December 28, 2001, 12 of these leases had been transferred, and gains of $12 million deferred on the sale of these properties were recognized when our lease obligations ceased.

In 2001, we sold land for $71 million to a joint venture at book value. The joint venture is building two resort hotels in Orlando, Florida, for $547 million. We are providing development services and have guaranteed completion of the project. The initial owners of the venture have the right to sell 20 percent of the venture's equity to us upon the opening of the hotels. We expect the hotels to open in July 2003. At opening we also expect to hold approximately $120 million in mezzanine loans that we have agreed to advance to the joint venture. We have provided the venture with additional credit facilities for certain amounts due under the first mortgage loan and to provide for limited minimum returns to the equity investors in the early years of the project. As we have an option to repurchase the property at opening if certain events transpire, we have accounted for the sale of the land as a financing transaction in accordance with FAS No. 66. Sales proceeds of $71 million, less $50 million funded by our initial loans to the joint venture, are reflected as long-term debt in the accompanying consolidated balance sheet.

In 2001, we sold and leased back one lodging property for $15 million in cash, which generated a pretax gain of $2 million. This gain will be recognized as a reduction of rent expense over the initial lease term.

In 2001, we sold one senior living community at book value for $4 million in cash.

In 2001, we sold 100 percent of our limited partner interests in five affordable housing partnerships and 85 percent of our limited partner interest in a sixth affordable housing partnership for $82 million in cash. We recognized pretax gains of $13 million in connection with four of the sales. We will recognize pretax gains of $3 million related to the other two sales in subsequent years provided certain contingencies in the sales contract expire.

In the fourth quarter of 2000 we sold land, at book value, for $46 million to a joint venture in which we hold a minority interest. The joint venture is building a resort hotel, which will be partially funded with up to $92 million of mezzanine financing to be provided by us. We have also provided the joint venture with a $45 million senior debt service guarantee.

In 2000, we sold and leased back, under long-term, limited-recourse leases, three lodging properties and one senior living community for an aggregate purchase price of $118 million. We agreed to pay a security deposit of $3 million for the lodging properties, which will be refunded at the end of the leases. The sales price exceeded the net book value by $4 million, which we will recognize as a reduction of rent expense over the 15-year initial lease terms.

In 2000, we agreed to sell 23 lodging properties for $519 million in cash. We will continue to operate the hotels under long-term management agreements. As of December 28, 2001, all the properties had been sold, generating pretax gains of $30 million. Fourteen of the 17 properties are accounted for under the full accrual method in accordance with FAS No. 66. The buyers did not make adequate minimum initial investments in the remaining three properties, which we accounted for under the cost recovery method. The sale of four of the 17 properties was to a joint venture in which we have a minority interest. Where the full accrual method applied, we recognized profit proportionate to the outside interests in the joint venture at the date of sale. We recognized $14 million and $9 million of pretax gains in 2001 and 2000 respectively, and will recognize the remainder in subsequent years provided certain contingencies in the sales contracts expire. Unaffiliated third-party tenants will lease 13 of the properties from the buyers. In 2000, one of these tenants replaced us as the tenant on nine other properties sold and leased back by us in 1997 and 1998. We now manage these nine previously leased properties under long-term management agreements, and deferred gains on the sale of these properties of $15 million were recognized as our leases were canceled throughout 2000. In connection with the sale of four of the properties, we provided $39 million of mezzanine funding and agreed to provide the buyer with up to $161 million of additional loans to finance future acquisitions of Marriott-branded hotels. We also acquired a minority interest in the joint venture that purchased the four hotels. During 2001 we funded $27 million under this loan commitment in connection with one of the 11 property sales described above.

On April 28, 2000, we sold 14 senior living communities for cash proceeds of $194 million. We simultaneously entered into long-term management agreements for the communities with a third-party tenant, which leases the communities from the buyer. In connection with the sale we provided a credit facility to the buyer to be used, if necessary, to meet its debt service requirements. The buyer's obligation to repay us under the facility is guaranteed by an unaffiliated third-party. We also extended a limited credit facility to the tenant to cover operating shortfalls, if any. We accounted for the sale under the cost recovery method, and will recognize the resulting gain when the credit facilities expire.

In 1999, we sold an 89 percent interest in one hotel and concurrently signed a long-term lease on the property. We are accounting for this transaction under the financing method, and the sales proceeds of $58 million are reflected as long-term debt in the accompanying consolidated balance sheet.

In 1999, we agreed to sell and leaseback, under long-term, limited-recourse leases, four hotels for approximately $59 million in cash. At the same time, we agreed to pay security deposits of $2 million, which will be refunded at the end of the leases. As of December 29, 2000, all of the properties had been sold, resulting in a sales price that exceeded the net book value by $4 million, which we will recognize as a reduction of rent expense over the 15-year initial lease terms. We can renew the leases on all four hotels at our option.

During 1999, we sold four hotels and three senior living communities for $55 million and $52 million, respectively, resulting in pretax gains of $10 million. We recognized $2 million of the gain in 2000 and 1999, and no gain in 2001. The balance will be recognized provided certain contingencies in the sales contracts expire. We operate these properties under long-term management agreements.

In connection with the long-term, limited-recourse leases described above, Marriott International, Inc. has guaranteed the lease obligations of the tenants, wholly-owned subsidiaries of Marriott International, Inc., for a limited period of time (generally three to five years). After the guarantees expire, the lease obligations become non-recourse to Marriott International, Inc.