



## VICI Properties Inc. Completes \$4 Billion Acquisition of the Venetian Resort Las Vegas

February 23, 2022

*– Adds Iconic World-Class Facility to Real Estate Portfolio –  
– Increases Annual Rent by \$250 Million –*

NEW YORK--(BUSINESS WIRE)-- VICI Properties Inc. (NYSE: VICI) (“VICI Properties” or the “Company”), an experiential real estate investment trust, today announced it has completed the previously announced transaction to acquire all of the land and real estate assets associated with the Venetian Resort Las Vegas and the Venetian Expo and Convention Center Las Vegas, located in Las Vegas, Nevada (the “Venetian Resort”) for \$4.0 billion in cash, representing a 6.25% cap rate. The Company financed the transaction with proceeds from the settlement of 119 million shares previously raised under its March 2021 and September 2021 forward sale agreements, a \$600 million draw under its recently upsized revolving credit facility, and cash on hand.

“In scale and in quality The Venetian is one of the foremost assets in American commercial real estate,” said Edward Pitoniak, VICI’s Chief Executive Officer. “We’re proud to become the long-term stewards of the property envisioned, created and superbly sustained by the Adelson family and the Las Vegas Sands Management Team.”

Simultaneous with the closing of the transaction, the Company entered into a triple-net lease agreement for the Venetian Resort with an affiliate of funds managed by affiliates of Apollo Global Management, Inc. (NYSE: APO) (the “Apollo Funds”). The lease has initial annual rent of \$250.0 million and an initial term of 30 years, with two ten-year tenant renewal options. Rent under the lease will escalate at the greater of 2.0% or CPI (subject to a 3.0% ceiling), beginning the earlier of lease year three or when the Venetian Resort achieves certain financial milestones.

The lease contains customary capital expenditure requirements and Las Vegas Sands Corp. (NYSE: LVS) has agreed to provide lease payment support designed to guarantee the Venetian Resort’s rent obligations under the lease through 2023, with early termination of such lease payment support if the property achieves a certain financial milestone or in the event of a tenant change of control.

Additionally, VICI Properties has the opportunity to fund up to an additional \$1.0 billion development at the property through the Company’s Partner Property Growth Fund.

John Payne, President and Chief Operating Officer of VICI Properties, said, “We are thrilled to complete the acquisition of this remarkable world-class asset. Over the past two quarters, the Venetian’s financial results far exceeded our initial underwriting expectations, demonstrating the significant attractiveness of the property to consumers and proving the relevance of Las Vegas as a global entertainment destination. We are excited about our partnership with Apollo in Las Vegas and have confidence in their vision for the continued success of the Venetian.”

The Venetian Resort Las Vegas, built in phases since 1999, features:

- Three hotel towers:
  - The 35-story Venetian Tower has 3,015 luxury suites in a three-winged array;
  - The 12-story Venezia Tower features 1,013-suites;
  - The 50-story Palazzo Tower has 3,064 luxury suites featuring modern European ambience and design, and is directly connected to The Venetian Tower and Venetian Expo Center
- Approximately 225,000 square feet of gaming space and approximately 210 table games and 1,480 slot machines and electronic table games
- A variety of amenities including the Paiza Club, an exclusive area for premium guests, several theaters and Canyon Ranch SpaClub
- The Venetian Resort offers approximately 2.3 million gross square feet of state-of-the-art exhibition and meeting facilities that can be configured to provide small, mid-size or large meeting rooms and/or accommodate large-scale multi-media events or trade shows
  - The Venetian Expo Center, one of the largest overall trade show and convention facilities in the United States (as measured by net leasable square footage), with approximately 1.2 million gross square feet of exhibit and meeting space
  - The Venetian Resort also contains an approximately 1.1 million-gross-square-foot meeting and conference facility that links Venetian Expo Center to the Venetian Resort Las Vegas

- This mix of hotel, gaming, food and beverage, entertainment, shopping and meeting and conference features makes the Venetian Resort diversified across multiple sources of revenue
- An enclosed retail, dining and entertainment complex, referred to as the Grand Canal Shoppes, which is owned by Brookfield Properties

Madison Square Garden Entertainment Corp. ("MSG") is working to bring a 400,000-square-foot venue built specifically for music and entertainment to Las Vegas. MSG is currently building the MSG Sphere, an 18,000-seat venue, which will be located on the Venetian Resort property and is currently expected to open in 2023. VICI Properties owns the land under the MSG Sphere.

Morgan Stanley & Co LLC acted as lead strategic and financial advisor to VICI Properties and Deutsche Bank Securities acted as a financial advisor to VICI Properties on the transaction. Kramer Levin Naftalis & Frankel LLP served as legal advisor and Hogan Lovells served as tax advisor to VICI Properties.

### **About VICI Properties**

VICI Properties Inc. is an experiential real estate investment trust that owns one of the largest portfolios of market-leading gaming, hospitality and entertainment destinations, including Caesars Palace Las Vegas, Harrah's Las Vegas and the Venetian Resort Las Vegas, three of the most iconic entertainment facilities on the Las Vegas Strip. VICI Properties' national, geographically diverse portfolio consists of 28 gaming facilities comprising over 62 million square feet and features approximately 25,000 hotel rooms and more than 250 restaurants, bars, nightclubs and sportsbooks. Its properties are leased to industry leading gaming and hospitality operators, including Caesars Entertainment, Inc., Century Casinos, Inc., the Eastern Band of Cherokee Indians, Hard Rock International Inc., JACK Entertainment LLC, Penn National Gaming, Inc. and the Apollo Funds. VICI Properties also has an investment in the Chelsea Piers, New York facility and 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](http://www.viciproperties.com).

### **Forward-Looking Statements**

This press release contains forward-looking statements within the meaning of the federal securities laws. You can identify these statements by our use of the words "assumes," "believes," "estimates," "expects," "guidance," "intends," "plans," "projects," and similar expressions that do not relate to historical matters. All statements other than statements of historical fact are forward-looking statements. You should exercise caution in interpreting and relying on forward-looking statements because they involve known and unknown risks, uncertainties, and other factors which are, in some cases, beyond the Company's control and could materially affect actual results, performance, or achievements. Important risk factors that may affect the Company's business, results of operations and financial position (including those stemming from the COVID-19 pandemic and changes in the economic conditions as a result thereof and risks relating to the Company's pending transactions) are detailed from time to time in the Company's filings with the Securities and Exchange Commission. The Company does not undertake any obligation to update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise, except as may be

required by applicable law. 

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### **Investor Contacts:**

[Investors@viciproperties.com](mailto:Investors@viciproperties.com)  
(646) 949-4631

Or

David Kieske  
EVP, Chief Financial Officer  
[DKieske@viciproperties.com](mailto:DKieske@viciproperties.com)

Danny Valoy  
Vice President, Finance  
[DValoy@viciproperties.com](mailto:DValoy@viciproperties.com)

Source: VICI Properties Inc.