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FORM 10-Q

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

(Mark One)

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

For the quarterly period ended September 30, 2007

or

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

Commission file number 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)

(615) 316-6000
(Registrant's telephone number, including area code)

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

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 filero Non-accelerated filer o

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

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

Class	Outstanding as of October 31, 2007
Common Stock, $.01 par value	41,223,395 shares

GAYLORD ENTERTAINMENT COMPANY

FORM 10-Q

For the Quarter Ended September 30, 2007
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GAYLORD ENTERTAINMENT COMPANY AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
For the Three Months Ended September 30, 2007 and 2006
(Unaudited)
(In thousands, except per share data)

	2007	2006
Revenues	**$ 166,920**	$ 163,758
Operating expenses:		
Operating costs	**105,581**	105,552
Selling, general and administrative	**35,819**	37,988
Preopening costs	**3,926**	2,432
Depreciation	**18,075**	17,825
Amortization	**949**	967
Operating income (loss)	**2,570**	(1,006)
Interest expense, net of amounts capitalized	**(3,125)**	(17,960)
Interest income	**620**	464
Unrealized gain on Viacom stock and CBS stock	**—**	13,453
Unrealized loss on derivatives	**—**	(5,601)
(Loss) income from unconsolidated companies	**(2)**	2,571
Other gains and (losses), net	**622**	1,120
Income (loss) before benefit for income taxes	**685**	(6,959)
Benefit for income taxes	**(1,511)**	(5,824)
Income (loss) from continuing operations	**2,196**	(1,135)
(Loss) gain from discontinued operations, net of income taxes	**(4,349)**	7,446
Net (loss) income	**$ (2,153)**	$ 6,311
Basic (loss) income per share:		
Income (loss) from continuing operations	**$ 0.05**	$ (0.03)
(Loss) gain from discontinued operations, net of income taxes	**(0.10)**	0.19
Net (loss) income	**$ (0.05)**	$ 0.16
Fully diluted (loss) income per share:		
Income (loss) from continuing operations	**$ 0.05**	$ (0.03)
(Loss) gain from discontinued operations, net of income taxes	**(0.10)**	0.19
Net (loss) income	**$ (0.05)**	$ 0.16

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

GAYLORD ENTERTAINMENT COMPANY AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
For the Nine Months Ended September 30, 2007 and 2006
(Unaudited)
(In thousands, except per share data)

	2007	2006
Revenues	**$ 538,659**	$ 523,152
Operating expenses:		
Operating costs	**322,905**	318,427
Selling, general and administrative	**115,310**	111,494
Preopening costs	**10,101**	4,997
Depreciation	**54,960**	53,130
Amortization	**2,827**	2,778
Operating income	**32,556**	32,326
Interest expense, net of amounts capitalized	**(35,513)**	(54,285)
Interest income	**2,767**	1,431
Unrealized gain on Viacom stock and CBS stock	**6,358**	820
Unrealized gain on derivatives	**3,121**	13,730
Income from unconsolidated companies	**1,011**	8,374
Other gains and (losses), net	**146,697**	2,580
Income before provision for income taxes	**156,997**	4,976
Provision for income taxes	**60,528**	7,192
Income (loss) from continuing operations	**96,469**	(2,216)
Gain from discontinued operations, net of income taxes	**11,684**	16,525
Net income	**$ 108,153**	$ 14,309
Basic income per share:		
Income (loss) from continuing operations	**$ 2.36**	$ (0.05)
Gain from discontinued operations, net of income taxes	**0.28**	0.40
Net income	**$ 2.64**	$ 0.35
Fully diluted income per share:		
Income (loss) from continuing operations	**$ 2.28**	$ (0.05)
Gain from discontinued operations, net of income taxes	**0.28**	0.40
Net income	**$ 2.56**	$ 0.35

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

GAYLORD ENTERTAINMENT COMPANY AND SUBSIDIARIES

CONDENSED CONSOLIDATED BALANCE SHEETS
September 30, 2007 and December 31, 2006
(Unaudited)
(In thousands)

	September 30, 2007	December 31, 2006
ASSETS		
Current assets:		
Cash and cash equivalents — unrestricted	**$ 38,635**	$ 35,356
Cash and cash equivalents — restricted	**1,150**	1,266
Short term investments	**—**	394,913
Trade receivables, less allowance of $474 and $881, respectively	**45,851**	33,734
Estimated fair value of derivative assets	**—**	207,428
Deferred financing costs	**—**	10,461
Deferred income taxes	**6,104**	—
Other current assets	**29,224**	20,552
Current assets of discontinued operations	**3,536**	33,952
Total current assets	**124,500**	737,662
Property and equipment, net of accumulated depreciation	**2,042,931**	1,609,685
Intangible assets, net of accumulated amortization	**189**	228
Goodwill	**6,915**	6,915
Indefinite lived intangible assets	**1,480**	1,480
Investments	**4,476**	84,488
Long-term deferred financing costs	**15,471**	15,579
Other long-term assets	**13,826**	12,587
Long-term assets of discontinued operations	**—**	163,886
Total assets	**$ 2,209,788**	$ 2,632,510
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Current portion of long-term debt and capital lease obligations	**$ 2,014**	$ 1,991
Secured forward exchange contract	**—**	613,054
Accounts payable and accrued liabilities	**209,616**	165,108
Income taxes payable	**23,903**	315
Deferred income taxes	**—**	56,628
Current liabilities of discontinued operations	**3,775**	57,906
Total current liabilities	**239,308**	895,002
Long-term debt and capital lease obligations, net of current portion	**878,769**	753,562
Deferred income taxes	**58,229**	96,537
Estimated fair value of derivative liabilities	**1,396**	2,610
Other long-term liabilities	**100,880**	84,325
Long-term liabilities of discontinued operations	**2,424**	2,448
Commitments and contingencies		
Stockholders' equity:		
Preferred stock, $.01 par value, 100,000 shares authorized, no shares issued or outstanding	**—**	—
Common stock, $.01 par value, 150,000 shares authorized, 41,221 and 40,804 shares issued and outstanding, respectively	**412**	408
Additional paid-in capital	**718,050**	694,941
Retained earnings	**227,001**	118,885
Accumulated other comprehensive loss	**(16,681)**	(16,208)
Total stockholders' equity	**928,782**	798,026
Total liabilities and stockholders' equity	**$ 2,209,788**	$ 2,632,510

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

GAYLORD ENTERTAINMENT COMPANY AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
For the Nine Months Ended September 30, 2007 and 2006
(Unaudited)
(In thousands)

	2007	2006
Cash Flows from Operating Activities:		
Net income	**$ 108,153**	$ 14,309
Amounts to reconcile net income to net cash flows (used in) provided by operating activities:		
Gain from discontinued operations, net of taxes	**(11,684)**	(16,525)
Income from unconsolidated companies	**(1,011)**	(8,374)
Unrealized gain on Viacom stock and CBS stock and related derivatives, net	**(9,479)**	(14,550)
(Benefit) provision for deferred income taxes	**(47,587)**	7,192
Depreciation and amortization	**57,787**	55,908
Amortization of deferred financing costs	**13,260**	22,412
Write-off of deferred financing costs	**1,192**	—
Stock-based compensation expense	**7,635**	5,729
Excess tax benefit from stock-based compensation	**(1,974)**	(2,474)
Gain on sale of investment in Bass Pro	**(140,313)**	—
(Gain) loss on sales of assets	**(4,281)**	412
Dividends received from investments in unconsolidated companies	**—**	3,155
Changes in (net of acquisitions and divestitures):		
Trade receivables	**(12,117)**	(13,831)
Accounts payable and accrued liabilities	**10,336**	24,819
Income taxes payable	**23,655**	(125)
Other assets and liabilities	**(8,505)**	(133)
Net cash flows (used in) provided by operating activities — continuing operations	**(14,933)**	77,924
Net cash flows provided by operating activities — discontinued operations	**17,250**	5,856
Net cash flows provided by operating activities	**2,317**	83,780
Cash Flows from Investing Activities:		
Purchases of property and equipment	**(454,501)**	(164,661)
Investment in unconsolidated companies	**(191)**	(4,772)
Proceeds from sale of investment in Bass Pro	**221,527**	—
Proceeds from sales of assets	**5,071**	64
Other investing activities	**(1,311)**	(2,991)
Net cash flows used in investing activities — continuing operations	**(229,405)**	(172,360)
Net cash flows provided by (used in) investing activities — discontinued operations	**115,240**	(12,710)
Net cash flows used in investing activities	**(114,165)**	(185,070)
Cash Flows from Financing Activities:		
Borrowings under credit facility	**125,000**	70,000
Repayment of long-term debt	**—**	(1,000)
Deferred financing costs paid	**(3,883)**	—
Decrease (increase) in restricted cash and cash equivalents	**116**	(21)
Proceeds from exercise of stock option and purchase plans	**12,047**	11,087
Excess tax benefit from stock-based compensation	**1,974**	2,474
Other financing activities, net	**(762)**	(885)
Net cash flows provided by financing activities — continuing operations	**134,492**	81,655
Net cash flows (used in) provided by financing activities — discontinued operations	**(19,365)**	10,935
Net cash flows provided by financing activities	**115,127**	92,590
Net change in cash and cash equivalents	**3,279**	(8,700)
Cash and cash equivalents — unrestricted, beginning of period	**35,356**	45,776
Cash and cash equivalents — unrestricted, end of period	**$ 38,635**	$ 37,076

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

GAYLORD ENTERTAINMENT COMPANY AND SUBSIDIARIES

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

1. BASIS OF PRESENTATION:

The condensed consolidated financial statements include the accounts of Gaylord Entertainment Company and its subsidiaries (the “Company”) and have been prepared by the Company, without audit, pursuant to the rules and regulations of the Securities and Exchange Commission (the “SEC”). Certain information and footnote disclosures normally included in annual financial statements prepared in accordance with generally accepted accounting principles have been condensed or omitted pursuant to such rules and regulations, although the Company believes that the disclosures are adequate to make the financial information presented not misleading. These condensed consolidated financial statements should be read in conjunction with the audited consolidated financial statements and the notes thereto included in the Company’s Annual Report on Form 10-K as of and for the year ended December 31, 2006 filed with the SEC. In the opinion of management, all adjustments necessary for a fair statement of the results of operations for the interim period have been included. All adjustments are of a normal, recurring nature. The results of operations for such interim periods are not necessarily indicative of the results for the full year.

2. INCOME PER SHARE:

The weighted average number of common shares outstanding is calculated as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
(in thousands)	**2007**	2006	**2007**	2006
Weighted average shares outstanding	**41,086**	40,655	**40,951**	40,521
Effect of dilutive stock options	**1,300**	—	**1,332**	—
Weighted average shares outstanding - assuming dilution	**42,386**	40,655	**42,283**	40,521

For the three months and nine months ended September 30, 2006, the effect of dilutive stock options was the equivalent of approximately 981,000 and 1,042,000 shares of common stock outstanding, respectively. Because the Company had a loss from continuing operations in the three months and nine months ended September 30, 2006, these incremental shares were excluded from the computation of diluted earnings per share for those periods as the effect of their inclusion would have been anti-dilutive.

3. COMPREHENSIVE INCOME (LOSS):

Comprehensive income (loss) is as follows for the three months and nine months of the respective periods:

(in thousands)	Three Months Ended September 30, 2007	Three Months Ended September 30, 2006	Nine Months Ended September 30, 2007	Nine Months Ended September 30, 2006
Net (loss) income	**$ (2,153)**	$ 6,311	**$ 108,153**	$ 14,309
Minimum pension liability, net of deferred income taxes	**—**	—	**(95)**	—
Foreign currency translation, net of deferred income taxes	**—**	(112)	**—**	(92)
Unrealized (loss) gain on natural gas hedges, net of deferred income taxes	**(1)**	—	**174**	—
Comprehensive (loss) income	**$ (2,154)**	$ 6,199	**$ 108,232**	$ 14,217

4. INVESTMENTS:

Prior to May 31, 2007, the Company owned 13.0% of Bass Pro Group, LLC ("Bass Pro"), which is the owner of the Bass Pro Inc., Tracker Marine Boats and Big Cedar Lodge businesses. The Company accounted for this investment 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.*

On May 31, 2007, the Company completed the sale of all of its ownership interest in Bass Pro to Bass Pro for a purchase price of $222.0 million in cash. The Company recognized a pre-tax gain of $140.3 million from the sale of its interest in Bass Pro, which is recorded in other gains and losses in the accompanying condensed consolidated statements of operations. Net proceeds from the sale of $221.5 million were used to reduce the Company's outstanding indebtedness. The Company's Chief Executive Officer formerly served as a member of the board of managers of Bass Pro but resigned upon consummation of the sale.

5. DISCONTINUED OPERATIONS:

The Company has reflected the following businesses as discontinued operations, consistent with the provisions of Statement of Financial Accounting Standards ("SFAS") No. 144, *Accounting for the Impairment or Disposal of Long-Lived Assets* and Accounting Principles Board ("APB") Opinion No. 30, *Reporting the Results of Operations — Reporting the Effects of Disposal of a Segment of a Business, and Extraordinary, and Unusual and Infrequently Occurring Events and Transactions*. The results of operations, net of taxes, and the carrying value of the assets and liabilities of these businesses have been reflected in the accompanying condensed consolidated financial statements as discontinued operations in accordance with SFAS No. 144 for all periods presented.

ResortQuest

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 and $44,000 during the three months and nine months ended September 30, 2006, respectively, related to employee severance benefits in the discontinued markets. The Company completed the sale of four of these markets in the fourth quarter of 2005, two of these markets in the first quarter of 2006, and the remaining two markets in the second quarter of 2006.

During the second quarter of 2006, the Company completed the sale of one additional market of its ResortQuest business that was not included in the plan of disposal described above, but was later determined to be inconsistent with the Company's long term growth strategy. The Company did not record any restructuring charges in connection with the sale of this market.

During the second quarter of 2007, the Company committed to a plan of disposal of the remainder of its ResortQuest business. On May 31, 2007, the Company completed the sale of its ResortQuest Hawaii operations through the transfer of all of its equity interests in its ResortQuest Hawaii subsidiaries ("ResortQuest Hawaii") to Vacation Holdings Hawaii, Inc., an affiliated company of Interval International, for $109.1 million in cash, prior to giving effect to a purchase price adjustment based on the working capital of ResortQuest Hawaii as of the closing. The Company retained its 19.9% ownership interest in RHAC Holdings, LLC and its 18.1% ownership interest in Waipouli Holdings LLC, which ownership interests were excluded from this transaction. For the three months and nine months ended September 30, 2007, the Company recognized a pretax gain of $0 and $50.4 million, respectively, in discontinued operations in the accompanying condensed consolidated statements of operations related to the sale of ResortQuest Hawaii. In connection with the sale of ResortQuest Hawaii, the Company recorded pre-tax restructuring charges for employee severance benefits of $0 and $0.4 million for the three months and nine months ended September 30, 2007, all of which was included in the pre-tax gain on the sale of ResortQuest Hawaii. Net proceeds from the sale of $108.1 million were used to reduce the Company's outstanding indebtedness.

On June 1, 2007, the Company completed the sale of the remainder of the operations of its ResortQuest subsidiary through the transfer of all of its capital stock in its ResortQuest Mainland subsidiary ("ResortQuest Mainland") to BEI-RZT Corporation, a subsidiary of Leucadia National Corporation for $35.0 million, prior to giving effect to certain purchase price adjustments, including a purchase price adjustment based on the working capital of ResortQuest Mainland as of the closing. The purchase price was paid by the delivery of a four-year promissory note in the principal amount of $8.0 million bearing interest at the annual rate of 10%, and the balance of the purchase price was paid in cash at closing. As of June 30, 2007, the Company estimated that it would be required to pay $4.9 million to BEI — RZT Corporation pursuant to the final purchase price adjustment based on the working capital of ResortQuest Mainland as of the closing. The Company accrued this liability during the second quarter of 2007 as part of the loss on the sale of ResortQuest Mainland. During the third quarter of 2007, the Company and BEI — RZT Corporation reached an agreement that the Company would be required to pay approximately $8.0 million to BEI - RZT Corporation pursuant to the final purchase price adjustment. The Company accrued the additional $3.1 million purchase price adjustment during the third quarter of 2007. The Company and BEI — RZT Corporation also agreed that the four-year $8.0 million promissory note received from BEI — RZT Corporation at closing would be cancelled and deemed to be satisfied and paid in full in full satisfaction of the approximately $8.0 million final purchase price adjustment described above. As a result of the final purchase price adjustments and cancellation of the note, the Company recognized a pretax loss of $2.1 million and $59.3 million in discontinued operations in the accompanying condensed consolidated statements of operations for the three months and nine months ended September 30, 2007, respectively, related to the sale of ResortQuest Mainland. In connection with the sale of ResortQuest Mainland, the Company recorded pre-tax restructuring charges for employee severance benefits of $0.1 million and $0.5 million for the three months and nine months ended September 30, 2007, of which $0 and $0.3 million, respectively, was included in the pretax loss on the sale of ResortQuest Mainland. Net cash proceeds from the sale of $9.0 million were used to reduce the Company's outstanding indebtedness.

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The following table reflects the results of operations of businesses accounted for as discontinued operations for the three months and nine months ended September 30, 2007 and 2006:

(in thousands)	Three Months Ended September 30, 2007	Three Months Ended September 30, 2006	Nine Months Ended September 30, 2007	Nine Months Ended September 30, 2006
Revenues:				
ResortQuest	**$ —**	$ 68,148	**$ 91,228**	$ 187,801
Operating (loss) income:				
ResortQuest	**$ (1,663)**	$ 8,946	**$ (3,685)**	$ 8,894
Other	**—**	—	**—**	6
Impairment and other charges	**—**	(832)	**—**	(832)
Restructuring charges	**(138)**	—	**(210)**	(44)
Total operating (loss) income	**(1,801)**	8,114	**(3,895)**	8,024
Interest expense	**—**	199	**(8)**	672
Interest income	**—**	389	**309**	875
Other gains and (losses):				
ResortQuest	**(2,034)**	729	**(8,803)**	6,003
Other	**—**	—	**—**	6
(Loss) income before provision (benefit) for income taxes	**(3,835)**	9,431	**(12,397)**	15,580
Provision (benefit) for income taxes	**514**	1,985	**(24,081)**	(945)
(Loss) gain from discontinued operations	**$ (4,349)**	$ 7,446	**$ 11,684**	$ 16,525

Included in other gains and (losses) in the three months ended September 30, 2007 is a pre-tax loss of $2.1 million related to the final purchase price adjustments made on the sale of ResortQuest Mainland. Included in other gains and (losses) in the nine months ended September 30, 2007 is a pre-tax gain of $50.4 million on the sale of ResortQuest Hawaii and a pre-tax loss of $59.3 million on the sale of ResortQuest Mainland. Included in other gains and (losses) in the nine months ended September 30, 2006 is a pre-tax loss of $17,000 on the sale of certain ResortQuest markets, as well as a $5.9 million gain on the collection of a note receivable by ResortQuest that was previously considered uncollectible. The remaining gains and (losses) in the three months and nine months ended September 30, 2007 and 2006 are primarily comprised of gains and losses recognized on the resolution of various contingent items subsequent to the sale of the ResortQuest markets, as well as miscellaneous income and expense.

The benefit for income taxes for the nine months ended September 30, 2007 primarily relates to a permanent tax benefit recognized on the sales of ResortQuest Hawaii and ResortQuest Mainland. The benefit for income taxes for the nine months ended September 30, 2006 primarily results from the Company settling certain ResortQuest issues with the Internal Revenue Service related to periods prior to the acquisition of ResortQuest, as well as the tax effect of interest charged to ResortQuest International, Inc. during the period and the writeoff of taxable goodwill associated with the ResortQuest markets sold in this period.

The assets and liabilities of the discontinued operations presented in the accompanying condensed consolidated balance sheets are comprised of:

(in thousands)	September 30, 2007	December 31, 2006
Current assets:		
Cash and cash equivalents — unrestricted	**$ —**	$ 5,224
Cash and cash equivalents — restricted	**—**	14,459
Trade receivables, net	**—**	5,715
Prepaid expenses	**—**	1,745
Other current assets	**3,536**	6,809
Total current assets	**3,536**	33,952
Property and equipment, net of accumulated depreciation	**—**	28,758
Intangible assets, net of accumulated amortization	**—**	22,460
Goodwill	**—**	80,416
Indefinite lived intangible assets	**—**	26,774
Other long-term assets	**—**	5,478
Total long-term assets	**—**	163,886
Total assets	**$ 3,536**	$ 197,838
Current liabilities:		
Current portion of long-term debt	**$ —**	$ 43
Accounts payable and accrued liabilities	**3,775**	57,863
Total current liabilities	**3,775**	57,906
Long-term debt	**—**	10
Other long-term liabilities	**2,424**	2,438
Total long-term liabilities	**2,424**	2,448
Total liabilities	**$ 6,199**	$ 60,354

6. OTHER OPERATING ITEMS:

In order to redevelop certain food and beverage operations at Gaylord Opryland Resort & Convention Center, the Company terminated the lease held by the third-party operator of the hotel's food court during the first quarter of 2007. The Company paid the operator $2.9 million to terminate the lease, which was recorded as selling, general and administrative expense in the accompanying condensed consolidated statement of operations for the nine months ended September 30, 2007.

Also during the first quarter of 2007, the Company sold the previously utilized corporate aircraft for net proceeds of $5.0 million in cash, which resulted in the Company recording a gain of $4.4 million in other gains and losses in the accompanying condensed consolidated statement of operations for the nine months ended September 30, 2007.

7. DEBT:

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 SEC with respect to the 8% Senior Notes and subsequently 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. The 8% 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 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. 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 a senior secured credit facility secured by the Company’s Florida and Texas hotel properties, as well as the remaining $66 million of a mezzanine loan secured by the equity interest in a wholly-owned subsidiary that owned Gaylord Opryland and to pay certain fees and expenses related to the ResortQuest acquisition; and
- $79.2 million was placed in escrow pending consummation of the acquisition of ResortQuest by the Company. On 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.

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 senior notes for publicly registered 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. 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 a senior loan that was secured by a first mortgage lien on the assets of Gaylord Opryland 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.

$600.0 Million Credit Facility

On March 10, 2005, the Company entered into a $600.0 million credit facility with Bank of America, N.A. acting as the administrative agent. This credit facility, which replaced a $100.0 million revolving credit facility, consisted of the following components: (a) a $300.0 million senior secured revolving credit facility, which included a $50.0 million letter of credit sublimit, and (b) a $300.0 million senior secured delayed draw term loan facility, which could be drawn in one or more advances during its term. The credit facility also included an accordion feature that allowed 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 had 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 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 Company was required to pay a commitment fee ranging from 0.25% to 0.50% per year of the average unused portion of the credit facility.

As a result of the refinancing of the $600.0 million credit facility, which is discussed below, the Company wrote off $1.2 million in deferred financing costs during the first quarter of 2007, which is included in interest expense in the accompanying condensed consolidated statement of operations for the nine months ended September 30, 2007.

$1.0 Billion Credit Facility

On March 23, 2007, the Company refinanced its $600.0 million credit facility by entering into an Amended and Restated Credit Agreement by and among the Company, certain subsidiaries of the Company party thereto, as guarantors, the lenders party thereto and Bank of America, N.A., as administrative agent. The $1.0 billion amended and restated credit facility (the “$1.0 Billion Credit Facility”) represents an increase of the Company’s previous $600.0 million credit facility, which is discussed above.

The $1.0 Billion 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 a $30.0 million sublimit for swingline loans, and (b) a $700.0 million senior secured delayed draw term loan facility, which may be drawn on in one or more advances during its term. The $1.0 Billion Credit Facility also includes an accordion feature that will allow the Company to increase the $1.0 Billion Credit Facility by a total of up to $100.0 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 will bear interest at an annual rate of LIBOR plus an applicable margin ranging from 1.25% to 1.75% or the lending banks’ base rate plus an applicable margin ranging from 0.00% to 0.50%, subject to adjustments based on the Company’s borrowing base leverage. 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 0.125% to 0.35% per year of the average unused portion of the $1.0 Billion Credit Facility.

The purpose of the $1.0 Billion Credit Facility is for working capital and capital expenditures and the financing of the costs and expenses related to the continued construction of the Gaylord National hotel. Construction of the Gaylord National hotel is required to be substantially completed by October 31, 2008 (subject to customary force majeure provisions).

The $1.0 Billion 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 (which is in the process of being constructed, as described below) 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. Advances are subject to a 60% borrowing base, based on the appraisal value of the hotel properties (reduced to 50% in the event a hotel property is sold).

In addition, the $1.0 Billion 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 $1.0 Billion Credit Facility are as follows:

- The Company must maintain a consolidated funded indebtedness to total asset value ratio as of the end of each calendar quarter (i) following the closing date of the $1.0 Billion Credit Facility through the calendar quarter ending immediately prior to the first full quarter during which the Gaylord National hotel is substantially completed, of not more than 70% and (ii) for all calendar quarters thereafter, of not more than 65%.

- 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 the Company's subsidiaries in connection with any equity issuance.

- The Company must maintain a minimum consolidated fixed charge coverage ratio of not less than 2.00 to 1.00 for all 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.

As of September 30, 2007, the Company was in compliance with all covenants. As of September 30, 2007, $300.0 million of borrowings were outstanding under the $1.0 Billion Credit Facility, and the lending banks had issued $12.8 million of letters of credit under the facility for the Company. The $1.0 Billion Credit Facility is cross-defaulted to our other indebtedness.

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 First Boston with respect to 10,937,900 shares of Viacom, Inc. Class B common stock. Effective January 3, 2006, Viacom, Inc. completed a transaction to separate Viacom, Inc. into two publicly traded companies named Viacom, Inc. and CBS Corporation by converting (i) each outstanding share of Viacom, Inc. Class A common stock into 0.5 shares of Viacom, Inc. Class A common stock and 0.5 shares of CBS Corporation Class A common stock and (ii) each outstanding share of Viacom Class B common stock into 0.5 shares of Viacom, Inc. Class B common stock and 0.5 shares of CBS Corporation Class B common stock. As a result of this transaction, the Company exchanged its 10,937,900 shares of Viacom, Inc. Class B common stock for 5,468,950 shares of Viacom, Inc. Class B common stock ("Viacom Stock") and 5,468,950 shares of CBS Corporation Class B common stock ("CBS Stock") effective January 3, 2006.

Prior to its maturity in May 2007, the seven-year SFEC had a notional amount of $613.1 million and required contract payments based upon a stated 5% rate. The Company's obligation under the SFEC was collateralized by a security interest in the Company's Viacom Stock and CBS Stock. The SFEC protected the Company against decreases in the combined fair market value of the Viacom Stock and CBS Stock below $56.05 per share by way of a put option; the SFEC also provided for participation in the increases in the combined fair market value of the Viacom Stock and CBS Stock in that the Company received 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 March 31, 2007. 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 was 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 Company recognized 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 $0 and $6.8 million for the three months ended September 30, 2007 and 2006, respectively, and $10.5 million and $20.1 million for the nine months ended September 30, 2007 and 2006, respectively.

During May 2007, the SFEC matured and the Company delivered all of the Viacom Stock and CBS Stock to Credit Suisse First Boston in full satisfaction of the $613.1 million debt obligation under the SFEC. As a result, the debt obligation, Viacom Stock, CBS Stock, put option, call option, and deferred financing costs related to the SFEC were removed from the consolidated balance sheet.

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 portions of its fixed rate debt, as well as changes in the prices at which the Company purchases natural gas. Prior to May 2007, the Company also used derivative financial instruments to manage risk exposure to changes in the value of its Viacom Stock and CBS Stock.

Viacom Stock and CBS Stock

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 on a mid-market basis by reference to proprietary models and do not reflect any bid/offer spread. As further discussed in

Note 8, the SFEC matured in May 2007. For the three months and nine months ended September 30, 2007, the Company recorded net pretax gains in the Company's condensed consolidated statements of operations of $0 and $3.1 million, respectively, related to the increase in the fair value of the derivatives associated with the SFEC. For the three months and nine months ended September 30, 2006, the Company recorded net pretax (losses) gains in the Company's condensed consolidated statements of operations of ($5.6) million and $13.7 million, respectively, related to the (decrease) increase in the fair value of the derivatives associated with the SFEC.

Fixed Rate Debt

Upon issuance of the 8% Senior Notes, the Company entered into two interest rate swap agreements with a combined 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 September 30, 2007, the Company determined that, based upon dealer quotes, the fair value of these interest rate swap agreements was ($1.4 million). The Company has recorded a derivative liability and an offsetting reduction in the balance of the 8% Senior Notes accordingly. As of December 31, 2006, the Company determined that, based upon dealer quotes, the fair value of these interest rate swap agreements was ($2.3 million). The Company recorded a derivative liability and an offsetting reduction in the balance of the 8% Senior Notes accordingly.

Natural Gas Risk Management

The Company uses variable to fixed natural gas price swap contracts to manage unanticipated changes in natural gas and electricity prices. The contracts are based on forecasted usage of natural gas measured in dekatherms.

The Company has designated the variable to fixed natural gas price swap contracts as cash flow hedges. The Company values the outstanding contracts based on pricing provided by a financial institution and reviewed by the Company, with the offset applied to other comprehensive income, net of applicable income taxes, and earnings for any hedge ineffectiveness. Any gain or loss is reclassified from other comprehensive income and recognized in operating costs in the same period or periods during which the hedged transaction affects earnings.

At September 30, 2007, the Company had one variable to fixed natural gas price swap contract that matured in October 2007 with an aggregate notional amount of approximately 72,000 dekatherms. The fair value of this contract was ($19,000) as of September 30, 2007. The Company recorded a derivative liability and an offsetting decrease in accumulated other comprehensive loss, net of applicable income taxes, accordingly. At December 31, 2006, the Company had ten variable to fixed natural gas price swap contracts that matured from January 2007 to May 2007 with an aggregate notional amount of approximately 197,000 dekatherms. The fair value of these contracts was ($0.3 million). The Company recorded a derivative liability and an offsetting decrease in accumulated other comprehensive loss, net of applicable income taxes, accordingly.

The ineffective portion of the derivative is recognized in other gains and losses within the accompanying condensed consolidated statements of operations and was not significant for the periods reported. The amount that the Company anticipates that will be reclassified out of accumulated other comprehensive loss and into earnings in the next twelve months is a loss of approximately $19,000.

10. SUPPLEMENTAL CASH FLOW DISCLOSURES:

Cash paid for interest related to continuing operations for the three months and nine months ended September 30, 2007 and 2006 was comprised of:

(in thousands)	Three Months Ended September 30. 2007	Three Months Ended September 30. 2006	Nine Months Ended September 30. 2007	Nine Months Ended September 30. 2006
Debt interest paid	**$ 2,019**	$ 1,794	**$ 37,392**	$ 26,102
Deferred financing costs paid	**—**	—	**3,883**	—
Capitalized interest	**(2,019)**	(1,794)	**(27,063)**	(6,233)
Cash interest paid, net of capitalized interest	**$ —**	$ —	**$ 14,212**	$ 19,869

Total capitalized interest for the three months ended September 30, 2007 and 2006 was $12.8 million and $2.8 million, respectively. Income taxes paid were $84.1 million and $1.4 million for the nine months ended September 30, 2007 and 2006, respectively.

The Company's net cash flows provided by investing activities — discontinued operations for the nine months ended September 30, 2007 primarily consist of cash proceeds received from the sale of discontinued operations.

11. GOODWILL AND INTANGIBLES:

The carrying amount of goodwill in continuing operations was $6.9 million at September 30, 2007 and December 31, 2006. The carrying amount of indefinite-lived intangible assets not subject to amortization in continuing operations was $1.5 million at September 30, 2007 and December 31, 2006. The gross carrying amount of amortized intangible assets in continuing operations was $1.1 million at September 30, 2007 and December 31, 2006. The related accumulated amortization of amortized intangible assets in continuing operations was $0.9 million and $0.8 million at September 30, 2007 and December 31, 2006, respectively. The amortization expense related to intangible assets from continuing operations during the three months ended September 30, 2007 and 2006 was $13,000. The amortization expense related to intangible assets from continuing operations during the nine months ended September 30, 2007 and 2006 was $39,000. The estimated amounts of amortization expense for the next five years are as follows (in thousands):

Year 1	$ 60
Year 2	60
Year 3	45
Year 4	22
Year 5	2
Total	$ 189

12. STOCK PLANS:

The Company has adopted, and the Company's shareholders have approved, the 2006 Omnibus Incentive Plan (the "Plan") to replace the Company's 1997 Omnibus Stock Option and Incentive Plan. The Plan permits the grant of stock options, restricted stock, and restricted stock units to its directors and employees for up to 2,690,000 shares of common stock, which includes approximately 2,000,000 newly authorized shares and 690,000 shares that were authorized and available for grant under the Company's 1997 plan. The Plan also provides that no more than 1,350,000 of those shares may be granted for awards other than options or stock appreciation rights. The Company believes that awards under the Plan better align the interests of its directors and employees with those of its shareholders. Stock option awards are generally granted with an exercise price equal to the market price of the Company's stock 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 after one year from the date of grant, while options granted to employees are exercisable one to four years from the date of grant. The Company records compensation expense equal to the fair value of each stock option award granted on a straight line basis over the option's vesting period. The fair value of each option award is estimated on the date of grant using the Black-Scholes-Merton option pricing formula. At September 30, 2007 and December 31, 2006, there were 3,671,349 and 3,750,556 shares, respectively, of the Company's common stock reserved for future issuance pursuant to the exercise of outstanding stock options under the Plan.

The Plan also provides for the award of restricted stock and restricted stock units ("Restricted Stock Awards"). Restricted Stock Awards granted to non-employee directors generally vest one year from the date of grant, with certain restrictions on transfer. Restricted Stock Awards granted to employees generally vest one to four years from the date of grant. The fair value of Restricted Stock Awards is determined based on the market price of the Company's stock at the date of grant. The Company records compensation expense equal to the fair value of each Restricted Stock Award granted over the vesting period. At September 30, 2007 and December 31, 2006, Restricted Stock Awards of 105,130 and 84,900 shares, respectively, were outstanding.

Under its Performance Accelerated Restricted Stock Unit Program ("PARSUP") pursuant to the Plan, the Company may also grant selected executives and other key employees restricted stock units, the vesting of which occurs upon the earlier of February 2008 or the achievement of various company-wide performance goals. The fair value of PARSUP awards are determined based on the market price of the Company's stock at the date of grant. The Company records compensation expense equal to the fair value of each PARSUP award granted on a straight line basis over a period beginning on the grant date and ending February 2008. At September 30, 2007 and December 31, 2006, PARSUP awards of 521,000 shares were outstanding.

The compensation cost that has been charged against pre-tax income for all of the Company's stock-based compensation plans was $2.6 million and $2.3 million for the three months ended September 30, 2007 and 2006, respectively, and $7.6 million and $5.7 million for the nine months ended September 30, 2007 and 2006, respectively.

The Company also 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. Participants in the plan 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 2,002 and 2,750 shares of common stock at an average price per share of $50.56 and $41.66 pursuant to this plan during the three months ended September 30, 2007 and 2006, respectively.

13. RETIREMENT AND POSTRETIREMENT BENEFITS OTHER THAN PENSION PLANS:

Net periodic pension expense reflected in the accompanying condensed consolidated statements of operations included the following components for the three months and nine months ended September 30 (in thousands):

	Three months ended September 30,		Nine months ended September 30,	
	2007	2006	2007	2006
Service cost	**$ 60**	$ 48	**$ 180**	$ 142
Interest cost	**1,220**	1,215	**3,660**	3,645
Expected return on plan assets	**(1,094)**	(1,058)	**(3,282)**	(3,174)
Amortization of net actuarial loss	**564**	747	**1,692**	2,243
Amortization of prior service cost	**1**	1	**3**	3
Total net periodic pension expense	**$ 751**	$ 953	**$ 2,253**	$ 2,859

Net postretirement benefit expense reflected in the accompanying condensed consolidated statements of operations included the following components for the three months and nine months ended September 30 (in thousands):

	Three months ended September 30,		Nine months ended September 30,	
	2007	2006	2007	2006
Service cost	**$ 27**	$ 48	**$ 81**	$ 143
Interest cost	**284**	258	**852**	774
Amortization of net actuarial loss	**10**	—	**30**	—
Amortization of net prior service cost	**(24)**	(245)	**(72)**	(735)
Amortization of curtailment gain	**(61)**	(61)	**(183)**	(183)
Total net postretirement benefit expense	**$236**	$ —	**$ 708**	$ (1)

14. INCOME TAXES:

The Company adopted the provisions of Financial Accounting Standards Board ("FASB") Interpretation No. 48, "Accounting for Uncertainty in Income Taxes, an interpretation of FASB Statement No. 109" ("FIN 48"), as of January 1, 2007. FIN 48 clarifies the accounting for uncertainty in income taxes recognized in financial statements and requires the impact of a tax position to be recognized in the financial statements if that position is more likely than not of being sustained by the taxing authority. As a result of adopting FIN 48, the Company recognized a net increase of $0.04 million in the liability for unrecognized tax benefits, which was accounted for as a decrease to the January 1, 2007 balance of retained earnings. As of January 1, 2007, the Company had $7.2 million of unrecognized tax benefits, of which none would affect the Company's effective tax rate if recognized. As of September 30, 2007, the Company had $13.6 million of unrecognized tax benefits, of which $6.4 million would affect the Company's effective tax rate if recognized. The $7.0 million increase in unrecognized tax benefits during the three months ended September 30, 2007 was due to the addition of uncertain tax positions related to third quarter activity. These liabilities are recorded in other long-term liabilities in the accompanying condensed consolidated balance sheets. It is expected that the unrecognized tax benefits will change in the next twelve months; however, the Company does not expect the change to have a significant impact on the results of operations or the financial position of the Company.

The Company recognizes interest and penalties related to uncertain tax positions in income tax expense. The Company recognized no interest or penalties related to uncertain tax positions in the accompanying consolidated statements of operations for the three months and nine months ended September 30, 2007 and

2006. As of September 30, 2007, the Company has accrued no interest or penalties related to uncertain tax positions.

The tax years 2004-2006 remain open to examination by the major taxing jurisdictions to which the Company is subject.

As further discussed in Note 8, the SFEC matured in May 2007, which resulted in the Company recognizing a taxable gain of $390.6 million on the Viacom Stock and CBS Stock it received as a result of the sale of television station KTVT to CBS in 1999. The Company was required to pay a portion of the federal and state income taxes related to this gain during the third quarter of 2007 and will be required to pay the remainder of the federal and state income taxes related to this gain during the fourth quarter of 2007. The total tax liability is estimated to be $141.1 million (before federal and state net operating loss carryforwards and federal credit carryforwards), a portion of which was paid in the third quarter of 2007.

As further discussed in Note 4, the Company completed the sale of all of its ownership interest in Bass Pro to Bass Pro for a purchase price of $222.0 million in cash on May 31, 2007, which resulted in the Company recognizing a taxable gain of $155.6 million. The Company was required to pay a portion of the federal and state income taxes related to this gain during the third quarter of 2007 and will be required to pay the remainder of the federal and state income taxes related to this gain during the fourth quarter of 2007. The total tax liability is estimated to be $59.6 million (before federal and state net operating loss carryforwards and federal credit carryforwards), a portion of which was paid in the third quarter of 2007.

As further discussed in Note 5, the Company completed the sale of its ownership interest in the entities that comprised ResortQuest Hawaii for a purchase price of $109.1 million in cash on May 31, 2007 (prior to giving effect to a purchase price adjustment based on the working capital of ResortQuest Hawaii as of the closing), which resulted in the Company recognizing a taxable gain of $102.7 million. The Company was required to pay a portion of the federal and state income taxes related to this gain during the third quarter of 2007 and will be required to pay the remainder of the federal and state income taxes related to this gain during the fourth quarter of 2007. The total tax liability is estimated to be $37.0 million (before federal and state net operating loss carryforwards and federal credit carryforwards), a portion of which was paid in the third quarter of 2007.

As further discussed in Note 5, the Company completed the sale of its ownership interest in the entities that comprised ResortQuest Mainland for a purchase price of $35.0 million in cash and note receivable on June 1, 2007 (prior to giving effect to certain purchase price adjustments, including a purchase price adjustment based on the working capital of ResortQuest Mainland as of the closing), which resulted in the Company recognizing a taxable loss of $174.8 million.

Due to the net impact of these transactions and the taxable income generated by its normal operations during 2007, the Company expects to incur a tax liability of approximately $107.4 million after the application of federal and state net operating loss carryforwards and federal credit carryforwards. The Company paid $84.1 million of this liability on September 15, 2007 and will pay the balance on December 15, 2007.

The Company’s effective tax rate as applied to pre-tax income was (221%) and 84% for the three months ended September 30, 2007 and 2006, respectively, and was 39% and 145% for the nine month ended September 30, 2007 and 2006, respectively. The Company’s lower effective tax rate during the three months and nine months ended September 30, 2007, as compared to the same periods in 2006, was due primarily to the impact of permanent differences relative to pre-tax income for each of the respective periods.

15. NEWLY ISSUED ACCOUNTING STANDARDS:

In September 2006, the FASB issued SFAS No. 157, “Fair Value Measurements”, to define fair value, establish a framework for measuring fair value in accordance with accounting principles generally accepted in the United

States of America and expand disclosures about fair value measurements. The provisions of SFAS No. 157 are effective for fiscal years beginning after November 15, 2007, and interim periods within those fiscal years. The Company will adopt the provisions of this statement beginning in the first quarter of 2008. The Company does not believe the adoption of SFAS No. 157 will have a material effect on its financial position or results of operations.

In September 2006, the FASB issued FASB Statement No. 158, “Employers’ Accounting for Defined Benefit Pension and Other Postretirement Plans, an amendment of FASB Statements No 87, 88, 106, and 132(R)” (“Statement 158”). Statement 158 requires plan sponsors of defined benefit pension and other postretirement benefit plans (collectively, “postretirement benefit plans”) to recognize the funded status of their postretirement benefit plans in the statement of financial position, measure the fair value of plan assets and benefit obligations as of the date of the fiscal year-end statement of financial position, and provide additional disclosures. On December 31, 2006, the Company adopted the recognition and disclosure provisions of Statement 158. The effect of adopting Statement 158 on the Company’s financial condition at December 31, 2006 has been included in the accompanying condensed consolidated financial statements. Statement 158’s provisions regarding the change in the measurement date of postretirement benefit plans is effective for fiscal years ending after December 15, 2008. The Company will adopt the measurement date provision in the fiscal year ending December 31, 2008. The Company is assessing the impact the adoption of the measurement date provision will have on its consolidated financial position and results of operations.

In February 2007, the FASB issued SFAS No. 159, “The Fair Value Option for Financial Assets and Financial Liabilities, Including an amendment of FASB Statement No. 115,” which permits entities to choose to measure many financial instruments and certain other items at fair value that are not currently required to be measured at fair value. SFAS No. 159 also establishes presentation and disclosure requirements designed to facilitate comparisons between entities that choose different measurement attributes for similar types of assets and liabilities. SFAS No. 159 does not affect any existing accounting literature that requires certain assets and liabilities to be carried at fair value. SFAS No. 159 is effective as of the beginning of an entity’s first fiscal year that begins after November 15, 2007. The Company will adopt the provisions of this statement beginning in the first quarter of 2008. The Company is assessing the impact the adoption of SFAS No. 159 will have on its financial position and results of operations, if any.

16. COMMITMENTS AND CONTINGENCIES:

On February 23, 2005, the Company acquired approximately 42 acres of land and related land improvements in Prince George’s County, Maryland for approximately $29 million on which the Company is developing 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. The project was originally planned to include a 1,500 room hotel, but the Company has expanded the planned hotel to a total of 2,000 rooms. In connection with this expansion, the Company will pay an additional $8 million for land improvements related to the expanded facility. The Company currently expects to open the hotel in 2008. Prince George’s County, Maryland has approved three bond issues related to the development of this hotel project. 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 completion of the convention center and 1,500 rooms within the hotel, at which time the bonds will be released to the Company. In addition, on July 18, 2006, Prince George’s County, Maryland approved an additional $50 million of bonds, which will be issued to the Company upon completion of the entire project. The Company will initially hold the $95 million and $50 million bond issuances and receive the debt service thereon, which is payable from tax increment, hotel tax and special hotel rental taxes generated from the 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 September 30, 2007, the Company had committed to pay $842.2 million under those agreements for construction services and supplies and other construction-related costs ($174.7 million of which was outstanding as of such date). Construction costs to date have exceeded the Company's initial estimates from 2004. These increased costs are attributable to: (a) construction materials price escalation that has occurred over the past three years; (b) increased cost of construction labor in the Washington, D.C. marketplace due to historically low unemployment and a high degree of construction activity; (c) the Company's 500-room expansion and related additional meeting space, and the acceleration of its construction so that the expansion will open concurrently with the original project; and (d) enhancements to the project design. The Company currently estimates that the total cost of the project will be approximately $870 million, which includes the estimated construction costs for the expanded 2,000 room facility and excludes capitalized interest, pre-opening costs and the governmental economic incentives in connection with the Gaylord National hotel project. As of September 30, 2007, the Company has spent approximately $630.3 million (excluding capitalized interest and preopening costs) on this project.

On July 25, 2006, the Unified Port of San Diego Board of Commissioners and the City of Chula Vista approved a non-binding letter of intent with the Company, outlining the general terms of our development of a 1,500 to 2,000 room convention hotel in Chula Vista, California.

The Company is considering other potential hotel sites throughout the country. The timing and extent of any of these development projects is uncertain, and the Company has not made any commitments, received any government approvals or made any financing plans in connection with these development projects.

On June 20, 2006, the Company entered into a joint venture arrangement with RREEF Global Opportunities Fund II, LLC, a private real estate fund managed by DB Real Estate Opportunities Group ("RREEF"), and acquired a 19.9% ownership interest in the joint venture, Waipouli Holdings, LLC, in exchange for the Company's capital contribution of $3.8 million to Waipouli Holdings, LLC. On June 20, 2006, through a wholly-owned subsidiary named Waipouli Owner, LLC, Waipouli Holdings, LLC acquired the 311-room ResortQuest Kauai Beach at Makaiwa Hotel and related assets located in Kapaa, Hawaii ("the Kauai Hotel") for an aggregate purchase price of $70.8 million. Waipouli Owner, LLC financed the purchase of the Kauai Hotel by entering into a series of loan transactions with Morgan Stanley Mortgage Capital, Inc. (the "Kauai Hotel Lender") consisting of a $52.0 million senior loan secured by the Kauai Hotel, an $8.2 million senior mezzanine loan secured by the ownership interest of Waipouli Owner, LLC, and an $8.2 million junior mezzanine loan secured by the ownership interest of Waipouli Owner, LLC (collectively, the "Kauai Hotel Loans"). In October 2006, Waipouli Owner, LLC requested RREEF and the Company to make an additional capital contribution of $1.7 million to Waipouli Holdings, LLC to fund the purchase of the land on which the Kauai Hotel is built. The Company elected not to make the requested capital contribution, which diluted its ownership interest in Waipouli Holdings, LLC from 19.9% to 18.1% as of September 30, 2007. In connection with Waipouli Owner, LLC's execution of the Kauai Hotel Loans, RREEF entered into three separate Guaranties of Recourse Obligations with the Kauai Hotel Lender whereby it guaranteed Waipouli Owner, LLC's obligations under the Kauai 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 Waipouli Owner, LLC, on the one hand, or (ii) in the event of bankruptcy or reorganization proceedings of Waipouli Owner, LLC, on the other hand. As a part of the joint venture arrangement and simultaneously with the closing of the purchase of the Kauai Hotel, the Company entered into a Contribution Agreement with RREEF, whereby the Company agreed that, in the event that RREEF is required to make any payments pursuant to the terms of these guarantees, it will contribute to RREEF an amount equal to its pro rata share of any such guaranty payments. The Company estimates that the maximum potential amount that the Company could be liable under this contribution agreement is $12.4 million, which represents 18.1% of the $68.4 million of total debt that Waipouli Owner, LLC owes to the Kauai Hotel Lender as of September 30,

2007. As of September 30, 2007, the Company had not recorded any liability in the condensed consolidated balance sheet associated with this guarantee. The Company retained its ownership interest in Waipouli Holdings, LLC after the sale of ResortQuest Hawaii.

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. 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 senior loan secured by the Waikiki Hotel and a $16.3 million mezzanine loan secured by the ownership interest of RHAC, LLC (collectively, the "Waikiki Hotel Loans"). On September 29, 2006, RHAC, LLC refinanced the Waikiki Hotel Loans with the Waikiki Hotel Lender, which resulted in the mezzanine loan increasing from $16.3 million to $34.9 million. In connection with RHAC, LLC's execution of the Waikiki Hotel Loans, IB-SIV, 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 for which the Company could be liable under this contribution agreement is $20.9 million, which represents 19.9% of the $104.9 million of total debt that RHAC, LLC owes to the Waikiki Hotel Lender as of September 30, 2007. As of September 30, 2007, the Company had not recorded any liability in the consolidated balance sheet associated with this guarantee. The Company retained its ownership interest in RHAC Holdings, LLC after the sale of ResortQuest Hawaii.

On February 22, 2005, the Company concluded the settlement of litigation with Nashville Hockey Club Limited Partnership ("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, and the first payment was made on October 5, 2006. 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, 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.

In connection with the Company's execution of an Agreement of Limited Partnership with 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, 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 September 30, 2007, the Company had not recorded any liability in the condensed consolidated balance sheet associated with this guarantee.

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.

17. FINANCIAL REPORTING BY BUSINESS SEGMENTS:

The Company's continuing operations are organized and managed based upon its products and services. The following information from continuing operations is derived directly from the segments' internal financial reports used for corporate management purposes. As further discussed in Note 5, the Company disposed of its ResortQuest segment during the second quarter of 2007. The results of operations of the ResortQuest segment have been reflected as discontinued operations for all periods presented.

(in thousands)	Three Months Ended September 30, 2007		Nine Months Ended September 30, 2007	
	2007	**2006**	**2007**	**2006**
Revenues:				
Hospitality	**$ 146,523**	$ 142,250	**$ 481,392**	$ 464,903
Opry and Attractions	**20,344**	21,461	**57,108**	58,045
Corporate and Other	**53**	47	**159**	204
Total	**$ 166,920**	$ 163,758	**$ 538,659**	$ 523,152
Depreciation and amortization:				
Hospitality	**$ 16,318**	$ 16,115	**$ 49,005**	$ 48,281
Opry and Attractions	**1,200**	1,404	**4,180**	4,255
Corporate and Other	**1,506**	1,273	**4,602**	3,372
Total	**$ 19,024**	$ 18,792	**$ 57,787**	$ 55,908
Operating income (loss):				
Hospitality	**$ 15,986**	$ 12,088	**$ 76,871**	$ 72,711
Opry and Attractions	**3,000**	2,965	**5,138**	3,150
Corporate and Other	**(12,490)**	(13,627)	**(39,352)**	(38,538)
Preopening costs	**(3,926)**	(2,432)	**(10,101)**	(4,997)
Total operating income (loss)	**2,570**	(1,006)	**32,556**	32,326
Interest expense, net of amounts capitalized	**(3,125)**	(17,960)	**(35,513)**	(54,285)
Interest income	**620**	464	**2,767**	1,431
Unrealized gain on Viacom stock and CBS stock	**—**	13,453	**6,358**	820
Unrealized (loss) gain on derivatives	**—**	(5,601)	**3,121**	13,730
(Loss) income from unconsolidated companies	**(2)**	2,571	**1,011**	8,374
Other gains and (losses), net	**622**	1,120	**146,697**	2,580
Income (loss) before provision (benefit) for income taxes	**$ 685**	$ (6,959)	**$ 156,997**	$ 4,976

	September 30, 2007	December 31, 2006
Identifiable assets:		
Hospitality	**$ 1,989,788**	$ 1,546,426
Opry and Attractions	**81,409**	79,814
Corporate and Other	**135,055**	808,432
Discontinued operations	**3,536**	197,838
Total identifiable assets	**$ 2,209,788**	$ 2,632,510

18. INFORMATION CONCERNING GUARANTOR AND NON-GUARANTOR SUBSIDIARIES:

Not all of the Company's subsidiaries have guaranteed the 8% Senior Notes and 6.75% Senior Notes. The 8% Senior Notes and 6.75% Senior Notes are guaranteed on a senior unsecured basis by generally all of the Company's active domestic subsidiaries (the "Guarantors"). The Company's investment in Bass Pro and certain discontinued operations (the "Non-Guarantors") do not guarantee the 8% Senior Notes and 6.75% Senior Notes.

Prior to January 1, 2007, Grand Ole Opry, Ryman Auditorium, and WSM-AM were divisions of Gaylord Entertainment Company, Inc. (the "Issuer"), and were included in the balance sheet, results of operations and cash flows of the Issuer as of December 31, 2006 and for the three months and nine months ended September 30, 2006 in the consolidating financial information presented below. Effective January 1, 2007, the Company realigned certain of its operations, and Grand Ole Opry, Ryman Auditorium, and WSM-AM are now owned by a guarantor subsidiary. Therefore, the Company has classified the balance sheet, results of operations and cash flows of these operations as of September 30, 2007 and for the three months and nine months ended September 30, 2007 with the Guarantors in the consolidating financial information presented below.

Prior to May 31, 2007, ResortQuest and its subsidiaries were guarantor subsidiaries and were included in the balance sheet, results of operations and cash flows of the Guarantors as of December 31, 2006 and for the three months and nine months ended September 30, 2006 in the consolidating financial information presented below. As further discussed in Note 5, on May 31, 2007 and June 1, 2007, the Company sold ResortQuest and its subsidiaries and they were released from their guaranties of the 8% Senior Notes and 6.75% Senior Notes. Therefore, the Company has classified the balance sheet, results of operations and cash flows of ResortQuest and its subsidiaries as of September 30, 2007 and for the three months and nine months ended September 30, 2007 with 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.

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GAYLORD ENTERTAINMENT COMPANY AND SUBSIDIARIES

Condensed Consolidating Statement of Operations

For the Three Months Ended September 30, 2007

	Issuer	Guarantors	Non-Guarantors	Eliminations	Consolidated
			(In thousands)		
Revenues	$ 8	$166,912	$ —	$ —	$166,920
Operating expenses:					
Operating costs	—	105,581	—	—	105,581
Selling, general and administrative	2,792	33,027	—	—	35,819
Preopening costs	—	3,926	—	—	3,926
Depreciation	915	17,160	—	—	18,075
Amortization	449	500	—	—	949
Operating (loss) income	(4,148)	6,718	—	—	2,570
Interest expense, net of amounts capitalized	(15,872)	(29,536)	1,551	40,732	(3,125)
Interest income	3,112	33,669	4,571	(40,732)	620
Unrealized gain on Viacom stock and CBS stock	—	—	—	—	—
Unrealized loss on derivatives	—	—	—	—	—
Loss from unconsolidated companies	—	(2)	—	—	(2)
Other gains and (losses), net	(20)	(21)	663	—	622
(Loss) income before (benefit) provision for income taxes	(16,928)	10,828	6,785	—	685
(Benefit) provision for income taxes	(5,399)	2,409	1,479	—	(1,511)
Equity in subsidiaries' (earnings) losses, net	(9,376)	—	—	9,376	—
(Loss) income from continuing operations	(2,153)	8,419	5,306	(9,376)	2,196
Loss from discontinued operations, net of taxes	—	—	(4,349)	—	(4,349)
Net (loss) income	$ (2,153)	$ 8,419	$ 957	$ (9,376)	$ (2,153)

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GAYLORD ENTERTAINMENT COMPANY AND SUBSIDIARIES

Condensed Consolidating Statement of Operations

For the Three Months Ended September 30, 2006

	Issuer	Guarantors	Non-Guarantors	Eliminations	Consolidated
			(In thousands)		
Revenues	$ 18,121	$154,562	$ —	$ (8,925)	$163,758
Operating expenses:					
Operating costs	6,322	99,230	—	—	105,552
Selling, general and administrative	12,348	25,640	—	—	37,988
Management fees	—	8,925	—	(8,925)	—
Preopening costs	—	2,432	—	—	2,432
Depreciation	1,512	16,313	—	—	17,825
Amortization	456	511	—	—	967
Operating (loss) income	(2,517)	1,511	—	—	(1,006)
Interest expense, net of amounts capitalized	(21,209)	(16,950)	(1,558)	21,757	(17,960)
Interest income	18,567	1,515	2,139	(21,757)	464
Unrealized gain on Viacom stock and CBS stock	13,453	—	—	—	13,453
Unrealized loss on derivatives	(5,601)	—	—	—	(5,601)
(Loss) income from unconsolidated companies	—	(1,068)	3,639	—	2,571
Other gains and (losses), net	1,151	(31)	—	—	1,120
Income (loss) before provision (benefit) for income taxes	3,844	(15,023)	4,220	—	(6,959)
Provision (benefit) for income taxes	3,255	(9,259)	180	—	(5,824)
Equity in subsidiaries' (earnings) losses, net	(5,722)	—	—	5,722	—
Income (loss) from continuing operations	6,311	(5,764)	4,040	(5,722)	(1,135)
Gain (loss) from discontinued operations, net of taxes	—	7,450	(4)	—	7,446
Net income	$ 6,311	$ 1,686	$ 4,036	$ (5,722)	$ 6,311

GAYLORD ENTERTAINMENT COMPANY AND SUBSIDIARIES

Condensed Consolidating Statement of Operations

For the Nine Months Ended September 30, 2007

	Issuer	Guarantors	Non-Guarantors (In thousands)	Eliminations	Consolidated
Revenues	$ 19	$538,715	$ —	$ (75)	$538,659
Operating expenses:					
Operating costs	—	322,937	—	(32)	322,905
Selling, general and administrative	12,959	102,394	—	(43)	115,310
Preopening costs	—	10,101	—	—	10,101
Depreciation	2,915	52,045	—	—	54,960
Amortization	1,437	1,390	—	—	2,827
Operating (loss) income	(17,292)	49,848	—	—	32,556
Interest expense, net of amounts capitalized	(62,497)	(89,258)	(12,415)	128,657	(35,513)
Interest income	20,878	97,319	13,227	(128,657)	2,767
Unrealized gain on Viacom stock and CBS stock	6,358	—	—	—	6,358
Unrealized gain on derivatives	3,121	—	—	—	3,121
(Loss) income from unconsolidated companies	—	(683)	1,694	—	1,011
Other gains and (losses), net	5,610	111	140,976	—	146,697
(Loss) income before (benefit) provision for income taxes	(43,822)	57,337	143,482	—	156,997
(Benefit) provision for income taxes	(13,617)	16,679	57,466	—	60,528
Equity in subsidiaries' (earnings) losses, net	(138,358)	—	—	138,358	—
Income from continuing operations	108,153	40,658	86,016	(138,358)	96,469
Gain from discontinued operations, net	—	—	11,684	—	11,684
Net income	$ 108,153	$ 40,658	$ 97,700	$(138,358)	$108,153

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GAYLORD ENTERTAINMENT COMPANY AND SUBSIDIARIES

Condensed Consolidating Statement of Operations

For the Nine Months Ended September 30, 2006

	Issuer	Guarantors	Non-Guarantors	Eliminations	Consolidated
			(In thousands)		
Revenues	$ 51,551	$498,507	$ —	$(26,906)	$523,152
Operating expenses:					
Operating costs	18,569	299,890	—	(32)	318,427
Selling, general and administrative	35,475	76,118	—	(99)	111,494
Management fees	—	26,775	—	(26,775)	—
Preopening costs	—	4,997	—	—	4,997
Depreciation	4,284	48,846	—	—	53,130
Amortization	1,208	1,570	—	—	2,778
Operating (loss) income	(7,985)	40,311	—	—	32,326
Interest expense, net of amounts capitalized	(61,899)	(47,241)	(4,324)	59,179	(54,285)
Interest income	50,815	3,902	5,893	(59,179)	1,431
Unrealized gain on Viacom stock and CBS stock	820	—	—	—	820
Unrealized gain on derivatives	13,730	—	—	—	13,730
(Loss) income from unconsolidated companies	—	(1,070)	9,444	—	8,374
Other gains and (losses), net	2,752	(172)	—	—	2,580
(Loss) income before (benefit) provision for income taxes	(1,767)	(4,270)	11,013	—	4,976
(Benefit) provision for income taxes	(329)	2,690	4,831	—	7,192
Equity in subsidiaries' (earnings) losses, net	(15,747)	—	—	15,747	—
Income (loss) from continuing operations	14,309	(6,960)	6,182	(15,747)	(2,216)
Gain (loss) from discontinued operations, net	—	16,533	(8)	—	16,525
Net income	$ 14,309	$ 9,573	$ 6,174	$(15,747)	$ 14,309

GAYLORD ENTERTAINMENT COMPANY AND SUBSIDIARIES

Condensed Consolidating Balance Sheet

September 30, 2007

	Issuer	Guarantors	Non-Guarantors (in thousands)	Eliminations	Consolidated
ASSETS					
Current assets:					
Cash and cash equivalents — unrestricted	$ 33,385	$ 5,250	$ —	$ —	$ 38,635
Cash and cash equivalents — restricted	1,150	—	—	—	1,150
Short term investments	—	—	—	—	—
Trade receivables, net	5	45,846	—	—	45,851
Estimated fair value of derivative assets	—	—	—	—	—
Deferred financing costs	—	—	—	—	—
Deferred income taxes	8,924	(2,826)	6	—	6,104
Other current assets	1,870	27,480	—	(126)	29,224
Intercompany receivables, net	—	—	238,392	(238,392)	—
Current assets of discontinued operations	—	—	3,536	—	3,536
Total current assets	45,334	75,750	241,934	(238,518)	124,500
Property and equipment, net of accumulated depreciation	70,407	1,972,524	—	—	2,042,931
Intangible assets, net of accumulated amortization	—	189	—	—	189
Goodwill	—	6,915	—	—	6,915
Indefinite lived intangible assets	—	1,480	—	—	1,480
Investments	1,861,636	335,106	—	(2,192,266)	4,476
Long-term deferred financing costs	15,471	—	—	—	15,471
Other long-term assets	6,561	7,265	—	—	13,826
Long-term assets of discontinued operations	—	—	—	—	—
Total assets	$1,999,409	$2,399,229	$241,934	$(2,430,784)	$2,209,788
LIABILITIES AND STOCKHOLDERS' EQUITY					
Current liabilities:					
Current portion of long-term debt and capital lease obligations	$ 1,363	$ 651	$ —	$ —	$ 2,014
Secured forward exchange contract	—	—	—	—	—
Accounts payable and accrued liabilities	33,595	176,502	(190)	(291)	209,616
Income taxes payable	23,903	—	—	—	23,903
Deferred income taxes	—	—	—	—	—
Intercompany payables, net	79,092	95,821	63,479	(238,392)	—
Current liabilities of discontinued operations	—	—	3,775		3,775
Total current liabilities	137,953	272,974	67,064	(238,683)	239,308
Long-term debt and capital lease obligations, net of current portion	876,875	1,894	—	—	878,769
Deferred income taxes	(25,031)	75,354	7,906	—	58,229
Estimated fair value of derivative liabilities	1,396	—	—	—	1,396
Other long-term liabilities	63,176	37,875	(336)	165	100,880
Long-term liabilities of discontinued operations	—	—	2,424	—	2,424
Stockholders' equity:					
Preferred stock	—	—	—	—	—
Common stock	412	2,387	2	(2,389)	412
Additional paid-in capital	718,050	2,258,043	6,322	(2,264,365)	718,050
Retained earnings	243,259	(249,298)	158,552	74,488	227,001
Other stockholders' equity	(16,681)	—	—	—	(16,681)
Total stockholders' equity	945,040	2,011,132	164,876	(2,192,266)	928,782
Total liabilities and stockholders' equity	$1,999,409	$2,399,229	$241,934	$(2,430,784)	$2,209,788

GAYLORD ENTERTAINMENT COMPANY AND SUBSIDIARIES

Condensed Consolidating Balance Sheet

December 31, 2006

	Issuer	Guarantors	Non-Guarantors (in thousands)	Eliminations	Consolidated
ASSETS					
Current assets:					
Cash and cash equivalents — unrestricted	$ 28,875	$ 6,481	$ —	$ —	$ 35,356
Cash and cash equivalents — restricted	1,223	43	—	—	1,266
Short term investments	394,913	—	—	—	394,913
Trade receivables, net	559	33,175	—	—	33,734
Estimated fair value of derivative assets	207,428	—	—	—	207,428
Deferred financing costs	10,461	—	—	—	10,461
Other current assets	6,155	14,523	—	(126)	20,552
Intercompany receivables, net	1,224,698	—	161,399	(1,386,097)	—
Current assets of discontinued operations	—	33,952	—	—	33,952
Total current assets	1,874,312	88,174	161,399	(1,386,223)	737,662
Property and equipment, net of accumulated depreciation	96,247	1,513,438	—	—	1,609,685
Intangible assets, net of accumulated amortization	—	228	—	—	228
Goodwill	—	6,915	—	—	6,915
Indefinite lived intangible assets	1,480	—	—	—	1,480
Investments	338,465	21,714	79,521	(355,212)	84,488
Long-term deferred financing costs	15,579	—	—	—	15,579
Other long-term assets	6,667	5,920	—	—	12,587
Long-term assets of discontinued operations	—	163,886	—	—	163,886
Total assets	$2,332,750	$1,800,275	$ 240,920	$(1,741,435)	$2,632,510
LIABILITIES AND STOCKHOLDERS' EQUITY					
Current liabilities:					
Current portion of long-term debt and capital lease obligations	$ 1,351	$ 640	$ —	$ —	$ 1,991
Secured forward exchange contract	613,054	—	—	—	613,054
Accounts payable and accrued liabilities	40,862	124,537	—	(291)	165,108
Income taxes payable	315	—	—	—	315
Deferred income taxes	94,297	(37,130)	(539)	—	56,628
Intercompany payables, net	—	1,512,208	(126,111)	(1,386,097)	—
Current liabilities of discontinued operations	—	57,381	525	—	57,906
Total current liabilities	749,879	1,657,636	(126,125)	(1,386,388)	895,002
Long-term debt and capital lease obligations, net of current portion	751,168	2,394	—	—	753,562
Deferred income taxes	(19,673)	110,967	5,243	—	96,537
Estimated fair value of derivative liabilities	2,610	—	—	—	2,610
Other long-term liabilities	51,291	32,869	—	165	84,325
Long-term liabilities of discontinued operations	—	2,451	(3)	—	2,448
Stockholders' equity:					
Preferred stock	—	—	—	—	—
Common stock	408	2,387	2	(2,389)	408
Additional paid-in capital	694,941	397,234	168,434	(565,668)	694,941
Retained earnings	118,885	(406,214)	193,369	212,845	118,885
Other stockholders' equity	(16,759)	551	—		(16,208)
Total stockholders' equity	797,475	(6,042)	361,805	(355,212)	798,026
Total liabilities and stockholders' equity	$2,332,750	$1,800,275	$ 240,920	$(1,741,435)	$2,632,510

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GAYLORD ENTERTAINMENT COMPANY AND SUBSIDIARIES

Condensed Consolidating Statement of Cash Flows

For the Nine Months Ended September 30, 2007

	Issuer	Guarantors	Non-Guarantors (In thousands)	Eliminations	Consolidated
Net cash (used in) provided by continuing operating activities	$(128,361)	$ 448,080	$(334,652)	$—	$ (14,933)
Net cash provided by discontinued operating activities	—	—	17,250	—	17,250
Net cash (used in) provided by operating activities	(128,361)	448,080	(317,402)	—	2,317
Purchases of property and equipment	(6,271)	(448,230)	—	—	(454,501)
Investment in unconsolidated companies	—	(191)	—	—	(191)
Proceeds from sale of investment in Bass Pro	—	—	221,527	—	221,527
Proceeds from sale of assets	5,021	50	—	—	5,071
Other investing activities	(591)	(720)	—	—	(1,311)
Net cash (used in) provided by investing activities — continuing operations	(1,841)	(449,091)	221,527	—	(229,405)
Net cash provided by investing activities — discontinued operations	—	—	115,240	—	115,240
Net cash (used in) provided by investing activities	(1,841)	(449,091)	336,767	—	(114,165)
Borrowings under credit facility	125,000	—	—	—	125,000
Deferred financing costs paid	(3,883)	—	—	—	(3,883)
Decrease in restricted cash and cash equivalents	73	43	—	—	116
Proceeds from exercise of stock option and purchase plans	12,047	—	—	—	12,047
Excess tax benefit from stock-based compensation	1,974	—	—	—	1,974
Other financing activities, net	(273)	(489)	—	—	(762)
Net cash provided by (used in) financing activities — continuing operations	134,938	(446)	—	—	134,492
Net cash used in financing activities — discontinued operations	—	—	(19,365)	—	(19,365)
Net cash provided by (used in) financing activities	134,938	(446)	(19,365)	—	115,127
Net change in cash and cash equivalents	4,736	(1,457)	—	—	3,279
Cash and cash equivalents at beginning of year	28,649	6,707	—	—	35,356
Cash and cash equivalents at end of year	$ 33,385	$ 5,250	$ —	$—	$ 38,635

GAYLORD ENTERTAINMENT COMPANY AND SUBSIDIARIES

Condensed Consolidating Statement of Cash Flows

For the Nine Months Ended September 30, 2006

	Issuer	Guarantors	Non-Guarantors (In thousands)	Eliminations	Consolidated
Net cash (used in) provided by continuing operating activities	$(81,086)	$ 159,010	$—	$—	$ 77,924
Net cash provided by discontinued operating activities	—	5,856	—	—	5,856
Net cash (used in) provided by operating activities	(81,086)	164,866	—	—	83,780
Purchases of property and equipment	(7,308)	(157,353)	—	—	(164,661)
Investment in unconsolidated companies	—	(4,772)	—	—	(4,772)
Proceeds from sale of assets	—	64	—	—	64
Other investing activities	(2,353)	(638)	—	—	(2,991)
Net cash used in investing activities — continuing operations	(9,661)	(162,699)	—	—	(172,360)
Net cash used in investing activities — discontinued operations	—	(12,710)	—	—	(12,710)
Net cash used in investing activities	(9,661)	(175,409)	—	—	(185,070)
Borrowings under credit facility	70,000	—	—	—	70,000
Repayment of long-term debt	(1,000)	—	—	—	(1,000)
Increase in restricted cash and cash equivalents	(21)	—	—	—	(21)
Proceeds from exercise of stock option and purchase plans	11,087	—	—	—	11,087
Excess tax benefit from stock-based compensation	2,474	—	—	—	2,474
Other financing activities, net	(329)	(556)	—	—	(885)
Net cash provided by (used in) financing activities — continuing operations	82,211	(556)	—	—	81,655
Net cash provided by financing activities — discontinued operations	—	10,935	—	—	10,935
Net cash provided by financing activities	82,211	10,379	—	—	92,590
Net change in cash and cash equivalents	(8,536)	(164)	—	—	(8,700)
Cash and cash equivalents at beginning of year	41,757	4,019	—	—	45,776
Cash and cash equivalents at end of year	$ 33,221	$ 3,855	$—	$—	$ 37,076

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Our Current Operations

Our operations are organized into three 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").
- 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.

For the three and nine months ended September 30, 2007 and 2006, our total revenues were divided among these business segments as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
Segment	2007	2006	2007	2006
Hospitality	87.8%	86.9%	89.4%	88.9%
Opry and Attractions	12.2%	13.1%	10.6%	11.1%
Corporate and Other	0%	0%	0%	0%

We generate a substantial portion of our revenues from our Hospitality segment. We believe that we are the only hospitality company whose stated primary focus is 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 entertainment opportunities to guests and target customers.

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 properties are located are also important risks to our business.

Recent Developments

Bass Pro. On May 31, 2007, we and our wholly owned subsidiary, Gaylord Hotels, Inc., completed the sale of all of our interest in Bass Pro (consisting of 43,333 common units) for a purchase price of $222.0 million pursuant to the terms of a Common Unit Repurchase Agreement, dated April 3, 2007. The purchase price was paid in cash in full at closing. Our Chief Executive Officer formerly served as a member of the board of managers of Bass Pro Group but resigned upon consummation of the sale. See "Non-Operating Results Affecting Net Income — Income (Loss) from Unconsolidated Companies" below for a discussion of the results of our investment in Bass Pro prior to the date of disposal. See “Non-Operating Results Affecting Net Income — Other Gains and (Losses)” below for a discussion of the recognized gain on the sale of our interest in Bass Pro.

ResortQuest. Following the closing of the sale of our interest in Bass Pro, on May 31, 2007, our wholly-owned subsidiary, ResortQuest International, Inc. (“RQI”), completed the disposition of our ResortQuest Hawaii business through the sale of all of the equity interests of RQI Holdings, LLC (f/k/a RQI Holdings, Ltd.) and ResortQuest Real Estate of Hawaii, LLC (f/k/a ResortQuest Real Estate of Hawaii, Inc.) to Vacation Holdings Hawaii, Inc., an affiliated company of Interval International (“Vacation Holdings”), pursuant to the terms of a Stock Purchase Agreement dated as of April 18, 2007 (the “ResortQuest Hawaii Purchase Agreement”), by and among us, RQI, Vacation Holdings and Interval Acquisition Corp. The purchase price paid by Vacation Holdings was $109.1 million, prior to giving effect to a purchase price adjustment based on the working capital of the acquired entities as of the closing. The purchase price was paid in cash in full at closing. We retained our 19.9% ownership interest in RHAC Holdings, LLC and our 18.1% ownership interest in Waipouli Holdings LLC, as our ownership interests in these hotel ownership joint venture entities were excluded from this transaction.

Thereafter, on June 1, 2007, we and Gaylord Hotels entered into a Stock Purchase Agreement dated as of June 1, 2007 (the “ResortQuest Mainland Purchase Agreement”) with BEI-RZT Corporation, a subsidiary of Leucadia National Corporation (“BEI-RZT”). Pursuant to the terms of the ResortQuest Mainland Purchase Agreement, Gaylord Hotels completed the disposition of our ResortQuest Mainland business through the sale of all of the capital stock of RQI to BEI-RZT on June 1, 2007. The purchase price paid by BEI-RZT was $35.0 million, prior to giving effect to certain purchase price adjustments, including a purchase price adjustment based on the working capital of RQI as of the closing. The purchase price was paid by the delivery of a four-year promissory note in the principal amount of $8.0 million bearing interest at the annual rate of 10%, and the balance of the purchase price was paid in cash at closing. This promissory note was cancelled and deemed to be satisfied and paid in full in full satisfaction of the final purchase price adjustment payable by Gaylord to BEI-RZT, as described above.

As a result of the transactions described above, the results of operations of our ResortQuest business, net of taxes, are included in discontinued operations for all periods presented. See “Non-Operating Results Affecting Net Income (Loss) — Gain from Discontinued Operations, Net of Income Taxes” below for a discussion of the results of operations of our ResortQuest business.

Key Performance Indicators

The operating results of our Hospitality segment are highly dependent on the volume of customers at our hotels 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 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 meetings and conventions have often been contracted for several years in advance, and the level of transient business at our hotels during such period.

Overall Outlook

We have invested heavily in our operations in the three and nine months ended September 30, 2007 and the years ended December 31, 2006, 2005 and 2004, primarily in connection with the continued construction and ultimate opening of the Gaylord Texan in 2004 and the construction of the Gaylord National hotel project, described below, beginning in 2005 and continuing in 2006 and 2007. Our investments in the balance of 2007 are expected to 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 land we 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. The project was originally planned to include a 1,500 room hotel; however, we have expanded the planned hotel to a total of 2,000 rooms. In connection with this expansion, we will pay an additional $8 million for land improvements related to the expanded facility. We currently expect to open the hotel in 2008.

Prince George’s County, Maryland has approved three bond issues related to the development of our hotel project. 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 completion of the convention center and 1,500 rooms within the hotel, at which time the bonds will be released to us. In addition, on July 18, 2006, Prince George’s County, Maryland approved an additional $50 million of bonds, which will be issued to us upon completion of the entire project. We will initially hold the $95 million and $50 million bond issuances 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, and provides for the construction of a portion of the Gaylord National hotel project in a guaranteed maximum price format. As of September 30, 2007, we had committed to pay $842.2 million under this agreement and the other agreements for construction services and supplies and other construction related costs ($174.7 million of which was outstanding as of such date). Construction costs to date have exceeded our initial estimates from 2004. These increased costs are attributable to: (a) construction materials price escalation that has occurred over the past three years; (b) increased cost of construction labor in the Washington, D.C. marketplace due to historically low unemployment and a high degree of construction activity; (c) our 500-room expansion and related additional meeting space, and the acceleration of its construction so that the expansion will open concurrently with the original project; and (d) enhancements to the project design. We currently estimate that the total cost of the project will be approximately $870 million, which includes the estimated construction costs for the expanded 2,000 room facility and excludes approximately $63 million in capitalized interest, approximately $41 million in pre-opening costs and the governmental economic incentives. As of September 30, 2007, we have spent approximately $630.3 million (excluding capitalized interest and pre-opening costs) on the project. We intend to use proceeds of our $1.0 billion credit facility, cash flow from operations, and after completion, the proceeds of tax increment payments on the $145 million in government bonds described above, to fund the development and construction.

On July 25, 2006, the Unified Port of San Diego Board of Commissioners and the City of Chula Vista approved a non-binding letter of intent with us, outlining the general terms of our development of a 1,500 to 2,000 room convention hotel in Chula Vista, California.

We are also considering other potential hotel sites throughout the country. The timing and extent of any of these development projects is uncertain, and we have not made any commitments, received any government approvals or made any financing plans in connection with these development projects.

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Selected Financial Information

The following table contains our unaudited selected summary financial data for the three and nine month periods ended September 30, 2007 and 2006. The table also shows the percentage relationships to total revenues and, in the case of segment operating income (loss), its relationship to segment revenues.

	Three Months ended September 30,				Nine Months ended September 30,			
	2007	%	2006	%	2007	%	2006	%
	(in thousands, except percentages)				(in thousands, except percentages)			
Income Statement Data:								
REVENUES:								
Hospitality	**$ 146,523**	87.8%	$ 142,250	86.9%	**$ 481,392**	89.4%	$ 464,903	88.9%
Opry and Attractions	**20,344**	12.2%	21,461	13.1%	**57,108**	10.6%	58,045	11.1%
Corporate and Other	**53**	0.0%	47	0.0%	**159**	0.0%	204	0.0%
Total revenues	**166,920**	100.0%	163,758	100.0%	**538,659**	100.0%	523,152	100.0%
OPERATING EXPENSES:								
Operating costs	**105,581**	63.3%	105,552	64.5%	**322,905**	59.9%	318,427	60.9%
Selling, general and administrative	**35,819**	21.5%	37,988	23.2%	**115,310**	21.4%	111,494	21.3%
Preopening costs	**3,926**	2.4%	2,432	1.5%	**10,101**	1.9%	4,997	1.0%
Depreciation and amortization:								
Hospitality	**16,318**	9.8%	16,115	9.8%	**49,005**	9.1%	48,281	9.2%
Opry and Attractions	**1,200**	0.7%	1,404	0.9%	**4,180**	0.8%	4,255	0.8%
Corporate and Other	**1,506**	0.9%	1,273	0.8%	**4,602**	0.9%	3,372	0.6%
Total depreciation and amortization	**19,024**	11.4%	18,792	11.5%	**57,787**	10.7%	55,908	10.7%
Total operating expenses	**164,350**	98.5%	164,764	100.6%	**506,103**	94.0%	490,826	93.8%
OPERATING INCOME (LOSS):								
Hospitality	**15,986**	10.9%	12,088	8.5%	**76,871**	16.0%	72,711	15.6%
Opry and Attractions	**3,000**	14.7%	2,965	13.8%	**5,138**	9.0%	3,150	5.4%
Corporate and Other	**(12,490)**	(A)	(13,627)	(A)	**(39,352)**	(A)	(38,538)	(A)
Preopening costs	**(3,926)**	(B)	(2,432)	(B)	**(10,101)**	(B)	(4,997)	(B)
Total operating income	**2,570**	1.5%	(1,006)	-0.6%	**32,556**	6.0%	32,326	6.2%
Interest expense, net of amounts capitalized	**(3,125)**	(C)	(17,960)	(C)	**(35,513)**	(C)	(54,285)	(C)
Interest income	**620**	(C)	464	(C)	**2,767**	(C)	1,431	(C)
Unrealized gain (loss) on Viacom stock and CBS stock and derivatives, net	**—**	(C)	7,852	(C)	**9,479**	(C)	14,550	(C)
Income (loss) from unconsolidated companies	**(2)**	(C)	2,571	(C)	**1,011**	(C)	8,374	(C)
Other gains and (losses), net	**622**	(C)	1,120	(C)	**146,697**	(C)	2,580	(C)
(Provision) benefit for income taxes	**1,511**	(C)	5,824	(C)	**(60,528)**	(C)	(7,192)	(C)
Gain (loss) on discontinued operations, net	**(4,349)**	(C)	7,446	(C)	**11,684**	(C)	16,525	(C)
Net (loss) income	**$ (2,153)**	(C)	$ 6,311	(C)	**$ 108,153**	(C)	$ 14,309	(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 three and nine months ended September 30, 2007 and 2006:

	Three Months Ended September 30,			Nine Months Ended September 30,		
	2007	2006	% Change	2007	2006	% Change
Total revenues	**$166,920**	$163,758	1.9%	**$538,659**	$523,152	3.0%
Total operating expenses	**$164,350**	$164,764	-0.3%	**$506,103**	$490,826	3.1%
Operating income (loss)	**$ 2,570**	$ (1,006)	355.5%	**$ 32,556**	$ 32,326	0.7%
Net (loss) income	**$ (2,153)**	$ 6,311	-134.1%	**$108,153**	$ 14,309	655.8%
Net (loss) income per share — fully diluted	**$ (0.05)**	$ 0.16	-131.3%	**$ 2.56**	$ 0.35	631.4%

Total Revenues

The increase in our total revenues for the three and nine months ended September 30, 2007, as compared to the three and nine months ended September 30, 2006, is primarily attributable to the increase in our Hospitality segment revenues (an increase of $4.2 million for the three months, and an increase of $16.5 million for the nine months, ended September 30, 2007, as compared to the same periods in 2006), described more fully below.

Total Operating Expenses

Our total operating expenses for the three months ended September 30, 2007 decreased slightly as compared to the three months ended September 30, 2006, as a slight increase in total Hospitality operating expenses (an increase of $0.4 million), described more fully below, was offset by decreases in Opry and Attractions and Corporate and Other operating expenses, also as described more fully below.

The increase in our total operating expenses for the nine months ended September 30, 2007, as compared to the same period in 2006, is primarily due to an increase in Hospitality segment operating expenses (excluding preopening costs, an increase in total Hospitality operating expenses of $12.3 million for the nine months ended September 30, 2007, as compared to the same period in 2006), described more fully below.

Operating Income (Loss)

The operating income of $2.6 million we experienced in the three months ended September 30, 2007, as compared to the $1.0 million operating loss experienced in the same period in 2006, was due to the increased Hospitality segment operating income (segment operating income of $16.0 million for the three months ended September 30, 2007, as compared to operating income of $12.1 million in the same period in 2006), described more fully below. However, an increase in our preopening costs (preopening costs of $3.9 million for the three months ended September 30, 2007, as compared to preopening costs of $2.4 million in the same period in 2006), described more fully below, served to reduce our operating income in this period.

Our operating income for the nine months ended September 30, 2007, as compared to the same period in 2006, remained relatively stable, as an increase in the size of our Hospitality segment operating income (segment operating income of $76.9 million for the nine months ended September 30, 2007, as compared to operating income of $72.7 million in the same period in 2006), discussed below, was offset by an increase in our preopening costs (preopening costs of $10.1 million for the three months ended September 30, 2007, as compared to preopening costs of $5.0 million in the same period in 2006), discussed below.

Net Income

We experienced a net loss of $2.2 million for the three months ended September 30, 2007 (as compared to net income of $6.3 million for the same period in 2006) due to the increase in our operating income described above, offset by the following:

- A loss on discontinued operations, net, of $4.3 million for the three months ended September 30, 2007, as compared to a gain on discontinued operations, net, of $7.4 million in the same period in 2006 relating primarily to our ResortQuest operations, described more fully below, which served to increase our net loss.
- The elimination of results from our investment in Viacom stock and CBS stock and related derivatives for the third quarter of 2007 as a result of the maturation of our secured forward exchange contract. We experienced an unrealized gain on Viacom stock and CBS stock and derivatives, net, of $7.9 million for the three months ended September 30, 2006, described more fully below. This served to increase our net loss in 2007 as compared to 2006.
- A decrease in our benefit for income taxes (a benefit for income taxes of $1.5 million for the third quarter of 2007, as compared to a benefit for income taxes of $5.8 million for the same period of 2006), described more fully below, which served to increase our net loss.
- A loss from unconsolidated companies of $2,000 for the third quarter of 2007, as compared to income from unconsolidated companies of $2.6 million for the same period of 2006), described more fully below, which served to increase our net loss.
- A decrease in our interest expense, net of amounts capitalized, of $14.8 million for the three months ended September 30, 2007 as compared to the same period in 2006, described more fully below, which served to reduce our net loss.

The increase in our net income for the nine months ended September 30, 2007 as compared to the same period in 2006 is due to our relatively stable operating income described above, as well as the following:

- Other gains and losses of $146.7 million for the nine months ended September 30, 2007, as compared to other gains and losses of $2.6 million for the same period in 2006 due primarily to a $140.3 million pre-tax gain on the sale of our investment in Bass Pro, which served to increase our net income.
- A decrease in our interest expense, net of amounts capitalized, of $18.8 million for the nine months ended September 30, 2007 as compared to the same period in 2006, described more fully below, which served to increase our net income.
- An increase in our provision for income taxes (a provision for income taxes of $60.5 million for the nine months ended September 30, 2007, as compared to a provision for income taxes of $7.2 million for the same period in 2006), described more fully below, which served to decrease our net income.
- Income from unconsolidated companies of $1.0 million for the nine months ended September 30, 2007, as compared to income from unconsolidated companies of $8.4 million for the same period in 2006, described more fully below, which served to decrease our net income.

- An unrealized gain on Viacom stock and CBS stock and derivatives, net, of $9.5 million for the nine months ended September 30, 2007, as compared to an unrealized gain on Viacom stock and CBS stock and derivatives, net, of $14.6 million for the same period in 2006, described more fully below, which served to decrease our net income.
- A gain on discontinued operations, net, of $11.7 million for the nine months ended September 30, 2007, as compared to a gain on discontinued operations, net, of $16.5 million in the same period in 2006 relating primarily to our ResortQuest operations, described more fully below, which served to decrease our net income.

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 revenues for the three and nine months ended September 30, 2007 primarily resulting from slightly lower system-wide occupancy rates and increased average daily rate for these periods. The increased average daily rate was a result of higher-paying group business during the applicable periods.
- Increased levels of food and beverage, banquet and other ancillary revenues at our hotels for the three and nine months ended September 30, 2007, which increased Total RevPAR at our hotels and supplemented the impact of increased ADR and RevPAR of the Hospitality segment during these periods, as discussed more fully below.

Recently Adopted Accounting Standards

We adopted the provisions of FASB Interpretation No. 48, “Accounting for Uncertainty in Income Taxes, an interpretation of FASB Statement No. 109” (“FIN 48”), as of January 1, 2007. FIN 48 clarifies the accounting for uncertainty in income taxes recognized in financial statements and requires the impact of a tax position to be recognized in the financial statements if that position is more likely than not of being sustained by the taxing authority. Results for prior periods have not been restated. As a result of adopting FIN 48, we recognized a net increase of $0.04 million in the liability for unrecognized tax benefits, which was accounted for as a decrease to the January 1, 2007 balance of retained earnings. As of January 1, 2007, we had $7.2 million of unrecognized tax benefits, of which none would affect our effective tax rate if recognized. As of September 30, 2007, we had $13.6 million of unrecognized tax benefits, of which $6.4 million would affect our effective tax rate if recognized. The $7.0 million increase in unrecognized tax benefits during the three months ended September 30, 2007 was due to the addition of uncertain tax positions related to third quarter activity. The adoption of FIN 48 had no impact on our net income or earnings per share.

Operating Results – Detailed Segment Financial Information

Hospitality Segment

Total Segment Results. The following presents the financial results of our Hospitality segment for the three and nine months ended September 30, 2007 and 2006:

	Three Months Ended September 30, 2007	Three Months Ended September 30, 2006	% Change	Nine Months Ended September 30, 2007	Nine Months Ended September 30, 2006	% Change
	(In thousands, except percentages and performance metrics)					
Hospitality revenue(1)	**$146,523**	$142,250	3.0%	**$ 481,392**	$ 464,903	3.5%
Hospitality operating expenses:						
Operating costs	**91,752**	90,600	1.3%	**282,481**	274,598	2.9%
Selling, general and administrative	**22,467**	23,447	-4.2%	**73,035**	69,313	5.4%
Depreciation and amortization	**16,318**	16,115	1.3%	**49,005**	48,281	1.5%
Total Hospitality operating expenses	**130,537**	130,162	0.3%	**404,521**	392,192	3.1%
Hospitality operating income (2)	**$ 15,986**	$ 12,088	32.2%	**$ 76,871**	$ 72,711	5.7%
Hospitality performance metrics:						
Occupancy(3)	**75.9%**	77.1%	-1.6%	**77.8%**	78.3%	-0.6%
ADR	**$ 147.64**	$ 143.88	2.6%	**$ 159.33**	$ 152.76	4.3%
RevPAR(3)(4)	**$ 111.99**	$ 110.99	0.9%	**$ 123.91**	$ 119.55	3.6%
Total RevPAR(3)(5)	**$ 268.28**	$ 257.62	4.1%	**$ 295.42**	$ 280.89	5.2%
Net Definite Room Nights Booked(6)	**352,000**	301,000	16.9%	**1,223,000**	1,007,000	21.4%

(1) Hospitality results and performance metrics include the results of our Radisson Hotel at Opryland.

(2) Hospitality operating income does not include the effect of preopening costs. The discussion of pre-opening costs is set forth below.

(3) Excludes 15,131 and 8,941 room nights that were taken out of service during the three months ended September 30, 2007 and 2006, respectively, and 36,038 and 10,254 room nights that were taken out of service during the nine months ended September 30, 2007 and 2006, respectively, as a result of a continued multi-year rooms renovation program at Gaylord Opryland.

(4) 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.

(5) We calculate Hospitality Total RevPAR by dividing the sum of room sales, food and beverage, and other ancillary services (which equals Hospitality segment revenue) by room nights available to guests for the period. Hospitality Total RevPAR is not comparable to similarly titled measures such as revenues.

(6) Net Definite Room Nights Booked included 69,000 and 81,000 room nights for the three months ended September 30, 2007 and 2006, respectively, and included 206,000 and 180,000 room nights for the nine months ended September 30, 2007 and 2006, respectively, related to the Gaylord National.

Total Hospitality segment revenue and RevPAR in the three and nine months ended September 30, 2007, as compared to the same periods in 2006, increased, as the impact of a slight decrease in system-wide occupancy was offset by an increased system-wide average daily rate during the period due to higher paying group business during the applicable periods at the hotels, as discussed more fully below. Hospitality segment Total RevPAR also increased system-wide, driven in part by revenues from the Glass Cactus entertainment complex at the Gaylord Texan, described more fully below.

Hospitality segment operating expenses consist of direct operating costs, selling, general and administrative expenses, and depreciation and amortization expense, each as described more fully below.

Hospitality segment operating costs, which consist of direct costs associated with the daily operations of our hotels (primarily room, food and beverage and convention costs), increased slightly in the three and nine months ended September 30, 2007, as compared to the same periods in 2006, due to a combination of relatively stable costs at Gaylord Opryland and Gaylord Palms, described below, and increased costs at Gaylord Texan primarily due to costs associated with the Glass Cactus entertainment complex, described below.

Total Hospitality segment selling, general and administrative expenses, consisting of administrative and overhead costs, decreased in the three months ended September 30, 2007, as compared to the same period in 2006, primarily due to decreased costs at all properties, more fully described below. Total Hospitality segment selling, general and administrative expenses increased in the nine months ended September 30, 2007, as compared to the same period in 2006, primarily due to a one-time charge incurred by Gaylord Opryland in the first quarter of 2007 in connection with the early termination of the lease held by the third-party operator of the Gaylord Opryland food court, described below, and additional expenses at the Gaylord Texan associated with the Glass Cactus entertainment complex, as described below.

Total Hospitality depreciation and amortization expense in the three and nine months ended September 30, 2007, as compared to the same periods in 2006, remained stable.

Property-Level Results. The following presents the property-level financial results of our Hospitality segment for the three and nine months ended September 30, 2007 and 2006.

Gaylord Opryland Results. The results of Gaylord Opryland for the three and nine months ended September 30, 2007 and 2006 are as follows:

	Three Months Ended September 30,			Nine Months Ended September 30,		
	2007	2006	% Change	2007	2006	% Change
	(In thousands, except percentages and performance metrics)					
Total revenues	**$64,110**	$65,108	-1.5%	**$198,836**	$197,740	0.6%
Operating expense data:						
Operating costs	**$40,497**	$40,684	-0.5%	**$121,084**	$120,013	0.9%
Selling, general and administrative	**$ 8,750**	$ 9,152	-4.4%	**$ 29,946**	$ 27,252	9.9%
Hospitality performance metrics:						
Occupancy	**79.0%**	82.1%	-3.8%	**79.3%**	79.5%	-0.3%
ADR	**$142.02**	$139.48	1.8%	**$ 147.55**	$ 141.90	4.0%
RevPAR	**$112.18**	$114.53	-2.1%	**$ 117.01**	$ 112.84	3.7%
Total RevPAR	**$256.52**	$254.40	0.8%	**$ 264.95**	$ 254.79	4.0%

The decrease in Gaylord Opryland revenue and RevPAR in the three months ended September 30, 2007, as compared to the same period in 2006, is due to lower occupancy rates at the hotel partially offset by a slightly increased ADR at the hotel. The decrease in occupancy rates was primarily due to a reduction in transient guests over the two holiday weekends that occurred in the third quarter and lower levels of group business during the period. Despite the decrease in Gaylord Opryland revenue and RevPAR in the three months ended September 30, 2007, Gaylord Opryland revenue, RevPAR and Total RevPAR for the nine months ended September 30, 2007 as compared to 2006 increased due to higher average daily rates and improved ancillary revenues for the period, due to higher quality group business, as well as cancellation and attrition fees received in the first quarter of 2007.

The slight decrease in operating costs at Gaylord Opryland in the three months ended September 30, 2007, as compared to the same period in 2006, was due to decreased variable costs, such as labor expense, associated with the lower occupancy levels at the hotel. Operating costs for the nine months ended September 30, 2007 increased slightly as compared to the same period in 2006 due primarily to increased tax and insurance expense.

Selling, general and administrative expenses at Gaylord Opryland in the three months ended September 30, 2007 decreased from the same period in 2006 due to lower levels of compensation expense and sales and marketing costs. A $2.9 million charge incurred in the first quarter of 2007 in connection with the early termination of the lease held by the third-party operator of the Gaylord Opryland food court, which is being renovated and remodeled as part of Gaylord Opryland's food and beverage outlet improvement program, increased Gaylord Opryland's selling, general and administrative expenses for the nine months ended September 30, 2007.

The hotel's results were impacted by the hotel's multi-year room refurbishment program, as 15,131 and 8,941 room nights were taken out of service during the three months, and 36,038 and 10,254 room nights were taken out of service during the nine months ended September 30, 2007 and 2006, respectively.

Gaylord Palms Results. The results of Gaylord Palms for the three and nine months ended September 30, 2007 and 2006 are as follows:

	Three Months Ended September 30,			Nine Months Ended September 30,		
	2007	2006	% Change	2007	2006	% Change
	(In thousands, except percentages and performance metrics)					
Total revenues	**$36,632**	$37,483	-2.3%	**$135,330**	$133,376	1.5%
Operating expense data:						
Operating costs	**$23,161**	$24,215	-4.4%	**$ 76,088**	$ 74,198	2.5%
Selling, general and administrative	**$ 7,229**	$ 7,536	-4.1%	**$ 23,172**	$ 23,511	-1.4%
Hospitality performance metrics:						
Occupancy	**72.6%**	72.6%	0.0%	**78.2%**	80.4%	-2.7%
ADR	**$155.38**	$154.15	0.8%	**$ 182.14**	$ 175.15	4.0%
RevPAR	**$112.82**	$111.86	0.9%	**$ 142.49**	$ 140.87	1.1%
Total RevPAR	**$283.19**	$289.77	-2.3%	**$ 352.57**	$ 347.48	1.5%

The slight decrease in Gaylord Palms revenue and Total RevPAR in the three months ended September 30, 2007, as compared to the same period in 2006, is primarily due to lower levels of banquet spending by groups as a result of lower group occupancy. The decreased banquet spending was partially offset by a slightly higher RevPAR, which resulted from a slight increase in ADR.

The increase in revenue experienced in the nine months ended September 30, 2007, as compared to the same period in 2006, was due to a combination of increased banquet spending by groups and a higher ADR, partially offset by slightly lower occupancy.

Operating costs for the three months ended September 30, 2007, as compared to the same period in 2006, decreased due to a reduction in variable costs associated with the reduced levels of banquet spending during the period. Operating costs for the nine months ended September 30, 2007, as compared to the same period in 2006, increased slightly as expenses associated with increased levels of commission-based business for the first part of the year offset the lower costs incurred in the third quarter.

Selling, general and administrative expense for the three and nine months ended September 30, 2007, as compared to the same periods in 2006, decreased due in part to reduced marketing costs, as certain one-time advertising expenses experienced in 2006 did not re-occur in 2007.

Gaylord Texan Results. The results of the Gaylord Texan for the three and nine months ended September 30, 2007 and 2006 are as follows:

	Three Months Ended September 30, 2007	Three Months Ended September 30, 2006	% Change	Nine Months Ended September 30, 2007	Nine Months Ended September 30, 2006	% Change
	(In thousands, except percentages and performance metrics)					
Total revenues	**$43,547**	$37,532	16.0%	**$140,565**	$127,301	10.4%
Operating expense data:						
Operating costs	**$26,931**	$24,494	9.9%	**$ 81,992**	$ 76,874	6.7%
Selling, general and administrative	**$ 6,023**	$ 6,317	-4.7%	**$ 18,391**	$ 17,238	6.7%
Hospitality performance metrics:						
Occupancy	**73.7%**	73.5%	0.3%	**75.9%**	75.0%	1.2%
ADR	**$162.21**	$154.12	5.2%	**$ 171.68**	$ 164.31	4.5%
RevPAR	**$119.52**	$113.35	5.4%	**$ 130.24**	$ 123.17	5.7%
Total RevPAR	**$313.26**	$269.99	16.0%	**$ 340.76**	$ 308.61	10.4%

The increase in Gaylord Texan revenue and RevPAR in the three and nine months ended September 30, 2007, as compared to the same periods in 2006, is due to a combination of relatively stable occupancy and higher room rates paid by group meeting guests. The hotel's food and beverage and other ancillary revenue, due to a combination of increased banquet and outlet revenues and revenues from the addition of the new Glass Cactus entertainment complex, served to increase the hotel's Total RevPAR for the three and nine months ended September 30, 2007, as compared to the same periods in 2006.

Operating costs for the three and nine months ended September 30, 2007, as compared to the same periods in 2006, increased due to additional variable expenses associated with the increased food and beverage and other outside the room revenues described above.

Although selling, general and administrative expenses declined in the third quarter of 2007 (as compared to the same period in 2006 due in part to lower levels of compensation expense), these expenses for the first nine months of 2007 increased (as compared to the same period in 2006) due to increased sales, marketing, and advertising expenses, including with respect to the addition of the new Glass Cactus entertainment complex.

Opry and Attractions Segment

Total Segment Results. The following presents the financial results of our Opry and Attractions segment for the three and nine months ended September 30, 2007 and 2006:

	Three Months Ended September 30, 2007	Three Months Ended September 30, 2006	% Change	Nine Months Ended September 30, 2007	Nine Months Ended September 30, 2006	% Change
	(In thousands, except percentages)					
Total revenues	**$ 20,344**	$ 21,461	-5.2%	**$ 57,108**	$ 58,045	-1.6%
Operating expense data:						
Operating costs	**11,683**	12,666	-7.8%	**33,905**	37,006	-8.4%
Selling, general and administrative	**4,461**	4,426	0.8%	**13,885**	13,634	1.8%
Depreciation and amortization	**1,200**	1,404	-14.5%	**4,180**	4,255	-1.8%
Operating income	**$ 3,000**	$ 2,965	1.2%	**$ 5,138**	$ 3,150	63.1%

The decrease in revenues in the Opry and Attractions segment for the three and nine months ended September 30, 2007, as compared to the same periods in 2006, is primarily due to a decrease in revenues from our Corporate Magic corporate event planning business, as that business produced fewer events during the applicable periods of 2007. The decrease in revenues at Corporate Magic was partially offset by increased revenues at the Grand Ole Opry and Wildhorse Saloon for the three and nine months ended September 30, 2007, as compared to the same periods in 2006.

The decrease in Opry and Attractions operating costs in the three and nine months ended September 30, 2007, as compared to the same periods in 2006, was due primarily to the reduction in operating costs at Corporate Magic associated with the reduced number of events produced as described above. Opry and Attractions selling, general and administrative expenses in the three months and nine months ended September 30, 2007, as compared to the same periods in 2006, remained relatively stable.

Corporate and Other Segment

Total Segment Results. The following presents the financial results of our Corporate and Other segment for the three and nine months ended September 30, 2007 and 2006:

	Three Months Ended September 30, 2007	Three Months Ended September 30, 2006	% Change	Nine Months Ended September 30, 2007	Nine Months Ended September 30, 2006	% Change
	(In thousands, except percentages)					
Total revenues	**$ 53**	$ 47	12.8%	**$ 159**	$ 204	-22.1%
Operating expense data:						
Operating costs	**2,146**	2,286	-6.1%	**6,519**	6,823	-4.5%
Selling, general and administrative	**8,891**	10,115	-12.1%	**28,390**	28,547	-0.5%
Depreciation and amortization	**1,506**	1,273	18.3%	**4,602**	3,372	36.5%
Operating loss	**$ (12,490)**	$ (13,627)	8.3%	**$ (39,352)**	$ (38,538)	-2.1%

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

Corporate and Other segment 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 slightly in the three and nine months ended September 30, 2007 as compared to the same periods in 2006, due to a reduction in consulting costs. Corporate and Other selling, general and administrative expenses, which consist of senior management salaries and benefits, legal, human resources, accounting, pension and other administrative costs, decreased in the three and nine months ended September 30, 2007, as compared to the same periods in 2006, due mainly to lower employment costs. Corporate and Other depreciation and amortization expense, which is primarily related to information technology equipment and capitalized electronic data processing software costs, increased in the three and nine months ended September 30, 2007, as compared to the same periods in 2006, due to the purchase of a new corporate aircraft and additional information technology equipment and software.

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 as incurred. Preopening costs increased by $1.5 million to $3.9 million in the three months ended September 30, 2007 (as compared to $2.4 million in the three months ended September 30, 2006). Preopening costs increased by $5.1 million to $10.1 million in the nine months ended September 30, 2007 (as compared to $5.0 million in the nine months ended September 30, 2006). These costs were primarily related to the construction of the Gaylord National.

Non-Operating Results Affecting Net Income (Loss)

General

The following table summarizes the other factors which affected our net income (loss) for the three and nine months ended September 30, 2007 and 2006:

	Three Months Ended September 30,			Nine Months Ended September 30,		
	2007	2006	% Change	2007	2006	% Change
	(In thousands, except percentages)					
Interest expense, net of amounts capitalized	**$(3,125)**	$(17,960)	82.6%	**$ (35,513)**	$(54,285)	34.6%
Interest income	**$ 620**	$ 464	33.6%	**$ 2,767**	$ 1,431	93.4%
Unrealized gain on Viacom stock and derivatives, net	**$ —**	$ 7,852	-100.0%	**$ 9,479**	$ 14,550	-34.9%
(Loss) income from unconsolidated companies	**(2)**	2,571	-100.1%	**1,011**	8,374	-87.9%
Other gains and losses, net	**$ 622**	$ 1,120	-44.5%	**$146,697**	$ 2,580	5585.9%
Benefit (provision) for income taxes	**$ 1,511**	$ 5,824	-74.1%	**$ (60,528)**	$ (7,192)	-741.6%
(Loss) gain from discontinued operations, net of taxes	**$(4,349)**	$ 7,446	-158.4%	**$ 11,684**	$ 16,525	-29.3%

Interest Expense, Net of Amounts Capitalized

Interest expense, net of amounts capitalized, decreased during the three months ended September 30, 2007, as compared to the same period in 2006, due primarily to a $10.0 million increase in capitalized interest and the maturity of the secured forward exchange contract, which is further described below, the effects of which were partially offset by the impact of higher average debt balances during 2007. Capitalized interest increased from $2.8 million during the three months ended September 30, 2006 to $12.8 million during the three months ended September 30, 2007 due to the construction of the Gaylord National. Interest expense, net of amounts capitalized, decreased during the nine months ended September 30, 2007, as compared to the same period in 2006, due primarily to a $20.8 million increase in capitalized interest and the maturity of the secured forward exchange contract, which is further described below, the effects of which were partially offset by the impact of higher average debt balances during 2007 and the writeoff of $1.2 million in deferred financing costs in connection with the refinancing of our $600.0 million credit facility to increase the total capacity under that credit facility to $1.0 billion. Capitalized interest increased from $6.2 million during the nine months ended September 30, 2006 to $27.1 million during the nine months ended September 30, 2007 due to the construction of the Gaylord National.

Our weighted average interest rate on our borrowings, including the interest expense associated with the secured forward exchange contract related to our Viacom stock and CBS stock investment and excluding the write-off of deferred financing costs during the period, was 8.3% and 6.4% for the three months ended September 30, 2007 and 2006, respectively, and was 7.1% and 6.5% for the nine months ended September 30, 2007 and 2006, respectively. As further discussed in Note 8 to our condensed consolidated financial statements for the three and nine months ended September 30, 2007 and 2006 included herewith, the secured forward exchange contract related to our Viacom stock and CBS stock investment resulted in non-cash interest expense of $0 and $6.8 million for the three months ended September 30, 2007 and 2006, respectively, and $10.5 million and $20.1 million for the nine months ended September 30, 2007 and 2006, respectively.

Interest Income

The increase in interest income during the three and nine months ended September 30, 2007, as compared to the same periods in 2006, is due to higher cash balances invested in interest-bearing accounts in 2007 and increased short-term interest rates.

Unrealized Gain on Viacom Stock and CBS Stock and Derivatives, Net

In 2000 we entered into a seven-year secured forward exchange contract with an affiliate of Credit Suisse First Boston with respect to 10,937,900 shares of Viacom, Inc. Class B common stock. 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.

Effective January 3, 2006, Viacom, Inc. completed a transaction to separate Viacom, Inc. into two publicly traded companies named Viacom, Inc. and CBS Corporation by converting (i) each outstanding share of Viacom, Inc. Class A common stock into 0.5 shares of Viacom, Inc. Class A common stock and 0.5 shares of CBS Corporation Class A common stock and (ii) each outstanding share of Viacom, Inc. Class B common stock into 0.5 shares of Viacom, Inc. Class B common stock and 0.5 shares of CBS Corporation Class B common stock. As a result of this transaction, the Company exchanged its 10,937,900 shares of Viacom, Inc. Class B common stock for 5,468,950 shares of Viacom, Inc. Class B common stock and 5,468,950 shares of CBS Corporation Class B common stock effective January 3, 2006.

In May 2007, the secured forward exchange contract matured and the Company delivered all of the Viacom Stock and CBS Stock to Credit Suisse First Boston in full satisfaction of the $613.1 million debt obligation under the SFEC. As a result, the debt obligation, Viacom Stock, CBS Stock, put option, call option, and deferred financing costs related to the secured forward exchange contract were removed from the consolidated balance sheet as of June 30, 2007.

For the nine months ended September 30, 2007, we recorded a net pretax gain of $6.4 million related to the increase in fair value of the Viacom stock and CBS stock. For the nine months ended September 30, 2007, we recorded a net pretax gain of $3.1 million related to the increase in fair value of the derivatives associated with the secured forward exchange contract. This resulted in a net pretax gain of $9.5 million related to the unrealized gain (loss) on Viacom stock and CBS stock and derivatives, net, for the nine months ended September 30, 2007.

Income (Loss) from Unconsolidated Companies

We account for our investments in Bass Pro, RHAC Holdings, LLC (the joint venture entity which owns the Aston Waikiki Beach Hotel) and Waipouli Holdings, LLC (the joint venture entity which owns the ResortQuest Kauai Beach at Makaiwa Hotel) under the equity method of accounting. Income from unconsolidated companies for the three months and nine months ended September 30, 2007 and 2006 consisted of equity method income from these investments as follows:

	Three Months Ended September 30, 2007	Three Months Ended September 30, 2006	% Change	Nine Months Ended September 30, 2007	Nine Months Ended September 30, 2006	% Change
	(In thousands, except percentages)					
Bass Pro	**$ —**	$ 3,639	-100.0%	**$ 1,693**	$ 9,444	-82.1%
RHAC Holdings, LLC	**119**	(694)	117.1%	**115**	(688)	116.7%
Waipouli Holdings, LLC	**(121)**	(374)	67.6%	**(797)**	(382)	(108.6)%
Total:	**$ (2)**	$ 2,571	-100.1%	**$ 1,011**	$ 8,374	-87.9%

Bass Pro. Prior to May 31, 2007, we owned 13.0% of Bass Pro, the owner of the Bass Pro Inc., Tracker Marine Boats and Big Cedar Lodge businesses. On May 31, 2007, we completed the sale of all of our ownership interest in Bass Pro (consisting of 43,333 common units) to Bass Pro for a purchase price of $222.0 million in cash. We recognized a pre-tax gain of $140.3 million from the sale of our interest in Bass Pro, which is recorded in other gains and losses as more fully described below. We recorded equity method income from our investment in Bass Pro prior to the date of sale as shown above. Net proceeds from the sale of $221.5 million were used to reduce our outstanding indebtedness. Our Chief Executive Officer formerly served as a member of the board of managers of Bass Pro Group but resigned upon consummation of the sale.

RHAC Holdings, LLC (ResortQuest Waikiki Beach Hotel). On May 31, 2005, we, through a wholly-owned subsidiary, 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 $16.3 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, ResortQuest Hawaii (which we formerly owned) manages the hotel under a 20-year hotel management agreement from RHAC, LLC and ResortQuest Hawaii 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.

Subsequent to its purchase by RHAC, LLC, the Waikiki Hotel was renamed the ResortQuest Waikiki Beach Hotel. During December 2005, RHAC, LLC sold the Mauka Tower, a 72-room hotel adjacent to the Waikiki Hotel. The Company received a cash distribution of $2.3 million from RHAC Holdings, LLC for its share of the proceeds from the sale. On September 29, 2006, RHAC, LLC refinanced the Waikiki Hotel loans with Greenwich Capital Financial Products, Inc., which resulted in the mezzanine loan increasing from $16.3 million to $34.9 million. RHAC, LLC used the proceeds from this refinancing primarily to fund a renovation project at the Waikiki Hotel.

*Waipouli Holdings, LLC (ResortQuest Kauai Beach at Makaiwa Hotel).*On June 20, 2006, we entered into a joint venture with RREEF Global Opportunities Fund II, LLC, a private real estate fund managed by DB Real Estate Opportunities Group ("RREEF"), and acquired a 19.9% ownership interest in the joint venture, Waipouli Holdings, LLC, in exchange for our capital contribution of $3.8 million to Waipouli Holdings, LLC. On June 20, 2006, through a wholly-owned subsidiary named Waipouli Owner, LLC, Waipouli Holdings, LLC acquired the 311-room ResortQuest Kauai Beach at Makaiwa Hotel and related assets located in Kapaa, Hawaii (the "Kauai Hotel") for an aggregate purchase price of $70.8 million. Waipouli Owner, LLC financed the purchase of the Kauai Hotel by entering into a series of loan transactions with Morgan Stanley Mortgage Capital, Inc. consisting of a $52.0 senior loan secured by the Kauai Hotel an $8.2 million senior mezzanine loan secured by the ownership interest of Waipouli Owner, LLC, and an $8.2 million junior mezzanine loan secured by the ownership interest of Waipouli Owner, LLC. RREEF is the managing member of Waipouli Holdings, LLC, but certain actions initiated by RREEF require our approval as a member. In addition, under the joint venture arrangement, ResortQuest Hawaii (which we formerly owned) manages the hotel under a five-year hotel management agreement from Waipouli Owner, LLC and ResortQuest Hawaii is responsible for the day-to-day operations of the Kauai Hotel in accordance with Waipouli Owner, LLC's business plan. We account for our investment in Waipouli Holdings, LLC under the equity method of accounting.

In October 2006, Waipouli Owner, LLC requested RREEF and us to make an additional capital contribution of $1.7 million to Waipouli Holdings, LLC to fund the purchase of the land on which the Kauai Hotel is built. We elected not to make the requested capital contribution, which diluted our ownership interest in Waipouli Holdings, LLC from 19.9% to 18.1%.

Other Gains and (Losses)

Our other gains and (losses) for the three months ended September 30, 2007 primarily consisted of a distribution received from Bass Pro related to the period prior to the sale of our interest in Bass Pro. Our other gains and (losses) for the nine months ended September 30, 2007 primarily consisted of a $140.3 million gain on the sale of our interest in Bass Pro, a $1.2 million dividend distribution related to our investment in CBS stock, and a $4.4 million gain on the sale of the previously utilized corporate aircraft.

Our other gains and (losses) for the three months and nine months ended September 30, 2006 primarily consisted of the receipt of dividend distributions related to our investment in CBS stock, a loss on the retirement of certain fixed assets and other miscellaneous income and expenses.

Provision (Benefit) for Income Taxes

The effective tax rate as applied to pretax income from continuing operations differed from the statutory federal rate due to the following (as of September 30):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2007	2006	2007	2006
U.S. Federal statutory rate	**35%**	35%	**35%**	35%
State taxes (net of federal tax benefit and changes in valuation allowance)	**(42)**	(2)	**2**	2
Adjustment to deferred tax liabilities due to state tax readjustment	**—**	4	**(1)**	4
Other	**(214)**	47	**3**	104
Effective tax rate	**(221%)**	84%	**39%**	145%

Our lower effective tax rate during the three months and nine months ended September 30, 2007, as compared to the same periods in 2006, was due primarily to the impact of permanent differences relative to pre-tax income for each of the respective periods. The amount designated as Other for the three months ended September 30, 2007 in the table above is a result of adjustments due to the filing of the 2006 Federal income tax return coupled with the tax effect of interest charged to ResortQuest International, Inc. The amount designated as Other for the three and nine months ended September 30, 2006 in the table above is a result of a change in the annualized effective tax rate and its corresponding year to date effect coupled with the tax effect of interest charged to ResortQuest International, Inc. during the respective periods.

Gain from Discontinued Operations, Net of Income Taxes

We reflected the following businesses as discontinued operations in our financial results for the three and nine months ended September 30, 2007 and 2006, 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. 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 and $44,000 during the three months and nine months ended September 30, 2006, respectively, related to employee severance benefits in the discontinued markets. We completed the sale of four of these markets in the fourth quarter of 2005, two of these markets in the first quarter of 2006, and the remaining two markets in the second quarter of 2006.

During the second quarter of 2006, we completed the sale of one additional market of our ResortQuest business that was not included in the plan of disposal described above, but was later determined to be inconsistent with our long term growth strategy. We did not record any restructuring charges in connection with the sale of this market.

During the second quarter of 2007, we committed to a plan of disposal of the remainder of our ResortQuest business. On May 31, 2007, we completed the sale of our ResortQuest Hawaii operations through the transfer of all of our equity interests in our ResortQuest Hawaii subsidiaries (“ResortQuest Hawaii”) to Vacation Holdings Hawaii, Inc., an affiliated company of Interval International, for $109.1 million in cash, prior to giving effect to a purchase price adjustment based on the working capital of ResortQuest Hawaii as of the closing. We retained our 19.9% ownership interest in RHAC Holdings, LLC and our 18.1% ownership interest in Waipouli Holdings LLC, which ownership interests were excluded from this transaction. For the three months and nine months ended September 30, 2007, we recognized a pretax gain of $0 and $50.4 million, respectively, in discontinued operations in the accompanying condensed consolidated statements of operations related to the sale of ResortQuest Hawaii. In connection with the sale of ResortQuest Hawaii, we recorded pre-tax restructuring charges for employee severance benefits of $0 and $0.4 million for the three months and nine months ended September 30, 2007, all of which was included in the pre-tax gain on the sale of ResortQuest Hawaii. Net proceeds from the sale of $108.1 million were used to reduce our outstanding indebtedness.

On June 1, 2007, we completed the sale of the remainder of the operations of our ResortQuest subsidiary through the transfer of all of our capital stock in our ResortQuest Mainland subsidiary (“ResortQuest Mainland”) to BEI-RZT Corporation, a subsidiary of Leucadia National Corporation for $35.0 million, prior to giving effect to certain purchase price adjustments, including a purchase price adjustment based on the working capital of ResortQuest Mainland as of the closing. The purchase price was paid by the delivery of a four-year promissory note in the principal amount of $8.0 million bearing interest at the annual rate of 10%, and the balance of the purchase price was paid in cash at closing. As of June 30, 2007, we estimated that we would be required to pay $4.9 million to BEI – RZT Corporation pursuant to the final purchase price adjustment based on the working capital of ResortQuest Mainland as of the closing. We accrued this liability during the second quarter of 2007 as part of the loss on the sale of ResortQuest Mainland. During the third quarter of 2007, we and BEI – RZT Corporation reached an agreement that we would be required to pay approximately $8.0 million to BEI – RZT Corporation pursuant to the final purchase price adjustment. We accrued the additional $3.1 million purchase price adjustment during the third quarter of 2007. We and BEI – RZT Corporation also agreed that the four-year $8.0 million promissory note received from BEI – RZT Corporation at closing would be cancelled and deemed to be satisfied and paid in full in full satisfaction of the approximately $8.0 million final purchase price adjustment described above. As a result of the final purchase price adjustments, we recognized a pretax loss of $2.1 million and $59.3 million in discontinued operations in the accompanying condensed consolidated statements of operations for the three months and nine months ended September 30, 2007, respectively, related to the sale of ResortQuest Mainland. In connection with the sale of ResortQuest Mainland, we recorded pre-tax restructuring charges for employee severance benefits of $0.1 million and $0.5 million for the three months and nine months ended September 30, 2007, of which $0 and $0.3 million, respectively, was included in the pretax loss on the sale of ResortQuest Mainland. Net cash proceeds from the sale of $9.0 million were used to reduce our outstanding indebtedness.

The following table reflects the results of operations of businesses accounted for as discontinued operations for the three months and nine months ended September 30, 2007 and 2006:

(in thousands)	Three Months Ended September 30, 2007	Three Months Ended September 30, 2006	Nine Months Ended September 30, 2007	Nine Months Ended September 30, 2006
Revenues:				
ResortQuest	**$ —**	$ 68,148	**$ 91,228**	$ 187,801
Operating (loss) income:				
ResortQuest	**$ (1,663)**	$ 8,946	**$ (3,685)**	$ 8,894
Other	**—**	—	**—**	6
Impairment and other charges	**—**	(832)	**—**	(832)
Restructuring charges	**(138)**	—	**(210)**	(44)
Total operating (loss) income	**(1,801)**	8,114	**(3,895)**	8,024
Interest expense	**—**	199	**(8)**	672
Interest income	**—**	389	**309**	875
Other gains and (losses):				
ResortQuest	**(2,034)**	729	**(8,803)**	6,003
Other	**—**	—	**—**	6
(Loss) income before provision (benefit) for income taxes	**(3,835)**	9,431	**(12,397)**	15,580
Provision (benefit) for income taxes	**514**	1,985	**(24,081)**	(945)
(Loss) gain from discontinued operations	**$ (4,349)**	$ 7,446	**$ 11,684**	$ 16,525

Included in other gains and (losses) in the three months ended September 30, 2007 is a pre-tax loss of $2.1 million related to the final purchase price adjustments made on the sale of ResortQuest Mainland. Included in other gains and (losses) in the nine months ended September 30, 2007 is a pre-tax gain of $50.4 million on the sale of ResortQuest Hawaii and a pre-tax loss of $59.3 million on the sale of ResortQuest Mainland. Included in other gains and (losses) in the nine months ended September 30, 2006 is a pre-tax loss of $17,000 on the sale of certain ResortQuest markets, as well as a $5.9 million gain on the collection of a note receivable by ResortQuest that was previously considered uncollectible. The remaining gains and (losses) in the three months and nine months ended September 30, 2007 and 2006 are primarily comprised of gains and losses recognized on the resolution of various contingent items subsequent to the sale of the ResortQuest markets, as well as miscellaneous income and expense.

The benefit for income taxes for the nine months ended September 30, 2007 primarily relates to a permanent tax benefit recognized on the sales of ResortQuest Hawaii and ResortQuest Mainland. The benefit for income taxes for the nine months ended September 30, 2006 primarily results from the Company settling certain ResortQuest issues with the Internal Revenue Service related to periods prior to the acquisition of ResortQuest, as well as the tax effect of interest charged to ResortQuest International, Inc. during the period and the writeoff of taxable goodwill associated with the ResortQuest markets sold in this period.

Liquidity and Capital Resources

Cash Flows –Summary

Our cash flows consisted of the following during the nine months ended September 30 (in thousands):

	2007	2006
Operating Cash Flows:		
Net cash flows (used in) provided by operating activities — continuing operations	**$ (14,933)**	$ 77,924
Net cash flows provided by operating activities — discontinued operations	**17,250**	5,856
Net cash flows provided by operating activities	**2,317**	83,780
Investing Cash Flows:		
Purchases of property and equipment	**(454,501)**	(164,661)
Investments in unconsolidated companies	**(191)**	(4,772)
Proceeds from sale of investment in Bass Pro	**221,527**	—
Proceeds from sales of assets	**5,071**	64
Other	**(1,311)**	(2,991)
Net cash flows used in investing activities — continuing operations	**(229,405)**	(172,360)
Net cash flows provided by (used in) investing activities — discontinued operations	**115,240**	(12,710)
Net cash flows used in investing activities	**(114,165)**	(185,070)
Financing Cash Flows:		
Borrowings under credit facility	**125,000**	70,000
Repayment of long-term debt	**—**	(1,000)
Deferred financing costs paid	**(3,883)**	—
Decrease (increase) in restricted cash and cash equivalents	**116**	(21)
Proceeds from exercise of stock options and purchase plans	**12,047**	11,087
Excess tax benefit from stock-based compensation	**1,974**	2,474
Other	**(762)**	(885)
Net cash flows provided by financing activities — continuing operations	**134,492**	81,655
Net cash flows (used in) provided by financing activities — discontinued operations	**(19,365)**	10,935
Net cash flows provided by financing activities	**115,127**	92,590
Net change in cash and cash equivalents	**$ 3,279**	$ (8,700)

Cash Flows 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 the nine months ended September 30, 2007, our net cash flows used in operating activities — continuing operations were $14.9 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 CBS stock and related derivatives, stock-based compensation expense, excess tax benefits from stock-based compensation, income from unconsolidated companies, and gains on the sales of our investment in Bass Pro and certain fixed assets of approximately ($28.3) million. Our cash flows provided by income from continuing operations before the non-cash items described above were negatively impacted during the nine months ended September 30, 2007 by us incurring a tax liability of $107.4 (after the application of federal and state net operating loss carryforwards and federal credit carryforwards), which primarily resulted from the net impact of the taxable gains we recognized upon maturity of our secured forward exchange contract and on the sales of RQI and our investment in Bass Pro. The net cash flows used by income from continuing operations before the non-cash items described above were partially offset by favorable changes in working capital of approximately $13.4 million. The favorable changes in working capital primarily resulted from the timing of payment of the remainder of the tax liability incurred in connection with the maturity of the secured forward exchange contract and the sales of RQI and our investment in Bass Pro, as well as the timing of payment of accrued interest and an increase in deferred revenues due to increased receipts of deposits on advance bookings of hotel rooms at Gaylord Opryland and Gaylord Palms. These favorable changes in working capital were partially offset by an increase in trade receivables due to a seasonal change in the timing of payments received from corporate group guests at Gaylord Opryland and Gaylord Palms, as well as the timing of payment of accrued compensation and an increase in prepaid expenses.

During the nine months ended September 30, 2006, our net cash flows provided by operating activities — continuing operations were $77.9 million, reflecting primarily our loss from continuing operations before non-cash depreciation expense, amortization expense, income tax provision, interest expense, gain on the Viacom stock and CBS stock and related derivatives, stock-based compensation expense, excess tax benefits from stock-based compensation, income from unconsolidated companies, dividends received from unconsolidated companies, and gain on sales of certain fixed assets of approximately $67.2 million and favorable changes in working capital of approximately $10.7 million. The favorable changes in working capital primarily resulted from an increase in deferred revenues due to increased receipts of deposits on advance bookings of hotel rooms at Gaylord Opryland and Gaylord Palms, as well as the timing of payment of accrued interest. These favorable changes in working capital were partially offset by an increase in trade receivables due to a seasonal change in the timing of payments received from corporate group guests at Gaylord Opryland and Gaylord Palms.

Cash Flows From Investing Activities. During the nine months ended September 30, 2007, our primary uses of funds and investing activities were purchases of property and equipment, which totaled $454.5 million. Our capital expenditures during the nine months ended September 30, 2007 included construction of $393.7 million at Gaylord National, as well as $39.7 million to refurbish guestrooms and renovate certain food and beverage outlets at Gaylord Opryland. During the nine months ended September 30, 2007, we also received net cash proceeds of $221.5 million from the sale of our investment in Bass Pro and $5.1 million from the sales of certain fixed assets. Our net cash flows provided by investing activities — discontinued operations for the nine months ended September 30, 2007 primarily consist of cash proceeds received from the sale of discontinued operations.

During the nine months ended September 30, 2006, our primary uses of funds and investing activities were purchases of property and equipment, which totaled $164.7 million. Our capital expenditures during the nine months ended September 30, 2006 included construction at Gaylord National of $115.2 million, approximately $22.8 million at the Gaylord Texan related to the construction of the new Glass Cactus entertainment complex, and approximately $15.7 million at Gaylord Opryland.

We currently project capital expenditures for the twelve months of 2007 to total approximately $610 million, which includes approximately $506 million related to the construction of the Gaylord National and approximately $59 million to refurbish guestrooms and renovate certain food and beverage outlets at Gaylord Opryland.

Cash Flows From Financing Activities. Our cash flows from financing activities reflect primarily the issuance of debt and the repayment of long-term debt. During the nine months ended September 30, 2007, our net cash flows provided by financing activities – continuing operations were approximately $134.5 million, reflecting $125.0 million in net borrowings under our credit facility and $12.0 million in proceeds received from the exercise of stock options, partially offset by the payment of $3.9 million in deferred financing costs to refinance our $600.0 million credit facility.

During the nine months ended September 30, 2006, our net cash flows provided by financing activities – continuing operations were approximately $81.7 million, reflecting $70.0 million of borrowings under the $600.0 million credit facility and $11.1 million in proceeds received from the exercise of stock options.

Working Capital

As of September 30, 2007, we had total current assets of $124.5 million and total current liabilities of $239.3 million, which resulted in a working capital deficit of $114.8 million. A significant portion of our current liabilities consist of deferred revenues, which primarily represent deposits received on advance bookings of hotel rooms. These deferred revenue liabilities do not require future cash payments by us.

Also, during 2007 we will be required to pay taxes on the taxable gains we recognized upon maturity of our secured forward exchange contract and on the sales of RQI and our investment in Bass Pro. Due to the net impact of these transactions and the taxable income generated by our normal operations during 2007, we expect to incur a tax liability of approximately $107.4 million after the application of federal and state net operating loss carryforwards and federal credit carryforwards. We paid $84.1 million of this liability during the third quarter of 2007, and we expect to pay the balance during the fourth quarter of 2007. The remaining tax liability is classified as a current liability in the accompanying condensed consolidated balance sheet as of September 30, 2007. We intend to finance the payment of this obligation through the use of internally generated funds and corporate borrowings.

We believe our current assets, cash flows from operating activities and availability under our $1.0 billion credit facility will be sufficient to repay our current liabilities as they become due.

Principal Debt Agreements

On March 23, 2007, we refinanced our credit facilities by entering into an Amended and Restated Credit Agreement by and among the Company, certain subsidiaries of the Company party thereto, as guarantors, the lenders party thereto and Bank of America, N.A., as administrative agent. The $1.0 billion amended and restated credit facility (the “$1.0 Billion Credit Facility”) represents an increase of our previous $600.0 million credit facility.

The $1.0 Billion 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 a $30.0 million sublimit for swingline loans, and (b) a $700.0 million senior secured delayed draw term loan facility, which may be drawn on in one or more advances during its term. The $1.0 Billion Credit Facility also includes an accordion feature that will allow the Company to increase the $1.0 Billion Credit Facility by a total of up to $100.0 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 will bear interest at an annual rate of LIBOR plus an applicable margin ranging from 1.25% to 1.75% or the lending banks’ base rate plus an applicable margin ranging from 0.00% to 0.50%, subject to adjustments based on the Company’s borrowing base leverage. 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 0.125% to 0.35% per year of the average unused portion of the $1.0 Billion Credit Facility.

The purpose of the $1.0 Billion Credit Facility is for working capital and capital expenditures and the financing of the costs and expenses related to the continued construction of the Gaylord National hotel. Construction of the Gaylord National hotel is required to be substantially completed by October 31, 2008 (subject to customary force majeure provisions).

The $1.0 Billion 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 (in the process of being 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. Advances are subject to a 60% borrowing base, based on the appraisal value of the hotel properties (reduced to 50% in the event a hotel property is sold).

In addition, the $1.0 Billion 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 $1.0 Billion Credit Facility are as follows:

- The Company must maintain a consolidated funded indebtedness to total asset value ratio as of the end of each calendar quarter (i) following the closing date of the $1.0 Billion Credit Facility through the calendar quarter ending immediately prior to the first full quarter during which the Gaylord National hotel is substantially completed, of not more than 70% and (ii) for all calendar quarters thereafter, of not more than 65%.
- 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 the Company's subsidiaries in connection with any equity issuance.
- The Company must maintain a minimum consolidated fixed charge coverage ratio of not less than 2.00 to 1.00 for all 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.

As of September 30, 2007, we were in compliance with all covenants. As of September 30, 2007, $300.0 million of borrowings were outstanding under our credit facility, and the lending banks had issued $12.8 million of letters of credit under the facility for us. The credit facility is cross-defaulted to our other indebtedness.

8% Senior Notes. We have outstanding $350 million in aggregate principal amount of senior notes bearing an interest rate of 8% (the "8% Senior Notes"). We have also 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, at any time on or after November 15, 2008 at a designated redemption amount, plus accrued and unpaid interest. 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 generally all of our active domestic subsidiaries. In connection with the offering and subsequent registration of the 8% Senior Notes, we paid approximately $10.1 million in deferred financing costs. 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. We also have outstanding $225 million in aggregate principal amount of senior notes bearing an interest rate of 6.75% (the “6.75% Senior Notes”). 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, 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 generally all of our active domestic subsidiaries. In connection with the offering of the 6.75% Senior Notes, we paid approximately $4.2 million in deferred financing costs. 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.

Future Developments

As described in “Overall Outlook” above, we are considering other potential hotel sites throughout the country, including Chula Vista, California.

Commitments and Contractual Obligations

The following table summarizes our significant contractual obligations as of September 30, 2007, 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	$ 875,000	$ —	$300,000	$ —	$ 575,000
Capital leases	3,161	1,014	1,201	946	—
Promissory note payable to Nashville Predators	4,000	1,000	2,000	1,000	—
Construction commitments	206,696	206,696	—	—	—
Operating leases (1)	665,045	5,905	9,677	7,520	641,943
Other	425	250	175	—	—
Total contractual obligations	$1,754,327	$214,865	$313,053	$9,466	$1,216,943

(1) The total operating lease commitments of $665.0 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 the Nashville Predators. See Note 10 to our condensed consolidated financial statements included herewith for a discussion of the interest we paid during the three and nine months ended September 30, 2007 and 2006.

The cash obligations in the table above also do not include obligations to pay taxes on the taxable gains we recognized upon maturity of our secured forward exchange contract and on the sales of RQI and our investment in Bass Pro. Due to the net impact of these transactions and the taxable income generated by our normal operations during 2007, we expect to incur a tax liability of approximately $107.4 million after the application of federal and state net operating loss carryforwards and federal credit carryforwards. We paid $84.1 million of this liability during the third quarter of 2007 and expect to pay the balance during the fourth quarter of 2007. We intend to finance the payment of this obligation through the use of internally generated funds and corporate borrowings. A complete description of the secured forward exchange contract is contained in Note 8 to our condensed consolidated financial statements for the three months and nine months ended September 30, 2007 and 2006 included herewith.

The adoption of FIN 48 did not have a material impact on our contractual obligations, so obligations to pay taxes related to uncertain tax positions, if any, are not included in the cash obligations in the table above.

Critical Accounting Policies and Estimates

We prepare our condensed consolidated financial statements in conformity with accounting principles generally accepted in the United States. Certain of our accounting policies, including those related to revenue recognition, impairment of long-lived assets and goodwill, restructuring charges, derivative financial instruments, income taxes, and retirement and postretirement benefits other than pension plans, require that we apply significant judgment in defining the appropriate assumptions for calculating financial estimates. By their nature, these judgments are subject to an inherent degree of uncertainty. Our judgments are based on our historical experience, our observance of trends in the industry, information provided by our customers and information available from other outside sources, as appropriate. There can be no assurance that actual results will not differ from our estimates. For a discussion of our critical accounting policies and estimates, please refer to Management's Discussion and Analysis of Financial Condition and Results of Operations and Notes to Consolidated Financial Statements presented in our 2006 Annual Report on Form 10-K. There were no newly identified critical accounting policies in the first, second or third quarters of 2007 nor were there any material changes to the critical accounting policies and estimates discussed in our 2006 Annual Report on Form 10-K.

Recently Issued Accounting Standards

For a discussion of recently issued accounting standards, see Note 15 to our condensed consolidated financial statements for the three and nine months ended September 30, 2007 and 2006 included herewith.

Private Securities Litigation Reform Act

This quarterly report on Form 10-Q contains "forward-looking statements" intended to qualify for the safe harbor from liability established by the Private Securities Litigation Reform Act of 1995. You can identify these statements by the fact that they do not relate strictly to historical or current facts. These statements contain words such as "may," "will," "project," "might," "expect," "believe," "anticipate," "intend," "could," "would," "estimate," "continue" or "pursue," or the negative or other variations thereof or comparable terminology. In particular, they include statements relating to, among other things, future actions, new projects, strategies, future performance, the outcome of contingencies such as legal proceedings and future financial results. We have based these forward-looking statements on our current expectations and projections about future events.

We caution the reader that forward-looking statements involve risks and uncertainties that cannot be predicted or quantified and, consequently, actual results may differ materially from those expressed or implied by such forward-looking statements. Such risks and uncertainties include, but are not limited to, the following factors, as well as other factors described in our Annual Report on Form 10-K for the year ended December 31, 2006 or described from time to time in our other reports filed with the SEC:

- the potential adverse effect of our debt on our cash flow and our ability to fulfill our obligations under our indebtedness and maintain adequate cash to finance our business;
- the availability of debt and equity financing on terms that are favorable to us;
- general economic and market conditions and economic and market conditions related to the hotel and large group meetings and convention industry;
- the timing, budgeting and other factors and risks relating to new hotel development, including our ability to successfully complete the Gaylord National and to derive cash flow from its operations;
- the geographic concentration of our hotel properties; and
- business levels at our hotels, and our ability to successfully operate our hotels.

Any forward-looking statements are made pursuant to the Private Securities Litigation Reform Act of 1995 and, as such, speak only as of the date made. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Market risk is the risk of loss arising from adverse changes in market rates and prices, such as interest rates, foreign currency exchange rates and commodity prices. Our primary exposures to market risk are from changes in interest rates and natural gas prices, and, prior to our disposal of such stock in May 2007, from changes in the value of our investment in Viacom stock and CBS stock.

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

Prior to January 3, 2006, we held an investment of 10.9 million shares of Viacom, Inc. Class B common 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. Effective January 3, 2006, Viacom completed a transaction to separate Viacom into two publicly traded companies named Viacom, Inc. and CBS Corporation by converting (i) each outstanding share of Viacom, Inc. Class A common stock into 0.5 shares of Viacom, Inc. Class A common stock and 0.5 shares of CBS Corporation Class A common stock and (ii) each outstanding share of Viacom, Inc. Class B common stock into 0.5 shares of Viacom, Inc. Class B common stock and 0.5 shares of CBS Corporation Class B common stock. As a result of this transaction, we exchanged our 10,937,900 shares of Viacom, Inc. Class B common stock for 5,468,950 shares of Viacom, Inc. Class B common stock and 5,468,950 shares of CBS Corporation Class B common stock effective January 3, 2006.

Prior to its maturity in May 2007, the secured forward exchange contract protected us against decreases in the combined fair market value of the Viacom stock and CBS stock below $56.05 per share by way of a put option; the secured forward exchange contract also provided for participation in the increases in the combined fair market value of the Viacom stock and CBS stock in that we received 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.
In May 2007, the SFEC matured and the Company delivered all of the Viacom Stock and CBS Stock to Credit Suisse First Boston in full satisfaction of the $613.1 million debt obligation under the SFEC. As a result, the

Company is no longer exposed to market risk from changes in the value of Viacom stock and CBS stock as of this date.

Risk 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 $1.0 Billion Credit Facility.

In conjunction with our offering of the 8% Senior Notes, we entered into an 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 is 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 $1.0 Billion Credit Facility bear interest at an annual rate at our election of either LIBOR plus an applicable margin ranging from 1.25% to 1.75% or the lending banks' base rate plus an applicable margin ranging from 0.00% to 0.50%, subject to adjustments based on the Company's borrowing base leverage. If LIBOR were to increase by 100 basis points, our annual interest cost on borrowings outstanding under our $1.0 Billion Credit Facility as of September 30, 2007 would increase by approximately $3.0 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 September 30, 2007. As a result, the interest rate market risk implicit in these investments at September 30, 2007, if any, is low.

Risk Related to Changes in Natural Gas Prices

As of September 30, 2007, we held one variable to fixed natural gas price swap with respect to the purchase of 72,000 dekatherms of natural gas in order to fix the prices at which we purchase that volume of natural gas for our hotels. This natural gas price swap, which has a term of one month, effectively adjusts the price on that volume of purchases of natural gas to a weighted average price of $6.68 per dekatherm. This natural gas price swap is deemed effective, and, therefore, the hedge has been treated as an effective cash flow hedge under SFAS No. 133. If the forward price of natural gas futures contracts for delivery at the Henry Hub as of September 30, 2007 as quoted on the New York Mercantile Exchange was to increase or decrease by 5%, the derivative liability associated with the fair value of our natural gas swap outstanding as of September 30, 2007 would have increased or decreased by $23,000.

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. 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 September 30, 2007, we believe that the effects of changes in interest rates and natural gas prices could be material to our consolidated financial position, results of operations or cash flows. However, we are no longer exposed to the risks associated with changes in the price of

Viacom stock and CBS stock, and 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.

ITEM 4. CONTROLS AND PROCEDURES.

The Company maintains disclosure controls and procedures, as defined in Rule 13a-15(e) promulgated under the Securities Exchange Act of 1934 (the "Exchange Act"), that are designed to ensure that information required to be disclosed by us in the reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms and that such information is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure. The Company carried out an evaluation under the supervision and with the participation of our management, including our Chief Executive Officer and Chief Financial Officer, of the effectiveness of the design and operation of our disclosure controls and procedures, as of the end of the period covered by this report. Based on the evaluation of these disclosure controls and procedures, the Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures were effective as of the end of the period covered by this report. There have been no changes in our internal control over financial reporting that occurred during the period covered by this report that materially affected, or are likely to materially affect, our internal control over financial reporting.

PART II — OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS.

The Company is a party to certain litigation, as described in Note 16 to our condensed consolidated financial statements for the three months and nine months ended September 30, 2007 and 2006 included herewith and which is incorporated herein by reference.

ITEM 1A. RISK FACTORS.

In our Quarterly Report on Form 10-Q for our quarter ended June 30, 2007, we disclosed certain material changes to our "Risk Factors" as previously set forth in our Annual Report on Form 10-K for the year ended December 31, 2006. Except as set forth in our Quarterly Report on Form 10-Q for our quarter ended June 30, 2007, there have been no material changes to our "Risk Factors" as previously set forth in our Annual Report on Form 10-K for the year ended December 31, 2006.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS.

Inapplicable.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES.

Inapplicable.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS.

Inapplicable.

ITEM 5. OTHER INFORMATION.

Amendments to Bylaws

On November 8, 2007, our Board of Directors adopted and approved Amended and Restated Bylaws of the Company (the "Bylaws"), effective November 8, 2007, to make the following changes to the previous bylaws of the Company:

- update the registered agent of the Company and permit changes to the Company's registered office and agent;
- clarify that shareholder proposals and director nominations must be sent to the Secretary of the Company;
- add a paragraph regarding the conduct of meetings of shareholders;
- delete the requirement that a copy of the Company's stock ledger be kept within the state of Delaware;
- include references to the listing requirements of the New York Stock Exchange ("NYSE") with respect to committees of the Board of Directors;
- clarify that Board members may receive forms of compensation other than a retainer or salary;
- specify that attendance at meetings of directors constitutes waiver of notice of such meetings;
- clarify that quorum requirements for directors' meetings apply to meetings of committees;
- specify that officer salaries may be fixed by a committee of the Board of Directors;
- remove the provision that the President serve as an ex-officio member of committees;
- permit the issuance of uncertificated shares and allow shares to be held in book-entry form;
- amend language in the Bylaws regarding indemnification to more closely track the provisions of the Delaware General Corporation Law; and
- otherwise clarify and update the Bylaws.

The bylaw amendments relating to uncertificated shares were adopted to ensure the Company's eligibility to participate in the Direct Registration System administered by the Depository Trust Company, as required by NYSE listed company regulations effective January 1, 2008. Prior to these amendments, the Bylaws made no reference to uncertificated shares.

The amendments to the Bylaws took effect on November 8, 2007 in accordance with resolutions adopted by the Board of Directors. The foregoing description of the amendments to the Bylaws is qualified in its entirety by reference to the full text of the Amended and Restated Bylaws of the Company which is filed as Exhibit 3.1 to this report.

ITEM 6. EXHIBITS.

See Index to Exhibits following the Signatures page.

SIGNATURES

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

GAYLORD ENTERTAINMENT COMPANY

Date: November 8, 2007

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

By: /s/ David C. Kloeppel
David C. Kloeppel
Executive Vice President and
Chief Financial Officer
(Principal Financial Officer)

By: /s/ Rod Connor
Rod Connor
Senior Vice President and
Chief Administrative Officer
(Principal Accounting Officer)

INDEX TO EXHIBITS

EXHIBIT NUMBER	DESCRIPTION
3.1	Amended and Restated Bylaws of Gaylord Entertainment Company.
10.1	Summary of Director Compensation.
10.2	Letter Agreement regarding Amendment No. 2 to July 15, 2003 Employment Agreement, dated May 31, 2007, by and between the Company and Mark Fioravanti.
31.1	Certification of Colin V. Reed pursuant to Section 302 of Sarbanes-Oxley Act of 2002.
31.2	Certification of David C. Kloeppel pursuant to Section 302 of Sarbanes-Oxley Act of 2002.
32.1	Certification of Colin V. Reed and David C. Kloeppel pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of Sarbanes-Oxley Act of 2002.

EXHIBIT 3.1

GAYLORD ENTERTAINMENT COMPANY

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AMENDED AND RESTATED BY-LAWS

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OFFICES

1. The registered office of the Corporation shall be in the City of Wilmington, County of New Castle, State of Delaware, and the name of the resident agent in charge thereof is Corporation Service Company. The registered office and/or registered agent of the Corporation may be changed from time to time by the Corporation. The Corporation may also have an office in the City of Nashville, State of Tennessee, and also offices at such other places as the Board of Directors may from time to time appoint or the business of the Corporation may require.

SEAL

2. The corporate seal shall have inscribed thereon the name of the Corporation, the year of its organization and the words “Corporate Seal, Delaware.” Said seal may be used by causing it or a facsimile thereof to be impressed or affixed or reproduced or otherwise.

STOCKHOLDERS’ MEETINGS

3. All meetings of the stockholders shall be held at the office of the Corporation in Nashville, Tennessee, or elsewhere as specified by the Board of Directors in the notice of meeting.

4. The annual meeting of the stockholders shall be held on such date and at such time and place as shall be designated by the Board of Directors and stated in the notice of the meeting, when the stockholders shall elect by a plurality vote, by ballot, the members of the class of the Board of Directors standing for election in that year and transact such other business as may properly be brought before the meeting.

5. No business may be transacted at an annual meeting of stockholders, other than business that is either (a) specified in the notice of meeting (or any supplement thereto) given by or at the direction of the Board of Directors (or any duly authorized committee thereof), (b) otherwise properly brought before the annual meeting by or at the direction of the Board of Directors (or any duly authorized committee thereof) or (c) otherwise properly brought before the annual meeting by any stockholder of the Corporation (i) who is a stockholder of record on the date of the giving of the notice provided for in this Paragraph 5 and on the record date for the determination of stockholders entitled to vote at such meeting and (ii) who complies with the notice procedures set forth in this Paragraph 5.

In addition to any other applicable requirements, for business to be properly brought before an annual meeting by a stockholder such stockholder must have given timely notice thereof in proper written form to the Secretary of the Corporation.

To be timely, a stockholder's notice to the Secretary must be delivered to or mailed and received by the Secretary of the Corporation at the principal executive offices of the Corporation not less than ninety (90) days nor more than one hundred twenty (120) days prior to the anniversary date of the immediately preceding annual meeting of stockholders; provided, however, in the event that the annual meeting is called for a date that is not within thirty (30) days before or after such anniversary date, notice by the stockholder in order to be timely must be so received not earlier than the close of business on the one hundred twentieth (120th) day prior to such annual meeting and not later than the close of business on the later of the ninetieth (90th) day prior to such annual meeting or the tenth (10th) day following the day on which notice of the date of the annual meeting was mailed or public disclosure of the date of the annual meeting was made, whichever first occurs.

To be in proper written form, a stockholder's notice to the Secretary must set forth as to each matter such stockholder proposes to bring before the annual meeting (i) a brief description of the business desired to be brought before the annual meeting and the reasons for conducting such business at the annual meeting, (ii) the name and record address of such stockholder, (iii) the class or series and number of shares of capital stock of the Corporation which are owned beneficially or of record by such stockholder and the date(s) on which such stock was acquired, (iv) a description of all arrangements or understandings between such stockholder and any other person or persons (including their names) in connection with the proposal of such business by such stockholder and any material interest of such stockholder in such business, (v) a representation that such stockholder intends to appear in person or by proxy at the annual meeting to bring such business before the meeting, and (vi) any other information relating to such stockholder that would be required to be disclosed in a proxy statement or other filings required to be made in connection with solicitations of proxies for election of directors pursuant to Section 14 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and the rules and regulations promulgated thereunder.

No business shall be conducted at the annual meeting of stockholders except business properly brought before the annual meeting in accordance with the procedures set forth in this Paragraph 5, provided, however, that, once business has been properly brought before the annual meeting in accordance with such procedures, nothing in this Paragraph 5 shall be deemed to preclude discussion by any stockholder of such business. If the presiding officer at an annual meeting determines that business was not properly brought before the annual meeting in accordance with the foregoing procedures, the presiding officer shall declare to the meeting that the business was not properly brought before the meeting and such business shall not be transacted. Notwithstanding the foregoing provisions of this Paragraph 5, a stockholder shall also comply with all applicable requirements of the Exchange Act and the rules and regulations thereunder with respect to the matters set forth in this Paragraph 5. Nothing in this Paragraph 5 shall be deemed to affect any rights of stockholders to request inclusion of proposals in the Corporation's proxy statement pursuant to Rule 14a-8 under the Exchange Act.

6. The holders of a majority of the stock issued and outstanding, and entitled to vote thereat, present in person, or represented by proxy, shall be requisite and shall constitute a quorum at all meetings of the stockholders for the transaction of business except as otherwise provided by law, by the Restated Certificate of Incorporation (as amended from time to time, the "Restated Certificate of Incorporation"), or by these Amended and Restated By-laws (as amended from time to time, these "By-laws").

Where a separate vote by class or classes is required, a majority of the outstanding shares of such class or classes, present in person or represented by proxy, shall constitute a quorum entitled to take action with respect to that vote on that matter.

When any meeting is convened, the presiding officer may adjourn the meeting if (a) no quorum is present for the transaction of business, or (b) the Board of Directors determines that adjournment is necessary or appropriate to enable the stockholders (i) to consider fully information which the Board of Directors determines has not been made sufficiently or timely available to stockholders or (ii) otherwise to exercise effectively their voting rights. Prior to the time when any meeting is convened the officer who would be the presiding officer at such meeting, if directed by the Board of Directors, may postpone the meeting if the Board determines that postponement is necessary or appropriate to enable the stockholders (a) to consider fully information which the Board of Directors determines has not been made sufficiently or timely available to stockholders or (b) otherwise to exercise effectively their voting rights.

7. At each meeting of the stockholders every stockholder having the right to vote shall be entitled to vote in person, or by proxy appointed by an instrument in writing subscribed by such stockholder and bearing a date not more than three years prior to said meeting, unless such instrument provides for a longer period. Each stockholder shall have such number of votes for each share of stock as provided in the Restated Certificate of Incorporation that is registered in his name in the stock records of the Corporation. The vote for directors, and, upon the demand of any stockholder, the vote upon any question before the meeting, shall be by ballot. All elections of directors shall be decided by a plurality vote and, except as otherwise required by law or the Restated Certificate of Incorporation or these By-laws, all other matters shall be decided by the affirmative vote of a majority of the shares present in person or represented by proxy and entitled to vote on such matter. Where a separate vote by class is required, unless otherwise required by law or the Restated Certificate of Incorporation or these By-laws, the affirmative vote of a majority of the shares of such class or classes present in person or represented by proxy at the meeting and entitled to vote shall be the act of such class.

8. A complete list of the stockholders entitled to vote at any meeting of stockholders, arranged in alphabetical order, with the residence of each, and the number of voting shares held by each, shall be prepared by the Secretary and shall be available at a place within the city where the meeting is to be held, at least ten days before such meeting, and shall at all times, during the usual hours for business, and during the whole time of said meeting, be open to the examination of any stockholder for any purpose germane to the meeting.

9. Special meetings of the stockholders, for any purpose or purposes, unless otherwise prescribed by statute, may be called only by the Chairman of the Board, or shall be

called by the President or Secretary at the request, in writing, of a majority of the Board of Directors. Such request shall state the purpose or purposes of the proposed meeting.

10. Business transacted at all special meetings shall be confined to the objects stated in the call.

11. Written notice of a special meeting of stockholders, stating the time and place and object thereof, shall be given not less than ten (10) nor more than sixty (60) days before the date of such meeting to each stockholder entitled to vote at such meeting at the address as appears in the stock records of the Corporation. If mailed, notice will be deemed given when deposited in the United States mails, postage prepaid. When a meeting is for any reason adjourned to another time or place, it shall not be necessary to give notice of the adjourned meeting if the time and place to which the meeting is adjourned is announced at the meeting at which the adjournment is taken and at the adjourned meeting only such business is transacted as might have been transacted at the original meeting. However, if after the adjournment the Board of Directors fixes a new record date for the adjourned meeting, a notice of the adjourned meeting shall be given to each stockholder of record on the new record date entitled to notice.

12. Meetings of the stockholders generally shall follow accepted rules of parliamentary procedure subject to the following:

(a) The presiding officer of the meeting shall have absolute authority over the matters of procedure, and there shall be no appeal from the ruling of the presiding officer. If, in his absolute discretion, the presiding officer deems it advisable to dispense with the rules of parliamentary procedure as to any meeting of stockholders or part thereof, he or she shall so state and shall state the rules under which the meeting or appropriate part thereof shall be conducted.

(b) If disorder should arise which prevents the continuation of the legitimate business of the meeting, the presiding officer may quit the chair and announce the adjournment of the meeting; and upon so doing, the meeting is immediately adjourned.

(c) The presiding officer may ask or require that anyone not a bona fide stockholder or proxy leave the meeting.

DIRECTORS

13. The business and affairs of the Corporation shall be managed by its Board of Directors. The number of directors shall be fixed as provided in the Restated Certificate of Incorporation and they shall be elected in accordance with the provisions of the Restated Certificate of Incorporation. Each director shall be elected to serve until his or her successor shall be elected and shall qualify.

14. Only persons who are nominated in accordance with the following procedures shall be eligible for election as directors of the Corporation, except as may be otherwise provided in the Restated Certificate of Incorporation with respect to the right of holders of Preferred Stock of the Corporation to nominate and elect a specified number of directors in certain circumstances. Nominations of persons for election to the Board of Directors may be made at any annual meeting of stockholders, or at any special meeting of stockholders called for the purpose of electing directors, (a) by or at the direction of the Board of Directors (or any duly authorized committee thereof) or (b) by any stockholder of the Corporation (i) who is a stockholder of record on the date of the giving of the notice provided for in this Paragraph 14 and on the record date for the determination of stockholders entitled to vote at such meeting and (ii) who complies with the notice procedures set forth in this Paragraph 14.

In addition to any other applicable requirements, for a nomination to be made by a stockholder, such stockholder must have given timely notice thereof in proper written form to the Secretary of the Corporation.

To be timely, a stockholder’s notice to the Secretary must be delivered to or mailed and received by the Secretary of the Corporation at the principal executive offices of the Corporation (a) in the case of an annual meeting, not less than ninety (90) days nor more than one-hundred twenty (120) days prior to the anniversary date of the immediately preceding annual meeting of stockholders; provided, however, in the event that the annual meeting is called for a date that is not within thirty (30) days before or after such anniversary date, notice by the stockholder in order to be timely must be so received not earlier than the close of business on the one-hundred twentieth (120th) day prior to such annual meeting and not later than the close of business on the later of the ninetieth (90th) day prior to such annual meeting or the tenth (10th) day following the day on which notice of the date of the annual meeting was mailed or public disclosure of the date of the annual meeting was made, whichever first occurs; and (b) in the case of a special meeting of stockholders called for the purpose of electing directors, not earlier than the close of business on the one-hundred twentieth (120th) day prior to such special meeting and not later than the close of business on the later of the ninetieth (90th) day prior to such special meeting or the tenth (10th) day following the day on which notice of the date of the special meeting was mailed or public disclosure of the date of the special meeting was made, whichever first occurs.

To be in proper written form, a stockholder’s notice to the Secretary must set forth (a) as to each person whom the stockholder proposes to nominate for election as a director (i) the name, age, business address and residence address of the person, (ii) the principal occupation or employment of the person, (iii) the class or series and number of shares of capital stock of the Corporation which are owned beneficially or of record by the person and (iv) any other information relating to the person that would be required to be disclosed in a proxy statement or other filings required to be made in connection with solicitations of proxies for election of directors pursuant to Section 14 of the Exchange Act, and the rules and regulations promulgated thereunder; and (b) as to the stockholder giving the notice (i) the name and record address of such stockholder, (ii) the class or series and number of shares of capital stock of the Corporation which are owned beneficially or of record by such stockholder, (iii) a description of all arrangements or understandings between such stockholder and each proposed nominee and any other person or persons (including their names) pursuant to which the nomination(s) are to be made by such stockholder, (iv) a representation that such stockholder intends to appear in person or by proxy at the meeting to nominate the persons named in its notice and (v) any other information relating to such stockholder that would be required to be disclosed in a proxy statement or other filings required to be made in connection with solicitations of proxies for election of directors pursuant to Section 14 of the Exchange Act and the rules and regulations promulgated thereunder. Such notice must be accompanied by a written consent of each proposed nominee to being named as a nominee and to serve as a director if elected.

No person shall be eligible for election as a director of the Corporation unless nominated in accordance with the procedures set forth in this Paragraph 14. If the presiding officer of the meeting determines that a nomination was not made in accordance with the foregoing procedures, the presiding officer shall declare to the meeting that the nomination was defective and such defective nomination shall be disregarded. Notwithstanding the foregoing provisions of this Paragraph 14, a stockholder shall also comply with all applicable requirements of the Exchange Act and the rules and regulations thereunder with respect to the matters set forth in this Paragraph 14.

15. The directors may hold their meetings and have one or more offices, and keep the books of the Corporation, outside of Delaware, at the office of the Corporation in the City of Nashville, State of Tennessee, or at such other places as they may from time to time determine.

16. In addition to the powers and authorities expressly conferred upon them by these By-laws, the Board of Directors may exercise all such powers of the Corporation and do all such lawful acts and things as are not by statute or by the Restated Certificate of Incorporation or by these By-laws directed or required to be exercised or done by the stockholders.

COMMITTEES

17. The Board of Directors (i) may, by resolution or resolutions, passed by a majority of the entire Board of Directors, designate one or more committees, each committee to consist of two or more of the directors of the Corporation, and (ii) shall during such period of time as any securities of the Corporation are listed on the New York Stock Exchange (the “NYSE”), by resolution passed by a majority of the entire Board of Directors, designate all committees required by the rules and regulations of the NYSE. Except to the extent restricted by applicable law or the Restated Certificate of Incorporation, each such committee, to the extent provided in applicable board resolutions, the Corporate Governance Guidelines and/or applicable committee charters, shall have and may exercise all the powers and authority of the Board of Directors. Such committee or committees shall have such name or names as may be stated in these By-laws

or as may be determined from time to time by resolution adopted by the Board of Directors. Each such committee shall serve at the pleasure of the Board of Directors as may be determined from time to time by resolution adopted by the Board of Directors or as required by the rules and regulations of the NYSE, if applicable. Notice of meetings of committees of the Board of Directors will be provided in accordance with Paragraph 23.

18. The committees shall keep regular minutes of their proceedings and report the same to the Board of Directors when required.

COMPENSATION OF DIRECTORS

19. Directors may, by resolution of the Board, be paid their expenses, if any, of attendance at each regular or special meeting of the Board of Directors and may be paid a fixed sum for attendance at each meeting of the Board of Directors and an annual retainer or a stated salary and/or such other consideration for services as director as determined by the Board of Directors; provided, that nothing herein contained shall be construed to preclude any director from serving the Corporation in any other capacity and receiving compensation therefor.

20. Members of special or standing committees may be allowed like compensation for attending committee meetings.

MEETINGS OF THE BOARD

21. The newly elected Board of Directors shall meet immediately after any annual meeting of stockholders, or at such times as shall be fixed by the vote of the stockholders at any annual meeting for the purpose of organization and the election of officers, and no notice of such meeting shall be necessary to the newly elected directors.

22. Regular meetings of the Board of Directors shall be held at such time and place as may from time to time be determined by the Board of Directors. Notice of the time and place of such regular meetings need not be given.

23. Special meetings of the Board of Directors may be called by the Chairman of the Board or President on two days' notice to each director, either personally or by mail or by telegram, or on such shorter notice as the person or persons calling such meeting may deem necessary or appropriate in the circumstances; special meetings shall be called by the Chairman of the Board, the President or the Secretary in like manner and on like notice on the written request of two directors. Any member of the Board of Directors or any committee thereof who is present at a meeting shall be conclusively presumed to have waived notice of such meeting except when such member attends for the express purpose of objecting at the beginning of the meeting to the transaction of any business because the meeting is not lawfully called or convened.

24. At all meetings of the Board of Directors or any committee, the presence of a majority of the entire Board of Directors or such committee shall be necessary and sufficient to constitute a quorum for the transaction of business and the act of a majority of the directors present at any meeting at which there is a quorum shall be the act of the Board of Directors or such committee, as applicable, except as may be otherwise provided by law, by the Restated Certificate of Incorporation or by these By-laws. Any action required or permitted to be taken at any meeting of the Board of Directors or of any committee thereof, may be taken without a meeting, if all members of the Board of Directors or committee, as the case may be, consent thereto in writing, and the writing or writings are filed with the minutes of the proceedings of the Board of Directors or committee. Any or all members of the Board of Directors, or any committee thereof, may participate in a meeting of the Board of Directors or committee by means of conference telephone or similar communications equipment, and such participating shall constitute presence in person at such meeting.

25. No contract or transaction between the Corporation and one or more of its directors or officers, or between the Corporation and any other corporation, partnership, association, or other organization in which one or more of its directors or officers are directors or officers, or have a financial interest, shall be void or voidable solely for this reason, or solely because the director or officer is present at or participates in the meeting of the Board of Directors or committee thereof which authorizes the contract or transaction, or solely because his, her or their votes are counted for such purpose if (i) the material facts as to his, her or their relationship or interest and as to the contract or transaction are disclosed or are known to the Board of Directors or the committee, and the Board of Directors or committee in good faith authorizes the contract or transaction by the affirmative vote of a majority of the disinterested directors, even though the disinterested directors be less than a quorum; or (ii) the material facts as to his, her or their relationship or interest as to the contract or transaction are disclosed or are known to the stockholders entitled to vote thereon, and the contract or transaction is specifically approved in good faith by vote of the stockholders; or (iii) the contract or transaction is fair as to the Corporation as of the time it is authorized, approved, or ratified by the Board of Directors, a committee thereof, or the stockholders. Interested directors may be counted in determining the presence of a quorum at a meeting of the Board of Directors or of a committee which authorizes the contract or transaction.

VACANCIES

26. Subject to the terms of any one or more classes or series of preferred stock, any vacancy on the Board of Directors, howsoever resulting, may be filled by a majority of the directors then in office, even if less than a quorum, or by a sole remaining director. Notwithstanding the foregoing, whenever the holders of any one or more class or classes or series of preferred stock of the Corporation shall have the right, voting separately as a class, to elect directors at an annual or special meeting of stockholders, the election, term of office, filling of vacancies and other features of such directorships shall be governed by the Restated Certificate of Incorporation.

OFFICERS

27. The officers of the Corporation shall be chosen by the Board of Directors and shall be a Chairman of the Board of Directors (who must be a director), a President, a Vice-President, a Secretary and a Treasurer. The Board of Directors may also choose additional Vice Presidents, Assistant Secretaries and Assistant Treasurers and from time to time may create and fill such other offices as it deems necessary. Unless otherwise prohibited by statute, the Restated Certificate of Incorporation or these By-laws, any two offices except that of President and Secretary may be held by the same person. The officers of the Corporation need not be stockholders of the Corporation, and, except in the case of the Chairman of the Board of Directors, such officers need not be directors of the Corporation.

28. The Board of Directors may appoint such other officers and agents as it shall deem necessary, who shall hold their offices for such terms and shall exercise such powers and perform such duties as shall be determined from time to time by the Board of Directors.

29. The officers of the Corporation shall hold office until their successors are chosen and qualified.

30. Any officer elected or appointed by the Board of Directors may be removed at any time by the majority vote of the directors constituting a quorum. If the office of any officer or officers becomes vacant for any reason, the vacancies shall be filled by the affirmative vote of a majority of the directors constituting a quorum. The salaries of all officers shall be fixed by the Board of Directors or any committee thereof, subject to applicable legal and NYSE requirements.

31. Powers of attorney, proxies, waivers of notice of meeting, consents and other instruments relating to securities owned by the Corporation may be executed in the name of and on behalf of the Corporation by the President or any Vice President and any such officer may, in the name of and on behalf of the Corporation, take all such action as any such officer may deem advisable to vote in person or by proxy at any meeting of security holders of any corporation in which the Corporation may own securities and at any such meeting shall possess and may exercise any and all rights and power incident to the ownership of such securities and which, as the owner thereof, the Corporation might have exercised and possessed if present. The Board of Directors may, by resolution, from time to time confer like powers upon any other person or persons.

CHAIRMAN OF THE BOARD OF DIRECTORS

32. (a) The Chairman of the Board of Directors shall preside at all meetings of the stockholders and of the Board of the Directors and, except where by law the signature of the President is required, the Chairman of the Board of Directors shall possess the same power as the President to sign all contracts, certificates and other instruments of the Corporation which may be authorized by the Board of Directors.

(b) During the absence or disability of the President, the Chairman of the Board of Directors shall exercise all the powers and discharge all the duties of the President.

(c) The Chairman of the Board of Directors shall also perform such other duties and may exercise such other powers as from time to time may be assigned to him or her by these By-Laws or by the Board of Directors.

PRESIDENT

33. (a) The President shall be the Chief Executive Officer of the Corporation. The President shall manage the business of the Corporation, and shall see that all orders and resolutions of the Board of Directors are carried into effect. In the absence or disability of the Chairman of the Board of Directors, the President shall preside at all meetings of the stockholders and the Board of Directors. The President shall also perform such other duties and may exercise such other powers as from time to time may be assigned to him or her by these By-Laws or by the Board of Directors.

(b) The President shall execute bonds, mortgages and other contracts requiring a seal, under the seal of the Corporation, except where required or permitted by statute to be otherwise executed and except that the other officers of the Corporation may execute documents when so authorized by these By-Laws, the Board of Directors or the President.

(c) The President shall have the general powers and duties of supervision and management usually vested in the office of president of a corporation and may exercise such other powers as from time to time may be assigned to him or her by these By-laws or the Board of Directors.

VICE PRESIDENT

34. The Vice-President, in the absence or disability of the President, shall perform the duties and exercise the powers of the President, and shall perform such other duties as the Board of Directors may prescribe.

35. In the event that there be more than one Vice-President, they shall, in the order of their seniority, perform the duties and exercise the powers of the President in his or her absence or disability and shall perform such other duties as the Board of Directors may prescribe.

THE SECRETARY AND ASSISTANT SECRETARIES

36. (a) The Secretary shall attend all sessions of the Board of Directors and all meetings of the stockholders and record all votes and minutes of all proceedings in a book to be kept for that purpose; and shall perform like duties for the standing committees when required. The Secretary shall give, or cause to be given, notice of all meetings of the stockholders and of the Board of Directors, and shall perform such other duties as may be prescribed by the Board of Directors or President, under whose supervision he or she shall be. The Secretary shall keep in safe custody the seal of the Corporation, and when authorized by the Board of Directors, affix the same to any instrument requiring it, and when so affixed it shall be attested by his or her signature or by the signature of the Treasurer. The Secretary shall be sworn to the faithful discharge of his or her duty.

(b) The Assistant Secretaries in the order of their seniority shall, in the absence or disability of the Secretary, perform the duties and exercise the powers of the Secretary, and shall perform such other duties as the Board of Directors shall prescribe.

THE TREASURER AND ASSISTANT TREASURERS

37. (a) The Treasurer shall have the custody of the corporate funds and securities and shall keep full and accurate accounts of receipts and disbursements in books belonging to the Corporation and shall deposit all moneys, and other valuable effects in the name and to the credit of the Corporation, in such depositories as may be designated by the Board of Directors.

(b) The Treasurer shall disburse the funds of the Corporation as may be ordered by the Board of Directors, taking proper vouchers for such disbursements, and shall render to the President and directors, at the regular meetings of the Board of Directors or whenever they may require it, an account of all his or her transactions as treasurer and of the financial condition of the Corporation.

(c) The Treasurer shall give the Corporation a bond if required by the Board of Directors in a sum, and with one or more sureties satisfactory to the Board of Directors, for the faithful performance of the duties of his or her office, and for the restoration to the Corporation, in case of his or her death, resignation, retirement or removal from office, of all books, papers, vouchers, money and other property of whatever kind in his or her possession or under his or her control belonging to the Corporation.

(d) The Assistant Treasurers in the order of their seniority shall, in the absence or disability of the Treasurer, perform the duties and exercise the powers of the Treasurer, and shall perform such other duties as the Board of Directors shall prescribe.

DUTIES OF OFFICERS

38. In case of the absence of any officer of the Corporation, or for any other reason that the Board of Directors may deem sufficient, the Board of Directors may delegate, for the

time being, the powers or duties, or any of them, of such officer to any other officer, or to any director, provided a majority of the entire Board of Directors concur therein.

CERTIFICATES OF STOCK

39. (a) The shares of stock of the Corporation shall be represented by certificates, provided that the Board of Directors may provide by resolution or resolutions that some or all of any or all classes or series of stock of the Corporation shall be uncertificated shares of stock. Notwithstanding the adoption of such a resolution by the Board of Directors, every holder of stock represented by a certificate shall be entitled to have a certificate, signed by, or in the name of, the Corporation by the President or a Vice-President and the Treasurer or an Assistant Treasurer, or the Secretary or an Assistant Secretary of the Corporation, certifying the number of shares owned by such holder in the Corporation. Any signature on a certificate of stock may be a facsimile. In case any officer, transfer agent or registrar who has signed or whose facsimile signature has been placed upon a certificate shall have ceased to be such officer, transfer agent or registrar before such certificate is issued, it may be issued by the Corporation with the same effect as if he or she were such officer, transfer agent or registrar at the date of issue.

(b) All certificates shall be consecutively numbered or otherwise identified. The name of the person to whom the shares represented thereby are issued, with the number of shares and date of issue, shall be entered on the books of the Corporation. Shares of the Corporation's stock may also be evidenced by registration in the holder's name in uncertificated book-entry form on the books of the Corporation in accordance with a direct registration system approved by the Securities and Exchange Commission and by the NYSE or any securities exchange on which the stock of the Corporation may from time to time be traded.

LOST CERTIFICATES

40. The Board of Directors may direct the issuance of (i) a new certificate or certificates of stock or (ii) uncertificated shares in place of any certificate theretofore issued by the Corporation alleged to have been lost, stolen or destroyed, upon the making of an affidavit of that fact by the person claiming the certificate of stock to be lost, stolen or destroyed. When authorizing such issue of a new certificate or uncertificated shares, the Board of Directors may, in its discretion and as a condition precedent to the issuance thereof, require the owner of such lost, stolen or destroyed certificate, or his or her legal representative, to advertise the same in such manner as the Board of Directors shall require and/or to give the Corporation a bond in such sum as it may direct as indemnity against any claim that may be made against the Corporation with respect to the certificate alleged to have been lost, stolen or destroyed.

TRANSFERS OF STOCK

41. Shares of stock of the Corporation shall only be transferred on the books of the Corporation by the holder of record thereof or by such holder's attorney duly authorized in writing. Upon surrender to the Corporation of the certificate or certificates for shares endorsed by the appropriate persons, with such evidence of the authenticity of such endorsement, transfer, authorization and other matters as the Corporation may reasonably require, and accompanied by

all necessary stock transfer stamps, it shall be the duty of the Corporation to issue (i) a new certificate or certificates of stock or (ii) uncertificated shares to the person entitled thereto, cancel the old certificate or certificates and record the transaction on its books. Upon the receipt of proper transfer instructions from the registered owner of uncertificated shares, it shall be the duty of the Corporation to issue (i) a new certificate or certificates of stock or (ii) uncertificated shares to the person entitled thereto and record the transaction on its books. The Board of Directors may appoint one or more transfer agents and one or more registrars for the transfer or registration of certificates for shares of stock or uncertificated shares of the Corporation. The Board of Directors may make such additional rules and regulations, not inconsistent with these By-laws, as it may deem expedient concerning the issue, transfer and registration of certificates for shares of stock or uncertificated shares of the Corporation.

CLOSING OF TRANSFER BOOKS

42. The Board of Directors shall have the power to fix in advance a record date for determining the stockholders entitled to notice of or to vote at any meeting of stockholders or the stockholders entitled to receive payment of any dividend or the allotment or exercise of any rights in accordance with the following provisions:

(a) In order that the Corporation may determine the stockholders entitled to notice of or to vote at any meeting of stockholders or any adjournment thereof, the Board of Directors may fix a record date, which record date shall not precede the date upon which the resolution fixing the record date is adopted by the Board of Directors, and which record date shall not be more than sixty (60) nor less than ten (10) days before the date of such meeting. If no record date is fixed by the Board of Directors, the record date for determining stockholders entitled to notice or to vote at a meeting of stockholders shall be at the close of business on the day next preceding the day on which notice is given, or, if notice is waived, at the close of business on the day next preceding the day on which the meeting is held. A determination of stockholders of record entitled to notice of or to vote at a meeting of stockholders shall apply to any adjournment of the meeting; provided, however, that the Board of Directors may fix a new record date for the adjourned meeting;

(b) In order that the Corporation may determine the stockholders entitled to receive payment of any dividend or other distribution or allotment of any rights or the stockholders entitled to exercise any rights in respect of any change, conversion, or exchange of stock, or for the purpose of any other lawful action, the Board of Directors may fix a record date, which record date shall not precede the date upon which the resolution fixing the record date is adopted, and which record date shall be not more than sixty (60) days prior to such action. If no record date is fixed, the record date for determining stockholders for any such purpose shall be at the close of business on the day on which the Board of Directors adopts a resolution taking such prior action.

REGISTERED STOCKHOLDERS

43. The Corporation shall be entitled to treat the holder of record of any share or shares of stock as the holder in fact thereof and accordingly shall not be bound to recognize any equitable or other claim to or interest in such share on the part of any other person, whether or not it shall have express or other notice thereof, except as expressly provided by the laws of Delaware.

INSPECTION OF BOOKS

44. The Board of Directors shall determine from time to time whether, and, if allowed, when and under what conditions and regulations the accounts and books of the Corporation (except such as may by statute be specifically open to inspection) or any of them shall be open to the inspection of the stockholders, and the stockholders' rights in this respect are and shall be restricted and limited accordingly to the fullest extent permitted by law.

CHECKS

45. All checks or demands for money and notes of the Corporation shall be signed by such officer or officers as the Board of Directors may from time to time designate.

FISCAL YEAR

46. The fiscal year shall begin the first day of January in each year or such other date as may be fixed by resolution of the Board of Directors.

DIVIDENDS

47. Dividends upon the capital stock of the Corporation, subject to the provisions of the Restated Certificate of Incorporation, if any, may be declared by the Board of Directors at any regular or special meeting, pursuant to law. Dividends may be paid in cash, in property or in shares of the capital stock.

Before payment of any dividend there may be set aside out of any funds of the Corporation available for dividends such sum or sums as the directors from time to time, in their absolute discretion, think proper as a reserve fund to meet contingencies, or for equalizing dividends, or for repairing or maintaining any property of the Corporation, or for such other purpose as the directors shall think conducive to the interests of the Corporation.

NOTICES

48. Whenever under the provisions of these By-laws, the Restated Certificate of Incorporation or by law, written notice is required to be given to any director, officer or stockholder, it shall not be construed to mean personal notice, but such notice will be deemed given by depositing the same in the United States mail, postage prepaid, addressed to such stockholder, officer, or director at such address as appears on the stock book of the Corporation and, such notice shall be deemed to be given at the time when the same shall be deposited in the United States mail. Written notice may also be given personally, or by telegram, facsimile, telex or cable.

49. Whenever under the provisions of these By-laws, the Restated Certificate of Incorporation or by law, notice is required to be given to any director, officer or stockholder, a waiver thereof in writing, signed, by the person or persons entitled to said notice, whether before or after the time stated therein, shall be deemed equivalent thereto.

AMENDMENTS

50. As provided in the Restated Certificate of Incorporation, these By-Laws may be altered, amended, changed or repealed by the affirmative vote of not less than 66-2/3% of the votes represented by the issued and outstanding shares of capital stock of the Corporation entitled to vote thereon, at any regular or special meeting of the stockholders if notice of the proposed alteration or amendment be contained in the notice of the meeting, or by the affirmative vote of a majority of the Board of Directors constituting a quorum at any regular or special meeting of the Board of Directors.

MISCELLANEOUS PROVISIONS

51. The President may appoint, or authorize the Vice-President to appoint, such officers and employ such persons as he or she deems necessary for the proper management of the business and property of the Corporation.

52. All officers, agents, and employees appointed under Paragraph 51 shall hold their offices or position at the discretion of the officer appointing them, and shall be subject at all times to removal by the Board of Directors with or without cause.

INDEMNIFICATION

53. (a) Subject to clause (c) of this Paragraph 53, the Corporation shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the Corporation) by reason of the fact that he or she is or was a director or officer of the Corporation, or is or was a director or officer of the Corporation serving at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him or her or on his or her behalf in connection with such action, suit or

proceeding if he or she acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the Corporation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his or her conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner which he or she reasonably believed to be in or not opposed to the best interests of the Corporation, and, with respect to any criminal action or proceeding, had reasonable cause to believe that his or her conduct was unlawful.

(b) Subject to clause (c) of this Paragraph 53, the Corporation shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the Corporation to procure a judgment in its favor by reason of the fact that he or she is or was a director or officer of the Corporation, or is or was a director or officer of the Corporation serving at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against expenses (including attorneys' fees) actually and reasonably incurred by him or her in connection with the defense or settlement of such action or suit if he or she acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the Corporation; except that no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable to the Corporation unless and only to the extent that the Court of Chancery, or the court in which such action or suit was brought, shall determine upon application that, despite the adjudication of liability but in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses which the Court of Chancery or such other court shall deem proper.

(c) Any indemnification under this Paragraph 53 (unless ordered by a court) shall be made by the Corporation only as authorized in the specific case upon a determination that indemnification of the present or former director or officer is proper in the circumstances because he or she has met the applicable standard of conduct set forth in clause (a) or (b) of this Paragraph 53, as the case may be. Such determination shall be made (i) by the Board of Directors by a majority vote of the directors who are not parties to such action, suit or proceeding even though less than a quorum, or (ii) by a committee of such directors designated by a majority vote of such directors, even though less than a quorum, or (iii) if there are no such directors, or if such directors so direct, by independent legal counsel in a written opinion, or (iv) by the stockholders. To the extent, however, that a present or former director or officer of the Corporation has been successful on the merits or otherwise in defense of any action, suit or proceeding described above, or in defense of any claim, issue or matter therein, he or she shall be indemnified against expenses (including attorneys' fees) actually and reasonably incurred by him or her in connection therewith, without the necessity of authorization in the specific case.

(d) For purposes of any determination under clause (c) of this Paragraph 53, a person shall be deemed to have acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the Corporation, or, with respect to any criminal action or proceeding, to have had no reasonable cause to believe his or her conduct was unlawful, if his or her action is based on the records or books of account of the Corporation or another enterprise, or on information supplied to him or her by the officers of the Corporation or another enterprise in the course of their duties, or on the advice of legal counsel for the Corporation or another enterprise or on information or records given or reports made to the Corporation or another enterprise by an independent certified public accountant or by an appraiser or other expert selected with reasonable care by the Corporation or another enterprise. The term “another enterprise” as used in this clause (d) shall mean any other corporation or any partnership, joint venture, trust, employee benefit plan or other enterprise of which such person is or was serving at the request of the Corporation as a director, officer, employee or agent. The provisions of this clause (d) shall not be deemed to be exclusive or to limit in any way the circumstances in which a person may be deemed to have met the applicable standard of conduct set forth in clauses (a) or (b) of this Paragraph 53, as the case may be.

(e) Notwithstanding any contrary determination in the specific case under clause (c) of this Paragraph 53, and notwithstanding the absence of any determination thereunder, any director or officer may apply to any court of competent jurisdiction in the State of Delaware for indemnification to the extent otherwise permissible under clauses (a) and (b) of this Paragraph 53, as the case may be. The basis of such indemnification by a court shall be a determination by such court that indemnification of the director or officer is proper in the circumstances because he or she has met the applicable standards of conduct set forth in clauses (a) and (b) of this Paragraph 53, as the case may be. Neither a contrary determination in the specific case under clause (c) of this Paragraph 53 nor the absence of any determination thereunder shall be a defense to such application or create a presumption that the director or officer seeking indemnification has not met any applicable standard of conduct. Notice of any application for indemnification pursuant to this clause (e) shall be given to the Corporation promptly upon the filing of such application. If successful, in whole or in part, the director or officer seeking indemnification shall also be entitled to be paid the expense of prosecuting such application.

(f) Expenses (including attorneys’ fees) incurred by a present or former director or officer in defending any civil, criminal, administrative or investigative action, suit or proceeding shall be paid by the Corporation in advance of the final disposition of such action, suit or proceeding upon receipt of an undertaking by or on behalf of such director or officer to repay such amount if it shall ultimately be determined that he or she is not entitled to be indemnified by the Corporation as authorized in this Paragraph 53 or applicable law. Such expenses (including attorneys’ fees) incurred by former directors and officers may be so paid upon such terms and conditions, if any, as the Corporation deems appropriate.

(g) The indemnification and advancement of expenses provided by or granted pursuant to this Paragraph 53 shall not be deemed exclusive of any other rights to which those seeking indemnification or advancement of expenses may be entitled under the By-laws or any agreement, vote of stockholders or disinterested directors or pursuant to the direction (howsoever embodied) of any court of competent jurisdiction or otherwise, both as to action in his or her official capacity and as to action in another capacity while holding such office, it being the policy of the Corporation that indemnification of the persons specified in clauses (a) and (b) of this Paragraph 53 shall be made to the fullest extent permitted by law. The provisions of this Paragraph 53 shall not be deemed to preclude the indemnification of any person who is not specified in clauses (a) or (b) of this Paragraph 53 but whom the Corporation has the power or obligation to indemnify under the provisions of the General Corporation Law of the State of Delaware, or otherwise.

(h) The Corporation may purchase and maintain insurance on behalf of any person who is or was a director or officer of the Corporation, or is or was a director or officer of the Corporation serving at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against any liability asserted against him or her and incurred by him or her in any such capacity, or arising out of his or her status as such, whether or not the Corporation would have the power to indemnify him or her against such liability under the provisions of this Paragraph 53.

(i) For purposes of this Paragraph 53, references to the "Corporation" shall include, in addition to the resulting corporation, any constituent corporation (including any constituent of a constituent) absorbed in a consolidation or merger which, if its separate existence had continued, would have had power and authority to indemnify its directors or officers, so that any person who is or was a director or officer of such constituent corporation, or is or was a director or officer of such constituent corporation serving at the request of such constituent corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, shall stand in the same position under the provisions of this Paragraph 53 with respect to the resulting or surviving corporation as he or she would have with respect to such constituent corporation if its separate existence had continued. For purposes of this Paragraph 53, references to "other enterprises" shall include employee benefit plans; references to "fines" shall include any excise taxes assessed on a person with respect to an employee benefit plan; and references to "serving at the request of the Corporation" shall include any service as a director, officer, employee or agent of the Corporation which imposes duties on, or involves services by, such director or officer with respect to an employee benefit plan, its participants or beneficiaries; and a person who acted in good faith and in a manner he or she reasonably believed to be in the interest of the participants and beneficiaries of an employee benefit plan shall be deemed to have acted in a manner "not opposed to the best interests of the Corporation" as referred to in this Paragraph 53.

(j) The indemnification and advancement of expenses provided by, or granted pursuant to, this Paragraph 53 shall, unless otherwise provided when authorized or ratified, continue as to a person who has ceased to be a director or officer and shall inure to the benefit of the heirs, executors and administrators of such a person.

(k) Notwithstanding anything contained in this Paragraph 53 to the contrary, except for proceedings to enforce rights to indemnification (which shall be governed by clause (e) hereof), the Corporation shall not be obligated to indemnify any director or officer in connection with a proceeding (or part thereof) initiated by such person unless such proceeding (or part thereof) was authorized or consented to by the Board of Directors of the Corporation.

(1) The Corporation may, to the extent authorized from time to time by the Board of Directors, provide rights to indemnification and to the advancement of expenses to employees

and agents of the Corporation similar to those conferred in this Paragraph 53 to directors and officers of the Corporation.

Exhibit 10.1

GAYLORD ENTERTAINMENT COMPANY (THE “COMPANY”)
SUMMARY OF DIRECTOR COMPENSATION

In the third quarter of 2007, the Human Resources Committee of the Board of Directors of the Company approved certain changes to the compensation of non-employee directors. Effective in the fourth quarter of 2007, non-employee directors will be paid a fee of $1,500 per meeting for attendance at regular and special meetings of the Board of Directors, including telephonic attendance. The fee will not be paid for attendance at committee meetings. Additionally, the annual retainer for the Audit Committee Chair has been increased to $20,000.

Exhibit 10.2

May 31, 2007

Mr. Mark Fioravanti
6041 Jocelyn Hollow Road
Nashville, TN 37205

Re: Amendment No. 2 to July 15, 2003 Employment Agreement

Dear Mark:

This letter will serve as Amendment No. 2 to your July 15, 2003 Employment Agreement with Gaylord Entertainment Company (the “Agreement”). Capitalized terms used herein shall have the meanings ascribed to them in the Agreement.

This letter will confirm that you have agreed to accept the job of Senior Vice President and Treasurer of Gaylord Entertainment Company, and that you will report to the Company’s Chief Financial Officer. As we have discussed, the base salary, target bonus and grade for this position are slightly below that of the position of Executive Vice President and President of ResortQuest International, Inc. which you currently hold. By executing in the space provided below, you hereby acknowledge that this new position is acceptable to you, and that the Company has not breached any of its obligations under the Agreement as a result of this change.

By this Amendment No. 2 to the July 15, 2003 Employment Agreement, the Company and Executive have now agreed to various amendments to the Employment Agreement effective as of May 31, 2007:

Paragraph 2(a)(i) is deleted in its entirety and replace with the following text:

“During the Employment Period, Executive shall serve the Company as its Senior Vice President and Treasurer and report directly to the Chief Financial Officer of the Company. Executive shall perform such duties as the Chief Financial Offers of the Company shall reasonably determine.”

Paragraph 3(a) is deleted in its entirety and replaced with the following text:

“Base Salary. During the Employment Period, the Company shall pay to Executive an annual salary of $250,000 (the “Base Salary”). The Company shall evaluate Executive for base salary increases annually based on performance.”

The Agreement is hereby deemed to be amended and supplemented in accordance with the provisions set forth above. Except as expressly set forth in this Amendment, all agreements and provisions contained in the Agreement are hereby ratified, readopted, approved, and confirmed and remain in full force and effect.

Very truly yours,

GAYLORD ENTERTAINMENT COMPANY

By: /s/ Colin V. Reed
Colin V. Reed, Chief Executive Officer

ACCEPTED AND AGREED TO:

/s/ Mark Fioravanti
Mark Fioravanti

EXHIBIT 31.1

CERTIFICATIONS

I, Colin V. Reed, certify that:

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

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

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

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

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

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

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

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

Date: November 8, 2007

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

EXHIBIT 31.2

CERTIFICATIONS

I, David C. Kloeppel, certify that:

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

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

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

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

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

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

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

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

Date: November 8, 2007

By:	/s/ David C. Kloeppel
Name:	David C. Kloeppel
Title:	Executive Vice President and 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 Quarterly Report of Gaylord Entertainment Company (the "Company") on Form 10-Q for the quarter ended September 30, 2007, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), each of the undersigned certifies, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

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

By: /s/ Colin V. Reed
Colin V. Reed
Chairman of the Board of Directors,
President and Chief Executive Officer
November 8, 2007

By: /s/ David C. Kloeppel
David C. Kloeppel
Executive Vice President and
Chief Financial Officer
November 8, 2007

A signed original of this written statement required by Section 906, or other document authenticating, acknowledging or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906, 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.