UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

(Mark One)

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended September 30, 2024
or

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from to
Commission File Number: 001-36124

Gaming and Leisure Properties, Inc.
(Exact name of registrant as specified in its charter)

Pennsylvania	**46-2116489**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

845 Berkshire Blvd., Suite 200
Wyomissing, PA 19610
(Address of principal executive offices) (Zip Code)

610-401-2900
(Registrant's telephone number, including area code)
Not Applicable
(Former name, former address, and former fiscal year, if changed since last report)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value $.01 per share	GLPI	Nasdaq

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer", "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act:

Large accelerated filer	☒	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☐
		Emerging growth company	☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Title	October 22, 2024
Common Stock, par value $.01 per share	274,391,553

Forward-looking statements in this document are subject to known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements of Gaming and Leisure Properties, Inc. ("GLPI") and its subsidiaries (collectively with GLPI, the "Company") to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Forward-looking statements include information concerning the Company’s business strategy, plans, goals and objectives.

Forward-looking statements in this document include, but are not limited to, statements regarding our ability to grow our portfolio of gaming facilities. In addition, statements preceded by, followed by or that otherwise include the words "believes," "expects," "anticipates," "intends," "projects," "estimates," "plans," "may increase," "may fluctuate," and similar expressions or future or conditional verbs such as "will," "should," "would," "may" and "could" are generally forward-looking in nature and not historical facts. You should understand that the following important factors could affect future results and could cause actual results to differ materially from those expressed in such forward-looking statements:

- our ability to successfully consummate the announced transactions with Bally's Corporation ("Bally's"), including the ability of the parties to satisfy the various conditions to funding, including receipt of all required approvals and consents, or other delays or impediments to completing the proposed transactions;
- the impact that higher inflation and interest rates and uncertainty with respect to the future state of the economy could have on discretionary consumer spending, including the casino operations of our tenants;
- unforeseen consequences related to United States ("U.S.") government monetary policies and stimulus packages on inflation rates and economic growth;
- the ability of our tenants to maintain the financial strength and liquidity necessary to satisfy their respective obligations and liabilities to third parties, including, without limitation, to satisfy obligations under their existing credit facilities and other indebtedness;
- the availability of and the ability to identify suitable and attractive acquisition and development opportunities and the ability to acquire and lease the respective properties on favorable terms;
- the degree and nature of our competition;
- the ability to receive, or delays in obtaining, the regulatory approvals required to own and/or operate our properties, or other delays or impediments to completing our planned acquisitions or projects;
- the impact of elevated interest rates and higher levels of inflation (which have been exacerbated by the armed conflict between Russia and Ukraine and may be further impacted by events in the Middle East);
- the potential of a new pandemic, including its effect on the ability or desire of people to gather in large groups (including in casinos), which could impact our financial results, operations, outlooks, plans, goals, growth, cash flows, liquidity, and stock price;
- our ability to maintain our status as a real estate investment trust ("REIT"), given the highly technical and complex Internal Revenue Code (the "Code") provisions for which only limited judicial and administrative authorities exist, where even a technical or inadvertent violation could jeopardize REIT qualification and where requirements may depend in part on the actions of third parties over which the Company has no control or only limited influence;
- the satisfaction of certain asset, income, organizational, distribution, shareholder ownership and other requirements on a continuing basis in order for the Company to maintain its REIT status;
- the ability and willingness of our tenants and other third parties to meet and/or perform their obligations under their respective contractual arrangements with us, including lease and note requirements and in some cases, their obligations to indemnify, defend and hold us harmless from and against various claims, litigation and liabilities;
- the ability of our tenants to comply with laws, rules and regulations in the operation of our properties, to deliver high quality services, to attract and retain qualified personnel and to attract customers;

- the ability to generate sufficient cash flows to service and comply with financial covenants under our outstanding indebtedness;
- our ability to access capital through debt and equity markets in amounts and at rates and costs acceptable to GLPI, including for acquisitions or refinancings due to maturities;
- adverse changes in our credit rating;
- the availability of qualified personnel and our ability to retain our key management personnel;
- changes in the U.S. tax law and other federal, state or local laws, whether or not specific to real estate, REITs or the gaming, lodging or hospitality industries;
- changes in accounting standards;
- the impact of weather or climate events or conditions, natural disasters, acts of terrorism and other international hostilities, war (including the current conflict between Russia and Ukraine and conflicts in the Middle East) or political instability;
- the risk that the historical financial statements included herein do not reflect what the business, financial position or results of operations of GLPI may be in the future;
- other risks inherent in the real estate business, including potential liability relating to environmental matters and illiquidity of real estate investments; and
- additional factors as discussed in the Company’s Annual Report on Form 10-K for the year ended December 31, 2023 (the "Annual Report"), in our Quarterly Reports on Form 10-Q and Current Reports on Form 8-K as filed with the United States Securities and Exchange Commission.

You should consider the areas of risk described above, as well as those set forth in the "Risk Factors" section in the Company’s Annual Report and Quarterly Reports on Form 10-Q, in connection with considering any forward-looking statements that may be made by the Company generally. Other unknown or unpredictable factors may also cause actual results to differ materially from those projected by the forward-looking statements. Most of these factors are difficult to anticipate and are generally beyond the control of the Company. Except for the ongoing obligations of the Company to disclose material information under the federal securities laws, the Company does not undertake any obligation to release publicly any revisions to any forward-looking statements, to report events or to report the occurrence of unanticipated events unless required to do so by law.

GAMING AND LEISURE PROPERTIES, INC. AND SUBSIDIARIES

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PART I. FINANCIAL INFORMATION
ITEM 1. FINANCIAL STATEMENTS

Gaming and Leisure Properties, Inc. and Subsidiaries
Condensed Consolidated Balance Sheets
(in thousands, except share data)

	September 30, 2024 (unaudited)	December 31, 2023
Assets		
Real estate investments, net	$ 8,014,976	$ 8,168,792
Investment in leases, financing receivables, net	2,313,775	2,023,606
Investment in leases, sales-type, net	257,207	—
Real estate loans, net	158,854	39,036
Right-of-use assets and land rights, net	825,367	835,524
Cash and cash equivalents	494,135	683,983
Held to maturity investment securities	554,106	—
Other assets	62,577	55,717
Total assets	$ 12,680,997	$ 11,806,658
Liabilities		
Accounts payable and accrued expenses	$ 5,488	$ 7,011
Accrued interest	95,657	83,112
Accrued salaries and wages	5,174	7,452
Operating lease liabilities	196,432	196,853
Financing lease liabilities	60,673	54,261
Long-term debt, net of unamortized debt issuance costs, bond premiums and original issuance discounts	7,413,012	6,627,550
Deferred rental revenue	238,419	284,893
Other liabilities	41,390	36,572
Total liabilities	8,056,245	7,297,704
Commitments and Contingencies (Note 9)		
Equity		
Preferred stock ($.01 par value, 50,000,000 shares authorized, no shares issued or outstanding at September 30, 2024 and December 31, 2023)	—	—
Common stock ($.01 par value, 500,000,000 shares authorized, 274,391,553 and 270,922,719 shares issued and outstanding at September 30, 2024 and December 31, 2023, respectively)	2,744	2,709
Additional paid-in capital	6,204,578	6,052,109
Accumulated deficit	(1,952,445)	(1,897,913)
Total equity attributable to Gaming and Leisure Properties	4,254,877	4,156,905
Noncontrolling interests in GLPI's Operating Partnership (8,087,630 units and 7,653,326 units outstanding at September 30, 2024 and December 31, 2023, respectively)	369,875	352,049
Total equity	4,624,752	4,508,954
Total liabilities and equity	$ 12,680,997	$ 11,806,658

See accompanying notes to the condensed consolidated financial statements.

Gaming and Leisure Properties, Inc. and Subsidiaries
Condensed Consolidated Statements of Income
(in thousands, except per share data)
(unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2024	2023	2024	2023
Revenues				
Rental income	$ 333,244	$ 321,206	$ 996,641	$ 958,410
Income from investment in leases, financing receivables	47,503	38,332	137,782	112,931
Income from sales-type leases	1,240	—	1,240	—
Interest income from real estate loans	3,354	22	6,268	22
Total income from real estate	385,341	359,560	1,141,931	1,071,363
Operating expenses				
Land rights and ground lease expense	11,758	12,406	35,446	36,312
General and administrative	13,472	13,600	45,209	42,689
Gains from dispositions of property	(3,790)	(22)	(3,790)	(22)
Property transfer tax recovery	—	(2,187)	—	(2,187)
Depreciation	64,771	65,846	195,393	197,131
Provision for credit losses, net	27,686	1,613	47,194	24,012
Total operating expenses	113,897	91,256	319,452	297,935
Income from operations	271,444	268,304	822,479	773,428
Other income (expenses)				
Interest expense	(95,705)	(79,788)	(269,050)	(240,519)
Interest income	14,876	1,273	32,173	6,801
Losses on debt extinguishment	—	—	—	(556)
Total other expenses	(80,829)	(78,515)	(236,877)	(234,274)
Income before income taxes	190,615	189,789	585,602	539,154
Income tax expense	515	482	1,564	1,040
Net income	$ 190,100	$ 189,307	$ 584,038	$ 538,114
Net income attributable to non-controlling interest in the Operating Partnership	(5,406)	(5,297)	(16,630)	(15,123)
Net income attributable to common shareholders	$ 184,694	$ 184,010	$ 567,408	$ 522,991
Earnings per common share:				
Basic earnings attributable to common shareholders	$ 0.67	$ 0.70	$ 2.08	$ 1.99
Diluted earnings attributable to common shareholders	$ 0.67	$ 0.70	$ 2.08	$ 1.99

See accompanying notes to the condensed consolidated financial statements.

Gaming and Leisure Properties, Inc. and Subsidiaries
Condensed Consolidated Statements of Changes in Equity
(in thousands, except share data)
(unaudited)

	Common Stock						
	Shares	Amount	Additional Paid-In Capital	Accumulated Deficit	Noncontrolling Interest Operating Partnership	Total Equity
Balance, December 31, 2023	270,922,719	$ 2,709	$ 6,052,109	$ (1,897,913)	$ 352,049	$ 4,508,954
Issuance of common stock, net of costs	181,971	2	9,014	—	—	9,016
Restricted stock activity	395,894	4	(6,593)	—	—	(6,589)
Dividends paid ($0.76 per common share)	—	—	—	(206,578)	—	(206,578)
Issuance of operating partnership units	—	—	—	—	19,635	19,635
Distributions to non-controlling interest	—	—	—	—	(6,147)	(6,147)
Net income	—	—	—	174,464	5,062	179,526
Balance, March 31, 2024	271,500,584	$ 2,715	$ 6,054,530	$ (1,930,027)	$ 370,599	$ 4,497,817
Restricted stock activity	—	—	5,426	—	—	5,426
Dividends paid ($0.76 per common share)	—	—	—	(206,583)	—	(206,583)
Distributions to non-controlling interest	—	—	—	—	(6,147)	(6,147)
Net income	—	—	—	208,250	6,162	214,412
Balance, June 30, 2024	271,500,584	$ 2,715	$ 6,059,956	$ (1,928,360)	$ 370,614	$ 4,504,925
Issuance of common stock, net of costs	2,890,166	29	139,175	—	—	139,204
Restricted stock activity	803	—	5,447	—	—	5,447
Dividends paid ($0.76 per common share)	—	—	—	(208,779)	—	(208,779)
Distributions to non-controlling interest	—	—	—	—	(6,145)	(6,145)
Net income	—	—	—	184,694	5,406	190,100
Balance, September 30, 2024	274,391,553	$ 2,744	$ 6,204,578	$ (1,952,445)	$ 369,875	$ 4,624,752

	Common Stock		Additional Paid-In Capital	Accumulated Deficit	Noncontrolling Interest Operating Partnership	Total Equity
	Shares	Amount				
Balance, December 31, 2022	260,727,030	$ 2,607	$ 5,573,567	$ (1,798,216)	$ 340,138	$ 4,118,096
Issuance of common stock, net of costs	1,284,556	13	64,316	—	—	64,329
Restricted stock activity	344,139	4	(5,637)	—	—	(5,633)
Dividends paid ($0.97 per common share)	—	—	—	(254,778)	—	(254,778)
Issuance of operating partnership units	—	—	—	—	14,931	14,931
Distributions to non-controlling interest	—	—	—	—	(7,424)	(7,424)
Net income	—	—	—	183,351	5,319	188,670
Balance, March 31, 2023	262,355,725	$ 2,624	$ 5,632,246	$ (1,869,643)	$ 352,964	$ 4,118,191
Issuance of common stock, net of costs	284,453	2	14,353	—	—	14,355
Restricted stock activity	—	—	5,013	—	—	5,013
Dividends paid ($0.72 per common share)	—	—	—	(189,313)	—	(189,313)
Distributions to non-controlling interest	—	—	—	—	(5,509)	(5,509)
Net income	—	—	—	155,630	4,507	160,137
Balance, June 30, 2023	262,640,178	$ 2,626	$ 5,651,612	$ (1,903,326)	$ 351,962	$ 4,102,874
Issuance of common stock, net of costs	4,371,624	44	210,743	—		210,787
Restricted stock activity	3,928	—	5,136	—		5,136
Dividends paid ($0.73 per common share)	—	—	—	(192,307)	—	(192,307)
Distributions to non-controlling interest	—	—	—	—	(5,587)	(5,587)
Net income	—	—	—	184,010	5,297	189,307
Balance, September 30, 2023	267,015,730	$ 2,670	$ 5,867,491	$ (1,911,623)	$ 351,672	$ 4,310,210

See accompanying notes to the condensed consolidated financial statements.

Gaming and Leisure Properties, Inc. and Subsidiaries
Condensed Consolidated Statements of Cash Flows
(in thousands, unaudited)

Nine months ended September 30,	2024	2023
Operating activities		
Net income	$ 584,038	$ 538,114
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	205,221	207,409
Amortization of debt issuance costs, bond premiums and original issuance discounts	8,172	7,312
Accretion on financing receivables	(21,753)	(16,806)
Net accretion on held to maturity investment securities	(4,111)	—
Non-cash adjustment to financing lease liabilities	358	347
Gains from dispositions of property	(3,790)	(22)
Stock-based compensation	19,010	17,959
Deferred rent and tenant improvement amortization	(46,262)	(26,445)
Losses on debt extinguishment	—	556
Provision (benefit) for credit losses, net	47,194	24,012
Change in operating assets and liabilities		
Other assets	(24,404)	(2,153)
Accounts payable and accrued expenses	(636)	(457)
Accrued interest	12,545	(4,094)
Accrued salaries and wages	(2,278)	(1,217)
Other liabilities	7,053	1,861
Net cash provided by operating activities	780,357	746,376
Investing activities		
Capital project and maintenance expenditures	(15,935)	(39,534)
Return of contingent consideration from previous acquisition	1,798	—
Investment in leases, financing receivables	(203,486)	(100,202)
Acquisition of real estate, net	(237,249)	(455,556)
Fundings for the Tropicana Las Vegas Lease	(48,550)	—
Originations of real estate loans	(123,730)	(40,000)
Acquisition of held to maturity investment securities	(890,970)	—
Maturities of held to maturity investment securities	340,975	—
Net cash used in investing activities	(1,177,147)	(635,292)
Financing activities		
Dividends paid	(621,940)	(636,398)
Non-controlling interest distributions	(18,439)	(18,520)
Taxes paid related to shares withheld for tax purposes on restricted stock award vestings	(14,726)	(13,442)
Proceeds from issuance of common stock, net	148,220	289,471
Proceeds from issuance of long-term debt	1,189,484	685,000
Financing costs	(12,078)	(1)
Repayments of long-term debt	(463,579)	(575,128)
Net cash provided by (used) in financing activities	206,942	(269,018)
Net decrease in cash and cash equivalents	(189,848)	(157,934)
Cash and cash equivalents at beginning of period	683,983	239,083
Cash and cash equivalents at end of period	$ 494,135	$ 81,149

See accompanying notes to the condensed consolidated financial statements and Note 14 for supplemental cash flow information and noncash investing and financing activities.

Gaming and Leisure Properties, Inc.
Notes to the Condensed Consolidated Financial Statements
(unaudited)

1. Business and Operations

Gaming and Leisure Properties, Inc. ("GLPI") is a self-administered and self-managed Pennsylvania real estate investment trust ("REIT"). GLPI (together with its subsidiaries, the "Company") was incorporated on February 13, 2013, as a wholly-owned subsidiary of PENN Entertainment, Inc., formerly known as Penn National Gaming, Inc. (NASDAQ: PENN) ("PENN"). On November 1, 2013, PENN contributed to the Company, through a series of internal corporate restructurings, substantially all of the assets and liabilities associated with PENN's real property interests and real estate development business, as well as the assets and liabilities of Hollywood Casino Baton Rouge and Hollywood Casino Perryville (which are referred to as the "TRS Properties") and then spun-off GLPI to holders of PENN's common and preferred stock in a tax-free distribution (the "Spin-Off"). The assets and liabilities of GLPI were recorded at their respective historical carrying values at the time of the Spin-Off in accordance with the provisions of Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") 505-60 - *Spinoffs and Reverse Spinoffs ("*ASC 505"*).*

The Company elected on its United States ("U.S.") federal income tax return for its taxable year that began on January 1, 2014 to be treated as a REIT and GLPI, together with its indirect wholly-owned subsidiary, GLP Holdings, Inc., jointly elected to treat each of GLP Holdings, Inc., Louisiana Casino Cruises, Inc. (d/b/a Hollywood Casino Baton Rouge) and Penn Cecil Maryland, Inc. (d/b/a Hollywood Casino Perryville) as a "taxable REIT subsidiary" ("TRS") effective on the first day of the first taxable year of GLPI as a REIT. In connection with the Spin-Off, PENN allocated its accumulated earnings and profits (as determined for U.S. federal income tax purposes) for periods prior to the consummation of the Spin-Off between PENN and GLPI. In connection with its election to be taxed as a REIT for U.S. federal income tax purposes, GLPI declared a special dividend to its shareholders to distribute any accumulated earnings and profits relating to the real property assets and attributable to any pre-REIT years, including any earnings and profits allocated to GLPI in connection with the Spin-Off, to comply with certain REIT qualification requirements.

On July 1, 2021, the Company sold the operations of Hollywood Casino Perryville to PENN and leased the real estate to PENN pursuant to a standalone lease. On December 17, 2021, the Company sold the operations of Hollywood Casino Baton Rouge to The Queen Casino & Entertainment Inc., formerly known as CQ Holding Company, Inc., ("Casino Queen") and leased the real estate to Casino Queen pursuant to the Second Amended and Restated Casino Queen Master Lease as described below. On December 17, 2021, GLPI declared a special dividend to the Company's shareholders to distribute the accumulated earnings and profits attributable to these sales. In 2021, subsequent to the sale of the operations of the TRS Properties, GLP Holdings, Inc. was merged into GLP Capital, L.P., the operating partnership of GLPI ("GLP Capital").

During 2020, the Company and Tropicana LV, LLC, a wholly owned subsidiary of the Company that held the real estate of the former Tropicana Las Vegas Casino Hotel Resort ("Tropicana Las Vegas"), elected to treat Tropicana LV, LLC as a TRS. In September 2022, Bally's Corporation (NYSE: BALY) ("Bally's") acquired both the building assets from GLPI and PENN's outstanding equity interests in Tropicana Las Vegas. GLPI retained ownership of the land and entered into a ground lease with Bally's. In connection with this transaction, Tropicana LV, LLC was merged into GLP Capital. GLPI paid a special earnings and profits dividend of $0.25 per share in the first quarter of 2023 related to the sale of the building assets to Bally's.

As partial consideration for the transactions with The Cordish Companies ("Cordish") described below, GLP Capital issued 7,366,683 newly-issued operating partnership units ("OP Units") to affiliates of Cordish. OP Units are exchangeable for common shares of the Company on a one-for-one basis, subject to certain terms and conditions. Such issuance of OP Units to Cordish in exchange for its contribution of certain real property assets resulted in GLP Capital becoming treated as a partnership for income tax purposes, with GLPI being deemed to contribute substantially all of the assets and liabilities of GLP Capital in exchange for the general partnership and a majority of the limited partnership interests, and a minority limited partnership interest being owned by Cordish (the "UPREIT Transaction"). In advance of the UPREIT Transaction, the Company, together with GLP Financing II, Inc. jointly elected for GLP Financing II, Inc. to be treated as a TRS effective December 23, 2021. On January 3, 2023, the Company issued 286,643 OP Units to affiliates of Bally's in connection with its acquisition of Bally's Hard Rock Hotel & Casino Biloxi ("Bally's Biloxi") and Bally's Tiverton Casino & Hotel ("Bally's Tiverton"). On February 6, 2024, the Company also issued 434,304 OP Units in connection with the acquisition of the real estate assets of Tioga Downs Casino Resort ("Tioga Downs") from American Racing & Entertainment LLC ("American Racing"). There were 8,087,630 OP Units outstanding as of September 30, 2024.

GLPI's primary business consists of acquiring, financing, and owning real estate property to be leased to gaming operators in triple-net lease arrangements. As of September 30, 2024, GLPI's portfolio consisted of interests in 66 gaming and related facilities, including the real property associated with 34 gaming and related facilities operated by PENN, the real property associated with 6 gaming and related facilities operated by Caesars Entertainment Inc. (NASDAQ: CZR) ("Caesars"), the real property associated with 4 gaming and related facilities operated by Boyd Gaming Corporation (NYSE: BYD) ("Boyd"), the real property associated with 9 gaming and related facilities operated by Bally's, and 1 facility under development for Bally's in Chicago, Illinois, the real property associated with 3 gaming and related facilities operated by Cordish, the real property associated with 4 gaming and related facilities operated by Casino Queen, 1 gaming facility managed by a subsidiary of Hard Rock International ("Hard Rock"), 3 gaming and related facilities operated by Strategic Gaming Management, LLC ("Strategic") and 1 gaming and related facility operated by American Racing. These facilities, including our corporate headquarters building, are geographically diversified across 20 states and contain approximately 29.3 million square feet. As of September 30, 2024, the Company's properties were 100% occupied. GLPI expects to continue growing its portfolio by pursuing opportunities to acquire additional gaming facilities to lease to gaming operators under prudent terms.

PENN 2023 Master Lease and Amended PENN Master Lease

As a result of the Spin-Off, GLPI owns substantially all of PENN’s former real property assets (as of the consummation of the Spin-Off) and leases back most of those assets to PENN for use by its subsidiaries pursuant to a unitary master lease (the initial form of such lease the "Original PENN Master Lease"). The Original PENN Master Lease was a triple-net lease, the term of which was scheduled to expire on October 31, 2033, with no purchase option, followed by three remaining 5-year renewal options (exercisable by the tenant) on the same terms and conditions extending to October 31, 2048.

On October 10, 2022, the Company announced that it agreed to create a new master lease with PENN for seven of PENN's properties (the "PENN 2023 Master Lease"). The companies also agreed to a funding mechanism to support PENN's pursuit of relocation and development opportunities at several of the properties included in the PENN 2023 Master Lease. Pursuant to this agreement, the Original PENN Master Lease was amended (the "Amended PENN Master Lease") to remove PENN's properties in Aurora and Joliet, Illinois; Columbus and Toledo, Ohio; and Henderson, Nevada. The properties removed from the Original PENN Master Lease were added to the PENN 2023 Master Lease. In addition, the existing leases for the Hollywood Casino at The Meadows in Pennsylvania (the "Meadows Lease") and the Hollywood Casino Perryville in Maryland (the "Perryville Lease") were terminated and these properties were transferred into the PENN 2023 Master Lease. Both the Amended PENN Master Lease and the PENN 2023 Master Lease are triple-net operating leases, that became effective on January 1, 2023, the terms of which expire on October 31, 2033, with no purchase options, followed by three remaining 5-year renewal options (exercisable by the tenant) on the same terms and conditions extending to October 31, 2048.

GLPI agreed to fund up to $225 million for the relocation of PENN's riverboat casino in Aurora at a 7.75% cap rate and, if requested by PENN, will fund up to $350 million for the relocation of the Hollywood Casino Joliet, as well as the construction of a hotel at Hollywood Casino Columbus and the construction of a second hotel tower at the M Resort Spa Casino at then current market rates.

Amended Pinnacle Master Lease, Boyd Master Lease and Belterra Park Lease

In April 2016, the Company acquired substantially all of the real estate assets of Pinnacle Entertainment, Inc. ("Pinnacle") for approximately $4.8 billion. The Company originally leased these assets back to Pinnacle, under a unitary triple-net lease, the term of which expires April 30, 2031, with no purchase option, followed by four remaining 5-year renewal options (exercisable by the tenant) on the same terms and conditions (the "Pinnacle Master Lease"). On October 15, 2018, the Company completed its previously announced transactions with PENN, Pinnacle and Boyd to accommodate PENN's acquisition of the majority of Pinnacle's operations, pursuant to a definitive agreement and plan of merger between PENN and Pinnacle, dated December 17, 2017 (the "PENN-Pinnacle Merger"). Concurrent with the PENN-Pinnacle Merger, the Company amended the Pinnacle Master Lease to allow for the sale of the operating assets of Ameristar Casino Hotel Kansas City, Ameristar Casino Resort Spa St. Charles and Belterra Casino Resort from Pinnacle to Boyd (the "Amended Pinnacle Master Lease") and entered into a new unitary triple-net master lease agreement with Boyd (the "Boyd Master Lease") for these properties on terms similar to the Company’s Amended Pinnacle Master Lease. The Boyd Master Lease has an initial term of 10 years (from the original April 2016 commencement date of the Pinnacle Master Lease and expiring April 30, 2026), with no purchase option, followed by five 5-year renewal options (exercisable by the tenant) on the same terms and conditions. The Company also purchased the real estate assets of Plainridge Park Casino ("Plainridge Park") from PENN for $250.0 million, exclusive of transaction fees and taxes, and added this property to the Amended Pinnacle Master Lease. The Amended Pinnacle Master Lease was assumed by PENN at the consummation of the PENN-Pinnacle Merger. The Company also entered into a mortgage loan agreement with Boyd in connection with Boyd's acquisition of Belterra Park Gaming & Entertainment Center ("Belterra Park"), whereby the Company loaned Boyd $57.7 million (the "Belterra Park Loan"). In May 2020, the Company acquired the real estate of Belterra Park in satisfaction of the Belterra Park Loan, subject to a long-term lease (the "Belterra Park Lease") with a Boyd affiliate operating the property. The Belterra Park Lease rent terms are consistent with the Boyd Master

Lease. The annual rent is comprised of a fixed component, part of which is subject to an annual escalator of up to 2% if certain rent coverage ratio thresholds are met, and a component that is based on the performance of the facilities which is adjusted, subject to certain floors, every two years to an amount equal to 4% of the average annual net revenues of Belterra Park during the preceding two years in excess of a contractual baseline.

Third Amended and Restated Caesars Master Lease

On October 1, 2018, the Company closed its previously announced transaction to acquire certain real property assets from Tropicana Entertainment Inc. ("Tropicana") and certain of its affiliates pursuant to a Purchase and Sale Agreement dated April 15, 2018 between Tropicana and GLP Capital, which was subsequently amended on October 1, 2018 (as amended, the "Amended Real Estate Purchase Agreement"). Pursuant to the terms of the Amended Real Estate Purchase Agreement, the Company acquired the real estate assets of Tropicana Atlantic City, Tropicana Evansville, Tropicana Laughlin, Trop Casino Greenville and the Belle of Baton Rouge ("The Belle") (the "GLP Assets") from Tropicana for an aggregate cash purchase price of $964.0 million, exclusive of transaction fees and taxes (the "Tropicana Acquisition"). Concurrent with the Tropicana Acquisition, Eldorado Resorts, Inc. (now doing business as Caesars) acquired the operating assets of these properties from Tropicana pursuant to an Agreement and Plan of Merger dated April 15, 2018 by and among Tropicana, GLP Capital, Caesars and a wholly-owned subsidiary of Caesars and leased the GLP Assets from the Company pursuant to the terms of a new unitary triple-net master lease with an initial term of 15 years, with no purchase option, followed by four successive 5-year renewal periods (exercisable by the tenant) on the same terms and conditions (the "Caesars Master Lease").

On June 15, 2020, the Company amended and restated the Caesars Master Lease (as amended, the "Amended and Restated Caesars Master Lease") to, (i) extend the initial term of 15 years to 20 years, with renewals of up to an additional 20 years at the option of Caesars, (ii) remove the variable rent component in its entirety commencing with the third lease year, (iii) in the third lease year, increase annual land base rent and annual building base rent, (iv) provide fixed escalation percentages that delay the escalation of building base rent until the commencement of the fifth lease year with building base rent increasing annually by 1.25% in the fifth and sixth lease years, 1.75% in the seventh and eighth lease years and 2% in the ninth lease year and each lease year thereafter, (v) subject to the satisfaction of certain conditions, permit Caesars to elect to replace the Tropicana Evansville and/or Trop Casino Greenville properties under the Amended and Restated Caesars Master Lease with one or more of Caesars Gaming Scioto Downs, The Row in Reno, Isle Casino Racing Pompano Park, Isle Casino Hotel – Black Hawk, Lady Luck Casino – Black Hawk, Isle Casino Waterloo ("Waterloo"), Isle Casino Bettendorf ("Bettendorf") or Isle of Capri Casino Boonville, provided that the aggregate value of such new property, individually or collectively, was at least equal to the value of Tropicana Evansville or Tropicana Greenville, as applicable, (vi) permit Caesars to elect to sell its interest in The Belle and sever it from the Amended and Restated Caesars Master Lease (with no change to the rent obligation to the Company), subject to the satisfaction of certain conditions, and (vii) provide certain relief under the operating, capital expenditure and financial covenants thereunder in the event of facility closures due to pandemics, governmental restrictions and certain other instances of unavoidable delay. The effectiveness of the Amended and Restated Caesars Master Lease was subject to the review and approval of certain gaming regulatory agencies and the expiration of applicable gaming regulatory advance notice periods which conditions were satisfied on July 23, 2020.

On December 18, 2020, the Company and Caesars amended and restated the Amended and Restated Caesars Master Lease (as amended and restated, the "Second Amended and Restated Caesars Master Lease") in connection with the completion of an Exchange Agreement (the "Exchange Agreement") with subsidiaries of Caesars in which Caesars transferred to the Company the real estate assets of Waterloo and Bettendorf in exchange for the transfer by the Company to Caesars of the real property assets of Tropicana Evansville, plus a cash payment of $5.7 million. In connection with the Exchange Agreement, the annual building base rent and the annual land base rent were increased.

On November 13, 2023, the Company and Caesars amended and restated the Second Amended and Restated Caesars Master Lease (as amended and restated, the "Third Amended and Restated Caesars Master Lease") in connection with Caesars selling its interest in The Belle to Casino Queen with no change in rent obligation to the Company.

Horseshoe St. Louis Lease

On October 1, 2018, the Company entered into a loan agreement with Caesars in connection with Caesars's acquisition of Lumière Place Casino, now known as Horseshoe St. Louis, whereby the Company loaned Caesars $246.0 million (the "CZR loan"). The CZR loan bore interest at a rate equal to (i) 9.09% until October 1, 2019 and (ii) 9.27% until its maturity. On the one-year anniversary of the CZR loan, the mortgage evidenced by a deed of trust on the Horseshoe St. Louis property terminated and the loan became unsecured. On June 24, 2020, the Company received approval from the Missouri Gaming Commission to own the real estate assets of the Horseshoe St. Louis property in satisfaction of the CZR loan. On September

29, 2020, the transaction closed and the Company entered into a new single property triple net lease with an affiliate of Caesars (the "Horseshoe St. Louis Lease") the initial term of which expires on October 31, 2033, with four separate renewal options of five years each, exercisable at the tenant's option. The Horseshoe St. Louis Lease was amended on December 1, 2021 to adjust the rent terms such that the annual escalator is now fixed at 1.25% for the second through fifth lease years, increasing to 1.75% for the sixth and seventh lease years and thereafter increasing by 2.0% for the remainder of the lease.

Bally's Master Lease and Bally's Chicago Land Lease

On June 3, 2021, the Company completed its previously announced transaction pursuant to which a subsidiary of Bally's acquired 100% of the equity interests in the Caesars subsidiary that currently operates Tropicana Evansville and the Company reacquired the real property assets of Tropicana Evansville from Caesars for a cash purchase price of approximately $340.0 million. In addition, the Company purchased the real estate assets of Dover Downs Hotel & Casino (now Bally's Dover Casino Resort) from Bally's for a cash purchase price of approximately $144.0 million. The real estate assets of these two facilities were added to a new triple net master lease (the "Bally's Master Lease") the annual rent of which is subject to contractual escalations based on the Consumer Price Index ("CPI") with a 1% floor and a 2% ceiling, subject to the CPI meeting a 0.5% threshold. The Bally's Master Lease has an initial term of 15 years, with no purchase option, followed by four 5-year renewal options (exercisable by the tenant) on the same terms and conditions.

The Company completed the acquisitions of the real estate assets of Bally's Black Hawk and Bally's Quad Cities on April 1, 2022 and Bally's Biloxi and Bally's Tiverton on January 3, 2023. The Bally's Master Lease was amended to add these properties with annual rent increases that are subject to the escalation clauses described above.

In connection with GLPI’s commitment to consummate the Bally’s Biloxi and Bally's Tiverton acquisitions, the Company also agreed to pre-fund, at Bally’s election, a deposit of up to $200.0 million, which was funded in September 2022. This amount was credited to GLPI along with a $9.0 million transaction fee payable at closing which occurred on January 3, 2023. The Company continues to have the option, subject to receipt by Bally's of required consents, to acquire the real property assets of Bally's Twin River Lincoln Casino Resort ("Bally's Lincoln") prior to December 31, 2026 for a purchase price of $735.0 million and additional rent of $58.8 million. The Company has also been granted a call right, subject only to regulatory approval, beginning on October 1, 2026 to ensure that the Company has the opportunity to acquire the property prior to the expiration of the current option period.

On July 12, 2024, the Company announced that it entered into a binding term sheet with Bally’s pursuant to which the Company intends to acquire the real property assets of Bally’s Kansas City Casino (“Bally’s Kansas City”) and Bally’s Shreveport Casino & Hotel (“Bally’s Shreveport”) as well as the land under Bally’s planned permanent Chicago casino site, and fund the construction of certain real property improvements of the Bally’s Chicago Casino Resort (“Bally’s Chicago”) for aggregate consideration of approximately $1.585 billion. The term sheet represents a binding agreement between the Company and Bally's unless or until superseded by long-form definitive documents reflecting mutually agreed transaction terms and conditions in further detail.

The Company intends to fund construction hard costs of up to $940.0 million for Bally's Chicago, with the remainder to be funded by Bally’s with the sale leaseback proceeds related to Bally’s Kansas City and Bally’s Shreveport along with other funding sources such as Bally’s Chicago’s planned initial public offering and cash flows from operations. Funding is expected to occur through December 2026. The Company would own all funded improvements, which would be leased to Bally’s with rent commencing as advances are made.

On September 11, 2024, the Company assumed the ground lease between the existing third party and Bally's for approximately $250 million. The ground lease was amended such that the Company receives initial annual rent of $20 million (the "Bally's Chicago Land Lease"). The Bally's Chicago Land Lease is cross-defaulted with the construction development funding agreement. The parties anticipate entering into a new Bally's Chicago Land Lease to conform certain lease terms to be consistent with what was agreed upon between the Company and Bally's that were disclosed in the binding term sheet mentioned above. Upon completion of the improvements, the Company expects to own substantially all of the real estate land and improvements related to the Chicago casino and hotel for a total investment of $1.19 billion. Rental income on the land and development funding is being deferred until the project is substantially completed and ready for its intended use.

The Company intends to purchase the real property assets of both Bally’s Kansas City and Bally’s Shreveport for total consideration of $395 million. The two properties would be in a new Bally’s Master Lease that would be cross-defaulted with the existing Bally’s Master Lease with initial cash rent pursuant to the agreement for the two new properties of $32.2 million. The Company expects to close on the proposed Bally’s Kansas City and Bally’s Shreveport sale leaseback transactions as early as the fourth quarter of 2024, subject to customary regulatory and other approvals.

The contemplated transactions are subject to several conditions as well as certain third-party consents and regulatory approvals. Key conditions include but are not limited to: (a) the final structure and pro forma capitalization of Bally’s following the proposed acquisition of Bally's by Standard General, or similar transaction, in the event any agreement is reached with the board of directors of Bally’s; (b) completion of customary due diligence; and (c) receipt of all necessary gaming regulatory and other third party approvals.

Tropicana Las Vegas Lease

On April 16, 2020, the Company and certain of its subsidiaries closed on its previously announced transaction to acquire the real property associated with the former Tropicana Las Vegas from PENN in exchange for $307.5 million of rent credits which were applied against future rent obligations due under the parties' existing leases during 2020.

On September 26, 2022, Bally’s acquired both the Company’s building assets and PENN's outstanding equity interests in Tropicana Las Vegas for an aggregate cash acquisition price, net of fees and expenses, of approximately $145 million. GLPI retained ownership of the land and concurrently entered into a ground lease for an initial term of 50 years (with a maximum term of 99 years inclusive of tenant renewal options). All rent is subject to contractual escalations based on the CPI, with a 1% floor and 2% ceiling, subject to the CPI meeting a 0.5% threshold. The ground lease is supported by a Bally’s corporate guarantee and cross-defaulted with the Bally's Master Lease (the "Tropicana Las Vegas Lease").

On May 13, 2023, the Company, Tropicana Las Vegas, Inc., a Nevada corporation and wholly owned subsidiary of Bally’s, and Athletics Holdings LLC (“Athletics”), which owns the Major League Baseball team currently known as the Oakland Athletics (the “Team”), entered into a binding letter of intent (the “LOI”) setting forth the terms for developing a stadium that would serve as the home venue for the Team (the “Stadium”). The Stadium is expected to complement the potential casino resort redevelopment envisioned at our 35-acre property in Clark County, Nevada (the “Tropicana Site”), owned indirectly by GLPI through its indirect subsidiary, Tropicana Land LLC, a Nevada limited liability company and leased by the Company to Bally’s pursuant to the Tropicana Las Vegas Lease. The LOI allows for Athletics to be granted fee ownership by the Company of approximately 9 acres of the Tropicana Site for construction of the Stadium. The LOI provides that following the Stadium site transfer, there will be no reduction in the rent obligations of Bally’s on the remaining portion of the Tropicana Site or other modifications to the Tropicana Las Vegas Lease, and that to the extent the Company has any consent or approval rights under the Tropicana Las Vegas Lease, such rights shall remain enforceable unless expressly modified in writing in the definitive documents. Bally's and the Company agreed to provide the Stadium site transfer in exchange for the benefits that the Stadium is expected to bring to the Tropicana Site. The LOI provides that Athletics shall pay all the costs associated with the design, development, and construction of the Stadium and Bally’s shall pay all costs for the redevelopment of the casino and hotel resort amenities. The Company is expected to commit to up to $175.0 million of funding for hard construction costs, such as demolition and site preparation and build out of minimum public spaces needed for utilization of the Stadium. The LOI provides that during the development period, rent will be due at 8.5% of what has been funded, provided that the first $15.0 million advanced for the costs of construction of the food, beverage and retail entrance plaza shall not be subject to increased rent. The Company may have the opportunity to fund additional amounts of the construction under certain circumstances. In addition, the LOI provides that the transaction will be subject to customary approvals and other conditions, including, without limitation, approval of a master plan for the site, and certain approvals by the Nevada Gaming Control Board and Nevada Gaming Commission.

In late August 2024, the Company funded $48.5 million to Bally's that was used to pay for the demolition costs of the Tropicana Las Vegas as part of the development plans for the Stadium and annual rent was increased by $4.1 million as a result. The change in rent terms resulted in a lease reconsideration event. The lease is now classified as a sales type lease which resulted in a $3.8 million gain that was recorded in gains from dispositions of property on the Condensed Consolidated Statement of Operations.

Morgantown Lease

On October 1, 2020, the Company and PENN closed on their previously announced transaction whereby GLPI acquired the land under PENN's gaming facility under construction in Morgantown, Pennsylvania in exchange for $30.0 million in rent credits that were utilized by PENN in the fourth quarter of 2020. The Company is leasing the land back to an affiliate of PENN for an initial term of 20 years, followed by six 5-year renewal options exercisable by the tenant. On the opening date of the gaming facility and on each anniversary thereafter for each of the following three lease years rent increased by 1.5% annually (on a prorated basis for the remainder of the lease year in which the gaming facility opened) and commencing on the fourth anniversary of the opening date and for each anniversary thereafter, (i) if the CPI increase is at least 0.5% for any lease year, the rent for such lease year shall increase by 1.25% of rent as of the immediately preceding lease year, and (ii) if the CPI increase is less than 0.5% for such lease year, then the rent shall not increase for such lease year (the "Morgantown Lease"). Hollywood Casino Morgantown opened on December 22, 2021.

Third Amended and Restated Casino Queen Master Lease

On November 25, 2020, the Company entered into a definitive agreement to sell the operations of its Hollywood Casino Baton Rouge to Casino Queen for $28.2 million (the "HCBR transaction"). The HCBR transaction closed on December 17, 2021. The Company retained ownership of all real estate assets at Hollywood Casino Baton Rouge and simultaneously entered into a triple net master lease with Casino Queen, which includes the Casino Queen property in East St. Louis that was leased by the Company to Casino Queen and the Hollywood Casino Baton Rouge facility (the "Second Amended and Restated Casino Queen Master Lease"). The lease has an initial term of 15 years with four 5-year renewal options (exercisable by the tenant) on the same terms and conditions. The annual rent increases by 0.5% for the first six years. Beginning with the seventh lease year through the remainder of the lease term, if the CPI increases by at least 0.25% for any lease year then annual rent shall be increased by 1.25%, and if the CPI increase is less than 0.25% then rent will remain unchanged for such lease year. Additionally, the Company's landside development project at Casino Queen Baton Rouge was completed in late August 2023 and the rent under the Second Amended and Restated Casino Queen Master Lease was adjusted upon opening to reflect a yield of 8.25% on GLPI's project costs of $77 million. The Company then entered into an amendment to the Second Amended and Restated Casino Queen Master Lease, in connection with the acquisition of the land and certain improvements at Casino Queen Marquette for $32.72 million as of September 6, 2023 and annual rent was increased by $2.7 million for this acquisition. Additionally, the Company anticipates funding certain construction costs for an amount not to exceed $12.5 million, for a landside development project at Casino Queen Marquette. The rent will be adjusted to reflect a yield of 8.25% for the funded project costs. The Second Amended and Restated Casino Queen Master Lease was subsequently amended and restated on November 13, 2023 to include the real estate assets at The Belle (the "Third Amended and Restated Casino Queen Master Lease").

On June 3, 2024, the Company announced that it has agreed to fund and oversee a landside move and hotel renovation of The Belle for Casino Queen. GLPI has committed to provide up to approximately $111 million of funding for the project ($15.0 million of which has been funded as of September 30, 2024), which is expected to be completed by September 2025. The casino will continue to operate during the construction period except while gaming equipment is being moved to the new facility. GLPI will own the new facility and Casino Queen will pay an incremental rental yield of 9% on the development funding beginning a year from the initial disbursement of funds, which occurred on May 30, 2024 and rent will be deferred until the project is substantially complete and ready for its intended use.

Maryland Live! Lease and Pennsylvania Live! Master Lease

On December 6, 2021, the Company announced that it agreed to acquire the real property assets of Live! Casino & Hotel Maryland, Live! Casino & Hotel Philadelphia, and Live! Casino Pittsburgh, including applicable long-term ground leases, from affiliates of Cordish for aggregate consideration of approximately $1.81 billion, excluding transaction costs at deal announcement. The transaction also includes a binding partnership on future Cordish casino developments, as well as potential financing partnerships between the Company and Cordish in other areas of Cordish's portfolio of real estate and operating businesses. On December 29, 2021, the Company completed its acquisition of the real property assets of Live! Casino & Hotel Maryland and entered into a single asset lease for Live! Casino & Hotel Maryland (the "Maryland Live! Lease"). On March 1, 2022, the Company completed its acquisition of the real estate assets of Live! Casino & Hotel Philadelphia and Live! Casino Pittsburgh for $689 million and leased back the real estate to Cordish pursuant to a new triple net master lease with Cordish (as amended from time to time, the "Pennsylvania Live! Master Lease"). The Pennsylvania Live! Master Lease and the Maryland Live! Lease each have initial lease terms of 39 years, with a maximum term of 60 years inclusive of tenant renewal options. The annual rent for both leases has a 1.75% fixed yearly escalator on the entirety of rent commencing on the leases' second anniversary.

Rockford Lease

On August 29, 2023, the Company acquired the land associated with a casino development project in Rockford, IL, that opened in late August 2024 and is managed by a subsidiary of Hard Rock, from an affiliate of 815 Entertainment, LLC ("815 Entertainment") for $100.0 million. Simultaneously with the land acquisition, an affiliate of GLPI entered into a ground lease with 815 Entertainment for a 99-year term. The initial annual rent for the ground lease is $8.0 million, subject to fixed 2% annual escalation beginning with the lease's first anniversary and for the entirety of its term (the "Rockford Lease").

In addition to the Rockford Lease, the Company has also committed to providing up to $150 million of development funding via a senior secured delayed draw term loan (the "Rockford Loan"). Borrowings under the Rockford Loan are subject to an interest rate of 10%. The Rockford Loan has a maximum outstanding period of up to 6 years (5-year initial term with a 1-year extension). The Rockford Loan is prepayable without penalty following the opening of the Hard Rock Casino in Rockford, IL ("Hard Rock Casino Rockford"), which occurred in late August 2024. As of September 30, 2024, $150 million was advanced and outstanding under the Rockford Loan. Additionally, the Company also received a right of first refusal on the building improvements of the Hard Rock Casino Rockford if there is a future decision to sell them.

Tioga Downs Lease

On February 6, 2024, the Company acquired the real estate assets of Tioga Downs in Nichols, NY from American Racing for $175.0 million. Simultaneous with the acquisition, an affiliate of GLPI and American Racing entered into a triple-net lease agreement for an initial 30 year term followed by two renewal options of 10 years each and a third renewal option of approximately 12 years and ten months. The initial annual rent is $14.5 million and is subject to annual fixed escalations of 1.75% beginning with the first anniversary which increases to 2% beginning in year fifteen of the lease through the remainder of its initial term (the "Tioga Downs Lease").

Strategic Gaming Leases

On May 16, 2024, the Company acquired the real estate assets of Silverado Franklin Hotel & Gaming Complex ("Silverado"), the Deadwood Mountain Grand ("DMG") casino, and Baldini's Casino ("Baldini's") from Strategic for $105 million, plus an additional $5 million that was funded at closing to reimburse Strategic for capital improvements. Simultaneous with the acquisition, GLPI and affiliates of Strategic entered into two cross-defaulted triple-net lease agreements, each for an initial 25-year term with two ten-year renewal periods. The initial aggregate annual cash rent for the new leases is $9.2 million and is subject to a fixed 2.0% annual escalation beginning in year three of the lease and a CPI-based annual escalation beginning in year 11 of the lease, at the greater of 2% or CPI capped at 2.5% (the "Strategic Gaming Leases").

As part of the transaction, the Company also secured a right of first refusal on the real estate related to future acquisitions until Strategic's adjusted EBITDAR related to GLPI's owned assets reaches $40 million annualized.

Ione Loan

In September 2024, the Company entered into a $110 million delayed draw term loan facility with the Ione Band of Miwok Indians ("Ione") (the "Ione Loan") to provide the tribe funding on a new casino development near Sacramento, California. Ione has an option at the end of the Ione Loan term to satisfy the loan obligation by converting the outstanding principal into a long-term lease with an initial term of twenty-five years and a maximum term of forty-five years. These agreements were entered into subsequent to receiving a declination letter from the National Indian Gaming Commission approving the transaction documents, including the long-term lease. As of September 30, 2024, $13.7 million was advanced and outstanding under the Ione Loan which has a 5-year term and an interest rate of 11%.

2. Basis of Presentation

The accompanying unaudited condensed consolidated financial statements of the Company have been prepared in accordance with U.S. generally accepted accounting principles ("GAAP") for interim financial information and with the instructions for Form 10-Q and Article 10 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by GAAP for complete consolidated financial statements. In the opinion of management, all normal recurring adjustments considered necessary for a fair presentation have been included. Certain prior period amounts have been reclassified to conform to the current period presentation. Specifically, on the Condensed Consolidated Statement of Cash Flows, the prior period amount for costs paid on unsecured note redemption was combined with repayments of long-term debt.

The condensed consolidated financial statements include the accounts of GLPI and its subsidiaries as well as the Company's operating partnership, which is a variable interest entity ("VIE") in which the Company is the primary beneficiary. The Company presents non-controlling interests and classifies such interests as a separate component of equity, separate from GLPI's stockholders' equity and as net income attributable to non-controlling interest in the Condensed Consolidated Statement of Income. The operating partnership is a VIE in which the Company is the primary beneficiary because it has the power to direct the activities of the VIE that most significantly impact the partnership's economic performance and has the obligation to absorb losses of the VIE that could be potentially significant to the VIE and the right to receive benefits from the VIE that could potentially be significant to the VIE. Therefore, the Company consolidates the accounts of the operating partnership, and reflects the third party ownership in this entity as a noncontrolling interest in the Consolidated Balance Sheet. All intercompany accounts and transactions have been eliminated in consolidation.

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses for the reporting periods. Actual results could differ from those estimates.

Operating results for the three and nine months ended September 30, 2024 are not necessarily indicative of the results that may be expected for the year ending December 31, 2024. The consolidated financial statements contained in our Annual Report on Form 10-K for the year ended December 31, 2023 (the "Annual Report") should be read in conjunction with these condensed consolidated financial statements. The December 31, 2023 financial information has been derived from the Company's audited consolidated financial statements.

The Company's significant accounting policies are described in Note 2 of the Notes to the Consolidated Financial Statements included in the Company's Annual Report and since the date of those financial statements, the Company has not had any significant changes to these accounting policies that have had a material impact on the Company's financial statements other that what is described below.

Held to maturity investment securities

In February 2024, the Company purchased zero coupon United States Treasury Bills of approximately $341 million which matured in August 2024 for $350 million. In August 2024, the Company purchased zero coupon United States Treasury Bills which upon maturity in January 2025, will total $563 million. The Company classified these debt securities as held to maturity in accordance with ASC 320, Investments-Debt Securities since these are fixed income investments that the Company has the intent and ability to hold until maturity. The securities are recorded at amortized cost on the Condensed Consolidated Balance Sheet which approximated their fair value.

3. Investment in leases, net

Certain of the Company's leases are recorded as an Investment in leases, financing receivables, net, as the sale leaseback transactions were accounted for as failed sale leasebacks due to the leases' significant initial lease terms. Additionally, as described in Note 1, the Company reassessed the Tropicana Las Vegas Lease during the three months ended September 30, 2024 which resulted in the lease being classified as an investment in lease, sales type, net. The following is a summary of the balances of the Company's Investment in leases.

	September 30, 2024	September 30, 2024	December 31, 2023
	Investment in leases, sales type	Investment in leases, financing receivables	Investment in leases, financing receivables
	(in thousands)		
Minimum lease payments receivable	$ 712,165	$ 9,847,435	$ 9,088,298
Estimated residual values of lease property (unguaranteed)	278,500	1,276,675	1,041,087
Total	990,665	11,124,110	10,129,385
Less: Unearned income	(712,165)	(8,764,141)	(8,083,808)
Less: Allowance for credit losses	(21,293)	(46,194)	(21,971)
Investment in leases - net	$ 257,207	$ 2,313,775	$ 2,023,606

The present value of the net investment in the lease payment receivable and unguaranteed residual value at September 30, 2024 was $2,284.4 million and $75.6 million compared to $1,991.4 million and $54.2 million at December 31, 2023 for the Company's Investment in leases, financing receivables. The present value of the net investment in lease payment receivable and unguaranteed residual value at September 30, 2024 was $257.0 million and $21.5 million for the Company's Investment in leases, sales type.

At September 30, 2024, minimum lease payments owed to us for each of the five succeeding years under the Company's investment in leases were as follows (in thousands):

Year ending December 31,	Future Minimum Lease Payments for Investment in leases, sales type	Future Minimum Lease Payments for Investment in leases, financing receivables
2024 (remainder of year)	$ 3,709	$ 40,436
2025	14,837	164,103
2026	14,837	166,917
2027	14,837	169,858
2028	14,837	172,851
Thereafter	649,108	9,133,270
Total	$ 712,165	$ 9,847,435

The Company follows ASC 326 “Credit Losses”, which requires that the Company measure and record current expected credit losses (“CECL”), the scope of which includes our Investment in leases, financing receivables, net, Investment in leases, sales-type, net, as well as the Company's Real estate loans which are discussed in Note 5. The Company has elected to use an econometric default and loss rate model to estimate the allowance for credit losses, or CECL allowance. This model requires us to calculate and input lease and property-specific credit and performance metrics which in conjunction with forward-looking economic forecasts, project estimated credit losses over the life of the lease or loan. The Company then records a CECL allowance based on the expected loss rate multiplied by the outstanding investment.

Expected losses within our cash flows are determined by estimating the probability of default (“PD”) and loss given default (“LGD”) of our instruments subject to CECL. We have engaged a nationally recognized data analytics firm to assist us with estimating both the PD and LGD. The PD and LGD are estimated during the initial term of the instruments subject to CECL. The PD and LGD estimates were developed using current financial condition forecasts. The PD and LGD predictive model was developed using the average historical default rates and historical loss rates, respectively, of over 100,000 commercial real estate loans dating back to 1998 that have similar credit profiles or characteristics to the real estate underlying the Company's instruments subject to CECL. Management will monitor the credit risk related to its instruments subject to CECL by obtaining the applicable rent and interest coverage on a periodic basis. The Company also monitors legislative changes to assess whether it would have an impact on the underlying performance of its tenant. We are unable to use our historical data to estimate losses as the Company has no loss history to date on its lease portfolio. Our tenants were current on all of their rental obligations as of September 30, 2024 and December 31, 2023.

The change in the allowance for credit losses for the Company's investment in leases is illustrated below (in thousands):

	Balance at December 31, 2023	Change in Allowance	Balance at March 31, 2024	Change in Allowance	Balance at June 30, 2024	Change in Allowance	Balance at September 30, 2024
Maryland Live! Lease	$ 5,661	$ 7,094	$ 12,755	$ (1,871)	$ 10,884	$ 500	$ 11,384
PA Live! Master Lease	13,636	12,949	26,585	(1,854)	24,731	3,412	28,143
Rockford Lease	2,674	582	3,256	(303)	2,953	259	3,212
Tioga Lease	—	1,579	1,579	(150)	1,429	1,173	2,602
Strategic Lease	—	—	—	856	856	(3)	853
Tropicana Las Vegas Lease	—	—	—	—	—	21,293	21,293
Total	$ 21,971	$ 22,204	$ 44,175	$ (3,322)	$ 40,853	$ 26,634	$ 67,487

	Balance at December 31, 2022	Change in Allowance	Balance at March 31, 2023	Change in Allowance	Balance at June 30, 2023	Change in Allowance	Balance at September 30, 2023
Maryland Live! Lease	$ 4,095	$ (881)	$ 3,214	$ 8,142	$ 11,356	$ (789)	$ 10,567
PA Live! Master Lease	15,029	(4,772)	10,257	19,910	30,167	(3,825)	26,342
Rockford Lease	—	—	—	$ —	—	3,867	3,867
Total	$ 19,124	$ (5,653)	$ 13,471	$ 28,052	$ 41,523	$ (747)	$ 40,776

The amortized cost basis of the Company's investment in leases, financing receivables by year of origination is shown below as of September 30, 2024 (in thousands):

Origination year	Investment in leases, financing receivables	Allowance for credit losses	Amortized cost basis at September 30, 2024	Allowance as a percentage of outstanding financing receivable
2024	$ 294,772	$ (3,455)	$ 291,317	(1.17)%
2023	102,366	(3,212)	99,154	(3.14)%
2022	711,431	(28,143)	683,288	(3.96)%
2021	1,251,400	(11,384)	1,240,016	(0.91)%
Total	$ 2,359,969	$ (46,194)	2,313,775	(1.96)%

The amortized cost basis of the Company's investment in leases, sales type by year of origination is shown below as of September 30, 2024 (in thousands):

Origination year	Investment in leases, sales type lease	Allowance for credit losses	Amortized cost basis at September 30, 2024	Allowance as a percentage of outstanding sales type lease
2024	$ 278,500	$ (21,293)	$ 257,207	(7.65)%

During the three and nine months ended September 30, 2024, the Company recorded a provision for credit losses, net of $27.7 million and $47.2 million, respectively (inclusive of the reserve for real estate loans and reserves on the unfunded loan commitment, see Note 5 for details). The provision for the three and nine months ended September 30, 2024 was primarily due to the initial establishment of reserves on the Tropicana Las Vegas Lease which was determined based on the underlying credit quality of the tenant, a decline in the estimated real estate values underlying the Company's Investment in leases, financing receivables and, to a lesser extent, the Company's real estate loans and loan commitments. The real estate values are estimated based on the actual and long term projections of the Commercial Real Estate Price Index which, as of September 30, 2024 have declined relative to December 31, 2023.

During the three and nine months ended September 30, 2023, the Company recorded a provision for credit losses, net of $1.6 million and $24.0 million, respectively. The provision for credit losses recorded for the three months ended September 30, 2023 was the result of the initial establishment of $6.2 million of reserves on the Rockford Lease and Rockford Loan (See Note 5) which was partially offset by a benefit of $4.6 million on the Maryland Live! Lease and Pennsylvania Live! Master Lease as the result of an improved Commercial Real Estate Price Index forecast compared to the forecast utilized as of June 30, 2023. The provision for the nine months ended September 30, 2023, was primarily due to a decline in the estimated real estate values underlying the Company's Investment in leases, financing receivables. These values are estimated based on long term projections of the Commercial Real Estate Price Index which, as of September 30, 2023, declined relative to December 31, 2022.

The reason for differences in the allowance as a percentage of outstanding financing receivable for leases originated in each calendar year in the table above depends on various factors for the leases such as expected rent coverage ratios and loan to value ratios. Future changes in economic probability factors, changes in the estimated value of our real estate property and earnings assumptions at the underlying facilities may result in non-cash provisions or recoveries in future periods that could materially impact our results of operations.

4. Real Estate Investments, Net

Real estate investments, net, represent investments in rental properties and the corporate headquarters building (excluding our investments in transactions accounted for as real estate loans and investment in leases, financing receivables that are described in Notes 5 and 3, respectively) and is summarized as follows:

	September 30, 2024	December 31, 2023
	(in thousands)	
Land and improvements	$ 3,582,663	$ 3,559,851
Building and improvements	6,788,956	6,787,464
Construction in progress	15,823	—
Total real estate investments	10,387,442	10,347,315
Less accumulated depreciation	(2,372,466)	(2,178,523)
Real estate investments, net	$ 8,014,976	$ 8,168,792

The Land and improvements change from year end represents the acquisition of the land for the Bally's development project in Chicago, Illinois which is partially offset by the reclassification of the Tropicana Las Vegas Lease to a sales type lease from an operating lease due to the reconsideration event from the change in rent terms for the demolition funding provided by GLPI. Construction in progress primarily represents development funding on The Belle along with its related capitalized interest. See Note 1 for details on this project.

5. Real estate loans, net

As discussed in Note 1, the Company entered into the Rockford Loan during 2023 and the entire $150 million commitment was drawn as of September 30, 2024. The Rockford Loan has a 10% interest rate and a maximum outstanding period of up to 6 years (5-year initial term with a 1-year extension). The Company also entered into the Ione Loan for up to $110 million, of which $13.7 million was drawn as of September 30, 2024. The following is a summary of the balances of the Company's Real estate loans, net.

	September 30, 2024	December 31, 2023
	(in thousands)	
Real estate loans	$ 163,731	$ 40,000
Less: Allowance for credit losses	$ (4,877)	$ (964)
Real estate loans, net	$ 158,854	$ 39,036

The change in the allowance for credit losses for the Company's Real estate loans is shown below (in thousands):

Balance at December 31, 2023	$ (964)
Change in allowance	(729)
Ending balance at March 31, 2024	$ (1,693)
Change in allowance	$ (935)
Ending Balance at June 30, 2024	$ (2,628)
Change in allowance	$ (2,249)
Ending Balance at September 30, 2024	$ (4,877)

Real estate loans are subject to CECL, which is described in Note 3. The Company recorded provision for credit losses of $2.2 million and $3.9 million for the three months and nine months ended September 30, 2024 on real estate loans. Additionally, the Company recorded a benefit of $1.2 million and $2.2 million during the three month and nine months ended September 30, 2024 on unfunded loan commitments. The reserve for the unfunded loan commitment was recorded in other liabilities on the Condensed Consolidated Balance Sheets and totaled $0.4 million and $2.6 million at September 30, 2024 and December 31, 2023, respectively. The Company's borrowers are current on their loan obligations as of September 30, 2024.

6. Lease Assets and Lease Liabilities

Lease Assets

The Company is subject to various operating leases as lessee for both real estate and equipment, the majority of which are ground leases related to properties the Company leases to its tenants under triple-net operating leases. These ground leases may include fixed rent, as well as variable rent based upon an individual property's performance or changes in an index such as the CPI, and have maturity dates ranging from 2038 to 2108, when considering all renewal options. For certain of these ground leases, the Company's tenants are responsible for payment directly to the third-party landlord. Under ASC 842, the Company is required to gross-up its condensed consolidated financial statements for these ground leases as the Company is considered the primary obligor. In conjunction with the adoption of ASU 2016-02 on January 1, 2019, the Company recorded right-of-use assets and related lease liabilities on its condensed consolidated balance sheets to represent its rights to use the underlying leased assets and its future lease obligations, respectively, including for those ground leases paid directly by our tenants. Because the right-of-use asset relates, in part, to the same leases which resulted in the land right assets the Company recorded on its condensed consolidated balance sheets in conjunction with the Company's assumption of below market leases at the time it acquired the related land and building assets, the Company is required to report the right-of-use assets and land rights in the aggregate on the condensed consolidated balance sheets.

Land rights, net represent the Company's rights to land subject to long-term ground leases. The Company obtained ground lease rights through the acquisition of several of its rental properties and immediately subleased the land to its tenants. These land rights represent the below market value of the related ground leases. The Company assessed the acquired ground leases to determine if the lease terms were favorable or unfavorable, given market conditions at the acquisition date. Because the market rents to be received under the Company's triple-net tenant leases were greater than the rents to be paid under the acquired ground leases, the Company concluded that the ground leases were below market and were therefore required to be recorded as a definite lived asset (land rights) on its books.

Components of the Company's right-of use assets and land rights, net are detailed below (in thousands):

	September 30, 2024	December 31, 2023
Right-of-use assets - operating leases	$ 195,926	$ 196,254
Land rights, net	629,441	639,270
Right-of-use assets and land rights, net	$ 825,367	$ 835,524

Land Rights

The land rights are amortized over the individual lease term of the related ground lease, including all renewal options, which ranged from 20 years to 92 years at their respective acquisition dates. Land rights net, consist of the following:

	September 30, 2024	December 31, 2023
	(in thousands)	
Land rights	$ 727,113	$ 727,114
Less accumulated amortization	(97,672)	(87,844)
Land rights, net	$ 629,441	$ 639,270

As of September 30, 2024, estimated future amortization expense related to the Company’s land rights by fiscal year is as follows (in thousands):

Year ending December 31,	
2024 (remainder of year)	$ 3,275
2025	13,104
2026	13,104
2027	13,104
2028	13,104
Thereafter	573,750
Total	$ 629,441

Operating Lease Liabilities

At September 30, 2024, payments under the Company's operating lease liabilities were as follows (in thousands):

Year ending December 31,	
2024 (remainder of year)	$ 3,667
2025	14,671
2026	14,677
2027	14,173
2028	14,060
Thereafter	643,380
Total lease payments	$ 704,628
Less: interest	(508,196)
Present value of lease liabilities	$ 196,432

Lease Expense

Operating lease costs represent the entire amount of expense recognized for operating leases that are recorded on the condensed consolidated balance sheets. Variable lease costs are not included in the measurement of the lease liability and include both lease payments tied to a property's performance and changes in an index (such as the CPI) that are not determinable at lease commencement, while short-term lease costs are costs for those operating leases with a term of 12 months or less.

The components of lease expense were as follows (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2024	**2023**	**2024**	**2023**
Operating lease cost	$ 3,636	$ 3,657	$ 10,900	$ 11,17
Variable lease cost	4,846	5,050	14,718	14,89
Amortization of land right assets	3,276	3,699	9,828	10,27
Total lease cost	$ 11,758	$ 12,406	$ 35,446	$ 36,35

Amortization expense related to the land right intangibles, as well as variable lease costs and the Company's operating lease costs are recorded within land rights and ground lease expense in the condensed consolidated statements of income.

Supplemental Disclosures Related to Leases

Supplemental balance sheet information related to the Company's operating leases was as follows:

	September 30, 2024
Weighted average remaining lease term - operating leases	49.98 years
Weighted average discount rate - operating leases	6.57%

Supplemental cash flow information related to the Company's operating leases was as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2024	**2023**	**2024**	**2023**
	(in thousands)		(in thousands)	
Cash paid for amounts included in the measurement of lease liabilities:				
Operating cash flows from operating leases [1]	$ 415	$ 406	$ 1,244	$ 1,215

[1] The Company's cash paid for operating leases is significantly less than the lease cost for the same period due to the majority of the Company's ground lease rent being paid directly to the ground lessors by the Company's tenants. Although the Company expends no cash related to these leases, they are required to be grossed up in the Company's condensed consolidated financial statements under ASC 842.

Financing Lease Liabilities

In connection with the acquisition of certain real property assets included in the Maryland Live! Lease and the Strategic Gaming Leases, the Company acquired the rights to land subject to long-term ground leases which expire in June 2111 and April 2062, respectively. As these leases were accounted for as Investment in leases, financing receivables, the underlying ground leases were accounted for as Financing lease liabilities on the Condensed Consolidated Balance Sheets. In accordance with ASC 842, the Company records revenue for the ground lease rent paid by its tenant with an offsetting expense in interest expense as the Company has concluded that as the lessee it is the primary obligor under the ground leases. The Company's weighted average discount rate on the fixed minimum annual payments was 5.07% to arrive at the initial lease obligations.

At September 30, 2024, payments under the Company's financing lease liabilities were as follows (in thousands):

2024 (remainder of year)	$	669
2025		2,690
2026		2,712
2027		2,735
2028		2,758
Thereafter		313,822
Total lease payments	$	325,386
Less: Interest		(264,713)
Present value of finance lease liabilities	$	60,673

7. Long-term Debt

Long-term debt is as follows:

	September 30, 2024	December 31, 2023
	(in thousands)	
Unsecured $1,750 million revolver	$ —	$ —
Term Loan Credit Facility due September 2027	600,000	600,000
$400 million 3.350% senior unsecured notes due September 2024	—	400,000
$850 million 5.250% senior unsecured notes due June 2025	850,000	850,000
$975 million 5.375% senior unsecured notes due April 2026	975,000	975,000
$500 million 5.750% senior unsecured notes due June 2028	500,000	500,000
$750 million 5.300% senior unsecured notes due January 2029	750,000	750,000
$700 million 4.000% senior unsecured notes due January 2030	700,000	700,000
$700 million 4.000% senior unsecured notes due January 2031	700,000	700,000
$800 million 3.250% senior unsecured notes due January 2032	800,000	800,000
$400 million 6.750% senior unsecured notes due December 2033	400,000	400,000
$800 million 5.625% senior unsecured notes due September 2034	800,000	—
$400 million 6.250% senior unsecured notes due September 2054	400,000	—
Other	317	434
Total long-term debt	7,475,317	6,675,434
Less: unamortized debt issuance costs, bond premiums and original issuance discounts	(62,305)	(47,884)
Total long-term debt, net of unamortized debt issuance costs, bond premiums and original issuance discounts	$ 7,413,012	$ 6,627,550

The following is a schedule of future minimum repayments of long-term debt as of September 30, 2024 (in thousands):

2024 (remainder of year)	$ 39
2025	850,164
2026	975,114
2027	600,000
2028	500,000
Over 5 years	4,550,000
Total minimum payments	$ 7,475,317

Term Loan Credit Agreement

On September 2, 2022, GLP Capital entered into a term loan credit agreement (the “Term Loan Credit Agreement”) with Wells Fargo Bank, National Association, as administrative agent (“Term Loan Agent”), and the other agents and lenders party thereto from time to time, providing for a $600 million delayed draw credit facility with a maturity date of September 2, 2027 (the “Term Loan Credit Facility”). The Term Loan Credit Facility is guaranteed by GLPI.

The availability of loans under the Term Loan Credit Facility is subject to customary conditions, including pro forma compliance with financial covenants, and the receipt by Term Loan Agent of a conditional guarantee of the Term Loan Credit Facility by Bally’s on a secondary basis, subject to enforcement of all remedies against GLP Capital, GLPI and all sources other than Bally’s. The loans under the Term Loan Credit Facility may be used solely to finance a portion of the purchase price of the acquisition of one or more specified properties of Bally’s in one or a series of related transactions (the “Acquisition”) and to pay fees, costs and expenses incurred in connection therewith. The Company drew down the entire $600 million Term Loan Credit Facility on January 3, 2023 in connection with the acquisition of the real property assets of Bally's Biloxi and Bally's Tiverton.

Subject to customary conditions, including pro forma compliance with financial covenants, GLP Capital can obtain additional term loan commitments and incur incremental term loans under the Term Loan Credit Agreement, so long as the aggregate principal amount of all term loans outstanding under the Term Loan Credit Facility does not exceed $1.2 billion plus up to $60 million of transaction fees and costs incurred in connection with the Acquisition. There is currently no commitment in respect of such incremental loans and commitments.

Interest Rate and Fees

The interest rates per annum applicable to loans under the Term Loan Credit Facility are, at GLP Capital's option, equal to either a Secured Overnight Financing Rate ("SOFR") based rate or a base rate plus an applicable margin, which ranges from 0.85% to 1.7% per annum for SOFR loans and 0.0% to 0.7% per annum for base rate loans, in each case, depending on the credit ratings assigned to the Term Loan Credit Facility. The current applicable margin is 1.30% for SOFR loans and 0.30% for base rate loans. In addition, GLP Capital will pay a commitment fee on the unused commitments under the Term Loan Credit Facility at a rate that ranges from 0.125% to 0.3% per annum, depending on the credit ratings assigned to the Credit Facility from time to time. The current commitment fee rate is 0.25%. The weighted average interest rate under the Term Loan Credit Facility at September 30, 2024 was 6.50% .

Amortization and Prepayments

The Term Loan Credit Facility is not subject to interim amortization. GLP Capital is required to prepay outstanding term loans with 100% of the net cash proceeds from the issuance of other debt that is unconditionally guaranteed by GLPI and conditionally guaranteed by Bally's ("Alternative Acquisition Debt") that is received by GLPI, GLP Capital or any of their subsidiaries after the funding date of the Term Loan Facility (other than any incremental term loans under the Term Loan Credit Agreement and loans under the Bridge Revolving Facility (as defined below)) except to the extent such net cash proceeds are applied to repaying outstanding loans under the Bridge Revolving Facility. GLP Capital is not otherwise required to repay any loans under the Term Loan Credit Facility prior to maturity. GLP Capital may prepay all or any portion of the loans under the Term Loan Credit Facility prior to maturity without premium or penalty, subject to reimbursement of any SOFR breakage costs of the lenders, and may reborrow loans that it has repaid. Unused commitments under the Term Loan Credit Facility automatically terminated on August 31, 2023.

Certain Covenants and Events of Default

The Term Loan Credit Facility contains customary covenants that, among other things, restrict, subject to certain exceptions, the ability of GLPI and its subsidiaries, including GLP Capital, to grant liens on their assets, incur indebtedness, sell assets, engage in acquisitions, mergers or consolidations, or pay certain dividends and make other restricted payments. The financial covenants include the following, which are measured quarterly on a trailing four-quarter basis: (i) maximum total debt to total asset value ratio, (ii) maximum senior secured debt to total asset value ratio, (iii) maximum ratio of certain recourse debt to unencumbered asset value, and (iv) minimum fixed charge coverage ratio. GLPI is required to maintain its status as a REIT and is permitted to pay dividends to its shareholders as may be required in order to maintain REIT status. GLPI is also permitted to make other dividends and distributions, subject to pro forma compliance with the financial covenants and the absence of defaults. The Term Loan Credit Facility also contains certain customary affirmative covenants and events of default. The occurrence and continuance of an event of default, which includes, among others, nonpayment of principal or interest, material inaccuracy of representations and failure to comply with covenants, will enable the lenders to accelerate the loans and terminate the commitments thereunder. At September 30, 2024, the Company was in compliance with all required financial covenants under the Term Loan Credit Facility.

Senior Unsecured Credit Agreement and Amended Credit Agreement

On May 13, 2022, GLP Capital entered into a credit agreement (the "Credit Agreement") providing for a $1.75 billion revolving credit facility (the "Initial Revolving Credit Facility") maturing in May 2026, plus two six-month extensions at GLP Capital's option. The majority of our debt is at fixed rates and our exposure to variable interest rates is currently limited to outstanding obligations, if any, under the Initial Revolving Credit Facility and our Term Loan Credit Agreement. GLP Capital is the primary obligor under the Credit Agreement, which is guaranteed by GLPI.

On September 2, 2022, GLP Capital entered into an amendment to the Credit Agreement among GLP Capital, Wells Fargo Bank, National Association, as administrative agent ("Agent"), and the several banks and other financial institutions or entities party thereto (the Credit Agreement, as amended by such amendment, the "Amended Credit Agreement"). Pursuant to the Amended Credit Agreement, GLP Capital has the right, at any time until December 31, 2024, to elect to re-allocate up to $700 million in existing revolving commitments under the Amended Credit Agreement to a new revolving credit facility (the "Bridge Revolving Facility" and, collectively with the Initial Revolving Credit Facility, the "Revolver").

Loans under the Bridge Revolving Facility are subject to 1% amortization per annum. Amounts repaid under the Bridge Revolving Facility cannot be reborrowed and the corresponding commitments are automatically re-allocated to the existing revolving facility under the Amended Credit Agreement. GLP Capital is required to prepay the loans under the Bridge Revolving Facility with 100% of the net cash proceeds from the issuance of Alternative Acquisition Debt that is received by GLPI, GLP Capital or any of their subsidiaries (other than any term loans under the Term Loan Credit Agreement and any loans under the Bridge Revolving Facility). Any outstanding commitments under the Bridge Revolving Facility that have not been borrowed by December 31, 2024 are automatically re-allocated to the existing revolving facility under the Amended Credit Agreement.

GLP Capital's ability to borrow under the Bridge Revolving Facility is subject to certain conditions including pro forma compliance with GLP Capital's financial covenants, as well as the receipt by Agent of a conditional guarantee of the loans under the Bridge Revolving Facility by Bally's on a secondary basis, subject to enforcement of all remedies against GLP Capital, GLPI and all sources other than Bally's. Loans under the Bridge Revolving Facility will not be treated pro rata with loans under the existing revolving credit facility.

At September 30, 2024, no amounts were outstanding under the Amended Credit Agreement. Additionally, at September 30, 2024, the Company was contingently obligated under letters of credit issued pursuant to the Amended Credit Agreement with face amounts aggregating approximately $0.4 million, resulting in $1,749.6 million of available borrowing capacity under the Amended Credit Agreement as of September 30, 2024.

The interest rates payable on the loans borrowed under the Revolver are, at GLP Capital's option, equal to either a SOFR based rate or a base rate plus an applicable margin, which ranges from 0.725% to 1.40% per annum for SOFR loans and 0.0% to 0.4% per annum for base rate loans, in each case, depending on the credit ratings assigned to the Amended Credit Agreement. The current applicable margin is 1.05% for SOFR loans and 0.05% for base rate loans. Notwithstanding the foregoing, in no event shall the base rate be less than 1.00%. In addition, GLP Capital will pay a facility fee on the commitments under the revolving facility, regardless of usage, at a rate that ranges from 0.125% to 0.3% per annum, depending on the credit rating assigned to the Amended Credit Agreement from time to time. The current facility fee rate is 0.25%. The Amended Credit Agreement is not subject to interim amortization except with respect to the Bridge Revolving Facility. GLP Capital is not required to repay any loans under the Amended Credit Agreement prior to maturity except as set forth above with respect to the Bridge Revolving Facility. GLP Capital may prepay all or any portion of the loans under the Amended Credit Agreement prior to maturity without premium or penalty, subject to reimbursement of any SOFR breakage costs of the lenders and may reborrow loans that it has repaid.

The Amended Credit Agreement contains customary covenants that, among other things, restrict, subject to certain exceptions, the ability of GLPI and its subsidiaries to grant liens on their assets, incur indebtedness, sell assets, make investments, engage in acquisitions, mergers or consolidations or pay certain dividends and make other restricted payments. The Amended Credit Agreement includes the following financial covenants, which are measured quarterly on a trailing four-quarter basis: a maximum total debt to total asset value ratio, a maximum senior secured debt to total asset value ratio, a maximum ratio of certain recourse debt to unencumbered asset value and a minimum fixed charge coverage ratio. GLPI is permitted to pay dividends to its shareholders as may be required in order to maintain REIT status, subject to the absence of payment or bankruptcy defaults. GLPI is also permitted to make other dividends and distributions subject to pro forma compliance with the financial covenants and the absence of defaults. The Amended Credit Agreement also contains certain customary affirmative covenants and events of default, including the occurrence of a change of control and termination of the Amended PENN Master Lease (subject to certain replacement rights). The occurrence and continuance of an event of default under the Amended Credit Agreement will enable the lenders under the Amended Credit Agreement to accelerate the loans and terminate the commitments thereunder. At September 30, 2024, the Company was in compliance with all required financial covenants under the Amended Credit Agreement.

Senior Unsecured Notes

At September 30, 2024, the Company had $6,875.0 million of outstanding senior unsecured notes (the "Senior Notes"). Each of the Company's Senior Notes contain covenants limiting the Company's ability to: incur additional debt and use its assets to secure debt; merge or consolidate with another company; and make certain amendments to the Amended PENN Master Lease. The Senior Notes also require the Company to maintain a specified ratio of unencumbered assets to unsecured debt. These covenants are subject to a number of important and significant limitations, qualifications and exceptions.

In August 2024, the Company issued $800 million of 5.625% Senior Notes that will mature on September 15, 2034 at an issue price equal to 99.094% of the principal amount and $400 million of 6.250% Senior Notes that will mature on September 15, 2054 at an issue price equal to 99.183% of the principal amount. The Company plans to use the net proceeds for working capital and general corporate purposes, which may include the funding of announced transactions, development and improvement of properties, repayment of indebtedness, capital expenditures and other general business purposes.

During the three month period ended September 30, 2024, the Company redeemed its $400 million 3.350% senior unsecured notes due September 2024.

The Company may redeem the Senior Notes of any series at any time, and from time to time, at a redemption price of 100% of the principal amount of the Senior Notes redeemed, plus a "make-whole" redemption premium described in the indenture governing the Senior Notes, together with accrued and unpaid interest to, but not including, the redemption date, except that if Senior Notes of a series are redeemed 90 or fewer days prior to their maturity, the redemption price will be 100% of the principal amount of the Senior Notes redeemed, together with accrued and unpaid interest to, but not including, the redemption date. If GLPI experiences a change of control accompanied by a decline in the credit rating of the Senior Notes of a particular series, the Company will be required to give holders of the Senior Notes of such series the opportunity to sell their Senior Notes of such series at a price equal to 101% of the principal amount of the Senior Notes of such series, together with accrued and unpaid interest to, but not including, the repurchase date. The Senior Notes also are subject to mandatory redemption requirements imposed by gaming laws and regulations.

The Senior Notes were issued by GLP Capital and GLP Financing II, Inc. (the "Issuers"), two consolidated subsidiaries of GLPI, and are guaranteed on a senior unsecured basis by GLPI. The guarantees of GLPI are full and unconditional. The Senior Notes are the Issuers' senior unsecured obligations and rank *pari passu* in right of payment with all of the Issuers' senior indebtedness, including the Amended Credit Agreement, and senior in right of payment to all of the Issuers' subordinated indebtedness, without giving effect to collateral arrangements.

The Senior Notes contain covenants limiting the Company's ability to: incur additional debt and use its assets to secure debt; merge or consolidate with another company; and make certain amendments to the PENN Master Lease. The Senior Notes also require the Company to maintain a specified ratio of unencumbered assets to unsecured debt. These covenants are subject to a number of important and significant limitations, qualifications and exceptions.

At September 30, 2024, the Company was in compliance with all required financial covenants under its Senior Notes.

8. Fair Value of Financial Assets and Liabilities

Fair value is defined as the price that would be received to sell an asset or transfer a liability in an orderly transaction between market participants at the measurement date. Assets and liabilities recorded at fair value are classified based upon the level of judgment associated with the inputs used to measure their fair value. ASC 820 - *Fair Value Measurements and Disclosures* ("ASC 820") establishes a hierarchy that prioritizes fair value measurements based on the types of inputs used for the various valuation techniques (i.e. market approach, income approach, and cost approach). The levels of the hierarchy related to the subjectivity of the valuation inputs are described below:

- Level 1: Observable inputs such as quoted prices in active markets for identical assets or liabilities.
- Level 2: Inputs other than quoted prices that are observable for the asset or liability, either directly or indirectly; these include quoted prices for similar assets or liabilities in active markets, such as interest rates and yield curves that are observable at commonly quoted intervals.
- Level 3: Unobservable inputs that reflect the reporting entity's own assumptions, as there is little, if any, related market activity.

The Company's assessment of the significance of a particular input to the fair value measurement requires judgment and may affect the valuation of assets and liabilities and their placement within the fair value hierarchy.

Assets and Liabilities Measured at Fair Value on a Recurring Basis

The following methods and assumptions are used to estimate the fair value of each class of financial instruments for which it is practicable to estimate.

Cash and cash equivalents

The fair value of the Company's cash and cash equivalents approximates the carrying value of the Company's cash and cash equivalents, due to the short maturity of the cash equivalents.

Investment securities held to maturity

As discussed in Note 2, in August 2024, the Company purchased U.S. Treasury Bills that will mature in January 2025. The fair value of the investment (which approximated its carrying value) is disclosed below and is based on quoted prices in active markets and as such is a Level 1 measurement as defined in ASC 820.

Investment in leases, financing receivables, net

The fair value of the Company's investment in leases, financing receivables, net is based on the estimated value of the underlying real estate property the Company owns related to the applicable leases. The initial fair value was the price paid by the Company to acquire the real estate. This value is then adjusted for changes in the commercial real estate price index and as such is a Level 3 measurement as defined under ASC 820.

Investment in leases, sales type, net

The fair value of the Company's investment in leases, sales type, net was based on a third party valuation report which utilized both market based and income based valuation approaches to value the underlying land related to the applicable lease. As such, this was determined to be a Level 3 measurement as defined under ASC 820.

Deferred compensation plan assets

The Company's deferred compensation plan assets consist of open-ended mutual funds and as such the fair value measurement of the assets is considered a Level 1 measurement as defined under ASC 820. Deferred compensation plan assets are included within other assets on the condensed consolidated balance sheets.

Real estate loans, net

The Company's real estate loans bear interest at a fixed rate. The fair value disclosed in the table below is estimated based on the present value of the loans' future cash flows using a discounted cash flow analysis. The fair value of the loans is subject to fluctuations from changes in market interest rates at each reporting period and the fair value measurement is considered a Level 3 measurement as defined in ASC 820.

Long-term debt

The fair value of the Senior Notes are estimated based on quoted prices in active markets and as such is a Level 1 measurement as defined under ASC 820. The fair value of the obligations in our Amended Credit Agreement and Term Loan Credit Facility is based on indicative pricing from market information (Level 2 inputs).

The estimated fair values of the Company’s financial instruments are as follows (in thousands):

	September 30, 2024		December 31, 2023	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial assets:				
Cash and cash equivalents	$ 494,135	$ 494,135	$ 683,983	$ 683,983
Investment securities held to maturity	554,106	554,749	—	—
Investment in leases, financing receivables, net	2,313,775	2,058,800	2,023,606	1,969,326
Investment in leases, sales-type, net	257,207	278,500	—	—
Real estate loans, net	158,854	169,643	39,036	40,299
Deferred compensation plan assets	38,819	38,819	32,894	32,894
Financial liabilities:				
Long-term debt:				
Amended Credit Agreement and Term Loan Credit Facility	600,000	600,000	600,000	600,000
Senior Notes	6,875,000	6,827,950	6,075,000	5,816,919

Assets and Liabilities Measured at Fair Value on a Nonrecurring Basis

As discussed in Note 1, during the three and nine months ended September 30, 2024, the Company amended the Tropicana Las Vegas Lease due to a change in rent terms resulting from funding certain demolition costs at the site for Bally's. The lease was reassessed from an accounting perspective which resulted in the amended lease being accounted for as a sales type lease whereas previously it had been treated as an operating lease. The sales type lease was recorded at the estimated fair value of the land at the reassessment date based on a third party valuation report. This report utilized a combination of comparable land sales for its market based valuation approach as well as rent multiple capitalization rates for its income valuation approach to determine an estimated fair value which resulted in a $3.8 million gain. There were no other assets or liabilities measured at fair value on a nonrecurring basis during the nine months ended September 30, 2024 and 2023.

9. Commitments and Contingencies

Litigation

The Company is subject to various legal and administrative proceedings relating to personal injuries, employment matters, commercial transactions, and other matters arising in the normal course of business. The Company does not believe that the final outcome of these matters will have a material adverse effect on the Company's consolidated financial position or results of operations. These matters are subject to indemnification and defense obligations by our tenants. The Company maintains what it believes is adequate insurance coverage to further mitigate the risks of such proceedings. However, such proceedings can be costly, time consuming, and unpredictable and, therefore, no assurance can be given that the final outcome of such proceedings may not materially impact the Company's financial condition, results of operations or liquidity. Further, no assurance can be given that the amount or scope of existing insurance coverage will be sufficient to cover losses arising from such matters.

Funding commitments

The Company has agreed to a funding mechanism to support PENN's pursuit of relocation and development opportunities at several of the properties included in the PENN 2023 Master Lease. The Company agreed to fund up to $225 million for the relocation of PENN's Hollywood Casino in Aurora at a 7.75% cap rate and, if requested by PENN, will fund up to $350 million for the relocation of the Hollywood Casino Joliet as well as the construction of a hotel at Hollywood Casino Columbus and the construction of a second hotel tower at the M Resort Spa Casino at then current market rates. The funding commitment expires on January 1, 2026.

See Note 1 for a discussion on the potential future funding commitments the Company may have in connection with the possible future transaction with Bally's and the Athletics at the Tropicana Site. Additionally, the Company has agreed to fund construction hard costs for Bally's Chicago of up to $940.0 million at an 8.5% initial cash yield.

As discussed in Note 1, the Company has also committed to provide up to $110 million (of which $13.7 million was funded as of September 30, 2024) of development funding via the Ione Loan. Any borrowings under the Ione Loan will be subject to an interest rate of 11%.

On June 3, 2024, the Company announced that it has agreed to fund and oversee a landside move and hotel renovation of The Belle for Casino Queen. The Company has committed to provide up to approximately $111 million of funding for the project (of which $15 million has been funded as of September 30, 2024), which is expected to be completed by September 2025. The casino will continue to operate during the construction period except while gaming equipment is being moved to the new facility. The Company will own the new facility and Casino Queen will pay an incremental rental yield of 9% on the development funding beginning a year from the initial disbursement of funds, which occurred on May 30, 2024.

Finally, the Company has agreed and anticipates funding certain construction costs of a landside development project at Casino Queen Marquette for an amount not to exceed $12.5 million.

10. Revenue Recognition

Revenues from Real Estate

As of September 30, 2024, 14 of the Company's real estate investment properties were leased to a subsidiary of PENN under the Amended PENN Master Lease, 7 of the Company's real estate investment properties were leased to a subsidiary under the PENN 2023 Master Lease, 12 of the Company's real estate investment properties were leased to a subsidiary of PENN under the Amended Pinnacle Master Lease, 5 of the Company's real estate investment properties were leased to a subsidiary of Caesars under the Third Amended and Restated Caesars Master Lease, 3 of the Company's real estate investment properties were leased to a subsidiary of Boyd under the Boyd Master Lease, 8 of the Company's real estate investment properties were leased to a subsidiary of Bally's under the Bally's Master Lease, 2 of the Company's real estate investment properties were leased to a subsidiary of Cordish under the Pennsylvania Live! Master Lease, 4 of the Company's real estate properties were leased to a subsidiary of Casino Queen under the Third Amended and Restated Casino Queen Master Lease and 3 of the Company's real estate investment properties were leased to subsidiaries of Strategic under the Strategic Gaming Leases. Additionally, the land under PENN's Hollywood Casino Morgantown is subject to the Morgantown Lease and the land under the Bally's Chicago development project is subject to the Bally's Chicago Land Lease. Finally, the Company has single property triple net leases with Caesars under the Horseshoe St. Louis Lease, Boyd under the Belterra Park Lease, Cordish under the Maryland Live! Lease, Bally's under the Tropicana Las Vegas Lease, American Racing under the Tioga Downs Lease, and 815 Entertainment under the Rockford Lease.

Guarantees

The obligations under the Amended PENN Master Lease, the PENN 2023 Master Lease and Amended Pinnacle Master Lease, as well as the Morgantown Lease, are guaranteed by PENN and, with respect to each lease, jointly and severally by PENN's subsidiaries that occupy and operate the facilities covered by such lease. Similarly, the obligations under the Third Amended and Restated Caesars Master Lease, the Horseshoe St. Louis Lease, the Third Amended and Restated Casino Queen Master Lease, the Bally's Master Lease, the Bally's Chicago Land Lease, the Strategic Gaming Leases and the Tioga Downs Lease are each jointly and severally guaranteed by the applicable parent company and subsidiaries that occupy and operate the leased facilities. The obligations under the Boyd Master Lease are jointly and severally guaranteed by Boyd's subsidiaries that occupy and operate the facilities leased under the Boyd Master Lease. The obligations under the Maryland Live! Lease, the Pennsylvania Live! Master Lease, the Belterra Park Lease and the Rockford Lease are jointly and severally guaranteed by the subsidiaries that occupy and operate the facilities.

Rent

Rent under the PENN 2023 Master Lease is fixed with annual escalations on the entirety of rent increasing by 1.5% annually on November 1. The rent structure under the Amended PENN Master Lease includes a fixed component, a portion of which is subject to an annual 2% escalator if certain rent coverage ratio thresholds are met, and a component that is based on the revenues of the facilities, which is prospectively adjusted, subject to certain floors (namely the Hollywood Casino at Penn National Race Course property due to PENN's opening of a competing facility) every five years to an amount equal to 4% of the average net revenues of all facilities under the Amended PENN Master Lease during the preceding five years in excess of a contractual baseline.

Similar to the Amended PENN Master Lease, the Amended Pinnacle Master Lease also includes a fixed component, a portion of which is subject to an annual 2% escalator if certain rent coverage ratio thresholds are met and a component that is based on the performance of the facilities, which is prospectively adjusted subject to certain floors (namely the Bossier City Boomtown property due to PENN's acquisition of a competing facility, Margaritaville Resort Casino), every two years to an amount equal to 4% of the average net revenues of all facilities under the Amended Pinnacle Master Lease during the preceding two years in excess of a contractual baseline.

On December 18, 2020 and November 13, 2023, amendments became effective to the Amended and Restated Caesars Master Lease and Second Amended and Restated Master Lease, respectively, as described more fully in Note 1. These modifications were each accounted for as a new lease which the Company concluded continued to meet the criteria for operating lease treatment. As a result, the existing deferred revenue at the time of the amendments are being recognized over the Amended and Restated Caesars Master Lease's new initial lease term, which expires in September 2038. The Company concluded the renewal options of up to an additional 20 years at the tenant's option are not reasonably certain of being exercised as failure to renew would not result in a significant penalty to the tenant. In the fifth and sixth lease years the building base rent escalates at 1.25%. In the seventh and eighth lease years it escalates at 1.75% and then escalates at 2% in the ninth lease year and each lease year thereafter. In addition, the guaranteed fixed escalations in the new initial lease term are recognized on a straight-line basis.

The Boyd Master Lease includes a fixed component, a portion of which is subject to an annual 2% escalator if certain rent coverage ratio thresholds are met, and a component that is based on the performance of the facilities, which is adjusted every two years to an amount equal to 4% of the average annual net revenues of all facilities under the Boyd Master Lease during the preceding two years in excess of a contractual baseline.

In May 2020, the Company acquired the real estate of Belterra Park in satisfaction of the Belterra Park Loan, subject to the Belterra Park Lease with a Boyd affiliate operating the property. The Belterra Park Lease rent terms are consistent with the Boyd Master Lease. The annual rent is comprised of a fixed component, part of which is subject to an annual escalator of up to 2% if certain rent coverage ratio thresholds are met and a component that is based on the performance of the facilities which is adjusted, every two years to an amount equal to 4% of the average annual net revenues of Belterra Park during the preceding two years in excess of a contractual baseline.

On September 29, 2020, the Company acquired the real estate of Horseshoe St. Louis in satisfaction of the CZR loan, subject to the Horseshoe St. Louis Lease, the initial term of which expires on October 31, 2033, with 4 separate renewal options of five years each, exercisable at the tenant's option. The Horseshoe St. Louis Lease's rent terms were adjusted on December 1, 2021 such that the annual escalator is now fixed at 1.25% for the second through fifth lease years, increasing to 1.75% for the sixth and seventh lease years and thereafter increasing by 2.0% for the remainder of the lease.

The Morgantown Lease became effective on October 1, 2020 whereby the Company is leasing the land under PENN's gaming facility and the initial rent on the opening date and on each anniversary thereafter for each of the following three lease years shall be increased by 1.5% annually (on a prorated basis for the remainder of the lease year in which the gaming facility opens), and commencing on the fourth anniversary of the opening date and for each anniversary thereafter, (a) if the CPI increase is at least 0.5% for any lease year, the rent for such lease year shall increase by 1.25% of rent as of the immediately preceding lease year, and (b) if the CPI increase is less than 0.5% for such lease year, then the rent shall not increase for such lease year. Hollywood Casino Morgantown opened on December 22, 2021.

Rent under the Third Amended and Restated Casino Queen Master Lease increases annually by 0.5% for lease years two through six. Beginning with the seventh lease year through the remainder of the lease term, if the CPI increases by at least 0.25% for any lease year then annual rent shall be increased by 1.25%, and if the CPI increase is less than 0.25%, rent will remain unchanged for such lease year. Additionally, the Company's landside development project at Casino Queen Baton Rouge was completed in late August 2023 and the rent was adjusted to reflect a yield of 8.25% on GLPI's project costs of $77 million. The Company also acquired the land and certain improvements at Casino Queen Marquette for $32.72 million as of September 6, 2023. The annual rent was increased by $2.7 million for this acquisition. Additionally, the Company anticipates funding certain construction costs for an amount not to exceed $12.5 million, for a landside development project at Casino Queen Marquette.

The Bally's Master Lease became effective on June 3, 2021 and rent is subject to contractual escalations based on the CPI, with a 1% floor and a 2% ceiling, subject to the CPI meeting a 0.5% threshold. The Company completed the acquisitions of the real estate assets of Bally's Biloxi and Bally's Tiverton on January 3, 2023 and Bally's Black Hawk and Bally's Quad Cities on April 1, 2022. The existing Bally's Master Lease was amended to add these properties with annual rent increases subject to the escalation clauses described above.

As previously discussed the Company assumed the ground lease for the Chicago land for approximately $250 million and entered into the Bally's Chicago Land Lease. The lease is cross-defaulted with the construction development funding agreement. Upon completion of the improvements and acquisition of the land, GLPI expects to own substantially all of the real estate land and funded improvements related to the Chicago casino and hotel for a total investment of $1.19 billion. Rental income on the land and development funding is being deferred until the project is substantially complete and ready for its intended use. Income deferred on the project is recorded in construction in progress and totaled $1.1 million for the three and nine months ended September 30, 2024, respectively.

On December 29, 2021, the Maryland Live! Lease with Cordish became effective, with annual rent increasing by 1.75% upon the second anniversary of the lease commencement. The Pennsylvania Live! Master Lease with Cordish became effective March 1, 2022 with annual rent increasing by 1.75% upon the second anniversary of the lease commencement. These leases were accounted for as an Investment in leases, financing receivables. See Note 3 for the further information including the future annual cash payments to be received under these leases.

On September 26, 2022, the Tropicana Las Vegas Lease became effective. Commencing on the first anniversary and on each anniversary thereafter, if the CPI increase is at least 0.5% for any lease year, the rent shall increase by the greater of 1% of the rent in effect for the preceding lease year and the CPI increase, capped at 2%. If the CPI increase is less than 0.5% for such lease year, then the rent shall not increase for such lease year. As discussed in Note 1, in late August 2024, the Tropicana Las Vegas Lease was reconsidered due to a change in rent terms which resulted in the lease being accounted for as a sales type lease.

On August 29, 2023, the Company acquired the land associated with a development project in Rockford, IL. Simultaneously with the land acquisition, the Company entered into the Rockford Lease which has a 99-year term and initial annual rent is subject to fixed 2% annual escalation beginning with the lease's first anniversary and for the entirety of its term.

On February 6, 2024, the Company announced it had acquired the real estate assets of Tioga Downs. Simultaneously with the acquisition, The Company entered into the Tioga Downs Lease which has an initial lease term of 30 years and initial annual rent that is subject to annual fixed escalations of 1.75% beginning with the first anniversary which increases to 2% beginning in year fifteen of the lease through the remainder of its initial term.

On May 16, 2024, the Company acquired the real estate assets of Silverado, DMG, and Baldini's. Simultaneous with the acquisition, the Company and affiliates of Strategic entered into the Strategic Gaming Leases. The rent is subject to a fixed 2.0% annual escalation beginning in year three of the lease and a CPI-based annual escalation beginning in year 11 of the lease, at the greater of 2% or CPI capped at 2.5%.

Furthermore, certain of the Company's leases with percentage rent provide for a floor on the percentage rent described above, should the Company's tenants acquire or commence operating a competing facility within a restricted area (typically 60 miles from a property under the existing master lease with such tenant). These clauses provide landlord protections by basing the percentage rent floor for any affected facility on the net revenues of such facility for the calendar year immediately preceding the year in which the competing facility is acquired or first operated by the tenant. A percentage rent floor was triggered on the Amended Pinnacle Master Lease on the Bossier City Boomtown property due to PENN's acquisition of Margaritaville Resort Casino. Additionally, a percentage rent floor on the Amended PENN Master Lease was triggered on the Hollywood Casino at Penn National Race Course in connection with PENN opening a facility in York, Pennsylvania which went into effect at the November 1, 2023 reset.

Costs

In addition to rent, as triple-net lessees, all of the Company's tenants are required to pay the following executory costs: (1) all facility maintenance, (2) all insurance required in connection with the leased properties and the business conducted on the leased properties, including coverage of the landlord's interests, (3) taxes levied on or with respect to the leased properties (other than taxes on the income of the lessor) and (4) all utilities and other services necessary or appropriate for the leased properties and the business conducted on the leased properties.

Lease terms

Under ASC 842, the Company is required at lease inception (and if applicable at a lease reassessment date) to determine the term of the lease. This requires concluding whether it is reasonably assured that our tenants will exercise their renewal options contained within the lease. The initial lease term is a key judgment that is utilized in the lease classification test to determine whether the lease is an operating lease, sales type lease or direct financing lease. The Company currently has not included tenant renewal options in its determination of the initial lease term. The Company assesses whether to include tenant renewal options in its calculation of the lease term based on several factors, including but not limited to, whether its tenants' leases represent substantially all of the tenants' earnings and revenues, the ability of its tenants to sell their leased operations for fair value and whether the initial term of its leases is for a significant period of time. Since the formation of the Company on November 1, 2013, the Company has amended or reassessed seven of its current leases. All of these reassessments were the result of significant lease amendments and were completed during the initial lease terms and prior to any renewal options. Additionally, Pinnacle sold its operations to PENN for fair value whose underlying real estate for the casino operations were leased from the Company.

Details of the Company's income from real estate for the three and nine months ended September 30, 2024 was as follows (in thousands):

	Three Months Ended September 30, 2024	Nine Months Ended September 30, 2024
Building base rent	$ 288,667	$ 857,963
Land base rent	44,903	131,676
Percentage rent and other rental revenue	18,080	52,258
Interest income on real estate loans	3,354	6,268
Total cash income	$ 355,004	$ 1,048,165
Straight-line rent adjustments	14,682	46,262
Ground rent in revenue	8,562	25,751
Accretion on financing receivables	7,093	21,753
Total income from real estate	$ 385,341	$ 1,141,931

As of September 30, 2024, the future minimum rental income from the Company's rental properties under non-cancelable operating leases, including any reasonably assured renewal periods, was as follows (in thousands):

Year ending December 31,	Future Rental Payments Receivable	Straight-Line Rent Adjustments (1)	Future Base Ground Rents Receivable	Future Income to be Recognized Related to Operating Leases
2024 (remainder of year)	$ 309,164	$ 14,840	$ 3,252	$ 327,256
2025	1,239,237	57,056	13,007	1,309,300
2026	1,148,088	49,757	12,180	1,210,025
2027	1,105,535	42,967	11,302	1,159,804
2028	1,107,680	36,078	11,184	1,154,942
Thereafter	5,439,992	33,145	56,127	5,529,264
Total	$ 10,349,696	$ 233,843	$ 107,052	$ 10,690,591

(1) Includes tenant improvement allowance that is being amortized over the life of a tenant lease as well as deferred income on the Bally's Chicago Land Lease.

The table above presents the cash rent the Company expects to receive from its tenants, including adjustments to recognize this rent on a straight-line basis over the lease term. The Company also includes the future non-cash revenue it expects to recognize from the fixed portion of tenant paid ground leases in the table above. See Note 3 for the future contractual cash receipts to be received by the Company under its Investment in leases, financing receivables, net. The table above excludes contractual rent payments under the Bally's Chicago Land Lease since the project is under development.

The Company may periodically loan funds to casino operators for the purchase or development of real estate. Interest income related to real estate loans is recorded as income from real estate within the Company's consolidated statements of income in the period earned. See Note 5 for further details.

11. Earnings Per Share

The Company calculates earnings per share ("EPS") in accordance with ASC 260 - *Earnings per Share* ("ASC 260"*)*. Basic EPS is computed by dividing net income applicable to common stock by the weighted-average number of common shares outstanding during the period, excluding net income attributable to participating securities (unvested restricted stock awards). Diluted EPS reflects the additional dilution for all potentially-dilutive securities such as stock options, unvested restricted shares, unvested performance-based restricted shares and the dilutive effect of the Company's forward sale agreements as described in Note 12. The effect of the conversion of the OP Units to common shares is excluded from the computation of basic and diluted earnings per share because all net income attributable to the non-controlling interest holders are recorded as income attributable to non-controlling interests and thus is excluded from net income available to common shareholders. In accordance with ASC 260, the Company includes all performance-based restricted shares that would have vested based upon the

Company’s performance at quarter-end in the calculation of diluted EPS. Diluted EPS for the Company's common stock is computed using the more dilutive of the two-class method or the treasury stock method.

The following table reconciles the weighted-average common shares outstanding used in the calculation of basic EPS to the weighted-average common shares outstanding used in the calculation of diluted EPS for the three and nine months ended September 30, 2024 and 2023:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2024	2023	2024	2023
	(in thousands)			
Determination of shares:				
Weighted-average common shares outstanding	273,788	263,238	272,265	262,512
Assumed conversion of restricted stock awards	184	169	144	148
Assumed conversion of performance-based restricted stock awards	482	800	437	765
Dilution attributable to equity forward contract	344	—	5	—
Diluted weighted-average common shares outstanding	274,798	264,207	272,851	263,425

The following table presents the calculation of basic and diluted EPS for the Company’s common stock for the three and nine months ended September 30, 2024 and 2023:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2024	2023	2024	2023
	(in thousands, except per share data)			
Calculation of basic EPS:				
Net income attributable to common shareholders	$ 184,694	$ 184,010	$ 567,408	$ 522,991
Less: Net income allocated to participating securities	(124)	(117)	(300)	(294)
Net income for earnings per share purposes	$ 184,570	$ 183,893	$ 567,108	$ 522,697
Weighted-average common shares outstanding	273,788	263,238	272,265	262,512
Basic EPS	$ 0.67	$ 0.70	$ 2.08	$ 1.99
Calculation of diluted EPS:				
Net income attributable to common shareholders	$ 184,694	$ 184,010	$ 567,408	$ 522,991
Diluted weighted-average common shares outstanding	274,798	264,207	272,851	263,425
Diluted EPS	$ 0.67	$ 0.70	$ 2.08	$ 1.99
Antidilutive securities excluded from the computation of diluted earnings per share	33	55	93	69

12. Equity

Common stock

On December 21, 2022, the Company commenced a continuous equity offering under which the Company may sell up to an aggregate of $1.0 billion of its common stock from time to time through a sales agent in "at the market" offerings (the "2022 ATM Program"). Actual sales will depend on a variety of factors, including market conditions, the trading price of the Company's common stock and determinations of the appropriate sources of funding. The Company may sell the shares in amounts and at times to be determined by the Company, but has no obligation to sell any of the shares in the 2022 ATM Program. The 2022 ATM Program also allows the Company to enter into forward sale agreements. In no event will the aggregate number of shares sold under the 2022 ATM Program (whether under any forward sale agreement or through a sales agent), have an aggregate sales price in excess of $1.0 billion. The Company expects, that if it enters into a forward sale contract, to physically settle each forward sale agreement with the forward purchaser on one or more dates specified by the Company prior to the maturity date of that particular forward sale agreement, in which case the aggregate net cash proceeds at settlement will equal the number of shares underlying the particular forward sale agreement multiplied by the relevant forward sale price. However, the Company may also elect to cash settle or net share settle a particular forward sale agreement, in which case cash proceeds may or may not be received or cash may be owed to the forward purchaser.

In connection with the 2022 ATM Program, the Company engaged a sales agent who may receive compensation of up to 2% of the gross sales price of the shares sold. Similarly, in the event the Company enters into a forward sale agreement, it will pay the relevant forward seller a commission of up to 2% of the sales price of all borrowed shares of common stock sold during the applicable selling period of the forward sale agreement. During the nine months ended September 30, 2024, the Company sold 3.1 million shares of its common stock under the 2022 ATM Program which raised net proceeds of $148.2 million.

During the third quarter and subsequent to September 30, 2024, the Company entered into forward sale agreements to sell 8,170,387 shares for a net sales price of $409.3 million. No amounts have been or will be recorded on the Company's balance sheet with respect to these forward sale agreements until settlement. Reflecting the impact of these forward sale agreements, the Company has $34.2 million remaining for issuance under the 2022 ATM Program.

The forward sale agreements require the Company to, at its election prior to one year from the commencement of each forward sale agreement, physically settle the transactions by issuing shares of its common stock to the forward counterparty in exchange for net proceeds at the then applicable forward sale price specified by the forward sale agreements. The forward sale price is subject to adjustment on a daily basis based on a floating interest rate factor and will decrease by other specified fixed amounts.

Until settlement of the forward sale agreements, earnings per share dilution resulting from the forward sale agreements will be determined under the treasury stock method. Share dilution occurs when the average market price of the Company's common stock is higher than the average forward sales price (which is reduced by the maximum specified fixed amounts in the contracts).

Non-controlling interests

As partial consideration for the closing of various real property assets over the past few years, the Company's operating partnership has issued OP Units. The OP Units are exchangeable for common shares of the Company on a one-for-one basis, subject to certain terms and conditions. As partial consideration for the closing of the real property assets under the Tioga Downs Lease that occurred on February 6, 2024, the Company’s operating partnership issued 434,304 newly-issued OP units to an affiliate of Tioga Downs which were valued at $19.6 million. As of September 30, 2024, the Company holds a 97.2% controlling financial interest in the operating partnership. The operating partnership is a VIE in which the Company is the primary beneficiary because it has the power to direct the activities of the VIE that most significantly impact the partnership's economic performance and has the obligation to absorb losses of the VIE that could be potentially significant to the VIE and the right to receive benefits from the VIE that could potentially be significant to the VIE. Therefore, the Company consolidates the accounts of the operating partnership, and reflects the third party ownership in this entity as a non-controlling interest in the Condensed Consolidated Balance Sheets. The Company paid $6.1 million and $18.4 million in distributions to the non-controlling interest holders concurrently with the dividends paid to the Company's common shareholders, during the three and nine month periods ended September 30, 2024, respectively. The Company paid $5.6 million and $18.5 million in distributions to the non-controlling interest holders concurrently with the dividends paid to the Company's common shareholders, during the three and nine month periods ended September 30, 2023, respectively.

Dividends

The following table lists the dividends declared and paid by the Company during the nine months ended September 30, 2024 and 2023:

Declaration Date	Shareholder Record Date	Securities Class	Dividend Per Share	Period Covered	Distribution Date	Dividend Amount
						(in thousands)
2024						
February 26, 2024	March 15, 2024	Common Stock	$0.76	First Quarter 2024	March 29, 2024	$206,340
May 20, 2024	June 7, 2024	Common Stock	$0.76	Second Quarter 2024	June 21, 2024	$206,340
August 28, 2024	September 13, 2024	Common Stock	$0.76	Third Quarter 2024	September 27, 2024	$208,538
2023						
February 22, 2023	March 10, 2023	Common Stock	$0.72	First Quarter 2023	March 24, 2023	$188,896
February 22, 2023	March 10, 2023	Common Stock	$0.25	First Quarter 2023	March 24, 2023	$65,588
June 1, 2023	June 16, 2023	Common Stock	$0.72	Second Quarter 2023	June 30, 2023	$189,095
August 30, 2023	September 15, 2023	Common Stock	$0.73	Third Quarter 2023	September 29, 2023	$192,085

In addition, for the three and nine months ended September 30, 2024 dividend payments were made to GLPI restricted stock award holders in the amount of $0.2 million and $0.7 million, respectively. In addition, for the three and nine months ended September 30, 2023, dividend payments were made to GLPI restricted stock award holders in the amount of $0.2 million and $0.7 million, respectively. On February 22, 2023, the Company declared a first quarter dividend of $0.72 per share in addition to a special earnings and profit dividend related to the sale of the Tropicana Las Vegas building of $0.25 per share on the Company's common stock.

13. Stock-Based Compensation

The Company accounts for stock compensation under ASC 718 - *Compensation - Stock Compensation,* which requires the Company to expense the cost of employee services received in exchange for an award of equity instruments based on the grant-date fair value of the award. This expense is recognized ratably over the requisite service period following the date of grant. The fair value of the Company's time-based restricted stock awards is equivalent to the closing stock price on the day prior to grant. The Company utilizes a third party valuation firm to measure the fair value of performance-based restricted stock awards at grant date using the Monte Carlo model.

As of September 30, 2024, there was $5.8 million of total unrecognized compensation cost for restricted stock awards that will be recognized over the grants' remaining weighted average vesting period of 1.71 years. For the three and nine months ended September 30, 2024, the Company recognized $1.5 million and $7.3 million of compensation expense associated with these awards, compared to $1.5 million and $7.2 million for the three and nine months ended September 30, 2023, within general and administrative expenses on the condensed consolidated statements of income.

The following table contains information on restricted stock award activity for the nine months ended September 30, 2024:

	Number of Award Shares
Outstanding at December 31, 2023	269,929
Granted	263,328
Released	(216,818)
Outstanding at September 30, 2024	316,439

Performance-based restricted stock awards have a three-year cliff vesting with the amount of restricted shares vesting at the end of the three-year period determined based upon the Company's performance as measured against its peers. More specifically, the percentage of shares vesting at the end of the measurement period will be based on the Company's three-year total shareholder return measured against the three-year total shareholder return of the companies included in the MSCI US REIT index and the Company's stock performance ranking among a group of triple-net REIT peer companies. As of September 30, 2024, there was $19.6 million of total unrecognized compensation cost, which will be recognized over the performance-based restricted stock awards' remaining weighted average vesting period of 1.77 years. For the three and nine months ended September 30, 2024, the Company recognized $3.9 million and $11.7 million of compensation expense associated with these awards within general and administrative expenses on the condensed consolidated statements of income compared to $3.7 million and $10.8 million for the corresponding periods in the prior year.

The following table contains information on performance-based restricted stock award activity for the nine months ended September 30, 2024:

	Number of Performance-Based Award Shares
Outstanding at December 31, 2023	1,492,000
Granted	523,000
Released	(478,000)
Outstanding at September 30, 2024	1,537,000

14. Supplemental Disclosures of Cash Flow Information and Noncash Activities

Supplemental disclosures of cash flow information are as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2024	2023	2024	2023
	(in thousands)			
Cash paid for income taxes, net of refunds received	$ 590	$ 448	$ 2,989	$ 1,427
Cash paid for interest	$ 79,382	$ 79,126	$ 247,008	$ 235,214

Noncash Investing and Financing Activities

In connection with the rental term changes on the Tropicana Las Vegas Lease during the three months ended September 30, 2024, the Company reclassified this lease from an operating lease to a sales type lease which resulted in a non-cash gain of $3.8 million which represented the fair value of the land at the reassessment date in excess of the carrying value of the land and the additional funding under the lease of $274.7 million.

On May 16, 2024, the Company recorded a non-cash increase to Investment in leases, financing receivables and Financing lease liabilities of $6.1 million associated with the acquisition of certain real estate assets of Strategic. See Note 15 for further details.

On February 6, 2024, as partial consideration for the closing of the real property assets under the Tioga Downs Lease, the Company's operating partnership issued 434,304 newly-issued OP units to an affiliate of Tioga Downs which were valued at $19.6 million for accounting purposes at closing and assumed debt of $63.5 million that was repaid after closing with the offsetting increase to Investment in leases, financing receivables, net.

On January 3, 2023, as part of the consideration for the land and real estate assets of Bally's Biloxi and Bally's Tiverton, the Company issued 286,643 OP Units to affiliates of Bally's that were valued at $14.9 million for accounting purposes at closing. The Company also recognized a right of use asset and liability of $37.1 million on a ground lease which was subsequently remeasured due to a renegotiation and reduced the right of use asset and lease liability to $18.4 million for the year ended December 31, 2023.

15. Acquisitions

The Company accounts for its acquisitions of real estate assets as asset acquisitions under ASC 805 - *Business Combinations*. Under asset acquisition accounting, incremental transaction costs incurred to acquire the purchased assets are also included as part of the asset cost.

Current year acquisitions

On September 11, 2024, the Company completed its previously announced $250 million acquisition of the land on which Bally's permanent casino in Chicago, Illinois will be constructed. The Company will also fund construction costs of up to $940.0 million for certain real property improvements of the casino. Rental income being received on the land is being deferred and will be recognized once the development project is substantially complete and ready for its intended use.

On May 16, 2024, the Company acquired the real estate assets of Silverado, DMG, and Baldini's for $105 million, plus an additional $5 million that was funded at closing to reimburse the tenant for capital improvements. Simultaneous with the acquisition, the Company and affiliates of Strategic entered into two cross-defaulted triple-net lease agreements, each for an initial 25-year term with two ten-year renewal periods. The transaction was accounted for as a failed sale leaseback and the purchase price allocation of these assets and liabilities based on their respective fair values at the acquisition date are summarized below (in thousands).

Investment in leases, financing receivables	116,217
Financing lease liabilities	(6,054)
Total purchase price	110,163

On February 6, 2024, the Company acquired the real estate assets of Tioga Downs, in Nichols, NY from American Racing for $175.0 million which comprised of cash, assumed debt that was repaid after closing, and OP Units. Simultaneously with the acquisition, the Company entered into the Tioga Downs Lease. The transaction was accounted for as a failed sale leaseback and as such the purchase price, along with incremental transaction costs, was allocated to Investment in leases, financing receivables in the amount of $176.4 million.

Prior year acquisitions

On January 3, 2023, the Company closed its previously announced acquisition from Bally's of the real estate assets of Bally's Biloxi and Bally's Tiverton. The properties were added to the Bally's Master Lease and annual rent was increased by $48.5 million. The purchase price allocation of these assets based on their fair values at the acquisition date are summarized below (in thousands).

Land and improvements	$	321,155
Building and improvements		306,100
Total purchase price	$	627,255

At closing, the Company was credited its previously funded $200 million deposit that was recorded in other assets at December 31, 2022 as well as a $9.0 million transaction fee that was recorded against the purchase price. The Company continues to have the option, subject to receipt by Bally's of required consents, to acquire the real property assets of Bally's Lincoln prior to December 31, 2026 for a purchase price of $771.0 million (subsequently updated to $735 million as discussed in Note 16) and additional annual rent of $58.8 million.

On August 29, 2023, the Company acquired the land associated with a development project in Rockford, IL, from an affiliate of 815 Entertainment. Simultaneously with the land acquisition, the Company entered into the Rockford Lease. The transaction was accounted for as a failed sale leaseback and as such the purchase price was allocated to Investment in leases, financing receivables in the amount of $100.2 million.

On September 6, 2023, the Company acquired the land and certain improvements at Casino Queen Marquette for $32.7 million. The property was added to the Casino Queen Master Lease and annual rent was increased by $2.7 million. The purchase price allocation of these assets based on their fair values at the acquisition date are summarized below (in thousands).

Land and improvements	$	32,032
Building and improvements		690
Total purchase price	$	32,722

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Our Operations

GLPI is a self-administered and self-managed Pennsylvania REIT. GLPI was incorporated on February 13, 2013, as a wholly-owned subsidiary of PENN Entertainment, Inc., formerly known as Penn National Gaming, Inc. (NASDAQ: PENN) ("PENN"). On November 1, 2013, PENN contributed to the Company, through a series of internal corporate restructurings, substantially all of the assets and liabilities associated with PENN's real property interests and real estate development business, as well as the assets and liabilities of Hollywood Casino Baton Rouge and Hollywood Casino Perryville (which are referred to as the "TRS Properties") and then spun-off GLPI to holders of PENN's common and preferred stock in a tax-free distribution (the "Spin-Off"). The assets and liabilities of GLPI were recorded at their respective historical carrying values at the time of the Spin-Off in accordance with the provisions of Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") 505-60 - *Spinoffs and Reverse Spinoffs ("*ASC 505"*).*

The Company elected on its U.S. federal income tax return for its taxable year that began on January 1, 2014 to be treated as a REIT and GLPI, together with its indirect wholly-owned subsidiary, GLP Holdings, Inc., jointly elected to treat each of GLP Holdings, Inc., Louisiana Casino Cruises, Inc. (d/b/a Hollywood Casino Baton Rouge) and Penn Cecil Maryland, Inc. (d/b/a Hollywood Casino Perryville) as a taxable REIT subsidiary ("TRS") effective on the first day of the first taxable year of GLPI as a REIT. In connection with the Spin-Off, PENN allocated its accumulated earnings and profits (as determined for U.S. federal income tax purposes) for periods prior to the consummation of the Spin-Off between PENN and GLPI. In connection with its election to be taxed as a REIT for U.S. federal income tax purposes, GLPI declared a special dividend to its shareholders to distribute any accumulated earnings and profits relating to the real property assets and attributable to any pre-REIT years, including any earnings and profits allocated to GLPI in connection with the Spin-Off, to comply with certain REIT qualification requirements.

On July 1, 2021, the Company sold the operations of Hollywood Casino Perryville to PENN and leased the real estate to PENN pursuant to a standalone lease. On December 17, 2021, the Company sold the operations of Hollywood Casino Baton Rouge to The Queen Casino & Entertainment Inc., formerly known as CQ Holding Company, Inc., ("Casino Queen") and leased the real estate to Casino Queen pursuant to the Second Amended and Restated Casino Queen Master Lease as described below. On December 17, 2021, GLPI declared a special dividend to the Company's shareholders to distribute the accumulated earnings and profits attributable to these sales. In 2021, subsequent to the sale of the operations of the TRS Properties, GLP Holdings, Inc. was merged into GLP Capital, L.P., the operating partnership of GLPI ("GLP Capital").

During 2020, the Company and Tropicana LV, LLC, a wholly owned subsidiary of the Company that held the real estate of the former Tropicana Las Vegas Casino Hotel Resort ("Tropicana Las Vegas"), elected to treat Tropicana LV, LLC as a TRS. In September 2022, Bally's Corporation (NYSE: BALY) ("Bally's") acquired both the building assets from GLPI and PENN's outstanding equity interests in Tropicana Las Vegas. GLPI retained ownership of the land and entered into a ground lease with Bally's. In connection with this transaction, Tropicana LV, LLC was merged into GLP Capital. GLPI paid a special earnings and profits dividend of $0.25 per share in the first quarter of 2023 related to the sale of the building assets to Bally's.

As partial consideration for the transactions with The Cordish Companies ("Cordish") described below, GLP Capital issued 7,366,683 newly-issued operating partnership units ("OP Units") to affiliates of Cordish. OP Units are exchangeable for common shares of the Company on a one-for-one basis, subject to certain terms and conditions. Such issuance of OP Units to Cordish in exchange for its contribution of certain real property assets resulted in GLP Capital becoming treated as a partnership for income tax purposes, with GLPI being deemed to contribute substantially all of the assets and liabilities of GLP Capital in exchange for the general partnership and a majority of the limited partnership interests, and a minority limited partnership interest being owned by Cordish (the "UPREIT Transaction"). In advance of the UPREIT Transaction, the Company, together with GLP Financing II, Inc. jointly elected for GLP Financing II, Inc. to be treated as a TRS effective December 23, 2021. On January 3, 2023, the Company issued 286,643 OP Units to affiliates of Bally's in connection with its acquisition of Bally's Hard Rock Hotel & Casino Biloxi ("Bally's Biloxi") and Bally's Tiverton Casino & Hotel ("Bally's Tiverton"). On February 6, 2024, the Company also issued 434,304 OP Units in connection with the acquisition of the real estate assets of Tioga Downs Casino Resort ("Tioga Downs") from American Racing & Entertainment LLC ("American Racing"). There were 8,087,630 OP Units outstanding as of September 30, 2024.

GLPI's primary business consists of acquiring, financing, and owning real estate property to be leased to gaming operators in triple-net lease arrangements. As of September 30, 2024, GLPI's portfolio consisted of interests in 66 gaming and related facilities, including the real property associated with 34 gaming and related facilities operated by PENN, the real property associated with 6 gaming and related facilities operated by Caesars Entertainment, Inc. (NASDAQ: CZR) ("Caesars"), the real property associated with 4 gaming and related facilities operated by Boyd Gaming Corporation (NYSE: BYD) ("Boyd"), the real property associated with 9 gaming and related facilities operated by Bally's and 1 facility under development for Bally's in Chicago, Illinois, the real property associated with 3 gaming and related facilities operated by Cordish, the real property associated with 4 gaming and related facilities operated by Casino Queen, 1 gaming facility managed by a subsidiary of Hard Rock International ("Hard Rock"), 3 gaming and related facilities operated by Strategic Gaming Management, LLC ("Strategic") and 1 gaming and related facility operated by American Racing. These facilities, including our corporate headquarters building, are geographically diversified across 20 states and contain approximately 29.3 million square feet. As of September 30, 2024, the Company's properties were 100% occupied. GLPI expects to continue growing its portfolio by pursuing opportunities to acquire additional gaming facilities to lease to gaming operators under prudent terms.

The majority of our earnings are the result of the rental revenues we receive from our triple-net master leases with PENN, Boyd, Bally's, Cordish, Casino Queen and Caesars. In addition to rent, the tenants are required to pay the following executory costs: (1) all facility maintenance, (2) all insurance required in connection with the leased properties and the business conducted on the leased properties, including coverage of the landlord's interests, (3) taxes levied on or with respect to the leased properties (other than taxes on the income of the lessor) and (4) all utilities and other services necessary or appropriate for the leased properties and the business conducted on the leased properties.

Additionally, in accordance with ASC 842, we record revenue for the ground lease rent paid by our tenants with an offsetting expense in land rights and ground lease expense within the Condensed Consolidated Statements of Income as we have concluded that as the lessee we are the primary obligor under the ground leases. We sublease these ground leases back to our tenants, who are responsible for payment directly to the landlord.

PENN 2023 Master Lease and Amended PENN Master Lease

As a result of the Spin-Off, the Company owns substantially all of PENN’s former real property assets (as of the consummation of the Spin-Off) and leases back most of those assets to PENN for use by its subsidiaries pursuant to a unitary master lease (the initial form of such lease the "Original PENN Master Lease"). The Original PENN Master Lease was a triple-net lease, the term of which was scheduled to expire on October 31, 2033, with no purchase option, followed by three remaining 5-year renewal options (exercisable by the tenant) on the same terms and conditions extending to October 31, 2048.

On October 10, 2022, the Company announced that it agreed to create a new master lease with PENN for seven of PENN's properties (the "PENN 2023 Master Lease"). The companies also agreed to a funding mechanism to support PENN's pursuit of relocation and development opportunities at several of the properties included in the PENN 2023 Master Lease. Pursuant to this agreement, the Original PENN Master Lease was amended (the "Amended PENN Master Lease") to remove PENN's properties in Aurora and Joliet, Illinois; Columbus and Toledo, Ohio; and Henderson, Nevada. The properties removed from the Original PENN Master Lease were added to the PENN 2023 Master Lease. In addition, the existing leases for the Hollywood Casino at The Meadows in Pennsylvania (the "Meadows Lease") and the Hollywood Casino Perryville in Maryland (the "Perryville Lease") were terminated and these properties were transferred into the PENN 2023 Master Lease. Both the Amended PENN Master Lease and the PENN 2023 Master Lease are triple-net operating leases, that became effective on January 1, 2023, the terms of which expire on October 31, 2033, with no purchase options, followed by three remaining 5-year renewal options (exercisable by the tenant) on the same terms and conditions extending to October 31, 2048.

The Company agreed to fund up to $225 million for the relocation of PENN's riverboat casino in Aurora at a 7.75% cap rate and, if requested by PENN, will fund up to $350 million for the relocation of the Hollywood Casino Joliet, as well as the construction of a hotel at Hollywood Casino Columbus and the construction of a second hotel tower at the M Resort Spa Casino at then current market rates.

Amended Pinnacle Master Lease, Boyd Master Lease and Belterra Park Lease

In April 2016, the Company acquired substantially all of the real estate assets of Pinnacle Entertainment, Inc. ("Pinnacle") for approximately $4.8 billion. The Company originally leased these assets back to Pinnacle, under a unitary triple-net lease, the term of which expires April 30, 2031, with no purchase option, followed by four remaining 5-year renewal options (exercisable by the tenant) on the same terms and conditions (the "Pinnacle Master Lease"). On October 15, 2018, the Company completed its previously announced transactions with PENN, Pinnacle and Boyd to accommodate PENN's acquisition of the majority of Pinnacle's operations, pursuant to a definitive agreement and plan of merger between PENN and Pinnacle, dated December 17, 2017 (the "PENN-Pinnacle Merger"). Concurrent with the PENN-Pinnacle Merger, the Company amended the Pinnacle Master Lease to allow for the sale of the operating assets of Ameristar Casino Hotel Kansas City, Ameristar Casino Resort Spa St. Charles and Belterra Casino Resort from Pinnacle to Boyd (the "Amended Pinnacle Master Lease") and entered into a new unitary triple-net master lease agreement with Boyd (the "Boyd Master Lease") for these properties on terms similar to the Company’s Amended Pinnacle Master Lease. The Boyd Master Lease has an initial term of 10 years (from the original April 2016 commencement date of the Pinnacle Master Lease and expiring April 30, 2026), with no purchase option, followed by five 5-year renewal options (exercisable by the tenant) on the same terms and conditions. The Company also purchased the real estate assets of Plainridge Park Casino ("Plainridge Park") from PENN for $250.0 million, exclusive of transaction fees and taxes, and added this property to the Amended Pinnacle Master Lease. The Amended Pinnacle Master Lease was assumed by PENN at the consummation of the PENN-Pinnacle Merger. The Company also entered into a mortgage loan agreement with Boyd in connection with Boyd's acquisition of Belterra Park Gaming & Entertainment Center ("Belterra Park"), whereby the Company loaned Boyd $57.7 million (the "Belterra Park Loan"). In May 2020, the Company acquired the real estate of Belterra Park in satisfaction of the Belterra Park Loan, subject to a long-term lease (the "Belterra Park Lease") with a Boyd affiliate operating the property. The Belterra Park Lease rent terms are consistent with the Boyd Master Lease. The annual rent is comprised of a fixed component, part of which is subject to an annual escalator of up to 2% if certain rent coverage ratio thresholds are met, and a component that is based on the performance of the facilities which is adjusted, subject to certain floors, every two years to an amount equal to 4% of the average annual net revenues of Belterra Park during the preceding two years in excess of a contractual baseline.

Third Amended and Restated Caesars Master Lease

On October 1, 2018, the Company closed its previously announced transaction to acquire certain real property assets from Tropicana Entertainment Inc. ("Tropicana") and certain of its affiliates pursuant to a Purchase and Sale Agreement dated April 15, 2018 between Tropicana and GLP Capital, which was subsequently amended on October 1, 2018 (as amended, the "Amended Real Estate Purchase Agreement"). Pursuant to the terms of the Amended Real Estate Purchase Agreement, the Company acquired the real estate assets of Tropicana Atlantic City, Tropicana Evansville, Tropicana Laughlin, Trop Casino Greenville and the Belle of Baton Rouge ("The Belle") (the "GLP Assets") from Tropicana for an aggregate cash purchase price of $964.0 million, exclusive of transaction fees and taxes (the "Tropicana Acquisition"). Concurrent with the Tropicana Acquisition, Eldorado Resorts, Inc. (now doing business as Caesars) acquired the operating assets of these properties from Tropicana pursuant to an Agreement and Plan of Merger dated April 15, 2018 by and among Tropicana, GLP Capital, Caesars and a wholly-owned subsidiary of Caesars and leased the GLP Assets from the Company pursuant to the terms of a new unitary triple-net master lease with an initial term of 15 years, with no purchase option, followed by four successive 5-year renewal periods (exercisable by the tenant) on the same terms and conditions (the "Caesars Master Lease").

On June 15, 2020, the Company amended and restated the Caesars Master Lease (as amended, the "Amended and Restated Caesars Master Lease") to, (i) extend the initial term of 15 years to 20 years, with renewals of up to an additional 20 years at the option of Caesars, (ii) remove the variable rent component in its entirety commencing with the third lease year, (iii) in the third lease year, increase annual land base rent and annual building base rent, (iv) provide fixed escalation percentages that delay the escalation of building base rent until the commencement of the fifth lease year with building base rent increasing annually by 1.25% in the fifth and sixth lease years, 1.75% in the seventh and eighth lease years and 2% in the ninth lease year and each lease year thereafter, (v) subject to the satisfaction of certain conditions, permit Caesars to elect to replace the Tropicana Evansville and/or Trop Casino Greenville properties under the Amended and Restated Caesars Master Lease with one or more of Caesars Gaming Scioto Downs, The Row in Reno, Isle Casino Racing Pompano Park, Isle Casino Hotel – Black Hawk, Lady Luck Casino – Black Hawk, Isle Casino Waterloo ("Waterloo"), Isle Casino Bettendorf ("Bettendorf") or Isle of Capri Casino Boonville, provided that the aggregate value of such new property, individually or collectively, was at least equal to the value of Tropicana Evansville or Tropicana Greenville, as applicable, (vi) permit Caesars to elect to sell its interest in The Belle and sever it from the Amended and Restated Caesars Master Lease (with no change to the rent obligation to the Company), subject to the satisfaction of certain conditions, and (vii) provide certain relief under the operating, capital expenditure and financial covenants thereunder in the event of facility closures due to pandemics, governmental restrictions and certain other instances of unavoidable delay. The effectiveness of the Amended and Restated Caesars Master Lease was subject to the review and approval of certain gaming regulatory agencies and the expiration of applicable gaming regulatory advance notice periods which conditions were satisfied on July 23, 2020.

On December 18, 2020, the Company and Caesars amended and restated the Amended and Restated Caesars Master Lease (as amended and restated, the "Second Amended and Restated Caesars Master Lease") in connection with the completion of an Exchange Agreement (the "Exchange Agreement") with subsidiaries of Caesars in which Caesars transferred to the Company the real estate assets of Waterloo and Bettendorf in exchange for the transfer by the Company to Caesars of the real property assets of Tropicana Evansville, plus a cash payment of $5.7 million. In connection with the Exchange Agreement, the annual building base rent and the annual land base rent were increased.

On November 13, 2023, the Company and Caesars amended and restated the Second Amended and Restated Caesars Master Lease (as amended and restated, the "Third Amended and Restated Caesars Master Lease") in connection with Caesars selling its interest in The Belle to Casino Queen with no change in rent obligation to the Company.

Horseshoe St. Louis Lease

On October 1, 2018, the Company entered into a loan agreement with Caesars in connection with Caesars acquisition of Lumière Place Casino, now known as Horseshoe St. Louis, whereby the Company loaned Caesars $246.0 million (the "CZR loan"). The CZR loan bore interest at a rate equal to (i) 9.09% until October 1, 2019 and (ii) 9.27% until its maturity. On the one-year anniversary of the CZR loan, the mortgage evidenced by a deed of trust on the Horseshoe St. Louis property terminated and the loan became unsecured. On June 24, 2020, the Company received approval from the Missouri Gaming Commission to own the real estate assets of the Horseshoe St. Louis property in satisfaction of the CZR loan. On September 29, 2020, the transaction closed and the Company entered into a new single property triple net lease with an affiliate of Caesars (the "Horseshoe St. Louis Lease") the initial term of which expires on October 31, 2033, with four separate renewal options of five years each, exercisable at the tenant's option. The Horseshoe St. Louis Lease was amended on December 1, 2021 to adjust the rent terms such that the annual escalator is now fixed at 1.25% for the second through fifth lease years, increasing to 1.75% for the sixth and seventh lease years and thereafter increasing by 2.0% for the remainder of the lease.

Bally's Master Lease

On June 3, 2021, the Company completed its previously announced transaction pursuant to which a subsidiary of Bally's acquired 100% of the equity interests in the Caesars subsidiary that currently operates Tropicana Evansville and the Company reacquired the real property assets of Tropicana Evansville from Caesars for a cash purchase price of approximately $340.0 million. In addition, the Company purchased the real estate assets of Dover Downs Hotel & Casino (now Bally's Dover Casino Resort) from Bally's for a cash purchase price of approximately $144.0 million. The real estate assets of these two facilities were added to a new triple net master lease (the "Bally's Master Lease") the annual rent of which is subject to contractual escalations based on the Consumer Price Index ("CPI") with a 1% floor and a 2% ceiling, subject to the CPI meeting a 0.5% threshold. The Bally's Master Lease has an initial term of 15 years, with no purchase option, followed by four 5-year renewal options (exercisable by the tenant) on the same terms and conditions.

The Company completed the acquisitions of the real estate assets of Bally's Black Hawk and Bally's Quad Cities on April 1, 2022 and Bally's Biloxi and Bally's Tiverton on January 3, 2023. The Bally's Master Lease was amended to add these properties with annual rent increases that are subject to the escalation clauses described above.

In connection with GLPI’s commitment to consummate the Bally’s Biloxi and Bally's Tiverton acquisitions, the Company also agreed to pre-fund, at Bally’s election, a deposit of up to $200.0 million, which was funded in September 2022. This amount was credited to the Company along with a $9.0 million transaction fee payable at closing which occurred on January 3, 2023. The Company continues to have the option, subject to receipt by Bally's of required consents, to acquire the real property assets of Bally's Twin River Lincoln Casino Resort ("Bally's Lincoln") prior to December 31, 2026 for a purchase price of $735.0 million and additional rent of $58.8 million. The Company has also been granted a call right, subject only to regulatory approval, beginning on October 1, 2026 to ensure that the Company has the opportunity to acquire the property prior to the expiration of the current option period.

On July 12, 2024, the Company announced that it entered into a binding term sheet with Bally’s pursuant to which the Company intends to acquire the real property assets of Bally’s Kansas City Casino (“Bally’s Kansas City”) and Bally’s Shreveport Casino & Hotel (“Bally’s Shreveport”) as well as the land under Bally’s planned permanent Chicago casino site, and fund the construction of certain real property improvements of the Bally’s Chicago Casino Resort (“Bally’s Chicago”) for aggregate consideration of approximately $1.585 billion. The term sheet represents a binding agreement between the Company and Bally's unless or until superseded by long-form definitive documents reflecting mutually agreed transaction terms and conditions in further detail.

The Company intends to fund construction hard costs of up to $940.0 million for Bally's Chicago, with the remainder to be funded by Bally’s with the sale leaseback proceeds related to Bally’s Kansas City and Bally’s Shreveport along with other funding sources such as Bally’s Chicago’s planned initial public offering and cash flows from operations. Funding is expected to occur through December 2026. The Company would own all funded improvements, which would be leased to Bally’s with rent commencing as advances are made.

On September 11, 2024, the Company assumed the ground lease between the existing third party and Bally's for approximately $250 million. The ground lease was amended such that GLPI receives initial annual rent of $20 million (the "Bally's Chicago Land Lease"). The Bally's Chicago Land Lease is cross-defaulted with the construction development funding agreement. The parties anticipate entering into a new Bally's Chicago Land Lease to conform certain lease terms to be consistent with what was agreed upon between the Company and Bally's that were disclosed in the binding term sheet mentioned above. Upon completion of the improvements, the Company expects to own substantially all of the real estate land and improvements related to the Chicago casino and hotel for a total investment of $1.19 billion. Rental income on the land and development funding is being deferred until the project is substantially completed and ready for its intended use.

The Company intends to purchase the real property assets of both Bally’s Kansas City and Bally’s Shreveport for total consideration of $395 million. The two properties would be in a new Bally’s Master Lease that would be cross-defaulted with the existing Bally’s Master Lease with initial cash rent pursuant to the agreement for the two new properties of $32.2 million. The Company expects to close on the proposed Bally’s Kansas City and Bally’s Shreveport sale leaseback transactions as early as the fourth quarter of 2024, subject to customary regulatory and other approvals.

The contemplated transactions are subject to several conditions as well as certain third-party consents and regulatory approvals. Key conditions include but are not limited to: (a) the final structure and pro forma capitalization of Bally’s following the proposed acquisition of Bally's by Standard General, or similar transaction, in the event any agreement is reached with the board of directors of Bally’s; (b) completion of customary due diligence; and (c) receipt of all necessary gaming regulatory and other third party approvals.

Tropicana Las Vegas Lease

On April 16, 2020, the Company and certain of its subsidiaries closed on its previously announced transaction to acquire the real property associated with the former Tropicana Las Vegas from PENN in exchange for $307.5 million of rent credits which were applied against future rent obligations due under the parties' existing leases during 2020.

On September 26, 2022, Bally’s acquired both the Company’s building assets and PENN's outstanding equity interests in Tropicana Las Vegas for an aggregate cash acquisition price, net of fees and expenses, of approximately $145 million. GLPI retained ownership of the land and concurrently entered into a ground lease for an initial term of 50 years (with a maximum term of 99 years inclusive of tenant renewal options). All rent is subject to contractual escalations based on the CPI, with a 1% floor and 2% ceiling, subject to the CPI meeting a 0.5% threshold. The ground lease is supported by a Bally’s corporate guarantee and cross-defaulted with the Bally's Master Lease (the "Tropicana Las Vegas Lease").

On May 13, 2023, the Company, Tropicana Las Vegas, Inc., a Nevada corporation and wholly owned subsidiary of Bally’s, and Athletics Holdings LLC (“Athletics”), which owns the Major League Baseball team currently known as the Oakland Athletics (the “Team”), entered into a binding letter of intent (the “LOI”) setting forth the terms for developing a stadium that would serve as the home venue for the Team (the “Stadium”). The Stadium is expected to complement the potential casino resort redevelopment envisioned at our 35-acre property in Clark County, Nevada (the “Tropicana Site”), owned indirectly by GLPI through its indirect subsidiary, Tropicana Land LLC, a Nevada limited liability company and leased by the Company to Bally’s pursuant to the Tropicana Las Vegas Lease. The LOI allows for Athletics to be granted fee ownership by the Company of approximately 9 acres of the Tropicana Site for construction of the Stadium. The LOI provides that following the Stadium site transfer, there will be no reduction in the rent obligations of Bally’s on the remaining portion of the Tropicana Site or other modifications to the Tropicana Las Vegas Lease, and that to the extent the Company has any consent or approval rights under the Tropicana Las Vegas Lease, such rights shall remain enforceable unless expressly modified in writing in the definitive documents. Bally's and the Company agreed to provide the Stadium site transfer in exchange for the benefits that the Stadium is expected to bring to the Tropicana Site. The LOI provides that Athletics shall pay all the costs associated with the design, development, and construction of the Stadium and Bally’s shall pay all costs for the redevelopment of the casino and hotel resort amenities. The Company is expected to commit to up to $175.0 million of funding for hard construction costs, such as demolition and site preparation and build out of minimum public spaces needed for utilization of the Stadium. The LOI provides that during the development period, rent will be due at 8.5% of what has been funded, provided that the first $15.0 million advanced for the costs of construction of the food, beverage and retail entrance plaza shall not be subject to increased rent. The Company may have the opportunity to fund additional amounts of the construction under certain circumstances. In addition, the LOI provides that the transaction will be subject to customary approvals and other conditions, including, without limitation, approval of a master plan for the site, and certain approvals by the Nevada Gaming Control Board and Nevada Gaming Commission.

In late August 2024, the Company funded $48.5 million to Bally's that was used to pay for the demolition costs of the Tropicana Las Vegas as part of the development plans for the Stadium and annual rent was increased by $4.1 million as a result. The change in rent terms resulted in a lease reconsideration event. The lease is now classified as a sales type lease which resulted in a $3.8 million gain that was recorded in gains from dispositions of property on the Condensed Consolidated Statement of Operations.

Morgantown Lease

On October 1, 2020, the Company and PENN closed on their previously announced transaction whereby GLPI acquired the land under PENN's gaming facility under construction in Morgantown, Pennsylvania in exchange for $30.0 million in rent credits that were utilized by PENN in the fourth quarter of 2020. The Company is leasing the land back to an affiliate of PENN for an initial term of 20 years, followed by six 5-year renewal options exercisable by the tenant. On the opening date of the gaming facility and on each anniversary thereafter for each of the following three lease years rent increased by 1.5% annually (on a prorated basis for the remainder of the lease year in which the gaming facility opened) and commencing on the fourth anniversary of the opening date and for each anniversary thereafter, (i) if the CPI increase is at least 0.5% for any lease year, the rent for such lease year shall increase by 1.25% of rent as of the immediately preceding lease year, and (ii) if the CPI increase is less than 0.5% for such lease year, then the rent shall not increase for such lease year (the "Morgantown Lease"). Hollywood Casino Morgantown opened on December 22, 2021.

Third Amended and Restated Casino Queen Master Lease

On November 25, 2020, the Company entered into a definitive agreement to sell the operations of its Hollywood Casino Baton Rouge to Casino Queen for $28.2 million (the "HCBR transaction"). The HCBR transaction closed on December 17, 2021. The Company retained ownership of all real estate assets at Hollywood Casino Baton Rouge and simultaneously entered into a triple net master lease with Casino Queen, which includes the Casino Queen property in East St. Louis that was leased by the Company to Casino Queen and the Hollywood Casino Baton Rouge facility (the "Second Amended and Restated Casino Queen Master Lease"). The lease has an initial term of 15 years with four 5-year renewal options (exercisable by the tenant) on the same terms and conditions. The annual rent increases by 0.5% for the first six years. Beginning with the seventh lease year through the remainder of the lease term, if the CPI increases by at least 0.25% for any lease year then annual rent shall be increased by 1.25%, and if the CPI increase is less than 0.25% then rent will remain unchanged for such lease year. Additionally, the Company's landside development project at Casino Queen Baton Rouge was completed in late August 2023 and the rent under the Second Amended and Restated Casino Queen Master Lease was adjusted upon opening to reflect a yield of 8.25% on GLPI's project costs of $77 million. The Company then entered into an amendment to the Second Amended and Restated Casino Queen Master Lease, in connection with the acquisition of the land and certain improvements at Casino Queen Marquette for $32.72 million as of September 6, 2023 and annual rent was increased by $2.7 million for this acquisition. Additionally, the Company anticipates funding certain construction costs for an amount not to exceed $12.5 million, for a landside development project at Casino Queen Marquette. The rent will be adjusted to reflect a yield of 8.25% for the funded project costs. The Second Amended and Restated Casino Queen Master Lease was subsequently amended and restated on November 13, 2023 to include the real estate assets of The Belle (the "Third Amended and Restated Casino Queen Master Lease").

On June 3, 2024, the Company announced that it has agreed to fund and oversee a landside move and hotel renovation of The Belle for Casino Queen. GLPI has committed to provide up to approximately $111 million of funding for the project (of which $15.0 million has been funded as of September 30, 2024), which is expected to be completed by September 2025. The casino will continue to operate during the construction period except while gaming equipment is being moved to the new facility. GLPI will own the new facility and Casino Queen will pay an incremental rental yield of 9% on the development funding beginning a year from the initial disbursement of funds, which occurred on May 30, 2024 and rent will be deferred until the facility is ready for its intended use.

Maryland Live! Lease and Pennsylvania Live! Master Lease

On December 6, 2021, the Company announced that it agreed to acquire the real property assets of Live! Casino & Hotel Maryland, Live! Casino & Hotel Philadelphia, and Live! Casino Pittsburgh, including applicable long-term ground leases, from affiliates of Cordish for aggregate consideration of approximately $1.81 billion, excluding transaction costs at deal announcement. The transaction also includes a binding partnership on future Cordish casino developments, as well as potential financing partnerships between the Company and Cordish in other areas of Cordish's portfolio of real estate and operating businesses. On December 29, 2021, the Company completed its acquisition of the real property assets of Live! Casino & Hotel Maryland and entered into a single asset lease for Live! Casino & Hotel Maryland (the "Maryland Live! Lease"). On March 1, 2022, the Company completed its acquisition of the real estate assets of Live! Casino & Hotel Philadelphia and Live! Casino Pittsburgh for $689 million and leased back the real estate to Cordish pursuant to a new triple net master lease with Cordish (as amended from time to time, the "Pennsylvania Live! Master Lease"). The Pennsylvania Live! Master Lease and the Maryland Live! Lease each have initial lease terms of 39 years, with a maximum term of 60 years inclusive of tenant renewal options. The annual rent for both leases has a 1.75% fixed yearly escalator on the entirety of rent commencing on the leases' second anniversary.

Rockford Lease

On August 29, 2023, the Company acquired the land associated with a casino development project in Rockford, IL, that opened in late August 2024 and is managed by a subsidiary of Hard Rock, from an affiliate of 815 Entertainment, LLC ("815 Entertainment") for $100.0 million. Simultaneously with the land acquisition, an affiliate of GLPI entered into a ground lease with 815 Entertainment for a 99 year term. The initial annual rent for the ground lease is $8.0 million, subject to fixed 2% annual escalation beginning with the lease's first anniversary and for the entirety of its term (the "Rockford Lease").

In addition to the Rockford Lease, the Company has also committed to providing up to $150 million of development funding via a senior secured delayed draw term loan (the "Rockford Loan"). Borrowings under the Rockford Loan are subject to an interest rate of 10%. The Rockford Loan has a maximum outstanding period of up to 6 years (5-year initial term with a 1-year extension). The Rockford Loan is prepayable without penalty following the opening of the Hard Rock Casino in Rockford, IL ("Hard Rock Casino Rockford"), which occurred in late August 2024. As of September 30, 2024, $150 million was advanced and outstanding under the Rockford Loan. Additionally, the Company also received a right of first refusal on the building improvements of the Hard Rock Casino Rockford if there is a future decision to sell them.

Tioga Downs Lease

On February 6, 2024, the Company acquired the real estate assets of Tioga Downs in Nichols, NY from American Racing for $175.0 million. Simultaneous with the acquisition, an affiliate of GLPI and American Racing entered into a triple-net lease agreement for an initial 30 year term followed by two renewal options of 10 years each and a third renewal option of approximately 12 years and ten months. The initial annual rent is $14.5 million and is subject to annual fixed escalations of 1.75% beginning with the first anniversary which increases to 2% beginning in year fifteen of the lease through the remainder of its initial term (the "Tioga Downs Lease").

Strategic Gaming Leases

On May 16, 2024, the Company acquired the real estate assets of Silverado Franklin Hotel & Gaming Complex ("Silverado"), the Deadwood Mountain Grand ("DMG") casino, and Baldini's Casino ("Baldini's") from Strategic for $105 million, plus an additional $5 million that was funded at closing for reimbursement for capital improvements. Simultaneous with the acquisition, GLPI and affiliates of Strategic entered into two cross-defaulted triple-net lease agreements, each for an initial 25-year term with two ten-year renewal periods. The initial aggregate annual cash rent for the new leases is $9.2 million and is subject to a fixed 2.0% annual escalation beginning in year three of the lease and a CPI-based annual escalation beginning in year 11 of the lease, at the greater of 2% or CPI capped at 2.5% (the "Strategic Gaming Leases").

As part of the transaction, the Company also secured a right of first refusal on the real estate related to future acquisitions until Strategic's adjusted EBITDAR related to GLPI's owned assets reaches $40 million annualized.

Ione Loan

In September 2024, the Company entered into a $110 million delayed draw term loan facility with the Ione Band of Miwok Indians ("Ione") (the "Ione Loan") to provide the tribe funding on a new casino development near Sacramento, California. Ione has an option at the end of the Ione Loan term to satisfy the loan obligation by converting the outstanding principal into a long-term lease with an initial term of twenty five years and a maximum term of forty five years. These agreements were entered into subsequent to receiving a declination letter from the National Indian Gaming Commission approving the transaction documents, including the long-term lease. As of September 30, 2024, $13.7 million was advanced and outstanding under the Ione Loan which has a 5-year term and an interest rate of 11%.

Executive Summary

Financial Highlights

We reported total revenues and income from operations of $385.3 million and $271.4 million, respectively, for the three months ended September 30, 2024, compared to $359.6 million and $268.3 million, respectively, for the corresponding period in the prior year. We reported total revenues and income from operations of $1,141.9 million and $822.5 million, respectively, for the nine months ended September 30, 2024, compared to $1,071.4 million and $773.4 million, respectively, for the corresponding period in the prior year.

The major factors affecting our results for the three and nine months ended September 30, 2024, as compared to the three and nine months ended September 30, 2023, were as follows:

- Total income from real estate increased by $25.8 million to $385.3 million for the three months ended September 30, 2024 compared to $359.6 million for the corresponding period in the prior year. The reason for the increase was primarily due to our recent acquisitions which in the aggregate increased cash rental income by $13.5 million for the three months ended September 30, 2024. Additionally, the three months ended September 30, 2024 benefited by $5.0 million compared to the corresponding period in the prior year from escalations on our leases. The Company also recognized higher accretion of $1.3 million on its Investment in leases, financing receivables and favorable straight-line rent adjustments of $5.7 million compared to the corresponding period in the prior year. Finally, the Company had favorable variable rents of $0.3 million for the three months ended September 30, 2024 compared to the corresponding period in the prior year.

- Total income from real estate increased by $70.6 million to $1,141.9 million for the nine months ended September 30, 2024 compared to the corresponding period in the prior year. The reason for the increase was due to our recent acquisitions which in the aggregate increased cash rental income by $32.3 million for the nine months ended September 30, 2024. Additionally, the nine months ended September 30, 2024 benefited by $14.7 million compared to the corresponding period in the prior year from escalations on our leases. The Company also recognized higher accretion of $4.9 million on its Investments in leases, financing receivables and favorable straight-line rent adjustments of $19.8 million compared to the corresponding period in the prior year. Finally, the Company had unfavorable variable rent of $1.2 million for the nine months ended September 30, 2024 compared to the corresponding period in the prior year primarily related to the trailing 5-year reset on the Amended PENN Master Lease that occurred on November 1, 2023 which was negatively impacted by the casino closures during the COVID-19 pandemic.
- Total operating expenses increased by $22.6 million for the three months ended September 30, 2024 as compared to the corresponding period in the prior year. The provision for credit losses, net, increased by $26.1 million during the three months ended September 30, 2024. The provision increased due primarily from the initial establishment of reserves on the Tropicana Las Vegas Lease which is now classified as a sales type lease due to a lease reconsideration event that occurred during the period (See Note 1 for further details). Additionally, land rights and ground lease expense decreased by $0.6 million due primarily due to the purchase of land that was previously subject to a land lease. Additionally, general and administrative expenses decreased by $0.1 million and depreciation expense decreased by $1.1 million for the three months ended September 30, 2024 as compared to the corresponding period in the prior year due to certain assets being fully depreciated. The three months ended September 30, 2024 also had a gain of $3.8 million on the reclassification of the Tropicana Las Vegas Lease to a sales type lease in connection with a lease reconsideration event which occurred during the period (See Note 1 for further details). The three months ended September 30, 2023 had a property transfer tax recovery of $2.2 million related to a successful appeal initiated by our tenant.

- Total operating expenses increased by $21.5 million for the nine months ended September 30, 2024 as compared to the corresponding period in the prior year. The provision for credit losses, net, increased by $23.2 million during the nine months ended September 30, 2024. The provision increased due primarily from the initial establishment of reserves for the Tropicana Las Vegas Lease. General and administrative expenses increased by $2.5 million due primarily to higher stock based compensation costs, franchise taxes, and transaction costs. Additionally, land rights and ground lease expense decreased by $0.9 million due primarily to the purchase of land that was previously subject to a land lease. Finally, depreciation expense decreased by $1.7 million for the nine months ended September 30, 2024 as compared to the corresponding period in the prior year due to certain assets being fully depreciated. The nine months ended September 30, 2024 also had a gain of $3.8 million on the reclassification of the Tropicana Las Vegas Lease to a sales type lease in connection with a lease reconsideration event which occurred during the period (See Note 1 for further details). The nine months ended September 30, 2023 had a property transfer tax recovery of $2.2 million related to a successful appeal initiated by our tenant.

- Other expenses increased by $2.3 million for the three months ended September 30, 2024, primarily due to higher interest expense of $15.9 million associated with the Company's increased borrowings to fund our recent acquisitions. These items were partially offset by higher interest income of $13.6 million as compared to the corresponding period in the prior year because of higher average interest earning balances and higher rates earned on these balances during the current year.

- Other expenses increased by $2.6 million for the nine months ended September 30, 2024, primarily due to higher interest expense of $28.5 million associated with the Company's increased borrowings to fund our recent acquisitions. These items were partially offset by higher interest income of $25.4 million as compared to the corresponding period in the prior year because of higher average interest earning balances and higher rates earned on these balances during the current year. The nine months ended September 30, 2023 also included debt extinguishment charges of $0.6 million.

- Net income increased by $0.8 million and $45.9 million for the three and nine months ended September 30, 2024, as compared to the corresponding periods in the prior year, primarily due to the variances explained above.

Critical Accounting Estimates

We make certain judgments and use certain estimates and assumptions when applying accounting principles in the preparation of our consolidated financial statements. The nature of the estimates and assumptions are material due to the levels of subjectivity and judgment necessary to account for highly uncertain factors or the susceptibility of such factors to change. We have identified the accounting for leases, investment in leases, net, allowance for credit losses, income taxes, and real estate investments as critical accounting estimates, as they are the most important to our financial statement presentation and require difficult, subjective and complex judgments.

We believe the current assumptions and other considerations used to estimate amounts reflected in our condensed consolidated financial statements are appropriate. However, if actual experience differs from the assumptions and other considerations used in estimating amounts reflected in our consolidated financial statements, the resulting changes could have a material adverse effect on our consolidated results of operations and, in certain situations, could have a material adverse effect on our consolidated financial condition.

For further information on our critical accounting estimates, see Item 7. "Management’s Discussion and Analysis of Financial Condition and Results of Operations" and the Notes to our audited consolidated financial statements included in our most recent Annual Report. There has been no material change to these estimates for the three and nine months ended September 30, 2024.

Results of Operations

The following are the most important factors and trends that contribute or may contribute to our operating performance:

- We have announced or closed numerous transactions in recent years and expect to continue to grow our portfolio by pursuing opportunities to acquire additional gaming facilities to lease to gaming operators under prudent terms.

- Several wholly-owned subsidiaries of PENN lease a substantial number of our properties and account for a significant portion of our revenue.

- Risks related to economic conditions, including stress in the banking sector, high inflation levels (that have been negatively impacted by the armed conflict between Russia and Ukraine as well as conflicts in the Middle East) and the effect of such conditions on consumer spending for leisure and gaming activities, which may negatively impact our gaming tenants and operators and the variable rent and certain annual rent escalators we receive from our tenants as outlined in the long-term triple-net leases with these tenants.

- The ability to service or refinance our significant levels of debt at attractive terms and obtain favorable funding in connection with future business opportunities.

- The fact that the rules and regulations of U.S. federal income taxation are constantly under review by legislators, the Internal Revenue Service and the U.S. Department of the Treasury. Changes to the tax laws or interpretations thereof, with or without retroactive application, could materially and adversely affect GLPI and its investors.

The consolidated results of operations for the three and nine months ended September 30, 2024 and 2023 are summarized below:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2024	2023	2024	2023
	(in thousands)			
Total revenues	$ 385,341	$ 359,560	$ 1,141,931	$ 1,071,363
Total operating expenses	113,897	91,256	319,452	297,935
Income from operations	271,444	268,304	822,479	773,428
Total other expenses	(80,829)	(78,515)	(236,877)	(234,274)
Income before income taxes	190,615	189,789	585,602	539,154
Income tax expense	515	482	1,564	1,040
Net income	$ 190,100	$ 189,307	$ 584,038	$ 538,114
Net income attributable to non-controlling interest in the Operating Partnership	(5,406)	(5,297)	(16,630)	(15,123)
Net income attributable to common shareholders	$ 184,694	$ 184,010	$ 567,408	$ 522,991

FFO, AFFO and Adjusted EBITDA

Funds From Operations ("FFO"), Adjusted Funds From Operations ("AFFO") and Adjusted EBITDA are non-U.S. generally accepted accounting principles ("GAAP") financial measures used by the Company as performance measures for benchmarking against the Company's peers and as internal measures of business operating performance, which is used as a bonus metric. These metrics are presented assuming full conversion of limited partnership units to common shares and therefore before the income statement impact of non-controlling interests. The Company believes FFO, AFFO and Adjusted EBITDA provide a meaningful perspective of the underlying operating performance of the Company's current business. This is especially true since these measures exclude real estate depreciation and we believe that real estate values fluctuate based on market conditions rather than depreciating in value ratably on a straight-line basis over time.

FFO, AFFO and Adjusted EBITDA are non-GAAP financial measures that are considered supplemental measures for the real estate industry and a supplement to GAAP measures. The National Association of Real Estate Investment Trusts defines FFO as net income (computed in accordance with GAAP), excluding (gains) or losses from dispositions of property, net of tax and real estate depreciation. We define AFFO as FFO excluding, as applicable to the particular period, stock based compensation expense; the amortization of debt issuance costs, bond premiums and original issuance discounts; other depreciation; amortization of land rights; accretion on investment in leases, financing receivables; non-cash adjustments to financing lease liabilities; property transfer tax recoveries and impairment charges; straight-line rent and deferred rent adjustments; losses on debt extinguishment; capitalized interest; and provision (benefit) for credit losses, net, reduced by capital maintenance expenditures. Finally, we define Adjusted EBITDA as net income excluding, as applicable to the particular period, interest, net; income tax expense; real estate depreciation; other depreciation; (gains) or losses from dispositions of property, net of tax; stock based compensation expense; straight-line rent and deferred rent adjustments; amortization of land rights; accretion on Investment in leases, financing receivables; non-cash adjustments to financing lease liabilities; property transfer tax recoveries and impairment charges; losses on debt extinguishment; and provision (benefit) for credit losses, net.

FFO, AFFO and Adjusted EBITDA are not recognized terms under GAAP. These non-GAAP financial measures: (i) do not represent cash flows from operations as defined by GAAP; (ii) should not be considered as an alternative to net income as a measure of operating performance or to cash flows from operating, investing and financing activities; and (iii) are not alternatives to cash flows as a measure of liquidity. In addition, these measures should not be viewed as an indication of our ability to fund our cash needs, including to make cash distributions to our shareholders, to fund capital improvements, or to make interest payments on our indebtedness. Investors are also cautioned that FFO, AFFO and Adjusted EBITDA, as presented, may not be comparable to similarly titled measures reported by other real estate companies, including REITs, due to the fact that not all real estate companies use the same definitions. Our presentation of these measures does not replace the presentation of our financial results in accordance with GAAP.

The reconciliation of the Company's net income per GAAP to FFO, AFFO, and Adjusted EBITDA for the three and nine months ended September 30, 2024 and 2023 is as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2024	2023	2024	2023
	(in thousands)			
Net income	**$ 190,100**	**$ 189,307**	**$ 584,038**	**$ 538,114**
Gains from dispositions of property, net of tax	(3,790)	(22)	(3,790)	(22)
Real estate depreciation	64,289	65,155	193,943	195,494
Funds from operations	**$ 250,599**	**$ 254,440**	**$ 774,191**	**$ 733,586**
Straight-line rent and deferred rent adjustments (1)	(14,682)	(8,942)	(46,262)	(26,445)
Other depreciation	482	691	1,450	1,637
Provision (benefit) for credit losses, net	27,686	1,613	47,194	24,012
Amortization of land rights	3,276	3,699	9,828	10,278
Amortization of debt issuance costs, bond premiums and original issuance discounts	2,803	2,406	8,172	7,312
Stock based compensation	5,463	5,139	19,010	17,959
Losses on debt extinguishment	—	—	—	556
Accretion on investment in leases, financing receivables	(7,093)	(5,813)	(21,753)	(16,806)
Non-cash adjustment to financing lease liabilities	112	122	358	347
Capitalized interest	(857)	—	(857)	—
Property transfer tax recovery	—	(2,187)	—	(2,187)
Capital maintenance expenditures	453	(17)	(99)	(25)
Adjusted funds from operations	**$ 268,242**	**$ 251,151**	**$ 791,232**	**$ 750,224**
Interest, net	80,047	77,835	234,697	231,707
Income tax expense	515	482	1,564	1,040
Capital maintenance expenditures	(453)	17	99	25
Amortization of debt issuance costs, bond premiums and original issuance discounts	(2,803)	(2,406)	(8,172)	(7,312)
Capitalized interest	857	—	857	—
Adjusted EBITDA	**$ 346,405**	**$ 327,079**	**$ 1,020,277**	**$ 975,684**

(1) Current year amount includes $0.1 million and $0.2 million for the three months and nine months ended September 30, 2024, respectively, of tenant improvement allowance amortization.

Net income, FFO, AFFO and Adjusted EBITDA were $190.1 million, $250.6 million, $268.2 million, and $346.4 million for the three months ended September 30, 2024, respectively. This compares to net income, FFO, AFFO and Adjusted EBITDA of $189.3 million, $254.4 million, $251.2 million and $327.1 million for the corresponding period in the prior year. The increase in net income of $0.8 million was primarily attributable to an increase in total revenues of $25.8 million, partially offset by increased operating expenses of $22.6 million (which was driven by the increase in provision for credit losses of $26.1 million) and higher other expenses of $2.3 million.

Net income, FFO, AFFO and Adjusted EBITDA were $584.0 million, $774.2 million, $791.2 million, and $1,020.3 million for the nine months ended September 30, 2024, respectively. This compares to net income, FFO, AFFO and Adjusted EBITDA of $538.1 million, $733.6 million, $750.2 million and $975.7 million for the corresponding period in the prior year. The increase in net income of $45.9 million was primarily attributable to an increase in total revenues of $70.6 million, partially offset by higher operating expenses of $21.5 million (which was a result of an increase in provision for credit losses of $23.2 million) and higher other expenses of $2.6 million.

The increases in FFO for the three months and nine months ended September 30, 2024 were due to the items described above, excluding gains from dispositions of property and real estate depreciation. The increases in AFFO and Adjusted EBITDA were due to the items described above, as well as the adjustments mentioned in the tables above.

Revenues

Revenues for the three months and nine months ended September 30, 2024 and 2023 were as follows (in thousands):

	Three Months Ended September 30,			Percentage
	2024	2023	Variance	Variance
Rental income	$ 333,244	$ 321,206	$ 12,038	3.7 %
Income from investment in leases, financing receivables	47,503	38,332	9,171	23.9 %
Income from sales-type leases	1,240	—	1,240	N/A
Interest income from real estate loans	3,354	22	3,332	N/A
Total income from real estate	$ 385,341	$ 359,560	$ 25,781	7.2 %

	Nine Months Ended September 30,			Percentage
	2024	2023	Variance	Variance
Rental income	$ 996,641	$ 958,410	$ 38,231	4.0 %
Income from investment in leases, financing receivables	137,782	112,931	24,851	22.0 %
Income from sales-type leases	1,240	—	1,240	N/A
Interest income from real estate loans	6,268	22	6,246	N/A
Total income from real estate	$ 1,141,931	$ 1,071,363	70,568	6.6 %

Total income from real estate

- Total income from real estate increased by $25.8 million to $385.3 million for the three months ended September 30, 2024 compared to $359.6 million for the corresponding period in the prior year. The reason for the increase was primarily due to our recent acquisitions which in the aggregate increased cash rental income by $13.5 million for the three months ended September 30, 2024. Additionally, the three months ended September 30, 2024 benefited by $5.0 million compared to the corresponding period in the prior year from escalations on our leases. The Company also recognized higher accretion of $1.3 million on its Investment in leases, financing receivables, favorable straight-line and deferred rent adjustments of $5.7 million and favorable variable rent of $0.3 million compared to the corresponding period in the prior year.

- Total income from real estate increased by $70.6 million to $1,141.9 million for the nine months ended September 30, 2024 compared to $1,071.4 million for the corresponding period in the prior year. The reason for the increase was primarily due to our recent acquisitions which in the aggregate increased cash rental income by $32.3 million for the nine months ended

September 30, 2024. Additionally, the nine months ended September 30, 2024 benefited by $14.7 million compared to the corresponding period in the prior year from escalations on our leases. The Company also recognized higher accretion of $4.9 million on its Investment in leases, financing receivables and favorable straight-line rent and deferred rent adjustments of $19.8 million compared to the corresponding period in the prior year. Finally, the Company had unfavorable variable rent of $1.2 million for the nine months ended September 30, 2024 compared to the corresponding period in the prior year primarily related to the trailing 5-year reset on the Amended PENN Master Lease that occurred on November 1, 2023 which was negatively impacted by the casino closures during the COVID-19 pandemic.

Details of the Company's income from real estate for the three months and nine months ended September 30, 2024 was as follows (in thousands):

Three Months Ended September 30, 2024	**Building base rent**	**Land base rent**	**Percentage rent and other rental revenue**	**Interest income on real estate loans**	**Total cash income**	**Straight-line rent and deferred rent adjustments (1)**	**Ground rent in revenue**	**Accretion on financing leases**	**Total income from real estate**
Amended PENN Master Lease	$ 53,089	$ 10,758	$ 6,543	$ —	$ 70,390	$ 4,952	$ 499	$ —	$ 75,841
PENN 2023 Master Lease	58,913	—	(132)	—	58,781	5,621	—	—	64,402
Amended Pinnacle Master Lease	61,482	17,814	8,122	—	87,418	1,858	2,045	—	91,321
PENN Morgantown Lease	—	785	—	—	785	—	—	—	785
Caesars Master Lease	16,022	5,932	—	—	21,954	2,197	330	—	24,481
Horseshoe St. Louis Lease	5,918	—	—	—	5,918	399	—	—	6,317
Boyd Master Lease	20,469	2,946	3,047	—	26,462	574	432	—	27,468
Boyd Belterra Lease	724	474	500	—	1,698	151	—	—	1,849
Bally's Master Lease	26,410	—	—	—	26,410	—	2,667	—	29,077
Maryland Live! Lease	19,078	—	—	—	19,078	—	2,179	3,482	24,739
Pennsylvania Live! Master Lease	12,718	—	—	—	12,718	—	302	2,221	15,241
Casino Queen Master Lease	7,912	—	—	—	7,912	41	—	—	7,953
Tropicana Las Vegas Lease	—	3,070	—	—	3,070	—	—	—	3,070
Rockford Lease	—	2,013	—	—	2,013	—	—	509	2,522
Rockford Loan	—	—	—	3,308	3,308	—	—	—	3,308
Tioga Downs Lease	3,632	—	—	—	3,632	—	2	587	4,221
Strategic Gaming Leases	2,300	—	—	—	2,300	—	106	294	2,700
Ione Loan	—	—	—	46	46	—	—	—	46
Bally's Chicago Lease	—	1,111	—	—	1,111	(1,111)	—	—	—
Total	$ 288,667	$ 44,903	$ 18,080	$ 3,354	$ 355,004	$ 14,682	$ 8,562	$ 7,093	$ 385,341

(1) Amount includes $0.1 million of tenant improvement allowance amortization.

Nine Months Ended September 30, 2024	Building base rent	Land base rent	Percentage rent and other rental revenue	Interest income on real estate loans	Total cash income	Straight-line rent and deferred rent adjustments (2)	Ground rent in revenue	Accretion on financing leases	Total income from real estate
Amended PENN Master Lease	$ 159,269	$ 32,276	$ 19,562	$ —	$ 211,107	$ 14,856	$ 1,680	$ —	$ 227,643
PENN 2023 Master Lease	176,739	—	(354)	—	176,385	16,864	—	—	193,249
Amended Pinnacle Master Lease	182,840	53,442	23,088	—	259,370	5,574	6,163	—	271,107
PENN Morgantown Lease	—	2,353	—	—	2,353	—	—	—	2,353
Caesars Master Lease	48,065	17,796	—	—	65,861	6,589	990	—	73,440
Horseshoe St. Louis Lease	17,753	—	—	—	17,753	1,196	—	—	18,949
Boyd Master Lease	60,873	8,839	8,499	—	78,211	1,722	1,297	—	81,230
Boyd Belterra Lease	2,152	1,421	1,463	—	5,036	454	—	—	5,490
Bally's Master Lease	78,357	—	—	—	78,357	—	7,998	—	86,355
Maryland Live! Lease	57,234	—	—	—	57,234	—	6,545	11,433	75,212
Pennsylvania Live! Master Lease	38,010	—	—	—	38,010	—	933	6,668	45,611
Casino Queen Master Lease	23,721	—	—	—	23,721	118	—	—	23,839
Tropicana Las Vegas Lease	—	8,425	—	—	8,425	—	—	—	8,425
Rockford Lease	—	6,013	—	—	6,013	—	—	1,518	7,531
Rockford Loan	—	—	—	6,222	6,222	—	—	—	6,222
Tioga Lease	9,475	—	—	—	9,475	—	4	1,744	11,223
Strategic Gaming Leases	3,475	—	—	—	3,475	—	141	390	4,006
Ione Loan	—	—	—	46	46	—	—	—	46
Bally's Chicago Lease	—	1,111	—	—	1,111	(1,111)	—	—	—
Total	$ 857,963	$ 131,676	$ 52,258	$ 6,268	$ 1,048,165	$ 46,262	$ 25,751	$ 21,753	$ 1,141,931

(2) Amount includes $0.2 million of tenant improvement allowance amortization.

In accordance with ASC 842, the Company records revenue for the ground lease rent paid by its tenants with an offsetting expense in land rights and ground lease expense within the Condensed Consolidated Statements of Income as the Company has concluded that as the lessee it is the primary obligor under the ground leases. The Company subleases these ground leases back to its tenants, who are responsible for payment directly to the landlord.

The Company recognizes earnings on Investment in leases, financing receivables, based on the effective yield method using the discount rate implicit in the leases. The amounts in the table above labeled accretion on financing leases represent earnings recognized in excess of cash received during the period.

Operating expenses

Operating expenses for the three and nine months ended September 30, 2024 and 2023 were as follows (in thousands):

	Three Months Ended September 30, 2024	Three Months Ended September 30, 2023	Variance	Percentage Variance
Land rights and ground lease expense	$ 11,758	$ 12,406	$ (648)	(5.2)%
General and administrative	13,472	13,600	(128)	(0.9)%
Gains from dispositions	(3,790)	(22)	(3,768)	17,127.3 %
Depreciation	64,771	65,846	(1,075)	(1.6)%
Property transfer tax recovery	—	(2,187)	2,187	N/A
Provision for credit losses	27,686	1,613	26,073	1,616.4 %
Total operating expenses	$ 113,897	$ 91,256	$ 22,641	24.8 %

	Nine Months Ended September 30, 2024	Nine Months Ended September 30, 2023	Variance	Percentage Variance
Land rights and ground lease expense	35,446	36,312	(866)	(2.4)%
General and administrative	45,209	42,689	2,520	5.9 %
Gains from dispositions	(3,790)	(22)	(3,768)	17,127.3 %
Depreciation	195,393	197,131	(1,738)	(0.9)%
Property transfer tax recovery	—	(2,187)	2,187	(100.0)%
Provision for credit losses	47,194	24,012	23,182	96.5 %
Total operating expenses	319,452	297,935	$ 21,517	7.2 %

Land rights and ground lease expense

Land rights and ground lease expense includes the amortization of land rights and rent expense related to the Company's long-term ground leases. The land rights and ground lease expense declines for the three and nine months ended September 30, 2024, as compared to the corresponding period in the prior year was primarily due to the acquisition of certain land that was previously subject to ground leases.

General and Administrative Expense

General and administrative expenses include items such as compensation costs (including stock-based compensation), professional services and costs associated with development activities. General and administrative expenses decreased by $0.1 million and increased by $2.5 million for the three and nine months ended September 30, 2024 as compared to the corresponding period in the prior year. The reason for the increase for the nine month period ended September 30, 2024 was primarily due to higher stock based compensation costs, franchise taxes and payroll costs.

Gains from dispositions

Gains from dispositions for the three and nine months ended September 30, 2024 of $3.8 million was due to the lease reconsideration event for the Tropicana Las Vegas Lease which resulted in the lease being reclassified from an operating lease to a sales type lease. See Note 1 for further discussion.

Depreciation

Depreciation expense decreased by $1.1 million and $1.7 million for the three and nine months ended September 30, 2024 as compared to the corresponding period in the prior year due to certain assets being fully depreciated.

Property transfer tax recovery

During the three and nine months ended September 30, 2023, the Company recorded a property transfer tax recovery of $2.2 million related to a successful appeal initiated by our tenant.

Provision for credit losses

The Company recorded a provision for credit losses of $27.7 million for the three months ended September 30, 2024 compared to a provision for credit losses of $1.6 million for the corresponding period in the prior year. As described in Note 3, the Company follows ASC 326 “Credit Losses”, which requires that the Company measure and record current expected credit losses, the scope of which includes our Investments in leases, - financing receivables, net as well as the Company's real estate loans and related loan commitment.

The reason for the significant provision during the three months ended September 30, 2024 was due primarily to the establishment of the initial reserves associated with the Tropicana Las Vegas Lease. During the nine months ended September 30, 2024, the Company recorded a provision of $47.2 million compared to $24.0 million for the corresponding period in the prior year. The primary reason for these provisions was due to the aforementioned reserves associated with the Tropicana Las Vegas Lease as well as declines in the estimated real estate values underlying the Company's Investment in leases, financing receivables. These values are estimated based on long term projections of the Commercial Real Estate Price Index which, as of September 30, 2024 and September 30, 2023, have declined compared to the year end levels at December 31, 2023 and December 31, 2022, respectively.

Future changes in economic probability factors, changes in the estimated value of our real estate property and earnings assumptions at the underlying facilities may result in non-cash provisions or recoveries in future periods that could materially impact our results of operations.

Other income (expenses)

Other income (expenses) for the three and nine months ended September 30, 2024 and 2023 were as follows (in thousands):

	Three Months Ended September 30, 2024	Three Months Ended September 30, 2023	Variance	Percentage Variance
Interest expense	$ (95,705)	$ (79,788)	$ (15,917)	19.9 %
Interest income	14,876	1,273	13,603	1,068.6 %
Total other expenses	$ (80,829)	$ (78,515)	$ (2,314)	2.9 %

	Nine Months Ended September 30, 2024	Nine Months Ended September 30, 2023	Variance	Percentage Variance
Interest expense	(269,050)	(240,519)	$ (28,531)	11.9 %
Interest income	32,173	6,801	25,372	373.1 %
Losses on debt extinguishment	—	(556)	556	(100.0)%
Total other expenses	$ (236,877)	$ (234,274)	$ (2,603)	1.1 %

Interest expense

Interest expense increased by $15.9 million and $28.5 million for the three and nine months ended September 30, 2024, as compared to the corresponding period in the prior year. The increase was due to increased borrowings that partially funded our recent acquisitions.

Interest income

Interest income increased by $13.6 million and $25.4 million for the three and nine months ended September 30, 2024 as compared to the corresponding period because of higher average interest earning balances and higher rates earned on these balances during the current year.

Losses on debt extinguishment

The Company redeemed its $500 million, 5.375% Senior Notes that were scheduled to mature in November 2023 during the nine months ended September 30, 2023. In connection with this transaction, the Company wrote-off deferred issuance costs of $0.6 million.

Net income attributable to noncontrolling interest in the Operating Partnership

As partial consideration for certain real estate acquisitions, the Company's operating partnership has issued OP Units. OP Units are exchangeable for common shares of the Company on a one-for-one basis, subject to certain terms and conditions. The operating partnership is a variable interest entity ("VIE") in which the Company is the primary beneficiary because it has the power to direct the activities of the VIE that most significantly impact the partnership's economic performance and has the obligation to absorb losses of the VIE that could be potentially significant to the VIE and the right to receive benefits from the VIE that could be significant to the VIE. Therefore, the Company consolidates the accounts of the operating partnership, and reflects the third party ownership in this entity as a noncontrolling interest in the Condensed Consolidated Balance Sheets and allocates the proportion of net income to the noncontrolling interests on the Condensed Consolidated Statements of Income.

Liquidity and Capital Resources

Our primary sources of liquidity and capital resources are cash flow from operations, borrowings from banks, and proceeds from the issuance of debt and equity securities.

Net cash provided by operating activities was $780.4 million and $746.4 million during the nine months ended September 30, 2024 and 2023, respectively. The increase in net cash provided by operating activities of $34.0 million for the nine months ended September 30, 2024, as compared to the corresponding period in the prior year, was primarily comprised of an increase in cash receipts from customers of $45.9 million and an increase in interest income of $21.3 million. This was partially offset by increases in cash paid for employee compensation of $1.6 million, cash paid for interest of $11.8 million, cash paid for operating expenses of $19.1 million and cash paid for taxes of $1.6 million The increase in cash receipts collected from our customers for the nine months ended September 30, 2024, as compared to the corresponding period in the prior year, was due to increased rental income from the Company's recent acquisitions and lease escalations. The increase in interest income was due to higher average interest earning balances and higher rates earned on these balances in the current year.

Investing activities used cash of $1,177.1 million and $635.3 million during the nine months ended September 30, 2024 and 2023, respectively. Net cash used in investing activities during the nine months ended September 30, 2024 primarily consisted of $440.7 million for the acquisition of real estate for the Bally's Chicago development project, the Belle landside development project and the real estate assets contained within the Tioga Downs Lease and Strategic Gaming Leases which were accounted for as Investment in leases, financing receivables. The Company had real estate loan originations of $123.7 million, $48.6 million for the demolition funding related to the development project at the Tropicana site, the purchase of zero coupon U.S. Treasury Bills totaling $891.0 million, and capital expenditures of $15.9 million, partially offset by the maturity of zero coupon U.S. Treasury Bills totaling $341.0 million and the proceeds from a tax refund related to a previous acquisition of $1.8 million. The net cash used in investing activities for the nine months ended September 30, 2023 consisted primarily of $455.6 million for the acquisition of the real estate assets, $100.2 million for the acquisition of land for the Rockford development project that was accounted for as an investment in leases, financing receivables and capital expenditures of $39.5 million and loan originations of $40.0 million.

Financing activities used cash of $206.9 million and $269.0 million during the nine months ended September 30, 2024 and 2023, respectively. Net cash used in financing activities during the nine months ended September 30, 2024 was driven by the repayment of long term debt of $463.6 million, dividend payments of $621.9 million, non-controlling interest distributions of $18.4 million, and taxes paid related to shares withheld for tax purposes on restricted stock award vestings of $14.7 million which were partially offset by proceeds from the issuance of common stock, net of costs, totaling $148.2 million and proceeds from the issuance of long term debt, net of costs of $1,177.4 million. Cash used in financing activities during the nine months ended September 30, 2023 was driven by the repayment of long term debt of $575.1 million, dividend payments of $636.4 million, noncontrolling interest distributions of $18.5 million and taxes paid related to shares withheld for tax purposes on restricted stock award vestings of $13.4 million, partially offset by proceeds from the issuance of long term debt, net of costs of $685.0 million and proceeds from the issuance of common stock, net of costs of $289.5 million.

Capital Expenditures

Capital expenditures are accounted for as either capital project expenditures or capital maintenance (replacement) expenditures. Capital project expenditures are for fixed asset additions that expand an existing facility or create a new facility. The cost of properties developed by the Company include costs of construction, property taxes, interest and other miscellaneous costs incurred during the development period until the project is substantially complete and available for occupancy. Capital maintenance expenditures are expenditures to replace existing fixed assets with a useful life greater than one year that are obsolete, worn out or no longer cost effective to repair.

During the nine months ended September 30, 2024 and 2023, we spent approximately $15.9 million and $39.5 million, respectively, for capital expenditures. The majority of the capital expenditures in 2024 were related to a landside development project at The Belle and in 2023 the expenditures were related to a landside development project at Hollywood Casino Baton Rouge that was completed in August 2023.

Debt

Term Loan Credit Agreement

On September 2, 2022, GLP Capital entered into a term loan credit agreement (the “Term Loan Credit Agreement”) with Wells Fargo Bank, National Association, as administrative agent (“Term Loan Agent”), and the other agents and lenders party thereto from time to time, providing for a $600 million delayed draw credit facility with a maturity date of September 2, 2027 (the "Term Loan Credit Facility"). The Term Loan Credit Facility is guaranteed by GLPI.

The availability of loans under the Term Loan Credit Facility is subject to customary conditions, including pro forma compliance with financial covenants, and the receipt by Term Loan Agent of a conditional guarantee of the Term Loan Credit Facility by Bally's on a secondary basis, subject to enforcement of all remedies against GLP Capital, GLPI and all sources other than Bally's. The loans under the Term Loan Credit Facility may be used solely to finance a portion of the purchase price of the acquisition of one or more specified properties of Bally's in one or a series of related transactions (the "Acquisition") and to pay fees, costs and expenses incurred in connection therewith. The Company drew down the entire $600 million Term Loan Credit Facility on January 3, 2023 in connection with the closing of Bally's Biloxi and Bally's Tiverton.

Subject to customary conditions, including pro forma compliance with financial covenants, GLP Capital can obtain additional term loan commitments and incur incremental term loans under the Term Loan Credit Agreement, so long as the aggregate principal amount of all term loans outstanding under the Term Loan Credit Facility does not exceed $1.2 billion plus up to $60 million of transaction fees and costs incurred in connection with the Acquisition. There is currently no commitment in respect of such incremental loans and commitments.

Interest Rate and Fees

The interest rates per annum applicable to loans under the Term Loan Credit Facility are, at GLP Capital's option, equal to either a Secured Overnight Financing Rate ("SOFR") based rate or a base rate plus an applicable margin, which ranges from 0.85% to 1.7% per annum for SOFR loans and 0.0% to 0.7% per annum for base rate loans, in each case, depending on the credit ratings assigned to the Term Loan Credit Facility. The current applicable margin is 1.30% for SOFR loans and 0.30% for base rate loans. In addition, GLP Capital will pay a commitment fee on the unused commitments under the Term Loan Credit Facility at a rate that ranges from 0.125% to 0.3% per annum, depending on the credit ratings assigned to the Credit Facility from time to time. The current commitment fee rate is 0.25%. The weighted average interest rate under the Term Loan Credit Facility at September 30, 2024 was 6.50%.

Amortization and Prepayments

The Term Loan Credit Facility is not subject to interim amortization. GLP Capital is required to prepay outstanding term loans with 100% of the net cash proceeds from the issuance of other debt that is unconditionally guaranteed by GLPI and conditionally guaranteed by Bally's ("Alternative Acquisition Debt") that is received by GLPI, GLP Capital or any of their subsidiaries after the funding date of the Term Loan Facility (other than any incremental term loans under the Term Loan Credit Agreement and loans under the Bridge Revolving Facility (as defined below)) except to the extent such net cash proceeds are applied to repaying outstanding loans under the Bridge Revolving Facility. GLP Capital is not otherwise required to repay any loans under the Term Loan Credit Facility prior to maturity. GLP Capital may prepay all or any portion of the loans under the Term Loan Credit Facility prior to maturity without premium or penalty, subject to reimbursement of any SOFR breakage costs of the lenders, and may reborrow loans that it has repaid.

Certain Covenants and Events of Default

The Term Loan Credit Facility contains customary covenants that, among other things, restrict, subject to certain exceptions, the ability of GLPI and its subsidiaries, including GLP Capital, to grant liens on their assets, incur indebtedness, sell assets, engage in acquisitions, mergers or consolidations, or pay certain dividends and make other restricted payments. The financial covenants include the following, which are measured quarterly on a trailing four-quarter basis: (i) maximum total debt to total asset value ratio, (ii) maximum senior secured debt to total asset value ratio, (iii) maximum ratio of certain recourse debt to unencumbered asset value, and (iv) minimum fixed charge coverage ratio. GLPI is required to maintain its status as a REIT and is permitted to pay dividends to its shareholders as may be required in order to maintain REIT status. GLPI is also permitted to make other dividends and distributions, subject to pro forma compliance with the financial covenants and the absence of defaults. The Term Loan Credit Facility also contains certain customary affirmative covenants and events of default. The occurrence and continuance of an event of default, which includes, among others, nonpayment of principal or interest, material inaccuracy of representations and failure to comply with covenants, will enable the lenders to accelerate the loans and terminate the commitments thereunder. At September 30, 2024, the Company was in compliance with all required financial covenants under the Term Loan Credit Facility.

Senior Unsecured Credit Agreement and Amended Credit Agreement

On May 13, 2022, GLP Capital entered into a credit agreement (the "Credit Agreement") providing for a $1.75 billion revolving credit facility (the "Initial Revolving Credit Facility") maturing in May 2026, plus two six-month extensions at GLP Capital's option. The majority of our debt is at fixed rates and our exposure to variable interest rates is currently limited to outstanding obligations, if any, under the Initial Revolving Credit Facility and our Term Loan Credit Agreement. GLP Capital is the primary obligor under the Credit Agreement, which was guaranteed by GLPI.

On September 2, 2022, GLP Capital entered into an amendment No. 1 (the "Amendment") to the Credit Agreement (as amended, the "Amended Credit Agreement") among GLP Capital, Wells Fargo Bank, National Association, as administrative agent ("Agent"), and the several banks and other financial institutions or entities party thereto (as amended by such amendment, the "Amended Credit Agreement"). Pursuant to the Amended Credit Agreement, GLP Capital has the right, at any time until December 31, 2024, to elect to re-allocate up to $700 million in existing revolving commitments under the Amended Credit Agreement to a new revolving credit facility (the "Bridge Revolving Facility" and, collectively with the Initial Revolving Credit Facility, the "Revolver").

Loans under the Bridge Revolving Facility are subject to 1% amortization per annum. Amounts repaid under the Bridge Revolving Facility cannot be reborrowed and the corresponding commitments are automatically re-allocated to the existing revolving facility under the Amended Credit Agreement. GLP Capital is required to prepay the loans under the Bridge Revolving Facility with 100% of the net cash proceeds from the issuance of Alternative Acquisition Debt that is received by GLPI, GLP Capital or any of their subsidiaries (other than any term loans under the Term Loan Credit Agreement and any loans under the Bridge Revolving Facility). Any outstanding commitments under the Bridge Revolving Facility that have not been borrowed by December 31, 2024 are automatically re-allocated to the existing revolving facility under the Amended Credit Agreement.

GLP Capital's ability to borrow under the Bridge Revolving Facility is subject to certain conditions including pro forma compliance with GLP Capital's financial covenants, as well as the receipt by Agent of a conditional guarantee of the loans under the Bridge Revolving Facility by Bally's on a secondary basis, subject to enforcement of all remedies against GLP Capital, GLPI and all sources other than Bally's. Loans under the Bridge Revolving Facility will not be treated pro rata with loans under the existing revolving credit facility.

At September 30, 2024, no amounts were outstanding under the Amended Credit Agreement. Additionally, at September 30, 2024, the Company was contingently obligated under letters of credit issued pursuant to the Amended Credit Agreement with face amounts aggregating approximately $0.4 million, resulting in $1,749.6 million of available borrowing capacity under the Amended Credit Agreement as of September 30, 2024.

The interest rates payable on the loans borrowed under the Revolver are, at GLP Capital's option, equal to either a SOFR based rate or a base rate plus an applicable margin, which ranges from 0.725% to 1.40% per annum for SOFR loans and 0.0% to 0.4% per annum for base rate loans, in each case, depending on the credit ratings assigned to the Amended Credit Agreement. The current applicable margin is 1.05% for SOFR loans and 0.05% for base rate loans. Notwithstanding the foregoing, in no event shall the base rate be less than 1.00%. In addition, GLP Capital will pay a facility fee on the commitments under the revolving facility, regardless of usage, at a rate that ranges from 0.125% to 0.3% per annum, depending on the credit rating assigned to the Amended Credit Agreement from time to time. The current facility fee rate is 0.25%. The Amended Credit Agreement is not subject to interim amortization except with respect to the Bridge Revolving Facility. GLP Capital is not required to repay any loans under the Amended Credit Agreement prior to maturity except as set forth above with respect to the Bridge Revolving Facility. GLP Capital may prepay all or any portion of the loans under the Amended Credit Agreement prior to maturity without premium or penalty, subject to reimbursement of any SOFR breakage costs of the lenders and may reborrow loans that it has repaid.

The Amended Credit Agreement contains customary covenants that, among other things, restrict, subject to certain exceptions, the ability of GLPI and its subsidiaries to grant liens on their assets, incur indebtedness, sell assets, make investments, engage in acquisitions, mergers or consolidations or pay certain dividends and make other restricted payments. The Amended Credit Agreement includes the following financial covenants, which are measured quarterly on a trailing four-quarter basis: a maximum total debt to total asset value ratio, a maximum senior secured debt to total asset value ratio, a maximum ratio of certain recourse debt to unencumbered asset value and a minimum fixed charge coverage ratio. GLPI is permitted to pay dividends to its shareholders as may be required in order to maintain REIT status, subject to the absence of payment or bankruptcy defaults. GLPI is also permitted to make other dividends and distributions subject to pro forma compliance with the financial covenants and the absence of defaults. The Amended Credit Agreement also contains certain customary affirmative covenants and events of default, including the occurrence of a change of control and termination of the Amended PENN Master Lease (subject to certain replacement rights). The occurrence and continuance of an event of default under the Amended Credit Agreement will enable the lenders under the Amended Credit Agreement to accelerate the loans and terminate the commitments thereunder. At September 30, 2024, the Company was in compliance with all required financial covenants under the Amended Credit Agreement.

Senior Unsecured Notes

At September 30, 2024, the Company had $6,875.0 million of outstanding senior unsecured notes (the "Senior Notes"). Each of the Company's Senior Notes contain covenants limiting the Company’s ability to: incur additional debt and use its assets to secure debt; merge or consolidate with another company; and make certain amendments to the Amended PENN Master Lease. The Senior Notes also require the Company to maintain a specified ratio of unencumbered assets to unsecured debt. These covenants are subject to a number of important and significant limitations, qualifications and exceptions.

In August 2024, the Company issued $800 million of 5.625% Senior Notes that will mature on September 15, 2034 at an issue price equal to 99.094% of the principal amount and $400 million of 6.250% Senior Notes that will mature on September 15, 2054 at an issue price equal to 99.183% of the principal amount. The Company plans to use the net proceeds for working capital and general corporate purposes, which may include the funding of announced transactions, development and improvement of properties, repayment of indebtedness, capital expenditures and other general business purposes.

During the three month period ended September 30, 2024, the Company redeemed its $400 million 3.350% senior unsecured notes due September 2024.

The Company may redeem the Senior Notes of any series at any time, and from time to time, at a redemption price of 100% of the principal amount of the Senior Notes redeemed, plus a "make-whole" redemption premium described in the indenture governing the Senior Notes, together with accrued and unpaid interest to, but not including, the redemption date, except that if Senior Notes of a series are redeemed 90 or fewer days prior to their maturity, the redemption price will be 100% of the principal amount of the Senior Notes redeemed, together with accrued and unpaid interest to, but not including, the redemption date. If GLPI experiences a change of control accompanied by a decline in the credit rating of the Senior Notes of a particular series, the Company will be required to give holders of the Senior Notes of such series the opportunity to sell their Senior Notes of such series at a price equal to 101% of the principal amount of the Senior Notes of such series, together with accrued and unpaid interest to, but not including, the repurchase date. The Senior Notes also are subject to mandatory redemption requirements imposed by gaming laws and regulations.

The Senior Notes were issued by GLP Capital and GLP Financing II, Inc. (the "Issuers"), two consolidated subsidiaries of GLPI, and are guaranteed on a senior unsecured basis by GLPI. The guarantees of GLPI are full and unconditional. The Senior Notes are the Issuers' senior unsecured obligations and rank *pari passu* in right of payment with all of the Issuers' senior indebtedness, including the Amended Credit Agreement, and senior in right of payment to all of the Issuers' subordinated indebtedness, without giving effect to collateral arrangements.

The Senior Notes contain covenants limiting the Company’s ability to: incur additional debt and use its assets to secure debt; merge or consolidate with another company; and make certain amendments to the PENN Master Lease. The Senior Notes also require the Company to maintain a specified ratio of unencumbered assets to unsecured debt. These covenants are subject to a number of important and significant limitations, qualifications and exceptions.

GLPI owns all of the assets of GLP Capital and conducts all of its operations through the operating partnership. Pursuant to Rule 3-10 of Regulation S-X, we are not required to provide separate financial statements for the Issuers and GLPI since they are consolidated into GLPI and the GLPI guarantee is "full and unconditional".

Furthermore, as permitted under Rule 13-01(a)(4)(vi), we excluded the summarized financial information for the Issuers because the assets, liabilities and results of operations of the Issuers and GLPI are not materially different than the corresponding amounts in GLPI's consolidated financial statements and we believe such summarized financial information would be repetitive and would not provide incremental value to investors.

At September 30, 2024, the Company was in compliance with all required financial covenants under its Senior Notes.

Distribution Requirements

We generally must distribute annually at least 90% of our REIT taxable income, determined without regard to the dividends paid deduction and excluding any net capital gains, in order to qualify to be taxed as a REIT (assuming that certain other requirements are also satisfied) so that U.S. federal corporate income tax does not apply to earnings that we distribute. Such distributions generally can be made with cash and/or a combination of cash and Company common stock if certain requirements are met. To the extent that we satisfy this distribution requirement and qualify for taxation as a REIT but distribute less than 100% of our REIT taxable income, determined without regard to the dividends paid deduction and including any net capital gains, we will be subject to U.S. federal corporate income tax on our undistributed net taxable income. In addition, we will be subject to a 4% nondeductible excise tax if the actual amount that we distribute to our shareholders in a calendar year is less than a minimum amount specified under U.S. federal income tax laws. We intend to make distributions to our shareholders to comply with the REIT requirements of the Code. To the extent any of the Company's taxable income was not previously distributed, the Company will make a dividend declaration pursuant to Section 858(a)(1) of the Code, allowing the Company to treat certain dividends that are to be distributed after the close of a taxable year as having been paid during the taxable year.

Outlook

Based on our current level of operations and anticipated earnings, we believe that cash generated from operations and cash on hand, together with amounts available under our Revolver and potential sales of common shares, including through the settlement of the Company's forward sale agreements that are discussed in Note 12, will be adequate to meet our anticipated debt service requirements, capital expenditures, working capital needs and dividend requirements.

In late December 2022, the Company refreshed its ATM capacity to $1 billion (the "2022 ATM Program"). Reflecting the impact of the Company's forward sale agreements that are discussed in Note 12, the Company has $34.2 million remaining for issuance under the 2022 ATM Program.

We expect the majority of our future growth to come from acquisitions of gaming and other properties to lease to third parties. If we consummate significant acquisitions in the future, our cash requirements may increase significantly and we would likely need to raise additional proceeds through a combination of either common equity (including under our 2022 ATM Program), issuance of additional OP Units, and/or debt offerings. Our future operating performance and our ability to service or refinance our debt will be subject to future economic conditions and to financial, business and other factors, many of which are beyond our control. See "Risk Factors-Risks Related to Our Capital Structure" in the Company's Annual Report on Form 10-K for the year ended December 31, 2023, for a discussion of the risk related to our capital structure.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

We face market risk exposure in the form of interest rate risk. These market risks arise from our debt obligations. We have no international operations. Our exposure to foreign currency fluctuations is not significant to our financial condition or results of operations.

GLPI’s primary market risk exposure is interest rate risk with respect to its indebtedness of $7,475.3 million at September 30, 2024. Furthermore, $6,875.0 million of our obligations at September 30, 2024 are the senior unsecured notes that have fixed interest rates with maturity dates ranging from approximately eight months to thirty years. An increase in interest rates could make the financing of any acquisition by GLPI more costly, as well as increase the costs of its variable rate debt obligations. Rising interest rates could also limit GLPI’s ability to refinance its debt when it matures or cause GLPI to pay higher interest rates upon refinancing and increase interest expense on refinanced indebtedness. GLPI may manage, or hedge, interest rate risks related to its borrowings by means of interest rate swap agreements. However, the provisions of the Code applicable to REITs limit GLPI’s ability to hedge its assets and liabilities.

The table below provides information at September 30, 2024 about our financial instruments that are sensitive to changes in interest rates. For debt obligations, the table presents notional amounts maturing in each fiscal year and the related weighted-average interest rates by maturity dates. Notional amounts are used to calculate the contractual payments to be exchanged by maturity date and the weighted-average interest rates are based on implied forward SOFR rates at September 30, 2024.

	10/01/24-12/31/24	1/01/25-12/31/25	1/01/26-12/31/26	1/01/27-12/31/27	1/01/28-12/31/28	Thereafter	Total	Fair Value at 9/30/2024
					(in thousands)			
Long-term debt:								
Fixed rate	$ —	$ 850,000	$ 975,000	$ —	$ 500,000	$ 4,550,000	$ 6,875,000	$ 6,827,950
Average interest rate		5.25%	5.38%		5.75%	4.81%		
Variable rate	$ —	$ —	$ —	$ 600,000	$ —	$ —	$ 600,000	$ 600,000
Average interest rate [1]				4.55%				

[1] Estimated rate, reflective of forward SOFR plus the spread over SOFR applicable to the Company's variable-rate borrowing based on the terms of its Credit Agreement. Rate above includes the facility fee on the commitments under the Credit Agreement, which is due regardless of usage, at a rate that ranges from 0.125% to 0.3% per annum, depending on the credit rating assigned to the Credit Agreement from time to time. The current facility fee rate is 0.25%.

ITEM 4. CONTROLS AND PROCEDURES

Evaluation of Controls and Procedures

The Company’s management, under the supervision and with the participation of our principal executive officer and principal financial officer, has evaluated the effectiveness of the Company’s disclosure controls and procedures, as such term is defined under Rule 13a-15(e) promulgated under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), as of September 30, 2024, which is the end of the period covered by this Quarterly Report on Form 10-Q. In designing and evaluating the disclosure controls and procedures, management recognized that any controls and procedures, no matter how well-designed and operated, can provide only reasonable assurance of achieving the desired control objectives, and management was required to apply its judgment in evaluating the cost-benefit relationship of possible controls and procedures. Based on this evaluation, our principal executive officer and principal financial officer concluded that the Company’s disclosure controls and procedures were effective as of September 30, 2024 to ensure that information required to be disclosed by the Company in reports we file or submit under the Exchange Act is (i) recorded, processed, summarized, evaluated and reported, as applicable, within the time periods specified in the United States Securities and Exchange Commission’s rules and forms and (ii) accumulated and communicated to the Company’s management, including the Company’s principal executive officer and principal financial officer, as appropriate to allow timely decisions regarding required disclosures.

Changes in Internal Control over Financial Reporting

There were no changes in our internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) that occurred during the fiscal quarter covered by this Quarterly Report on Form 10-Q that have materially affected, or are reasonably likely to materially affect, our internal controls over financial reporting.

PART II. OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

Information in response to this Item is incorporated by reference to the information set forth in "Note 9: Commitments and Contingencies" in the Notes to the condensed consolidated financial statements in Part I of this Quarterly Report on Form 10-Q.

ITEM 1A. RISK FACTORS

Risk factors that affect our business and financial results are discussed in Part I, "Item 1A. Risk Factors," of our Annual Report. You should carefully consider the risks described in our Annual Report, which could materially affect our business, financial condition or future results. The risks described in our Annual Report are not the only risks we face. Additional risks and uncertainties not currently known to us or that we currently deem immaterial also may materially adversely affect our business, financial condition, and/or operating results. If any of the risks actually occur, our business, financial condition, and/or results of operations could be negatively affected. There have been no material changes in our risk factors from those previously disclosed in our Annual Report.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

The Company did not repurchase any shares of common stock or sell any unregistered securities during the three months ended September 30, 2024.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

ITEM 5. OTHER INFORMATION

c) Insider Trading Arrangements and Policies

On September 13, 2024, Matthew Demchyk, the Company's Senior Vice President and Chief Investment Officer, entered into a pre-arranged written stock sale plan in accordance with Rule 10b5-1 (the “Demchyk Rule 10b5-1 Plan”) under the Exchange Act for the sale of shares of the Company’s common stock. The Demchyk Rule 10b5-1 Plan was entered into during an open trading window in accordance with the Company’s policies regarding transactions in the Company’s securities and is intended to satisfy the affirmative defense of Rule 10b5-1(c) under the Exchange Act. The Demchyk Rule 10b5-1 Plan provides for the potential sale of shares of the Company’s common stock, including upon the vesting and settlement of restricted stock awards, between January 1, 2025 and September 30, 2025. The aggregate number of shares of common stock that will be available for sale under the Demchyk Rule 10b5-1 Plan is not yet determinable because the awards will be net of shares sold to satisfy tax withholding obligations that arise in connection with the settlement of such restricted stock awards. As such, for purposes of this disclosure, the aggregate number of shares of common stock available for sale prior to tax withholding on vested shares is 75,000.

The Demchyk Rule 10b5-1 Plan includes a representation from Mr. Demchyk to the broker administering the plan that he was not in possession of any material nonpublic information regarding the Company or the securities subject to the Demchyk Rule 10b5-1 Plan at the time it was entered into. A similar representation was made to the Company in connection with the adoption of the Demchyk Rule 10b5-1 Plan under the Company’s policies regarding transactions in the Company’s securities. Those representations were made as of the date of adoption of the Demchyk Rule 10b5-1 Plan, and speak only as of such date. In making those representations, there is no assurance with respect to any material nonpublic information of which Mr. Demchyk was unaware, or with respect to any material nonpublic information acquired by Mr. Demchyk or the Company after the date of the representation.

On September 13, 2024, Brandon Moore, the Company's President, Chief Operating Officer, and Secretary, entered into a pre-arranged written stock sale plan in accordance with Rule 10b5-1 (the “Moore Rule 10b5-1 Plan”) under the Exchange Act for the sale of shares of the Company’s common stock. The Moore Rule 10b5-1 Plan was entered into during an open trading window in accordance with the Company's policies regarding transactions in the Company's securities and is intended to satisfy the affirmative defense of Rule 10b5-1(c) under the Exchange Act. The Moore Rule 10b5-1 Plan provides for the potential sale of shares of the Company's common stock, including upon the vesting and settlement of restricted stock awards, between January 2, 2025 and June 30, 2025. The aggregate number of shares of common stock that will be available for sale under the Moore Rule 10b5-1 Plan is not yet determinable because the awards will be net of shares sold to satisfy tax withholding obligations that arise in connection with the settlement of such restricted stock awards. As such, for purposes of this disclosure, the aggregate number of shares of common stock available for sale prior to tax withholding on vested shares is 101,333.

The Moore Rule 10b5-1 Plan includes a representation from Mr. Moore to the broker administering the plan that he was not in possession of any material nonpublic information regarding the Company or the securities subject to the Moore Rule 10b5-1 Plan at the time it was entered into. A similar representation was made to the Company in connection with the adoption of the Moore Rule 10b5-1 Plan under the Company's policies regarding transactions in the Company's securities. Those representations were made as of the date of adoption of the Moore Rule 10b5-1 Plan, and speak only as of such date. In making those representations, there is no assurance with respect to any material nonpublic information of which Mr. Moore was unaware, or with respect to any material nonpublic information acquired by Mr. Moore or the Company after the date of the representation.

ITEM 6. EXHIBITS

Exhibit	Description of Exhibit
3.1	Amended and Restated Articles of Incorporation of Gaming and Leisure Properties, Inc. (Incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K filed on June 15, 2018).
3.2	Second Amended and Restated Bylaws of Gaming and Leisure Properties, Inc. (Incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K filed on December 13, 2023.)
4.1	Thirteenth Supplemental Indenture, dated as of August 6, 2024, among GLP Capital, L.P. and GLP Financing II, Inc. as Issuers, Gaming and Leisure Properties, Inc. as Parent Guarantor, and Computershare Trust Company, N.A. as successor to Wells Fargo Bank, National Association, as Trustee (Incorporated by reference to Exhibit 4.3 to the Company's Current Report on Form 8-K filed on August 12, 2024).
4.2	Fourteenth Supplemental Indenture, dated as of August 6, 2024, among GLP Capital, L.P. and GLP Financing II, Inc. as Issuers, Gaming and Leisure Properties, Inc. as Parent Guarantor, and Computershare Trust Company, N.A. as successor to Wells Fargo Bank, National Association, as Trustee (Incorporated by reference to Exhibit 4.3 to the Company's Current Report on Form 8-K filed on August 12, 2024).
4.3	Form of 2034 Note (Included in Exhibit 4.1 above)
4.4	Form of 2054 Note (Included in Exhibit 4.2 above)
10.1	Binding Term Sheet, dated July 11, 2024, by and between GLP Capital, L.P. and Bally's Corporation (Incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on July 12, 2024).
22.1 *	List of Subsidiary Issuers of Guaranteed Securities
31.1*	Principal Executive Officer Certification pursuant to Rule 13a-14(a) or 15d-14(a) of the Securities Exchange Act of 1934.
31.2*	Principal Financial Officer Certification pursuant to Rule 13a-14(a) or 15d-14(a) of the Securities Exchange Act of 1934.
32.1**	Principal Executive Officer Certification pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2**	Principal Financial Officer Certification pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2022.
101	The following financial information from Gaming and Leisure Properties, Inc.'s Quarterly Report on Form 10-Q for the quarter ended September 30, 2024, formatted in Inline XBRL: (i) Condensed Consolidated Balance Sheets, ii) Condensed Consolidated Statements of Income, (iii) Condensed Consolidated Statements of Changes in Equity, (iv) Condensed Consolidated Statements of Cash Flows and (v) Notes to the Condensed Consolidated Financial Statements.
104	The cover page from the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2024, formatted in Inline XBRL and contained in Exhibit 101.

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* Filed herewith

** Furnished herewith

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

GAMING AND LEISURE PROPERTIES, INC.

October 24, 2024

By: /s/ DESIREE A. BURKE
Desiree A. Burke
Chief Financial Officer and Treasurer
(Principal Financial Officer)

Exhibit 22.1

List of Subsidiary Issuers of Guaranteed Securities

The following subsidiaries of Gaming and Leisure Properties, Inc. (the “Company”) were, as of September 30, 2024, issuers of the (i) $850 million 5.25% senior unsecured notes due June 2025, (ii) $975 million 5.375% senior unsecured notes due April 2026, (iii) $500 million 5.75% senior unsecured notes due June 2028, (iv) $750 million 5.30% senior unsecured notes due January 2029, (v) $700 million 4.00% senior unsecured notes due January 2030, (vi) $700 million 4.000% senior unsecured notes due January 2031, (vii) $800 million 3.25% senior unsecured notes due January 2032, (viii) $400 million 6.75% senior unsecured notes due December 2033, (ix) $800 million 5.625% senior unsecured notes due September 2024, and (x) $400 million 6.250% senior unsecured notes due September 2054, each guaranteed by the Company:

Entity	**Jurisdiction of Incorporation or Formation**
GLP Capital, L.P.	Pennsylvania
GLP Financing II, Inc.	Delaware

Exhibit 31.1

CERTIFICATION PURSUANT TO RULE 13a-14(a) OR 15d-14(a) OF THE SECURITIES EXCHANGE ACT OF 1934

I, Peter M. Carlino, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Gaming and Leisure Properties, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. I am responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under my supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and

5. I have disclosed, based on my most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

Date:	October 24, 2024	/s/ Peter M. Carlino Name: Peter M. Carlino *Chief Executive Officer (Principal Executive Officer)*

Exhibit 31.2

CERTIFICATION PURSUANT TO RULE 13a-14(a) OR 15d-14(a) OF THE SECURITIES EXCHANGE ACT OF 1934

I, Desiree A. Burke, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Gaming and Leisure Properties, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. I am responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under my supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. I have disclosed, based on my most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: October 24, 2024

/s/ Desiree A. Burke
Name: Desiree A. Burke
Chief Financial Officer and Treasurer (Principal Financial Officer)

Exhibit 32.1

CERTIFICATION PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002
18 U.S.C. SECTION 1350

In connection with the quarterly report of Gaming and Leisure Properties, Inc. (the “Company”) on Form 10-Q for the quarter ended September 30, 2024, as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Peter M. Carlino, Chief Executive Officer and Principal Executive Officer of the Company, certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, 18 U.S.C. Section 1350, that, to my knowledge:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Peter M. Carlino
Peter M. Carlino
Chief Executive Officer and Principal Executive Officer
Date: October 24, 2024

Exhibit 32.2

CERTIFICATION PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002
18 U.S.C. SECTION 1350

In connection with the quarterly report of Gaming and Leisure Properties, Inc. (the "Company") on Form 10-Q for the quarter ended September 30, 2024, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Desiree A. Burke, Chief Financial Officer and Principal Financial Officer of the Company, certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, 18 U.S.C. Section 1350, that, to my knowledge:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Desiree A. Burke
Desiree A. Burke
Chief Financial Officer and Principal Financial Officer
Date: October 24, 2024