

Gaylord Set to Buy Hawaii Hotel for \$107M

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Gaylord Entertainment Co. Agrees to Buy Aston Waikiki Beach Hotel for \$107 Million

Gaylord Entertainment Co. (NYSE: GET) announced today that it has entered into an agreement to purchase the Aston Waikiki Beach Hotel in Honolulu, Hawaii for \$107 million. This purchase agreement is subject to due diligence and approval by Gaylord's board of directors. Gaylord plans to bring in a partner that will own the majority of the equity in this property and to that end has already begun negotiations with several interested parties. It is anticipated that this partner will fund the majority of the equity required for the purchase, which will be an important factor in the board's consideration.

"This crown-jewel hotel, located on one of the most desirable beachfronts in Hawaii, is an important asset in the current ResortQuest portfolio," said Colin V. Reed, president and chief executive officer of Gaylord. "This transaction will allow us to take advantage of the reinvigoration of the Hawaiian Islands, add substantial value for our shareholders and retain the management contract for years to come. This transaction is central to our previously described strategy of investing modestly in highly prized vacation assets and securing long-term management contracts."

The Aston Waikiki Beach Hotel is centrally located near famed Waikiki Beach and Kapiolani Park. The hotel offers approximately 19,400 square feet of retail and restaurant space, 2,900 square feet of meeting space, and an outdoor swimming pool with views of the Pacific Ocean. The 23-story Main Tower houses 644 guest rooms with private lanais, while the adjacent nine-story Mauka Tower has 72 rooms. The hotel was renovated in 2002 and continues to be one of the more popular destination spots in Waikiki. It is one of twelve vacation destinations managed by ResortQuest in the immediate area.

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