Form 5500

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Annual Return/Report of Employee Benefit Plan

This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6047(e), and 6058(a) of the Internal Revenue Code (the Code).

▶ **Complete all entries in accordance with the instructions to the Form 5500.**

OMB Nos. 1210-0110
1210-0089

2010

This Form is Open to Public Inspection

Part I Annual Report Identification Information

For calendar plan year 2010 or fiscal plan year beginning 01/01/2010 and ending 12/31/2010

A This return/report is for:
- [ ] a multiemployer plan;
- [ ] a multiple-employer plan; or
- [X] a single-employer plan;
- [ ] a DFE (specify) ____

B This return/report is:
- [ ] the first return/report;
- [ ] the final return/report;
- [ ] an amended return/report;
- [ ] a short plan year return/report (less than 12 months).

C If the plan is a collectively-bargained plan, check here. . . . . ▶ [ ]

D Check box if filing under:
- [X] Form 5558;
- [ ] automatic extension;
- [ ] the DFVC program;
- [ ] special extension (enter description)

Part II Basic Plan Information—enter all requested information

1a Name of plan
THE PALMS SOUTH BEACH, INC. 401(K) RETIREMENT PLAN

1b Three-digit plan number (PN) ▶ 001

1c Effective date of plan 05/01/1998

2a Plan sponsor's name and address (employer, if for a single-employer plan)
(Address should include room or suite no.)
THE PALMS SOUTH BEACH, INC.

3025 COLLINS AVENUE
MIAMI BEACH, FL 33140

2b Employer Identification Number (EIN)
65-0245113

2c Sponsor's telephone number
305-534-0505

2d Business code (see instructions)
721110

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	Filed with authorized/valid electronic signature.	10/13/2011	ROSANNA BENDER
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

3a Plan administrator's name and address (if same as plan sponsor, enter "Same")
THE PALMS SOUTH BEACH, INC.

3025 COLLINS AVENUE
MIAMI BEACH, FL 33140

3b Administrator's EIN
65-0245113

3c Administrator's telephone number
305-534-0505

4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report:

a Sponsor's name

4b EIN

4c PN

5	Total number of participants at the beginning of the plan year	**5**	229
6	Number of participants as of the end of the plan year (welfare plans complete only lines **6a, 6b, 6c,** and **6d**).		
a	Active participants	**6a**	182
b	Retired or separated participants receiving benefits	**6b**	7
c	Other retired or separated participants entitled to future benefits	**6c**	26
d	Subtotal. Add lines **6a**, **6b**, and **6c**	**6d**	215
e	Deceased participants whose beneficiaries are receiving or are entitled to receive benefits	**6e**	0
f	Total. Add lines **6d** and **6e**	**6f**	215
g	Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	**6g**	113
h	Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested	**6h**	0
7	Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	**7**	

8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristic Codes in the instructions:
3D 2E 2J 3H 2K 2F 2G

b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristic Codes in the instructions:

9a Plan funding arrangement (check all that apply)

(1)		Insurance
(2)		Code section 412(e)(3) insurance contracts
(3)	X	Trust
(4)		General assets of the sponsor

9b Plan benefit arrangement (check all that apply)

(1)		Insurance
(2)		Code section 412(e)(3) insurance contracts
(3)	X	Trust
(4)		General assets of the sponsor

10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

a Pension Schedules

(1)	X	**R** (Retirement Plan Information)
(2)		**MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary
(3)		**SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary

b General Schedules

(1)	X	**H**	(Financial Information)
(2)		**I**	(Financial Information – Small Plan)
(3)		**A**	(Insurance Information)
(4)	X	**C**	(Service Provider Information)
(5)		**D**	(DFE/Participating Plan Information)
(6)		**G**	(Financial Transaction Schedules)

SCHEDULE C (Form 5500)	Service Provider Information	OMB No. 1210-0110
Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ **File as an attachment to Form 5500.**	**2010** **This Form is Open to Public Inspection.**

For calendar plan year 2010 or fiscal plan year beginning 01/01/2010 and ending 12/31/2010

A Name of plan
THE PALMS SOUTH BEACH, INC. 401(K) RETIREMENT PLAN

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
THE PALMS SOUTH BEACH, INC.

D Employer Identification Number (EIN)
65-0245113

Part I Service Provider Information (see instructions)

You must complete this Part, in accordance with the instructions, to report the information required for **each person** who received, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of monetary value) in connection with services rendered to the plan or the person's position with the plan during the plan year. If a person received **only** eligible indirect compensation for which the plan received the required disclosures, you are required to answer line 1 but are not required to include that person when completing the remainder of this Part.

1 Information on Persons Receiving Only Eligible Indirect Compensation

a Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions).. . . . . [X] Yes [ ] No

b If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

CAPITAL RESEARCH & MANAGEMENT CO.

95-1411037

(b) Enter name and EIN or address of person who provided you disclosure on eligible indirect compensation

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2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

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95-1411037

(b) Service Code(s)	**(c)** Relationship to employer, employee organization, or person known to be a party-in-interest	**(d)** Enter direct compensation paid by the plan. If none, enter -0-.	**(e)** Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	**(f)** Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	**(g)** Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	**(h)** Did the service provider give you a formula instead of an amount or estimated amount?
64 52 60 62 25 49 72 37	RECORDKEEPER	412	Yes [X] No [ ]	Yes [X] No [ ]	0	Yes [X] No [ ]

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	**(c)** Relationship to employer, employee organization, or person known to be a party-in-interest	**(d)** Enter direct compensation paid by the plan. If none, enter -0-.	**(e)** Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	**(f)** Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	**(g)** Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	**(h)** Did the service provider give you a formula instead of an amount or estimated amount?
			Yes [ ] No [ ]	Yes [ ] No [ ]		Yes [ ] No [ ]

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	**(c)** Relationship to employer, employee organization, or person known to be a party-in-interest	**(d)** Enter direct compensation paid by the plan. If none, enter -0-.	**(e)** Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	**(f)** Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	**(g)** Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	**(h)** Did the service provider give you a formula instead of an amount or estimated amount?
			Yes [ ] No [ ]	Yes [ ] No [ ]		Yes [ ] No [ ]

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	**(c)** Relationship to employer, employee organization, or person known to be a party-in-interest	**(d)** Enter direct compensation paid by the plan. If none, enter -0-.	**(e)** Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	**(f)** Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	**(g)** Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	**(h)** Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	**(c)** Relationship to employer, employee organization, or person known to be a party-in-interest	**(d)** Enter direct compensation paid by the plan. If none, enter -0-.	**(e)** Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	**(f)** Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	**(g)** Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	**(h)** Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	**(c)** Relationship to employer, employee organization, or person known to be a party-in-interest	**(d)** Enter direct compensation paid by the plan. If none, enter -0-.	**(e)** Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	**(f)** Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	**(g)** Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	**(h)** Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

Part I Service Provider Information (continued)

3 If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received $1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

Part II Service Providers Who Fail or Refuse to Provide Information

4 Provide, to the extent possible, the following information for each service provider who failed or refused to provide the information necessary to complete this Schedule.

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

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Part III **Termination Information on Accountants and Enrolled Actuaries (see instructions)**
(complete as many entries as needed)

a	Name:	**b** EIN:
c	Position:	
d	Address:	**e** Telephone:

Explanation:

a	Name:	**b** EIN:
c	Position:	
d	Address:	**e** Telephone:

Explanation:

a	Name:	**b** EIN:
c	Position:	
d	Address:	**e** Telephone:

Explanation:

a	Name:	**b** EIN;
c	Position:	
d	Address:	**e** Telephone:

Explanation:

a	Name:	**b** EIN;
c	Position:	
d	Address:	**e** Telephone:

Explanation:

SCHEDULE H (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Financial Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

2010

This Form is Open to Public Inspection

For calendar plan year 2010 or fiscal plan year beginning 01/01/2010 and ending 12/31/2010

A Name of plan
THE PALMS SOUTH BEACH, INC. 401(K) RETIREMENT PLAN

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
THE PALMS SOUTH BEACH, INC.

D Employer Identification Number (EIN)
65-0245113

Part I Asset and Liability Statement

1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. **Round off amounts to the nearest dollar.** MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a	0	0
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)	0	0
(2) Participant contributions	1b(2)	0	0
(3) Other	1b(3)	0	0
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	394922	425715
(2) U.S. Government securities	1c(2)	0	0
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)	0	0
(B) All other	1c(3)(B)	0	0
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)	0	0
(B) Common	1c(4)(B)	0	0
(5) Partnership/joint venture interests	1c(5)	0	0
(6) Real estate (other than employer real property)	1c(6)	0	0
(7) Loans (other than to participants)	1c(7)	0	0
(8) Participant loans	1c(8)	37175	45684
(9) Value of interest in common/collective trusts	1c(9)	0	0
(10) Value of interest in pooled separate accounts	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)	0	0
(12) Value of interest in 103-12 investment entities	1c(12)	0	0
(13) Value of interest in registered investment companies (e.g., mutual funds)	1c(13)	714678	867523
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)		
(15) Other	1c(15)	0	0

		(a) Beginning of Year	(b) End of Year
1d Employer-related investments:			
(1) Employer securities	1d(1)	0	0
(2) Employer real property	1d(2)	0	0
e Buildings and other property used in plan operation	1e	0	0
f Total assets (add all amounts in lines 1a through 1e)	1f	1146775	1338922
Liabilities			
g Benefit claims payable	1g	0	0
h Operating payables	1h		
i Acquisition indebtedness	1i	0	0
j Other liabilities	1j	0	0
k Total liabilities (add all amounts in lines 1g through1j)	1k	0	0
Net Assets			
l Net assets (subtract line 1k from line 1f)	1l	1146775	1338922

Part II Income and Expense Statement

2 Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

Income		(a) Amount	(b) Total
a Contributions:			
(1) Received or receivable in cash from: **(A)** Employers	2a(1)(A)	38305	
(B) Participants	2a(1)(B)	158614	
(C) Others (including rollovers)	2a(1)(C)	0	
(2) Noncash contributions	2a(2)	0	
(3) Total contributions. Add lines **2a(1)(A), (B), (C),** and line **2a(2)**	2a(3)		196919
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	0	
(B) U.S. Government securities	2b(1)(B)	0	
(C) Corporate debt instruments	2b(1)(C)	0	
(D) Loans (other than to participants)	2b(1)(D)	0	
(E) Participant loans	2b(1)(E)	2325	
(F) Other	2b(1)(F)	0	
(G) Total interest. Add lines **2b(1)(A)** through **(F)**	2b(1)(G)		2325
(2) Dividends: **(A)** Preferred stock	2b(2)(A)	0	
(B) Common stock	2b(2)(B)	0	
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	9796	
(D) Total dividends. Add lines **2b(2)(A)**, **(B)**, and **(C)**	2b(2)(D)		9796
(3) Rents	2b(3)		0
(4) Net gain (loss) on sale of assets: **(A)** Aggregate proceeds	2b(4)(A)	0	
(B) Aggregate carrying amount (see instructions)	2b(4)(B)	0	
(C) Subtract line **2b(4)(B)** from line **2b(4)(A)** and enter result	2b(4)(C)		0

			(a) Amount	(b) Total
2b	**(5)** Unrealized appreciation (depreciation) of assets: **(A)** Real estate	**2b(5)(A)**	0	
	(B) Other	**2b(5)(B)**	0	
	(C) Total unrealized appreciation of assets. Add lines **2b(5)(A)** and **(B)**	**2b(5)(C)**		0
	(6) Net investment gain (loss) from common/collective trusts	**2b(6)**		0
	(7) Net investment gain (loss) from pooled separate accounts	**2b(7)**		0
	(8) Net investment gain (loss) from master trust investment accounts	**2b(8)**		0
	(9) Net investment gain (loss) from 103-12 investment entities	**2b(9)**		0
	(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	**2b(10)**		71564
c	Other income	**2c**		0
d	Total income. Add all **income** amounts in column (b) and enter total	**2d**		280604
	Expenses			
e	Benefit payment and payments to provide benefits:			
	(1) Directly to participants or beneficiaries, including direct rollovers	**2e(1)**	59195	
	(2) To insurance carriers for the provision of benefits	**2e(2)**	0	
	(3) Other	**2e(3)**	0	
	(4) Total benefit payments. Add lines **2e(1)** through **(3)**	**2e(4)**		59195
f	Corrective distributions (see instructions)	**2f**		23738
g	Certain deemed distributions of participant loans (see instructions)	**2g**		5112
h	Interest expense	**2h**		0
i	Administrative expenses: **(1)** Professional fees	**2i(1)**	0	
	(2) Contract administrator fees	**2i(2)**	412	
	(3) Investment advisory and management fees	**2i(3)**	0	
	(4) Other	**2i(4)**	0	
	(5) Total administrative expenses. Add lines **2i(1)** through **(4)**	**2i(5)**		412
j	Total expenses. Add all **expense** amounts in column (b) and enter total	**2j**		88457
	Net Income and Reconciliation			
k	Net income (loss). Subtract line **2j** from line **2d**	**2k**		192147
l	Transfers of assets:			
	(1) To this plan	**2l(1)**		0
	(2) From this plan	**2l(2)**		0

Part III Accountant's Opinion

3 Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

a The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) [ ] Unqualified **(2)** [ ] Qualified **(3)** [X] Disclaimer **(4)** [ ] Adverse

b Did the accountant perform a limited scope audit pursuant to 29 CFR 2520.103-8 and/or 103-12(d)? [X] Yes [ ] No

c Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: MARC L. LEVINSON, P.A. **(2)** EIN: 59-2713693

d The opinion of an independent qualified public accountant is **not attached** because:

(1) [ ] This form is filed for a CCT, PSA, or MTIA. **(2)** [ ] It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Part IV Compliance Questions

4 CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete 4j and 4l. MTIAs also do not complete 4l.

During the plan year:

		Yes	No	Amount
a	Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.)	4a		X	
b	Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)	4b		X	
c	Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)	4c		X	
d	Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)	4d		X	
e	Was this plan covered by a fidelity bond?	4e	X		150000
f	Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	4f		X	
g	Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?	4g		X	
h	Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?	4h		X	
i	Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	4i	X		
j	Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.)	4j		X	
k	Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?	4k		X	
l	Has the plan failed to provide any benefit when due under the plan?	4l		X	
m	If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	4m		X	
n	If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.	4n		X	

5a Has a resolution to terminate the plan been adopted during the plan year or any prior plan year?
If yes, enter the amount of any plan assets that reverted to the employer this year ☐ **Yes** ☒ **No** **Amount:**

5b If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

5b(1) Name of plan(s)	**5b(2)** EIN(s)	**5b(3)** PN(s)

SCHEDULE R (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Retirement Plan Information

This schedule is required to be filed under section 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

2010

This Form is Open to Public Inspection.

For calendar plan year 2010 or fiscal plan year beginning 01/01/2010 and ending 12/31/2010

A Name of plan
THE PALMS SOUTH BEACH, INC. 401(K) RETIREMENT PLAN

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
THE PALMS SOUTH BEACH, INC.

D Employer Identification Number (EIN)
65-0245113

Part I Distributions

All references to distributions relate only to payments of benefits during the plan year.

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions **1** 0

2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits):

EIN(s): 20-3691658

Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.

3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year. **3**

Part II Funding Information (If the plan is not subject to the minimum funding requirements of section of 412 of the Internal Revenue Code or ERISA section 302, skip this Part)

4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

If the plan is a defined benefit plan, go to line 8.

5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. **Date:** Month _____ Day _____ Year _____

If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.

6 **a** Enter the minimum required contribution for this plan year **6a**

b Enter the amount contributed by the employer to the plan for this plan year **6b**

c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount) **6c**

If you completed line 6c, skip lines 8 and 9.

7 Will the minimum funding amount reported on line 6c be met by the funding deadline? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

Part III Amendments

9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box(es). If no, check the "No" box. ..... ☐ **Increase** ☐ **Decrease** ☐ **Both** ☐ **No**

Part IV ESOPs (see instructions). If this is not a plan described under Section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.

10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan? ..... ☐ **Yes** ☐ **No**

11 **a** Does the ESOP hold any preferred stock? ..... ☐ **Yes** ☐ **No**

b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.) ..... ☐ **Yes** ☐ **No**

12 Does the ESOP hold any stock that is not readily tradable on an established securities market? ..... ☐ **Yes** ☐ **No**

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that contributed more than 5% of total contributions to the plan during the plan year (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

14 Enter the number of participants on whose behalf no contributions were made by an employer as an employer of the participant for:

a The current year	**14a**	
b The plan year immediately preceding the current plan year	**14b**	
c The second preceding plan year	**14c**	

15 Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:

a The corresponding number for the plan year immediately preceding the current plan year	**15a**	
b The corresponding number for the second preceding plan year	**15b**	

16 Information with respect to any employers who withdrew from the plan during the preceding plan year:

a Enter the number of employers who withdrew during the preceding plan year	**16a**	
b If item 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers	**16b**	

17 If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐

Part VI Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans

18 If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment ☐

19 If the total number of participants is 1,000 or more, complete items (a) through (c)

a Enter the percentage of plan assets held as:
Stock: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%

b Provide the average duration of the combined investment-grade and high-yield debt:
☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more

c What duration measure was used to calculate item 19(b)?
☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify):

THE PALMS SOUTH BEACH, INC.

401(k) RETIREMENT PLAN

FINANCIAL STATEMENTS AS OF DECEMBER 31, 2010 & 2009

TOGETHER WITH

REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANT

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Note: Schedules required under the Employee Retirement Income Security Act of 1974, other than the schedule listed above, are omitted because of the absence of the conditions under which they are required.

MARC L. LEVINSON P.A.
Certified Public Accountant

One Boca Place
2255 Glades Road, Suite 324A
Boca Raton, Florida 33431
(561) 982-9977

REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANT

To the Trustees and Participants of The Palms South Beach 401(k) Retirement Plan:

I have audited the accompanying statements of net assets available for benefits of The Palms South Beach, Inc. 401(k) Retirement Plan as of December 31, 2010 and 2009, and the related statement of changes in net assets available for benefits for the plan years then ended, and the supplemental Schedule H, line 4i-Schedule of Assets (Held at End of Year) as of December 31, 2010 as listed in the accompanying table of contents. These financial statements and schedule are the responsibility of the Plan's management.

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the Plan administrator instructed me not to perform, and I did not perform, any auditing procedures with respect to the information summarized in Note 5, which was certified by Capital Bank and Trust Company, the custodian of the Plan, except for comparing such information with the related information included in the financial statements and supplemental schedule. I have been informed by the plan administrator that the custodians hold the Plan's investment assets and execute investment transactions. The plan administrator has obtained a certification from the custodians as of December 31, 2010 and 2009 and for the years ended December 31, 2010 and 2009, that the information provided to the plan administrator by the custodian is complete and accurate.

Because of the significance of the information that I did not audit for 2010 and 2009, respectively, I am unable to and do not express an opinion on the accompanying financial statements and schedule taken as a whole. The form and content of the information included in the financial statements and supplemental schedule, other than that derived from the information certified by the custodians, have been audited in accordance with auditing standards generally accepted in the United States of America and in, my opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

Marc L. Levinson P.A.

Boca Raton, Florida
September 14, 2011

Marc L. Levinson, P.A.

THE PALMS SOUTH BEACH, INC.

401(k) RETIREMENT PLAN

STATEMENTS OF NET ASSETS AVAILABLE FOR PLAN BENEFITS

AS OF DECEMBER 31, 2010 AND 2009

	December 31, 2010	December 31, 2009
Assets:		
Investments, at market value	$ 1,338,922	$ 1,146,775
Receivables:		
Employee contributions	5,920	5,437
Employer contributions	1,196	1,099
Total receivables	7,116	6,536
Total assets	1,346,038	1,153,311
Liabilities:		
Excess participants' contribution payable	- -	3,452
Net assets available for plan benefits	$ 1,346,038	$ 1,149,859

See accompanying notes to the financial statements.

THE PALMS SOUTH BEACH, INC.

401(k) RETIREMENT PLAN

STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR PLAN BENEFITS

FOR THE PLAN YEARS ENDED DECEMBER 31, 2010 AND 2009

	For the Plan Year Ended December 31, 2010	For the Plan Year Ended December 31, 2009
Additions:		
Additions to net assets attributed to:		
Employee contributions	$ 159,098	$ 158,800
Employer contributions	38,402	47,733
Unrealized and realized appreciation	71,564	149,815
Investment income and dividends	12,121	12,662
Total additions	281,185	369,010
Deductions:		
Deductions from net assets attributed to:		
Withdrawals	85,006	140,433
Total deductions	85,006	140,433
Net increase	196,179	228,577
Net assets available for plan benefits:		
Beginning of year	1,149,859	921,282
End of year	$ 1,346,038	$ 1,149,859

See accompanying notes to financial statements.

THE PALMS SOUTH BEACH, INC. 401(k) RETIREMENT PLAN

NOTES TO FINANCIAL STATEMENTS

AS OF AND FOR THE YEARS ENDED DECEMBER 31, 2010 AND 2009

(1) THE PLAN:

(a) General-

The following description of the The Palms South Beach, Inc. 401(k) Retirement Plan (the "Plan") is provided for general informational purposes only. Participants should refer to the Plan Document for a more complete description.

The Plan is a defined contribution plan that allows for tax deferred employee contributions for the eligible employees of The Palms South Beach, Inc. ("the Sponsor"). The Plan is administered by the Sponsor and Trustees who are employees of the Sponsor. Administrative expenses of the Plan are paid by the Sponsor. The Plan is subject to the Employee Retirement Income Security Act of 1974 ("ERISA").

(b) Investments-

Participants direct the investment of their contributions and the related employer match into various investment options and are able to elect fund reallocations electronically at any time. The Plan's investment options currently include a cash management account and registered investment funds. Each of the funds' prospectuses should be referred to for a complete description of the Plan's investment options.

(c) Contributions to the Plan-

As defined in the Plan, each year participants may contribute from 1% to 15% of their compensation, not to exceed the annual dollar limit prescribed by law, which is $16,500 for 2010. In addition, participants over the age of 50 may make additional catch-up contributions. Voluntary contributions made during a plan year are credited to participants' accounts as of the date of receipt. Matching Sponsor contributions are made at 25% of the first 8% of salary reduction contributions by a participant.

(d) Participant Accounts-

Each participant's account is credited with the participant's contributions and allocations of the Company's matching contribution and the Plan's earnings or loss for the period. Allocations are based upon participant account balances and contributions, as provided in the Plan Document. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

(e) Eligibility and Vesting-

An employee becomes a participant in the Plan coincident with or after attaining the age of 21 and completing one year of service, as defined in the Plan and Trust agreement.

All Participants vest 100% in employer contributions immediately after one year of credited service, as defined in the Plan and Trust agreement.

Participants are fully vested at all times in their voluntary contributions.

(f) Distribution of Account Balance-

Upon termination from the Plan, permanent disability or in the case of death, the designated beneficiary will receive the vested portion of their account balance and all of the voluntary contributions in either lump sum payments or in installments. For termination of service due to other reasons, the participant may elect, subject to their vested account balance, to receive their vested interest in his or her account by (i) transfer to another qualified plan, (ii) a transfer to an individual retirement account, or (iii) a lump-sum distribution.

(g) Plan Termination-

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the ERISA provisions. In the event of Plan termination, as evidenced by written notice from the Company, all participant balances shall become non-forfeitable.

(h) Participant Loans-

Participants in the Plan may borrow an amount no more than 50% of their vested account balance. Loan transactions are treated as a transfer from the investment fund to the participant loan fund. All loans are required to be repaid within five years, or up to a reasonable amount of time for the purchase of a primary residence. The loans are secured by the balance in the participant's account and bear interest at a range of 4.25% to 9.25%. Loans are repayable through biweekly payroll deductions or upon termination.

(2) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

(a) Basis of Accounting-

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America.

(b) Market Risk-

The Plan utilizes various registered mutual fund investment instruments. Investment securities, in general, are exposed to various risks, such as interest rate, credit, and overall market volatility. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in future statements of net assets available for benefits.

(c) Estimates-

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of net assets available for benefits and changes therein. Accordingly, actual results may differ from those estimates.

(d) Investment Valuation and Income Recognition-

Investments are stated at market value, using quoted market prices as applicable. Unrealized gains or losses as a result of changes in market value are recorded in investment income of the current period. Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded as earned on the accrual basis, and dividend income is recorded upon the ex-dividend date. Any participant loans are to be stated at cost which approximates market value.

(e) Payment of Benefits-

Benefits are recorded when paid.

(f) Forfeitures-

Forfeitures are allocated to active participants based on elective contributions for the plan year. Forfeitures for the plan years ended December 31, 2010 and 2009 were $4,570 and $2,612, respectively.

(3) INVESTMENTS:

The following table presents investments as of December 31, 2010 and 2009:

	2010	2009
Shares of registered investment funds – at fair value:		

The market values of individual investments that represent 5% or more of the Plan's net assets as of December 31, 2009 and 2008 are as follows:

American Funds EuroPacific Growth*	$ 123,193	$ 108,571
American Funds Growth Fund of America*	153,090	124,244
American Funds Cash Management Trust*	425,715	394,922
American Funds Investment Co. of America*	77,890	63,324
American Funds American Balanced*	83,767	80,844
American Funds Washington Mutual Investments*	74,113	58,497
American Funds Bond Funds*	114,820	92,539
American Funds New Perspective*	69,814	59,263
American Funds SmallCap World Fund	51,050	34,434
American Funds Capital World Growth & Income Fund*	73,910	61,523
American Funds Fundamental Investments	40,406	27,677
American Funds Income Funds	5,470	3,762
	1,293,238	1,109,600
Participant loans at estimated fair value	45,684	37,175
Total investments	$ 1,338,922	$ 1,146,775

* Investments represent 5% or more of the Plan's net assets as of December 31, 2009 and/or December 31, 2008

(4) TAX STATUS:

The Plan and Trust received a favorable determination letter from the Internal Revenue Service ("IRS") dated June 17, 1992 stating that it qualifies for exempt status under applicable sections of the Internal Revenue Code ("IRC"). Thus, no provision for income taxes has been made in the accompanying financial statements. On May 1, 1998 the General Partners of the Sponsor adopted the DATAIR Mass-Submitter Prototype Standardized Cash or Deferred Profit Sharing Plan and Trust (the "Plan and Trust"). On May 2, 1998, the Sponsor amended the Plan to change the Plan's eligibility requirement from six months to one year of service .On January 1, 2002 the Plan was amended and restated to comply with GUST changes in the law. On April 6, 2010 the Sponsor adopted the six year restatement required by the Internal Revenue Service of the American Funds prototype plan covering all legal or regulatory changes made to the Plan since the last restatement in 2002.

(5) INFORMATION CERTIFIED BY THE CUSTODIANS:

The following is a summary of the unaudited information regarding the Plan as of and for the year ended December 31, 2010, included in the Plan's financial statements and supplemental schedule, that was prepared by or derived from information prepared by American Funds Group and Capital Bank and Trust Company, the custodians of the Plan, and furnished to the plan administrator. The plan administrator has obtained certifications from the custodians that such information is complete and accurate.

INVESTMENTS:	
Shares of registered investment funds – at fair value	$1,293,238
Participant loans – at estimated fair value	45,684
Total investments	$1,338,922
ADDITIONS:	
Investment income:	
Interest and dividends	$ 12,121
Net appreciation in fair value of registered investment funds	71,564
Total net investment income	$ 83,685

(6) RECONCILIATION OF FINANCIAL STATEMENTS TO FORM 5500:

The following is a reconciliation of net assets available for plan benefits per the financial statements to the Form 5500:

Net assets available for plan benefits per the financial statements	$ 1,346,038
Excess participants' contributions payable	- -
Employee and employer contributions receivable	(7,116)
Net assets available for plan benefits per Form 5500	$ 1,338,922

THE PALMS SOUTH BEACH, INC. 401(k) RETIREMENT PLAN

SCHEDULE H, LINE 4i- SCHEDULE OF ASSETS
(HELD AT END OF YEAR)
AS OF DECEMBER 31, 2010

Identity of Issuer and Description	Current Market Value
American Funds EuroPacific Growth	$123,193
American Funds Growth Fund of America	153,090
American Funds New Perspective	69,814
American Funds SmallCap World Fund	51,050
American Funds Capital World Growth & Income Fund	73,910
American Funds Fundamental Investments	40,406
American Funds Investment Company of America	77,890
American Funds Washington Mutual Investments	74,113
American Funds Income Fund of America	5,470
American Funds American Balanced	83,767
American Funds Bond Fund of America	114,820
American Funds Cash Management Trust	425,715
Loans to Participants, 4.25%-9.25%	45,684
Total Investments as of December 31, 2010	$1,338,922

Attachment to 2010 Form 5500
Schedule H, line 4i - Schedule of Assets (Held at End of Year)

Plan Name PlanName1 **EIN:** 65-0245113
Plan Sponsor's Name THE PALMS SOUTH BEACH, INC. **PN:** 001

(a)	(b) Identity of issue, borrower, lessor, or similar party	(c) Description of investment including maturity date, rate of interest, collateral, par, or maturity value.	(d) Cost	(e) Current value
	AMERICAN FUNDS EUROPACIFIC GROWTH F	N/A	107,958	123,193
	AMERICAN FUNDS GROWTH FUND OF AMERI	N/A	128,728	153,090
	AMERICAN FUNDS NEW PERSPECTIVE FUND	N/A	64,890	69,814
	AMERICAN FUNDS SMALLCAP WORLD FUND	N/A	43,505	51,050
	AMERICAN FUNDS CAPITAL WORLD GR AN	N/A	67,101	73,910
	AMERICAN FUNDS FUNDAMENTAL INVESTOR	N/A	35,626	40,406
	AMERICAN FUNDS INVEST CO OF AMERICA	N/A	75,718	77,890

Attachment to 2010 Form 5500
Schedule H, line 4i - Schedule of Assets (Held at End of Year)

Plan Name THE PALMS SOUTH BEACH, INC. 401(K) RETIREMENT PLAN **EIN:** 65-0245113
Plan Sponsor's Name THE PALMS SOUTH BEACH, INC. **PN:** 001

(a)	(b) Identity of issue, borrower, lessor, or similar party	(c) Description of investment including maturity date, rate of interest, collateral, par, or maturity value.	(d) Cost	(e) Current value
	AMERICAN FUNDS WASHINGTON MUTUAL FU	N/A	73,755	74,113
	AMERICAN FUNDS INCOME FUND OF AMERI	N/A	5,138	5,470
	AMERICAN FUNDS AMERICAN BALANCED FU	N/A	76,844	83,767
	AMERICAN FUNDS BOND FUND OF AMERICA	N/A	116,277	114,820
	AMERICAN FUNDS MONEY MARKET FUND R2	N/A	417,921	417,921
	PARTICIPANT LOANS	Interest Rate - 4.250-9.250 Maturity Date - VARIOUS	45,339	45,684
	FORFEITURES	N/A	7,793	7,793