of the service and interest cost components of 2005 net postretirement benefit expense by approximately $0.1 million.

Recently Issued Accounting Standards

In May 2004, the FASB issued Staff Position No. 106-2, "Accounting and Disclosure Requirements Related to the Medicare Prescription Drug, Improvement and Modernization Act of 2003". The Prescription Drug Act introduces a prescription drug benefit under Medicare Part D as well as a federal subsidy to sponsors of retiree health care benefit plans that provide a benefit that is at least actuarially equivalent to Medicare Part D. This standard requires sponsors of defined benefit postretirement health care plans to make a reasonable determination whether (1) the prescription drug benefits under its plan are actuarially equivalent to Medicare Part D and thus qualify for the subsidy under the Prescription Drug Act and (2) the expected subsidy will offset or reduce the employer's share of the cost of the underlying postretirement prescription drug coverage on which the subsidy is based. Sponsors whose plans meet both of these criteria are required to re-measure the accumulated postretirement benefit obligation and net periodic postretirement benefit expense of their plans to reflect the effects of the Prescription Drug Act in the first interim or annual reporting period beginning after September 15, 2004. Earlier application of this Staff Position is encouraged. We elected to adopt the provisions of FASB Staff Position No. 106-2 during the second quarter of 2004 and re-measured our accumulated benefit obligation and net periodic postretirement benefit expense accordingly. See Note 16 in the accompanying financial statements for a discussion regarding the impact of this Statement on our consolidated financial statements.

In December 2004, the FASB issued SFAS No. 123(R), *Share Based Payment*, which replaces SFAS No. 123 and supercedes APB 25. SFAS No. 123(R) requires the measurement of all share-based payments to employees, including grants of employee stock options, using a fair-value based method and the recording of such expense over the related vesting period. SFAS No. 123(R) also requires the recognition of compensation expense for the fair value of any unvested stock option awards outstanding at the date of adoption. The proforma disclosure previously permitted under SFAS No. 123 and SFAS No. 148 is no longer an alternative under SFAS No. 123(R). Our effective date for adopting SFAS 123(R) is the beginning of the first fiscal year beginning after June 15, 2005, which will be January 1, 2006. Early adoption is permitted but not required. We plan to adopt the modified prospective method permitted under SFAS No. 123(R). Under this method, companies are required to record compensation expense for new and modified awards over the related vesting period of such awards prospectively and record compensation expense prospectively for the unvested portion, at the date of adoption, of previously issued and outstanding awards over the remaining vesting period of such awards. No change to prior periods is permitted under the modified prospective method. Based on the unvested stock option awards outstanding as of December 31, 2005 that are expected to remain unvested as of January 1, 2006, we expect to recognize additional pre-tax compensation expense during 2006 of approximately $4.9 million beginning in the first quarter of 2006 as a result of the adoption of SFAS No. 123(R). Future levels of compensation expense recognized related to stock option awards (including the aforementioned) may be impacted by new awards and/or modifications, repurchases and cancellations of existing awards before and after the adoption of this standard.

In December 2004, the FASB issued SFAS No. 153, "Exchanges of Nonmonetary Assets – An Amendment of APB Opinion No. 29". The amendments made by SFAS No. 153 are based on the principle that exchanges of non-monetary assets should be measured based on the fair value of the assets exchanged. Further, the amendments eliminate the exception for non-monetary exchanges of similar productive assets and replace it with a general exception for exchanges of non-monetary assets that do not have commercial substance. SFAS No. 153 is to be applied prospectively for non-monetary exchanges occurring in fiscal periods beginning after June 15, 2005. The adoption of SFAS No. 153 did not have a material impact on our financial position or results of operations.

In May 2005, the FASB issued SFAS No. 154, *Accounting Changes and Error Corrections*. SFAS No. 154 is a replacement of APB Opinion No. 20, *Accounting Changes*, and SFAS No. 3, *Reporting Accounting Changes in Interim Financial Statements*. This statement applies to all voluntary changes in accounting principle and changes the accounting for and reporting of a change in accounting principle. SFAS No. 154 requires retrospective application to prior periods' financial statements of a voluntary change in accounting principle unless it is impracticable to do so. APB Opinion No. 20 previously required that most voluntary changes in accounting principle be recognized by including in net income of the period of the change the cumulative effect of changing to the new accounting principle. SFAS No. 154 carries forward many provisions of APB Opinion 20 without change, including the

provisions related to the reporting of a change in accounting estimate, a change in the reporting entity, and the correction of an error. SFAS No. 154 is effective for accounting changes and corrections of errors made in fiscal years beginning after December 15, 2005. Earlier application is permitted for accounting changes and corrections of errors made occurring in fiscal years beginning after June 1, 2005. SFAS No. 154 does not change the transition provisions of any existing accounting pronouncements, including those that are in a transition phase as of the effective date of the statement. We do not expect the adoption of SFAS No. 154 to have a material impact on the Company's financial position or results of operations.

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 from changes in the value of our investment in Viacom stock and changes in interest rates.

Risk Related to a Change in Value of our Investment in Viacom Stock

At December 31, 2005, we held an investment of 10.9 million shares of Viacom stock, which was received as the result of the sale of television station KTVT to CBS in 1999 and the subsequent acquisition of CBS by Viacom in 2000. We entered into a secured forward exchange contract related to 10.9 million shares of the Viacom stock in 2000. The secured forward exchange contract protects us against decreases in the fair market value of the Viacom stock, while providing for participation in increases in the fair market value. At December 31, 2005, the fair market value of our investment in the 10.9 million shares of Viacom stock was $356.6 million, or $32.60 per share. The secured forward exchange contract protects us against decreases in the fair market value of the Viacom Stock below $56.05 per share by way of a put option; the secured forward exchange contract also provides for participation in the increases in the fair market value of the Viacom Stock in that we receive 100% of the appreciation between $56.05 and $64.45 per share and, by way of a call option, 25.93% of the appreciation above $64.45 per share, as of December 31, 2005. The call option strike price decreased from $67.97 as of December 31, 2004 to $64.45 as of December 31, 2005 due to the Company receiving dividend distributions from Viacom. We elected not to retain the dividend distribution declared by Viacom during the third and fourth quarters of 2005 and expect to remit any future dividend distributions declared by Viacom to Credit Suisse.

Changes in the market price of the Viacom stock could have a significant impact on future earnings. For example, a 5% increase in the value of the Viacom stock at December 31, 2005 would have resulted in a decrease of $1.1 million in the 2005 net pre-tax loss on the investment in Viacom stock and related derivatives. Likewise, a 5% decrease in the value of the Viacom stock at December 31, 2005 would have resulted in an increase of $0.8 million in the 2005 net pre-tax loss on the investment in Viacom stock and related derivative.

Risks Related to Changes in Interest Rates

Interest rate risk related to our indebtedness. We have exposure to interest rate changes primarily relating to outstanding indebtedness under our 8% Senior Notes and our new $600 million credit facility.

In conjunction with our offering of the 8% Senior Notes, we terminated our variable to fixed interest rate swaps with an original notional value of $200 million related to the senior term loan and the subordinated term loan portions of the 2003 Florida/ Texas senior secured credit facility which were repaid for a net benefit aggregating approximately $242,000.

We also entered into a new interest rate swap with respect to $125 million aggregate principal amount of our 8% Senior Notes. This interest rate swap, which has a term of ten years, effectively adjusts the interest rate of that portion of the 8% Senior Notes to LIBOR plus 2.95%. The interest rate swap on the 8% Senior Notes are deemed effective and therefore the hedge has been treated as an effective fair value hedge under SFAS No. 133. If LIBOR were to increase by 100 basis points, our annual interest cost on the 8% Senior Notes would increase by approximately $1.3 million.

Borrowings outstanding under our new $600 million credit facility bear interest at our election of either LIBOR plus 2% or the lending banks' base rate plus 1%, subject to adjustments based on our financial performance. If LIBOR were to increase by 100 basis points, our annual interest cost on borrowings outstanding under our new $600.0 million credit facility as of December 31, 2005 would increase by approximately $0.2 million.

Cash Balances. Certain of our outstanding cash balances are occasionally invested overnight with high credit quality financial institutions. We do not have significant exposure to changing interest rates on invested cash at December 31, 2005. As a result, the interest rate market risk implicit in these investments at December 31, 2005, if any, is low.

Risks Related to Foreign Currency Exchange Rates.

Substantially all of our revenues are realized in U.S. dollars and are from customers in the United States. Although we own certain subsidiaries who conduct business in foreign markets and whose transactions are settled in foreign currencies, these operations are not material to our overall operations. Therefore, we do not believe we have any significant foreign currency exchange rate risk. We do not hedge against foreign currency exchange rate changes and do not speculate on the future direction of foreign currencies.

Summary

Based upon our overall market risk exposures at December 31, 2005, we believe that the effects of changes in the stock price of our Viacom stock or interest rates could be material to our consolidated financial position, results of operations or cash flows. However, we believe that the effects of fluctuations in foreign currency exchange rates on our consolidated financial position, results of operations or cash flows would not be material.

Forward-Looking Statements

This report contains statements with respect to the Company's beliefs and expectations of the outcomes of future events that are forward-looking statements as defined in the Private Securities Litigation Reform Act of 1995. These forward-looking statements are subject to risks and uncertainties, including, without limitation, the factors set forth under the caption "Risk Factors." Forward-looking statements include discussions regarding the Company's operating strategy, strategic plan, hotel development strategy, industry and economic conditions, financial condition, liquidity and capital resources, and results of operations. You can identify these statements by forward-looking words such as "expects," "anticipates," "intends," "plans," "believes," "estimates," "projects," and similar expressions. Although we believe that the plans, objectives, expectations and prospects reflected in or suggested by our forward-looking statements are reasonable, those statements involve uncertainties and risks, and we cannot assure you that our plans, objectives, expectations and prospects will be achieved. Our actual results could differ materially from the results anticipated by the forward-looking statements as a result of many known and unknown factors, including, but not limited to, those contained in "Risk Factors", "Management's Discussion and Analysis of Financial Condition and Results of Operations", and elsewhere in this report. All written or oral forward-looking statements attributable to us are expressly qualified in their entirety by these cautionary statements. The Company does not undertake any obligation to update or to release publicly any revisions to forward-looking statements contained in this report to reflect events or circumstances occurring after the date of this report or to reflect the occurrence of unanticipated events.

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

The information called for by this Item is provided under the caption "Market Risk" under "Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations" and incorporated by reference herein.

Item 8. ***Financial Statements and Supplementary Data***

Information with respect to this Item is contained in the Company's consolidated financial statements included in the Index beginning on page F-1 of this Annual Report on Form 10-K and incorporated by reference herein.

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

None.

Item 9A. *Controls and Procedures*

Conclusion Regarding the Effectiveness of Disclosure Controls and Procedures

Under the supervision and with the participation of our management, including our principal executive officer and principal financial officer, we conducted an evaluation of our disclosure controls and procedures, as such term is defined under Rule 13a-15(e) promulgated under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), as of the end of the period covered by this Annual Report. Based on this evaluation, our principal executive officer and our principal financial officer concluded that our disclosure controls and procedures were effective, as of the end of the period covered by this Annual Report, to ensure the information is recorded, summarized and reported in a manner to allow appropriate and timely decisions regarding required disclosures by the Exchange Act within the time period specified in the rules and forms of the Securities and Exchange Commission.

Management's Report on Internal Control Over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting as defined in Rules 13a-15(f) and 15d-15(f) under the Securities Exchange Act of 1934. The Company's internal control over financial reporting is designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. The Company's internal control over financial reporting includes those policies and procedures that:

(i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;

(ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and

(iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the Company's assets that could have a material effect on the financial statements.

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

Management assessed the effectiveness of the Company's internal control over financial reporting as of December 31, 2005. In making this assessment, management used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) in Internal Control - Integrated Framework.

Based on management's assessment and those criteria, management believes that, as of December 31, 2005, the Company's internal control over financial reporting was effective.

The Company's independent registered public accounting firm, Ernst & Young LLP, has issued an attestation report on management's assessment of the Company's internal control over financial reporting. That report begins on page F-3 and is incorporated by reference herein.

Changes in Internal Control Over Financial Reporting

There have been no changes in our internal control over financial reporting that occurred during the period covered by this report that have materially affected, or a likely to materially affect, our internal control over financial reporting.

Item 9B. *Other Information*

None.

PART III

Item 10. *Directors and Executive Officers of the Registrant*

Information about our Board of Directors is incorporated herein by reference to the discussion under the heading “Election of Directors” in our Proxy Statement for the 2006 Annual Meeting of Stockholders, to be filed with the Securities and Exchange Commission.

Information required by Item 405 of Regulation S-K is incorporated herein by reference to the discussion under the heading “Section 16(a) Beneficial Ownership Reporting Compliance” in our Proxy Statement for the 2006 Annual Meeting of Stockholders, to be filed with the Securities and Exchange Commission.

Certain other information concerning executive officers and certain other officers of the Company is included in Part I of this Annual Report on Form 10-K under the caption “Executive Officers of the Registrant.”

The Company has a separately designated audit committee of the board of directors established in accordance with the Exchange Act. Michael I. Roth, Michael Bender, Laurence S. Geller and Robert P. Bowen currently serve as members of the Audit Committee. Our Board of Directors has determined that Robert P. Bowen is an “audit committee financial expert” as defined by the SEC and is independent, as that term is defined in the Exchange Act.

Our Board of Directors has adopted a Code of Business Conduct and Ethics applicable to the members of our Board of Directors and our officers, including our Principal Executive Officer, Principal Financial Officer and Principal Accounting Officer. In addition, the Board of Directors has adopted Corporate Governance Guidelines and restated charters for our Audit Committee, Human Resources Committee, and Nominating and Corporate Governance Committee. You can access our Code of Business Conduct and Ethics, Corporate Governance Guidelines and current committee charters on our website at www.gaylordentertainment.com or request a copy of any of the foregoing by writing to the following address: Gaylord Entertainment Company, Attention: Secretary, One Gaylord Drive, Nashville, Tennessee 37214. The Company will make any legally required disclosures regarding amendments to, or waivers of, provisions of the Code of Business Conduct and Ethics, Corporate Governance Guidelines or current committee charters on its website. In accordance with the corporate governance listing standards of the New York Stock Exchange, the Company has designated Mr. Ralph Horn as the lead director at all meetings of non-management directors, which meetings will be held on a regular basis. Stockholders may communicate with Mr. Horn, individual non-management directors, or the non-management directors as a group, by email at boardofdirectors@gaylordentertainment.com.

Item 11. *Executive Compensation*

The information required by this Item is incorporated herein by reference to the discussion under the heading “Executive Compensation” in our Proxy Statement for the 2006 Annual Meeting of Stockholders, to be filed with the Securities and Exchange Commission.

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

The information required by this Item is incorporated herein by reference to the discussions under the headings “Beneficial Ownership” and “Equity Compensation Plan Information” in our Proxy Statement for the 2006 Annual Meeting of Stockholders, to be filed with the Securities and Exchange Commission.

Item 13. *Certain Relationships and Related Transactions*

The information required by this Item is incorporated herein by reference to the discussion under the heading “Certain Relationships and Related Transactions” in our Proxy Statement for the 2006 Annual Meeting of Stockholders, to be filed with the Securities and Exchange Commission.

Item 14. *Principal Accountant Fees and Services*

The information required by this Item is incorporated herein by reference to the discussion under the heading “Information About the Company’s Registered Public Accounting Firm — Fee Information” in our Proxy Statement for the 2006 Annual Meeting of Stockholders, to be filed with the Securities and Exchange Commission.

PART IV

Item 15. ***Exhibits and Financial Statement Schedules***

(a)(1) *Financial Statements*

The accompanying index to financial statements on page F-1 of this Annual Report on Form 10-K is provided in response to this Item.

(a)(2) *Financial Statement Schedules*

The following financial statement schedules are filed as a part of this report, with reference to the applicable pages of this Annual Report on Form 10-K:

Schedule II – Valuation and Qualifying Accounts for the Year Ended December 31, 2005	S-2
Schedule II – Valuation and Qualifying Accounts for the Year Ended December 31, 2004	S-3
Schedule II – Valuation and Qualifying Accounts for the Year Ended December 31, 2003	S-4

All other financial statement schedules for which provision is made in the applicable accounting regulations of the Securities and Exchange Commission are not required under the related instructions or are inapplicable and, therefore, have been omitted.

(a)(3) *Exhibits*

See Index to Exhibits.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) 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.

GAYLORD ENTERTAINMENT COMPANY

By: /s/ Colin V. Reed
Colin V. Reed
Chairman of the Board of Directors, President and Chief Executive Officer

March 15, 2006

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed by the following persons on behalf of the registrant in the capacities and on the dates indicated.

Signature	Title	Date
/s/ Colin V. Reed Colin V. Reed	Chairman of the Board of Directors, President and Chief Executive Officer	March 15, 2006
/s/ Michael J. Bender Michael J. Bender	Director	March 15, 2006
/s/ Robert P. Bowen Robert P. Bowen	Director	March 15, 2006
/s/ E.K. Gaylord, II E.K. Gaylord, II	Director	March 15, 2006
/s/ Laurence S. Geller Laurence S. Geller	Director	March 15, 2006
/s/ E. Gordon Gee E. Gordon Gee	Director	March 15, 2006
/s/ Ralph Horn Ralph Horn	Director	March 15, 2006
/s/ Ellen Levine Ellen Levine	Director	March 15, 2006
/s/ Michael D. Rose Michael D. Rose	Director	March 15, 2006
/s/ Michael I. Roth Michael I. Roth	Director	March 15, 2006
/s/ David C. Kloeppel David C. Kloeppel	Executive Vice President and Chief Financial Officer (Principal Financial Officer)	March 15, 2006
/s/ Rod Connor Rod Connor	Senior Vice President and Chief Administrative Officer (Principal Accounting Officer)	March 15, 2006

INDEX TO CONSOLIDATED FINANCIAL STATEMENTS

Gaylord Entertainment Company and Subsidiaries Audited Consolidated Financial Statements as of December 31, 2005 and 2004 and for Each of the Three Years in the Period Ended December 31, 2005

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Consolidated Statements of Operations for the Years ended December 31, 2005, 2004, and 2003	F-4
Consolidated Balance Sheets as of December 31, 2005 and 2004	F-5
Consolidated Statements of Cash Flows for the Years ended December 31, 2005, 2004, and 2003	F-6
Consolidated Statements of Stockholders' Equity for the Years ended December 31, 2005, 2004, and 2003	F-7
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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM ON THE CONSOLIDATED FINANCIAL STATEMENTS

To the Board of Directors and Stockholders of Gaylord Entertainment Company

We have audited the accompanying consolidated balance sheets of Gaylord Entertainment Company and subsidiaries as of December 31, 2005 and 2004, and the related consolidated statements of operations, cash flows, and stockholders' equity for each of the three years in the period ended December 31, 2005. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of Gaylord Entertainment Company and subsidiaries at December 31, 2005 and 2004, and the consolidated results of their operations and their cash flows for each of the three years in the period ended December 31, 2005, in conformity with U.S. generally accepted accounting principles.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the effectiveness of Gaylord Entertainment Company's internal control over financial reporting as of December 31, 2005, based on criteria established in Internal Control – Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission and our report dated March 10, 2006 expressed an unqualified opinion thereon.

/s/ ERNST & YOUNG LLP

Nashville, Tennessee
March 10, 2006

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM ON INTERNAL CONTROL OVER FINANCIAL REPORTING

To the Board of Directors and Stockholders of Gaylord Entertainment Company

We have audited management's assessment, included in Management's Report on Internal Control Over Financial Reporting included in this Annual Report, that Gaylord Entertainment Company maintained effective internal control over financial reporting as of December 31, 2005, based on criteria established in Internal Control—Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (the COSO criteria). Gaylord Entertainment Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting. Our responsibility is to express an opinion on management's assessment and an opinion on the effectiveness of the company's internal control over financial reporting based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, evaluating management's assessment, testing and evaluating the design and operating effectiveness of internal control, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

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

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

In our opinion, management's assessment that Gaylord Entertainment Company maintained effective internal control over financial reporting as of December 31, 2005, is fairly stated, in all material respects, based on the COSO criteria. Also, in our opinion, Gaylord Entertainment Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2005, based on the COSO criteria.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the consolidated balance sheets of Gaylord Entertainment Company as of December 31, 2005 and 2004, and the related consolidated statements of operations, cash flows and stockholders' equity for each of the three years in the period ended December 31, 2005, and our report dated March 10, 2006 expressed an unqualified opinion thereon.

/s/ ERNST & YOUNG LLP

Nashville, Tennessee
March 10, 2006

GAYLORD ENTERTAINMENT COMPANY AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS
For the Years Ended December 31, 2005, 2004 and 2003
(Amounts in thousands, except per share data)

	2005	2004	2003
REVENUES	**$868,789**	$730,827	$447,263
OPERATING EXPENSES:			
Operating costs	**554,860**	466,511	275,812
Selling, general and administrative	**204,662**	184,952	116,864
Preopening costs	**5,005**	14,205	11,562
Impairment and other charges	**—**	1,212	856
Restructuring charges	**—**	196	—
Depreciation	**72,646**	68,768	53,912
Amortization	**10,583**	8,915	5,009
Operating income (loss)	**21,033**	(13,932)	(16,752)
INTEREST EXPENSE, NET OF AMOUNTS CAPITALIZED	**(73,169)**	(55,064)	(52,804)
INTEREST INCOME	**2,479**	1,501	2,461
UNREALIZED (LOSS) GAIN ON VIACOM STOCK	**(41,554)**	(87,914)	39,831
UNREALIZED GAIN (LOSS) ON DERIVATIVES	**35,705**	56,533	(33,228)
INCOME FROM UNCONSOLIDATED COMPANIES	**2,169**	3,825	2,340
OTHER GAINS AND (LOSSES)	**6,656**	1,089	2,209
Loss before benefit for income taxes and discontinued operations	**(46,681)**	(93,962)	(55,943)
BENEFIT FOR INCOME TAXES	**(15,147)**	(39,709)	(23,784)
Loss from continuing operations	**(31,534)**	(54,253)	(32,159)
(LOSS) GAIN FROM DISCONTINUED OPERATIONS, NET OF TAXES	**(2,416)**	615	34,411
Net (loss) income	**$ (33,950)**	$ (53,638)	$ 2,252
(LOSS) INCOME PER SHARE:			
Loss from continuing operations	**$ (0.78)**	$ (1.37)	$ (0.93)
(Loss) gain from discontinued operations, net of taxes	**(0.07)**	0.02	1.00
Net (loss) income	**$ (0.85)**	$ (1.35)	$ 0.07
(LOSS) INCOME PER SHARE — ASSUMING DILUTION:			
Loss from continuing operations	**$ (0.78)**	$ (1.37)	$ (0.93)
(Loss) gain from discontinued operations, net of taxes	**(0.07)**	0.02	1.00
Net (loss) income	**$ (0.85)**	$ (1.35)	$ 0.07

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

GAYLORD ENTERTAINMENT COMPANY AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
December 31, 2005 and 2004
(Amounts in thousands, except per share data)

	December 31, 2005	December 31, 2004
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents — unrestricted	**$ 59,797**	$ 43,498
Cash and cash equivalents — restricted	**23,651**	42,963
Short-term investments	**—**	27,000
Trade receivables, less allowance of $2,471 and $1,755, respectively	**37,168**	30,873
Deferred financing costs	**26,865**	26,865
Deferred income taxes	**8,861**	10,411
Other current assets	**29,298**	28,182
Current assets of discontinued operations	**2,649**	4,221
Total current assets	**188,289**	214,013
PROPERTY AND EQUIPMENT, NET OF ACCUMULATED DEPRECIATION	**1,404,419**	1,341,808
INTANGIBLE ASSETS, NET OF ACCUMULATED AMORTIZATION	**27,828**	25,962
GOODWILL	**178,088**	162,792
INDEFINITE LIVED INTANGIBLE ASSETS	**40,315**	40,315
INVESTMENTS	**429,295**	468,570
ESTIMATED FAIR VALUE OF DERIVATIVE ASSETS	**220,430**	187,383
LONG-TERM DEFERRED FINANCING COSTS	**29,144**	50,873
OTHER ASSETS	**14,136**	24,088
LONG-TERM ASSETS OF DISCONTINUED OPERATIONS	**646**	5,241
Total assets	**$2,532,590**	$2,521,045
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Current portion of long-term debt and capital lease obligations	**$ 1,825**	$ 463
Accounts payable and accrued liabilities	**190,692**	163,927
Current liabilities of discontinued operations	**3,650**	5,794
Total current liabilities	**196,167**	170,184
SECURED FORWARD EXCHANGE CONTRACT	**613,054**	613,054
LONG-TERM DEBT AND CAPITAL LEASE OBLIGATIONS, NET OF CURRENT PORTION	**598,475**	575,946
DEFERRED INCOME TAXES	**177,652**	205,682
ESTIMATED FAIR VALUE OF DERIVATIVE LIABILITIES	**1,994**	4,514
OTHER LIABILITIES	**96,564**	81,942
LONG-TERM LIABILITIES OF DISCONTINUED OPERATIONS	**117**	122
COMMITMENTS AND CONTINGENCIES		
STOCKHOLDERS' EQUITY:		
Preferred stock, $.01 par value, 100,000 shares authorized, no shares issued or outstanding	**—**	—
Common stock, $.01 par value, 150,000 shares authorized, 40,307 and 39,930 shares issued and outstanding, respectively	**403**	399
Additional paid-in capital	**670,828**	655,110
Retained earnings	**198,320**	232,270
Unearned compensation	**(1,673)**	(1,337)
Accumulated other comprehensive loss	**(19,311)**	(16,841)
Total stockholders' equity	**848,567**	869,601
Total liabilities and stockholders' equity	**$2,532,590**	$2,521,045

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

GAYLORD ENTERTAINMENT COMPANY AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
For the Years Ended December 31, 2005, 2004 and 2003
(Amounts in thousands)

	2005	2004	2003
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net (loss) income	**$ (33,950)**	$ (53,638)	$ 2,252
Amounts to reconcile net (loss) income to net cash flows provided by operating activities:			
Loss (gain) from discontinued operations, net of taxes	**2,416**	(615)	(34,411)
Income from unconsolidated companies	**(2,169)**	(3,825)	(2,340)
Impairment and other charges	**—**	1,212	856
Unrealized loss (gain) on Viacom stock and related derivatives	**5,849**	31,381	(6,603)
Depreciation and amortization	**83,229**	77,683	58,921
Dividends received from investment in RHAC Holdings, LLC	**455**	—	—
Gain on sale of assets	**(2,606)**	—	—
Loss on sale of First Resort Software assets	**—**	1,817	—
Benefit for deferred income taxes	**(15,147)**	(39,690)	(23,928)
Amortization of deferred financing costs	**29,724**	29,269	35,219
Changes in (net of acquisitions and divestitures):			
Trade receivables	**(5,434)**	(10,079)	3,195
Accounts payable and accrued liabilities	**11,214**	20,745	17,085
Other assets and liabilities	**10,071**	3,444	13,707
Net cash flows provided by operating activities — continuing operations	**83,652**	57,704	63,953
Net cash flows provided by (used in) operating activities — discontinued operations	**(2,800)**	(1,991)	2,833
Net cash flows provided by operating activities	**80,852**	55,713	66,786
CASH FLOWS FROM INVESTING ACTIVITIES:			
Purchases of property and equipment	**(129,540)**	(127,536)	(223,655)
Cash of business acquired	**—**	—	4,228
Acquisition of businesses, net of cash acquired	**(20,223)**	—	—
Investment in RHAC Holdings, LLC	**(5,225)**	—	—
Returns of investment in RHAC Holdings, LLC	**2,389**	—	—
Proceeds from sale of assets	**10,478**	1,485	175
Collection of note receivable	**7,500**	—	10,000
Purchases of short-term investments	**(15,000)**	(130,850)	(254,500)
Proceeds from sale of short-term investments	**42,000**	165,850	242,800
Other investing activities	**(2,472)**	(4,069)	(2,328)
Net cash flows used in investing activities — continuing operations	**(110,093)**	(95,120)	(223,280)
Net cash flows provided by (used in) investing activities — discontinued operations	**1,195**	(318)	65,289
Net cash flows used in investing activities	**(108,898)**	(95,438)	(157,991)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Proceeds from issuance of long-term debt	**—**	225,000	550,000
Repayment of long-term debt	**—**	(199,181)	(425,104)
Borrowings under credit facility	**20,000**	—	—
Deferred financing costs paid	**(8,479)**	(4,951)	(18,289)
Decrease (increase) in cash and cash equivalents — restricted	**24,023**	(7,785)	(8,314)
Proceeds from exercise of stock options and stock purchase plans	**9,040**	11,529	4,459
Other financing activities	**(628)**	(693)	(594)
Net cash flows provided by financing activities — continuing operations	**43,956**	23,919	102,158
Net cash flows provided by (used in) financing activities — discontinued operations	**389**	359	(340)
Net cash flows provided by financing activities	**44,345**	24,278	101,818
NET CHANGE IN CASH AND CASH EQUIVALENTS — UNRESTRICTED	**16,299**	(15,447)	10,613
CASH AND CASH EQUIVALENTS — UNRESTRICTED, BEGINNING OF YEAR	**43,498**	58,945	48,332
CASH AND CASH EQUIVALENTS — UNRESTRICTED, END OF YEAR	**$ 59,797**	$ 43,498	$ 58,945

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

GAYLORD ENTERTAINMENT COMPANY AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
For the Years Ended December 31, 2005, 2004 and 2003
(Amounts in thousands)

	Common Stock	Paid-in Capital	Retained Earnings	Unearned Compensation	Comprehensive Income (Loss)	Stockholders' Equity
BALANCE, December 31, 2002	$ 338	$ 520,796	$ 283,656	$ (1,018)	$ (15,335)	$ 788,437
COMPREHENSIVE INCOME:						
Net income	—	—	2,252	—	—	2,252
Unrealized gain on interest rate derivatives, net of deferred income taxes	—	—	—	—	498	498
Minimum pension liability, net of deferred income taxes	—	—	—	—	(1,774)	(1,774)
Foreign currency translation, net of deferred income taxes	—	—	—	—	(33)	(33)
Comprehensive income						943
Acquisition of business	53	105,276	—	—	—	105,329
Conversion of stock options of acquired business	—	5,596	—	(1,387)	—	4,209
Exercise of stock options	2	4,187	—	—	—	4,189
Tax benefit on stock options	—	881	—	—	—	881
Employee stock plan purchases	—	270	—	—	—	270
Shares issued to employees	—	24	—	—	—	24
Issuance of restricted stock	1	1,237	—	(1,238)	—	—
Cancellation of restricted stock	—	(43)	—	43	—	—
Compensation expense	—	1,615	—	896	—	2,511
BALANCE, December 31, 2003	$ 394	$ 639,839	$ 285,908	$ (2,704)	$ (16,644)	$ 906,793
COMPREHENSIVE LOSS:						
Net loss	—	—	(53,638)	—	—	(53,638)
Unrealized loss on interest rate derivatives, net of deferred income taxes	—	—	—	—	(105)	(105)
Minimum pension liability, net of deferred income taxes	—	—	—	—	(187)	(187)
Foreign currency translation, net of deferred income taxes	—	—	—	—	95	95
Comprehensive loss						(53,835)
Exercise of stock options	5	11,207	—	—	—	11,212
Tax benefit on stock options	—	1,575	—	—	—	1,575
Employee stock plan purchases	—	306	—	—	—	306
Shares issued to employees	—	11	—	—	—	11
Issuance of restricted stock	—	935	—	(935)	—	—
Cancellation of restricted stock	—	(209)	—	209	—	—
Compensation expense	—	2,988	—	2,093	—	5,081
Adjustment to stock options of acquired business	—	(1,542)	—	—	—	(1,542)
BALANCE, December 31, 2004	$ 399	$ 655,110	$ 232,270	$ (1,337)	$ (16,841)	$ 869,601
COMPREHENSIVE LOSS:						
Net loss	**—**	**—**	**(33,950)**	**—**	**—**	**(33,950)**
Unrealized loss on interest rate derivatives, net of deferred income taxes	**—**	**—**	**—**	**—**	**(19)**	**(19)**
Minimum pension liability, net of deferred income taxes	**—**	**—**	**—**	**—**	**(2,403)**	**(2,403)**
Foreign currency translation, net of deferred income taxes	**—**	**—**	**—**	**—**	**(48)**	**(48)**
Comprehensive loss						**(36,420)**
Exercise of stock options	**4**	**8,602**	**—**	**—**	**—**	**8,606**
Tax benefit on stock options	**—**	**2,185**	**—**	**—**	**—**	**2,185**
Employee stock plan purchases	**—**	**434**	**—**	**—**	**—**	**434**
Shares issued to employees	**—**	**17**	**—**	**—**	**—**	**17**
Issuance of restricted stock	**—**	**1,689**	**—**	**(1,689)**	**—**	**—**
Cancellation of restricted stock	**—**	**(200)**	**—**	**200**	**—**	**—**
Compensation expense	**—**	**3,099**	**—**	**1,153**	**—**	**4,252**

Restricted stock shares surrendered	**—**	**(108)**	**—**	**—**	**—**	**(108)**
BALANCE, December 31, 2005	**$ 403**	**$ 670,828**	**$ 198,320**	**$ (1,673)**	**$ (19,311)**	**$ 848,567**

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

GAYLORD ENTERTAINMENT COMPANY AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. Description of the Business and Summary of Significant Accounting Policies

Gaylord Entertainment Company (the "Company") is a diversified hospitality and entertainment company operating, through its subsidiaries, principally in four business segments: Hospitality; ResortQuest; Opry and Attractions; and Corporate and Other.

During the third quarter of 2005, the Company committed to a plan of disposal of certain markets of its ResortQuest business that were considered to be inconsistent with the Company's long term growth strategy ("ResortQuest Discontinued Markets"). The ResortQuest Discontinued Markets, along with other businesses with respect to which the Company pursued plans of disposal in prior periods, have been presented as discontinued operations, net of taxes, for all periods presented.

Business Segments

Hospitality

The Hospitality segment includes the operations of Gaylord Hotels branded hotels and the Radisson Hotel at Opryland. At December 31, 2005, the Company owns and operates the Gaylord Opryland Resort and Convention Center ("Gaylord Opryland" and formerly known as the "Opryland Hotel Nashville"), the Gaylord Palms Resort and Convention Center ("Gaylord Palms"), the Gaylord Texan Resort and Convention Center ("Gaylord Texan") and the Radisson Hotel at Opryland. Gaylord Opryland and the Radisson Hotel at Opryland are both located in Nashville, Tennessee. The Gaylord Palms in Kissimmee, Florida opened in January 2002. The Gaylord Texan in Grapevine, Texas opened in April 2004. The Company is also developing a hotel to be known as the Gaylord National Resort & Convention Center ("Gaylord National") and to be located on property the Company acquired on February 23, 2005 on the Potomac River in Prince George's County, Maryland (in the Washington, D.C. market).

ResortQuest

The ResortQuest segment includes the operations of our vacation property management services subsidiaries. This branded network of vacation properties currently offers management services to approximately 16,000 properties in 40 premier beach, mountain, desert, and tropical resort locations. The acquisition of ResortQuest International, Inc. ("ResortQuest") was completed on November 20, 2003 as further discussed in Note 5. The results of operations of ResortQuest from November 20, 2003 are included in these consolidated financial statements.

Opry and Attractions

The Opry and Attractions segment includes all of the Company's Nashville-based tourist attractions. At December 31, 2005, these include the Grand Ole Opry, the General Jackson Showboat, the Wildhorse Saloon, the Ryman Auditorium and the Gaylord Springs Golf Links, among others. The Opry and Attractions segment also includes Corporate Magic, which specializes in the production of creative events in the corporate entertainment marketplace, and WSM-AM.

Corporate and Other

Corporate and Other includes salaries and benefits of the Company's executive and administrative personnel and various other overhead costs. This segment also includes the expenses and activities associated with the Company's ownership of various investments, including Bass Pro. The Company owns a minority interest in Bass Pro, a leading retailer of premium outdoor sporting goods and fishing products. Until the first quarter of 2005, the Company owned a minority interest in the Nashville Predators, a National Hockey League professional team. On February 22, 2005, the Company disposed of its investment in the Nashville Predators and reached an agreement to exit the related naming rights agreement upon the terms and conditions described in Note 14.

Principles of Consolidation

The accompanying consolidated financial statements include the accounts of the Company and all of its majority-owned subsidiaries. The Company's investments in non-controlled entities in which it has the ability to exercise significant influence over operating and financial policies are accounted for by the equity method. The Company's investments in other entities are accounted for using the cost method. All significant intercompany accounts and transactions have been eliminated in consolidation.

Cash and Cash Equivalents — Unrestricted

The Company considers all highly liquid investments purchased with an original maturity of three months or less to be cash equivalents.

Cash and Cash Equivalents — Restricted

Restricted cash and cash equivalents represent guest advance deposits held in escrow for lodging reservations and deposits held on real estate transactions. As of December 31, 2004, restricted cash and cash equivalents also included amounts held in escrow to close the acquisition of a business in January 2005.

Supplemental Cash Flow Information

Cash paid for interest for the years ended December 31 was comprised of (amounts in thousands):

	2005	2004	2003
Debt interest paid	**$43,467**	$29,926	$ 20,638
Deferred financing costs paid	**8,479**	4,951	18,289
Capitalized interest	**(2,703)**	(5,464)	(14,810)
Cash paid for interest, net of capitalized interest	**$49,243**	$29,413	$ 24,117

Net cash refunds (payments) for income taxes were $0.3 million, ($0.7) million, and $1.0 million for the years ended December 31, 2005, 2004, and 2003, respectively.

Certain transactions have been reflected as non-cash activities in the accompanying consolidated statements of cash flows for 2005, 2004 and 2003 as further discussed below.

In March 2005, the Company donated 65,100 shares of its Viacom stock (with a market value of approximately $2.3 million) to a charitable foundation established by the Company, which was recorded as selling, general and administrative expense in the accompanying condensed consolidated statement of operations. This donation is reflected as an increase in net loss and a corresponding decrease in other assets and liabilities in the accompanying condensed consolidated statement of cash flows.

In connection with the settlement of litigation with the Nashville Hockey Club Limited Partnership ("NHC") on February 22, 2005, as further discussed in Note 14, the Company issued to NHC a 5-year, $5 million promissory note. Because the Company continued to accrue expense under the naming rights agreement throughout the course of this litigation, the issuance of this promissory note resulted in an increase in long term debt and capital lease obligations and a decrease in accounts payable and accrued liabilities in the accompanying condensed consolidated balance sheet and statement of cash flows.

The Company's net cash flows provided by investing activities — discontinued operations in 2005 and 2003 primarily consist of cash proceeds received from the sale of discontinued operations.

On November 20, 2003, the Company acquired 100% of the outstanding common shares of ResortQuest in a tax-free stock for stock merger for a total purchase price of $114.7 million. The total purchase price of the ResortQuest acquisition was comprised of the following (in thousands):

Fair value of common stock issued	$ 105,329
Fair value of stock options issued	5,596
Direct merger costs	3,773
Total	$ 114,698

The purchase price was allocated as follows (in thousands):

Assets acquired, including cash acquired of $4,228	$ 283,019
Liabilities assumed	(169,708)
Deferred stock-based compensation	1,387
Net assets acquired	$ 114,698

Short-Term Investments

Short-term investments, which consist of market auction rate debt securities, are classified as “available for sale” under the provisions of Statement of Financial Accounting Standards (“SFAS”) No. 115, “Accounting for Certain Investments in Debt and Equity Securities.” At December 31, 2005, the Company held no short-term investments. At December 31, 2004, the available for sale investments had contractual maturities ranging from June 1, 2034 to December 1, 2043. The Company’s stated investment policy is to sell these securities and repurchase similar securities at each auction date, which typically occurs every 28 days. Based on the Company’s historical practice of adhering to this investment policy and the Company’s intent to continue to adhere to this investment policy, the Company has classified these securities as short-term investments in its consolidated balance sheet.

Accounts Receivable

The Company’s accounts receivable are primarily generated by meetings and convention attendees’ room nights, as well as vacation rental property management fees. Receivables arising from these sales are not collateralized. Credit risk associated with the accounts receivable is minimized due to the large and diverse nature of the customer base. No customers accounted for more than 10% of the Company’s trade receivables at December 31, 2005.

Allowance for Doubtful Accounts

The Company provides allowances for doubtful accounts based upon a percentage of revenue and periodic evaluations of the aging of accounts receivable.

Deferred Financing Costs

Deferred financing costs consist of prepaid interest, loan fees and other costs of financing that are amortized over the term of the related financing agreements, using the effective interest method. For the years ended December 31, 2005, 2004 and 2003, deferred financing costs of $29.7 million, $29.3 million and $35.2 million, respectively, were amortized and recorded as interest expense in the accompanying consolidated statements of operations. The current portion of deferred financing costs at December 31, 2005 represents the amount of prepaid contract payments related to the secured forward exchange contract discussed in Note 8 that will be amortized in the coming year.

Property and Equipment

Property and equipment are stated at cost. Improvements and significant renovations that extend the lives of existing assets are capitalized. Interest on funds borrowed to finance the construction of major capital additions is included in the cost of the applicable capital addition. Maintenance and repairs are charged to expense as incurred. Property and equipment are depreciated using the straight-line method over the following estimated useful lives:

Buildings	40 years
Land improvements	20 years
Attractions-related equipment	16 years
Furniture, fixtures and equipment	3-8 years
Leasehold improvements	The shorter of the lease term or useful life

Impairment of Long-Lived Assets

In accounting for the Company's long-lived assets other than goodwill, the Company applies the provisions of SFAS No. 144, "Accounting for the Impairment or Disposal of Long-Lived Assets." The Company adopted the provisions of SFAS No. 144 during 2001 with an effective date of January 1, 2001. Under SFAS No. 144, the Company assesses its long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying value of the assets or asset group may not be recoverable. Recoverability of long-lived assets that will continue to be used is measured by comparing the carrying amount of the asset or asset group to the related total future undiscounted net cash flows. If an asset or asset group's carrying value is not recoverable through those cash flows, the asset group is considered to be impaired. The impairment is measured by the difference between the assets' carrying amount and their fair value, based on the best information available, including market prices or discounted cash flow analyses.

Goodwill and Intangibles

In June 2001, the Financial Accounting Standards Board ("FASB") issued SFAS No. 141, "Business Combinations", and SFAS No. 142, "Goodwill and Other Intangible Assets". SFAS No. 141 supersedes Accounting Principles Board ("APB") Opinion No. 16, "Business Combinations", and requires the use of the purchase method of accounting for all business combinations prospectively. SFAS No. 141 also provides guidance on recognition of intangible assets apart from goodwill. The Company adopted the provisions of SFAS No. 141 in June of 2001.

SFAS No. 142 supercedes APB Opinion No. 17, "Intangible Assets", and changes the accounting for goodwill and intangible assets. Effective January 1, 2002, the Company adopted SFAS No. 142. Under SFAS No. 142, goodwill and other intangible assets with indefinite useful lives are not amortized but are tested for impairment at least annually and whenever events or circumstances occur indicating that these intangibles may be impaired. Reporting units of the Company are determined in accordance with SFAS No. 142. The Company allocates goodwill to reporting units by comparing the fair value of each reporting unit identified in an acquired company to the total fair value of the acquired company on the acquisition date. The Company performs its review of goodwill for impairment by comparing the carrying value of the applicable reporting unit to the fair value of the reporting unit. If the fair value is less than the carrying value then the Company measures potential impairment by allocating the fair value of the reporting unit to the tangible assets and liabilities of the reporting unit in a manner similar to a business combination purchase price allocation. The remaining fair value of the reporting unit after assigning fair values to all of the reporting unit's assets and liabilities represents the implied fair value of goodwill of the reporting unit. The impairment is measured by the difference between the carrying value of goodwill and the implied fair value of goodwill. The Company's goodwill and intangibles are discussed further in Note 17.

Leases

The Company is leasing a 65.3 acre site in Osceola County, Florida on which the Gaylord Palms is located, a 23 acre site in Grapevine, Texas on which the Gaylord Texan is located, and various other leasing arrangements, including leases for office space and office equipment. The Company accounts for lease obligations in accordance with SFAS No. 13, "Accounting for Leases", and related interpretations. The Company's leases are discussed further in Note 14.

Long-Term Investments

The Company owns long-term investments in marketable securities and has minority interest investments in certain businesses. Long-term investments in marketable securities are accounted for in accordance with the provisions of SFAS No. 115, "Accounting for Certain Investments in Debt and Equity Securities." Generally, non-marketable investments (excluding limited partnerships and limited liability company interests) in which the Company owns less than 20 percent are accounted for using the cost method of accounting and investments in which the Company owns between 20 percent and 50 percent and limited partnerships are accounted for using the equity method of accounting.

Other Assets

Other current and long-term assets of continuing operations at December 31 consist of (amounts in thousands):

	2005	2004
Other current assets:		
Other current receivables	**$10,955**	$13,359
Inventories	**7,676**	6,355
Prepaid expenses	**9,481**	6,749
Current income tax receivable	**—**	434
Other current assets	**1,186**	1,285
Total other current assets	**$29,298**	$28,182
Other long-term assets:		
Notes receivable	**$ 35**	$ 7,535
Deferred software costs, net	**10,700**	13,361
Other long-term assets	**3,401**	3,192
Total other long-term assets	**$14,136**	$24,088

Other Current Assets

Other current receivables result primarily from non-operating income and are due within one year. Inventories consist primarily of merchandise for resale and are carried at the lower of cost or market. Cost is computed on an average cost basis. Prepaid expenses consist of prepayments for insurance and contracts that will be expensed during the subsequent year.

Other Long-Term Assets

Long-term notes receivable in 2004 primarily consists of an unsecured note receivable from Bass Pro. This long-term note receivable was repaid by Bass Pro in 2005.

During 1998, ResortQuest recorded a note receivable of $4.0 million as a result of cash advances made to a primary stockholder (“Debtor”) of the predecessor company who is no longer an affiliate of ResortQuest. The note was collateralized by a third mortgage on residential real estate owned by the Debtor. Due to the failure to make interest payments, the note receivable was in default. The Company accelerated the note and demanded payment in full. The Company also contracted an independent external third party to appraise the property by which the note was secured, confirm the outstanding senior claims on the property and assess the associated credit risk. Based on this assessment, the Company assigned no value to the note receivable in the purchase price allocation associated with the ResortQuest acquisition. On January 23, 2006, the bankruptcy court approved a plan to restructure the note receivable, and the Company received $5.7 million in cash and a secured administrative claim of $0.5 million in full settlement of the note receivable and accrued interest. Because the Company assigned no value to this note receivable as part of the ResortQuest purchase price allocation, the Company anticipates that recovery of this note receivable will result in a gain of $5.7 million during the first quarter of 2006.

The Company capitalizes the costs of computer software developed for internal use in accordance with the American Institute of Certified Public Accountants (“AICPA”) Statement of Position (“SOP”) 98-1, “Accounting for the Costs of Computer Software Developed or Obtained for Internal Use”. Accordingly, the Company capitalized the external costs to acquire and develop computer software and certain internal payroll costs during 2002 and 2001. Deferred software costs are amortized on a straight-line basis over their estimated useful lives of 3 to 5 years.

The Company accounts for the costs of computer software developed or obtained for internal use that is also sold or otherwise marketed in accordance with FASB Statement No. 86 “Accounting for the Costs of Computer Software to be Sold, Leased, or Otherwise Marketed.” These costs are being amortized on a straight-line basis over the estimated useful lives of the related projects ranging from three to ten years. In accordance with Statement No. 86, the Company periodically, or upon the occurrence of certain events, reviews these capitalized software cost balances for impairment.

Preopening Costs

In accordance with AICPA SOP 98-5, “Reporting on the Costs of Start-Up Activities”, the Company expenses the costs associated with preopening expenses related to the construction of new hotels, start-up activities and organization costs as incurred.

Accounts Payable and Accrued Liabilities

Accounts payable and accrued liabilities of continuing operations at December 31 consist of (amounts in thousands):

	2005	2004
Trade accounts payable	**$ 21,600**	$ 17,108
Accrued construction in progress	**15,273**	7,735
Property and other taxes payable	**26,619**	23,189
Deferred revenues	**61,912**	45,872
Accrued salaries and benefits	**22,807**	18,547
Restructuring accruals	**—**	121
Accrued self-insurance reserves	**6,024**	7,427
Accrued interest payable	**6,456**	4,585
Accrued advertising and promotion	**—**	10,709
Other accrued liabilities	**30,001**	28,634
Total accounts payable and accrued liabilities	**$190,692**	$163,927

Deferred revenues consist primarily of deposits on advance bookings of rooms and vacation properties and advance ticket sales at the Company’s tourism properties. The Company is self-insured up to a stop loss for certain losses relating to workers’ compensation claims, employee medical benefits and general liability claims. The Company recognizes self-insured losses based upon estimates of the aggregate liability for uninsured claims incurred using certain actuarial assumptions followed in the insurance industry or the Company’s historical experience.

Income Taxes

In accordance with SFAS No. 109, “Accounting for Income Taxes”, the Company establishes deferred tax assets and liabilities based on the difference between the financial statement and income tax carrying amounts of assets and liabilities using existing tax laws and tax rates. See Note 11 for more detail on the Company’s income taxes.

Revenue Recognition

Revenues from hotel rooms are recognized as earned on the close of business each day. Revenues from concessions and food and beverage sales are recognized at the time of the sale. The Company recognizes revenues from the Opry and Attractions segment when services are provided or goods are shipped, as applicable.

The Company earns revenues from the ResortQuest segment through property management fees, service fees, and other sources. The Company receives property management fees when the properties are rented, which are generally a percentage of the rental price of the vacation property. Management fees range from approximately 3% to over 40% of gross lodging revenues collected based upon the type of services provided to the property owner and the type of rental units managed. Revenues are recognized ratably over the rental period based on the Company’s proportionate share of the total rental price of the vacation condominium or home. The Company provides or arranges through third parties certain services for property owners or guests. Service fees include reservations, housekeeping, long-distance telephone, ski rentals, lift tickets, beach equipment and pool cleaning. Internally provided services are recognized as service fee revenue when the service is provided. Services provided by third parties are generally billed directly to property owners and are not included in the accompanying consolidated financial statements. The Company recognizes other revenues primarily related to real estate broker commissions and software and maintenance sales. The Company recognizes revenues on real

estate sales when the transactions are complete, and such revenue is recorded net of the related agent commissions. Until December 15, 2004, the Company also sold a fully integrated software package, First Resort Software, specifically designed for the vacation property management business, along with ongoing service contracts. The Company disposed of the First Resort Software business on December 15, 2004. Software and maintenance revenues were recognized when the systems were installed and ratably over the service period, respectively, in accordance with SOP 97-2, "Software Revenue Recognition." Provision for returns and other adjustments are provided for in the same period the revenue was recognized.

Advertising Costs

Advertising costs are expensed as incurred. For the years ended December 31, 2005, 2004 and 2003, advertising costs included in continuing operations were $32.5 million, $32.5 million, and $17.5 million, respectively.

Stock-Based Compensation

SFAS No. 123, "Accounting for Stock-Based Compensation", encourages, but does not require, companies to record compensation cost for stock-based employee compensation plans at fair value. The Company has chosen to continue to account for employee stock-based compensation using the intrinsic value method as prescribed in APB Opinion No. 25, "Accounting for Stock Issued to Employees", and related interpretations, under which no compensation cost related to employee stock options has been recognized. In December 2002, the FASB issued SFAS No. 148, "Accounting for Stock-Based Compensation — Transition and Disclosure, an amendment of SFAS No. 123". SFAS No. 148 amends SFAS No. 123 to provide two additional methods of transition for a voluntary change to the fair value based method of accounting for stock-based employee compensation. This statement also amends the disclosure requirements of SFAS No. 123 to require certain disclosures in both annual and interim financial statements about the method of accounting for stock-based employee compensation and the effect of the method used on reported results. The Company adopted the amended disclosure provisions of SFAS No. 148 on December 31, 2002, and the information contained in this report reflects the disclosure requirements of the new pronouncement until the adoption of SFAS No. 123(R) in 2006. The Company accounts for employee stock-based compensation in accordance with APB Opinion No. 25.

If compensation cost for these plans had been determined consistent with SFAS No. 123, the Company's net (loss) income (in thousands) and (loss) income per share (in dollars) for the years ended December 31 would have been (increased) reduced to the following pro forma amounts:

	2005	2004	2003
NET (LOSS) INCOME:			
As reported	**$(33,950)**	$(53,638)	$ 2,252
Stock-based employee compensation, net of tax effect	**4,329**	3,952	3,304
Pro forma	**$(38,279)**	$(57,590)	$(1,052)
(LOSS) INCOME PER SHARE:			
As reported	**$ (0.85)**	$ (1.35)	$ 0.07
Pro forma	**$ (0.95)**	$ (1.45)	$ (0.03)
(LOSS) INCOME PER SHARE — ASSUMING DILUTION:			
As reported	**$ (0.85)**	$ (1.35)	$ 0.07
Pro forma	**$ (0.95)**	$ (1.45)	$ (0.03)

The fair value of each option grant is estimated on the date of grant using the Black-Scholes option pricing model with the following weighted-average assumptions used for grants in 2005, 2004 and 2003, respectively: risk-free interest rates of 4.0%, 3.1%, and 2.8%; expected volatility of 34.6%, 35.1%, and 35.5%; expected lives of 5.0, 4.5, and 4.8 years; expected dividend rates of 0% for all years. The weighted average fair value of options granted was $15.15, $10.06, and $7.40 in 2005, 2004 and 2003, respectively. The Company's stock-based compensation is further described in Note 13.

Discontinued Operations

In August 2001, the FASB issued SFAS No. 144, "Accounting for the Impairment or Disposal of Long-Lived Assets". SFAS No. 144 superseded SFAS No. 121, "Accounting for the Impairment of Long-Lived Assets and for Long-Lived Assets to Be Disposed Of" and the accounting and reporting provisions for the disposal of a segment of a business of APB Opinion No. 30, "Reporting the Results of Operations — Reporting the Effects of Disposal of a Segment of a Business, and Extraordinary, Unusual and Infrequently Occurring Events and Transactions".

SFAS No. 144 retained the requirements of SFAS No. 121 for the recognition and measurement of an impairment loss and broadened the presentation of discontinued operations to include a component of an entity (rather than a segment of a business). The Company adopted the provisions of SFAS No. 144 during 2001 with an effective date of January 1, 2001.

In accordance with the provisions of SFAS No. 144, the Company has presented the operating results, financial position and cash flows of the following businesses as discontinued operations in the accompanying consolidated financial statements as of December 31, 2005 and 2004 and for each of the three years in the period ended December 31, 2005: ResortQuest Discontinued Markets, WSM-FM and WWTN(FM); Word Entertainment ("Word"), the Company's contemporary Christian music business; the Acuff-Rose Music Publishing entity; the Company's ownership interest in the Oklahoma RedHawks, a minor league baseball team based in Oklahoma City, Oklahoma; the Company's international cable networks; and the businesses sold to affiliates of The Oklahoma Publishing Company ("OPUBCO") in 2001 consisting of Pandora Films, Gaylord Films, Gaylord Sports Management, Gaylord Event Television and Gaylord Production Company. The results of operations of these businesses, including impairment and other charges, restructuring charges and any gain or loss on disposal, have been reflected as discontinued operations, net of taxes, in the accompanying consolidated statements of operations and the assets and liabilities of these businesses are reflected as discontinued operations in the accompanying consolidated balance sheets, as further described in Note 4.

(Loss) Income Per Share

SFAS No. 128, "Earnings Per Share", established standards for computing and presenting earnings per share. Under the standards established by SFAS No. 128, earnings per share is measured at two levels: basic earnings per share and diluted earnings per share. Basic earnings per share is computed by dividing net (loss) income by the weighted average number of common shares outstanding during the year. Diluted earnings per share is computed by dividing net (loss) income by the weighted average number of common shares outstanding after considering the effect of conversion of dilutive instruments, calculated using the treasury stock method. (Loss) income per share amounts are calculated as follows for the years ended December 31 (income and share amounts in thousands):

	2005		
	Loss	**Shares**	**Per Share**
Net loss	**$ (33,950)**	**40,171**	**$ (0.85)**
Effect of dilutive stock options	—	—	—
Net loss — assuming dilution	**$ (33,950)**	**40,171**	**$ (0.85)**

	2004		
	Loss	**Shares**	**Per Share**
Net loss	$ (53,638)	39,654	$ (1.35)
Effect of dilutive stock options	—	—	—
Net loss — assuming dilution	$ (53,638)	39,654	$ (1.35)

	2003		
	Income	**Shares**	**Per Share**
Net income	$ 2,252	34,460	$ 0.07
Effect of dilutive stock options	—	—	—
Net income — assuming dilution	$ 2,252	34,460	$ 0.07

For the years ended December 31, 2005, 2004 and 2003, the effect of dilutive stock options was the equivalent of approximately 1,127,000, 578,000 and 74,000 shares of common stock outstanding, respectively. Because the Company had a loss from continuing operations in the years ended December 31, 2005 and 2004, these incremental shares were excluded from the computation of diluted earnings per share for those years as the effect of their inclusion would be anti-dilutive.

Comprehensive Income

SFAS No. 130, "Reporting Comprehensive Income", requires that changes in the amounts of certain items, including gains and losses on certain securities, be shown in the financial statements as a component of comprehensive income. The Company's comprehensive (loss) income is presented in the accompanying consolidated statements of stockholders' equity.

Financial Instruments

The Company has issued $350.0 million in aggregate principal amount of Senior Notes due 2013 that accrue interest at a fixed rate of 8% ("8% Senior Notes"). The 8% Senior Notes are discussed further in Note 10. The Company has entered into fixed to variable interest rate swaps with respect to $125.0 million in aggregate principal amount of the 8% Senior Notes. The carrying value of $125.0 million of the 8% Senior Notes covered by this interest rate swap approximates fair value based upon the variable nature of this financial instrument's interest rate. However, the $225.0 million carrying value of the remaining 8% Senior Notes does not approximate fair value. The fair value of this financial instrument, based upon quoted market prices, was $235.2 million as of December 31, 2005.

The Company has issued $225.0 million in aggregate principal amount of Senior Notes due 2014 that accrue interest at a fixed rate of 6.75% ("6.75% Senior Notes"). The 6.75% Senior Notes are discussed further in Note 10. The fair value of the 6.75% Senior Notes, based upon quoted market prices, was $225.0 million as of December 31, 2005, which approximates carrying value.

Certain of the Company's investments are carried at fair value determined using quoted market prices as discussed further in Note 7. The carrying amount of short-term financial instruments (cash, short-term investments, trade receivables, accounts payable and accrued liabilities) approximates fair value due to the short maturity of those instruments. The concentration of credit risk on trade receivables is minimized by the large and diverse nature of the Company's customer base.

Derivatives and Hedging Activities

The Company utilizes derivative financial instruments to reduce interest rate risks and to manage risk exposure to changes in the value of certain owned marketable securities as discussed in Note 9 and portions of its fixed rate debt as discussed in Note 10. Effective January 1, 2001, the Company records derivatives in accordance with the provisions of SFAS No. 133, "Accounting for Derivative Instruments and Hedging Activities", which was subsequently amended by SFAS No. 138 and SFAS No. 149. SFAS No. 133, as amended, established accounting and reporting standards for derivative instruments and hedging activities. SFAS No. 133, as amended, requires all derivatives to be recognized in the statement of financial position and to be measured at fair value. Changes in the fair value of those instruments are reported in earnings or other comprehensive income depending on the use of the derivative and whether it qualifies for hedge accounting.

Reclassifications

Certain amounts in the prior year financial statements have been reclassified to conform to the 2005 financial statement presentation.

Accounting Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reported period. Actual results could differ from those estimates.

Newly Issued Accounting Standards

In May 2004, the FASB issued Staff Position No. 106-2, "Accounting and Disclosure Requirements Related to the Medicare Prescription Drug, Improvement and Modernization Act of 2003". The Prescription Drug Act introduces a prescription drug benefit under Medicare Part D as well as a federal subsidy to sponsors of retiree health care benefit plans that provide a benefit that is at least actuarially equivalent to Medicare Part D. This standard requires sponsors of defined benefit postretirement health care plans to make a reasonable determination whether (1) the prescription drug benefits under its plan are actuarially equivalent to Medicare Part D and thus qualify for the subsidy under the Prescription Drug Act and (2) the expected subsidy will offset or reduce the employer's share of the cost of the underlying postretirement prescription drug coverage on which the subsidy is based. Sponsors whose plans meet both of these criteria are required to re-measure the accumulated postretirement benefit obligation and net periodic postretirement benefit expense of their plans to reflect the effects of the Prescription Drug Act in the first interim or annual reporting period beginning after September 15, 2004. Earlier application of this Staff Position is encouraged. The Company elected to adopt the provisions of FASB Staff Position No. 106-2 during the second quarter of 2004 and re-measured its accumulated benefit obligation and net periodic postretirement benefit expense accordingly. See Note 16 in the accompanying financial statements for a discussion regarding the impact of this Statement on our consolidated financial statements.

In December 2004, the FASB issued SFAS No. 123(R), *Share Based Payment*, which replaces SFAS No. 123 and supercedes APB 25. SFAS No. 123(R) requires the measurement of all share-based payments to employees, including grants of employee stock options, using a fair-value based method and the recording of such expense over the related vesting period. SFAS No. 123(R) also requires the recognition of compensation expense for the fair value of any unvested stock option awards outstanding at the date of adoption. The proforma disclosure previously permitted under SFAS No. 123 and SFAS No. 148 is no longer an alternative under SFAS No. 123(R). The effective date for adopting SFAS 123(R) is the beginning of the first fiscal year beginning after June 15, 2005, which will be January 1, 2006 for the Company. Early adoption is permitted but not required. The Company plans to adopt the modified prospective method permitted under SFAS No. 123(R). Under this method, companies are required to record compensation expense for new and modified awards over the related vesting period of such awards prospectively and record compensation expense prospectively for the unvested portion, at the date of adoption, of previously issued and outstanding awards over the remaining vesting period of such awards. No change to prior periods is permitted under the modified prospective method. Based on the unvested stock option awards outstanding as of December 31, 2005 that are expected to remain unvested as of January 1, 2006, the Company expects to recognize additional pre-tax compensation expense during 2006 of approximately $4.9 million beginning in the first quarter of 2006 as a result of the adoption of SFAS No. 123(R). Future levels of compensation expense recognized related to stock option awards (including the aforementioned) may be impacted by new awards and/or modifications, repurchases and cancellations of existing awards before and after the adoption of this standard.

In December 2004, the FASB issued SFAS No. 153, "Exchanges of Nonmonetary Assets — An Amendment of APB Opinion No. 29". The amendments made by SFAS No. 153 are based on the principle that exchanges of non-monetary assets should be measured based on the fair value of the assets exchanged. Further, the amendments eliminate the exception for non-monetary exchanges of similar productive assets and replace it with a general exception for exchanges of non-monetary assets that do not have commercial substance. SFAS No. 153 is to be applied prospectively for non-monetary exchanges occurring in fiscal periods beginning after June 15, 2005. The adoption of SFAS No. 153 did not have a material impact on the Company's financial position or results of operations.

In May 2005, the FASB issued SFAS No. 154, *Accounting Changes and Error Corrections.* SFAS No. 154 is a replacement of APB Opinion No. 20, *Accounting Changes,* and SFAS No. 3, *Reporting Accounting Changes in Interim Financial Statements*. This statement applies to all voluntary changes in accounting principle and changes the accounting for and reporting of a change in accounting principle. SFAS No. 154 requires retrospective application to prior periods' financial statements of a voluntary change in accounting principle unless it is impracticable to do so. APB Opinion No. 20 previously required that most voluntary changes in accounting principle be recognized by including in net income of the period of the change the cumulative effect of changing to the new accounting principle. SFAS No. 154 carries forward many provisions of APB Opinion 20 without change, including the provisions related to the reporting of a change in accounting estimate, a change in the reporting entity, and the correction of an error. SFAS No. 154 is effective for accounting changes and corrections of errors made in fiscal years beginning after December 15, 2005. Earlier application is permitted for accounting changes and corrections of errors made occurring in fiscal years beginning after June 1, 2005. SFAS No. 154 does not change the transition provisions of any existing accounting pronouncements, including those that are in a transition phase as of the effective date of the statement. The Company does not expect the adoption of SFAS No. 154 to have a material impact on the Company's financial position or results of operations.

2. Construction Funding Requirements

As of December 31, 2005, the Company had $59.8 million in unrestricted cash, $566.5 million available for borrowing under its $600.0 million credit facility, and the net cash flows from certain operations to fund its cash requirements including the Company's 2006 construction commitments related to its hotel construction projects.

On February 23, 2005, the Company acquired for approximately $29 million approximately 42 acres of land and related land improvements in Prince George's County, Maryland (Washington D.C. area) on which the Company is developing the Gaylord National. Approximately $17 million of this was paid in the first quarter of 2005, with the remainder payable upon completion of various phases of the project. The Company currently expects to open the hotel in 2008.

In connection with this project, Prince George's County, Maryland approved, in July 2004, two bond issues related to the development. The first bond issuance, in the amount of $65 million, was issued by Prince George's County, Maryland in April 2005 to support the cost of infrastructure being constructed by the project developer, such as roads, water and sewer lines. The second bond issuance, in the amount of $95 million, was issued by Prince George's County, Maryland in April 2005 and placed into escrow until the project is completed. Upon completion of the project, these bonds will be delivered to the Company. The Company will initially hold the bonds and receive the debt service thereon which is payable from tax increment, hotel tax and special hotel rental taxes generated from our development.

The Company has entered into several agreements with a general contractor and other suppliers for the provision of certain construction services at the site. As of December 31, 2005, the Company had committed to pay $220.7 million under those agreements for construction services and supplies. Construction costs to date for this project have exceeded the Company's initial estimates. In addition, the Company plans to expand the Gaylord National project by 500 rooms, contingent upon approval by Prince George's County, Maryland of additional economic incentives for the project. The Company estimates the total cost of the project, including the cost increases and the costs of the expansion, to be between $785 million and $835 million (excluding capitalized interest, preopening costs and any government incentives in connection with the Gaylord National Hotel project), of which the Company has spent $65.9 million (including capitalized interest but excluding preopening costs) as of December 31, 2005.

3. Impairment and Other Charges

The Company began production of an IMAX movie during 2000 to portray the history of country music. In the third quarter of 2003, based on the revenues generated by the theatrical release of the IMAX movie, the asset was re-evaluated on the basis of estimated future cash flows. As a result, an impairment charge of $0.9 million was recorded in the third quarter of 2003.

In the second quarter of 2004, due to a continued decline in the revenues generated by the film, the Company again re-evaluated the carrying value of the IMAX film asset based on current estimates of future cash flows. As a result, an additional impairment charge of $1.2 million was recorded in the second quarter of 2004 to write off the remaining carrying value of the film.

4. Discontinued Operations

As discussed in Note 1, the Company has reflected the following businesses as discontinued operations, consistent with the provisions of SFAS No. 144 and APB No. 30. The results of operations, net of taxes, (prior to their disposal, where applicable) and the carrying value of the assets and liabilities of these businesses have been reflected in the accompanying consolidated financial statements as discontinued operations in accordance with SFAS No. 144 for all periods presented.

ResortQuest Discontinued Markets

During the third quarter of 2005, the Company committed to a plan of disposal of certain markets of its ResortQuest business that were considered to be inconsistent with the Company's long term growth strategy. In connection with this plan of disposal, the Company recorded pre-tax restructuring charges of $0.8 million during 2005 for employee severance benefits related to the discontinued markets. Based on its decision to dispose of these markets, the Company also recorded pre-tax impairment charges of $2.8 million during 2005. Included in this charge are the impairment of goodwill of $2.3 million, the impairment of fixed assets of $0.4 million, and the impairment of intangible assets of $0.1 million. In order to determine the impairment losses related to goodwill, fixed assets, and intangible assets of these markets, the Company determined the fair value of each market or long-lived asset based on current negotiations of sales prices with potential buyers of each market.

The Company completed the sale of four of these markets during the fourth quarter of 2005 for approximately $1.4 million in cash. The Company recognized a pretax loss of $0.4 million during the fourth quarter of 2005 related to these sales, which is recorded in income from discontinued operations in the consolidated statement of operations. The pre-tax loss on these sales included the writeoff of $1.0 million in goodwill related to the markets sold. The Company plans to sell the remaining markets as soon as practical.

WSM-FM and WWTN(FM)

During the first quarter of 2003, the Company committed to a plan of disposal of WSM-FM and WWTN(FM) ("Radio Operations"). Subsequent to committing to a plan of disposal, the Company, through a wholly-owned subsidiary, entered into an agreement to sell the assets primarily used in the operations of the Radio Operations to Cumulus Broadcasting, Inc. ("Cumulus") in exchange for approximately $62.5 million in cash. In connection with this agreement, the Company also entered into a local marketing agreement with Cumulus pursuant to which, from April 21, 2003 until the closing of the sale of the assets, the Company, for a fee, made available to Cumulus substantially all of the broadcast time on WSM-FM and WWTN(FM). In turn, Cumulus provided programming to be broadcast during such broadcast time and collected revenues from the advertising that it sold for broadcast during this programming time. On July 22, 2003, the Company finalized the sale of the Radio Operations for approximately $62.5 million, at which time, net proceeds of approximately $50 million were placed in an escrow account for completion of the Gaylord Texan. Concurrently, the Company also entered into a joint sales agreement with Cumulus for WSM-AM in exchange for $2.5 million in cash. The Company continues to own and operate WSM-AM, and under the terms of the joint sales agreement with Cumulus, Cumulus is responsible for all sales of commercial advertising on WSM-AM and provides certain sales promotion, billing and collection services relating to WSM-AM, all for a specified commission. The joint sales agreement has a term of five years.

During the third quarter of 2005, due to the expiration and resolution of certain claims and indemnifications in the sales contract, a previously established indemnification reserve of $0.1 million was reversed and is included in income from discontinued operations in the consolidated statement of operations.

Acuff-Rose Music Publishing

During the second quarter of 2002, the Company committed to a plan of disposal of its Acuff-Rose Music Publishing catalog entity. During the third quarter of 2002, the Company finalized the sale of the Acuff-Rose Music Publishing entity to Sony/ ATV Music Publishing for approximately $157.0 million in cash. The Company recognized a pretax gain of $130.6 million during the third quarter of 2002 related to the sale. Proceeds of $25.0 million were used to reduce the Company's outstanding indebtedness.

During the third quarter of 2004, due to the expiration of certain indemnification periods as specified in the sales contract, a previously established indemnification reserve of $1.0 million was reversed and is included in income from discontinued operations in the consolidated statement of operations.

Oklahoma RedHawks

During 2002, the Company committed to a plan of disposal of its approximately 78% ownership interest in the Oklahoma RedHawks, a minor league baseball team based in Oklahoma City, Oklahoma. During the fourth quarter of 2003, the Company sold its interests in the RedHawks and received cash proceeds of approximately $6.0 million. The Company recognized a loss of $0.6 million, net of taxes, related to the sale in discontinued operations in the accompanying consolidated statement of operations.

Word Entertainment

During 2001, the Company committed to a plan to sell Word Entertainment. As a result of the decision to sell Word Entertainment, the Company reduced the carrying value of Word Entertainment to its estimated fair value by recognizing a pretax charge of $30.4 million in discontinued operations during 2001. The estimated fair value of Word Entertainment's net assets was determined based upon ongoing negotiations with potential buyers. Related to the decision to sell Word Entertainment, a pretax restructuring charge of $1.5 million was recorded in discontinued operations in 2001. The restructuring charge consisted of $0.9 million related to lease termination costs and $0.6 million related to severance costs. In addition, the Company recorded a reversal of $0.1 million of restructuring charges originally recorded during 2000. During the first quarter of 2002, the Company sold Word Entertainment's domestic operations to an affiliate of Warner Music Group for $84.1 million in cash. The Company recognized a pretax gain of $0.5 million in discontinued operations during the first quarter of 2002 related to the sale of Word Entertainment. Proceeds from the sale of $80.0 million were used to reduce the Company's outstanding indebtedness. During the third quarter of 2003, due to the expiration of certain indemnification periods as specified in the sales contract, a previously established indemnification reserve of $1.5 million was reversed and is included in income from discontinued operations in the consolidated statement of operations.

International Cable Networks

During the second quarter of 2001, the Company adopted a formal plan to dispose of its international cable networks. As part of this plan, the Company hired investment bankers to facilitate the disposition process, and formal communications with potentially interested parties began in July 2001. In an attempt to simplify the disposition process, in July 2001, the Company acquired an additional 25% ownership interest in its music networks in Argentina, increasing its ownership interest from 50% to 75%. In August 2001, the partnerships in Argentina finalized a pending transaction in which a third party acquired a 10% ownership interest in the companies in exchange for satellite, distribution and sales services, bringing the Company's interest to 67.5%.

In December 2001, the Company made the decision to cease funding of its cable networks in Asia and Brazil as well as its partnerships in Argentina if a sale had not been completed by February 28, 2002. At that time the Company recorded pretax restructuring charges of $1.9 million consisting of $1.0 million of severance and $0.9 million of contract termination costs related to the networks. Also during 2001, the Company negotiated reductions in the contract termination costs with several vendors that resulted in a reversal of $0.3 million of restructuring charges originally recorded during 2000. Based on the status of the Company's efforts to sell its international cable networks at the end of 2001, the Company recorded pretax impairment and other charges of $23.3 million during 2001. Included in this charge are the impairment of an investment in the two Argentina-based music channels totaling $10.9 million, the impairment of fixed assets, including capital leases associated with certain transponders leased by the Company, of $6.9 million, the impairment of a receivable of $3.0 million from the Argentina-based channels, current assets of $1.5 million, and intangible assets of $1.0 million.

During the first quarter of 2002, the Company finalized a transaction to sell certain assets of its Asia and Brazil networks, including the assignment of certain transponder leases. Also during the first quarter of 2002, the Company ceased operations based in Argentina. The transponder lease assignment required the Company to guarantee lease payments in 2002 from the acquirer of these networks. As such, the Company recorded a lease liability for the amount of the assignee's portion of the transponder lease.

Businesses Sold to OPUBCO

During 2001, the Company sold five businesses (Pandora Films, Gaylord Films, Gaylord Sports Management, Gaylord Event Television and Gaylord Production Company) to affiliates of the Oklahoma Publishing Company ("OPUBCO") for $22.0 million in cash and the assumption of debt of $19.3 million. Until their resignation from the board of directors in April 2004, two of the Company's directors were also directors of OPUBCO and voting trustees of a voting trust that controls OPUBCO. Additionally, these two directors collectively beneficially owned a significant ownership interest in the Company prior to their sale of a substantial portion of this interest in April 2004.

The following table reflects the results of operations of businesses accounted for as discontinued operations for the years ended December 31 (amounts in thousands):

	2005	2004	2003
REVENUES:			
ResortQuest Discontinued Markets	**$ 15,962**	$ 18,626	$ 1,537
Radio Operations	**—**	—	3,703
RedHawks	**—**	—	5,034
Total revenues	**$ 15,962**	$ 18,626	$ 10,274
OPERATING (LOSS) INCOME:			
ResortQuest Discontinued Markets	**$ (1,421)**	$ (71)	$ 69
Radio Operations	**—**	—	615
Acuff-Rose Music Publishing	**—**	1	16
RedHawks	**—**	—	436
Word Entertainment	**—**	40	22
Businesses sold to OPUBCO	**—**	—	(620)
Impairment charges	**(2,749)**	—	—
Restructuring charges	**(840)**	—	—
Total operating (loss) income	**(5,010)**	(30)	538
INTEREST EXPENSE	**—**	—	(1)
INTEREST INCOME	**33**	20	8
OTHER GAINS AND (LOSSES)			
ResortQuest Discontinued Markets	**(393)**	—	—
Radio Operations	**136**	—	54,555
Acuff-Rose Music Publishing	**—**	1,015	450
RedHawks	**—**	—	(1,159)
Word Entertainment	**—**	—	1,503
International cable networks	**—**	—	497
Total other gains and (losses)	**(257)**	1,015	55,846
(Loss) income before (benefit) provision for income taxes	**(5,234)**	1,005	56,391
(BENEFIT) PROVISION FOR INCOME TAXES	**(2,818)**	390	21,980
(Loss) gain from discontinued operations	**$ (2,416)**	$ 615	$ 34,411

Included in other gains and (losses) in 2005 is a pre-tax loss of $0.4 million on the sale of certain ResortQuest Discontinued Markets. Included in other gains and (losses) in 2003 is a pre-tax gain of $54.6 million on the sale of the Radio Operations and a pre-tax loss of $1.0 million on the sale of the RedHawks. The remaining gains and (losses) in 2005, 2004, and 2003 are primarily comprised of gains and losses on the sale of fixed assets and the subsequent reversal of liabilities accrued at the time of disposal of these businesses for various contingent items.

The assets and liabilities of the discontinued operations presented in the accompanying consolidated balance sheets at December 31 are comprised of (amounts in thousands):

	2005	2004
Current assets:		
Cash and cash equivalents — unrestricted	**$ 298**	$ 1,280
Cash and cash equivalents — restricted	**1,527**	2,186
Trade receivables, net	**630**	169
Prepaid expenses	**74**	169
Other current assets	**120**	417
Total current assets	**2,649**	4,221
Property and equipment, net of accumulated depreciation	**565**	1,443
Intangible assets, net of accumulated amortization	**79**	278
Goodwill	**—**	3,276
Other long-term assets	**2**	244
Total long-term assets	**646**	5,241
Total assets	**$ 3,295**	$ 9,462
Current liabilities:		
Accounts payable and accrued liabilities	**$ 3,650**	$ 5,794
Total current liabilities	**3,650**	5,794
Other long-term liabilities	**117**	122
Total long-term liabilities	**117**	122
Total liabilities	**$ 3,767**	$ 5,916

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5. Acquisitions

Whistler Lodging Company, Ltd.

On February 1, 2005, the Company acquired 100% of the outstanding common shares of Whistler Lodging Company, Ltd. (“Whistler”) from O’Neill Hotels and Resorts Whistler, Ltd. for an aggregate purchase price of $0.1 million in cash plus the assumption of Whistler’s liabilities as of February 1, 2005 of $4.9 million. Whistler manages approximately 600 vacation rental units located in Whistler, British Columbia. The results of operations of Whistler have been included in the Company’s financial results beginning February 1, 2005.

The total cash purchase price of the Whistler acquisition was as follows (in thousands):

Cash received from Whistler	$ (45)
Direct merger costs incurred by the Company	194
Total	$ 149

The purchase price allocation as of February 1, 2005 was as follows (in thousands):

Tangible assets acquired	$ 1,771
Amortizable intangible assets	212
Goodwill	3,024
Total assets acquired	5,007
Liabilities assumed	(4,858)
Net assets acquired	$ 149

Tangible assets acquired totaled $1.8 million, which included $0.7 million of restricted cash, $0.6 million of net trade receivables and $0.2 million of property and equipment. Approximately $0.2 million was allocated to amortizable intangible assets consisting of existing property management contracts. Property management contracts represent existing contracts with property owners, homeowner associations and other direct ancillary service contracts. Property management contracts are amortized on a straight-line basis over the remaining useful life of the contracts, which is estimated to be seven years from acquisition.

As of December 31, 2005 and February 1, 2005, goodwill related to the Whistler acquisition totaled $3.3 million and $3.0 million, respectively, which is reported within the ResortQuest segment. During the eleven months ended December 31, 2005, the Company made adjustments to accounts payable and accrued liabilities associated with the Whistler acquisition as a result of obtaining additional information. These adjustments resulted in a net increase in goodwill of $0.3 million**.** As of December 31, 2005, none of this goodwill is expected to be deductible for income tax purposes.

East West Resorts

On January 1, 2005, the Company acquired 100% of the outstanding membership interests of East West Resorts at Summit County, LLC, Aspen Lodging Company, LLC, Great Beach Vacations, LLC, East West Realty Aspen, LLC, and Sand Dollar Management Investors, LLC (collectively, “East West Resorts”) from East West Resorts, LLC for an aggregate purchase price of $20.7 million in cash plus the assumption of East West Resort’s liabilities as of January 1, 2005 of $7.8 million. East West Resorts manages approximately 2,000 vacation rental units located in Colorado ski destinations and South Carolina beach destinations. The results of operations of East West Resorts have been included in the Company’s financial results beginning January 1, 2005.

The total cash purchase price of the East West Resorts acquisition was as follows (in thousands):

Cash paid to East West Resorts, LLC	$ 20,650
Direct merger costs incurred by the Company	97
Total	$ 20,747

The purchase price allocation as of January 1, 2005 was as follows (in thousands):

Tangible assets acquired	$ 9,714
Amortizable intangible assets	6,955
Goodwill	11,893
Total assets acquired	28,562
Liabilities assumed	(7,815)
Net assets acquired	$ 20,747

Tangible assets acquired totaled $9.7 million, which included $4.0 million of restricted cash, $0.3 million of net trade receivables and $4.2 million of property and equipment. Approximately $7.0 million was allocated to amortizable intangible assets consisting of existing property management contracts and non-competition agreements. Property management contracts are amortized on a straight-line basis over the remaining useful life of the contracts, which is estimated to be seven years from acquisition. Non-competition agreements represent contracts with certain former owners and managers of East West Resorts, LLC that prohibit them from competing with the acquired companies for a period of five years. Non-competition agreements are amortized on a straight-line basis over the five year life of the agreements.

As of December 31, 2005 and January 1, 2005, goodwill related to the East West Resorts acquisition totaled $11.7 million and $11.9 million, respectively, which is reported within the ResortQuest segment. During the twelve months ended December 31, 2005, the Company made adjustments to the final purchase price of ($0.6 million), as well as accrued liabilities and inventories associated with the East West Resorts acquisition of $0.4 million as a result of obtaining additional information. These adjustments resulted in a net decrease in goodwill of $0.2 million. As of December 31, 2005, approximately $11.3 million of this goodwill is expected to be deductible for income tax purposes.

ResortQuest International, Inc.

On November 20, 2003, pursuant to the Agreement and Plan of Merger dated as of August 4, 2003, the Company acquired 100% of the outstanding common shares of ResortQuest International, Inc. in a tax-free, stock-for-stock merger. Under the terms of the agreement, ResortQuest stockholders received 0.275 shares of the Company's common stock for each outstanding share of ResortQuest common stock, and the ResortQuest option holders received 0.275 options to purchase the Company's common stock for each outstanding option to purchase one share of ResortQuest common stock. Based on the number of shares of ResortQuest common stock outstanding as of November 20, 2003 (19,339,502) and the exchange ratio (0.275 of the Company common share for each ResortQuest common share), the Company issued 5,318,363 shares of the Company's common stock. In addition, based on the total number of ResortQuest options outstanding at November 20, 2003, the Company exchanged ResortQuest options for options to purchase 573,863 shares of the Company's common stock. Based on the average market price of the Company's common stock ($19.81, which was based on an average of the closing prices for two days before, the day of, and two days after the date of the definitive agreement, August 4, 2003), together with the direct merger costs, this resulted in an aggregate purchase price of approximately $114.7 million plus the assumption of ResortQuest's outstanding indebtedness as of November 20, 2003, which totaled $85.1 million.

As of December 31, 2005 and December 31, 2004, goodwill related to the ResortQuest acquisition in continuing operations totaled $156.1 million and $155.9 million, respectively, which is reported within the ResortQuest segment. During the twelve months ended December 31, 2005, the Company made adjustments to deferred taxes associated with the ResortQuest acquisition as a result of obtaining additional information. These adjustments resulted in a net increase in goodwill of $0.2 million. As of December 31, 2005, approximately $73.6 million of this goodwill is expected to be deductible for income tax purposes.

As of November 20, 2003, the Company recorded approximately $4.0 million of reserves and adjustments related to the Company's plans to consolidate certain support functions, to adjust for employee benefits and to account for outstanding legal claims filed against ResortQuest as an adjustment to the purchase price allocation. The following table summarizes the activity related to these reserves for the years ended December 31, 2005, 2004, and 2003 (amounts in thousands):

Balance at January 1, 2005	Charges and Adjustments	Payments	Balance at December 31, 2005
$2,950	$ —	$ 2,708	$ 242

Balance at January 1, 2004	Charges and Adjustments	Payments	Balance at December 31, 2004
$4,000	$ 4,117	$ 5,167	$ 2,950

Balance at November 20, 2003	Charges and Adjustments	Payments	Balance at December 31, 2003
$4,000	$ —	$ —	$ 4,000

All charges and adjustments to these reserves subsequent to November 20, 2003 were recorded as an adjustment to the purchase price allocation.

The Company has accounted for these acquisitions under the purchase method of accounting. Under the purchase method of accounting, the total purchase price of each acquisition was allocated to the net tangible and identifiable intangible assets based upon their estimated fair value as of the date of completion of each of the acquisitions. The Company determined these fair values with the assistance of a third party valuation expert. The excesses of the purchases prices over the fair values of the net tangible and identifiable intangible assets were recorded as goodwill. Goodwill will not be amortized and will be tested for impairment on an annual basis and whenever events or circumstances occur indicating that the goodwill may be impaired. The final allocations of the purchase prices are subject to adjustments for a period not to exceed one year from the consummation date (the allocation period of each acquisition) in accordance with SFAS No. 141 “Business Combinations” and Emerging Issues Task Force (“EITF”) Issue 95-3 “Recognition of Liabilities in Connection with a Purchase Business Combination.” The allocation period is intended to differentiate between amounts that are determined as a result of the identification and valuation process required by SFAS No. 141 for all assets acquired and liabilities assumed and amounts that are determined because information that was not previously obtainable becomes obtainable.

6. Property and Equipment

Property and equipment of continuing operations at December 31 is recorded at cost and summarized as follows (amounts in thousands):

	2005	2004
Land and land improvements	**$ 153,073**	$ 153,811
Buildings	**1,252,740**	1,225,652
Furniture, fixtures and equipment	**436,986**	413,029
Construction in progress	**99,782**	20,046
	1,942,581	1,812,538
Accumulated depreciation	**(538,162)**	(470,730)
Property and equipment, net	**$1,404,419**	$1,341,808

The increase in construction in progress during 2005 primarily relates to the construction of Gaylord National, which is expected to open in 2008. Depreciation expense, including amortization of assets under capital lease obligations, of continuing operations for the years ended December 31, 2005, 2004 and 2003 was $72.6 million, $68.8 million, and $53.9 million, respectively. Capitalized interest for the years ended December 31, 2005, 2004 and 2003 was $2.7 million, $5.5 million, and $14.8 million, respectively.

7. Investments

Investments related to continuing operations at December 31 are summarized as follows (amounts in thousands):

	2005	2004
Viacom Class B non-voting common stock	**$356,576**	$400,399
Bass Pro	**70,181**	68,171
RHAC Holdings, LLC	**2,538**	—
Total investments	**$429,295**	$468,570

The Company acquired CBS Series B convertible preferred stock ("CBS Stock") during 1999 as consideration in the divestiture of television station KTVT. CBS merged with Viacom in May 2000. As a result of the merger of CBS and Viacom, the Company received 11,003,000 shares of Viacom Class B non-voting common stock ("Viacom Stock"). The original carrying value of the CBS Stock was $485.0 million.

At December 31, 2000, the Viacom Stock was classified as available-for-sale as defined by SFAS No. 115, and accordingly, the Viacom Stock was recorded at market value, based upon the quoted market price, with the difference between cost and market value recorded as a component of other comprehensive income, net of deferred income taxes. In connection with the Company's adoption of SFAS No. 133, effective January 1, 2001, the Company recorded a nonrecurring pretax gain of $29.4 million, related to reclassifying its investment in the Viacom Stock from available-for-sale to trading as defined by SFAS No. 115. This gain, net of taxes of $11.4 million, had been previously recorded as a component of stockholders' equity. As trading securities, the Viacom Stock continues to be recorded at market value, but changes in market value are included as gains and losses in the consolidated statements of operations. For the year ended December 31, 2005, the Company recorded net pretax losses of $41.6 million related to the decrease in fair value of the Viacom Stock. For the year ended December 31, 2004, the Company recorded net pretax losses of $87.9 million related to the decrease in fair value of the Viacom Stock. For the year ended December 31, 2003, the Company recorded net pretax gains of $39.8 million related to the increase in fair value of the Viacom Stock.

From December 31, 1999 to July 8, 2004, the Company owned a 19.1% interest in Bass Pro, and accounted for its investment in Bass Pro under the cost method of accounting. On July 8, 2004, Bass Pro. redeemed the approximate 28.5% interest held in Bass Pro by private equity investor, J.W. Childs Associates. As a result, the Company's ownership interest in Bass Pro increased to 26.6% as of the redemption date. Because the Company's ownership interest in Bass Pro increased to a level exceeding 20%, the Company was required by Accounting Principles Board Opinion No. 18, "The Equity Method of Accounting for Investments in Common Stock", to account for its investment in Bass Pro under the equity method of accounting beginning in the third quarter of 2004. The equity method of accounting has been applied retroactively to all periods presented.

In the second quarter of 2005, Bass Pro restated its previously issued historical financial statements to reflect certain non-cash changes, which resulted primarily from a change in the manner in which Bass Pro accounts for its long term leases. This restatement resulted in a cumulative reduction in Bass Pro's net income of $8.6 million through December 31, 2004, which resulted in a pro-rata cumulative reduction in the Company's income from unconsolidated companies of $1.7 million. The Company determined that the impact of the adjustments recorded by Bass Pro is immaterial to the Company's consolidated financial statements in all prior periods. Therefore, the Company reflected its $1.7 million share of the re-statement adjustments as a one-time adjustment to income from unconsolidated companies during the second quarter of 2005.

On December 14, 2005, the shareholders of Bass Pro, Inc. contributed their equity in Bass Pro, Inc. to a newly formed limited liability company, Bass Pro Group, LLC in exchange for ownership interests in Bass Pro Group, LLC. The majority owner of Bass Pro, Inc. also contributed (simultaneously with the contributions of the Bass Pro, Inc. stock) his equity interest in Tracker Marine, LLC and Big Cedar LLC to Bass Pro Group, LLC. As a result, Bass Pro, Inc., Tracker Marine, LLC and Big Cedar, LLC are all wholly-owned subsidiaries of Bass Pro Shops, LLC. Because the new entity owns these additional businesses, the Company's ownership interest in Bass Pro decreased from 26.6% to 13.0%. However, the Company will continue to account for its investment in Bass Pro under the equity method of accounting in accordance with EITF Issue No. 03-16, *Accounting for Investments in Limited Liability Companies*, American Institute of Certified Public Accountants Statement of Position 78-9, *Accounting for Investments in Real Estate Ventures*, and EITF Abstracts Topic No. D-46, *Accounting for Limited Partnership Investment.* Because the Company records equity in the income of Bass Pro one month in arrears, the restructuring of Bass Pro did not impact the Company's recognition of income from its investment in Bass Pro in 2005.

As of December 31, 2005, the recorded value of the Company's investment in Bass Pro is $63.1 million greater than its equity in Bass Pro's underlying net assets. This difference is being accounted for as equity method goodwill.

On May 31, 2005, the Company, through a wholly-owned subsidiary named RHAC, LLC, entered into an agreement to purchase the 716-room Aston Waikiki Beach Hotel and related assets located in Honolulu, Hawaii ("the Waikiki Hotel") for an aggregate purchase price of $107.0 million. Simultaneously with this purchase, G.O. IB-SIV US, a private real estate fund managed by DB Real Estate Opportunities Group ("IB-SIV") acquired an 80.1% ownership interest in the parent company of RHAC, LLC, RHAC Holdings, LLC, in exchange for its capital contribution of $19.1 million to RHAC Holdings, LLC. As a part of this transaction, the Company entered into a joint venture arrangement with IB-SIV and retained a 19.9% ownership interest in RHAC Holdings, LLC in exchange for its $4.7 million capital contribution to RHAC Holdings, LLC. Both the Company and IB-SIV will contribute additional funds as needed for their pro-rata share of specified construction costs associated with the redevelopment of the Waikiki Hotel. RHAC, LLC financed the purchase of the Waikiki Hotel by entering into a series of loan transactions with Greenwich Capital Financial Products, Inc. (the "Waikiki Hotel Lender") consisting of a $70.0 million loan secured by the Waikiki Hotel and a $16.25 million mezzanine loan secured by the ownership interest of RHAC, LLC (collectively, the "Waikiki Hotel Loans"). IB-SIV is the managing member of RHAC Holdings, LLC, but certain actions of RHAC Holdings, LLC initiated by IB-SIV require the approval of the Company as a member. In addition, under the joint venture arrangement, the Company's ResortQuest subsidiary secured a 20-year hotel management agreement from RHAC, LLC. Pursuant to the terms of the hotel management agreement, ResortQuest is responsible for the day-to-day operations of the Waikiki Hotel in accordance with RHAC, LLC's business plan. The Company is accounting for its investment in RHAC Holdings, LLC under the equity method of accounting in accordance with EITF Issue No. 03-16, "*Accounting for Investments in Limited Liability Companies*", American Institute of Certified Public Accountants Statement of Position 78-9, "*Accounting for Investments in Real Estate Ventures*", and EITF Abstracts Topic No. D-46, "*Accounting for Limited Partnership Investments*". For the period June 1, 2005 to December 31, 2005, ResortQuest earned total fees of $1.5 million from its management agreement with RHAC, LLC. During December 2005, RHAC, LLC sold the Mauka Tower, a 72-room hotel adjacent to the Aston Waikiki Beach Hotel. The Company received a cash distribution of $2.3 million from RHAC Holdings, LLC for its share of the proceeds from the sale.

During 1997, the Company purchased a 19.9% limited partnership interest in the Nashville Predators for $12.0 million. Prior to its disposal of this investment on February 22, 2005, the Company accounted for its investment using the equity method as required by EITF Issue No. 02-14, "*Whether the Equity Method of Accounting Applies When an Investor Does Not Have an Investment in Voting Stock of an Investee but Exercises Significant Influence through Other Means*". The carrying value of the investment in the Predators was zero at December 31, 2004, 2003, and 2002. The Company did not recognize its share of losses in 2004 and 2003 or reduce its investment below zero as the Company was not obligated to make future contributions to the Predators. As further discussed in Note 14, pursuant to a settlement agreement consummated on February 22, 2005, the Nashville Predators redeemed all of the outstanding limited partnership units in the Nashville Predators owned by the Company, effectively terminating the Company's ownership interest in the Nashville Predators, and cancelled the related naming rights agreement.

8. Secured Forward Exchange Contract

During May 2000, the Company entered into a seven-year secured forward exchange contract ("SFEC") with an affiliate of Credit Suisse with respect to 10,937,900 shares of Viacom, Inc. Class B common stock ("Viacom Stock"). The seven-year SFEC has a notional amount of $613.1 million and required contract payments based upon a stated 5% rate. The SFEC protects the Company against decreases in the fair market value of the Viacom Stock while providing for participation in increases in the fair market value, as discussed below. The Company realized cash proceeds from the SFEC of $506.5 million, net of discounted prepaid contract payments and prepaid interest related to the first 3.25 years of the contract and transaction costs totaling $106.6 million. In October 2000, the Company prepaid the remaining 3.75 years of contract interest payments required by the SFEC of $83.2 million. As a result of the prepayment, the Company is not required to make any further contract interest payments during the seven-year term of the SFEC. Additionally, as a result of the prepayment, the Company was released from certain covenants of the SFEC, which related to sales of assets, additional indebtedness and liens. The unamortized balances of the prepaid contract interest are classified as current assets of $26.9 million as of December 31, 2005 and 2004 and long-term assets of $10.5 million and $37.4 million as of December 31, 2005 and 2004, respectively, in the accompanying consolidated balance sheets. The Company is recognizing the prepaid contract payments and deferred financing charges associated with the SFEC as interest expense over the seven-year contract period using the effective interest method, which resulted in non-cash interest expense of $26.9 million, $27.0 million, and $26.9 million for the years ended December 31, 2005, 2004, and 2003, respectively. The Company utilized $394.1 million of the net proceeds from the SFEC to repay all outstanding indebtedness under a 1997 revolving credit facility, and the 1997 revolving credit facility was terminated.

The Company's obligation under the SFEC is collateralized by a security interest in the Company's Viacom Stock. At the end of the seven-year contract term in May 2007, the Company may, at its option, elect to pay in cash rather than by delivery of all or a portion of the Viacom Stock. The SFEC protects the Company against decreases in the fair market value of the Viacom Stock below $56.05 per share by way of a put option; the SFEC also provides for participation in the increases in the fair market value of the Viacom Stock in that the Company receives 100% of the appreciation between $56.05 and $64.45 per share and, by way of a call option, 25.93% of the appreciation above $64.45 per share, as of December 31, 2005. The call option strike price decreased from $67.97 as of December 31, 2004 to $64.45 as of December 31, 2005 due to the Company receiving dividend distributions from Viacom. The Company elected not to retain the dividend distribution declared by Viacom during the third and fourth quarters of 2005 and expects to remit any future dividend distributions declared by Viacom to Credit Suisse.

In accordance with the provisions of SFAS No. 133, as amended, certain components of the secured forward exchange contract are considered derivatives, as discussed in Note 9.

9. Derivative Financial Instruments

The Company utilizes derivative financial instruments to reduce certain of its interest rate risks and to manage risk exposure to changes in the value of its Viacom Stock.

The Company adopted the provisions of SFAS No. 133 on January 1, 2001. Upon adoption of SFAS No. 133, the Company valued the SFEC based on pricing provided by a financial institution and reviewed by the Company. The financial institution's market prices are prepared for each quarter close period on a mid-market basis by reference to proprietary models and do not reflect any bid/offer spread. For the years ended December 31, 2005, 2004 and 2003, the Company recorded net pretax gains (losses) in the Company's consolidated statement of operations of $35.7 million, $56.5 million, and ($33.2) million, respectively, related to the increase (decrease) in the fair value of the derivatives associated with the SFEC.

Upon issuance of the 8% Senior Notes, the Company entered into two interest rate swap agreements with a notional amount of $125.0 million to convert the fixed rate on $125.0 million of the 8% Senior Notes to a variable rate in order to access the lower borrowing costs that were available on floating-rate debt. Under these swap agreements, which mature on November 15, 2013, the Company receives a fixed rate of 8% and pays a variable rate, in arrears, equal to six-month LIBOR plus 2.95%. The terms of the swap agreement mirror the terms of the 8% Senior Notes, including semi-annual settlements on the 15th of May and November each year. Under the provisions of SFAS No. 133, as amended, changes in the fair value of this interest rate swap agreement must be offset against the corresponding change in fair value of the 8% Senior Notes through earnings. The Company has determined that there will not be an ineffective portion of this fair value hedge and therefore, no impact on earnings. As of December 31, 2005, the Company determined that, based upon dealer quotes, the fair value of these interest rate swap agreements was ($1.8) million. The Company recorded a derivative liability and an offsetting reduction in the balance of the 8% Senior Notes accordingly. As of December 31, 2004, the Company determined that, based upon dealer quotes, the fair value of these interest rate swap agreements was $0.5 million. The Company recorded a derivative asset and an offsetting increase in the balance of the 8% Senior Notes accordingly.

10. Debt

The Company's debt and capital lease obligations related to continuing operations at December 31 consisted of (amounts in thousands):

	2005	2004
$600.0 Million Credit Facility	**$ 20,000**	$ —
8% Senior Notes	**350,000**	350,000
6.75% Senior Notes	**225,000**	225,000
Fair value derivatives effective for 8% Senior Notes	**(1,829)**	484
Nashville Predators Promissory Note	**5,000**	—
Other notes payable	**—**	100
Capital lease obligations	**2,129**	825
Total debt	**600,300**	576,409
Less amounts due within one year	**(1,825)**	(463)
Total long-term debt	**$598,475**	$575,946

Note 14 discusses the Nashville Predators Promissory Note and capital lease obligations in more detail, including annual maturities.

Annual maturities of long-term debt, excluding capital lease obligations and derivatives, are as follows (amounts in thousands).

2006	$ 1,000
2007	1,000
2008	1,000
2009	1,000
2010	21,000
Years thereafter	575,000
Total	$ 600,000

Accrued interest payable at December 31, 2005 and 2004 was $6.5 million and $4.6 million, respectively, and is included in accounts payable and accrued liabilities in the accompanying consolidated balance sheets.

Senior Loan and Mezzanine Loan

In 2001, the Company, through wholly owned subsidiaries, entered into two loan agreements, a $275.0 million senior loan (the "Senior Loan") and a $100.0 million mezzanine loan (the "Mezzanine Loan") (collectively, the "Nashville Hotel Loans") with affiliates of Merrill Lynch & Company acting as principal. The Senior and Mezzanine Loan borrower and its member were subsidiaries formed for the purposes of owning and operating the Gaylord Opryland and entering into the loan transaction and were special-purpose entities whose activities were strictly limited. The Company fully consolidated these entities in its consolidated financial statements. The Senior Loan was secured by a first mortgage lien on the assets of Gaylord Opryland. In March 2004, the Company exercised the first of two one-year extension options to extend the maturity of the Senior Loan to March 2005. Amounts outstanding under the Senior Loan bore interest at one-month LIBOR plus 1.20%. The Mezzanine Loan was secured by the equity interest in the wholly-owned subsidiary that owns Gaylord Opryland, was due in April 2004 and bore interest at one-month LIBOR plus 6.0%.

During November 2003, the Company used the proceeds of the 8% Senior Notes, as discussed below, to repay in full $66.0 million outstanding under the Mezzanine Loan portion of the Nashville Hotel Loans. As a result of the prepayment of the Mezzanine Loan, the Company wrote off $0.7 million in deferred financing costs during 2003, which is recorded as interest expense in the consolidated statement of operations.

During November 2004, the Company used the proceeds of the 6.75% Senior Notes, as discussed below, to repay in full $192.5 million outstanding under the Senior Loan portion of the Nashville Hotel Loans. As a result of the prepayment of the Senior Loan, the Company wrote off $0.03 million in deferred financing costs during 2004, which is recorded as interest expense in the consolidated statement of operations. The Nashville Hotel Loans were terminated in connection with their repayment.

Term Loan

During 2001, the Company entered into a three-year delayed-draw senior term loan (the "Term Loan") of up to $210.0 million with Deutsche Banc Alex. Brown Inc., Salomon Smith Barney, Inc. and CIBC World Markets Corp. At the Company's option, amounts outstanding under the Term Loan bore interest at the prime interest rate plus 2.125% or the one-month Eurodollar rate plus 3.375%. During May 2003, the Company used $60.0 million of the proceeds from the 2003 Loans, as discussed below, to pay off the Term Loan. Concurrent with the payoff the Term Loan, the Company wrote off the remaining, unamortized deferred financing costs of $1.5 million related to the Term Loan, which is recorded as interest expense in the consolidated statement of operations. Proceeds of the Term Loan were used to finance the construction of Gaylord Palms and the initial construction phases of the Gaylord Texan, as well as for general operating purposes. The Term Loan was primarily secured by the Company's ground lease interest in Gaylord Palms.

2003 Loans

During May of 2003, the Company finalized a $225 million credit facility (the "2003 Loans") with Deutsche Bank Trust Company Americas, Bank of America, N.A., CIBC Inc. and a syndicate of other lenders. The 2003 Loans consisted of a $25 million senior revolving facility, a $150 million senior term loan and a $50 million subordinated term loan. The 2003 Loans were due in 2006. The senior loan bore interest of LIBOR plus 3.5%. The subordinated loan bore interest of LIBOR plus 8.0%. The 2003 Loans were secured by the Gaylord Palms assets and the Gaylord Texan assets. Proceeds of the 2003 Loans were used to pay off the Term Loan of $60 million as discussed above and the remaining net proceeds of approximately $134 million were deposited into an escrow account for the completion of the construction of the Gaylord Texan.

In connection with the offering of the 8% Senior Notes, on November 12, 2003 the Company amended the 2003 Loans to, among other things, permit the ResortQuest acquisition and the issuance of the 8% Senior Notes, maintain the $25.0 million revolving credit facility portion of the 2003 Loans, repay and eliminate the $150 million senior term loan portion and the $50 million subordinated term loan portion of the 2003 Loans and make certain other amendments to the 2003 Loans. During November 2003, as discussed below, the Company used the proceeds of the 8% Senior Notes to repay all amounts outstanding under the 2003 Loans. As a result of the prepayment of the 2003 Loans, the Company wrote off $6.6 million in deferred financing costs during the fourth quarter of 2003, which is included in interest expense in the consolidated statement of operations.

8% Senior Notes

On November 12, 2003, the Company completed its offering of $350 million in aggregate principal amount of senior notes due 2013 (the "8% Senior Notes") in an institutional private placement. The Company filed an exchange offer registration statement on Form S-4 with the Securities and Exchange Commission (the "SEC") with respect to the 8% Senior Notes and exchanged the existing senior notes for publicly registered senior notes with the same terms after the registration statement was declared effective in April 2004. The interest rate on these notes is 8%, although the Company has entered into fixed to variable interest rate swaps with respect to $125 million principal amount of the 8% Senior Notes, which swaps result in an effective interest rate of LIBOR plus 2.95% with respect to that portion of the 8% Senior Notes. The 8% Senior Notes, which mature on November 15, 2013, bear interest semi-annually in arrears on May 15 and November 15 of each year, starting on May 15, 2004. The 8% Senior Notes are redeemable, in whole or in part, by the Company at any time on or after November 15, 2008 at a designated redemption amount, plus accrued and unpaid interest. In addition, the Company may redeem up to 35% of the 8% Senior Notes before November 15, 2006 with the net cash proceeds from certain equity offerings. The 8% Senior Notes rank equally in right of payment with the Company's other unsecured unsubordinated debt, but are effectively subordinated to all the Company's secured debt to the extent of the assets securing such debt. The 8% Senior Notes are fully and unconditionally guaranteed, jointly and severally, on a senior unsecured basis by generally all of the Company's active domestic subsidiaries including, following repayment of the Senior Loan arrangements discussed above, the subsidiaries owning the assets of Gaylord Opryland. In connection with the offering and subsequent registration of the 8% Senior Notes, the Company paid approximately $10.1 million in deferred financing costs. The net proceeds from the offering of the 8% Senior Notes, together with $22.5 million of the Company's cash on hand, were used as follows:

- $275.5 million was used to repay the $150 million senior term loan portion and the $50 million subordinated term loan portion of the 2003 Loans, as well as the remaining $66 million of the Company's $100 million Mezzanine Loan and to pay certain fees and expenses related to the ResortQuest acquisition; and
- $79.2 million was placed in escrow pending consummation of the ResortQuest acquisition. As of November 20, 2003, the $79.2 million together with $8.2 million of the available cash, was used to repay (i) ResortQuest's senior notes and its credit facility, the principal amount of which aggregated $85.1 million at closing, and (ii) a related prepayment penalty.

The 8% Senior Notes indenture contains certain covenants which, among other things, limit the incurrence of additional indebtedness, investments, dividends, transactions with affiliates, asset sales, capital expenditures, mergers and consolidations, liens and encumbrances and other matters customarily restricted in such agreements. The 8% Senior Notes are cross-defaulted to the Company's other indebtedness.

2003 Revolving Credit Facility

On November 20, 2003, the Company entered into a new $65.0 million revolving credit facility, which was increased to $100.0 million on December 17, 2003. The 2003 revolving credit facility, which replaced the revolving credit portion under the 2003 Loans, matured in May 2006. The 2003 revolving credit facility had an interest rate, at the Company's election, of either LIBOR plus 3.50%, subject to a minimum LIBOR of 1.32%, or the lending banks' base rate plus 2.25%. Interest on borrowings was payable quarterly, in arrears, for base rate loans and at the end of each interest rate period for LIBOR rate-based loans. Principal was payable in full at maturity. The 2003 revolving credit facility was guaranteed on a senior unsecured basis by the Company's subsidiaries that were guarantors of the 8% Senior Notes described above and the 6.75% Senior Notes described below (consisting generally of the Company's active domestic subsidiaries including, following repayment of the Senior Loan arrangements, the subsidiaries owning the assets of Gaylord Opryland), and was secured by a leasehold mortgage on the Gaylord Palms.

As discussed below, on March 10, 2005, the Company entered into a new $600 million credit facility with Bank of America, N.A. acting as the administrative agent and terminated the 2003 revolving credit facility. As a result of the termination of the 2003 revolving credit facility, the Company wrote off $0.5 million in deferred financing costs during the first quarter of 2005, which is included in interest expense in the consolidated statement of operations.

6.75% Senior Notes

On November 30, 2004, the Company completed its offering of $225 million in aggregate principal amount of senior notes due 2014 (the "6.75% Senior Notes") in an institutional private placement. In April 2005, the Company filed an exchange offer registration statement on Form S-4 with the SEC with respect to the 6.75% Senior Notes and subsequently exchanged the existing 6.75% Senior Notes for publicly registered 6.75% Senior Notes with the same terms after the registration statement was declared effective in May 2005. The interest rate of these notes is 6.75%. The 6.75% Senior Notes, which mature on November 15, 2014, bear interest semi-annually in cash in arrears on May 15 and November 15 of each year, starting on May 15, 2005. The 6.75% Senior Notes are redeemable, in whole or in part, by the Company at any time on or after November 15, 2009 at a designated redemption amount, plus accrued and unpaid interest. In addition, the Company may redeem up to 35% of the 6.75% Senior Notes before November 15, 2007 with the net cash proceeds from certain equity offerings. The 6.75% Senior Notes rank equally in right of payment with the Company's other unsecured unsubordinated debt, but are effectively subordinated to all of the Company's secured debt to the extent of the assets securing such debt. The 6.75% Senior Notes are fully and unconditionally guaranteed, jointly and severally, on a senior unsecured basis by generally all of the Company's active domestic subsidiaries including, following repayment of the Senior Loan arrangements discussed above, the subsidiaries owning the assets of Gaylord Opryland. In connection with the offering of the 6.75% Senior Notes, the Company paid approximately $4.2 million in deferred financing costs. The net proceeds from the offering of the 6.75% Senior Notes, together with cash on hand, were used to repay the Senior Loan and to provide capital for growth of the Company's other businesses and other general corporate purposes. In addition, the 6.75% Senior Notes indenture contains certain covenants which, among other things, limit the incurrence of additional indebtedness, investments, dividends, transactions with affiliates, asset sales, capital expenditures, mergers and consolidations, liens and encumbrances and other matters customarily restricted in such agreements. The 6.75% Senior Notes are cross-defaulted to the Company's other indebtedness.

New $600.0 Million Credit Facility

On March 10, 2005, the Company entered into a new $600.0 million credit facility with Bank of America, N.A. acting as the administrative agent. The Company's new credit facility, which replaced the 2003 revolving credit facility, consists of the following

components: (a) a $300.0 million senior secured revolving credit facility, which includes a $50.0 million letter of credit sublimit, and (b) a $300.0 million senior secured delayed draw term loan facility, which may be drawn on in one or more advances during its term. The credit facility also includes an accordion feature that will allow the Company, on a one-time basis, to increase the credit facilities by a total of up to $300.0 million, subject to securing additional commitments from existing lenders or new lending institutions. The revolving loan, letters of credit and term loan mature on March 9, 2010. At the Company's election, the revolving loans and the term loans may have an interest rate of LIBOR plus 2% or the lending banks' base rate plus 1%, subject to adjustments based on the Company's financial performance. Interest on the Company's borrowings is payable quarterly, in arrears, for base rate loans and at the end of each interest rate period for LIBOR rate-based loans. Principal is payable in full at maturity. The Company is required to pay a commitment fee ranging from 0.25% to 0.50% per year of the average unused portion of the credit facility. The purpose of the new credit facility is for working capital and capital expenditures and the financing of the costs and expenses related to the construction of the Gaylord National hotel. Construction of the Gaylord National hotel is required to be substantially completed by June 30, 2008 (subject to customary force majeure provisions).

The new credit facility is (i) secured by a first mortgage and lien on the real property and related personal and intellectual property of the Company's Gaylord Opryland hotel, Gaylord Texan hotel, Gaylord Palms hotel and Gaylord National hotel (to be constructed) and pledges of equity interests in the entities that own such properties and (ii) guaranteed by each of the four wholly owned subsidiaries that own the four hotels as well as ResortQuest International, Inc. Advances are subject to a 60% borrowing base, based on the appraisal values of the hotel properties (reducing to 50% in the event a hotel property is sold). The Company's 2003 revolving credit facility has been paid in full and the related mortgages and liens have been released.

In addition, the $600.0 million credit facility contains certain covenants which, among other things, limit the incurrence of additional indebtedness, investments, dividends, transactions with affiliates, asset sales, acquisitions, mergers and consolidations, liens and encumbrances and other matters customarily restricted in such agreements. The material financial covenants, ratios or tests contained in the new credit facility are as follows:

- the Company must maintain a consolidated leverage ratio of not greater than (i) 7.00 to 1.00 for calendar quarters ending during calendar year 2007, and (ii) 6.25 to 1.00 for all other calendar quarters ending during the term of the credit facility, which levels are subject to increase to 7.25 to 1.00 and 7.00 to 1.00, respectively, for three (3) consecutive quarters at the Company's option if the Company makes a leverage ratio election.
- the Company must maintain a consolidated tangible net worth of not less than the sum of $550.0 million, increased on a cumulative basis as of the end of each calendar quarter, commencing with the calendar quarter ending March 31, 2005, by an amount equal to (i) 75% of consolidated net income (to the extent positive) for the calendar quarter then ended, plus (ii) 75% of the proceeds received by the Company or any of its subsidiaries in connection with any equity issuance.
- the Company must maintain a minimum consolidated fixed charge coverage ratio of not less than (i) 1.50 to 1.00 for any reporting calendar quarter during which the leverage ratio election is effective; and (ii) 2.00 to 1.00 for all other calendar quarters during the term hereof.
- the Company must maintain an implied debt service coverage ratio (the ratio of adjusted net operating income to monthly principal and interest that would be required if the outstanding balance were amortized over 25 years at an interest rate equal to the then current seven year Treasury Note plus 0.25%) of not less than 1.60 to 1.00.
- the Company's investments in entities which are not wholly-owned subsidiaries (other than any such investment in any subsidiary of the Company in existence as of March 10, 2005) may not exceed an amount equal to ten percent (10.0%) of the Company's consolidated total assets.

As of December 31, 2005, the Company was in compliance with all covenants**.** As of December 31, 2005, $20.0 million in borrowings were outstanding under the $600.0 million credit facility, and the lending banks had issued $13.5 million of letters of credit under the credit facility for the Company. The credit facility is cross-defaulted to the Company's other indebtedness.

11. Income Taxes

The provision (benefit) for income taxes from continuing operations consists of the following (amounts in thousands):

	2005	2004	2003
CURRENT:			
Federal	**$ (88)**	$ 253	$(18,367)
State	**117**	(84)	(3,284)
Total current provision (benefit)	**29**	169	(21,651)
DEFERRED:			
Federal	**(15,359)**	(28,204)	1,669
State	**183**	(11,649)	(3,936)
Foreign	**—**	(25)	134
Total deferred benefit	**(15,176)**	(39,878)	(2,133)
Effect of tax law change	**—**	—	—
Total benefit for income taxes	**$(15,147)**	$(39,709)	$(23,784)

The tax benefits associated with the exercise of stock options during the years 2005, 2004, and 2003 were $2.5 million, $2.0 million, and $0.9 million, respectively, and are reflected as an adjustment to either additional paid-in capital in the accompanying consolidated statements of stockholders' equity, goodwill or deferred tax asset.

In addition to the income tax benefit discussed above, the Company recognized additional income tax (benefit) provision related to discontinued operations as discussed in Note 4 in the amounts of $(2.8) million, $0.4 million, and $22.0 million for the years ended December 31, 2005, 2004 and 2003, respectively.

The effective tax rate as applied to pretax loss from continuing operations differed from the statutory federal rate due to the following:

	2005	2004	2003
U.S. federal statutory rate	**35%**	35%	35%
State taxes (net of federal tax benefit and change in valuation allowance)	**-1%**	8%	8%
Other	**-2%**	-1%	0%
	32%	42%	43%

Beginning in 2005, the Company is required to file additional combined state income tax returns. As a result of this change and other tax filing adjustments, the Company recorded a state income tax expense of approximately $1.3 million (net of federal benefit) related to the net deferred tax liability at the beginning of the year. In addition, the state income tax expense for 2005 includes a benefit (net of change in valuation allowance) related to current year operations of $1.1 million (net of federal benefit). In 2004, the Company began operations in additional tax jurisdictions which caused a change in the overall effective tax rate. As a result of this change, the Company recorded an income tax benefit of approximately $4.5 million (net of federal benefit) related to the net deferred tax liability at the beginning of the year. In addition, the state income tax benefit related to current year operations was $3.0 million (net of federal benefit). Due to the utilization of state net operating loss carryforwards from the sale of the Radio Operations in 2003, as discussed in Note 4, the Company released a portion of the valuation allowance to increase the deferred tax asset by $2.4 million and to reduce the tax expense by $2.4 million.

Provision is made for deferred federal and state income taxes in recognition of certain temporary differences in reporting items of income and expense for financial statement purposes and income tax purposes. Significant components of the Company's deferred tax assets and liabilities at December 31 are as follows (amounts in thousands):

	2005	2004
DEFERRED TAX ASSETS:		
Accounting reserves and accruals	**$ 21,826**	$ 20,852
Defined benefit plan	**8,489**	8,048
Investments in stock	**3,942**	3,156
Forward exchange contract	**58,783**	48,335
Rent escalation and naming rights	**10,565**	10,129
Federal, state and foreign net operating loss carryforwards	**68,301**	57,698
Tax credits and other carryforwards	**10,081**	8,735
Other assets	**6,501**	5,377
Total deferred tax assets	**188,488**	162,330
Valuation allowance	**(15,245)**	(13,365)
Total deferred tax assets, net of valuation allowance	**173,243**	148,965
DEFERRED TAX LIABILITIES:		
Goodwill and other intangibles	**23,321**	22,764
Property and equipment, net	**103,521**	102,529
Investments in stock and derivatives	**211,504**	214,135
Investments in partnerships	**3,688**	4,808
Total deferred tax liabilities	**342,034**	344,236
Net deferred tax liabilities	**$168,791**	$195,271

At December 31, 2005, the Company had federal net operating loss carryforwards of $133.0 million which will begin to expire in 2020. In addition, the Company had federal minimum tax credits of $5.6 million that will not expire and other federal tax credits of $1.4 million that will begin to expire in 2018. The Company has federal net operating losses of $16.1 million as a result of the acquisition of ResortQuest as described in Note 5. The Company's utilization of this tax attribute will be limited due to the ownership change that resulted from the acquisition. However, management currently believes that this carryforward will ultimately be fully utilized. State net operating loss carryforwards at December 31, 2005 totaled $408.8 million and will expire between 2006 and 2020. Foreign net operating loss carryforwards at December 31, 2005 totaled $14.0 million and will begin to expire in 2007. The use of certain state and foreign net operating losses and other state and foreign deferred tax assets are limited to the future taxable earnings of separate legal entities. As a result, a valuation allowance has been provided for certain state and foreign deferred tax assets, including loss carryforwards. The change in valuation allowance was $1.9 million, $0.2 million, and $(1.5) million, in 2005, 2004 and 2003, respectively. Based on the expectation of future taxable income, management believes that it is more likely than not that the results of operations will generate sufficient taxable income to realize the deferred tax assets after giving consideration to the valuation allowance. At December 31, 2005, $1.2 million of the total valuation allowance is related to deferred tax assets for which any subsequently recognized tax benefits will be recorded as a reduction of goodwill.

At December 31, 2005, the deferred tax liability relating to the Viacom Stock and the related SFEC (see Note 8) was $152.7 million, which amounts will be payable upon expiration of the SFEC which is scheduled for May 2007.

The IRS has completed and closed its audits of the Company's tax returns through 2001. The Company has considered the tax effect of the settled items and made the appropriate adjustments to the deferred tax assets and liabilities and resulting benefit or expense. ResortQuest is currently under examination for pre-acquisition year 2002. The Company does not expect the results of this audit to have a material impact on the Company's financial position or results of operations.

Net cash refunds (payments) for income taxes were approximately $0.3 million, ($0.7) million, and $1.0 million in 2005, 2004 and 2003, respectively.

The Company has estimated and accrued for certain tax assessments and the expected resolution of tax contingencies which arise in the course of business. The ultimate outcome of these tax-related contingencies impact the determination of income tax expense and may not be resolved until several years after the related tax returns have been filed. Predicting the outcome of such tax assessments involves uncertainty; however, the Company believes that recorded tax liabilities adequately account for its analysis of probable outcomes.

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12. Stockholders' Equity

Holders of common stock are entitled to one vote per share. During 2000, the Company's Board of Directors voted to discontinue the payment of dividends on its common stock.

13. Stock Plans

At December 31, 2005 and 2004, 3,757,855 and 3,586,551 shares, respectively, of the Company's common stock were reserved for future issuance pursuant to the exercise of stock options under the stock option and incentive plan. Under the terms of this plan, stock options are granted with an exercise price equal to the fair market value at the date of grant and generally expire ten years after the date of grant. Generally, stock options granted to non-employee directors are exercisable immediately, while options granted to employees are exercisable one to four years from the date of grant. The Company accounts for this plan under APB Opinion No. 25 and related interpretations, under which no compensation expense for employee and non-employee director stock options has been recognized.

Stock option awards available for future grant under the stock plan at December 31, 2005 and 2004 were 1,196,356 and 1,742,828 shares of common stock, respectively. Stock option transactions under the plan and options converted at the ResortQuest acquisition are summarized as follows:

	2005		2004		2003	
	Number of Shares	Weighted Average Exercise Price	Number of Shares	Weighted Average Exercise Price	Number of Shares	Weighted Average Exercise Price
Outstanding at beginning of year	**3,586,551**	**$ 25.75**	3,743,029	$ 24.88	3,241,037	$ 26.21
Granted	**643,520**	**40.55**	559,114	29.50	777,390	21.21
Converted at ResortQuest acquisition	**—**	**—**	—	—	573,863	21.18
Exercised	**(348,220)**	**24.72**	(484,730)	23.13	(235,860)	17.75
Canceled	**(123,996)**	**32.17**	(230,862)	26.20	(613,401)	26.52
Outstanding at end of year	**3,757,855**	**28.17**	3,586,551	25.75	3,743,029	24.88
Exercisable at end of year	**2,419,341**	**26.19**	2,033,331	26.49	1,840,310	27.02

A summary of stock options outstanding at December 31, 2005 is as follows:

	Options Outstanding			Options Exercisable	
Option Exercise Price Range	Number of Shares	Weighted Average Remaining Contractual Life	Weighted Average Exercise Price	Number of Shares Exerciseable	Weighted Average Exercise Price
$10.17 - $20.00	107,740	3.9	$ 16.57	59,537	$ 16.63
$20.01 - $25.00	847,181	6.5	21.37	554,342	21.68
$25.01 - $30.00	1,945,204	5.5	27.11	1,586,961	26.82
$30.01 - $35.00	159,075	5.8	31.45	115,476	31.61
$35.01 - $40.00	114,273	3.4	39.52	100,963	39.87
$40.01 - $58.18	584,382	9.1	40.58	2,062	57.12
$10.17 - $58.18	3,757,855	6.2	28.17	2,419,341	26.19

The plan also provides for the award of restricted stock. The Company granted 41,200, 30,480, and 54,000 shares of restricted stock with weighted average grant date fair values of $42.61, $30.68, and $22.93, respectively, in 2005, 2004, and 2003, respectively. At December 31, 2005 and 2004, awards of restricted stock of 74,035 and 93,805 shares, respectively, of common stock were outstanding. The market value at the date of grant of these restricted shares was recorded as unearned compensation as a component of stockholders’ equity. Unearned compensation is amortized and expensed over the vesting period of the restricted stock. At December 31, 2005, there was approximately $1.7 million in unearned deferred compensation related to restricted unit grants recorded as other stockholders’ equity in the accompanying consolidated balance sheet.

The Company granted 10,000 and 45,500 units in 2005 and 2004, respectively, under the Company’s Performance Accelerated Restricted Stock Unit Program, which was implemented in the second quarter of 2003. Included in compensation expense for 2005 and 2004 is $2.6 million and $2.8 million, respectively, related to these units.

The Company has an employee stock purchase plan whereby substantially all employees are eligible to participate in the purchase of designated shares of the Company’s common stock. Prior to January 1, 2005, participants in the plan purchased these shares at a price equal to 85% of the lower of (i) the closing price at the beginning of each quarterly stock purchase period or (ii) the closing price at the end of each quarterly stock purchase period. Effective January 1, 2005, the plan was amended such that participants in the plan now purchase these shares at a price equal to 95% of the closing price at the end of each quarterly stock purchase period. The Company issued 10,289, 11,722, and 12,888 shares of common stock at an average price of $42.15, $26.13, and $16.95 pursuant to this plan during 2005, 2004 and 2003, respectively.

14. Commitments and Contingencies

Capital Leases

During 2005, 2004, and 2003, the Company entered into four, two, and one capital leases, respectively. In the accompanying consolidated balance sheets, the following amounts of assets under capitalized lease agreements are included in property and equipment and other long-term assets and the related obligations are included in debt (amounts in thousands):

	2005	2004
Property and equipment	**$ 2,596**	$ 2,125
Other long-term assets	**2,290**	898
Accumulated depreciation	**(2,071)**	(1,104)
Net assets under capital leases in property and equipment	**$ 2,815**	$ 1,919
Current lease obligations	**$ 825**	$ 362
Long-term lease obligations	**1,304**	464
Capital lease obligations	**$ 2,129**	$ 826

Operating Leases

Rental expense related to continuing operations for operating leases was $23.1 million, $19.4 million, and $13.6 million for 2005, 2004 and 2003, respectively. Non-cash lease expense for 2005, 2004, and 2003 was $7.0 million, $6.6 million, and $6.5 million, respectively, as discussed below.

Future minimum cash lease commitments under all non-cancelable leases in effect for continuing operations at December 31, 2005 are as follows (amounts in thousands):

	Capital Leases	Operating Leases
2006	$1,010	$ 12,532
2007	559	11,033
2008	441	9,645
2009	340	7,821
2010	—	6,371
Years thereafter	—	665,362
Total minimum lease payments	2,350	$712,764
Less amount representing interest	(221)	
Total present value of minimum payments	2,129	
Less current portion of obligations	(825)	
Long-term obligations	$1,304	

The Company entered into a 75-year operating lease agreement during 1999 for 65.3 acres of land located in Osceola County, Florida for the development of Gaylord Palms. The lease requires annual lease payments of approximately $3.1 million. The lease agreement provides for an annual 3% escalation of base rent beginning in 2007. As required by SFAS No. 13, and related interpretations, the terms of this lease require that the Company recognize lease expense on a straight-line basis, which resulted in an annual base lease expense of approximately $9.2 million, $9.8 million, and $9.8 million for 2005, 2004, and 2003, respectively. This rent included approximately $6.5 million, $6.6 million, and $6.5 million of non-cash expenses during 2005, 2004, and 2003, respectively. At the end of the 75-year lease term, the Company may extend the operating lease to January 31, 2101, at which point the buildings and fixtures will be transferred to the lessor. The Company also records contingent rentals based upon net revenues associated with the Gaylord Palms operations. The Company recorded $0.8 million, $0.8 million, and $0.7 million of contingent rentals related to the Gaylord Palms in 2005, 2004, and 2003, respectively.

Other Commitments and Contingencies

On February 22, 2005, the Company concluded the settlement of litigation with NHC, which owns the Nashville Predators NHL hockey team, over (i) NHC's obligation to redeem the Company's ownership interest, and (ii) the Company's obligations under the Nashville Arena Naming Rights Agreement dated November 24, 1999. Under the Naming Rights Agreement, which had a 20-year term through 2018, the Company was required to make annual payments to NHC, beginning at $2,050,000 in 1999 and with a 5% escalation each year thereafter, and to purchase a minimum number of tickets to Predators games each year. At the closing of the settlement, NHC redeemed all of the Company's outstanding limited partnership units in the Predators pursuant to a Purchase Agreement dated February 22, 2005 effectively terminating the Company's ownership interest in the Predators. In addition, the Naming Rights Agreement was cancelled pursuant to the Acknowledgment of Termination of Naming Rights Agreement. As a part of the settlement, the Company made a one-time cash payment to NHC of $4 million and issued to NHC a 5-year, $5 million promissory note bearing interest at 6% per annum. The note is payable at $1 million per year for 5 years, with the first payment due on the first anniversary of the resumption of NHL Hockey in Nashville, Tennessee, which occurred on October 5, 2005. The Company's obligation to pay the outstanding amount under the note shall terminate immediately if, at any time before the note is paid in full, the Predators cease to be an NHL team playing their home games in Nashville, Tennessee. In addition, if the Predators cease to be an NHL team playing its home games in

Nashville prior to the first payment under the note (October 5, 2006), then in addition to the note being cancelled, the Predators will pay the Company $4 million. If the Predators cease to be an NHL team playing its home games in Nashville after the first payment but prior to the second payment under the note, then in addition to the note being cancelled, the Predators will pay the Company $2 million. In addition, pursuant to a Consent Agreement among the Company, the National Hockey League and owners of NHC, the Company's guaranty described below has been limited as described below. The Company continued to recognize the expense under the Naming Rights Agreement throughout the course of this litigation. As a result, the net effect of the settlement resulted in the Company reversing $2.4 million of expense previously accrued under the Naming Rights Agreement during 2005.

In connection with the Company's execution of the Agreement of Limited Partnership of NHC on June 25, 1997, the Company, its subsidiary CCK, Inc., Craig Leipold, Helen Johnson-Leipold (Mr. Leipold's wife) and Samuel C. Johnson (Mr. Leipold's father-in-law) entered into a guaranty agreement executed in favor of the National Hockey League (NHL). This agreement provides for a continuing guarantee of the following obligations for as long as any of these obligations remain outstanding: (i) all obligations under the expansion agreement between NHC and the NHL; and (ii) all operating expenses of NHC. The maximum potential amount which the Company and CCK, collectively, could be liable under the guaranty agreement is $15.0 million, although the Company and CCK would have recourse against the other guarantors if required to make payments under the guarantee. In connection with the legal settlement with the Nashville Predators consummated on February 22, 2005, as described above, this guaranty has been limited so that the Company is not responsible for any debt, obligation or liability of NHC that arises from any act, omission or circumstance occurring after the date of the legal settlement. As of December 31, 2005, the Company had not recorded any liability in the condensed consolidated balance sheet associated with this guarantee.

In connection with RHAC, LLC's execution of the Waikiki Hotel Loans as described in Note 7, IB-SIV, the parent company of the Company's joint venture partner, entered into two separate Guaranties of Recourse Obligations with the Waikiki Hotel Lender whereby it guaranteed RHAC, LLC's obligations under the Waikiki Hotel Loans for as long as those loans remain outstanding (i) in the event of certain types of fraud, breaches of environmental representations or warranties, or breaches of certain "special purpose entity" covenants by RHAC, LLC, on the one hand, or (ii) in the event of bankruptcy or reorganization proceedings of RHAC, LLC, on the other hand. As a part of the joint venture arrangement and simultaneously with the closing of the purchase of the Waikiki Hotel, the Company entered into a Contribution Agreement with IB-SIV, whereby the Company agreed that, in the event that IB-SIV is required to make any payments pursuant to the terms of these guarantees, it will contribute to IB-SIV an amount equal to 19.9% of any such guaranty payments. The Company estimates that the maximum potential amount that the Company could be liable under this contribution agreement is $17.2 million, which represents 19.9% of the $86.3 million of total debt that RHAC, LLC owes to the Waikiki Hotel Lender as of December 31, 2005. As of December 31, 2005, the Company had not recorded any liability in the consolidated balance sheet associated with this guarantee.

Also in connection with RHAC, LLC's execution of the Waikiki Hotel Loans described in Note 7, IB-SIV and the Company were required to execute an irrevocable letter of credit in favor of the Waikiki Hotel Lender with a total notional amount of $7.9 million in order to secure RHAC, LLC's obligation to perform certain capital upgrades on the Waikiki Hotel and to provide additional security for payment of the Waikiki Hotel Loans. This letter of credit is required to remain outstanding until all required capital upgrades have been completed. However, the notional amount of this letter of credit will be reduced by the amount of funds actually expended by RHAC, LLC on the capital upgrades. Under the terms of the Waikiki Hotel Loans, the Waikiki Hotel Lender may draw up to the notional amount of this letter of credit and apply the proceeds to the Waikiki Hotel Loans upon the occurrence of an event of default. Pursuant to the Contribution Agreement described above, the Company agreed to initially execute a letter of credit for the full $7.9 million notional amount required by the Lender, and IB-SIV agreed that, in the event that any amounts are drawn by Lender under the letter of credit, it will contribute an amount equal to 80.1% of any such letter of credit draw to the Company. IB-SIV further agreed to execute a separate letter of credit subsequent to closing with a notional amount of $6.3 million to allow the Company to reduce the notional amount of its letter of credit to $1.6 million. During the third quarter of 2005, IB-SIV executed this replacement letter of credit with a notional amount of $6.3 million, and the Company reduced the notional amount of its letter of credit to $1.6 million. The Company estimates that the maximum potential amount which the Company could be liable under this obligation is $1.6 million as of December 31, 2005. As of December 31, 2005, the Company had not recorded any liability in the consolidated balance sheet associated with this obligation.

Certain of the Company's ResortQuest subsidiary's property management agreements in Hawaii contain provisions for guaranteed levels of returns to the owners. These agreements, which have remaining terms of up to approximately 7 years, also contain force majeure clauses to protect the Company from forces or occurrences beyond the control of management.

On February 23, 2005, the Company acquired approximately 42 acres of land and related land improvements in Prince George's County, Maryland (Washington D.C. area) for approximately $29 million on which the Company is developing the Gaylord National. Approximately $17 million of this was paid in the first quarter of 2005, with the remainder payable upon completion of various phases

of the project. The Company currently expects to open the hotel in 2008. In connection with this project, Prince George's County, Maryland approved, in July 2004, two bond issues related to the development. The first bond issuance, in the amount of $65 million, was issued by Prince George's County, Maryland in April 2005 to support the cost of infrastructure being constructed by the project developer, such as roads, water and sewer lines. The second bond issuance, in the amount of $95 million, was issued by Prince George's County, Maryland in April 2005 and placed into escrow until the project is completed. Upon completion of the project, these bonds will be delivered to the Company. The Company will initially hold the bonds and receive the debt service thereon which is payable from tax increment, hotel tax and special hotel rental taxes generated from our development. The Company has entered into several agreements with a general contractor and other suppliers for the provision of certain construction services at the site. As of December 31, 2005, the Company had committed to pay $220.7 million under those agreements for construction services and supplies. Construction costs to date for this project have exceeded the Company's initial estimates. In addition, the Company plans to expand the Gaylord National project by 500 rooms, contingent upon approval by Prince George's County, Maryland of additional economic incentives for the project. The Company estimates the total cost of the project, including the cost increases and the costs of the expansion, to be between $785 million and $835 million (excluding capitalized interest, preopening costs and any government incentives in connection with the Gaylord National hotel project), of which the Company has spent $65.9 million (including capitalized interest but excluding preopening costs) as of December 31, 2005. The Company is also considering other potential hotel sites throughout the country, including Chula Vista, California (located in the San Diego area). The timing and extent of any of these development projects is uncertain.

The Company has purchased stop-loss coverage in order to limit its exposure to any significant levels of claims relating to workers' compensation, employee medical benefits and general liability for which it is self-insured.

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

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

15. Retirement Plans

Prior to January 1, 2001, the Company maintained a noncontributory defined benefit pension plan in which substantially all of its employees were eligible to participate upon meeting the pension plan's participation requirements. The benefits were based on years of service and compensation levels. On January 1, 2001 the Company amended its defined benefit pension plan to determine future benefits using a cash balance formula. On December 31, 2000, benefits credited under the plan's previous formula were frozen. Under the cash formula, each participant had an account which was credited monthly with 3% of qualified earnings and the interest earned on their previous month-end cash balance. In addition, the Company included a "grandfather" clause which assures that the participant will receive the greater of the benefit calculated under the cash balance plan and the benefit that would have been payable if the defined benefit plan had remained in existence. The benefit payable to a vested participant upon retirement at age 65, or age 55 with 15 years of service, is equal to the participant's account balance, which increases based upon length of service and compensation levels. At retirement, the employee generally receives the balance in the account as a lump sum. The funding policy of the Company is to contribute annually an amount which equals or exceeds the minimum required by applicable law.

The following table sets forth the funded status at December 31 (amounts in thousands):

	2005	2004
CHANGE IN BENEFIT OBLIGATION:		
Benefit obligation at beginning of year	**$ 69,936**	$ 66,629
Interest cost	**4,067**	4,057
Actuarial loss	**6,453**	3,446
Benefits paid	**(4,685)**	(4,196)
Benefit obligation at end of year	**75,771**	69,936
CHANGE IN PLAN ASSETS:		
Fair value of plan assets at beginning of year	**48,001**	42,929
Actual return on plan assets	**5,423**	4,673
Employer contributions	**4,099**	4,595
Benefits paid	**(4,685)**	(4,196)
Fair value of plan assets at end of year	**52,838**	48,001
Funded status	**(22,933)**	(21,935)
Unrecognized net actuarial loss	**27,077**	24,625
Adjustment for minimum liability	**(27,077)**	(24,625)
Employer contribution after measurement date	**757**	855
Accrued pension cost	**$(22,176)**	$(21,080)

Net periodic pension expense reflected in the accompanying consolidated statements of operations included the following components for the years ended December 31 (amounts in thousands):

	2005	2004	2003
Interest cost	**$ 4,067**	$ 4,057	$ 4,031
Expected return on plan assets	**(3,839)**	(3,418)	(2,991)
Recognized net actuarial loss	**2,417**	2,509	2,371
Total net periodic pension expense	**$ 2,645**	$ 3,148	$ 3,411

The accumulated benefit obligation for the defined benefit pension plan was $75.8 million and $69.9 million at December 31, 2005 and 2004, respectively.

Assumptions

The weighted-average assumptions used to determine the benefit obligation at December 31 are as follows:

	2005	2004
Discount rate	**5.50%**	6.00%
Rate of compensation increase	**N/A**	N/A
Measurement date	**9/30/2005**	9/30/2004

The rate of increase in future compensation levels was not applicable for 2005 and 2004 due to the Company amending the plan to freeze the cash balance benefit as described above.

The weighted-average assumptions used to determine the net periodic pension expense for years ended December 31 are as follows:

	2005	2004
Discount rate	**6.00%**	6.25%
Rate of compensation increase	**N/A**	N/A
Expected long term rate of return on plan assets	**8.00%**	8.00%
Measurement date	**9/30/2005**	9/30/2004

The Company determines the overall expected long term rate of return on plan assets based on its estimate of the return that plan assets will provide over the period that benefits are expected to be paid out. In preparing this estimate, the Company considers its targeted allocation of plan assets among securities with various risk and return profiles, as well as the actual returns provided by plan assets in prior periods.

Plan Assets

The allocation of the defined benefit pension plan's assets as of September 30, by asset categories, are as follows:

Asset Category	2005	2004
Equity securities	**63%**	64%
Fixed income securities	**35%**	31%
Cash	**2%**	5%
Total	**100%**	100%

The defined benefit pension plan's investment strategy is to invest plan assets in a diverse group of equity and fixed income securities with the objective of achieving returns that will provide the plan with sufficient assets to make benefit payments as they become due, while maintaining a risk profile that is commensurate with this objective. Consistent with that strategy, the plan has set the following target asset allocation percentages for each major category of plan assets:

Asset Category	Target Allocation
Equity securities	**60%**
Fixed income securities	**35%**
Cash	**5%**
Total	**100%**

Expected Contributions and Benefit Payments

The Company expects to contribute $4.3 million to its defined benefit pension plan in 2006. Based on the Company's assumptions discussed above, the Company expects to make the following estimated future benefit payments under the plan during the years ending December 31 (amounts in thousands):

2006	$ 3,606
2007	2,139
2008	2,508
2009	3,216
2010	2,798
2011-2015	21,540
Total	$ 35,807

Other Information

The Company also maintains non-qualified retirement plans (the "Non-Qualified Plans") to provide benefits to certain key employees. The Non-Qualified Plans are not funded and the beneficiaries' rights to receive distributions under these plans constitute unsecured claims to be paid from the Company's general assets. At December 31, 2005, the Non-Qualified Plans' projected benefit obligations and accumulated benefit obligations were $14.8 million.

The Company's accrued cost related to its qualified and non-qualified retirement plans of $37.0 million and $33.7 million at December 31, 2005 and 2004, respectively, is included in other long-term liabilities in the accompanying consolidated balance sheets. The 2005 increase in the minimum liability related to the Company's retirement plans resulted in a charge to equity of $2.4 million, net of a tax benefit of $1.5 million. The 2004 decrease in the minimum liability related to the Company's retirement plans resulted in a charge to equity of $0.2 million, net of a tax benefit of $0.3 million. The 2003 increase in the minimum liability related to the Company's retirement plans resulted in a charge to equity of $1.8 million, net of taxes of $1.1 million. The 2005, 2004 and 2003 charges to equity due to the change in the minimum liability are included in other comprehensive loss in the accompanying consolidated statements of stockholders' equity.

The Company also has contributory retirement savings plans in which substantially all employees are eligible to participate. The Company contributes an amount equal to the lesser of one-half of the amount of the employee's contribution or 3% of the employee's salary. In addition, effective January 1, 2002, the Company contributes up to 4% of the employee's salary, based upon the Company's financial performance. Company contributions under the retirement savings plans were $7.5 million, $6.0 million, and $4.1 million for 2005, 2004 and 2003, respectively.

16. Postretirement Benefits Other Than Pensions

The Company sponsors unfunded defined benefit postretirement health care and life insurance plans for certain employees. The Company contributes toward the cost of health insurance benefits and contributes the full cost of providing life insurance benefits. In order to be eligible for these postretirement benefits, an employee must retire after attainment of age 55 and completion of 15 years of service, or attainment of age 65 and completion of 10 years of service. The Company's Benefits Trust Committee determines retiree premiums.

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The following table reconciles the change in benefit obligation of the postretirement plans to the accrued postretirement liability as reflected in other liabilities in the accompanying consolidated balance sheets at December 31 (amounts in thousands):

	2005	2004
CHANGE IN BENEFIT OBLIGATION:		
Benefit obligation at beginning of year	**$13,643**	$20,203
Service cost	**209**	300
Interest cost	**791**	937
Actuarial loss (gain)	**5,657**	(6,752)
Benefits paid	**(1,044)**	(1,045)
Benefit obligation at end of year	**19,256**	13,643
Unrecognized net actuarial (loss) gain	**(1,350)**	4,809
Unrecognized prior service cost	**1,076**	2,076
Unrecognized curtailment gain	**1,615**	1,859
Accrued postretirement liability	**$20,597**	$22,387

Net postretirement benefit expense reflected in the accompanying consolidated statements of operations included the following components for the years ended December 31 (amounts in thousands):

	2005	2004	2003
Service cost	**$ 209**	$ 300	$ 341
Interest cost	**791**	937	1,380
Recognized net actuarial (gain) loss	**(502)**	(422)	10
Amortization of prior service cost	**(999)**	(999)	(999)
Amortization of curtailment gain	**(244)**	(244)	(244)
Net postretirement benefit expense	**$(745)**	$(428)	$ 488

The weighted-average assumptions used to determine the benefit obligation at December 31 are as follows:

	2005	2004
Discount rate	**5.50%**	6.00%
Measurement date	**9/30/2005**	9/30/2004

The weighted-average assumptions used to determine the net postretirement benefit expense for years ended December 31 are as follows:

	2005	2004
Discount rate	**6.00%**	6.25%
Measurement date	**9/30/2005**	9/30/2004

The health care cost trend is projected to be 10.1% in 2006, declining each year thereafter to an ultimate level trend rate of 5.0% per year for 2014 and beyond. The health care cost trend rates are not applicable to the life insurance benefit plan. The health care cost trend rate assumption has a significant effect on the amounts reported. To illustrate, a 1% increase in the assumed health care cost trend rate each year would increase the accumulated postretirement benefit obligation as of December 31, 2005 by approximately 9% and the aggregate of the service and interest cost components of net postretirement benefit expense would increase approximately 10%. Conversely, a 1% decrease in the assumed health care cost trend rate each year would decrease the accumulated postretirement benefit obligation as of December 31, 2005 by approximately 8% and the aggregate of the service and interest cost components of net postretirement benefit expense would decrease approximately 9%.

The Company expects to contribute $1.0 million to the plan in 2006. Based on the Company's assumptions discussed above, the Company expects to make the following estimated future benefit payments under the plan during the years ending December 31 (amounts in thousands):

2006	**$ 1,025**
2007	**1,111**
2008	**1,177**
2009	**1,243**
2010	**1,295**
2011-2015	**7,545**
Total	**$ 13,396**

The Company amended the plans effective December 31, 2001 such that only active employees whose age plus years of service total at least 60 and who have at least 10 years of service as of December 31, 2001 remain eligible. The amendment and curtailment of the plans were recorded in accordance with SFAS No. 106, "Employers' Accounting for Postretirement Benefits Other Than Pensions", and related interpretations.

Effective December 8, 2003, the Medicare Prescription Drug, Improvement and Modernization Act of 2003 ("the Prescription Drug Act") was enacted into law. The Prescription Drug Act introduces a prescription drug benefit under Medicare Part D as well as a federal subsidy to sponsors of retiree health care benefit plans that provide a benefit that is at least actuarially equivalent to Medicare Part D.

During May 2004, the FASB issued FASB Staff Position No. 106-2, "Accounting and Disclosure Requirements Related to the Medicare Prescription Drug, Improvement and Modernization Act of 2003". This standard requires sponsors of defined benefit postretirement health care plans to make a reasonable determination whether (1) the prescription drug benefits under its plan are actuarially equivalent to Medicare Part D and thus qualify for the subsidy under the Prescription Drug Act and (2) the expected subsidy will offset or reduce the employer's share of the cost of the underlying postretirement prescription drug coverage on which the subsidy is based. Sponsors whose plans meet both of these criteria are required to re-measure the accumulated postretirement benefit obligation and net periodic postretirement benefit expense of their plans to reflect the effects of the Prescription Drug Act in the first interim or Annual Reporting period beginning after September 15, 2004.

During the second quarter of 2004, the Company determined that the prescription drug benefits provided under its postretirement health care plan were actuarially equivalent to Medicare Part D and thus would qualify for the subsidy under the Prescription Drug Act and the expected subsidy would offset its share of the cost of the underlying drug coverage. The Company elected to early-adopt the provisions of FASB Staff Position No. 106-2 during the second quarter of 2004 and re-measured its accumulated postretirement benefit obligation and net periodic postretirement benefit expense accordingly. The accumulated postretirement benefit obligation was reduced by $2.9 million during the second quarter of 2004 as a result of the subsidy related to benefits attributed to past service. This reduction in the accumulated postretirement benefit obligation was recorded as a deferred actuarial gain and will be amortized over future periods in the same manner as other deferred actuarial gains. The effect of the subsidy on the measurement of net periodic postretirement benefit expense for the years ended December 31, 2004 was as follows (amounts in thousands):

Service cost	$ (31)
Interest cost	(136)
Expected return on plan assets	—
Amortization of net actuarial gain	(328)
Amortization of prior service cost	—
Amortization of curtailment gain	—
Net periodic postretirement benefit expense	$ (495)

17. Goodwill and Intangibles

The Company performs an annual review of goodwill for impairment by comparing the carrying value of the applicable reporting unit to the fair value of the reporting unit. If the fair value is less than the carrying value then the Company measures potential impairment by allocating the fair value of the reporting unit to the tangible assets and liabilities of the reporting unit in a manner similar to a business combination purchase price allocation. The remaining fair value of the reporting unit after assigning fair values to all of the reporting unit's assets and liabilities represents the implied fair value of goodwill of the reporting unit. The impairment is measured by the difference between the carrying value of goodwill and the implied fair value of goodwill. The Company completed the annual impairment review on all goodwill at December 31, 2005 and determined that no impairment charges were required.

The changes in the carrying amounts of goodwill by business segment for the years ended December 31, 2005 and 2004 are as follows (amounts in thousands):

	Balance as of January 1, 2005	Impairment Losses	Acquisitions	Purchase Accounting Adjustments	Balance as of December 31, 2005
Hospitality	**$ —**	**$—**	**$ —**	**$ —**	**$ —**
Opry and Attractions	**6,915**	**—**	**—**	**—**	**6,915**
ResortQuest	**155,877**	**—**	**14,917**	**379**	**171,173**
Corporate and other	**—**	**—**	**—**	**—**	**—**
Total	**$162,792**	**$—**	**$14,917**	**$379**	**$178,088**

	Balance as of January 1, 2004	Impairment Losses	Acqusitions	Purchase Accounting Adjustments	Balance as of December 31, 2004
Hospitality	$ —	$—	$—	$ —	$ —
Opry and Attractions	6,915	—	—	—	6,915
ResortQuest	159,451	—	—	(3,574)	155,877
Corporate and other	—	—	—	—	—
Total	$166,366	$—	$—	$(3,574)	$162,792

During the year ended December 31, 2005, the Company recorded goodwill of $3.0 million and $11.9 million related to the acquisitions of Whistler and East West Resorts, respectively, as previously discussed in Note 5. During the year ended December 31, 2005, the Company made adjustments to accounts payable and accrued liabilities associated with the Whistler acquisition, the final purchase price, accrued liabilities, and inventories associated with the East West Resorts acquisition, and deferred taxes associated with the ResortQuest acquisition as a result of obtaining additional information. These adjustments resulted in a net increase in goodwill of $0.4 million.

The carrying amount of indefinite lived intangible assets not subject to amortization was $40.3 million at December 31, 2005 and 2004. The gross carrying amount of amortized intangible assets in continuing operations was $37.9 million and $30.7 million at December 31, 2005 and 2004, respectively. The related accumulated amortization of intangible assets in continuing operations was $10.1 million and $4.8 million at December 31, 2005 and 2004, respectively. The amortization expense related to intangibles from continuing operations during the years ended December 31, 2005, 2004, and 2003 was $5.3 million, $3.9 million, and $0.5 million, respectively. The estimated amounts of amortization expense for the next five years are as follows (amounts in thousands):

Year 1	$ 4,932
Year 2	4,822
Year 3	4,822
Year 4	4,820
Year 5	4,425
	$ 23,821

18. Financial Reporting By Business Segments

The following information (amounts in thousands) from continuing operations is derived directly from the segments' internal financial reports used for corporate management purposes. The Company revised its reportable segments during the first quarter of 2003 due to the Company's decision to divest itself of the Radio Operations and due to the acquisition of ResortQuest.

	2005	2004	2003
REVENUES:			
Hospitality	**$ 576,927**	$ 473,051	$369,263
Opry and Attractions	**67,097**	66,565	61,433
ResortQuest	**224,253**	190,823	16,383
Corporate and Other	**512**	388	184
Total revenues	**$ 868,789**	$ 730,827	$447,263
DEPRECIATION AND AMORTIZATION:			
Hospitality	**$ 63,188**	$ 58,521	$ 46,536
Opry and Attractions	**5,347**	5,215	5,129
ResortQuest	**10,645**	9,210	1,157
Corporate and Other	**4,049**	4,737	6,099
Total depreciation and amortization	**$ 83,229**	$ 77,683	$ 58,921
OPERATING INCOME (LOSS):			
Hospitality	**$ 72,705**	$ 43,525	$ 42,347
Opry and Attractions	**1,889**	1,548	(600)
ResortQuest	**(7,290)**	359	(2,685)
Corporate and Other	**(41,266)**	(43,751)	(43,396)
Preopening costs	**(5,005)**	(14,205)	(11,562)
Impairment and other charges	**—**	(1,212)	(856)
Restructuring charges	**—**	(196)	—
Total operating income (loss)	**21,033**	(13,932)	(16,752)
Interest expense, net of amounts capitalized	**(73,169)**	(55,064)	(52,804)
Interest income	**2,479**	1,501	2,461
Unrealized (loss) gain on Viacom stock	**(41,554)**	(87,914)	39,831
Unrealized gain (loss) on derivatives	**35,705**	56,533	(33,228)
Income from unconsolidated companies	**2,169**	3,825	2,340
Other gains and (losses)	**6,656**	1,089	2,209
Loss before benefit for income taxes and discontinued operations	**$ (46,681)**	$ (93,962)	$ (55,943)
IDENTIFIABLE ASSETS:			
Hospitality	**$1,303,739**	$1,259,813	
Opry and Attractions	**83,847**	88,542	
ResortQuest	**333,501**	293,188	
Corporate and Other	**808,208**	870,040	
Discontinued operations	**3,295**	9,462	
Total identifiable assets	**$2,532,590**	$2,521,045	

The following table represents the capital expenditures for continuing operations by segment for the years ended December 31 (amounts in thousands).

	2005	2004	2003
CAPITAL EXPENDITURES:			
Hospitality	**$105,536**	$118,698	$211,043
Opry and Attractions	**2,538**	3,326	9,133
ResortQuest	**14,036**	2,053	1,439
Corporate and other	**7,430**	3,459	2,040
Total capital expenditures	**$129,540**	$127,536	$223,655

19. Quarterly Financial Information (Unaudited)

The following is selected unaudited quarterly financial data as revised for the fiscal years ended December 31, 2005 and 2004 (amounts in thousands, except per share data).

The sum of the quarterly per share amounts may not equal the annual totals due to rounding.

	2005			
	First Quarter	Second Quarter	Third Quarter	Fourth Quarter
Revenues	$214,013	$224,838	$208,501	$221,437
Depreciation and amortization	20,937	20,201	20,905	21,186
Operating income (loss)	10,887	14,095	255	(4,204)
(Loss) income before income taxes and discontinued operations	(14,229)	1,284	(14,282)	(19,454)
(Benefit) provision for income taxes	(5,183)	1,234	(4,769)	(6,429)
(Loss) income from continuing operations	(9,046)	50	(9,513)	(13,025)
Gain (loss) from discontinued operations, net of taxes	189	(461)	(2,104)	(40)
Net loss	(8,857)	(411)	(11,617)	(13,065)
Net loss per share	(0.22)	(0.01)	(0.29)	(0.32)
Net loss per share — assuming dilution	(0.22)	(0.01)	(0.29)	(0.32)

	2004			
	First Quarter	Second Quarter	Third Quarter	Fourth Quarter
Revenues	$153,652	$197,519	$191,011	$188,645
Depreciation and amortization	16,613	20,687	20,232	20,151
Operating (loss) income	(10,664)	(1,363)	951	(2,856)
Loss before income taxes and discontinued operations	(30,212)	(39,183)	(8,642)	(15,925)
Benefit for income taxes	(11,069)	(16,559)	(4,657)	(7,424)
Loss from continuing operations	(19,143)	(22,624)	(3,985)	(8,501)
Gain (loss) from discontinued operations, net of taxes	245	(24)	793	(399)
Net loss	(18,898)	(22,648)	(3,192)	(8,900)
Net loss per share	(0.48)	(0.57)	(0.08)	(0.22)
Net loss per share — assuming dilution	(0.48)	(0.57)	(0.08)	(0.22)

During the third quarter of 2005, the Company committed to a plan of disposal of ResortQuest Discontinued Markets. In connection with this plan of disposal, the Company recorded pre-tax restructuring charges of $0.4 million during the third quarter of 2005 and $0.4 million during the fourth quarter of 2005 in discontinued operations for employee severance benefits related to the discontinued markets. Based on its decision to dispose of these markets, the Company also recorded pre-tax impairment charges of

$2.8 million during the third quarter of 2005 in discontinued operations. Included in this charge are the impairment of goodwill of $2.3 million, the impairment of fixed assets of $0.4 million, and the impairment of intangible assets of $0.1 million. The Company completed the sale of four of these markets during the fourth quarter of 2005 for approximately $1.4 million in cash. The Company recognized a pretax loss of $0.4 million during the fourth quarter of 2005 related to these sales in discontinued operations. The results of operations, net of taxes, of these markets have been reflected in the accompanying consolidated financial statements as discontinued in accordance with SFAS No. 144 for all periods presented. As a result, revenues, depreciation and amortization, operating income, income before income taxes and discontinued operations, provision for income taxes, income from continuing operations, and gain from discontinued operations, net of taxes, for the three months ended March 31, 2005 and 2004 and June 30, 2005 and 2004 increased (decreased) as follows:

	2005	
	First Quarter	Second Quarter
Revenues	$(5,297)	$(3,924)
Depreciation and amortization	(81)	(78)
Operating income	(292)	701
Income before income taxes and discontinued operations	(298)	690
Provision for income taxes	(109)	229
Income from continuing operations	(189)	461
Gain from discontinued operations, net of taxes	189	(461)

	2004	
	First Quarter	Second Quarter
Revenues	$(5,231)	$(4,552)
Depreciation and amortization	(82)	(88)
Operating income	(378)	22
Income before income taxes and discontinued operations	(384)	17
Provision for income taxes	(139)	(7)
Income from continuing operations	(245)	24
Gain from discontinued operations, net of taxes	245	(24)

On January 1, 2005, the Company acquired 100% of the outstanding membership interests of East West Resorts from East West Resorts, LLC for an aggregate purchase price of $20.7 million in cash plus the assumption of East West Resort’s liabilities as of January 1, 2005 of $7.8 million. The results of operations of East West Resorts have been included in the Company’s financial results beginning January 1, 2005.

On February 1, 2005, the Company acquired 100% of the outstanding common shares of Whistler from O’Neill Hotels and Resorts Whistler, Ltd. for an aggregate purchase price of $0.1 million in cash plus the assumption of Whistler’s liabilities as of February 1, 2005 of $4.9 million. The results of operations of Whistler have been included in the Company’s financial results beginning February 1, 2005.

In connection with the settlement of litigation with NHC on February 22, 2005, as further discussed in Note 14, the Company made a one-time cash payment to NHC of $4.0 million and issued to NHC a 5-year, $5.0 million promissory note. The Company continued to recognize the expense under the Naming Rights Agreement throughout the course of this litigation. As a result, the net effect of the settlement resulted in the Company reversing $2.4 million of expense previously accrued under the Naming Rights Agreement during the first quarter of 2005.

On March 10, 2005, the Company entered into a new $600.0 million credit facility with Bank of America, N.A. acting as the administrative agent. The Company’s new credit facility consists of the following components: (a) a $300.0 million senior secured revolving credit facility, which includes a $50.0 million letter of credit sublimit, and (b) a $300.0 million senior secured delayed draw term loan facility, which may be drawn on in one or more advances during its term. The purpose of the new credit facility is for

working capital and capital expenditures and the financing of the costs and expenses related to the construction of the Gaylord National hotel. As a result of entering into the $600.0 million credit facility, the 2003 Revolving Credit Facility was terminated and the Company wrote off $0.5 million of deferred financing costs during the first quarter of 2005.

In the second quarter of 2005, Bass Pro restated its previously issued historical financial statements to reflect certain non-cash changes, which resulted primarily from a change in the manner in which Bass Pro accounts for its long term leases. This restatement resulted in a cumulative reduction in Bass Pro’s net income of $8.6 million through December 31, 2004, which resulted in a pro-rata cumulative reduction in the Company’s income from unconsolidated companies of $1.7 million. The Company determined that the impact of the adjustments recorded by Bass Pro was immaterial to its consolidated financial statements in all prior periods. Therefore, the Company reflected its $1.7 million share of the re-statement adjustments as a one-time adjustment to loss from unconsolidated companies during the second quarter of 2005.

On April 2, 2004, the Company opened the Gaylord Texan. The results of operations of the Gaylord Texan for the period April 2, 2004 to December 31, 2004 are included in the consolidated financial statements.

During November 2004, the Company completed its offering of the 6.75% Senior Notes. In connection with the offering of the 6.75% Senior Notes, the Company paid approximately $4.2 million in deferred financing costs. The net proceeds from the offering of the 6.75% Senior Notes, together with cash on hand, were used to repay the Senior Loan and to provide capital for growth of the Company’s other businesses and other general corporate purposes. As a result of the prepayment of the Senior Loan, the Company wrote off $0.03 million in deferred financing costs during the fourth quarter of 2004, which is recorded as interest expense in the consolidated statement of operations.

20. Subsequent Events

Viacom Stock

On December 31, 2005, Viacom Inc. completed a transaction to separate Viacom Inc. into two publicly traded companies named CBS Corporation and Viacom Inc. by converting (i) each outstanding share of Viacom Class A common stock into 0.5 shares of CBS Corporation Class A common stock and 0.5 shares of Viacom Inc. Class A common stock and (ii) each outstanding share of Viacom Class B common stock into 0.5 shares of CBS Corporation Class B common stock and 0.5 shares of Viacom Inc. Class B common stock. However, this transaction was not effective until shares of the two companies commenced trading on the New York Stock Exchange on January 3, 2006. CBS Corporation is comprised of CBS Television Network, UPN, CBS Radio, Viacom Outdoor, Viacom Television Stations Group, Paramount Television, King World, Simon & Schuster, Showtime and Paramount Parks. Viacom Inc. is comprised of MTV Networks, BET, Paramount Pictures, Paramount Home Entertainment and Famous Music.

As a result of this transaction, the Company exchanged its 10,937,900 shares of Viacom Class B common stock for 5,468,950 shares of CBS Corporation Class B Common Stock and 5,468,950 shares of Viacom, Inc. Class B common stock effective January 3, 2006. This transaction had no impact on the value of the Company’s investment in Viacom Stock or the related secured forward exchange contract as of December 31, 2005.

Purchase of Land

On February 17, 2006 the Company closed on the purchase of approximately 30 acres of land adjacent to the Gaylord Texan for $11.2 million for possible future development.

21. Information Concerning Guarantor and Non-Guarantor Subsidiaries

Prior to the issuance of the 6.75% Senior Notes and repayment of the Senior Loan on November 30, 2004, as discussed in Note 10, not all of the Company’s subsidiaries guaranteed the 8% Senior Notes. All of the Company’s subsidiaries that were borrowers under, or had guaranteed, the Company’s 2003 Revolving Credit Facility or previously, the Company’s 2003 Loans, were guarantors of the 8% Senior Notes (the “Former Guarantors”). Certain of the Company’s subsidiaries, including those that incurred the Company’s Nashville Hotel Loan or owned or managed the Nashville loan borrower (the “Former Non-Guarantors”), did not guarantee the 8% Senior Notes. However, subsequent to the issuance of the 6.75% Senior Notes and repayment of the Senior Loan on November 30, 2004, the 8% Senior Notes and 6.75% Senior Notes became guaranteed on a senior unsecured basis by generally all of the Company’s active domestic subsidiaries (the “Guarantors”). As a result, the Company has classified the balance sheet, results of operations, and

cash flows of the subsidiaries that incurred the Company's Nashville Hotel Loan or owned or managed the Nashville loan borrower as of December 31, 2005 and 2004 and for each of the years in the two year period ended December 31, 2005 as guarantor subsidiaries in the consolidating financial information presented below. The results of operations and cash flows of these subsidiaries for the year ended December 31, 2003 are classified as non-guarantor subsidiaries in the consolidating financial information presented below. The Company's investment in Bass Pro and certain other discontinued operations remained non-guarantors of the 8% Senior Notes and 6.75% Senior Notes after repayment of the Senior Loan, so the Company has classified the balance sheet, results of operations and cash flows of these subsidiaries as of December 31, 2005 and 2004 and for each of the years in the two year period ended December 31, 2005 as non-guarantor subsidiaries (the "Non-Guarantors") in the consolidating financial information presented below. The condensed consolidating financial information includes certain allocations of revenues and expenses based on management's best estimates, which are not necessarily indicative of financial position, results of operations and cash flows that these entities would have achieved on a stand-alone basis.

The following consolidating schedules present condensed financial information of the Company, the guarantor subsidiaries and non-guarantor subsidiaries as of December 31, 2005 and 2004 and for each of the three years in the period ended December 31, 2005.

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GAYLORD ENTERTAINMENT COMPANY AND SUBSIDIARIES

CONDENSED CONSOLIDATING STATEMENT OF OPERATIONS

For the Year Ended December 31, 2005

	Issuer	Guarantors	Non-Guarantors	Eliminations	Consolidated
			(In thousands)		
Revenues	$ 84,471	$837,539	$ —	$(53,221)	$868,789
Operating expenses:					
Operating costs	22,986	549,248	—	(17,374)	554,860
Selling, general and administrative	39,566	165,245	—	(149)	204,662
Management fees	—	35,698	—	(35,698)	—
Preopening costs	—	5,005	—	—	5,005
Depreciation	5,427	67,219	—	—	72,646
Amortization	1,403	9,180	—	—	10,583
Operating income	15,089	5,944	—	—	21,033
Interest expense, net	(77,433)	(58,357)	(5,476)	68,097	(73,169)
Interest income	60,269	2,875	7,432	(68,097)	2,479
Unrealized loss on Viacom stock	(41,554)	—	—	—	(41,554)
Unrealized gain on derivatives	35,705	—	—	—	35,705
Income from unconsolidated companies	—	158	2,011	—	2,169
Other gains and (losses)	5,256	1,400	—	—	6,656
(Loss) income before income taxes and discontinued operations	(2,668)	(47,980)	3,967	—	(46,681)
(Benefit) provision for income taxes	(2,216)	(14,508)	1,577	—	(15,147)
Equity in subsidiaries' (earnings) losses, net	33,498	—	—	(33,498)	—
(Loss) income from continuing operations	(33,950)	(33,472)	2,390	33,498	(31,534)
(Loss) gain from discontinued operations, net	—	(2,504)	88	—	(2,416)
Net (loss) income	$(33,950)	$ (35,976)	$ 2,478	$ 33,498	$ (33,950)

GAYLORD ENTERTAINMENT COMPANY AND SUBSIDIARIES

CONDENSED CONSOLIDATING STATEMENT OF OPERATIONS

For the Year Ended December 31, 2004

	Issuer	Guarantors	Non-Guarantors	Eliminations	Consolidated
			(In thousands)		
Revenues	$ 77,723	$701,851	$ —	$(48,747)	$730,827
Operating expenses:					
Operating costs	23,750	456,816	—	(14,055)	466,511
Selling, general and administrative	39,220	145,732	—	—	184,952
Management fees	—	34,692	—	(34,692)	—
Preopening costs	—	14,205	—	—	14,205
Impairment and other charges	—	1,212	—	—	1,212
Restructuring charges, net	196	—	—	—	196
Depreciation	5,499	63,269	—	—	68,768
Amortization	2,038	6,877	—	—	8,915
Operating income (loss)	7,020	(20,952)	—	—	(13,932)
Interest expense, net	(56,535)	(67,033)	(5,588)	74,092	(55,064)
Interest income	59,162	8,611	7,820	(74,092)	1,501
Unrealized loss on Viacom stock	(87,914)	—	—	—	(87,914)
Unrealized gain on derivatives	56,533	—	—	—	56,533
Income from unconsolidated companies	—	—	3,825	—	3,825
Other gains and (losses)	2,960	(1,871)	—	—	1,089
(Loss) income before income taxes and discontinued operations	(18,774)	(81,245)	6,057	—	(93,962)
(Benefit) provision for income taxes	(10,848)	(31,556)	2,695	—	(39,709)
Equity in subsidiaries’ (earnings) losses, net	45,712	—	—	(45,712)	—
(Loss) income from continuing operations	(53,638)	(49,689)	3,362	45,712	(54,253)
(Loss) gain from discontinued operations, net	—	(5)	620	—	615
Net (loss) income	$(53,638)	$ (49,694)	$ 3,982	$ 45,712	$ (53,638)

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GAYLORD ENTERTAINMENT COMPANY AND SUBSIDIARIES

CONDENSED CONSOLIDATING STATEMENT OF OPERATIONS

For the Year Ended December 31, 2003

	Issuer	Former Guarantors	Former Non-Guarantors	Eliminations	Consolidated
			(In thousands)		
Revenues	$ 67,311	$207,307	$215,265	$(42,620)	$447,263
Operating expenses:					
Operating costs	23,255	126,674	137,237	(11,354)	275,812
Selling, general and administrative	35,664	49,458	31,713	29	116,864
Management fees	—	14,620	16,675	(31,295)	—
Preopening costs	—	11,562	—	—	11,562
Impairment and other charges	856	—	—	—	856
Restructuring charges, net	—	—	—	—	—
Depreciation	5,559	24,321	24,032	—	53,912
Amortization	3,085	681	1,243	—	5,009
Operating (loss) income	(1,108)	(20,009)	4,365	—	(16,752)
Interest expense, net	(43,142)	(34,048)	(22,061)	46,447	(52,804)
Interest income	38,679	1,323	8,906	(46,447)	2,461
Unrealized gain on Viacom stock	39,831	—	—	—	39,831
Unrealized loss on derivatives	(33,228)	—	—	—	(33,228)
Income from unconsolidated companies	—	—	2,340	—	2,340
Other gains and (losses)	2,238	(10)	(19)	—	2,209
Income (loss) before income taxes and discontinued operations	3,270	(52,744)	(6,469)	—	(55,943)
Provision (benefit) for income taxes	1,416	(22,796)	(2,404)	—	(23,784)
Equity in subsidiaries' (earnings) losses, net	(398)	—	—	398	—
Income (loss) from continuing operations	2,252	(29,948)	(4,065)	(398)	(32,159)
Gain from discontinued operations, net	—	911	33,500	—	34,411
Net income (loss)	$ 2,252	$ (29,037)	$ 29,435	$ (398)	$ 2,252

GAYLORD ENTERTAINMENT COMPANY AND SUBSIDIARIES

CONDENSED CONSOLIDATING BALANCE SHEET

As of December 31, 2005

	Issuer	Guarantors	Non-Guarantors	Eliminations	Consolidated
			(In thousands)		
ASSETS:					
Current assets:					
Cash and cash equivalents — unrestricted	$ 41,757	$ 18,040	$ —	$ —	$ 59,797
Cash and cash equivalents — restricted	1,201	22,450	—	—	23,651
Short-term investments	—	—	—	—	—
Trade receivables, net	254	36,914	—	—	37,168
Deferred financing costs	26,865	—	—	—	26,865
Deferred income taxes	5,653	3,196	12	—	8,861
Other current assets	4,965	24,459	—	(126)	29,298
Intercompany receivables, net	1,058,718	—	41,573	(1,100,291)	—
Current assets of discontinued operations	—	2,649		—	2,649
Total current assets	1,139,413	107,708	41,585	(1,100,417)	188,289
Property and equipment, net	85,240	1,319,179	—	—	1,404,419
Amortized intangible assets, net	—	27,828	—	—	27,828
Goodwill	—	178,088	—	—	178,088
Indefinite lived intangible assets	1,480	38,835	—	—	40,315
Investments	796,548	19,286	70,181	(456,720)	429,295
Estimated fair value of derivative assets	220,430	—	—	—	220,430
Long-term deferred financing costs	29,144	—	—	—	29,144
Other long-term assets	4,928	9,208	—	—	14,136
Long-term assets of discontinued operations	—	646	—	—	646
Total assets	$2,277,183	$1,700,778	$ 111,766	$(1,557,137)	$2,532,590
LIABILITIES AND STOCKHOLDERS' EQUITY:					
Current liabilities:					
Current portion of long-term debt	$ 1,254	$ 571	$ —	$ —	$ 1,825
Accounts payable and accrued liabilities	34,362	156,621	—	(291)	190,692
Intercompany payables, net	—	1,228,669	(128,378)	(1,100,291)	—
Current liabilities of discontinued operations	—	3,124	526	—	3,650
Total current liabilities	35,616	1,388,985	(127,852)	(1,100,582)	196,167
Secured forward exchange contract	613,054	—	—	—	613,054
Long-term debt	597,190	1,285	—	—	598,475
Deferred income taxes	119,142	57,755	755	—	177,652
Estimated fair value of derivative liabilities	1,994	—	—	—	1,994
Other long-term liabilities	61,596	34,801	2	165	96,564
Long-term liabilities of discontinued operations	—	120	(3)	—	117
Stockholders' equity:					
Preferred stock	—	—	—	—	—
Common stock	403	3,337	2	(3,339)	403
Additional paid-in capital	670,828	517,184	53,846	(571,030)	670,828
Retained earnings	198,320	(302,665)	185,016	117,649	198,320
Other stockholders' equity	(20,960)	(24)	—	—	(20,984)
Total stockholders' equity	848,591	217,832	238,864	(456,720)	848,567
Total liabilities and stockholders' equity	$2,277,183	$1,700,778	$ 111,766	$(1,557,137)	$2,532,590

GAYLORD ENTERTAINMENT COMPANY AND SUBSIDIARIES

CONDENSED CONSOLIDATING BALANCE SHEET

As of December 31, 2004

	Issuer	Guarantors	Non-Guarantors	Eliminations	Consolidated
			(In thousands)		
ASSETS:					
Current assets:					
Cash and cash equivalents — unrestricted	$ 39,711	$ 3,787	$ —	$ —	$ 43,498
Cash and cash equivalents — restricted	2,446	40,517	—	—	42,963
Short term investments	27,000	—	—	—	27,000
Trade receivables, net	614	30,259	—	—	30,873
Deferred financing costs	26,865	—	—	—	26,865
Deferred income taxes	7,413	2,985	13	—	10,411
Other current assets	6,418	21,796	94	(126)	28,182
Intercompany receivables, net	990,597	—	33,446	(1,024,043)	—
Current assets of discontinued operations	—	4,221	—	—	4,221
Total current assets	1,101,064	103,565	33,553	(1,024,169)	214,013
Property and equipment, net	85,535	1,256,273	—	—	1,341,808
Amortized intangible assets, net	36	25,926	—	—	25,962
Goodwill	—	162,792	—	—	162,792
Indefinite lived intangible assets	1,480	38,835	—	—	40,315
Investments	873,871	16,747	68,170	(490,218)	468,570
Estimated fair value of derivative assets	187,383	—	—	—	187,383
Long-term deferred financing costs	50,323	550	—	—	50,873
Other long-term assets	5,811	10,777	7,500	—	24,088
Long-term assets of discontinued operations	—	5,241	—	—	5,241
Total assets	$2,305,503	$1,620,706	$ 109,223	$(1,514,387)	$2,521,045
LIABILITIES AND STOCKHOLDERS' EQUITY:					
Current liabilities:					
Current portion of long-term debt	$ 368	$ 95	$ —	$ —	$ 463
Accounts payable and accrued liabilities	42,521	121,697	—	(291)	163,927
Intercompany payables, net	—	1,152,042	(127,999)	(1,024,043)	—
Current liabilities of discontinued operations	—	4,742	1,052	—	5,794
Total current liabilities	42,889	1,278,576	(126,947)	(1,024,334)	170,184
Secured forward exchange contract	613,054	—	—	—	613,054
Long-term debt	575,727	219	—	—	575,946
Deferred income taxes	137,645	68,250	(213)	—	205,682
Estimated fair value of derivative liabilities	4,514	—	—	—	4,514
Other long-term liabilities	62,098	19,682	(3)	165	81,942
Long-term liabilities of discontinued operations	—	122	—	—	122
Stockholders' equity:					
Preferred stock	—	—	—	—	—
Common stock	399	3,337	2	(3,339)	399
Additional paid-in capital	655,110	517,184	53,846	(571,030)	655,110
Retained earnings	232,270	(266,689)	182,538	84,151	232,270
Other stockholders' equity	(18,203)	25	—	—	(18,178)
Total stockholders' equity	869,576	253,857	236,386	(490,218)	869,601
Total liabilities and stockholders' equity	$2,305,503	$1,620,706	$ 109,223	$(1,514,387)	$2,521,045

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GAYLORD ENTERTAINMENT COMPANY AND SUBSIDIARIES

CONDENSED CONSOLIDATING STATEMENT OF CASH FLOWS

For the Year Ended December 31, 2005

	Issuer	Guarantors	Non-Guarantors (In thousands)	Eliminations	Consolidated
Net cash (used in) provided by continuing operating activities	$(42,733)	$ 133,356	$(6,971)	$—	$ 83,652
Net cash (used in) discontinued operating activities	—	(2,271)	(529)	—	(2,800)
Net cash (used in) provided by operating activities	(42,733)	131,085	(7,500)	—	80,852
Purchases of property and equipment	(8,777)	(120,763)	—	—	(129,540)
Acquisition of businesses, net of cash acquired	—	(20,223)	—	—	(20,223)
Investment in RHAC Holdings, LLC	—	(5,225)	—	—	(5,225)
Returns of investment in RHAC Holdings, LLC	—	2,389	—	—	2,389
Proceeds from sale of assets	5,967	4,511	—	—	10,478
Collection of note receivable	—	—	7,500	—	7,500
Purchases of short-term investments	(15,000)	—	—	—	(15,000)
Proceeds from sale of short-term investments	42,000	—	—	—	42,000
Other investing activities	(878)	(1,594)	—	—	(2,472)
Net cash provided by (used in) investing activities — continuing operations	23,312	(140,905)	7,500	—	(110,093)
Net cash provided by investing activities — discontinued operations	—	1,195	—	—	1,195
Net cash provided by (used in) investing activities	23,312	(139,710)	7,500	—	(108,898)
Borrowings under credit facility	20,000	—	—	—	20,000
Deferred financing costs paid	(8,479)	—	—	—	(8,479)
Decrease in restricted cash and cash equivalents	1,245	22,778	—	—	24,023
Proceeds from exercise of stock option and purchase plans	9,040	—	—	—	9,040
Other financing activities, net	(339)	(289)	—	—	(628)
Net cash provided by financing activities — continuing operations	21,467	22,489	—	—	43,956
Net cash provided by financing activities — discontinued operations	—	389	—	—	389
Net cash provided by financing activities	21,467	22,878	—	—	44,345
Net change in cash	2,046	14,253	—	—	16,299
Cash and cash equivalents at beginning of year	39,711	3,787	—	—	43,498
Cash and cash equivalents at end of year	$ 41,757	$ 18,040	$ —	$—	$ 59,797

GAYLORD ENTERTAINMENT COMPANY AND SUBSIDIARIES

CONDENSED CONSOLIDATING STATEMENT OF CASH FLOWS

For the Year Ended December 31, 2004

	Issuer	Guarantors	Non-Guarantors	Eliminations	Consolidated
Net cash (used in) provided by continuing operating activities	$(277,202)	$ 334,085	$ 821	$—	$ 57,704
Net cash used in discontinued operating activities	—	(1,170)	(821)	—	(1,991)
Net cash (used in) provided by operating activities	(277,202)	332,915	—	—	55,713
Purchases of property and equipment	(5,567)	(121,969)	—	—	(127,536)
Proceeds from sale of assets	—	1,485	—	—	1,485
Purchases of short-term investments	(130,850)	—	—	—	(130,850)
Proceeds from sale of short-term investments	165,850	—	—	—	165,850
Other investing activities	(266)	(3,803)	—	—	(4,069)
Net cash provided by (used in) investing activities — continuing operations	29,167	(124,287)	—	—	(95,120)
Net cash used in investing activities — discontinued operations	—	(318)	—	—	(318)
Net cash provided by (used in) investing activities	29,167	(124,605)	—	—	(95,438)
Proceeds from issuance of long-term debt	225,000	—	—	—	225,000
Repayment of long-term debt	—	(199,181)	—	—	(199,181)
Deferred financing costs paid	(4,758)	(193)	—	—	(4,951)
Decrease (increase) in restricted cash and cash equivalents	2,205	(9,990)	—	—	(7,785)
Proceeds from exercise of stock option and purchase plans	11,529	—	—	—	11,529
Other financing activities, net	(643)	(50)	—	—	(693)
Net cash provided by (used in) financing activities — continuing operations	233,333	(209,414)	—	—	23,919
Net cash provided by financing activities — discontinued operations	—	359	—	—	359
Net cash provided by (used in) financing activities	233,333	(209,055)	—	—	24,278
Net change in cash	(14,702)	(745)	—	—	(15,447)
Cash and cash equivalents at beginning of year	54,413	4,532	—	—	58,945
Cash and cash equivalents at end of year	$ 39,711	$ 3,787	$ —	$—	$ 43,498

GAYLORD ENTERTAINMENT COMPANY AND SUBSIDIARIES

CONDENSED CONSOLIDATING STATEMENT OF CASH FLOWS

For the Year Ended December 31, 2003

	Issuer	Former Guarantors	Former Non-Guarantors	Eliminations	Consolidated
Net cash (used in) provided by continuing operating activities	$(249,422)	$ 271,127	$ 42,248	$—	$ 63,953
Net cash provided by (used in) indiscontinued operating activities	—	22,830	(19,997)	—	2,833
Net cash (used in) provided by operating activities	(249,422)	293,957	22,251	—	66,786
Purchases of property and equipment	(8,686)	(203,882)	(11,087)	—	(223,655)
Cash of business acquired	—	4,228	—	—	4,228
Proceeds from sale of assets	—	—	175	—	175
Collection of note receivable	—	—	10,000	—	10,000
Purchases of short-term investments	(254,500)	—	—	—	(254,500)
Proceeds from sale of short-term investments	242,800	—	—	—	242,800
Other investing activities	(1,017)	(289)	(1,022)	—	(2,328)
Net cash used in investing activities — continuing operations	(21,403)	(199,943)	(1,934)	—	(223,280)
Net cash provided by investing activities — discontinued operations	—	5,804	59,485	—	65,289
Net cash (used in) provided by investing activities	(21,403)	(194,139)	57,551	—	(157,991)
Proceeds from issuance of long-term debt	350,000	200,000	—	—	550,000
Repayment of long-term debt	(60,000)	(285,100)	(80,004)	—	(425,104)
Deferred financing costs paid	(9,344)	(8,643)	(302)	—	(18,289)
(Increase) decrease in restricted cash and cash equivalents	(1,919)	(7,652)	1,257	—	(8,314)
Proceeds from exercise of stock option and purchase plans	4,459	—	—	—	4,459
Other financing activities, net	(554)	1,117	(1,157)	—	(594)
Net cash provided by (used in) financing activities — continuing operations	282,642	(100,278)	(80,206)	—	102,158
Net cash used in financing activities — discontinued operations	—	(246)	(94)	—	(340)
Net cash provided by (used in) financing activities	282,642	(100,524)	(80,300)	—	101,818
Net change in cash	11,817	(706)	(498)	—	10,613
Cash and cash equivalents at beginning of year	42,596	3,644	2,092	—	48,332
Cash and cash equivalents at end of year	$ 54,413	$ 2,938	$ 1,594	$—	$ 58,945

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

ON THE FINANCIAL STATEMENT SCHEDULES

To Board of Directors and Stockholders of Gaylord Entertainment Company:

We have audited the consolidated financial statements of Gaylord Entertainment Company as of December 31, 2005 and 2004 and for each of the three years in the period ended December 31, 2005, and have issued our report thereon dated March 10, 2006 (included elsewhere in this Annual Report on Form 10-K). Our audits also included the financial statement schedules listed in Item 15(A)(2) of this Annual Report on Form 10-K. These schedules are the responsibility of the Company's management. Our responsibility is to express an opinion based on our audits.

In our opinion, the financial statement schedules referred to above, when considered in relation to the basic consolidated financial statements taken as a whole, present fairly in all material respects the information set forth therein.

/s/ ERNST & YOUNG LLP

Nashville, Tennessee
March 10, 2006

GAYLORD ENTERTAINMENT COMPANY AND SUBSIDIARIES

SCHEDULE II – VALUATION AND QUALIFYING ACCOUNTS

For the Year Ended December 31, 2005
(Amounts in Thousands)

	Balance at Beginning of Period	Additions Charged To		Deductions	Balance at End of Period
		Costs and Expenses	Other Accounts		
2000 restructuring charges - continuing operations	$ 14	$ (13)	$—	$ 1	$ —
2001 restructuring charges - continuing operations	107	—	—	107	—
Total continuing operations	121	(13)	—	108	—
2001 restructuring charges - discontinuing operations	190	—	—	28	162
2005 restructuring charges - discontinuing operations	—	840	—	648	192
Total discontinuing operations	190	840	—	676	354
Total	$311	$827	$—	$784	$354

GAYLORD ENTERTAINMENT COMPANY AND SUBSIDIARIES

SCHEDULE II – VALUATION AND QUALIFYING ACCOUNTS

For the Year Ended December 31, 2004
(Amounts in Thousands)

	Balance at Beginning of Period	Additions Charged To		Deductions	Balance at End of Period
		Costs and Expenses	Other Accounts		
2000 restructuring charges - - continuing operations	$195	$ (82)	$—	$ 99	$ 14
2001 restructuring charges - - continuing operations	94	278	—	265	107
Total continuing operations	289	196	—	364	121
2001 restructuring charges - - discontinuing operations	216	—	99	125	190
Total	$505	$196	$99	$489	$311

GAYLORD ENTERTAINMENT COMPANY AND SUBSIDIARIES

SCHEDULE II – VALUATION AND QUALIFYING ACCOUNTS

For the Year Ended December 31, 2003
(Amounts in Thousands)

	Balance at Beginning of Period	Additions Charged To: Costs and Expenses	Additions Charged To: Other Accounts	Deductions	Balance at End of Period
2000 restructuring charges - - continuing operations	$ 270	$ —	$ —	$ 75	$ 195
2001 restructuring charges - - continuing operations	431	—	—	337	94
Total continuing operations	701	—	—	412	289
2001 restructuring charges - - discontinuing operations	378	—	—	162	216
Total	$ 1,079	$ —	$ —	$ 574	$ 505

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INDEX TO EXHIBITS

EXHIBIT NUMBER	DESCRIPTION
2.1†	Agreement and Plan of Merger, dated as of August 4, 2003, among Gaylord Entertainment Company (the “Company”), GET Merger Sub, Inc. and ResortQuest International, Inc. (incorporated by reference to Exhibit 2.1 to the Company’s Current Report on Form 8-K filed with the SEC on August 5, 2003 (File No. 1-13079)).
3.1	Restated Certificate of Incorporation of the Company (incorporated by reference to Exhibit 3 to the Company’s Current Report on Form 8-K dated October 7, 1997 (File No. 1-13079)).
3.2	Amendment to Restated Certificate of Incorporation of the Company (incorporated by reference to Exhibit 3.2 to the Company’s Quarterly Report on Form 10-Q for the quarter ended June 30, 2001 (File No. 1-13079)).

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EXHIBIT NUMBER	DESCRIPTION
4.1	Specimen of Common Stock certificate (incorporated by reference to Exhibit 4.1 to the Company's Registration Statement on Form 10, as amended on June 30, 1997 (File No. 1-13079)).
4.2	Reference is made to Exhibits 3.1 and 3.2 hereof for instruments defining the rights of common stockholders of the Company.
4.3	Stock Purchase Warrant, dated November 7, 2002, issued by the Company to Gilmore Entertainment Group, LLC (incorporated by reference to Exhibit 4.1 to the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2003 (File No. 1-13079)).
4.4	Registration Rights Agreement among the Company and holders including E.L. and Thelma Gaylord Foundation, GFI Company, Christine Gaylord Everest, Louise Gaylord Bennett and Mary Gaylord McClean executed with respect to 3,175,683 shares of the Company's common stock (in the form and incorporated by reference to Exhibit 4.2 to the Company's Registration Statements on Form S-3, amendment No. 1 filed on April 20, 2004).
4.5	Indenture, dated as of November 12, 2003, by and between the Company, certain of its subsidiaries and U.S. Bank National Association, as Trustee, providing for the issuance of the Company 8% Senior Notes Due 2013 (the "8% Senior Notes") (incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K dated November 13, 2003 (File No. 1-13079)).
4.6	First Supplemental Indenture, dated as of November 20, 2003, by and between the Company, certain of its subsidiaries and U.S. Bank National Association, as Trustee relating to the 8% Senior Notes (incorporated by reference to Exhibit 4.1 to the Company's Registration Statement on Form S-4 dated January 9, 2004 (File No. 333-111812)).
4.7*	Second Supplemental Indenture, dated as of November 29, 2004, by and between the Company, certain of its subsidiaries and U.S. Bank National Association, as Trustee, relating to the 8% Senior Notes.
4.8*	Third Supplemental Indenture, dated as of December 30, 2004, by and between the Company, certain of its subsidiaries and U.S. Bank National Association, as Trustee, relating to the 8% Senior Notes.
4.9*	Fourth Supplemental Indenture, dated as of June 16, 2005, by and between the Company, certain of its subsidiaries and U.S. Bank National Association, as Trustee, relating to the 8% Senior Notes.
4.10	Indenture, dated as of November 30, 2004, by and between the Company, certain of its subsidiaries and U.S. Bank National Association, as Trustee, providing for the issuance of the Company's 6.75% Senior Notes Due 2014 (the "6.75% Senior Notes") (incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K dated December 1, 2004 (File No. 1-13079)).
4.11	Registration Rights Agreement, dated as of November 30, 2004, between the registrants signatory thereto and the Initial Purchasers (as defined therein) with respect to the Company's 6.75% Senior Notes (incorporated by reference to Exhibit 4.2 to the Company's current Report on Form 8-K dated December 1, 2004 (File No. 1-13079)).
4.12	First Supplemental Indenture, dated as of December 30, 2004, by and between the Company, certain of its subsidiaries and U.S. Bank National Association, as Trustee, relating to the 6.75% Senior Notes (incorporated by reference to Exhibit 4.2 to the Company Registration Statement on Form S-4 dated April 22, 2005 (File No. 333-124251)).
4.13*	Second Supplemental Indenture, dated as of June 16, 2005, by and between the Company, certain of its subsidiaries and U.S. Bank National Association, as Trustee, relating to the 6.75% Senior Notes.
10.1†	Credit Agreement, dated as of March 10, 2005, among the Company, as borrower; certain subsidiaries of the Company, as guarantors; Bank of America, N.A., as administrative agent and letter of credit issuer; Banc of America Securities LLC, as joint lead arranger and joint book manager; Deutsche Bank Trust Company Americas, as syndication agent; and the other lenders party thereto (incorporated by reference to Exhibit 10.17 to the Company's Annual Report on Form 10-K for the year-ended December 31, 2004 (File No. 1-13079).
10.2	First Amendment to Credit Agreement, dated as of June 1, 2005, among the Company, as borrower; certain subsidiaries of the company, as guarantors; Bank of America, N.A. as administrative agent and letter of credit issuer; Banc of America Securities LLC, as joint lead arranger and joint book manager; Deutsche Bank Trust Company Americas, as syndication agent; and the other lenders party thereto (incorporated by reference to Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2005 (File No. 1-13079)).

EXHIBIT NUMBER	DESCRIPTION
10.3	Opryland Hotel-Florida Ground Lease, dated as of March 3, 1999, by and between Xentury City Development Company, L.L.C., and Opryland Hotel-Florida Limited Partnership (incorporated by reference to Exhibit 10.11 to the Company's Annual Report on Form 10-K for the year ended December 31, 1999 (File No. 1-13079)).
10.4	Hotel/ Convention Center Sublease Agreement, dated as of May 16, 2000, by and between the City of Grapevine, Texas and Opryland Hotel-Texas Limited Partnership (incorporated by reference to Exhibit 10.21 to the Company's Annual Report on Form 10-K for the year ended December 31, 2002 (File No. 1-13079)).
10.5	Sublease Addendum Number 1, dated July 28, 2000, by and between the City of Grapevine, Texas and Opryland Hotel-Texas Limited Partnership (incorporated by reference to Exhibit 10.22 to the Company's Annual Report on Form 10-K for the year ended December 31, 2002 (File No. 1-13079)).
10.6	Naming Rights Agreement dated as of November 24, 1999, by and between the Company and Nashville Hockey Club Limited Partnership (incorporated by reference to Exhibit 10.24 to the Company's Annual Report on Form 10-K for the year ended December 31, 1999 (File No. 1-13079)).
10.7	Guaranty dated as of June 25, 1997, by Craig Leipold, the Company, CCK, Inc. and other guarantors in favor of the Nashville Hockey League (incorporated by reference to Exhibit 3.2 to the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2003 (File No. 1-13079)).
10.8	Non-Negotiable Promissory Note dated February 22, 2005 in favor of Nashville Hockey Club Limited Partnership (incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K dated February 28, 2005 (File No. 1-13079)).
10.9	Acknowledgement of Termination of Naming Rights Agreement dated February 22, 2005 (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K dated February 28, 2005 (File No. 1-13079)).
10.10	Purchase Agreement dated February 22, 2005 by and between the Nashville Hockey Club Limited Partnership and CCK Holdings, LLC (incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K dated February 28, 2005 (File No. 1-13079)).
10.11	Consent Agreement dated February 22, 2005 by and among the NHL, Nashville Hockey Club Limited Partnership, the Company and the other parties named therein (incorporated by reference to Exhibit 10.3 to the Company's Current Report on Form 8-K dated February 28, 2005 (File No. 1-13079)).
10.12	SAILS Mandatorily Exchangeable Securities Contract dated as of May 22, 2000, among the Company, OLH G.P., Credit Suisse First Boston International, and Credit Suisse First Boston Corporation, as agent (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K dated May 23, 2000 (File No. 1-13079)).
10.13	SAILS Pledge Agreement dated as of May 22, 2000, among the Company, Credit Suisse First Boston International, and Credit Suisse First Boston Corporation, as agent (incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K dated May 23, 2000 (File No. 1-13079)).
10.14*†	Agreement between Gaylord National, LLC and Perini/Tompkins Joint Venture, dated as of May 9, 2005, relating to the construction of the Gaylord National, including certain amendments thereto.
10.15	Amended and Restated Gaylord Entertainment Company 1997 Omnibus Stock Option and Incentive Plan (including amendments adopted at the May 2003 Stockholders Meeting) (incorporated by reference to Exhibit 10.3 to the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 2003 (File No. 1-13079)).
10.16	ResortQuest International, Inc. Amended and Restated 1998 Long-Term Incentive Plan (incorporated by reference to Exhibit A to ResortQuest International, Inc.'s definitive proxy statement filed with the SEC on April 6, 1999 (File No. 1-14115)).
10.17	The Opryland USA Inc. Supplemental Deferred Compensation Plan (incorporated by reference to Exhibit 10.11 to the former Gaylord Entertainment Company's Registration Statement on Form S-1 (File No. 33-42329)).
10.18	Gaylord Entertainment Company Retirement Benefit Restoration Plan (incorporated by reference to Exhibit 10.19 to the Company's Annual Report on Form 10-K for the year ended December 31, 2000) (File No. 1-13079)).
10.19	Executive Employment Agreement of Colin V. Reed, dated April 23, 2001, with the Company (incorporated by reference to Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q for quarter ended June 30, 2001 (File No. 1-13079)).
10.20	Amendment No. 1 dated as of August 17, 2004 to 2001 Employment Agreement of Colin V. Reed (incorporated by reference to Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q for the Quarter ended September 30, 2004 (File No. 1-13079)).
10.21	Amendment No. 2, dated as of February 10, 2006, to 2001 Employment Agreement of Colin V. Reed (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed with the SEC on February 14, 2006 (File No. 1-13079)).
10.22	Indemnification Agreement, dated as of April 23, 2001, by and between the Company and Colin V. Reed (incorporated by reference to Exhibit 10.30 to the Company's Annual Report on Form 10-K for the year ended December 31, 2001 (File No. 1-13079)).

10.23	Employment Agreement of Michael D. Rose, dated May 1, 2004, with the Company (incorporated by reference to Exhibit 10.2 to the Company's Quarterly Report on Form 10-Q for quarter ended September 30, 2004 (File No. 1-13079)).
10.24	Indemnification Agreement, dated as of April 23, 2001, by and between the Company and Michael D. Rose (incorporated by reference to Exhibit 10.31 to the Company's Annual Report on Form 10-K for the year ended December 31, 2001 (File No. 1-13079)).

EXHIBIT NUMBER	DESCRIPTION
10.25	Employment Agreement of David C. Kloeppel, dated May 4, 2005, with the Company (incorporated by reference to Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q for quarter ended June 30, 2005 (File No. 1-13079)).
10.26	Employment Agreement, dated as of February 10, 2006, by and between the Company and John Caparella (incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K filed with the SEC on February 14, 2006 (File No. 1-13079)).
10.27	Employment Agreement, dated as of July 15, 2003, by and between the Company and Mark Fioravanti (incorporated by reference to Exhibit 10.3 to the Company's Current Report on Form 8-K filed with the SEC on November 10, 2005 (File No. 1-13079)).
10.28	Amendment No. 1 to Employment Agreement, dated as of November 4, 2005, by and between the Company and Mark Fioravanti (incorporated by reference to Exhibit 10.4 to the Company's Current Report on Form 8-K filed with the SEC on November 10, 2005 (File No. 1-13079)).
10.29	Executive Employment Agreement of Jay D. Sevigny, dated July 15, 2003, with the Company (incorporated by reference to Exhibit 10.38 to the Company's Annual Report on Form 10-K for the year ended December 31, 2003 (File No. 1-13079).
10.30	Amendment No. 1 to Employment Agreement, dated as of November 4, 2005, by and between the Company and Jay D. Sevigny (incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K filed with the SEC on November 10, 2005 (File No. 1-13079)).
10.31	Employment Agreement, dated as of February 10, 2006, by and between the Company and Jay D. Sevigny (incorporated by reference to Exhibit 10.3 to the Company's Current Report on Form 8-K filed with the SEC on February 14, 2006 (File No. 1-13079)).
10.32	Form of Indemnification Agreement between the Company and each of its non-employee directors (incorporated by reference to Exhibit 10.36 to the Company's Annual Report on Form 10-K for the year ended December 31, 2002 (File No. 1-13079)).
10.33	Gaylord Entertainment Company Director Compensation Policy (incorporated by reference to Exhibit 10.37 to the Company's Annual Report on Form 10-K for the year ended December 31, 2002 (File No. 1-13079)).
10.34	Form of Stock Option Agreement with respect to options granted to employees of Gaylord Entertainment Company pursuant to the 1997 Plan (incorporated by reference to Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2004 (File No. 1-13079).
10.35	Form of Director Stock Option Agreement with respect to options granted to members of the Gaylord Entertainment Company Board of Directors pursuant to the 1997 Plan (incorporated by reference to Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2004 (File No. 1-13079).
10.36	Form of Restricted Stock Agreement with respect to restricted stock granted to employees of the Company pursuant to the 1997 Plan (incorporated by reference to Exhibit 10.2 to the Company's Quarterly Report on Form 10-Q for the period ending March 31, 2005 (File No. 1-13079)).
10.37*	Form of Performance Accelerated Restricted Stock Unit Agreement with respect to restricted stock units granted to employees of the Company pursuant to the 1997 Plan and the Company's performance accelerated restricted stock unit program ("PARSUP").
10.38*	Summary of Director and Executive Officer Compensation.
21*	Subsidiaries of Gaylord Entertainment Company.
23.1*	Consent of Independent Registered Public Accounting Firm.
31.1*	Certification of Chief Executive Officer of Periodic Report Pursuant to Rule 13a — 14(a) and Rule 15d — 14(a).
31.2*	Certification of Chief Financial Officer of Periodic Report Pursuant to Rule 13a — 14(a) and Rule 15d — 14(a).
32.1*	Certification of Chief Executive Officer Pursuant to 18 U.S.C. Section 1350.
32.2*	Certification of Chief Financial Officer Pursuant to 18 U.S.C. Section 1350.

* Filed herewith.

† As directed by Item 601(b)(2) of Regulation S-K, certain schedules and exhibits to this exhibit are omitted from this filing. The Company agrees to furnish supplementally a copy of any omitted schedule or exhibit to the SEC upon request.

Exhibit 4.7

SECOND SUPPLEMENTAL INDENTURE

Second Supplemental Indenture (this "SECOND SUPPLEMENTAL INDENTURE"), dated as of November 29, 2004, among the subsidiaries listed on Schedule I attached hereto (each a "GUARANTEEING SUBSIDIARY"), all subsidiaries of Gaylord Entertainment Company (or its permitted successor), a Delaware corporation (the "COMPANY"), and U.S. Bank National Association, a national banking corporation (or its permitted successor), as trustee under the Indenture referred to below (the "TRUSTEE").

WITNESSETH

WHEREAS, the Company and the other Guarantors party thereto have heretofore executed and delivered to the Trustee an indenture (the "INDENTURE"), dated as of November 12, 2003 providing for the issuance of 8% Senior Notes due 2013 (the "NOTES") and a First Supplemental Indenture (the "FIRST SUPPLEMENTAL INDENTURE"), dated as of November 20, 2003 (the First Supplemental Indenture together with the Indenture referred to herein as the "INDENTURE");

WHEREAS, the Indenture provides that under certain circumstances the Guaranteeing Subsidiary shall execute and deliver to the Trustee a supplemental indenture pursuant to which the Guaranteeing Subsidiary shall unconditionally guarantee all of the Company's obligations under the Notes and the Indenture on the terms and conditions set forth herein (the "NOTE GUARANTEE"); and

WHEREAS, pursuant to Section 9.01 of the Indenture, the Trustee is authorized to execute and deliver this Second Supplemental Indenture.

NOW THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt of which is hereby acknowledged, the Guaranteeing Subsidiary and the Trustee mutually covenant and agree for the equal and ratable benefit of the Holders of the Notes as follows:

1. Capitalized Terms. Capitalized terms used herein without definition shall have the meanings assigned to them in the Indenture.

2. Agreement to Guarantee.

(a) The Guaranteeing Subsidiary, along with all other Guarantors, jointly and severally, and fully and unconditionally, guarantees to each Holder of a Note authenticated and delivered by the Trustee and to the Trustee and its successors and assigns, irrespective of the validity and enforceability of the Indenture, the Notes or the obligations of the Company hereunder or thereunder, that:

(i) the principal of, premium, if any, and interest and Liquidated Damages, if any, on the Notes will be promptly paid in full when due, whether at maturity, by acceleration, redemption or otherwise, and interest on the overdue principal of, premium, if any, and interest and Liquidated Damages, if any, on the Notes, if lawful (subject in all cases to any

applicable grace period provided herein), and all other obligations of the Company to the Holders or the Trustee hereunder or thereunder will be promptly paid in full or performed, all in accordance with the terms hereof and thereof; and the principal of, premium, if any, and interest and Liquidated Damages, if any, on the Notes will be promptly paid in full when due, whether at maturity, by acceleration, redemption or otherwise, and interest on the overdue principal of, premium, if any, and interest and Liquidated Damages, if any, on the Notes, if lawful (subject in all cases to any applicable grace period provided herein)

(ii) in case of any extension of time of payment or renewal of any Notes or any of such other obligations, the same will be promptly paid in full when due or performed in accordance with the terms of the extension or renewal, whether at stated maturity, by acceleration or otherwise. Failing payment when due of any amount so guaranteed or any performance so guaranteed for whatever reason, the Guarantors shall be jointly and severally obligated to pay the same immediately. The Guaranteeing Subsidiary agrees that this is a guarantee of payment and not a guarantee of collection.

(b) The Guaranteeing Subsidiary hereby agrees that, to the maximum extent permitted under applicable law, its obligations hereunder shall be unconditional, irrespective of the validity, regularity or enforceability of the Notes or the Indenture, the absence of any action to enforce the same, any waiver or consent by any Holder of the Notes with respect to any provisions hereof or thereof, the recovery of any judgment against the Company, any action to enforce the same or any other circumstance that might otherwise constitute a legal or equitable discharge or defense of a Guarantor.

(c) The Guaranteeing Subsidiary, subject to Section 6.06 of the Indenture, hereby waives diligence, presentment, demand of payment, filing of claims with a court in the event of insolvency or bankruptcy of the Company, any right to require a proceeding first against the Company, protest, notice and all demands whatsoever and covenants that this Note Guarantee shall not be discharged except by complete performance of the obligations contained in the Notes and the Indenture.

(d) The Guaranteeing Subsidiary agrees that if any Holder or the Trustee is required by any court or otherwise to return to the Company, the Guarantors, or any custodian, trustee, liquidator or other similar official acting in relation to any of the Company or the Guarantors, any amount paid by any of them to the Trustee or such Holder, this Note Guarantee, to the extent theretofore discharged, shall be reinstated in full force and effect.

(e) The Guaranteeing Subsidiary agrees that the Guaranteeing Subsidiary shall not be entitled to any right of subrogation in relation to the Holders in respect of any obligations guaranteed hereby until payment in full of all obligations guaranteed hereby.

(f) The Guaranteeing Subsidiary agrees that, as between the Guarantors, on the one hand, and the Holders and the Trustee, on the other hand, (x) the maturity of the obligations guaranteed hereby may be accelerated as provided in Article Six of the Indenture for the purposes of this Note Guarantee, notwithstanding any stay, injunction or other prohibition preventing such acceleration in respect of the obligations guaranteed hereby, and (y) in the event of any declaration of acceleration of such obligations as provided in Article Six of the Indenture, such obligations (whether or not due and payable) shall forthwith become due and payable by the Guarantors for the purpose of this Note Guarantee.

(g) The Guaranteeing Subsidiary shall have the right to seek contribution from any non-paying Guarantor so long as the exercise of such right does not impair the rights of Holders under the Note Guarantee.

(h) The Guaranteeing Subsidiary confirms, pursuant to Section 10.02 of the Indenture, that it is the intention of such Guaranteeing Subsidiary that its Note Guarantee not constitute (i) a fraudulent transfer or conveyance for purposes of Bankruptcy Law, the Uniform Fraudulent Conveyance Act, the Uniform Fraudulent Transfer Act or any similar federal or state law to the extent applicable to its Note Guarantee or (ii) an unlawful distribution under any applicable state law prohibiting shareholder distributions by an insolvent subsidiary to the extent applicable to its Note Guarantee, and, to effectuate the foregoing intention, agrees hereby irrevocably that the obligations of such Guaranteeing Subsidiary will be limited to the maximum amount as will, after giving effect to all other contingent and fixed liabilities of such Guaranteeing Subsidiary that are relevant under such laws, and after giving effect to any collections from, rights to receive contribution from or payments made by or on behalf of any other Guarantor in respect of the obligations of such other Guarantor under Article Ten of the Indenture, result in the obligations of such Guaranteeing Subsidiary under its Note Guarantee not constituting a fraudulent transfer or conveyance or such an unlawful shareholder distribution.

3. Execution and Delivery. The Guaranteeing Subsidiary agrees that the Note Guarantees shall remain in full force and effect notwithstanding any failure to endorse on each Note a notation of such Note Guarantee.

4. Guaranteeing Subsidiary May Consolidate, Etc., on Certain Terms.

(a) A Guarantor may not sell or otherwise dispose of all or substantially all of its assets, or consolidate with or merge with or into (whether or not such Guarantor is the surviving Person) another Person, other than the Company or another Guarantor, unless:

(i) immediately after giving effect to that transaction, no Default or Event of Default exists; and

(ii) either:

(A) the Person acquiring the property in any such sale or disposition or the Person formed by or surviving any such consolidation or merger (if other than the Guarantor) is a corporation or limited liability company organized or existing under the laws of the United States, any state thereof or the District of Columbia and assumes all the obligations of that Guarantor under the Indenture, its Note Guarantee and the Registration Rights Agreement pursuant to a supplemental indenture reasonably satisfactory to the Trustee; or

(B) such sale or other disposition or consolidation or merger complies with Section 4.10 of the Indenture.

(b) In case of any such consolidation, merger, sale or conveyance and upon the assumption by the successor Person, by supplemental indenture, executed and delivered to the Trustee and satisfactory in form to the Trustee, of the Note Guarantee endorsed upon the Notes and the due and punctual performance of all of the covenants and conditions of the Indenture to be performed by a Guarantor, such successor Person shall succeed to and be substituted for a Guarantor with the same effect as if it had been named herein as a Guarantor. Such successor Person thereupon may cause to be signed any or all of the Note Guarantees to be endorsed upon all of the Notes issuable hereunder which theretofore shall not have been signed by the Company and delivered to the Trustee. All the Note Guarantees so issued shall in all respects have the same legal rank and benefit under the Indenture as the Note Guarantees theretofore and thereafter issued in accordance with the terms of the Indenture as though all of such Note Guarantees had been issued at the date of the execution hereof.

(c) Except as set forth in Articles 4 and 5 of the Indenture, and notwithstanding clauses (i) and (ii) of Section 4(a) above, nothing contained in the Indenture or in any of the Notes shall prevent any consolidation or merger of a Guarantor with or into the Company or another Guarantor, or shall prevent any sale or conveyance of the property of a Guarantor as an entirety or substantially as an entirety to the Company or another Guarantor.

5. Release.

(a) Any Guarantor will be released and relieved of any obligations under its Note Guarantee, (i) in connection with any sale or other disposition of all of the Capital Stock of that Guarantor to a Person that is not (either before or after giving effect to such transaction) an Affiliate of the Company, if the sale of all such Capital Stock of that Guarantor complies with Section 4.10 of the Indenture; (ii) if the Company properly designates that Guarantor as an Unrestricted Subsidiary under the Indenture or (iii) solely in the case of a Note Guarantee created pursuant to the second sentence of Section 4.18(a) of the Indenture, upon the release or discharge of the Guarantee which resulted in the creation of such Note Guarantee pursuant to Section 4.18(b) of the Indenture, except a discharge or release by or as a result of payment under such Guarantee. Upon delivery by the Company to the Trustee of an Officers' Certificate and an Opinion of Counsel to the effect that one of the foregoing requirements has been satisfied and the conditions to the release of a Guarantor under this Section 5 have been satisfied, the Trustee shall execute any documents reasonably required in order to evidence the release of such Guarantor from its obligations under its Note Guarantee.

(b) Any Guarantor not released from its obligations under its Note Guarantee shall remain liable for the full amount of principal of and interest and Liquidated Damages, if any, on the Notes and for the other obligations of any Guarantor under the Indenture as provided in Article Ten of the Indenture.

6. No Recourse Against Others. Pursuant to Section 12.07 of the Indenture, no director, officer, employee, incorporator or stockholder of the Guaranteeing Subsidiary shall have any liability for any obligations of such Guaranteeing Subsidiary under the Notes, the Indenture, the Note Guarantees or for any claim based on, in respect of, or by reason of, such obligations or their creation.

7. NEW YORK LAW TO GOVERN. THE LAW OF THE STATE OF NEW YORK SHALL GOVERN AND BE USED TO CONSTRUE THIS SECOND SUPPLEMENTAL INDENTURE.

8. Counterparts. The parties may sign any number of copies of this Second Supplemental Indenture. Each signed copy shall be an original, but all of them together represent the same agreement.

9. Effect of Headings. The Section headings herein are for convenience only and shall not affect the construction hereof.

10. Trustee. The Trustee shall not be responsible in any manner whatsoever for or in respect of the validity or sufficiency of this Second Supplemental Indenture or for or in respect of the recitals contained herein, all of which recitals are made solely by the Guaranteeing Subsidiary and the Company.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties hereto have caused this Second Supplemental Indenture to be duly executed and attested, all as of the date first above written.

Dated: November 29, 2004

GAYLORD NATIONAL, LLC, a Maryland limited liability company

By: /s/ David C. Kloeppel

Name: David C. Kloeppel
Title: Executive Vice President

REALTY REFERRAL CONSULTANTS, LLC, a Florida limited liability company

By: /s/ David C. Kloeppel

Name: David C. Kloeppel
Title: Executive Vice President

GAYLORD ENTERTAINMENT COMPANY

By: /s/ David C. Kloeppel

Name: David C. Kloeppel
Title: Executive Vice President and Chief Financial Officer

U.S. BANK NATIONAL ASSOCIATION, AS TRUSTEE

By: /s/ Lori-Anne Rosenberg

Name: Lori-Anne Rosenberg
Title: Vice President

SCHEDULE I

1. Gaylord National, LLC (Maryland)
2. Realty Referral Consultants, LLC (Florida)

Exhibit 4.8

THIRD SUPPLEMENTAL INDENTURE

Third Supplemental Indenture (this "THIRD SUPPLEMENTAL INDENTURE"), dated as of December 30, 2004, among the subsidiaries listed on Schedule I attached hereto (each a "GUARANTEEING SUBSIDIARY"), all subsidiaries of Gaylord Entertainment Company (or its permitted successor), a Delaware corporation (the "COMPANY"), and U.S. Bank National Association, a national banking corporation (or its permitted successor), as trustee under the Indenture referred to below (the "TRUSTEE").

WITNESSETH

WHEREAS, the Company and the other Guarantors party thereto have heretofore executed and delivered to the Trustee an indenture (the "INDENTURE"), dated as of November 12, 2003 providing for the issuance of 8% Senior Notes due 2013 (the "NOTES"), a First Supplemental Indenture (the "FIRST SUPPLEMENTAL INDENTURE"), dated as of November 20, 2003, and a Second Supplemental Indenture (the "SECOND SUPPLEMENTAL INDENTURE"), dated as of November 29, 2004 (the Indenture, First Supplemental Indenture and the Second Supplemental Indenture collectively referred to herein as the "INDENTURE");

WHEREAS, the Indenture provides that under certain circumstances the Guaranteeing Subsidiary shall execute and deliver to the Trustee a supplemental indenture pursuant to which the Guaranteeing Subsidiary shall unconditionally guarantee all of the Company's obligations under the Notes and the Indenture on the terms and conditions set forth herein (the "NOTE GUARANTEE"); and

WHEREAS, pursuant to Section 9.01 of the Indenture, the Trustee is authorized to execute and deliver this Third Supplemental Indenture.

NOW THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt of which is hereby acknowledged, the Guaranteeing Subsidiary and the Trustee mutually covenant and agree for the equal and ratable benefit of the Holders of the Notes as follows:

1. Capitalized Terms. Capitalized terms used herein without definition shall have the meanings assigned to them in the Indenture.

2. Agreement to Guarantee.

(a) The Guaranteeing Subsidiary, along with all other Guarantors, jointly and severally, and fully and unconditionally, guarantees to each Holder of a Note authenticated and delivered by the Trustee and to the Trustee and its successors and assigns, irrespective of the validity and enforceability of the Indenture, the Notes or the obligations of the Company hereunder or thereunder, that:

(i) the principal of, premium, if any, and interest and Liquidated Damages, if any, on the Notes will be promptly paid in full when due, whether at maturity, by acceleration, redemption or otherwise, and interest on the overdue principal of, premium, if any, and interest and Liquidated Damages, if any, on the Notes, if lawful (subject in all cases to any

applicable grace period provided herein), and all other obligations of the Company to the Holders or the Trustee hereunder or thereunder will be promptly paid in full or performed, all in accordance with the terms hereof and thereof; and the principal of, premium, if any, and interest and Liquidated Damages, if any, on the Notes will be promptly paid in full when due, whether at maturity, by acceleration, redemption or otherwise, and interest on the overdue principal of, premium, if any, and interest and Liquidated Damages, if any, on the Notes, if lawful (subject in all cases to any applicable grace period provided herein)

(ii) in case of any extension of time of payment or renewal of any Notes or any of such other obligations, the same will be promptly paid in full when due or performed in accordance with the terms of the extension or renewal, whether at stated maturity, by acceleration or otherwise. Failing payment when due of any amount so guaranteed or any performance so guaranteed for whatever reason, the Guarantors shall be jointly and severally obligated to pay the same immediately. The Guaranteeing Subsidiary agrees that this is a guarantee of payment and not a guarantee of collection.

(b) The Guaranteeing Subsidiary hereby agrees that, to the maximum extent permitted under applicable law, its obligations hereunder shall be unconditional, irrespective of the validity, regularity or enforceability of the Notes or the Indenture, the absence of any action to enforce the same, any waiver or consent by any Holder of the Notes with respect to any provisions hereof or thereof, the recovery of any judgment against the Company, any action to enforce the same or any other circumstance that might otherwise constitute a legal or equitable discharge or defense of a Guarantor.

(c) The Guaranteeing Subsidiary, subject to Section 6.06 of the Indenture, hereby waives diligence, presentment, demand of payment, filing of claims with a court in the event of insolvency or bankruptcy of the Company, any right to require a proceeding first against the Company, protest, notice and all demands whatsoever and covenants that this Note Guarantee shall not be discharged except by complete performance of the obligations contained in the Notes and the Indenture.

(d) The Guaranteeing Subsidiary agrees that if any Holder or the Trustee is required by any court or otherwise to return to the Company, the Guarantors, or any custodian, trustee, liquidator or other similar official acting in relation to any of the Company or the Guarantors, any amount paid by any of them to the Trustee or such Holder, this Note Guarantee, to the extent theretofore discharged, shall be reinstated in full force and effect.

(e) The Guaranteeing Subsidiary agrees that the Guaranteeing Subsidiary shall not be entitled to any right of subrogation in relation to the Holders in respect of any obligations guaranteed hereby until payment in full of all obligations guaranteed hereby.

(f) The Guaranteeing Subsidiary agrees that, as between the Guarantors, on the one hand, and the Holders and the Trustee, on the other hand, (x) the maturity of the obligations guaranteed hereby may be accelerated as provided in Article Six of the Indenture for the purposes of this Note Guarantee, notwithstanding any stay, injunction or other prohibition preventing such acceleration in respect of the obligations guaranteed hereby, and (y) in the event of any declaration of acceleration of such obligations as provided in Article Six of the Indenture, such obligations (whether or not due and payable) shall forthwith become due and payable by the Guarantors for the purpose of this Note Guarantee.

(g) The Guaranteeing Subsidiary shall have the right to seek contribution from any non-paying Guarantor so long as the exercise of such right does not impair the rights of Holders under the Note Guarantee.

(h) The Guaranteeing Subsidiary confirms, pursuant to Section 10.02 of the Indenture, that it is the intention of such Guaranteeing Subsidiary that its Note Guarantee not constitute (i) a fraudulent transfer or conveyance for purposes of Bankruptcy Law, the Uniform Fraudulent Conveyance Act, the Uniform Fraudulent Transfer Act or any similar federal or state law to the extent applicable to its Note Guarantee or (ii) an unlawful distribution under any applicable state law prohibiting shareholder distributions by an insolvent subsidiary to the extent applicable to its Note Guarantee, and, to effectuate the foregoing intention, agrees hereby irrevocably that the obligations of such Guaranteeing Subsidiary will be limited to the maximum amount as will, after giving effect to all other contingent and fixed liabilities of such Guaranteeing Subsidiary that are relevant under such laws, and after giving effect to any collections from, rights to receive contribution from or payments made by or on behalf of any other Guarantor in respect of the obligations of such other Guarantor under Article Ten of the Indenture, result in the obligations of such Guaranteeing Subsidiary under its Note Guarantee not constituting a fraudulent transfer or conveyance or such an unlawful shareholder distribution.

3. Execution and Delivery. The Guaranteeing Subsidiary agrees that the Note Guarantees shall remain in full force and effect notwithstanding any failure to endorse on each Note a notation of such Note Guarantee.

4. Guaranteeing Subsidiary May Consolidate, Etc., on Certain Terms.

(a) A Guarantor may not sell or otherwise dispose of all or substantially all of its assets, or consolidate with or merge with or into (whether or not such Guarantor is the surviving Person) another Person, other than the Company or another Guarantor, unless:

(i) immediately after giving effect to that transaction, no Default or Event of Default exists; and

(ii) either:

(A) the Person acquiring the property in any such sale or disposition or the Person formed by or surviving any such consolidation or merger (if other than the Guarantor) is a corporation or limited liability company organized or existing under the laws of the United States, any state thereof or the District of Columbia and assumes all the obligations of that Guarantor under the Indenture, its Note Guarantee and the Registration Rights Agreement pursuant to a supplemental indenture reasonably satisfactory to the Trustee; or

(B) such sale or other disposition or consolidation or merger complies with Section 4.10 of the Indenture.

(b) In case of any such consolidation, merger, sale or conveyance and upon the assumption by the successor Person, by supplemental indenture, executed and delivered to the Trustee and satisfactory in form to the Trustee, of the Note Guarantee endorsed upon the Notes and the due and punctual performance of all of the covenants and conditions of the Indenture to be performed by a Guarantor, such successor Person shall succeed to and be substituted for a Guarantor with the same effect as if it had been named herein as a Guarantor. Such successor Person thereupon may cause to be signed any or all of the Note Guarantees to be endorsed upon all of the Notes issuable hereunder which theretofore shall not have been signed by the Company and delivered to the Trustee. All the Note Guarantees so issued shall in all respects have the same legal rank and benefit under the Indenture as the Note Guarantees theretofore and thereafter issued in accordance with the terms of the Indenture as though all of such Note Guarantees had been issued at the date of the execution hereof.

(c) Except as set forth in Articles 4 and 5 of the Indenture, and notwithstanding clauses (i) and (ii) of Section 4(a) above, nothing contained in the Indenture or in any of the Notes shall prevent any consolidation or merger of a Guarantor with or into the Company or another Guarantor, or shall prevent any sale or conveyance of the property of a Guarantor as an entirety or substantially as an entirety to the Company or another Guarantor.

5. Release.

(a) Any Guarantor will be released and relieved of any obligations under its Note Guarantee, (i) in connection with any sale or other disposition of all of the Capital Stock of that Guarantor to a Person that is not (either before or after giving effect to such transaction) an Affiliate of the Company, if the sale of all such Capital Stock of that Guarantor complies with Section 4.10 of the Indenture; (ii) if the Company properly designates that Guarantor as an Unrestricted Subsidiary under the Indenture or (iii) solely in the case of a Note Guarantee created pursuant to the second sentence of Section 4.18(a) of the Indenture, upon the release or discharge of the Guarantee which resulted in the creation of such Note Guarantee pursuant to Section 4.18(b) of the Indenture, except a discharge or release by or as a result of payment under such Guarantee. Upon delivery by the Company to the Trustee of an Officers' Certificate and an Opinion of Counsel to the effect that one of the foregoing requirements has been satisfied and the conditions to the release of a Guarantor under this Section 5 have been satisfied, the Trustee shall execute any documents reasonably required in order to evidence the release of such Guarantor from its obligations under its Note Guarantee.

(b) Any Guarantor not released from its obligations under its Note Guarantee shall remain liable for the full amount of principal of and interest and Liquidated Damages, if any, on the Notes and for the other obligations of any Guarantor under the Indenture as provided in Article Ten of the Indenture.

6. No Recourse Against Others. Pursuant to Section 12.07 of the Indenture, no director, officer, employee, incorporator or stockholder of the Guaranteeing Subsidiary shall have any liability for any obligations of such Guaranteeing Subsidiary under the Notes, the Indenture, the Note Guarantees or for any claim based on, in respect of, or by reason of, such obligations or their creation.

7. NEW YORK LAW TO GOVERN. THE LAW OF THE STATE OF NEW YORK SHALL GOVERN AND BE USED TO CONSTRUE THIS SECOND SUPPLEMENTAL INDENTURE.

8. Counterparts. The parties may sign any number of copies of this Second Supplemental Indenture. Each signed copy shall be an original, but all of them together represent the same agreement.

9. Effect of Headings. The Section headings herein are for convenience only and shall not affect the construction hereof.

10. Trustee. The Trustee shall not be responsible in any manner whatsoever for or in respect of the validity or sufficiency of this Second Supplemental Indenture or for or in respect of the recitals contained herein, all of which recitals are made solely by the Guaranteeing Subsidiary and the Company.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties hereto have caused this Second Supplemental Indenture to be duly executed and attested, all as of the date first above written.

Dated: December 30, 2004

OPRYLAND HOTEL NASHVILLE, LLC, a
Delaware limited liability company

By: /s/ David C. Kloeppel

Name: David C. Kloeppel
Title: Executive Vice President

RQI ACQUISITION, LLC
a Delaware limited liability company

By: /s/ David C. Kloeppel

Name: David C. Kloeppel
Title: Executive Vice President

GAYLORD ENTERTAINMENT COMPANY

By: /s/ David C. Kloeppel

Name: David C. Kloeppel
Title: Executive Vice President and Chief Financial Officer

U.S. BANK NATIONAL ASSOCIATION, AS TRUSTEE

By: /s/ Lori-Anne Rosenberg

Name: Lori-Anne Rosenberg
Title: Assistant Vice President

SCHEDULE I

1. Opryland Hotel Nashville, LLC (Delaware)
2. RQI Acquisition, LLC (Delaware)

Exhibit 4.9

FOURTH SUPPLEMENTAL INDENTURE

Fourth Supplemental Indenture (this "FOURTH SUPPLEMENTAL INDENTURE"), dated as of June 16, 2005, among the subsidiaries listed on Schedule I attached hereto (each a "GUARANTEEING SUBSIDIARY"), all subsidiaries of Gaylord Entertainment Company (or its permitted successor), a Delaware corporation (the "COMPANY"), and U.S. Bank National Association, a national banking corporation (or its permitted successor), as trustee under the Indenture referred to below (the "TRUSTEE").

WITNESSETH

WHEREAS, the Company and the other Guarantors party thereto have heretofore executed and delivered to the Trustee an indenture (the "INDENTURE"), dated as of November 12, 2003 providing for the issuance of 8% Senior Notes due 2013 (the "NOTES"), a First Supplemental Indenture (the "FIRST SUPPLEMENTAL INDENTURE"), dated as of November 20, 2003, a Second Supplemental Indenture (the "SECOND SUPPLEMENTAL INDENTURE"), dated as of November 29, 2004, and a Third Supplemental Indenture (the "THIRD SUPPLEMENTAL INDENTURE") dated as of December 30, 2004 (the Indenture and the First, Second and Third Supplemental Indentures collectively referred to herein as the "INDENTURE");

WHEREAS, the Indenture provides that under certain circumstances the Guaranteeing Subsidiary shall execute and deliver to the Trustee a supplemental indenture and a note guarantee pursuant to which the Guaranteeing Subsidiary shall unconditionally guarantee all of the Company's obligations under the Notes and the Indenture on the terms and conditions set forth herein (the "NOTE GUARANTEE"); and

WHEREAS, pursuant to Section 9.01 of the Indenture, the Trustee is authorized to execute and deliver this Fourth Supplemental Indenture.

NOW THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt of which is hereby acknowledged, the Guaranteeing Subsidiary and the Trustee mutually covenant and agree for the equal and ratable benefit of the Holders of the Notes as follows:

1. Capitalized Terms. Capitalized terms used herein without definition shall have the meanings assigned to them in the Indenture.

2. Agreement to Guarantee.

(a) The Guaranteeing Subsidiary, along with all other Guarantors, jointly and severally, and fully and unconditionally, guarantees to each Holder of a Note authenticated and delivered by the Trustee and to the Trustee and its successors and assigns, irrespective of the validity and enforceability of the Indenture, the Notes or the obligations of the Company hereunder or thereunder, that:

(i) the principal of, premium, if any, and interest and Liquidated Damages, if any, on the Notes will be promptly paid in full when due, whether at maturity, by acceleration, redemption or otherwise, and interest on the overdue principal of, premium, if any,

and interest and Liquidated Damages, if any, on the Notes, if lawful (subject in all cases to any applicable grace period provided herein), and all other obligations of the Company to the Holders or the Trustee hereunder or thereunder will be promptly paid in full or performed, all in accordance with the terms hereof and thereof; and the principal of, premium, if any, and interest and Liquidated Damages, if any, on the Notes will be promptly paid in full when due, whether at maturity, by acceleration, redemption or otherwise, and interest on the overdue principal of, premium, if any, and interest and Liquidated Damages, if any, on the Notes, if lawful (subject in all cases to any applicable grace period provided herein)

(ii) in case of any extension of time of payment or renewal of any Notes or any of such other obligations, the same will be promptly paid in full when due or performed in accordance with the terms of the extension or renewal, whether at stated maturity, by acceleration or otherwise. Failing payment when due of any amount so guaranteed or any performance so guaranteed for whatever reason, the Guarantors shall be jointly and severally obligated to pay the same immediately. The Guaranteeing Subsidiary agrees that this is a guarantee of payment and not a guarantee of collection.

(b) The Guaranteeing Subsidiary hereby agrees that, to the maximum extent permitted under applicable law, its obligations hereunder shall be unconditional, irrespective of the validity, regularity or enforceability of the Notes or the Indenture, the absence of any action to enforce the same, any waiver or consent by any Holder of the Notes with respect to any provisions hereof or thereof, the recovery of any judgment against the Company, any action to enforce the same or any other circumstance that might otherwise constitute a legal or equitable discharge or defense of a Guarantor.

(c) The Guaranteeing Subsidiary, subject to Section 6.06 of the Indenture, hereby waives diligence, presentment, demand of payment, filing of claims with a court in the event of insolvency or bankruptcy of the Company, any right to require a proceeding first against the Company, protest, notice and all demands whatsoever and covenants that this Note Guarantee shall not be discharged except by complete performance of the obligations contained in the Notes and the Indenture.

(d) The Guaranteeing Subsidiary agrees that if any Holder or the Trustee is required by any court or otherwise to return to the Company, the Guarantors, or any custodian, trustee, liquidator or other similar official acting in relation to any of the Company or the Guarantors, any amount paid by any of them to the Trustee or such Holder, this Note Guarantee, to the extent theretofore discharged, shall be reinstated in full force and effect.

(e) The Guaranteeing Subsidiary agrees that the Guaranteeing Subsidiary shall not be entitled to any right of subrogation in relation to the Holders in respect of any obligations guaranteed hereby until payment in full of all obligations guaranteed hereby.

(f) The Guaranteeing Subsidiary agrees that, as between the Guarantors, on the one hand, and the Holders and the Trustee, on the other hand, (x) the maturity of the obligations guaranteed hereby may be accelerated as provided in Article Six of the Indenture for the purposes of this Note Guarantee, notwithstanding any stay, injunction or other prohibition preventing such acceleration in respect of the obligations guaranteed hereby, and (y) in the event

of any declaration of acceleration of such obligations as provided in Article Six of the Indenture, such obligations (whether or not due and payable) shall forthwith become due and payable by the Guarantors for the purpose of this Note Guarantee.

(g) The Guaranteeing Subsidiary shall have the right to seek contribution from any non-paying Guarantor so long as the exercise of such right does not impair the rights of Holders under the Note Guarantee.

(h) The Guaranteeing Subsidiary confirms, pursuant to Section 10.02 of the Indenture, that it is the intention of such Guaranteeing Subsidiary that its Note Guarantee not constitute (i) a fraudulent transfer or conveyance for purposes of Bankruptcy Law, the Uniform Fraudulent Conveyance Act, the Uniform Fraudulent Transfer Act or any similar federal or state law to the extent applicable to its Note Guarantee or (ii) an unlawful distribution under any applicable state law prohibiting shareholder distributions by an insolvent subsidiary to the extent applicable to its Note Guarantee, and, to effectuate the foregoing intention, agrees hereby irrevocably that the obligations of such Guaranteeing Subsidiary will be limited to the maximum amount as will, after giving effect to all other contingent and fixed liabilities of such Guaranteeing Subsidiary that are relevant under such laws, and after giving effect to any collections from, rights to receive contribution from or payments made by or on behalf of any other Guarantor in respect of the obligations of such other Guarantor under Article Ten of the Indenture, result in the obligations of such Guaranteeing Subsidiary under its Note Guarantee not constituting a fraudulent transfer or conveyance or such an unlawful shareholder distribution.

3. Execution and Delivery. The Guaranteeing Subsidiary agrees that the Note Guarantees shall remain in full force and effect notwithstanding any failure to endorse on each Note a notation of such Note Guarantee.

4. Guaranteeing Subsidiary May Consolidate, Etc., on Certain Terms.

(a) A Guarantor may not sell or otherwise dispose of all or substantially all of its assets, or consolidate with or merge with or into (whether or not such Guarantor is the surviving Person) another Person, other than the Company or another Guarantor, unless:

(i) immediately after giving effect to that transaction, no Default or Event of Default exists; and

(ii) either:

(A) the Person acquiring the property in any such sale or disposition or the Person formed by or surviving any such consolidation or merger (if other than the Guarantor) is a corporation or limited liability company organized or existing under the laws of the United States, any state thereof or the District of Columbia and assumes all the obligations of that Guarantor under the Indenture, its Note Guarantee and the Registration Rights Agreement pursuant to a supplemental indenture reasonably satisfactory to the Trustee; or

(B) such sale or other disposition or consolidation or merger complies with Section 4.10 of the Indenture.

(b) In case of any such consolidation, merger, sale or conveyance and upon the assumption by the successor Person, by supplemental indenture, executed and delivered to the Trustee and satisfactory in form to the Trustee, of the Note Guarantee endorsed upon the Notes and the due and punctual performance of all of the covenants and conditions of the Indenture to be performed by a Guarantor, such successor Person shall succeed to and be substituted for a Guarantor with the same effect as if it had been named herein as a Guarantor. Such successor Person thereupon may cause to be signed any or all of the Note Guarantees to be endorsed upon all of the Notes issuable hereunder which theretofore shall not have been signed by the Company and delivered to the Trustee. All the Note Guarantees so issued shall in all respects have the same legal rank and benefit under the Indenture as the Note Guarantees theretofore and thereafter issued in accordance with the terms of the Indenture as though all of such Note Guarantees had been issued at the date of the execution hereof.

(c) Except as set forth in Articles 4 and 5 of the Indenture, and notwithstanding clauses (i) and (ii) of Section 4(a) above, nothing contained in the Indenture or in any of the Notes shall prevent any consolidation or merger of a Guarantor with or into the Company or another Guarantor, or shall prevent any sale or conveyance of the property of a Guarantor as an entirety or substantially as an entirety to the Company or another Guarantor.

5. Release.

(a) Any Guarantor will be released and relieved of any obligations under its Note Guarantee, (i) in connection with any sale or other disposition of all of the Capital Stock of that Guarantor to a Person that is not (either before or after giving effect to such transaction) an Affiliate of the Company, if the sale of all such Capital Stock of that Guarantor complies with Section 4.10 of the Indenture; (ii) if the Company properly designates that Guarantor as an Unrestricted Subsidiary under the Indenture or (iii) solely in the case of a Note Guarantee created pursuant to the second sentence of Section 4.18(a) of the Indenture, upon the release or discharge of the Guarantee which resulted in the creation of such Note Guarantee pursuant to Section 4.18(b) of the Indenture, except a discharge or release by or as a result of payment under such Guarantee. Upon delivery by the Company to the Trustee of an Officers' Certificate and an Opinion of Counsel to the effect that one of the foregoing requirements has been satisfied and the conditions to the release of a Guarantor under this Section 5 have been satisfied, the Trustee shall execute any documents reasonably required in order to evidence the release of such Guarantor from its obligations under its Note Guarantee.

(b) Any Guarantor not released from its obligations under its Note Guarantee shall remain liable for the full amount of principal of and interest and Liquidated Damages, if any, on the Notes and for the other obligations of any Guarantor under the Indenture as provided in Article Ten of the Indenture.

6. No Recourse Against Others. Pursuant to Section 12.07 of the Indenture, no director, officer, employee, incorporator or stockholder of the Guaranteeing Subsidiary shall have any liability for any obligations of such Guaranteeing Subsidiary under the Notes, the Indenture, the Note Guarantees or for any claim based on, in respect of, or by reason of, such obligations or their creation.

7. NEW YORK LAW TO GOVERN. THE LAW OF THE STATE OF NEW YORK SHALL GOVERN AND BE USED TO CONSTRUE THIS SECOND SUPPLEMENTAL INDENTURE.

8. Counterparts. The parties may sign any number of copies of this Fourth Supplemental Indenture. Each signed copy shall be an original, but all of them together represent the same agreement.

9. Effect of Headings. The Section headings herein are for convenience only and shall not affect the construction hereof.

10. Trustee. The Trustee shall not be responsible in any manner whatsoever for or in respect of the validity or sufficiency of this Fourth Supplemental Indenture or for or in respect of the recitals contained herein, all of which recitals are made solely by the Guaranteeing Subsidiary and the Company.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties hereto have caused this Fourth Supplemental Indenture to be duly executed and attested, all as of the date first above written.

Dated: June 16, 2005

ASPEN LODGING COMPANY, LLC
CATERING CONCEPTS, LLC
GREAT BEACH VACATIONS, LLC
HILTON HEAD OCEAN FRONT SALES AND RENTALS, INC.
RESORTQUEST REALTY ASPEN, LLC
RESORTQUEST AT SUMMIT COUNTY, LLC
SAND DOLLAR MANAGEMENT INVESTORS, LLC
SAND DOLLAR OCEAN, LLC

By: /s/ David C. Kloeppel

Name: David C. Kloeppel
Title: Executive Vice President

GAYLORD ENTERTAINMENT COMPANY

By: /s/ David C. Kloeppel

Name: David C. Kloeppel
Title: Executive Vice President and Chief Financial Officer

U.S. BANK NATIONAL ASSOCIATION, AS TRUSTEE

By: /s/ Richard H. Prokosch

Name: Richard H. Prokosch
Title: Vice President

SCHEDULE I

1. Aspen Lodging Company, LLC (Delaware)
2. Catering Concepts, LLC (South Carolina)
3. Great Beach Vacations, LLC (Delaware)
4. Hilton Head Ocean Front Sales and Rentals, Inc. (South Carolina)
5. ResortQuest Realty Aspen, LLC (Delaware)
6. ResortQuest at Summit County, LLC (Colorado)
7. Sand Dollar Management Investors, LLC (Delaware)
8. Sand Dollar Ocean, LLC (Delaware)

Exhibit 4.13

SECOND SUPPLEMENTAL INDENTURE

Second Supplemental Indenture (this "SECOND SUPPLEMENTAL INDENTURE"), dated as of June 16, 2005, among the subsidiaries listed on Schedule I attached hereto (each a "GUARANTEEING SUBSIDIARY"), all subsidiaries of Gaylord Entertainment Company (or its permitted successor), a Delaware corporation (the "COMPANY"), and U.S. Bank National Association, a national banking corporation (or its permitted successor), as trustee under the Indenture referred to below (the "TRUSTEE").

WITNESSETH

WHEREAS, the Company and the other Guarantors party thereto have heretofore executed and delivered to the Trustee an indenture (the "INDENTURE"), dated as of November 30, 2004 providing for the issuance of 6.75% Senior Notes due 2014 (the "NOTES"), which was supplemented by that certain First Supplemental Indenture, dated as of December 30, 2004;

WHEREAS, the Indenture provides that under certain circumstances the Guaranteeing Subsidiary shall execute and deliver to the Trustee a supplemental indenture and a related note guarantee pursuant to which the Guaranteeing Subsidiary shall unconditionally guarantee all of the Company's obligations under the Notes and the Indenture on the terms and conditions set forth herein (the "NOTE GUARANTEE"); and

WHEREAS, pursuant to Section 9.01 of the Indenture, the Trustee is authorized to execute and deliver this Second Supplemental Indenture.

NOW THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt of which is hereby acknowledged, the Guaranteeing Subsidiary and the Trustee mutually covenant and agree for the equal and ratable benefit of the Holders of the Notes as follows:

1. Capitalized Terms. Capitalized terms used herein without definition shall have the meanings assigned to them in the Indenture.

2. Agreement to Guarantee.

(a) The Guaranteeing Subsidiary, along with all other Guarantors, jointly and severally, and fully and unconditionally, guarantees to each Holder of a Note authenticated and delivered by the Trustee and to the Trustee and its successors and assigns, irrespective of the validity and enforceability of the Indenture, the Notes or the obligations of the Company hereunder or thereunder, that:

(i) the principal of, premium, if any, and interest and Liquidated Damages, if any, on the Notes will be promptly paid in full when due, whether at maturity, by acceleration, redemption or otherwise, and interest on the overdue principal of, premium, if any, and interest and Liquidated Damages, if any, on the Notes, if lawful (subject in all cases to any applicable grace period provided herein), and all other obligations of the Company to the Holders or the Trustee hereunder or thereunder will be promptly paid in full or performed, all in

accordance with the terms hereof and thereof; and the principal of, premium, if any, and interest and Liquidated Damages, if any, on the Notes will be promptly paid in full when due, whether at maturity, by acceleration, redemption or otherwise, and interest on the overdue principal of, premium, if any, and interest and Liquidated Damages, if any, on the Notes, if lawful (subject in all cases to any applicable grace period provided herein)

(ii) in case of any extension of time of payment or renewal of any Notes or any of such other obligations, the same will be promptly paid in full when due or performed in accordance with the terms of the extension or renewal, whether at stated maturity, by acceleration or otherwise. Failing payment when due of any amount so guaranteed or any performance so guaranteed for whatever reason, the Guarantors shall be jointly and severally obligated to pay the same immediately. The Guaranteeing Subsidiary agrees that this is a guarantee of payment and not a guarantee of collection.

(b) The Guaranteeing Subsidiary hereby agrees that, to the maximum extent permitted under applicable law, its obligations hereunder shall be unconditional, irrespective of the validity, regularity or enforceability of the Notes or the Indenture, the absence of any action to enforce the same, any waiver or consent by any Holder of the Notes with respect to any provisions hereof or thereof, the recovery of any judgment against the Company, any action to enforce the same or any other circumstance that might otherwise constitute a legal or equitable discharge or defense of a Guarantor.

(c) The Guaranteeing Subsidiary, subject to Section 6.06 of the Indenture, hereby waives diligence, presentment, demand of payment, filing of claims with a court in the event of insolvency or bankruptcy of the Company, any right to require a proceeding first against the Company, protest, notice and all demands whatsoever and covenants that this Note Guarantee shall not be discharged except by complete performance of the obligations contained in the Notes and the Indenture.

(d) The Guaranteeing Subsidiary agrees that if any Holder or the Trustee is required by any court or otherwise to return to the Company, the Guarantors, or any custodian, trustee, liquidator or other similar official acting in relation to any of the Company or the Guarantors, any amount paid by any of them to the Trustee or such Holder, this Note Guarantee, to the extent theretofore discharged, shall be reinstated in full force and effect.

(e) The Guaranteeing Subsidiary agrees that the Guaranteeing Subsidiary shall not be entitled to any right of subrogation in relation to the Holders in respect of any obligations guaranteed hereby until payment in full of all obligations guaranteed hereby.

(f) The Guaranteeing Subsidiary agrees that, as between the Guarantors, on the one hand, and the Holders and the Trustee, on the other hand, (x) the maturity of the obligations guaranteed hereby may be accelerated as provided in Article Six of the Indenture for the purposes of this Note Guarantee, notwithstanding any stay, injunction or other prohibition preventing such acceleration in respect of the obligations guaranteed hereby, and (y) in the event of any declaration of acceleration of such obligations as provided in Article Six of the Indenture, such obligations (whether or not due and payable) shall forthwith become due and payable by the Guarantors for the purpose of this Note Guarantee.

(g) The Guaranteeing Subsidiary shall have the right to seek contribution from any non-paying Guarantor so long as the exercise of such right does not impair the rights of Holders under the Note Guarantee.

(h) The Guaranteeing Subsidiary confirms, pursuant to Section 10.02 of the Indenture, that it is the intention of such Guaranteeing Subsidiary that its Note Guarantee not constitute (i) a fraudulent transfer or conveyance for purposes of Bankruptcy Law, the Uniform Fraudulent Conveyance Act, the Uniform Fraudulent Transfer Act or any similar federal or state law to the extent applicable to its Note Guarantee or (ii) an unlawful distribution under any applicable state law prohibiting shareholder distributions by an insolvent subsidiary to the extent applicable to its Note Guarantee, and, to effectuate the foregoing intention, agrees hereby irrevocably that the obligations of such Guaranteeing Subsidiary will be limited to the maximum amount as will, after giving effect to all other contingent and fixed liabilities of such Guaranteeing Subsidiary that are relevant under such laws, and after giving effect to any collections from, rights to receive contribution from or payments made by or on behalf of any other Guarantor in respect of the obligations of such other Guarantor under Article Ten of the Indenture, result in the obligations of such Guaranteeing Subsidiary under its Note Guarantee not constituting a fraudulent transfer or conveyance or such an unlawful shareholder distribution.

3. Execution and Delivery. The Guaranteeing Subsidiary agrees that the Note Guarantees shall remain in full force and effect notwithstanding any failure to endorse on each Note a notation of such Note Guarantee.

4. Guaranteeing Subsidiary May Consolidate, Etc., on Certain Terms.

(a) A Guarantor may not sell or otherwise dispose of all or substantially all of its assets, or consolidate with or merge with or into (whether or not such Guarantor is the surviving Person) another Person, other than the Company or another Guarantor, unless:

(i) immediately after giving effect to that transaction, no Default or Event of Default exists; and

(ii) either:

(A) the Person acquiring the property in any such sale or disposition or the Person formed by or surviving any such consolidation or merger (if other than the Guarantor) is a corporation or limited liability company organized or existing under the laws of the United States, any state thereof or the District of Columbia and assumes all the obligations of that Guarantor under the Indenture, its Note Guarantee and the Registration Rights Agreement pursuant to a supplemental indenture reasonably satisfactory to the Trustee; or

(B) such sale or other disposition or consolidation or merger complies with Section 4.10 of the Indenture.

(b) In case of any such consolidation, merger, sale or conveyance and upon the assumption by the successor Person, by supplemental indenture, executed and delivered to the

Trustee and satisfactory in form to the Trustee, of the Note Guarantee endorsed upon the Notes and the due and punctual performance of all of the covenants and conditions of the Indenture to be performed by a Guarantor, such successor Person shall succeed to and be substituted for a Guarantor with the same effect as if it had been named herein as a Guarantor. Such successor Person thereupon may cause to be signed any or all of the Note Guarantees to be endorsed upon all of the Notes issuable hereunder which theretofore shall not have been signed by the Company and delivered to the Trustee. All the Note Guarantees so issued shall in all respects have the same legal rank and benefit under the Indenture as the Note Guarantees theretofore and thereafter issued in accordance with the terms of the Indenture as though all of such Note Guarantees had been issued at the date of the execution hereof.

(c) Except as set forth in Articles 4 and 5 of the Indenture, and notwithstanding clauses (i) and (ii) of Section 4(a) above, nothing contained in the Indenture or in any of the Notes shall prevent any consolidation or merger of a Guarantor with or into the Company or another Guarantor, or shall prevent any sale or conveyance of the property of a Guarantor as an entirety or substantially as an entirety to the Company or another Guarantor.

5. Release.

(a) Any Guarantor will be released and relieved of any obligations under its Note Guarantee, (i) in connection with any sale or other disposition of all of the Capital Stock of that Guarantor to a Person that is not (either before or after giving effect to such transaction) an Affiliate of the Company, if the sale of all such Capital Stock of that Guarantor complies with Section 4.10 of the Indenture; (ii) if the Company properly designates that Guarantor as an Unrestricted Subsidiary under the Indenture or (iii) solely in the case of a Note Guarantee created pursuant to the second sentence of Section 4.18(a) of the Indenture, upon the release or discharge of the Guarantee which resulted in the creation of such Note Guarantee pursuant to Section 4.18(b) of the Indenture, except a discharge or release by or as a result of payment under such Guarantee. Upon delivery by the Company to the Trustee of an Officers' Certificate and an Opinion of Counsel to the effect that one of the foregoing requirements has been satisfied and the conditions to the release of a Guarantor under this Section 5 have been satisfied, the Trustee shall execute any documents reasonably required in order to evidence the release of such Guarantor from its obligations under its Note Guarantee.

(b) Any Guarantor not released from its obligations under its Note Guarantee shall remain liable for the full amount of principal of and interest and Liquidated Damages, if any, on the Notes and for the other obligations of any Guarantor under the Indenture as provided in Article Ten of the Indenture.

6. No Recourse Against Others. Pursuant to Section 12.07 of the Indenture, no director, officer, employee, incorporator or stockholder of the Guaranteeing Subsidiary shall have any liability for any obligations of such Guaranteeing Subsidiary under the Notes, the Indenture, the Note Guarantees or for any claim based on, in respect of, or by reason of, such obligations or their creation.

7. NEW YORK LAW TO GOVERN. THE LAW OF THE STATE OF NEW YORK SHALL GOVERN AND BE USED TO CONSTRUE THIS SECOND SUPPLEMENTAL INDENTURE.

8. Counterparts. The parties may sign any number of copies of this Second Supplemental Indenture. Each signed copy shall be an original, but all of them together represent the same agreement.

9. Effect of Headings. The Section headings herein are for convenience only and shall not affect the construction hereof.

10. Trustee. The Trustee shall not be responsible in any manner whatsoever for or in respect of the validity or sufficiency of this Second Supplemental Indenture or for or in respect of the recitals contained herein, all of which recitals are made solely by the Guaranteeing Subsidiary and the Company.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties hereto have caused this Second Supplemental Indenture to be duly executed and attested, all as of the date first above written.

Dated: June 16, 2005

ASPEN LODGING COMPANY, LLC
CATERING CONCEPTS, LLC
GREAT BEACH VACATIONS, LLC
HILTON HEAD OCEAN FRONT SALES AND RENTALS, INC.
RESORTQUEST REALTY ASPEN, LLC
RESORTQUEST AT SUMMIT COUNTY, LLC
SAND DOLLAR MANAGEMENT INVESTORS, LLC
SAND DOLLAR OCEAN, LLC

By: /s/ David C. Kloeppel

Name: David C. Kloeppel
Title: Executive Vice President

GAYLORD ENTERTAINMENT COMPANY

By: /s/ David C. Kloeppel

Name: David C. Kloeppel
Title: Executive Vice President and Chief Financial Officer

U.S. BANK NATIONAL ASSOCIATION, AS TRUSTEE

By: /s/ Richard H. Prokosch

Name: Richard H. Prokosch
Title: Vice President

SCHEDULE I

1. Aspen Lodging Company, LLC (Delaware)
2. Catering Concepts, LLC (South Carolina)
3. Great Beach Vacations, LLC (Delaware)
4. Hilton Head Ocean Front Sales and Rentals, Inc. (South Carolina)
5. ResortQuest Realty Aspen, LLC (Delaware)
6. ResortQuest at Summit County, LLC (Colorado)
7. Sand Dollar Management Investors, LLC (Delaware)
8. Sand Dollar Ocean, LLC (Delaware)

EXHIBIT 10.14

AGREEMENT
BETWEEN THE OWNER AND THE CONSTRUCTION MANAGER

AGREEMENT MADE AS OF THE 9TH DAY OF MAY IN THE YEAR OF 2005

BETWEEN the Owner: (Name and address)	Gaylord National, LLC One Gaylord Drive Nashville, TN 37214
and the Construction Manager:	Perini Building Company and Turner Construction Company doing business under the name and style Perini/Tompkins Joint Venture, c/o Perini Building Company 73 Mt. Wayte Avenue Framingham, MA
The Project is:	Gaylord National Resort Oxon Hill, Maryland
The Architect is:	Gensler Architecture, Design & Planning, P.C 2020 K Street, N.W. Suite 200 Washington, DC 20006

The Owner and the Construction Manager agree as set forth below.

ARTICLE 1
THE CONTRACT DOCUMENTS

1.1 The Contract Documents consist of: (i) this Agreement, (ii) the General Conditions for the Gaylord National Resort Project [the "General Conditions"], (iii) the requirements of the National Harbor Local and Minority Business Utilization and Local Resident Participation Agreement attached hereto as Exhibit C and all procedures adopted pursuant thereto which are applicable to the construction of the Project [the "MBE/LBE Agreement"] pursuant to which Construction Manager and all Subcontractors and Sub-subcontractors will seek to contract with and report activities with minority and local business enterprises and workers, (iv) the prevailing wage rate law attached hereto as Exhibit F, and all rules, regulations, orders and prevailing building construction wage rate schedules from time to time adopted thereunder by the Prince George's County, Maryland Wage Determination Board, pursuant to which Construction Manager and all Subcontractors and Sub subcontractors will pay workers performing the Work on the convention center [the "Prevailing Wage Requirements"], (v) the terms and conditions of all permits and approvals which may be issued to authorize or regulate the construction of the Work, (vi) all Schedules, Drawings, Specifications, addenda issued by the Architect and Owner's Consultants prior to execution of the GMP Amendment (or, if there is more than one GMP Amendment, the final GMP Amendment), and (vii) other documents listed in, and all exhibits to, this Agreement and modifications issued after execution of this Agreement, including all Separate GMP Amendments and GMP Amendments executed by the Owner and Construction Manager. The Contract Documents form the contractual agreement (the "Contract") between Owner and Construction Manager, and are as fully a part of the Contract as if attached hereto or repeated herein. The Contract represents the entire and integrated agreement between the Owner and Construction Manager and supersedes prior negotiations, representations or agreements, either written or oral. An enumeration of the Contract Documents in existence as of the date of execution of this Agreement, other than modifications, Separate GMP Amendments, GMP Amendments and Exhibits to be agreed upon after execution of this Agreement, appears in Article 15. In the event of any conflict, inconsistency or ambiguity between or among any of the Contract Documents, the Contract Documents shall take precedence as set forth in Paragraph 3.C of the General Conditions.

ARTICLE 2
THE WORK

2.1 The Work required under this Contract generally consists of the construction of the Gaylord National Resort and Convention Center which includes a 1500 room hotel, spa, swimming pool, restaurants, a convention center generally described (without limiting Construction Manager's obligation) in Exhibit K to this Agreement, surface and structured parking and various other structures and spaces, all as more fully detailed in the drawings and other documents listed in Article 15 hereof and/or in any applicable Separate GMP Amendments and/or GMP Amendments executed by the Owner and Construction Manager. As used in the Contract Documents, the terms "Work" or "work" shall mean, and the Construction Manager shall be required to furnish and perform, all labor, supervision, construction, materials, equipment, special facilities and "built-ins", construction documentation, construction management services, fixtures, tools, supplies, taxes, permits (including mechanical, electrical, plumbing, fire protection and occupancy permits) and all other property and services necessary to timely and fully perform all work or services set forth in or reasonably inferable from all Contract Documents in a good and workmanlike manner and in accordance with the Contract Documents and all labor, services, equipment and materials necessary to produce fully connected, complete and operational systems and finishes consistent with the requirements of the Contract Documents.

2.1.1 In determining what is reasonably inferable from the Contract Documents, all such documents shall be construed together, and shall not be read by separate trade areas or design divisions. The later description of the Work in further detail by the Architect or the Owner, through the issuance of written specifications, directions or clarifications, the issuance of further and more detailed drawings or otherwise, shall not entitle the Construction Manager to any compensation in addition to the Guaranteed Maximum Price (or any Separate GMP, as applicable), or to any extension of the Completion Date(s) or Milestone Dates, unless and only to the extent that such later description constitutes a "Material Change" in the Work,

which is defined as any one of the following: (1) a Change Order or Change Directive issued by the Owner pursuant to Article 17 of the General Conditions that requires work of a substantially different nature, character, scope or quality (other than refinement) than that set forth in and/or reasonably inferable from the Contract Documents identified herein and in the applicable Separate GMP Amendment and/or GMP Amendment executed by the Owner and Construction Manager; or (2) a Change Order or Change Directive issued by the Owner pursuant to Article 17 of the General Conditions that requires work expressly excluded from the Guaranteed Maximum Price (or any Separate GMP, as applicable) in the applicable Separate GMP Amendment or GMP Amendment executed by the Owner and Construction Manager; or (3) an acceleration of the Schedule or election by Owner to pay costs incurred to mitigate an Excused Delay as provided in Paragraph 16(B) of the General Conditions; or (4) (i) an emergency threatening life or property at the Site; or (ii) Differing Site Conditions described in Paragraph 4(E) of the General Conditions; or (iii) later change of Law or Factory Mutual Standard described in Paragraph 6(B) of the General Conditions; in each case, that requires the Construction Manager to take actions not otherwise included in the scope of the Work.

2.1.2 The Construction Manager hereby acknowledges and agrees that it shall not be entitled to any increase in the Guaranteed Maximum Price (or any Separate GMP, as applicable) or any extension of the Completion Date(s) or Milestone Dates as a result of any Material Change, or both, unless: (1) there is an actual, substantiated increase in the Cost of the Work or actual delay in the Substantial Completion of the Work beyond the Completion Date(s) or Milestone Dates, or both, which results from such Material Change and is compensable under the Agreement; (2) the Construction Manager makes a claim for an increase in the Guaranteed Maximum Price (or any Separate GMP, as applicable) and/or extension of the Completion Date(s) or Milestone Dates with respect to such Material Change within the time and in the manner required by the terms of the Contract; and (3) either (a) the Owner authorizes the Construction Manager to proceed with such Work and agrees to increase the GMP (or Separate GMP, as applicable) or to extend the Completion Date(s) or Milestone Dates, or both, in advance and thereafter executes a fully executed Change Order; or (b) the Construction Manager is awarded an increase in the Guaranteed Maximum Price (or any Separate GMP, as applicable) or extension in the Completion Date(s) or Milestone Dates, or both, pursuant to a claim made in the time and manner required by the Contract and litigation thereafter commenced pursuant to the Contract; or (c) in the event of an emergency threatening life or property at the Site the Construction Manager shall be entitled to any reasonable amounts expended to address the emergency.

2.1.3 In the event that a Material Change does occur in the Work (which is not resolved through a Change Order executed by the Owner and Construction Manager), and provided that the Construction Manager makes a claim for an increase in Guaranteed Maximum Price (or any Separate GMP, as applicable) or extension of the Completion Date(s) or Milestone Dates, or both, as a result of such Material Change within the time and in the manner required by the Contract, the Construction Manager shall be entitled, as its sole and complete remedy, to an increase in compensation calculated pursuant to Paragraphs 36(C) of the General Conditions, together with an extension of the Completion Date(s) or Milestone Dates measured by the actual number of days, or portions thereof, if any, that Substantial Completion of the Work is actually delayed as a direct result of the Material Changes (provided, however, that if the required extension is not granted, the Construction Manager shall be entitled to the remedies set forth in Paragraph 16(A) of the General Conditions).

ARTICLE 3
RELATIONSHIP OF THE PARTIES

3.1 The Construction Manager accepts the relationship of trust and confidence established by the Contract and covenants with the Owner to cooperate with the Owner, Architect and Owner's Consultants and utilize the Construction Manager's skill, efforts and judgment (consistent with the representations made in Paragraph 5(E) of the General Conditions) in furthering the interests of the Owner; to furnish efficient business administration and supervision; to make reasonable efforts to furnish at all times an adequate supply of workers and materials; and to perform the Work in an expeditious and economical manner consistent with the interests of the Owner and as required by the Contract Documents. The Owner agrees to furnish information and render decisions in the manner and time required by the Contract Documents and to

make payments to the Construction Manager in accordance with the requirements of the Contract Documents.

ARTICLE 4
DATE OF COMMENCEMENT AND SUBSTANTIAL COMPLETION

4.1 The date of commencement shall be the date fixed in the Owner's notice to proceed or specified in the Separate GMP Amendment or GMP Amendment executed by the Owner and Construction Manager. The Construction Manager shall promptly commence the Work to be performed under the Contract Documents on the date of commencement. The Construction Manager shall thereafter continuously and diligently perform, forward and prosecute such Work to completion on the Completion Date(s) and Milestone Dates, as defined in Section 4.2, subject only to Excused Delays as defined by the terms of this Contract.

4.2 The Construction Manager shall achieve Substantial Completion of the entire Work not later than December 28, 2007 (the "Completion Date"), subject only to Excused Delays as defined in this Contract. In addition to the Completion Date for the entire Work, the Construction Manager shall achieve Substantial Completion of the convention center on or before September 28, 2007 and certain other milestone dates for completion of key portions of the Work that are specified in Exhibit H to this Agreement or specified in any of the GMP Amendments or, as to additional work added by Change Order or Change Directive, in such Change Order or Change Directive, as the case may be ("Milestone Dates"). All Completion Dates and Milestone Dates shall be incorporated by Construction Manager into the schedules prepared pursuant to this Agreement and Article 14 of the General Conditions.

4.3 Timely completion of the Work, and each portion thereof having a Completion Date or Milestone Date, is of the essence in this Contract. In particular, the Construction Manager acknowledges and recognizes that the Work involves the construction of a hotel, convention center, structured and surface parking, swimming pool, spa, restaurant and accessory facilities and that the Owner must have beneficial occupancy and use of all of the Work within the time established for Substantial Completion and each of the Milestone Dates, subject only to Excused Delays as defined in Section 4.4 below, and that the Owner has entered into, or will hereafter enter into, binding agreements for furnishing of the interior of the building, training employees, leasing rooms, retail areas and convention space based upon the Construction Manager's representation that it can achieve Substantial Completion of the Work and each of the Milestone Dates within the times established herein. The Construction Manager acknowledges and understands that the Owner will incur substantial losses and damages if the Owner is not able to have access to specified portions of the Project by each of the Milestone Dates and have use and occupy the Work for its intended purpose as of the date established herein for Substantial Completion. Among other things, the Construction Manager acknowledges that the Owner, if it is unable to have access to and use and occupy the Work for its intended use by such date(s), will incur additional financing costs, may be required to pay additional fees to the Architect, and other consultants retained by the Owner, and will suffer actual economic loss in the form of increased costs of installation of furnishings, fixtures and equipment, lost rental incomes, rebates, lost event revenue, and related sales income. Accordingly, the Construction Manager agrees that, if the Construction Manager fails to achieve Substantial Completion of the convention center on or before September 28, 2007 or Substantial Completion of all of the Work by December 28, 2007, except and only as they may be extended due to Excused Delays pursuant to this Contract, the Construction Manager shall pay the Owner liquidated damages of (i) $15,000 (Fifteen Thousand Dollars) per day, for each calendar day, or portion thereof, beyond September 28, 2007 that the convention center is not Substantially Complete, plus (ii) $15,000 (Fifteen Thousand Dollars) per day, for each calendar day, or portion thereof, beyond December 28, 2007 that the entire Work is not Substantially Complete; plus (iii) $8,000 (Eight Thousand Dollars) per day, for each calendar day, or portion thereof beyond any of the Milestone Dates that are highlighted in red on Exhibit H, that the Work and access required for such Milestone Date is delayed, except and only to the extent that, in either or both such cases, the reason for such failure is an Excused Delay as defined herein. Liquidated Damages shall be computed separately for each violation and shall not overlap. By way of example, if Construction Manager violates two highlighted Milestone Dates, it would be liable for liquidated damages in the amount of $20,000 (Twenty Thousand Dollars) per day. The

Construction Manager agrees that the exact amount of the Owner's losses due to the Construction Manager's delay in performance are not readily ascertainable, that the Construction Manager has generally reviewed with the Owner the nature and extent of the actual damages that the Owner will incur should the Construction Manager fail to perform its obligations as set forth in the Contract with respect to the timely completion of the Work, and therefore that the amounts established herein as liquidated damages constitute agreed and reasonable damages and not a penalty. At its option, the Owner may deduct any such damages from the amounts due the Construction Manager under the terms of the Contract. The Owner's exercise of its option under the Contract to use, install furniture, fixtures and equipment in specified portions of the Project by the Milestone Dates, and occupy all or any portion of the Work prior to Substantial Completion shall not toll, waive or diminish in any way the damages for which the Construction Manager is responsible under this Section, except that if such occupancy further delays Substantial Completion of the Work, through no fault of the Construction Manager or its Subcontractors, the Construction Manager shall not be responsible for liquidated damages for failure to meet the Completion Dates or Milestone Dates during the period of such additional delay. The Construction Manager and the Owner agree that, unless Owner elects to terminate this Agreement for such default, the recovery of liquidated damages established herein is the exclusive remedy available to the Owner for the recovery of damages and interest from the Construction Manager for the Construction Manager's failure to complete the Work on or before the Completion Date(s) and the highlighted Milestone Dates, subject to extension as a result of Excused Delays, and that the total amount of liquidated damages payable to the Owner by Construction Manager shall not exceed an amount equal to fifty percent (50%) of Construction Manager's Fee. Such liquidated damages however, do not apply to, nor shall they affect, waive or diminish in any way, any other damages for which the Construction Manager may be responsible or any other remedy as a result of any negligence or breach of contract, including without limitation the violation of Completion Dates or Milestone Dates, if Owner elects to terminate this Agreement rather than await performance by Construction Manager. Specifically in the event of unexcused delay, Owner may elect either: (i) to await performance for the Construction Manager and collect liquidated damages as above specified; or (ii) to terminate this Agreement and pursue unliquidated damages and other remedies as provided in the General Conditions.

4.4 As used in the Contract Documents, an "Excused Delay" shall mean any delay to the completion of the Work (or any acceleration of the schedule for the performance of the Work) that is attributable to causes beyond the reasonable control of and could not reasonably have been mitigated or avoided by the Construction Manager or its Subcontractors or Suppliers at any tier without additional cost to the Construction Manager or its Subcontractors or Suppliers. Excused Delays shall include delays caused by : (i) the act or neglect of the Owner (including the failure to render required decisions or approvals with reasonable promptness, or to obtain permits for the Work as required by the terms of this Contract) or its separate contractors and their respective employees and agents, or (ii) Material Changes in the Work, or (iii) fire, unusual and unavoidable delay in deliveries or unavoidable casualties, and (iv) as to completion of any subsequent Work on the same critical path, the period, if any, between May 28, 2005 and the earlier of the dates when the Owner obtains the foundations permit or authorizes commencement of the foundations of the Project, and (v) as to completion of any subsequent Work on the same critical path, the period, if any, between July 11, 2005 and the earlier of the dates when the Owner obtains a superstructure permit or authorizes commencement of the superstructure of the Project, and (vi) as to the completion of any subsequent Work on the same critical path, the period, if any, between September 19, 2005, and the earlier of the dates when the Owner obtains a core, shell and frame permit or authorizes commencement of the core, shell and frame of the Project. Excused Delays of the type described in categories (i), (ii) (provided the Material Change is of the type described in subsections (1),(2), or (3) of the definition of Material Change in Section 2.1.1), (iv), (v) and (vi) of the preceding sentence are referred to in the General Conditions as "Owner Caused Excused Delay." No delay to the Work will be considered an Excused Delay, however, unless the delay affects the critical path for the performance of the Work and actually delays Substantial Completion of the entire Work (or the designated portion thereof identified in the applicable Separate GMP Amendment). Delays of only certain trades will not be considered an Excused Delay unless they in turn actually delay the Substantial Completion of the entire Work (or the designated portion thereof identified in the applicable Separate GMP Amendment). Delay in bringing permanent utilities to the Site shall be Excused Delay only as to those items of the Work specified in the GMP Amendment for the remainder of the Work (i.e. the Work other than the foundations and structure) to be

incapable of performance prior to the time that permanent utilities are brought to the Site and not as to any other Work. In the event of an Excused Delay, the Construction Manager shall be entitled only to the remedies set forth in Paragraph 16 of the General Conditions.

4.5 As used herein, the "Date of Substantial Completion" shall mean the date upon which all of the following shall have occurred as conditions precedent to "Substantial Completion": (1) the Work or applicable portion thereof has been completed in accordance with the Contract Documents and is sufficiently complete to enable the Owner to occupy and use the Work or the applicable portion thereof for the use for which it is intended; (2) all required approvals and permits for occupancy, use and completion of the Work or the applicable portion thereof shall have been issued by appropriate governmental authorities for the Work (except such certificates, permits, approvals or consents that cannot be procured due to reasons beyond the reasonable control of the Construction Manager or its Subcontractors or Suppliers at any tier, in which event this condition shall not apply to such extent); (3) the Architect has certified that the Work is complete as required by subsection (1) above; (4) all mechanical and support systems that are part of the Work are functioning as required by the Contract Documents; and (5) the Construction Manager and Owner shall have each reduced to writing the items ("Punch List" items) remaining to be completed for Final Completion of the Work (in this regard, the Owner agrees that it shall reduce its Punch List to writing within five (5) working days after receiving notice from the Construction Manager that it believes the Work is Substantially Complete) accompanied by Construction Manager's Punch List of Work remaining to be completed to achieve final completion.

4.5.1 At Substantial Completion of the Work, the Owner will withhold payment of 150% of the value of the incomplete work items and unsatisfactory work. The Construction Manager may receive progress payments for completed Punch List work as set forth in the General Conditions of the Contract. When the Construction Manager considers that the Work, or a portion thereof which the Owner agrees to accept separately, is Substantially Complete, the Construction Manager shall notify the Owner and the Construction Manager shall, along with such notice, deliver its comprehensive written Punch List of items to be completed or corrected, indicating a proposed value allocable to each such item. The Owner and Architect shall review the Punch List prepared by the Construction Manager, inspect the Work, and may add to such Punch List any other items of Work that Owner or Architect determine require correction or completion and may determine the value of incomplete items or unsatisfactory Work, which determination shall take precedence over that proposed by the Construction Manager if there should be any variance. The Construction Manager shall proceed promptly to complete and correct all items on the Punch List as supplemented by the Owner or Architect. Failure to include an item on such list does not alter the responsibility of the Construction Manager to complete all Work in accordance with the Contract Documents. If the Work will not be Substantially Complete until any such item is completed or corrected, the Construction Manager shall perform such completion or correction before the issuance of the Certificate of Substantial Completion, at which time the Construction Manager shall then submit a request for another inspection by the Owner to determine Substantial Completion. (If such item need not be completed in order for the Work to be Substantially Complete, a Certificate of Substantial Completion shall still be issued, and the item shall be completed or corrected thereafter, but in all events prior to the Final Completion and Final Payment).

4.5.2 When the Work or designated portion thereof is Substantially Complete, the Architect (or the Owner, if it so desires) will prepare a Certificate of Substantial Completion which shall establish the date of Substantial Completion, shall establish the responsibilities of the Owner and Construction Manager for security, maintenance, heat, utilities, damage to the Work and insurance, and shall fix the time within which the Construction Manager shall finish all items on the list accompanying the Certificate. The Certificate of Substantial Completion shall be submitted to the Owner and Construction Manager for their written acceptance of responsibilities assigned to them in such Certificate.

4.5.3 The Construction Manager acknowledges and accepts that, during the period when the Construction Manager is completing its Punch List Work, the Owner may be occupying or preparing to occupy the Project, and that disputes may arise between the Owner and Construction Manager as to the

responsibility for certain Punch List items or other corrective Work (i.e. the Construction Manager may claim that the Punch List item or corrective Work is required due to damage not caused by or the responsibility of the Construction Manager and its Subcontractors, such that the Construction Manager is not obligated to perform the Punch List item or other corrective Work at issue without additional compensation). However, the Construction Manager hereby expressly agrees to perform (and shall require its Subcontractors to perform) any and all Punch List items and/or other corrective Work directed or requested by the Owner, promptly upon notice of such direction or request and irrespective of any dispute as to the Construction Manager's responsibility for such Punch List item or corrective Work, subject only to the Construction Manager's right to make claim for additional compensation resulting therefrom pursuant to the terms of the Contract Documents. In the event a timely and proper claim is made by the Construction Manager for additional compensation as a result of any such Punch List item or corrective Work, the Construction Manager shall be entitled to additional compensation only to the extent the damage corrected by the Construction Manager (or its Subcontractor) was not caused by or the responsibility of the Construction Manager, its Subcontractors, their employees or anyone else for whom they may be liable. The Work identified in any Punch List shall be completed no later than the date or dates specified by the Architect or Owner pursuant to Section 4.5.2 of this Agreement or such other date or dates as agreed to by the Owner and Construction Manager. If the Construction Manager fails to complete any item on the Punch List by the specified date or dates, the Owner may, after providing the Construction Manager with seven (7) days' prior written notice, complete the work at issue and deduct the cost from sums then being withheld or if necessary recover such costs from the Construction Manager.

4.6 As used herein, the term Final Completion shall mean the full and proper completion of all of the Work, including but not limited to satisfactory operation of all equipment, completion and/or correction of all Punch List items in accordance with the Contract Documents, payment and release of all mechanics, materialmen and like liens, delivery of all test reports, warranties and guarantees and assignments thereof, equipment operation and maintenance manuals, delivery of all required as-built and record drawings and related documents, removal of all Construction Manager's (or its Subcontractors') rubbish, tools, scaffolding, temporary utilities and surplus materials and equipment from the job site and correction of all damage to landscaping at the Site or to adjacent property caused by the Construction Manager or its Subcontractors, and final grading of the Site to remove tire tracks and ruts and related conditions so as to leave the Site in the condition required by the Contract Documents. Final Payment shall not be made to the Construction Manager until Final Completion has occurred. Notwithstanding certification by the Owner or any other party that Final Completion has occurred, the Construction Manager shall be responsible for remedying all defects in material or workmanship in accordance with the Contract Documents. The "Date of Final Completion" shall be no later than 45 days following Substantial Completion or such later date as agreed to by the Owner and Construction Manager, unless such date is extended in accordance with the Contract Documents.

4.7 The Completion Date(s) and Milestone Dates shall be not later than those identified in this Agreement except as modified herein. The Completion Date(s) and Milestone Dates established in the Agreement or any GMP Amendment is/are not based on any representation to the Construction Manager as to how the Work will be sequenced, or when, for how long, or in what sequence any manpower assignments or levels will be necessary to perform the Work in accordance with the schedule established for completion of the Work. Construction Manager shall sequence and direct its Work in such a fashion as to take advantage of any and all available areas to perform its Work at the Site, whenever or for whatever time they are available, and shall increase or decrease its manpower assignments and levels, as appropriate and in whatever fashion may be necessary, to achieve completion of all Work in accordance with the approved schedule and as necessary to complete the Work in accordance with the requirements of the Contract Documents, subject to the Construction Manager's right to make claim for additional time and compensation pursuant to the Contract Documents. The Owner agrees to provide the Construction Manager with access and use of the entire Site to the extent necessary for the performance of the Work. To the extent such access and use is not provided and Construction Manager's time and/or cost of performance of the Work is increased as a result of such failure by the Owner to provide full access and use, the Construction Manager shall be entitled to an increase in the GMP and/or an extension of the Completion Date(s) or Milestone Dates in accordance with the applicable provisions of this Contract.

4.8 The Construction Manager agrees that it shall continually adjust and modify the Construction Schedule as required by this Contract and in order to reflect and account for all events and occurrences encountered in or associated with the performance of the Work which may delay Substantial Completion of the Work or preclude the Owner from using and occupying all, or any portion of the Work, for its intended purpose on or before the Completion Date(s) or Milestone Dates (hereinafter referred to as a "Delaying Event"). Should a Delaying Event take place, the Construction Manager shall meet with the Owner and Architect, as and when requested, to discuss the situation and identify responses and alternatives which will reduce or eliminate the impact of the Delaying Event and shall modify, revise and adjust the Construction Schedule accordingly, pursuant to the direction of the Owner. The Construction Manager shall revise and modify the Construction Schedule, in response to any Delaying Event, and prioritize the Work in such a fashion to allow the Owner to use and occupy as much of the Work as possible for its intended purpose on or before the Completion Date(s) and Milestone Dates.

4.8.1 The Construction Manager shall notify the Owner in writing within seven (7) days after the Construction Manager first recognizes or should, with the exercise of reasonable diligence have recognized (whichever is earliest) that it is being delayed by a Delaying Event. The Construction Manager shall not be entitled to any extension of the Completion Date(s) or Milestone Dates on account of any such Delaying Event unless a proper and timely claim is made by the Construction Manager, as required by this Contract and such Delaying Event is an Excused Delay. In order to achieve Substantial Completion of the Work by the Completion Date(s) and the Milestone Dates, as it/they may be extended pursuant to this Contract, the Construction Manager agrees, without any increase in the Guaranteed Maximum Price (or any Separate GMP, as applicable) or any additional compensation of any kind, to assign more personnel and increase construction manpower, increase the number of working hours per shift, working days per week, or amount of construction equipment, reschedule activities, work overtime and take such other measures to the extent necessary to overcome delays which are attributable to the Construction Manager, its Subcontractors or Suppliers at any tier and any other persons or entity performing Work under contract with, on behalf of or under the direction or supervision of the Construction Manager and which are not an Excused Delay.

ARTICLE 5
CONTRACT SUM

5.1 The Owner shall pay the Construction Manager in current funds for the Construction Manager's performance of the Contract, the Contract Sum consisting of the Cost of the Work as defined in Article 7, the Fixed General Conditions established in Section 5.2.1.2 and the Construction Manager's Fee, which shall be a fixed amount equal to three and one quarter percent (3.25%) of the total of the Cost of the Work and the Fixed General Conditions, excluding any OCIP and/or Subguard Insurance credits, agreed in each GMP Amendment and Separate GMP Amendment, not to exceed Twelve Million Twenty-Five Thousand Dollars ($12,025,000). The Construction Manager's Fee shall be the Construction Manager's sole compensation for its profit, home office services and supervision, overhead and for any and all other costs or expenses incurred in connection with the performance of the Work, except for items specifically included in the Cost of the Work and Fixed General Conditions. There shall be no increase in Construction Manager's Fee by reason of any increase in the Cost of the Work affected by Change Order or Change Directive or by a claim of Construction Manager following the establishment of the contract price in each GMP Amendment or Separate GMP Amendment.

In addition to the Construction Manager's Fee, Construction Manager shall, subject to the conditions herein specified, be paid up to an additional Five Hundred and Forty Thousand Dollars ($540,000) (the "Incentive Fee") based upon the ability of the Construction Manager to buy subcontracts and purchase agreements at costs below the lowest bid submitted to and selected by the Owner, either (i) by post bid negotiation of a lower cost; or (ii) by the suggestion by Construction Manager, and acceptance by Owner, of post-bid value engineering changes in the Work ("Bid Savings"). Owner may, in its sole discretion, accept or reject value engineering proposal submitted by Construction Manager. Incentive Fee shall accumulate through the buy-out phase of the Project and will be finalized at the completion of the Project. Bid Savings will include, subcontractor post bid buy-down and subcontractor post bid value

engineering accepted by Owner, but will specifically exclude scope reductions as a form of savings. The amount of Bid Savings shall be determined by the Owner in good faith. If Construction Manager fails to achieve Substantial Completion and Final Completion of the Work within the time specified by the Contract Documents or is in default of any material obligation under the Contract Documents, or if this Agreement is terminated for any reason whatsoever before Final Completion, no Incentive Fee shall be earned. If Construction Manager fails to achieve the Work required by each of the Milestone Dates highlighted in Exhibit H to this Agreement, the maximum amount of Incentive Fee shall reduce by Ten Thousand Dollars ($10,000) for each of the highlighted Milestone Dates that is not achieved. If earned, Incentive Fee Incentive Fee shall paid within 30 days following the Architect's certification of Final Completion of the Work.

5.1.1 In addition to the foregoing, by execution of each Separate GMP Amendment and GMP Amendment, the Construction Manager represents that it has clarified and resolved all reasonably apparent questions, uncertainties, ambiguities or inconsistencies relating to the Work required by the Contract Documents that are in existence as of the date of and applicable to that Separate GMP Amendment or GMP Amendment. Accordingly, the Construction Manager represents and warrants that: (1) the GMP (or any Separate GMP, as applicable) established in the applicable Separate GMP Amendment and/or GMP Amendment executed by the Owner and Construction Manager is adequate to compensate the Construction Manager for all Work required by or reasonably inferable from the Contract Documents identified in the applicable Separate GMP Amendment and/or GMP Amendment executed by the Owner and Construction Manager; (2) the Completion Date(s) and Milestone Dates established by this Contract are adequate to allow the Construction Manager to complete that Work fully and properly within the time established, and the Construction Manager has available and will supply sufficient manpower (including necessary supervision and support services) to complete its Work, fully and properly, within the Completion Date(s) or Milestone Dates, as the case may be; and (3) the Construction Manager otherwise has and will supply sufficient personnel and resources to perform its Work in a full, timely and proper manner and to comply with all of the terms and conditions set forth in the Contract Documents. The Construction Manager expressly acknowledges and agrees, based on the foregoing, that it will not be entitled to any increase in the GMP (or any Separate GMP, as applicable) and/or any extension in the Completion Date(s) or Milestone Dates for the performance of the Work included in that GMP (or Separate GMP, as applicable) to the extent that the Work is required by or reasonably inferable from the Contract Documents.

5.2

5.2.1 The sum of the Cost of the Work, the Fixed General Conditions and the Construction Manager's Fee is guaranteed by the Construction Manager not to exceed the amount set forth in the GMP Amendment hereafter executed by the Owner and Construction Manager, subject only to such increases (or decreases) as are permitted by the provisions of this Contract. Such maximum sum is referred to in the Contract Documents as the Guaranteed Maximum Price (`GMP'). The sum of the Cost of the Work, Fixed General Conditions and the Construction Manager's Fee applicable to any Early Work (including without limitation preconstruction services) is guaranteed by the Construction Manager not to exceed the amount set forth in the applicable Separate GMP Amendment executed by the Owner and Construction Manager, subject only to such increases (or decreases) as are permitted by the provisions of this Contract. This maximum sum with respect to the separate items of Early Work established in each Separate GMP Amendment is referred to in the Contract Documents as the Separate Guaranteed Maximum Price (or Separate GMP).

5.2.1.1 Upon the Date of Final Completion of the Work, or at any time that the Owner reasonably requests, an accounting will be made to the Owner of the Cost of the Work. If such accounting, as approved by the Owner, reflects that the final Cost of the Work plus the Construction Manager's Fee, as actually incurred by Construction Manager on the Project, is less than the GMP excluding Fixed General Conditions established in the GMP Amendments and Separate GMP Amendments executed by the Owner and Construction Manager (as modified pursuant to any Change Orders or Change Directives executed by the Owner) the Owner will be entitled to all such savings. Further, Construction Manager shall not share in any savings in any allowance item or in any unused contingency, and all of such savings shall belong to the Owner. The Owner and its representatives shall have the full right to audit the Cost of the Work from time to time and the Construction Manager shall make available to the Owner and the Owner's representatives

(including the Owner's lenders) all financial and accounting records relating to the Work. Payment of Savings by the Construction Manager to the Owner, if so required, shall be made with Final Payment to the Construction Manager as required by this Agreement. Construction Manager's preconstruction services fee shall be treated as a lump sum, not subject to audit, or reduction and any savings accomplished by the Construction Manager with respect to such preconstruction services fee shall be retained by Construction Manager and shall not be subject to the provisions of this Section regarding calculation or sharing of savings in the Cost of Work.

5.2.1.2 The total sum billed by the Construction Manager for General Conditions shall be set forth as a lump sum in each GMP Amendment and Separate GMP Amendment, (the "Fixed General Conditions"). The Fixed General Conditions so agreed shall increase only if the Owner lets all of the Work to the Construction Manager (it is anticipated that there will be multiple GMP Amendments and/or Separate GMP Amendments required to incorporate all of the Work) and Substantial Completion of the Work extends beyond February 28, 2008 as a result of Owner Caused Excused Delays. In applying the preceding sentence, however, Owner Caused Excused Delay of the type described in Section 4.4 (iv), (v) or (vi) shall not be considered. Rather, the February 28, 2008 date shall automatically extend for the period of any such Excused Delay and there shall be no increase in Fixed General Conditions relating thereto. Construction Manager shall provide notice of any claimed Excused Delay, and resulting claim for increase in Fixed General Conditions, pursuant to the applicable provisions of this Contract for consideration by Owner. The notice must contain an itemization with reasonable backup and specificity of the additional general conditions cost incurred. Fixed General Conditions shall increase by the actual, reasonable and documented increased costs of general conditions items incurred by the Construction Manager as a result of the Excused Delay of the Completion Date as established pursuant Article 36 of the General Conditions, provided that the percentage of increased Fixed General Conditions to the increased Cost of Work shall in no event exceed the lesser of (x) 5.5%; and (y) the percentage of Fixed General Conditions to GMP in the final GMP Amendment, and shall be subject to the remaining provisions of this Section. Attached to this Agreement, as Exhibit J is a Matrix that supplements Articles 7 and 8 and categorizes costs as either Fixed General Conditions or other Cost of Work. No item listed as a Fixed General Conditions Cost may be charged as a Cost of Work. No item listed in Section 7.4 may be charged as either Fixed General Conditions or Cost of Work. Fixed General Conditions Cost shall be treated as a lump sum, not subject to audit, or reduction, and any savings accomplished by the Construction Manager with respect to Fixed General Conditions Cost shall be retained by Construction Manager.

5.2.3 Unit prices established in a GMP Amendment or Separate GMP Amendment shall apply to net increases in quantities of the same item. The unit prices will also be applied to net decreases in quantities of the same items, provided, however, that the Construction Manager shall be entitled to reasonable administrative expenses (including any restocking charges which may be payable to Subcontractors or suppliers) in processing any such deductions from the Work. The unit prices are inclusive of all overhead, profit and general conditions items. If the quantities originally contemplated for any of the unit prices are so changed in a proposed Change Order or Change Directive, or other circumstances relating to the Work at issue arise so that application of such unit prices to the quantities of Work proposed will cause substantial inequity to the Owner or Construction Manager, the applicable unit prices shall not apply and the adjustment in the Contract Sum shall be determined by mutual agreement of the Owner and Construction Manager or pursuant to the provisions of Article 17 in the General Conditions.

5.2.4 Construction Manager's Acknowledgments. The Construction Manager acknowledges that, pursuant to a Separate GMP Amendment of even date herewith it has performed will perform certain services and work prior to beginning construction of the Work (which services and work are referred to herein as the "Preconstruction Phase Services" and include, without limitation the services described in the remaining subsections of this Section 5.2), in order to assist the Owner and Architect with the development and delineation of the scope and nature of the work on the Project, and specifically to assess the cost and feasibility of performing and constructing the work set forth in the designs prepared by the Architect within the time and Construction Budget limitations set forth in this Contract. The Construction Manager acknowledges in this regard that a Construction Budget of Three Hundred and Forty Million Dollars ($340,000,000) has been established by the Owner for the total Cost of the Work. References herein to the

"Construction Budget" shall mean the budget for construction costs established above. The Construction Manager acknowledges that the Owner does not intend to execute a GMP Amendment establishing a Guaranteed Maximum Price for the Work that exceeds the Construction Budget, except as the Construction Budget may be increased by the Owner in writing pursuant to the terms of this Contract. By execution of this Agreement, the Construction Manager accepts the Construction Budget, subject to adjustments necessary due to future changes in the scope and nature of the Work required by the Owner. Such acceptance by the Construction Manager does not constitute a guaranteed maximum price or a guarantee that the estimates of or actual construction costs for the Work will not exceed the Construction Budget. However, the Construction Manager agrees to notify the Owner of any events or circumstances that the Construction Manager believes require an increase in the Construction Budget.

5.2.5 Value Engineering Services, Nature and Scope. The Construction Manager agrees to provide the Owner with those technical, professional and other services within the Construction Manager's capabilities, and with such information, suggestions, evaluations and assessments, as may be requested or required by the Owner and/or Architect (and agreed to be provided by the Construction Manager) in connection with the delineation and specification of the Work and the assessment of the cost and feasibility of performing such work. Without accepting legal responsibility for any part of the design prepared by the Architect other than as set forth in Sections 5.1.1, 5.2.6 and 14.4 of this Agreement, the Construction Manager hereby specifically agrees to: (1) evaluate the program, schedule and Construction Budget for the Work established by the Owner in order, among other things, (a) to assess the reasonableness of the schedule and Construction Budget based on the Owner's program for the Work, (b) to identify and evaluate alternatives to the Owner's program, schedule, and Construction Budget so as to increase the cost-effectiveness of the designs and reduce the time required for construction, (c) to evaluate and recommend alternative materials and systems and methods of achieving the Owner's program, schedule and Construction Budget requirements or other design parameters, and (d) to assist the Owner in planning for the construction of the Work; (2) prepare and review with the Owner and Architect a schedule for the construction of the Work, and make recommendations regarding the availability of materials and labor, time requirements for procuring long-lead items, installation and construction, and other factors relating to time of construction; (3) prepare and review with the Owner detailed estimates of the Construction Cost for the Work, and advise the Owner regarding any circumstances that may indicate that the Construction Cost may exceed the Construction Budget as established by the Owner (and in such event make recommendations to the Owner regarding alternative designs or changes in construction means or methods which may save costs with respect to construction of the Work); and (4) recommend to the Owner that appropriate investigations, surveys, tests, analyses and reports be obtained as necessary for the proper execution of the Work.

5.2.6 Cost Estimates and GMP Proposal. The Construction Manager shall provide the Owner with real time estimates of the probable Construction Cost for the Work so that the Owner may evaluate the estimated Construction Costs in relation to the Construction Budget. In this regard, based upon the Owner's review and approval, the Architect shall prepare design documents consisting of Drawings, Specifications and other documents which generally fix and describe the size and character of the Work with respect to architectural, structural, mechanical, electrical, civil, and landscape systems, materials, interior design and furnishings and such other elements as may be appropriate (hereinafter the "Design Documents"). The Design Documents shall be submitted to the Construction Manager, who shall evaluate them and provide the Owner with a written estimate of the probable Construction Cost for the Work. The Construction Manager shall notify the Owner, promptly and in writing, if it believes that the Design Documents do not adequately fix and describe the scope of the Work so that the Construction Manager may submit an accurate and complete estimate to the Owner. The "Construction Cost" as estimated by the Construction Manager shall include all of the Work required by or reasonably inferable from the applicable Design Documents, including all of the items identified as the responsibility of the Construction Manager in the Construction Budget as developed and agreed to by the Owner and Construction Manager.

5.2.6.1 The Construction Manager shall submit with each cost estimate, the documentary basis for the estimate (hereinafter "Proposal Estimate"). The Proposal Estimate shall clearly itemize the estimated costs of performing each division of Work and include room-by-room sub-itemization as required to present a complete and detailed cost estimate and to allow a detailed cost review. The Proposal Estimate shall

include all quantity takeoffs, crew, equipment, calculations of rates of production and progress, copies of quotations and the basis thereof from Subcontractors and suppliers and memoranda, narratives, consultant's reports, schedules, work sequences assumed and all other information used by the Construction Manager to arrive at the prices contained in the applicable estimate. Estimated costs shall be broken down into the Construction Manager's usual estimate categories such as direct labor, repair materials, permanent materials, equipment costs, expendable materials, etc. as appropriate. Indirect costs and contingencies should be completely detailed. All costs shall be identified.

5.2.6.2 In connection with the evaluation of the probable Construction Costs for the Work, the Construction Manager shall meet directly with the Architect and Owner, at such times and places as are directed by the Owner and prior to the preparation of each such estimate, to review the design information then existing for the Work and establish the design parameters upon which the estimate of probable Construction Cost is to be based. Written minutes of each such meeting will be maintained by the Construction Manager, circulated to all participants and revised as necessary to reflect the agreement of all parties. After each Construction Cost estimate is prepared, the Construction Manager, Architect and Owner shall again meet to review the estimate and confirm that it properly takes account of the applicable design parameters. Once the parties agree that the estimate has been appropriately based on the design information provided to the Construction Manager, the estimate will be considered complete.

5.2.6.3 If the amount of any estimate given by the Construction Manager during the Preconstruction Phase exceeds the Construction Budget (or any portion thereof), then the Construction Manager shall prepare and submit specific comments, recommendations and alternatives for modifying or redrawing the Design Documents to fit within the limitations of the Construction Budget, or applicable portion thereof (however the Construction Manager shall not be responsible for the Architect's design work, except as set forth in Sections 5.1.1 and 14.4 of this Agreement, or required to pay for or to redraw or modify the Design Documents) and shall meet with and assist the Owner and Architect, as and when requested, in evaluating the situation and the Construction Manager's analysis. Thereafter, the Owner shall exercise one of the following options: (1) increase the Construction Budget (or applicable portion thereof) to equal the Construction Manager's estimate; (2) require the Architect to modify, redesign and/or change the designs set forth in the Design Documents, pursuant to the direction and approval of the Owner, to fit within the limitations of the Construction Budget (or applicable portion thereof), and to issue revised Drawings, Specifications or other documents reflecting such modifications, redesigns and/or changes, which items shall again be submitted to the Construction Manager for evaluation and pricing pursuant to the provisions above; or (3) increase the Construction Budget (or applicable portion thereof) partially (i.e. to an amount greater than the Construction Budget (or applicable portion thereof) but less than the amount of the Construction Manager's estimate) and require the Architect to modify, redesign and/or change the designs set forth in the Design Documents, pursuant to the direction and approval of the Owner, to fit within the limitations of the revised Construction Budget, and to issue revised Drawings, Specifications or other documents reflecting such modifications, redesigns and/or changes, which items shall again be submitted to the Construction Manager for evaluation and pricing to the provisions above.

5.2.6.4 If the Owner chooses option (2) or (3) as set forth in Section 5.2.6.3 above and the estimate submitted by the Construction Manager in response to the designs set forth in the Design Documents as modified, redesigned and/or changed by the Architect and approved by the Owner fails to fit within the limits of the Construction Budget (or applicable portion thereof), as it may have been revised by the Owner pursuant to option (3) above, then the Owner may, in its sole and absolute discretion, exercise any of the options described in Section 5.2.6.3 above and/or terminate this Contract (which termination shall be deemed without cause and shall entitle the Construction Manager to compensation as set forth in the General Conditions).

5.2.7 Establishment of GMP. Once the Owner determines that the Design Documents are adequate for the purpose of providing a Guaranteed Maximum Price for the entire Work or the Early Work being let by Owner, as the case may be, the Construction Manager shall then submit a Guaranteed Maximum Price for the Work or Early Work if it is built in accordance with the requirements for the Work or Early Work set forth in and/or reasonably inferable from said Design Documents (which documents, once adequate for the

purpose of providing a GMP, are referred to herein as the "GMP Design Documents" and which price is referred to as the "GMP Proposal"). The GMP Proposal submitted by the Construction Manager shall include all of the Work required by or reasonably inferable from the applicable GMP Design Documents, including all of the items identified as the responsibility of the Construction Manager in the Construction Budget as developed and agreed to by the Owner and Construction Manager.

5.2.8 Acceptance/Rejection of GMP Proposal; GMP Amendment; Establishment of Guaranteed Maximum Price. If the amount of the GMP Proposal, is equal to or below the Construction Budget and the Owner elects to proceed with the Construction Manager rather than another bidder (which determination shall be made by Owner in Owner's sole discretion), then the Owner and Construction Manager shall execute a written amendment to this Contract (hereinafter referred to as the "GMP Amendment"), in the form attached hereto as Exhibit A, which shall establish a firm Guaranteed Maximum Price for the Work if it is built in accordance with the requirements of the Work set forth in or reasonably inferable from the GMP Design Documents listed in the GMP Amendment executed by the Owner and Construction Manager. The Owner agrees that if the Design Documents prepared by the Architect subsequent to the execution of the GMP Amendment contain Material Changes, as defined in this Contract, then the Construction Manager shall be entitled to an increase in the GMP as a result of such Material Changes, in accordance with the applicable provisions of the Contract.

5.2.9 Early Work; Separate GMP Amendments. The time when the GMP Proposal is submitted shall be determined by the Owner and may be when Construction Documents are completed for the Work (in which event the GMP Design Documents identified in the GMP Amendment shall be the Construction Documents upon which the GMP is based). However, the Owner may proceed with construction of certain aspects of the Work (such as grading and related site work, foundations, structural or other portions of the Work) before the design for the remaining Work is completed. Work commenced in this regard is referred to herein as "Early Work." In the event the Owner decides to proceed with Early Work, the Construction Manager shall submit a Separate GMP Proposal for such Early Work (in conformance with the provisions of this Agreement applicable to the GMP Proposal), in which event references to the GMP Proposal, Proposal Estimate, Construction Budget, GMP Design Documents and Completion Date(s) or Milestone Dates shall be treated as referring to the Separate GMP Proposals and proposal estimates for the Early Work, the portion of the Construction Budget applicable to the Early Work, the design documents upon which the Separate GMP Amendment is based as identified therein, and the Completion Date(s) or Milestone Dates for the Early Work, respectively. Once agreed to by the Owner and Construction Manager, the parties shall execute a "Separate GMP Amendment" (in the form attached hereto as Exhibit B) establishing a "Separate GMP" for the Early Work. (The Owner and Construction Manager acknowledge that an initial Separate GMP Amendment has been executed by the Parties [covering preconstruction services and related Work] and is attached hereto as Exhibit C). Thereafter, the Construction Manager and Owner shall continue, pursuant to the provisions of this Agreement, toward the establishment of a GMP proposal for all of the Work (including the Early Work already commenced), provided however, that Owner shall be free, in Owner's sole discretion to let the remaining Work to another bidder. If a GMP Amendment is established for all of the Work, the provisions of each Separate GMP Amendment (as modified by any Change Orders issued with respect to such Separate GMP) shall, at Owner's election, be incorporated into (and superseded by) the GMP Amendment.

ARTICLE 6
CHANGES IN THE WORK

6.1

6.1.1 Adjustments to the GMP (or any Separate GMP, as applicable) on account of changes in the Work, including deletions of portions of the Work, will be determined by any of the methods listed in Article 17 of the General Conditions.

6.1.2 In calculating adjustments to this Contract, the terms "cost" and "costs" as used in the above referenced provisions of the General Conditions shall mean the Cost of the Work as defined in Article 7 of this Agreement and the terms "fee" and "a reasonable allowance for overhead and profit" shall mean the

Construction Manager's Fee as defined in Section 5.1 of this Agreement. The Construction Manager shall negotiate and broker all costs in favor of the Owner and ensure that such costs are reasonable and at fair market value. General Conditions costs payable to the Construction Manager shall not be increased above the Fixed General Conditions except and only to the extent permitted by Section 5.2.1.2 above.

ARTICLE 7
COSTS TO BE REIMBURSED

7.0 The term Cost of the Work shall mean those costs actually and necessarily incurred by the Construction Manager in the proper performance of the Work. Such costs shall be at rates not higher than the standard paid (fair market value) at the place of the Project including costs related to quality, time, etc., or the unit rates established in the Prevailing Wage Schedule, applicable GMP Amendment or Separate GMP Amendment executed by the Owner and Construction Manager, except with prior consent of the Owner. The Cost of the Work shall include only the items expressly set forth and authorized for reimbursement in this Article 7.

7.1 REIMBURSABLE PROJECT COST WITHIN THE COST OF WORK

7.1.1 LABOR COSTS

7.1.1.1 Wages, salaries, bonuses and benefits of construction workers directly employed by the Construction Manager to perform the construction of the Work at the Site, or, with the Owner's advance written approval, off-site workshops. Such wages, salaries, and bonuses shall be agreed between Owner and Manager in the GMP Amendment or Separate GMP Amendment, and, in the case of wages of construction workers performing the construction of the convention center portion of the Work shall be in accordance with the Prevailing Wage Schedule. The term "benefits" shall include costs earned and paid (for the period during which the employee was performing the Work and excluding any period of suspension of the Work, unexcused delay of the Work, unexcused absence by the employee or period during which the employee was performing work on other jobs) for: (i) unemployment compensation, (ii) social security or state unemployment taxes, (iii) car and truck allowances or lease expense, (iv) for personnel covered by collective bargaining agreements, insurance, contributions, assessments and benefits required by law or such collective bargaining agreements, and, (v) for personnel not covered by such agreements, customary or legally required benefits such as sick leave, medical and health benefits, holidays, vacations and pensions. Benefits shall be consistent with Construction Manager's demonstrated past practice and shall not exceed 50% of wages and 35% of salaries of affected personnel for the period so allowed.

7.1.2 SUBCONTRACT COSTS

7.1.2.1 Payments made by the Construction Manager to Subcontractors and Suppliers in accordance with the requirements of the subcontracts or purchase orders related to this Contract, including any amount paid for Subcontractor or Supplier performance or payment bonds (provided that no fee may be charged or recovered by Construction Manager or such Subcontractor or Supplier on the cost of such bond), subject to the limitations imposed by this Contract. Provisions shall be made in Subcontracts at all tiers for audit of bond premium and refund to Owner of any rebate or credit of premium paid by Owner.

7.1.3 COSTS OF MATERIALS AND EQUIPMENT INCORPORATED IN THE COMPLETED CONSTRUCTION

7.1.3.1 Costs, including transportation, of materials and equipment incorporated into the completed Work or to be incorporated into the Work and stored off-site in compliance with Section 12.7 of this Agreement and Article 27 of the General Conditions.

7.1.3.2 Net costs of materials described in the preceding Section 7.1.3.1 in excess of those actually installed but required to provide reasonable allowance for waste and for spoilage. Unused excess materials, if any, shall be handed over to the Owner at the completion of the Work or, at the Owner's option, shall be

sold by the Construction Manager as the Owner's broker, to the highest buyer. Amounts realized, if any, from such sales shall be credited to the Owner as a deduction from the Cost of the Work.

7.1.4 COSTS OF OTHER MATERIALS AND EQUIPMENT, AND RELATED ITEMS

7.1.4.1 Costs, including transportation, installation, maintenance, dismantling and removal of materials, supplies, machinery, equipment, and hand tools not customarily owned by the construction workers, which are provided by the Construction Manager at the Site and fully consumed in the performance of the Work; and cost less salvage value on such items if not fully consumed, whether sold to others or retained by the Construction Manager, cost for items previously used by the Construction Manager shall be charged at fair market value.

7.1.4.2 Rental charges for machinery equipment, and hand tools not customarily owned by the construction workers which are provided by the Construction Manager at the Site, whether rented from the Construction Manager or others, and costs of transportation, installation, minor repairs and replacements, dismantling and removal thereof shall be charged at fair market value (based upon the depreciated or amortized book value of the item leased) Rates and quantities of equipment rented shall be consistent with and shall not exceed those prevailing in the area. The Construction Manager shall submit to the Owner evidence of the purchase price of such machinery or equipment if purchased specifically for this Work, or the rental charges as applicable. No machinery, equipment or hand tools may be leased from Construction Manager or any entity that it has any ownership interest in or from which it derives any benefit except with the prior written approval of Owner. Owner shall be entitled to audit all records of the supplier of any such property and Construction Manager shall incorporate such right into its lease or purchase agreements. Notwithstanding any other provision of the Contract Documents, the total amount of the rental cost charged to the Owner for any individual piece of Construction Manager owned machinery or equipment shall not exceed seventy percent (70%) of its current fair market value or depreciated book value (whichever is less), at the time of its use on the Project, and Owner shall have the option, upon Final Completion to purchase any such equipment by paying the remaining percentage of such fair market value.

7.1.5 MISCELLANEOUS COSTS

7.1.5.1 Sales, use, gross receipts or similar taxes or duties imposed by a governmental authority, which are related to the Work and for which the Construction Manager is liable.

7.1.5.2 Fees and assessments for permits, licenses and inspections for which the Construction Manager is required by the Contract Documents to secure and pay. The respective responsibilities of the Owner and Construction Manager to procure and pay for the various permits, licenses and inspections related to the Work are set forth in Exhibit D to this Agreement.

7.1.5.3 Fees of testing laboratories for tests required by the Contract Documents, except those related to defective or nonconforming Work for which reimbursement is excluded by Article 28 of the General Conditions or other provisions of the Contract Documents and which do not fall within the scope of Sections 7.2.1 through 7.3 below.

7.1.5.4 That portion directly attributable to this Contract of premiums for insurance and bonds required by this Contract, except for: (i) insurance coverage provided and paid for by the Owner through the Owner Controlled Insurance Program described in Article 23 of the General Conditions which costs shall not be included in the Cost of the Work, and (ii) umbrella or blanket insurance excluded from reimbursement by Section 7.4.7 of this Agreement. Costs of premium for bonds shall not include the cost of bonds obtained by the Construction Manager to discharge liens filed against the Project or the Owner, which shall be paid by Contractor and not compensated by Owner in any manner, unless the lien is due to nonpayment by the Owner and such nonpayment was not due to the fault of the Construction Manager.

7.1.5.5 Royalties and license fees paid for the use of a particular design, process or product required by the Contract Documents; the cost of defending suits or claims for infringement of patent rights arising from

such requirement by the Contract Documents; payments made in accordance with legal judgments against the Construction Manager resulting from such suits or claims and payments of settlements made with the Owner's consent unless caused by the Construction Manager's fault or negligence; provided, however, that such costs of legal defenses, judgment and settlements shall not be included in the calculation of the Construction Manager's Fee and provided that such royalties, fees and costs are not excluded by other provisions of the Contract Documents.

7.1.5.6 Deposits lost for causes other than the fault or negligence of the Construction Manager or its Subcontractors or Suppliers at any tier.

7.1.5.7 Costs of proper and legal removal of debris from the Site.

7.1.6 OTHER COSTS

7.1.6.1 Other costs incurred in the performance of the Work if and to the extent approved by the Owner in writing before such costs are incurred.

7.2 EMERGENCIES: REPAIRS TO DAMAGED, DEFECTIVE OR NONCONFORMING WORK

7.2.1 Costs incurred:

7.2.1.1 In taking action to prevent threatened damage, injury or loss in case of any emergency affecting the safety of persons and property, as provided in Paragraph 11(D) of the General Conditions.

7.2.1.2 Repairing or correcting Work damaged or improperly executed by construction workers other than those in the employ of the Construction Manager or its Subcontractors at any tier.

7.2.1.3 In repairing damaged Work other than that described in Section 7.2.1.2, provided such damage did not result from the fault, or negligence of the Construction Manager or the Construction Manager's personnel, and only to the extent that the cost of such repairs is not recoverable by the Construction Manager from others and the Construction Manager is not compensated therefor by insurance or otherwise. Insurance deductibles under the Owner's property insurance program ($25,000 per occurrence) for which the Construction Manager is responsible pursuant to Paragraph 23C(3) of the General Conditions shall be billed as a Cost of the Work but shall not adjust the GMP.

7.2.1.4 In correcting defective or nonconforming Work performed or supplied by a Subcontractor or material supplier and not corrected by them, provided such defective or nonconforming Work did not result from the fault or neglect of the Construction Manager or the Construction Manager's personnel adequately to supervise and direct the Work of the Subcontractor or material supplier.

7.2.1.5 Construction Manager shall notify the Owner of the costs that will be incurred and how they will be paid before repairing or correcting damaged work per Section 7.2.1.3 above.

7.3 Costs as defined herein shall be actual costs incurred by the Construction Manager, less all discounts, rebates and salvages, subject to Article 9 of this Agreement. All payments made by the Owner pursuant to this Article 7, whether those payments are actually made before or after execution of the Contract, are included within the GMP (or any Separate GMP, as applicable) in the applicable Separate GMP Amendment and/or GMP Amendment executed by the Owner and Construction Manager. The Construction Manager will be entitled to an increase in the GMP (or any Separate GMP, as applicable) or an extension of time for the completion of the Work, or both, only as permitted by the provisions of this Contract.

7.4 Costs Not Reimbursed

The following costs shall under no circumstance be reimbursed to Construction Manager and are fully compensated by the payment of the Construction Manager's Fee under this Agreement:

7.4.1 Except as provided in Sections 7.2.1.2 through 7.2.1.4 above, costs due to the fault or negligence of the Construction Manager, its Subcontractors, anyone directly or indirectly employed by any of them, or for whose acts any of them may be liable, including but not limited to costs for the correction of damaged, defective or nonconforming Work, disposal and replacement of materials and equipment incorrectly ordered or supplied, and making good damage to property not forming part of the Work.

7.4.2 Construction Manager's overhead and general expenses of its business, principal offices or other off site facilities or offices.

7.4.3 The Construction Manager's capital expenses, including interest on the Construction Manager's capital employed for the Work.

7.4.4 Rental costs of machinery and equipment, except as specifically provided in Section 7.1.4.2.

7.4.5 Costs incurred by reason of the Construction Manager's membership in, or fees paid by the Construction Manager to trade or professional organizations or societies by reason of the Construction Manager' general business operations.

7.4.6 Entertainment or other similar expenses.

7.4.7 Costs of any umbrella or blanket insurance maintained by Construction Manager for its business.

7.4.8 Any cost not specifically or expressly described in Sections 7.0 through 7.3 above as Costs of the Work.

7.4.9 Not Used.

7.4.10 Costs which would cause the Guaranteed Maximum Price (or any Separate GMP, as applicable), if any, to be exceeded, except for increases permitted by the terms of the Contract Documents.

ARTICLE 8
FIXED GENERAL CONDITIONS COST

8.1 The items included in the "Fixed General Conditions" shall include all of the Construction Manager's costs and expenses, however described or designated, that are not either: (i) authorized for reimbursement in Sections 7.0 through 7.3 of this Agreement; or (ii) excluded from reimbursement in Section 7.4 of this Agreement. Fixed General Conditions costs include the following:

8.1.1 Expenses of the Construction Manager's and Owner's site offices required by Exhibit I.

8.1.2 Temporary facilities.

8.1.3 Man and material hoists.

8.1.4 Costs of long distance telephone calls and parcel delivery charges, telephone service at the Site and reasonable petty cash expenses of the Site office, blueprints, office supplies, and office equipment.

8.1.5 Cost of the Construction Manager's data processing and information technology services.

8.1.6 Wages, salaries, bonuses and benefits of the Construction Manager's supervisory and administrative personnel when stationed at the site or at the principal offices of the Construction Manager while performing activities directly and exclusively related to the Work. Such wages, salaries and bonuses

shall be agreed between Owner and Manager in the GMP Amendment or Separate GMP Amendment. No overtime wages shall be charged to General Conditions for such supervisory or administrative personnel. The term "benefits" shall include costs earned and paid for the period during which the employee was performing the Work (and excluding any period of suspension of the Work, unexcused delay of the Work, unexcused absence by the employee or period during which the employee was performing work on other jobs) for: (i) unemployment compensation, (ii) social security or state unemployment taxes, (iii) car and truck allowances or lease expense, (iv) insurance, contributions, assessments and benefits required by law or collective bargaining agreements, and, (v) for personnel not covered by such agreements, customary benefits such as sick leave, medical and health benefits, holidays, vacations and pensions. Benefits shall be consistent with Construction Manager's past practice and shall not exceed 50% of wages and 35% of salaries of affected personnel for the period so allowed.

8.1.7 Expenses incurred in accordance with Construction Manager's standard personnel policy for relocation to the Site (but not from the Site to another project) and temporary living allowances of personnel required for the Work, in case it is necessary to relocate such personnel from distant locations.

8.1.8 Travel and subsistence expenses of the Construction Manager's Site personnel incurred while traveling outside of the Project area while engaged exclusively in the discharge of duties connected with the Work, which shall not exceed travel policies and allowances of Gaylord Entertainment Company as established and amended from time to time.

8.1.9 Other costs described as general conditions costs in the Matrix attached as Exhibit J to this Agreement.

ARTICLE 9
DISCOUNTS, REBATES AND REFUNDS

9.1 Cash discounts, trade discounts, rebates, refunds and amounts received from sales of surplus or salvaged materials and equipment shall accrue to the Owner, and the Construction Manager shall make provisions so that they can be secured and promptly paid to the Owner or credited against the Cost of the Work. To this end, Construction Manager agrees to advise Owner in a timely manner of any discount, trade discount, rebate or refund, the availability of which is conditioned upon particular payment time or terms and to timely submit to Owner separate draw requests for any such discounts, trade discount, rebate or refunds that Owner desires to realize. Provided that Construction Manager so acts, Construction Manager shall not be required to advance funds, in excess of $25,000 per item, in order to satisfy its obligation to make provision to secure such benefits for the Owner under this Section.

ARTICLE 10
SUBCONTRACTS AND OTHER AGREEMENTS

10.1 Those portions of the Work that the Construction Manager does not by mutual agreement of Owner and Construction Manager perform with the Construction Manager's own personnel shall be performed under subcontracts or by other appropriate agreements with the Construction Manager. Owner shall have the right to approve the scope and content of each bid package. The Construction Manager shall obtain bids (at least three in each trade for subcontracts or Work that Construction Manager desires to self-perform, that is in excess of $25,000) from prospective subcontractors and from suppliers of materials or equipment fabricated especially for the Work who have been identified as bidders as provided below in this Section 10.1 and shall deliver such bids to the Architect and the Owner. The identification of bidders for any bid package shall be made either (i) by joint agreement of Owner and Construction Manager; or (ii) if Owner and Construction Manager do not agree upon at least three prospective subcontractors or suppliers for any bid package, such additional subcontractors or suppliers as Owner may, unilaterally and in its sole discretion specify for such bid package. The Owner will determine which bid from the identified bidders will be accepted, provided that, once the GMP for the Work or the Early Work being bid has been agreed between the Owner and the Construction Manager, the lowest bid received shall be accepted unless another

bid is mutually agreed upon by Owner and Construction Manager. Construction Manager acknowledges and agrees that the Owner and Architect may be present at bid packaging strategy meetings, pre-bid meetings and at the receipt and evaluation of any subcontract bids and at any subsequent interview meetings held with the apparent low bidders regarding their bid proposals. However, such attendance or failure to attend by the Owner or Architect shall not relieve the Construction Manager of its responsibility to ensure that the bids are responsive and complete and shall not entitle the Construction Manager to any increase in the Guaranteed Maximum Price and/or any Separate GMP, as applicable. As soon as practicable after the receipt and evaluation of the applicable subcontract bids, the Construction Manager will prepare a list of recommended Subcontractors for each category of the Work for the Owner's review and approval. The Owner will identify to the Construction Manager, in writing and with reasonable promptness, the Subcontractor or supplier that Owner has selected If the Construction Manager proposes to replace a Subcontractor or any other person or entity previously selected to perform any portion of the Work, the Construction Manager shall notify the Owner in writing and shall recommend a substitute and the Construction Manager's reasons for proposing the substitute. The Construction Manager shall not contract with any such proposed person without the prior approval of the Owner. There shall be no change in the GMP as a result of substitution of Subcontractors or suppliers after a GMP or separate GMP including the Work involved in the substitution has been agreed.

10.2 Subcontracts or other agreements shall conform to the payment provisions of Sections 12.6 and 12.7, and shall not be awarded on the basis of cost plus a fee without the prior consent of the Owner. Any proposed Subcontract to be awarded on the basis of cost plus a fee shall limit the Subcontractor's recovery of cost to only those costs which are expressly authorized by this Agreement for reimbursement to the Construction Manager.

10.3 All agreements between the Construction Manager and its Subcontractors shall preserve and protect the rights of the Owner under the Contract Documents with respect to the performance of the Work so that the subcontracting thereof will not prejudice such rights.

10.4 The Construction Manager shall pay each Subcontractor, materialman or supplier, within seven (7) days of the receipt of payment from the Owner, out of the amount paid to the Construction Manager pursuant to the Construction Manager's Application for Payment, the full amount itemized in such Application for Payment as intended for work performed by such Subcontractor, materialman or supplier. The Construction Manager shall, by appropriate agreement with each Subcontractor, materialman or supplier, require them to make payments to Sub-subcontractors or their suppliers in similar manner. Construction Manager shall indemnify and hold harmless Owner, Owner's Lenders, Architect and Owner's Consultants and their respective agents and employees from and against all claims, demands, damages, losses and expenses, including without limitation attorneys fees, paid or incurred by Owner in connection with the settlement or defense of any claim by a Subcontractor, Sub-subcontractor, materialman or supplier, arising out of or in connection with the failure of Construction Manager to pay as provided herein, any such Subcontractor, Sub-subcontractor, materialman, supplier or any other person with whom Construction Manager has contracted or who is employed directly or indirectly by Construction Manager, provided Construction Manager has been paid, as required by this Contract, for the Work that is the subject of such claim.

10.5 If any Subcontractor refuses to furnish a release or waiver required by Owner, and or any lender, or any title insurance company to either of them (with respect to Work for which the Owner has made payment to the Construction Manager in the amounts required by this Contract) Construction Manager shall either withhold payment from such Subcontractor or furnish a bond for 150% of the amount claimed and in a form satisfactory to Owner and/or any lender or title insurance company to either of them, to indemnify them against any such lien. In the event a Subcontractor files a mechanic's lien or claim for lien against the Project (and provided Owner has paid Construction Manager as required by this Contract for the Work that is the subject of such lien or claim), Construction Manager shall cause such lien or claim for lien to be formally released, bonded against or satisfied. In the event Construction Manager fails to remove, or provide a satisfactory bond with respect to, any such lien or claim, Owner shall have the right to retain out of any payment then or thereafter to become due to Construction Manager 150% of the amount claimed in

such lien or claim to indemnify Owner completely against the costs of the lien or claim for lien that may appear at such time in favor of the person making such lien or claim, which amount shall include reasonable allowances for the projected costs, including but not limited to attorneys' fees, to defend any action in connection therewith or deposits which need to be made to have such lien released against the Project. Upon the settlement of such claim, any excess monies held by Owner from such security shall be paid to Construction Manager. Construction Manager shall similarly indemnify, protect, and defend Owner in respect of any lien or claim for lien in favor of any person claiming by, through, or under it, including, among others, its Subcontractors that may appear after Final Payment has been made by Owner to Construction Manager in the amounts required by this Contract. The Construction Manager shall have the right to contest any lien or claim covered by this Section, provided the Construction Manager has bonded over such lien or claim.

10.6 In the event of the termination of this Contract by the Owner because of the default of the Construction Manager or for the convenience of the Owner, the Construction Manager shall assign those subcontracts, or purchase or rental agreements, which the Owner, in its sole discretion, directs. While this provision shall constitute a present assignment of Construction Manager's rights with respect to any and all such subcontract agreements and commitments which Owner so chooses to assume, the Construction Manager, upon request from Owner, shall promptly execute and deliver to the Owner written assignments of such subcontracts, agreements and commitments which the Owner in its sole discretion so chooses to take by assignment. All of Construction Manager's agreements with Subcontractors and suppliers shall provide for this assignment, and shall provide that Owner shall only be responsible to those Subcontractors or Suppliers for payment for that work performed after the date of any such assignment and that the Subcontractor shall look solely to the Construction Manager and not to Owner or the Project for the payment of any amounts due for work performed prior to such assignment, or for the performance of any other obligations under the applicable subcontract arising prior to such assignment.

ARTICLE 11
ACCOUNTING RECORDS

11.1 The Construction Manager shall keep full and detailed accounts and exercise such controls as may be necessary for proper financial management under this Contract; the accounting and control systems shall follow generally accepted accounting practices and be satisfactory to the Owner. The Owner, it lenders and their accountants shall be afforded access at all times upon 48 hours' notice to the Construction Manager's records, books, correspondence, instructions, drawings, receipts, subcontracts, purchase orders, vouchers, memoranda and other data relating to this Contract, and the Construction Manager shall preserve these documents, without charge, for a period of at least three (3) years after final payment, or for such longer period as may be required by law, and shall, upon 48 hours' notice, without charge, deliver these documents, for inspection and copying, to Owner at the site of the Project or at Owner's offices in Nashville, Tennessee.

ARTICLE 12
PROGRESS PAYMENTS

12.1 Based upon Applications for Payment submitted to the Architect and the Owner by the Construction Manager and Certificates for Payment issued by the Architect to the Owner, the Owner shall make progress payments on account of the Work to the Construction Manager as provided below and elsewhere in the Contract Documents.

12.2 The period covered by each Application for Payment shall be one calendar month ending on the last day of the month.

12.3 Provided an Application for Payment in such form and substance as required by this Contract is received by the Architect and Owner not later than the 25th day of a month, the Owner shall make payment to the Construction Manager no later than the 21 days thereafter. If an Application for Payment in proper form and substance is not received by the Architect and Owner until after the application date fixed above,

payment shall be made by the Owner within 21 days after the Architect's and Owner's receipt of the proper Application for Payment.

12.4 With each Application for Payment the Construction Manager shall submit, periodic petty cash accounts, receipted invoices or invoices with check vouchers attached, Subcontract invoices from the period covered in the Application for Payment, lien and claim waivers and releases, an updated Project schedule in electronic format specified by Owner, and any other evidence required by the Owner or the Architect to demonstrate that cash disbursements already made by the Construction Manager on account of the Cost of the Work equal or exceed (1) progress payments already received by the Construction Manager; less (2) that portion of those payments attributable to the Construction Manager's Fee; plus (3) retainage if any, applicable to prior progress payments. Fixed General Conditions shall be invoiced in a manner that separates them from Cost of Work and apportioned to each Application for Payment in accordance with the percentage duration of the Work that has expired at the time of the respective Application for Payment, but shall not be subject to retainage. Duration of the Work shall be the period between actual and substantial commencement of the Work and the agreed date for Substantial Completion of the Work set forth in the applicable GMP Amendment or Separate GMP Amendment, as the case may be, as extended by Excused Delay other than delay in authorizing the commencement of the Work. Construction Manager's Fee shall be subject to retainage.

12.5 CONTRACTS WITH A GUARANTEED MAXIMUM PRICE

12.5.1 Each Application for Payment shall be based upon the most recent Schedule of Values submitted by the Construction Manager in accordance with the Contract Documents. The Schedule of Values shall allocate the entire Guaranteed Maximum Price (or any Separate GMP, as applicable) among the various Costs of Work, except that the Construction Manager's Fee and Fixed General Conditions shall be shown as separate line items. The Schedule of Values shall be prepared in such form and supported by such data to substantiate its accuracy as the Architect and Owner may require. If the Owner determines that the Schedule of Values is unbalanced, the Construction Manager shall, on demand, correct the Schedule before the next payment to the Construction Manager shall be made. This Schedule of Values, unless objected to by the Architect and the Owner, shall be used as a basis for reviewing the Construction Manager's Applications for Payment. The Owner agrees that individual line items set forth in the Schedule of Values shall not constitute line item guarantees with respect to the Work covered by such line items. The Construction Manager shall be allowed to apply any "excess" amounts available in any line item to "shortages" in other line items provided that the GMP is not exceeded and provided that no amounts may be transferred from Cost of Work to Fixed General Conditions or used to pay items that are not reimbursable.

12.5.2 Applications for Payment shall show the percentage completion of each portion of the Work as of the end of the period covered by the Application for Payment. The percentage completion shall be the lesser of (1) the percentage of that portion of the Work which has actually been completed or (2) the percentage obtained by dividing (a) the expense which has actually been incurred by the Construction Manager on account of that portion of the Work for which the Construction Manager has made or intends to make actual payment prior to the next Application for Payment by (b) the share of the Guaranteed Maximum Price (or any Separate GMP, as applicable) allocated to that portion of the Work in the Schedule of Values.

12.5.3 Subject to other provision of the Contract Documents, the amount of each progress payment shall be computed as follows:

12.5.3.1 Take that portion of the Guaranteed Maximum Price (or any Separate GMP, as applicable) properly allocable to the completed Work as determined by multiplying the percentage completion of each portion of the Work by the share of the Guaranteed Maximum Price (or any Separate GMP, as applicable) allocated to that portion of the Work in the Schedule of Values. Pending final determination of cost to the Owner of changes in the Work, amounts therefore shall not be included in any payment.

12.5.3.2 Add that portion of the Guaranteed Maximum Price (or any Separate GMP, as applicable) properly allocable to materials and equipment delivered and suitable stored at the Site for subsequent incorporation in the Work or, if approved in advance by the Owner, suitable stored off the Site at a location and upon terms agreed in writing with the Owner.

12.5.3.3 Add the Construction Manager's Fee. The Construction Manager's Fee shall be computed upon the Cost of the Work described in Sections 12.5.3.1 and 12.5.3.2 above at the rate stated in Section 5.1 above.

12.5.3.4 Apply retainage as required by the terms of this Contract.

12.5.3.5 Subtract the aggregate of previous payments made by the Owner.

12.5.3.6 Subtract the shortfall, if any, indicated by the Construction Manager in the documentation required by Section 12.4 to substantiate prior Applications for Payment, or resulting from errors subsequently discovered by the Owner's accountants in such documentation.

12.5.3.7 Subtract amounts, if any, and without duplication for amounts already subtracted, for which the Architect or Owner has withheld or nullified a Certificate for Payment as provided in Article 28 of the General Conditions.

12.5.3.8 Add Construction Manager's apportioned Fixed General Conditions.

12.5.3.9. Add, upon Substantial Completion of the entire Work, a sum sufficient to increase the total payments to the Construction Manager to one hundred percent (100%) of the Contract Sum, not to exceed the GMP, less 150% of the value of Punch List and amounts retained pursuant to Section 13.6.

12.6 Except with the Owner's prior approval, payments to Subcontractors included in the Construction Manager's Applications for Payment shall not exceed an amount for each Subcontractor calculated as follows:

12.6.1 Take that portion of the Subcontract Sum properly allocable to the completed Work as determined by multiplying the percentage completion of each portion of the Subcontractor's Work by the share of the total Subcontract Sum allocated to that portion in the Subcontractor's schedule of values, less retainage as required by the terms of this Contract. Pending final determination of amounts to be paid to the Subcontractor for changes in the work, amounts therefore shall not be included.

12.6.2 Add that portion of the Subcontract Sum properly allocable to materials and equipment delivered and suitable stored at the Site for subsequent incorporation in the Work or, if approved in advance by the Owner, suitably stored off the Site at a location agreed upon in writing, less retainage as required by the terms of this Contract.

12.6.3 Subtract the aggregate of previous payments made by the Construction Manager to the Subcontractor.

12.6.4 Subtract amounts, if any, for which the Architect or the Owner has withheld or nullified a Certificate for Payment by the Owner to the Construction Manager for reasons which are the fault of the Subcontractor.

12.6.5 The Subcontract Sum is the total and actual amount stipulated in the subcontract and Subcontract Change Orders to be paid by the Construction Manager to the Subcontractor for the Subcontractor's satisfactory performance of the subcontract, subject to the limitations of this Contract and the subject subcontract and any subcontract guarantied maximum price.

12.7 Except with the Owner's prior approval, the Construction Manager shall not make advance payments to suppliers for materials or equipment which has not been delivered and stored at the Site. If approved in writing and in advance by the Owner and the Owner's lenders, if any, payment may similarly be made for materials and equipment suitably stored off the Site at a location agreed upon by the Owner in writing. Payment for materials and equipment stored on or off the Site shall be conditioned upon compliance by the Construction Manager with procedures satisfactory to the Owner to establish the Owner's title to such materials and equipment or otherwise to protect the Owner's interest and the Project from assertion of liens or encumbrances, and on the Construction Manager's compliance with the applicable requirements of any disbursement agreement for the Project. In addition, such payments shall not be made unless the Owner or the Construction Manager obtains insurance covering damage or loss to such materials and equipment and their safe delivery to the Site and incorporation into the Work. The cost of this insurance (if not procured directly by the Owner) shall be reimbursed by the Owner to the Construction Manager. Damage to any material or equipment stored on or off the Site for which the Owner has already made payment to the Construction Manager shall not entitle the Construction Manager to any increase in the Guaranteed Maximum Price (or any Separate GMP, as applicable) except that, if and to the extent that such material and equipment was insured by Owner and such damage is reimbursed by Owner's insurer, Construction Manager and Owner shall execute a Change Order whereby Owner will pay to Construction Manager the lowest of: (i) the amount of insurance proceeds recovered by Owner from its insurer for the damaged material or equipment; (ii) the amount allocated to the damaged material or equipment by the Schedule of Values; or (iii) the amount required to repair or replace the damaged material or equipment; and Construction Manager shall repair or replace the damaged material or equipment in accordance with the Contract Documents.

12.8 In taking action on the Construction Manager's Applications for Payment, the Architect and the Owner shall be entitled to rely on the accuracy and completeness of the information furnished by the Construction Manager and shall not be deemed to represent that the Architect or Owner has made a detailed examination, audit or arithmetic verification of the documentation submitted in accordance with Section 12.4 or other supporting data; that the Architect or Owner has made exhaustive or continuous onsite inspections or that the Architect or Owner has made examinations to ascertain how or for what purposes the Construction Manager has used amounts previously paid on account of the Contract.

12.9 Each Application for Payment shall be accompanied by a lien and claim waiver, executed by each Subcontractor, covering all labor and materials that have actually been paid for by the Owner pursuant to any previous application and for which the Construction Manager should have paid the Subcontractor pursuant to the requirements of this Contract prior to the submission of the Payment Application at issue. Each Application for Payment shall also be accompanied by a partial lien waiver, executed by the Construction Manager, effective upon receipt of payment. In addition, each Application for Payment shall be notarized, if required, and supported by such data substantiating the Construction Manager's right to payment as the Owner may reasonably require, such as any affidavit or other statement reasonably required by any lender to the Owner, schedules of values from Subcontractors, and copies of requisitions and/or invoices from Subcontractors (reflecting retainage as provided for in the Contract Documents). The Construction Manager's Applications for Payment may not include requests for payment of amounts the Construction Manager does not intend to pay to a Subcontractor because of a dispute or other reason.

12.10 Payments due and unpaid under the Contract shall bear interest beginning fifteen (15) days from the date payment is due at two and one-half points above the prime rate listed in the Wall Street Journal in effect during the period when the sums are due OR the maximum amount permitted by law whichever is less.

12.11 Retention. The Owner shall retain ten percent (10%) of the amount requested for each work category identified in the schedule of values, excluding Fixed General Conditions but including the Construction Manager's Fee, which retention shall not be released or reduced, except and only as permitted by Sections 12.5.3.9 and 12.11.1 below.

12.11.1 The retention held by the Owner with respect to any Work category shall be retained until Substantial Completion of all the Work and for such longer period as may be required by Section 13.6,

except that with the prior and written approval of the Owner, which shall not be unreasonably withheld, Construction Manager may request release of retention with respect to any particular trade category comprising the Work upon Final Completion of such category of Work and confirmation by the Construction Manager that any and all defects, deficiencies or other problems thereafter arising with respect to such category of Work will be rectified by the Construction Manager without increase in the GMP (or Separate GMP, as applicable). In addition, the Owner and Construction Manager may hereafter agree to release retention relating to certain discrete portions of the Work separately from the retention being held with respect to other portions of the Work. If the Owner and Construction Manager hereafter so agree, then they shall identify in writing each discrete portion of the Work with respect to which retention will be separately released, mark the list as Exhibit E and sign it by both parties, at which time it shall be incorporated into and become a part of this Agreement.

12.12 Changes to Agreement Required by Lender. Construction Manager acknowledges that the Owner has not yet entered into a final agreement with lenders to the Project and that in connection with such agreement certain changes may be requested by the lenders to this Contract, including but not limited to those provisions relating to disbursement of payment to the Construction Manager and related certifications and reports from the Construction Manager to the lenders. The Construction Manager agrees that any reasonable modification to the Contract requested by the Owner's lenders shall be made pursuant to a modification to this Contract signed by both Parties.

ARTICLE 13
FINAL PAYMENT

13.1 Neither Final Payment nor any remaining retained percentage shall become due until the Work is finally complete, as defined herein, and the Construction Manager submits to the Owner (1) an affidavit that all payrolls, bills for materials and equipment, and other indebtedness connected with the Work (except for amounts withheld by Owner) for which the Project, the Owner or the Owner's property might be responsible or encumbered have been or will be paid or otherwise satisfied, (2) a certificate evidencing that insurance required by the Contract Documents to remain in force after Final Payment is currently in effect and will not be canceled or allowed to expire until at least 30 days' prior written notice has been given to the Owner, (3) a written statement that the Construction Manager knows of no substantial reason that any insurance procured by the Construction Manager for the Project will not be renewable to cover the period required by the Contract Documents, (4) consent of surety, if any, to Final Payment, (5) delivery to the Owner of a final as-built record survey certified to Owner, Owner's title insurer and Owner's lenders, prepared by a surveyor of Owner's selection, performed and presented in accordance with the Minimum Standard Detail Requirements for ALTA/ACSM Land Title Surveys as adopted by the American Land Title Association and American Congress of Surveying and Mapping in 1999, including all Optional Survey Responsibilities and Specification in Table A thereof establishing the proper placement of the Work and that there are no encroachments of the Work onto land or easements of others, (6) if required by Owner, other data establishing payment or satisfaction of obligations, such as receipts, releases and waivers of liens, claims, security interests or encumbrances arising out of this Contract, to the extent and in such form as may be designated by the Owner, (7) an executed waiver signed by the Construction Manager discharging and waiving all claims, damages, causes of action, suits and/or liens which the Construction Manager may have against the Owner or the Project and relating to the Work, the Contract Documents or the Project effective upon receipt of Final Payment, (8) a final accounting of the Cost of Work plus the Construction Manager's Fee in such form as is acceptable to the Owner; and (9) executed lien and claim waivers (effective upon receipt of Final Payment to the Construction Manager) signed by all Subcontractors. If any such lien or claim on the Project remains unsatisfied after Final Payment is made to the Construction Manager, the Construction Manager shall be responsible to the Owner for all money, costs, and expenses that the Owner may be compelled to pay in discharging such lien or claim, including all costs and reasonable attorneys' fees. The Construction Manager shall, within seven (7) business days after receipt of Final Payment from the Owner, submit final and unconditional lien waivers from all Subcontractors who have performed Work or supplied any labor, material, equipment or services to the Project. The Owner shall make Final Payment to the Construction Manager within thirty (30) days after the satisfaction of all requirements in this Section and the receipt from the Architect of a Certificate of Final Completion. In the event the Construction

Manager makes an Application for Final Payment but does not provide the waiver required by sub-section (7) above, the Owner agrees to make payment of any uncontested amounts set forth in such Application, within the time required for other progress payments as set forth herein, notwithstanding the time for Final Payment as required by this Section.

13.2 The Owner shall, within twenty-one days after receipt from the Construction Manager of its final accounting, review and report in writing on the Construction Manager's final accounting. Based upon such Cost of the Work as the Owner reports to be substantiated by the Construction Manager's final accounting, and provided the other conditions of Section 13.1 above have been met, the Architect will, within seven (7) days after receipt of the written report of the Owner, either issue to the Owner a final Certificate for Payment with a copy to the Construction Manager, or notify the Construction Manager and the Owner in writing of the Architect's reasons for withholding a certificate as provided in Article 28 of the General Conditions. If the aggregate of previous payments made by the Owner exceeds the amount due the Construction Manager, the Construction Manager shall promptly reimburse the difference to the Owner.

13.3 If the Owner's review of the Cost of the Work as substantiated by the Construction Manager's final accounting is less than claimed by the Construction Manager, the Construction Manager shall be entitled to pursue a claim of the disputed amount without a further decision of the Architect. Such notice of claim shall be made by the Construction Manager within thirty (30) days after the Construction Manager's receipt of a copy of the Architect's final Certificate for Payment. Failure to make notice of claim within this thirty (30) day period shall result in the substantiated amount reported by the Owner's accountants becoming binding on the Construction Manager. Pending a final resolution, the Owner shall pay the Construction Manager the amount certified in the Architect's final Certificate for Payment.

13.4 Notwithstanding anything herein or in the other Contract Documents to the contrary, no final payment shall be made by the Owner to the Construction Manager until the requirements of Section 13.6 of this Agreement have been fulfilled and at least thirty (30) days shall have elapsed from the Date of Final Completion and the Construction Manager has delivered to Owner all releases and waivers in form and substance satisfactory to Owner, of any and all liens, including but not limited to mechanic's and materialmen's liens, against the Project or Owner from the Construction Manager, the Subcontractors and the Sub-subcontractor who have performed Work in connection with the Project or, if Construction Manager is unable or unwilling to obtain such waivers, a bond in form and, substance satisfactory to the Owner together with the Construction Manager's indemnifications of the Owner and the lenders against any and all claims made on account of such liens, and the conditions, provisions and requirements of Section 13.1 of this Agreement, and the conditions of Article 28 of the General Conditions have been satisfied. The Construction Manager shall also provide the Owner with a written consent of the surety to final payment.

13.5 No inspection by the Owner or the Architect nor any Certificate for Payment by the Architect or any approval given by the Owner or any lender or payment by the Owner to the Construction Manager under this Agreement, nor partial or entire acceptance or use of occupancy of the Work by the Owner or any part thereof by the Owner or any other person shall constitute acceptance by the Owner of Work not in conformance with the Contract Documents or a waiver by the Owner of any claims against the Construction Manager for any defects or deficiencies in the Work.

13.6 Notwithstanding anything in this Agreement to the contrary, and as required by Section 13-803 of the Tax-General Article of the Maryland Code, if the Construction Manager is a "Nonresident contractor" as that term is defined in Section 13-803(a)(2) and this Project meets the other requirements of Section 13-803, then, in such event, and without regard to whether all other conditions of Substantial Completion and Final Completion have been met under this Agreement, the Owner shall withhold 3% of the Contract Sum until thirty (30) days after the requirements of Section 13-803(b) have been met. This Section shall supplement, but not limit, any other provisions of this Agreement authorizing the withholding of payment from the Construction Manager.

ARTICLE 14
MISCELLANEOUS PROVISIONS

14.1 Where reference is made in this Agreement to a provision of the General Conditions or another Contract Document, the reference refers to that provision as amended or supplemented by other provisions of the Contract Documents.

14.2 Every Monday the Construction Manager shall submit to the Owner copies of its Daily Reports from the previous week. The Daily Report should include the manpower count for all personnel on the site.

14.3 The Construction Manager's other indemnity obligations are contained in the " General Conditions for the Gaylord National Resort and Convention Center Project" attached hereto.

14.4 The Owner acknowledges that the Construction Manager is not providing professional services pursuant to this Contract which constitute the practice of architecture or engineering and the Owner agrees that the Construction Manager shall not be responsible for errors, defects or omissions in the design of the Work or the Architect's services. However, Construction Manager agrees to notify Owner of any inconsistencies, conflicts or ambiguities within or among the Contract Documents or the information and communications provided to the Construction Manager by the Architect and agrees that it shall secure instructions from the Owner and Architect prior to proceeding with any Work affected by or involving any such inconsistency, conflict or ambiguity. The Construction Manager shall be responsible to the Owner for any delay to the completion of the Work and for all costs, damages or losses suffered by the Owner as a result of, any Work performed by the Construction Manager if and to the extent that the Construction Manager has, or should reasonably have, knowledge, prior to performing that Work, that the Contract Documents relating to such Work contain or involve an inconsistency, conflict or ambiguity.

14.5 Construction Manager shall be responsible to comply with all Laws (as defined in the General Conditions) and to pay all taxes applicable to the Work.

14.6 Perini Building Company and Turner Construction Company shall be jointly and severally liable for all obligations of the Construction Manager under the Contract. Owner may proceed against either of them separately without joining the other, or against both of them, in its sole discretion. The obligations of Perini Building Company and Turner Construction Company under the Contract are non-transferable and non-assignable without the permission of the Owner.

14.7 All notices shall be given in writing. All checks from Owner to Construction Manager shall be made payable to "Perini/Tompkins Joint Venture." All notices and payments shall be sent by FEDEX or United States Postal Service addressed:

in the case of Owner, to:

Gaylord Entertainment Company
One Gaylord Drive
Nashville, TN 37214
Attn: Vice President
Design and Construction

and, in the case of
Construction Manager, to:

Perini/Tompkins Joint Venture
C/o Perini Building Company
73 Mt. Wayte Avenue
Framingham, MA 01701-9160

Notices shall be effective upon receipt. A signed FEDEX or United States Postal Service certified mail receipt shall be presumptive evidence of receipt.

ARTICLE 15
ENUMERATION OF CONTRACT DOCUMENTS

15.1 The Contract Documents, except for modifications issued after execution of this Agreement, are enumerated as follows:

15.1.1 The Agreement is this "Agreement Between the Owner and the Construction Manager".

15.1.2 The General Conditions are the " General Conditions for the Gaylord National Resort Project" attached hereto.

15.1.3 The Specifications are those identified in the applicable Separate GMP Amendment and/or GMP Amendment executed by the Owner and Construction Manager.

15.1.4 The Drawings are those identified in the applicable Separate GMP Amendment and/or GMP Amendment executed by the Owner and Construction Manager.

15.1.5 The Addenda, if any, are those identified in the applicable Separate GMP Amendment and/or GMP Amendment executed by the Owner and Construction Manager.

15.1.6 Other Documents, if any, forming part of the Contract Documents are as follows:

Exhibit A   GMP amendment form
Exhibit B   Separate GMP amendment for preconstruction services
Exhibit C   MBE/LBE agreement
Exhibit D   Permit, license and inspection responsibilities
Exhibit E   Early release of retention
Exhibit F   Prevailing wage requirements
Exhibit G   Intentionally Deleted
Exhibit H   Milestone dates
Exhibit I   Owner's trailer requirements
Exhibit J   General conditions responsibility matrix
Exhibit K   Convention center description
Exhibit L   General Conditions for the Gaylord National Resort Project

ARTICLE 16
OWNER

16.1 With respect to the administration of this Contract, the Owner hereby designates Rod Dornbusch as its representative authorized to act on the Owner's behalf with respect to the Project ("the Owner's Representative"). The Owner's Representative has express authority to sign Change Orders and make determinations regarding increases in the GMP and/or extensions to the Completion Dates and Milestone Dates. Unless otherwise agreed in writing between the parties or otherwise provided in this Contract, the Owner's Representative shall be responsible for communicating with the Construction Manager regarding the Work, and the Construction Manager shall not accept requests for work or services or other directions in connection with the performance of Work on the Project unless such request or direction is issued by the Owner's Representative. New or additional Owner's Representatives may be designated by the Owner by providing the Construction Manager with three days prior written notice signed by Rod Dornbusch.

16.2 The Owner agrees that it shall render necessary decisions pertaining to the Work on the Project, including review and approval of submittals from the Construction Manager, with reasonable promptness. As used herein and in the other Contract Documents, "reasonable promptness" shall mean the provision of information as quickly and expeditiously as practicable, taking into account all relevant factors associated

with the decision that is required, including the time when the decision is requested, the nature of the decision and any related needs for coordination and other communication, in order to avoid unreasonable delay in the orderly and sequential progress of the Work. Construction Manager agrees that in preparing it schedules for performance of the Work, it shall include reasonable times for the Owner's review, approval and issuance of directions and decisions. All such time frames shall be coordinated with and approved by the Owner prior to the issuance of any schedule. Failure of the Owner to issue a decision or approval within the times contemplated by any schedule approved by the Owner shall constitute an Excused Delay provided and only if the conditions of Section 4.4 above are satisfied.

OWNER	CONSTRUCTION MANAGER
GAYLORD NATIONAL, LLC	
BY GAYLORD HOTELS, LLC ITS: SOLE MEMBER	PERINI BUILDING COMPANY
/s/ David C. Kloeppel	/s/ Sam Sabin
(Signature) David C. Kloeppel (Printed Name and Title) May 30, 2005 (Date)	(Signature) Sam Sabin, Sr. VP (Printed Name and Title) May 9, 2005 (Date)
	TURNER CONSTRUCTION COMPANY
	/s/ Edward Small
	(Signature) Edward Small, President, Tompkins Builders (Printed Name and Title) May 11, 2005 (Date)

EXHIBIT A TO
AGREEMENT BETWEEN THE OWNER AND CONSTRUCTION MANAGER

FORM OF GMP AMENDMENT

This GMP Amendment is executed this ____ day of _________, ____, by ________________________ ("Owner") and _____________________ ("Construction Manager") pursuant to the Agreement dated ___________, 2004 ("Agreement") executed by the parties for the performance by the Construction Manager of certain construction work and construction management services for the Gaylord National Harbor Resort and Convention Center Project as identified therein.

1. Pursuant to the Agreement, Construction Manager hereby agrees that the Guaranteed Maximum Price ("GMP") for the Work to be performed on the Project (including all Work under this GMP Amendment and all preconstruction services performed under that Separate GMP Amendment dated ________) shall be $__________________, and that the GMP is divided as follows: (a) the Cost of the Work equals $____________; and (b) the Construction Manager's Fee is $_________________.

2. The GMP Design Documents and any subsequent revisions thereto upon which this GMP Amendment is based, are identified in Exhibit 1 attached hereto.

3. The Completion Date(s) for the Project, pursuant to Paragraph 4.2 of the Agreement, shall be as set forth therein and in Exhibit 2 attached hereto.

4. The Owners and Construction Manager agree that the Work required by this GMP Amendment has been commenced or shall commence on _____________.

5. The Owner and Construction Manager agree that the Schedule of Values, Construction Progress Schedule, Unit Prices, Allowances and wages, salaries and bonuses attached as Exhibit 3 shall govern the Work.

OWNER

GAYLORD NATIONAL, LLC	CONSTRUCTION MANAGER
BY: GAYLORD HOTELS, LLC, SOLE MEMBER	
By: ---------------------------------	By: -----------------------------------
Title: ------------------------------	Title: ---------------------------------

EXHIBIT B TO
AGREEMENT BETWEEN THE OWNER AND CONSTRUCTION MANAGER

FORM OF SEPARATE GMP AMENDMENT

This Separate GMP Amendment is executed this ___ day of April, 2005, by Gaylord National, LLC ("Owner") and Perini/Tompkins JV ("Construction Manager") pursuant to the Agreement of even date herewith ("Agreement") executed by the parties for the performance by the Construction Manager of certain construction work and construction management services for the Gaylord National Harbor Resort and Convention Center Project as identified therein.

1. Pursuant to the Agreement, Construction Manager hereby aggress that the Separate Guaranteed Maximum Price ("Separate GMP") for the following Early Work to be performed on the Project shall be $350,000.00. The Early Work covered by this Separate GMP Amendment generally consists of the following: Preconstruction Phase Services described in Paragraphs 5.2.5 through 5.2.6.4 of this Agreement to reach a GMP by September 1 2005.

2. The GMP Design Documents for the Early Work and any subsequent revisions thereto upon which this Separate GMP Amendment is based, are identified as the Design Development Set. For pricing purposes use the finish schedule issued at Schematic Design.

3. The Owner and Construction Manager agree that the Work required by this Separate GMP Amendment has commenced and shall continue until complete in accordance with a schedule established by the Owner.

OWNER	CONSTRUCTION MANAGER
GAYLORD NATIONAL, LLC	PERINI BUILDING COMPANY
BY: GAYLORD HOTELS, LLC ITS: SOLE MEMBER	
By: ----------------------------------	By: ------------------------------------
Title: ------------------------------	Title: ----------------------------------
	TURNER CONSTRUCTION COMPANY
	By: ------------------------------------
	Title: ----------------------------------

EXHIBIT L TO
AGREEMENT BETWEEN THE OWNER AND CONSTRUCTION MANAGER

GENERAL CONDITIONS
FOR THE GAYLORD NATIONAL RESORT PROJECT

GENERAL CONDITIONS

1. SCOPE

This section of the Contract defines the General Conditions governing the performance of the Agreement between Owner and the Construction Manager (individually, a "Party" and collectively, the "Parties").

2. DEFINITIONS

A. ADDENDA: Any written or graphic instrument listed in the GMP Amendment (or Separate GMP Amendment, as applicable) executed by the Parties which clarifies, corrects or changes any part of the bidding documents or the Contract Documents.

B. AGREEMENT: The Agreement Between the Owner and the Construction Manager executed by the Parties for the Gaylord National Resort and Convention Center.

C. AS-BUILT DRAWINGS: Detailed drawings that accurately and clearly indicate in detail the actual Work performed on the Project.

D. CHANGE DIRECTIVE: A written order (in the form attached hereto as Exhibit 10), as more specifically described in Paragraph 17, issued after the effective date of the Contract by Owner directing an addition, deletion or revision in the Work prior to agreement between Owner and Construction Manager on an adjustment, if any, in the Contract Sum or time of performance of the Work, or both.

E. CHANGE OF CONTRACT: A written order (in the form attached hereto as Exhibit 11), as more specifically described in Paragraph 17, issued after the effective date of the Contract, and executed by Owner and Construction Manager, which authorizes an addition, deletion or revision in the Work and which may include an adjustment in the Contract Sum or the time of performance of the Work. A Change of Contract is sometimes referred to in the Contract Documents as a Change Order.

F. CONSTRUCTION MANAGER: The entity that executed the Agreement and is identified as the Construction Manager therein. The term Construction Manager also means the Construction Manager's representative.

G. CONSTRUCTION PROGRESS SCHEDULE: The Construction Progress Schedule or Schedule is as defined in Paragraph 14 hereto.

H. CONTRACT: Those certain documents identified in the Agreement and in the GMP Amendment (or Separate GMP Amendment, as applicable) executed by the Parties, and all of their schedules, exhibits and subsequent amendments, which defines the scope of the Construction Manager's Work and establish the Guaranteed Maximum Price and/or Separate GMP, as applicable). The terms Contract and Contract Documents may be used interchangeably.

I. CONTRACT DOCUMENTS: The Contract Documents are as defined in the Agreement between the Owner and the Construction Manager and in the GMP Amendment and/or Separate GMP Amendments executed by the Parties, as applicable. The Contract Documents shall include the following documents issued after execution of the Agreement: Changes of Contract, Change Directives and contract modifications that are executed by both of the Parties hereunder.

J. CONTRACT SUM: shall have the meaning set forth in Article 5 of the Agreement.

K. DAY: Unless otherwise specified, the words "day" or "days" shall mean calendar day or calendar days.

L. DRAWINGS: The documents which show the character, nature and scope of the Work to be performed and which are referred to in the Agreement and in the GMP Amendment and/or Separate GMP Amendments executed by the Parties, as applicable, and are listed therein as Contract Documents. Drawings may also be referred to as "Plans".

M. EXCUSED DELAY: shall have the meaning set forth in Article 4 of the Agreement.

N. FINAL PAYMENT: shall have the meaning set forth in Paragraph 29 hereof.

O. FINAL PUNCHLIST: shall have the meaning set forth in Paragraph 9D hereof.

P. HAZARDOUS MATERIALS: Any substance or material containing one or more of any of the following: "hazardous material," "hazardous waste," "hazardous substance," regulated substance," "petroleum," "pollutant," "contaminant," "polychlorinated biphenyls," "lead or lead-based paint" or "asbestos" as such terms are defined in any applicable federal, state and local laws, rules and regulations (now or hereafter in effect) dealing with the use, generation, treatment, storage, disposal or abatement of hazardous materials.

Q. LAW(S): All federal, state, local or quasi-governmental laws, statutes, ordinances, codes, orders, rules, restrictive covenants, regulations and other requirements applicable to performance of the Work or its construction or operation; including, without limitation: building codes; environmental laws; social security and unemployment compensation laws; workers' compensation laws; safety laws; archaeological and paleontological preservation laws; requirements of local utility companies and of local and national fire protection associations; zoning and setback or other locational requirements of applicable Laws; the Americans with Disabilities Act; and federal, state and local employment laws. Laws shall also include any covenants, conditions or restrictions applicable to or affecting the Project or the Site. The provisions of paragraph 14.5 in the Agreement shall apply to the Construction Manager's obligation to comply with Laws.

R. MODIFICATION: (1) a written amendment to the Contract signed by both Owner and the Construction Manager which clarifies, revises or changes the Contract Documents; or (2) a Change of Contract or Change Directive.

S. NOTICE TO PROCEED: Notice given by Owner to the Construction Manager in the GMP Amendment and/or any Separate GMP Amendment executed by the Parties fixing the Date of Commencement on which Construction Manager shall start to perform Construction Manager's obligations under the Contract Documents.

T. OWNER: The entity that owns the property and/or the improvements on the property on which the Work is to be performed, and may be identified as "Owner" on the cover page of the Agreement.

U. PRODUCT DATA: Illustrations, standard schedules, performance charts, instructions, brochures, diagrams or other information furnished by the Construction Manager to illustrate a material, product or system for some portion of the Work.

V. PROJECT: The Gaylord National Resort and Convention Center as identified in the Agreement. The Work performed under the Contract Documents may be the whole or a part of the total Project.

W. SAMPLES: Physical examples furnished by the Construction Manager, which illustrate materials, equipment or workmanship and, if approved by Owner as being in conformance with the Contract Documents, establish the standard by which the Work will be judged.

X. SHOP DRAWINGS: Drawings, diagrams, layouts, schematics, descriptive literature, illustrations, schedules, performance and test data, and similar materials furnished by the Construction Manager to explain in detail specific portions of the Work required by the Contract Documents.

Y. SITE: The physical area where the Work is to be done.

Z. SPECIAL PROVISIONS: That part of the Contract Documents which amends or supplements these General Conditions and other requirements of the Contract Documents.

AA. SPECIFICATIONS: Those portions of the Contract Documents consisting of written technical descriptions, provisions or requirements pertaining to the materials and workmanship applicable to the Work to be performed under the Contract Documents, including, but not limited to, the quantities or quality of materials, equipment, construction systems or applications required in connection with the Work, as identified in the GMP Amendment and/or Separate GMP Amendments executed by the Parties.

AB. SUBCONTRACTOR: Any person or organization having a direct contract with the Construction Manager (or any wholly-owned or affiliated entity thereof) to perform a portion of the Work or provide materials for the Work. References in the Contract Documents to Subcontractor shall also mean and include Sub-Subcontractors and Suppliers as defined herein.

AC. SUBMITTALS: Collectively, Product Data, Samples and Shop Drawings.

AD. SUBSTANTIAL COMPLETION: shall have the meaning set forth in Article 4 of the Agreement.

AE. SUB-SUBCONTRACTOR: Any person other than Construction Manager or a Subcontractor (or any wholly-owned or affiliated entity thereof) who supplies labor or materials in connection with the Construction Manager's Work regardless of how remote that person's contract is from Construction Manager. Sub-subcontractors are sometimes referred to in these General Conditions as Subcontractors or Subcontractors of any tier. It is the intent of the parties that this Agreement shall be liberally construed to include within the term Subcontractor all Sub-subcontractors of any tier whenever such inclusion is beneficial to the Owner.

AF. SUPPLIER: Any party supplying, by sale or lease, directly or indirectly, any materials or construction equipment for the Construction Manager's Work and includes distributors, material men, vendors and manufacturers at any tier.

AG. UNIT PRICE: The standard, uniform price that the Construction Manager has provided for a specific item or type of Work that may be required for the Project.

AH. WORK: shall have the meaning set forth in Article 2 of the Agreement.

All terms and phrases defined elsewhere in the Contract Documents are used in conformance with such definitions. In addition, terms and phrases which have well known technical or construction industry meanings are used in the Contract Documents in accordance with such recognized meanings unless otherwise defined elsewhere in the Contract Documents or unless the context clearly indicates a different meaning.

3. EXECUTION, CORRELATION AND INTENT OF DOCUMENTS

A. Originals. The Agreement shall be signed and dated in duplicate by Owner and the Construction Manager, each of which shall be a duplicate original. The Construction Manager is independently responsible for obtaining, reviewing and coordinating the provisions of all of the Contract Documents, whether or not such documents have been delivered to the Construction Manager in connection with the request for bid, have been individually signed by the Construction Manager and Owner or have been physically attached to the Contract. The failure to review or obtain any such document shall not relieve or excuse the Construction Manager from compliance with its terms or the terms of any other Contract Document. By execution of the Agreement, Construction Manager represents that it has read and understands all of the Contract Documents and that it can and will comply with all of the provisions therein. The Construction Manager's proposals and bid submittals in connection with the Work are not part of the Contract and shall not be the basis for any claim by Construction Manager. The provisions of the Contract Documents supersede the Construction Manager's bid and all prior negotiations, representations or agreements, either written or oral.

B. Complementary. Throughout the Contract Documents, various requirements have been specified for performance by the Construction Manager. Each such Contract item is mandatory and shall be performed by the

Construction Manager. Contract Documents are complementary and shall be used as a whole and not separately. If any item of the Work is shown on any of the Contract Documents, it shall be executed and is binding as if shown and contained on all Contract Documents.

C. Order of Precedence. If any portion of the Contract Documents conflict with any other portions, the following order of precedence shall control:

(1) Modifications to the Contract;

(2) Agreement between the Owner and Construction Manager (including Exhibits and Schedules thereto);

(3) Addenda to the Contract;

(4) Special or Supplementary Conditions, if any;

(5) General Conditions (including Exhibits and Schedules thereto);

(6) Modifications to the Specifications;

(7) Addenda to the Specifications;

(8) Specifications;

(9) Modifications to the Drawings;

(10) Addenda to the Drawings;

(11) Drawings, in the following order of precedence, with Structural Drawings taking precedence over all other Drawings;

(a) Notes on Drawings;

(b) Large-scale Drawings;

(c) Large-scale details;

(d) Small-scale Drawings;

(e) Small-scale details;

(f) Figured dimensions;

(g) Scaled dimensions; and

(h) All other documents, terms and conditions of the Contract.

D. Integration Clause. The Contract Documents constitute the entire agreement between the Parties. No verbal agreement or conversation with any officer, agent or employee of Owner or Construction Manager, after the execution of the Contract, shall affect or modify any of the terms or obligations in the Contract Documents. The Contract Documents may only be changed in writing as specified herein.

E. Referenced Specifications and Standards. Where standard specifications issued by a recognized industry association or regulatory body is referenced, the reference shall be interpreted as incorporating the standard specifications in total unless otherwise noted in the Contract Documents.

F. Intent of Contract Documents. Where the Contract Documents describe portions of the Work in general terms, but not in complete detail, the practices of construction applicable to similar work performed by an experienced and competent Construction Manager shall be followed and only new materials and workmanship of appropriate quality consistent with such practices shall be used unless otherwise directed. Omissions from the Contract Documents or the inadequate description of details of the Work which are manifestly necessary to carry out the intent of the Contract Documents, or which are customarily performed, shall not release the Construction Manager from performing such necessary or customary details of the Work (as part of the Cost of the Work but subject to the GMP and/or Separate GMP, as applicable). In general, the Drawings shall be considered as establishing location, quantity and relationship of materials, and the Specifications shall be considered as defining type and quality of materials and workmanship requirements. The requirements for the greater quantity and the higher quality to be interpreted from those documents shall govern. All questions regarding the Drawings and Specifications and the interpretation thereof and the resolving of conflicts or inconsistencies contained therein shall be initially determined by the Architect, upon written

request from Construction Manager, without waiving Construction Manager's right to dispute such interpretation and to seek an increase in the Contract time or the Contract Sum by judicial action, provided however, that Construction Manager shall perform in accordance with Architect's interpretation.

4. CONSTRUCTION MANAGER'S REPRESENTATIONS

A. Construction Manager Representations. By executing the Separate GMP Amendments and GMP Amendment, as applicable, the Construction Manager represents and warrants that it has had ample opportunity to, and by careful examination has, satisfied itself as to the nature and location of the Work that is the subject of such GMP Amendment and/or Separate GMP Amendment, the conditions of the Site(s), the character, quality and quantity of the materials to be encountered, the equipment and facilities needed preliminary to and during the prosecution of such Work, the general and local conditions, including weather, and all other matters which can in any way affect such Work under the Contract Documents, and has, as necessary, consulted with the Owner, the Architect and Owner's other consultants to obtain any and all clarifications necessary to establish the Guaranteed Maximum Price or Separate GMP, as applicable and the time for performance of such Work.

B. Review of Contract Documents. Upon its execution of each Separate GMP Amendment and the GMP Amendment, as applicable, Construction Manager will be deemed to have warranted that it has reviewed the Contract Documents identified therein and to have acknowledged and declared they are adequate and sufficient to have enabled the Construction Manager to determine the GMP or Separate GMP, as applicable, for the Work therein and that the Drawings, the Specifications and all Modifications and Addenda are sufficient to enable the Construction Manager to construct the Work outlined therein in accordance with its obligations under the Contract Documents. The Construction Manager shall not proceed with the Work if Construction Manager has actual knowledge of an, or if there is any reasonably apparent, ambiguity, conflict or inconsistency within the Contract Documents, but shall immediately submit a written request for an explanation or decision to the Owner and the Architect. Should Construction Manager proceed without a written response by the Owner and the Architect, or in a manner that is contrary to such response, it shall do so at its own risk and expense and shall forfeit any right to seek an adjustment of the Contract Sum or extension of time with respect thereto.

C. Verification of Dimensions. The Construction Manager shall verify all dimensions before laying out and performing any particular portion of the Work and shall be responsible for any errors, which might have been avoided thereby. Dimensions of Work as indicated on Drawings are not guaranteed to be as built dimensions. No measurements shall be scaled from Drawings and used as definite dimensions for layout or fitting Work in place. Whenever inaccuracies or discrepancies are found, the Construction Manager shall inform the Owner and the Architect and obtain clarification prior to any construction or demolition. Should any dimensions be missing, Construction Manager shall consult with the Owner and the Architect and shall obtain such dimensions prior to execution of the Work. Dimensions for items to be fitted into constructed conditions at the Site will be taken at the Site. Whenever a stock size, manufactured item or piece of equipment is specified by its nominal size, it is the responsibility of the Construction Manager to determine the actual space requirements for setting or entrance to the setting space. No extension of the Completion Date(s) or Milestone Dates or increase in the GMP or Separate GMP, as applicable, will be allowed by reason of Work requiring adjustments in order to accommodate the particular item of equipment.

D. Benchmarks, Lines and Monuments. Construction Manager shall establish all lines, grades, benchmarks, monuments and other information required. All grades shown on Drawings are believed to be correct but are not warranted as such and the Construction Manager shall verify them at the Site and notify Owner in writing of any discrepancies found before proceeding with the Work. Construction Manager shall check the Drawings against such established lines and grades and notify Owner in writing of any discrepancies found. The Construction Manager shall protect and preserve the established benchmarks and monuments and shall make no changes in their locations without the written approval of Owner. Benchmarks and monuments lost or destroyed, or which require shifting because of necessary changes in grades or locations shall, subject to prior approval by Owner, be replaced and accurately relocated by an engineer or surveyor registered in the area where the Work is to be performed (as part of the Cost of the Work, subject to the GMP). Owner will furnish property markers and Construction Manager shall review and confirm the accuracy of such property markers. Any disputes concerning the proper location of the property markers shall be resolved by a surveyor to be hired by Owner.

E. Differing Site Conditions. Construction Manager has had the opportunity to reasonably investigate the Site and to review reports prepared by consultants to Owner and, if it so desired, by its own consultants, before executing this Agreement. Construction Manager accepts the risk of subsurface or otherwise concealed physical conditions or unknown physical conditions that: (i) are reasonably apparent upon above-ground visual observation; (ii)

are not of an unusual nature or do not differ materially from those ordinarily found to exist and generally recognized as inherent in construction activities of the character provided for in the Contract Documents; or (iii) do not differ materially from those indicated in the Contract Documents or any reports or surveys provided to the Construction Manager prior to the execution of the Separate GMP Amendment and/or GMP Amendment., as applicable. Construction Manager shall notify the Owner promptly after the Construction Manager discovers or encounters subsurface or otherwise concealed physical conditions or unknown physical conditions that: (i) are not reasonably apparent upon above-ground visual observation; and (ii) are of an unusual nature or differ materially from those ordinarily found to exist and generally recognized as inherent in construction activities of the character provided for in the Contract Documents; and (iii) differ materially from those indicated in the Contract Documents or any reports or surveys provided to the Construction Manager prior to the execution of the Separate GMP Amendment and/or GMP Amendment., as applicable (such conditions meeting all three of the foregoing tests being "Differing Site Conditions"). Thereafter, Owner shall promptly investigate such alleged Differing Site Conditions. Construction Manager shall perform no Work involving or affected by Differing Site Conditions until after receiving directions from the Owner as to the performance of such Work affected thereby. If Differing Site Conditions exist and require Work not otherwise required by or reasonable inferable from the Contract Documents, such additional Work shall be a Material Change under Section 2.1.1 (4) of the Agreement. If the conditions encountered do not qualify as Differing Site Conditions, or if the resulting Work is otherwise required by or reasonably inferable from the Contract Documents, no change shall be deemed to have occurred to the Contract, and no claim of Construction Manager for Excused Delay or increase of the GMP or Separate GMP, as applicable, shall exist.

F. Business and Financial Documentation. Construction Manager shall provide Owner with Construction Manager's: (i) Construction Manager license (if required by the jurisdiction in which the Project is located); (ii) business license; and (iii) other business or professional documentation reasonably requested by Owner. In the event that any of the foregoing documents expire during the term of this Contract, Construction Manager shall provide Owner with evidence that such documents have been renewed. Upon request by Owner, Construction Manager shall also provide Owner with all financial documentation and information reasonably requested by Owner, including, without limitation, AIA Document A305 (Construction Manager's Qualification Statement) and audited financial statements. To the extent Construction Manager has provided the foregoing documents and information to Owner prior to execution of the Agreement, Construction Manager shall update such documentation and information as reasonably requested by Owner.

5. CONSTRUCTION MANAGER'S DUTIES AND RESPONSIBILITIES

A. The Construction Manager shall supervise and direct its portion of the Work using skill and attention consistent with that of an experienced and competent Construction Manager familiar with Work of the same nature and quality as required by the Contract Documents. The Construction Manager shall be solely responsible for all construction means, methods, techniques, sequences and procedures, and for coordination of all portions of the Work under its Contract in accordance with Paragraph 24 hereof. If the Construction Manager believes that any specific mean, method, technique, sequence or procedure required by the Contract Documents is inappropriate or improper, Construction Manager shall provide the Owner with prompt written notice of such fact and shall not proceed with any Work affected thereby until after resolving such issue with the Owner (through the execution of an appropriate Change Order if necessary).

B. The Construction Manager shall be responsible to Owner for the acts and omissions of its employees, Subcontractors, and their Subcontractors and agents and employees, and other persons performing any of the Work or supplying materials or equipment under a contract with the Construction Manager, any Subcontractor or any Sub Subcontractor.

C. The Construction Manager shall provide, pay for and maintain all labor, materials, equipment, tools, machinery and services necessary for the proper execution and completion of the Work. All materials and equipment furnished by the Construction Manager shall be new, free from faults and defects, of good quality, and conform to the requirements of the Contract Documents.

D. The Construction Manager shall not be relieved from its obligations to perform Work in accordance with the Contract Documents either by the activities or duties of Owner in the administration of this Contract, or by

inspections, tests, acceptances or approvals required or performed by persons other than the Construction Manager. Specifically, the Construction Manager understands and agrees that the Owner, the Architect and the Owner's consultants are under no obligation to inspect the Work or discover defects or deficiencies in the Work, and that the failure of the Owner, the Architect or Owner's consultants to discover defects, deficiencies or other problems in the Work shall not in any way constitute a waiver or acceptance of any such defect, deficiency or other problem or in any way affect or reduce the Construction Manager's responsibilities or obligations pursuant to the Contract Documents.

E. The Construction Manager acknowledges that it has made representations to the Owner in its proposal and subsequent negotiations that it has substantial experience in the construction and construction management of improvements substantially similar to the Project and that the Owner has reasonably relied on such representations in entering into this Contract with the Construction Manager. Notwithstanding any other provision of this Contract, in determining what is reasonably inferable from the Contract Documents, and with respect to the services required of the Construction Manager under the Contract Documents, the Construction Manager's services shall be performed in (and measured according to) a manner consistent with those standards of professional skill, care and diligence applicable to a constructor of comparable experience and knowledge (as represented above) in similar circumstances.

F. The Construction Manager shall, prior to commencement of the Work, submit to Owner, for its approval, the name and experience resume of Construction Manager's proposed project manager. The Construction Manager shall also submit the names of key members of its firm who will be directly connected with the Work and outline the duties and authority of each. The Construction Manager shall at all times enforce strict discipline and good order among its employees and shall not employ on the Work any unfit person, anyone not skilled in the work assigned to him or her and anyone who is not satisfactory to Owner. The Construction Manager and Owner shall meet and agree on the nature and amount of on-site supervision to be provided by the Construction Manager for the Project, including the need for and identity of any Project Manager, on-site Project Superintendent, on-site safety designee and/or on-site Field Engineers. Any Project Manager agreed upon by the Owner and Construction Manager pursuant to this Paragraph shall represent the Construction Manager on the Site and shall have authority to bind the Construction Manager with respect to all matters pertaining to the performance of Work on the Project. The Construction Manager shall not employ any person as Project Manager, Project Superintendent, safety designee and/or Field Engineer unless the Owner agrees to the selection of such person, and shall not replace or transfer any such person without the prior, written approval of the Owner, except in the event that the person so designated is no longer employed by the Construction Manager, in which event the new person designated as the replacement Project Manager, Project Superintendent, safety designee or Field Engineer shall be subject to the Owner's approval, which approval shall not be unreasonably withheld.

G. The Construction Manager acknowledges that the Owner has retained Gensler Architecture, Design and Planning, PC (referred to herein as the "Architect"), and that the Owner may retain other persons or entities to act as consultants to the Owner to assist the Owner, as and when authorized, in the development, delineation, evaluation and observation of certain aspects of the design and construction of the Project, including monitoring of the Construction Manager's services (all such consultants are referred to herein as the "Owner's Consultants"). The Construction Manager acknowledges that the Architect and the Owner's Consultants are solely advisors to the Owner, and that they shall not have authority to act generally as the Owner's agent or to act otherwise on behalf of the Owner in connection with the Project, unless expressly so stated in the Contract Documents or later so indicated to the Construction Manager by the Owner in writing. Specifically, the Construction Manager understands and agrees that the Owner's Consultants and Architect do not have authority to change the scope of the Work or to increase the GMP or Separate GMP, as applicable, and/or extend the Completion Date(s) or Milestone Dates, and that such changes, increases and/or extensions may be issues only by the Owner, in writing as set forth in this Contract.

H. All correspondence from Construction Manager to Owner shall be identified by the name, Gaylord National Resort and Convention Center.

6. PERMITS, LAWS AND REGULATIONS

A. Permits and Fees. The respective responsibilities of the Owner and Construction Manager with respect to the procurement and payment for building permits, inspections, plan checks, waste, sewer, gas, electrical, telephone, cable TV and other utility hookup fees, and other inspection fees, required permits, licenses, approvals,

certificates and authorizations are set forth in Exhibit D to the Agreement. Each Party will have responsibility for the tasks and payments assigned to them in such Exhibit. In addition, each Party agrees to cooperate reasonably with the other in connection with the procurement of such permits and approvals. Construction Manager shall provide Owner with a report on the current status of all permits and approvals, and shall provide copies of all such permits and approvals to Owner upon their receipt. All costs and expenses incurred by the Construction Manager with respect to its permit and fee obligations under this paragraph shall be paid as part of the Cost of the Work subject to the GMP and/or Separate GMP, as applicable.

B. Compliance. The Construction Manager shall comply with all Laws that apply to, and are in effect during, the performance of the Work. In addition, Construction Manager shall become familiar, and shall comply, with those Factory Mutual Standards relating to the physical construction, testing or quality of the Work. The Construction Manager shall be responsible for any and all damages incurred by Owner resulting from the Construction Manager's failure to comply with, and shall indemnify, hold harmless and defend Owner and all other indemnified parties named in Paragraph 22 of these General Conditions from any loss, cost, damage or expense, including legal costs, arising from, occasioned by or in any manner connected with violations of any requirements pertaining to the design of the structured parking and construction of all of the Work set forth in said Laws and Factory Mutual Standards. Construction Manager shall immediately advise Owner of any changes of which it is aware in any applicable Laws that affect the Work and the consequences of such changes. If a change of Law or Factory Mutual Standard is adopted after a GMP Amendment or Separate GMP Amendment and requires Work not otherwise required by or reasonable inferable from the Contract Documents, such additional Work shall be a Material Change under Section 2.1.1 (4) of the Agreement.

C. Nondiscrimination. During the performance of this Contract, the Construction Manager specifically further agrees that it shall not discriminate against any employee or applicant for employment because of race, color, age, religion, sex, sexual orientation, national origin, disability or veteran status. Furthermore, Construction Manager shall fully comply with all Laws relating to nondiscrimination, non-segregation of facilities, equal employment opportunity, affirmative action, veterans' employment and disabled employment, and shall require said compliance by all Subcontractors of every tier. Without limiting the foregoing, Construction Manager and all Subcontractors of every tier shall observe the MBE/LBE Agreement and Prevailing Wage Schedule attached to the Agreement and conform and report their practices in compliance therewith.

7. SUBSTITUTIONS

A. Specified Materials and Equipment. Materials and equipment specified by name or names of one or more manufacturers shall be used to establish the Contract Sum.

B. Substitution. The Construction Manager may offer a substitution of a specified or indicated item if it presents to Owner in writing complete information concerning the substitution and the benefits thereof to Owner by reason of lower cost or improved performance, or both, over the specified or indicated item. However, such submission of a proposed substitution does not relieve the Construction Manager from its obligations under the Contract. In proposing a substitution, the Construction Manager warrants that the substitution is, at a minimum, equivalent in performance to the specified or indicated item. A substitution shall not be effective unless accepted in writing by Owner. Unless expressly authorized in writing by Owner, the Architect and Owner's Consultants do not have the authority to approve proposed substitutions.

C. Cost and Time. Any costs and time changes and changes to the Work (including, but not limited to the work of other Subcontractors and additional design costs which may be affected thereby) which may result from the proposed substitution shall be disclosed at the time the substitution is proposed to Owner.

D. Application. Owner will not accept requests for review of substitute items of materials and equipment from anyone other than the Construction Manager.

E. Representations. By submitting an application pursuant to Paragraph 7B, the Construction Manager:

(1) Represents that it has personally investigated the proposed substitute product and determined that it is equal or superior in all respects to that specified;

(2) Represents that it will provide the same warranty for the substitution as the original product specified;

(3) Certifies that the cost and schedule data presented is complete and includes all related costs and schedule adjustments under the Contract Documents, and waives all claims for additional costs and schedule adjustments related to the substitution which subsequently become apparent; and

(4) Agrees to coordinate the installation of the accepted substitute, making such changes as may be required for the Work to be complete in all respects.

F. Shop Drawings Not A Substitution. Shop Drawings will not be considered a substitution proposal pursuant to this Paragraph 7. Verbal approvals or approved Shop Drawings will not be considered as acceptance of proposed substitutions.

G. Unapproved Substitutions. Owner reserves the right to reject any unapproved substitution without explanation or formality, and to require the replacement of an unapproved substitution with the specified and/or indicated items at no expense to Owner, and to require compensation to Owner for loss of use time during replacement.

8. SUBMITTALS

A. Submittals. Upon execution of the GMP Amendment or Separate GMP Amendment, as applicable, the Construction Manager shall immediately begin developing all Submittals required by the Contract Documents. Each item submitted shall be thoroughly reviewed by the Construction Manager and shall include a stamp or note describing the Construction Manager's action signed by the person authorized by the Construction Manager to conduct the review with that person's name clearly printed.

B. Construction Manager Review. Construction Manager shall review each submittal for completeness, conformance to the Contract Documents and coordination with other parts of the Work and the Construction Progress Schedule. By providing and submitting to Owner or, if otherwise specified in the Contract Documents, to Owner's designee, Shop Drawings, Product Data, warranties and Samples, the Construction Manager will be deemed to represent that it has determined and verified: (i) the availability of all materials; and (ii) field measurements and field construction criteria related thereto, and that it has checked and coordinated the information contained within such Submittals with the requirement of the Work, the Contract Documents and the Construction Progress Schedule and that such Shop Drawings, Samples, warranties and Product Data conform to the Contract Documents.

C. Approval. Construction Manager shall not proceed to perform Work related to a Submittal until the Submittal has been reviewed and approved by Owner, which review shall occur with reasonable promptness as set forth in Paragraph 16.2 of the Agreement. Such Work shall thereafter be performed in accordance with the Contract Documents and the approved Submittal.

D. Incomplete Submittals. Owner may return incomplete Submittals with no action taken. The Construction Manager shall have no claim for any damages or for an extension of time due to delay in the Work resulting from the proper rejection of materials or from the proper rejection, correction, and resubmittal of Shop Drawings, Samples and Product Data, or from the untimely submission thereof.

E. Acceptance. Acceptance by Owner is for general design only. Quantities, size, field dimensions and locations are some of the required characteristics that are not part of Owner's acceptance and will not be checked. Accordingly, Owner's limited acceptance shall in no way relieve the Construction Manager from its obligation to conform its Work to the specifications for the Work and to the requirements of the Contract Documents.

F. Deviations. The Construction Manager shall not be relieved of responsibility for deviations from requirements of the Contract Documents by Owner's approval of Submittals, unless the Construction Manager has specifically informed Owner in a separate writing of such deviation at the time of submittal and Owner has given written

approval to the specific deviation. The Construction Manager shall not be relieved of responsibility for errors or omissions in Submittals by Owner's approval thereof.

G. Submission Schedule. Construction Manager shall submit a schedule showing dates for submission, review and approval of its Submittals. Owner will review this schedule and any and all changes required by Owner shall be made by the Construction Manager. The final schedule shall be as approved by Owner. The schedule shall take into account the order of Work and the time required to prepare and approve the various Submittals. Such schedule shall ensure that all Construction Manager submissions are timely, that adequate time is allowed for Owner and Architect to review and approve the submission with reasonable promptness as set forth in Paragraph 16.3 of the Agreement and that the dates set forth for each Submittal do not adversely affect the requirements of the Work, the Construction Progress Schedule or the time for completion set forth in this Contract.

H. Rights in Shop Drawings. Owner may duplicate, use and disclose in any manner and for any purpose (consistent with the provisions of Paragraph 34 hereof) all Shop Drawings delivered under this Contract. This "Rights in Shop Drawings" Subparagraph shall be included in all subcontracts hereunder of any tier.

I. Coordination Drawings. If requested by Owner or Architect, Construction Manager shall submit drawings demonstrating coordination of the various portions of the Work, in such form and with such detail as required by Owner or Architect.

9. STANDARDS, TESTS AND INSPECTIONS

A. Reference Specifications or Standards. Strict adherence to the quality standards set forth in or referenced by the Contract Documents is of the essence for the Work. Various standards and specifications are incorporated by reference in the technical section of the Specifications. In all such instances, the reference shall mean the latest edition, including the amendment or revision in effect as of the date when the Agreement, GMP Amendment and/or Separate GMP Amendment is executed by the Parties, as applicable. If referenced specifications or standards contain requirements at variance with the individual sections of the Specifications, the more stringent provision shall govern. The Construction Manager shall have the responsibility of making any specified standard available at the Site. In addition, Construction Manager agrees (as part of the Cost of the Work, subject to the GMP) to construct two samples or mock up rooms, each of such type as shall be designated by Owner hereafter.

B. Inspections and Tests.

(1) Owner's Right to Inspect and Test. Owner has the right to test and/or inspect all Work, including any material or equipment at any state of development or fabrication, whether or not specified, at all reasonable times and at all places, including, but not limited to the Supplier's plant or mill. Any tests and/or inspections performed on behalf of Owner (other than those tests referred to in Paragraph 9B(3) below) will be paid for by Owner. Any necessary retesting or re-inspection required due to the failure of an initial test and/or inspection will be performed on behalf of Owner as part of the Cost of the Work, subject to the GMP or Separate GMP, as applicable.

(2) Concealed Work. If Owner or Architect has notified Construction Manager of Owner's intent to test and/or inspect a portion of the Work, then, if such Work is concealed before such tests are performed or before approval is given, it shall be exposed, tested and restored at the Construction Manager's expense, without reimbursement as a Cost of the Work. Notwithstanding the foregoing, even if Owner or Architect has not notified Construction Manager of Owner's intent to test and/or inspect a portion of the Work, Owner or Architect may require the Construction Manager to expose concealed Work for the purpose of testing and/or inspection. In such case the cost of such testing shall be paid by Owner, if the concealed Work was properly performed, and by Construction Manager, without reimbursement, if the concealed Work was improperly performed.

(3) Performance Testing. Witnessed performance tests, inspections and approvals shall occur when required by governing authorities or when required by the Contract Documents. The Construction Manager shall notify Owner and Architect at least three (3) business days in advance of the date the equipment will be ready for the final shop or field inspection or for performance tests. These tests, and any required retests, shall be performed at the Construction Manager's expense (as part of the Cost of the Work, subject to the GMP or Separate GMP, as applicable).

The Construction Manager (as part of the Cost of the Work, subject to the GMP or Separate GMP, as applicable) shall promptly obtain and provide Architect with all certificates and approvals.

(4) Obligation to Furnish for Testing. The Construction Manager shall furnish promptly, as part of the Cost of the Work, subject to the GMP or Separate GMP, as applicable, all facilities, labor, and material reasonably needed for performing such safe and convenient inspections and tests as may be required by Owner or Architect. All inspections and tests by Owner or Architect shall be performed with reasonable promptness as set forth in Paragraph 16.2 of the Agreement. Owner shall have the right to charge to the Construction Manager any additional cost of inspection or test, when material or workmanship is not ready by the Construction Manager for inspection or test at the time specified, or when reinspection or retest is necessitated by prior rejection. Such charges incurred by the Owner shall be promptly paid by the Construction Manager and shall not be reimbursed as a Cost of the Work.

C. Correction of Work.

(1) Any deficiencies identified will be noted for correction by the Construction Manager in a notification from the Owner or the Architect. Correction of such deficiencies shall be in addition to and not in lieu of the punch list(s) of deficiencies submitted to the Construction Manager by the Owner and the Architect or prepared by the Construction Manager. Receipt of any such notification shall not be construed as qualified acceptance of the Work nor shall it waive Owner's right to require the Construction Manager to remedy, any other deficiencies that may not be listed on such notification.

(2) In the event that the Construction Manager receives from Owner or Architect a notification of faulty or unacceptable Work, the Construction Manager shall promptly remove from the premises all Work condemned as failing to conform to the requirements of the Contract Documents, whether incorporated in the Work or not. The Construction Manager shall then promptly replace and re-execute its own Work in accordance with the Contract Documents without change to the time of completion. In addition, the Construction Manager shall perform all cutting and fitting for other trades necessitated by the Construction Manager's errors.

(3) Should the Construction Manager refuse to correct faulty or damaged Work, or should Owner consider it inadvisable for the Construction Manager to do so, Owner may either: (a) authorize another contractor to correct the Work at the Construction Manager's expense, without charging such costs as a Cost of the Work; or (b) accept the faulty or damaged Work and obtain from the Construction Manager a credit, contained in a Change of Contract, representing the diminished value of the Work accepted.

D. Final Inspection and Final Punch list. In addition to any punch list(s) prepared by Construction Manager and any unacceptable Work previously identified by the Owner or the Architect, the Owner and the Architect shall, prior to Substantial Completion, make a final inspection of all Work, review Construction Manager's proposed punch list and prepare a final punch list ("Final Punch list") of Work that does not conform with the Contract Documents. Construction Manager shall correct all non-conforming Work identified in the Final Punch list within thirty (30) days after Construction Manager's receipt of the Final Punch list or such later time as agreed to by Owner. Correction of all faulty or unacceptable Work by the Construction Manager, including, without limitation, correction of all items specified in the Final Punch list, shall be a condition precedent to Final Payment.

E. Non-Waiver or Acceptance. Any inspections or tests conducted by Owner or Architect or Owner's Consultants shall be for the sole benefit of Owner and shall not relieve Construction Manager of the responsibility of providing quality assurance control measures to assure that the Work complies with the requirements of the Contract Documents. The performance of any inspections or tests, or the omission of any inspections or tests, or a decision not to perform any inspection or test, by Architect, Owner or any agent, employee or consultant of Owner, shall not be a waiver of any of the Construction Manager's obligations hereunder and shall not be construed as constituting or implying approval or acceptance of the Work or any part thereof. No payment to the Construction Manager (including Final Payment) or approval or acceptance by Owner or Architect of any Work shall constitute final acceptance of the Work if it is later discovered that such Work was not performed in accordance with the requirements of the Contract Documents, unless such non-conforming Work has been expressly and knowingly accepted by Owner in writing.

10. INSPECTION AND USE OF PREMISES

A. Owner, Architect and all other persons specified by Owner, shall have safe access to the Work at all times for inspection purposes provided however that all such persons must comply with Construction Manager's reasonable safety regulations to ensure their safe access to the Work. Notwithstanding the foregoing, Owner, Architect, Owner's Consultants and their representatives shall not be responsible for, or have control or charge of, any construction means, methods, techniques, sequences or procedures or for safety and security precautions or progress in connection with the Work, nor shall they be responsible for the Construction Manager's failure to carry out the Work in accordance with the Contract Documents. Should the Owner elect to conduct tours during construction, or otherwise gain access to portions of the Site for the purpose of public relations, rental or related activities, such access shall be: (a) conducted at such times and in such areas of the Work as Construction Manager may reasonably determine taking into account safety and impact on construction activities; (b) conducted by employees of the Owner in conformance with applicable OSHA requirements and other rules promulgated by Construction Manager and approved by Owner relating to safety and impact on construction activities; (c) conducted while accompanied by a representative of Construction Manager, if so required by Construction Manager or requested by Owner; and (d) coordinated with the OCIP and Owner's Insurance Advisor so that appropriate insurance coverage for such activities is provided and in place. In addition, the Owner may occupy designated portions of the Work prior to the date of Substantial Completion of the entire Work for limited activities such as ticket sales, administrative offices, fit out and installation of owner-supplied equipment, fixtures and furnishings. Such use of any designated portion of the Work shall be: (a) communicated to and coordinated with the Construction Manager in writing; (b) permitted only after the Construction Manager, Owner and Architect have inspected the area to be occupied and prepared an appropriate punch list of items remaining to be completed and corrected, which list has been reviewed and approved by the Owner; (c) permitted only when the area is safe for occupancy and only if so allowed by applicable by Laws; and (e) coordinated with the Project Specific Insurance Program so that insurance coverage is provided and in place in connection with such use.

B. Subject to the requirements of paragraph 10A above and 10F below, Owner reserves the right to occupy and use, for itself or any of its affiliates, any portion of the Work and operate any equipment that is part of the Work without constituting acceptance of the Construction Manager's Work or material involved either in whole or in part, unless Owner, in its sole discretion, expressly accepts portions of the Work or pieces of equipment by written notice to the Construction Manager.

C. The Construction Manager shall confine its apparatus, the storage of materials and the operations of its workmen to limits indicated by Laws and the reasonable directions of Owner. The Construction Manager shall not encumber the Site with its material except for such material as is reasonably necessary for the Construction Manager to perform the Work without interruption and as approved in writing by Owner.

D. The Construction Manager shall enforce the instructions of Owner regarding signs, advertisement and smoking. No advertising signs, name signs or logos of any sort shall be displayed on the Site, except those that Owner may elect to display and those provided for herein.

E. Throughout the term of this Contract, Construction Manager shall provide Architect, Owner, their representatives and consultants, and their respective employees with access to Owner's and Inspector's trailer(s), telephone(s), and restroom facility(ies) at the Site.

F. The Owner shall have the right to occupy or use ahead of schedule all or any Substantially Completed or partially completed portion of the Work when such occupancy and use are in its best interest, notwithstanding the time of completion for all of the Work. If such occupancy or use increases the Cost of the Work (other than for corrections which are the Construction Manager's responsibility) or delays its completion, the Construction Manager shall be entitled to extra compensation or extension of time, or both, as allowed by the terms of this Contract. Claims for such extra compensation or extension of time, to be valid, shall be made in writing in the time and manner required by the Contract Documents. After the Owner has taken occupancy of all or any Substantially Completed portion of the Project under construction, the Construction Manager shall not disrupt the Owner's use and occupancy thereof to make corrections in the Work but shall make such corrections in a fashion so as not to disrupt the Owner's use and occupancy of the area at issue. Any increased cost of such corrections caused solely by Owner's occupancy of the area affected

shall be a Cost of Work. The Owner may require the use and operation of any completed heating, ventilating, air-conditioning or other equipment at the time that it occupies or uses any substantially completed portion of the Project under construction. In such event, the Owner may require the Construction Manager to operate such equipment and will pay the Construction Manager the cost of such operation required for the Owner's use and occupancy, but the Construction Manager shall be responsible for such equipment and for its careful and proper operation. At anytime, the Owner may itself assume the care and maintenance of any portion of the Project which it is occupying and using and/or the operation of any such equipment, but in each case the Construction Manager shall not be relieved of his responsibility for the full completion of the Work and the protection of his tools, materials and equipment. Without limiting the foregoing and without any increase in the Contract Sum, Construction Manager shall substantially complete and deliver to Owner for early occupancy the convention center portion of the Project on or beforeSeptember 28, 2007 and shall meet all of the Completion Date(s) and Milestone Dates established by Owner pursuant to the Agreement and all amendments thereto. Construction Manager and Owner agree that the appropriate allocation of cost for operation of heating, ventilating, air conditioning and other equipment within the convention center shall be ten percent (10%) of the utility bill of Construction Manager for the Project from the date of turnover of the convention center area until Substantial Completion of the entire Work.

11. PROTECTION OF WORK AND PROPERTY; SAFETY; EXISTING UTILITIES

A. Protection of Work. The Construction Manager shall continuously maintain adequate protection of all Work from damage due to any cause, including inclement weather, and shall protect all property at the Site from damage or loss resulting from the Construction Manager's operations. The Construction Manager shall adequately protect improvements within public rights-of-way and property of adjacent landowners. The Construction Manager shall protect and secure its Work and materials against loss by theft or otherwise. The obligations of this Paragraph 11 shall apply, regardless of whether the property in the Construction Manager's possession was purchased by the Owner or the Construction Manager.

B. Safety. Construction Manager shall be responsible for preparing, implementing, maintaining and supervising all safety and security precautions and programs in connection with its Work. Construction Manager shall take all necessary precautions for the safety of its employees and all other persons who may be affected by the Work. As between the Owner and Construction Manager, Construction Manager shall be responsible to the Owner for any and all safety issues relating to the Work. Construction Manager shall administer and manage the safety program. This will include, but not necessarily be limited to, review of the safety programs of Subcontractors of every tier. Construction Manager shall monitor the establishment and execution of effective safety practices, consistent with industry practice, as applicable to the Work, and compliance with all applicable regulatory and advisory agency construction safety standards. The Construction Manager's responsibility for review, monitoring and coordination of the Subcontractors' safety programs shall not extend to direct control over execution of the Subcontractors' safety programs. Notwithstanding Construction Manager's safety obligations to the Owner, it is agreed and understood that each individual Subcontractor shall remain the controlling employer responsible for the safety programs and precautions applicable to its own work and the activity of other's work and areas designated to be controlled by such Subcontractor.

C. Accidents. In case of an accident involving an injury to anyone performing Work for Construction Manager or its Subcontractors, Sub-Subcontractors or their employees, Construction Manager shall notify Owner within one (1) business day and shall file a fully detailed accident report as soon as possible and not later than two (2) business days after such accident. Construction Manager shall also file promptly such reports as are required by its insurance carrier, the OCIP and such other civil authorities as might govern and shall simultaneously provide copies to Owner.

D. Emergencies. In an emergency affecting the safety of life or the Work or of adjoining property, the Construction Manager is hereby permitted to act reasonably to prevent such threatened loss or injury. Reasonable costs incurred by the Construction Manager because of emergency work shall be determined by agreement of the Parties hereto, or if the parties do not agree, by the claims procedure established hereby.

E. Utilities. The Construction Manager shall establish and maintain direct and continuous contact with the owners or operators of local utilities before commencing any Work. Owner will provide the Construction Manager, for its general information only, records in Owner's possession with regard to the nature and location of known utilities but does not warrant or represent that

the information is accurate and complete. The Construction Manager shall verify

the locations and availability of any utilities that may be affected by its operations (and, if any variations are found to exist from the information supplied by the Owner which the Construction Manager would have discovered upon a reasonable inquiry and inspection prior to commencing the Work, the Construction Manager shall not be entitled to make claim for an increase in the GMP or Separate GMP, as applicable, and/or an extension of the Completion Date(s) or Milestone Dates). At least fourteen (14) days prior to the anticipated Work, Construction Manager shall submit in writing to Owner and to utility owners for their review and approval of its plan for: (i) performing the Work; and (ii) promptly resolving any utility conflicts to avoid delay. No Work in the vicinity of, or which may affect utilities, shall be started until approved by Owner and the utilities. The Construction Manager shall prepare and maintain an updated list of information on all Project-related utilities including company names, addresses, contact persons and types of utility. During the course of the Work, Construction Manager shall supply, temporary utilities necessary for performance of the Work. Construction Manager shall be responsible for connecting to all necessary permanent utilities for the Work and shall file and process all applications for all such permanent utilities on behalf of Owner. Hookup fees for such permanent utilities shall be paid pursuant to Paragraph 7.1.5 of the Agreement. Owner shall assume liability for the permanent utilities upon Substantial Completion.

F. Utilities on As-Built Drawings. All utilities in the vicinity of the Project and related to the Work shall be shown on the As-Built Drawings (as required pursuant to Paragraph 33 hereof) when such utilities have been identified on Drawings provided by Owner, identified by survey or encountered by the Construction Manager during construction (in which case the utility shall be shown at its actual position at the point of interference).

12. HAZARDOUS MATERIALS AND POLLUTION CONTROLS

A. Hazardous Materials. In the event the Construction Manager encounters on the Site material reasonably believed to be a Hazardous Material that has not been rendered harmless, the Construction Manager shall immediately stop Work in the area affected and report the condition to Owner in writing. The Work in the affected area shall be resumed after disposal, abatement or removal (collectively, "remediation") of the Hazardous Material, or when it has been rendered harmless. The Construction Manager shall be under no obligation to perform remediation of Hazardous Material, unless such remediation arises from an Environmental Exclusion (defined herein below). The Owner shall indemnify, defend and hold harmless the Construction Manager from claims of third parties or for remediation arising out of the presence of Hazardous Materials at the Site, except to the extent: (i) such condition is disclosed by the Contract Documents; (ii) the remediation of such Hazardous Material is a part of the Work (including, without limitation, remediation made a part of the Work by issuance of a Change Order or Change Directive); or (iii) such claim or required remediation is caused in whole or in part by, or arises in whole or in part out of , the act or omission of Construction Manager or any Subcontractor or Sub Subcontractor bringing such hazardous materials onto the Site, or knowingly disturbing or knowingly continuing to be present or performing work at any affected area containing Hazardous Materials without Owner's written consent after the Construction Manager or any Subcontractor or Sub-subcontractor has become or been made aware of the presence of the Hazardous Materials (each an "Environmental Exclusion"). Construction Manager shall indemnify, defend and hold harmless Owner against any loss, cost or damage resulting from or arising out of any Environmental Exclusion to the extent that such loss, cost or damage is caused by the act or omission of Construction Manager or any of its Subcontractors or Sub-subcontractors.

B. Pollution Controls. Construction Manager shall not burn waste without prior written permission from Architect and appropriate governmental authorities. Construction Manager shall control the generation of dust resulting from the Work and shall undertake such dust controls as are reasonably required by Architect or Owner. Construction Manager shall undertake reasonable efforts to minimize the amount of noise and light generated by the Work and the adverse affects of such noise and light on adjacent property owners and the public. Construction Manager shall at all times comply with the Laws applicable to the foregoing activities.

13. CLEAN UP

A. Daily Clean Up.

(1) At all times, Construction Manager shall keep the Site and adjacent property free from accumulation of trash and debris that results from the operations of the Construction Manager, its Subcontractors and Suppliers (including trash and debris from material that is furnished by Owner and that is installed by the Construction Manager, its Subcontractors, Sub Subcontractors and Suppliers). Construction Manager shall provide for all clean up and offsite disposal of all such trash and debris.

(2) If the Construction Manager fails to clean up as provided in this Paragraph, Owner reserves the right, upon eight (8) hours written notice to the Construction Manager, to proceed to remove the debris, the cost of which will be charged against the Construction Manager.

B. Final Clean Up.

(1) Prior to Substantial Completion, the Construction Manager shall employ experienced persons or a professional team to make a final clean up of the Work or such portions of the Work as Owner may designate. Such clean-up shall leave all surfaces, equipment, finishes, fixtures, furnishing and other similar items in a condition that is clean, ready for those items' intended use and that requires only ordinary care to maintain. Such clean up shall include, without limitation, the cleaning of all glass surfaces, the waxing of bare floors and the vacuuming of carpets. The Construction Manager shall be responsible to reclean as directed any areas soiled or dirtied as a result of performing corrective or uncompleted Work.

(2) At the completion of the Work, Construction Manager shall remove all trash, waste and debris from the Site as well as its tools, temporary facilities, construction equipment, machinery and surplus materials and shall deliver all improvements constructed in a professionally cleaned, ready to market and ready to use condition.

14. CONSTRUCTION PROGRESS SCHEDULE

A. Schedule. The Construction Manager shall prepare and submit a calendarized Critical Path Method ("CPM") schedule (the "Construction Progress Schedule" or "Schedule") including all Completion Date(s) and Milestone dates required by Owner, including Milestone Dates set forth in Exhibit H to the Agreement or any amendments to the Agreement) to Owner within thirty (30) days of the execution of the GMP Amendment or Separate GMP, as applicable; or at least ten (10) days prior to the commencement of the Work required by the applicable Separate GMP Amendment or GMP Amendment, whichever is sooner. The Schedule shall contain a detailed graphic representation of all activities that could affect the progress of the Work, including a schedule of Submittals, Owner's requirements for installation of furniture, furnishings, fixtures, equipment and other items provided by Owner and coordination and cooperation with other Subcontractors performing work at the Site. The Schedule shall identify the Project by name. The Construction Manager shall submit the Schedule on computer disk in a format acceptable to Owner. Upon approval by Owner, the Construction Progress Schedule shall become a Contract Document and may be revised only pursuant to the provisions of this Agreement or with the written consent of the Owner. The Construction Manager agrees to comply with the Construction Progress Schedule, as revised as provided herein, and agrees that the Work shall be prosecuted regularly, diligently and without interruption, within the time specified.

B. Schedule Updates and Revisions. The Schedule will be revised, updated and submitted by Construction Manager at least the first (1st) of each month. However, Owner reserves the right to require Construction Manager to update the Schedule as often as Owner deems reasonably necessary. All such revisions and updates shall be submitted in written format and in electronic format specified by Owner. Any revisions to the Schedule shall be accompanied by a written explanation of the reasons for such revisions and no such revision shall be incorporated into the Schedule except as provided under this Agreement or with Owner's written consent. A copy of the Schedule shall be maintained at all times on the Site, and revised and updated copies shall be provided to Owner at any time if requested. Failure of the Construction Manager to deliver an initial Schedule within the time specified above or to

deliver timely updates of such Schedule upon request by Owner, or as provided for above, may be grounds for Owner to withhold progress payments for the Work completed until such time as the Schedule(s) are delivered to Owner.

C. Additional Work to Comply with Schedule. In the event that the Construction Manager or any of its Subcontractors or Sub Subcontractors on their own initiative (other than to mitigate an Excused Delay without increased cost to Owner) changes the sequence or duration of any of the construction activities from such sequences or durations as indicated on the Schedule established at the commencement of the Work, Owner, unless agreed in writing otherwise, will not be liable for any claims for any direct or indirect costs, delay costs, costs related to loss of efficiency, resequencing of work or extension of time or any other costs which may result from such actions by the Construction Manager or its Subcontractors of Sub Subcontractors. In addition, other than to mitigate an Excused Delay without increased cost to Owner, Construction Manager shall not be entitled to change sequences or durations without Owner's prior written approval of such changed sequences or durations. Although Construction Manager may finish early, Construction Manager agrees that it shall have no claim for any alleged delay to its right to finish early.

D. Failure to Comply with Schedule. Should the Construction Manager fail to comply with the Construction Progress Schedule, or meet the Completion Date(s) or Milestone Dates, Owner shall have the remedies set forth in Section 4.3 of the Agreement and Paragraphs 18 and 19 hereof.

E. Time is of the Essence. Time is of the essence to the performance of Construction Manager's obligations under this Contract. The date of commencement, rate of progress, and each of the Completion Date(s) and each of the Milestone Dates are essential conditions of the Contract Documents.

15. REPORTS AND MEETINGS

A. The Construction Manager shall each day prepare and deliver to Owner and Architect a Daily Report on the standard form provided by Owner (Exhibit 6) showing the number of foremen, journeymen mechanics and other personnel employed at the Project that day, and the location and nature of the Work performed. Concurrently therewith, if requested by Owner, the Construction Manager shall deliver to Owner the various Subcontractors' and Sub Subcontractors' Daily Reports on the standard form provided by Owner (Exhibit 7).

B. Not more than thirty (30) days following execution of the Agreement, GMP Amendment or Separate GMP Amendment, as applicable, but prior to commencement of the Work required thereby, the Construction Manager and representatives of all Subcontractors designated by Owners shall attend a pre-construction meeting scheduled by Owner and Architect. The Construction Manager's Project Manager, General Superintendents and other persons designated by Owner, shall represent the Construction Manager; their supervisory personnel shall represent Subcontractors. The purpose of the meeting will be to discuss matters relating to the Project.

C. Each week during the progress of the Work, the Construction Manager will conduct a Progress Meeting at a time and place agreed upon by the Construction Manager and Owner, during which the Construction Manager shall review the progress of the Work relative to the Construction Progress Schedule and discuss ways of maintaining the progress of the Work. The Construction Manager shall require Subcontractors and Sub Subcontractors who are actively performing Work at the time the meeting is held to be present and be represented by a person authorized to commit their company. If requested by Owner, the Construction Manager shall require Subcontractors and Sub Subcontractors who are not then actively performing Work to be present and be represented by a person authorized to commit their company. The Construction Manager shall keep accurate minutes of each meeting and, if requested by Owner, shall deliver a signed copy of each set of minutes to Owner within three (3) business days of each meeting. Owner, Architect and Owner's Consultants shall be entitled to attend and participate in all such Progress Meetings.

D. By the fifth (5th) day of each month, the Construction Manager shall submit to Owner a written Contract Status Report, which report shall, at a minimum, show, in detail, the progress of the Work relative to the approved Construction Progress Schedule; a listing of outstanding Submittals, requests for information or proposals upon which the Construction Manager is awaiting response from Owner or Architect and the impact, if any, such Submittals, requests for information or proposals have on the Construction Progress Schedule; the Contract Sum, including additions or deductions arising out of accepted Changes of Contract; and a listing of pending or outstanding

approved and proposed Changes of Contract (Change Order log) and Construction Manager's claimed cost and/or extension of time resulting there from, current status of allowances, current status of any proposed value engineering, current buy out log, bid package and award status, status of all subcontracts, and copies of all subcontractor and supplier default notices.

E. If requested by Owner, Construction Manager shall submit to Owner: (i) lists of Suppliers, items to be purchased from the Suppliers to be permanently incorporated into the Work, time required for fabrication of the items and the scheduled delivery dates for each item; (ii) copies of purchase orders for supplies purchased for the Work; (iii) photographs of the Work and the Site (to be paid for by Owner); and (iv) any other reports or information related to the Work and the Site that is reasonably requested by Owner.

F. Failure of the Construction Manager to timely deliver the reports required or requested by Owner pursuant to this Paragraph or to schedule and hold the meetings required by this Paragraph shall constitute cause for the withholding of payments by Owner.

16. DELAYS

A. Remedy for Delays. If the Work is delayed by an Excused Delay as defined in Section 4.4 of the Agreement, the Contract Completion Date(s) and Milestone Dates shall be extended by the amount of time that such dates are delayed by such Excused Delay, as set forth in Section 4.3 of the Agreement. In the case of an Owner Caused Excused Delay, as defined in Section 4.4 of the Agreement, which, in the aggregate exceeds 90 days (exclusive of any concurrent cause), Construction Manager shall, in addition be entitled to increase the GMP by the incremental increased cost of materials proximately caused by Owner Caused Excused Delay ("Owner Excused Delay Cost"). Owner Excused Delay Cost shall not include any items of the Cost of the Work other than material cost. The Construction Manager shall notify the Owner in writing, before incurring any Owner Excused Delay Cost and shall not incur such cost without obtaining the advance written approval of the Owner. The Construction Manager shall use all available means to mitigate Owner Excused Delay Cost. The Construction Manager shall not be entitled to recover any Owner Excused Delay Cost that is incurred without Owner approval or that could have been mitigated. Extension of time, recovery of Owner Excused Delay Cost, subject to the above limitations, and any related increase in Fixed General Conditions Cost described in Section 5.2.1.2 of the Agreement, shall be the Construction Manager's sole remedy for any delay or impact to or acceleration in the completion of the Work, except as provided in Section 16(B) below if Owner directs acceleration or mitigation activity to remove or reduce the period of Excused Delay.

B. Owner's Right to Accelerate or Mitigate Excused Delay. Owner shall have the right to accelerate the Work or undertake other mitigation to mitigate an Excused Delay. If Owner directs the Construction Manager to accelerate the Work or take other mitigation action, the Construction Manager shall do so without extension of the Construction Schedule or Completion Date or Milestone Dates or with only such extension thereof, as may be: (i) agreed by Change Order; or (ii) specified by Change Directive, to the extent that the Work can reasonably be accomplished within that time frame. Such acceleration or mitigation shall be a Material Change of the Agreement.

C. Claims for Delays.

(1) Within fourteen (14) days from the date when Construction Manager first recognizes or should have recognized a delay in the performance of the Work, Construction Manager shall submit to Owner and Architect, in writing, a notice of the Excused Delay. Such notice of Excused Delay shall, at a minimum, describe the nature and cause of the delay and provide a preliminary estimate of the impact of said delay on the Construction Progress Schedule and Owner Excused Delay Cost, if any. The Construction Manager's failure to submit such notice to Owner and Architect shall deprive the Construction Manager of its right to file any claims with respect to such delay, whether under the Contract or under any other theory of recovery. In the case of a continuing cause of delay, only one (1) claim shall be necessary. The giving of such notice shall not of itself establish the validity of the cause of delay or of the extension of the time for completion or Owner Excused Delay Cost. Submission of reports and/or updates required elsewhere herein in provisions concerning the Schedule, reports and meetings shall not constitute such notice.

(2) Within fourteen (14) days from the submittal to Owner and Architect of the notice of delay detailed in Paragraph 16C(1) above, Construction Manager shall submit to Owner and Architect a claim for an extension of time

and Owner Excused Delay Cost which shall include all documentation supporting the claim then reasonably available to the Construction Manager. Such submittal shall include a detailed description of all changes in activity durations, logic, sequence, or otherwise in the Construction Progress Schedule and shall include a specific justification for each such change as well as a detailed description and documentation of Owner Excused Delay Cost and Construction Manager's efforts to mitigate such cost. The Construction Manager's failure to submit such a claim to Owner and Architect shall deprive the Construction Manager of its right to file any claims with respect to such delay, whether under the Contract or under any other theory of recovery. The filing of such claim for an extension of time shall not of itself establish the validity of the cause of delay or of the extension of time for completion or Owner Excused Delay Cost. Submission of reports and/or updates required elsewhere herein in provisions concerning the Schedule, reports and meetings shall not constitute such a claim.

D. Suspension of Work.

(1) Generally. Construction Manager shall not suspend Work without written permission of Owner unless so directed by any order of a court or other public authority having jurisdiction. Such suspension shall not be an Excused Delay and Construction Manager shall have no right to extension of time or increase in the Contract Sum if such order results from the act or omission of Construction Manager or any of its Subcontractors, Sub-subcontractors or suppliers.

(2) Owner's Right to Suspend. Subject to Section 19C(1) of these General Conditions, Owner reserves the right at any stage of the Work, to suspend operations thereon, or upon any parts thereof, on one or more occasions, either for a time named or indefinitely, by giving the Construction Manager written notice. . When under suspension, the Work shall be put in proper and satisfactory condition, and properly protected, including as directed by Owner. Construction Manager recognizes that many events, known and unknown, including without limitation, legal challenges, administrative or political issues affecting the Project, delays in off site public improvements, could result in a determination by Owner to suspend work on the Project, and Construction Manager accepts such risk, subject to the provisions of this Section 16D. In all cases of suspension ordered by the Owner, the Work shall not again be resumed until permitted by written order of Owner.

(3) Extension of Time. If Owner's rights of suspension are exercised for reason other than the wrongful act or omission of Construction Manager or any of its Subcontractors, Sub-subcontractors or suppliers, Owner shall grant to the Construction Manager an extension of time for the performance of the Work equal to the time of such suspension, and, if and to the extent that Construction Manager reasonably demonstrates that particular item(s) of Work are further unavoidably delayed by reason of such suspension, such additional period of delay as is reasonably and actually incurred with respect to the affected items and integrally related items that occur later on the same critical path. Construction Manager shall, however, be required to use its best efforts to mitigate suspension related delay. By way of example, if Construction Manager misses a steel production deadline, and because of the producer's production schedule, the related delay exceeds the period of suspension, Construction Manager would be entitled to actual period of delay incurred. If however, such delay could have been avoided or mitigated by placing an order for conforming material with another producer, no additional delay would be allowed. Further, no adjustment shall be made under this Paragraph for any suspension to the extent that equitable adjustment in the time for performance of the Work is provided for or excluded under any other provision of this Contract.

(4) Adjustment to Contract Sum. If Owner suspends the Work pursuant to this Paragraph, for reason other than the wrongful act or omission of Construction Manager or any of its Subcontractors, Sub-subcontractors or suppliers, the GMP (or Separate GMP, if applicable) shall be increased by the actual and reasonable cost increase incurred by the Construction Manager because of the suspension, including but not limited to its actual, reasonable cost of demobilization and remobilization, provided that Construction Manager shall be required to mitigate costs of demobilization and remobilization and shall require the same of all of its Subcontractors and Suppliers at every tier. However, no such increase shall be made under this Paragraph for any suspension to the extent that the completion of the Work would have been concurrently suspended, delayed or interrupted by any other cause that is attributable to the act or omission of Construction Manager or its Subcontractors or Suppliers at any tier.

17. CHANGE OF CONTRACT

A. Changes In the Scope of Work. Owner may order changes in the scope of the Work and the Construction Manager shall perform the Work as changed. Owner may order changes pursuant to either a Change of Contract or a Change Directive, as set forth below:

(1) Change of Contract. Owner may issue in writing a request for a Change of Contract proposal to the Construction Manager. The Construction Manager shall submit a proposal for the requested Change of Contract to Owner within fourteen (14) days of the receipt of Owner's request. The proposal shall specify proposed changes, if any, to the Contract Sum and the time for performance and shall contain a quantity survey including quantity calculations, area calculations, Unit Prices, labor hours, rates and any other information necessary to provide Owner, in Owner's opinion, with a comprehensive understanding of the proposal. The proposal shall contain any credits due Owner resulting from the requested Change of Contract. The proposal shall reflect Unit Prices contained in the Contract Documents, if any; the Construction Manager shall represent and certify to Owner that the prices contained therein are the lowest prices reasonably attainable by Construction Manager for the nature, scope and timing of the Work involved. If work covered by the proposal is similar to work (including quantities) for which Unit Prices have been established, the Unit Prices for such established work shall be, at Owner's option, the basis for determining the cost of such similar work. The proposal shall clearly indicate all areas of the Work affected by said requested Change of Contract. The Construction Manager shall require each Subcontractor, Supplier and Sub-Subcontractor to conform to the requirements of this Paragraph.

(2) Change Directive. If time restraints require or if Owner and the Construction Manager fail to agree upon the cost of any change in the scope of the Work pursuant to Paragraph 17A(1), Owner may at any time direct the Construction Manager to proceed with a change in the scope of the Work by issuing a Change Directive. If the Construction Manager claims that such work requires a change to the Contract Sum or the time of performance, then the Construction Manager shall submit to Owner a proposal for a Change of Contract in accordance with Paragraph 17A(1). Owner may also issue a Change Directive to assess back charges against the Construction Manager.

B. Changes To Contract Sum and Time of Performance. The Contract Sum and the time for performance may be changed only by a Change of Contract executed by both Owner and Construction Manager or a Change Directive executed by Owner. A Change of Contract signed by the Construction Manager indicates its agreement therewith, including the adjustment in the Contract Sum or the time for performance, if any. The Construction Manager agrees that unless the Change of Contract specifically and clearly modifies the time for performance, that there shall be no modification in the time for performance and, by executing the Change of Contract, the Construction Manager expressly waives and releases any and all claims, rights, or interests, including, but not limited to, those for extensions of time, impact, disruption, loss of efficiency, "ripple," or other extraordinary or consequential costs, originating directly or indirectly out of the Work set forth in or related to the particular Change of Contract. Furthermore, unless expressly provided otherwise in the Change of Contract, the Construction Manager agrees that each Change of Contract and the adjustments in the Contract Sum or the time of performance set forth therein, if any, shall be final as to the additional Work set forth therein and that Construction Manager shall not be entitled to any additional adjustments to the Contract Sum or the time of performance as a result of such additional Work.

C. Calculation of Changes to Contract Sum. Changes, if any, to the Contract Sum resulting from a Change of Contract or Change Directive shall be determined as set forth in this Paragraph 17C. The allowable limit for all tiers of Subcontractor mark-up is based on actual, reasonable cost plus a percentage fee for overhead and profit equivalent to ten percent (10%) to be apportioned between any and all Subcontractors and Sub-Subcontractors. For work performed by the Construction Manager's own forces, the Construction Manager's mark-up shall be limited to actual cost with no additional Construction Manager's Fee and increased Fixed General Conditions only as permitted by the remaining provisions of this Contract. For the purpose of calculating trade mark-up, actual cost is defined as: (i) direct cost of labor, including social security and unemployment insurance, and fringe benefits required by agreement or custom, workers' compensation insurance and bond premiums (if any); (ii) actual cost of materials, including sales tax and the cost of delivery; and (iii) rental value of equipment and machinery obtained and used specifically for such work. Actual cost does not include any item which could be deemed to be a general conditions cost or overhead such as, but not limited to, the cost of Construction Manager and Subcontractor supervisory personnel assigned to the Project, and

any of the Construction Manager's office and related expenses. The Parties acknowledge and agree that there will be no overhead or profit markup on net deductive changes. The Construction Manager is not required to perform a change in the Work until the Owner issues either a Change of Contract or Change Directive.

D. Separate Contractors. In the alternative to the foregoing Paragraph 17C, Owner shall have the right to employ a separate contractor to perform such changes in the scope of the Work. The Construction Manager shall afford such separate contractors reasonable opportunity for the delivery and storage of their materials and equipment and the execution of the work, and the Construction Manager shall reasonably coordinate its Work with the work of such separate contractors, as part of the Cost of the Work subject to the GMP or Separate GMP as applicable.

E. Credits. Any credit due Owner resulting from a Change of Contract will be determined as set forth in this Paragraph 17E. No overhead or profit mark-up will be given back on Work that is deducted from the Scope of this Contract. The actual credited cost is defined as: (i) direct cost of labor, including social security and unemployment insurance, and fringe benefits required by agreement or custom, workers' compensation insurance and bond premiums (if any); (ii) actual cost of materials, including sales tax and the cost of delivery; and (iii) rental value of equipment and machinery obtained and used specifically for such work. Actual cost does not include any item which could be deemed to be a general conditions cost or overhead such as, but not limited to, the cost of Construction Manager and Subcontractor supervisory personnel assigned to the Project, and any of the Construction Manager's office and related expenses.

F. Audit. All costs or expenses, or both, claimed to be incurred or related to work performed pursuant to Paragraphs 17C and 17E above shall be subject to verification and audit by Owner.

G. Owner Election to Pay. Owner, in its sole discretion, may elect to pay for extra work performed by the Construction Manager although the Construction Manager has not complied with all the requirements of the foregoing provisions of this Paragraph. The Construction Manager expressly agrees that such election by Owner shall not be deemed a waiver of Owner's rights or constitute a course of conduct, abrogating the requirements of this Paragraph. The Construction Manager further expressly agrees that Owner shall have no obligation to pay the Construction Manager unless the Construction Manager has complied with all requirements of this Paragraph 17, and Owner's rights to require such compliance shall be the same as if Owner had required such full compliance with respect to each and every item of extra work performed by the Construction Manager, to the extent that Owner takes exception to only a portion of the Work performed by Construction Manager pursuant to any Change of Contract or Change Directive, Owner agrees to pay for those portions of such work that are not contested by Owner.

H. Construction Manager Claims for Extra Cost/Extensions of Time. If the Construction Manager claims that any instructions by Drawings or written clarification or otherwise involve extra costs or require an extension of time under this Contract, it shall give Owner and Architect written notice within fourteen (14) days of the receipt thereof. Within fourteen (14) days of submission of the written notice, the Construction Manager shall submit the back-up for all allowable extensions of time and all claimed extra costs, including, but not limited to, detailed labor and material costs, subject to the limitations set forth in Paragraph 16(A) hereof. The Construction Manager's failure to submit to Owner and Architect such notice or back-up information pursuant to the requirements of this Subparagraph shall deprive the Construction Manager of its right to claim any such extension of time or extra costs under this Contract or under any other theory of recovery.

18. OWNER'S RIGHT TO DO WORK/STOP WORK

If, in Owner's reasonable determination, Construction Manager shall neglect to prosecute the Work properly or fail to perform any material provision of the Contract (including, but not limited to, failure to comply with the Construction Progress Schedule or failure, refusal or neglect to supply a sufficient amount of labor, material or supervision in the prosecution of the Work), Owner shall have the right to: (i) order Construction Manager to stop the Work (or any portion thereof), without increase in the GMP or Separate GMP, until the cause for such order has been eliminated; (ii) direct the Construction Manager, without increase in the GMP or Separate GMP, as applicable, to furnish such additional labor and/or material as may, in Owner's reasonable determination, be required to comply with Construction Manager's obligations hereunder; or (iii) upon forty-eight (48) hours written notice to Construction Manager and without prejudice to any other remedy Owner may have, make good such deficiencies and deduct the cost

thereof from any payment then or thereafter due the Construction Manager. If the payments then or thereafter due the Construction Manager are not sufficient to cover the amount incurred by Owner under subsection (iii) above, Construction Manager shall pay the difference to Owner. Any costs incurred by Owner pursuant to the exercise of the foregoing rights shall not increase the Contract Sum. Owner's exercise of any of the foregoing rights shall not give rise to any duty on the part of Owner to exercise its rights for the benefit of the Construction Manager or any other person or entity, nor shall it relieve the Construction Manager of its responsibility for providing for the safety of persons on the Site or void any warranty of the Construction Manager either express or implied.

19. TERMINATION

A. Termination for Default.

(1) The Construction Manager shall be in default of this Contract if it: (a) becomes insolvent; (b) files or has filed against it any petition in bankruptcy or makes a general assignment for the benefit of its creditors; (c) fails to pay for materials, supplies, labor, or other items purchased or used in connection with the Work as and when required by this Contract; (d) refuses or fails to prosecute the Work, or any separable part thereof, with such diligence as will ensure the completion of the Work in accordance with the Construction Progress Schedule and the Completion Date(s) and Milestone Dates established by Owner to be incorporated therein; (e) fails, refuses or neglects to supply sufficient labor, material or supervision in the prosecution of the Work; (f) improperly interferes with or disrupts the operations of Owner or any other Construction Manager, supplier, Subcontractor, or other person working on the Project; or (g) abandons the Project; or (h) commits any other breach of this Contract.

(2) In the event of a default by the Construction Manager, the Construction Manager shall cure the default within seven (7) days after the receipt of a written notice of the default from the Owner, or, if such default is not susceptible of being cured within seven (7) days, commence within such seven (7) day period and diligently continue and complete such cure as soon as possible, but in no event later than ninety (90) days after the receipt of such notice. Any default that is capable of cure by the expenditure of money and any unexcused delay shall be deemed susceptible of cure within seven (7) days. If the Construction Manager fails to cure its default within the foregoing period, the Owner may terminate this Contract and such termination shall be effective seven (7) days after the Construction Manager receives a separate written notice thereof. At Owner's option, Owner may rescind its termination notice by so notifying the Construction Manager in writing prior to the expiration of seven (7) days after the Construction Manager received the termination notice or prior to the time the Construction Manager removes its equipment and forces from the Site, whichever is later. Upon the effective date of termination, Owner may take possession of all or any materials, supplies, equipment and tools pertaining to this Project whether on the Site, in the Construction Manager's shop or in transit. Owner may also take possession of all or any equipment belonging to Construction Manager and peculiar to the fabrication or installation of the Work, provided such equipment is located on the Site. Upon the effective date of termination, Owner may request that Construction Manager assign its interest in certain or all subcontracts and purchase orders pursuant to Paragraphs 21B and 21C hereof or Owner may make independent arrangements for the completion of the Work. The amount of the completion cost, as well as any other costs, damages, or expenses, including Owner's legal fees and expenses, incurred as a result of a default, shall be charged against any unpaid portion of the GMP (or applicable Separate GMP) due the Construction Manager; and, if said total costs, damages, or expenses shall exceed such balance due, the Construction Manager agrees to pay the amount of said excess within fourteen (14) days of Owner's demand therefor.

(3) The materials, supplies, equipment and tools taken by Owner may be used in completing the Work and may be incorporated into the improvements being constructed. With respect to any of such items incorporated into the Project, or consumed in the Work, the net reasonable value of the same as of the date of taking shall be credited against the aforesaid total completion costs, damages and expenses. With respect to any such items which are not so incorporated or consumed, or which have a salvage value, Owner may, at its option: (a) assume title to the same or any part of the same, as of the date of default and credit the net reasonable value thereof as of the date of taking against the total completion cost, damages, and expenses; or (b) return the same to the Construction Manager and credit the net reasonable value of the use thereof by Owner against the said total completion cost, damages and expenses. As used in the preceding sentences, the phrase "net reasonable value" of any items shall mean the reasonable value after deducting all amounts which have been paid to the Construction Manager on account thereof.

(4) In the event that Owner does not terminate this Contract despite the occurrence of an event of default, such assent shall not be construed as a waiver of the Construction Manager's obligation to reimburse Owner for any costs, damages, or expenses that the Owner is entitled to otherwise recover under this Contract; and all such costs, damages, and expenses shall be paid or reimbursed to Owner (to the extent that they exceed the unpaid balance of the applicable GMP or Separate GMP) within fourteen (14) days of Owner's demand therefor.

(5) If, after notice of termination of the Construction Manager's right to proceed pursuant to Paragraph 19A(2), it is determined for any reason that the Construction Manager was not in default, or that its delays are excusable, or that Owner is not entitled to the remedies against the Construction Manager provided therein or that Owner failed to follow the provisions of Paragraph 19A, then Construction Manager's termination shall be deemed a Termination for Convenience pursuant to Paragraph 19B below and Construction Manager's remedies against Owner shall be the same as and limited to those afforded the Construction Manager under Paragraph 19B.

B. Termination for Convenience. Owner shall have the right to terminate this Contract, in whole or in part, without cause upon seven (7) days written notice to the Construction Manager. In the event of such termination for convenience, the Construction Manager's rights against Owner shall be limited to payment of that portion of the Contract Sum earned through the date of termination, together with any retainage withheld with respect to properly completed Work, the portion of Construction Manager's Fixed General Conditions that is allocable to the period preceding termination, and the reasonable and actual costs of cleanup, removal of debris, removal of equipment, removal of Construction Manager's trailers and machinery, and assignment to Owner of leases for Owner's trailers used at the Site, less any amounts claimed for, or required to correct, improperly performed or defective Work, and less any unpaid and lienable claims of Subcontractors, Sub-subcontractors or material men. . Upon the effective date of termination, Owner may request that Construction Manager assign its interest in certain or all subcontracts and purchase orders pursuant to Paragraphs 21B and 21C hereof or Owner may make independent arrangements for the completion of the Work. Construction Manager shall, at Owner's election, either: (i) so assign to the Owner all subcontracts and contracts for materials ordered prior to the date of termination, or (ii) cancel such contracts (in which case Owner shall also pay all cancellation charges for such contracts). The Construction Manager shall not be entitled to any other or further relief against Owner, including, but not limited to, anticipated profit on Work not performed by Construction Manager or any Subcontractor or Supplier at any tier as a result of any such termination by the Owner.

C. Construction Manager's Right to Terminate. This Contract can only be terminated by the Construction Manager pursuant to the terms of Paragraphs 19C(1) and (2).

(1) If, after the date of commencement, the Work is stopped for a period of more than six (6) months under an order of any court or other public authority having jurisdiction, or as a result of an act of government, such as a declaration of a national emergency making materials unavailable, through no act or fault of the Construction Manager or a Subcontractor, Sub-subcontractor or their agents or employees or any other person performing any of the Work under a contract with the Construction Manager, or if the Work is wholly or substantially suspended for a period of more than six(6) months for such reason, the Construction Manager may terminate this Contract and such termination shall be effective forty-eight (48) hours after Owner receives written notice thereof.

(2) This Contract may also be terminated by the Construction Manager upon the material default by Owner under this Agreement, provided that Owner's default is through no fault of Construction Manager. Construction Manager shall first give written notice specifying the nature and extent of each material default. Such default(s) shall cease to be cause for termination if: (i) Owner cures such default(s) within seven (7) days after receipt of Construction Manager's notice; or (ii) such default(s) is not susceptible of being cured within seven (7) days, Owner commences cure within such seven (7) day period and diligently continues to complete such cure as soon as possible, but in no event later than ninety (90) days after the receipt of such notice; or (iii) such alleged default involves a good faith dispute between Owner and Construction Manager over the Contract Sum, any payment request, or time for performance of the Contract (in any such case, Construction Manager's sole remedy shall be to seek judicial determination and enforcement of its claim(s) but may not terminate this Contract). Any default that is capable of cure by the expenditure of money shall be deemed susceptible of cure within seven (7) days.

(3) Upon the effective date of termination pursuant to Paragraphs 19C(1) and (2), the provisions of Paragraph 19B shall apply and govern the obligations of the parties.

20. LIENS

A. The Construction Manager shall comply with the applicable laws and regulations of the state in which the Project is located regarding the liability of Owner for mechanics' liens. The Construction Manager shall take all precautions reasonably necessary to ensure that the liability of Owner for mechanics' liens and other similar liens is limited to the greatest extent reasonably possible under such laws and regulations. In the event that any lien is filed against the Project, which the Construction Manager is responsible to remove pursuant to the provisions of this Contract, Construction Manager agrees to take all steps necessary and proper to release and discharge such lien within seven (7) days of the filing of any such lien.

B. If the aforementioned steps are not taken by the Construction Manager, the Construction Manager agrees to obtain a bond sufficient to release the lien and take all necessary legal action to defend Owner against any legal action related to such lien. In addition, Construction Manager shall reimburse Owner, on demand, for all monies paid by Owner in the releasing, satisfying and discharging of such lien, including reasonable attorneys' fees. Until such lien is discharged, Owner may withhold payment to Construction Manager in such amount, as Owner reasonably deems necessary to protect Owner against any costs or damages they may incur in releasing, satisfying or discharging such liens.

C. Final Payment shall become due only after the Construction Manager delivers to Owner a full and final release of all liens and claims arising out of the Contract, and an affidavit that the releases include all the labor and materials for which a lien could be filed.

21. ASSIGNMENT AND THIRD PARTY BENEFICIARY

A. Owner and Construction Manager each binds itself, and its partners, successors, executors and administrators and assigns to the other party of this Contract and to the partners, successors, executors, administrators and assigns to such other party, with respect to all obligations contained in the Contract Documents. Owner may assign its rights and obligations under this Contract (including a collateral assignment thereof) at any time without the consent of the Construction Manager, to any successor owner of the Project and to any lender providing financing for the Project. Provided such entity agrees to accept the terms and conditions of this Contract without modification based on the assignment, the Owner shall be released from liability under the Contract and the Construction Manager agrees to execute any documentation with respect to such assignment promptly upon Owner's request. However, the Construction Manager shall not assign its obligations under this Contract or sublet as a whole without the prior written consent of Owner, nor shall the Construction Manager assign any monies due to it hereunder, without the prior written consent of Owner. All assignments without Owner's prior written consent are void.

B. The Construction Manager agrees that effective upon, and if and only in the event that this Contract is terminated pursuant to paragraph 19A or 19B above, each subcontract and all purchase orders executed by the Construction Manager for the Work, and all rights of the Construction Manager thereunder, shall be assignable to Owner, or to another contractor designated by Owner, at Owner's option, without consent of the Subcontractor or Supplier; that upon such an assignment becoming effective such Subcontractor or Supplier will be bound to Owner or such contractor designated by Owner, as fully and in the same manner as such Subcontractor is bound to the Construction Manager under such subcontract or purchase order; and that upon such assignment becoming effective all sureties of the obligations of such Subcontractor shall be bound to Owner or such contractor designated by Owner, as fully and in the same manner as such sureties are bound to the Construction Manager. The Construction Manager further agrees that, to the extent permitted by applicable law, all permits and licenses obtained by the Construction Manager for the Project and all rights of the Construction Manager thereunder shall be assignable to Owner or to another contractor designated by Owner, at Owner's option, without the consent of the issuing entity.

C. Effective as of any termination of this Contract, the Construction Manager hereby assigns to Owner all of the Construction Manager's interest in those subcontracts and purchase orders which were entered into by the Construction Manager prior to termination and which Owner specifically requests by written notice. Pursuant to

Paragraph 21B above, all subcontracts and purchase orders shall provide that they are freely assignable by the Construction Manager to Owner and its assigns. Such assignments by the Construction Manager shall not in any way be construed as an assumption by Owner of the Construction Manager's then outstanding obligations to its Subcontractors and Suppliers. Owner shall be at liberty to negotiate with and engage (for itself, or for any other contractors that they engage to replace the Construction Manager) any Subcontractors, Suppliers or others with whom the Construction Manager dealt prior to termination.

D. Except for the provisions of Paragraph 22 which benefit all intended indemnitees, no provisions of the Contract Documents shall in any way inure to the benefit of any third person (including the public at large) so as to constitute such person a third party beneficiary of this Contract or of any one or more of the terms and conditions of the Contract Documents or otherwise give rise to any cause of action in any person not a party hereto. The rights of Owner set forth in this Paragraph 21 are intended for the protection of Owner only. No rights of Owner specified in this Paragraph 21, nor any action taken by Owner pursuant to this Paragraph, shall be construed as acceptance by Owner of any delegation of the duties owed by the Construction Manager to any third party.

22. INDEMNIFICATION

A. To the fullest extent permitted by law, the Construction Manager shall indemnify, defend and hold harmless the Architect, the Owner, the Owner's lender, The Peterson Companies, any governmental entity whose permit, approval or agreement so requires, and their respective related companies and each of their respective officers, directors and employees from and against all claims, damages, losses and expenses, including, but not limited to attorneys' fees, arising out of or resulting from the performance of the Work, to the extent that any such claim, damage, loss or expense: (i) is attributable to personal injury, bodily injury, sickness, disease or death, or to injury to or destruction of tangible property including the loss of use resulting therefrom; and (ii) is caused by any act or failure to act of the Construction Manager, any of its Subcontractors, Sub-subcontractors or Suppliers, anyone directly or indirectly employed by any of them or anyone for whose acts any of them may be liable, regardless of whether or not such claim, damage, loss or expense is caused in part by any party indemnified hereunder. The phrase "tangible property" as used herein includes without limitation damage to the property of the Construction Manager, all parties indemnified herein, or of any third party. The indemnification obligations set forth in this paragraph shall not apply to the extent that any of the damages or losses otherwise covered by the indemnification obligations set forth herein are paid by the OCIP or any other property insurance maintained by the Owner.

B. In any and all claims against Architect, Owner or their related companies by any employee of the Construction Manager, any of its Subcontractors or Suppliers, anyone directly or indirectly employed by any of them or anyone for whose acts any of them may be liable, the indemnification obligation under this Paragraph 22 shall not be limited in any way by any limitation on the amount or type of damages, compensation or benefits payable by or for the Construction Manager or any of its Subcontractors or Suppliers under workers' compensation acts, disability benefit acts or other employee benefit acts.

C. The Construction Manager acknowledges the receipt and sufficiency of specific, valuable consideration and other benefits accruing to the Construction Manager in exchange for the Construction Manager's indemnity obligations indemnified under this Contract. The specific consideration includes, but is not limited to, the first five percent (5%) of each payment made to the Construction Manager under this Contract.

D. The indemnifications contained in this Paragraph 22 shall apply regardless of whether the liabilities sustained were the result of settlements or contractual or other voluntary forms of dispute resolution.

E. The terms "Architect" and "Owner" and each of the other entities that are listed as indemnitees in this Paragraph 22 include their respective officers, directors, agents, servants, employees, successors and assigns. The term "related companies" as used in this Paragraph 22 means the respective subsidiaries and affiliates and any entities in which any of such entities has controlling or managerial interests or any entities in which any of them has ownership interests, and which are in existence at any time between the date of the Contract and the Construction Manager's acceptance of Final Payment. Such entities include, but are not limited to, corporations, limited liability companies, partnerships, and joint ventures.

23. INSURANCE

A. Owner Controlled Insurance Program.

(1) The Owner has elected to implement an Owner Controlled Insurance Program (OCIP) that will provide Workers' Compensation, Employer's Liability, General Liability, and Excess Liability for all enrolled Subcontractors of every tier providing direct labor. The Owner agrees to pay all premiums associated with the OCIP including deductibles or self-insured retention unless otherwise stated in the Contract Documents. Eligible Subcontractors include all Subcontractors providing direct labor (see definition of ineligible Subcontractors below). Temporary labor services and leasing companies are to be exempt from the program.

(2) The following types of Subcontractors and Sub-subcontractors (hereinafter called ineligible Subcontractors) shall not be eligible for coverage in the OCIP: Consultants, Suppliers, vendors, materials dealers, guard services, janitorial services, truckers (including trucking where delivery is the only scope work performed), and other Subcontractors as determined by the Owner. Ineligible Subcontractors shall be required to maintain their own insurance of the types and with the limits as set forth in Paragraph 23, at their own expense, and shall promptly furnish the Owner, or its designated representative, certificates of insurance giving evidence that all required insurance is in force.

(3) Construction Manager shall identify all costs associated with the cost of insurance for all Work, including but not limited to insurance premiums, expected losses within any retention or deductible program, overhead and profit, using Form 2 (Insurance Cost Identification Worksheet). By completing and submitting this insurance cost information, including supporting documents to the Insurance Administrator, Construction Manager warrants that all cost for insurance as described in this paragraph have been correctly identified. For the Construction Manager and all cost plus Subcontractors and Sub-subcontractors and for any Work identified as "cost plus", billings to the Owner shall not include the cost of any insurance coverages covered by the OCIP Program. Coverage and limit requirements are:

(1) Workers' Compensation and Employer's Liability Insurance:

STATUTORY BENEFITS as provided by state statute; and EMPLOYER'S LIABILITY LIMITS:

(a) $1,000,000 Bodily Injury each Accident

(b) $1,000,000 Bodily Injury by Disease - Policy Limit

(c) $1,000,000 Bodily Injury by Disease - Each Employee

(2) Commercial or General Liability Insurance:

(a) $2,000,000 Bodily Injury & Property Damage for Each Occurrence

(b) $2,000,000 Products/Completed Operations Aggregate

(c) $4,000,000 General Aggregate

(d) $1,000,000 Personal & Advertising Injury

(e) $50,000 Fire Damage

(f) $5,000 Medical Expense

Coverages should include but not limited to the following supplementary coverages:

(i) Contractual Liability to cover liability assumed under this agreement,

(ii) Product and Completed Operations Liability Insurance,

(iii) Broad Form Property Damage Liability Insurance,

(iv) Explosion, collapse and underground hazards (deletion of the X, C, U exclusions) if such exposure exist, and

(v) Independent Subcontractors.

(vi) Such policy must be issued upon an "occurrence" basis, as

distinguished from a "claims made" basis.

(3) Excess (Umbrella) Insurance:

(a) Limits of Liability:

(i) $10,000,000 Per Occurrence

(ii) $10,000,000 General Aggregate

(b) Coverages and Terms:

(i) Occurrence Policies

(ii) Excess of General Liability

(iii) Excess of Employer's Liability

(iv) Excess of Completed Operations

(4) Construction Manager agrees to require all eligible Subcontractors of any tier to identify all costs associated with the cost of insurance for all subcontracted Work, including but not limited to insurance premiums, expected losses within any retention or deductible program, overhead and profit, using the Owner Form 2 (Insurance Cost Identification Worksheet). By completing and submitting this insurance cost information, including supporting documents to the Owner, Construction Manager and its Subcontractor(s) agree that the all cost for Subcontractor insurance as described in this paragraph have been correctly identified. For the purpose of calculating Subcontractor insurance deductions, the Construction Manager shall cause the Subcontractor to base its deduction on the following limits:

(1) Workers' Compensation: Statutory Limits/Employer's Liability:

(a) $500,000 Bodily Injury each Accident

(b) $500,000 Bodily Injury by Disease - Policy Limit

(c) $500,000 Bodily Injury by Disease - Each Employee

(2) Commercial General Liability Insurance:

(a) $2,000,000 Bodily Injury & Property Damage for Each Occurrence

(b) $2,000,000 Products/Completed Operations Aggregate

(c) $2,000,000 General Aggregate

(d) $1,000,000 Personal & Advertising Injury

It is understood and agreed, insurance cost identified on Form 2, is an initial estimate only. The final insurance cost will be subject to review and audit of actual insurance policy(ies) rate information, actual payrolls and revenues for the initial award plus any additive amendments. The Owner contract award will be based on the total estimated Cost of the Work including insurance costs. An initial deductive change order will be processed to transfer the insurance cost into the OCIP. The Owner shall have the right to recover all costs for insurance that are in addition to those initially identified by Construction Manager in the initial deductive change order. The Owner shall have the right to recover these additional costs through deductive change orders.

Subcontractors of every tier shall complete and submit Form 2 to the Owner's Insurance Administrator, and shall also provide a copy of the declaration page(s) and premium rate page(s) for each policy to the Owner's Insurance Administrator. Construction Manager shall provide all necessary information for the Owner to determine the accuracy of each Construction Manager's cost of insurance as identified on Form 2.

(5) Construction Manager shall price, and shall require that all enrolled Subcontractors price change order pricing equal to or greater than ten thousand dollars ($10,000) to include the cost to provide insurance as specified in Paragraph 23A(4), and shall identify the amount of insurance contained in the change order proposal using Form 3. Construction Manager's price shall be adjusted by removing the cost of insurance as identified on Form 3. The Owner shall have the right to recover these additional costs through deductive change orders

(6) The Construction Manager shall require each of its Subcontractors of all tiers to identify the cost for

the coverage associated with the Work performed as outlined in this agreement using the methods and documents described herein.

The Construction Manager shall include all of the provisions of this agreement in every subcontract so that such provisions will be binding upon Subcontractors of all tiers.

(7) For insurance purposes, the Subcontractors of every tier agree, and shall require all tiers of Subcontractors to agree, to keep and maintain accurate and certified record of its payroll for operation at the Site. Construction Manager further agrees, and will require all tiers of Subcontractors to agree, to furnish to the Owner's Insurance Administrator, full and accurate payroll data and information in accordance with the requirements of the OCIP Project Insurance Manual, incorporated herein by this reference. All Subcontractors shall permit the Owner or its representative to examine and/or audit its books and records. Construction Manager shall also provide any additional information to the Owner or its appointed representatives as may be required. The Owner shall have the right to adjust the Contract Sum to reflect the cost of the Construction Manager's insurance costs had the Owner not implemented an OCIP.

(8) The Owner, at its sole expense, has implemented an Owner Controlled Insurance Program (OCIP) to furnish certain insurance coverage with respects to on-site activities. The OCIP Manual is appended as Exhibit 12 to these General Conditions and is incorporated herein by reference. The OCIP will be for the benefit of the Owner, Construction Manager and enrolled Subcontractors of all tiers (unless specifically excluded) who have on-site employees. Such coverage applies only to Work performed under this Contract at the Site. Enrolled contractors must provide their own insurance for off-site activities.

The OCIP policies are available for review by the Construction Manager upon request to the Owner. The terms of such policies or programs, as such policies or programs may be from time to time amended, are incorporated herein by reference. The Construction Manager hereby agrees to be bound by the terms of coverage as contained in such insurance policies and/or self-insurance programs.

Through a combination of insured and self-insured insurance programs the Owner, at its sole expense, will provide and maintain in force the types of insurance listed in subparagraphs (1) through (3) below as a part of the OCIP for all approved Subcontractors. Contractors enrolled in the OCIP agree that the insurance company policy limits of liability, coverage terms and conditions shall determine the scope of coverage provided by the OCIP. The purpose of this section is to provide a general understanding of the coverage provided by the OCIP.

(1) Workers' Compensation and Employer's Liability Insurance will be provided in accordance with applicable State law. Limits of Liability and coverages will be as follows:

   (a) Workers' Compensation - Applicable State Statutory Benefits

   (b) Employer's Liability

      (i) $1,000,000 Bodily Injury each Accident

      (ii) $1,000,000 Bodily Injury by Disease - Policy Limit

      (iii) $1,000,000 Bodily Injury by Disease - Each Employee

(2) Commercial General Liability Insurance will be provided on an "occurrence" form under a master liability policy with the following Limits of Liability, Coverages, and Terms:

   (a) Limit of Liability:

      (i) $2,000,000 Per any occurrence

      (ii) $4,000,000 General Aggregate

      (iii) $6,000,000 Completed Operations Aggregate

   (b) Coverage and Terms:

      (i) Occurrence Basis;

(ii) Products;

(iii) Contractual Liability specifically designating the indemnity provision of this agreement as an insured contract;

(iv) Completed Operations (Five-Year Term);

(v) Independent Construction Manager's Liability;

(vi) Personal Injury;

(vii) Explosion, Collapse, and Underground (X, C, U) exclusion deleted; and

(viii) Designated Premises Only.

(3) Excess Liability Insurance will be provided under a master liability policy with Limits of Liability, Coverages, and Terms as follows:

(a) Limits of Liability:

(i) $100,000,000 Any one occurrence and general aggregate annually; and

(ii) $100,000,000 Annual Aggregate Products and completed Operations.

(b) Coverages and Terms:

(i) Excess of General Liability

(ii) Excess of Employer's Liability

(iii) Completed Operations (Five Year Term)

(9) The Owner provided insurance coverage outlined above shall be either written by insurance companies or shall be self-insured. The Owner, through the Owner's Insurance Administrator, shall provide all Construction Manager(s) with appropriate certificates of insurance or self-insurance evidencing the coverage outlined above.

(10) The Owner reserves the right to terminate or to modify the OCIP or any portion thereof. To exercise this right, the Owner shall provide sixty (60) days advance written notice of termination or material modification to all Construction Manager(s) covered by the OCIP. The Construction Manager shall promptly obtain appropriate replacement insurance coverage acceptable to the Owner. The cost of such replacement insurance will be reimbursed by the Owner. Written evidence of such insurance shall be provided to the Owner prior to the effective date of the termination or modification of the OCIP.

(11) The Construction Manager is required to cooperate with the Owner and the Owner's Insurance Administrator, with regard to the administration and operation of the OCIP. The Construction Manager's responsibilities shall include, but not be limited to:

(1) Compliance with the OCIP Insurance Manual outlining the administrative procedures required;

(2) Provision of necessary contract, operations and insurance information;

(3) Immediately notifying the Insurance Administrator of all Subcontractors upon award on the Owner Form-1. Furnish all new Subcontractors the OCIP Insurance Manual;

(4) Maintenance and provision of monthly certified payroll records and other records as necessary for premium computation;

(5) Cooperation with any insurance company or the Insurance Administrator with respect to requests for claims, payroll or other information required under the program;

(6) Immediately notifying the Insurance Administrator that any Construction Manager-Provided Coverage has been canceled, materially changed, or not been renewed; and,

(7) Complete the following administrative forms within the time frames specified:

(a) Form 1 -- Upon execution of the (Subcontractor) contract;

(b) Form 2 -- Upon execution of a (Subcontractor) contract;

(c) Form 5 -- Monthly Payroll Record--Within 10 days after the last day of each month; and

(d) Notice of Completion--Upon completion of all Work being performed under the contract.

(12) The Owner will be responsible for the payment of all premiums associated solely with the OCIP and will be the sole recipient of any dividend(s) and/or return premium(s) generated by the OCIP. In consideration of the Owner provision of said coverage the Construction Manager and all Subcontractors of any tier shall agree to:

(1) Identify all applicable insurance costs in their contract price, and cooperate with the Insurance Administrator in the confirmation of the insurance cost.

(2) Irrevocably assign to and for the benefit of the Owner, all return premiums, premium refunds, premium discounts, dividends, retentions, credits, and any other monies due the Owner in connection with the insurance, which Owner herein agrees to provide.

(13) For any Work under this Contract, and until completion and final acceptance of the Work, all ineligible Subcontractors/Subcontractors as defined in Paragraph 23A(2) shall provide certificates of insurance giving evidence that the following coverages are in force. The Site should be shown on the certificate and the Owner, the Owner's lender, Construction Manager, Architect, The Peterson Companies, all governmental authorities whose permits, approvals or agreements so require, and their respective related parties (as defined in Paragraph 22) shall be endorsed as Additional Insureds on the Commercial General Liability Policy and Automobile Policy and that such coverages are primary to any policies of insurance provided by such persons or Construction Manager.

For any work under this contract, and until completion and final acceptance of the Work, all eligible Subcontractors, at their own expense, shall promptly furnish to the Insurance Administrator, certificates of insurance giving evidence that the following coverages are in force:

(1) Automobile Liability Insurance:

Comprehensive Automobile Liability Insurance to cover all vehicles owned by, hired by or used, with minimum combined single limit that shall not be less than $1,000,000 each accident.

(2) Workers' Compensation and Employer's Liability Insurance (Off-site activities):

Statutory Limits with All States Endorsement and minimum Employer's Liability Limits will be provided as follows:

(a) $500,000 Bodily Injury with Accident - Each Accident;

(b) $500,000 Bodily Injury by Disease - Policy Limit

(c) $500,000 Bodily Injury by Disease - Each Employee; and

(d) The policy will be endorsed to exclude the Site.

(3) Commercial General Liability Insurance (Off-site activities):

(a) $1,000,000 Bodily Injury & Property Damage for Each Occurrence

(b) $1,000,000 Products/Completed Operations Aggregate

(c) $2,000,000 General Aggregate

(d) $1,000,000 Personal & Advertising Injury

(e) $50,000 Fire Damage

(f) $5,000 Medical Expense

(g) Shall include the following:

(i) Occurrence Basis;

(ii) Premises operations;

(iii) Contractual Liability;

(iv) Products/Completed Operations;

(v) Broad Form Property Damage; and

(vi) Independent Subcontractors.

(vii) Such policy must be issued upon an "occurrence" basis, as distinguished from a "claims made" basis.

(h) The policy will be endorsed to exclude the Site.

(4) Excess (Umbrella) Insurance (off-site activities):

(a) Limits of Liability:

Contract Sum	Minimum Limit Required (per occurrence/aggregate)
Up to $2,499,999	$1,000,000
$2,500,000 - $4,99,999	$2,000,000
$5,000,000 - $7,499,999	$3,000,000
$7,500,000 and over	$4,000,000

(b) Coverages and Terms: Follow form of Primary Policies

If the Construction Manager chooses to have such a policy endorsed to recognize the Site during the construction period, coverage should be Excess and/or DIC of the OCIP. This shall not reduce the cost identification requirement in this Paragraph 23.

(5) Subcontractor Insurance Limits:

For the purpose of calculating Subcontractor insurance deductions, the Construction Manager shall cause the Subcontractor to base its deduction on the following limits:

Workers' Compensation (Off-Site): Statutory Limits

Employer's Liability (Off-Site):

(a) $100,000 Bodily Injury each Accident

(b) $100,000 Bodily Injury by Disease - Policy Limit

(c) $100,000 Bodily Injury by Disease - Each Employee

Commercial General Liability Insurance (Off-Site):

(a) $500,000 Bodily Injury & Property Damage for Each Occurrence

(b) $500,000 Products/Completed Operations Aggregate

(c) $500,000 General Aggregate

(d) $500,000 Personal & Advertising Injury

Comprehensive Automobile Liability Insurance (On-Site and Off-Site):

(a) $250,000 Per Person/Accident

All insurance policies shall be provided by a company or companies with a rating of not less than B+ in the last available Best's Rating Guide. All such policies shall include clauses whereby each underwriter agrees to waive its rights of subrogation against the Owner. The Commercial General

Liability, Automobile Liability and Umbrella Liability policies shall be endorsed to add the required persons and Construction Manager as an

additional insured. The limits of liability shown for each type of insurance coverage to be provided pursuant hereto shall not be deemed to constitute a limitation of the Construction Manager's liability for claims hereunder or otherwise. Notwithstanding anything herein to the contrary, the Owner may to the fullest extent permitted by applicable law, accept alternate or different coverage for the insurance specified herein upon receipt from a licensed insurance agent or company acceptable to the Owner of a written evaluation of the proposed alternate coverage in form acceptable to the Owner confirming that such alternate coverage provides comparable or greater protection to the Owner as the coverage specified.

Should the Construction Manager fail to purchase, or fail to continue in force until completion of the Work, insurance in the amounts indicated above, the Owner may purchase such insurance and the cost thereof shall be borne by the Construction Manager, and may be deducted from any amounts owed by the Owner to the Construction Manager.

(14) Certificates of Insurance acceptable to the Owner shall be filed with the Owner as soon as practicable after award of the contract to Construction Manager and prior to commencement of the Work. All required insurance shall be maintained without interruption from the date of commencement of the Work under the Contract until the date of the final payment. These certificates and the insurance policies required by this Paragraph 23 shall contain a provision that coverage afforded under the policies will not be concealed, materially modified, or allowed to expire until at least thirty (30) days' prior written notice has been given to the Owner to be sent to the Owner's Insurance Administrator as described in the OCIP Project Insurance Manual. The provisions of this subparagraph shall apply to all policies of insurance required to be maintained by the Construction Manager pursuant to the contract documents.

(15) Any type of insurance or any increase of limits of liability not described above which a Construction Manager requires for its own protection or on account of any statute shall be its own responsibility and its own expense.

(16) Upon execution of the subcontract, the Construction Manager will immediately report all new subcontracts to the Owner's Insurance Administrator for enrollment in the OCIP. The Construction Manager shall incorporate all the provisions of this agreement in any Subcontractor agreement and shall cause its Subcontractors of all tiers to cooperate fully with the Owner, the Owner's Insurance Administrator and insurance companies, in the administration of the OCIP. The Construction Manager agrees to cooperate in the safety and accident prevention program and claim handling procedures as established by the Owner. In accordance with this paragraph Construction Manager shall not permit any Subcontractor of any tier to enter the Site prior to enrollment in the Owner's Owner Controlled Insurance Program (OCIP).

(17) Construction Manager and Owner waive all rights of subrogation and recovery against the other, their Insurance Administrators, and Subcontractors of all tiers to the extent of any loss or damage, which is insured under the OCIP. Notwithstanding the foregoing and not by way of limitation of the same, Construction Manager waives its rights of subrogation and recovery for damage to any property or equipment against the Owner, Insurance Administrator and Subcontractors of all tiers. Each Subcontractor shall require all of its Subcontractors to similarly waive their rights of subrogation and recovery in each of their respective construction contracts with respect to their work.

(18) The carrying of the above-described insurance shall in no way be interpreted as relieving the Construction Manager of any other responsibility or liability under this Contract or any applicable law, statute, regulation or order.

B. Property Insurance.

(1) The Owner shall purchase and maintain, property insurance in the amount of the initial Contract Sum as well as subsequent modifications thereto for the entire Work at the Site on a replacement cost basis without voluntary deductibles. Such property insurance shall be maintained, unless otherwise provided in the Contract Documents or otherwise agreed in writing by all persons and entities who are beneficiaries of such insurance, until final payment has been made or until no person or entity other than the Owner has an insurable interest in the property required by this Paragraph 23B to be covered, whichever is earlier. This insurance shall include interests of the Owner, the Construction Manager, Subcontractors and Sub-Subcontractors in the Work.

(2) Property insurance shall be on an "all-risk" policy form and shall insure against the perils of fire and extended coverage and physical loss or damage including, without duplication of coverage, theft, vandalism, malicious mischief, collapse, falsework, temporary buildings and debris removal including demolition occasioned by enforcement of any applicable legal requirements, and shall cover reasonable compensation for Architect's services and expenses required as a result of such insured loss. Coverage for other perils shall not be required unless otherwise provided in the Contract Documents.

(3) This insurance policy has a deductible, and the Construction Manager will be responsible for the first Twenty-five Thousand Dollars ($25,000.00) of any loss against the policy caused by the Construction Manager or its Subcontractor of any tier. All deductibles paid by Construction Manager are to be included in the Cost of the Work. The Owner will cause its "All Risk" Builder's Risk and/or Property insurance carrier to waive insurer's right of subrogation in favor of Construction Manager.

(4) Unless otherwise provided in the Contract Documents, this property insurance shall cover portions of the Work stored off the Site after written approval of the Owner at the value established in the approval, and also portions of the Work in transit may be covered if previously approved by Owner.

(5) The insurance required by this Paragraph is not intended to cover machinery, tools or equipment owned or rented by the Construction Manager, which are utilized in the performance of the Work but not incorporated into the permanent improvements. The Construction Manager shall, at the Construction Manager's own expense, provide insurance coverage for owned or rented machinery, tools or equipment. Such coverage shall be written on a policy form at least equivalent to that provided by a "Construction Manager's Equipment Floater" as customarily defined within the insurance industry. Construction Manager also agrees to notify any Subcontractors or Sub-subcontractors of their obligation to insure any machinery, tools and equipment used by Subcontractors or Sub-subcontractors in the performance of the Work.

(6) The Owner shall purchase and maintain boiler and machinery insurance required by the Contract Documents or by law, which shall specifically cover such insured objects during installation and until final acceptance by the Owner; this insurance shall include interests of the Owner, Program Manager, Construction Manager, Subcontractors and Sub-Subcontractors in the Work, and the Owner and Construction Manager shall be named insureds.

(7) The Owner, shall purchase and maintain such insurance as will insure the Owner against loss of use of the Owner's property due to fire or other hazards, however caused. The Owner waives all rights of action against the Construction Manager for loss of use of the Owner's property, including consequential losses due to fire or other hazards, however caused.

(8) If the Construction Manager requests in writing that insurance for risks other than those described herein or for other special hazards be included in the property insurance policy, the Owner shall, if possible, include such insurance, and the cost thereof shall be charged to the Construction Manager by appropriate Change Order.

(9) Before an exposure to loss may occur, the Owner shall file with the Construction Manager a Certificate of Insurance that includes insurance coverage's required by this Paragraph. Each policy shall contain all generally applicable conditions, definitions, exclusions and endorsements related to this Project. Each policy shall contain a provision that the policy will not be canceled or allowed to expire until at least 30 days' prior written notice has been given to the Construction Manager.

(10) A loss insured under Owner's property insurance shall be adjusted by the Owner as fiduciary and made payable to the Owner as fiduciary for the insureds, as their interests may appear, subject to requirements of any applicable mortgagee clause. The Construction Manager shall pay Subcontractors their just shares of insurance proceeds received by the Construction Manager, and by appropriate agreements, written where legally required for validity, shall require Subcontractors to make payments to their Sub-Subcontractors in similar manner.

(13) The Owner as fiduciary shall have power to adjust and settle a loss with insurers.

(14) It is understood and agreed that Owner is bearing all risk of loss to the property for which the Owner has an insurable/financial interest during construction, and in the event of loss during construction Owner agrees to look solely to the proceeds of the Builder's Risk Insurance which Owner has agreed to furnish, the only exception being losses which occur as a result of Construction Manager's negligence or willful acts, and then, only to the extent not covered by insurance.

C. Bonds.

(1) The Owner has the option to request the Construction Manager to furnish a performance and payment bond for the Project or at the Owner's option the Owner will initiate a Subguard Insurance Program. The Subguard Program adopted by the Owner and appended hereto as Exhibit 9 is a Construction Manager/Sucontractor/vendor default insurance program and will lessen the requirement to furnish performance and payment bonds. It is the Owner's desire to enroll the Construction Manager, its Subcontractors or all tiers and Suppliers in this program. At the Owner's sole discretion, the Owner may request that certain Subcontractors provide a payment and performance bond or insurance in lieu of enrollment in the Subguard Insurance Program or if any entity cannot fulfill the pre-qualification criteria. The Owner will adjust the GMP, add or deduct, if the bonds or insurance are requested.

(2) The Construction Manager must notify the Owner monthly of Subcontractors and Suppliers which are in default, or who may be declared in default in the near future based on current performance deficiencies. The Construction Manager will provide the following information related to each such Subcontractor or Supplier: Name, Scope of Work, Contract Value, Nature of Default, Percentage of Completion, Estimated Cost to Complete if Defaulted and Amount of Unpaid Contract Value. Construction Manager shall also specify any potential deficiencies in the Subcontractors' and Suppliers' work which will require correction or replacement.

(3) In the event of a Subcontractor or Supplier default, Construction Manager agrees to assist the Owner in mitigating the loss to the fullest extent possible. This includes, but is not limited to: (1) adequate supervision and work review, (2) proper documentation of performance, payment and schedule issues, (3) adherence to contract remedies in order to protect rights of recovery from defaulting party and avoid counterclaim for wrongful termination, (4) manage the balance of the Work in order to minimize the loss associated with the defaulting subcontract or Supplier, and (5) to assist the Owner in selecting the most cost efficient alternative to complete the affected Work.

(4) Subcontractors and Suppliers (with expected contract values in excess of $50,000.00) must be pre-qualified by the Construction Manager based upon the criteria established by the Construction Manager and approved by the Owner. In the event a Subcontractor or Supplier the Construction Manager selects to use does not meet these criteria, the Construction Manager may submit to the Owner in writing a variation report which outlines why this particular entity should be accepted. Only if the Owner concurs, the Subcontractor or Supplier will be considered to be qualified. If the Construction Manager selects a Subcontractor or Supplier that does not meet the criteria and does not notify the Owner or get approval, the Construction Manager will bear the costs and the risk of loss.

(5) If the Construction Manager incurs a loss as a result of Subcontractor or Supplier default, the Construction Manager must complete the Claim of Loss form as approved by the Owner. Once the Program Manager and Owner have reviewed and verified the loss, the Owner will reimburse the Construction Manager for the amount of the loss.

(6) Construction Manager will use all reasonable efforts to assist Owner in the management and mitigation of all claims and potential claims which may arise out of or occur as a result of any Subcontractor's failure to perform in accordance with its scope of work set forth in its subcontract and Contract Documents.

(7) At the Owner's request, the Construction Manager will submit a proposal for providing a Subcontractor Default Insurance Program in lieu of traditional Performance and Payment Bonds.

D. Relation to Indemnity.

The Construction Manager's insurance obligations contained in this Paragraph 23 are separate from and in addition to the Construction Manager's indemnification obligations contained in Paragraph 22 of these General Conditions.

24. SEPARATE CONTRACTS AND MUTUAL RESPONSIBILITY OF SUBCONTRACTORS

A. Construction of other phases of the overall Project may be conducted concurrently with the performance of this Contract. It is specifically understood that other work may be scheduled at the same time and in the same areas as the Construction Manager's Work. The Construction Manager shall coordinate with the Owner, with respect to the installation of any furniture, furnishings, fixtures and equipment to be purchased by Owner. Toward this end, the Construction Manager agrees to provide access to the Project for the delivery, setting in place and installation of the furniture, furnishings, fixtures and equipment, and to provide Owner with elevators, and when necessary, elevator operators, in accordance with Owner's installation schedule, for Owner's exclusive use in such setting in place and installation. In addition, the Construction Manager shall coordinate with Owner's other contractors for the installation of utilities, equipment, and fixtures and agrees to coordinate its Shop Drawings with those of other contractors.

B. The Construction Manager shall afford other contractors reasonable opportunity for the introduction and storage of their materials and equipment and the execution of their work, and shall properly connect and coordinate its Work with theirs.

C. If any part of the Construction Manager's Work depends upon the proper execution or the results of the work of any other contractor, the Construction Manager shall reasonably inspect and promptly report in writing to Owner any apparent discrepancies or defects in such work that render it unsuitable for Construction Manager's proper execution. Failure of the Construction Manager to so inspect and report shall constitute an acceptance of the other contractor's work as fit and proper to receive its Work, except as to defects which may develop in the other contractor's work after the execution of the Construction Manager's Work.

D. Should the Construction Manager or any Subcontractor cause damage, delay or inefficiency to, or otherwise adversely impact, the work or property of any other contractor on the Site or adjacent property owners, Owner shall notify the offending party in writing of such damage and the offending party shall bear the cost of repairing all such damage. Owner reserves the right to effectuate the repairs and to charge the cost thereof against the contract of the offending party. Construction Manager hereby agrees to attempt to resolve any issues regarding damage to another contractor's work, or damage to its Work caused by another contractor, with the other contractor.

E. If any separate contractor(s) or owner sues Owner on account of any damages caused by the negligence or wrongful action or omission of the Construction Manager, its Subcontractors or its Sub-Subcontractors, Owner shall notify the Construction Manager who shall defend Owner at such proceedings at Construction Manager's expense, and if any judgment or award against Owner arises there from the Construction Manager shall pay or satisfy it and shall reimburse Owner for all attorneys' fees and court or other costs which Owner have reasonably incurred thereby.

25. SUBCONTRACTORS

A. The Construction Manager shall furnish Owner, prior to execution of the GMP Amendment and/or Separate GMP Amendment(s), as applicable, a complete list of all Subcontractors and Suppliers who are proposed to perform Work or supply materials in excess of $25,000 (twenty-five thousand dollars) and such other Subcontractors or Suppliers as may be requested by Owner, who are proposed for the execution of the Work, (including address, phone number and contact name for each Subcontractor and Supplier). Subcontractors and Suppliers shall be selected as provided in Article 10 of the Agreement. In connection with the selection process Construction Manager shall make available to Owner and Architect copies of all bids, proposals, contracts, subcontracts or other information concerning the Subcontractors and Suppliers, including financial statements, which may be helpful to Owner and Architect, or any person or entity providing financing on behalf of the Owner, in evaluating any of the Subcontractors proposed to perform any part of the Work. Construction Manager shall make available to Owner and Architect with respect to the proposed Subcontractors and Suppliers such other proof of their financial stability and experience, lists of completed projects and letters of reference as may be required by Owner or Architect.

B. No payment will be made to the Construction Manager for work performed by a Subcontractor not selected in accordance with Article 10 of the Agreement..

C. Owner shall have the right to contact Subcontractors and Suppliers directly to ascertain: (i) what amounts, if any, are due to them from the Construction Manager; (ii) the projected costs of completing the remaining portion of their Work; and (iii) the scope and amount of any claims and disputes between the Subcontractor or the Supplier and the Construction Manager.

D. Nothing contained in the Contract Documents shall create any contractual relationship between any Subcontractor and Owner or any agent or employee of Owner. Nothing in the Contract Documents, including the provisions of Paragraph 26 in these General Conditions, shall create any obligation on the part of Owner, or any employee or agent of Owner, to pay or to see to the payment of any sums to any Subcontractor, Supplier or Sub-Subcontractor or any other party not directly contracting with Owner.

E. Owner shall have the right to review, with proposed Subcontractors and the Construction Manager, the elements of the Work to be performed by the Subcontractors in order to find ways of reducing the Cost of the Work and the Construction Manager agrees to cooperate fully with Owner in this regard.

26. RELATIONS OF CONSTRUCTION MANAGER AND SUBCONTRACTORS

A. Relations. All agreements between the Construction Manager and its Subcontractors shall preserve and protect the rights of the Owner under the Contract Documents with respect to the performance of the Work so that the subcontracting thereof will not prejudice such rights.

B. The Construction Manager Shall Require Each Subcontractor:

(1) To submit to the Construction Manager applications for payment in accordance with the Contract Documents;

(2) To submit all claims, including requests for greater compensation, extensions of time and proposals for Changes of Contract, in accordance with the Contract Documents;

(3) To agree to Owner's right to obtain an assignment of the Subcontract or purchase order to Owner on the terms and conditions provided in the Contract;

(4) In the event of a termination for convenience pursuant to Paragraph 19B, to agree that the Subcontractor's or Supplier's recovery under any theory shall be determined and limited in accordance with that Paragraph; and

(5) To subordinate its lien rights to the lien of any lender providing financing to the Owner, in form acceptable to such lender.

C. The Construction Manager Agrees:

(1) To pay each Subcontractor, upon Owner's payment to Construction Manager and in accordance with the requirements of Maryland Code: Real Property Section 9-201 et. seq. ;

(2) To pay to each Subcontractor all amounts received from Owner, or otherwise due, with respect to such Subcontractor's work within the time required by this Contract and the applicable Subcontract (less any retained percentage). The Construction Manager's Applications for Payment may not include requests for payment of amounts the Construction Manager does not intend to pay a Subcontractor because of a dispute or other reason;

(3) To pass through to Subcontractors any release of retention received from Owner relating to the Subcontractors' work; and

(4) To pay each Subcontractor its required pro rata share of any fire insurance proceeds received by the Construction Manager, under this Contract.

27. APPLICATION FOR PAYMENTS

A. Schedule of Values. Before the first application for payment ("Application for Payment"), the Construction Manager shall submit to Owner a schedule of values ("Schedule of Values") allocating the Contract Sum to the various portions of the Work and to the portions of the Work performed by each Subcontractor. The Schedule of Values shall contain single line item entries, identified for each major item of Work and each subcontracted item of Work, referenced to the number and titles of the specification section applicable for each item. The provisions of paragraph 12.5.1 of the Agreement shall apply to these line item entries. The Schedule of Values shall be prepared on a form as set forth in Exhibit 5 hereto or on another form approved by Owner.

A1. Fixed Asset and Tangible Personal Property Summary Upon substantial completion Construction Manager shall provide direct costs and indirect costs, where applicable, for the assets listed in Exhibit 14.

B. Lien Waivers and Construction Manager's Warranty. Commencing with the second Application for Payment and upon each subsequent Application for Payment, the Construction Manager shall submit effective and unconditional waivers of lien rights for itself and from all Subcontractors and Suppliers of Work performed for the total amounts previously paid to the date of each Application of Payment. Each Subcontractor and Supplier shall waive its lien rights to the extent of payments previously received. Upon Application for Final Payment, the Construction Manager shall submit effective and final waivers, conditional only upon Construction Manager's receipt of Final Payment as requested in the Application, for the total amount of the Work, from itself and any outstanding lien waivers remaining due from Subcontractors and Suppliers. To the extent permitted by law, the waivers of lien shall be in the form of Exhibits 3 and 4 and shall be executed by a person authorized to sign on behalf of the Construction Manager, Subcontractor or Supplier. The Construction Manager warrants title to all Work, including stored materials and equipment, upon its receipt of payment therefor from Owner, to be free and clear of all liens, claims, security interests or encumbrances.

C. Application for Payment Requirements. Applications for Payment will not be accepted unless supported by completed and executed originals of the following documents: (i) all Applications for Payment must include a Requisition Cover Sheet (Exhibit 1), a Sworn Statement for Construction Manager and Subcontractor to Owner (Exhibit 2) and a Schedule of Values (Exhibit 5); and (ii) commencing with the second Application for Payment, all applications must also include, as applicable, Partial Waivers of Lien (Exhibit 3) and Final Waivers of Lien (Exhibit 4) as set forth in Paragraph 27B of these General Conditions and Article 12 of the Agreement.

D. Materials Stored Off Site. If an Application for Payment is made for materials not installed in the Work but suitably stored off-site at a location acceptable to Owner, such application shall be accompanied by evidence satisfactory to Owner establishing that:

(1) Construction Manager has paid for such materials (as evidenced by invoices marked as paid by the vendor or bills of sale and delivery tickets for such materials, signed by the Construction Manager);

(2) Owner will obtain title to such materials upon payment;

(3) Construction Manager has purchased sufficient insurance coverage for such materials, which shall name Owner as beneficiary;

(4) When not at the Site, such materials shall be stored in a bonded warehouse or other facility satisfactory to Owner and shall clearly be identified by Owner and Project name;

(5) Construction Manager has made satisfactory arrangements for transportation of such materials to the Site; and

(6) Construction Manager has taken all actions necessary to maintain, preserve and protect the materials and has kept them in good condition and repair and has complied with Laws relating to the ownership, storage or use of the materials.

Payment for materials and equipment stored off-Site shall be conditioned upon compliance by the Construction Manager with the foregoing requirements. Failure of the Construction Manager to furnish the foregoing information or such other documentation or information as is reasonably requested by Owner will be cause for withholding such amounts from payment. Owner reserves the right to examine the stored materials prior to payment.

E. Retainage. Retainage shall be withheld by Owner and due and payable to the Construction Manager in accordance with the provisions of Paragraphs 12.11 and 12.12 of the Agreement.

F. Whole Dollars. All Applications for Payment and all payments by Owner shall be made in whole dollars.

28. PAYMENTS WITHHELD

A. Withholding of Payment. Notwithstanding the certification or approval of the Construction Manager's application for payment by the Architect, Owner may withhold, set off, or, on account of subsequently discovered evidence, nullify the whole or part of any Application for Payment to such extent as Owner, in its reasonable discretion, deems necessary to protect Owner and Owner from loss (including any multiple of claim, lien or disputed amount) on account of:

(1) Failure or refusal of the Construction Manager to perform or comply with any terms, conditions, provisions or obligations of this Contract or any of the Contract Documents, including without limitation the MBE/LBE Agreement, the Prevailing Wage Schedule and all applicable permits and approvals;

(2) Defective Work not remedied;

(3) Claims or liens filed or reasonable evidence indicating probable filing of claims or liens which the Construction Manager is responsible to remove, pay or bond over under the terms of this Contract;

(4) Failure of the Construction Manager to make payments as required by this Contract to Subcontractors or Suppliers;

(5) A reasonable doubt that the Work can be completed for the balance then unpaid pursuant to the Construction Progress Schedule;

(6) Damage cased by the negligent or wrongful acts or failure to act of the Construction Manager, its Subcontractors or Suppliers to the property of the Owner, another contractor or adjacent property;

(7) Failure, refusal or neglect in supplying sufficient labor, material or supervision in the prosecution of the Work;

(8) Failure to meet the Application for Payment requirements set forth in Paragraph 27 of these General Conditions;

(9) Failure to submit all revisions to and comply with the Construction Progress Schedule;

(10) Failure to submit progress reports and schedules and failure to hold progress meeting pursuant to the provisions of this Contract; and

(11) Failure to furnish Owner complete, correct and original insurance certificates, business documentation and financial documentation as required pursuant to the terms of this Contract.

B. Payments Directly To Subcontractors. Should the Construction Manager neglect or refuse to pay any bill, invoice, or any other obligation to a Subcontractor or Supplier, incurred by it in connection with the Work, for which the Construction Manager is required to make payment pursuant to the terms of this Contract, Owner, after giving the Construction Manager and its surety, if any, three (3) days' written notice of its intention so to do, shall have the right to pay and discharge the aforementioned bill. Any such payment made pursuant to this Paragraph 28B by Owner shall be considered as a payment to the Construction Manager and shall be credited against the GMP (or Separate GMP as applicable) due the Construction Manager hereunder.

C. Joint Checks. In order to require that the Construction Manager make prompt payment to its Subcontractors of the amounts identified in each Application for Payment as intended for said persons or entities, the Owner shall have the right, but not the obligation, to issue progress or final payments to the Construction Manager in the form of joint checks payable to both the Construction Manager and its Subcontractors or Suppliers, as appropriate, provided the Owner has first given the Construction Manager written notice of such intent and has not received adequate assurance (within 7 days after such notice) that the Construction Manager will pay the Subcontractor the amounts applied for by the Construction Manager in its payment applications with respect to the applicable Subcontractor's work. In this regard, the Construction Manager agrees that it will not make an Application for Payment that includes requests for payments of amounts that the Construction Manager does not intend to pay to any Subcontractor because of a dispute or other reason. In addition, if, after an Application for Payment is submitted or a payment is made by the Owner to the Construction Manager, the Construction Manager decides not to pay Subcontractor the amounts requested on behalf of the Subcontractor in an Application for Payment or amounts received by the Construction Manager from the Owner on behalf of the Subcontractor, Construction Manager shall promptly notify Owner of such fact and the payment amount at issue and Construction Manager shall promptly revise its Application for Payment or refund the money so paid by the Owner, as applicable. In addition, Construction Manager hereby authorizes and consents to direct communications, at any time and in any fashion, between Owner and any Subcontractors on the Project, regarding the Work performed on the Project and the status of payments to said persons or entities for said Work.

29. COMPLETION AND FINAL PAYMENT

A. Upon completion of the Work, Construction Manager shall file a request for final payment ("Final Application for Payment"). Upon the receipt of Construction Manager's Final Application for Payment, Owner shall promptly make a final inspection, and if Owner finds the Work acceptable and complete in strict accordance with the Contract Documents, Owner shall promptly pay Construction Manager the Contract Sum (as adjusted by any Changes of Contract and Change Directives issued pursuant to Paragraph 17 hereof) less all prior payments to or for the account of the Contract to the Construction Manager as final payment ("Final Payment"). Final Payment shall be conditioned upon, and shall not be due until satisfaction of, all of the following items:

(1) Full performance by Construction Manager of all Contract terms and its compliance with all requirements of the Contract Documents, including without limitation all reporting and certifications required by the MBE/LBE Agreement and to evidence compliance with the Prevailing Wage Schedule and all applicable permits and approvals;

(2) Acceptance of the Work by Architect;

(3) Resolution of all outstanding Changes of Contract;

(4) Completion of all items specified in the Final Punchlist;

(5) Delivery to Owner of all documentation required in Paragraph 27C, including, without limitation, original, signed, Final Waivers of Lien (Exhibit 4), conditional only upon Construction Manager's receipt of Final Payment as requested in the application, from Construction Manager, all Subcontractors and Suppliers, and all Sub Subcontractors. The Construction Manager agrees that it shall, within seven (7) days after receipt of final payment from the Owner, submit final and unconditional lien waivers and releases from all persons identified in this subsection. (The Owner

agrees that the provisions of Paragraph 13.1 of the Agreement shall apply to the payment of undisputed amounts prior to the time of Final Payment.);

(6) Releases conditional only upon Construction Manager's receipt of final payment as requested in the application, of all liens or other claims filed against Owner or Owner by the Construction Manager, any Subcontractors or any Sub Subcontractors (which releases shall be evidenced by final waivers and releases, properly recorded releases of liens, other documentation acceptable to Owner or lien and/or title searches conducted by Owner). Construction Manager agrees that it shall, within seven (7) days after receipt of final payment of the Owner, submit final and unconditional waivers and releases from all persons identified in this subsection. (The Owner agrees that the provisions of Paragraph 13.1 of the Agreement shall apply to the payment of undisputed amounts prior to the time of Final Payment.);

(7) Delivery to Owner of all warranties, and guarantees and all instruction, operation and maintenance manuals as required pursuant to Paragraph 30 below, all permanent permits, licenses and certificates necessary for the intended operation of the facility and the As-Built Drawings, as required pursuant to Paragraph 33 below; and

(8) If applicable, the written consent to Final Payment by Construction Manager's surety.

B. From time to time, as the Construction Manager completes portions of the Work, Owner shall have the right, upon giving the Construction Manager prior written notice, to accept any portion of the Work that Owner desire to use and occupy. Such partial acceptance shall be made in writing and thereafter the Construction Manager shall have no further obligation with respect to the Work accepted, except to correct the Work subsequently found to have been improperly done or to replace defective materials or equipment, or to perform Work pursuant to Paragraph 30 hereof. Notwithstanding anything contained herein to the contrary, all guarantees and warranties arising pursuant to Paragraph 30 hereof shall run from the time of Substantial Completion of the entire Work, and not from the time of any partial acceptance which occurs pursuant to this Paragraph 29B. The Owner agrees that the cost of obtaining any guarantees or warranties necessary to satisfy the requirements of this paragraph shall be included in the Cost of the Work, subject to the GMP (or Separate GMP, as applicable).

C. The making of Final Payment shall not constitute a waiver of all claims by Owner.

D. The acceptance by Construction Manager of Final Payment shall constitute a waiver of all claims or causes of action of any nature, whether known or unknown, by the Construction Manager relating directly or indirectly to this Contract and to the Work performed hereunder, except and only for claims or causes of action that the Owner expressly agrees in writing (prior to making final payment) to leave open notwithstanding final payment. (The Owner agrees that the provisions of Paragraph 13.1 of the Agreement shall apply to the payment of undisputed amounts prior to the time of Final Payment.) The Owner agrees to make payment of any amounts that are not contested by the Owner and/or not subject to reduction or set off by Owner pursuant to the terms of this Contract, notwithstanding the existence of other disputes that affect, in the Owner's reasonable judgment, the remaining amounts due to the Construction Manager.

30. WARRANTIES AND GUARANTEES

A. The Construction Manager warrants to the Owner and its successors in title to the Project that materials and equipment furnished under the Contract will be of good quality and new unless otherwise required or permitted by the Contract Documents, that the Work will be free from any defects or deficiencies in workmanship or materials (ordinary wear and tear excepted) and that the Work will conform with the requirements of the Contract Documents for a period of one (1) year from the date of Substantial Completion. Work not conforming to these requirements or any other requirements of the Contract Documents, including substitutions not properly approved and authorized, shall be considered defective. Warranty Work shall be promptly performed by Construction Manager upon written notice from Owner at Construction Manager's expense. The Construction Manager's warranty does not cover damage or failure of materials to the extent caused by any abuse, modification, improper or insufficient maintenance or improper operation by the Owner. If required by the Owner, the Construction Manager shall furnish satisfactory

evidence as to the kind and quality of materials and equipment to be employed in the performance of the Work. All manufactured articles, materials, and equipment shall be stored, applied, installed, tested, connected, erected, used, cleaned and conditioned by the Construction Manager as directed by the manufacturer unless otherwise specified. In addition to the warranties provided for above, the Construction Manager represents and warrants to Owner that all Work, materials and equipment furnished under this Contract shall be free from failure under ordinary usage for a period of one (1) year from the date of Substantial Completion. All Work not conforming to these standards shall be considered defective. Further, the Construction Manager agrees that all guarantees or warranties of equipment or materials furnished to the Construction Manager or Subcontractors by any manufacturer or Supplier shall be deemed to run to the benefit of, and are hereby assigned to, the Owner. As a condition to final payment for the Work, the Construction Manager shall deliver to the Owner two (2) clean, complete and readable copies of all guarantees and warranties on equipment and materials furnished by all manufacturers and Suppliers to the Construction Manager and all Subcontractors, together with duly executed instruments properly assigning the guarantees and warranties to the Owner, and shall also deliver to the Owner two (2) clean, complete and readable copies of all related manufacturer's instructions, related maintenance manuals, replacement lists, detailed drawings and any technical requirements necessary to operate and maintain such equipment and materials or needed to maintain the effectiveness of any such warranties (hereinafter " Warranty Data"). In addition, the Construction Manager shall furnish a copy of the Warranty Data in an electronic medium as specified by he Owner. All warranties provided in this Paragraph or elsewhere in the Contract Documents shall survive any termination of this Contract.

B. The Construction Manager shall require the warranty contained in Paragraph 30A above in all subcontracts and shall include the requirement that Owner be reimbursed for any damage or loss to the Work or to other work resulting from such defects. The Construction Manager agrees, without increase in the GMP and/or Separate GMP, as applicable, and as part of its guarantee under this Paragraph 30 to repair or remove or replace, as directed by Owner, all Work which proves defective during the warranty period or which fails to conform to the Contract Documents; to repair, remove, and replace, as directed by Owner, all damaged portions of the Work resulting from or which is incidental to defects in the Work as stated in this Paragraph 30, or which are damaged by the repair of such defects. All repairs, removals and replacements must be commenced upon receipt of written notice from Owner at times reasonably approved in advance by Owner. The Construction Manager shall furnish sufficient workmen and materials to ensure prompt completion thereof. Should the Construction Manager fail to proceed in accordance with the provisions of this Paragraph 30, Owner, without further notice to the Construction Manager, may furnish all labor and material necessary for said repairs, or removals and replacements; all costs associated with such repair or replacement work shall be charged to the Construction Manager.

C. Upon Substantial Completion of the Work and prior to Final Payment, the Construction Manager shall prepare, organize, assemble and transmit to Owner two (2) complete sets, including one original set, of all written warranties and guarantees of Subcontractors and Suppliers applicable to the Work or required by the Contract Documents and instruction, operation and maintenance manuals for all operating equipment and systems and for all wearing surfaces (hereafter "Subcontractor Warranty Data"). In addition, the Construction Manager shall furnish a copy of all Subcontractor Warranty Data in an electronic medium as specified by the Owner. All such warranties and guarantees with regard to services or materials shall be made for the benefit of Owner and the Construction Manager and shall be enforceable by either Owner or the Construction Manager. The Construction Manager shall execute any documents or take such action as may be necessary to ensure that Owner receives the benefits thereof. Should the Construction Manager or a Subcontractor replace any part of the Work, all warranties or guarantees applicable to the component replaced shall begin anew from the date of Owner's acceptance of the replacement.

D. No contract or purchase pertaining to the Work shall allow for waiver of warranties or guarantees. All warranties and guarantees under this Paragraph 30 shall be assignable and transferable to any purchaser, successor or assign of the Project.

E. Nothing contained in this Paragraph 30 shall be construed to establish a period of limitation with respect to any other obligation which the Construction Manager or Owner may have under the Contract Documents.

F. The Construction Manager's guarantees and warranties under this Paragraph shall not be construed to limit Owner's right of recovery for defects in the Construction Manager's Work or the items provided by the

Construction Manager, whether in warranty, contract or any other applicable legal theory, which may arise under other provisions of the Contract or under law.

31. TAXES

A. The Construction Manager shall pay for all sales, consumer, use, gross receipts and other similar taxes for the Work or portions thereof provided by the Construction Manager, which taxes are included in the Contract Sum subject to the provisions of Paragraph 14.5 in the Agreement.

B. Costs for labor, building materials and any such tax referred to in Paragraph 31A shall be separately stated in all requisition or Application for Payment documents submitted by all Subcontractors.

C. If the Construction Manager is nonresident in the state where the Work will be performed, the Construction Manager shall comply with the sales/use/gross receipts tax laws and regulations of such state. Such compliance may involve licensing, proof of tax payment, deposits, bonding, withholding, tax clearances, audits and/or Subcontractor relations. Proof of compliance shall accompany the first Application for Payment, and shall include, without limitation, any required state and local construction and business licenses. It is the intent of the Parties to this Contract that the Construction Manager will pay, and indemnify Owner from any liability for, these taxes.

D. Notwithstanding anything in this Agreement to the contrary, and as required by Section 13-803 of the Tax-General Article of the Maryland Code, if the Construction Manager is a "Nonresident contractor" as that term is defined in Section 13-803(a)(2) and this Project meets the other requirements of Section 13-803, then, in such event, and without regard to whether all other conditions of Substantial Completion and Final Completion have been met under the Agreement, the Owner shall withhold 3% of the Contract Sum until thirty (30) days after the requirements of Section 13-803 have been met. This Section shall not supplement, but not limit, any other provisions of this Agreement authorizing the withholding of payment from the Construction Manager.

32. PROJECT RECORD DOCUMENTS

A. The Construction Manager shall maintain at the Site, unless otherwise directed by Owner, copies of all Drawings, Specifications, Addenda, Submittals, Changes of Contract, Change Directives, other contract modifications and other documents submitted in compliance with the Contract Documents.

B. The Construction Manager shall check all sections of the Specifications for specific references to maintaining record drawings and diagrams (the "Project Record Documents"). These references are intended to clarify record documentation for particular items and are not intended to limit requirements generally.

C. The Construction Manager shall ensure that each of the Project Record Documents shall be clearly marked "Project Record Copy" and shall be maintained in good condition and available at all times for inspection by Owner and Architect. The Construction Manager shall mark up the most appropriate documents to record significant changes during the construction process and significant details not shown in the original Contract Documents.

D. The Construction Manager shall ensure that the information given shall include, but not be limited to, the actual location of the underground utilities and appurtenances, referenced to permanent surface improvements. Also, the location of internal piping, wiring, ductwork, conduit and appurtenances concealed in building structures, referenced to visible and accessible features of the structures. Project record documents are to be kept current. No Work shall be permanently concealed until the required information has been recorded.

E. At the completion of the Project, Owner will furnish the Construction Manager with a complete set of current Contract Drawings. The Construction Manager shall transfer the recorded changes to the Drawings neatly with a permanent line of sufficient weight to clearly show the record changes. The Construction Manager shall stamp and sign a certification statement on each Drawing and page that the Drawings as submitted are correct and accurately depict the Work as it has been constructed. In addition, the Construction Manager shall provide a copy of thereof in electronic medium specified by the Owner. These drawings (the "As-Built Drawings") shall be submitted to Owner

prior to acceptance of the Project by Owner and prior to the release of the Construction Manager's Final Payment. The Construction Manager shall maintain at the Site for the Owner and in an electronic medium specified by the Owner one record copy of the Drawings, Specifications, Addenda, Change Orders and other Modifications, in good order and marked currently to record changes and selections made during construction, and in addition approved Shop Drawings, Product Data, Samples and similar required submittals. These shall also be available to the Architect and/or Owner's Consultants upon request and shall be delivered to the Owner upon completion of the Work. At the conclusion of the Work on the Project, these marked drawings shall be given to the Architect and used by him to produce a coordinated set of as-built drawings, showing all construction work performed on the Project as set in place during construction and revised to show the foregoing information and all changes made during construction form the original drawings. The Construction Manager shall be responsible and liable to the Owner for accurately and completely recording all of the information required by this paragraph on the marked set of drawings and shall, without increase in the GMP, review the as-built drawings prepared by the Architect to verify that this information has been accurately incorporated in the as-built drawings.

33. RIGHT TO EXAMINE, INSPECT AND COPY RECORDS

A. Maintenance of Records. The Construction Manager shall maintain all documents, information and records related to the Work for three (3) years after Final Payment or the final settlement of all Contract claims and disputes, whichever is later. The Construction Manager shall make such documents, information and records available to Owner for examination, inspection, audit and/or reproduction, at the Site and at the Owner's Nashville office, at all reasonable times, without increase in the GMP.

B. Employees and Employer Payroll Records. The Owner, Architect, Owner's Consultants and their authorized representatives and designees shall also be allowed to interview any of the Construction Manager's employees during working hours on the job (so long as such interview does not unreasonably interfere with the progress of the Work), throughout the term of the Contract and until the later to occur of three (3) years after Final Payment or the final resolution of all claims and disputes under the Contract.

34. OWNERSHIP AND USE OF DOCUMENTS; ROYALTIES AND PATENTS

A. All Drawings, Project Plans and Specifications, or other documentation, and copies thereof, furnished by Architect, Owner or their agents, employees or consultants, are and shall remain the property of Owner. They are to be used by Construction Manager and all Subcontractors only with respect to this Project and are not to be used on any other project.

B. The Owner shall also have the right to use all drawings, designs, specifications, notes and other design works developed by the Construction Manager or its Subcontractors, Sub Subcontractors or Suppliers in the performance of this Contract (including Shop Drawings, equipment drawings, wiring diagrams and system control diagrams and logic and any related computer software programs), and the ideas and designs contained therein, in connection with the Owner's occupancy, use, maintenance and repair of the Project and for additions, alterations or future construction to the Project, without paying the Construction Manager (or any Subcontractor, Sub Subcontractor or Supplier) any compensation other than such amounts as are due to the Construction Manager under this Contract. Notwithstanding the foregoing, however, the Owner agrees that the Construction Manager and its Subcontractors or Suppliers, as applicable, shall continue to own the standard boilerplate design features (that do not separately or in combination reflect the unique design of the Project) set forth in such drawings, designs, specifications, notes and other works, and shall have the right to use such design features in connection with the design and construction of other projects without the Owner's consent. The Owner agrees not to sell or convey any such information to any third party for consideration or value without the prior and written consent of the Construction Manager. The Construction Manager for a period of three (3) years after Final Payment for the Project agrees to furnish the original or copies of all such works at Owner's request and without additional compensation. In addition, the Owner agrees that the Construction Manager shall have no responsibility for (and the Owner shall indemnify the Construction Manager from and against) any claims, losses or damages arising out of the Owners use of the drawings, designs, specifications, notes and other design works developed by the Construction Manager or its Subcontractors, Sub Subcontractors or Suppliers pursuant to this Contract in connection with other projects or future alterations or additions to the Construction of this

Project, unless the Construction Manager or applicable Subcontractor is retained to perform the necessary work (including design work) relating to such use.

C. The Construction Manager shall pay all royalties and license fees related to the Work. The Construction Manager shall defend all suits or claims for infringement of any copyrights, trademarks or patent rights arising out of the performance of the Work or out of the use or disposal of supplies furnished pursuant to this Contract and shall save Owner harmless from loss on account thereof; except that Owner shall be responsible for all such losses that result solely from a particular design, process or the product of a particular manufacturer or manufacturers that is specified in the Contract Documents, but if the Construction Manager has reason to believe that the design, process or product specified is an infringement of a patent, it shall be responsible for such loss unless it promptly gives such information in writing to Owner and Architect or should have discovered such information and given such information to Owner and Architect.

35. OWNER-FURNISHED MATERIAL

A. Owner reserves the right to procure certain materials for the Construction Manager's use on or installation in the Work, as designated by Owner. Upon request by Owner, the Construction Manager shall provide Owner with proposed quantities of such materials. Owner will review the Construction Manager's proposal and then the Construction Manager and Owner will mutually agree on the quantities sufficient to complete the Work. Upon such agreement, the Construction Manager shall certify in writing that the agreed upon quantities are sufficient to complete the Work. If the Owner requires the Construction Manager to provide work or services with respect to Owner-furnished materials after the Construction Manager and Owner have executed the GMP Amendment (or Separate GMP Amendment, as applicable), Construction Manager shall be entitled to an increase in the GMP (or Separate GMP, as applicable), pursuant to the provisions of this Contract, to the extent that such requirement constitutes a Material Change as defined in the Agreement. Correspondingly, Owner shall be entitled to a decrease in the GMP (or Separate GMP, as applicable) for any savings in cost of materials that are provided by Owner rather than Construction Manager.

B. The Construction Manager shall inspect all items procured by Owner to determine their conformance in quality and general condition to shipping documents and descriptive literature. The Construction Manager shall supply all labor and equipment for unloading, storing on- or off-site, intermediate moving to the Site, handling on the Site and final placement and installation of such items. While the item is in the custody of the Construction Manager, it shall protect it and handle it as its own. The Owner agrees that the Construction Manager shall not be responsible for latent defects inherent in the shipment, manufacture or quality of Owner-furnished materials.

C. Construction Manager shall provide all labor, materials, tools, equipment, incidentals and services necessary for the complete installation of any items procured by Owner for which the Construction Manager is responsible pursuant to the Contract Documents. Such installation shall include setting in place, connecting and making operational said items.

36. DISPUTES

A. Any and all disputes arising hereunder which are not otherwise amicably resolved by mutual agreement shall be resolved by the courts of competent jurisdiction located in the state in which the Project is located.

B. The presence of claims, disputes or controversies between the Construction Manager and any other party, including Owner and Architect, over any matter whatsoever, or legal proceedings arising from such claims, disputes or controversies, shall not relieve the Construction Manager of its obligation, during the resolution of any such claims, disputes or controversies, to continue to perform its Work properly and timely and to comply with all of the terms and conditions of the Contract. Similarly, Owner agrees that it shall make payment of any amounts due Construction Manager pursuant to this Contract that are not in good faith contested by Owner and/or not subject to reduction or set off by Owner pursuant to the provisions of this Contract, notwithstanding the presence of a dispute or controversy regarding any other amounts due to Construction Manager hereunder. As used herein, a "claim" is a demand or assertion by one of the parties seeking an adjustment or interpretation of the terms of any Contract Document, an increase in the Guaranteed Maximum Price (or Separate GMP, as applicable), an extension of the Completion Date(s) or Milestone Dates, any other payment of money, damages or costs or an extension of time or other

relief with respect to the terms of this Agreement or the Work performed on the Project. The term "claim" also includes all other disputes and matters in question between the Owner and Construction Manager arising out of or relating to this Agreement or the Project. All claims must be made by written notice. The responsibility to substantiate claims shall rest with the party making the claim.

Notwithstanding any other provision of this Contract, the Construction Manager shall not be entitled to make any claim for any increase in the Guaranteed Maximum Price (or any Separate GMP, as applicable) or for any extension of the Completion Date(s) or Milestone Dates or for any other costs, expenses, damages or relief of any kind or nature regardless of the asserted cause unless the Construction Manager has made such claim in writing to the Owner: (1) no later than the date established by the applicable provisions of this Contract; or (2) if no such date has been established no later than fourteen (14) days after the first occurrence of the event giving rise to such claim or within fourteen (14) days after the Construction Manager first recognized or, acting reasonably, should have recognized, the condition giving rise to the claim, whichever is later. The failure to make any such claim in writing and within the time limits established by this Paragraph shall mean that the claim has been waived by the Construction Manager, and that the Construction Manager shall be precluded from any recovery of any kind in connection with the occurrence or condition giving rise to said claim and that the Construction Manager shall perform all Work required by or in connection with any such event or condition without any extension in the Completion Date(s) or Milestone Dates or any increase in the Guaranteed Maximum Price (or Separate GMP, as applicable) and/or any other increase in compensation or other damages of any kind or nature.

C. The Construction Manager agrees that its sole and complete remedy with respect to any successful Claim based on Material Changes or suspension of the Work by Owner for reason other than the wrongful act or omission of Construction Manager or any of its Subcontractors, Sub-subcontractors or suppliers shall be a time extension and the actual and reasonable increased Cost of the Work (limited to Owner Excused Delay Cost, in the case of Owner Excused Delay Cost), if any, incurred by the Construction Manager as a result of the occurrence or condition giving rise to the claim, as provided in the Contract. This amount shall be considered inclusive of all delay, acceleration, impact or other costs allegedly incurred as a result of such occurrence or condition and no additional damages or costs shall be recovered by the Construction Manager. There shall be no increase in Construction Manager's Fee and increase in Fixed General Conditions shall be governed by the remaining provisions of the Contract.

37. MISCELLANEOUS

A. Applicable Law. The Contract Documents shall be construed in accordance with the laws of the state of Maryland.

B. Severability. If any of the provisions of the Contract Documents shall contravene or be invalid under any Laws, such contravention or invalidity shall not invalidate the whole Contract or any other provision contained within the Contract Documents, but the Contract Documents shall be construed as if not containing the provision held to be invalid, and the rights and obligations of the Parties shall be enforced accordingly, provided, however, that if the invalidity of such provision is so material as to render the entire Contract incapable of meaningful interpretation or enforcement (and the Construction Manager and Owner are not able to amend and reform the Contract as set forth in this Paragraph below within thirty (30) days after the provision is declared invalid), the Contract shall be deemed terminated for convenience by the Owner, pursuant to the provisions of Paragraph 19B of these General Conditions. If any term or provision hereof is or becomes invalid or unenforceable, the Construction Manager and Owner will in good faith attempt to replace it by a term or provision which is valid and enforceable, and which comes as close as possible to expressing the intention of the invalid or unenforceable term or provision.

C. Rights and Remedies. Duties and obligations imposed by the Contract Documents and rights and remedies available thereunder shall be in addition to and not in limitation of duties, obligations, rights and remedies otherwise imposed or available at law.

D. Non-Waiver. Except as provided in Paragraph 37C above, no action or failure to act by Construction Manager, Owner or Architect, their agents or employees, shall constitute a waiver of any right or duty afforded to Construction Manager or Owner under the Contract Documents, nor shall any such action or failure to act constitute approval of or acquiescence in any breach thereunder, except as may be specifically agreed in writing. No payment

made hereunder shall be deemed to constitute an acceptance or approval of any defective or unsatisfactory Work or material, or a waiver of Owner's or Architect's right to reject the same later.

E. Conventions. The captions of Articles, Paragraphs and various Subparagraphs in the Contract Documents are inserted only as a matter of convenience and for reference and in no way define, limit or describe the scope of any Article, Paragraph or Subparagraph herein. Words of any gender used in the Contract Documents shall be held to include any other gender, and words used in the singular shall be held to include the plural, when the sense requires.

F. Survival of Obligations. All provisions of the Contract Documents, which by their terms require performance by Owner or the Construction Manager after termination of this Contract, shall survive any such termination. The Parties' obligations with respect to insurance, indemnification, warranty, records audits, unresolved claims and disputes and other such obligations, shall survive the termination of this Contract.

G. Confidentiality. Other than the Construction Manager's disclosure to its lenders, attorneys, accountants and bonding companies of the existence of the Contract and the value of the work-in-process, the Construction Manager shall not, without the prior written consent of the Owner, disclose or make available to any person, or use, directly or indirectly, except for the performance and implementation of the Work, any confidential information in connection with the performance of this Contract, including the award of this Contract, unless required to do so by order of a court or public authority having jurisdiction (in which case Construction Manager shall, prior to complying with such order, give written notice and a copy of such order to Owner and allow Owner to contest or seek a protective order limiting such disclosure). Construction Manager may have access to information with regard to systems, concepts, designs, trade secrets, financial data and general business information of Gaylord Entertainment Company, its subsidiary, affiliated and related companies which is not generally known by the public and which gives Gaylord Entertainment Company an advantage over its competitors. The Project, and all matters relating to it, including any discussions between Gaylord Entertainment Company, its subsidiary, affiliated and related companies and Construction Manager are considered and will be treated as confidential information by Construction Manager and Construction Manager's employees and Subcontractors at all tiers. Construction Manager agrees to refrain at all times from disclosing any confidential information to others or from using it except for the benefit of Owner and Gaylord Entertainment Company and to refrain from any other acts which would tend to impair the value of the confidential information to Gaylord Entertainment Company. Construction Manager will include this provision in each Subcontract at every tier and into agreements with its employees assigned to the Project so that each will agree to the provisions of this Paragraph.

Further, without the prior written approval of Gaylord Entertainment Company, Construction Manager and Construction Manager's employees will not discuss the Project or their relationship to it with any branch of the media or with any third party nor will they furnish any written materials, photographs, drawings or sketches relating to the Project to any media entity or third party. Construction Manager will not use the name Gaylord Hotels or Gaylord Entertainment Company, or any variant thereof, or its association with Owner or Gaylord Entertainment Company, its subsidiary, affiliated and related companies in any form of advertising or promotion without the prior written consent of Gaylord Entertainment Company. Further Construction Manager will not use the name of Gaylord Entertainment Company, its subsidiary, affiliated or related companies or any of its fanciful characters or themes, whether real or fictitious, associated with Gaylord Entertainment Company, its subsidiary, affiliated or related companies' products, or any other intellectual properties owned or controlled by Gaylord Entertainment Company or any of its subsidiary, affiliated or related companies without the prior written consent of Gaylord Entertainment Company. Any consent required by this Paragraph may be given, conditioned or withheld by Gaylord Entertainment Company for any reason in its sole discretion.

H. Entire Agreement. The Contract comprises the entire agreement between the Owner and Construction Manager and supersedes all prior written or oral agreements, understandings, representations, negotiations and correspondence between the parties. The Contract shall not be amended or modified by the silence of Owner, the failure of Owner to act, any course of dealing, course of performance or usage of trade and may only be amended or modified by written instrument. The Construction Manager and Owner agree and stipulate conclusively that both parties received the benefit of counsel before signing the Agreement and that both parties participated equally in the drafting of

this Agreement. No drafts of any of the Contract Documents shall be used to interpret the meaning or intent of the provisions of the Contract.

LIST OF EXHIBITS TO GENERAL CONDITIONS

Exhibit #	Name
1	Requisition
2	Sworn Statement for Construction Manager & Subcontractor
3	Partial Waiver of Lien
4	General Release and Final Waiver of Lien
5	Schedule of Values
6	Construction Manager's Daily Report
7	Subcontractor's Daily Report
8	Historic Preservation Requirements
9	Subguard Insurance Program
10	Change Directive Form
11	Change of Contract Form
12	Owner Controlled Insurance Program and Forms
13	Prevailing Wage Requirements
14	Fixed Asset Property Value Summary

GMP AMENDMENT NUMBER 1
TO
AGREEMENT BETWEEN THE OWNER AND THE CONSTRUCTION MANAGER

This Separate GMP Amendment is executed this 9th day of May, 2005, by Gaylord National, LLC ("Owner") and Perini/Tompkins JV ("Construction Manager") pursuant to the Agreement of even dated herewith ("Agreement") executed by the parties for the performance by the Construction Manager of certain construction work and construction management services for the Gaylord National Harbor Resort and Convention Center Project as identified therein.

1. Pursuant to the Agreement, Construction Manager hereby agrees that the Separate Guaranteed Maximum Price ("Separate GMP") for the following Early Work to be performed on the Project shall be $350,000.00. The Early Work covered by this Separate GMP Amendment generally consists of the following: Preconstruction Phase Services described by Paragraphs 5.2.5 through 5.s.6.4 of this Agreement to reach a GMP by September 1, 2005.

2. The GMP Design Documents for the Early Work and any subsequent revisions thereto upon which his Separate GMP Amendment is based, are identified as the Design Development Set. For pricing purposes use the finish schedule issues at Schematic Design.

3. The Owner and Construction Manager agreed that the Work required by this Separate GMP Amendment has commenced and shall continue until complete in accordance with a schedule established by the Owner.

OWNER	CONSTRUCTION MANAGER
GAYLORD NATIONAL, LLC	PERINI BUILDING COMPANY
BY GAYLORD HOTELS, LLC ITS: SOLE MEMBER	
/s/ David C. Kloeppel	/s/ Sam Sabin
(Signature) David C. Kloeppel (Printed Name and Title) May 30, 2005 (Date)	(Signature) Sam Sabin, Sr. VP (Printed Name and Title) May 9, 2005 (Date)
	TURNER CONSTRUCTION COMPANY
	/s/ Edward Small
	(Signature) Edward Small, President, Tompkins Builders (Printed Name and Title) May 11, 2005 (Date)

GMP AMENDMENT NUMBER 2
TO
AGREEMENT BETWEEN THE OWNER AND THE CONSTRUCTION MANAGER

This GMP Amendment is executed this 27th day of July, 2005, by GAYLORD NATIONAL, LLC ("Owner") and PERINI TOMPKINS JOINT VENTURE ("Construction Manager") pursuant to the Agreement dated May 9, 2005 ("Agreement") executed by the parties for the performance by the Construction Manager of certain construction work and construction management services for the Gaylord National Harbor Resort and Convention Center Project as identified therein.

1. Pursuant to the Agreement, Construction Manager hereby agrees that the Guaranteed Maximum Price ("GMP") for the Work to be performed on the Project (including all Work under this GMP Amendment and all preconstruction services performed under that Separate GMP Amendment dated May 9, 2005) shall be $31,530,539 and that the GMP is divided as follows: (a) Preconstruction Services are $350,000, (b) the Construction Manager's Lump Sum General Conditions are $19,255,989, (c) Interim General Conditions are $0, (d) the Cost of the Work equals $10,422,050; (e) the Construction Manager's Fee for this GMP is $981,500 and (e) Contingency is $521,000.

2. The GMP Design Documents and any subsequent revision thereto upon which this GMP Amendment is based, are identified in Exhibit 1 attached hereto.

3. The Completion Date(s) for the work included in this GMP, pursuant to Paragraph 4.2 of the Agreement, shall be as set forth therein and substantially complete by March 30, 2006.

4. The Owner and Construction Manager agree that the Work required by this GMP Amendment has been commenced or shall commence on May 9, 2005.

OWNER	CONSTRUCTION MANAGER
GAYLORD NATIONAL, LLC	PERINI TOMPKINS JOINT VENTURE
BY GAYLORD HOTELS, LLC ITS: SOLE MEMBER	
/s/ David C. Kloeppel	/s/ Robert E. Callie
(Signature)	(Signature)
EVP	Proj. Exec.
(Title)	(Title)

GMP AMENDMENT NUMBER 3
TO
AGREEMENT BETWEEN THE OWNER AND THE CONSTRUCTION MANAGER

This GMP Amendment is executed this 29th day of August, 2005, by GAYLORD NATIONAL, LLC ("Owner") and PERINI TOMPKINS JOINT VENTURE ("Construction Manager") pursuant to the Agreement dated May 9, 2005 ("Agreement") executed by the parties for the performance by the Construction Manager of certain construction work and construction management services for the Gaylord National Harbor Resort and Convention Center Project as identified therein.

1. Pursuant to the Agreement, Construction Manager hereby agrees that the Guaranteed Maximum Price ("GMP") for the Work to be performed on the Project (including all Work under this GMP Amendment and all preconstruction services performed under that Separate GMP Amendment dated May 9, 2005) shall be $67,990,341 and that the GMP is divided as follows: (a) Preconstruction Services are $350,000, (b) the Construction Manager's Lump Sum General Conditions are $19,255,989, (c) Interim General Conditions are Disputed ($522,000 not included in the above amount), (d) the Cost of the Work equals $44,052,676, (e) the Construction Manager's Fee for this GMP is $2,129,145 and (e) Contingency is $2,202,531.

2. The GMP Design Documents and any subsequent revision thereto upon which this GMP Amendment is based, are identified in Exhibit 1 attached hereto.

3. The Completion Date(s) for the work included in this GMP, pursuant to Paragraph 4.2 of the Agreement, shall be as set forth therein and substantially complete by March 30, 2006.

4. The Owner and Construction Manager agree that the Work required by this GMP Amendment has been commenced or shall commence on May 9, 2005.

OWNER	CONSTRUCTION MANAGER
GAYLORD NATIONAL, LLC	PERINI TOMPKINS JOINT VENTURE
BY GAYLORD HOTELS, LLC ITS: SOLE MEMBER	
/s/ David C. Kloeppel	/s/ Sam Sabin
(Signature)	(Signature)
EVP & CFO	Sr. VP
(Title)	(Title)

GMP AMENDMENT NUMBER 4
TO
AGREEMENT BETWEEN THE OWNER AND THE CONSTRUCTION MANAGER

This GMP Amendment is executed this 17th day of November, 2005, by GAYLORD NATIONAL, LLC ("Owner") and PERINI TOMPKINS JOINT VENTURE ("Construction Manager") pursuant to the Agreement dated May 9, 2005 ("Agreement") executed by the parties for the performance by the Construction Manager of certain construction work and construction management services for the Gaylord National Harbor Resort and Convention Center Project as identified therein.

1. Pursuant to the Agreement, Construction Manager hereby agrees that the Guaranteed Maximum Price ("GMP") for the Work to be performed on the Project (including all Work under this GMP Amendment Number 4 and all Work previously authorized pursuant to GMP Amendment Numbers 1, 2 and 3, shall be $155,251,671 and that the GMP is accounted as follows: (a) Preconstruction Services equals $350,000, (b) the Construction Manager's Lump Sum General Conditions equals $19,255,989, (c) Interim General Conditions are Disputed ($522,000 not included in this GMP), (d) the Cost of the Work equals $144,581,551, (e) the Construction Manager's Fee equals $4,875,870 and (f) Contingency equals $6,227,036.

2. The GMP Design Documents and any subsequent revision thereto upon which this GMP Amendment is based, are identified in Exhibit 1 attached hereto.

3. The Owner and Construction Manager agree that the Work required by this GMP Amendment has been commenced or shall commence on July 1, 2005.

4. Reference is made to Exhibit "E" Early Release of Retention of the Agreement Between The Owner and The Construction Manager dated May 9, 2005; It is understood and agreed that said exhibit is modified s follows; No retainage shall be withheld on concrete, reinforcing steel, post tension and welded wire fabric materials. Retainage on reinforcing steel installation shall be at 5% until the reinforcing steel and post-tension installation has reached 50% at which time no further retainage shall be held. Final retainage shall be released in accordance with the provisions of Exhibit "E".

OWNER	CONSTRUCTION MANAGER
GAYLORD NATIONAL, LLC	PERINI TOMPKINS JOINT VENTURE
BY GAYLORD HOTELS, LLC ITS: SOLE MEMBER	
/s/ David C. Kloeppel	/s/ Sam Sabin
(Signature)	(Signature)
EVP & CFO	Sr. VP
(Title)	(Title)

GMP AMENDMENT NUMBER 5
TO
AGREEMENT BETWEEN THE OWNER AND THE CONSTRUCTION MANAGER

This GMP Amendment is executed this 14th day of December, 2005, by GAYLORD NATIONAL, LLC ("Owner") and PERINI TOMPKINS JOINT VENTURE ("Construction Manager") pursuant to the Agreement dated May 9, 2005 ("Agreement") executed by the parties for the performance by the Construction Manager of certain construction work and construction management services for the Gaylord National Harbor Resort and Convention Center Project as identified therein.

1. Pursuant to the Agreement, Construction Manager hereby agrees that the Guaranteed Maximum Price ("GMP") for the Work to be performed on the Project (including all Work under this GMP Amendment Number 5 and all Work previously authorized pursuant to GMP Amendment Numbers 1, 2, 3 and 4, shall be $164,998,943.00 and that the GMP is accounted as follows: (a) Preconstruction Services equals $350,000, (b) the Construction Manager's Lump Sum General Conditions equals $19,255,989, (c) Interim General Conditions are Disputed ($522,000 not included in this GMP), (d) the Cost of the Work equals $133,533,687, (e) the Construction Manager's Fee equals $5,182,685 and (f) Contingency equals $6,676,582.

2. The GMP Design Documents and any subsequent revisions, thereto upon which this GMP Amendment is based, are identified in Exhibit 1 attached hereto.

3. The completion dates and interim milestone dates in the contract will be evaluated, presented and adjusted once the final permits and drawings are received. The schedule modifications once evaluated will be presented for Owner's review.

4. The Owner has directed the Construction Manager to proceed with all work for the changes and revisions shown on the Contact Documents associated with the Alternate Meeting Rooms located in the upper level of the Convention Center.

OWNER	CONSTRUCTION MANAGER
GAYLORD NATIONAL, LLC	PERINI TOMPKINS JOINT VENTURE
BY GAYLORD HOTELS, LLC ITS: SOLE MEMBER	
/s/ David C. Kloeppel	/s/ Neil Kelly
(Signature)	(Signature)
EVP & CFO	Principle in Charge
(Title)	(Title)

GMP AMENDMENT NUMBER 6
TO
AGREEMENT BETWEEN THE OWNER AND THE CONSTRUCTION MANAGER

This separate GMP Amendment is executed this 17th day of January, 2006, by GAYLORD NATIONAL, LLC ("Owner") and PERINI TOMPKINS JOINT VENTURE ("Construction Manager") pursuant to the Agreement dated May 9, 2005 ("Agreement") executed by the parties for the performance by the Construction Manager of certain construction work and construction management services for the Gaylord National Harbor Resort and Convention Center Project as identified therein.

1. Pursuant to the Agreement, Construction Manager hereby agrees that the Guaranteed Maximum Price (GMP) for the Work to be performed on the Project (including all Work under this GMP Amendment Number 6 and all Work previously authorized pursuant to GMP Amendments Numbers 1, 2, 3, 4 and 5, shall be $200,883,028 and that the GMP is accounted as follows: (a) Preconstruction Services equals $350,000, (b) the Construction Manager's Lump Sum General Conditions equals $19,255,989, (c) the Cost of the Work equals $167,505,270, (d) the Construction Manager's Fee equals $6,312,208 and (3) Contingency equals $8,331,561.

2. The completion dates and interim milestone dates in the contract will be evaluated, presented and adjusted once the final permits and drawings are received. The schedule modifications once evaluated will be presented for Owner's review.

OWNER	CONSTRUCTION MANAGER
GAYLORD NATIONAL, LLC	PERINI TOMPKINS JOINT VENTURE
BY GAYLORD HOTELS, LLC ITS: SOLE MEMBER	
/s/ David C. Kloeppel	/s/ Neil Kelly
(Signature)	(Signature)
EVP & CFO	Principle in Charge
(Title)	(Title)

GMP AMENDMENT NUMBER 7
TO
AGREEMENT BETWEEN THE OWNER AND THE CONSTRUCTION MANAGER

This Separate GMP Amendment is executed this 17th day of February, 2006, by GAYLORD NATIONAL, LLC ("Owner") and PERINI TOMPKINS JOINT VENTURE ("Construction Manager") pursuant to the Agreement dated May 9, 2005 ("Agreement") executed by the parties for the performance by the Construction Manager of certain construction work and construction management services for the Gaylord National Harbor Resort and Convention Center Project as identified therein:

1. Pursuant to the Agreement, Construction Manager hereby agrees that the Guaranteed Maximum Price ("GMP") for the Work to be performed on the Project (including all Work under this GMP Amendment Number 7 and all Work previously authorized pursuant to GMP Amendment Numbers 1, 2, 3, 4, 5 and 6 shall be $236,333,726 and that the GMP is accounted as follows: (a) Preconstruction Services equals $350,000, (b) the Construction Manager's Lump Sum General Conditions equals $19,255,989, (c) the Cost of the Work equals $201,318,086, (d) the Construction Manager's Fee equals $7,428,089 and (e) Contingency equals $8,331,561.

2. Reference is made to Exhibit "E" Early Release of Retention of the Agreement Between The Owner and The Construction manager dated May 9, 2005; It is understood and agreed that said exhibit is modified as follows; No retainage shall be withheld on formwork materials. Retainage on formwork installation shall be at 5% until the formwork has reach 50% at which time no further retainage shall be held. Final retainage shall be released in accordance with the provisions of Exhibit "E".

OWNER	CONSTRUCTION MANAGER
GAYLORD NATIONAL, LLC	PERINI TOMPKINS JOINT VENTURE
BY GAYLORD HOTELS, LLC ITS: SOLE MEMBER	
/s/ David C. Kloeppel	/s/ Neil Kelly
(Signature)	(Signature)
EVP & CFO	Principle in Charge
(Title)	(Title)

EXHIBIT 10.37

PARSUP AWARD AGREEMENT

PERFORMANCE ACCELERATED RESTRICTED STOCK UNIT PROGRAM PURSUANT TO THE GAYLORD ENTERTAINMENT COMPANY 1997 OMNIBUS STOCK OPTION AND INCENTIVE PLAN

This PARSUP AWARD AGREEMENT (the "Agreement") is by and between Gaylord Entertainment Company, a Delaware corporation (the "Company"), and ___________________, (the "Grantee"), pursuant to the Company's 1997 Omnibus Stock Option and Incentive Plan (the "Plan").

SECTION 1. Grant of PARSUP Award. Effective May 8, 2003 (the "Date of Grant"), the Grantee was awarded ___________ restricted stock units (the "Restricted Stock Units"), subject to the terms and conditions of this Agreement and the Plan.

SECTION 2. Vesting of the Award. The Restricted Stock Units shall vest in accordance with the following:

(a) One hundred percent (100%) of the Restricted Stock Units will vest on February 1, 2008, provided the Grantee has continued in the employment of the Company through such date (the "Vested Date").

(b) All restrictions shall lapse and the Restricted Stock Units shall become one hundred percent (100%) vested with respect to one-half (1/2) of Grantee's Restricted Stock Units upon Grantee's termination of employment due to death, Disability or Retirement if such event occurs prior to February 1, 2005, provided Grantee has continued in employment of the Company through such event. All restrictions shall lapse and the Restricted Stock Units shall become one hundred percent (100%) vested with respect to all of Grantee's Restricted Stock Units upon Grantee's termination of employment due to death, Disability or Retirement, if such event occurs on or after February 1, 2005 and prior to February 1, 2008, provided Grantee has continued in the employment of the Company through such event.

(c) Notwithstanding the foregoing, the Restricted Stock Units are eligible for earlier performance vesting beginning March 1, 2005 based on the Company's financial performance. The specific performance targets for early vesting are recommended by the Committee and approved by the Board and can be modified in the same manner.

SECTION 3. Termination of Employment for Other Reasons. In the event that Grantee terminates employment with the Company for any reason other than those reasons set forth in Section 2(b), all of the unvested Restricted Stock Units held by Grantee at the time of termination of employment shall be forfeited to the Company.

SECTION 4. Payment of Vested Restricted Stock Units. Grantee shall be entitled to receive the Company's Common Stock, par value $.01 per share (the "Common Stock") for Restricted Stock Units whose restrictions have lapsed pursuant to Sections 2 and 9.9 herein. Grantee will receive the number of shares equal to the number of vested Restricted Stock Units.

Once the Restricted Stock Units vest and unless a deferral election is made as provided below, upon Grantee's request, stock certificates will be issued.

SECTION 5. Deferral Election. To help alleviate the tax burden of the PARSUP program on participants and to provide an incentive for executives to continue in employment, the Committee has approved a program whereby participants can defer the receipt of their vested PARSUP shares. Under the program, to be effective a deferral election must be in writing and delivered to the Company's secretary by January 1 of any year with respect to that particular calendar year. Thus, if the Grantee wishes to defer the receipt of Common Stock on attributable to Restricted Share Units that vest in 2005, the Grantee must file such election with the Company no later than January 1, 2005. The shares can be deferred to a specified date in the future or to the Grantee's termination of employment date, whichever occurs first. The Grantee can elect a lump sum distribution of shares on the deferral date (or one year after that date) or can elect annual installments of shares over five (5) years. This election is irrevocable with respect to the payment of shares for which such election is made.

SECTION 6. Dividends. The Grantee shall be entitled to receive either:

(a) Cash payments equal to any cash dividend and other distributions paid with respect to a corresponding number of shares;

(b) Additional Restricted Stock Units equal to any cash dividend and other distributions paid with respect to a corresponding number of shares; or

(c) If dividends or distributions are paid in shares, the fair market value of such shares converted into Restricted Stock Units.

In the case of (b) or (c) above, the additional Restricted Stock Units shall be subject to the same forfeiture restrictions and restrictions on transferability as apply to the Restricted Stock Units with respect to which they were paid.

SECTION 7. Rights as a Stockholder. Except as provided above, the Grantee shall not have voting or any other rights as a stockholder of the Company with respect to Restricted Stock Units. Grantee will obtain full voting and other rights as a stockholder of the Company upon the settlement of Restricted Stock Units in shares.

SECTION 8. Governing Provisions. This Agreement is made under and subject to the provisions of the Plan, and all of the provisions of the Plan are also provisions of this Agreement. Capitalized terms used but not defined herein shall have the same meanings ascribed to such terms in the Plan. If there is a difference or conflict between the provisions of this Agreement and the provisions of the Plan, the provisions of the Plan will govern. By signing this Agreement, the Grantee confirms that he or she has received a copy of the Plan.

SECTION 9. Miscellaneous.

9.1 Entire Agreement. This Agreement and the Plan contain the entire understanding and agreement between the Company and the Grantee concerning the Restricted Stock Units granted hereby and supersede any prior or contemporaneous negotiations and understandings. The Company and the Grantee have made no promises, agreements, conditions, or understandings relating to the Restricted Stock Units, either orally or in writing, that are not included in this Agreement or the Plan.

9.2 Employment. By establishing the Plan, granting awards under the Plan, and entering into this Agreement, the Company does not give the Grantee any right to continue to be employed by the Company or to be entitled to any remuneration or benefits not set forth in this Agreement or the Plan. None of the provisions of this Agreement or the plan will interfere with or limit the right of the company to terminate the Grantee's employment at any time.

9.3 Captions. The captions and section numbers appearing in this Agreement are inserted only as a matter of convenience. They do not define, limit, construe, or describe the scope or intent of the provisions of this Agreement.

9.4 Counterparts. This Agreement may be executed in counterparts, each of which when signed by the Company and the Grantee will be deemed an original and all of which together will be deemed the same agreement.

9.5 Notice. Any notice or communication having to do with this Agreement must be given by personal delivery or by certified mail, return receipt requested, addressed, if to the Company, to the principal office of the Company and, if to the Grantee, to the Grantee's last known address on the personnel records of the Company.

9.6 Amendment. This Agreement may be amended by the Company, provided that unless the Grantee consents in writing, the Company cannot amend this Agreement if the amendment will materially change or impair the Grantee's rights under this Agreement and such change is not to the Grantee's benefit. Nevertheless, the Committee shall have the authority to cancel all or any portion of any outstanding restrictions prior to the Vested Date with respect to any or all of the Restricted Stock Units awarded on such terms and conditions as the Committee shall deem appropriate.

9.7 Succession and Transfer. Each and all of the provisions of this Agreement are binding upon and inure to the benefit of the Company and the Grantee and their heirs, successors, and assigns. However, neither the Restricted Stock Units nor this Agreement is transferable prior to the Vested Date other than by will or by the laws of descent and distribution.

9.8 Governing Law. This Agreement shall be governed and construed exclusively in accordance with the law of the State of Delaware applicable to agreements to be performed in the State of Delaware to the extent it may apply.

9.9 Change in Control. Upon the occurrence of any of the events described in Section 13(c) of the Plan, (a) all restrictions under the Plan and the Agreement with respect to the Restricted Stock Units, including the restriction on transfer set forth in Section 9.7 hereof, shall automatically expire and be of no further force or effect, (b) an "Acceleration Date" as defined in Section 13(c) of the Plan shall be the "Vested Date" for all purposes hereunder, and (c) notwithstanding the schedule set forth on Exhibit A hereto, the number of shares of Vested Stock shall equal the total number of shares of Restricted Stock Units subject to this Agreement.

IN WITNESS WHEREOF, the Company and the Grantee have executed this Agreement to be effective as of May 8, 2003.

GRANTEE: GAYLORD ENTERTAINMENT COMPANY

By:

______________________________ _____________________________________

Carter R. Todd, Senior Vice President

Exhibit 10.38

GAYLORD ENTERTAINMENT COMPANY (THE "COMPANY")

SUMMARY OF DIRECTOR AND EXECUTIVE OFFICER COMPENSATION

I. DIRECTOR COMPENSATION. Directors who are employees of the Company do not receive additional compensation for serving as directors of the Company. The following table sets forth current rates of cash compensation for the Company's non-employee directors.

RETAINERS	2006
Board retainer	$ 40,000
Audit chair retainer	$ 15,000
Audit member retainer	$ 10,000
Human Resources/Nominating and Corporate Governance chair retainer	$ 12,500
Human Resources/Nominating and Corporate Governance member retainer	$ 7,500

No additional fees are paid for special meetings. Pursuant to the Company's Deferred Compensation Plan for Non-Employee Directors, non-employee directors may defer these fees into this plan until their retirement or resignation from the Board of Directors. Upon election to the Board of Directors, non-employee directors also receive a one-time grant of a non-qualified stock option to purchase 10,000 shares of common stock under the 1997 Omnibus Stock Option and Incentive Plan, at an exercise price equal to the closing price on the date prior to the date of the grant, which becomes exercisable in four equal annual installments. In addition, each non-management director receives an annual grant of a non-qualified stock option to purchase 5,000 shares of common stock under the 1997 Omnibus Stock Option and Incentive Plan, at an exercise prices equal to the closing price on the date prior to the date of the grant, which becomes exercisable on the first anniversary of the date of grant. All directors are reimbursed for expenses incurred in attending meetings.

II. EXECUTIVE OFFICER COMPENSATION. The following table sets forth the 2006 annual base salaries and the fiscal 2005 performance bonuses provided to the Company's Chief Executive Officer and four most highly compensated executive officers (the "Named Executive Officers").

EXECUTIVE OFFICER	2006 SALARY	FISCAL 2005 BONUS AMOUNT
Colin V. Reed	$832,000	$ 787,692.34
David C. Kloeppel	$494,000	$ 333,542.29
Jay D. Sevigny(1)	$385,000	$ 204,523.06
Mark Fioravanti	$333,000	$ 100,000.00
John Caparella(1)	$350,000	$ 144,016.17

(1) As of February 10, 2006, Mr. Caparella was promoted from Senior Vice President and General Manager, Gaylord Palms Resort, to Executive Vice President and Chief Operating Officer -- Gaylord Hotels and Mr. Sevigny was designated Industry Relations Adviser.

The Named Executive Officers also participate in the Company's 2006 Cash Bonus Plan and receive long-term incentive awards pursuant to the Company's stockholder approved equity incentive plans.

III. ADDITIONAL INFORMATION. The foregoing information is summary in nature. Additional information regarding director and Named Executive Officer compensation will be provided in the Company's proxy statement to be filed in connection with the 2006 annual meeting of stockholders.

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Exhibit 21

SUBSIDIARIES OF THE COMPANY

JURISDICTION SUBSIDIARY NAME OF ORGANIZATION - ------------------------- ----- ----------- 1. CCK Holdings, Delaware LLC 2. Corporate Texas Magic, Inc. 3. Country Music Delaware Television International, Inc. 4. Gaylord Creative Delaware Group, Inc. 5. Gaylord Hotels, Delaware LLC 6. Gaylord Delaware Investments, Inc. 7. Gaylord Maryland National, LLC 8. Gaylord Program Delaware Services, Inc. 9. Grand Ole Opry Tennessee Tours, Inc. 10. OLH, G.P. Tennessee 11. OLH Holdings, Delaware LLC 12. Opryland Delaware Attractions, Inc. 13. Opryland Tennessee Hospitality, LLC 14. Opryland Florida Hotel--Florida Limited Partnership 15. Opryland Hotel Delaware Nashville, LLC 16. Opryland Delaware Hotel--Texas Limited Partnership 17. Opryland Delaware Hotel--Texas, LLC 18. Opryland Tennessee Productions, Inc. 19. Opryland Delaware Theatricals, Inc. 20. Wildhorse Saloon Tennessee Entertainment Ventures, Inc. 21. ResortQuest Delaware International, Inc. 22. Abbott & Andrews Florida Realty, LLC 23. Abbott Resorts, Florida LLC 24. Accommodations Colorado Center, Inc. 25. ResortQuest Florida Orlando, LLC

JURISDICTION SUBSIDIARY NAME OF ORGANIZATION - ------------------------- ----- ----------- 26. Aspen Lodging Delaware Company, LLC 27. B&B on the North Carolina Beach, Inc. 28. Base Mountain Delaware Properties, Inc. 29. Brindley & North Carolina Brindley Realty & Development, Inc. 30. Catering South Carolina Concepts, LLC 31. Coastal Resorts Delaware Management, Inc. 32. Coastal Resorts Delaware Realty, L.L.C. 33. Coates, Reid & Delaware Waldron, Inc. 34. Collection of Colorado Fine Properties, Inc. 35. Columbine Colorado Management Company 36. ResortQuest Delaware Colorado, Inc.. 37. Exclusive Delaware Vacation Properties, Inc. 38. Great Beach Delaware Vacations, LLC 39. High Country Delaware Resorts, Inc. 40. Hilton Head South Carolina Ocean Front Sales and Rentals, Inc. 41. Houston and Colorado O'Leary Company 42. K-T-F Delaware Acquisition Co. 43. ResortQuest Hawaii Real Estate of Hawaii, Inc. 44. Mountain British Memories Columbia Accommodations, Ltd. 45. Mountain Valley Properties, Inc. Delaware 46. Office and Hawaii Storage LLC 47. Peak Ski Colorado Rentals, LLC 48. ResortQuest Delaware Real Estate of Alabama, Inc. 49. Powder Resort British Townhomes, Ltd. Columbia 50. R&R Resort North Carolina Rental Properties, Inc. 51. Realty Referral Florida Consultants, LLC

JURISDICTION SUBSIDIARY NAME OF ORGANIZATION - ------------------------- ----- ----------- 52. REP Holdings, Hawaii Ltd. 53. Resort Property Utah Management, Inc. 54. Resort Rental Tennessee Vacations, LLC 55. ResortQuest Hawaii Hawaii, LLC 56. ResortQuest Delaware Hilton Head, Inc. 57. ResortQuest Florida Real Estate of Florida, Inc. 58. ResortQuest Mississippi Real Estate of Mississippi, Inc. 59. ResortQuest Delaware Realty Aspen, LLC 60. ResortQuest Delaware Southwest Florida, LLC 61. ResortQuest at Colorado Summit County, LLC 62. ResortQuest Colorado Technologies, Inc. 63. ResortQuest British Whistler Property Columbia, Management, Inc. Canada 64. Ridgepine, Inc. Delaware 65. RQI Acquisition, LLC Delaware 66. RQI Holdings, Ltd. Hawaii 67. Ryan's Golden Montana Eagle Management, Inc. 68. Sand Dollar Delaware Management Investors, LLC 69. Sand Dollar Delaware Ocean, LLC 70. Scottsdale Resort Delaware Accommodations, Inc. 71. Spearhead British Rentals, Ltd. Columbia 72. Steamboat Delaware Premier Properties, Inc. 73. Telluride Colorado Resort Accommodations, Inc. 74. Ten Mile Colorado Holdings, Ltd. 75. THE Management Georgia Company 76. The Maury Massachusetts People, Inc. 77. The Tops'l Florida Group, Inc.

JURISDICTION SUBSIDIARY NAME OF ORGANIZATION - --------- ----------- ------ ---- ----------- - 78. Tops'l Club of Florida NW Florida, LLC 79. Trupp Hodnett Inc. Georgia 80. Whistler Canada Chalets Holding (Federal) Corp. 81.

Whistler
British
Exclusive
Property
Columbia
Management,
Ltd. 82.
Whistler
Canada
Lodging
Company
Ltd.
(Federal)

EXHIBIT 23.1

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in: (1) the Registration Statement (Form S-8 No. 333-37051) pertaining to the Amended and Restated Gaylord Entertainment Company 401(K) Savings Plan of Gaylord Entertainment Company; (2) the Registration Statement (Form S-8 No. 333-37053) pertaining to the 1997 Stock Option and Incentive Plan of Gaylord Entertainment Company; (3) the Registration Statement (Form S-8 No. 333-79223) pertaining to the Employee Stock Purchase Plan of Gaylord Entertainment Company; (4) the Registration Statement (Form S-8 No. 333-31254) pertaining to the Amended and Restated 1997 Stock Option and Incentive Plan of Gaylord Entertainment Company; (5) the Registration Statement (Form S-8 No. 333-40676) pertaining to the 1997 Omnibus Stock Option and Incentive Plan of Gaylord Entertainment Company; (6) the Registration Statement (Form S-8 No. 333-110636) pertaining to the ResortQuest International, Inc. Amended and Restated 1998 Long-Term Incentive Plan of Gaylord Entertainment Company; (7) the Registration Statement (Form S-8 No. 333-118011) pertaining to the ResortQuest Savings & Retirement Plan of Gaylord Entertainment Company; and (8) the Registration Statement (Form S-3 No. 333-111813) of Gaylord Entertainment Company, of our reports dated March 10, 2006 with respect to the consolidated financial statements and financial statement schedules of Gaylord Entertainment Company, and Gaylord Entertainment Company management's assessment of the effectiveness of internal control over financial reporting, and the effectiveness of internal control over financial reporting of Gaylord Entertainment Company, included in this Annual Report (Form 10-K) for the year-ended December 31, 2005.

/s/ ERNST & YOUNG LLP

Nashville, Tennessee
March 10, 2006

Exhibit 31.1

CERTIFICATION

I, Colin V. Reed, certify that;

1. I have reviewed this annual report on Form 10-K of Gaylord Entertainment Company;

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 officers 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)) 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 officers 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:

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: March 15, 2006

By: /s/ Colin V. Reed

Colin V. Reed

Chief Executive Officer and President

Exhibit 31.2

CERTIFICATION

I, David C. Kloeppel, certify that:

1. I have reviewed this annual report on Form 10-K of Gaylord Entertainment Company;

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 officers 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)) 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 officers 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:

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: March 15, 2006

By: /s/ David C. Kloeppel

David C. Kloeppel
Chief Financial Officer

Exhibit 32.1

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

In connection with the Annual Report of Gaylord Entertainment Company (the "Company") on Form 10-K for the period ending December 31, 2005, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Colin V. Reed, Chief Executive Officer and President of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, to the best of my knowledge, that:

(1) The Report fully complies with the requirements of Section 13 (a) or 15(d) of the Securities Exchange Act of 1934; and

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

/s/ Colin V. Reed
- -------------------------------------
Colin V. Reed
Chief Executive Officer and President
March 15, 2006

A signed original of this certification has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

Exhibit 32.2

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

In connection with the Annual Report of Gaylord Entertainment Company (the "Company") on Form 10-K for the period ending December 31, 2005, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, David C. Kloeppel, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, to the best of my knowledge, that:

(1) The Report fully complies with the requirements of Section 13 (a) or 15 (d) of the Securities Exchange Act of 1934; and

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

/s/ David C. Kloeppel
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David C. Kloeppel
Chief Financial Officer
March 15, 2006

A signed original of this certification has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.