

Caesars Entertainment and VICI Properties Inc. Announce Sale of Harrah's Reno to CAI Investments

LAS VEGAS, Jan. 15, 2020 /PRNewswire/ -- Caesars Entertainment Corporation (NASDAQ: CZR) ("Caesars Entertainment" or "Caesars") and VICI Properties Inc. (NYSE:VICI) ("VICI Properties" or "VICI") today announced they have signed an agreement to sell Harrah's Reno Hotel and Casino ("Harrah's Reno") to an affiliate of CAI Investments (the "Buyer") for \$50 million. The proceeds of the transaction shall be split 75% to VICI and 25% to Caesars, while the annual rent payments under the Non-CPLV Master Lease between Caesars and VICI will remain unchanged.

Under the terms of the agreement, Caesars will continue to operate the property upon closing of the transaction pursuant to a short-term lease with the Buyer, which will allow Caesars to cease operations at the property during the second half of 2020. At the end of the term, Caesars will deliver the property to the Buyer to be redeveloped into a non-gaming hotel and mixed-use development.

"We recognize the long legacy of Harrah's in Reno, where the brand began 82 years ago and our role in the community. We are pleased the Buyer is committed to the community and supports the redevelopment of this wonderful asset. We have worked closely with the Buyer to provide a reasonable closure plan that allows our great staff in Reno ample time to secure their next jobs, including priority consideration for relevant openings at our other properties in Nevada, including Lake Tahoe and Las Vegas," said Tony Rodio, CEO of Caesars Entertainment.

"The sale of Harrah's Reno demonstrates our ability to continuously work constructively with our tenants to improve our individual businesses. This disposition will allow VICI to optimize the quality of our real estate portfolio and redeploy the proceeds toward other attractive growth opportunities while maintaining the existing financial terms of the Non-CPLV Master Lease with Caesars," said John Payne, President and COO of VICI Properties.

"Being originally from the Reno/Sparks community, it is with great pride that we are investing in the Reno area by redeveloping this property," said Christopher Beavor, CEO of CAI Investments (CAI). "CAI is excited to be working with Gryphon Private Wealth Management (GPWM) as capital partners for the project. Kirk Walton and Philip Oleson, Principals of GPWM Opportunity Zone Funds, which will be investing the required capital for the project, believe in the long-term growth potential of Reno."

The agreement allows for Caesars to retain its guest data and places no restrictions on Caesars' marketing activities. Reno will continue to be part of the Caesars Rewards network during the term of the short-term lease with Buyer.

The transaction is subject to the closing of the Eldorado/Caesars combination, regulatory approvals and other customary closing conditions.

About Caesars Entertainment

Caesars Entertainment is one of the world's most diversified casino-entertainment providers and the most geographically diverse U.S. casino-entertainment company. Since its beginning in 1937, Caesars Entertainment has grown through development of new resorts, expansions and acquisitions. Caesars Entertainment's resorts operate primarily under the Caesars®, Harrah's® and Horseshoe® brand names. Caesars Entertainment's portfolio also includes the Caesars Entertainment UK family of casinos. Caesars Entertainment is focused on building loyalty and value with its guests through a unique combination of great service, excellent products, unsurpassed distribution, operational excellence and technology leadership. Caesars Entertainment is committed to its employees, suppliers, communities and the environment through its PEOPLE PLANET PLAY framework. For more information, please visit www.caesars.com/corporate.

About VICI Properties

VICI Properties is an experiential real estate investment trust that owns one of the largest portfolios of market-leading gaming, hospitality and entertainment destinations, including the world-renowned Caesars Palace. VICI Properties' national, geographically diverse portfolio consists of 27 gaming facilities comprising over 40 million square feet and features approximately 15,500 hotel rooms and more than 150 restaurants, bars and nightclubs. Its properties are leased to industry leading gaming and hospitality operators, including Caesars Entertainment Corporation, Century Casinos Inc., Hard Rock International and Penn National Gaming. VICI Properties also owns four championship golf courses and 34 acres of undeveloped land adjacent to the Las

Vegas Strip. VICI Properties' strategy is to create the nation's highest quality and most productive experiential real estate portfolio. For additional information, please visit www.viciproperties.com.

About CAI Investments

CAI finances, develops and manages properties across key markets in the United States. CAI is a fully integrated company, managing the entire real estate development process. CAI is focused on providing secure, attractive investment returns through the strategic acquisition and asset management of distressed real estate based assets in strengthening U.S. markets of stability and growth. CAI is currently constructing an upscale hotel class A office mix use project in Reno. This will be the city's first 4-star hotel and will provide quality local jobs.

www.caicap.com

Forward-Looking Statements

This press release includes "forward-looking statements" intended to qualify for the safe harbor from liability established by the Private Securities Litigation Reform Act of 1995. You can identify these statements by the fact that they do not relate strictly to historical or current facts and by the use of words such as "expect," "intend," "may," "continue," "subject to," and "will," or the negative or other variations thereof or comparable terminology. These forward-looking statements are based on current expectations and projections about future events.

You are cautioned that forward-looking statements are not guarantees of future performance or results and involve risks and uncertainties that cannot be predicted or quantified and, consequently, the actual performance and results of Caesars may differ materially from those expressed or implied by such forward-looking statements. Such risks and uncertainties include, but are not limited to: the Eldorado/Caesars combination may not be consummated on timeframe contemplated, or at all; the fact that the transactions contemplated by the purchase and sale agreement may not be completed on the terms contemplated or at all as they are conditioned upon the closing of the Eldorado/Caesars combination, receipt of regulatory approvals, counterparty lender and holder consents, other third-party approvals and other conditions; potential adverse reactions or changes to business, customer, management or employee relationships, including those resulting from the announcement or completion of the contemplated transactions; the possibility that the anticipated operating results and other benefits of the contemplated transactions are not realized when expected or at all; shutdown costs or transition costs at the expiration of the short-term lease between Caesars and the Buyer; local risks including proximate competition, potential competition, customer retention, legislative risks, and local relationships; and other factors described from time to time in our reports filed with the Securities and Exchange Commission.

You are cautioned to not place undue reliance on these forward-looking statements, which speak only as of the date of this filing. Neither Caesars nor VICI Properties undertake any obligation to publicly update or release any revisions to these forward-looking statements to reflect events or circumstances after the date of this filing or to reflect new information, the occurrence of unanticipated events or otherwise, except as required by applicable law.

SOURCE Caesars Entertainment

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