



GAMING & LEISURE
PROPERTIES, INC.

Gaming and Leisure Properties Completes Acquisition of Two Regional Gaming Properties, Enters into Master Lease Agreement with Bally's Corporation

Jun 04, 2021

Adds Fifth Tenant Relationship Through Long-Term Partnership with Bally's Corporation

WYOMISSING, Pa., June 04, 2021 (GLOBE NEWSWIRE) -- Gaming and Leisure Properties, Inc. (NASDAQ: GLPI) (the "Company"), today announced the completion of its previously announced transaction to acquire the land and real estate assets of Tropicana Evansville from Caesars Entertainment (NASDAQ: CZR) ("Caesars") and The Dover Downs Hotel and Casino from Bally's Corporation (NASDAQ: BALY) ("Bally's") for an aggregate purchase price of approximately \$484.0 million in cash. The Company funded the transaction with cash on hand which was in part generated by its equity raise completed on October 29, 2020.

Simultaneous with the closing of the transaction, the Company entered into a triple-net master lease agreement with Bally's. The master lease has an initial total annual cash rent of \$40.0 million and an initial term of 15 years with four 5-year tenant renewal options, as well as annual lease escalation terms based on the Consumer Price Index, with a 1% floor and 2% ceiling, subject to CPI meeting a .5% threshold.

Peter Carlino, Chairman and CEO of GLPI commented, "We are pleased to add these high-quality regional assets to our portfolio, expand our roster of operators, and gain geographic exposure to a new state. Bally's is one of the nation's most dynamic regional gaming operators and we look forward to further supporting the execution of their growth plans. In particular, we look forward to adding their Mardi Gras and Golden casinos in Blackhawk, Colorado and their Jumer's Casino and Hotel in Rock Island, Illinois to our existing master lease as we further expand our partnership.

"Furthermore, as the owner of the nation's largest regional gaming portfolio, we are extraordinarily encouraged by operating results at regional properties across our portfolio. After the underlying properties successfully re-opened from mandated COVID-19 closures, the \$6.1 million of additional annual cash rent generated by the May 1, 2021 achievement of rent escalators in each of our Pinnacle master lease operated by Penn National Gaming, Inc. (NASDAQ: PENN), our master lease with Boyd Gaming Corporation (NYSE: BYD) ("Boyd"), and our Belterra Park lease with Boyd underscores this robust and recently accelerated operational strength."

Tropicana Evansville was the first casino in Indiana to move from a riverboat vessel to a landside facility in 2017. The property, located on approximately 20 acres along the Ohio river in Vanderburgh County features 46,265 square feet of casino space, 1,145 gaming machines, 41 table games, 338 hotel rooms, and approximately 47,000 square feet of meeting space, and a sportsbook.

Dover Downs Casino and Hotel is situated on approximately 70 acres in Delaware's capital city. It is accessible to the Northeast Corridor and proximate to beach communities on the Eastern Shore. The property features approximately 145,000 square feet of casino space, 2,188 video lottery terminals, 38 table games, 500 hotel rooms, a race book, and a sportsbook.

About Gaming and Leisure Properties

GLPI is engaged in the business of acquiring, financing, and owning real estate property to be leased to gaming operators in triple-net lease arrangements, pursuant to which the tenant is responsible for all facility maintenance, insurance required in connection with the leased properties and the business conducted on the leased properties, taxes levied on or with respect to the leased properties and all utilities and other services necessary or appropriate for the leased properties and the business conducted on the leased properties.

Forward-Looking Statements

This press release includes "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, including our ability to expand our tenant relationships through the acquisition of new properties and our ability to receive the necessary approvals and satisfy conditions precedent necessary to close previously announced transactions. Forward-looking statements can be identified by the use of forward-looking terminology such as "expects," "believes," "estimates," "intends," "may," "will," "should" or "anticipates" or the negative or other variation of these or similar words, or by discussions of future events, strategies or risks and uncertainties. Such forward looking statements are inherently subject to risks, uncertainties and assumptions about GLPI and its subsidiaries, including risks related to the following: the effect of pandemics, such as the novel coronavirus (COVID-19), on GLPI as a result of the impact of such pandemics on the business operations of GLPI's tenants and their continued ability to pay rent in a timely manner or at all; GLPI's ability to successfully consummate the announced transactions in Colorado and Illinois with Bally's, including the ability of the parties to satisfy the various conditions to closing, including receipt of all required regulatory approvals, or other delays or impediments to completing the proposed transactions; GLPI's ability to maintain its status as a REIT; our ability to access capital through debt and equity markets in amounts and at rates and costs acceptable to GLPI; the impact of our substantial indebtedness on our future operations; changes in the U.S. tax law and other state, federal or local laws, whether or not specific to REITs or to the gaming or lodging industries; and other factors described in GLPI's Annual Report on Form 10-K for the year ended December 31, 2020, Quarterly Reports on Form 10-Q and Current Reports on Form 8-K, each as filed with the Securities and Exchange Commission. All subsequent written and oral forward-looking statements attributable to GLPI or persons acting on GLPI's behalf are expressly qualified in their entirety by the cautionary statements included in this press release. GLPI undertakes no obligation to publicly update or revise any forward-looking statements contained or incorporated by reference herein, whether as a result of new information, future events or otherwise, except as required by law. In light of these risks, uncertainties and assumptions, the forward-looking events discussed in this press release may not occur as presented or at all.

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