

# MGM Resorts International And MGM Growth Properties Complete Transaction For MGM Northfield Park

LAS VEGAS, April 1, 2019 /PRNewswire/ -- MGM Resorts International ("MGM Resorts") (NYSE: MGM) and MGM Growth Properties LLC ("MGP") (NYSE: MGP) announced today that they have completed the previously announced transaction whereby MGM Resorts will acquire the operating assets of the Hard Rock Rocksino Northfield Park from MGP and lease the real property from MGP.

MGM Resorts also announced it has officially rebranded the property as MGM Northfield Park.

"We are pleased to welcome the 950 employees of MGM Northfield Park into the MGM Resorts family," said Jim Murren, Chairman and CEO of MGM Resorts. "Over the years, we have strategically and thoughtfully expanded our presence in key U.S. regions where we can leverage our expertise, maximize our cross-marketing efforts and drive companywide growth. Today's announcement reinforces this strategy. We remain excited for the future of MGM Northfield Park as it further cements itself as a market leader under the MGM brand and Chris Kelley's leadership."

As consideration for the transaction, MGM Growth Properties Operating Partnership LP (the "Operating Partnership") redeemed approximately 9.4 million of its Operating Partnership units from a subsidiary of MGM Resorts, representing a purchase price of \$275 million subject to customary adjustments. Following the redemption, MGM Resorts' economic ownership stake in the Operating Partnership is approximately 69%.

"With the operational expertise of MGM Resorts, we expect MGM Northfield Park to continue to grow as the #1 market leading asset in northern Ohio," said James Stewart, CEO of MGM Growth Properties. "With the addition of this property to the master lease, MGP shareholders will further benefit from our market leading net rent coverage as well as our tenant's significant cash flows and strong credit profile. This further illustrates our continued ability to generate shareholder value with attractive net real estate acquisition prices and the enhanced AFFO accretion as a result of the redemption of Operating Partnership units."

MGM Northfield Park was added to the existing Master Lease and the annual rent was increased by \$60 million. Consistent with the Master Lease terms, 90 percent of the increased rent will be contractually fixed to grow at two percent per year until 2022, and thereafter will continue to grow provided a tenant revenue-to-rent ratio is met. The remaining 10 percent is payable in percentage rent.

## **About MGM Northfield Park**

MGM Northfield Park is Ohio's award-winning gaming, dining, and entertainment destination, located on the Northfield Park harness racing grounds, which offers more than 200 live harness races each year. The racino offers more than 2,300 gaming devices; an array of dining options such as Kosar's Wood-Fired Grill, Concerto Italian Kitchen and TAP Sports Bar; unparalleled live music and comedy events at Center Stage, a concert-style music venue, and The Neon Room, a high-energy lounge; and hosts guests for a variety of corporate and special events. The property also boasts a retail shop and state-of-the-art gas service station and car wash.

## **About MGM Resorts International**

MGM Resorts International (NYSE: MGM) is an S&P 500® global entertainment company with national and international locations featuring best-in-class hotels and casinos, state-of-the-art meetings and conference spaces, incredible live and theatrical entertainment experiences, and an extensive array of restaurant, nightlife and retail offerings. MGM Resorts creates immersive, iconic experiences through its suite of Las Vegas-inspired brands. The MGM Resorts portfolio encompasses 30 unique hotel and destination gaming offerings including some of the most recognizable resort brands in the industry. Expanding throughout the U.S. and around the world, the company recently acquired the operations of Empire City Casino in New York and Hard Rock Rocksino in Ohio, which was rebranded as MGM Northfield Park. In 2018, MGM Resorts opened MGM Springfield in Massachusetts, MGM COTAI in Macau, and the first Bellagio-branded hotel in Shanghai. The 83,000 global employees of MGM Resorts are proud of their company for being recognized as one of FORTUNE® Magazine's World's Most Admired Companies®. For more information visit us at [www.mgmresorts.com](http://www.mgmresorts.com).

## **About MGM Growth Properties**

MGM Growth Properties LLC (NYSE: MGP) is one of the leading publicly traded real estate investment trusts engaged in the acquisition, ownership and leasing of large-scale destination entertainment and leisure resorts, whose diverse amenities include casino gaming, hotel, convention, dining, entertainment and retail offerings.

MGP currently owns a portfolio of properties, consisting of 11 premier destination resorts in Las Vegas and elsewhere across the United States, MGM Northfield Park in Northfield, OH, Empire Resort Casino in Yonkers, NY, as well as a retail and entertainment district, The Park in Las Vegas. As of December 31, 2018, our destination resorts, the Park, and MGM Northfield Park collectively comprise approximately 27,400 hotel rooms, 2.7 million convention square footage, 150 retail outlets, 300 food and beverage outlets and 20 entertainment venues. As a growth-oriented public real estate entity, MGP expects its relationship with MGM Resorts and other entertainment providers to attractively position MGP for the acquisition of additional properties across the entertainment, hospitality and leisure industries. For more information about MGP, visit the Company's website at <http://www.mmgrowthproperties.com>.

### **Forward-Looking Statements**

Statements in this release that are not historical facts are "forward-looking" statements and "safe harbor statements" within the meaning of the Private Securities Litigation Reform Act of 1995 that involve risks and/or uncertainties, including those described in MGM Resorts' and MGP public filings with the SEC. MGM Resorts and MGP have based forward-looking statements on management's current expectations and assumptions and not on historical facts. Examples of these statements include, but are not limited to, statements regarding any expected benefits to be achieved as a result of the transaction. Among the important factors that could cause actual results to differ materially from those indicated in such forward-looking statements include effects of economic conditions and market conditions in the markets in which MGM Resorts and MGP operate, competition with other destination travel locations throughout the United States and the world, the design, timing and costs of expansion projects, risks relating to international operations, permits, licenses, financings, approvals and other contingencies in connection with growth in new or existing jurisdictions and additional risks and uncertainties described in MGM Resorts' and MGP Form 10-K, Form 10-Q and Form 8-K reports (including all amendments to those reports). In providing forward-looking statements, neither MGM Resorts or MGP is not undertaking any duty or obligation to update these statements publicly as a result of new information, future events or otherwise, except as required by law. If MGM Resorts updates one or more forward-looking statements, no inference should be drawn that it will make additional updates with respect to those other forward-looking statements.

SOURCE MGM Resorts International; MGM Growth Properties LLC

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