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[REDACTED]

December 9, 2009

[Insert Name]

Re: Fontainebleau Miami Beach Resort

Dear :

The attached term sheet sets forth the fundamental terms and conditions for a transaction between **Nakheel Leisure** or its affiliate ("Owner") and **Hyatt Corporation** or its affiliate ("Hyatt"), related to the management of the Fontainebleau Miami Beach Resort, located at 4441 Collins Avenue, Miami Beach, Florida (the "Hotel"). This letter and the attached Term Sheet ("Term Sheet") outline the general terms under which Hyatt Corporation and/or its affiliates and nominees (collectively, "Hyatt" or "Manager") would be interested in managing the Hotel. This letter and the Term Sheet, which is incorporated herein by this reference, are sometimes referred to collectively as this "Letter of Intent."

This letter is not intended to, and does not, constitute a complete statement of, or a legally binding and enforceable agreement or commitment on the part of Hyatt with respect to the matters described herein. Execution of the Management Agreement is subject to conditions, including, but not limited to, approval by Hyatt's various review committees. The proposed terms are summarized and do not reflect the language of the actual provisions that would be contained in the Management Agreement.

This Letter of Intent is not legally binding on the parties except for the following six items, which are binding:

1. This Letter of Intent will remain in effect until the earliest of: (a) execution of Definitive Agreements (as defined in the Term Sheet); and (b) March 31, 2010.
2. No trustee, officer, director, security holder, employee or agent of Hyatt or any of its respective affiliates will ever have any personal liability for any obligations entered into on behalf of Hyatt, and the assets of any such individuals will not be subject to the claims of any person relating to the obligations of Hyatt.
3. Any public announcement indicating the association of Hyatt with the Hotel, and the timing of such announcements, must be discussed and agreed to in advance by Hyatt and Owner.
4. Each of Owner and Hyatt undertake to respect and preserve the confidentiality of all "Confidential Information" received from the other. "Confidential Information" means (a) the existence and contents of this Letter of Intent, and (b) any information

of a proprietary or confidential nature relating to the business or the assets of Owner or Hyatt or any of their respective affiliates or related companies that is not public information known by either of the parties prior to the date of this Letter of Intent. Neither party will disclose Confidential Information of the other party except as may be required by applicable law or by court order.

5. The activities of Hyatt contemplated under this Letter of Intent may be effected through, and the rights and obligations under this Letter of Intent of each of such members may be assigned to, affiliates of Hyatt, subject always to Hyatt guaranteeing the obligations.
6. This Letter of Intent and the terms herein are exclusive to each party; neither party shall be permitted to engage in any activity deemed to circumvent the other party prior to April 1, 2010 or the earlier mutual termination of this Letter of Intent.
7. Owner represents and warrants that it is not prohibited by any law, regulation, agreement, instrument, restriction, order or judgment from negotiating or consummating any transactions with respect to the subject matter of this Letter of Intent and that consummation of any such transaction does not breach any agreement Owner has with another party or violate any court law or order. Owner agrees to indemnify Hyatt and its affiliates against all claims, damages, losses and expenses of any nature, including legal fees, asserted against or incurred by Hyatt and its affiliates in any legal proceeding brought by any third party arising from or relating to the negotiation and execution of this Letter of Intent and any related agreements.

The governing law of this Letter of Intent shall be the laws of the State of Illinois, and the parties hereto agree to the sole jurisdiction of the State of Illinois courts. By signing below, each of the parties signifies that this Letter of Intent sets forth their preliminary understanding.

ACKNOWLEDGED, ACCEPTED AND AGREED
AS OF THE _____ DAY OF _____, 2009:

HYATT CORPORATION

By: _____
Steve Haggerty
Global Head, Real Estate and Development

OWNER

By: _____
Name: _____
Title: _____

**SUMMARY OF TERMS
PROPOSED MANAGEMENT OF
FONTAINEBLEAU MIAMI BEACH RESORT
MIAMI BEACH, FLORIDA**

This term sheet is a proposal only, not subject to acceptance and is not contractually or legally binding. It represents only an expression of our present desire to negotiate the terms of a possible agreement for Hyatt Corporation or its affiliate ("Hyatt" or "Manager") to manage the Fontainebleau Miami Beach Resort, located at 4441 Collins Avenue, Miami Beach, Florida (the "Hotel"). Owner and Hyatt each reserve the right to review and change the proposed terms herein at any time.

HOTEL MANAGEMENT TERMS

Manager	The Hotel would be managed by Hyatt Corporation or its affiliate under a Hotel Management Agreement with Owner.
Hotel Branding & Name	The Hotel would be designated with the "Hyatt" brand, and a sub-brand location designation to be mutually agreed by Owner and Hyatt. Hyatt is open to exploring possible "Fontainebleau" co-branding scenarios.
Management Agreement Term	Initial term commencing upon the Opening Date of the Hotel and continuing until the last day of the calendar year that contains the 25th anniversary of opening date. Hyatt would have the right to extend the term for two consecutive 10-year renewal periods.
Management Fee	The annual management fee would consist of Basic and Incentive Fee components (collectively, the "Management Fee"), both of which would be paid monthly with year-end reconciliation.
Basic Management Fee	Commencing upon opening of the Hotel, Hyatt would be paid a Basic Management Fee equal to 3.0% of annual gross receipts. Gross receipts would include all revenues from the operation of the Hotel, including all food and beverage revenues. The Basic Management Fee would be paid on a monthly basis.
Incentive Management Fee	In addition to the Basic Management Fee, Hyatt would be paid an Incentive Fee calculated as 15% of the amount of adjusted profit (see definition below) in excess of a Hurdle amount to be negotiated by the parties.
Hyatt Chain and System Expenses	The Hotel would participate in and bear the costs of Hyatt Chain (marketing, sales and reservations services) and System Services including technology and related services and other shared services provided to Hyatt Hotels and Resorts. The current System Services and associated costs to the Hotel are described in the attached summary.
Pre-Opening Expenses	During the Pre-Opening Period, Hyatt would submit to Owner a Pre-Opening Expenses budget, an initial estimate of which is to be determined. This amount is intended to pay Pre-Opening Allocable Chain Expense and other expenses incurred prior to the opening of the Hotel, including, but not limited to, selling, promotion and advertising, staffing and training the Hotel's operations and services staff, and other similar expenses.
Working Capital	Working Capital is the responsibility of Owner. Owner would provide Initial Working Capital prior to the opening date of the Hotel. As a

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MIAMI BEACH, FLORIDA**

point of reference, Initial Working Capital is preliminarily estimated to be \$1,000 - \$1,500 (\$2009) per room.

**Reserve for FF&E and Routine
Capital Expenditures**

A "Reserve" shall be established and utilized to provide for replacements and renewals of FF&E and Routine Capital Expenditures. Routine Capital Expenditures shall mean repairs and maintenance normally capitalized under generally accepted accounting principals (such as exterior and interior painting, resurfacing walls, floors and other similar routine capital expenditures). The Hotel Management Agreement would provide for an annual Reserve equal to 2% of gross receipts in Year One, 3% of gross receipts in Years Two and Three, 4% of gross receipts in Year Four, and 5% of gross receipts each year thereafter.

Termination for Performance

Owner would have the right to terminate the Hotel Management Agreement if the Hotel fails in each of two consecutive operating years both a RevPAR Test and a GOP Test (together referred to as the "Performance Test"). The Performance Test would commence with the 4th full operating year (the first measure year in which the test would be applied).

"RevPAR Test: The Hotel must achieve a weighted average (based upon the number of rooms in each hotel) RevPAR Index of (*to be determined*) versus a to-be-determined competitive set. The competitive set may change over time upon the mutual agreement of Owner and Hyatt.

"GOP Test: The Hotel must achieve a Gross Operating Profit Hurdle ("GOP Hurdle") based upon the Hotel's achieved annual occupancy as shown below:

<u>Hotel Occupancy</u>	<u>GOP Hurdle</u>
Below 65%	<i>To be determined</i>
65% or above	<i>To be determined</i>

Hyatt would have rights to cure a Performance Test failure by paying the larger of the two annual deficiencies between achieved GOP and the GOP Hurdle of the two consecutively failed test years. Upon payment of the cure, Owner would not have the right to terminate with respect to the performance test period and both test years in the Performance Test would be deemed passed. The cure amount would not be repayable to Hyatt. There would be no limit to the number of times that Hyatt would have the right to cure a Performance Test failure.

Notwithstanding the foregoing, Owner would not have the right to terminate the Hotel Management Agreement if the performance test is failed during any period in which occurs: (i) a force majeure event; (ii) the failure of Owner to provide working funds or maintain the Hotel in accordance with the operating standard; (iii) a casualty event; (iv) a taking by eminent domain; or (v) a 5% or greater reduction in annual available room nights resulting from a capital improvement program,

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or (iv) if there are less than 4 hotels in the competitive set during a test year.

Termination on Sale

None

Transfer and Assignment

The Management Agreement and all related agreements between Hyatt and Owner would be assignable (subject to standard conditions set forth in the Hotel Management Agreement) by Owner to the purchaser of the Hotel, without additional fees or increase in the fees payable to Hyatt under the Management Agreement or otherwise.

Non-Disturbance

The Hotel Management Agreement would be subject to a Subordination, Non-Disturbance and Attornment Agreement (SNDA) acceptable to Hyatt, Owner and Owner's Lender.

Territorial Restriction

Hyatt and Owner would negotiate an appropriate area (the, "Restricted Area") within which Hyatt would not be permitted to own, operate, or license any other hotel similarly positioned within the market with the subject Hotel ("Restricted Hotels").

Owner acknowledges that Hyatt and its affiliates currently and may in the future own, manage, or license other lodging facilities (including full-service and select-service hotels, extended stay hotels, time-share or interval ownership facilities, vacation clubs, and senior living facilities) that use different brand names, trademarks, and service marks, including those with the "Hyatt" name as part of their brand name (such as, for example and without limitation, "Park Hyatt", "Grand Hyatt", "Andaz", "Hyatt Regency", "Hyatt Summerfield Suites", and "Hyatt place"), and that may compete directly with Owner. None of those activities, including other uses of the "Hyatt" name, would constitute a violation of the Hotel Management Agreement. Only the ownership, management, or licensing of a Restricted Hotel, the physical premises of which are located within the Restricted Area, would constitute a violation of the Agreement.

Hyatt would also be permitted to own, operate or license any Hyatt-branded hotel that is part of a chain acquisition of 4 hotels or more.

Hyatt Capital Contribution

Hyatt would agree to contribute a portion of the capital structure of the Hotel, which could take the form of: (a) a "Key Money" contribution (b) a mezzanine loan instrument, the terms of which to be determined or (c) minority joint venture participation. The method and amount of contribution will be dependent on a to-be-agreed capital structure and the negotiated terms and conditions of the Hotel Management Agreement.

Optional Branded Residential

In addition to the Basic Fee and the Incentive Fee, if Hyatt branded residential units are sold as a portion of the scope of this project, Hyatt would be entitled to receive a Branded Residential fee for use of the Hyatt name and service marks for the sale of Hyatt branded whole ownership condominium units. The Branded Residential Fee would be 5% of "Gross Sales Proceeds". "Gross Sales Proceeds" would be defined as the gross purchase price for each applicable Condominium Unit as set forth on the closing statement, inclusive of FFE and other personalty, less (i) customary sales commissions and marketing costs

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payable to unrelated third parties (in an amount not to exceed 5% of the Condominium Unit purchase price) and closing costs (including, without limitation, documentary stamps, title insurance costs, and recording costs) for each Condominium Unit in an amount not to exceed 2% of the Condominium Unit purchase price. This fee would cover the use of the Hyatt name and marks only, as Owner will be responsible for the sales and marketing of the condominium units. However, Owner will comply with Hyatt sales and marketing standards for sale of the residences, and all marketing materials used in connection with such marketing will be subject to the prior review and approval of Hyatt. Further, Owner will indemnify Hyatt with respect to any sales and marketing claims and design or construction defect claims relating to the Residences.

Hyatt will require that it manage the Home Owners Association following completion of the project and delivery of units to the condominium unit buyers. Additionally, all revenue for services provided to condominium unit owners provided by Hyatt will flow through the Hotel income statement and will be subject to Hyatt Basic Fee and Incentive Fee calculations. The management of the Home Owners Association will be terminable by Hyatt if at any time Hyatt ceases to manage the Hotel.

Subject to Approval

All terms and conditions provided in this Terms Sheet are subject to final review and approval by Hyatt's Development Committee, and a Hyatt Capital Contribution may require approval by Hyatt's Board of Directors.

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DEFINITION OF ADJUSTED PROFIT

"Adjusted Profit" shall mean, for any relevant period, "Gross Operating Profit" (as such amount is calculated in the tenth edition of the Uniform System, without regard to any revisions or future editions thereof) less deductions for the following amounts (but only to the extent that such amounts are not otherwise deducted in computing Gross Operating Profit):

- (a) An amount equal to the mandated deposits from the Hotel to the Reserve for FF&E and Routine Capital Expenditures for such period;
- (b) The cost of insurance maintained by Owner and Hyatt in accordance with the provisions of the Hotel Management Agreement and properly allocable to such period;
- (c) All real and personal property taxes properly allocable to such period;
- (d) The Basic Management Fee earned for such period (but not the Incentive Fee);
- (e) The Hotel's pro-rata common area maintenance charges (if any applicable); and,
- (f) All other amounts deductible with respect to such period under the express terms of the Hotel Management Agreement.

In no event shall capital lease payments, any "Capital Expenditures", or any expenditures made from funds on deposit in the Reserve, or from the proceeds of insurance recoveries or condemnation awards, be deducted in computing Adjusted Profit. A "Capital Expenditure" shall mean the expenses necessary for non-routine major repairs, alterations, improvements, renewals, replacements, and additions to the Hotel which are generally classified as "capital expenditures" under generally accepted accounting principals, but that are not Routine Capital Expenditures.