

# LANDandBUILDINGS

## Land and Buildings Comments on MGM Growth Properties IPO

*- MGM REIT Successful IPO Confirms Land and Buildings Position that MGM Resorts Assets Were Woefully Undervalued Before REIT Creation-*

**Stamford, CT** (April 21, 2016) – Land and Buildings Investment Management, LLC ("Land and Buildings"), a shareholder of MGM Resorts International (NYSE: MGM) ("MGM" or the "Company") today issued the following statement from Founder and CIO Jonathan Litt regarding the initial public offering of MGM Growth Properties LLC (NYSE: MGP) ("MGM REIT"):

"We are pleased that MGM Growth Properties, which was initially priced at \$21.00 at the top of its IPO range, yesterday opened at \$22.75. This stock price represents approximately a 14x 2017 EBITDA multiple, highlighting the significant upside in MGM Resorts given that MGM Resorts owns 76% of MGM REIT and MGM Resorts trades at approximately a 9x EBITDA multiple. We first pointed out in March 2015 that MGM's real estate was deeply undervalued as part of the parent company. MGM REIT's IPO confirmed our position. We believe MGM Resorts likely has over 40% upside from its current share price to fair value based in part on the valuation at which MGM REIT is trading.

While we continue to believe that even greater value could be unlocked by including all of MGM Resort's properties in the REIT – especially its "Crown Jewel" properties which could trade at a 16x multiple – and by improving corporate governance by eliminating the overlap among the Board and management teams of MGM Resorts and MGM REIT, we also believe that today's IPO is a significant positive development for shareholders. We are gratified to have played a role in this value creation opportunity, and would hope the Board of Directors and management teams of MGM Resorts and MGM REIT to continue to explore ways to enhance value."

###

### **About Land and Buildings:**

Land and Buildings is a registered investment manager specializing in publicly traded real estate and real estate related securities. Land and Buildings seeks to deliver attractive risk adjusted returns by opportunistically investing in securities of global real estate and real estate related companies, leveraging its investment professionals' deep experience, research expertise and industry relationships.

### **Media Contact:**

Elliot Sloane / Dan Zacchei  
Sloane & Company  
212-486-9500  
[Esloane@sloanep.com](mailto:Esloane@sloanep.com) or  
[Dzacchei@sloanep.com](mailto:Dzacchei@sloanep.com)