GAYLORD ENTERTAINMENT CO /DE
Form S-4/A
August 20, 2012
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As filed with the Securities and Exchange Commission on August 20, 2012

Registration No. 333-182352

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Amendment No. 3

to

FORM S-4

REGISTRATION STATEMENT

UNDER

THE SECURITIES ACT OF 1933

GRANITE HOTEL PROPERTIES, INC.

GAYLORD ENTERTAINMENT COMPANY

(Exact name of registrant as specified in its charter)

Delaware	**6798**	**73-0664379**
Delaware	**7011**	**73-0664379**
(State or other jurisdiction of incorporation or organization)	**(Primary Standard Industrial Classification Code Number)**	**(I.R.S. Employer Identification Number)**

One Gaylord Drive

Nashville, Tennessee 37214

(615) 316-6000

(Address, including zip code, and telephone number, including area code, of registrants principal executive offices)

Carter R. Todd, Esq.

General Counsel and Secretary

Granite Hotel Properties, Inc.

One Gaylord Drive

Nashville, Tennessee 37214

(615) 316-6000

(Name, address, including zip code, and telephone number, including area code, of agent for service)

With a copy to:

F. Mitchell Walker, Jr., Esq.

Bass, Berry & Sims PLC

150 Third Avenue South

Suite 2800

Nashville, Tennessee 37201

(615) 742-6200

Approximate date of commencement of proposed sale of securities to the public: As soon as practicable after this Registration Statement is declared effective and all conditions to the merger have been satisfied or waived.

If the securities being registered on this Form are being offered in connection with the formation of a holding company and there is compliance with General Instruction G, check the following box. ¨

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ¨

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ¨

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

Large accelerated filer x	Accelerated filer ¨
Non-accelerated filer ¨ (Do not check if a smaller reporting company)	Smaller reporting company ¨

If applicable, place an X in the box to designate the appropriate rule provision relied upon in conducting this transaction:

Exchange Act Rule 13e-4(i) (Cross-Border Issue Tender Offer) ¨

Exchange Act Rule 14d-1(d) (Cross-Border Third-Party Tender Offer) ¨

The Registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the Registrant shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933, as amended, or until the Registration Statement shall become effective on such date as the Securities and Exchange Commission, acting pursuant to said Section 8(a), may determine.

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The information in this proxy statement/prospectus is not complete and may be changed. A registration statement relating to these securities has been filed with the Securities and Exchange Commission. Granite Hotel Properties, Inc. may not sell or exchange these securities until the Registration Statement is effective. This proxy statement/prospectus is not an offer to sell or exchange these securities and it is not soliciting an offer to buy these securities in any state or jurisdiction where the offer or sale is not permitted.

Subject to Completion, dated August 20, 2012

[ ], 2012

Dear Stockholder,

I am pleased to invite you to attend a special meeting of stockholders of Gaylord Entertainment Company, or Gaylord, a Delaware corporation, which will be held on September 25, 2012 at 9:00 a.m., local time, at the Gaylord Opryland Resort and Convention Center, 2800 Opryland Drive, Nashville, Tennessee 37214.

I am also pleased to report that our board of directors has unanimously approved a plan to restructure our operations to allow us to be taxed as a real estate investment trust, or REIT, for federal income tax purposes. We refer to this restructuring plan as the REIT conversion. The REIT conversion will be implemented through a series of steps including, among other things, the merger of Gaylord with and into Granite Hotel Properties, Inc., or Granite, a Delaware corporation and wholly-owned subsidiary of Gaylord, which we formed in preparation for the REIT conversion. Upon the completion of the merger, the outstanding shares of Gaylord common stock will be converted into the right to receive the same number of shares of Granite common stock, and Granite will succeed to and continue to operate, directly or indirectly, the then existing business of Gaylord. We anticipate that the shares of Granite common stock will trade on the New York Stock Exchange, or NYSE, and retain Gaylord s symbol GET. We are requesting that our stockholders vote to adopt the Agreement and Plan of Merger, dated July 27, 2012 by and between Gaylord and Granite pursuant to which Gaylord will merge with and into Granite. We are also requesting that our stockholders approve the issuance of up to 34,000,000 shares of our common stock as part of a one-time special distribution related to the distribution of our accumulated earnings and profits to stockholders in connection with the REIT conversion.

After careful consideration, our board of directors has unanimously approved the REIT conversion, including the merger and other restructuring transactions, and recommends that all stockholders vote FOR the adoption of the merger agreement. The affirmative vote of the holders of a majority of the outstanding shares of our common stock is required for the adoption of the merger agreement. Our board of directors also recommends that all stockholders vote FOR the approval of the issuance of up to 34,000,000 shares of our common stock as part of a one-time special distribution related to the distribution of our accumulated earnings and profits to stockholders in connection with the REIT conversion. The proposal to approve the issuance of additional shares as part of this one-time special distribution requires the affirmative vote of a majority of the votes cast on the proposal, provided that the total votes cast on this proposal represent over 50% of the outstanding shares of our common stock.

This proxy statement/prospectus is a prospectus of Granite as well as a proxy statement for Gaylord and provides you with detailed information about the REIT conversion, the merger and the special meeting. **We encourage you to read carefully this entire proxy statement/prospectus, including all its annexes, and we especially encourage you to read the section entitled Risk Factors beginning on page 26.**

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved the shares of common stock to be issued by Granite under this proxy statement/prospectus. Any representation to the contrary is a criminal offense.

This proxy statement/prospectus is dated [ ], 2012 and is being first mailed to stockholders on or about [ ], 2012.

Sincerely,

Colin V. Reed

Chairman of the Board and Chief Executive Officer

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GAYLORD ENTERTAINMENT COMPANY

One Gaylord Drive

Nashville, Tennessee 37214

NOTICE OF SPECIAL MEETING OF STOCKHOLDERS OF

GAYLORD ENTERTAINMENT COMPANY

TO BE HELD ON SEPTEMBER 25, 2012

NOTICE IS HEREBY GIVEN that a special meeting of stockholders of Gaylord Entertainment Company, a Delaware corporation, will be held on September 25, 2012 at 9:00 a.m., local time, at the Gaylord Opryland Resort and Convention Center, 2800 Opryland Drive, Nashville, Tennessee 37214, for the following purposes:

1. To consider and vote upon a proposal to adopt the Agreement and Plan of Merger dated July 27, 2012 by and between Gaylord Entertainment Company and Granite Hotel Properties, Inc., a wholly-owned subsidiary of Gaylord, which is part of restructuring transactions intended to enable us to qualify as a real estate investment trust, or REIT, for federal income tax purposes;

2. To consider and vote upon a proposal to approve the issuance of up to 34,000,000 shares of our common stock as part of a one-time special distribution related to the distribution of our accumulated earnings and profits to stockholders in connection with the REIT conversion; and

3. To consider and vote upon a proposal to permit our board of directors to adjourn the special meeting, if necessary, for further solicitation of proxies if there are not sufficient votes at the originally scheduled time of the special meeting to approve the foregoing proposals.

Our board of directors has unanimously approved the REIT conversion, including the merger and other restructuring transactions, and recommends that you vote FOR the proposals that are described in more detail in this proxy statement/prospectus.

We reserve the right to cancel or defer the merger or the REIT conversion, even if our stockholders vote to adopt the merger agreement and to approve the issuance of shares in connection with the one-time special distribution, if our board of directors determines that the merger or the REIT conversion is no longer in the best interests of us and our stockholders.

If you own shares of Gaylord common stock as of the close of business on August 8, 2012, you are entitled to notice of, and to vote those shares by proxy or at the special meeting and at any adjournment or postponement of the special meeting. During the ten-day period before the special meeting, we will keep a list of stockholders entitled to vote at the special meeting available for inspection during normal business hours at our offices in Nashville, Tennessee, for any purpose germane to the special meeting. The list of stockholders will also be provided and kept at the location of the special meeting for the duration of the special meeting, and may be inspected by any stockholder who is present.

Your vote is important. Whether or not you plan to attend the special meeting in person, please complete, sign, date and promptly return the enclosed proxy card in the enclosed envelope. You may also authorize a proxy to vote your shares by telephone or over the Internet as described in your proxy card. Stockholders who return proxy cards by mail or vote by telephone or over the Internet prior to the special meeting may nevertheless attend the special meeting, revoke their proxies and vote their shares at the special meeting.

We encourage you to read the attached proxy statement/prospectus carefully. If you have any questions or need assistance voting your shares, please call our proxy solicitor, MacKenzie Partners, Inc., toll-free at (800) 322-2885.

By order of the board of directors,

Carter R. Todd
Executive Vice President, General Counsel and Secretary

Nashville, Tennessee [ ], 2012

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WHERE YOU CAN FIND MORE INFORMATION

Gaylord Entertainment Company, or Gaylord, files annual, quarterly and current reports, proxy statements and other information with the Securities and Exchange Commission, or the Commission. Gaylord s Commission filings are also available over the Internet at the Commission s website at http://www.sec.gov. The Commission s website is included in this proxy statement/prospectus and any applicable prospectus supplement as an inactive textual reference only. The information contained on the Commission s website is not incorporated by reference into this proxy statement/prospectus and any applicable prospectus supplement and should not be considered to be part of this proxy statement/prospectus unless such information is otherwise specifically referenced elsewhere in this proxy statement/prospectus and any applicable prospectus supplement. You may also read and copy any document Gaylord files at the Commission s public reference room at 100 F Street, NE, Room 1580, Washington, D.C. 20549. Please call the Commission at 1-800-SEC-0330 to obtain information on the operation of the public reference room. Gaylord makes available free of charge through our website its annual, quarterly and current reports, proxy statements and other information, including amendments thereto, as soon as reasonably practicable after such material is electronically filed with or furnished to the Commission. Gaylord s website address is www.gaylordentertainment.com. Gaylord s website address is provided as an inactive textual reference only. Information contained on or accessible through Gaylord s website is not part of this proxy statement/prospectus and any applicable prospectus supplement and is therefore not incorporated by reference unless such information is otherwise specifically referenced elsewhere in this proxy statement/prospectus or any applicable prospectus supplement.

Gaylord incorporates by reference into this proxy statement/prospectus, which means that Gaylord can disclose important information to you by referring you specifically to those documents. This means that the information incorporated by reference is deemed to be part of this proxy statement/prospectus, unless superseded by information contained directly in this proxy statement/prospectus. Certain information that Gaylord subsequently files with the Commission will automatically update and supersede information in this proxy statement/prospectus and in Gaylord s other filings with the Commission. Gaylord incorporates by reference the documents listed below, which Gaylord has already filed with the Commission, and any future filings Gaylord makes with the Commission under Sections 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934, as amended, or Exchange Act, between the date of this proxy statement/prospectus and the date of the special meeting of stockholders, except that Gaylord is not incorporating any information included in a Current Report on Form 8-K that has been or will be furnished (and not filed) with the Commission, unless such information is expressly incorporated herein by reference to a furnished Current Report on Form 8-K or other furnished document:

1. Gaylord s Annual Report on Form 10-K for the year ended December 31, 2011, filed with the Commission on February 24, 2012;

2. Gaylord s Quarterly Reports on Form 10-Q for the quarters ended March 31, 2012 and June 30, 2012, filed with the Commission on May 9, 2012 and August 7, 2012, respectively;

3. the information in Gaylord s Definitive Proxy Statement on Schedule 14A, filed with the Commission on April 3, 2012, to the extent that information included therein is deemed filed with the Commission under the Exchange Act;

4. Gaylord s Current Reports on Form 8-K filed with the Commission on January 17, 2012, February 7, 2012, May 11, 2012, May 31, 2012 (two filed that day), June 1, 2012, June 21, 2012, June 27, 2012, July 19, 2012, August 7, 2012 (five filed that day), August 13, 2012, and August 16, 2012; and

5. the description of Gaylord s common stock set forth in Gaylord s Form 10/A-3, filed on August 29, 1997, and as updated in Item I on Gaylord s Schedule 14A, filed on April 5, 2001.

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You may request a copy of these filings, at no cost, by writing or calling us at the following address:

Gaylord Entertainment Company

One Gaylord Drive

Nashville, Tennessee 37214

Attn: Corporate Secretary

Telephone: (615) 316-6000

Gaylord and Granite have filed a registration statement on Form S-4 to register with the Commission shares of Granite common stock that Gaylord stockholders will receive in connection with the completion of the merger, if the merger is approved and completed. This proxy statement/prospectus is part of the registration statement of Gaylord and Granite on Form S-4 and is a prospectus for Gaylord and Granite and a proxy statement of Gaylord for its special meeting of stockholders.

Upon completion of the merger, Granite will be required to file annual, quarterly and special reports, proxy statements and other information with the Commission.

You should only rely on the information in, or incorporated by reference into, this proxy statement/prospectus. No one has been authorized to provide you with different information. You should not assume that the information contained in this proxy statement/prospectus is accurate as of any date other than the date on the front page. We are not making an offer to sell or exchange any securities, soliciting any offer to buy any securities, or soliciting any proxy, in any state where it is unlawful to do so.

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QUESTIONS AND ANSWERS ABOUT THE SPECIAL MEETING, THE REIT CONVERSION AND THE MERGER

What follows are questions that you, as a stockholder of Gaylord Entertainment Company, or Gaylord, may have regarding the special meeting of stockholders, or the special meeting, the REIT conversion and the merger, and the answers to those questions. You are urged to carefully read this proxy statement/prospectus and the other documents referred to in this proxy statement/prospectus in their entirety because the information in this section may not provide all of the information that might be important to you with respect to the special meeting, the REIT conversion and the merger. Additional important information is contained in the annexes to, and the documents incorporated by reference into, this proxy statement/prospectus.

The information contained in this proxy statement/prospectus, unless otherwise indicated, assumes the REIT conversion and all the transactions related to the REIT conversion, including the merger and the one-time special distribution related to the distribution of our accumulated earnings and profits to stockholders, will occur. When used in this proxy statement/prospectus, the term Granite refers to Granite Hotel Properties, Inc., and unless otherwise specifically stated or the context otherwise requires, the terms we, our and us refer to Gaylord and its subsidiaries with respect to the period prior to the completion of the merger, and Granite and its subsidiaries with respect to the period after the completion of the merger.

Q. What is the purpose of the special meeting?

A. At the special meeting, our stockholders will vote on the following matters:

Proposal 1: To consider and vote upon a proposal to adopt the Agreement and Plan of Merger dated July 27, 2012 by and between Gaylord and Granite, a wholly-owned subsidiary of Gaylord, which is part of the restructuring transactions intended to enable us to qualify as a real estate investment trust, or REIT, for federal income tax purposes.

Proposal 2: To consider and vote upon a proposal to approve the issuance of up to 34,000,000 shares of our common stock as part of a one-time special distribution related to the distribution of our accumulated earnings and profits to stockholders in connection with the REIT conversion.

Proposal 3: To consider and vote upon a proposal to permit our board of directors to adjourn the special meeting, if necessary, for further solicitation of proxies if there are not sufficient votes at the originally scheduled time of the special meeting to approve the foregoing proposals.

This proxy statement/prospectus more fully describes each of these proposals.

Q. What are we planning to do?

A. Our board of directors has unanimously approved a plan to restructure our operations to allow us to be taxed as a REIT for federal income tax purposes. We refer to this plan, including the related restructuring transactions, as the REIT conversion. Our board of directors has unanimously determined that the REIT conversion would be in the best interests of Gaylord and its stockholders. The REIT conversion includes the following:

the restructuring of our business operations to facilitate the election to be taxed as a REIT for federal income tax purposes;

the payment of a one-time special distribution to distribute our earnings and profits accumulated in taxable years prior to the taxable year in which we elect REIT status; and

the payment of regular quarterly distributions, the amount of which will be determined and is subject to adjustment by the board of directors, and the declaration of which is expected to commence in the first quarter of 2013.

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Q. What is a REIT?

A. A REIT is a company that derives most of its income from real estate-based sources and, if it satisfies various qualification requirements, is eligible for special treatment for federal income tax purposes under the Internal Revenue Code of 1986, as amended, or the Code. We intend to operate as a REIT that principally invests in, and derives most of its income from owning, hotel properties.

A corporation that qualifies as a REIT generally is not subject to federal income taxes on its corporate income and gains that it distributes to its stockholders on a current basis, thereby reducing its corporate-level income taxes and substantially eliminating the double taxation of corporate income.

Even if we qualify as a REIT, we may continue to be required to pay federal income tax on earnings from all or a portion of our non-REIT assets or operations, which will consist primarily of the business conducted by our taxable REIT subsidiaries, or TRSs. We also may be subject to federal income and excise taxes in certain circumstances, as well as state and local income, property and other taxes.

Q. What will happen in the REIT Conversion?

A. The REIT conversion involves the following key elements:

Merger. Pursuant to the Agreement and Plan of Merger dated July 27, 2012 by and between Gaylord and Granite, or the merger agreement, Gaylord will merge with and into Granite, a wholly-owned subsidiary of Gaylord, which we formed in preparation for the REIT conversion. We refer to this transaction in this proxy statement/prospectus as the merger. Upon the effectiveness of the merger, the outstanding shares of Gaylord common stock will be converted into the right to receive the same number of shares of Granite common stock, and Granite will succeed to and continue to operate, directly or indirectly, the then existing business of Gaylord. The merger will facilitate our compliance with REIT tax rules by ensuring the effective adoption by Granite of a certificate of incorporation that implements share ownership and transfer restrictions that are intended to enable compliance with certain REIT tax rules relating to the ownership of our stock.

As a consequence of the merger:

- the board of directors and executive management of Gaylord immediately prior to the completion of the merger will be the board of directors and executive management, respectively, of Granite immediately following the completion of the merger;
- the outstanding shares of Gaylord common stock will be converted into the right to receive the same number of shares of Granite common stock;
- effective at the time of the merger, Granite will become the publicly traded New York Stock Exchange, or NYSE, listed company that will continue to operate, directly or indirectly, our then existing business; and
- the rights of the stockholders of Granite will be governed by the amended and restated certificate of incorporation and amended and restated bylaws of Granite, which we refer to as the Granite Charter and Granite Bylaws, respectively.

Other Restructuring Transactions. To comply with certain REIT qualification requirements, we must engage an eligible independent contractor to operate and manage our hotel properties. In connection therewith, on May 30, 2012, we entered into a purchase agreement by and among Gaylord, Gaylord Hotels, Inc., Marriott Hotel Services, Inc. and Marriott International, Inc., which we refer to as the purchase agreement. Under the purchase agreement, we have agreed to sell the Gaylord Hotels brand and rights to operate and manage the Gaylord Opryland Resort and Convention Center, the Gaylord National Resort and Convention Center, the Gaylord Palms Resort and Convention Center, and the Gaylord Texan Resort and Convention Center, which we collectively refer to as our Gaylord Hotels properties, to Marriott International, Inc., or Marriott. Pursuant to the terms of the purchase agreement, we will become a party to

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four hotel management agreements with Marriott under which Marriott will operate and manage our Gaylord Hotels properties. We will retain ownership of our Gaylord Hotels properties. Prior to the completion of the REIT conversion, we will identify and engage a third-party hotel manager to operate and manage the Radisson Hotel at Opryland. We will retain ownership of the Radisson Hotel at Opryland.

Furthermore, to comply with certain REIT qualification requirements, we must hold and operate certain assets and businesses through one or more TRSs. A TRS is a subsidiary of a REIT that is subject to corporate taxes on its taxable income. Net income from our TRSs will either be retained by our TRSs and used to fund their operations, or distributed to us, where it will either be reinvested by us into our business or be available for distribution to our stockholders. Please see the section entitled Material Federal Income Tax Consequences Taxation of REITs Effect of Subsidiary Entities Taxable Corporations beginning on page 162 for a more detailed description of the requirements and limitations regarding our expected use of TRSs. Our businesses that will be held by TRSs include those currently operated within our Opry and Attractions segment.

Q. What are our reasons for the REIT conversion and the merger?

A. In reaching its unanimous decision to pursue the REIT conversion and the merger and to recommend adoption of the merger agreement, our board of directors considered the following factors, among others:

To increase stockholder value: As a REIT, we believe we will be able to increase stockholder value by reducing corporate level taxes on a substantial portion of our income, primarily the income we receive from our hotel properties, which in turn may improve cash flow and increase the amount of distributions to our stockholders;

To return capital to stockholders: We believe our stockholders will benefit from establishing regular cash distributions, resulting in a yield-oriented stock;

To reduce property-level costs and corporate overhead. As a result of contracting with third-party hotel managers, we believe our gross property-level costs and procurement savings at our Gaylord Hotels properties will be approximately $19 million to $24 million annually, net of the management fees, and we believe our corporate overhead savings will total approximately $14 million to $16 million annually;

To increase revenue through our relationship with Marriott. We believe our retention of Marriott as the third-party manager of our Gaylord Hotels properties will provide us with access to a world-class lodging operator with the ability to manage group business, and we expect the incentive management fee structure under the Marriott management agreements will incentivize Marriott to drive increased revenues for us by delivering new customer flows through their expansive sales force and attractive frequent traveler program;

To expand our base of potential stockholders: By becoming a company that makes regular distributions to its stockholders, our stockholder base may expand to include investors attracted by yield, which may result in a broader stockholder base and improve the liquidity of our common stock; and

To comply with REIT qualification rules: The merger will facilitate our compliance with REIT tax rules by ensuring the effective adoption by Granite of a certificate of incorporation that implements share ownership and transfer restrictions that are intended to enable compliance with certain REIT tax rules relating to the ownership of our stock.

The Marriott sale transaction and the REIT conversion resulted from a comprehensive review of strategic options to maximize long-term value for our stockholders. In concluding to pursue this strategic option, our board of directors and management team focused primarily on three elements (presented in no particular order): the cash received in connection with the sale of the Gaylord Hotels brand and management rights to our Gaylord Hotels properties, the opportunity to realize substantial cost savings and revenue enhancements due to Marriott s scale and reach in

the hospitality market, and our positioning as a well-capitalized REIT focused on group oriented hotels in urban and resort markets.

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To review the background of, and the reasons for, the REIT conversion and the merger in greater detail, and the related risks associated with the restructuring, see the sections entitled Background of the REIT Conversion and the Merger beginning on page 55, Our Reasons for the REIT Conversion and the Merger on page 57 and Risk Factors beginning on page 26. To review the ownership and transfer limitations on Granite common stock, see the section entitled Description of Granite Capital Stock Restrictions on Ownership and Transfer beginning on page 144.

Q. What will I receive in connection with the completion of the merger? When will I receive it?

A. You will receive shares of Granite common stock. At the time of the completion of the merger, your shares of Gaylord common stock will be canceled and will convert into the right to receive the number of shares of Granite common stock equal to the number of shares of Gaylord common stock that you owned immediately prior to the completion of the merger. After the merger is completed, you will receive written instructions from the exchange agent on how to exchange your shares of Gaylord common stock for shares of Granite common stock. **Please do not send your Gaylord stock certificates with your proxy.**

Q. What distributions will I receive in connection with the REIT conversion?

A: You will receive:

Regular Quarterly Distributions

As a REIT, we will be required to distribute annually at least 90% of our REIT taxable income (determined without regard to the dividends paid deduction and excluding net capital gain). Our REIT taxable income generally will not include income earned by our TRSs except to the extent that the TRSs pay dividends to the REIT.

Upon the completion of the merger and REIT conversion, we intend to declare regular quarterly distributions commencing in the first quarter of 2013, the amount of which will be determined and will be subject to adjustment by our board of directors. The actual timing and amount of distributions to our stockholders will be as determined and declared by our board of directors and will depend on, among other factors, actual results of operations, our debt service requirements and covenants under our debt agreements, and capital expenditure requirements for our hotel properties. See the section entitled Distribution Policy beginning on page 63.

If you dispose of your shares before the record date for the first quarterly distribution in 2013, you will not receive the first quarterly distribution or any other regular quarterly distribution.

Special E&P Distribution

A REIT is not permitted to retain earnings and profits accumulated during years when the company or its predecessor was taxed as a regular C corporation. For Granite to elect REIT status for the taxable year beginning January 1, 2013, we must distribute to our stockholders on or before December 31, 2013, our undistributed earnings and profits attributable to taxable periods ending prior to January 1, 2013, which we refer to as pre-REIT accumulated earnings and profits. Therefore, for purposes of qualifying as a REIT, we plan to distribute our pre-REIT accumulated earnings and profits by making a one-time special distribution to our stockholders payable, at the election of each stockholder, in cash or shares of our common stock. We refer to this distribution as the special E&P distribution.

We expect that the special E&P distribution will be declared and paid in the fourth quarter of 2012 to stockholders of record at such time, who may be different than those who are entitled to notice of and to vote at the special meeting. However, our board of directors may determine to pay the special E&P distribution at another time, but not later than December 31, 2013 if we elect REIT status for the taxable year beginning January 1, 2013.

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We have applied for a ruling from the Internal Revenue Service, or the IRS, to the effect that the special E&P distribution will generally be treated for federal income tax purposes as a taxable distribution. In the event that we receive a favorable ruling from the IRS, we expect to limit the total amount of cash payable in the special E&P distribution to a maximum of 20% of the total value of the special E&P distribution. The balance of the special E&P distribution will be in the form of shares of our common stock. If the total amount of cash elected by our stockholders exceeds 20% of the total value of the special E&P distribution, then, in general, the available cash will be prorated among those stockholders that elect to receive cash.

The details and consequences of the special E&P distribution will be described in the election form and accompanying materials that will be mailed to stockholders in connection with the special E&P distribution.

If you dispose of your shares before the record date for the special E&P distribution, you will not receive the special E&P distribution.

Q. How many shares of common stock will need to be issued in connection with the special E&P distribution?

A. In accordance with Section 312.03 of the NYSE Listed Company Manual, we are asking our stockholders to approve the issuance of shares of our common stock in an amount equal to or in excess of 20% of the number of shares of our common stock currently outstanding. Although the number of shares actually issued in connection with the special E&P distribution may be less than 20% of our outstanding shares, we have decided that it is in our best interests, and our stockholders best interests, to seek stockholder approval of the issuance of up to 34,000,000 shares of our common stock in connection with the special E&P distribution because of the possibility that the shares to be issued in connection with the special E&P distribution may exceed 20% of our outstanding shares of common stock.

The maximum number of shares of our common stock issued in the special E&P distribution will depend on the amount of the special E&P distribution and the average closing price per share of our common stock on the NYSE for a three-day period following the date election forms are due or as otherwise provided in the IRS ruling. See the section entitled The Special E&P Distribution on page 65 and Proposal 2 beginning on page 172 for a more detailed discussion of the amount of the special E&P distribution and the number of shares of our common stock that may be issued pursuant to the special E&P distribution.

Q. Will the REIT conversion change our current operational strategy?

A. Due to federal income tax laws that restrict REITs from operating and managing hotels, we will not operate or manage any of our hotel properties after completing the REIT conversion. We will lease or sublease our hotel properties to TRSs, and such TRS lessees will engage third-party hotel managers pursuant to hotel management agreements. Upon the consummation of the Marriott sale transaction, Marriott will manage our Gaylord Hotels properties, and we will identify third-party hotel managers to operate and manage the Radisson Hotel at Opryland and any hotels that we acquire in the future. Our third-party hotel managers will be responsible for the day-to-day management of our hotel properties, including, but not limited to, implementing significant operating decisions, setting rates for rooms and meeting space, controlling revenue and expenditures, collecting accounts receivable, and recruiting, employing and supervising employees at our hotel properties. We will not have the authority to require our third-party hotel managers to operate our hotel properties in a particular manner. Under our management agreements with Marriott, however, we will have the right to participate in the decision making process with respect to some management activities including, but not limited to, the right to control certain renovation or construction projects and the right to review and approve certain aspects of preliminary business plans, assessment recommendations concerning the amount of funding allocated to replacements, renewals and additions to furniture, fixtures and equipment, certain capital expenditures, and the hiring of senior hotel management employees. Should we be unable to reach agreement with Marriott regarding those certain areas subject to our review and approval, the dispute will be resolved, in most cases, by a panel of experts. For a more detailed description of our rights under the management agreement, see the section entitled Our Business Our Relationship with

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Marriott Management Agreement and Pooling Agreement with Marriott Management Agreement Retained Management Rights Under the Management Agreement on page 78.

After we consummate the sale of the Gaylord Hotels brand and rights to manage our Gaylord Hotels properties to Marriott and complete the REIT conversion, acquisitions of other hotels, either alone or through joint ventures or alliances with one or more third-parties, will be part of our long-term growth strategy. We intend to pursue attractive investment opportunities that meet our acquisition parameters, specifically, group-oriented large hotels and overflow hotels with existing or potential leisure appeal. We are interested in highly accessible upper-upscale assets with over 400 hotel rooms in urban and resort group destination markets. We will also consider assets that possess or are located near convention centers that present a repositioning opportunity and/or would significantly benefit from capital investment in additional rooms or meeting space. Through acquisitions we plan to expand the geographic diversity of our existing asset portfolio. We will no longer view the independent development of large scale resort and convention hotels as a part of our growth strategy. However, we may in the future participate in joint ventures or other minority investment opportunities with respect to hotel development.

Q. Who will be the board of directors and management after the REIT conversion is completed?

A. The board of directors and executive officers of Gaylord immediately prior to the completion of the merger will be the board of directors and executive officers, respectively, of Granite immediately following the completion of the merger. However, it is anticipated that there will be a reorganization within, and a reduction in the number of members of, Gaylord s current executive management team and other employees currently within the Corporate and Other segment of Gaylord. Although the specific actions to be taken in connection with this reorganization have not yet been finally determined, we anticipate that these actions will reflect the fact that Granite will no longer operate or manage our hotel properties following our conversion to a REIT and will result in Granite having a more streamlined corporate overhead and executive management structure.

Q. Do any of our directors and executive officers have any interests in the REIT conversion or merger that is different from mine?

A. No. Our directors and executive officers own shares of our common stock, restricted stock units and options to purchase shares of our common stock, and, to that extent, their interest in the REIT conversion and the merger is the same as that of the other holders of our shares of common stock, restricted stock units and options to purchase shares of our common stock. We do not anticipate that the merger or the REIT conversion will cause any vesting or acceleration of benefits.

Q. When and where is the special meeting?

A. The special meeting will be held on September 25, 2012 at 9:00 a.m., local time, at the Gaylord Opryland Resort and Convention Center, 2800 Opryland Drive, Nashville, Tennessee 37214.

Q. What will I be voting on at the special meeting?

A. As a stockholder, you are entitled to, and requested to, vote on the proposal to adopt the merger agreement. In addition, you are requested to vote on the proposal to issue up to 34,000,000 shares of our common stock in connection with the special E&P distribution. Finally, you are requested to vote on the proposal to adjourn the special meeting, if necessary, to solicit additional proxies in the event that there are not sufficient votes at the time of the special meeting to approve the proposals regarding the adoption of the merger agreement and the issuance of up to 34,000,000 shares of our common stock in connection with the special E&P distribution. You are not being asked to vote on any other element of the REIT conversion.

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Q. Who can vote on the proposals at the meeting?

A. If you are a stockholder of record at the close of business on August 8, 2012, you may vote the shares of our common stock that you hold on the record date at the special meeting. On the record date, there were 44,139,440 shares of our common stock outstanding. On such date, the shares were held by 2,202 holders of record. On or about [ ], 2012, we will begin mailing this proxy statement/prospectus to all persons entitled to vote at the special meeting.

Q. Why is my vote important?

A. If you do not submit a proxy or vote in person at the meeting, it will be more difficult for us to obtain the necessary quorum to hold the special meeting. In addition, your failure to submit a proxy or to vote in person will have the same effect as a vote against the adoption of the merger agreement.

Q. What constitutes a quorum for the special meeting?

A. The presence at the special meeting, in person or by proxy, of the holders of a majority of the aggregate voting power of our common stock outstanding on the record date, and otherwise entitled to vote, will constitute a quorum. There must be a quorum for business to be conducted at the special meeting. Failure of a quorum to be represented at the special meeting will necessitate an adjournment or postponement and will subject us to additional expense. Abstentions are counted as present or represented for purposes of determining the presence or absence of a quorum. However, because banks, brokers, or other nominees are not entitled to vote on any of the proposals at the special meeting absent specific instructions from the beneficial owner (as more fully described below), shares held by brokers, banks, or other nominees for which instructions have not been provided will not be included in the number of shares present and entitled to vote at the special meeting for the purposes of establishing a quorum.

Q. What vote is required?

A. The vote required for each proposal is as follows:

Proposal 1: The affirmative vote of the holders of a majority of the outstanding shares of our common stock is required for the adoption of the merger agreement.

Proposal 2: The affirmative vote of a majority of votes cast on this proposal is required to approve the issuance of up to 34,000,000 shares of our common stock in connection with the special E&P distribution under the rules of the NYSE, provided that the total votes cast on this proposal represent over 50% of the outstanding shares of our common stock.

Proposal 3: The affirmative vote of a majority of the shares of our common stock that are present or represented by proxy at the special meeting is required to approve the adjournment proposal.

As of the close of business on the record date, there were 44,139,440 shares of our common stock outstanding and entitled to vote at the special meeting. Each share of outstanding common stock on the record date is entitled to one vote on each proposal submitted for your consideration.

Q: Are there any voting agreements relating to the special meeting proposals?

A: Yes. Pursuant to a repurchase agreement by and between Gaylord and TRT Holdings, Inc., or TRT Holdings, dated as of August 6, 2012, TRT Holdings has agreed to vote all its shares of common stock held as of the record date in favor of the proposals being presented at the special meeting. As of the record date, TRT Holdings held 12.8% of our outstanding common stock. See the section entitled Material Discussions and Transactions with TRT Holdings beginning on page 66.

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Q. When is the merger expected to be completed and the REIT election expected to be made?

A. We will complete the merger after the special meeting of stockholders, receipt of stockholder approval of the adoption of the merger agreement, the satisfaction or waiver of the other conditions to the merger and receipt of stockholder approval of the issuance of shares in connection with the special E&P distribution. In addition, the timing of the merger will depend on our ability to conform our operations to the requirements for qualification as a REIT. We currently anticipate that the completion of the merger will occur on or about the time of (but not earlier than) the consummation of the Marriott sale transaction. Additionally, even if the transactions necessary to implement the REIT conversion are effected, our board of directors may decide not to elect REIT status, or to delay such election, if it determines in its sole discretion that it is not in the best interests of us or our stockholders.

Q. What are some of the risks associated with the REIT conversion and the merger?

A. There are a number of risks relating to the REIT conversion and the merger, including the following:

- if we fail to qualify as a REIT or fail to remain qualified as a REIT, we would be subject to tax at corporate income tax rates and would not be able to deduct distributions to stockholders when computing our taxable income;
- complying with REIT requirements may limit our flexibility or cause us to forego otherwise attractive opportunities; and
- if our third-party hotel managers do not manage our hotel properties successfully, our financial condition, results of operations and our ability to service debt and make distributions to our stockholders may be negatively impacted.

To review the risks associated with the REIT conversion and merger, see the sections entitled Risk Factors beginning on page 26 and Our Reasons for the REIT Conversion and the Merger on page 57.

Q. Will REIT qualification requirements restrict any of our business activities or limit our financial flexibility?

A. As summarized in the section entitled Material Federal Income Tax Consequences beginning on page 156, to qualify as a REIT, we must continually satisfy various qualification tests imposed under the Code, concerning, among other things, the sources of our income, the nature and diversification of our assets and the amounts we distribute to our stockholders. In particular, the REIT qualification requirements could restrict our business activities and financial flexibility because:

- we may be required to liquidate assets or otherwise forego attractive investments to satisfy the asset and income tests or to qualify under certain statutory relief provisions; and
- to meet annual distribution requirements, we may be required to distribute amounts that may otherwise be used for our operations, including amounts that may otherwise be invested in future acquisitions, capital expenditures or repayment of debt, and it is possible that we might be required to borrow funds, sell assets or raise equity to fund these distributions, even if the then-prevailing market conditions are not favorable for these borrowings, sales or offerings.

Although our use of TRSs may partially mitigate the impact of meeting the requirements necessary to maintain our REIT status, there are limits on our ability to own TRSs. To review in greater detail the risks associated with our status as a REIT and the limits on our ability to own TRSs, see the sections entitled Risk Factors Risks Related to the REIT Conversion beginning on page 26 and Risk Factors Risks Related to the Merger on page 33.

In reaching its determination regarding a possible REIT conversion, our board of directors considered these REIT qualification requirements and other potential disadvantages regarding a potential REIT conversion, which are more fully described in the section entitled Our Reasons for the REIT Conversion and the Merger on page 57.

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Q. Will I have to pay federal income taxes as a result of the merger?

A. No. You will not recognize gain or loss for federal income tax purposes as a result of the exchange of shares of Gaylord common stock for shares of Granite common stock in the merger. However, if you are a non-United States person who owns or has owned more than 5% of the outstanding Gaylord common stock, it may be necessary for you to comply with reporting and other requirements of the Treasury regulations in order to achieve non-recognition of gain on the exchange of your Gaylord common stock for Granite common stock in the merger. See the section entitled Material Federal Income Tax Consequences beginning on page 156 for a more detailed discussion of the federal income tax consequences of the merger.

Q. Will I have to pay federal income taxes as a result of the special E&P distribution?

A. Assuming we obtain a private letter ruling from the IRS in the form anticipated regarding the tax treatment of the special E&P distribution, most or all of the special E&P distribution will result in the recognition of ordinary dividend income by you, which may qualify as qualified dividend income that is potentially eligible for special maximum rates of taxation depending on your circumstances. Any amounts not treated as ordinary dividend income generally will reduce your basis in your Granite common stock and generally will be taxable as capital gains to the extent in excess of that basis. The details and consequences of the special E&P distribution will be described in the election form and accompanying materials that will be mailed to stockholders in connection with the special E&P distribution, which is expected to occur in the fourth quarter of 2012.

Q. Am I entitled to appraisal rights?

A. No. Under Delaware law, you are not entitled to any appraisal rights in connection with the merger or the REIT conversion.

Q. How does the Board recommend I vote on each of the proposals?

A. Our Board recommends that you vote **FOR** all three of the proposals:

Proposal 1: To consider and vote upon a proposal to approve and adopt the merger agreement, which is part of the restructuring transactions intended to enable us to qualify as a REIT for federal income tax purposes.

Proposal 2: To consider and vote upon a proposal to approve the issuance of up to 34,000,000 shares of our common stock as part of a one-time special distribution related to the distribution of our accumulated earnings and profits to stockholders in connection with the REIT conversion.

Proposal 3: To consider and vote upon a proposal to permit our board of directors to adjourn the special meeting, if necessary, for further solicitation of proxies if there are not sufficient votes at the originally scheduled time of the special meeting to approve the foregoing proposals.

Q. How do I vote without attending the special meeting?

A.

If you are a registered holder of common stock on the record date, you may vote by completing, signing and promptly returning the proxy card in the enclosed prepaid envelope. You may also authorize a proxy to vote your shares by telephone or over the Internet as described in your proxy card. Authorizing a proxy by telephone or over the Internet or by mailing a proxy card will not limit your right to attend the special meeting and vote your shares in person. Those stockholders of record who choose to vote by telephone or over the Internet must do so no later than 11:59 p.m. Eastern time on September 24, 2012 (for shares in Gaylord s 401(k) Savings Plan, the voting deadline is 11:59 p.m. Eastern time on September 23, 2012). When voting using the Internet or by phone, have your proxy card in hand when you call and then follow the instructions.

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Q. Can I attend the special meeting and vote my shares in person?

A. Yes. All stockholders are invited to attend the special meeting. Stockholders of record at the close of business on the record date are invited to attend and vote at the special meeting. If your shares are held by a broker, bank or other nominee, then you are not the stockholder of record. Therefore, to vote at the special meeting, you must bring the appropriate documentation from your broker, bank or other nominee confirming your beneficial ownership of the shares.

Q. If my shares are held in street name by my broker, bank or other nominee, will my broker, bank or other nominee vote my shares for me?

A. No. If your shares are held in street name by your broker, bank or other nominee, you should follow the directions provided by your broker, bank or other nominee. Your broker, bank or other nominee will vote your shares only if you provide instructions on how you would like your shares to be voted. If you do not give instructions, your shares will be counted as broker non-votes and will not be voted on any of these proposals. Your failure to provide voting instructions to the broker, bank or other nominee will have the same effect as a vote against the adoption of the merger agreement (Proposal 1). Your failure to provide voting instructions to the broker, bank or other nominee will not have any impact on the outcome of the proposal to issue additional shares (Proposal 2) or adjourn the special meeting (Proposal 3), assuming a quorum is otherwise present.

Q. How are shares in Gaylord s 401(k) Savings Plan voted?

A. Participants in Gaylord s 401(k) Savings Plan are entitled to vote the shares held under the 401(k) Savings Plan in their name. To do this you must sign and timely return the proxy card you received with this proxy statement/prospectus, or submit voting instructions via the Internet or by telephone. By doing any of the above, you direct the trustee of the 401(k) Savings Plan to vote your 401(k) Savings Plan shares, in person or by proxy, as designated in your instructions at the special meeting. The proxy results for the shares held in the 401(k) Savings Plan will be tabulated by our transfer agent for all plan participants and reported to the 401(k) Savings Plan trustee on an aggregate basis. The overall vote tallies will not show how individual participants voted. The trustee will vote the shares at the meeting through the custodian holding the shares. If a plan participant s voting instructions are not received by our transfer agent before the meeting, or if the proxy is revoked by the participant before the meeting, the shares held by that participant will be considered unvoted. All unvoted shares in the plan will be voted at the special meeting by the 401(k) Savings Plan trustee in direct proportion to the voting results of 401(k) Savings Plan shares for which proxies are received.

Q. What shares are included on my proxy card?

A. Your proxy card represents all shares registered in your name with the transfer agent on the record date, including those shares owned pursuant to Gaylord s 401(k) Savings Plan.

Q. What if I send in my proxy card and do not specify how my shares are to be voted?

A. If you send in a signed proxy but do not give any voting instructions, your shares will be voted **FOR** :

Proposal 1: To consider and vote upon a proposal to approve and adopt the merger agreement, which is part of the restructuring transactions intended to enable us to qualify as a REIT for federal income tax purposes.

Proposal 2: To consider and vote upon a proposal to approve the issuance of up to 34,000,000 shares of our common stock as part of a one-time special distribution related to the distribution of our accumulated earnings and profits to stockholders in connection with the REIT conversion.

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Proposal 3: To consider and vote upon a proposal to permit our board of directors to adjourn the special meeting, if necessary, for further solicitation of proxies if there are not sufficient votes at the originally scheduled time of the special meeting to approve the foregoing proposals.

Q. What are my voting options on the proposals?

A. Your voting options on the proposals are as follows:

With respect to Proposal 1, you may vote FOR the proposal, AGAINST the proposal or you may elect to ABSTAIN from voting.

With respect to Proposal 2, you may vote FOR the proposal, AGAINST the proposal or you may elect to ABSTAIN from voting.

With respect to Proposal 3, you may vote FOR the proposal, AGAINST the proposal or you may elect to ABSTAIN from voting.

Q. What is the effect of abstaining from voting?

A. If you abstain from voting on Proposals 1, 2 or 3, your shares will be counted as present in person or represented by proxy and entitled to vote on such proposal. An abstention on Proposal 1 or 3 will have the same effect as a vote against such proposal. An abstention on Proposal 2 is not considered a vote cast and will have no effect on the outcome of the proposal if the total votes cast on this proposal represent over 50% of the outstanding shares of our common stock.

Q. Can I change my vote after I have mailed my signed proxy card?

A. Yes. You can change your vote at any time before your proxy is voted at the special meeting. To revoke your proxy, you must either:

submit a later-dated proxy card by mail, Internet or phone (as provided above under How do I vote without attending the special meeting?);

give written notice to Carter R. Todd, the Secretary of Gaylord, stating that you are revoking your proxy; or

attend the special meeting and vote your shares in person (merely attending the special meeting will not constitute revocation of your proxy).

If your shares are held through a broker, bank, or other nominee, you should contact your broker, bank or other nominee to change your vote.

Q. Should I send my stock certificates now?

A.

No. After the merger is completed, Gaylord stockholders will receive written instructions from the exchange agent on how to exchange their Gaylord common stock for shares of Granite common stock. **Please do not send your Gaylord stock certificates with your proxy.**

Q. Where will my Granite common stock be publicly traded?

A. Granite will apply to list the new shares of Granite common stock on the NYSE upon completion of the merger. We expect that Granite common stock will trade under Gaylord s existing symbol GET.

Q. Will a proxy solicitor be used?

A. Yes. We have engaged Mackenzie Partners, Inc. to assist in the solicitation of proxies for the special meeting and estimate we will pay Mackenzie Partners a fee of approximately $25,000. We have also agreed

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to reimburse Mackenzie Partners for reasonable out-of-pocket expenses and disbursements incurred in connection with the proxy solicitation and to indemnify Mackenzie Partners against certain losses, costs and expenses. In addition, our officers and employees may also solicit proxies by mail, telephone, e-mail or facsimile transmission. They will not be paid additional remuneration for their efforts. Upon request, we will reimburse brokers, dealers, banks and trustees, or their nominees, for reasonable expenses incurred by them in forwarding proxy material to beneficial owners of shares of our common stock.

Q. What do I need to do now?

A. You should carefully read and consider the information contained in this proxy statement/prospectus, including its annexes. It contains important information about what our board of directors considered in evaluating and approving the REIT conversion and the merger agreement.

You should then complete and sign your proxy card and return it in the enclosed envelope as soon as possible so that your shares will be represented at the special meeting, or vote your proxy by telephone or over the Internet. If your shares are held through a broker, bank or other nominee, you should receive a separate voting instruction form with this proxy statement/prospectus.

Q. Whom should I call with questions?

A. You should call Mackenzie Partners, our proxy solicitor, toll free at (800) 322-2885 with any questions about the special meeting, or to obtain additional copies of this proxy statement/prospectus or additional proxy cards. You may also call Mark Fioravanti, our Executive Vice President and Chief Financial Officer, at (615) 316-6000.

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STRUCTURE OF THE TRANSACTION

The following diagrams summarize the corporate structure of Gaylord and Granite, as applicable before and after the completion of the REIT conversion, including the merger and related restructuring transactions.

* Recently formed for the purpose of the REIT conversion.

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1. Gaylord Entertainment Company causes assets to be moved to, or retains non-REIT assets in, one or more wholly-owned subsidiaries which will become TRSs, or subsidiaries of TRSs, following the REIT conversion.
2. Gaylord Entertainment Company merges with and into Granite Hotel Properties, Inc. and Gaylord Entertainment Company stockholders receive a number of shares of Granite Hotel Properties, Inc. common stock equal to, and exchanged for, the number of shares of Gaylord Entertainment Company common stock they own.
3. Granite Hotel Properties, Inc. distributes the special E&P distribution to its stockholders, which is expected to be declared and paid in the fourth quarter of 2012, following completion of the merger.

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SUMMARY

This summary highlights selected information from this proxy statement/prospectus and may not contain all of the information that is important to you. You should carefully read this entire proxy statement/prospectus and the other documents to which this proxy statement/prospectus refers to fully understand the REIT conversion and the merger. In particular, you should read the annexes attached to this proxy statement/prospectus, including the merger agreement, which is attached as Annex A. You also should read the forms of the Granite Charter and Granite Bylaws, attached as Annex B and Annex C, respectively, because these documents will govern your rights as a stockholder following the completion of the merger. See the section entitled Where You Can Find More Information in the front part of this proxy statement/prospectus. For a discussion of the risk factors that you should carefully consider, see the section entitled Risk Factors beginning on page 26. Most items in this summary include a page reference directing you to a more complete description of that item.

The information contained in this proxy statement/prospectus, unless otherwise indicated, assumes the REIT conversion and all the transactions related to the REIT conversion, including the merger, will occur. When used in this proxy statement/prospectus, unless otherwise specifically stated or the context otherwise requires, the terms we, our and us refer to Gaylord and its subsidiaries with respect to the period prior to the completion of the merger, and Granite and its subsidiaries with respect to the period after the completion of the merger.

The Companies

Gaylord Entertainment Company

One Gaylord Drive

Nashville, Tennessee 37214

(615) 316-6000

Gaylord Entertainment Company, a Delaware corporation, was originally incorporated in 1956 and was reorganized in connection with a 1997 corporate restructuring. Gaylord believes it is the only hospitality company whose stated primary focus is on the large group meetings and conventions sector of the lodging market. Gaylord s hospitality business includes our Gaylord branded hotels, consisting of the Gaylord Opryland Resort and Convention Center in Nashville, Tennessee, the Gaylord Palms Resort and Convention Center near Orlando, Florida, the Gaylord Texan Resort and Convention Center near Dallas, Texas and the Gaylord National Resort and Convention Center near Washington D.C. Gaylord also owns and operates the Radisson Hotel at Opryland in Nashville, Tennessee. Gaylord s award-winning Gaylord branded hotels incorporate not only high quality lodging, but also significant meeting, convention and exhibition space, superb food and beverage options and retail facilities within a single self-contained property. As a result, Gaylord s properties provide a convenient and entertaining environment for convention guests.

Gaylord also owns and operates several attractions in Nashville, including the Grand Ole Opry, a live country music variety show that is the nation s longest running live radio show and an icon in country music. Gaylord s Nashville attractions provide entertainment opportunities for Nashville-area residents and visitors, including our Gaylord Opryland Resort and Convention Center hotel and convention guests, while adding to Gaylord s destination appeal.

Gaylord s operations are organized into three principal business segments: (i) Hospitality, which includes hotel operations; (ii) Opry and Attractions, which includes the Grand Ole Opry assets, WSM-AM and our Nashville attractions; and (iii) Corporate and Other, which includes corporate expenses.

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Granite Hotel Properties, Inc.

One Gaylord Drive

Nashville, Tennessee 37214

(615) 316-6000

Granite Hotel Properties, Inc., a Delaware corporation, was organized on June 21, 2012 and is a wholly-owned subsidiary of Gaylord. Upon consummation of the merger, Granite will hold, directly or indirectly, all of Gaylord s assets and will succeed to and continue the then existing business of Gaylord. Prior to the merger, Granite will conduct no business other than incident to the merger. We anticipate that we may change the name of Granite Hotel Properties, Inc. to a different name prior to the completion of the merger of Gaylord with and into Granite, such that the surviving entity in the merger would have such new name.

Proposed REIT Conversion (including the Merger) and the Marriott Transaction

On May 30, 2012, the board of directors of Gaylord unanimously approved a plan to restructure our business operations to facilitate the qualification of Granite as a REIT for federal income tax purposes. We intend to complete the REIT conversion so that we may qualify as a REIT commencing with our 2013 tax year.

The REIT conversion will be implemented through a series of steps, including, among other things, the merger of Gaylord with and into Granite, in order to facilitate the qualification of Granite, as the successor business to Gaylord s assets and business operations, as a REIT for federal income tax purposes. Upon completion of the merger, the outstanding shares of Gaylord common stock will be converted into the right to receive the same number of shares of Granite common stock. We anticipate that the shares of Granite common stock will trade on the NYSE after completion of the merger under Gaylord s existing symbol GET . Consummation of the merger is subject to Gaylord s stockholders adopting the merger agreement.

After the merger is completed, Granite will succeed to Gaylord s current and accumulated earnings and profits. Because a REIT is not permitted to retain earnings and profits accumulated during years when the company or its predecessor was taxed as a C corporation, we will make a one-time special distribution, the special E&P distribution, to distribute all of our C corporation earnings and profits. For additional information about the special E&P distribution, see the section entitled The Special E&P Distribution on page 65.

In connection with the REIT conversion, on May 31, 2012, we announced our agreement to sell the Gaylord Hotels brand and rights to manage Gaylord Opryland Resort and Convention Center, Gaylord Palms Resort and Convention Center, Gaylord Texan Resort and Convention Center, and Gaylord National Resort and Convention Center to Marriott for $210 million in cash. The closing of the Marriott sale transaction is subject to the satisfaction of certain conditions, including Gaylord s stockholders adoption of the merger agreement. We expect the consummation of the Marriott sale transaction to occur promptly after Gaylord s stockholders adopt the merger agreement. When the Marriott sale transaction is completed, Marriott will assume responsibility for the day-to-day management of our Gaylord Hotels properties pursuant to management agreements that will be entered into when the Marriott sale transaction closes. We anticipate that management transition at the Gaylord Hotels properties will be complete by January 1, 2013, when we expect our election to become a REIT will be effective. In addition, prior to the completion of the REIT conversion, we will identify and engage a third-party hotel manager to operate and manage the Radisson Hotel at Opryland.

The merger, the special E&P distribution, the Marriott sale transaction and the other restructuring transactions are designed to enable Granite, as the business successor of Gaylord, to hold its assets and business operations in a manner that will enable us to elect to be treated as a REIT for federal income tax purposes. If Granite qualifies as a REIT, it generally will not be subject to federal corporate income taxes on that portion of its capital gain or ordinary income from its REIT operations that is distributed to its stockholders. This treatment would substantially eliminate the federal double taxation on earnings from REIT operations, or taxation once at

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the corporate level and again at the stockholder level, that generally results from investment in a regular C corporation. As explained more fully in this proxy statement/prospectus, to comply with certain REIT qualification requirements, we must engage third-party managers to operate and manage our hotel properties. Additionally, non-REIT operations, which consist of the activities of taxable REIT subsidiaries that will act as lessees of our hotels, as well as the businesses within our Opry and Attractions segment, would continue to be subject, as applicable, to federal and state corporate income taxes.

We are distributing this proxy statement/prospectus to you as a holder of our common stock in connection with the solicitation of proxies by our board of directors for your approval of a proposal to adopt the merger agreement and approve the issuance of up to 34,000,000 shares of our common stock in connection with the special E&P distribution.

TRT Repurchase and Secondary Offering

On August 6, 2012, we entered into a repurchase agreement with our stockholder, TRT Holdings, pursuant to which we repurchased 5,000,000 shares of our common stock concurrently with the execution and delivery of the repurchase agreement. The aggregate purchase price in the privately negotiated transaction was $185 million, or $37.00 per share. We funded the repurchase with borrowings under our existing $925 million senior secured credit facility. The repurchase agreement contains a covenant of TRT Holdings to vote all shares of Gaylord s common stock for which TRT Holdings had voting rights as of August 8, 2012, or 5,643,129 shares, in favor of the proposals to be presented at the special meeting. The repurchase agreement contained several post-closing obligations of the parties, which are described in the section entitled Material Discussions and Transactions with TRT Holdings beginning on page 66.

Pursuant to the terms of the repurchase agreement, we filed a registration statement under which TRT Holdings offered the remainder of its shares of our common stock, or 5,643,129 shares, in an underwritten secondary public offering. On August 13, 2012, we, TRT Holdings, and Deutsche Bank Securities Inc. entered into an underwriting agreement pursuant to which TRT Holdings sold the remainder of its shares of our common stock to Deutsche Bank Securities Inc. to be offered by the underwriter at a public offering price of $40.00 per share. The closing of the secondary offering occurred on August 16, 2012, at which time TRT Holdings ceased to hold shares of Gaylord common stock. We reimbursed 50% of the underwriting discounts and commissions paid by TRT Holdings with respect to shares it sold in the secondary offering, or an aggregate of $2,821,564.50, and also paid all costs of effecting the registration, other than the legal fees of TRT Holdings. Prior to the repurchase and secondary offering, TRT Holdings owned approximately 10,643,129 shares of our common stock, or approximately 21.7% of our common stock outstanding at such time.

Board of Directors and Management of Granite (See page 6)

The board of directors and executive officers of Gaylord immediately prior to the merger will be the board of directors and executive officers, respectively, of Granite immediately following the merger. However, it is anticipated that there will be a reorganization within, and a reduction in the number of members of, Gaylord s current executive management team and other employees. Although the specific actions to be taken in connection with this reorganization have not yet been finally determined, we anticipate that these actions will reflect the fact that Granite will no longer operate or manage our hotel properties following our conversion to a REIT and will result in Granite having a more streamlined corporate overhead and executive management structure.

Interests of Directors and Executive Officers in the REIT Conversion and the Merger (See page 6)

Our directors and executive officers own shares of our common stock, restricted stock units and options to purchase shares of our common stock, and, to that extent, their interest in the REIT conversion and the merger is the same as that of the other holders of our shares of common stock, restricted stock units and options to purchase shares of our common stock.

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Regulatory Approvals (See page 60)

We are not aware of any federal, state, local or foreign regulatory requirements that must be complied with or approvals that must be obtained prior to the completion of the merger pursuant to the merger agreement, other than compliance with applicable federal and state securities laws, the filing of a certificate of merger as required under the DGCL, and consent to a *pro forma* transfer of control from the Federal Communications Commission with respect to our radio station operations, and various state governmental authorizations.

Comparison of Rights of Stockholders of Gaylord and Granite (See page 149)

The rights of holders of Gaylord common stock are currently governed by the Delaware General Corporation Law, Gaylord s restated certificate of incorporation, which we refer to as the Gaylord Charter, and the second amended and restated bylaws of Gaylord, which we refer to as the Gaylord Bylaws. If the merger agreement is adopted by Gaylord s stockholders and the merger is completed, Gaylord stockholders will become stockholders of Granite. The rights of Granite s stockholders will be governed by the Delaware General Corporation Law, Granite s amended and restated certificate of incorporation, which we refer to as the Granite Charter, and Granite s amended and restated bylaws, which we refer to as the Granite Bylaws. There are certain differences between the rights of a holder of Gaylord common stock and the rights of a holder of Granite common stock.

A principal difference is that, to satisfy requirements under the Code that are applicable to REITs in general and to otherwise address concerns relating to capital stock ownership, the Granite Charter will generally restrict the percentage ownership any stockholder may own. The Granite Charter provides that (subject to certain exceptions described below) no person may beneficially own, or be deemed to own by virtue of the attribution provisions of the Code, more than 9.8%, in value or in number of shares, whichever is more restrictive, of the outstanding shares of capital stock, or any class or series of capital stock, of Granite.

Another difference is that, under the Granite Bylaws, directors will be elected by the vote of the majority of the votes cast with respect to the director s election, except in connection with a contested director election, in which case directors will be elected by a plurality of the votes cast. In contrast, under the Gaylord Bylaws, directors are elected by a plurality of the votes cast in all director elections.

For more detail regarding the differences between your rights as a holder of Gaylord common stock and your rights as a holder of Granite common stock, see the sections entitled Description of Granite Capital Stock beginning on page 143 and Comparison of Rights of Stockholders of Gaylord and Granite beginning on page 149. In addition, the forms of the Granite Charter and Granite Bylaws are attached as Annex B and Annex C, respectively.

Material Federal Income Tax Consequences Taxation of the Merger (See page 156)

The merger is intended to qualify as a reorganization under Section 368(a) of the Code, and our special tax counsel, Skadden, Arps, Slate, Meagher & Flom LLP, or Skadden, has rendered an opinion, subject to the conditions and qualifications set forth therein, that the merger will be treated for federal income tax purposes as a reorganization under Section 368(a) of the Code. Accordingly, neither Gaylord, Granite nor you will recognize gain or loss as a result of the merger for federal income tax purposes.

Qualification of Granite following the REIT Conversion (See page 156)

We intend that following the completion of the merger and other transactions relating to the REIT conversion, Granite will be organized so that it may qualify for taxation as a REIT commencing with its 2013 tax

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year. Skadden has rendered an opinion, subject to the conditions and qualifications set forth therein, that Granite will be organized in conformity with the requirements for qualification as a REIT under the Code, and Granite s proposed method of operation will enable it to meet the requirements for qualification and taxation as a REIT. Granite s qualification and taxation as a REIT will depend upon its ability to meet, on a continuing basis, various qualification requirements imposed upon REITs by the Code. Provided that Granite qualifies as a REIT, it will generally be entitled to a deduction for dividends that it pays, and therefore will not be subject to federal corporate income tax on its net income that is distributed to its stockholders on a current basis. This deduction for dividends paid substantially eliminates the double taxation of corporate income (i.e., taxation at both the corporate and stockholder levels) that generally results from investment in a corporation. In general, income that is generated by a REIT and distributed to its stockholders on a current basis is taxed only at the stockholder level.

Recommendation of the Board of Directors

Our board of directors believes that the REIT conversion and the merger are in the best interests of Gaylord and our stockholders. As such, our board of directors unanimously recommends that our stockholders vote FOR the adoption of the merger agreement, FOR the approval of the issuance of shares of our common stock in connection with the special E&P distribution, and FOR the adjournment proposal.

Date, Time and Place of the Special Meeting (See page 51)

The special meeting of our stockholders will be held on September 25, 2012 at 9:00 a.m., local time, at the Gaylord Opryland Resort and Convention Center, 2800 Opryland Drive, Nashville, Tennessee 37214, to consider and vote upon the proposals described in the notice of special meeting.

Stockholders Entitled to Vote (See page 51)

The Gaylord board of directors has fixed the close of business on August 8, 2012, as the record date for the determination of stockholders entitled to receive notice of, and to vote at, the special meeting. On the record date, there were 44,139,440 shares of our common stock outstanding. On such date, the shares were held by 2,202 holders of record.

Vote Required For Each Proposal (See page 52)

The affirmative vote of the holders of a majority of the outstanding shares of our common stock is required for the adoption of the merger agreement. Accordingly, abstentions and broker non-votes will have the effect of a vote against the proposal to adopt the merger agreement.

The board of directors of Gaylord reserves the right to cancel the merger at any time prior to the filing of the certificate of merger with the Secretary of State of the State of Delaware, even if the stockholders vote to adopt the merger agreement and the other conditions to the completion of the merger are satisfied or waived, if the board determines that the merger is no longer in the best interests of Gaylord or its stockholders.

The affirmative vote of a majority of votes cast on the proposal to issue up to 34,000,000 shares of our common stock in connection with the special E&P distribution is required to approve this proposal, provided that the total votes cast on this proposal represent over 50% of the outstanding shares of our common stock. An abstention on Proposal 2 is not considered a vote cast and will have no effect on the outcome of the proposal if the total votes cast on this proposal represent over 50% of the outstanding shares of our common stock.

The affirmative vote of a majority of the shares of our common stock that are present or represented by proxy at the special meeting is required to approve the adjournment proposal. Accordingly, abstentions will have the effect of a vote against this proposal, while broker non-votes will not impact the outcome of this proposal, assuming a quorum is otherwise present.

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Agreement of TRT Holdings to Vote in Favor of Proposals (See page 52)

Pursuant to a repurchase agreement by and between Gaylord and TRT Holdings dated as of August 6, 2012, TRT Holdings has agreed to vote all its shares of common stock held as of the record date in favor of the proposals being presented at the special meeting. As of the record date, TRT Holdings held 12.8% of our outstanding common stock.

Absence of Appraisal Rights (See page 60)

Under the Delaware General Corporation Law, you will not be entitled to any appraisal rights as a result of the merger or REIT conversion.

Shares Owned by Gaylord s Directors and Executive Officers

As of August 8, 2012 the directors and executive officers of Gaylord and their affiliates owned and were entitled to vote 1,168,378 shares of Gaylord common stock, or approximately 2.6% of the shares outstanding on that date entitled to vote with respect to each of the proposals. We currently expect that each director and executive officer of Gaylord will vote the shares of our common stock beneficially owned by such director or executive officer FOR adoption of the merger agreement, FOR the issuance of up to 34,000,000 shares of our common stock in connection with the special E&P distribution and FOR the proposal to adjourn or postpone the special meeting.

Historical Market Price of Gaylord Common Stock

Gaylord s common stock is listed on the NYSE under the symbol GET.

The following table presents the reported high and low sale prices of Gaylord common stock on the NYSE, in each case for the periods indicated, as reported by the NYSE. On May 30, 2012, the last full trading day prior to the announcement of the proposed REIT conversion, the closing sale price of Gaylord common stock on the NYSE was $34.48 per share. On [ ], 2012, the latest practicable date before printing of this proxy statement/prospectus, the closing price of Gaylord common stock on the NYSE was $[ ] per share. You should obtain a current stock price quotation for Gaylord common stock.

	High	Low
Year Ending December 31, 2012		
Third Quarter (through [ ], 2012)	$ [ ]	$ [ ]
Second Quarter	$ 40.37	$ 28.97
First Quarter	$ 32.14	$ 24.19
Year Ended December 31, 2011		
Fourth Quarter	$ 25.13	$ 17.39
Third Quarter	$ 32.37	$ 18.02
Second Quarter	$ 36.62	$ 27.92
First Quarter	$ 38.22	$ 32.74
Year Ended December 31, 2010		
Fourth Quarter	$ 37.38	$ 29.80
Third Quarter	$ 31.49	$ 20.87
Second Quarter	$ 34.55	$ 22.02
First Quarter	$ 29.47	$ 18.65

It is expected that, upon completion of the merger, Granite common stock will be listed and traded on the NYSE under Gaylord s existing symbol GET . The historical trading prices of Gaylord common stock are not

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necessarily indicative of the future trading prices of Granite s common stock because, among other things, the current stock price of Gaylord reflects the current market valuation of Gaylord s current business and assets, including the cash or stock that may be distributed in connection with the special E&P distribution, and does not necessarily take into account the changes in Gaylord s business and operations that will occur in connection with the REIT conversion. See the section entitled Risk Factors Risks Related to the REIT Conversion The current market price of Gaylord common stock may not be indicative of the market price of Granite common stock following the completion of the REIT conversion and the special E&P distribution on page 32.

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SUMMARY UNAUDITED PRO FORMA CONDENSED FINANCIAL DATA

The following tables present selected financial data from the unaudited pro forma condensed consolidated statement of operations for the year ended December 31, 2011, the unaudited pro forma condensed consolidated statement of operations for the six months ended June 30, 2012, and the unaudited pro forma condensed consolidated balance sheet as of June 30, 2012. The following unaudited pro forma consolidated financial data gives effect to (i) the Marriott sale transaction, (ii) the REIT conversion, and (iii) our repurchase of 5,000,000 shares of common stock from TRT Holdings. The unaudited pro forma balance sheet is presented as if these transactions had occurred on June 30, 2012. The unaudited pro forma statements of operations present the effects of these transactions as though each had occurred on January 1, 2011, but calculated as each is expected to occur based on actual data as of June 30, 2012.

The unaudited pro forma consolidated financial data is based on the estimates and assumptions set forth in the notes to such statements, which are preliminary and have been made solely for the purposes of developing such pro forma information. See the section entitled Pro Forma Financial Information beginning on page 88. We believe these pro forma adjustments are reasonable; however, actual results may materially and adversely differ from the pro forma information. The unaudited pro forma consolidated financial data is not necessarily indicative of the financial position or operating results that would have been achieved had the transactions been completed as of the dates indicated, nor are they necessarily indicative of future financial position or operating results. This information should be read in conjunction with the unaudited pro forma condensed consolidated financial statements and related notes and the historical financial statements and related notes included in, or incorporated by reference into, this proxy statement/prospectus.

The unaudited pro forma condensed consolidated statements of operations and condensed consolidated balance sheet do not reflect the following:

- One-time costs related to the REIT conversion and Marriott sale transaction currently estimated to be $55 million, including approximately $10 million in investment banking fees, $6 million in legal fees, $4 million in consulting fees, $19 million in severance and retention costs, and $16 million in conversion costs;

- Anticipated federal income taxes associated with the receipt of the purchase price in the Marriott sale transaction and other transactions related to the REIT conversion net of remaining net operating losses, of approximately $43 million to $53 million;

- Anticipated annualized cost synergies, net of management fees, of approximately $33 million to $40 million; or

- The estimated amount to be paid in the special E&P distribution currently projected to be paid in the fourth quarter of 2012, as discussed in the section entitled Pro Forma Financial Information beginning on page 88.

The unaudited pro forma financial results assume that 100% of taxable income has been distributed and that all relevant REIT qualifying tests, as dictated by the Code and IRS rules and interpretations, were met for the entire period. All assumptions used in the following unaudited pro forma condensed consolidated financial data are described in the section entitled Pro Forma Financial Information beginning on page 88.

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	Pro Forma For the Year Ended December 31, 2011 (Unaudited)	Pro Forma For the Six Months Ended June 30, 2012 (Unaudited)
	(in thousands)	
Condensed Consolidated Statement of Operations		
Total operating revenues	$ 952,144	$ 492,144
Total operating expenses	887,271	449,154
Operating income	64,873	42,990
Interest expense, interest income, income from unconsolidated companies and other gains and losses	(66,666)	(24,841)
Benefit from income taxes	2,312	1,630
Income from continuing operations	519	19,779

	Pro Forma as of June 30, 2012 (Unaudited) (in thousands)
Condensed Consolidated Balance Sheet	
Cash and cash equivalents unrestricted	$ 239,504
Current deferred income tax assets	3,093
Total current assets	342,338
Property and equipment, net of accumulated depreciation	2,200,616
Total assets	2,754,447
Total current liabilities	152,632
Long-term debt and capital lease obligations, net of current portion	1,219,456
Long-term deferred income tax liability	62,065
Deferred management rights proceeds	190,000
Total stockholders equity	959,064
Total liabilities and stockholders equity	2,754,447

Comparative Historical and Pro Forma Per Share Data

The following tables set forth selected historical per share data for Gaylord and selected unaudited pro forma per share data after giving effect to (i) the Marriott sale transaction, (ii) the REIT conversion, and (iii) our repurchase of 5,000,000 shares of common stock from TRT Holdings. This information should be read in conjunction with the selected historical financial information included elsewhere in this proxy statement/prospectus and the historical financial statements and related notes that are included in, or incorporated by reference in, this proxy statement/prospectus. The pro forma per share amounts have been computed using the assumptions described in the section entitled Pro Forma Financial Information. The unaudited pro forma consolidated financial data are presented for informational purposes only. The unaudited pro forma financial data is not necessarily indicative of the financial position or operating results that would have occurred had the transactions been completed, nor are they necessarily indicative of future financial position or operating results.

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Historical Data Per Share

The historical book value per share data presented below is computed by dividing total stockholders equity of approximately $1,068,212,000 as of June 30, 2012 by 49,098,486, the number of shares outstanding as of that date.

	For the Year Ended December 31, 2011	As of or for the Six Months Ended June 30, 2012
Income from continuing operations per share:		
Basic	$ 0.21	$ 0.31
Diluted	0.20	0.29
Dividends	None	None
Book value per share	n/a	21.76

Unaudited Pro Forma Per Share Data

The pro forma book value per share data presented below is computed by dividing pro forma total stockholders equity of approximately $959,064,000 by 44,098,486, the pro forma number of shares which would have been outstanding on June 30, 2012.

	Pro Forma For the Year Ended December 31, 2011	Pro Forma As of or for the Six Months Ended June 30, 2012
Income from continuing operations per share:		
Basic	$ 0.01	$ 0.45
Diluted	0.01	0.43
Dividends(1)	None	None
Book value per share	n/a	21.75

(1) Pro forma results exclude calculation of dividends that would be required for a REIT.

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RISK FACTORS

In addition to the other information in this proxy statement/prospectus, you should carefully consider the following risk factors relating to the proposed REIT conversion, the merger, and our business in determining whether or not to vote for adoption of the merger agreement and the issuance of up to 34,000,000 shares of our common stock in connection with the special E&P distribution. You should carefully consider the additional risks described in Gaylord s annual, quarterly and current reports, including those identified in Gaylord s Annual Report on Form 10-K for the year ended December 31, 2011 and Gaylord s Quarterly Report on Form 10-Q for the quarter ended June 30, 2012. This section includes or refers to certain forward-looking statements. See the section entitled Special Note Regarding Forward-Looking Statements beginning on page 50 for the qualifications and limitations of these forward-looking statements.

Risks Related to the REIT Conversion

If we fail to qualify as a REIT or fail to remain qualified as a REIT, we would be subject to tax at corporate income tax rates and would not be able to deduct distributions to stockholders when computing our taxable income.

We are currently not treated as a REIT for tax purposes. Our board of directors has authorized us to take the steps necessary to elect to be treated as a REIT for tax purposes, effective for the taxable year beginning January 1, 2013, subject to the prior consummation of the sale of the Gaylord Hotels brand and rights to manage our Gaylord Hotels properties and the transfer of certain assets to Marriott, which we refer to as the Marriott sale transaction, and receipt of stockholder adoption of the merger agreement. To qualify as a REIT, we plan to hold our non-qualifying REIT assets in one or more TRSs. These non-qualifying REIT assets consist principally of non-real estate assets related to our Hospitality segment and the assets related to our Opry and Attractions segment as currently structured and operated.

If, in any taxable year, we fail to qualify for taxation as a REIT, and are not entitled to relief under the Code:

- we would not be allowed a deduction for distributions to stockholders in computing our taxable income;
- we would be subject to federal and state income tax, including any applicable alternative minimum tax, on our taxable income at regular corporate rates; and
- we would be disqualified from REIT tax treatment for the four taxable years following the year during which we were so disqualified.

Any such corporate tax liability could be substantial and would reduce the amount of cash available for other purposes. This adverse impact could last for five or more years because, unless we are entitled to relief under certain statutory provisions, we would be taxable as a C corporation, beginning in the year in which the failure occurs, and we would not be allowed to re-elect to be taxed as a REIT for the following four years.

If we fail to qualify for taxation as a REIT, we may need to borrow additional funds or liquidate certain assets to pay any additional tax liability. Accordingly, funds available for investment would be reduced.

REIT qualification involves the application of highly technical and complex provisions of the Code to our operations as well as various factual determinations concerning matters and circumstances not entirely within our control. There are limited judicial or administrative interpretations of these provisions. Although we plan to operate in a manner consistent with the REIT qualification rules, we cannot assure you that we will so qualify or remain so qualified.

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While our tax counsel has rendered an opinion that we will be organized in accordance with the requirements for qualification as a REIT upon completing the REIT conversion and the restructuring transactions contemplated thereby, including the merger, this opinion is not binding on the IRS or any court and does not guarantee our qualification as a REIT.

Skadden has rendered an opinion that, following completion of the restructuring transactions in connection with the REIT conversion, and as of January 1, 2013, we will be or