

ASSUMPTION OF LIABILITY AND GUARANTY AGREEMENT

This Assumption of Liability and Guaranty Agreement ("Agreement") is entered into this _____ day of April, 2010 by and among the City of Coral Gables, a Florida municipal corporation (the "City"), The Biltmore Hotel Golf Management, LLC, a Florida limited liability company ("Manager") and the Biltmore Hotel Limited Partnership, a Florida limited partnership ("Biltmore").

Recitals

A. Manager operates the Biltmore Golf Course pursuant to a Management Agreement dated January 20, 2004 (the "Management Agreement"). In connection with its management of the Biltmore Golf Course, Manager must provide quality golf carts for golf patrons to use while playing the course. Biltmore operates the Biltmore Hotel, pursuant to a lease agreement with the City (the "Biltmore Lease") and uses the Biltmore Golf Course to attract guests and enhance the position of the Biltmore Hotel as a destination resort.

B. As an accommodation to Manager and to reduce the cost to Manager of the rental of the golf carts, the City has historically leased the required number of golf carts on behalf of Manager and Manager has paid the rent due thereunder to City, which remitted the rental payment to the lessor.

C. The City is prepared to execute a new lease/purchase (the "Lease") which will provide new golf carts to Manager for use at the Biltmore Golf Course, subject to Manager assuming all liability under the Lease, including but not limited to the timely payment to the City of the rent payments due under the Lease and Biltmore guarantying the performance, by Manager, of those obligations.

NOW, THEREFORE, in consideration of the mutual covenants herein contained and other valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereby covenant and agree as follows:

1. **Execution of Lease.** Manager has reviewed the terms and conditions of the Lease (a true copy of which is attached hereto as Exhibit A) and approves the terms and conditions thereof.

2. **Assumption of Liability Under Lease.** Manager hereby assumes and agrees to be bound by and timely perform and discharge all of the City's obligations, as lessee, under the Lease. Specifically, Manager shall remit to the City the payment required by and specified in Exhibit A to the Lease, at least five (5) business days prior to the date specified for payment in Exhibit A to the Lease.

3. **Guaranty of Manager's Performance.** In order to induce City to sign the Lease and for other good and valuable consideration, the adequacy and receipt of which is hereby acknowledged, Biltmore hereby guarantees to the City the prompt and complete performance of Manager of the duties, and responsibilities of City under the Lease, as described in paragraph 2 hereinabove.

4. **Lease Default.** A default by Biltmore hereunder shall be deemed to be a default by Biltmore under the Biltmore Lease and a default by Manager hereunder shall be deemed a default by Manager under the Management Agreement. In the event of a breach or default herein by any party hereto, the non-defaulting party shall be entitled to pursue any and all remedies provided in law or equity, including the right to recover all costs of litigation, and attorneys fees and costs incurred in connection therewith.

5. **Notices.** All notices, demands, requests for approvals, approvals, statements and other communications which may be required to be given by either party to the other shall be in writing and shall be deemed given and if delivered by hand against receipt or sent by certified or registered mail, postage prepaid, return receipt requested:

To City:

City of Coral Gables
405 Biltmore Way
P.O. Drawer 141549
Coral Gables, Florida 33134
Attn: City Manager

With a copy to:

W. Reeder Glass
Holland & Knight LLP
Suite 2000, One Atlantic Center
1201 West Peachtree Street, N.E.
Atlanta, Georgia 30309-3400

And

City of Coral Gables
405 Biltmore Way
P.O. Drawer 141549
Coral Gables, Florida 33 134
Attn: City Attorney

To Manager and Biltmore:

c/o The Biltmore Hotel
1200 Anastasia Avenue
Coral Gables, Florida 33134
Attn: T. Gene Prescott

With a copy to:

S. Daniel Ponce, Esq.
Legon Ponce & Fodiman, P.A.
1111 Brickell Avenue, Suite 2150
Miami, Florida 33131

Or at such other address as from time to time may be designated by the party receiving the notice.

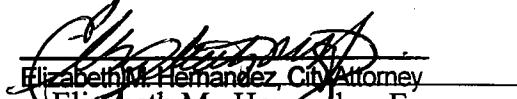
6. **Entire Agreement.** This Agreement, together with the other writings signed by the parties expressly stated to be supplementary hereto and together with any instruments to be executed and delivered pursuant to this Lease, constitutes the entire agreement between the parties and supersedes all prior understandings and writings, pertaining to the specific terms and conditions contained herein and may be changed only by a writing signed by the parties hereto.

In interpreting this Agreement, no weight will be given to whether the provision in question was drafted by one party or the other.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the date and year first above written.

Approved as to form:

Approved as to form and legal sufficiency.


Elizabeth M. Hernandez, City Attorney
Elizabeth M. Hernandez, Esq.
City Attorney

CITY OF CORAL GABLES, a municipal corporation of the State of Florida


By _____
City Manager

ATTEST:

City Clerk

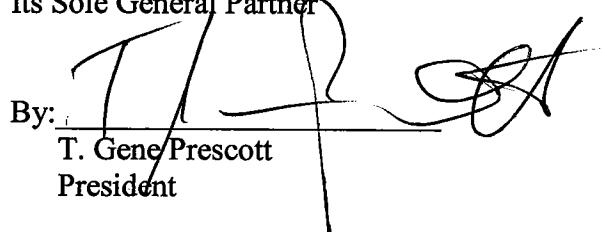
Authority of Resolution No. _____,
duly adopted by the Coral Gables City
Commission on _____.

THE BILTMORE HOTEL GOLF
MANAGEMENT, a Florida limited liability
company

ATTEST:

Secretary

By: Seaway Biltmore, Inc.
Its Sole General Partner


By: _____
T. Gene Prescott
President

ATTEST:

The Biltmore Hotel Limited Partnership, a
Florida limited liability company

Secretary

By: Seaway Biltmore, Inc.
Its Sole General Partner

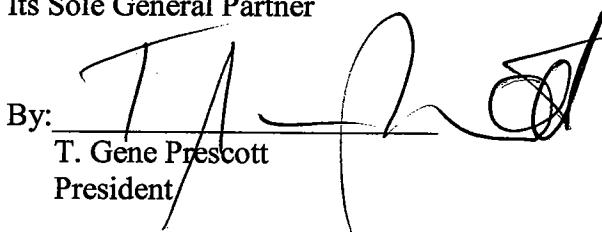

By: _____
T. Gene Prescott
President

EXHIBIT A

9321340_v3