

MINUTES OF THE 51st MEETING OF THE CONVENTION CENTER AUTHORITY OF THE METROPOLITAN GOVERNMENT OF NASHVILLE & DAVIDSON COUNTY

The 51st meeting of the Convention Center Authority of the Metropolitan Government of Nashville and Davidson County (CCA) was held on May 19, 2014 at 9:00 a.m., in the Administrative Board Room of the Administrative Offices at the Music City Center, Nashville, Tennessee.

AUTHORITY MEMBERS PRESENT: Waverly Crenshaw, Jr., Marty Dickens, Irwin Fisher, Francis Guess, Vonda McDaniel, Willie McDonald, Luke Simons, and Mona Lisa Warren

AUTHORITY MEMBERS NOT PRESENT: Leo Waters, and Vice-Mayor Diane Neighbors, Ex-Officio

OTHERS PRESENT: Charles Robert Bone, Rich Riebeling, Charles Starks, Barbara Solari, Jasmine Quattlebaum, Mary Brette Clippard, Heidi Runion, Steve Curtis, and Pat Emery

The meeting was opened for business by Chairman Marty Dickens who stated that a quorum was present.

ACTION: Appeal of Decisions from the Convention Center Authority of the Metropolitan Government of Nashville and Davidson County – Pursuant to the provisions of § 2.68.030 of the Metropolitan Code of Laws, please take notice that decisions of the Convention Center Authority may be appealed if and to the extent applicable to the Chancery Court of Davidson County for review under a common law writ of certiorari. These appeals must be filed within sixty days after entry of a final decision by the Authority. Any person or other entity considering an appeal should consult with private legal counsel to ensure that any such appeals are timely and that all procedural requirements are met.

Chairman Dickens noted that there would not be a June meeting.

ACTION: Vonda McDaniel made a motion to approve the 50th Meeting Minutes of May 8, 2014. The motion was seconded by Willie McDonald and approved unanimously by the Authority.

Pat Emery was asked to give an update on the Spectrum/Emery development plans for the Nashville Convention Center and there was discussion.

ACTION: Francis Guess made a motion (i) approving an amendment to the Memorandum of Understanding with Spectrum/Emery Development, LLC extending the exclusivity period to September 30, 2014 and (ii) authorizing Mr. Dickens to execute the amendment to the Memorandum of Understanding and take any actions necessary or appropriate to finalize it. The motion was seconded by Irwin Fisher and approved unanimously by the Authority.

Charles Starks then gave an overview of the room block agreement with the Westin. (Attachment #1) There was discussion.

ACTION: Irwin Fisher made a motion approving the Room Block Agreement with Nashville Hospitality Capital LLC, and authorizing Mr. Starks to execute the Room Block Agreement and take any actions necessary or appropriate to formalize that agreement. The motion was seconded by Willie McDonald and approved unanimously by the Authority. (Attachment #2)

There was closing discussion and with no additional business a motion was made to adjourn, with no objection the CCA adjourned at 9:15 a.m.

Respectfully submitted,



Charles L. Starks
President & CEO
Convention Center Authority

Approved:



Marty Dickens, Chairman
CCA 51st Meeting Minutes
of May 19, 2014




**CONVENTION CENTER
AUTHORITY**

May 19, 2014

APPEAL OF DECISIONS

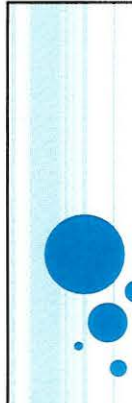
Appeal of Decisions from the Convention Center Authority– Pursuant to the provisions of § 2.68.030 of the Metropolitan Code of Laws, please take notice that decisions of the Convention Center Authority may be appealed if and to the extent applicable to the Chancery Court of Davidson County for review under a common law writ of certiorari. These appeals must be filed within sixty days after entry of a final decision by the Authority. Any person or other entity considering an appeal should consult with private legal counsel to ensure that any such appeals are timely and that all procedural requirements are met.



**CONVENTION CENTER
AUTHORITY**


May 19, 2014

SPECTRUM/EMERY



WESTIN ROOM BLOCK AGREEMENT

- 36 months and beyond – 80%
- Shoulder nights 36 months and beyond – 64%
- 24-35 months – 50%
- Shoulder nights 24-35 months – 40%
- Term is 17+ years (December 31, 2033)
- 7 exceptions limited to 4 nights each



**CONVENTION CENTER
AUTHORITY**

May 19, 2014



HOTEL ROOM BLOCK AGREEMENT

Between

**THE CONVENTION CENTER AUTHORITY OF THE METROPOLITAN
GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY**

“Authority”

and

NASHVILLE HOSPITALITY CAPITAL LLC

“Owner”

DATED: May __, 2014

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HOTEL ROOM BLOCK AGREEMENT

THIS HOTEL ROOM BLOCK AGREEMENT (the "Agreement") is made as of the ____ day of May, 2014 (the "Effective Date"), by and between The Convention Center Authority of the Metropolitan Government of Nashville and Davidson County (the "Authority"), a public, nonprofit corporation and a public instrumentality of The Metropolitan Government of Nashville and Davidson County, Tennessee (the "Metropolitan Government") and Nashville Hospitality Capital LLC, a Delaware limited liability company ("Owner"). Owner and Authority are herein collectively referred to as the "Parties" and individually as a "Party."

RECITALS

WHEREAS, the Authority constructed a new convention center, including an approximate 350,000 square foot exhibit hall, approximately 75,000 square feet of ballroom space (consisting of a 57,000 square foot grand ballroom and an 18,000 square foot junior ballroom), approximately 90,000 square feet of meeting rooms, and 31 loading docks, which is owned and operated by the Authority (hereinafter called the "Music City Center;" as used herein the term Music City Center shall not include the parking facility located under the convention center or any other on-site parking facilities);

WHEREAS, Owner has committed to develop a first class hotel of at least 430 rooms (the "Hotel") to be located at 301, 307 and 315 8th Avenue South and 300 and 312 9th Avenue South In Nashville, Davidson County, Tennessee; and

WHEREAS, the Metropolitan Development and Housing Agency and Owner have entered into a development agreement (the "Metro Agreement") under which the parties agreed to, among other things, enter into a room block agreement pursuant to which a specific number of the Hotel's guest rooms and/or suites will be reserved for specific periods of time for attendees, participants and planners of conventions and/or trade shows at the Music City Center and to establish a methodology and a timeframe for such; and

WHEREAS, the Authority and Owner intend for this Agreement to satisfy the above-referenced obligation of the Parties to the Metro Agreement; and

WHEREAS, Owner shall grant to any successor and to any party which operates the Hotel on Owner's behalf the authority and responsibility to administer, on behalf of Owner and as the Owner's agent, this Agreement;

WHEREAS, the Authority previously entered into a Room Block Agreement with Omni Nashville, LLC wherein the Authority agreed that any subsequent room block commitments would be subordinate to the Omni Room Block Agreement and Omni would designated as the "headquarters hotel" for the Music City Center. Accordingly, this Agreement is intended to adhere to the Omni Room Block in all respects; and

WHEREAS, the Authority and the Owner desire to enter into this Agreement for their mutual benefit.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual promises, covenants, and agreements contained herein, and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the Parties agree as follows:

ARTICLE I TERMS AND DEFINITIONS

In addition to terms defined in the body of this Agreement, the following terms have the meaning set forth in this Article I.

1.01 Affiliate. Any person or entity controlling, controlled by or under common control with another.

1.02 Agreement. As defined in the Recitals of this Agreement.

1.03 Authority. As defined in the preamble to this Agreement (or its successor) acting by and through the Director. Unless provided otherwise in this Agreement, the interests of the Authority are represented by the Director in this Agreement.

1.04 Binding Contract. The contract between Potential Convention Center Customer and Owner that sets forth the terms and conditions under which Owner will make an Event Room Block available to the attendees of a specific City-Wide Event.

1.05 Business Days. Each day other than a Saturday, Sunday, or any legal holiday recognized as such by Authority.

1.06 City-Wide Event. A convention, trade show or other event to be held at the Music City Center during which a Potential Convention Center Customer, in anticipation of the event, requests that hotels in Nashville, Tennessee (including the Hotel) and the surrounding metropolitan areas provide, in the aggregate, a minimum of 1,000 guest rooms, using the guest room inventory of the Hotel and at least one additional hotel and utilizing the exhibit and/or meeting space in the Music City Center for one day or more while the event is being held.

1.07 Director. The Executive Director or highest ranking officer of the Music City Center or such person designated as such by the Authority's Board.

1.08 Effective Date. The date set forth in the preamble of this Agreement.

1.09 Exhibit A. Exhibit A is the first exhibit to this Agreement and specifies the functional procedures for administering the day-to-day requirements under the Agreement.

1.10 Event Night. A night during a City-Wide Event when the out-of-town participants of such City-Wide Event would reasonably be staying overnight in the City.

1.11 Event Room Block. A block of Standard Guest Rooms and Suites at the Hotel, offered to or reserved for the planners/attendees of City-Wide Events.

1.12 Exempt Inventory. The difference between (i) the actual number of Standard Guest Rooms and Suites at the Hotel and (ii) the Maximum Event Room Block.

1.13 Gate Show. An exhibition open to the public usually requiring an entrance fee such as an admission ticket.

1.14 Governmental Functions. Any regulatory, legislative, permitting, zoning, enforcement (including police power), licensing or other functions which Authority is authorized or required to perform in its capacity as a governmental authority in accordance with Legal Requirements.

1.15 Hotel. As defined in the Recitals of this Agreement.

1.16 Hotel Free-Sell Calendar. Dates, as mutually agreed to from time-to-time by the Owner and Authority, available to the Hotel to sell that are outside the parameters of the Agreement where Owner must hold inventory open for the Authority. Initially and until further modified by the parties, these dates shall include move-in/move-out dates; dates where the Music City Center is occupied by attendees utilizing room blocks in other hotels and not the Hotel; dates when the Music City Center is having a Gate Show; and broken time patterns unable to be sold by the Music City Center. Also initially included, and until further modified by the Parties, are (i) the following holiday dates encompassing no more than a total of three (3) days each: Memorial Day, Labor Day, Good Friday, Easter and (ii) the period December 20-25. While the Authority is not required to agree to any subsequent or substitute dates for the Hotel Free-Sell Calendar, and may do so from time to time in its sole discretion and without creating any permanent exceptions to the room block commitment requirements set forth in this Agreement, the Authority is obligated to consider such free-sale requests based on the course of dealing and high level of cooperation, integration, and harmony that the Parties are obligated to maintain hereunder.

1.17 Initial Offer. Initial Offer shall have the meaning ascribed to it in Paragraph 2 of Exhibit A.

1.18 Legal Requirements. All laws, statutes, acts (including, without limitation, the Tennessee Open Records Act), ordinances, rules, regulations, permits, licenses, authorizations, directives, orders and requirements of all governments, quasi-governmental or regulatory authorities, that now or hereafter may be applicable to, (i) the Hotel and the operation thereof, including those relating to employees, zoning, building, health, safety and environmental matters, and accessibility of public facilities, (ii) Owner, (iii) Owner's business operations, and/or (iv) Authority and the requirements of all documents properly filed in the real property records against the Hotel as of the date of this Agreement.

1.19 Maximum Event Room Block. The Maximum Event Room Block for a City-Wide Event whose first Event Night is scheduled to occur thirty-six (36) calendar months or more from the Initial Offer shall be eighty percent (80%) of the inventory of Standard Guest Rooms and Suites at the time of inquiry, and the Maximum Event Room Block for a City-Wide Event whose first Event Night is scheduled to occur between twenty-four (24) calendar months to the end of the thirty-fifth (35th) calendar month from the Initial Offer shall be fifty percent (50%) of the Standard Guest Rooms and Suites. Notwithstanding the foregoing, for Shoulder Nights, the percentages referenced above shall be reduced to sixty-four percent (64%) for a City-Wide Event scheduled to occur thirty-six (36) calendar months or more from the Initial Offer and forty percent (40%) for a City-Wide Event scheduled to occur between twenty-four (24) calendar months to the end of the thirty-fifth (35th) calendar month from the Initial Offer.

1.20 Meeting Facilities. The rentable function space in the Hotel, including without limitation, ballrooms, and meeting rooms.

1.21 Midweek. Monday through Friday.

1.22 Minimum Hotel Operating Standard. The operating criteria necessary to operate the Hotel at a level consistent with a full service “first tier flag” brand name, such as Westin, Sheraton, Marriott, Hilton, Hyatt, Omni or another national similar full-service hotel brand.

1.23 Music City Center. As defined in the preamble to this Agreement and better defined as the convention center facility located at 5th Avenue South and Demonbreun Street, Nashville, Tennessee, excluding parking facilities located thereon.

1.24 NCVB. The Nashville Convention & Visitors Bureau or its successor.

1.25 Notice or notice. Each and every communication, request, reply, or advice required or permitted to be given, made or accepted by any party to this Agreement to any other party to this Agreement, each of which shall be given in writing, and deemed received by the intended recipient, in accordance with Section 7.02 below.

1.26 Omni. The Omni Nashville Hotel located on Fifth Avenue between Demonbreun and Korean Veterans Boulevard.

1.27 Operating Year. The period from January 2015 through December 2015, and thereafter the fiscal year starting January 1 and ending December 31 of each year, or other dates mutually agreed upon between the parties after the Effective Date.

1.28 Owner. As defined in the preamble to this Agreement.

1.29 Party. As defined in the preamble to this Agreement.

1.30 Parties. As defined in the preamble to this Agreement.

1.31 Potential Convention Center Customer. A person, entity, group or association (or any combination thereof) which is planning a City-Wide Event.

1.32 Rate Quote. Rate Quote shall have the meaning ascribed to it in Paragraph 2 of Exhibit A.

1.33 Room Block Request Notice. Room Block Request Notice shall have the meaning ascribed to it in Paragraph 1 of Exhibit A.

1.34 Shoulder Night. Any night immediately preceding the commencement of a City-Wide Event and immediately following the conclusion of a City-Wide Event.

1.35 Standard Guest Rooms. The Hotel’s entire inventory of single-bay sleeping rooms.

1.36 Suite. Any guest room comprised of multiple guest room bays.

1.37 Term. The Term of this Agreement shall be consistent with that set forth in Article V below.

1.38 Weekend. Saturdays and Sundays.

ARTICLE II REPRESENTATIONS

2.01 Representations of Authority. The Authority hereby represents to Owner that as of the Effective Date:

(A) The Authority is a duly created and existing public, nonprofit corporation and is authorized to carry on the governmental functions and operations as contemplated by this Agreement.

(B) The Authority has the power, authority and legal right to enter into and perform this Agreement and the execution, delivery and performance hereof (i) have been duly authorized, will not, to the best of its knowledge, violate any applicable judgment, order, law or regulation, and (ii) do not, to the best of its knowledge, constitute a default under, or result in the creation of any lien, charge, encumbrance or security interest upon any assets of the Authority under any agreement or instrument to which the Authority is a party or by which the Authority or its assets may be bound or affected.

(C) This Agreement has been duly authorized, executed and delivered by the Authority and, constitutes a legal, valid and binding obligation of the Authority, enforceable in accordance with its terms except to the extent that (i) the enforceability of such instruments may be limited by bankruptcy, reorganization, insolvency, moratorium or other similar laws of general application in effect from time to time relating to or affecting the enforcement of creditors' rights and (ii) certain equitable remedies including specific performance may be unavailable.

(D) The execution, delivery and performance of this Agreement by the Authority does not require the consent or approval of any person which has not been obtained.

2.02 Representations of Owner. The Owner hereby represents to Authority that as of the Effective Date:

(A) The Owner has the power, authority and legal right to enter into and perform its obligations set forth in this Agreement, and the execution, delivery and performance hereof have been duly authorized, and will not, to the best of its knowledge, violate any judgment, order, law or regulation applicable to the Owner.

(B) The Hotel will, at all times, be managed by an operator which is knowledgeable and experienced in managing, operating and promoting first class hotels and resorts. The operator will operate and market the Hotel under a "first tier flag" brand name (Westin, Sheraton, Marriott, Hilton, Hyatt, Omni or another national similar full-service hotel brand).

(C) This Agreement has been duly authorized, execute and delivered and constitutes a legal, valid and binding obligation of the Owner, enforceable in accordance with its terms.

ARTICLE III SPECIAL OBLIGATIONS OF AUTHORITY

3.01 Authority Requirements. In order to maintain consistency and accountability, the Authority shall not assign this contract and the obligations listed herein to any other entity, except to another agency, department or instrumentality of The Metropolitan Government of Nashville and Davidson County, Tennessee.

3.02 Records. The Authority hereby covenants that it shall keep reasonable and accurate records relating to events held at the Music City Center. On a monthly basis, Director will submit to Owner a summary of all applicable and actual potential bookings at the Music City Center in a manner that would enable a reasonable person to readily determine the future demand for rooms inventory at the Hotel, the Potential Convention Center Customer type (i.e., out-of-town, local, or gate), and move-in/move-out dates, to allow for Owner to manage its inventory.

3.03 Use of Other Space. The Parties agree to cooperate with each other in providing space when space is available, following the applicable Party's booking guidelines and at the applicable Party's established rental rates.

3.04 Compliance with Obligations Set Forth in Exhibits. At all times during the Term, the Authority covenants that it shall comply with all of its obligations set forth in Exhibit A which is attached hereto and hereby made a part of this Agreement for all purposes.

ARTICLE IV SPECIAL OBLIGATIONS OF OWNER

4.01 Records. Owner shall keep reasonable and accurate records relating to the provision of services provided hereunder. Owner shall prepare and submit to the Director, with a copy to the NCVB, on a monthly basis, a summary of all applicable actual and potential bookings at the Hotel under this Agreement in a manner that would enable a reasonable person to readily determine the future room's inventory at the Hotel available to Authority under this Agreement.

4.02 Hotel Standards. Owner shall operate and maintain the Hotel in accordance with the Minimum Hotel Operating Standard.

4.03 Designated Representative. At all times during the Term, Owner will ensure that there is a designated representative available and authorized by Owner to perform the obligations set forth in this Agreement.

4.04 Compliance with Obligations Set Forth in Exhibits. At all times during the Term, Owner shall comply with all obligations of Owner that are set forth in Exhibit A which is attached hereto and hereby made a part of this Agreement for all purposes.

ARTICLE V TERM AND TERMINATION

5.01 Commencement of the Term of this Agreement. The Term of this Agreement shall commence on the Effective Date.

5.02 Termination of the Term of this Agreement. The Term of this Agreement shall terminate, without prior notice, on the December 31st immediately following the seventeenth (17th) anniversary of the date upon which the Hotel opens to the public, provided that such termination shall not, in any event, occur before December 31, 2033.

5.03 Periodic Renovation/Restoration of Hotel and Music City Center. Except in the event of a casualty loss or a hazard to the public health, the Parties agree to provide as much advance notice as possible and to take all commercially reasonable efforts to minimize the closures as a result of renovation or restoration. The Parties agree that during renovation or restoration of the Hotel, the number of rooms which are subject to this Agreement shall be proportionately reduced based on the number of rooms being renovated or restored. During such renovation or restoration, reasonable efforts shall be made by each party to minimize disruption of events that are already booked at the Music City Center or recurring events at the Music City Center that the Parties anticipate are likely to be booked.

ARTICLE VI EVENTS OF DEFAULT

6.01 Default. A default under the terms of this Agreement shall occur if any Party hereto shall materially breach any of the terms, conditions or covenants contained in this Agreement to be performed or observed by it, or materially breaches any of the terms of the Metro Agreement, and such Party does not remedy such default within thirty (30) days after Notice or, if the default is of such character as to require more than thirty (30) days to remedy, then if such Party fails to commence to cure and correct the default within said thirty (30) day period and thereafter prosecute such corrective action diligently and without interruption and complete the cure thereof within ninety (90) days unless extended by mutual consent following the original Notice of such default (an "Event of Default"). Any Notice of Default shall be provided to Owner (and to operator, if different than the Owner) and shall also be given to Owner's mortgagee (if applicable and provided such mortgagee has provided Notice to the Authority and the director of its name and address where Notices to it hereunder are to be sent).

6.02 Remedies. The rights and remedies of the Parties hereunder shall not be mutually exclusive, and the exercise of one or more of the provisions hereof shall not preclude the exercise of any other provisions hereof. Nothing in this Agreement shall constitute a waiver or limitation of any rights, which the Authority may have under applicable law.

6.03 Owner's Reservation of Rights. Notwithstanding anything to the contrary contained in this Agreement, this Agreement shall in no way limit Owner's rights and remedies against a Potential Convention Center Customer resulting from such Potential Convention Center Customer's default under a Binding Contract with Owner.

6.04 No Liability to NCVB or Authority. In no event shall NCVB, Authority, the Metropolitan Government, or any other entity, except to another agency, department or instrumentality of the Metropolitan Government be in any way responsible or liable for the performance by any Potential Convention Center Customer of such customer's obligations under its Binding Contract with the Owner or for any charges, liabilities or other sums owed by, or liabilities of, such Potential Convention Center Customer (or for those for whom it blocks rooms) due to Owner.

6.05 Mediation. If the Parties are in disagreement regarding any provision of this Agreement, the Parties, within thirty (30) days after the first notice given under this Agreement regarding such dispute, shall first submit such dispute to non-binding mediation in Nashville, Tennessee, with each party to bear their own costs and expenses and with each party to share the fees and expenses of the mediator equally. The duration of the mediation shall be limited to two business days and shall be concluded on or before thirty calendar days following the selection by the Parties of a mediator (or at such later date as the parties may agree). The Parties agree to meet

with the mediator in good faith in an effort to resolve the dispute, and no Party may commence any further action until completion of the mediation session. The Parties will cooperate (i) in selecting an independent mediator experienced in disputes of the subject and nature under dispute and (ii) in scheduling the mediation proceedings. No settlement reached by mediation will be binding unless agreed to in writing by the Parties. Notwithstanding the foregoing, nothing shall prevent the Parties from first attempting in good faith to resolve any such dispute promptly by negotiation between executives and/or appropriate representatives of each party who have authority to resolve the dispute.

6.06 Other. Prior to commencing mediation, litigation or exercising the non-defaulting Party's remedies as outlined here, the Parties as a prerequisite to the above, shall have a face-to-face meeting with the appropriate representatives of the Owner, and the appropriate representatives of the Authority, including its Director, within fifteen (15) days of a request by the non-defaulting party to attempt to resolve the Parties differences. Only after a meeting of the Parties can the non-defaulting Party exercise its remedies.

6.07 Injunctive/Ancillary/Emergency Relief. Notwithstanding any provision of Sections 6.05 and 6.06 of this Agreement to the contrary, any party may seek injunctive relief or other form of ancillary relief at any time from any court of competent jurisdiction.

ARTICLE VII MISCELLANEOUS

7.01 Severability. If any provision of this Agreement or any application thereof is held to be invalid or unenforceable by any court of competent jurisdiction for any reason, such provision shall be fully severable, and the remainder of this Agreement shall remain in full force and effect. This Agreement shall be construed and enforced as if such invalid or unenforceable provision had never comprised a part of this Agreement.

7.02 Notices. Any notice or other communication required or permitted to be given pursuant to this Agreement shall be given to the other Party at the following addresses:

AUTHORITY

Convention Center Authority for the
Government of
Nashville and Davidson County
201 Fifth Avenue South
Nashville, TN 37203
Attention: President

with a copy to:

Metropolitan Government Finance Department
Metropolitan Courthouse
1 Public Square, Suite 106
Nashville Tennessee 37201
Attention: Finance Director

OWNER:

Nashville Hospitality Capital LLC
c/o Kevin Fee
230 4th Avenue North, Suite 105
Nashville, TN 37201

with a copy to:

Bass Berry & Sims PLC
150 Third Avenue South, Suite 2800
Nashville, Tennessee 37201
Facsimile: 615-742-2731
Attention: Michael S. Peek, Esq.

Any mortgagee, trustee or beneficiary under any mortgage or deed of trust on the Hotel may, by Notice to the Parties set forth hereinabove, designate an address to which notices to it hereunder shall be sent. Any such party may from time to time by Notice as herein provided, designate a different address to which Notices to it shall be sent.

Any such notice or communication shall be deemed given on the date so delivered or so deposited in the mail, unless otherwise provided herein. Either Party may change the above address by sending written notice of such change to the other Party in the manner provided above. With the written consent of the receiving Party, notice may be given by facsimile transmission or electronic mail.

7.03 Amendments. This Agreement may not be amended or modified unless such amendment or modification is reflected in a written document that is signed by the Parties hereto.

7.04 Successors and Assigns. All covenants and agreements contained by or on behalf of the Authority in this Agreement shall bind its successors and assigns and shall inure to the benefit of the Owner and its successors and assigns. Owner shall have the right to assign its rights, duties and obligations under this Agreement in whole or in part, so long as such assignee or successor to Owner specifically and fully assumes the duties, responsibilities, agreements, covenants and obligations of Owner under this Agreement that accrue from and after the date of such assignment, including without limitation, and as provided in Section 7.10 of this Agreement, [i] any and all contracts or agreements previously executed with a Potential Convention Center Customer and [ii] any outstanding offers. Upon any such assignment and assumption, Owner shall be relieved from all liability under this Agreement that accrues from and after the date of such assignment.

7.05 Exhibits; Titles of Articles, Sections and Subsections. The exhibits attached to this Agreement are incorporated herein and shall be considered a part of this Agreement for the purposes stated herein, except that in the event of any conflict between any of the provisions of such exhibits and the provisions of this Agreement, the provisions of this Agreement shall prevail. All titles or headings are only for the convenience of the Parties and shall not be construed to have any effect or meaning as to the agreement between the Parties hereto. Any reference herein to a Section or Subsection shall be considered a reference to such Section or Subsection of this Agreement unless otherwise stated. Any reference herein to an exhibit shall be considered a reference to the applicable exhibit attached hereto unless otherwise stated.

The headings in this Agreement are for purposes of reference only and shall not limit or define the meaning hereof. This Agreement may be executed in any number of counterparts, each of which shall be an original, but all of which shall together constitute one and the same instrument.

7.06 Construction. This Agreement is a contract made under and shall be construed in accordance with and governed by the laws of the United States of America and the State of Tennessee without regard to conflicts of law principles.

7.07 Nature and Extent of Agreement. This Agreement contains the complete agreement of the Parties as to the matters contained herein. There are no oral or written conditions, terms, understandings or other agreements pertaining to the booking policy obligations of Owner and Authority that have not been incorporated herein.

7.08 Approval by the Parties. Whenever this Agreement requires or permits approval or consent to be hereafter given by any of the Parties, the Parties agree that such approval or consent shall not be unreasonably withheld or delayed.

7.09 Additional Actions. The Parties agree that representatives of the Hotel, the Music City Center and/or Authority and NCVB will meet on a regular monthly basis to share information with respect to the ongoing and future operations of the Music City Center and the Hotel in an effort to provide the level of cooperation that will lead to the success of both the Music City Center and Hotel.

7.10 Transfer of Owner's Interest. In the event of the sale, assignment or transfer by Owner of its interest in the Hotel (other than a collateral assignment to secure a debt of Owner) to a successor in interest, any successor to Owner hereunder shall in all respects be obligated to honor any contract or agreement previously executed with a Potential Convention Center Customer and shall be bound by any outstanding offers.

7.11 Owner and Operator Responsibility under the Binding Contract. Nothing contained in this Agreement shall relieve the Owner (or its respective successors) from the contractual obligations to provide services to a Potential Convention Center Customer under a Binding Contract, irrespective of whether this Agreement has been terminated or expired at the time services are to be rendered or whether this Agreement is terminated after the effective date of the Binding Contract but before the time services are to be rendered.

7.12 Gender; Singular and Plural. As used herein, the neuter gender includes the feminine and masculine, the masculine includes the feminine and neuter, and the feminine includes the masculine and neuter, and each includes a corporation, partnership or other legal entity when the context so requires. The singular number includes the plural, and vice versa, whenever the context so requires.

7.13 Binding Effect. Subject to express provisions hereof to the contrary, this Agreement shall be binding upon and shall inure to the benefit of the Parties hereto and their respective heirs, successors and assigns during the Term hereof and during any extensions or renewals of said Term.

7.14 Estoppel Certificate. Within twenty (20) days after receipt of written request therefor by another Party hereto, the other Party shall execute and deliver to the requesting Party (and to such other person as the requesting Party may designate) a statement reasonably satisfactory to the requesting Party certifying any facts that this Agreement is unmodified and is in full force and effect (or if there have been modifications, stating that this Agreement is in full force and effect as modified), that the requesting Party is not in default hereunder (or stating the nature of any alleged default), that there are no defenses or offsets to the Agreement claimed by the other Party, and further certifying any matters reasonably requested by the requesting Party. A failure by a Party to execute, acknowledge and deliver upon request the certified statement described above within twenty (20) days from receipt of such request shall constitute acknowledgment by the Party to whom the request is directed to all persons entitled to rely on the statement that this Agreement is unmodified and in full force and effect and that no default by the requesting Party

exists hereunder. Notwithstanding anything to the contrary set forth in this Section 7.14, neither Party will be required to execute such an estoppel certificate more often than two (2) times in any twelve (12)-month period.

7.15 No Waiver. The failure of either Party to insist upon the performance of any term or provision of this Agreement or to exercise any right granted herein shall not constitute a waiver of that Party's right to insist upon appropriate performance or to assert any such right on any future occasion.

7.16 Casualty. In the event of a casualty loss to the Hotel which causes all or a portion of the Hotel to close pending repair or reconstruction, any failure by Owner to perform its obligations hereunder as a direct result thereof shall be waived until such time as the damage has been repaired, provided that if Owner elects not to rebuild, Owner may terminate this Agreement without further obligation. If reconstruction results in fewer rooms, room types, or other difference that makes Owner's compliance with the terms hereof unduly burdensome, the Parties will equitably adjust the requirement to accommodate any difference between the Hotel as reconstructed and the Hotel prior to the casualty.

Signatures on next page

IN WITNESS WHEREOF, the Parties hereto have duly executed this Agreement as of the day and year first above written.

NASHVILLE HOSPITALITY CAPITAL LLC,
a Delaware limited liability company

By: _____
Name: Kevin Fee
Title: Managing Member

CONVENTION CENTER AUTHORITY OF
THE METROPOLITAN GOVERNMENT OF
NASHVILLE AND DAVIDSON COUNTY

By: _____
Name: Charles Starks
Title: President & CEO

Hotel Room Block Agreement Signature Page

EXHIBIT A
CONVENTION ROOM BLOCK COMMITMENT AND PROCEDURES

During the Term, the Authority, acting through the Director or the Authority's designated representative, may request Owner to offer an Event Room Block to Potential Convention Center Customers in accordance with this Agreement provided that the total number of rooms requested to be blocked does not exceed the number of rooms available for the Event Room Block on such night, as provided in Paragraph 2 below. The right to request that Owner offer the Event Room Block will be exercised in accordance with the following procedures:

1. The Director or his designated representative will notify Owner that a Potential Convention Center Customer is seeking offers from local hotels to accommodate, among other needs, the guest room needs of the Potential Convention Center Customer for a City-Wide Event (the "Room Block Request Notice"). The Room Block Request Notice will (i) identify the Potential Convention Center Hotel Customer, (ii) if the same is generally available to Authority, set forth a documented history of the group's room block events for the most recent three year period including a comparison of the number of rooms blocked and the actual number of rooms actually used, (iii) specify each specific date for which the Potential Convention Center Customer will require blocks of guest rooms (including those dates commonly known as "move in" and "move out" dates; the rate for groups whose stay consists of both Midweek and Weekend days shall be determined in accordance with Owner's booking policies described in Paragraph 2 below), and (iv) specify the number of guest rooms the Potential Convention Center Customer is seeking to block on each of the specific dates. Notwithstanding the definition of "Notice" set forth above, the Room Block Request Notice will be communicated to Owner by Director or his designated representative via email or fax to the specific email address or fax number designated by Owner for the purpose of receiving Room Block Request Notices.

2. Within the later of three (3) Business Days after Owner's receipt of the Room Block Request Notice for a City-Wide Event or the due date specified in the Room Block Request Notice, Owner shall deliver to the Potential Convention Center Hotel Customer (with a copy to the Sales Representative and the Director) an initial written offer in response to the Room Block Request Notice (the "Initial Offer"). In the Initial Offer, Owner will (i) offer to the Potential Convention Center Customer to block, on each specific date that the Potential Convention Center Customer requires a block of guest rooms as specified in the Room Block Request Notice, the lesser of (y) the actual number of the guest rooms in the Room Block Request Notice for each specific date, or (z) the Maximum Event Room Block, less any previously offered room blocks under this Agreement for other City-Wide Events covering such dates, which offers have either been accepted or are still outstanding, and (ii) quote a room rate for both a standard single and double room (the "Rate Quote"). In making the Rate Quote, Owner will take into account potential growth in future rates, seasonality (i.e., using group event guest room rates received in a calendar month as the basis for quotes for the same month in subsequent calendar years), Midweek versus Weekend rates, as well as catering revenue per group room night; provided, that, "seasonality" shall not take into account special events that occur in a particular month which inflate group event room rates such as the Super Bowl or similar special events (if such event actually occurs again the same month in a subsequent year, then it shall be taken into account for purposes of the seasonality adjustment for such month in such subsequent year). While the amount of the Rate Quote in the Initial Offer will be at the sole but good faith discretion of Owner, the Owner agrees that the Rate Quote shall be reasonable in accordance with Section 7.09 and be competitive with (i) comparable convention center hotels in competing city markets with a similar product quality and/or (ii) comparable hotels in the city of Nashville and surrounding areas with a similar product quality. The Initial Offer shall remain open for acceptance for a

Exhibit A

period of time agreed to by Owner and Authority, in consultation with the NCVB. If the Parties are unable to agree on the period of time for which the Initial Offer shall remain open, then it shall be for an initial period of 75 days. If after the time the Initial Offer expires, the Potential Convention Center Customer has not accepted the Initial Offer, the Initial Offer can be extended by mutual agreement for an additional 60 days. Notwithstanding the foregoing, if a competing opportunity is prepared to execute a binding contract for rooms at the Hotel, the Potential Convention Center Customer will have a right of first refusal on the block of rooms offered at the Rate Quote for a period of ten (10) days from the time Potential Convention Center Customer is notified of the competing opportunity. The Initial Offer shall expire thereafter.

3. After reviewing the Initial Offer, the Director or his designated representative may consult with Owner regarding the Rate Quote contained in the Initial Offer; however, the Owner has sole discretion to quote room rates and meeting space allocations.

4. If the Initial Offer is accepted by the Potential Convention Center Customer within the required time period established in accordance with Paragraph 2 of this Exhibit A, then Owner shall use its best efforts to promptly negotiate a binding contract with the Potential Convention Center Customer, applying Owner's customary booking policies to the block, including policies relating to contracts, advance deposits, cancellation, attrition and food and beverage minimums provided that these policies shall adhere in all material respects to the general customs employed by Owner at its other hotels of similar size, quality and brand.

5. If the Customer has not executed a binding contract within thirty (30) days following the acceptance by the Customer of the Initial Offer, then the Initial Offer will expire unless extended by Owner at its sole discretion. Upon expiration, Owner shall have no further obligation to the Authority or Potential Convention Center Customer in regard to such City-Wide Event under the Initial Offer.

6. If a Potential Convention Center Customer signs a binding contract with Owner but provides written notice to the Owner that it is terminating the contract on a date that is less than twenty-four (24) months before the first Event Night, then the cancelled room and meeting space block will be returned to hotel inventory at the time of effective cancellation and availability will no longer be subject to the terms of this Agreement. Authority recognizes that the Owner may be entitled to collect cancellation fees from such Potential Convention Center Customer under the terms of the Binding Contract with such Customer, and Authority hereby consents thereto and agrees that such fees are the sole property of the Hotel's. Similarly, Owner recognizes that Authority may be entitled to collect cancellation fees from such Potential Convention Center Customer pursuant to the contract between Authority and the Potential Convention Center Customer for the Music City Center, and Owner hereby consents thereto and agrees that such fees shall be the sole property of Authority. Neither Party has the authority to negotiate with a Potential Convention Center Customer the other Party's cancellation fee.

7. If Owner desires to commit a block of more than twenty percent (20%) of the rooms in the Hotel to non-City Wide Customer business for a date more than thirty-six (36) months in the future, or a block of more than fifty percent (50%) of the rooms in the Hotel to non-Potential Convention Center Customer business for a date more than twenty-four (24) and less than thirty-six (36) months in the future, Owner can request by Notice to the Director that Authority release that block from this Agreement and Authority may (but shall have no obligation to) approve such a release of such requested block. The Authority or Director will respond to the Owner's Notice within ten (10) Business Days. Notwithstanding the above, the Owner will be allowed up to seven (7) booking exceptions, limited to a maximum of four (4) nights, for group

Exhibit A

events to occur in each rolling twelve (12) month period from the date of the receipt of the booking inquiry/lead for a group event. The Owner will inform the Authority, Director and NCVB of these exceptions as they become tentative and will further confirm these exceptions as they become definite with the Owner. These exceptions are exclusive of the exceptions available through the Hotel Free-Sell Calendar.

8. Owner shall have the unrestricted right to commit rooms within the Hotel that would not leave less than the Maximum Event Room Block on any given date (and any other rooms that are not subject to being blocked by Authority pursuant to this Agreement) to the Hotel's commercial or group guests. Owner shall also have the unrestricted right to commit any and all rooms not subject to a room block commitment pursuant to this Agreement for any period less than twenty-four (24) months in advance. Owner shall also have the unrestricted right to commit rooms that fall within the Hotel Free-Sell Calendar.

9. If Owner has a potential booking that would not be permitted under the terms of this Agreement, Owner may by notice to the Director request that it be entitled to make such booking. The Director shall have three (3) Business Days in which to respond to such request by Notice to Owner.

10. Owner shall have the right to freely book all rooms within the Hotel on any day which the Music City Center cannot accommodate a City-Wide Event because less than one-fourth of meeting space and/or exhibit hall, which is estimated to be approximately 86,000 square feet to be more accurately determined upon the completion of the Music City Center, is available on such day for use by a Potential Convention Center Customer.

11. At any time, Owner may request space from the Music City Center for its customers, the Director shall have three (3) Business Days in which to respond to such request by Notice to Owner.

12. Notwithstanding the foregoing, if a Potential Convention Center Customer has a documented history of causing material property damage in connection with group events or poor credit, then Owner shall have the right to decline a Room Block Request for such customer hereunder upon notice to the Director given within ten (10) Business Days following the date of the Room Block Request Notice. In the event of any disagreement by the Parties, the Parties agree to meet and attempt in good faith to reach agreement as to whether to accept or decline the Potential Convention Center Customer.

13. In the event that a potential Hotel customer is also in need of space at the Music City Center, Hotel or the potential Hotel customer may request a rate quote from Authority. Authority shall deliver to the potential Hotel customer and Hotel an initial written offer in response to the request within three (3) Business days of the request which offer shall remain open for a commercially reasonable period of time.