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

FORM 10-K

(Mark One)

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

For the Fiscal Year Ended December 31, 2020
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: 000-55791

VICI PROPERTIES INC.

(Exact name of registrant as specified in its charter)

Maryland	**81-4177147**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification No.)**

535 Madison Avenue, 20th Floor New York, New York 10022
(Address of Principal Executive Offices) (Zip Code)

Registrant's telephone number, including area code: (646) 949-4631

SECURITIES REGISTERED PURSUANT TO SECTION 12(b) OF THE ACT:

Title of each class	Trading Symbol	Name of each exchange on which registered
Common stock, $0.01 par value	VICI	New York Stock Exchange

SECURITIES REGISTERED PURSUANT TO SECTION 12(g) OF THE ACT:
None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☒ No ☐

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes ☐ No ☒

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, 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 has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C.7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☒

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

As of June 30, 2020 (the last business day of the registrant's most recently completed second fiscal quarter), the aggregate market value of the common stock held by non-affiliates of the registrant was approximately $10.8 billion, based on the closing price of the common stock as reported on the NYSE on that date.

As of February 16, 2021, the registrant had 536,663,115 shares of common stock outstanding.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the Company's definitive proxy statement relating to the 2021 Annual Meeting of Stockholders, to be filed with the Securities and Exchange Commission within 120 days after the end of the calendar year to which this report relates, are incorporated by reference into Part III, Items 10-14 of this Annual Report on Form 10-K as indicated herein.

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PART I

In this Annual Report on Form 10-K, the words "VICI," the "Company," "we," "our," and "us" refer to VICI Properties Inc. and its subsidiaries, on a consolidated basis, unless otherwise stated or the context requires otherwise.

We refer to (i) our Consolidated Financial Statements as our "Financial Statements," (ii) our Consolidated Balance Sheets as our "Balance Sheet," (iii) our Consolidated Statements of Operations and Comprehensive Income as our "Statement of Operations," and (iv) our Consolidated Statement of Cash Flows as our "Statement of Cash Flows." References to numbered "Notes" refer to the Notes to our Consolidated Financial Statements.

"2025 Notes" refers to $750.0 million aggregate principal amount of 3.500% senior unsecured notes due 2025 issued by the Operating Partnership and VICI Note Co. Inc., as Co-Issuer, in February 2020.

"2026 Notes" refers to $1.25 billion aggregate principal amount of 4.250% senior unsecured notes due 2026 issued by the Operating Partnership and VICI Note Co. Inc., as Co-Issuer, in November 2019.

"2027 Notes" refers to $750.0 million aggregate principal amount of 3.750% senior unsecured notes due 2027 issued by the Operating Partnership and VICI Note Co. Inc., as Co-Issuer, in February 2020.

"2029 Notes" refers to $1.0 billion aggregate principal amount of 4.625% senior unsecured notes due 2029 issued by the Operating Partnership and VICI Note Co. Inc., as Co-Issuer, in November 2019.

"2030 Notes" refers to $1.0 billion aggregate principal amount of 4.125% senior unsecured notes due 2030 issued by the Operating Partnership and VICI Note Co. Inc., as Co-Issuer, in February 2020.

"Caesars" refers to Caesars Entertainment, Inc., a Delaware corporation, formerly Eldorado, following the consummation of the Eldorado/Caesars Merger on July 20, 2020 and Eldorado's conversion to a Delaware corporation.

"Caesars Forum Convention Center" refers to the Caesars Forum Convention Center in Las Vegas, Nevada, and the approximately 28 acres of land upon which the Caesars Forum Convention Center is built and/or otherwise used in connection with or necessary for the operation of the Caesars Forum Convention Center.

"Caesars Lease Agreements" refer collectively to (i) prior to the consummation of the Eldorado Transaction, the CPLV Lease Agreement, the Non-CPLV Lease Agreement, the Joliet Lease Agreement and the HLV Lease Agreement, and (ii) from and after the consummation of the Eldorado Transaction, the Las Vegas Master Lease Agreement, the Regional Master Lease Agreement and the Joliet Lease Agreement, in each case, unless the context otherwise requires.

"Century Casinos" refers to Century Casinos, Inc., a Delaware corporation, and, as the context requires, its subsidiaries.

"Century Portfolio" refers to the real estate assets associated with the (i) Mountaineer Casino, Racetrack & Resort located in New Cumberland, West Virginia, (ii) Century Casino Caruthersville located in Caruthersville, Missouri and (iii) Century Casino Cape Girardeau located in Cape Girardeau, Missouri, which we purchased on December 6, 2019.

"Century Portfolio Lease Agreement" refers to the lease agreement for the Century Portfolio, as amended from time to time.

"CEOC" refers to Caesars Entertainment Operating Company, Inc., a Delaware corporation, and its subsidiaries, prior to the Formation Date, and following the Formation Date, CEOC, LLC, a Delaware limited liability company and, as the context requires, its subsidiaries. CEOC was a subsidiary of Pre-Merger Caesars, and following the consummation of the Eldorado/Caesars Merger, is a subsidiary of Caesars.

"Co-Issuer" refers to VICI Note Co. Inc., a Delaware corporation, and co-issuer of the Senior Unsecured Notes.

"CPLV CMBS Debt" refers to $1.55 billion of asset-level real estate mortgage financing of Caesars Palace Las Vegas, incurred by a subsidiary of the Operating Partnership on October 6, 2017 and repaid in full on November 26, 2019.

"CPLV Lease Agreement" refers to the lease agreement for Caesars Palace Las Vegas, as amended from time to time, which was combined with the HLV Lease Agreement into the Las Vegas Master Lease Agreement upon the consummation of the Eldorado Transaction.

"Eldorado" refers to Eldorado Resorts, Inc., a Nevada corporation, and, as the context requires, its subsidiaries. Following the consummation of the Eldorado/Caesars Merger on July 20, 2020, Eldorado converted to a Delaware corporation and changed its name to Caesars Entertainment, Inc.

"Eldorado Transaction" refers to a series of transactions between us and Eldorado in connection with the Eldorado/Caesars Merger, including the acquisition of the Harrah's New Orleans, Harrah's Atlantic City and Harrah's Laughlin properties, modifications to the Caesars Lease Agreements, and rights of first refusal.

"Eldorado/Caesars Merger" refers to the merger consummated on July 20, 2020 under an Agreement and Plan of Merger pursuant to which a subsidiary of Eldorado merged with and into Pre-Merger Caesars, with Pre-Merger Caesars surviving as a wholly owned subsidiary of Caesars (which changed its name from Eldorado in connection with the closing of the Eldorado/Caesars Merger).

"February 2020 Senior Unsecured Notes" refers collectively to the 2025 Notes, the 2027 Notes and the 2030 Notes.

"Formation Date" refers to October 6, 2017.

"Greektown" refers to the real estate assets associated with the Greektown Casino-Hotel, located in Detroit, Michigan, which we purchased on May 23, 2019.

"Greektown Lease Agreement" refers to the lease agreement for Greektown, as amended from time to time.

"Hard Rock" means Hard Rock International, and, as the context requires, its subsidiary and affiliate entities.

"Hard Rock Cincinnati" refers to the casino-entitled land and real estate and related assets associated with the Hard Rock Cincinnati Casino, located in Cincinnati, Ohio, which we purchased on September 20, 2019.

"Hard Rock Cincinnati Lease Agreement" refers to the lease agreement for Hard Rock Cincinnati, as amended from time to time.

"HLV Lease Agreement" refers to the lease agreement for the Harrah's Las Vegas facilities, as amended from time to time, which was combined with the CPLV Lease Agreement into the Las Vegas Master Lease Agreement upon the consummation of the Eldorado Transaction.

"JACK Entertainment" refers to JACK Ohio LLC, and, as the context requires, its subsidiary and affiliate entities.

"JACK Cleveland/Thistledown" refers to the casino-entitled land and real estate and related assets associated with the JACK Cleveland Casino located in Cleveland, Ohio, and the video lottery gaming and pari-mutuel wagering authorized land and real estate and related assets of JACK Thistledown Racino located in North Randall, Ohio, which we purchased on January 24, 2020.

"JACK Cleveland/Thistledown Lease Agreement" refers to the lease agreement for JACK Cleveland/Thistledown, as amended from time to time.

"Joliet Lease Agreement" refers to the lease agreement for the facility in Joliet, Illinois, as amended from time to time.

"Las Vegas Master Lease Agreement" refers to the lease agreement for Caesars Palace Las Vegas and the Harrah's Las Vegas facilities, as amended from time to time, from and after the consummation of the Eldorado Transaction.

"Lease Agreements" refer collectively to the Caesars Lease Agreements, the Penn National Lease Agreements, the Hard Rock Cincinnati Lease Agreement, the Century Portfolio Lease Agreement and the JACK Cleveland/Thistledown Lease Agreement, unless the context otherwise requires.

"Margaritaville" refers to the real estate of Margaritaville Resort Casino, located in Bossier City, Louisiana, which we purchased on January 2, 2019.

"Margaritaville Lease Agreement" refers to the lease agreement for Margaritaville, as amended from time to time.

"Master Transaction Agreement" or "MTA" refers to the master transaction agreement with Eldorado relating to the Eldorado Transaction.

"Non-CPLV Lease Agreement" refers to the lease agreement for regional properties (other than the facility in Joliet, Illinois) leased to Pre-Merger Caesars prior to the consummation of the Eldorado Transaction, as amended from time to time, which was replaced by the Regional Master Lease Agreement upon the consummation of the Eldorado Transaction.

"November 2019 Senior Unsecured Notes" refers collectively to the 2026 Notes and the 2029 Notes.

"Operating Partnership" refers to VICI Properties L.P., a Delaware limited partnership and a wholly owned subsidiary of VICI.

"Penn National" refers to Penn National Gaming, Inc., a Pennsylvania corporation, and, as the context requires, its subsidiaries.

"Penn National Lease Agreements" refer collectively to the Margaritaville Lease Agreement and the Greektown Lease Agreement, unless the context otherwise requires.

"Pre-Merger Caesars" refers to Caesars Entertainment Corporation, a Delaware corporation, and, as the context requires, its subsidiaries. Following the consummation of the Eldorado/Caesars Merger on July 20, 2020, Pre-Merger Caesars became a wholly owned subsidiary of Caesars.

"Regional Master Lease Agreement" refers to the lease agreement for the regional properties (other than the facility in Joliet, Illinois) leased to Caesars, as amended from time to time, from and after the consummation of the Eldorado Transaction.

"Revolving Credit Facility" refers to the five-year first lien revolving credit facility entered into by VICI PropCo, as amended from time to time.

"Senior Unsecured Notes" refers collectively to the November 2019 Senior Unsecured Notes and the February 2020 Senior Unsecured Notes.

"Second Lien Notes" refers to $766.9 million aggregate principal amount of 8.0% second priority senior secured notes due 2023 issued by a subsidiary of the Operating Partnership in October 2017, the remaining $498.5 million aggregate principal amount outstanding as of December 31, 2019 of which was redeemed in full on February 20, 2020.

"Seminole Hard Rock" means Seminole Hard Rock Entertainment, Inc.

"Term Loan B Facility" refers to the seven-year senior secured first lien term loan B facility entered into by VICI PropCo in December 2017, as amended from time to time.

"VICI Golf" refers to VICI Golf LLC, a Delaware limited liability company that is the owner and operator of our golf segment business.

"VICI PropCo" refers to VICI Properties 1 LLC, a Delaware limited liability company and an indirect wholly owned subsidiary of VICI.

Summary of Risk Factors

Our business is subject to a number of risks, including risks that may prevent us from achieving our business objectives or may adversely affect our business, financial condition, liquidity, results of operations and prospects. These risks are discussed more fully in Item 1A. Risk Factors. These risks include, but are not limited to, the following:

Risks Related to Our Business and Operations

- The COVID-19 pandemic and its immediate and long-term effects, including its effect on our tenants and the gaming industry, could materially and adversely impact us, including by affecting our tenants and the gaming industry, upon which we are dependent;
- We are and will always be significantly dependent on our tenants for our revenues, and unless or until we substantially diversify our portfolio an event that has a material adverse effect on any of our tenants' businesses, financial condition, liquidity, results of operations or prospects could have a material adverse effect on our business, financial condition, liquidity, results of operations and prospects;
- Caesars is required to pay a significant portion of their cash flow from operations to us pursuant to the Caesars Lease Agreements and the Forum Convention Center Mortgage Loan which could adversely affect Caesars' ability to satisfy its obligations to us;
- Caesars' indebtedness and the fact that a significant portion of its cash flow is used to make interest payments could adversely affect its ability to satisfy its obligations to us;
- We and our tenants face extensive regulation from gaming and other regulatory authorities;
- Required regulatory approvals can delay or prohibit transfers of our gaming properties or the consummation of other pending transactions, which could result in periods in which we are unable to receive rent for such properties or otherwise realize the benefits of such transactions;
- Tenants may choose not to renew the Lease Agreements;
- Net leases may not result in fair market lease rates over time, which could negatively impact our results of operations and cash flows and reduce the amount of funds available to make distributions to stockholders;
- If Caesars declares bankruptcy and, as a result, a lease is re-characterized as a disguised financing transaction, we could be materially and adversely affected;
- We have a substantial amount of indebtedness, and may incur additional indebtedness in the future, that exposes us to the risk of default under our debt obligations, limits our operating flexibility, increases the risks associated with a downturn in our business or in the businesses of our tenants and requires us to use a substantial portion of our cash to service our debt obligations;
- Our ability to refinance our indebtedness as it becomes due depends on many factors, some of which are beyond our control;
- We may not be able to purchase the properties subject to the A&R Convention Center Put-Call Agreement, the Centaur Properties Put-Call Agreement, the Las Vegas Strip Assets ROFR or the Horseshoe Baltimore ROFR and we may be forced to dispose of Harrah's Las Vegas on disadvantageous terms;
- The bankruptcy or insolvency of any tenant or guarantor could result in the termination of the Lease Agreements and the related guarantees and material losses to us;
- Our pursuit of investments in, and acquisitions of, additional properties may be unsuccessful or fail to meet our expectations;
- We may sell or divest different properties or assets after an evaluation of our portfolio of businesses. Such sales or divestitures would affect our costs, revenues, results of operations, financial condition and liquidity;
- Our properties are subject to risks from natural disasters such as earthquakes, hurricanes, severe weather, including as a result of climate change, and terrorism;
- We face risks associated with security breaches through cyber-attacks, cyber-intrusions or otherwise, as well as other significant disruptions of our information technology (IT) networks and related systems;
- The possibility that our separation from CEOC fails to qualify as a tax-free spin-off, which could subject CEOC to significant tax liabilities and for which we could be required to indemnify CEOC;

Risks Related to our Status as a REIT

- We may not qualify or maintain our qualification as a REIT;
- Qualification to be taxed as a REIT involves highly technical and complex provisions of the Code, and violations of these provisions could jeopardize our REIT qualification;
- The cash available for distribution to stockholders may not be sufficient to pay dividends at expected levels, nor can we assure you of our ability to make distributions in the future. We may use borrowed funds to make distributions;

Risks Related to Our Organizational Structure

- Our charter and bylaws contain provisions that may delay, defer or prevent an acquisition of our common stock or a change in control;
- Certain provisions of Maryland law may limit the ability of a third party to acquire control of us;

General Risks

- Future incurrences of debt and/or issuance of preferred equity securities could adversely affect the market price of our common stock; and
- The market price and trading volume of shares of our common stock may be volatile; the number of shares available for future sale and our earnings and cash distributions could adversely affect the market price of shares of our common stock.

ITEM 1. Business

We are a Maryland corporation that is primarily engaged in the business of owning and acquiring gaming, hospitality and entertainment destinations, subject to long-term triple net leases. Our national, geographically diverse portfolio currently consists of 28 market leading properties, including Caesars Palace Las Vegas and Harrah's Las Vegas, two of the most iconic entertainment facilities on the Las Vegas Strip. Our entertainment facilities are leased to leading brands that seek to drive consumer loyalty and value with guests through superior services, experiences, products and continuous innovation. Across over 47 million square feet, our well-maintained properties are currently located across urban, destination and drive-to markets in twelve states, contain approximately 17,800 hotel rooms and feature over 200 restaurants, bars and nightclubs.

Our portfolio also includes three secured real estate mortgages that we have originated for strategic reasons, and were in connection with transactions that may provide the potential to convert our investment into the ownership of certain of the underlying real estate in the future. In addition, we own approximately 34 acres of undeveloped or underdeveloped land on and adjacent to the Las Vegas Strip that is leased to Caesars, which we may look to monetize as appropriate. We also own and operate four championship golf courses located near certain of our properties, two of which are in close proximity to the Las Vegas Strip.

We lease our properties to subsidiaries of Caesars, Penn National, Hard Rock, Century Casinos and JACK Entertainment, with Caesars being our largest tenant. We believe we have a mutually beneficial relationship with each of Caesars, Penn National, Hard Rock, Century Casinos and JACK Entertainment, all of which are leading owners and operators of gaming, entertainment and leisure properties. Our long-term triple-net Lease Agreements with subsidiaries of our operators provide us with a highly predictable revenue stream with embedded growth potential. We believe our geographic diversification limits the effect of changes in any one market on our overall performance. We are focused on driving long-term total returns through managing experiential asset growth and allocating capital diligently, maintaining a highly productive tenant base, and optimizing our capital structure to support external growth. As a growth focused public real estate investment trust with long-term investments, we expect our relationship with our partners will position us for the acquisition of additional properties across leisure and hospitality over the long term. Despite the ongoing impact and uncertainty of the COVID-19 pandemic, we continue to evaluate and may opportunistically pursue accretive acquisitions or investments that may arise in the market.

Our portfolio is competitively positioned and well-maintained. Pursuant to the terms of the Lease Agreements, which require our tenants to invest in our properties (subject in certain cases to temporary relief we granted certain tenants on a portion of their capital expenditure obligations in connection with the impact of the COVID-19 pandemic), and in line with our tenants' commitment to build guest loyalty, we anticipate our tenants will continue to make strategic value-enhancing investments in our properties over time, helping to maintain their competitive position. In addition, given our scale and deep industry knowledge, we believe we are well-positioned to execute highly complementary single-asset and portfolio acquisitions, as well as other investments, to augment growth as market conditions allow, with a focus on disciplined capital allocation.

We conduct our operations as a real estate investment trust ("REIT") for U.S. federal income tax purposes. We generally will not be subject to U.S. federal income taxes on our taxable income to the extent that we annually distribute all of our net taxable income to stockholders and maintain our qualification as a REIT. We believe our election of REIT status, combined with the income generation from the Lease Agreements, will enhance our ability to make distributions to our stockholders, providing investors with current income as well as long-term growth, subject to the current macroeconomic impact of the COVID-19 pandemic and market conditions more broadly. We conduct our real property business through our Operating Partnership and our golf course business through a taxable REIT subsidiary (a "TRS"), VICI Golf.

Impact of the COVID-19 Pandemic on Our Business

On March 11, 2020, the World Health Organization declared COVID-19 a pandemic, and on March 13, 2020, the United States declared a national emergency. Among the broader public health, societal and global impacts, the COVID-19 pandemic resulted in state governments and/or regulatory authorities issuing various directives, mandates, orders or similar actions, resulting in temporary closures of our tenants' operations at all of our properties. Our golf course business has also been impacted, with all four courses temporarily ceasing operations in March 2020 as a result of the COVID-19 pandemic, although our golf courses were subsequently reopened in early to mid-May 2020 in compliance with applicable regulations and restrictions. Although the operations of all of our properties are currently open, they remain subject to any current or future operating limitations or closures imposed by state and local governments and/or regulatory authorities. As a result, our tenants' facilities at our properties are generally operating at reduced capacity and subject to additional operating restrictions, and we cannot predict how long they will be required to operate subject to such operating restrictions, or whether they will be subject to additional restrictions or forced to close again in the future. The full extent to which the COVID-19 pandemic continues to adversely affect our tenants, and ultimately impacts us, depends on future developments, which are highly uncertain and cannot be predicted with confidence, including the scope, severity and duration of the pandemic, the actions taken to contain the pandemic or mitigate its impact, including the availability and efficacy of one or more approved vaccines, and the direct and indirect economic effects of the pandemic and containment measures on our tenants, including our tenants' financial performance and the duration and extent of operating limitations, reduced capacity requirements and any additional required closures. We continue to closely monitor the impact of the COVID-19 pandemic on us and our tenants.

In addition to the closure and restriction of their operations, our tenants have experienced a substantial number of cancellations and reductions in future events and reservations in connection with the uncertain duration of the COVID-19 pandemic. Our tenants have also faced additional challenges with respect to restoring operations, customer engagement and financial performance, although, in many of our tenants' regional markets their early operational performance following reopening has generally been at or near prior-year levels for such period. More broadly, the COVID-19 pandemic and the actions taken to contain the pandemic or mitigate its impact have resulted in a prolonged period of significant economic uncertainty, as well as a global economic contraction, which may continue through 2021. Additional economic effects may continue well beyond the lifting or phasing out of governmental restrictions related to COVID-19 or the immediate public health crisis of the pandemic, or may further impact certain regions, such as Las Vegas, Nevada, thereby negatively affecting an economic recovery in the gaming sector. Historically, economic indicators such as GDP growth, consumer confidence and employment are correlated with demand for gaming, entertainment and leisure properties, and economic recessions have led to a decrease in gaming revenue, although the impact of such recessions have generally been less volatile than the impact on retail revenue and S&P 500 revenue.

All of our tenants have fulfilled their rent obligations through February 2021 and we continue to engage with our tenants in connection with the ongoing COVID-19 pandemic and its impact on their businesses, including with respect to their operations, liquidity, financial performance and contingency planning. However, in connection with the ongoing COVID-19 pandemic and its impact on our tenants' operations and financial performance, we have provided certain relief under the applicable Lease Agreements to some of our tenants. While the relief we have provided has not deferred or reduced rent obligations for any of our tenants and we do not currently anticipate providing any such relief, due to these factors and the continuing uncertainty of the ultimate impact of the COVID-19 pandemic, there can be no assurance that our tenants will continue to fulfill their rent obligations in full, make anticipated capital expenditures to maintain or improve our properties or fulfill their other contractual obligations under their Lease Agreements. Further, current or future economic conditions could impact our tenants' ability to meet capital improvement requirements or such other obligations required in our Lease Agreements that could result in a decrease in value of our properties.

In addition, we cannot predict with confidence when our tenants' operations at our properties will operate without restriction, whether they will be forced to close again in the future, or if and when they will return to pre-pandemic performance levels. As the duration of the pandemic, applicable operational restrictions and closures lengthen, or if new operational restrictions or required closures are imposed, our tenants' liquidity positions may become more stressed which may cause one or more of our tenants to be unwilling or unable to meet their obligations to us in full, or at all, or to otherwise seek modifications to such obligations. As a triple-net lessor, we believe we are generally in a strong creditor position and structurally insulated from operational and performance impacts of our tenants, both positive and negative. However, given the unprecedented nature of the COVID-19 pandemic, we understand that working with our tenants in the short term to ensure their long-term financial health and performance may become necessary and should provide meaningful benefits to us as well over the long-term.

As described herein, the full extent to which the COVID-19 pandemic continues to adversely affect our tenants, and ultimately impacts us, will depend on future developments, which are highly uncertain and cannot be predicted with confidence, including the scope, severity and duration of the pandemic, the actions taken to contain the pandemic or mitigate its impact, including the availability, distribution and efficacy of one or more approved vaccines, the direct and indirect economic effects of the pandemic and containment measures on our tenants, the length of time our tenants' operations at our properties remain restricted or closed, or are required to close again in the future, our tenants' financial performance and any future operating limitations. These factors may contribute to increased uncertainty with respect to our business and operating results through 2021 and we will continue to closely monitor the impact of COVID-19 on us and our tenants. For more information, refer to "Part I – Item 1A. Risk Factors" included in this Annual Report on Form 10-K.

Our Competitive Strengths

We believe the following strengths effectively position us to execute our business and growth strategies:

Leading portfolio of high-quality experiential gaming, hospitality, entertainment and leisure assets.

Our portfolio features Caesars Palace Las Vegas and Harrah's Las Vegas and market-leading urban, destination and regional properties with significant scale. Our properties are well-maintained and leased to leading brands such as Caesars, Harrah's, Harvey's, Horseshoe, Margaritaville, Greektown, JACK, Hard Rock, Century and Mountaineer. These brands seek to drive loyalty and value with guests through superior service and products and continuous innovation. Our portfolio benefits from its strong mix of demand generators, including casinos, guest rooms, restaurants, entertainment facilities, bars and nightclubs and convention space. We believe our properties are generally well-insulated from incremental competition as a result of high replacement costs, as well as regulatory restrictions and long-lead times for new development. The high quality of our properties appeals to a broad base of customers, stimulating traffic and visitation.

Our portfolio is anchored by our Las Vegas properties, Caesars Palace Las Vegas and Harrah's Las Vegas, which are located at the center of the Las Vegas Strip. We believe Las Vegas is historically a market characterized by steady economic growth and high consumer and business demand with limited new supply, although such characteristics have been negatively impacted due to the COVID-19 pandemic. Our Las Vegas properties, which are two of the most iconic entertainment facilities in Las Vegas, feature gaming entertainment, large-scale hotels, extensive food and beverage options, state-of-the-art convention facilities, retail outlets and entertainment showrooms.

Our portfolio also includes market-leading regional resorts and destinations that we believe are benefiting from significant invested capital over recent years. The regional properties we own include award-winning land-based and dockside casinos, hotels and entertainment facilities that are generally market leaders within their respective regions. The properties operate primarily under the Caesars, Harrah's, Harvey's, Horseshoe, Margaritaville, Greektown, JACK, Hard Rock, Century and Mountaineer trademark and brand names, which, in many instances, have market-leading brand recognition.

Under the terms of the Lease Agreements, our tenants are required to continue to invest in our properties, which we believe enhances the value of our properties and maintains their competitive market position.

Our properties feature diversified sources of revenue on both a business and geographic basis.

Our portfolio includes 28 geographically diverse casino resorts that serve numerous Metropolitan Statistical Areas ("MSAs") nationally. This diversity reduces our exposure to adverse events that may affect any single market. This also allows our tenants to derive multiple revenue streams from an economically diverse set of customers and services to such customers. These include gaming, food and beverage, entertainment, hospitality and other sources of revenue. We believe that this geographic diversity and the diversity of revenue sources that our tenants derive from our leased properties improves the stability of rental revenue.

Our long-term Lease Agreements provide a highly predictable base level of rent with embedded growth potential.

Our properties are 100% occupied pursuant to our long-term triple-net Lease Agreements with subsidiaries of Caesars, Penn National, Hard Rock, Century Casinos and JACK Entertainment, providing us with a predictable level of rental revenue to support future cash distributions to our stockholders.

All of our casino resort properties are established assets, in most cases with extensive operating histories. Based on historical performance of the properties, we expect that the properties will generate sufficient revenues for our tenants to pay to us all rent due under the Lease Agreements. However, in the short-term our properties have been adversely impacted by the COVID-19 pandemic and the current operating results may not be indicative of long-term operating results.

We believe our relationship with Caesars, Penn National, Hard Rock, Century Casinos and JACK Entertainment, including our contractual agreements with them and their applicable subsidiaries, will continue to drive significant benefits and mutual alignment of strategic interests in the future.

The payment obligations of our tenants are guaranteed by Caesars, Penn National, Seminole Hard Rock, Century Casinos and Rock Ohio Ventures LLC, as applicable.

All of our existing properties are leased to subsidiaries of Caesars, Penn National, Hard Rock, Century Casinos and JACK Entertainment. Caesars guarantees the payment obligations of our tenants under the Caesars Lease Agreements, Penn National guarantees the payment obligations of our tenant under the Penn National Lease Agreements, Seminole Hard Rock guarantees the payment obligations of our tenant under the Hard Rock Cincinnati Lease Agreement, Century Casinos guarantees the payment obligations of our tenant under the Century Portfolio Lease Agreement and Rock Ohio Ventures LLC guarantees the payment obligations of our tenants under the JACK Cleveland/Thistledown Lease Agreement.

In addition to the properties leased from us, Caesars, Penn National, Hard Rock and Century Casinos operate numerous other casino resorts, collectively comprising a nationally recognized portfolio of brands. In addition, Caesars uses the Caesars Rewards® program, which is core to its cross-market strategy and is designed to encourage Caesars' customers to direct a larger share of their entertainment spending to Caesars. Our other tenants operate their own customer loyalty rewards programs, including Penn National using the mychoice® rewards program, Hard Rock using the Hard Rock Rewards® program, Century Casinos using the Winners Zone® rewards program and JACK Entertainment using the ClubJACK® rewards program.

An experienced management team with deep real estate and industry experience.

We have an experienced and independent management team that has been actively engaged in the leadership, acquisition and investment aspects of the hospitality, gaming, entertainment and real estate industries throughout their careers. Our Chief Executive Officer, Edward Pitoniak, and President and Chief Operating Officer, John Payne, are industry veterans with an average of over 30 years of experience in the REIT, gaming and experiential real estate industries, during which time they were able to drive controlled growth and diversification of significant real estate and gaming portfolios. Mr. Pitoniak's service as an independent board member of public companies provides him with a unique and meaningful management perspective and enables him to work with our independent board of directors as a trusted steward of our extensive portfolio. Our Chief Financial Officer and General Counsel have an average of over 20 years of experience in the REIT, real estate and hospitality industries and bring significant leadership and expertise to our team across capital markets, corporate finance, acquisitions, risk management and corporate governance.

A diverse and independent board of directors with robust business and corporate governance experience.

Our diverse and independent board of directors, which is made up of highly skilled and seasoned real estate, gaming, hospitality, consumer products and corporate professionals, was originally established to ensure no overlap between our tenants and the companies with which our directors are affiliated and has continued to improve and mature since our formation in 2017. For example, since formation we have increased diversity by adding three independent, female directors to our board. As of December 31, 2020, 50% of our independent directors are women, one of whom is racially diverse. Robust corporate governance in the best interests of our stockholders is of central importance to the management of our company, as we have a separate, independent Chairman of the Board, all members of our board except for our Chief Executive Officer are independent, and all members of our audit committee qualify as an "audit committee financial expert" as defined by the SEC. Directors are elected in uncontested elections by the affirmative vote of a majority of the votes cast on an annual basis, and stockholder approval is required prior to, or in certain circumstances within twelve months following, the adoption by our board of a stockholder rights plan.

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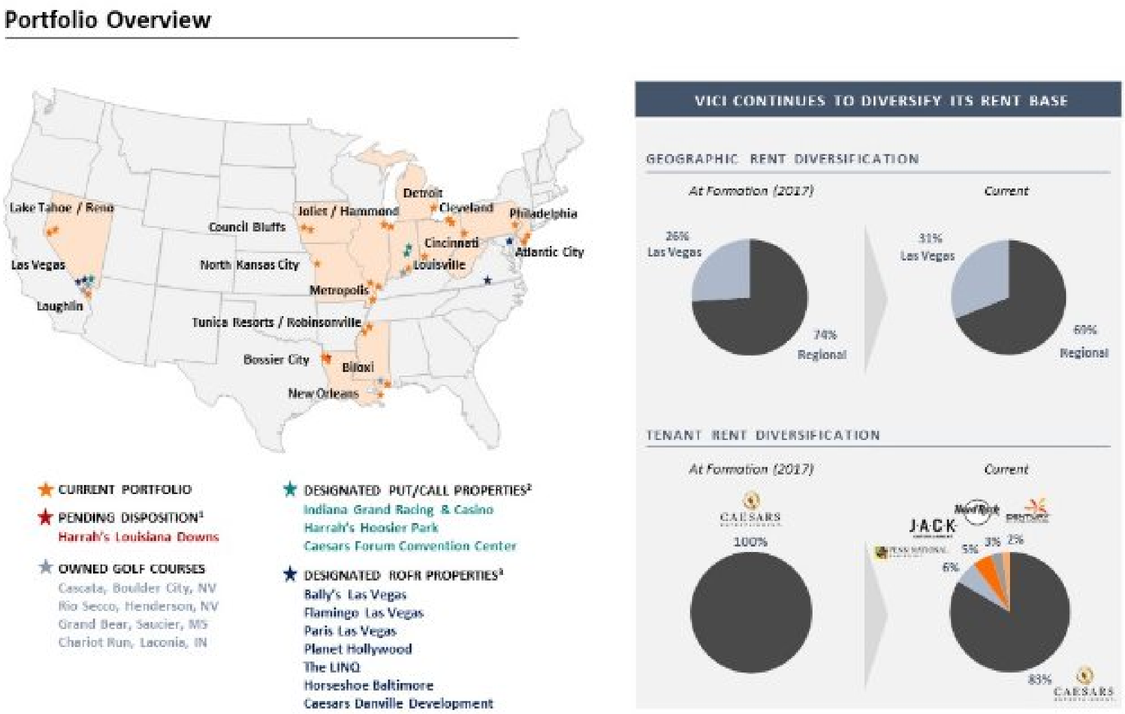
Our Properties

The following map and tables summarize our current portfolio of properties, our pending transactions and our properties subject to right of first refusal agreements and put/call agreements with Caesars. Our properties are diversified across a range of primary uses, including gaming, hotel, convention, dining, entertainment, retail, golf course and other resort amenities and activities.



1. On September 3, 2020, we and Caesars entered into definitive agreements to sell Harrah's Louisiana Downs for $22 million to a third party; the proceeds shall be split approximately $5.5 million to VICI and approximately $16.5 million to Caesars. The annual rent payments under the Regional Master Lease Agreement will remain unchanged following completion of the disposition. The disposition is subject to customary closing conditions and regulatory approvals.
2. The put/call agreement on Harrah's Hoosier Park and Indiana Grand Racing & Casino (13.0x call/12.5x put) can be exercised between January 1, 2022 and December 31, 2024. The Caesars Forum Convention Center call right can be exercised between September 18, 2025 and December 31, 2026 and the put right can be exercised between January 1, 2024 and December 31, 2024 at 13.0x
3. With respect to the ROFR assets in Las Vegas, the first will be selected from: Flamingo Las Vegas, Bally's Las Vegas, Paris Las Vegas and Planet Hollywood Resort & Casino, with the second to be selected from one of the previous four plus the LINQ Hotel & Casino. Caesars does not have a contractual obligation to sell the properties subject to the ROFRs and will make independent financial decisions regarding whether to trigger the ROFRs. The exercise of the ROFR over Horseshoe Baltimore is subject to any consent required from applicable joint venture partners of Caesars, and Caesars will make an independent financial decision regarding whether to trigger the ROFR over Horseshoe Baltimore. As part of the Eastern Band of Cherokee Indian's announced acquisition of Caesars Southern Indiana from Caesars, the parties have agreed to negotiate a ROFR with us on the real property associated with the development of a new casino resort in Danville, Virginia, which is subject to the negotiation of definitive documentation and applicable regulatory and other governmental approvals.

MSA / Property	Location	Approx. Casino Sq. Ft. (000's)	Approx. Gaming Units	Hotel Rooms	Lease Agreement
Current Portfolio - Casinos					
Las Vegas—Destination Gaming					
Caesars Palace Las Vegas	Las Vegas, NV	124	1,660	3,970	Las Vegas
Harrah's Las Vegas	Las Vegas, NV	89	1,340	2,540	Las Vegas
San Francisco / Sacramento					
Harvey's Lake Tahoe	Lake Tahoe, NV	51	660	740	Regional
Harrah's Lake Tahoe	Stateline, NV	54	830	510	Regional
Laughlin					
Harrah's Laughlin	Laughlin, NV	56	920	1,510	Regional
Philadelphia					
Caesars Atlantic City	Atlantic City, NJ	113	2,280	1,140	Regional
Harrah's Atlantic City	Atlantic City, NJ	156	2,220	2,590	Regional
Harrah's Philadelphia	Chester, PA	111	2,380	N/A	Regional
Chicago					
Horseshoe Hammond	Hammond, IN	117	2,290	N/A	Regional
Harrah's Joliet [(1)]	Joliet, IL	39	1,130	200	Regional
Cincinnati					
Hard Rock Cincinnati	Cincinnati, OH	100	1,900	N/A	Hard Rock Cincinnati
Cleveland					
JACK Cleveland	Cleveland, OH	96	1,450	N/A	JACK Cleveland/Thistledown
JACK Thistledown Racino	North Randall, OH	57	1,480	N/A	JACK Cleveland/Thistledown
Dallas					
Horseshoe Bossier City	Bossier City, LA	28	1,220	600	Regional
Margaritaville Resort Casino	Bossier City, LA	30	1,270	395	Margaritaville
Harrah's Louisiana Downs	Bossier City, LA	12	820	N/A	Regional
Detroit					
Greektown Casino Hotel	Detroit, MI	100	2,660	400	Greektown
Kansas City					
Harrah's North Kansas City	North Kansas City, MO	60	1,300	390	Regional
St. Louis					
Century Cape Girardeau	Cape Girardeau, MO	42	860	N/A	Century Portfolio
Century Caruthersville	Caruthersville, MO	21	520	N/A	Century Portfolio
Pittsburgh					
Mountaineer Casino Resort & Racetrack	New Cumberland, WV	72	1,180	357	Century Portfolio
Memphis					
Horseshoe Tunica	Robinsonville, MS	63	1,130	510	Regional
Omaha					
Harrah's Council Bluffs	Council Bluffs, IA	21	570	250	Regional
Horseshoe Council Bluffs	Council Bluffs, IA	60	1,450	150	Regional
Nashville					
Harrah's Metropolis	Metropolis, IL	24	870	260	Regional
New Orleans					
Harrah's Gulf Coast	Biloxi, MS	31	800	500	Regional
Harrah's New Orleans	New Orleans, LA	101	1,650	450	Regional
Louisville					
Caesars Southern Indiana	Elizabeth, IN	74	1,290	500	Regional
Total Casinos	28	1,902	38,130	17,962	

MSA / Property	Location	Approx. Casino Sq. Ft. (000's)	Approx. Gaming Units	Hotel Rooms	Lease Agreement
Current Portfolio - Golf Courses					
Las Vegas					
Cascata Golf Course	Boulder City, NV	N/A	N/A	N/A	N/A
Rio Secco Golf Course	Henderson, NV	N/A	N/A	N/A	N/A
New Orleans					
Grand Bear Golf Course	Saucier, MS	N/A	N/A	N/A	N/A
Louisville					
Chariot Run Golf Course	Laconia, IN	N/A	N/A	N/A	N/A
Total Golf Courses	4	—	—	—	
Total	32	1,902	38,130	17,962	
Put/Call Properties					
Indianapolis					
Indiana Grand Racing & Casino	Anderson, IN	84	2,070	N/A	N/A
Harrah's Hoosier Park	Shelbyville, IN	54	1,070	N/A	N/A
Las Vegas					
Caesars Forum Convention Center	Las Vegas, NV	N/A	N/A	N/A	N/A
Total	3	138	3,140	—	

(1) Owned by Harrah's Joliet Landco LLC, a joint venture of which VICI PropCo is the 80% owner and the managing member.

Our Lease Agreements

We derive a substantial majority of our revenues from rental revenue from the Lease Agreements for our properties, each of which are "triple-net" leases, pursuant to which the tenant bears responsibility for all property costs and expenses associated with ongoing maintenance and operation, including utilities, property tax and insurance. For an overview of the provisions of our Lease Agreements and the tenant capital expenditure requirements under our Lease Agreements refer to Note 5 - Real Estate Portfolio included in our Financial Statements within this Annual Report on Form 10-K.

Our Loan Agreements

Our loan portfolio includes three secured real estate mortgages that we have originated for strategic reasons, and may provide the potential to convert our investment into the ownership of certain of the underlying real estate in a future period. For an overview of the provisions of our loan agreements refer to Note 5 - Real Estate Portfolio included in our Financial Statements within this Annual Report on Form 10-K.

Our Embedded Growth Pipeline

We have entered into several right of first refusal and put-call agreements, which we believe provide the opportunity for significant embedded growth as we pursue our future strategic objectives. Each of the transactions contemplated by the following agreements remains subject to the terms and conditions of the applicable agreements, including with respect to due diligence, applicable regulatory approvals and customary closing conditions.

Las Vegas Strip Assets ROFR

Upon the consummation of the Eldorado Transaction, we entered into a right of first refusal agreement with Caesars (the "Las Vegas Strip ROFR Agreement") pursuant to which we have the first right, with respect to the first two Las Vegas Strip assets described below that Caesars proposes to sell, whether pursuant to a sale leaseback or a sale of the real estate and operations (a "WholeCo sale"), to a third party, to acquire any such asset (it being understood that we will have the opportunity to find an operating company should Caesars elect to pursue a WholeCo sale). The Las Vegas Strip assets subject to the Las Vegas Strip ROFR Agreement are the land and real estate assets associated (i) with respect to the first such asset subject to the Las Vegas Strip ROFR Agreement, the Flamingo Las Vegas, Paris Las Vegas, Planet Hollywood and Bally's Las Vegas gaming facilities, and (ii) with respect to the second such asset subject to the Las Vegas Strip ROFR Agreement, the foregoing assets still unsold plus The LINQ gaming facility. If we enter into a sale leaseback transaction with Caesars with respect to any of these facilities, the leaseback may be implemented through the addition of such properties to the Las Vegas Master Lease Agreement.

Centaur Properties Put-Call Agreement

Prior to the consummation of the Eldorado Transaction, we were party to a right of first refusal agreement with affiliates of Pre-Merger Caesars with respect to two gaming facilities in Indiana - Harrah's Hoosier Park and Indiana Grand (together, the "Centaur Properties"). Upon the consummation of the Eldorado Transaction, the Second Amended and Restated Right of First Refusal Agreement between us and Pre-Merger Caesars terminated in accordance with its terms, which included the right of first refusal that we had with respect to the Centaur Properties, and we entered into a Put-Call Right Agreement with Caesars (the "Centaur Put-Call Agreement"), whereby (i) we have the right to acquire all of the land and real estate assets associated with the Centaur Properties at a price equal to 13.0x the initial annual rent of each facility (determined as provided below), and to simultaneously lease back each such property to a subsidiary of Caesars for initial annual rent equal to the property's trailing four quarters EBITDA at the time of acquisition divided by 1.3 (i.e., the initial annual rent will be set at 1.3x rent coverage) and (ii) Caesars will have the right to require us to acquire the Centaur Properties at a price equal to 12.5x the initial annual rent of each facility, and to simultaneously lease back each such Centaur Property to a subsidiary of Caesars for initial annual rent equal to the property's trailing four quarters EBITDA at the time of acquisition divided by 1.3 (i.e., the initial annual rent will be set at 1.3x rent coverage). Either party will be able to trigger its respective put or call, as applicable, beginning on January 1, 2022 and ending on December 31, 2024. The Centaur Put-Call Agreement provides that the leaseback of the Centaur Properties will be implemented through the addition of the Centaur Properties to the Regional Master Lease Agreement.

Caesars Forum Put/Call Agreement

On September 18, 2020, concurrent with the entry into the Forum Convention Center Mortgage Loan, as further described in Item 7 - Management's Discussion and Analysis of Financial Condition and Results of Operations, we and a subsidiary of Caesars amended and restated the Amended and Restated Put-Call Right Agreement entered into on July 20, 2020 in connection with the consummation of the Eldorado Transaction (as further amended, the "A&R Convention Center Put-Call Agreement") related to the Caesars Forum Convention Center. The A&R Convention Center Put-Call Agreement provides for

(i) a call right in our favor, which, if exercised, would result in the sale by Caesars to us and simultaneous leaseback by us to Caesars of the Caesars Forum Convention Center (the “Convention Center Call Right”), at a price equal to 13.0x the initial annual rent for Caesars Forum Convention Center as proposed by Caesars (which shall be between $25.0 million and $35.0 million), exercisable by us from September 18, 2025 (the scheduled maturity date of the Forum Convention Center Mortgage Loan) until December 31, 2026, (ii) a put right in favor of Caesars, which, if exercised, would result in the sale by Caesars to us and simultaneous leaseback by us to Caesars of the Caesars Forum Convention Center (the “Convention Center Put Right”) at a price equal to 13.0x the initial annual rent for the Caesars Forum Convention Center as proposed by Caesars (which shall be between $25.0 million and $35.0 million), exercisable by Caesars between January 1, 2024 and December 31, 2024, and (iii) if there is an event of default under the Forum Convention Center Mortgage Loan, the Convention Center Put Right will not be exercisable and we, at our option, may accelerate the Convention Center Call Right so that it is exercisable from the date of such event of default until December 31, 2026 (in addition to any other remedies available to us in connection with such event of default).

The A&R Convention Center Put-Call Agreement also provides for, if Caesars exercises the Convention Center Put Right and, among other things, the sale of the Caesars Forum Convention Center to us does not close for certain reasons more particularly described in the A&R Convention Center Put-Call Agreement, a repurchase right in favor of Caesars, which, if exercised, would result in the sale of the Harrah’s Las Vegas property by us to Caesars (the “HLV Repurchase Right”), exercisable by Caesars during a one-year period commencing on the date upon which the closing under the Convention Center Put Right transaction does not occur and ending on the day immediately preceding the one-year anniversary thereof for a price equal to 13.0x the rent of the Harrah’s Las Vegas property for the most recently ended annual period for which Caesars’ financial statements are available as of Caesars’ election to exercise the HLV Repurchase Right.

Horseshoe Baltimore ROFR

Upon the consummation of the Eldorado Transaction, we entered into a right of first refusal agreement with Caesars pursuant to which we have the first right to enter into a sale leaseback transaction with respect to the land and real estate assets associated with the Horseshoe Baltimore gaming facility (subject to any consent required from Caesars’ joint venture partners with respect to this asset).

Our Golf Courses

We own and operate four championship golf courses located near certain of our properties, Rio Secco in Henderson, Nevada, Cascata in Boulder City, Nevada, Chariot Run in Laconia, Indiana and Grand Bear in Saucier, Mississippi. In addition, Rio Secco and Cascata are in close proximity to the Las Vegas Strip. These golf courses provide ancillary revenue pursuant to their operations and a golf course use agreement entered into with Caesars, as described below.

Golf Course Use Agreement

Pursuant to a golf course use agreement (as amended, the “Golf Course Use Agreement”), Caesars is granted specific rights and privileges to the golf courses, including (i) preferred access to tee times for guests of Caesars casinos and/or hotels located within the same markets as the golf courses, (ii) preferred rates for guests of Caesars casinos and/or hotels located within the same markets as the golf courses, and (iii) availability for golf tournaments and events at preferred rates and discounts. Payments under the Golf Course Use Agreement are currently comprised of an approximately $10.5 million annual membership fee, $3.2 million of use fees and $1.3 million of minimum rounds fees, subject to certain adjustments.

Our Relationship with Caesars

Caesars is a leading owner and operator of gaming, entertainment and leisure properties. Caesars maintains a diverse brand portfolio with a wide range of options that appeal to a variety of gaming, sports betting, travel and entertainment consumers. As of December 31, 2020, following the consummation of the Eldorado/Caesars Merger in July 2020, Caesars domestically operates 54 properties, consisting of 20 owned and operated properties, 5 properties that it manages on behalf of third parties, 20 properties that it leases from us and 9 properties that it leases from other third parties.

We are independent from Caesars. However, we believe we have a mutually beneficial relationship with Caesars. To govern the ongoing relationship between us and Caesars and our respective subsidiaries, we entered into various agreements with Caesars and/or its subsidiaries as described herein. The summaries presented herein are not complete and are qualified in their entirety by reference to the full text of the applicable agreements, which are included as exhibits to this Annual Report on Form 10-K.

Caesars Guaranty

Caesars has executed guaranties with respect to the Las Vegas Master Lease Agreement (the "Las Vegas Lease Guaranty"), the Regional Master Lease Agreement (the "Regional Lease Guaranty") and the Joliet Lease Agreement (the "Joliet Lease Guaranty" and, together with the Las Vegas Lease Guaranty and the Regional Lease Guaranty, the "Caesars Guaranties"), guaranteeing the prompt and complete payment and performance in full of: (i) all monetary obligations of the tenants under the Caesars Lease Agreements, including all rent and other sums payable by the tenants under the Caesars Lease Agreements and any obligation to pay monetary damages in connection with any breach and to pay any indemnification obligations of the tenants under the Caesars Lease Agreements, (ii) the performance when due of all other covenants, agreements and requirements to be performed and satisfied by the tenants under the Caesars Lease Agreements, and (iii) all monetary obligations under the Golf Course Use Agreement.

Tax Matters Agreement

We have entered into a tax matters agreement (the "Tax Matters Agreement"), which addresses matters relating to the payment of taxes and entitlement to tax refunds by Caesars, CEOC, the Operating Partnership and us, and allocates certain liabilities, including providing for certain covenants and indemnities, relating to the payment of such taxes, receipt of such refunds, and preparation of tax returns relating thereto. In general, the Tax Matters Agreement provides for the preparation and filing by Caesars of tax returns relating to CEOC and for the preparation and filing by us of tax returns relating to us and our operations. Under the Tax Matters Agreement, Caesars has agreed to indemnify us for any taxes allocated to CEOC that we are required to pay pursuant to our tax returns and we have agreed to indemnify Caesars for any taxes allocated to us that Caesars or CEOC is required to pay pursuant to a Caesars or CEOC tax return.

Under the Tax Matters Agreement, Caesars has agreed to indemnify us for taxes attributable to acts or omissions taken by Caesars and we have agreed to indemnify Caesars for taxes attributable to our acts or omissions, in each case that cause a failure of the transactions entered into as part of the Plan of Reorganization (as defined to qualify as tax-free under the code).

Competition

We compete for real property investments with other REITs, gaming companies, investment companies, private equity firms, hedge funds, sovereign funds, lenders and other private investors. In addition, revenues from our properties are dependent on the ability of our tenants and operators, subsidiaries of Caesars, Penn National, Hard Rock, Century Casinos and JACK Entertainment to compete with other gaming operators. The operators of our properties compete on a local and regional basis for customers. The gaming industry is characterized by a high degree of competition among a large number of participants, including riverboat casinos, dockside casinos, land-based casinos, video lottery, sweepstakes and poker machines not located in casinos, Native American gaming, emerging varieties of Internet gaming, sports betting and other forms of gaming in the United States.

As a landlord, we compete in the real estate market with numerous developers, owners and acquirors of properties. Some of our competitors may be significantly larger, have greater financial resources and lower costs of capital than we have, have greater economies of scale and have greater name recognition than we do. Increased competition will make it more challenging to identify and successfully capitalize on acquisition opportunities that meet our investment objectives. Our ability to compete is also impacted by national and local economic trends, including regional or localized impacts of the COVID-19 pandemic, availability of investment alternatives, availability and cost of capital, construction and renovation costs, existing laws and regulations, new legislation and population trends.

Human Capital Management

As of December 31, 2020, we employed approximately 147 employees, 93 of which are full-time. Of our total employees, 18 are employed at our Operating Partnership in support of our primary business as a triple-net lease REIT and are primarily located at our corporate headquarters in New York, New York. As of December 31, 2020, 43% of our directors, 50% of our corporate employees and 25% of our named executive officers were female. In addition, 14% of our directors and 33% of our corporate employees identified as a member of an ethnic and/or racial minority group. Our remaining 129 employees are employed at our TRS, VICI Golf, in support of our owned and operated golf courses. Our VICI Golf employees are located across our four golf course locations in Laconia, Indiana; Saucier, Mississippi; Henderson, Nevada; and Boulder City, Nevada.

In response to the COVID-19 pandemic, we shifted our corporate operations in New York to a remote working policy to provide maximum flexibility to our employees in dealing with the unprecedented uncertainty of the pandemic. Our golf courses generally ceased operations in mid-March 2020 by order of applicable state and/or local authorities, during which time we continued to provide full pay and benefits to our VICI Golf team members until the reopening of the courses in early May 2020.

We are committed to creating and sustaining a positive work environment and corporate culture that fosters diversity and inclusion, and employee engagement, through the instillation of our core values, as well as competitive benefit programs, training and internal development opportunities, tuition reimbursement, and community service events. To assist in fulfilling that commitment, we measure our organizational culture, degree of inclusion and employee engagement through independent third-party surveys, which provide management with insights regarding key issues and priorities to maintain and improve the health, well-being and satisfaction of our employees.

We offer a comprehensive, industry-standard employee benefits package, including a 401(k) plan, medical, dental and vision insurance, disability insurance, life insurance, paid maternity/paternity leave for birth and foster/adoption placements, and access to an employee assistance program. In response to feedback from our 2019 employee engagement survey, we enhanced existing benefits to be responsive to our employee feedback, and continue to explore additional opportunities to meaningfully enhance employee benefits.

We invest in employee education, training and development by conducting regular training programs to educate and advance our employees' understanding of concepts relevant to our business, as well as with respect to issues such as diversity and harassment and other matters outlined in our Code of Business Conduct. In order to support our commitment to maintaining a diverse and inclusive workplace, we have begun to augment our existing training program in the coming year to include additional content, such as implicit/unconscious bias training. We also encourage our employees to pursue professional development through external education and certifications through a broadly applicable and flexible tuition reimbursement policy.

Our management and Board of Directors have reviewed our diversity and inclusion efforts, including our formation of a diversity and inclusion task force, an evaluation of our demographic representation, hiring and recruitment policies, and establishment of a framework that we believe will enable us to make progress with respect to a number of key areas, including hiring and recruitment policies and procedures, employee training and development, and expanded monitoring and reporting with respect to diversity and inclusion. We report to the Board of Directors on a regular basis with respect to these efforts.

Governmental Regulation and Licensing

The ownership, operation and management of gaming and racing facilities are subject to pervasive regulation. Each of our gaming and racing facilities is subject to regulation under the laws, rules, and regulations of the jurisdiction in which it is located. Gaming laws and regulations generally require gaming industry participants to:

- ensure that unsuitable individuals and organizations have no role in gaming operations;
- establish and maintain responsible accounting practices and procedures;
- maintain effective controls over their financial practices, including establishment of minimum procedures for internal fiscal affairs and the safeguarding of assets and revenues;
- maintain systems for reliable record keeping;
- file periodic reports with gaming regulators; and
- ensure that contracts and financial transactions are commercially reasonable, reflect fair market value and are arm's length transactions.

Gaming laws and regulations primarily impact our business in two respects: (1) our ownership of land and buildings in which gaming activities are operated by our tenants; and (2) the operations of our tenants as operators in the gaming industry. Further, many gaming and racing regulatory agencies in the jurisdictions in which our tenants operate require us and our affiliates to apply for and maintain a license as a key business entity or supplier because of our status as landlord.

Our business and the businesses of Caesars, Penn National, Hard Rock, Century Casinos and JACK Entertainment are also subject to various Federal, state and local laws and regulations in addition to gaming regulations. These laws and regulations include, but are not limited to, restrictions and conditions concerning alcoholic beverages, environmental matters, labor and employees, health care, currency transactions, taxation, zoning and building codes and marketing and advertising. Such laws and regulations could change or could be interpreted differently in the future, or new laws and regulations could be enacted. Material changes, new laws or regulations, or material differences in interpretations by courts or governmental authorities could adversely affect our operating results.

Violations of Gaming Laws

If we, our subsidiaries or the tenants of our properties violate applicable gaming laws, our gaming licenses could be limited, conditioned, suspended or revoked by gaming authorities, and we and any other persons involved could be subject to substantial fines. Further, a supervisor or conservator can be appointed by gaming authorities to operate our gaming properties, or in some jurisdictions, take title to our gaming assets in the jurisdiction, and under certain circumstances, earnings generated during such appointment could be forfeited to the applicable jurisdictions. Violations of laws in one jurisdiction could result in disciplinary action in other jurisdictions. Finally, the loss of our gaming licenses could result in an event of default under certain of our indebtedness, and cross-default provisions in our debt agreements could cause an event of default under one debt agreement to trigger an event of default under our other debt agreements. As a result, violations by us of applicable gaming laws could have a material adverse effect on us.

Review and Approval of Transactions

Substantially all material loans, leases, sales of securities and similar financing transactions by us and our subsidiaries must be reported to and in some cases approved by gaming authorities. Neither we nor any of our subsidiaries may make a public offering of securities without the prior approval of certain gaming authorities. Changes in control through merger, consolidation, stock or asset acquisitions, management or consulting agreements, or otherwise are subject to receipt of prior approval of gaming authorities. Entities seeking to acquire control of us or one of our subsidiaries must satisfy gaming authorities with respect to a variety of stringent standards prior to assuming control.

Insurance

The Lease Agreements require the tenants to maintain, with financially sound and reputable insurance companies (and in certain cases subject to the right of the tenants to self-insure), insurance (subject to customary deductibles and retentions) in such amounts and against such risks as are customarily maintained by similarly situated companies engaged in the same or similar businesses operating in the same or similar locations. The Lease Agreements generally provide that the amount and type of insurance that the tenants have in effect as of the commencement of the leases will satisfy for all purposes the requirements to insure the properties. However, such insurance coverage may not be sufficient to fully cover our losses.

Environmental Matters

Our properties are subject to environmental laws regulating, among other things, air emissions, wastewater discharges and the handling and disposal of wastes, including medical wastes. Certain of the properties we own utilize above or underground storage tanks to store heating oil for use at the properties. Other properties were built during the time that asbestos-containing building materials were routinely installed in residential and commercial structures. The Lease Agreements generally obligate our tenants to comply with applicable environmental laws and to indemnify us if their noncompliance results in losses or claims against us, and we expect that any future leases will include the same provisions for other operators. A tenant’s failure to comply could result in fines and penalties or the requirement to undertake corrective actions which may result in significant costs to the operator and thus adversely affect their ability to meet their obligations to us.

Pursuant to Federal, state and local environmental laws and regulations, a current or previous owner or operator of real property may be required to investigate, remove and/or remediate a release of hazardous substances or other regulated materials at, or emanating from, such property. Further, under certain circumstances, such owners or operators of real property may be held liable for property damage, personal injury and/or natural resource damage resulting from or arising in connection with such releases. Certain of these laws have been interpreted to be joint and several unless the harm is divisible and there is a reasonable basis for allocation of responsibility. We also may be liable under certain of these laws for damage that occurred prior to our ownership of a property or at a site where we sent wastes for disposal. The failure to properly remediate a property may also adversely affect our ability to lease, sell or rent the property or to borrow funds using the property as collateral.

In connection with the ownership of our current properties and any properties that we may acquire in the future, we could be legally responsible for environmental liabilities or costs relating to a release of hazardous substances or other regulated materials at or emanating from such property. We are not aware of any environmental issues that are expected to have a material impact on the operations of any of our properties.

Sustainability

We continue to focus on developing our efforts relative to implementing and reporting on environmental sustainability efforts at our properties. We have implemented tenant engagement initiatives designed to assist us in understanding the environmental impact of our leased properties and to gather environmental sustainability data in order to monitor sustainability metrics throughout our leased property portfolio. Our existing leased properties are leased pursuant to long-term triple-net leases, which provide our tenants with complete control over operations at our leased properties, including over the implementation of environmental sustainability initiatives consistent with their business strategies and our revenue objectives, and do not permit us to require the collection or reporting of environmental sustainability data. Although not contractually required, in 2019 and 2020, certain of our tenants reported to us on LEED certification, water and energy use, emissions and waste diversion. In addition, we have implemented recording and reporting protocols at our owned and operated golf courses in order to monitor our environmental impact at those properties and commence our process towards setting long-term sustainability targets. We are committed to the improvement of environmental conditions through our business activities within the scope of our capabilities, and we periodically engage with key stakeholders with regard to environmental sustainability priorities, among other things.

Intellectual Property

Most of the properties within our portfolio are currently operated and promoted under trademarks and brand names not owned by us, including Caesars Palace, Harrah’s, Harvey’s, Horseshoe, Greektown, JACK, Hard Rock, Century and Mountaineer. In addition, properties that we may acquire in the future may be operated and promoted under these same trademarks and brand names, or under different trademarks and brand names we do not, or will not, own. During the term that our properties are managed by Caesars, Penn National, Hard Rock, Century Casinos and JACK Entertainment, we are reliant on these parties to maintain and protect the trademarks, brand names and other licensed intellectual property used in the operation or promotion of the leased properties. Operation of the leased properties, as well as our business and financial condition, could be adversely impacted by infringement, invalidation, unauthorized use or litigation affecting any such intellectual property. In addition, if any of our properties are rebranded, it could have a material adverse effect on us, as we may not enjoy comparable recognition or status under a new brand.

Investment Policies

Investment in Real Estate or Interests in Real Estate

Our investment objectives are to increase cash flow from operations, achieve sustainable long-term growth and maximize stockholder value to allow for stable dividends and stock appreciation. We have not established a specific policy regarding the relative priority of these investment objectives.

Our business is focused primarily on gaming and leisure sector properties and activities directly related thereto. In spite of the more limited acquisition and investment opportunities due to the current impact of the COVID-19 pandemic, we believe there are potential opportunities to acquire or invest in additional gaming, hospitality and entertainment assets. Our future investment activities will not be limited to any geographic area or to a specific percentage of our assets. We intend to engage in such future investment activities in a manner that is consistent with our qualification as a REIT for U.S. Federal income tax purposes. We do not have a specific policy to acquire assets primarily for capital gain or primarily for income. In addition, we may purchase or lease income-producing commercial and other types of properties for long-term investment, expand and improve the properties we presently own or other acquired properties, or sell such properties, in whole or in part, when circumstances warrant.

We may participate with third parties in property ownership, through joint ventures or other types of co-ownership, and we may engage in such activities in the future if we determine that doing so would be the most effective means of owning or acquiring properties. We do not expect, however, to enter into a joint venture or other partnership arrangement to make an investment that would not otherwise meet our investment policies. We also may acquire real estate or interests in real estate in exchange for the issuance of common stock, preferred stock or options to purchase stock or interests in our subsidiaries, including our Operating Partnership. We may also pursue opportunities to provide mortgage financing, preferred equity investments or other forms of financing for investment in certain situations where such structure significantly replicates the economics of our leases, provides for strategic growth opportunities and/or partnerships, and may provide the potential to convert our investment into the ownership of the underlying real estate in a future period.

Equity investments in acquired properties may be subject to existing mortgage financing and other indebtedness or to new indebtedness which may be incurred in connection with acquiring or refinancing these investments. Principal and interest on our debt will have a priority over any dividends with respect to our common stock. Investments are also subject to our policy not to be required to register as an investment company under the Investment Company Act of 1940, as amended.

Investments in Real Estate Debt

We have made, and may continue to make, investments in mortgages or other forms of real estate-related debt, including, without limitation, traditional mortgages, participating or convertible mortgages, mezzanine loans or preferred equity investments; provided, in each case, that such investment is consistent with our qualification as a REIT. These investments are generally made for strategic purposes including (i) the potential to convert our investment into the ownership of the underlying real estate in a future period, (ii) the opportunity to develop relationships with owners and operators that may lead to other investments and (iii) the ability to make initial investments in experiential asset classes outside of gaming with the goal of increasing our investment activity in these asset classes over time. Investments in real estate-related debt run the risk that a borrower may default under certain provisions governing the debt investment and that the collateral securing the investment may not be sufficient to enable us to recover our full investment.

Securities of or Interests in Persons Primarily Engaged in Real Estate Activities and Other Issuers

We may invest in securities of other REITs, other entities engaged in real estate activities or securities of other issuers, including for the purpose of exercising control over such entities, subject to the asset tests and gross income tests necessary for REIT qualification. We do not currently have any policy limiting the types of entities in which we may invest or the proportion of assets to be so invested, whether through acquisition of an entity's common stock, limited liability or partnership interests, interests in another REIT or entry into a joint venture. We have no current plans to make additional investments in entities that are not engaged in real estate activities. Our investment objectives are to maximize the cash flow of our investments, acquire investments with growth potential and provide cash distributions and long-term capital appreciation to our stockholders through increases in the value of our company. We have not established a specific policy regarding the relative priority of these investment objectives.

Investments in Short-term Commercial Paper and Discount Notes

We generally invest our excess cash in short-term investment grade commercial paper as well as discount notes issued by government-sponsored enterprises, including the Federal Home Loan Mortgage Corporation and certain of the Federal Home Loan Banks. These investments generally have original maturities between 91 and 180 days.

Financing Policies

We expect to employ leverage in our capital structure in amounts that we determine appropriate from time to time. Our board of directors has not adopted a policy that limits the total amount of indebtedness that we may incur, but will consider a number of factors in evaluating our level of indebtedness from time to time, as well as the amount of such indebtedness that will be either fixed or variable rate. We are, however, and expect to continue to be, subject to certain indebtedness limitations pursuant to the restrictive covenants of our outstanding indebtedness. We may from time to time modify our debt policy in light of then-current economic conditions, relative availability and costs of debt and equity capital, market values of our properties, general market conditions for debt and equity securities, fluctuations in the market price of our shares of common stock, growth and acquisition opportunities and other factors. If these limits are relaxed, we could potentially become more highly leveraged, resulting in an increased risk of default on our obligations and a related increase in debt service requirements that could adversely affect our financial condition, liquidity and results of operations and our ability to make distributions to our stockholders. To the extent that our board of directors or management determines that it is necessary to raise additional capital, we may, without stockholder approval, borrow money under our Revolving Credit Facility, issue debt or equity securities, including securities senior to our shares, retain earnings (subject to the REIT distribution requirements for U.S. Federal income tax purposes), assume indebtedness, obtain mortgage financing on a portion of our owned properties, engage in a joint venture, or employ a combination of these methods.

Corporate Information

We were initially organized as a limited liability company in the State of Delaware on July 5, 2016 as a wholly owned subsidiary of CEOC. On May 5, 2017, we subsequently converted to a corporation under the laws of the State of Maryland and issued shares of common stock to CEOC as part of our formation transactions, which shares were subsequently transferred by CEOC to its creditors as part of the Third Amended Joint Plan of Reorganization of Caesars Entertainment Operating

Company, Inc. et. al. (the "Plan of Reorganization") confirmed by the United States Bankruptcy Court for the Northern District of Illinois (Chicago) on January 17, 2017.

Our principal executive offices are located at 535 Madison Avenue, 20th Floor, New York, New York 10022 and our main telephone number at that location is (646) 949-4631. Our website address is www.viciproperties.com. None of the information on, or accessible through, our website or any other website identified herein is incorporated in, or constitutes a part of, this Annual Report on Form 10-K. Our electronic filings with the SEC (including annual reports on Form 10-K, quarterly reports on Form 10-Q, and current reports on Form 8-K, and any amendments to these reports), including the exhibits, are available free of charge through our website as soon as reasonably practicable after we electronically file them with or furnish them to the SEC.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

Certain statements in this Annual Report on Form 10-K, including statements such as "anticipate," "believe," "estimate," "expect," "intend," "plan," "project," "target," "can," "could," "may," "should," "will," "would" or similar expressions, constitute "forward-looking statements" within the meaning of the federal securities law. Forward-looking statements are based on our current plans, expectations and projections about future events. We caution you therefore against relying on any of these forward-looking statements. They give our expectations about the future and are not guarantees. These statements involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance and achievements to materially differ from any future results, performance and achievements expressed in or implied by such forward-looking statements.

Currently, one of the most significant factors that could cause actual outcomes to differ materially from our forward-looking statements is the impact of the COVID-19 pandemic on our, and our tenants' financial condition, results of operations, cash flows and performance. The extent to which the COVID-19 pandemic continues to adversely affect our tenants, and ultimately impact our business and financial condition, will largely depend on future developments that are highly uncertain and cannot be predicted with confidence, including the impact of the actions taken to contain the pandemic or mitigate its impact, the availability, distribution and efficacy of one or more approved vaccines, and the direct and indirect economic effects of the pandemic and containment measures on our tenants, including various state governments and/or regulatory authorities issuing directives, mandates, orders or similar actions restricting freedom of movement and business operations, such as travel restrictions, border closures, business closures, limitations on public gatherings, quarantines and "shelter-at-home" orders that have resulted and may result in the temporary closure of our tenants' operations at our properties, the ability of our tenants to successfully operate their businesses following the reopening of their respective facilities, including the costs of complying with regulatory requirements necessary to keep the facilities open, including compliance with restrictions and reduced capacity requirements, the need to close any of the facilities after reopening as a result of the COVID-19 pandemic, and the effects of the negotiated capital expenditure reductions and other amendments to the Lease Agreements that we agreed to with certain of its tenants in response to the COVID-19 pandemic. Each of the foregoing could have a material adverse effect on our tenants' ability to satisfy their obligations under their Lease Agreements with us, including their continued ability to pay rent in a timely manner, or at all, and/or to fund capital expenditures or make other payments required under their leases. In addition, changes and instability in global, national and regional economic activity and financial markets as a result of the COVID-19 pandemic have negatively impacted consumer discretionary spending and travel and may continue to do so, which could have a material adverse effect on our tenants' businesses. Investors are cautioned to interpret many of the risks identified under the section entitled "Risk Factors" in this Annual Report on Form 10-K as being heightened as a result of the ongoing and numerous adverse impacts of the COVID-19 pandemic.

The forward-looking statements included herein are based upon our current expectations, plans, estimates, assumptions and beliefs that involve numerous risks and uncertainties. Assumptions relating to the foregoing involve judgments with respect to, among other things, future economic, competitive and market conditions and future business decisions, all of which are difficult or impossible to predict accurately and many of which are beyond our control. Although we believe that the expectations reflected in such forward-looking statements are based on reasonable assumptions, our actual results, performance and achievements could differ materially from those set forth in the forward-looking statements and may be affected by a variety of risks and other factors, including, among others:

- the impact of changes in general economic conditions, including low consumer confidence, unemployment levels and depressed real estate prices resulting from the severity and duration of any downturn in the U.S. or global economy;
- our dependence on subsidiaries of Caesars, Penn National, Hard Rock, Century Casinos and JACK Entertainment as tenants of our properties and Caesars, Penn National, Seminole Hard Rock, Century Casinos and Rock Ohio Ventures LLC or certain of their respective subsidiaries as guarantors of the lease payments and the negative consequences any material adverse effect on their respective businesses could have on us;
- our borrowers' ability to repay their outstanding loan obligations to us;
- our dependence on the gaming industry;
- our ability to pursue our business and growth strategies may be limited by our substantial debt service requirements and by the requirement that we distribute 90% of our REIT taxable income in order to qualify for taxation as a REIT and that we distribute 100% of our REIT taxable income in order to avoid current entity-level U.S. Federal income taxes;
- the impact of extensive regulation from gaming and other regulatory authorities;
- the ability of our tenants to obtain and maintain regulatory approvals in connection with the operation of our properties;

- the possibility that our tenants may choose not to renew the Lease Agreements following the initial or subsequent terms of the leases;
- restrictions on our ability to sell our properties subject to the Lease Agreements;
- Caesars', Penn National's, Hard Rock's, Century Casinos' and JACK Entertainment's historical results may not be a reliable indicator of their future results;
- our substantial amount of indebtedness and ability to service, refinance and otherwise fulfill our obligations under such indebtedness;
- our historical financial information may not be reliable indicators of our future results of operations, financial condition and cash flows;
- the possibility that our pending transactions may not be completed or that completion may be unduly delayed;
- the possibility that we identify significant environmental, tax, legal or other issues that materially and adversely impact the value of assets acquired or secured as collateral (or other benefits we expect to receive) in any of our pending or recently completed transactions;
- the effects of our recently completed and pending transactions on us, including the future impact on our financial condition, financial and operating results, cash flows, strategy and plans;
- the impact of changes to the U.S. Federal income tax laws;
- the possibility of foreclosure on our properties if we are unable to meet required debt service payments;
- the impact of a rise in interest rates on us; our inability to successfully pursue investments in, and acquisitions of, additional properties;
- the impact of natural disasters, war, political and public health conditions or uncertainty or civil unrest, violence or terrorist activities or threats on our properties and changes in economic conditions or heightened travel security and health measures instituted in response to these events;
- the loss of the services of key personnel;
- the inability to attract, retain and motivate employees;
- the costs and liabilities associated with environmental compliance;
- failure to establish and maintain an effective system of integrated internal controls;
- our inability to maintain our qualification for taxation as a REIT;
- our reliance on distributions received from the Operating Partnership to make distributions to our stockholders;
- the potential impact on the amount of our cash distributions if we were to sell any of our properties in the future;
- our ability to continue to make distributions to holders of our common stock or maintain anticipated levels of distributions over time;
- competition for transaction opportunities, including from other REITs, investment companies, private equity firms and hedge funds, sovereign funds, lenders, gaming companies and other investors that may have greater resources and access to capital and a lower cost of capital or different investment parameters than us;
- and additional factors discussed herein and listed from time to time as "Risk Factors" in our filings with the SEC, including without limitation, in our subsequent reports on Form 10-K, Form 10-Q and Form 8-K.

Any of the assumptions underlying forward-looking statements could be inaccurate. You are cautioned not to place undue reliance on any forward-looking statements. All forward-looking statements are made as of the date of this Annual Report on Form 10-K and the risk that actual results, performance and achievements will differ materially from the expectations expressed herein will increase with the passage of time. Except as otherwise required by the Federal securities laws, we undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events, changed circumstances or any other reason. In light of the significant uncertainties inherent in forward-looking statements, the inclusion of such forward-looking statements should not be regarded as a representation by us.

ITEM 1A. Risk Factors

You should be aware that the occurrence of any of the events described in this section and elsewhere in this report or in any other of our filings with the SEC could have a material adverse effect on our business, financial position, results of operations and cash flows. In evaluating us, you should consider carefully, among other things, the risks described below. The risks and uncertainties described below are not the only ones we face, but do represent those risks and uncertainties that we believe are material to us. Additional risks and uncertainties not presently known to us or that, as of the date of this Annual Report on Form 10-K, we deem immaterial may also harm our business. Some statements included in this Annual Report on Form 10-K, including statements in the following risk factors, constitute forward-looking statements. Please refer to the section entitled "Cautionary Note Regarding Forward-Looking Statements."

Risks Related to Our Business and Operations

The COVID-19 pandemic has adversely impacted our tenants' operations and financial performance, as well as global and U.S. economic activity and market performance, which could have a material adverse impact on our business, financial condition, liquidity, results of operations and prospects.

Since being initially reported in December 2019, the outbreak of COVID-19 has spread globally and created considerable health risks in the United States and around the world, resulting in severely adversely impacted global, national and regional economic activity, and has contributed to significant volatility and negative pressure in financial markets. On March 11, 2020, the World Health Organization declared COVID-19 a pandemic, and on March 13, 2020, the U.S. federal government declared a national emergency concerning the COVID-19 outbreak. Several countries, including the United States, took steps to restrict air travel, and many state and local governments have instituted and continue to impose additional measures, including quarantines, states of emergency, mandatory business and school closures, "shelter-at-home" and similar orders and other restrictions on travel and large gatherings, as well as initiatives such as "social distancing" guidelines. In connection with these actions, state governments and/or regulatory authorities issued various directives, mandates, orders or similar actions that resulted in the closure of non-essential businesses, which included substantially all of our tenants' operations, including at our properties, as well as our golf courses. While such governmental and regulatory measures have in many jurisdictions been lifted or modified, resulting in the reopening of most of our tenants' operations at our properties, there can be no assurance that such restrictions will not be reinstated, new restrictions will not be imposed or closures required as a result of an increase in COVID-19 infections, or that other developments will not take place that would further limit our tenants' operations, including at our properties.

In addition, our tenants have experienced a substantial number of cancellations and reductions in future events and reservations in connection with the uncertain duration of the COVID-19 pandemic and business closures. Following the reopening of our tenants' businesses, they faced, and continue to face, additional challenges with respect to restoring business activity, operations and financial performance to pre-pandemic levels, in particular as a result of changes in customer engagement. This reduced business activity has, and possible future closures may continue to, adversely affect our tenants' financial performance, and such impact could be material to us depending on the ultimate duration of the pandemic and operational restrictions affecting our tenants' ability to restore business activity and operations to pre-pandemic levels. These closures, operational restrictions and reduced business activity could also materially and adversely affect our tenants' ability to meet their respective financial obligations going forward, including their obligations under our leases to pay us rent and make capital expenditures, which could have a material adverse effect on our business, results of operations and liquidity. Although all of our tenants have fulfilled their rent obligations in full through February, we cannot predict with confidence future developments with respect to our tenants' operations at our properties, including the potential for further closures or restrictions, or if and when they will return to pre-pandemic performance levels. As the duration of the pandemic and operational restrictions lengthens, our tenants' liquidity positions may become more stressed which may cause one or more of our tenants to be unable to meet their obligations to us in full, or at all, or to otherwise seek modifications to such obligations. Any such modifications to our tenants' obligations to us under our leases may have an adverse effect on our business. Even if our tenants are able to fulfill their obligations to us, their inability to meet their financial obligations to their creditors or other counterparties could also have a material adverse effect on our business. The financial impact of the COVID-19 pandemic, including a failure of any of our tenants to make full rental payments, or any other default by our tenants, under our Lease Agreements, could also negatively impact our or our tenants' future compliance with financial covenants of existing and any future credit facilities and indebtedness, and result in a default and potentially an acceleration event, which non-compliance could negatively impact our or our tenants' ability to make additional borrowings, including borrowings under our Revolving Credit Facility, issue additional indebtedness and otherwise operate our respective businesses.

Furthermore, the outbreak has triggered an economic contraction in the United States and a material global economic slowdown, which many experts predict may continue well beyond the lifting of governmental restrictions related to COVID-19 and result in changes to consumer behavior or other detrimental effects, thereby negatively affecting an economic recovery in the gaming sector. Any sustained economic slowdown, contraction or recession, or the impact thereof, such as through decreased rates of employment or broader changes in consumer behavior, may further materially and adversely affect our tenants' financial performance and ability to meet such obligations. We cannot predict with confidence when applicable government or regulatory orders, or travel and other restrictions, including orders and restrictions re-imposed in connection with the increase in the COVID-19 infection rate in the fourth quarter of 2020, will end or whether and on what timeline our tenants' performance will improve or return to pre-pandemic levels. In addition, due to the current volatility in the debt and equity markets, we may be unable to obtain financing for future acquisitions on satisfactory terms, or at all. Continuing disruption and instability in the global financial markets or deteriorations in credit and financing conditions may affect our access to debt and equity capital in order to fund business operations, if necessary, or address maturing liabilities on a timely basis, as well as our tenants' ability to fund their business operations, meet their obligations to us, and secure financing for any future or pending transactions.

The full extent to which our business and results of operations will ultimately be affected by the COVID-19 pandemic and resulting economic slowdown, contraction or recession, and the extent to which such factors continue to adversely affect our tenants, will largely depend on future developments, including the duration of the pandemic, the actions taken to contain the pandemic or mitigate its impact, including the availability, distribution and efficacy of one or more vaccines, new or mutated strains of COVID-19 or a similar virus (including vaccine-resistant strains), and the direct and indirect economic effects of the pandemic and containment measures on our tenants, including the length of time our tenants' operations at our properties remain restricted or whether the properties are required to partially or fully close again in the future, and our tenants' financial performance during such closure and following reopening. In addition, new information may continue to emerge concerning the COVID-19 pandemic, such as the availability, distribution and efficacy of one or more vaccines, new or mutated strains of COVID-19 or a similar virus (including vaccine-resistant strains), other actions required to be undertaken to contain the COVID-19 pandemic or address its future impact, the response of the U.S. and global economies and the short- and long-term impact of the COVID-19 pandemic on our tenants' operations at our properties, which could further materially and adversely impact our business and results and operations.

The occurrence of any of the foregoing events or any other related matters could materially and adversely affect our business, financial condition, liquidity, results of operations, prospects and the value of our common stock.

The immediate and long-term effects of the COVID-19 pandemic on the gaming industry could materially and adversely affect our business, financial condition, liquidity, results of operations and prospects.

The COVID-19 pandemic has had a severe and unprecedented impact on the gaming industry. Measures implemented to prevent its spread, including mandatory closure of non-essential businesses and government-imposed restrictions on travel and social gatherings, have had a significant adverse effect on the gaming industry. As a result of these measures, gaming facilities throughout the United States, including all of our tenants' facilities at our properties, were temporarily closed, although such measures have in many jurisdictions been lifted or modified, resulting in the resumption of our tenants' operations at our properties, although in many cases at reduced levels. During this period, many gaming companies face additional financial uncertainty or are generating substantially reduced revenue and have sought or taken measures intended to maintain liquidity and solvency, including employee furloughs and layoffs, reduced operating and capital expenditure budgets, and contractual relief or other accommodations with creditors, lenders and other counterparties. There is no guarantee that existing government-imposed restrictions on travel and social gatherings will be lifted in the near term, that additional government-imposed restrictions will not be implemented, or that previous restrictions that were lifted or modified, will not be reinstated. Moreover, the ultimate impact of the COVID-19 pandemic on the gaming industry, the timing and extent of government-imposed restrictions and the performance of gaming facilities is highly uncertain and cannot be predicted with confidence.

Historically, economic indicators such as GDP growth, consumer confidence and employment are correlated with demand for gaming, entertainment and leisure properties, such as casinos and racetracks, and economic recessions, contractions or slowdowns have generally led to a decrease in discretionary spending on associated leisure activities. Long-term impacts of the COVID-19 pandemic, such as decreases in discretionary spending or changing consumer preferences brought about by instability in global, national and regional economic activity and financial markets as a result of the COVID-19 pandemic, could have a material adverse effect on leisure and business travel, discretionary spending and other areas of economic behavior that directly impact the gaming industry. Because we are dependent on the gaming industry, the immediate and long-term effects of the COVID-19 pandemic on the gaming industry could be material and adverse to our business, financial condition, liquidity, results of operations and prospects.

We are and will always be significantly dependent on our tenants for our revenues, and unless or until we substantially diversify our portfolio an event that has a material adverse effect on any of our tenants' businesses, financial condition, liquidity, results of operations or prospects could have a material adverse effect on our business, financial condition, liquidity, results of operations and prospects.

We depend on our tenants to operate the properties that we own in a manner that generates revenues sufficient to allow the tenants to meet their obligations to us. Currently, a substantial majority of our revenue comes from our leases with subsidiaries of Caesars, Penn National, Hard Rock, JACK Entertainment and Century Casinos, with the most significant percentage of our revenues coming from Caesars. Because the leases are triple-net leases, in addition to the rent these tenants will owe us, we will depend on these tenants to pay substantially all insurance, taxes, utilities and maintenance and repair expenses in connection with these leased properties and to indemnify, defend and hold us harmless from and against various claims, litigation and liabilities arising in connection with their businesses. There can be no assurance that our tenants will have sufficient assets, income or access to financing to enable them to satisfy their payment and other obligations under their leases with us, or that the applicable guarantor will be able to satisfy its guarantee of the applicable tenant's obligations.

Our tenants rely on the properties they or their respective subsidiaries own and/or operate for income to satisfy their obligations, including their debt service requirements and lease and other payments due to us or others. In addition, Caesars relies on our properties, the Caesars Forum Convention Center and their other operations to satisfy their payment obligations under the Forum Convention Center Mortgage Loan. As a result of the COVID-19 pandemic, state governments and/or regulatory authorities issued various directives, mandates, orders or similar actions resulting in the closure of non-essential businesses, which included substantially all of our tenants' operations, including at our properties and the Caesars Forum Convention Center. Although such measures have generally been lifted or modified, there is significant uncertainty regarding whether and to what extent similar measures will be reinstated, limiting our tenants' ability to operate their businesses, including at our properties. If income at these properties were to decline for any reason, including as a result of the COVID-19 pandemic, or if a tenant's debt service requirements were to increase or if their creditworthiness were to become impaired for any reason, a tenant or the applicable guarantor may become unable or unwilling to satisfy its payment and other obligations under their leases or other agreements with us. The inability or unwillingness of a significant tenant to meet its payment or other obligations under a lease or other payment obligation with us could materially and adversely affect our business, financial condition, liquidity, results of operations and prospects, including our ability to make distributions to our stockholders.

The gaming and entertainment industry is highly competitive and our tenants' failure to continue to compete successfully could adversely affect their businesses, financial conditions, results of operations, and cash flows. In particular, our tenants' businesses may be adversely impacted by the reinvestment and expansion by competitors in existing jurisdictions, and expansion of gaming into new jurisdictions in which gaming was not previously permitted, which would result in increased competition in these jurisdictions. Additionally, the casino entertainment industry represents a significant source of tax revenues to the various jurisdictions in which casinos operate. From time to time, various state and federal legislators and officials have proposed changes in tax laws, or in the administration of such laws, including increases in tax rates, which would affect the industry. If adopted, such changes could adversely impact the business, financial condition, and results of operations of our tenants.

Due to our dependence on rental and other payments from our tenants as our primary source of revenue, we may be limited in our ability to enforce our rights under the leases or other agreements with our tenants or terminate such other agreements or, due to our master lease structure, certain leases with respect to any particular property. Failure by our significant tenants to comply with the terms of their respective leases or to comply with the gaming regulations to which the leased properties are subject could result in, among other things, the termination of an applicable ground lease, requiring us to find another tenant for such property, to the extent possible, and there could be a decrease or cessation of rental payments by such tenants, as the case may be. In such event, we may lose our interest in a property subject to an applicable ground lease or be unable to locate a suitable, creditworthy tenant at similar rental rates or at all, which would have the effect of reducing our rental revenues and could have a material adverse effect on us.

Because a concentrated portion of our revenues are generated from the Las Vegas Strip, we are subject to greater risks than a company that is more geographically diversified.

Our properties on the Las Vegas Strip generated approximately 30% of our lease revenue for the year ended December 31, 2020. Therefore, our business may be significantly affected by risks common to the Las Vegas tourism industry. For example, the cost and availability of air services and the impact of any events that disrupt air travel to and from Las Vegas, including the impact of measures implemented to address the COVID-19 pandemic, can adversely affect the business of our tenants. We cannot control the number or frequency of flights to or from Las Vegas, but our largest tenant, Caesars, relies on air traffic for a significant portion of their visitors to these properties. Reductions in flights by major airlines as a result of higher fuel prices or lower demand, including as a result of the COVID-19 pandemic, can impact the number of visitors to our properties.

Additionally, there is one principal interstate highway between Las Vegas and Southern California, where a large number of the customers that frequent our properties on the Las Vegas Strip reside. Capacity constraints of that highway or any other traffic disruptions may also affect the number of customers who visit our facilities. Additionally, travel from Southern California to our properties on the Las Vegas Strip may have been affected by the stay at home order announced by the Governor of the State of California in December 2020 in response to increased COVID-19 infection rates and there can be no assurance that additional stay-at-home or similar orders will not be implemented by the State of California or other states. Moreover, due to the importance of our two properties on the Las Vegas Strip, we may be disproportionately affected by general risks such as acts of terrorism, natural disasters, including major fires, floods and earthquakes, and severe or inclement weather, including as a result of climate change, should such developments occur in or nearby Las Vegas. In addition, a material adverse impact on Caesars, even unrelated to the company's operations in Las Vegas, that negatively affects Caesars' financial condition, could materially and adversely affect us, given our reliance on their performance as tenants in our properties on the Las Vegas Strip.

Caesars and its subsidiaries are party to certain leasing and financial commitments with us, which may have a negative impact on Caesars' business and operating condition.

Caesars and/or its subsidiaries entered into certain leasing and financial commitments, evidenced by agreements, with us. See Item 1 "Business-Our Relationship with Caesars" for additional information regarding such agreements.

Caesars, which is our largest tenant, is obligated to pay us in the aggregate approximately $6.2 billion in fixed annual rents under the Caesars Lease Agreements, payments under the Forum Convention Center Mortgage Loan and golf course membership fees under the Golf Course Use Agreement over the next five years under the applicable agreements, subject to certain escalators and adjustments. If Caesars' businesses and properties fail to generate sufficient earnings, Caesars may be unable to satisfy its (or its subsidiaries') obligations under the Caesars Lease Agreements, the Forum Convention Center Mortgage Loan, the Golf Course Use Agreement and the related guarantees. Additionally, these obligations may limit their ability to make investments to maintain and grow their portfolio of businesses and properties, which may adversely affect their competitiveness and ability to satisfy their obligations to us.

In addition, prior to the Eldorado/Caesars Merger Caesars publicly disclosed that it expects to achieve synergies as a result of the Eldorado/Caesars Merger. As a result of the COVID-19 pandemic or otherwise, Caesars may be unable to achieve such synergies during the time period that it expects to do so, or at all, and a failure to achieve these synergies may adversely affect Caesars, including its creditworthiness, and impair its ability to meet its obligations to us. Moreover, given Caesars' significance to our business, a failure on the part of Caesars to realize expected synergies and any related improvement to its creditworthiness, or any deterioration of its creditworthiness, could materially and adversely affect us, even in the absence of a default under our agreements with Caesars.

Subsidiaries of Caesars are required to pay a significant portion of their cash flow from operations to us pursuant to, and subject to the terms and conditions of, the Caesars Lease Agreements and the Forum Convention Center Mortgage Loan which could adversely affect Caesars' ability to fund its operations or development projects, raise capital, make acquisitions, and otherwise respond to competitive and economic changes and its ability to satisfy its payment obligations to us under the Lease Agreements, the Forum Convention Center Mortgage Loan and the related guarantees.

Subsidiaries of Caesars are required to pay a significant portion of their cash flow from operations to us pursuant to, and subject to the terms and conditions of, the Caesars Lease Agreements. See Item 1 "Business-Our Lease Agreement-Caesars Lease Agreements-Overview" and Item 1 "Business-Our Relationship with Caesars." As a result of this commitment, Caesars' ability to fund its operations or development projects, raise capital, make acquisitions and otherwise respond to competitive and economic changes may be adversely affected, which could adversely affect the ability of the applicable tenants to satisfy their obligations to us under the Caesars Lease Agreements and the ability of Caesars to satisfy its obligations to us under the related guarantees.

In addition, during the initial seven years of the Caesars Lease Agreements, the annual rent escalations under the Caesars Lease Agreements will continue to apply regardless of the amount of cash flows generated by the properties that are subject to the Caesars Lease Agreements. Accordingly, if the cash flows generated by such properties decrease, or do not increase at the same rate as the rent escalations, the rents payable under the Caesars Lease Agreements will comprise a higher percentage of the cash flows generated by the subsidiaries of Caesars, which could make it more difficult for the applicable subsidiaries to meet their payment obligations to us under the Caesars Lease Agreements and ultimately could adversely affect the applicable guarantor's ability to satisfy their respective obligations to us under the related guarantees.

Caesars' indebtedness and the fact that a significant portion of its cash flow is used to make interest payments could adversely affect its ability to satisfy its obligations under the Caesars Lease Agreements and the Forum Convention Center Mortgage Loan.

As disclosed in its Quarterly Report on Form 10-Q for the quarter ended September 30, 2020, Caesars' consolidated estimated debt service (including principal and interest) for 2021 will be approximately $917.0 million and $19.2 billion thereafter to maturity. As a result, a significant portion of Caesars' liquidity needs are for debt service, including significant interest payments. Such substantial indebtedness and the restrictive covenants under the agreements governing such indebtedness could limit the ability of the applicable tenants and borrower to satisfy their respective obligations to us under the Lease Agreements and the Forum Convention Center Mortgage Loan and the ability of Caesars to satisfy its obligations under the related guarantees.

We are dependent on the gaming industry and may be susceptible to the risks associated with it, which could materially and adversely affect our business, financial condition, liquidity, results of operations and prospects.

As the landlord of gaming facilities, we are impacted by the risks associated with the gaming industry. Therefore, so long as our investments are concentrated in gaming-related assets, our success is dependent on the gaming industry, which could be adversely affected by economic conditions in general, changes in consumer trends and preferences and other factors over which we and our tenants have no control, including the immediate and long-term effects of the COVID-19 pandemic. As we are subject to risks inherent in substantial investments in a single industry, a decrease in the gaming business would likely have a greater adverse effect on us than if we owned a more diversified real estate portfolio, particularly because a component of the rent under the Lease Agreements will be based, over time, on the performance of the gaming facilities operated by our tenants on our properties and such effect could be material and adverse to our business, financial condition, liquidity, results of operations and prospects.

The gaming industry is characterized by a high degree of competition among a large number of participants, including riverboat casinos, dockside casinos, land-based casinos, video lottery, sweepstakes and poker machines not located in casinos, Native American gaming, emerging varieties of internet gaming, sports betting and other forms of gaming in the United States and, in a broader sense, gaming operators face competition from all manner of leisure and entertainment activities. Gaming competition is intense in most of the markets where our facilities are located. Recently, there has been additional significant competition in the gaming industry as a result of the upgrading or expansion of facilities by existing market participants, the entrance of new gaming participants into a market, internet gaming or legislative changes. As competing properties and new markets are opened, we may be negatively impacted. Additionally, decreases in discretionary consumer spending brought about by weakened general economic conditions such as, but not limited to, the impact of, and recovery following, the COVID-19 pandemic, lackluster recoveries from recessions, contractions, high unemployment levels, higher income taxes, low levels of consumer confidence, weakness in the housing market, cultural and demographic changes and increased stock market volatility may negatively impact our revenues and operating cash flows.

We and our tenants face extensive regulation from gaming and other regulatory authorities, and our charter provides that any of our shares held by investors who are found to be unsuitable by state gaming regulatory authorities are subject to redemption.

The ownership, operation, and management of gaming and racing facilities are subject to extensive regulation by one or more gaming authorities in each applicable jurisdiction where gaming and racing facilities are permitted. These gaming and racing regulations impact our gaming and racing tenants and persons associated with our gaming and racing facilities, which in many jurisdictions include us as the landlord and owner of the real estate. Certain gaming authorities in the jurisdictions in which we hold properties may require us and/or our affiliates to maintain a license as a principal, key business entity or supplier because of our status as landlord. Gaming authorities also retain great discretion to require us to be found suitable as a landlord, and certain of our stockholders, officers and directors may be required to be found suitable as well. Regulatory authorities also have broad powers with respect to the licensing of casino operations, and may revoke, suspend, condition or limit the gaming or other licenses of our tenants, impose substantial fines or take other actions, any one of which could adversely impact the business, financial condition and results of operations of our tenants. In addition, in many jurisdictions, licenses are granted for limited durations and require renewal from time to time.

In many jurisdictions, gaming laws can require certain of our stockholders to file an application, be investigated, and qualify or have his, her or its suitability determined by gaming authorities. Gaming authorities have very broad discretion in determining whether a stockholder is required to file an application and whether an applicant should be deemed suitable. Subject to certain administrative proceeding requirements, the gaming regulators have the authority to deny any application or limit, condition, restrict, revoke or suspend any license, registration, finding of suitability or approval, or fine any person licensed, registered or found suitable or approved, for any cause deemed reasonable by the gaming authorities.

Gaming authorities may conduct investigations into the conduct or associations of our directors, officers, key employees or investors to ensure compliance with applicable standards. If we are required to be found suitable and are found suitable as a landlord, we will be registered as a public company with the gaming authorities and will be subject to disciplinary action if, after we receive notice that a person is unsuitable to be a stockholder or to have any other relationship with us, we:

- pay that person any distribution or interest upon any of our securities;
- allow that person to exercise, directly or indirectly, any voting right conferred through securities held by that person;
- pay remuneration in any form to that person for services rendered or otherwise; or
- fail to pursue all lawful efforts to require such unsuitable person to relinquish his or her securities, including, if necessary, the immediate redemption of such securities in accordance with our charter.

Many jurisdictions also require any person who acquires beneficial ownership of more than a certain percentage of voting securities of a gaming company and, in some jurisdictions, non-voting securities, typically 5% of a publicly-traded company, to report the acquisition to gaming authorities, and gaming authorities may require such holders to apply for qualification, licensure or a finding of suitability, subject to limited exceptions for “institutional investors” that hold a company’s securities for passive investment purposes only. Our outstanding shares of capital stock are held subject to applicable gaming laws. Any person owning or controlling at least 5% of the outstanding shares of any class of our capital stock is required to promptly notify us of such person’s identity and apply for qualification, licensure, finding of suitability, or an institutional investor waiver, as applicable. Some jurisdictions may also limit the number of gaming licenses in which a person may hold an ownership or a controlling interest.

Further, our directors, officers, key employees and investors in our shares must meet approval standards of certain gaming regulatory authorities. If such gaming regulatory authorities were to find such a person or investor unsuitable, we may be required to sever our relationship with that person or the investor may be required to dispose of his, her or its interest in us. Our charter provides that all of our shares held by investors who are found to be unsuitable by regulatory authorities are subject to redemption upon our receipt of notice of such finding.

Additionally, because we and our tenants are subject to regulation in numerous jurisdictions, and because regulatory agencies within each jurisdiction review compliance with gaming laws in other jurisdictions, it is possible that gaming compliance issues in one jurisdiction may lead to reviews and compliance issues in other jurisdictions. The loss of gaming licenses by our tenants could result in the cessation of operations at one or more of the facilities we lease to such tenants. The loss of gaming licenses by us could result in an event of default under certain of our indebtedness, and cross-default provisions in our debt agreements could cause an event of default under one debt agreement to trigger an event of default under our other debt agreements.

Finally, substantially all material loans, significant acquisitions, leases, sales of securities and similar financing transactions by us and our subsidiaries must be reported to, and in some cases approved by, gaming authorities in advance of the transaction, which may include a public offering of certain securities. Changes in control through merger, consolidation, stock or asset acquisitions, management or consulting agreements, or otherwise may be subject to receipt of prior approval of certain gaming authorities. Entities seeking to acquire control of us or one of our subsidiaries (and certain of our affiliates) must satisfy gaming authorities with respect to a variety of stringent standards prior to assuming control. Failure to satisfy the stringent licensing standards may preclude entities from acquiring an ownership or a controlling interest in us or one of our subsidiaries (and certain of our affiliates) and/or require the entities to divest such interest.

Required regulatory approvals can delay or prohibit transfers of our gaming properties or the consummation of other pending transactions, which could result in periods in which we are unable to receive rent for such properties or otherwise realize the benefits of such transactions, which may have a material adverse effect on our business, financial condition, liquidity, results of operations and prospects.

Our tenants are (and any future tenants of our gaming properties will be) required to be licensed under applicable law in order to operate any of our properties as gaming facilities. If the Lease Agreements, or any future lease agreement we enter into, are terminated (which could be required by a regulatory agency) or expire, any new tenant must be licensed and receive other regulatory approvals to operate our properties as gaming facilities. Any delay in, or inability of, the new tenant to receive required licenses and other regulatory approvals from the applicable state and county government agencies may prolong the period during which we are unable to collect the applicable rent. Further, in the event that the Lease Agreements or future lease agreements are terminated or expire and a new tenant is not licensed or fails to receive other regulatory approvals, the properties may not be operated as gaming facilities and we will not be able to collect the applicable rent. Moreover, we may be unable to transfer or sell the affected properties as gaming facilities, which could materially and adversely affect our business, financial condition, liquidity, results of operations and prospects. In addition, given the highly regulated nature of the gaming industry, any future transactions we enter into are likely to be subject to regulatory approval in one or more jurisdictions, including with respect to any transfers in ownership, operating licensure or other regulatory considerations. If the consummation of a pending transaction (including with respect to the future entry into a new lease agreement) is delayed or prohibited by regulatory authorities, we may be limited or otherwise unable to realize the benefits of the proposed transaction.

Tenants may choose not to renew the Lease Agreements.

We enter into long-term lease agreements with our tenants, consisting of an initial lease term with the potential for the tenant to extend for multiple additional terms, which may be subject to additional terms and conditions. For example, each of the Caesars Lease Agreements have an initial lease term of 15 years with the potential for up to four additional five-year term extensions thereafter (with the initial lease term under each of the Caesars Lease Agreements extended in connection with the Eldorado Transaction to expire in July 2035). With respect to the properties under the Regional Master Lease Agreement, the aggregate lease term, including renewals, may be cutback to the extent it would otherwise exceed 80% of the remaining useful life of the applicable leased property, solely at the option of the tenants. At the expiration of the initial lease term or of any additional renewal term thereafter, our tenants may choose not to renew the applicable Lease Agreement. If a Lease Agreement expires without renewal and we are not able to find suitable, credit-worthy tenants to replace the previous tenants on the same or more attractive terms, our business, financial condition, liquidity, results of operations and prospects may be materially and adversely affected, including our ability to make distributions to our stockholders at the then current level, or at all. In particular with respect to the coterminous nature of the Caesars Lease Agreements, this risk would be exacerbated if Caesars elected not to renew all such lease agreements at any one time.

Net leases may not result in fair market lease rates over time, which could negatively impact our results of operations and cash flows and reduce the amount of funds available to make distributions to stockholders.

All of our rental revenue and a substantial majority of our total revenue is generated from the Lease Agreements, which are triple-net leases, and provide greater flexibility to the respective tenants related to the use of the applicable leased property than would be the case with ordinary property leases, such as the right to freely sublease portions of each leased property, to make alterations in the leased premises and to terminate the lease prior to its expiration under specified circumstances. Furthermore, net leases typically have longer lease terms and, thus, there is an increased risk that contractual rental increases in future years will fail to result in fair market rental rates during those years. As a result, our results of operations and cash flows and distributions to our stockholders could be lower than they would otherwise be if we did not enter into a net lease.

The Lease Agreements may restrict our ability to sell the properties.

Our ability to sell or dispose of our properties may be hindered by the fact that such properties are subject to the Lease Agreements, as the terms of the Lease Agreements require that a purchaser assume the Lease Agreements or, in certain cases, enter into a severance lease with the tenants for the sold property on substantially the same terms as contained in the applicable Lease Agreement, which may make our properties less attractive to a potential buyer than alternative properties that may be for sale.

If Caesars declares bankruptcy and such action results in a lease being re-characterized as a disguised financing transaction in its bankruptcy proceeding, our business, results of operations, financial condition and cash flows could be materially and adversely affected.

If Caesars declares bankruptcy, our business could be materially and adversely affected if a bankruptcy court re-characterizes the CPLV Additional Rent Acquisition or the HLV Additional Rent Acquisition as a disguised financing transaction. In the event of re-characterization, our claim under a lease agreement with respect to the additional rent acquired in the HLV Additional Rent Acquisition and CPLV Additional Rent Acquisition could either be secured or unsecured. Generally, the leases permit us to take steps to create and perfect a security interest in the leased property, but such attempts could be subject to challenge by the tenant or its creditors and, with respect to the CPLV Additional Rent Acquisition and the HLV Additional Rent Acquisition, there is no assurance that a court would find that portion of our claim to be secured. The bankrupt lessee and other affiliates of Caesars and their creditors under this scenario might have the ability to restructure the terms, including the amount owed to us under the lease with respect to the additional rent. If approved by the bankruptcy court, we could be bound by the new terms and prevented from collecting such additional rent acquired in the CPLV Additional Rent Acquisition and HLV Additional Rent Acquisition, and our business, results of operations, financial condition and cash flows could be materially and adversely affected.

Properties within our portfolio are, and properties that we may acquire in the future are likely to be, operated and promoted under certain trademarks and brand names that we do not own.

Most of the properties within our portfolio are currently operated and promoted under trademarks and brand names not owned by us, including Caesars, Harrah's, Harvey's, Horseshoe, Margaritaville, Greektown, JACK, Hard Rock, Century and Mountaineer. In addition, properties that we may acquire in the future may be operated and promoted under these same trademarks and brand names, or under different trademarks and brand names we do not, or will not, own. During the term that our properties are managed by our tenants, we will be reliant on our tenants to maintain and protect the trademarks, brand names and other licensed intellectual property used in the operation or promotion of the leased properties. Operation of the leased properties, as well as our business and financial condition, could be adversely impacted by infringement, invalidation, unauthorized use or litigation affecting any such intellectual property. Moreover, if any of our properties are rebranded unsuccessfully, it could have a material adverse effect on our business, financial condition, liquidity, results of operations and prospects, as we may not enjoy comparable recognition or status under a new brand. A transition of management away from a Caesars, Penn National, Hard Rock, Century Casinos, or JACK Entertainment entity could also have a material adverse effect on our business, financial condition, liquidity, results of operations and prospects.

We have a substantial amount of indebtedness, and may incur additional indebtedness in the future. Our substantial indebtedness exposes us to the risk of default under our debt obligations, limits our operating flexibility, increases the risks associated with a downturn in our business or in the businesses of our tenants, and requires us to use a substantial portion of our cash to service our debt obligations.

We have a substantial amount of indebtedness and debt service requirements. As of December 31, 2020, we had approximately $6.9 billion in long-term indebtedness, consisting of:

- $2.1 billion of total indebtedness outstanding under our Term Loan B Facility;
- $750.0 million of outstanding 2025 Notes;
- $1.25 billion of outstanding 2026 Notes;
- $750.0 million of outstanding 2027 Notes;
- $1.0 billion of outstanding 2029 Notes; and
- $1.0 billion of outstanding 2030 Notes.

As of December 31, 2020, we also have $1.0 billion of available capacity to borrow under our Revolving Credit Facility.

Our Term Loan B and Revolving Credit Facility are collateralized by substantially all of our properties. Payments of principal and interest under this indebtedness, or any other instruments governing debt we may incur in the future, may leave us with insufficient cash resources to pursue our business and growth strategies or to pay the distributions currently contemplated or necessary to qualify or maintain qualification as a REIT. Our substantial outstanding indebtedness or future indebtedness, and the limitations imposed on us by our debt agreements, could have other significant adverse consequences, including the following:

- our cash flow may be insufficient to meet our required principal and interest payments;
- our vulnerability to adverse economic, industry or competitive developments, including as a result of COVID-19, may be increased;
- we may be unable to borrow additional funds as needed or on favorable terms, which could, among other things, adversely affect our ability to capitalize upon emerging acquisition opportunities, including exercising our rights of first refusal and call rights described herein, or meet operational needs;
- we may be unable to refinance our indebtedness at maturity or the refinancing terms may be less favorable than the terms of our original indebtedness;
- we may be forced to dispose of one or more of our properties if permitted under the Lease Agreements, possibly on disadvantageous terms or at a loss;
- the ability of the Operating Partnership to distribute cash to us may be limited or prohibited, which would materially and adversely affect our ability to make distributions on our common stock;
- we may fail to comply with the payment and restrictive covenants in our loan documents, which would entitle the lenders to accelerate payment of outstanding loans and foreclose on any properties servicing such loans; and
- we may be unable to hedge floating rate debt, counterparties may fail to honor their obligations under our hedge agreements and these agreements may not effectively hedge interest rate fluctuation risk.

If any one of these events were to occur, our financial condition, results of operations, cash flows, the market price of our common stock and our ability to satisfy our debt service obligations and to pay distributions to our stockholders could be materially and adversely affected. In addition, the foreclosure on our properties could create REIT taxable income without accompanying cash proceeds, which could result in entity level taxes to us or could adversely affect our ability to meet the distribution requirements necessary to qualify or maintain qualification as a REIT.

In addition, the Code generally requires that a REIT distribute annually to its stockholders at least 90% of its REIT taxable income (with certain adjustments), determined without regard to the deduction for dividends paid and excluding net capital gains, and that it pay tax at regular corporate rates to the extent that it distributes annually less than 100% of its REIT taxable income, including capital gains. VICI Golf is also subject to U.S. Federal income tax at regular corporate rates on any of its taxable income. In order to maintain our status as a REIT and avoid or otherwise minimize current entity-level U.S. Federal income taxes, a substantial portion of our cash flow after operating expenses and debt service will be required to be distributed to our stockholders.

Because of the limitations on the amount of cash available to us after satisfying our debt service obligations and our distribution obligations to maintain our status as a REIT and avoid or otherwise minimize current entity-level U.S. Federal income taxes, our ability to pursue our business and growth strategies may be limited.

Any mechanic's liens or similar liens incurred by the tenants under the Lease Agreements may attach to, and constitute liens on, our interests in the properties.

To the extent the tenants under the Lease Agreements make any improvements, these improvements could cause mechanic's liens or similar liens to attach to, and constitute liens on, our interests in the properties. To the extent that mechanic's liens or similar liens are recorded against any of the properties or any properties we may acquire in the future, the holders of such mechanic's liens or similar liens may enforce them by court action and courts may cause the applicable properties or future properties to be sold to satisfy such liens, which could negatively impact our revenues, results of operations, cash flows and distributions to our stockholders. Further, holders of such liens could have priority over our stockholders in the event of bankruptcy or liquidation, and as a result, a trustee in bankruptcy may have difficulty realizing or foreclosing on such properties in any such bankruptcy or liquidation, and the amount of distributions our stockholders could receive in such bankruptcy or liquidation could be reduced.

Adverse changes in our credit rating may affect our borrowing capacity and borrowing terms.

Our outstanding debt is periodically rated by nationally recognized credit rating agencies. The credit ratings are based upon our operating performance, liquidity and leverage ratios, overall financial condition, and other factors viewed by the credit rating agencies as relevant to both our industry and the economic outlook. Our credit rating may affect the amount of capital we can access, as well as the terms of any financing we obtain. Because we rely in part on debt financing to fund growth, the absence of an investment grade credit rating or any credit rating downgrade or negative outlook may have a negative effect on our future growth.

We will have future capital needs and may not be able to obtain additional financing on favorable terms, if at all.

We may incur additional indebtedness in the future to refinance our existing indebtedness or to finance newly acquired assets or for general corporate or other purposes. Any significant additional indebtedness could require a substantial portion of our cash flow to make interest and principal payments due on our indebtedness. Greater demands on our cash resources may reduce funds available to us to pay distributions, make capital expenditures and acquisitions, or carry out other aspects of our business and growth strategies. Increased indebtedness can also limit our ability to adjust rapidly to changing market conditions, make us more vulnerable to general adverse economic and industry conditions and create competitive disadvantages for us compared to other companies with relatively lower debt levels. Increased future debt service obligations may limit our operational and financial flexibility. Further, to the extent we were required to incur indebtedness, our future interest costs would increase, thereby reducing our earnings and cash flows from what they otherwise would have been.

Moreover, our ability to obtain additional financing and satisfy our financial obligations under indebtedness outstanding from time to time will depend upon our future operating performance, which is subject to then prevailing general economic and credit market conditions, including interest rate levels and the availability of credit generally, and financial, business and other factors, many of which are beyond our control. The prolonged continuation or worsening of current credit market conditions would have a material adverse effect on our ability to obtain financing on favorable terms, if at all.

We may be unable to obtain additional financing or financing on favorable terms or our operating cash flow may be insufficient to satisfy our financial obligations under indebtedness outstanding from time to time (if any). Among other things, the absence of an investment grade credit rating or any credit rating downgrade or negative outlook could increase our financing costs and could limit our access to financing sources. If financing is not available when needed, or is available on unfavorable terms, we may be unable to pursue our business and growth strategies or otherwise take advantage of new business opportunities or respond to competitive pressures, any of which could have a material adverse effect on our business, financial condition, liquidity, results of operations and prospects. We may raise additional funds in the future through the issuance of equity securities and, as a result, our stockholders may experience significant dilution, which may adversely affect the market price of our common stock and make it more difficult for our stockholders to sell our shares at a time and price that they deem appropriate and could impair our future ability to raise capital through an offering of our equity securities.

Our ability to refinance our indebtedness as it becomes due depends on many factors, some of which are beyond our control.

Our ability to refinance our existing indebtedness and any future indebtedness will depend, in part, on our current and projected financial condition, liquidity and results of operations and economic, financial, competitive, legislative, regulatory and other factors. Many of these factors are beyond our control. We cannot assure you that we will be able to refinance any of our indebtedness as it becomes due, on commercially reasonable terms or at all. If we are not able to refinance our indebtedness as it becomes due, we will be obligated to pay such indebtedness with cash from our operations and we may not have sufficient cash to do so, which would have a material and adverse effect on us.

Covenants in our debt agreements limit our operational flexibility, and a covenant breach or default could materially and adversely affect our business, financial condition, liquidity, results of operations and prospects.

The agreements governing our indebtedness contain customary covenants, including restrictions on our ability to grant liens on our assets, incur indebtedness, sell assets, make investments, engage in acquisitions, mergers or consolidations, engage in transactions with affiliates and pay certain dividends and other restricted payments. In addition, we are required to comply with certain financial maintenance covenants. These restrictions could seriously harm our business by, among other things, limiting our operational flexibility. A breach of any of these covenants or covenants under any other agreements governing our indebtedness could result in an event of default. Cross-default provisions in our debt agreements could cause an event of default under one debt agreement to trigger an event of default under our other debt agreements. Upon the occurrence of an event of default under any of our debt agreements, the lenders could elect to declare all outstanding debt under such agreements to be immediately due and payable. If we were unable to repay or refinance the accelerated debt, the lenders could proceed against any assets pledged to secure any debt that is secured by such assets, including foreclosing on or requiring the sale of our properties, and our assets may not be sufficient to repay such debt in full. Covenants that limit our operational flexibility as well as defaults under our debt instruments could have a material adverse effect on our business, financial condition, liquidity, results of operations and prospects.

A rise in interest rates may increase our overall interest rate expense and could adversely affect our stock price.

A rise in interest rates may increase our overall interest rate expense and have an adverse impact on our ability to pay distributions to our stockholders. The risk presented by holding variable rate indebtedness can be managed or mitigated by utilizing interest rate protection products. Although we currently use such products with respect to a portion of our indebtedness, there is no assurance that we will utilize any of these products effectively, will use such products in the future, or that such products will be available to us. In addition, in the event of a rise in interest rates, new debt, whether fixed or variable, is likely to be more expensive, which could, among other things, make the financing of any acquisition or investment more expensive, and we may be unable to incur new debt or replace maturing debt with new debt at equal or better interest rates.

Further, the dividend yield on our common stock (i.e., the annualized distributions per share of our common stock as a percentage of the market price per share of our common stock), will influence the market price of such common stock. Thus, an increase in market interest rates, which are currently at low levels relative to historical rates, may lead prospective purchasers of our common stock to expect a higher dividend yield. In addition, higher interest rates would likely increase our borrowing costs and potentially decrease our cash available for distribution. Thus, higher market interest rates could also cause the market price of shares of our common stock to decline.

We have engaged and may engage in hedging transactions that may limit gains or result in losses.

We use derivatives to hedge certain of our liabilities and we currently have interest rate swap agreements in place. As of December 31, 2020, we had in place six interest rate swap agreements with third party financial institutions having an aggregate notional amount of $2.0 billion. Subsequent to year end, on January 22, 2021, two of our interest rate swaps with a notional balance of $500.0 million matured and, as a result, as of the date of this Form 10-K, $1.5 billion of our total indebtedness was hedged. The interest rate swap transactions are designated as cash flow hedges that effectively fix the LIBOR component of the interest rate on a portion of the outstanding debt under the Term Loan B Facility. The counterparties of these arrangements are major financial institutions; however, we are exposed to credit risk in the event of non-performance by the counterparties. This has certain risks, including losses on a hedge position, which may reduce the return on our investments. Such losses may exceed the amount invested in such instruments. In addition, counterparties to a hedging arrangement could default on their obligations. We may have to pay certain costs, such as transaction fees or breakage costs, related to hedging transactions.

We may not be able to purchase the properties subject to the A&R Convention Center Put-Call Agreement, the Centaur Properties Put-Call Agreement, the Las Vegas Strip Assets ROFR Agreement or the Horseshoe Baltimore ROFR Agreement if we are unable to obtain additional financing. In addition, we may be forced to dispose of Harrah's Las Vegas to Caesars, possibly on disadvantageous terms.

Pursuant to the A&R Convention Center Put-Call Agreement, the Centaur Properties Put-Call Agreement, the Las Vegas Strip Assets ROFR Agreement and the Horseshoe Baltimore ROFR Agreement, we have certain rights to purchase the properties subject to these agreements, subject to the terms and conditions included in each agreement with respect to each property. In order to exercise these rights and any similar rights we obtain in the future or to fulfill our obligations with respect to certain put rights, we would likely be required to secure additional financing and our substantial level of indebtedness or other factors could limit our ability to do so on attractive terms or at all. If we are unable to obtain financing on terms acceptable to us, we may not be able to exercise these rights and acquire these properties, including the Caesars Forum Convention Center, or to fulfill our obligations with respect to certain put rights. Even if financing with acceptable terms is available to us, there can be no assurance that we will exercise any of these rights. Further, each of the transactions remains subject to the terms and conditions of the applicable agreements, including with respect to due diligence, applicable regulatory approvals and customary closing conditions.

The A&R Convention Center Put-Call Agreement also provides that if Caesars exercises the Convention Center Put Right and, among other things, the sale of the Caesars Forum Convention Center to us does not close, under certain circumstances, a repurchase right in favor of Caesars, which, if exercised, would result in the sale of the Harrah's Las Vegas property by us to Caesars. Such a sale may be at disadvantageous terms and could have a material adverse effect on our business, financial condition, liquidity, results of operations and prospects.

The bankruptcy or insolvency of any tenant, borrower or guarantor could result in the termination of the Lease Agreements, the related guarantees or loan agreements and material losses to us.

We are subject to the credit risk of our tenants and borrowers. We cannot assure you that our tenants and borrowers will not default on their obligations and fail to make payments to us. In particular, disruptions in the financial and credit markets, local economic conditions and other factors affecting the gaming industry, including the COVID-19 pandemic, may affect our tenants' and borrowers' ability to obtain financing to operate their businesses or continue to profitability execute their business plans. This, in turn, may cause our tenants and borrowers to be unable to meet their financial obligations, including making rental or loan payments to us, as applicable, which may result in their bankruptcy or insolvency. In addition, in the event of a bankruptcy of our tenants, borrowers or their respective guarantors, any claim for damages under the applicable lease, loan agreement or guarantee may not be paid in full. For these and other reasons, the bankruptcy of one or more of our tenants, borrowers or their respective guarantors could have a material adverse effect on our business, financial condition, liquidity, results of operations and prospects.

Furthermore, with respect to the Caesars Lease Agreements, although the tenants' performance and payments are guaranteed by Caesars, a default by the applicable tenant under the Caesars Lease Agreements, or by Caesars with regard to its guarantee, may cause a default under certain circumstances with regard to the entire portfolio covered by the Caesars Lease Agreements. In event of such a bankruptcy, there can be no assurances that the tenants or Caesars would assume the Caesars Lease Agreements or the related guarantees, and if the Caesars Lease Agreements or guarantees were rejected, the tenant or Caesars, as applicable, may not have sufficient funds to pay the damages that would be owed to us as a result of the rejection and we might not be able to find a replacement tenant on the same or better terms.

Our pursuit of investments in, and acquisitions of, additional properties may be unsuccessful or fail to meet our expectations.

We intend to continue to pursue acquisitions of additional properties and seek acquisitions, investments and other strategic opportunities. Accordingly, we may often be engaged in evaluating potential transactions and other strategic alternatives. In addition, from time to time, we may engage in discussions that may result in one or more transactions. Although there is uncertainty that any of these discussions will result in definitive agreements or the completion of any transaction, we may devote a significant amount of our management resources to such a transaction, which could negatively impact our operations. We may incur significant costs in connection with seeking acquisitions or other strategic opportunities regardless of whether the transaction is completed and, to the extent applicable, in combining our operations if such a transaction is completed.

We operate in a highly competitive industry and face competition from other REITs, investment companies, private equity firms and hedge funds, sovereign funds, lenders, gaming companies and other investors, some of whom are significantly larger and have greater resources, access to capital and lower costs of capital. Increased competition will make it more challenging to identify and successfully capitalize on acquisition opportunities that meet our investment objectives. If we cannot identify and purchase a sufficient quantity of gaming properties and other experiential properties at favorable prices or if we are unable to finance acquisitions on commercially favorable terms, our business, financial condition, liquidity, results of operations and prospects could be materially and adversely affected. Additionally, the fact that we must distribute 90% of our REIT taxable income in order to maintain our qualification as a REIT may limit our ability to rely upon rental payments from our leased properties or subsequently acquired properties in order to finance acquisitions. As a result, if debt or equity financing is not available on acceptable terms, further acquisitions might be limited or curtailed.

Investments in and acquisitions of gaming properties and other experiential properties entail risks associated with real estate investments generally, including that the investment's performance will fail to meet expectations, that the cost estimates for necessary property improvements will prove inaccurate or the operator or manager will underperform.

Further, even if we were able to acquire or invest in additional properties in the future, there is no guarantee that such properties would be able to maintain their historical performance, which may prevent the ability of our tenants to pay the partial or total amount of the required lease payments under the respective Lease Agreements or our borrowers to fulfill their payment obligations under the applicable agreement. In addition, our financing of these acquisitions and investments could negatively impact our cash flows and liquidity, require us to incur substantial debt or involve the issuance of substantial new equity, which would be dilutive to existing stockholders. In addition, we cannot assure you that we will be successful in implementing our business and growth strategies or that any expansion will improve operating results. The failure to identify and acquire or invest in new properties effectively, or the failure of any acquired properties to perform as expected, could have a material adverse effect on our business, financial condition, liquidity, results of operations and prospects and our ability to make distributions to our stockholders.

We may sell or divest different properties or assets after an evaluation of our portfolio of businesses. Such sales or divestitures could affect our costs, revenues, results of operations, financial condition and liquidity.

From time to time, we may evaluate our properties and may, as a result, sell or attempt to sell, divest, or spin-off different properties or assets, subject to the terms of the Lease Agreements. For example, in 2020 we, together with Caesars, sold Harrah's Reno and Bally's Atlantic City and entered into definitive agreements to sell Harrah's Louisiana Downs. These sales or divestitures could affect our costs, revenues, results of operations, financial condition, liquidity and our ability to comply with financial covenants. Divestitures have inherent risks, including possible delays in closing transactions (including potential difficulties in obtaining regulatory approvals), the risk of lower-than-expected sales proceeds for the divested businesses, and potential post-closing claims for indemnification. In addition, current economic conditions at the time and relatively illiquid real estate markets may result in fewer potential bidders and unsuccessful sales efforts.

Our properties and the properties securing our loans are subject to risks from natural disasters such as earthquakes, hurricanes, severe weather and terrorism.

Our properties, and our borrowers' properties secured as collateral, including the Caesars Forum Convention Center, are located in areas that may be subject to natural disasters, such as earthquakes, and extreme weather conditions, including, but not limited to, hurricanes. Such natural disasters or extreme weather conditions may interrupt operations at the casinos, damage our properties, and reduce the number of customers who visit our facilities in such areas. A severe earthquake could damage or destroy our properties. In addition, our operations could be adversely impacted by a drought or other cause of water shortage. A severe drought of extensive duration experienced in Las Vegas or in the other regions in which we operate could adversely affect the business and financial results at our properties. Although the tenants and borrowers, as applicable, are required to maintain both property and business interruption insurance coverage, such coverage is subject to deductibles and limits on maximum benefits, including limitation on the coverage period for business interruption, and we cannot assure you that we or our tenants will be able to fully insure such losses or fully collect, if at all, on claims resulting from such natural disasters. While the Lease Agreements and loan agreements require, and new lease agreements and loan agreements are expected to require, that comprehensive insurance and hazard insurance be maintained by the tenants and borrowers, as applicable, there are certain types of losses, generally of a catastrophic nature, such as earthquakes, hurricanes and floods, that may be uninsurable or not economically insurable. Insurance coverage may not be sufficient to pay the full current market value or current replacement cost of a loss. Inflation, changes in building codes and ordinances, environmental considerations, and other factors also might make it infeasible to use insurance proceeds to replace the property after such property has been damaged or destroyed. Under such circumstances, the insurance proceeds received might not be adequate to restore the economic position with respect to such property. If we experience a loss that is uninsured or that exceeds our policy coverage limits, we could lose the capital invested in the damaged properties as well as the anticipated future cash flows from those properties.

Terrorist attacks or other acts of violence may result in declining economic activity, which could harm the demand for goods and services offered by our tenants and the value of our properties or collateral and might adversely affect the value of an investment in our common stock. Such a resulting decrease in retail demand could make it difficult for us to renew or re-lease our properties to suitable, credit-worthy tenants at lease rates equal to or above historical rates. Terrorist activities or violence also could directly affect the value of our properties through damage, destruction or loss, and the availability of insurance for such acts, or of insurance generally, might be lower or cost more, which could increase our operating expenses and adversely affect our results of operations and cash flows. To the extent that any of our tenants or borrowers are affected by future terrorist attacks or violence, its business similarly could be adversely affected, including the ability of our tenants or borrowers to continue to meet their obligations to us. These events might erode business and consumer confidence and spending and might result in increased volatility in national and international financial markets and economies. Any one of these events might decrease demand for real estate, decrease or delay the occupancy of our new or redeveloped properties, and limit our access to capital or increase our cost of raising capital.

In addition, the Regional Master Lease Agreement and the Las Vegas Master Lease Agreement allow the tenant to remove a property from such lease agreement, and each of our other Lease Agreements may be terminated by the applicable tenant if: (i) a casualty event occurs (a) in the case of the Caesars Lease Agreements, during the final two years of the term and (b) in the case of the Hard Rock Cincinnati Lease Agreement, the Century Portfolio Lease Agreement and the JACK Cleveland/Thistledown Lease Agreement, the final year of the term, and (ii) the cost to rebuild or restore the applicable property in connection with a casualty event exceeds 25% (or, in the case of the Century Portfolio Lease Agreement, 50%) of such property’s total property fair market value. Similarly, if a condemnation event occurs that renders a facility unsuitable for its primary intended use, the applicable tenants may remove the property from the Regional Master Lease Agreement and may terminate the Las Vegas Master Lease Agreement, the Joliet Lease Agreement, the Hard Rock Cincinnati Lease Agreement, the Century Portfolio Lease Agreement or the JACK Cleveland/Thistledown Lease Agreement, as the case may be. The Penn National Lease Agreements allows the tenants to terminate their respective leases during the final year of the lease term if 50% or more of the square feet of the improvements are destroyed by a casualty event such that the improvements are rendered substantially untenantable. If a condemnation event occurs that renders Margaritaville or Greektown reasonably uneconomical for the operation of the improvements thereon on a commercially practicable basis for their permitted use as rentable facilities capable of producing a fair and reasonable net income therefrom, the tenant may terminate the Margaritaville Lease Agreement or the Greektown Lease Agreement, respectively. If a property is removed from the Regional Master Lease Agreement or if the Las Vegas Master Lease Agreement, the Joliet Lease Agreement, the Penn National Lease Agreements, the Hard Rock Cincinnati Lease Agreement, the Century Portfolio Lease Agreement or the JACK Thistledown/Cleveland Lease Agreement, as the case may be, is terminated, we will lose the rent associated with the related facility, which would have a negative impact on our financial results. In this event, following termination of the lease of a property, even if we are able to restore the affected property, we could be limited to selling or leasing such property to a new tenant in order to obtain an alternate source of revenue, which may not happen on comparable terms or at all.

Changes in building and/or zoning laws may require us to update a property in the event of recapture or prevent us from fully restoring a property in the event of a substantial casualty loss and/or require us to meet additional or more stringent construction requirements.

Due to changes in, among other things, applicable building and zoning laws, ordinances and codes that may affect certain of our properties that have come into effect after the initial construction of the properties, certain properties may not comply fully with current building and/or zoning laws, including electrical, fire, health and safety codes and regulations, use, lot coverage, parking and setback requirements, but may qualify as permitted non-conforming uses. Although the Lease Agreements require our tenants to pay for and ensure continued compliance with applicable law, there is no assurance that future leases will be negotiated on the same basis or that our tenants will make any changes required by the terms of the Lease Agreements and/or any future leases we may enter into. In addition, such changes may limit a tenant’s ability to restore the premises of a property to its previous condition in the event of a substantial casualty loss with respect to the property or the ability to refurbish, expand or renovate such property to remain compliant, or increase the cost of construction in order to comply with changes in building or zoning codes and regulations. If a tenant is unable to restore a property to its prior use after a substantial casualty loss or is required to comply with more stringent building or zoning codes and regulations, we may be unable to re-lease the space at a comparable effective rent or sell the property at an acceptable price, which may materially and adversely affect our business, financial condition, liquidity, results of operations and prospects.

Certain properties are subject to restrictions pursuant to reciprocal easement agreements, operating agreements or similar agreements.

Many of the properties that we own or that serve as collateral under our loan agreements are, and properties that we may acquire or lend against in the future may be, subject to use restrictions and/or operational requirements imposed pursuant to ground leases, restrictive covenants or conditions, reciprocal easement agreements or operating agreements or other instruments that could, among other things, adversely affect our ability to lease space to third parties, enforce our rights as a lender and otherwise realize additional value from these properties. Such property restrictions could include the following: limitations on alterations, changes, expansions, or reconfiguration of properties; limitations on use of properties; limitations affecting parking requirements; or restrictions on exterior or interior signage or facades. In certain cases, consent of the other party or parties to such agreements may be required when altering, reconfiguring, expanding or redeveloping. Failure to secure such consents when necessary may harm our ability to execute leasing strategies, which could adversely affect us.

The loss of the services of key personnel could have a material adverse effect on our business.

Our success and ability to grow depends, in large part, upon the leadership and performance of our executive management team, particularly our chief executive officer, our president and chief operating officer, our chief financial officer and our general counsel. Any unforeseen loss of our executive officers' services, or any negative market or industry perception with respect to them or arising from their loss, could have a material adverse effect on our business. We do not have key man or similar life insurance policies covering members of our senior management. We have employment agreements with our executive officers, but these agreements do not guarantee that any given executive will remain with us, and there can be no assurance that any such officers will remain with us. In addition, the appointment or replacement of certain key members of our executive management team is subject to regulatory approvals based upon suitability determinations by gaming regulatory authorities in the jurisdictions where our properties are located. If any of our executive officers is found unsuitable by any such gaming regulatory authorities, or if we otherwise lose their services, we would have to find alternative candidates and may not be able to successfully manage our business or achieve our business objectives.

Environmental compliance costs and liabilities associated with real estate properties owned by us may materially impair the value of those investments.

As an owner of real property, we are subject to various Federal, state and local environmental and health and safety laws and regulations. Although we do not operate or manage most of our properties, as they are subject to triple-net leases, we may be held primarily or jointly and severally liable for costs relating to the investigation and clean-up of any property from which there has been a release or threatened release of a regulated material as well as other affected properties, regardless of whether we knew of or caused the release, and to preserve claims for damages. Further, some environmental laws create a lien on a contaminated site in favor of the government for damages and the costs the government incurs in connection with such contamination.

Although under the Lease Agreements the tenants are required to indemnify us for certain environmental liabilities, including environmental liabilities it causes, the amount of such liabilities could exceed the financial ability of the applicable tenants or guarantors to indemnify us. In addition, the presence of contamination or the failure to remediate contamination may adversely affect our ability to sell or lease our properties or to borrow using our properties as collateral.

We may be required to contribute insurance proceeds with respect to casualty events at our properties to the lenders under our debt financing agreements.

In the event that we were to receive insurance proceeds with respect to a casualty event at any of our properties, we may be required under the terms of our debt financing agreements to contribute all or a portion of those proceeds to the repayment of such debt, which may prevent us from restoring such properties to their prior state. If the remainder of the proceeds (after any such required repayment) were insufficient to make the repairs necessary to restore the damaged properties to a condition substantially equivalent to its state immediately prior to the casualty, we may not have sufficient liquidity to otherwise fund these repairs and may be required to obtain additional financing, which could materially and adversely affect our business, financial condition, liquidity, results of operations and prospects.

Climate change may adversely affect our business.

Climate change, including rising sea levels, extreme weather and changes in precipitation and temperature, may result in physical damage to, a decrease in demand for and/or a decrease in rent from and value of our properties located in the areas affected by these conditions. For example, we own a number of assets in low-lying areas close to sea level, making those assets susceptible to damage or other negative effects resulting from a rise in sea level. If sea levels were to rise, we may incur material costs to protect such low-lying assets (to the extent not covered by our tenants under the terms of our leases) or may sustain damage, a decrease in value or total loss of such assets.

In addition, climate change may result in reduced economic activity in these areas, which could harm the operations of our tenants and reduce the demand at our properties, which could reduce the rent payable to us under our triple-net leases and make it difficult for us to renew or re-lease our properties on favorable lease terms, or at all**.** Furthermore, our insurance premiums may increase as a result of the threat of climate change or the effects of climate change may not be covered by our insurance policies. In addition, changes in federal and state legislation and regulations on climate change could result in increased capital expenditures to improve the energy efficiency of our existing properties or other related aspects of our properties in order to comply with such regulations or otherwise adapt to climate change. Any of the above could have a material and adverse effect on us.

If our separation from CEOC, together with certain related transactions, does not qualify as a transaction that is generally tax-free for U.S. Federal income tax purposes, CEOC could be subject to significant tax liabilities and, in certain circumstances, we could be required to indemnify CEOC for material taxes pursuant to indemnification obligations under the Tax Matters Agreement.

The IRS issued a private letter ruling with respect to certain issues relevant to our separation from CEOC, including relating to the separation and certain related transactions as tax-free for U.S. Federal income tax purposes under certain provisions of the Code. The IRS ruling does not address certain requirements for tax-free treatment of the separation. CEOC received from its tax advisors a tax opinion substantially to the effect that, with respect to such requirements on which the IRS did not rule, such requirements should be satisfied. The IRS ruling and the tax opinion that CEOC received relied on (among other things) certain representations, assumptions and undertakings, including those relating to the past and future conduct of our business, and the IRS ruling, and the opinion would not be valid if such representations, assumptions and undertakings were incorrect in any material respect.

Notwithstanding the IRS ruling and the tax opinion, the IRS could determine the separation should be treated as a taxable transaction for U.S. Federal income tax purposes if it determines any of the representations, assumptions or undertakings that were included in the request for the IRS ruling are false or have been violated or if it disagrees with the conclusions in the opinion that are not covered by the IRS ruling.

If the reorganization fails to qualify for tax-free treatment, in general, CEOC would be subject to tax as if it had sold our assets to us in a taxable sale for their fair market value, and CEOC's creditors who received shares of our common stock pursuant to the Plan of Reorganization would be subject to tax as if they had received a taxable distribution in respect of their claims equal to the fair market value of such shares.

Under the Tax Matters Agreement that we entered into with Caesars, we generally are required to indemnify Caesars against any tax resulting from the separation to the extent that such tax resulted from certain of our representations or undertakings being incorrect or violated. Our indemnification obligations to Caesars are not limited by any maximum amount. As a result, if we are required to indemnify Caesars or such other persons under the circumstances set forth in the Tax Matters Agreement, we may be subject to substantial liabilities.

Risks Related to our Status as a REIT

We may not qualify or maintain our qualification as a REIT.

We elected to be taxed as a REIT for U.S. Federal income tax purposes commencing with our taxable year ended December 31, 2017 and expect to operate in a manner that will allow us to continue to be classified as such. The Code generally requires that a REIT distribute annually to its stockholders at least 90% of its REIT taxable income (with certain adjustments), determined without regard to the deduction for dividends paid and excluding net capital gains, and that it pay tax at regular corporate rates to the extent that it distributes annually less than 100% of its REIT taxable income, including capital gains. In addition, a REIT is required to pay a 4% nondeductible excise tax on the amount, if any, by which the distributions it makes in a calendar year are less than the sum of 85% of its ordinary income, 95% of its capital gain net income and 100% of its undistributed income from prior years. As a result, in order to avoid or otherwise minimize current entity level U.S. Federal income taxes, a substantial portion of our cash flow after operating expenses and debt service will be required to be distributed to our stockholders.

If we were to fail to qualify as a REIT in any taxable year, we would be subject to U.S. Federal income tax on our taxable income at regular corporate rates, and dividends paid to our stockholders would not be deductible by us in computing our REIT taxable income. Any resulting corporate tax liability could be substantial and would reduce the amount of cash available for distribution to our stockholders, which in turn could have an adverse impact on the market price of our common stock. Unless we were entitled to relief under certain Code provisions, we also would be disqualified from re-electing to be taxed as a REIT for the four taxable years following the year in which we failed to qualify as a REIT. As a result, the amount available for distribution to holders of equity securities that would otherwise receive dividends would be reduced for the year or years involved. Furthermore, the U.S. Federal income tax consequences of distributions and sales of our shares to certain of our stockholders could be adversely impacted if we were to fail to qualify as a REIT.

Finally, our qualification to be taxed as a REIT will depend on our satisfaction of certain asset, income, organizational, distribution, stockholder ownership and other requirements on a continuing basis. Our ability to satisfy the asset tests depends upon our analysis of the characterization and fair market values of our assets, some of which are not susceptible to a precise determination, and for which we may not obtain independent appraisals. Any failure to qualify to be taxed as a REIT, or failure to remain to be qualified to be taxed as a REIT, would have a material and adverse effect on us.

Qualification to be taxed as a REIT involves highly technical and complex provisions of the Code, and violations of these provisions could jeopardize our REIT qualification.

Qualification as a REIT involves the application of highly technical and complex Code provisions for which only limited judicial and administrative authorities exist. Even a technical or inadvertent violation could jeopardize our REIT qualification. Our qualification as a REIT depends on our satisfaction of certain asset, income, organizational, distribution, stockholder ownership and other requirements on a continuing basis. In addition, our ability to satisfy the requirements to qualify as a REIT may depend in part on the actions of third parties over which we have no control or only limited influence, including in cases where we own an equity interest in an entity that is classified as a partnership for U.S. Federal income tax purposes.

We may in the future choose to pay dividends in the form of our own common stock, in which case stockholders may be required to pay income taxes in excess of the cash dividends they receive.

We may seek in the future to distribute taxable dividends that are payable in cash or our common stock. Taxable stockholders receiving such dividends will be required to include the full amount of the dividend as ordinary income to the extent of our current and accumulated earnings and profits for U.S. Federal income tax purposes as to which non-corporate stockholders will generally be eligible for a deduction equal to 20% of such distributions. As a result, stockholders receiving dividends in the form of common stock may be required to pay income taxes with respect to such dividends in excess of the cash dividends received, if any. If a U.S. stockholder sells the common stock that it receives as a dividend in order to pay this tax, the sales proceeds may be less than the amount included in income with respect to the dividend, depending on the market price of our common stock at the time of the sale. In addition, in such case, a U.S. stockholder could have a capital loss with respect to the common stock sold that could not be used to offset such dividend income. Moreover, with respect to certain non-U.S. stockholders, we may be required to withhold U.S. Federal income tax with respect to such dividends, including in respect of all or a portion of such dividend that is payable in common stock. Furthermore, such a taxable share dividend could be viewed as equivalent to a reduction in our cash distributions, and that factor, as well as the possibility that a significant number of our stockholders determine to sell our common stock in order to pay taxes owed on dividends, may put downward pressure on the market price of our common stock.

Changes to the U.S. Federal income tax laws, including the enactment of certain tax reform measures, could have a material and adverse effect on us.

U.S. federal income tax laws governing REITs and other corporations and the administrative interpretations of those laws may be amended at any time, potentially with retroactive effect. We cannot predict whether, when or to what extent new U.S. federal tax laws, regulations, interpretations or rulings will be issued. Prospective investors are urged to consult their tax advisors regarding the effect of potential changes to the U.S. Federal tax laws on an investment in our common stock.

Changes to the U.S. federal income tax laws could have a material and adverse effect on us. For example, certain changes in law pursuant to the law known as the Tax Cuts and Jobs Act could reduce the relative competitive advantage of operating as a REIT as compared with operating as a C corporation, including by:

- reducing the rate of tax applicable to individuals and C corporations, which could reduce the relative attractiveness of the generally single level of taxation on REIT distributions;
- permitting immediate expensing of capital expenditures, which could likewise reduce the relative attractiveness of the REIT taxation regime; and
- limiting the deductibility of interest expense, which could increase the distribution requirement of REITs (though REITs can generally elect out of the limitation).

We could fail to qualify to be taxed as a REIT if income we receive from our tenants is not treated as qualifying income.

Under applicable provisions of the Code, we will not be treated as a REIT unless we satisfy various requirements, including requirements relating to the sources of our gross income. Rents received or accrued by us from our tenants will not be treated as qualifying rent for purposes of these requirements if the leases are not respected as true leases for U.S. federal income tax purposes and instead are treated as service contracts, joint ventures, financings or some other type of arrangement. If some or all of our leases are not respected as true leases for U.S. Federal income tax purposes, we may fail to qualify to be taxed as a REIT. Furthermore, our qualification as a REIT will depend on our satisfaction of certain asset, income, organizational, distribution, stockholder ownership and other requirements on a continuing basis. Our ability to satisfy the asset tests depends upon our analysis of the characterization and fair market values of our assets, some of which are not susceptible to a precise determination, and for which we may not obtain independent appraisals.

In addition, subject to certain exceptions, rents received or accrued by us from any tenant (or affiliated tenants) will not be treated as qualifying rent for purposes of these requirements if we (or an actual or constructive owner of 10% or more of our stock) actually or constructively owns 10% or more of the total combined voting power of all classes of such tenant's stock entitled to vote or 10% or more of the total value of all classes of such tenant's stock. Our charter provides restrictions on ownership and transfer of our shares of stock, including restrictions on such ownership or transfer that would cause the rents received or accrued by us from tenants to be treated as non-qualifying rent for purposes of the REIT gross income requirements. Nevertheless, there can be no assurance that such restrictions will be effective in ensuring that rents received or accrued by us from tenants will not be treated as qualifying rent for purposes of REIT qualification requirements.

REIT distribution requirements could adversely affect our ability to execute our business plan.

We generally must distribute annually to our stockholders at least 90% of our REIT taxable income (with certain adjustments), determined without regard to the dividends paid deduction and excluding any net capital gains, in order for us to qualify as a REIT so that U.S. Federal corporate income tax does not apply to our earnings that we distribute. 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 any undistributed portion of such taxable income. In addition, we will be subject to a 4% nondeductible excise tax if the actual amount that we distribute to our stockholders in a calendar year is less than a minimum amount specified under U.S. Federal tax laws. We intend to make distributions to our stockholders to comply with the REIT requirements of the Code and to avoid or otherwise minimize paying entity level Federal or excise tax (other than at any taxable REIT subsidiary of ours). We may generate taxable income greater than our income for financial reporting purposes prepared in accordance with GAAP. Further, we may generate taxable income greater than our cash flow from operations after operating expenses and debt service as a result of differences in timing between the recognition of taxable income and the actual receipt of cash or the effect of nondeductible capital expenditures, the creation of reserves or required debt or amortization payments. In order to avoid or otherwise minimize current entity level U.S. Federal income taxes, we will generally be required to distribute sufficient cash flow after operating expenses and debt service payments to satisfy the REIT distribution requirements. While we intend to make distributions to our stockholders to comply with the REIT requirements of the Code, we may not have sufficient liquidity to meet the REIT distribution requirements. If our cash flow is insufficient to satisfy the REIT distribution requirements, we could be required to raise capital on unfavorable terms, sell assets at disadvantageous prices, distribute amounts that would otherwise be invested in future acquisitions or issue dividends in the form of shares of our common stock to make distributions sufficient to enable us to pay out enough of our REIT taxable income to satisfy the REIT distribution requirement and to avoid or otherwise minimize corporate income tax and the 4% excise tax in a particular year. These alternatives could increase our costs or change the value of our equity. Thus, compliance with the REIT requirements may hinder our ability to grow, which could adversely affect the market price of our common stock.

Even if we qualify as a REIT, we may face other tax liabilities that reduce our cash flow.

Even if we qualify for taxation as a REIT, we may be subject to certain U.S. Federal, state and local taxes on our income and assets, including taxes on any undistributed income and state or local income, property and transfer taxes. For example, in order to meet the REIT qualification requirements, we currently hold and expect in the future to hold some of our assets and conduct certain of our activities through one or more taxable REIT subsidiaries or other subsidiary corporations that will be subject to Federal, state, and local corporate-level income taxes as regular C corporations (i.e., corporations generally subject to corporate-level income tax under Subchapter C of Chapter 1 the Code). In addition, we may incur a 100% excise tax on transactions with a taxable REIT subsidiary if they are not conducted on an arm's length basis. Any of these taxes would decrease cash available for distribution to our stockholders.

Complying with REIT requirements may cause us to liquidate or forgo otherwise attractive opportunities and limit our expansion opportunities.

To qualify as a REIT for U.S. federal income tax purposes, we must continually satisfy tests concerning, among other things, our sources of income, the nature of our investments in real estate and related assets, the amounts we distribute to our stockholders and the ownership of our stock. We may also be required to make distributions to stockholders at disadvantageous times or when we do not have funds readily available for distribution.

As a REIT, we must ensure that, at the end of each calendar quarter, at least 75% of the value of our assets consists of cash, cash items, government securities and "real estate assets" (as defined in the Code), including certain mortgage loans and securities. The remainder of our investments (other than government securities, qualified real estate assets and securities issued by a taxable REIT subsidiary) generally cannot include more than 10% of the outstanding voting securities of any one issuer or more than 10% of the total value of the outstanding securities of any one issuer. In addition, in general, no more than 5% of the value of our total assets (other than government securities, qualified real estate assets and securities issued by a taxable REIT subsidiary) can consist of the securities of any one issuer, and no more than 20% of the value of our total assets can be represented by securities of one or more taxable REIT subsidiaries. In addition, not more than 25% of our total assets may be represented by debt instruments issued by publicly offered REITs that are "nonqualified" debt instruments. If we fail to comply with these requirements at the end of any calendar quarter, we must correct the failure within 30 days after the end of the calendar quarter or qualify for certain statutory relief provisions to avoid losing our REIT qualification and suffering adverse tax consequences. As a result, we may be required to liquidate from our portfolio, or contribute to a taxable REIT subsidiary, or forgo otherwise attractive investments in order to maintain our qualification as a REIT. These actions could have the effect of reducing our income and amounts available for distribution to our stockholders. In addition to the asset tests set forth above, to qualify as a REIT we must continually satisfy tests concerning, among other things, the sources of our income, the amounts we distribute to our stockholders and the ownership of our stock. We may be unable to pursue investments that would be otherwise advantageous to us in order to satisfy the source-of-income or asset-diversification requirements for qualifying as a REIT. Thus, compliance with the REIT requirements may hinder our ability to make certain attractive investments.

We may be subject to built-in gains tax on the disposition of certain of our properties.

If we acquire certain properties in tax-deferred transactions, which properties were held by one or more C corporations before they were held by us, we may be subject to a built-in gain tax on future disposition of such properties. This is the case with respect to all or substantially all of the properties acquired from CEOC pursuant to the formation transactions as well as certain other properties we have acquired and may acquire in the future. If we dispose of any such properties during the five-year period following acquisition of the properties from the respective C corporation (i.e., during the five-year period following ownership of such properties by a REIT), we will be subject to U.S. Federal income tax (and applicable state and local taxes) at the highest corporate tax rates on any gain recognized from the disposition of such properties to the extent of the excess of the fair market value of the properties on the date that they were contributed to or acquired by us in a tax-deferred transaction over the adjusted tax basis of such properties on such date, which are referred to as built-in gains. Similarly, if we recognize certain other income considered to be built-in income during the five-year period following the property acquisitions described above, we could be subject to U.S. Federal tax under the built-in-gains tax rules. We would be subject to this corporate-level tax liability (without the benefit of the deduction for dividends paid) even if we qualify and maintain our status as a REIT. Any recognized built-in gain will retain its character as ordinary income or capital gain and will be taken into account in determining REIT taxable income and the REIT distribution requirements. Any tax on the recognized built-in gain will reduce REIT taxable income. We may choose to forego otherwise attractive opportunities to sell assets in a taxable transaction during the five-year built-in-gain recognition period in order to avoid this built-in-gain tax. However, there can be no assurance that such a taxable transaction will not occur. The amount of any such built-in-gain tax could be material and the resulting tax liability could have a negative effect on our cash flow and limit our ability to pay distributions required to qualify and maintain our status as a REIT.

Complying with REIT requirements may limit our ability to hedge effectively and may cause us to incur tax liabilities.

The REIT provisions of the Code substantially limit our ability to hedge our assets and liabilities. Income from certain hedging transactions that we may enter into to manage risk of interest rate changes with respect to borrowings made or to be made to acquire or carry real estate assets or from transactions to manage risk of currency fluctuations with respect to any item of income or gain that satisfy the REIT gross income tests (including gain from the termination of such a transaction) does not constitute "gross income" for purposes of the 75% or 95% gross income tests that apply to REITs, provided that certain identification requirements are met. To the extent that we enter into other types of hedging transactions or fail to properly identify such transaction as a hedge, the income is likely to be treated as non-qualifying income for purposes of both of the gross income tests. As a result of these rules, we may be required to limit our use of advantageous hedging techniques or implement those hedges through a taxable REIT subsidiary. This could increase the cost of our hedging activities because the taxable REIT subsidiary may be subject to tax on gains or expose us to greater risks associated with changes in interest rates that we would otherwise want to bear. In addition, losses in the taxable REIT subsidiary will generally not provide any tax benefit, except that such losses could theoretically be carried back or forward against past or future taxable income of the taxable REIT subsidiary.

If we are required to make a purging distribution, we may pay such purging distribution in a combination of common stock and cash.

In order to qualify as a REIT, we must distribute any "earnings and profits," as defined in the Code, accumulated by us during any period for which we did not qualify as a REIT or by any entity whose accumulated earnings and profits we acquire during any period for which such entity did not qualify as a REIT. Such distribution requirement applied to any earnings and profits that were allocated from CEOC to us in connection with the formation transactions by the end of the first taxable year in which we elected REIT status. Based on our analysis, we do not believe that any earnings and profits were allocated to us in connection with the formation transactions or any other transaction to which we are party and therefore did not make a purging distribution and do not currently intend to make any purging distribution, with respect to transactions to which we are a party. If we are required to make a purging distribution in the future, we may pay the purging distribution to our stockholders in a combination of cash and shares of our common stock. Each of our stockholders will be permitted to elect to receive the stockholder's entire entitlement under the purging distribution in either cash or shares of our common stock, subject to a cash limitation. If our stockholders elect to receive a portion of cash in excess of the cash limitation, each such electing stockholder will receive a pro rata portion of cash corresponding to the stockholder's respective entitlement under the purging distribution declaration. The IRS has issued a revenue procedure that provides that, so long as a REIT complied with certain provisions therein, certain distributions that are paid partly in cash and partly in stock will be treated as taxable dividends that would satisfy the REIT distribution requirements and qualify for the dividends paid deduction for U.S. Federal income tax purposes. In a purging distribution, if any, a stockholder of our common stock will be required to report dividend income equal to the amount of cash and common stock received as a result of the purging distribution even though we may distribute no cash or only nominal amounts of cash to such stockholder.

The cash available for distribution to stockholders may not be sufficient to pay dividends at expected levels, nor can we assure you of our ability to make distributions in the future. We may use borrowed funds to make distributions.

If cash available for distribution is less than the amount necessary to make cash distributions, our inability to make the expected distributions could result in a decrease in the market price of our common stock. All distributions will be made at the discretion of our board of directors and will depend upon various factors, including, but not limited to: our historical and projected financial condition, cash flows, results of operations and REIT taxable income, limitations contained in financing instruments, debt service requirements, operating cash inflows and outflows, including capital expenditures and acquisitions, limitations on our ability to use cash generated in one or more taxable REIT subsidiaries, if any, to fund distributions and applicable law. We may not be able to make distributions in the future. In addition, some of our distributions may include a return of capital. To the extent that we decide to make distributions in excess of our current and accumulated earnings and profits in the future, such distributions would generally be considered a return of capital for Federal income tax purposes to the extent of the holder's adjusted tax basis in their shares. A return of capital is not taxable, but it has the effect of reducing the holder's adjusted tax basis in our common stock. To the extent that such distributions exceed the adjusted tax basis of a holder's shares, they will be treated as gain from the sale or exchange of such stock. If we borrow to fund distributions, our future interest costs would increase, thereby reducing our earnings and cash available for distribution from what they otherwise would have been.

For purposes of satisfying the minimum distribution requirement to qualify for and maintain REIT status, our REIT taxable income will be calculated without reference to our cash flow. Consequently, under certain circumstances, we may not have available cash to make our required distributions, and we may need to raise additional equity or debt in order to fund our intended distributions, or we may distribute a portion of our distributions in the form of our common stock or debt instruments, which could result in dilution or higher leverage. While the IRS has issued a revenue procedure indicating that certain distributions that are made partly in cash and partly in stock will be treated as taxable dividends that would satisfy that REIT annual distribution requirement and qualify for the dividends paid deduction for U.S. Federal income tax purposes, no assurance can be provided that we will be able to satisfy the requirements of the revenue procedure. Therefore, it is unclear whether and to what extent we will be able to make taxable dividends payable in-kind. In addition, to the extent we were to make distributions that include our common stock or debt instruments, a stockholder of ours will be required to report dividend income as a result of such distributions even though we distributed no cash or only nominal amounts of cash to such stockholder.

The U.S. Federal income tax treatment of the cash that we might receive from cash settlement of the June 2020 Forward Sale Agreement is unclear and could jeopardize our ability to meet the REIT qualification requirements.

In the event that we elect to settle the June 2020 Forward Sale Agreement for cash and the settlement price is below the applicable forward sale price, we would be entitled to receive a cash payment from the forward purchasers. Under Section 1032 of the Code, generally, no gains and losses are recognized by a corporation in dealing in its own shares, including pursuant to a "securities futures contract," as defined in the Code by reference to the Exchange Act. Although we believe that any amount received by us in exchange for our shares of common stock would qualify for the exemption under Section 1032 of the Code, because it is not entirely clear whether the June 2020 Forward Sale Agreement qualifies as a "securities futures contract," the U.S. Federal income tax treatment of any cash settlement payment we receive is uncertain. In the event that we recognize a significant gain from the cash settlement of the June 2020 Forward Sale Agreement, we might not be able to satisfy the gross income requirements applicable to REITs under the Code. If we were to fail to satisfy one or both of the gross income tests for any taxable year, we may nevertheless qualify as a REIT for such year if we were entitled to relief under certain provisions of the Code. If these relief provisions were inapplicable, we would not qualify as a REIT. Even if these relief provisions were to apply, a tax based on the amount of the relevant REIT's non-qualifying income would be imposed.

Risks Related to Our Organizational Structure

VICI is a holding company with no direct operations and relies on distributions received from the Operating Partnership to make distributions to its stockholders.

VICI is a holding company and conducts its operations through subsidiaries, including the Operating Partnership and VICI Golf. VICI does not have, apart from the units that it owns in the Operating Partnership and VICI Golf, any independent operations. As a result, VICI relies on distributions from its Operating Partnership to make any distributions to its stockholders it might declare on its common stock and to meet any of its obligations, including any tax liability on taxable income allocated to it from the Operating Partnership (which might not be able to make distributions to VICI equal to the tax on such allocated taxable income). In turn, the ability of subsidiaries of the Operating Partnership to make distributions to the Operating Partnership, and therefore, the ability of the Operating Partnership to make distributions to VICI, depends on the operating results of these subsidiaries and the Operating Partnership and on the terms of any financing arrangements they have entered into. In addition, because VICI is a holding company, claims of common stockholders of VICI are structurally subordinated to all existing and future liabilities and other obligations (whether or not for borrowed money) and any preferred equity of the Operating Partnership and its subsidiaries. Therefore, in the event of our bankruptcy, liquidation or reorganization, VICI's assets and those of the Operating Partnership and its subsidiaries will be available to satisfy the claims of VICI common stockholders only after all of VICI's, the Operating Partnership's and its subsidiaries' liabilities and other obligations and any preferred equity of any of them have been paid in full.

The Operating Partnership may, in connection with its acquisition of additional properties or otherwise, issue additional common units or preferred units to third parties. Such issuances would reduce VICI's ownership in the Operating Partnership. Because stockholders of VICI do not directly own common units or preferred units of the Operating Partnership, they do not have any voting rights with respect to any such issuances or other partnership level activities of the Operating Partnership.

Our rights and the rights of our stockholders to take action against our directors and officers are limited.

The Maryland General Corporation Law (the "MGCL") provides that a director has no liability in any action based on an act of the director if he or she has acted in good faith, in a manner he or she reasonably believes to be in the corporation's best interests and with the care that an ordinarily prudent person in a like position would use under similar circumstances. As permitted by the MGCL, our charter limits the liability of our directors and officers to our company and our stockholders for money damages, to the maximum extent permitted by Maryland law. Under Maryland law, our present directors and officers will not have any liability to us or our stockholders for money damages other than liability resulting from:

- actual receipt of an improper benefit or profit in money, property or services; or
- a final judgment based upon a finding that his or her action or failure to act was the result of active and deliberate dishonesty by the director or officer and was material to the cause of action adjudicated.

Our charter provides that we have the power to obligate ourselves, and our amended and restated bylaws obligate us, to indemnify our directors and officers for actions taken by them in those capacities and to pay or reimburse their reasonable expenses in advance of final disposition of a proceeding to the maximum extent permitted by Maryland law. In addition, we have entered into indemnification agreements with our directors and executive officers that provide for indemnification and advancement of expenses to the maximum extent permitted by Maryland law. As a result, we and our stockholders may have more limited rights against our directors and officers than might otherwise exist under common law.

Our charter and bylaws contain provisions that may delay, defer or prevent an acquisition of our common stock or a change in control.

Our charter and bylaws contain provisions, the exercise or existence of which could delay, defer or prevent a transaction or a change in control that might involve a premium price for our stockholders or otherwise be in their best interests, including the following:

• *Our charter contains restrictions on the ownership and transfer of our stock.*

In order for us to qualify as a REIT, no more than 50% of the value of outstanding shares of our stock may be owned, beneficially or constructively, by five or fewer individuals (or certain other persons) at any time during the last half of each taxable year ("closely held"). Subject to certain exceptions, our charter prohibits any stockholder from owning beneficially or constructively, with respect to any class or series of our capital stock, more than 9.8% (in value or by number of shares, whichever is more restrictive) of the aggregate of the outstanding shares of such class or series of our capital stock.

The constructive ownership rules under the Code are complex and may cause the outstanding stock owned by a group of related individuals or entities to be deemed to be constructively owned by one individual or entity. As a result, the acquisition of 9.8% or less of the outstanding shares of a class or series of our stock by an individual or entity could cause that individual or entity or another individual or entity to own constructively in excess of the relevant ownership limits.

Among other restrictions on ownership and transfer of shares, our charter also prohibits any person from owning shares of our stock that would result in our being "closely held" under Section 856(h) of the Code or otherwise cause us to fail to qualify as a REIT. Any attempt to own or transfer shares of our common stock or of any of our other capital stock in violation of these restrictions may result in the shares being automatically transferred to a charitable trust or may be void.

Our charter provides that our board may grant exceptions to the 9.8% ownership limit, subject in each case to certain initial and ongoing conditions designed to protect our status as a REIT. These ownership limits may prevent a third-party from acquiring control of us if our board of directors does not grant an exemption from the ownership limits, even if our stockholders believe the change in control is in their best interests. An exemption from the 9.8% ownership limit has previously been granted to certain stockholders, and our board may in the future provide exceptions to the ownership limit for other stockholders, subject to the aforementioned initial and ongoing conditions designed to protect our status as a REIT.

• *Our board of directors has the power to cause us to issue and authorize additional shares of our capital stock without stockholder approval.*

Our charter authorizes us to issue authorized but unissued shares of common or preferred stock in addition to the shares of common stock issued and outstanding. In addition, our board of directors may, without stockholder approval, amend our charter to increase the aggregate number of our shares of stock or the number of shares of stock of any class or series that we have authority to issue and classify or reclassify any unissued shares of common or preferred stock and set the preferences, rights and other terms of the classified or reclassified shares. As a result, our board of directors may establish a class or series of shares of common or preferred stock that could delay or prevent a transaction or a change in control that might involve a premium price for our shares of common stock or otherwise be in the best interests of our stockholders.

Certain provisions of Maryland law may limit the ability of a third party to acquire control of us.

Certain provisions of the MGCL may have the effect of inhibiting a third party from acquiring us or of impeding a change of control under circumstances that otherwise could provide our common stockholders with the opportunity to realize a premium over the then prevailing market price of such shares, including:

- "business combination" provisions that, subject to limitations, (a) prohibit certain business combinations between an "interested stockholder" (defined generally as any person who beneficially owns 10% or more of the voting power of our outstanding shares of voting stock or an affiliate or associate of ours who, at any time within the two-year period immediately prior to the date in question, was the beneficial owner of 10% or more of the voting power of our then outstanding shares of our common stock) or an affiliate of any interested stockholder and us for five years after the most recent date on which the stockholder becomes an interested stockholder, and (b) thereafter impose two super-majority stockholder voting requirements on these combinations; and
- "control share" provisions that provide that holders of "control shares" of our company (defined as voting shares of stock that, if aggregated with all other shares of stock owned or controlled by the acquirer (except solely by virtue of a revocable proxy), would entitle the acquirer to exercise one of three increasing ranges of voting power in electing directors) acquired in a "control share acquisition" (defined as the direct or indirect acquisition of ownership or control of "control shares") have no voting rights with respect to "control shares" except to the extent approved by our stockholders by the affirmative vote of at least two-thirds of all of the votes entitled to be cast on the matter, excluding all votes entitled to be cast by the acquirer of control shares, and by any of our officers and employees who are also our directors.

Our charter provides that, notwithstanding any other provision of our charter or our bylaws, the Maryland Business Combination Act (Title 3, Subtitle 6 of the MGCL) does not apply to any business combination between us and any interested stockholder or any affiliate of any interested stockholder of ours and that we expressly elect not to be governed by the provisions of Section 3-602 of the MGCL in whole or in part. Pursuant to the MGCL, our bylaws contain a provision exempting from the Maryland Control Share Acquisition Act any and all acquisitions by any person of shares of our stock. There can be no assurance that any of these provisions of our charter or bylaws will not be amended or eliminated at any time in the future.

Additionally, provisions of Title 3, Subtitle 8 of the MGCL permit a Maryland corporation such as the Company, by action of its board of directors and without stockholder approval and regardless of what is provided in the charter or bylaws, to elect to avail itself of certain takeover defenses, such as a classified board, unless the charter or a resolution adopted by the board of directors prohibits such election. Our charter provides that we are prohibited from making any such election unless first approved by our stockholders by the affirmative vote of a majority of all votes entitled to be cast on the matter.

Risks Related to Our Common Stock

Provisions contained in the June 2020 Forward Sale Agreement could result in substantial dilution to our earnings per share or result in substantial cash payment obligations.

The forward purchaser under the June 2020 Forward Sale Agreement has the right to accelerate the June 2020 Forward Sale Agreement (with respect to all or, in certain cases, any portion of the transaction under the June 2020 Forward Sale Agreement that the forward purchaser determines is affected by an event described below) and require us to settle on a date specified by the forward purchaser if:

- we declare any dividend, issue or distribution on our common stock payable in (x) cash in excess of specified amounts, (y) securities of another company that we acquire or own (directly or indirectly) as a result of a spin-off or similar transaction or (z) any other type of securities (other than our common stock), rights, warrants or other assets for payment at less than the prevailing market price;
- certain ownership thresholds applicable to the forward purchaser and its affiliate are exceeded;
- an event (x) is announced that, if consummated, would result in a specified extraordinary event (including certain mergers or tender offers, certain events involving our nationalization, or insolvency, or a delisting of our common shares) or (y) occurs that would constitute a delisting or change in law; or
- certain other events of default or termination events occur, including, among others, any material misrepresentation made in connection with the June 2020 Forward Sale Agreement or our insolvency (each as more fully described in the June 2020 Forward Sale Agreement).

The forward purchaser's decision to exercise its right to accelerate the settlement of the June 2020 Forward Sale Agreement will be made irrespective of our interests, including our need for capital. In such cases, we could be required to issue and deliver shares of our common stock under the physical settlement provisions of the June 2020 Forward Sale Agreement, which would result in dilution to our earnings per share.

We expect to physically settle the June 2020 Forward Sale Agreement and receive proceeds from the sale of those shares of our common stock upon one or more forward settlement dates no later than June 17, 2021. However, the June 2020 Forward Sale Agreement may be settled earlier in whole or in part at our option. Subject to certain conditions, we have the right to elect physical, cash or net share settlement under the June 2020 Forward Sale Agreement at any time and from time to time, in part or in full. The June 2020 Forward Sale Agreement will be physically settled by delivery of shares of our common stock, unless we elect to cash settle or net share settle the June 2020 Forward Sale Agreement. Delivery of shares of our common stock upon physical settlement (or, if we elect net share settlement, upon such settlement to the extent we are obligated to deliver shares of our common stock) will result in dilution to our earnings per share.

If we elect cash settlement or net share settlement with respect to all or a portion of the shares of our common stock underlying the June 2020 Forward Sale Agreement, we expect the forward purchaser (or its affiliate) to purchase a number of shares of our common stock in secondary market transactions over an unwind period to: (i) return shares of our common stock to securities lenders in order to unwind its hedge (after taking into consideration any shares of our common stock to be delivered by us to the forward purchaser, in the case of net share settlement); and (ii) if applicable, in the case of net share settlement, deliver shares of our common stock to us to the extent required in settlement of the June 2020 Forward Sale Agreement.

The purchase of shares of our common stock in connection with the forward purchaser or its affiliate unwinding its hedge position could cause the price of shares of our common stock to increase over such time (or reduce the amount of a decrease over such time), thereby increasing the amount of cash we would be required to pay to the forward purchaser (or decreasing the amount of cash that the forward purchaser would be required to pay us) upon a cash settlement of the June 2020 Forward Sale Agreement or increasing the number of shares of common stock we would be required to deliver to the forward purchaser (or decreasing the number of shares of common stock that the forward purchaser would be required to deliver to us) upon net share settlement of the June 2020 Forward Sale Agreement.

The forward sale price that we expect to receive upon physical settlement of the June 2020 Forward Sale Agreement will be subject to adjustment on a daily basis based on a floating interest rate factor determined by reference to a specified daily rate less a spread and will be decreased by amounts related to expected dividends on our common stock during the term of the June 2020 Forward Sale Agreement. If the specified daily rate is less than the spread on any day, the interest rate factor will result in a reduction of the forward sale price for that day. As of June 16, 2020, the date of the prospectus supplement governing the offering of our common stock pursuant to the June 2020 Forward Sale Agreement, the specified daily rate was less than the spread, reducing the proceeds that we would receive upon settlement of the June 2020 Forward Sale Agreement. If the prevailing market price for our common stock during the unwind period under the June 2020 Forward Sale Agreement is above the forward sale price, in the case of cash settlement, we would pay the forward purchaser an amount per share in cash equal to the difference or, in the case of net share settlement, we would deliver to the forward purchaser a number of shares of common stock having a value equal to the difference. Thus, we could be responsible for a potentially substantial cash payment in the case of cash settlement.

In case of our bankruptcy or insolvency, the June 2020 Forward Sale Agreement would automatically terminate, and we would not receive the expected proceeds from the sale of common stock under such agreement.

If we institute, or a regulatory authority with jurisdiction over us institutes, or we consent to, a proceeding seeking a judgment in bankruptcy or insolvency or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or we or a regulatory authority with jurisdiction over us presents a petition for our winding-up or liquidation, or we consent to such a petition, the June 2020 Forward Sale Agreement will automatically terminate. If the June 2020 Forward Sale Agreement so terminates, we would not be obligated to deliver to the forward purchaser any shares of common stock not previously delivered, and the forward purchaser would be discharged from its obligation to pay the forward sale price per share in respect of any shares of common stock not previously settled. Therefore, to the extent that there are any shares of common stock with respect to which the June 2020 Forward Sale Agreement has not been settled at the time of the commencement of any such bankruptcy or insolvency proceedings, we would not receive the forward sale price per share in respect of those shares of common stock.

General Risk Factors

If we fail to establish and maintain an effective system of integrated internal controls, we may not be able to report our financial results accurately, which could have a material adverse effect on us.

As a reporting company, we are required to design and implement substantial control systems, policies and procedures in order to satisfy our periodic SEC reporting requirements. We cannot assure you that we will be able to successfully implement these systems, policies and procedures and to operate our company or that any such implementation will be effective. Failure to do so could jeopardize our status as a REIT or as a reporting company, and the loss of such statuses would materially and adversely affect us. If we fail to implement or maintain proper overall business controls, including as required to support our growth, our operating and financial results could be harmed, or we could fail to meet our reporting obligations. In addition, the existence of a material weakness or significant deficiency could result in errors in our financial statements that could require a restatement, cause us to fail to meet our SEC reporting obligations and cause investors to lose confidence in our reported financial information, which could have a material adverse effect on us and on the market price of our common stock.

We face risks associated with security breaches through cyber-attacks, cyber-intrusions or otherwise, as well as other significant disruptions of our information technology (IT) networks and related systems.

We face risks associated with security breaches, whether through cyber-attacks or cyber-intrusions over the internet, malware, computer viruses, attachments to e-mails, persons inside our organization or persons with access to systems inside our organization, and other significant disruptions of our IT networks and related systems. The risk of a security breach or disruption, particularly through cyber-attack or cyber-intrusion, including by computer hackers, foreign governments and cyber terrorists, has generally increased as the number, intensity and sophistication of attempted attacks and intrusions from around the world have increased. Our IT networks and related systems are essential to the operation of our business and our ability to perform day-to-day operations, including due to increased remote access and operations in 2020 due to the impact of the COVID-19 pandemic. Although we make efforts to maintain the security and integrity of these types of IT networks and related systems, and we have implemented various measures to manage the risk of a security breach or disruption, there can be no assurance that our security efforts and measures will be effective or that attempted security breaches or disruptions would not be successful or damaging. A security breach or other significant disruption involving our IT networks and related systems could disrupt the proper functioning of our networks and systems; result in misstated financial reports, violations of loan covenants and/or missed reporting deadlines; result in our inability to monitor our compliance with the rules and regulations regarding our qualification as a REIT; result in the unauthorized access to, and destruction, loss, theft, misappropriation or release of proprietary, confidential, sensitive or otherwise valuable information of ours or others, which others could use to compete against us or for disruptive, destructive or otherwise harmful purposes and outcomes; require significant management attention and resources to remedy any damages that result; subject us to claims for breach of contract, damages, credits, penalties or termination of certain agreements; or damage our reputation among our tenants and investors generally. Any or all of the foregoing could have a material adverse effect on our financial condition, results of operations, cash flow and ability to make distributions with respect to, and the market price of, our common stock.

Our board of directors may change our major corporate policies without stockholder approval and those changes may materially and adversely affect us.

Our board of directors will determine and may eliminate or otherwise change our major corporate policies, including our acquisition, investment, financing, growth, operations and distribution policies. While our stockholders have the power to elect or remove directors, changes in our major corporate policies may be made by our board of directors without stockholder approval and those changes could adversely affect our business, financial condition, liquidity, results of operations and prospects, the market price of our common stock and our ability to make distributions to our stockholders and to satisfy our debt service requirements.

The market price and trading volume of shares of our common stock may be volatile.

The market price of our common stock may be volatile. In addition, the stock markets generally may experience significant volatility, often unrelated to the operating performance of the individual companies whose securities are publicly traded. The trading volume in our common stock may fluctuate and cause significant price variations to occur. We cannot assure you that the market price of our common stock will not fluctuate or decline significantly in the future. If the market price or trading volume of our common stock declines, you may be unable to sell your shares at a profit, or at all.

Some of the factors, many of which are beyond our control, that could negatively affect the market price of our common stock or result in fluctuations in the price or trading volume of our common stock include:

- actual or anticipated variations in our quarterly results of operations or distributions;
- changes in our earnings, Funds From Operations (“FFO”) or Adjusted Funds From Operations (“AFFO”) estimates;
- publication of research reports about us, our tenants or the real estate or gaming industries;
- adverse developments involving our tenants;
- changes in market interest rates that may cause purchasers of our shares to demand a different yield;
- changes in market valuations of similar companies;
- market reaction to any additional capital we raise in the future, including availability and attractiveness of long-term debt financing in connection with future acquisitions;
- our failure to achieve the anticipated benefits of our recently completed or future acquisitions within the timeframe or to the extent anticipated by financial or industry analysts;
- additions or departures of key personnel;
- reaction to any other of our public announcements;
- sales or potential sales of our common stock by us or our significant stockholders;
- other actions by institutional stockholders;
- strategic actions taken by us or our competitors, such as acquisitions;
- speculation in the press or investment community about us, our tenants, our industry or the economy in general;
- new laws or regulations or new interpretations of existing laws or regulations applicable to our business and operations or the gaming industry;
- changes in tax or accounting standards, policies, guidance, interpretations or principles;
- the occurrence of any of the other risk factors presented in this Annual Report on Form 10-K or our other SEC filings; and
- adverse conditions in the financial markets or general U.S. or international economic conditions, including those resulting from war, acts of terrorism, public health crises, and responses to such events.

We may be adversely affected by changes in LIBOR reporting practices, the method in which LIBOR is determined or the use of alternative reference rates.

Our indebtedness under the Term Loan B Facility and Revolving Credit Facility bears interest at variable interest rates that use LIBOR as a benchmark rate. On November 30, 2020, the ICE Benchmark Administration (“IBA”) announced that it intends to publish one-week and two-month USD LIBORsettings until December 31, 2021, and the remaining USD LIBOR settings until the end of June 2023. The IBA announcement was supported by similar announcements from the United Kingdom’s Financial Conduct Authority (“FCA”), which regulates LIBOR, and the Board of Governors of the Federal Reserve System, Federal Deposit Insurance Corporation and Office of the Comptroller of the Currency (collectively, the “U.S. Regulators”). Both the FCA and the U.S. Regulators in their announcements also encouraged banks to cease entering into new contracts referencing USD LIBOR after December 2021. These announcements indicate that the continuation of LIBOR on the current basis may not be assured after 2021. As such, LIBOR may cease to exist or otherwise be unsuitable for use as a benchmark. A change or transition away from LIBOR as a common reference rate in the global financial market could have a material, adverse effect on our business. Recent proposals for LIBOR reforms may result in the establishment of new methods of calculating LIBOR or the establishment of one or more alternative benchmark rates. The Alternative Reference Rates Committee, which was convened by the Federal Reserve Board and the New York Federal Reserve Bank, has identified the Secured Oversight Financing Rate (“SOFR”) as the recommended risk-free alternative rate for USD LIBOR. However, the composition and characteristics of SOFR are not the same as those of LIBOR. SOFR is a secured rate, while LIBOR is an unsecured rate, and SOFR is an overnight rate, while LIBOR is a forward-looking rate that represents interbank funding over different maturities. While market participants, including the International Swaps and Derivatives Association (“ISDA”), have proposed certain methods to interpolate and transition between LIBOR and SOFR, there can be no assurance that SOFR (including a term SOFR or compounded SOFR) will perform in the same way as LIBOR would have at any time, including, without limitation, as a result of changes in interest and yield rates in the market, market volatility or global or regional economic, financial, political, regulatory, judicial or other events.

If LIBOR ceases to exist, we cannot predict whether SOFR or another successor rate would be utilized or the impact of such rate on us and we may determine that we need to negotiate an amendment to our Term Loan B Facility and Revolving Credit Facility with our lenders, and to our hedging arrangements. While ISDA has proposed SOFR as the fallback benchmark rate for dollar-denominated derivative instruments currently utilizing the USD LIBOR benchmark rate, there is still some uncertainty as to the implementation of a replacement in the loan markets, in particular when and how such a replacement will be implemented in the loan market. While the loan market may eventually generally adopt SOFR as the replacement for LIBOR, there can be no assurance as to the timing of such adoption and any differences in the timing of adoption of SOFR between the loan and hedge market as well as differences in methodology and valuation can lead to mismatches in hedging, which could result in changes to our risk exposure, adverse tax or accounting effects, increased compliance and legal and operational costs. As a result, our interest expense may increase and our ability to refinance some or all of our existing indebtedness and our available cash flow may be adversely affected.

Future incurrences of debt, which would be senior to our shares of common stock upon liquidation, and/or issuance of preferred equity securities, which may be senior to our shares of common stock for purposes of distributions or upon liquidation, could adversely affect the market price of our common stock.

In the future, we may attempt to increase our capital resources by incurring additional debt, including medium-term notes, trust preferred securities and senior or subordinated notes, or issuing preferred shares. If a liquidation event were to occur, holders of our debt securities and preferred shares and lenders with respect to other borrowings will receive distributions of our available assets prior to the holders of our shares of common stock. In addition, our preferred stock, if issued, would likely limit our ability to make liquidating or other distributions to the holders of shares of our common stock under certain circumstances. Any future common stock offerings may dilute the holdings of our existing stockholders or reduce the market price of our common stock, or both. Holders of shares of our common stock are not entitled to preemptive rights or other protections against dilution. Since our decision to issue debt securities, incur other forms of indebtedness or to issue additional common stock or preferred stock in the future will depend on future developments, market conditions and other factors beyond our control, we cannot predict or estimate the amount, timing, nature or success of our future offerings. Thus, our stockholders bear the risk of our issuing senior securities, incurring other senior obligations or issuing additional common stock in the future, which may reduce the market price of shares of our common stock, reduce cash available for distribution to common stockholders or dilute their stockholdings in us.

The number of shares available for future sale could adversely affect the market price of shares of our common stock.

We cannot predict whether future issuances of our shares or the availability of shares of our common stock for resale in the open market will decrease the market price per share of shares of our common stock. Sales of a substantial number of shares of our common stock in the public market, or the perception that such sales might occur, could adversely affect the market price of shares of our common stock. If any of our stockholders cause, or there is a perception that they may cause, a large number of their shares to be sold in the public market, the sales could reduce the market price of shares of our common stock and could impede our ability to raise future capital.

Our earnings and cash distributions could affect the market price of shares of our common stock.

Our common stock may trade at prices that are higher or lower than the net asset value per share. To the extent that we retain operating cash flow for investment purposes, working capital reserves or other purposes rather than distributing the cash flows to stockholders, these retained funds, while increasing the value of our underlying assets, may negatively impact the market price of shares of our common stock. Our failure to meet market expectations with regard to future earnings and cash distributions could adversely affect the market price of shares of our common stock.

ITEM 1B. Unresolved Staff Comments

None.

ITEM 2. Properties

Our geographically diverse portfolio consists of 28 market-leading properties that are leased to Caesars, Penn National, Hard Rock, Century Casinos and JACK Entertainment, including Caesars Palace Las Vegas and Harrah's Las Vegas, two of the most iconic entertainment facilities on the Las Vegas Strip, approximately 34 acres of undeveloped or underdeveloped land on and adjacent to the Las Vegas Strip that is leased to Caesars and four championship golf courses located near certain of our properties, two of which are in close proximity to the Las Vegas Strip.

All of our properties, except for Margaritaville, our Harrah's Joliet property in Joliet, Illinois and our golf courses, secure our Term Loan B and Revolving Credit Facility. See Note 8 — Debt to our Consolidated Financial Statements for additional information.

See Item 1 - "Business - Our Properties" for further information pertaining to our properties.

ITEM 3. Legal Proceedings

In the ordinary course of business, from time to time, we may be subject to legal claims and administrative proceedings. As of December 31, 2020, we are not subject to any litigation that we believe could have, individually or in the aggregate, a material adverse effect on our business, financial condition or results of operations, liquidity or cash flows.

ITEM 4. Mine Safety Disclosures

Not applicable.

PART II

ITEM 5. Market for the Company's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities

Market Information

On February 1, 2018, in connection with our initial registered public offering, our common stock began trading on the New York Stock Exchange ("NYSE") under the symbol "VICI."

Holders

As of February 16, 2021, there were 536,663,115 shares of common stock issued and outstanding that were held by 70 stockholders of record, not including beneficial owners of shares registered in nominee or street name.

Distribution Policy

We intend to make regular quarterly distributions to holders of shares of our common stock. We cannot assure you that our estimated distributions will be made or sustained or that our board of directors will not change our distribution policy in the future. Any distributions will be at the sole discretion of our board of directors, and their form, timing and amount, if any, will depend upon a number of factors, including our actual and projected results of operations, FFO, AFFO, liquidity, cash flows and financial condition, the revenue we actually receive from our properties, our operating expenses, our debt service requirements, our capital expenditures, prohibitions and other limitations under our financing arrangements, our REIT taxable income, the annual REIT distribution requirements, applicable law and such other factors as our board of directors deems relevant. For more information regarding risk factors that could materially and adversely affect us and our ability to make cash distributions, see Item 1A "Risk Factors." If our operations do not generate sufficient cash flow to enable us to pay our intended or required distributions, we may be required either to fund distributions from working capital, borrow or raise equity or to reduce such distributions. In addition, our charter allows us to issue preferred stock that could have a preference on distributions and could limit our ability to make distributions to our common stockholders. Additionally, under certain circumstances, agreements relating to our indebtedness could limit our ability to make distributions to our common stockholders.

Federal income tax law requires that a REIT distribute annually at least 90% of its REIT taxable income (with certain adjustments), determined without regard to the dividends paid deduction and excluding any net capital gains, and that it pay tax at regular corporate rates to the extent that it annually distributes less than 100% of its REIT taxable income, determined without regard to the dividends paid deduction and including any net capital gains. In addition, a REIT will be required to pay a 4% nondeductible excise tax on the amount, if any, by which the distributions it makes in a calendar year are less than the sum of 85% of its ordinary income, 95% of its capital gain net income and 100% of its undistributed income from prior years.

We intend to make distributions to our stockholders to comply with the REIT requirements of the Code and to avoid or otherwise minimize paying entity level Federal or excise tax (other than at any TRS of ours). We may generate taxable income greater than our income for financial reporting purposes prepared in accordance with GAAP. Further, we may generate REIT taxable income greater than our cash flow from operations after operating expenses and debt service as a result of differences in timing between the recognition of REIT taxable income and the actual receipt of cash or the effect of nondeductible capital expenditures, the creation of reserves or required debt or amortization payments.

Recent Sales of Unregistered Securities

We did not sell any unregistered equity securities during the year ended December 31, 2020.

Issuer Repurchases of Equity Securities

During the three months ended December 31, 2020, we did not repurchase any equity securities registered pursuant to Section 12 of the Exchange Act.

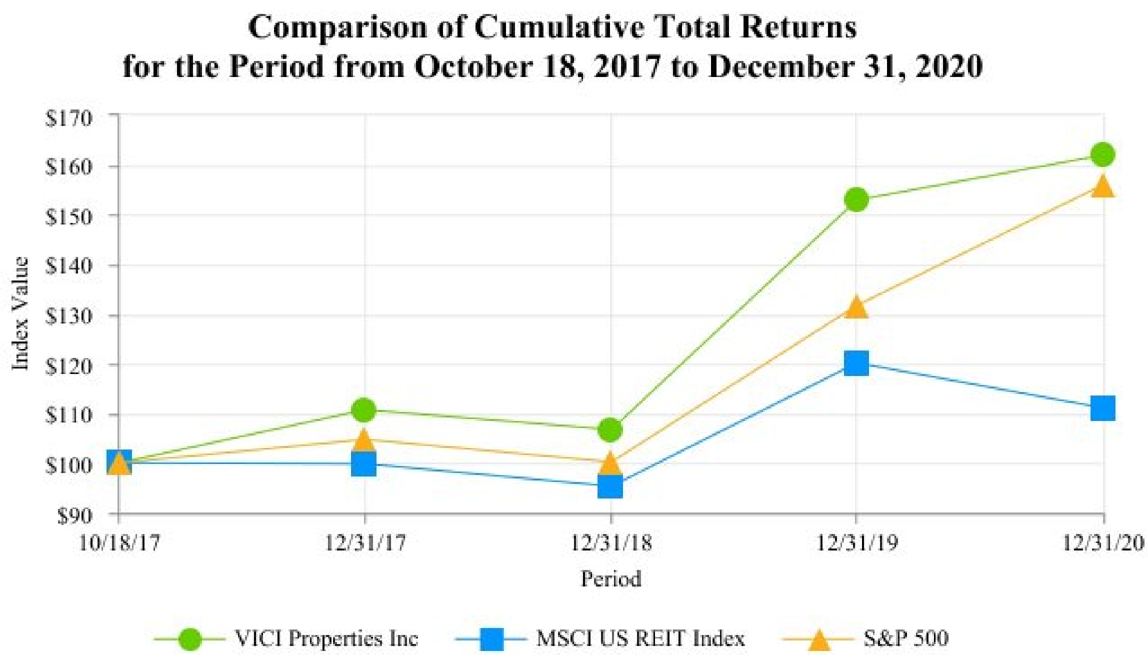
Registered Offering of Securities - Use of Proceeds

Not applicable.

Stock Performance Graph

The graph below matches our cumulative total stockholder return for the period from October 18, 2017 to December 31, 2020 on common stock with the cumulative total returns of the S&P 500 index and the MSCI US REIT index. The graph tracks the performance of a $100 investment in our common stock and in each index (with the reinvestment of all dividends as required by the SEC) from October 18, 2017, the first date on which our shares of common stock were publicly traded, until December 31, 2020. The return shown on the graph is not necessarily indicative of future performance.

The following performance graph shall not be deemed to be "filed" for purposes of Section 18 of the Exchange Act, nor shall this information be incorporated by reference into any future filing under the Securities Act or the Exchange Act, except to the extent that we specifically incorporate it by reference into a filing.



Company / Index	10/18/17	12/31/17	12/31/18	12/31/19	12/31/20
VICI Properties Inc.	$ 100.0	$ 110.8	$ 106.8	$ 152.9	$ 162.0
MSCI US REIT Index	$ 100.0	$ 99.9	$ 95.4	$ 120.1	$ 111.0
S&P 500	$ 100.0	$ 104.8	$ 100.2	$ 131.7	$ 156.0

ITEM 6. Selected Financial Data

Intentionally omitted.

ITEM 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

You should read the following discussion and analysis of our financial condition and results of operations in conjunction with the audited consolidated Financial Statements and notes thereto of VICI Properties Inc. and other financial information included elsewhere in this Annual Report on Form 10-K. Some of the information contained in this discussion and analysis or set forth elsewhere in this Annual Report on Form 10-K, including information with respect to our business and growth strategies, statements regarding the industry outlook and our expectations regarding the future performance of our business contained herein are forward-looking statements. See "Cautionary Note Regarding Forward-Looking Statements." You should also review the "Risk Factors" section in Item 1A of this Annual Report on Form 10-K for a discussion of important factors that could cause actual results to differ materially from the results described in or implied by such forward-looking statements.

OVERVIEW

We are a Maryland corporation that is primarily engaged in the business of owning and acquiring gaming, hospitality and entertainment destinations. We lease our properties to subsidiaries of Caesars, Penn National, Hard Rock, Century Casinos and JACK Entertainment, with Caesars being our largest tenant. We conduct our real property business through an operating partnership and our golf course business through a TRS, VICI Golf LLC. The financial information included in this Annual Report on Form 10-K are our consolidated results (including the real property business and the golf course business) for the years ended December 31, 2020, 2019 and 2018.

Key 2020 Highlights

Operating Results

- Collected 100% of rent in cash.
- Total revenues increased 37.0% year-over-year to $1.2 billion.
- Net income attributable to common stockholders was $891.7 million, or $1.75 per diluted share.
- AFFO increased 28.7% year-over-year to $835.8 million and AFFO per diluted share increased 10.8% to $1.64.

Acquisition and Investment Activity

- Completed $4.6 billion of acquisitions and investments, including:
  - Acquisition of the real estate assets of Harrah's New Orleans, Harrah's Laughlin, and Harrah's Atlantic City and modification of certain provisions of the Caesars Lease Agreements in connection with the Eldorado/Caesars Merger for total consideration of approximately $3.2 billion; and
  - Acquisition of the real estate assets of JACK Cleveland/Thistledown for total consideration of approximately $843.3 million.
  - Originated $575.0 million of mortgage loan investments, including our first investment outside of gaming through an $80.0 million mortgage loan secured by Chelsea Piers New York, a sports and entertainment complex located in New York City.
- Added $318.4 million of contractual rent on an annualized basis to our real estate portfolio.

Capital Markets and Financing Activity

- Increased our quarterly cash dividend to $0.33 per share (or $1.32 per share on an annualized basis), representing a 10.9% increase compared to our previous quarterly dividend.
- Completed an equity offering in which 29,900,000 shares were sold through a forward sale agreement at $22.15 per share, raising gross proceeds of $662.3 million, with 3,000,000 shares subsequently settled for net proceeds to us of approximately $63.0 million and 26,900,000 shares remaining for settlement under the forward sale agreement.
- Settled all 65,000,000 shares of the Company's outstanding June 2019 forward sale agreements for net proceeds of approximately $1.3 billion.
- Issued 7,500,000 shares under the Company's ATM Program for net proceeds of approximately $200.0 million
- Issued $2.5 billion of Senior Unsecured Notes at a blended and weighted average interest rate of 3.83% and used $500.0 million of those proceeds to redeem our 8% Second Lien Notes that were scheduled to mature in 2023.
- Repriced our Term Loan B Facility and lowered the interest rate from L + 2.00% to L + 1.75%.

SUMMARY OF SIGNIFICANT 2020 ACTIVITIES

Acquisition and Investment Activity

- ***Caesars Forum Convention Center Mortgage Loan.*** On September 18, 2020, we provided a $400.0 million mortgage loan to Caesars that is secured by the Caesars Forum Convention Center. The loan bears interest at an initial rate of 7.7%, has a term of five years and is prepayable beginning in year three, subject to certain conditions. The Caesars Forum Convention Center is subject to the A&R Convention Center Put-Call Agreement between Caesars and us, with our call option being accelerated to 2025 in connection with the entry into the mortgage loan.
- ***Chelsea Piers Mortgage Loan.*** On August 31, 2020, we entered into an $80.0 million mortgage loan agreement with Chelsea Piers New York ("Chelsea Piers") secured by the Chelsea Piers complex in New York City, pursuant to which we provided an initial $65.0 million term loan and a $15.0 million delayed draw term loan (which remains undrawn), subject to certain conditions. The loan bears interest at a rate of 7.0% per annum and has a term of seven years.
- ***Consummation of the Eldorado Transaction.*** On July 20, 2020, concurrent with the consummation of the Eldorado/Caesars Merger, we consummated the Eldorado Transaction contemplated by the Master Transaction Agreement and associated agreements. The closing of the Eldorado Transaction includes the consummation of the transactions contemplated by the below described agreements. Refer to Note 4 - Property Transactions for further details.
    - *Acquisition of the MTA Properties.* We acquired all of the land and real estate assets associated with Harrah's New Orleans, Harrah's Laughlin and Harrah's Atlantic City (collectively, the "MTA Properties") for an aggregate purchase price of $1,823.5 million (the "MTA Properties Acquisitions"). The Regional Master Lease Agreement was amended to, among other things, include each such property, with initial aggregate total annual rent payable to us increased by $154.0 million to $621.7 million, to extend the initial lease term to July 2035 and to adjust certain minimum capital expenditure requirements and other related terms and conditions as a result of the MTA Properties being included in the Regional Master Lease Agreement.
    - *Creation of Las Vegas Master Lease.* In consideration of a payment by us to (i) the tenant under the CPLV Lease Agreement of $1,189.9 million (the "CPLV Lease Amendment Payment") and (ii) the tenant under the HLV Lease Agreement of $213.8 million (the "HLV Lease Amendment Payment"), upon the consummation of the Eldorado Transaction, (a) the CPLV Lease Agreement was amended to (A) combine the CPLV Lease Agreement and the HLV Lease Agreement into a single Las Vegas Master Lease Agreement, (B) increase the annual rent payable to us thereunder associated with Caesars Palace Las Vegas by $83.5 million (the "CPLV Additional Rent Acquisition"), (C) increase the annual rent payable to us thereunder with respect to the Harrah's Las Vegas property by $15.0 million (the "HLV Additional Rent Acquisition") and (D) provide for the amended terms described below, and (b) the HLV Lease Agreement and the related lease guaranty were terminated. As a result of such amendments, the Harrah's Las Vegas property is also now subject to the higher rent escalator under the Las Vegas Master Lease Agreement.
    - *Lease Amendments and Terminations.* Each of the Caesars Lease Agreements was amended to, among other things, (i) remove the rent coverage floors, which coverage floors served to reduce the rent escalators under such leases in the event that the "EBITDAR to Rent Ratio" (as defined in the applicable Caesars Lease Agreements) coverage was below the stated floor and (ii) extend the term of each such lease to July 2035 to ensure that each lease will have a full 15-year initial lease term following the consummation of the Eldorado Transaction.
    - *Centaur Properties Put-Call Agreement*. Prior to the consummation of the Eldorado Transaction, we were party to a right of first refusal agreement with affiliates of Pre-Merger Caesars with respect to the Centaur Properties. Upon the consummation of the Eldorado Transaction, the right of first refusal agreement terminated, and we entered into the Centaur Put-Call Agreement, whereby (i) we have the right to acquire all of the land and real estate assets associated with the Centaur Properties at a price equal to 13.0x the initial annual rent of each facility (determined as provided below), and to simultaneously lease back each such property to a subsidiary of Caesars for initial annual rent equal to the property's trailing four quarters EBITDA at the time of acquisition divided by 1.3 (i.e., the initial annual rent will be set at 1.3x rent coverage) and (ii) Caesars will have the right to require us to acquire the Centaur Properties at a price equal to 12.5x the initial annual rent of each facility, and to simultaneously lease back each such Centaur Property to a subsidiary of Caesars for initial annual rent equal to the property's trailing four quarters EBITDA at the time of acquisition divided by 1.3 (i.e., the initial annual rent will be set at 1.3x rent coverage). Either party will be able to trigger its respective put or call, as applicable, beginning on January 1, 2022 and ending on December 31, 2024. The Centaur Put-Call Agreement provides that the leaseback of the Centaur Properties will be

implemented through the addition of the Centaur Properties to the Regional Master Lease Agreement.

- *Las Vegas Strip Assets ROFR*. Upon the consummation of the Eldorado Transaction, we entered into the Las Vegas Strip ROFR Agreement pursuant to which we have the first right, with respect to the first two Las Vegas Strip assets described below that Caesars proposes to sell, whether pursuant to a sale leaseback or a WholeCo sale, to a third party, to acquire any such asset (it being understood that we will have the opportunity to find an operating company should Caesars elect to pursue a WholeCo sale). The Las Vegas Strip assets subject to the Las Vegas Strip ROFR Agreement are the land and real estate assets associated (i) with respect to the first such asset subject to the Las Vegas Strip ROFR Agreement, the Flamingo Las Vegas, Paris Las Vegas, Planet Hollywood and Bally's Las Vegas gaming facilities, and (ii) with respect to the second asset subject to the Las Vegas Strip ROFR Agreement, the foregoing assets plus The LINQ gaming facility. If we enter into a sale leaseback transaction with Caesars on any of these facilities, the leaseback may be implemented through the addition of such properties to the Las Vegas Master Lease Agreement.

- *Horseshoe Baltimore ROFR*. Upon the consummation of the Eldorado Transaction, we entered into a right of first refusal agreement with Caesars (the "Horseshoe Baltimore ROFR Agreement") pursuant to which we have the first right to enter into a sale leaseback transaction with respect to the land and real estate assets associated with the Horseshoe Baltimore gaming facility (subject to any consent required from Caesars' joint venture partners with respect to this asset).

- ***Acquisition of JACK Cleveland/Thistledown.*** On January 24, 2020, we completed the acquisition of the real estate of JACK Cleveland, located in Cleveland, Ohio and JACK Thistledown, located in North Randall, Ohio (the "JACK Cleveland/Thistledown Acquisition") from JACK Entertainment, for approximately $843.3 million. Simultaneous with the closing of the JACK Cleveland/Thistledown Acquisition, we entered into a master triple-net lease agreement for JACK Cleveland and JACK Thistledown with a subsidiary of JACK Entertainment. The lease has an initial total annual rent of $65.9 million and, as subsequently amended, an initial term of 20 years, with three (rather than four) five-year tenant renewal options. The tenant's obligations under the lease are guaranteed by Rock Ohio Ventures LLC. Additionally, we made a $50.0 million loan to affiliates of Rock Ohio Ventures LLC secured by, among other things, certain non-gaming real estate assets owned by such affiliates and guaranteed by Rock Ohio Ventures LLC. The terms of the JACK Cleveland/Thistledown Lease Agreement and the ROV Loan were subsequently amended on July 16, 2020 pursuant to the JACK Lease Agreement Amendment and Amended and Restated ROV Loan as described below in Other Portfolio Activity.

Disposition Activity

- ***Sale of Bally's Atlantic City.*** On November 18, 2020, we and Caesars closed on the previously announced transaction to sell Bally's Atlantic City to Bally's Corporation for proceeds of $19.0 million to us. The annual rent payments under the Regional Master Lease Agreement remain unchanged following completion of the disposition.

- ***Sale of Harrah's Reno.*** On September 30, 2020, we and Caesars closed on the previously announced transaction to sell Harrah's Reno to a third party for proceeds of $31.1 million to us. The annual rent payments under the Regional Master Lease Agreement remain unchanged following completion of the disposition.

- ***Sale of Louisiana Downs.*** On September 3, 2020, we and Caesars entered into definitive agreements to sell Harrah's Louisiana Downs to Rubico Acquisition Corp. for proceeds of $5.5 million to us. The annual rent payments under the Regional Master Lease Agreement will remain unchanged following completion of the disposition, which we anticipate will close in the first half of 2021 and remains subject to regulatory approval and customary closing conditions.

Other Portfolio Activity

- ***Caesars Southern Indiana Lease Agreement.*** On December 24, 2020, in connection with the Eastern Band of Cherokee Indians' ("EBCI") agreement to acquire the operations of Caesars Southern Indiana from Caesars, we agreed to enter into a triple-net lease agreement with EBCI with respect to the real property associated with Caesars Southern Indiana, at the closing of EBCI's acquisition. In addition, as part of the transaction, the parties have agreed to negotiate a right of first refusal for VICI Properties on the real property associated with the development of a new casino resort in Danville, Virginia. Initial total annual rent under the lease with EBCI will be $32.5 million. The lease will have an initial term of 15 years, with four 5-year tenant renewal options. The tenant's obligations under the lease will be guaranteed by EBCI. Annual base rent payments under the Regional Master Lease will be reduced by $32.5 million upon completion of EBCI's acquisition of the operations of Caesars Southern Indiana and the execution of the lease between us and EBCI. The property is expected to retain the Caesars brand name and to continue to be a part of the Caesars Rewards loyalty program in accordance with the terms of a licensing agreement negotiated between EBCI and

Caesars. The transaction is subject to customary regulatory and other approvals (and, with respect to the right of first refusal, negotiation of definitive documentation and applicable regulatory and other governmental approvals) and are expected to be completed in the third quarter of 2021.

- ***Amendment to JACK Cleveland/Thistledown Lease Agreement.*** On July 16, 2020, we and JACK Entertainment entered into an amendment to the JACK Cleveland/Thistledown Lease Agreement (the "JACK Lease Agreement Amendment"), pursuant to which, among other things, we agreed to fund $18.0 million for the construction of a new gaming patio amenity at JACK Thistledown Racino, which will be leased by JACK Entertainment pursuant to the JACK Lease Agreement Amendment. In connection with the construction of the gaming patio, commencing on April 1, 2022, annual rent under the JACK Cleveland/Thistledown Lease Agreement (as amended by the JACK Lease Agreement Amendment) will be increased by an incremental $1.8 million. The JACK Lease Agreement Amendment also provides for relief with respect to certain existing covenants through March 31, 2022, adds an additional five years to the initial lease term, with the tenant under the JACK Cleveland/Thistledown Lease Agreement having three (rather than four) five-year renewal options as a result of such extension of the initial lease term, and provides for rent escalation to begin in 2022 rather than 2021. The JACK Lease Agreement Amendment does not provide for a reduction or deferral of the tenant's rent obligations. The relief is conditioned upon the satisfaction of certain requirements.
- ***Amendment and Restatement of ROV Loan.*** Simultaneously with entry into the JACK Lease Agreement Amendment, we and affiliates of Rock Ohio Ventures LLC entered into an amendment and restatement of the existing $50.0 million term loan agreement pursuant to which, among other things, the Company increased the existing term loan to $70.0 million, bearing interest at a rate of 9.0% per annum, and added a $25.0 million revolving credit facility (which remains undrawn), bearing interest at a rate of LIBOR plus 2.75%. Additionally, a commitment fee of 0.50% per annum calculated on the unused portion of the ROV Credit Facility is payable quarterly. In connection with the amendment and restatement of the loan, we received additional collateral so that the term loan and revolving credit facility are now secured by a first priority lien on substantially all gaming and non-gaming real and personal property of JACK Entertainment.
- ***CapEx Amendment to Caesars Lease Agreements.*** On June 1, 2020, we and Caesars entered into an Omnibus Amendment to Leases (the "Omnibus Amendment") in connection with the ongoing COVID-19 pandemic and its impact on operations and financial performance, which was further amended on October 27, 2020 to capture the addition of the MTA Properties to the Regional Master Lease Agreement. The Omnibus Amendment provides Caesars with certain relief with respect to a portion of their capital expenditure obligations under the Caesars Lease Agreements, subject to certain conditions.
- ***Amendment to Century Portfolio Lease Agreement.*** In May 2020, we entered into an amendment to the Century Portfolio Lease Agreement to amend certain covenants, including minimum capital expenditures. In connection with the COVID-19 pandemic and its impact on operations and financial performance, the Company agreed to waive Century's capital expenditure requirements for 2020 and defer to not later than December 31, 2021 certain other expenditures contemplated in connection with the underwriting of the acquired casino properties, subject to certain conditions.

Financing and Capital Markets Activity

- ***Partial Settlement of June 2020 Forward Sale Offering.*** On September 28, 2020, we partially settled the June 2020 Forward Sale Agreement (as defined below) by delivering 3,000,000 shares of our common stock to the forward purchaser in exchange for total net proceeds of approximately $63.0 million.
- ***June 2020 Forward Sale Offering.*** On June 17, 2020, we completed a primary follow-on offering of 29,900,000 shares of common stock (inclusive of 3,900,000 shares sold pursuant to the exercise in full of the underwriters' option to purchase additional shares) at a public offering price of $22.15 per share for an aggregate offering value of $662.3 million, all of which are subject to a forward sale agreement (the "June 2020 Forward Sale Agreement"), which initially required settlement by September 17, 2020. On September 16, 2020, we amended the June 2020 Forward Sale Agreement to extend the maturity date from September 17, 2020 to June 17, 2021. Following the partial settlement on September 28, 2020 referred to above, 26,900,000 shares of common stock remain to be settled under the June 2020 Forward Sale Agreement.
- ***Unsecured February 2020 Senior Notes Offering and Redemption and Repayment of the Second Lien Notes.*** On February 5, 2020, the Operating Partnership and the Co-Issuer (together with the Operating Partnership, the "Issuers") issued (i) $750.0 million in aggregate principal amount of 2025 Notes, accruing interest at 3.500% per annum, (ii) $750.0 million in aggregate principal amount of 2027 Notes, accruing interest at 3.750% per annum and (iii) $1.0 billion aggregate principal amount of 2030 Notes, accruing interest at 4.125% per annum. On February 20, 2020, we

used a portion of the net proceeds from the 2025 Notes, together with cash on hand, to redeem in full the outstanding $498.5 million in aggregate principal amount of the Second Lien Notes plus the Second Lien Notes Applicable Premium, for a total redemption cost of approximately $537.5 million. We used the remaining $2.0 billion of the net proceeds of the offering to fund a portion of the purchase price of the Eldorado Transaction on July 20, 2020.

- ***Repricing of Term Loan B Facility.*** On January 24, 2020, we amended the Term Loan B Facility to reduce the interest rate from L + 2.00% to L + 1.75%.

KEY TRENDS THAT MAY AFFECT OUR BUSINESS

Subsidiaries of Caesars, Penn National, Hard Rock, Century Casinos and JACK Entertainment are the lessees of all of our properties pursuant to the Lease Agreements, and Caesars, Penn National, Seminole Hard Rock, Century Casinos or Rock Ohio Ventures LLC guarantees the obligations of their respective subsidiary tenants under the Lease Agreements. The Lease Agreements account for a substantial majority of our revenues. Additionally, we expect to realize organic growth in rental revenue through annual rent escalators in our Lease Agreements. Accordingly, we are dependent on our tenants, the gaming industry and the health of the economies in the areas where our properties are located for the foreseeable future, and an event that has a material adverse effect on any of our tenant's business, financial condition, liquidity, results of operations or prospects, such as the ongoing COVID-19 pandemic, would have a material adverse effect on our business, financial condition, liquidity, results of operations and prospects. See Item 1A "Risk Factors—Risks Related to Our Business and Operations.". For a full discussion on the impact of the COVID-19 Pandemic on our business see Item 1 "Business—Impact of the COVID-19 Pandemic on Our Business."

We actively seek to grow our portfolio through acquisitions of, and investments in, experiential real estate in geographically diverse dynamic markets spanning hospitality, entertainment, leisure and gaming properties. Additionally, we expect to grow our portfolio through acquisitions by pursuing opportunities to execute sale leaseback transactions with Caesars, including pursuant to: (i) the Centaur Properties Put-Call Agreement; (ii) the Caesars Forum Put-Call Agreement; and (iii) the Las Vegas Strip ROFR Agreement and Horseshoe Baltimore ROFR Agreement. However, Caesars will make an independent financial decision regarding whether to sell properties and therefore trigger the rights of first refusal under the Las Vegas Strip ROFR Agreement and the Horseshoe Baltimore ROFR Agreement, and we will make an independent financial decision whether to purchase the properties in each instance. Finally, we believe the approximately 34 acres of undeveloped or underdeveloped land on and adjacent to the Las Vegas Strip that we own may provide attractive opportunities for potential future expansion and development. In pursuing external growth initiatives, we will generally seek to acquire or invest in properties that can generate stable revenue through long-term leases with tenants with established operating histories, and we will consider various factors when evaluating acquisitions and other investments, including the ability to continue to diversify our tenant base and increasing our geographic diversification.

Our operating and financial performance in the future will be significantly influenced by the success of our acquisition strategy, and the timing and the availability and terms of financing of any acquisitions that we may complete, as well as broader macroeconomic and other conditions that affect our tenants' operating and financial performance, including the impact of the COVID-19 pandemic. We can provide no assurance that we will exercise any of our contractual rights to purchase one or more properties from Caesars, that Caesars will trigger the rights of first offer under the Las Vegas Strip ROFR Agreement and Horseshoe Baltimore ROFR Agreement, or that we will otherwise be successful in acquiring any properties (whether subject to the Las Vegas Strip ROFR Agreement, the Horseshoe Baltimore ROFR Agreement, or otherwise). Additionally, our ability to successfully implement our acquisition and investment strategy will depend upon the availability and terms of financing, including debt and equity capital. Further, the pricing of any acquisitions or other investments we may consummate and the terms of any leases that we may enter into will significantly impact our future results. Competition to enter into transactions, including sale leaseback transactions, with attractive properties and desirable tenants is intense, and we can provide no assurance that any future acquisitions, investments or leases will be on terms as favorable to us as those relating to recent transactions. We anticipate that we would seek to finance these acquisitions with a combination of debt and equity, although no assurance can be given that we would be able to issue equity in such amounts on favorable terms, or at all, or that we would not determine to incur more debt on a relative basis at the relevant time due to market conditions or otherwise. In addition to rent, our current Lease Agreements require our tenants to pay the following: (1) all facility maintenance; (2) all insurance required in connection with the leased properties and the business conducted on the leased properties; (3) taxes levied on or with respect to the leased properties (other than taxes on our income); and (4) all utilities and other services necessary or appropriate for the leased properties and the business conducted on the leased properties. Accordingly, due to the "triple-net" structure of our leases, we do not expect to incur significant property-level expenses.

DISCUSSION OF OPERATING RESULTS

Results of Operations for the Years Ended December 31, 2020 and December 31, 2019

(In thousands)	2020	2019	Variance
Revenues			
Income from sales-type and direct financing leases	$ 1,007,508	$ 822,205	$ 185,303
Income from operating leases	25,464	43,653	(18,189)
Income from lease financing receivables and loans	153,017	—	153,017
Other income	15,793	—	15,793
Golf revenues	23,792	28,940	(5,148)
Total revenues	1,225,574	894,798	330,776
Operating expenses			
General and administrative	30,661	24,569	6,092
Depreciation	3,731	3,831	(100)
Other Expenses	15,793	—	15,793
Golf expenses	17,632	18,901	(1,269)
Change in allowance for credit losses	244,517	—	244,517
Transaction and acquisition expenses	8,684	4,998	3,686
Total operating expenses	321,018	52,299	268,719
Interest expense	(308,605)	(248,384)	(60,221)
Interest income	6,795	20,014	(13,219)
Loss from extinguishment of debt	(39,059)	(58,143)	19,084
Gain upon lease modification	333,352	—	333,352
Income before income taxes	897,039	555,986	278,996
Income tax expense	(831)	(1,705)	874
Net income	896,208	554,281	279,870
Less: Net income attributable to non-controlling interest	(4,534)	(8,317)	3,783
Net income attributable to common stockholders	$ 891,674	$ 545,964	$ 283,653

Revenue

For the years ended December 31, 2020 and 2019, our revenue was comprised of the following items:

(In thousands)	2020	2019	Variance
Leasing revenue	$ 1,170,316	$ 865,858	$ 304,458
Income from loans	15,673	—	15,673
Other income	15,793	—	15,793
Golf revenues	23,792	28,940	(5,148)
Total revenues	$ 1,225,574	$ 894,798	$ 330,776

Leasing Revenue

The following table details the components of our income from sales-type, direct financing, operating and financing receivables leases:

(In thousands)	2020	2019	Variance
Income from sales-type and direct financing leases	$ 1,007,508	$ 822,205	$ 185,303
Income from operating leases (1)	25,464	43,653	(18,189)
Income from lease financing receivables (2)	137,344	—	
Total leasing revenue	1,170,316	865,858	304,458
Non-cash adjustment (3)	(39,883)	239	(40,122)
Total contractual leasing revenue	$ 1,130,433	$ 866,097	$ 264,336

(1) Represents portion of land separately classified and accounted for under the operating lease model associated with our investment in Caesars Palace Las Vegas and certain operating land parcels contained in the Regional Master Lease Agreement. Upon the consummation of the Eldorado Transaction on July 20, 2020, the land component of Caesars Palace Las Vegas and certain operating land parcels were reassessed for lease classification and determined to be a sales-type lease. Accordingly, subsequent to July 20, 2020, such income is recognized as Income from sales-type and direct financing leases.

(2) Represents the MTA Properties and the JACK Cleveland/Thistledown Lease Agreement, both of which were sale leaseback transactions. In accordance with ASC 842, since the lease agreements were determined to meet the definition of a sales-type lease and control of the asset is not considered to have transferred to us, such lease agreements are accounted for as financings under ASC 310.

(3) Amounts represent the non-cash adjustment to income from sales-type leases, direct financing leases and lease financing receivables in order to recognize income on an effective interest basis at a constant rate of return over the term of the leases.

Leasing revenue is generated from rent from our Lease Agreements. Total leasing revenue increased $304.5 million during the year ended December 31, 2020 compared to the year ended December 31, 2019. Total contractual leasing revenue increased $264.3 million during the year ended December 31, 2020 compared to the year ended December 31, 2019. The increase was primarily driven by the addition of Greektown, Hard Rock Cincinnati, the Century Portfolio, JACK Cleveland/Thistledown and the MTA Properties to our real estate portfolio in May 2019, September 2019, December 2019, January 2020 and July 2020, respectively, as well as the CPLV Additional Rent Acquisition and the HLV Additional Rent Acquisition in July 2020.

Income From Loans

Income from loans increased $15.7 million during the during the year ended December 31, 2020 compared to the year ended December 31, 2019. The increase was driven by the addition of the Amended and Restated ROV Loan, Chelsea Piers Mortgage Loan and Forum Convention Center Mortgage Loan to our real estate portfolio in January 2020, August 2020 and September 2020, respectively.

Other Income

For the year ended December 31, 2019, Other income was included net in General and administrative expenses. During the year ended December 31, 2020, we have re-classified Other income to be presented gross with an offsetting amount within Other expenses. Additionally, during the year ended December 31, 2020, we recognized additional income and an offsetting expense as a result of the assumption of the HNO Ground Lease, as further described in Note 4 - Property Transactions, as part of the MTA Properties Acquisitions.

Golf Course Revenues

Revenues from golf operations decreased $5.1 million during the year ended December 31, 2020 compared to the year ended December 31, 2019. The decrease was primarily driven by the closure of our golf courses in mid-March until early to mid-May, as well as lower resort play at our Las Vegas courses as a result of the ongoing COVID-19 pandemic, partially offset by an increase in the contractual fees paid to us by Caesars for the use of our golf courses, pursuant to the Golf Course Use Agreement.

Operating Expenses

For the years ended December 31, 2020 and 2019, our operating expenses were comprised of the following items:

(In thousands)	2020	2019	Variance
General and administrative	$ 30,661	$ 24,569	$ 6,092
Depreciation	3,731	3,831	(100)
Other expenses	15,793	—	15,793
Golf expenses	17,632	18,901	(1,269)
Change in allowance for credit losses	244,517	—	244,517
Transaction and acquisition expenses	8,684	4,998	3,686
Total operating expenses	$ 321,018	$ 52,299	$ 268,719

General and Administrative Expenses

General and administrative expenses increased $6.1 million during the year ended December 31, 2020 compared to the year ended December 31, 2019. The increase was primarily driven by an increase in compensation, including stock-based compensation.

Other Expenses

For the year ended December 31, 2019, Other expenses were included net in General and administrative expenses. During the year ended December 31, 2020, we have re-classified Other expenses to be presented gross with an offsetting amount within Other income. Additionally, during the year ended December 31, 2020, we recognized additional income and an offsetting expense as a result of the assumption of the HNO Ground Lease, as further described in Note 4 - Property Transactions, as part of the MTA Properties Acquisitions.

Golf Course Expenses

Expenses from golf operations decreased $1.3 million during the year ended December 31, 2020 compared to the year ended December 31, 2019. The decrease was primarily driven by the closure of our golf courses in mid-March until early to mid-May, as well as lower resort play at our Las Vegas courses as a result of the ongoing COVID-19 pandemic, partially offset by an increase in the water usage charges at one of our golf courses. Additionally, even though our courses were closed from mid-March until early to mid-May as a result of the ongoing COVID-19 pandemic, we continued to pay all of our golf course employees their full salaries and benefits for the closure period and, accordingly, the decrease in our golf course operating revenues was not proportionately offset by a decrease in golf course operating expenses.

In addition, $3.7 million and $3.8 million of depreciation expense was incurred primarily by the golf business during the year ended December 31, 2020 and 2019, respectively.

Change in Allowance for Credit Losses

On January 1, 2020, we adopted ASU No. 2016-13 - *Financial Instruments-Credit Losses (Topic 326)* which requires us to record an estimated credit loss for our (i) Investments in leases - sales-type and direct financing, (ii) Investments in leases - financing receivables and (iii) Investments in loans. During the year ended December 31, 2020, we recognized a $244.5 million increase in our allowance for credit losses primarily driven by the increase in investment balances subject to CECL. Specifically, the increase was primarily attributable to (i) the increase in investment balances resulting from the Eldorado Transaction, which includes (A) an initial CECL allowance on our $1.8 billion investment in the MTA Properties, (B) an additional CECL allowance on our aggregate $1.4 billion increased investment in the Las Vegas Master Lease Agreement as a result of the CPLV Additional Rent Acquisition and HLV Additional Rent Acquisition and (C) an additional CECL allowance on the $333.4 million increased balance of our existing Caesars Lease Agreements as a result of the mark to fair value in connection with the reassessment of lease classification, (ii) an increase related to our initial investment in JACK Cleveland/Thistledown and the ROV Loan in January 2020, (iii) an increase in the short-term probability of default of Caesars as a result of the Eldorado/Caesars Merger and (iv) an increase in the long-term probability of default of our tenants due to downgrades on certain of the credit ratings of our tenants' senior secured debt in connection with the COVID-19 pandemic. The credit loss standard does not require retrospective application and, as such, there is no corresponding charge for the year ended December 31, 2019. Refer to Note 6 - Allowance for Credit Losses for further details.

Transaction and Acquisition Expenses

Transaction and acquisition costs increased $3.7 million during the year ended December 31, 2020 compared to the year ended December 31, 2019. Changes in transaction and acquisition expenses are related to fluctuations in (i) costs incurred for investments during the period that are not capitalizable under GAAP and (ii) costs incurred for investments that we are no longer pursuing.

Non-Operating Income and Expenses

Interest Expense

Interest expense increased $60.2 million during the year ended December 31, 2020 compared to the year ended December 31, 2019. The increase is primarily attributable to the increase in debt of $4.75 billion from the February 2020 Senior Unsecured Notes offering and the November 2019 Senior Unsecured Notes offering, partially offset by a $2.05 billion reduction in debt as a result of the full redemption of the Second Lien Notes in February 2020 and full repayment of the CPLV CMBS Debt in November 2019.

Additionally, the weighted average annualized interest rate of our debt decreased to 4.47% during the year ended December 31, 2020 from 4.95% during the year ended December 31, 2019 as a result of (i) the weighted average interest rate on the February 2020 Senior Unsecured Notes and the November 2019 Senior Unsecured Notes being lower than the weighted average interest rate of the Second Lien Notes and CPLV CMBS Debt, (ii) a decrease in LIBOR on the $100.0 million portion of our variable rate debt that is not hedged and (iii) a reduction in the interest rate on the Term Loan B Facility from LIBOR plus 2.00% to LIBOR plus 1.75%.

Interest Income

Interest income decreased $13.2 million during the year ended December 31, 2020 compared to the year ended December 31, 2019. The decrease was primarily driven by an overall decrease in our cash and short-term investment balances and a substantial decrease in the interest rates earned on these investment balances.

Loss on Extinguishment of Debt

During the year ended December 31, 2020, we recognized a loss on extinguishment of debt of $39.1 million resulting from the full redemption of our Second Lien Notes in February 2020. During the year ended December 31, 2019, we recognized a loss on extinguishment of debt of $58.1 million resulting from the $110.8 million prepayment penalties associated with the full repayment of our CPLV CMBS Debt in November 2019, net of $55.4 million of which was reimbursed by Eldorado.

Gain Upon Lease Modification

In connection with the Eldorado Transaction and as required under ASC 842, we reassessed the lease classification of the Las Vegas Master Lease Agreement, Regional Master Lease Agreement and Joliet Lease Agreement and determined the leases meet the definition of a sales-type lease, including the land component of Caesars Palace Las Vegas. As a result of the reclassifications of the Caesars Lease Agreements from direct financing and operating leases to sales-type leases, we recorded the investments at their estimated fair values as of the modification date and recognized a net gain equal to the difference in fair value of the assets and their carrying values immediately prior to the modification.

Results of Operations for the Years Ended December 31, 2019 and 2018

For a comparison of our results of operations for the fiscal years ended December 31, 2019 and 2018, see "Part II, Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations" of our annual report on Form 10-K for the fiscal year ended December 31, 2019, filed with the SEC on February 20, 2020 and incorporated by reference herein.

RECONCILIATION OF NON-GAAP MEASURES

We present Funds From Operations ("FFO"), FFO per share, Adjusted Funds From Operations ("AFFO"), AFFO per share, and Adjusted EBITDA, which are not required by, or presented in accordance with, generally accepted accounting principles in the United States ("GAAP"). These are non-GAAP financial measures and should not be construed as alternatives to net income or as an indicator of operating performance (as determined in accordance with GAAP). We believe FFO, FFO per share, AFFO, AFFO per share and Adjusted EBITDA provide a meaningful perspective of the underlying operating performance of our business.

FFO is a non-GAAP financial measure that is considered a supplemental measure for the real estate industry and a supplement to GAAP measures. Consistent with the definition used by The National Association of Real Estate Investment Trusts (NAREIT), we define FFO as net income (or loss) attributable to common stockholders (computed in accordance with GAAP) excluding (i) gains (or losses) from sales of certain real estate assets, (ii) depreciation and amortization related to real estate, (iii) gains and losses from change in control and (iv) impairment write-downs of certain real estate assets and investments in entities when the impairment is directly attributable to decreases in the value of depreciable real estate held by the entity.

AFFO is a non-GAAP financial measure that we use as a supplemental operating measure to evaluate our performance. We calculate AFFO by adding or subtracting from FFO non-cash leasing and financing adjustments, non-cash change in allowance for credit losses, non-cash stock-based compensation expense, transaction costs incurred in connection with the acquisition of real estate investments, amortization of debt issuance costs and original issue discount, other non-cash interest expense, non-real estate depreciation (which is comprised of the depreciation related to our golf course operations), capital expenditures (which are comprised of additions to property, plant and equipment related to our golf course operations), impairment charges related to non-depreciable real estate and gains (or losses) on debt extinguishment, other non-recurring non-cash transactions (such as non-cash gain upon lease modification) and non-cash adjustments attributable to non-controlling interest with respect to certain of the foregoing. The non-cash change in allowance for credit losses consists of estimated credit losses for our Investments in leases - sales-type and direct financing, Investments in leases - financing receivables and Investments in loans as a result of our adoption of ASU No. 2016-13 - Financial Instruments-Credit Losses (Topic 326). No similar adjustments are reflected in prior periods because the accounting standard was adopted effective January 1, 2020 and does not require retrospective application. Please see Note 6 - Allowance for Credit Losses for further information.

We calculate Adjusted EBITDA by adding or subtracting from AFFO contractual interest expense and interest income (collectively, interest expense, net) and income tax expense.

These non-GAAP financial measures: (i) do not represent cash flow 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 flow as a measure of liquidity. In addition, these measures should not be viewed as measures of liquidity, nor do they measure our ability to fund all of our cash needs, including our ability to make cash distributions to our stockholders, to fund capital improvements, or to make interest payments on our indebtedness. Investors are also cautioned that FFO, FFO per share, AFFO, AFFO per share 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.

Reconciliation of Net Income to FFO, FFO per Share, AFFO, AFFO per Share and Adjusted EBITDA

(In thousands, except share data and per share data)	Year Ended December 31, 2020	Year Ended December 31, 2019
Net income attributable to common stockholders	$ 891,674	$ 545,964
Real estate depreciation	—	—
FFO	**891,674**	**545,964**
Non-cash leasing and financing adjustments	(39,803)	239
Non-cash change in allowance for credit losses	244,517	—
Non-cash stock-based compensation	7,388	5,223
Transaction and acquisition expenses	8,684	4,998
Amortization of debt issuance costs and original issue discount	19,872	33,034
Other depreciation	3,615	3,815
Capital expenditures	(2,200)	(2,097)
Loss on extinguishment of debt	39,059	58,143
Non-cash gain upon lease modification	(333,352)	—
Non-cash adjustments attributable to non-controlling interest	(3,650)	253
AFFO	**835,804**	**649,572**
Interest expense, net	281,938	195,336
Income tax expense	831	1,705
Adjusted EBITDA	**$ 1,118,573**	**$ 846,613**
Net income per common share		
Basic	$ 1.76	$ 1.25
Diluted	$ 1.75	$ 1.24
FFO per common share		
Basic	$ 1.76	$ 1.25
Diluted	$ 1.75	$ 1.24
AFFO per common share		
Basic	$ 1.65	$ 1.49
Diluted	$ 1.64	$ 1.48
Weighted average number of common shares outstanding		
Basic	506,140,642	435,071,096
Diluted	510,908,755	439,152,946

LIQUIDITY AND CAPITAL RESOURCES

Overview

As of December 31, 2020, our available cash balances, short-term investments, capacity under our Revolving Credit Facility and additional available proceeds were as follows:

(In thousands)	December 31, 2020
Cash and cash equivalents	$ 315,993
Short-term investments	19,973
Capacity under Revolving Credit Facility (1)	1,000,000
Proceeds available from settlement of the June 2020 Forward Sale Agreement (2)	547,221
Total	$ 1,883,187

(1) Subject to compliance with the financial covenants and other applicable provisions of our Revolving Credit Facility.
(2) Assumes the physical settlement of the remaining 26,900,000 shares under the June 2020 Forward Sale Agreement at the forward sale price of $20.34, calculated as of December 31, 2020.

Our short-term obligations consist primarily of regular interest payments on our debt obligations, dividends to our common stockholders, normal recurring operating expenses, recurring expenditures for corporate and administrative needs, certain lease and other contractual commitments related to our golf operations and certain non-recurring expenditures. For a list of our material contractual commitments refer to Note 11 - Commitments and Contingent Liabilities.

Our long-term obligations consist primarily of principal payments on our outstanding debt obligations and future funding commitments under our lease and loan agreements. As of December 31, 2020, we have $6.9 billion of debt obligations outstanding, none of which are maturing in the next twelve months. As of December 31, 2020, we have $46.0 million in future funding commitments consisting of $25.0 million related to the ROV Credit Facility, $15.0 million related to the delayed draw portion of the Chelsea Piers Mortgage Loan and $6.0 million related to the funding of the construction of a new gaming patio amenity at JACK Thistledown Racino, which will be leased by JACK Entertainment pursuant to the JACK Lease Agreement Amendment. For a summary of principal debt balances and their maturity dates and principal terms refer to Note 8 - Debt. For a summary of our future funding commitments under our loan portfolio refer to Note 5 - Real Estate Portfolio.

As described in our leases, capital expenditures for properties under the Lease Agreements are the responsibility of the tenants. Minimum capital expenditure spending requirements of the tenants are described in Note 5 - Real Estate Portfolio.

Contractual Obligations and Commitments

Information concerning our obligations and commitments to make future payments under contracts such as our indebtedness and future minimum lease commitments under operating leases is included in the following table as of December 31, 2020:

	Payments Due By Period					
(In thousands)	**Total**	**2021**	**2022**	**2023**	**2024**	**2025 and Thereafter**
Long-term debt, principal						
2025 Notes (1)	$ 750,000	$ —	$ —	$ —	$ —	$ 750,000
2026 Notes (1)	1,250,000	—	—	—	—	1,250,000
2027 Notes (1)	750,000	—	—	—	—	750,000
2029 Notes (1)	1,000,000	—	—	—	—	1,000,000
2030 Notes (1)	1,000,000	—	—	—	—	1,000,000
Term Loan B Facility (2)	2,100,000	—	10,000	22,000	2,068,000	—
Revolving Credit Facility (3)	—	—	—	—	—	—
Scheduled interest payments (4)	1,729,680	282,348	281,471	255,972	241,452	668,438
Total debt contractual obligations	8,579,680	282,348	291,471	277,972	2,309,452	5,418,438
Leases and contracts						
Future funding commitments – loan investments and lease agreements(5)	46,000	6,000	—	—	—	40,000
Operating lease for Cascata Golf Course Land	19,749	933	951	970	990	15,905
Golf maintenance contract for Rio Secco and Cascata Golf Course	10,050	3,350	3,350	3,350	—	—
Office leases	8,567	918	857	857	857	5,078
Total leases and contract obligations	84,366	11,201	5,158	5,177	1,847	60,983
Total contractual commitments	$ 8,664,046	$ 293,549	$ 296,629	$ 283,149	$ 2,311,299	$ 5,479,421

(1) The 2025 Notes, 2026 Notes, 2027 Notes, 2029 Notes and 2030 Notes will mature on February 15, 2025, December 1, 2026, February 15, 2027, December 1, 2029 and August 15, 2030, respectively.
(2) The Term Loan B Facility is subject to amortization of 1.0% of principal per annum payable in equal quarterly installments on the last business day of each calendar quarter. However, as a result of prepaying $100.0 million in February 2018 the next principal payment due on the Term Loan B Facility is September 2022. The Term Loan B Facility will mature on December 22, 2024 (or if the maturity is extended pursuant to the terms of the agreement, such extended maturity date as determined pursuant thereto).
(3) The Revolving Credit Facility will mature on May 15, 2024.
(4) Estimated interest payments on variable interest loans are based on a LIBOR rate as of December 31, 2020.
(5) The allocation of our future funding commitments is based on the commitment funding date or expiration date, as applicable, however we may be obligated to fund these commitments earlier than such date.

We believe that we have sufficient liquidity to meet our liquidity and capital resource requirements primarily through currently available cash and cash equivalents, short-term investments, cash received under our Lease Agreements, borrowings from banks, including undrawn capacity under our Revolving Credit Facility, and proceeds from the issuance of debt and equity securities (including issuances under the June 2020 Forward Sale Agreement and our at-the-market offering program).

All of the Lease Agreements call for an initial term of fifteen years with four, five-year tenant renewal options and are designed to provide us with a reliable and predictable long-term revenue stream (except for the JACK Cleveland/Thistledown Lease Agreement, as amended, which now provides for an initial term of twenty years with three, five-year renewal options). However, the COVID-19 pandemic has adversely impacted our tenants and their financial condition, and is expected to continue to do so, as all of their properties were closed for a period of time, and upon reopening are subject to operating restrictions and continuing uncertainty as to whether they will be forced to close again in the future. In the event our tenants are unable to make all of their contractual rent payments as provided by the Lease Agreements, we believe we have sufficient liquidity from the other sources discussed above to meet all of our contractual obligations for a significant period of time. Additionally, we do not have any debt maturities until 2024. For more information, refer to the risk factors in Part I. Item 1A. Risk Factors.

Our cash flows from operations and our ability to access capital resources could be adversely affected due to uncertain economic factors and volatility in the financial and credit markets, including the current conditions created by the COVID-19 pandemic, which has severely and adversely impacted global, national and regional economic activity and has contributed to significant volatility and negative pressure in financial markets. In particular, in connection with the ongoing COVID-19 pandemic and its impact on our tenants' operations and financial performance, we have provided certain relief under the applicable Lease Agreements to some of our tenants as more fully described above in "—Summary of Significant 2020 Activities — Amendment to JACK Cleveland/Thistledown Lease Agreement", "—Summary of Significant 2020 Activities — Amendment to Century Portfolio Lease Agreement" and "—Summary of Significant 2020 Activities — Amendment to Caesars Lease Agreements" and, as a result, we can provide no assurances that our tenants will not default on their leases or fail to make full rental payments if their businesses become challenged due to, among other things, current or future adverse economic conditions. In addition, any such tenant default or failure to make full rental payments could impact our operating performance and result in us not satisfying the financial covenants applicable to our outstanding indebtedness, which could result in us not being able to incur additional debt, including the available capacity under our Revolving Credit Facility, or result in a default. Further, current or future economic conditions could impact our tenants' ability to meet capital improvement requirements or other obligations required in our Lease Agreements that could result in a decrease in the value of our properties.

Our ability to raise funds through the issuance of debt and equity securities and access to other third-party sources of capital in the future will be dependent on, among other things, uncertainties related to COVID-19 and the impact of our response and our tenants' responses to COVID-19, general economic conditions, general market conditions for REITs, market perceptions and the trading price of our stock. We will continue to analyze which sources of capital are most advantageous to us at any particular point in time, but the capital markets may not be consistently available on terms we deem attractive, or at all.

Cash Flow Analysis

The table below summarizes our cash flows for the years ended December 31, 2020 and 2019:

(In thousands)	2020	2019	Variance ($)
Cash, cash equivalents and restricted cash			
Provided by operating activities	$ 883,640	$ 682,159	$ 201,481
Used in investing activities	(4,548,759)	(1,361,379)	(3,187,380)
Provided by financing activities	2,879,219	1,182,666	1,696,553
Net (decrease) increase in cash, cash equivalents and restricted cash	$ (785,900)	$ 503,446	$ (1,289,346)

Cash Flows from Operating Activities

Net cash provided by operating activities increased $201.5 million for the year ended December 31, 2020 compared with the year ended December 31, 2019. The increase was primarily due to (i) cash rental payments from the addition of Greektown, Hard Rock Cincinnati, the Century Portfolio, JACK Cleveland/Thistledown and the MTA Properties to our real estate portfolio in May 2019, September 2019, December 2019, January 2020 and July 2020, respectively, as well as the CPLV Additional Rent Acquisition and the HLV Additional Rent Acquisition in July 2020 and (ii) interest income from the ROV Loan, Chelsea Piers Mortgage Loan and the Forum Convention Center Mortgage Loan, all of which were originated in 2020. The increase was partially offset by a decrease due to the prepayment of certain rent in December 2019 related to January 2020.

Cash Flows Used In Investing Activities

Net cash used in investing activities increased $3,187.4 million for the year ended December 31, 2020 compared with the year ended December 31, 2019.

During the year ended December 31, 2020, the primary sources and uses of cash from investing activities included:

- The JACK Cleveland/Thistledown Acquisition and the Eldorado Transaction for a total cost of $4,101.8 million, including acquisition costs;
- The ROV Loan, the Chelsea Piers Mortgage Loan and the Forum Convention Center Mortgage Loan for a total cost of $535.5 million, including loan origination costs;

- Proceeds from the sale of Harrah's Reno and Bally's Atlantic City in the aggregate amount of $50.1 million;
- Proceeds from net maturities of short-term investments of $39.5 million;
- Acquisition of property and equipment costs of $2.8 million; and
- Deferred transaction costs of $0.3 million.

During the year ended December 31, 2019, the primary sources and uses of cash from investing activities include:

- Acquisitions of Margaritaville, Greektown, Hard Rock Cincinnati and the Century Portfolio for a total cost of $1,821.1 million, including acquisition costs;
- Proceeds from net maturities of short-term investments of $461.4 million;
- Proceeds from the sale of vacant, non-operating land of $1.0 million;
- Acquisition of property and equipment cost of $2.7 million; and
- Deferred transaction costs of $8.7 million.

Cash Flows from Financing Activities

Net cash provided by financing activities increased $1,696.6 million for the year ended December 31, 2020 compared with the year ended December 31, 2019.

During the year ended December 31, 2020, the primary sources and uses of cash from financing activities included:

- Net proceeds from the sale of an aggregate of $1,539.7 million of our common stock pursuant to the full physical settlement of our June 2019 Forward Sale Agreements, the partial physical settlement of our common stock pursuant to our June 2020 Forward Sale Agreement and pursuant to our at-the-market program;
- Gross proceeds from our February 2020 Senior Unsecured Notes offering of $2,500.0 million;
- Full redemption of the $498.5 million outstanding aggregate principal amount of our Second Lien Notes, as well as the $39.0 million Second Lien Notes Applicable Premium, plus fees;
- Dividend payments of $612.2 million;
- Debt issuance costs of $57.8 million;
- Reimbursement of the CPLV CMBS Debt prepayment penalty from Caesars in the amount of $55.4 million; and
- Distributions of $8.2 million to non-controlling interest

During the year ended December 31, 2019, the primary sources and uses of cash from financing activities include:

- Net proceeds from the sale of an aggregate of $1,164.3 million of our common stock from a primary follow-on offering and pursuant to our at-the-market program;
- Gross proceeds from our November 2019 Senior Unsecured Notes offering of $2,250.0 million;
- Full repayment of $1,550.0 million of our CPLV CMBS Debt, including the $110.8 million prepayment penalty plus fees;
- Dividend payments of $504.0 million;
- Debt issuance costs of $56.1 million; and
- Distributions of $8.1 million to non-controlling interest

Debt

The following tables detail our debt obligations as of December 31, 2020:

($ In thousands)	December 31, 2020			
Description of Debt	Final Maturity	Interest Rate	Face Value	Carrying Value(1)
VICI PropCo Senior Secured Credit Facilities				
Revolving Credit Facility (2)	2024	L + 2.00%	$ —	$ —
Term Loan B Facility (3)	2024	L + 1.75%	2,100,000	2,080,974
Senior Unsecured Notes (4)				
2025 Notes	2025	3.500%	750,000	740,333
2026 Notes	2026	4.250%	1,250,000	1,233,119
2027 Notes	2027	3.750%	750,000	739,733
2029 Notes	2029	4.625%	1,000,000	985,730
2030 Notes	2030	4.125%	1,000,000	985,643
Total Debt			$ 6,850,000	$ 6,765,532

(1) Carrying value is net of original issue discount and unamortized debt issuance costs incurred in conjunction with debt.

(2) Interest on any outstanding balance is payable monthly. On May 15, 2019, we amended our Revolving Credit Facility to, among other things, increase borrowing capacity by $600.0 million to a total of $1.0 billion and extend the maturity date to May 2024. After giving effect to the amendments executed on May 15, 2019, borrowings under the Revolving Credit Facility bear interest at a rate based on a leverage-based pricing grid with a range of 1.75% to 2.00% over LIBOR, or between 0.75% and 1.00% over the base rate depending on our total net debt to adjusted total assets ratio. Additionally, after giving effect to the amendments executed on May 15, 2019, the commitment fee under the Revolving Credit Facility is calculated on a leverage-based pricing grid with a range of 0.375% to 0.5%, in each case depending on our total net debt to adjusted total assets ratio. For the year ended December 31, 2020, the commitment fee was 0.375%.

(3) Interest on any outstanding balance is payable monthly. In connection with the repricing of the Term Loan B Facility in January 2020, the interest rate was decreased to LIBOR plus 1.75%. As of December 31, 2020 and 2019, we had six interest rate swap agreements outstanding with third-party financial institutions having an aggregate notional amount of $2.0 billion at a blended LIBOR rate of 2.7173%.

(4) Interest is payable semi-annually.

Financing Activity During 2020

On February 5, 2020, the Issuers issued (i) $750.0 million in aggregate principal amount of 2025 Notes, (ii) $750.0 million in aggregate principal amount of 2027 Notes and (iii) $1.0 billion in aggregate principal amount of 2030 Notes. We placed $2.0 billion of the net proceeds of the offering into escrow pending the consummation of the Eldorado Transaction (which was subsequently released from escrow and used to fund a portion of the consideration payable in connection with the closing of the Eldorado Transaction on July 20, 2020). On February 20, 2020, we used the remaining net proceeds from the 2025 Notes, together with cash on hand, to redeem in full the outstanding $498.5 million in aggregate principal amount of the Second Lien Notes plus the Second Lien Notes Applicable Premium for a total redemption cost of approximately $537.5 million.

On January 24, 2020, VICI PropCo entered into Amendment No. 1 to the Amended and Restated Credit Agreement, which, among other things, reduced the interest rate on the Term Loan B Facility from LIBOR plus 2.00% to LIBOR plus 1.75%.

Covenants

On December 22, 2017, VICI PropCo entered into a credit agreement (as amended, the "Credit Agreement") governing the Term Loan B Facility and the Revolving Credit Facility. The Credit Agreement contains customary covenants that, among other things, limit the ability of VICI PropCo and its restricted subsidiaries to: (i) incur additional indebtedness; (ii) merge with a third party or engage in other fundamental changes; (iii) make restricted payments; (iv) enter into, create, incur or assume any liens; (v) make certain sales and other dispositions of assets; (vi) enter into certain transactions with affiliates; (vii) make certain payments on certain other indebtedness; (viii) make certain investments; and (ix) incur restrictions on the ability of restricted subsidiaries to make certain distributions, loans or transfers of assets to VICI PropCo or any restricted subsidiary. These covenants are subject to a number of exceptions and qualifications, including the ability to make unlimited restricted payments to maintain our REIT status and to avoid the payment of federal or state income or excise tax, the ability to make restricted payments in an amount not to exceed 95% of our Funds from Operations (as defined in the Credit Agreement) subject to no event of default under the Credit Agreement and pro forma compliance with the financial covenant pursuant to the Credit Agreement, and the ability to make additional restricted payments in an aggregate amount not to exceed the greater of 0.6% of Adjusted Total Assets (as defined in the Credit Agreement) or $30,000,000. Commencing with the first full fiscal quarter ended after December 22, 2017, if the outstanding amount of the Revolving Credit Facility plus any drawings under letters of credit issued pursuant to the Credit Agreement that have not been reimbursed as of the end of any fiscal quarter exceeds 30% of the aggregate amount of the Revolving Credit Facility, VICI PropCo and its restricted subsidiaries on a consolidated basis would be required to maintain a maximum Total Net Debt to Adjusted Total Assets Ratio, as defined in the Credit Agreement, as of the last day of any applicable fiscal quarter.

The November 2019 Senior Unsecured Notes and the February 2020 Senior Unsecured Notes (together, the "Senior Unsecured Notes") were issued in November 2019 and February 2020, respectively, pursuant to indentures (the "Senior Unsecured Notes Indentures") by and among the Operating Partnership and the Co-Issuer (together with the Operating Partnership, the "Senior Unsecured Notes Issuers"), the subsidiary guarantors party thereto and UMB Bank, National Association, as trustee. The Senior Unsecured Notes Indentures contain covenants that limit the Issuers' and their restricted subsidiaries' ability to, among other things: (i) incur additional debt; (ii) pay dividends on or make other distributions in respect of their capital stock or make other restricted payments; (iii) make certain investments; (iv) sell certain assets; (v) create or permit to exist dividend and/or payment restrictions affecting their restricted subsidiaries; (vi) create liens on certain assets to secure debt; (vii) consolidate, merge, sell or otherwise dispose of all or substantially all of their assets; (viii) enter into certain transactions with their affiliates; and (ix) designate their subsidiaries as unrestricted subsidiaries. These covenants are subject to a number of exceptions and qualifications, including the ability to declare or pay any cash dividend or make any cash distribution to VICI to the extent necessary for VICI to fund a dividend or distribution by VICI that it believes is necessary to maintain its status as a REIT or to avoid payment of any tax for any calendar year that could be avoided by reason of such distribution, and the ability to make certain restricted payments not to exceed 95% of our cumulative Funds From Operations (as defined in the Senior Unsecured Notes Indentures), plus the aggregate net proceeds from (i) the sale of certain equity interests in, (ii) capital contributions to, and (iii) certain convertible indebtedness of the Operating Partnership.

At December 31, 2020, the Company was in compliance with all required debt-related financial covenants.

Non-Guarantor Subsidiaries of Senior Unsecured Notes

The subsidiaries of the Operating Partnership that do not guarantee the Senior Unsecured Notes accounted for: (i) 5.2% of the Operating Partnership's revenue (or 5.1% of our consolidated revenue) for the fiscal year ended December 31, 2020 and (ii) 3.8% of the Operating Partnership's total assets (or 3.8% of our consolidated total assets) as of December 31, 2020.

Capital Expenditures

As described in our leases, capital expenditures for properties under the Lease Agreements are the responsibility of the tenants. Minimum capital expenditure spending requirements of the tenants are described in Note 5 - Real Estate Portfolio.

Off-Balance Sheet Arrangements

As of December 31, 2020, and as of the date this report was filed, we do not have any off-balance sheet arrangements.

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

Our Financial Statements are prepared in accordance with GAAP. We have identified certain accounting policies that we believe are the most critical to the presentation of our financial information over a period of time. These accounting policies may require our management to take decisions on subjective and/or complex matters relating to reported amounts of assets, liabilities, revenue, costs, expenses and related disclosures, including, but not limited to, determining the classification of our leases, the subsequent accounting for our leases and the calculation of our allowance for credit losses. The judgment on such estimates and underlying assumptions is based on our historical experience that we believe is reasonable under the circumstances. Actual results may differ from the estimates.

Investments in Leases - Sales-type and Direct Financing, Net

We account for our investments in leases under ASC 842 “Leases” (“ASC 842”). Upon lease inception or lease modification, we assess lease classification to determine whether the lease should be classified as a sales-type, direct financing or operating lease. As required by ASC 842, we separately assess the land and building components of the property to determine the classification of each component. If the lease component is determined to be a direct financing or sales-type lease, we record a net investment in the lease, which is equal to the sum of the lease receivable and the unguaranteed residual asset, discounted at the rate implicit in the lease. Any difference between the fair value of the asset and the net investment in the lease is considered selling profit or loss and is either recognized upon execution of the lease or deferred and recognized over the life of the lease, depending on the classification of the lease. Since we purchase properties and simultaneously enter into new leases directly with the tenants, the net investment in the lease is generally equal to the purchase price of the asset, and, due to the long term nature of our leases, the land and building components of an investment generally have the same lease classification.

Upon adoption of ASC 842 on January 1, 2019, we made an accounting policy election to use a package of practical expedients that, among other things, allow us to not reassess prior lease classifications or initial direct costs for leases that existed as of the balance sheet date. As such, at that time we did not reassess the classification of our Caesars Lease Agreements, as these leases existed prior to our adoption of ASC 842.

Prior to the consummation of the Eldorado Transaction, the Caesars Lease Agreements continued to be accounted for as direct financing leases and were included within Investments in leases - sales-type and direct financing, net on the Balance Sheet, with the exception of the land component of Caesars Palace Las Vegas, which was determined to be an operating lease and was included in Investments in leases - operating on the Balance Sheet. The income recognition for our direct financing leases recognized under ASC 840 “Leases” (“ASC 840”) was consistent with the income recognition for our sales-type lease under ASC 842.

Upon the consummation of the Eldorado Transaction on July 20, 2020, we modified the CPLV Lease Agreement, HLV Lease Agreement, Non-CPLV Lease Agreement and Joliet Lease Agreement, which included amending certain of the lease terms, combining the CPLV Lease Agreement and HLV Lease Agreement into the Las Vegas Master Lease Agreement and replacing the Non-CPLV Lease Agreement with the Regional Master Lease Agreement. Upon modification, we reassessed the lease classification of the Las Vegas Master Lease Agreement, Regional Master Lease Agreement and Joliet Lease Agreement and determined that the leases meet the definition of a sales-type lease, including the land component of Caesars Palace Las Vegas. Accordingly, we reclassified the land component of Caesars Palace Las Vegas from Investments in leases - operating to Investments in leases - sales-type and direct financing. Further, as a result of the reclassifications of the Caesars Lease Agreements from direct financing and operating leases to sales-type leases, we recorded the investments at their estimated fair values as of the modification date and recognized a net gain equal to the difference in fair value of the assets and their carrying values immediately prior to the modification. Such gain is recognized in our Statement of Operations as Gain upon lease modification. Subsequent to the consummation of the Eldorado Transaction, we no longer have any leases classified as operating or direct financing and, as such, there is no longer any income recorded through Investments in leases - operating. Refer to Note 4 - Property Transactions for further discussion surrounding the lease modifications. Refer to Note 10 - Fair Value for further discussion surrounding the mark to fair value.

We have determined that the land and building components of the Margaritaville Lease Agreement, the Greektown Lease Agreement, the Hard Rock Cincinnati Lease Agreement and the Century Portfolio Lease Agreement meet the definition of a sales-type lease under ASC 842.

Investments in Leases - Financing Receivables, Net

In accordance with ASC 842, for transactions in which we enter into a contract to acquire an asset and lease it back to the seller under a sales-type lease (i.e., a sale leaseback transaction), control of the asset is not considered to have transferred to us. As a result, we do not recognize the underlying asset but instead recognize a financial asset in accordance with ASC 310 “Receivables” (“ASC 310”). The accounting for the financing receivable under ASC 310 is materially consistent with the accounting for our investments in leases - sales-type under ASC 842. We determined that the land and building components of the JACK Cleveland/Thistledown Lease Agreement meet the definition of a sales-type lease and, since we purchased and leased the assets back to the seller under a sale leaseback transaction, control is not considered to have transferred to us under GAAP. Accordingly, the JACK Cleveland/Thistledown Lease Agreement is accounted for as Investments in leases - financing receivables on our Balance Sheet, net of allowance for credit losses, in accordance with ASC 310.

Upon the consummation of the Eldorado Transaction on July 20, 2020, and reassessment of the classification of the Caesars Lease Agreements, as described above, we determined that the MTA Properties Acquisitions (as defined in Note 4 - Property Transactions) meet the definition of a separate contract under ASC 842. In accordance with this guidance, we are required to separately assess the lease classification apart from the other assets in the Regional Master Lease Agreement. We determined that the land and building components of the MTA Properties (as defined in Note 4 - Property Transactions) meet the definition of a sales-type lease and, since we purchased and leased the assets back to Caesars, control is not considered to have transferred to us under GAAP. Accordingly, the MTA Properties are accounted for as Investments in leases - financing receivables on our Balance Sheet, net of allowance for credit losses, in accordance with ASC 310.

Lease Term

We assess the non-cancelable lease term under ASC 842, which includes any reasonably assured renewal periods. All of our Lease Agreements provide for an initial term, with multiple tenant renewal options. We have individually assessed all of our Lease Agreements and concluded that the lease term includes all of the periods covered by extension options as it is reasonably certain our tenants will renew the Lease Agreements. We believe our tenants are economically compelled to renew the Lease Agreements due to the importance of our real estate to the operation of their business, the significant capital they have invested in our properties and the lack of suitable replacement assets.

Income from Leases and Lease Financing Receivables

We recognize the related income from our sales-type leases, direct financing leases and lease financing receivables on an effective interest basis at a constant rate of return over the terms of the applicable leases. As a result, the cash payments accounted for under sales-type leases, direct financing leases and lease financing receivables will not equal income from our Lease Agreements. Rather, a portion of the cash rent we receive is recorded as Income from sales-type and direct financing leases or Income from lease financing receivables and loans, as applicable, in our Statement of Operations and a portion is recorded as a change to Investments in leases - sales-type and direct financing, net or Investments in leases - financing receivables, net, as applicable.

Prior to July 20, 2020, under ASC 840, we determined that the land component of Caesars Palace Las Vegas was greater than 25% of the overall fair value of the combined land and building components. At lease inception, the land was determined to be an operating lease and we recorded the related income on a straight-line basis over the lease term. The amount of annual minimum lease payments attributable to the land element after deducting executory costs, including any profit thereon, was determined by applying the lessee's incremental borrowing rate to the value of the land. Revenue from this lease was recorded as Income from operating leases in our Statement of Operations. Upon the consummation of the Eldorado Transaction on July 20, 2020, the land component of Caesars Palace Las Vegas was reassessed for lease classification and determined to be a sales-type lease. Accordingly, subsequent to July 20, 2020, the income is recognized as Income from sales-type leases.

Initial direct costs incurred in connection with entering into investments classified as sales-type or direct financing leases are included in the balance of the net investment in lease. Such amounts will be recognized as a reduction to Income from investments in leases over the life of the lease using the effective interest method. Costs that would have been incurred regardless of whether the lease was signed, such as legal fees and certain other third-party fees, are expensed as incurred to Transaction and acquisition expenses in our Statement of Operations. In connection with the reassessment of the lease classification and mark to fair value of the Caesars Lease Agreements, any initial direct costs capitalized prior to the Eldorado Transaction were written off as part of the gain upon lease modification.

Loan origination fees and costs incurred in connection with entering into investments classified as lease financing receivables are included in the balance of the net investment and such amounts will be recognized as a reduction to Income from investments in loans and lease financing receivables over the life of the lease using the effective interest method.

Allowance for Credit Losses

On January 1, 2020, we adopted ASC 326 "Credit Losses" ("ASC 326"), which requires that we measure and record current expected credit losses ("CECL") for the majority of our investments, the scope of which includes our Investments in leases - sales-type and direct financing, Investments in leases - financing receivables and Investments in loans.

We have elected to use a discounted cash flow model to estimate the Allowance for credit losses, or CECL allowance. This model requires us to develop cash flows which project estimated credit losses over the life of the lease or loan and discount these cash flows at the asset's effective interest rate. We then record a CECL allowance equal to the difference between the amortized cost basis of the asset and the present value of the expected credit loss cash flows.

Expected losses within our cash flows are determined by estimating the probability of default ("PD") and loss given default ("LGD") of our tenants and their parent guarantors over the life of each individual lease or financial asset. We have engaged a nationally recognized data analytics firm to assist us with estimating both the PD and LGD of our tenants and their parent guarantors. The PD and LGD are estimated during a reasonable and supportable period for which we believe we are able to estimate future economic conditions (the "R&S Period") and a long-term period for which we revert to long-term historical averages (the "Long-term Period"). The PD and LGD estimates for the R&S Period are developed using the current financial condition of the tenant and applied to a projection of economic conditions over a two-year term. The PD and LGD for the Long-term Period are estimated using the average historical default rates and historical loss rates, respectively, of public companies over the past 35 years that have similar credit profiles or characteristics to our tenants and their parent guarantors. We were unable to use our historical data to estimate losses as we have no loss history to date.

The CECL allowance is recorded as a reduction to our net Investments in leases - direct financing and sales type, Investments in leases - financing receivables and Investments in loans on our Balance Sheet. We are required to update our CECL allowance on a quarterly basis with the resulting change being recorded in the Statement of Operations for the relevant period. Finally, each time we make a new investment in an asset subject to ASC 326, we are required to record an initial CECL allowance for such asset, which will result in a non-cash charge to the Statement of Operations for the relevant period.

We are required to estimate a CECL allowance related to contractual commitments to extend credit, such as future funding commitments under a revolving credit facility. The CECL allowance related to these future commitments is recorded as a component of Other liabilities on our Balance Sheet.

Charge-offs are deducted from the allowance in the period in which they are deemed uncollectible. Recoveries previously written off are recorded when received. There were no charge-offs or recoveries for the year ended December 31, 2020.

Refer to Note 6 - Allowance for Credit Losses for further information.

ITEM 7A. Quantitative and Qualitative Disclosures About Market Risk

Our future income, cash flows and fair values relevant to financial instruments are dependent upon prevailing market interest rates. In the normal course of business, we are exposed to the effect of interest rate changes. We have entered into derivative agreements to mitigate exposure to unexpected changes in interest. Market risk refers to the risk of loss from adverse changes in market interest rates. We periodically use derivative financial instruments to seek to manage, or hedge, interest rate risks related to our borrowings. We do not use derivatives for trading or speculative purposes and only enter into contracts with major financial institutions based on their credit rating and other factors. We intend to enter into derivative agreements only with counterparties that we believe have a strong credit rating to mitigate the risk of counterparty default or insolvency.

As of December 31, 2020, we had $6,850.0 million of debt outstanding of which $4,750.0 million was fixed rate debt and $2,000.0 million was hedged variable rate debt, the remaining $100.0 million of our indebtedness was unhedged. As of December 31, 2020, a one percent increase or decrease in the annual interest rate on our unhedged variable rate borrowings of $100.0 million would increase or decrease our annual cash interest expense by approximately $1.0 million.

Subsequent to year end, on January 22, 2021, two of our interest rate swaps with a notional balance of $500.0 million matured and, as a result, subsequent to January 22, 2021, $600.0 million of our indebtedness was unhedged. After January 22, 2021, a one percent increase or decrease in the annual interest rate on our unhedged variable rate borrowings of $600.0 million would increase or decrease our annual cash interest expense by approximately $6.0 million.

We may manage, or hedge, interest rate risks related to our borrowings by means of interest rate swap agreements. We also expect to manage our exposure to interest rate risk by maintaining a mix of fixed and variable rates for our indebtedness. However, the REIT provisions of the Code substantially limit our ability to hedge our assets and liabilities.

ITEM 8. Financial Statements and Supplementary Financial Data

The financial statements required by this item and the reports of the independent accountants thereon required by Item 15 - Exhibits and Financial Statement Schedule of this Form 10-K appear on pages F-2 to F-55. See accompanying Index to the Consolidated Financial Statements on page F-1. The supplementary financial data required by Item 302 of Regulation S-K appears in pages S-1 to S-4 to the consolidated financial statements.

ITEM 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

None.

ITEM 9A. Controls and Procedures

Disclosure Controls and Procedures

We maintain disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) of the Securities Exchange Act of 1934, as amended (the "Exchange Act")) designed to provide reasonable assurance that information required to be disclosed in reports filed under the Exchange Act, is recorded, processed, summarized and reported within the specified time periods and accumulated and communicated to our management, including our principal executive officer and principal financial officer, as appropriate, to allow timely decisions regarding required disclosure.

Our management has evaluated, under the supervision and with the participation of our principal executive officer and principal financial officer, the effectiveness of the design and operation of our disclosure controls and procedures pursuant to Exchange Act Rule 13a-15(e) as of the end of the period covered by this report. Based upon this evaluation, our principal executive officer and principal financial officer concluded that our disclosure controls and procedures were effective as of the end of the period covered by this report.

Management's Report on Internal Control over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act). Our internal control over financial reporting is a process designed under the supervision of our principal executive officer and principal financial officer to provide reasonable assurance regarding the reliability of financial reporting and the preparation of our consolidated financial statements for external reporting purposes in accordance with GAAP.

Our internal control over financial reporting includes policies and procedures that pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect transactions and dispositions of assets; provide reasonable assurances that transactions are recorded as necessary to permit preparation of financial statements in accordance with GAAP, and that receipts and expenditures are being made only in accordance with authorizations of our management; and provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of our assets that could have a material effect on our consolidated financial statements.

Management conducted an assessment of the effectiveness of our internal control over financial reporting as of December 31, 2020 based on the framework established in the updated Internal Control – Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). Based on this assessment, management has determined that our internal control over financial reporting was effective as of December 31, 2020.

Deloitte & Touche LLP, an independent registered public accounting firm, has audited our financial statements included in this report on Form 10-K and issued its attestation report, which is included herein and expresses an unqualified opinion on the effectiveness of our internal control over financial reporting as of December 31, 2020.

Changes in Internal Control Over Financial Reporting

There were no changes in our internal control over financial reporting (as is defined in Rules 13a–15(f) and 15d–15(f) under the Exchange Act) that occurred during our most recent quarter, that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

ITEM 9B. Other Information

None.

PART III

ITEM 10. Directors, Executive Officers and Corporate Governance

The information required by this item is incorporated by reference to the Company's definitive proxy statement to be filed not later than April 30, 2021 with the SEC pursuant to Regulation 14A under the Exchange Act.

ITEM 11. Executive Compensation

The information required by this item is incorporated by reference to the Company's definitive proxy statement to be filed not later than April 30, 2021 with the SEC pursuant to Regulation 14A under the Exchange Act.

ITEM 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters

The information required by this item is incorporated by reference to the Company's definitive proxy statement to be filed not later than April 30, 2021 with the SEC pursuant to Regulation 14A under the Exchange Act.

ITEM 13. Certain Relationships and Related Transactions and Director Independence

The information required by this item is incorporated by reference to the Company's definitive proxy statement to be filed not later than April 30, 2021 with the SEC pursuant to Regulation 14A under the Exchange Act.

ITEM 14. Principal Accounting Fees and Services

The information required by this item is incorporated by reference to the Company's definitive proxy statement to be filed not later than April 30, 2021 with the SEC pursuant to Regulation 14A under the Exchange Act.

PART IV

ITEM 15. Exhibits and Financial Statement Schedule

(a)(1). **Financial Statements.**

See the accompanying Index to Consolidated Financial Statements and Schedule on page F-1.

(a)(2). **Financial Statement Schedule.**

See the accompanying Index to Consolidated Financial Statements and Schedule on page F-1.

(a)(3). **Exhibits.**

Exhibit Number	Exhibit Description	Filed Herewith	Incorporated by Reference		
			Form	Exhibit	Filing Date
2.1	Third Amended Joint Plan of Reorganization of Caesars Entertainment Operating Company, Inc., et al., under Chapter 11 of the Bankruptcy Code, dated January 13, 2016.		T-3/A of VICI Properties 1 LLC	T3E-2	8/11/2017
2.2	Separation Agreement, dated as of October 6, 2017, between Caesars Entertainment Operating Company, Inc. and VICI Properties Inc.		8-K	2.1	10/11/2017
2.3	Purchase and Sale Agreement dated as of July 11, 2018 by and between Chester Downs and Marina, LLC and Philadelphia Propco LLC		8-K	2.2	7/12/2018
2.4	Equity Purchase Agreement dated as of April 5, 2019 by and among Jack Ohio Finance LLC and VICI Properties L.P.		8-K	2.1	9/25/2019
3.1	Articles of Amendment and Restatement of VICI Properties Inc.		8-K	3.1	10/11/2017
3.2	Amended and Restated Bylaws of VICI Properties Inc. (as amended April 30, 2020)		10-Q	3.1	7/29/2020
4.1	4.250% Senior Notes Indenture, dated as of November 26, 2019, among VICI Properties L.P., VICI Note Co. Inc., the subsidiary guarantors party thereto and UMB Bank, National Association, as trustee.		8-K	4.1	11/26/2019
4.2	Supplemental Indenture No. 1 to the 4.250% Senior Notes Indenture, dated as of December 20, 2019, among CPLV Property Owner LLC as the Guaranteeing Entity, VICI Properties L.P. and VICI Note Co. Inc., as issuers, and UMB Bank, National Association, as trustee, as ratified by the subsidiary guarantors party thereto.		8-K	4.10	2/20/2020
4.3	4.625% Senior Notes Indenture, dated as of November 26, 2019, among VICI Properties L.P., VICI Note Co. Inc., the subsidiary guarantors party thereto and UMB Bank, National Association, as trustee.		8-K	4.2	11/26/2019
4.4	Supplemental Indenture No. 1 to the 4.625% Senior Notes Indenture, dated as of December 20, 2019, among CPLV Property Owner LLC as the Guaranteeing Entity, VICI Properties L.P. and VICI Note Co. Inc., as issuers, and UMB Bank, National Association, as trustee, as ratified by the subsidiary guarantors party thereto.		8-K	4.11	2/20/2020
4.5	3.500% Senior Notes Indenture, dated as of February 5, 2020, among VICI Properties L.P., VICI Note Co. Inc., the subsidiary guarantors party thereto and UMB Bank, National Association, as trustee.		8-K	4.1	2/20/2020

4.6	3.750% Senior Notes Indenture, dated as of February 5, 2020, among VICI Properties L.P., VICI Note Co. Inc., the subsidiary guarantors party thereto and UMB Bank, National Association, as trustee.		8-K	4.2	11/26/2019
4.7	4.125% Senior Notes Indenture, dated as of February 5, 2020, among VICI Properties L.P., VICI Note Co. Inc., the subsidiary guarantors party thereto and UMB Bank, National Association, as trustee.		8-K	4.3	2/20/2020
4.8	Description of Securities	X			
10.1	Las Vegas Lease (Conformed through Second Amendment), dated as of July 20, 2020, by and among CPLV Property Owner LLC and Claudine Propco LLC as Landlord and, Desert Palace LLC, CEOC, LLC and Harrah's Las Vegas LLC as Tenant		8-K	10.1	7/21/2020
10.2	Third Amendment to Las Vegas Lease, dated as of September 30, 2020, by and among CPLV Property Owner LLC and Claudine Propco LLC as Landlord and, Desert Palace LLC, CEOC, LLC and Harrah's Las Vegas LLC		10-Q	10.15	10/28/2020
10.3	Fourth Amendment to Las Vegas Lease, dated as of November 18, 2020, by and among CPLV Property Owner LLC and Claudine Propco LLC as Landlord and, Desert Palace LLC, CEOC, LLC and Harrah's Las Vegas LLC	X			
10.4+	Regional Lease (Conformed through Fifth Amendment), dated as of July 20, 2020, by and among the entities listed on Schedules A and B thereto and CEOC, LLC		8-K	10.2	7/21/2020
10.5+	Sixth Amendment to Regional Lease, dated as of September 30, 2020, by and among the entities listed on Schedules A and B thereto		10-Q	10.13	10/28/2020
10.6	Seventh Amendment to Regional Lease, dated as of November 18, 2020, by and among the entities listed on Schedules A and B thereto	X			
10.7+	Second Amendment to Lease (Joliet), dated as of July 20, 2020, by and between Harrah's Joliet Landco LLC and Des Plaines Development Limited Partnership		8-K	10.3	7/21/2020
10.8	Third Amendment to Lease (Joliet), dated as of September 30, 2020, by and between Harrah's Joliet Landco LLC and Des Plaines Development Limited Partnership		10-Q	10.14	10/28/2020
10.9	Fourth Amendment to Lease (Joliet), dated as of November 18, 2020, by and between Harrah's Joliet Landco LLC and Des Plaines Development Limited Partnership	X			
10.10	Amended and Restated Omnibus Amendment to Leases, dated October 27, 2020		10-Q	10.16	10/28/2020
10.11	Second Amendment, dated as of July 20, 2020, to Golf Course Use Agreement, dated as of October 6, 2017, by and among Rio Secco LLC, Cascata LLC, Chariot Run LLC, Grand Bear LLC, Caesars Enterprise Services, LLC, CEOC, LLC and, solely for purposes of Section 2.1(c) thereof, Caesars License Company, LLC		8-K	10.12	7/21/2020
10.12	Guaranty of Lease entered into as of July 20, 2020 by and between Eldorado Resorts, Inc. (to be renamed Caesars Entertainment, Inc. and converted to a Delaware corporation on the date thereof), CPLV Property Owner LLC, and Claudine Propco LLC (Las Vegas Master Lease)		8-K	10.4	7/21/2020
10.13	Guaranty of Lease entered into as of July 20, 2020 by and between Eldorado Resorts, Inc. (to be renamed Caesars Entertainment, Inc. and converted to a Delaware corporation on the date thereof) and the entities listed on Schedule A thereto (Regional Lease)		8-K	10.5	7/21/2020

10.14	Guaranty of Lease entered into as of July 20, 2020 by and between Eldorado Resorts, Inc. (to be renamed Caesars Entertainment, Inc. and converted to a Delaware corporation on the date thereof) and Harrah's Joliet Landco LLC (Joliet Lease)	8-K	10.6	7/21/2020
10.15	Second Amended and Restated Lease Agreement, dated April 3, 2020, by and among Jazz Casino Company, L.L.C., New Orleans Building Corporation and the City of New Orleans	8-K	10.7	7/21/2020
10.16	Put-Call Right Agreement entered into as of July 20, 2020 by and between Centaur Propco LLC and Caesars Resort Collection, LLC	8-K	10.8	7/21/2020
10.17	Second Amended and Restated Put-Call Right Agreement entered into as of September 18, 2020 by and among Claudine Propco LLC and Caesars Convention Center Owner, LLC	8-K	10.1	9/18/2020
10.18	Right of First Refusal Agreement entered into as of July 20, 2020 by and between Eldorado Resorts, Inc. (to be renamed Caesars Entertainment, Inc. and converted to a Delaware corporation on the date thereof) and VICI Properties L.P. (Las Vegas Strip Assets)	8-K	10.10	7/21/2020
10.19	Right of First Refusal Agreement entered into as of July 20, 2020 by and between Eldorado Resorts, Inc. (to be renamed Caesars Entertainment, Inc. and converted to a Delaware corporation on the date thereof) and VICI Properties L.P. (Horseshoe Baltimore)	8-K	10.11	7/21/2020
10.20	Tax Matters Agreement, dated as of October 6, 2017, by and among Caesars Entertainment Corporation, CEOC, LLC, VICI Properties Inc., VICI Properties L.P. and CPLV Property Owner LLC.	8-K	10.12	10/11/2017
10.21	Amended and Restated Credit Agreement among VICI Properties 1 LLC, Goldman Sachs Bank USA, as administrative agent, and the other lenders party thereto (Exhibit A to Amendment No. 3 to Credit Agreement by and among VICI Properties 1 LLC, Goldman Sachs Bank USA, as administrative agent, and the other loan parties thereto).	8-K	10.3	5/16/2019
10.22	First Amendment to Amended and Restated Credit Agreement, dated January 24, 2020, among VICI Properties 1 LLC, the lenders named therein and Goldman Sachs Bank USA, as administrative agent.	8-K	10.1	1/24/2020
10.23	Amended and Restated Agreement of Limited Partnership of VICI Properties L.P.	8-K	10.23	10/11/2017
10.24	Form of Indemnification Agreement, between VICI Properties Inc. and its directors and officers.	10	10.20	9/28/2017
10.25†	Amended and Restated Employment Agreement, dated as of September 25, 2019, by and between VICI Properties Inc., VICI Properties L.P. and John Payne	8-K	10.1	9/26/2019
10.26†	Amended and Restated Employment Agreement, dated as of September 25, 2019, by and between VICI Properties Inc., VICI Properties L.P. and Edward Pitoniak	8-K	10.2	9/26/2019
10.27†	Amended and Restated Employment Agreement, dated as of September 25, 2019, by and between VICI Properties Inc., VICI Properties L.P. and David Kieske	8-K	10.3	9/26/2019
10.28†	Amended and Restated Employment Agreement, dated as of September 25, 2019, by and between VICI Properties Inc., VICI Properties L.P. and Samantha Gallagher	8-K	10.4	9/26/2019
10.29†	VICI Properties Inc. 2017 Stock Incentive Plan.	8-K	10.28	10/11/2017
10.30†	Amendment No. 1 to VICI Properties Inc. 2017 Stock Incentive Plan	10-K	10.52	2/14/2019

10.31†	Form of Restricted Stock Grant		10-K	10.39	3/28/2018
10.32†	Form of LTIP Time-Based Restricted Stock Grant Agreement		8-K	10.1	8/30/2018
10.33†	Form of LTIP Performance-Based Restricted Stock Unit Agreement		8-K	10.2	8/30/2018
21.1	Subsidiaries of VICI Properties Inc.	X			
23.1	Consent of Deloitte & Touche LLP for VICI Properties Inc.	X			
24.1	Power of Attorney (included on signature page)	X			
31.1	Certification of Principal Executive Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.	X			
31.2	Certification of Principal Financial Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.	X			
32.1	Certification of Principal Executive Officer Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.	*			
32.2	Certification of Principal Financial Officer Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.	*			
101.INS	XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document	X			
101.SCH	XBRL Taxonomy Extension Schema Document	X			
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document	X			
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document	X			
101.LAB	XBRL Taxonomy Extension Label Linkbase Document	X			
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document	X			
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)				

* Furnished herewith

† Management contracts and compensation plans and arrangements.

+ Portions of the exhibits have been redacted because such information is (i) not material and (ii) could be competitively harmful if publicly disclosed.

ITEM 16. Form 10-K Summary

None.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) 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.

VICI PROPERTIES INC.

February 18, 2021	By:	/S/ EDWARD B. PITONIAK
		Edward B. Pitoniak
		Chief Executive Officer and Director

POWER OF ATTORNEY

Each of the officers and directors of VICI Properties Inc., whose signature appears below, in so signing, also makes, constitutes and appoints each of Edward B. Pitoniak, David A. Kieske and Gabriel F. Wasserman, and each of them, his or her true and lawful attorneys-in-fact, with full power and substitution, for him or her in any and all capacities, to execute and cause to be filed with the SEC any and all amendments to this Annual Report on Form 10-K, with exhibits thereto and all other documents connected therewith and to perform any acts necessary to be done in order to file such documents, and hereby ratifies and confirms all that said attorneys-in-fact or their substitute or substitutes may do or cause to done by virtue hereof.

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

Signature	Title	Date
/S/ EDWARD B. PITONIAK **Edward B. Pitoniak**	Chief Executive Officer and Director (Principal Executive Officer)	February 18, 2021
/S/ DAVID A. KIESKE **David A. Kieske**	Chief Financial Officer (Principal Financial Officer)	February 18, 2021
/S/ GABRIEL F. WASSERMAN **Gabriel F. Wasserman**	Chief Accounting Officer (Principal Accounting Officer)	February 18, 2021
/S/ JAMES R. ABRAHAMSON **James R. Abrahamson**	Chair of the Board of Directors	February 18, 2021
/S/ DIANA F. CANTOR **Diana F. Cantor**	Director	February 18, 2021
/S/ MONICA H. DOUGLAS **Monica H. Douglas**	Director	February 18, 2021
/S/ ELIZABETH I. HOLLAND **Elizabeth I. Holland**	Director	February 18, 2021
/S/ CRAIG MACNAB **Craig Macnab**	Director	February 18, 2021
/S/ MICHAEL D. RUMBOLZ **Michael D. Rumbolz**	Director	February 18, 2021

INDEX TO CONSOLIDATED FINANCIAL STATEMENTS AND SCHEDULE

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the stockholders and the Board of Directors of VICI Properties Inc.

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of VICI Properties Inc. and subsidiaries (the "Company") as of December 31, 2020 and 2019, the related consolidated statements of operations and comprehensive income, stockholders' equity, and cash flows, for each of the three years in the period ended December 31, 2020, and the related notes and the schedule listed in the Index at Item 15 (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2020 and 2019, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2020, in conformity with accounting principles generally accepted in the United States of America.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of December 31, 2020, based on criteria established in Internal Control - Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission and our report dated February 18, 2021, expressed an unqualified opinion on the Company's internal control over financial reporting.

Change in Accounting Principle

As discussed in Note 3 to the financial statements, effective January 1, 2020, the Company adopted Accounting Standard Update No. 2016-13 - *Financial Instruments-Credit Losses (Topic 326)* using the modified retrospective approach.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matters

The critical audit matters communicated below are matters arising from the current-period audit of the financial statements that were communicated or required to be communicated to the audit committee and that (1) relate to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the financial statements, taken as a whole, and we are not, by communicating the critical audit matters below, providing separate opinions on the critical audit matters or on the accounts or disclosures to which they relate.

Gain upon lease modification in connection with the Eldorado Transaction— Refer to Notes 2 and 10 to the financial statements

Critical Audit Matter Description

On July 20, 2020 (the “Modification Date”), in connection with the Eldorado Transaction, the Company modified its Caesars Lease Agreements, which included amending certain lease terms resulting in a lease modification in accordance with Accounting Standards Codification Topic 842- Leases. Accordingly, the Company reassessed the lease classification of the Caesars Lease Agreements, which were previously classified as direct financing and operating leases and determined that the leases met the definition of a sales-type lease. As a result, the Company reclassified the Caesars Lease Agreements to sales-type leases, recorded the associated real estate assets at their estimated fair values as of the Modification Date, and recognized a gain equal to the difference in the fair value of the assets and their carrying amounts immediately prior to the Modification Date.

The Company's valuation methodology used rent multiples taking into consideration a variety of factors, including (i) asset quality and location, (ii) property operating performance and (iii) supply and demand dynamics of each property's respective market.

Given the significant judgments made by the Company to estimate the fair value of its real estate assets as of the Modification Date, performing audit procedures to evaluate the reasonableness of the rent multiples required a high degree of auditor judgment and increased effort, including the need to involve our fair value specialists.

How the Critical Audit Matter Was Addressed in the Audit

Our audit procedures related to the rent multiples used by management to estimate the fair value of the real estate assets as of the Modification Date, included the following, among others:

- We tested the effectiveness of controls over management's estimation of fair value of real estate assets upon the Modification Date, including management's controls related to the determination of rent multiples.
- With the assistance of our fair value specialists, we evaluated the valuation methodology and rent multiples by:
    - Assessing the reasonableness of management's valuation methodology to estimate the fair value of real estate assets.
    - Assessing the impact of asset quality and location by comparing the multiples to observable market transactions of similar real estate assets.
    - Tracing property operating performance to executed lease agreements and operational data.
    - Assessing the impact of supply and demand dynamics by evaluating gaming competition in certain markets.
    - Testing the mathematical calculation of the valuation schedules.

Allowance for Credit Losses— Refer to Notes 2 and 6 to the financial statements

Critical Audit Matter Description

On January 1, 2020, the Company adopted Accounting Standard Codification Topic 326- Credit Losses, which requires the Company to measure and record current expected credit losses ("CECL") for its leases and loans. The Company elected to use a discounted cash flow model, which requires management to develop cash flows that project estimated credit losses over the life of the lease or loan and discount these cash flows at the asset's effective interest rate to estimate the CECL allowance.

Expected losses within the Company's cash flows are determined by estimating the probability of default ("PD") and loss given default ("LGD") of its tenants over the life of each lease and loan by using a model from an independent third-party provider. The PD and LGD are estimated during a reasonable and supportable period which is developed by using the current financial condition of the tenant and applying it to a projection of economic conditions over a two-year term. The PD and LGD are also estimated for a long-term period by using the average historical default rates and historical loss rates of public companies that have similar credit profiles or characteristics to the Company's tenants and their parent guarantors. Significant inputs to the Company's forecasting methods include the tenants' short-term and long-term PD and LGD based on the tenant's credit profile as well as the cash flows from each lease and loan.

Given the significant amount of judgment required by management to estimate the allowance for credit losses, performing audit procedures to evaluate the reasonableness of the estimated allowance for credit losses on the Company's portfolio of leases and loans required a high degree of auditor judgment and increased effort, including the need to involve our credit specialists.

How the Critical Audit Matter Was Addressed in the Audit

Our audit procedures related to the allowance for credit losses for the Company's investments in leases and loans included the following, among others:

- We tested the effectiveness of controls over the allowance for credit losses, including management's controls over the data used in the model.
- With the assistance of our credit specialists, we evaluated the reasonableness of the methodology and assumptions around PD and LGD.
- We tested the inputs used to determine the short-term and long-term PD and LGD of the tenants by agreeing the respective credit rating and equity value of each tenant to independent data.
- We reconciled the cash flow inputs used in the CECL model by agreeing them to the respective contractual agreements.

/s/ Deloitte & Touche LLP

New York, New York
February 18, 2021

We have served as the Company's auditor since 2016.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the stockholders and the Board of Directors of VICI Properties Inc.

Opinion on Internal Control over Financial Reporting

We have audited the internal control over financial reporting of VICI Properties Inc. and subsidiaries (the "Company") as of December 31, 2020, based on criteria established in *Internal Control - Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2020, based on criteria established in *Internal Control - Integrated Framework (2013)* issued by COSO.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated financial statements as of and for the year ended December 31, 2020, of the Company and our report dated February 18, 2021, expressed an unqualified opinion on those financial statements and included an explanatory paragraph regarding the Company's adoption of Accounting Standard Update No. 2016-13 - *Financial Instruments-Credit Losses (Topic 326)*.

Basis for Opinion

The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's Report on Internal Control over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control over Financial Reporting

A company's internal control over financial reporting is a process designed 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. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ Deloitte & Touche LLP

New York, New York
February 18, 2021

VICI PROPERTIES INC.
CONSOLIDATED BALANCE SHEETS
(In thousands, except share and per share data)

	December 31, 2020	December 31, 2019
Assets		
Real estate portfolio:		
Investments in leases - sales-type and direct financing, net	$ 13,027,644	$ 10,734,245
Investments in leases - operating	—	1,086,658
Investments in leases - financing receivables, net	2,618,562	—
Investments in loans, net	536,721	—
Land	158,190	94,711
Cash and cash equivalents	315,993	1,101,893
Short-term investments	19,973	59,474
Other assets	386,530	188,638
Total assets	$ 17,063,613	$ 13,265,619
Liabilities		
Debt, net	$ 6,765,532	$ 4,791,563
Accrued interest	46,422	20,153
Deferred financing liability	73,600	73,600
Deferred revenue	93,659	70,340
Dividends payable	176,992	137,056
Other liabilities	413,663	123,918
Total liabilities	7,569,868	5,216,630
Commitments and Contingencies (Note 11)		
Stockholders' equity		
Common stock, $0.01 par value, 700,000,000 shares authorized and 536,669,722 and 461,004,742 shares issued and outstanding at December 31, 2020 and December 31, 2019, respectively	5,367	4,610
Preferred stock, $0.01 par value, 50,000,000 shares authorized and no shares outstanding at December 31, 2020 and 2019	—	—
Additional paid-in capital	9,363,539	7,817,582
Accumulated other comprehensive loss	(92,521)	(65,078)
Retained earnings	139,454	208,069
Total VICI stockholders' equity	9,415,839	7,965,183
Non-controlling interest	77,906	83,806
Total stockholders' equity	9,493,745	8,048,989
Total liabilities and stockholders' equity	$ 17,063,613	$ 13,265,619

Note: As of December 31, 2020, our Investments in leases - sales-type and direct financing, Investments in leases - financing receivables, Investments in loans and Other assets (sales-type sub-leases) are net of $454.2 million, $91.0 million, $1.8 million and $6.9 million of Allowance for credit losses, respectively. ASC 326 "Credit Losses" does not require retrospective application and as such there is no corresponding allowance as of December 31, 2019. Refer to Note 6 - Allowance for Credit Losses for further details.

See accompanying Notes to Consolidated Financial Statements.

VICI PROPERTIES INC.
CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME
(In thousands, except share and per share data)

	Year Ended December 31,		
	2020	2019	2018
Revenues			
Income from sales-type and direct financing leases	$ 1,007,508	$ 822,205	$ 741,564
Income from operating leases	25,464	43,653	47,972
Income from lease financing receivables and loans	153,017	—	—
Other income	15,793	—	81,240
Golf revenues	23,792	28,940	27,201
Total revenues	1,225,574	894,798	897,977
Operating expenses			
General and administrative	30,661	24,569	24,429
Depreciation	3,731	3,831	3,686
Other expenses	15,793	—	81,810
Golf expenses	17,632	18,901	17,371
Change in allowance for credit losses	244,517	—	—
Loss on impairment	—	—	12,334
Transaction and acquisition expenses	8,684	4,998	393
Total operating expenses	321,018	52,299	140,023
Interest expense	(308,605)	(248,384)	(212,663)
Interest income	6,795	20,014	11,307
Loss from extinguishment of debt	(39,059)	(58,143)	(23,040)
Gain upon lease modification	333,352	—	—
Income before income taxes	897,039	555,986	533,558
Income tax expense	(831)	(1,705)	(1,441)
Net income	896,208	554,281	532,117
Less: Net income attributable to non-controlling interest	(4,534)	(8,317)	(8,498)
Net income attributable to common stockholders	$ 891,674	$ 545,964	$ 523,619
Net income per common share			
Basic	$ 1.76	$ 1.25	$ 1.43
Diluted	$ 1.75	$ 1.24	$ 1.43
Weighted average number of common shares outstanding			
Basic	506,140,642	435,071,096	367,226,395
Diluted	510,908,755	439,152,946	367,316,901
Other comprehensive income			
Net income attributable to common stockholders	$ 891,674	$ 545,964	$ 523,619
Unrealized loss on cash flow hedges	(27,443)	(42,954)	(22,124)
Comprehensive income attributable to common stockholders	$ 864,231	$ 503,010	$ 501,495

See accompanying Notes to Consolidated Financial Statements.

VICI PROPERTIES INC.
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
(In thousands, except share and per share data)

	Common Stock	Additional Paid-in Capital	Accumulated Other Comprehensive Loss	Retained Earnings	Total VICI Stockholders' Equity	Non-controlling Interest	Total Stockholders' Equity
Balance as of December 31, 2017	$ 3,003	$ 4,645,824	$ —	$ 42,662	$ 4,691,489	$ 84,875	$ 4,776,364
Net income	—	—	—	523,619	523,619	8,498	532,117
Issuance of common stock from Initial Public Offering	695	1,306,424	—	—	1,307,119	—	1,307,119
Issuance of common stock from follow-on offering	345	693,844	—	—	694,189	—	694,189
Distributions to non-controlling interest	—	—	—	—	—	(9,800)	(9,800)
Dividends declared ($0.9975 per common share)	—	—	—	(379,185)	(379,185)	—	(379,185)
Stock-based compensation, net of forfeitures	4	2,338	—	—	2,342	—	2,342
Unrealized loss on cash flow hedges	—	—	(22,124)	—	(22,124)	—	(22,124)
Balance as of December 31, 2018	4,047	6,648,430	(22,124)	187,096	6,817,449	83,573	6,901,022
Net income	—	—	—	545,964	545,964	8,317	554,281
Issuance of common stock, net	562	1,163,983	—	—	1,164,545	—	1,164,545
Distributions to non-controlling interest	—	—	—	—	—	(8,084)	(8,084)
Dividends declared ($1.1700 per common share)	—	—	—	(524,991)	(524,991)	—	(524,991)
Stock-based compensation, net of forfeitures	1	5,169	—	—	5,170	—	5,170
Unrealized loss on cash flow hedges	—	—	(42,954)	—	(42,954)	—	(42,954)
Balance as of December 31, 2019	4,610	7,817,582	(65,078)	208,069	7,965,183	83,806	8,048,989
Cumulative effect of adoption of ASC 326	—	—	—	(307,114)	(307,114)	(2,248)	(309,362)
Net income	—	—	—	891,674	891,674	4,534	896,208
Issuance of common stock, net	755	1,538,778	—	—	1,539,533	—	1,539,533
Distributions to non-controlling interest	—	—	—	—	—	(8,186)	(8,186)
Dividends declared ($1.2550 per common share)	—	—	—	(653,175)	(653,175)	—	(653,175)
Stock-based compensation, net of forfeitures	2	7,179	—	—	7,181	—	7,181
Unrealized loss on cash flow hedges	—	—	(27,443)	—	(27,443)	—	(27,443)
Balance as of December 31, 2020	$ 5,367	$ 9,363,539	$ (92,521)	$ 139,454	$ 9,415,839	$ 77,906	$ 9,493,745

See accompanying Notes to Consolidated Financial Statements.

VICI PROPERTIES INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(In thousands, except share and per share data)

	Year Ended December 31,		
	2020	2019	2018
Cash flows from operating activities			
Net income	$ 896,208	$ 554,281	$ 532,117
Adjustments to reconcile net income to cash flows provided by operating activities:			
Non-cash leasing and financing adjustments	(41,764)	239	(45,404)
Stock-based compensation	7,388	5,223	2,342
Depreciation	3,731	3,831	3,686
Amortization of debt issuance costs and original issue discount	19,872	33,034	5,976
Change in allowance for credit losses	244,517	—	—
Loss on impairment	—	—	12,334
Loss on extinguishment of debt	39,059	58,143	23,040
Gain upon lease modification	(333,352)	—	—
Deferred income taxes	—	—	(348)
Change in operating assets and liabilities:			
Other assets	(3,065)	(5,635)	(22,945)
Accrued interest	26,269	5,969	(7,411)
Deferred revenue	23,319	26,735	(24,512)
Other liabilities	1,458	339	25,207
Net cash provided by operating activities	883,640	682,159	504,082
Cash flows from investing activities			
Investments in leases - sales-type and direct financing	(1,407,260)	(1,812,404)	(771,507)
Investments in leases - financing receivables	(2,694,503)	—	—
Investments in loans	(535,476)	—	—
Principal repayments of lease financing receivables	1,961	—	—
Lease modification fee	—	—	159,000
Capitalized transaction costs	(264)	(8,698)	(6,780)
Investments in short-term investments	(19,973)	(440,353)	(942,311)
Maturities of short-term investments	59,474	901,756	421,434
Proceeds from sale of real estate	50,050	1,044	186
Acquisition of property and equipment	(2,768)	(2,724)	(899)
Net cash used in investing activities	(4,548,759)	(1,361,379)	(1,140,877)

VICI PROPERTIES INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(In thousands, except share and per share data)

Cash flows from financing activities			
Proceeds from offering of common stock	1,539,748	1,164,307	2,001,493
Proceeds from February 2020 Senior Unsecured Notes	2,500,000	—	—
Proceeds from November 2019 Senior Unsecured Notes	—	2,250,000	—
Payment of Second Lien Notes	(537,538)	—	(290,058)
Payment of CPLV CMBS Debt	—	(1,663,544)	—
Payment of Term Loan B Facility	—	—	(100,000)
Payment of Revolving Credit Facility	—	—	(300,000)
CPLV CMBS Debt prepayment penalty reimbursement	55,401	—	—
Repurchase of stock for tax withholding	(207)	—	—
Debt issuance costs	(57,794)	(56,055)	(1,117)
Distributions to non-controlling interest	(8,186)	(8,084)	(9,800)
Dividends paid	(612,205)	(503,958)	(262,682)
Net cash provided by financing activities	2,879,219	1,182,666	1,037,836
Net increase in cash, cash equivalents and restricted cash	(785,900)	503,446	401,041
Cash, cash equivalents and restricted cash, beginning of period	1,101,893	598,447	197,406
Cash, cash equivalents and restricted cash, end of period	$ 315,993	$ 1,101,893	$ 598,447
Supplemental cash flow information:			
Cash paid for interest	$ 262,464	$ 209,379	$ 213,309
Cash paid for income taxes	561	2,590	1,375
Supplemental non-cash investing and financing activity:			
Dividends declared, not paid	$ 177,894	$ 137,149	$ 116,503
Lease liabilities arising from obtaining right-of-use assets	282,054	26,516	—
Transfer of Investments in leases - operating to Investments in leases - sales-type and direct financing due to modification of the Caesars Lease Agreements in connection with the Eldorado Transaction	1,023,179	—	—
Transfer of Investments in leases - operating to Land due to modification of the Caesars Lease Agreements in connection with the Eldorado Transaction	63,479	—	—
Transfer of Investments in leases - operating to Land	—	—	22,189
Transfer of Investments in leases - sales-type and direct financing to Investments in leases - operating	—	—	10,967
CPLV CMBS Debt prepayment penalty reimbursement receivable from Eldorado	—	55,401	—
Non-cash change in Investments in leases - financing receivables	8,116	—	—
Debt issuance costs payable	—	16,066	—
Deferred transaction costs payable	496	1,314	742

See accompanying Notes to Consolidated Financial Statements.

VICI PROPERTIES INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

In this Annual Report on Form 10-K, the words "VICI," the "Company," "we," "our," and "us" refer to VICI Properties Inc. and its subsidiaries, on a consolidated basis, unless otherwise stated or the context requires otherwise.

We refer to (i) our Consolidated Financial Statements as our "Financial Statements," (ii) our Consolidated Balance Sheets as our "Balance Sheet," (iii) our Consolidated Statements of Operations and Comprehensive Income as our "Statement of Operations," and (iv) our Consolidated Statement of Cash Flows as our "Statement of Cash Flows." References to numbered "Notes" refer to the Notes to our Consolidated Financial Statements.

"2025 Notes" refers to $750.0 million aggregate principal amount of 3.500% senior unsecured notes due 2025 issued by the Operating Partnership and VICI Note Co. Inc., as Co-Issuer, in February 2020.

"2026 Notes" refers to $1.25 billion aggregate principal amount of 4.250% senior unsecured notes due 2026 issued by the Operating Partnership and VICI Note Co. Inc., as Co-Issuer, in November 2019.

"2027 Notes" refers to $750.0 million aggregate principal amount of 3.750% senior unsecured notes due 2027 issued by the Operating Partnership and VICI Note Co. Inc., as Co-Issuer, in February 2020.

"2029 Notes" refers to $1.0 billion aggregate principal amount of 4.625% senior unsecured notes due 2029 issued by the Operating Partnership and VICI Note Co. Inc., as Co-Issuer, in November 2019.

"2030 Notes" refers to $1.0 billion aggregate principal amount of 4.125% senior unsecured notes due 2030 issued by the Operating Partnership and VICI Note Co. Inc., as Co-Issuer, in February 2020.

"Caesars" refers to Caesars Entertainment, Inc., a Delaware corporation, formerly Eldorado, following the consummation of the Eldorado/Caesars Merger on July 20, 2020 and Eldorado's conversion to a Delaware corporation.

"Caesars Forum Convention Center" refers to the Caesars Forum Convention Center in Las Vegas, Nevada, and the approximately 28 acres of land upon which the Caesars Forum Convention Center is built and/or otherwise used in connection with or necessary for the operation of the Caesars Forum Convention Center.

"Caesars Lease Agreements" refer collectively to (i) prior to the consummation of the Eldorado Transaction, the CPLV Lease Agreement, the Non-CPLV Lease Agreement, the Joliet Lease Agreement and the HLV Lease Agreement, and (ii) from and after the consummation of the Eldorado Transaction, the Las Vegas Master Lease Agreement, the Regional Master Lease Agreement and the Joliet Lease Agreement, in each case, unless the context otherwise requires.

"Century Casinos" refers to Century Casinos, Inc., a Delaware corporation, and, as the context requires, its subsidiaries.

"Century Portfolio" refers to the real estate assets associated with the (i) Mountaineer Casino, Racetrack & Resort located in New Cumberland, West Virginia, (ii) Century Casino Caruthersville located in Caruthersville, Missouri and (iii) Century Casino Cape Girardeau located in Cape Girardeau, Missouri, which we purchased on December 6, 2019.

"Century Portfolio Lease Agreement" refers to the lease agreement for the Century Portfolio, as amended from time to time.

"CEOC" refers to Caesars Entertainment Operating Company, Inc., a Delaware corporation, and its subsidiaries, prior to the Formation Date, and following the Formation Date, CEOC, LLC, a Delaware limited liability company and, as the context requires, its subsidiaries. CEOC was a subsidiary of Pre-Merger Caesars, and following the consummation of the Eldorado/Caesars Merger, is a subsidiary of Caesars.

"Co-Issuer" refers to VICI Note Co. Inc., a Delaware corporation, and co-issuer of the Senior Unsecured Notes.

"CPLV CMBS Debt" refers to $1.55 billion of asset-level real estate mortgage financing of Caesars Palace Las Vegas, incurred by a subsidiary of the Operating Partnership on October 6, 2017 and repaid in full on November 26, 2019.

"CPLV Lease Agreement" refers to the lease agreement for Caesars Palace Las Vegas, as amended from time to time, which was combined with the HLV Lease Agreement into the Las Vegas Master Lease Agreement upon the consummation of the Eldorado Transaction.

"Eldorado" refers to Eldorado Resorts, Inc., a Nevada corporation, and, as the context requires, its subsidiaries. Following the consummation of the Eldorado/Caesars Merger on July 20, 2020, Eldorado converted to a Delaware corporation and changed its name to Caesars Entertainment, Inc.

"Eldorado Transaction" refers to a series of transactions between us and Eldorado in connection with the Eldorado/Caesars Merger, including the acquisition of the Harrah's New Orleans, Harrah's Atlantic City and Harrah's Laughlin properties, modifications to the Caesars Lease Agreements, and rights of first refusal.

"Eldorado/Caesars Merger" refers to the merger consummated on July 20, 2020 under an Agreement and Plan of Merger pursuant to which a subsidiary of Eldorado merged with and into Pre-Merger Caesars, with Pre-Merger Caesars surviving as a wholly owned subsidiary of Caesars (which changed its name from Eldorado in connection with the closing of the Eldorado/Caesars Merger).

"February 2020 Senior Unsecured Notes" refers collectively to the 2025 Notes, the 2027 Notes and the 2030 Notes.

"Formation Date" refers to October 6, 2017.

"Greektown" refers to the real estate assets associated with the Greektown Casino-Hotel, located in Detroit, Michigan, which we purchased on May 23, 2019.

"Greektown Lease Agreement" refers to the lease agreement for Greektown, as amended from time to time.

"Hard Rock" means Hard Rock International, and, as the context requires, its subsidiary and affiliate entities.

"Hard Rock Cincinnati" refers to the casino-entitled land and real estate and related assets associated with the Hard Rock Cincinnati Casino, located in Cincinnati, Ohio, which we purchased on September 20, 2019.

"Hard Rock Cincinnati Lease Agreement" refers to the lease agreement for Hard Rock Cincinnati, as amended from time to time.

"HLV Lease Agreement" refers to the lease agreement for the Harrah's Las Vegas facilities, as amended from time to time, which was combined with the CPLV Lease Agreement into the Las Vegas Master Lease Agreement upon the consummation of the Eldorado Transaction.

"JACK Entertainment" refers to JACK Ohio LLC, and, as the context requires, its subsidiary and affiliate entities.

"JACK Cleveland/Thistledown" refers to the casino-entitled land and real estate and related assets associated with the JACK Cleveland Casino located in Cleveland, Ohio, and the video lottery gaming and pari-mutuel wagering authorized land and real estate and related assets of JACK Thistledown Racino located in North Randall, Ohio, which we purchased on January 24, 2020.

"JACK Cleveland/Thistledown Lease Agreement" refers to the lease agreement for JACK Cleveland/Thistledown, as amended from time to time.

"Joliet Lease Agreement" refers to the lease agreement for the facility in Joliet, Illinois, as amended from time to time.

"Las Vegas Master Lease Agreement" refers to the lease agreement for Caesars Palace Las Vegas and the Harrah's Las Vegas facilities, as amended from time to time, from and after the consummation of the Eldorado Transaction.

"Lease Agreements" refer collectively to the Caesars Lease Agreements, the Penn National Lease Agreements, the Hard Rock Cincinnati Lease Agreement, the Century Portfolio Lease Agreement and the JACK Cleveland/Thistledown Lease Agreement, unless the context otherwise requires.

"Margaritaville" refers to the real estate of Margaritaville Resort Casino, located in Bossier City, Louisiana, which we purchased on January 2, 2019.

"Margaritaville Lease Agreement" refers to the lease agreement for Margaritaville, as amended from time to time.

"Master Transaction Agreement" or "MTA" refers to the master transaction agreement with Eldorado relating to the Eldorado Transaction.

"Non-CPLV Lease Agreement" refers to the lease agreement for regional properties (other than the facility in Joliet, Illinois) leased to Pre-Merger Caesars prior to the consummation of the Eldorado Transaction, as amended from time to time, which was replaced by the Regional Master Lease Agreement upon the consummation of the Eldorado Transaction.

"November 2019 Senior Unsecured Notes" refers collectively to the 2026 Notes and the 2029 Notes.

"Operating Partnership" refers to VICI Properties L.P., a Delaware limited partnership and a wholly owned subsidiary of VICI.

"Penn National" refers to Penn National Gaming, Inc., a Pennsylvania corporation, and, as the context requires, its subsidiaries.

"Penn National Lease Agreements" refer collectively to the Margaritaville Lease Agreement and the Greektown Lease Agreement, unless the context otherwise requires.

"Pre-Merger Caesars" refers to Caesars Entertainment Corporation, a Delaware corporation, and, as the context requires, its subsidiaries. Following the consummation of the Eldorado/Caesars Merger on July 20, 2020, Pre-Merger Caesars became a wholly owned subsidiary of Caesars.

"Regional Master Lease Agreement" refers to the lease agreement for the regional properties (other than the facility in Joliet, Illinois) leased to Caesars, as amended from time to time, from and after the consummation of the Eldorado Transaction.

"Revolving Credit Facility" refers to the five-year first lien revolving credit facility entered into by VICI PropCo, as amended from time to time.

"Senior Unsecured Notes" refers collectively to the November 2019 Senior Unsecured Notes and the February 2020 Senior Unsecured Notes.

"Second Lien Notes" refers to $766.9 million aggregate principal amount of 8.0% second priority senior secured notes due 2023 issued by a subsidiary of the Operating Partnership in October 2017, the remaining $498.5 million aggregate principal amount outstanding as of December 31, 2019 of which was redeemed in full on February 20, 2020.

"Seminole Hard Rock" means Seminole Hard Rock Entertainment, Inc.

"Term Loan B Facility" refers to the seven-year senior secured first lien term loan B facility entered into by VICI PropCo in December 2017, as amended from time to time.

"VICI Golf" refers to VICI Golf LLC, a Delaware limited liability company that is the owner and operator of our golf segment business.

"VICI PropCo" refers to VICI Properties 1 LLC, a Delaware limited liability company and an indirect wholly owned subsidiary of VICI.

Note 1 — Business and Organization

We are a Maryland corporation that is primarily engaged in the business of owning and acquiring gaming, hospitality and entertainment destinations, subject to long-term triple net leases. As of December 31, 2020, our national, geographically diverse portfolio consisted of 28 market-leading properties, including Caesars Palace Las Vegas and Harrah's Las Vegas. Our properties are leased to, and our tenants are, subsidiaries of Caesars, Penn National, Hard Rock, Century Casinos and JACK Entertainment. We also own and operate four championship golf courses located near certain of our properties.

We conduct our operations as a real estate investment trust ("REIT") for U.S. federal income tax purposes. As such, we generally will not be subject to U.S. federal income taxes on our taxable income to the extent that we annually distribute all of our net taxable income to stockholders and maintain our qualification as a REIT. We conduct our real property business through our Operating Partnership and our golf course business, through a taxable REIT subsidiary ("TRS"), VICI Golf.

Impact of the COVID-19 Pandemic on our Business

On March 11, 2020, the World Health Organization declared COVID-19 a pandemic, and on March 13, 2020, the United States declared a national emergency. Among the broader public health, societal and global impacts, the COVID-19 pandemic resulted in state governments and/or regulatory authorities issuing various directives, mandates, orders or similar actions, resulting in temporary closures of our tenants' operations at all of our properties. Our golf course business has also been impacted, with all four courses temporarily ceasing operations in March 2020 as a result of the COVID-19 pandemic, although our golf courses were subsequently reopened in early to mid-May 2020 in compliance with applicable regulations and restrictions. Although the operations of all of our properties are currently open, they remain subject to any current or future operating limitations or closures imposed by state and local governments and/or regulatory authorities. As a result, our tenants' facilities at our properties are generally operating at reduced capacity and subject to additional operating restrictions, and we cannot predict how long they will be required to operate subject to such operating restrictions, or whether they will be subject to additional restrictions or forced to close again in the future.

The full extent to which the COVID-19 pandemic continues to adversely affect our tenants, and ultimately impacts us, depends on future developments, which are highly uncertain and cannot be predicted with confidence, including the scope, severity and duration of the pandemic, the actions taken to contain the pandemic or mitigate its impact, including the availability and efficacy of one or more approved vaccines, and the direct and indirect economic effects of the pandemic and containment measures on our tenants, including our tenants' financial performance and the duration and extent of operating limitations, reduced capacity requirements and any additional required closures. We continue to closely monitor the impact of the COVID-19 pandemic on us and our tenants. All of our tenants have fulfilled their rent obligations in full through February 2021 and we continue to engage with our tenants in connection with the ongoing COVID-19 pandemic and its impact on their operations, liquidity and financial performance.

Note 2 — Summary of Significant Accounting Policies

Basis of Presentation

The accompanying consolidated financial statements have been prepared in accordance with U.S. generally accepted accounting principles ("GAAP") as set forth in the Accounting Standards Codification ("ASC"), as published by the Financial Accounting Standards Board ("FASB"), and with the applicable rules and regulations of the Securities and Exchange Commission ("SEC").

Principles of Consolidation and Non-controlling Interest

The accompanying consolidated Financial Statements include our accounts and the accounts of our Operating Partnership, and the subsidiaries in which we or our Operating Partnership has a controlling interest, which includes a single variable interest entity ("VIE") where we are the primary beneficiary. All intercompany accounts and transactions have been eliminated in consolidation. We consolidate all subsidiaries in which we have a controlling financial interest and VIEs for which we or one of our consolidated subsidiaries is the primary beneficiary.

We present non-controlling interest and classify such interest as a component of consolidated stockholders' equity, separate from VICI stockholders' equity. Our non-controlling interest represents a 20% third-party ownership of Harrah's Joliet LandCo LLC, the entity that owns the Harrah's Joliet property and is the lessor under the related Joliet Lease Agreement.

Use of Estimates

The preparation of financial statements in conformity with GAAP requires us to make estimates and assumptions. These estimates and assumptions affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the Financial Statements and the reported amounts of revenues and expenses during the reporting periods. Actual results could differ from these estimates.

Reportable Segments

Our real property business and our golf course business represent two reportable segments. The real property business segment consists of leased real property and real estate lending activities and represents the substantial majority of our business. The golf course business segment consists of four golf courses, each of which is an operating segment and is aggregated into one reportable segment.

Corporate and overhead costs are allocated to reportable segments based upon revenue or headcount. Management believes that the assumptions and methodologies used in the allocation of such expenses are reasonable.

Cash and Cash Equivalents

Cash consists of cash-on-hand and cash-in-bank. Any investments with an original maturity of three months or less from the date of purchase are considered cash equivalents and are stated at the lower of cost or market value.

Short-Term Investments

Investments with an original maturity of greater than three months and less than one year from the date of purchase are considered short-term investments and are stated at fair value.

We generally invest our excess cash in short-term investment grade commercial paper as well as discount notes issued by government-sponsored enterprises including the Federal Home Loan Mortgage Corporation and certain of the Federal Home Loan Banks. These investments generally have original maturities between 91 and 180 days and are accounted for as available for sale securities. Interest on our short-term investments is recognized as interest income in our Statement of Operations. We had $20.0 million and $59.5 million of short-term investments as of December 31, 2020 and 2019, respectively.

Investments in Leases - Sales-type and Direct Financing, Net

We account for our investments in leases under ASC 842 “Leases” (“ASC 842”). Upon lease inception or lease modification, we assess lease classification to determine whether the lease should be classified as a sales-type, direct financing or operating lease. As required by ASC 842, we separately assess the land and building components of the property to determine the classification of each component. If the lease component is determined to be a sales-type lease or direct financing lease, we record a net investment in the lease, which is equal to the sum of the lease receivable and the unguaranteed residual asset, discounted at the rate implicit in the lease. Any difference between the fair value of the asset and the net investment in the lease is considered selling profit or loss and is either recognized upon execution of the lease or deferred and recognized over the life of the lease, depending on the classification of the lease. Since we purchase properties and simultaneously enter into new leases directly with the tenants, the net investment in the lease is generally equal to the purchase price of the asset, and, due to the long term nature of our leases, the land and building components of an investment generally have the same lease classification.

Upon adoption of ASC 842 on January 1, 2019, we made an accounting policy election to use a package of practical expedients that, among other things, allow us to not reassess prior lease classifications or initial direct costs for leases that existed as of the balance sheet date. As such, we did not reassess the classification of our Caesars Lease Agreements, as these leases existed prior to our adoption of ASC 842.

Prior to the consummation of the Eldorado Transaction, the Caesars Lease Agreements continued to be accounted for as direct financing leases and were included within Investments in leases - sales-type and direct financing, net on the Balance Sheet, with the exception of the land component of Caesars Palace Las Vegas, which was determined to be an operating lease and was included in Investments in leases - operating on the Balance Sheet. The income recognition for our direct financing leases recognized under ASC 840 “Leases” (“ASC 840”) was consistent with the income recognition for our sales-type lease under ASC 842.

Upon the consummation of the Eldorado Transaction on July 20, 2020, we modified the CPLV Lease Agreement, HLV Lease Agreement, Non-CPLV Lease Agreement and Joliet Lease Agreement, which included amending certain of the lease terms, and combining the CPLV Lease Agreement and HLV Lease Agreement into the Las Vegas Master Lease Agreement and replacing the Non-CPLV Lease Agreement with the Regional Master Lease Agreement. Upon modification, we reassessed the lease classification of the Las Vegas Master Lease Agreement, Regional Master Lease Agreement and Joliet Lease Agreement and determined the leases meet the definition of a sales-type lease, including the land component of Caesars Palace Las Vegas. Accordingly, we reclassified the land component of Caesars Palace Las Vegas from Investments in leases - operating to Investments in leases - sales-type and direct financing. Further, as a result of the reclassifications of the Caesars Lease

Agreements from direct financing and operating leases to sales-type leases we recorded the investments at their estimated fair values as of the modification date and recognized a net gain equal to the difference in fair value of the assets and their carrying values immediately prior to the modification. Such gain is recognized in our Statement of Operations as Gain upon lease modification. Subsequent to the consummation of the Eldorado Transaction, we no longer have any leases classified as operating or direct financing and, as such, there is no longer any income recorded through Investments in leases - operating. Refer to Note 4 - Property Transactions for further discussion surrounding the lease modifications.

We have determined that the land and building components of the Margaritaville Lease Agreement, the Greektown Lease Agreement, the Hard Rock Cincinnati Lease Agreement and the Century Portfolio Lease Agreement meet the definition of a sales-type lease under ASC 842.

Investments in Leases - Financing Receivables, Net

In accordance with ASC 842, for transactions in which we enter into a contract to acquire an asset and lease it back to the seller under a sales-type lease (i.e., a sale leaseback transaction), control of the asset is not considered to have transferred to us. As a result, we do not recognize the underlying asset but instead recognize a financial asset in accordance with ASC 310 “Receivables” (“ASC 310”). The accounting for the financing receivable under ASC 310 is materially consistent with the accounting for our investments in leases - sales-type under ASC 842. We determined that the land and building components of the JACK Cleveland/Thistledown Lease Agreement meet the definition of a sales-type lease and, since we purchased and leased the assets back to the seller under a sale leaseback transaction, control is not considered to have transferred to us under GAAP. Accordingly, the JACK Cleveland/Thistledown Lease Agreement is accounted for as Investments in leases - financing receivables on our Balance Sheet, net of allowance for credit losses, in accordance with ASC 310.

Upon the consummation of the Eldorado Transaction on July 20, 2020, and reassessment of the classification of the Caesars Lease Agreements, as described above, we determined that the MTA Properties Acquisitions (as defined in Note 4 - Property Transactions) meet the definition of a separate contract under ASC 842. In accordance with this guidance, we are required to separately assess the lease classification apart from the other assets in the Regional Master Lease Agreement. We determined that the land and building components of the MTA Properties (as defined in Note 4 - Property Transactions) meet the definition of a sales-type lease and, since we purchased and leased the assets back to Caesars, control is not considered to have transferred to us under GAAP. Accordingly, the MTA Properties are accounted for as Investments in leases - financing receivables on our Balance Sheet, net of allowance for credit losses, in accordance with ASC 310.

Lease Term

We assess the noncancelable lease term under ASC 842, which includes any reasonably assured renewal periods. All of our Lease Agreements provide for an initial term, with multiple tenant renewal options. We have individually assessed all of our Lease Agreements and concluded that the lease term includes all of the periods covered by extension options as it is reasonably certain our tenants will renew the Lease Agreements. We believe our tenants are economically compelled to renew the Lease Agreements due to the importance of our real estate to the operation of their business, the significant capital they have invested in our properties and the lack of suitable replacement assets.

Investments in Loans, net

Investments in loans are held-for-investment and are carried at historical cost, net of unamortized loan origination costs and fees and allowances for credit losses. Income is recognized on an effective interest basis at a constant rate of return over the life of the related loan.

Income from Leases and Lease Financing Receivables

We recognize the related income from our sales-type leases, direct financing leases and lease financing receivables on an effective interest basis at a constant rate of return over the terms of the applicable leases. As a result, the cash payments accounted for under sales-type leases, direct financing leases and lease financing receivables will not equal income from our Lease Agreements. Rather, a portion of the cash rent we receive is recorded as Income from sales-type and direct financing leases or Income from lease financing receivables and loans, as applicable, in our Statement of Operations and a portion is recorded as a change to Investments in leases - sales-type and direct financing, net or Investments in leases - financing receivables, net, as applicable.

Under ASC 840, we determined that the land component of Caesars Palace Las Vegas was greater than 25% of the overall fair value of the combined land and building components. At lease inception, the land was determined to be an operating lease and we recorded the related income on a straight-line basis over the lease term. The amount of annual minimum lease payments attributable to the land element after deducting executory costs, including any profit thereon, was determined by applying the lessee’s incremental borrowing rate to the value of the land. Revenue from this lease was recorded as Income from operating leases in our Statement of Operations. Upon the consummation of the Eldorado Transaction on July 20, 2020, the land component of Caesars Palace Las Vegas was reassessed for lease classification and determined to be a sales-type lease. Accordingly, subsequent to July 20, 2020, the income is recognized as Income from sales-type leases.

Initial direct costs incurred in connection with entering into investments classified as sales-type leases or direct financing are included in the balance of the net investment in lease. Such amounts will be recognized as a reduction to Income from investments in leases over the life of the lease using the effective interest method. Costs that would have been incurred regardless of whether the lease was signed, such as legal fees and certain other third-party fees, are expensed as incurred to Transaction and acquisition expenses in our Statement of Operations. In connection with the reassessment of the lease classification and mark to fair value of the Caesars Lease Agreements, any initial direct costs capitalized prior to the Eldorado Transaction were written off as part of the gain upon lease modification.

Loan origination fees and costs incurred in connection with entering into investments classified as lease financing receivables are included in the balance of the net investment and such amounts will be recognized as a reduction to Income from investments in loans and lease financing receivables over the life of the lease using the effective interest method.

Allowance for Credit Losses

On January 1, 2020, we adopted ASC 326 “Credit Losses” (“ASC 326”), which requires that we measure and record current expected credit losses (“CECL”) for the majority of our investments, the scope of which includes our Investments in leases - sales-type and direct financing, Investments in leases - financing receivables and Investments in loans.

We have elected to use a discounted cash flow model to estimate the Allowance for credit losses, or CECL allowance. This model requires us to develop cash flows which project estimated credit losses over the life of the lease or loan and discount these cash flows at the asset’s effective interest rate. We then record a CECL allowance equal to the difference between the amortized cost basis of the asset and the present value of the expected credit loss cash flows.

Expected losses within our cash flows are determined by estimating the probability of default (“PD”) and loss given default (“LGD”) of our tenants and their parent guarantors over the life of each individual lease or financial asset. We have engaged a nationally recognized data analytics firm to assist us with estimating both the PD and LGD of our tenants and their parent guarantors. The PD and LGD are estimated during a reasonable and supportable period for which we believe we are able to estimate future economic conditions (the “R&S Period”) and a long-term period for which we revert to long-term historical averages (the “Long-term Period”). The PD and LGD estimates for the R&S Period are developed using the current financial condition of the tenant and applied to a projection of economic conditions over a two-year term. The PD and LGD for the Long-term Period are estimated using the average historical default rates and historical loss rates, respectively, of public companies over the past 35 years that have similar credit profiles or characteristics to our tenants and their parent guarantors. We were unable to use our historical data to estimate losses as we have no loss history to date.

The CECL allowance is recorded as a reduction to our net Investments in leases - sales-type and direct financing, Investments in leases - financing receivables and Investments in loans on our Balance Sheet. We are required to update our CECL allowance on a quarterly basis with the resulting change being recorded in the Statement of Operations for the relevant period. Finally, each time we make a new investment in an asset subject to ASC 326, we are required to record an initial CECL allowance for such asset, which will result in a non-cash charge to the Statement of Operations for the relevant period.

We are required to estimate a CECL allowance related to contractual commitments to extend credit, such as future funding commitments under a revolving credit facility. The CECL allowance related to these future commitments is recorded as a component of Other liabilities on our Balance Sheet.

Charge-offs are deducted from the allowance in the period in which they are deemed uncollectible. Recoveries previously written off are recorded when received. There were no charge-offs or recoveries for the year ended December 31, 2020.

Refer to Note 6 - Allowance for Credit Losses for further information.

Investments in Land

Our investments in land are held at historical cost and comprised of the following:

- *Las Vegas Land.* We own certain underdeveloped or undeveloped land adjacent to the Las Vegas strip.
- *Vacant, Non-Operating Land.* We own certain vacant, non-operating land parcels located outside of Las Vegas.
- *Eastside Property.* In 2017, we sold 18.4 acres of property located in Las Vegas, Nevada, east of Harrah's Las Vegas, known as the Eastside Property, to Caesars for a sales price of $73.6 million. It was determined that the transaction did not meet the requirements of a completed sale for accounting purposes due to a put/call option on the land parcels and the Caesars Forum Convention Center. The amount of $73.6 million is presented as Land with a corresponding amount of $73.6 million recorded as Deferred financing liability in our Consolidated Balance Sheet.

Property and Equipment Used in Operations

Property and equipment used in operations is included within Other assets on our Balance Sheet and represents assets primarily related to VICI Golf, our golf operations. We assign lives to our assets based on our standard policy, which is established by management as representative of the useful life of each category of asset.

Additions to property used in operations are stated at cost. We capitalize the costs of improvements that extend the life of the asset and expense maintenance and repair costs as incurred. Gains or losses on the dispositions of property and equipment are recognized in the period of disposal.

Depreciation is calculated using the straight-line method over the shorter of the estimated useful life of the asset or the related lease as follows:

Depreciable land improvements	2-50 years
Building and improvements	5-25 years
Furniture and equipment	2-5 years

Impairment

We assess our investments in land and property and equipment used in operations for impairment under ASC 360 "Property, Plant and Equipment" ("ASC 360") on a quarterly basis or whenever certain events or changes in circumstances indicate a possible impairment of the carrying value of the asset. Events or circumstances that may occur include changes in management's intended holding period or potential sale to a third party, significant changes in real estate market conditions or tenant financial difficulties resulting in non-payment of the lease.

Impairments are measured as the amount by which the current book value of the asset exceeds the estimated fair value of the asset. With respect to estimated expected future cash flows for determining whether an asset is impaired, assets are grouped at the lowest level of identifiable cash flows.

Other income and Other expenses

Other income primarily represents sub-lease income related to certain ground and use leases, the cost of which is passed to our tenants through the Lease Agreements, which require the tenants to pay all costs associated with such ground and use leases and provides for their direct payment to the landlord. This income and the related expense are recorded on a gross basis in our Statement of Operations as required under GAAP as we are the primary obligor under the ground and use leases.

We previously recorded the sub-lease income as a component of General and administrative expenses on a net basis with the sub-lease expense. Beginning with the three months ended March 31, 2020, we re-classified these amounts to be presented gross in Other income with an offsetting amount in Other expenses within the Statement of Operations. For the year ended December 31, 2019, such amounts, included net in General and administrative expenses, were $2.9 million.

For the year ended December 31, 2018, Other income and Other expense represents real estate taxes paid directly by our tenants to taxing authorities which were required to be recorded gross on our Balance Sheets and Income Statements, as we concluded we are the primary obligor. Upon adoption of ASC 842, "Leases" ("ASC 842") in 2019, such amounts are presented net, as the tenants pay the real estate taxes directly to the applicable taxing authority.

Fair Value Measurements

We measure the fair value of financial instruments based on assumptions that market participants would use in pricing the asset or liability. As a basis for considering market participant assumptions in fair value measurements, a fair value hierarchy distinguishes between market participant assumptions based on market data obtained from sources independent of the reporting entity and the reporting entity's own assumptions about market participant assumptions. In accordance with the fair value hierarchy, Level 1 assets/liabilities are valued based on quoted prices for identical instruments in active markets, Level 2 assets/liabilities are valued based on quoted prices in active markets for similar instruments, on quoted prices in less active or inactive markets, or on other "observable" market inputs and Level 3 assets/liabilities are valued based significantly on "unobservable" market inputs.

Refer to Note 10 - Fair Value for further information.

Derivative Financial Instruments

We record our derivative financial instruments as either Other assets or Other liabilities on our Balance Sheet at fair value.

The accounting for changes in the fair value of derivatives depends on the intended use of the derivative, whether we elected to designate a derivative in a hedging relationship and apply hedge accounting and whether the hedging relationship has satisfied the criteria necessary to apply hedge accounting. Derivatives designated and qualifying as a hedge of the exposure to variability in expected future cash flows are considered cash flow hedges. We formally document our hedge relationships and designation at the contract's inception. This documentation includes the identification of the hedging instruments and the hedged items, its risk management objectives, strategy for undertaking the hedge transaction and our evaluation of the effectiveness of its hedged transaction.

On a quarterly basis, we also assess whether the derivative we designated in each hedging relationship is expected to be, and has been, highly effective in offsetting changes in the value or cash flows of the hedged items. If it is determined that a derivative is not highly effective at hedging the designated exposure, hedge accounting is discontinued and the changes in fair value of the instrument are included in net income prospectively. If the hedge relationship is terminated, then the value of the derivative is recorded in Accumulated other comprehensive income and recognized in earnings when the cash flows that were hedged affect earnings. Changes in the fair value of our derivative instruments that qualify as hedges are reported as a component of Other comprehensive income on our consolidated financial statements.

We use derivative instruments to mitigate the effects of interest rate volatility inherent in our variable rate debt, which could unfavorably impact our future earnings and forecasted cash flows. We do not use derivative instruments for speculative or trading purposes.

Golf Revenues

Subsidiaries of VICI Golf and subsidiaries of Caesars are party to a golf course use agreement (the "Golf Course Use Agreement"), whereby the subsidiaries of Caesars are granted certain priority rights and privileges with respect to access and use of certain golf course properties. For the year ended December 31, 2020, payments under the Golf Course Use Agreement were comprised of a $10.3 million annual membership fee, $3.2 million of use fees and approximately $1.3 million of minimum rounds fees. The annual membership fee, use fees and minimum round fees are subject to an annual escalator beginning at the times provided under the Golf Course Use Agreement. Revenue from the Golf Course Use Agreement is recognized in accordance with ASC 606, "Revenue From Contracts With Customers" and recognized ratably over the performance period.

Additional revenues from golf course operations, food and beverage and merchandise sales are recognized at the time of sale or when the service is provided and are reported net of sales tax. Golf memberships sold to individuals are not refundable and are deferred and recognized within golf revenue in the Statements of Operations over the expected life of an active membership, which is typically one year or less.

Income Taxes-REIT Qualification

We conduct our operations as a REIT for U.S. federal income tax purposes. To qualify as a REIT, we must meet certain organizational and operational requirements, including a requirement to distribute at least 90% of our annual REIT taxable income to stockholders, determined without regard to the dividends paid deduction and excluding any net capital gains. As a REIT, we generally will not be subject to federal income tax on income that we pay as distributions to our stockholders. If we fail to qualify as a REIT in any taxable year, we will be subject to U.S. federal income tax on our taxable income at regular corporate income tax rates, and distributions paid to our stockholders would not be deductible by us in computing taxable income. Additionally, any resulting corporate liability created if we fail to qualify as a REIT could be substantial and could materially and adversely affect our net income and net cash available for distribution to stockholders. Unless we were entitled to relief under certain Code provisions, we also would be disqualified from re-electing to be taxed as a REIT for the four taxable years following the year in which we failed to qualify to be taxed as a REIT.

The TRS operations (represented by the four golf course businesses) are able to engage in activities resulting in income that would not be qualifying income for a REIT. As a result, certain of our activities which occur within our TRS operations are subject to federal and state income taxes. The provision for income taxes includes current and deferred portions. The current income tax provision differs from the amount of income tax currently payable because of temporary differences in the recognition of certain income and expense items between financial reporting and income tax reporting. We use the asset and liability method to provide for income taxes, which requires that our income tax expense reflect the expected future tax consequences of temporary differences between the carrying amounts of assets or liabilities for financial reporting versus income tax purposes. Accordingly, a deferred tax asset or liability for each temporary difference is determined based on enacted tax rates that we expect to be in effect when the underlying items of income and expense are realized and the differences reverse.

We recognize any interest and penalties, as incurred, in general and administrative expenses in our Statement of Operations.

Debt Issuance Costs

Debt issuance costs are deferred and amortized to interest expense over the contractual term of the underlying indebtedness. We present unamortized deferred financing costs as a direct deduction from the carrying amount of the associated debt liability.

Transaction and Acquisition Expenses

Transaction and acquisition-related expenses that are not capitalizable under GAAP, including most leasing costs under ASC 842, are expensed in the period they occur. Transaction and acquisition expenses also include dead deal costs.

Stock-Based Compensation

We account for stock-based compensation under ASC 718, Compensation - Stock Compensation (“ASC 718”), which requires us 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. For non-vested share awards that vest over a predetermined time period, we use the 10-day volume weighted average price using the 10 trading days ending on the grant date. For non-vested share awards that vest based on market conditions, we use a Monte Carlo simulation (risk-neutral approach) to determine the value of each tranche.

The unrecognized compensation relating to awards under our stock incentive plan will be amortized to general and administrative expense over the awards’ remaining vesting periods. Vesting periods for award of equity instruments range from zero to four years.

See Note 14—Stock-Based Compensation for further information related to the stock-based compensation.

Earnings Per Share

Earnings per share (”EPS”) is calculated in accordance with ASC 260, “Earnings Per Share”. Basic EPS is computed by dividing net income applicable to common stockholders by the weighted-average number of shares of common stock outstanding during the period. Diluted EPS reflects the additional dilution for all potentially dilutive securities including those from our stock incentive plan.

See Note 13—Earnings Per Share for the detailed EPS calculation.

Underwriting Commissions and Offering Costs

Underwriting commissions and offering costs incurred in connection with common stock offerings are reflected as a reduction of additional paid-in capital. Costs incurred that are not directly associated with the completion of a common stock offering are expensed when incurred.

Concentrations of Credit Risk

Caesars is the guarantor of all the lease payment obligations of the tenants under the respective leases of the properties that it leases from us. Revenue from the Caesars Lease Agreements represented 84%, 93% and 100% of our lease revenues for the years ended December 31, 2020, 2019 and 2018, respectively. Additionally, our properties on the Las Vegas Strip generated approximately 30%, 33% and 36% of our lease revenues for the years ended December 31, 2020, 2019 and 2018, respectively. We do not believe there are any other significant concentrations of credit risk.

Caesars is a publicly traded company that is subject to the informational filing requirements of the Securities Exchange Act of 1934, as amended, and is required to file periodic reports on Form 10-K and Form 10-Q and current reports on Form 8-K with the SEC. Caesars' SEC filings are available to the public from the SEC's web site at www.sec.gov. We make no representation as to the accuracy or completeness of the information regarding Caesars that is available through the SEC's website or otherwise made available by Caesars or any third party, and none of such information is incorporated by reference in this Annual Report on Form 10-K.

Note 3 — Recently Issued Accounting Pronouncements

Accounting Pronouncements Recently Adopted

Accounting Standard Update ("ASU") No. 2016-13 - *Financial Instruments-Credit Losses (Topic 326) - June 2016 (as amended through February 2020)*: This amended guidance changes how entities measure credit losses for most financial assets and certain other instruments, including sales-type and direct financing leases, that are not measured at fair value through net income. The guidance replaces the current "incurred loss" model with an "expected loss" approach, which will generally result in earlier recognition of allowance for credit losses.

As a result of the guidance, we are required to estimate and record non-cash credit losses related to our Investments in leases - sales-type and direct financing, Investments in lease - financing receivables and loans and expand our credit quality disclosures. The new standard did not materially impact any of our other financial assets or instruments that we currently have on our Balance Sheet.

We adopted the guidance on January 1, 2020 using the modified retrospective approach method of adoption. Under this method we recorded a cumulative-effect adjustment to our opening Balance Sheet as a reduction in our Investments in leases - sales-type and direct financing and a corresponding charge to retained (deficit) earnings. Such amount was determined by applying our methodology for estimating allowances for credit losses to our existing Investments in leases - sales-type and direct financing as of January 1, 2020, which resulted in a $309.4 million cumulative adjustment, representing a 2.88% credit allowance upon adoption. Periods prior to the adoption date that are presented for comparative purposes are not adjusted.

Each time we enter into a new sales-type or direct financing lease, lease financing receivable or loan, we will be required to estimate a credit allowance which will result in a non-cash charge to the Statement of Operations and a corresponding reduction in our net investment in the asset. Finally, each reporting period we are required to update the estimated allowance for any estimated changes in the credit loss, with the resulting change being recorded on the Statement of Operations and a corresponding change in our net investment in the asset.

Refer to Note 6 - Allowance for Credit Losses for further information.

Note 4 — Property Transactions

Summary of Recent Activities

2020 Transactions

Our significant activities in 2020, in reverse chronological order, are as follows:

Caesars Southern Indiana Lease Agreement

On December 24, 2020, in connection with the Eastern Band of Cherokee Indians' ("EBCI") agreement to acquire the operations of Caesars Southern Indiana from Caesars, we agreed to enter into a triple-net lease agreement with EBCI with respect to the real property associated with Caesars Southern Indiana, at the closing of EBCI's acquisition. In addition, as part of the transaction, the parties have agreed to negotiate a right of first refusal for VICI Properties on the real property associated with the development of a new casino resort in Danville, Virginia. Initial total annual rent under the lease with EBCI will be $32.5 million. The lease will have an initial term of 15 years, with four 5-year tenant renewal options. The tenant's obligations under the lease will be guaranteed by EBCI. Annual base rent payments under the Regional Master Lease Agreement will be reduced by $32.5 million upon completion of EBCI's acquisition of the operations of Caesars Southern Indiana and the execution of the lease between us and EBCI. The property is expected to retain the Caesars brand name and to continue to be a part of the Caesars Rewards loyalty program in accordance with the terms of a licensing agreement negotiated between EBCI and Caesars. The transaction is subject to customary regulatory and other approvals and is expected to be completed in the second half of 2021. The transaction is subject to customary regulatory and other approvals (and, with respect to the right of first refusal, negotiation of definitive documentation and applicable regulatory and other governmental approvals) and are expected to be completed in the third quarter of 2021.

Sale of Bally's Atlantic City

On November 18, 2020, we and Caesars closed on the previously announced transaction to sell Bally's Atlantic City Hotel & Casino for $25.0 million to Bally's Corporation. We received approximately $19.0 million of the proceeds from the sale and Caesars received approximately $6.0 million of the proceeds. We did not recognize any gain or loss on the sale of Bally's Atlantic City as the asset was sold at its carrying amount. The annual rent payments under the Regional Master Lease Agreement remain unchanged following completion of the disposition.

Sale of Harrah's Reno

On September 30, 2020, we and Caesars closed on the previously announced transaction to sell Harrah's Reno to a third party at a purchase price of $41.5 million. Pursuant to the agreement, we received $31.1 million of the proceeds of the sale and Caesars received $10.4 million of the proceeds. We did not recognize any gain or loss on the sale of Harrah's Reno as the asset was sold at its carrying amount. The annual rent payments under the Regional Master Lease Agreement remain unchanged following completion of the disposition.

Caesars Forum Convention Center Mortgage Loan

On September 18, 2020, we entered into a mortgage loan agreement with a subsidiary of Caesars (the "Forum Convention Center Borrower") pursuant to which we loaned $400.0 million to the Forum Convention Center Borrower for a term of five years, with such loan secured by, among other things, a first priority fee mortgage on the Caesars Forum Convention Center (the "Forum Convention Center Mortgage Loan").

The interest rate on the Forum Convention Center Mortgage Loan is initially 7.7% per annum, with annual interest payments subject to 2.0% annual escalation (resulting in year two annual interest of $31.4 million based on a year two interest rate of 7.854%), with interest paid monthly in cash in arrears. Except as provided below, no prepayments are permitted during the first two years of the term of the Forum Convention Center Mortgage Loan. During the third and fourth years of the term of the Forum Convention Center Mortgage Loan, the Forum Convention Center Borrower may prepay the Forum Convention Center Mortgage Loan, in each case in full but not in part, at 102% of par in year three and 101% of par in year four. During the fifth year of the term of the Forum Convention Center Mortgage Loan, the Forum Convention Center Borrower may prepay the Forum Convention Center Mortgage Loan in full but not in part at par. However, the Forum Convention Center Mortgage Loan may be prepaid at any time at par, without penalty or make-whole, in connection with our acquisition of the Caesars Forum Convention Center and an OpCo sale and conversion to an OpCo/PropCo structure, subject to our consent, which may be withheld in our sole discretion.

The Forum Convention Center Mortgage Loan is secured by a first priority mortgage on the Caesars Forum Convention Center, as well as a first priority lien on the equity interests in the Forum Convention Center Borrower, a first priority security interest in all of the Forum Convention Center Borrower's interest in furniture, fixtures and equipment used, owned or related to the operation of the Caesars Forum Convention Center, and a first priority assignment of the Forum Convention Center Borrower's interest in leases and rents, including a collateral assignment of the Forum Convention Center Borrower's interest in the lease on the Caesars Forum Convention Center pursuant to which the Forum Convention Center Borrower leases the Caesars Forum Convention Center to another subsidiary of Caesars (the "Caesars Tenant"), which lease is fully subordinate to the Forum Convention Center Mortgage Loan. In addition, if the Forum Convention Center Borrower defaults on the Forum Convention Center Mortgage Loan and we take title to the Caesars Forum Convention Center, we may, at our option under certain circumstances, keep the lease with the Caesars Tenant in effect (which lease is guaranteed by Caesars and has an initial annual rent of $33.9 million, subject to annual increases equal to the greater of 2% and the annual consumer price index increase).

In addition, in connection with the consummation of the Forum Convention Center Mortgage Loan, we and Caesars waived the conditionality of the consummation of such loan transaction on the consummation of the potential acquisition of approximately 23 acres of land in the vicinity of, or adjacent to, The LINQ Hotel & Casino, Bally's Las Vegas, Paris Las Vegas and Planet Hollywood gaming facilities (the "Las Vegas Land") as initially contemplated by the letter of intent. While the parties may evaluate the potential transaction involving the Las Vegas Land in the future, the parties are not actively pursuing consummation of the transaction at this time and we are under no obligation to purchase the Las Vegas Land, and, as such, there can be no assurances that the Las Vegas Land acquisition will close on the contemplated terms or at all.

Amended and Restated Convention Center Put-Call Agreement

On September 18, 2020, concurrent with the entry into the Forum Convention Center Mortgage Loan and in accordance with the LOI, we and a subsidiary of Caesars amended and restated the Amended and Restated Put-Call Right Agreement entered into on July 20, 2020 in connection with the consummation of the Eldorado Transaction (as further amended, the "A&R Convention Center Put-Call Agreement") related to the Caesars Forum Convention Center. The A&R Convention Center Put-Call Agreement provides for (i) a call right in our favor, which, if exercised, would result in the sale by Caesars to us and simultaneous leaseback by us to Caesars of the Caesars Forum Convention Center (the "Convention Center Call Right"), at a price equal to 13.0x the initial annual rent for Caesars Forum Convention Center as proposed by Caesars (which shall be between $25.0 million and $35.0 million), exercisable by us from September 18, 2025 (the scheduled maturity date of the Forum Convention Center Mortgage Loan) until December 31, 2026, (ii) a put right in favor of Caesars, which, if exercised, would result in the sale by Caesars to us and simultaneous leaseback by us to Caesars of the Caesars Forum Convention Center (the "Convention Center Put Right") at a price equal to 13.0x the initial annual rent for the Caesars Forum Convention Center as proposed by Caesars (which shall be between $25.0 million and $35.0 million), exercisable by Caesars between January 1, 2024 and December 31, 2024, and (iii) if there is an event of default under the Forum Convention Center Mortgage Loan, the Convention Center Put Right will not be exercisable and we, at our option, may accelerate the Convention Center Call Right so that it is exercisable from the date of such event of default until December 31, 2026 (in addition to any other remedies available to us in connection with such event of default).

The A&R Convention Center Put-Call Agreement also provides for, if Caesars exercises the Convention Center Put Right and, among other things, the sale of the Caesars Forum Convention Center to us does not close for certain reasons more particularly described in the A&R Convention Center Put-Call Agreement, a repurchase right in favor of Caesars, which, if exercised, would result in the sale of the Harrah's Las Vegas property by us to Caesars (the "HLV Repurchase Right"), exercisable by Caesars during a one-year period commencing on the date upon which the closing under the Convention Center Put Right transaction does not occur and ending on the day immediately preceding the one-year anniversary thereof for a price equal to 13.0x the rent of the Harrah's Las Vegas property for the most recently ended annual period for which Caesars' financial statements are available as of Caesars' election to exercise the HLV Repurchase Right.

Sale of Louisiana Downs

On September 3, 2020, we and Caesars entered into definitive agreements to sell Harrah's Louisiana Downs Casino for $22.0 million to Rubico Acquisition Corp. We are entitled to receive $5.5 million of the proceeds from the sale and Caesars is entitled to $16.5 million of the proceeds. The annual rent payments under the Regional Master Lease Agreement will remain unchanged following completion of the disposition, which we anticipate will close in the first half of 2021 and remains subject to regulatory approval and customary closing conditions.

Chelsea Piers Mortgage Loan

On August 31, 2020, we entered into an $80.0 million mortgage loan agreement (the "Chelsea Piers Mortgage Loan") with Chelsea Piers New York ("Chelsea Piers") secured by the Chelsea Piers complex in New York City, pursuant to which we provided (i) an initial term loan of $65.0 million and (ii) a $15.0 million delayed draw term loan at the borrowers' election (which remained undrawn as of December 31, 2020), subject to certain conditions. The Chelsea Piers Mortgage Loan bears interest at a rate of 7.0% per annum, with a term of 7 years.

Consummation of the Eldorado Transaction

On July 20, 2020, concurrent with the consummation of the Eldorado/Caesars Merger, we consummated the Eldorado Transaction contemplated by the MTA and the MTA Property Purchase Agreements (as defined below). We funded the Eldorado Transaction with a combination of cash on hand, the proceeds from the physical settlement of the June 2019 Forward Sale Agreements on June 2, 2020, as described in Note 12 - Stockholders' Equity, and the proceeds from our February 2020 Senior Unsecured Notes offering previously held in escrow. Any references to Caesars in the subsequent transaction discussion refer to the combined Eldorado/Caesars subsequent to the consummation of the Eldorado/Caesars Merger.

The closing of the Eldorado Transaction includes the consummation of the transactions contemplated by the following agreements:

- *Acquisition of the MTA Properties.* We acquired all of the land and real estate assets associated with Harrah's New Orleans, Harrah's Laughlin and Harrah's Atlantic City (collectively, the "MTA Properties") for an aggregate purchase price of $1,823.5 million (the "MTA Properties Acquisitions"). The Regional Master Lease Agreement was amended to, among other things, include each such property, with initial aggregate total annual rent payable to us increased by $154.0 million to $621.7 million, and to extend the initial term to July 2035 and to adjust certain minimum capital expenditure requirements and other related terms and conditions as a result of the MTA Properties being included in the Regional Master Lease Agreement as further described in "—Lease Amendments and Terminations" below. We completed the MTA Properties Acquisitions pursuant to the following agreements: (i) a Purchase and Sale Agreement (the "Harrah's New Orleans Purchase Agreement") pursuant to which we agreed to acquire, and Eldorado agreed to cause to be sold, all of the fee and leasehold interests in the land and real property improvements associated with Harrah's New Orleans in New Orleans, Louisiana ("Harrah's New Orleans") for a cash purchase price of $789.5 million, (ii) a Purchase and Sale Agreement (the "Harrah's Atlantic City Purchase Agreement") pursuant to which we agreed to acquire, and Eldorado agreed to cause to be sold, all of the land and real property improvements associated with Harrah's Resort Atlantic City and Harrah's Atlantic City Waterfront Conference Center in Atlantic City, New Jersey for a cash purchase price of $599.3 million; and (iii) a Purchase and Sale Agreement (the "Harrah's Laughlin Purchase Agreement" and, collectively with the Harrah's New Orleans Purchase Agreement and the Harrah's Atlantic City Purchase Agreement, the "MTA Property Purchase Agreements") pursuant to which we agreed to acquire, and Eldorado agreed to cause to be sold, all of the equity interests in a newly formed entity that acquired the land and real property improvements associated with Harrah's Laughlin Hotel & Casino in Laughlin, Nevada for a cash purchase price of $434.8 million. Each of our call options on the MTA Properties terminated upon the closing of the MTA Properties Acquisitions.

  On July 20, 2020, in connection with the completion of the purchase of Harrah's New Orleans, the tenant's leasehold interest in that certain Second Amended and Restated Lease Agreement (the "HNO Ground Lease") dated as of April 3, 2020, by and among Jazz Casino Company, L.L.C., a Louisiana limited liability company ("JCC"), New Orleans Building Corporation ("NOBC") and the City of New Orleans, was assigned by JCC to us. The HNO Ground Lease sets forth the terms and conditions pursuant to which we lease from NOBC a portion of the land upon which Harrah's New Orleans is located. Simultaneous with entering into the assignment of the HNO Ground Lease, we subleased our interest in the HNO Ground Lease to Caesars in accordance with the terms and conditions of the Regional Master Lease Agreement.

  Pursuant to the Regional Master Lease Agreement, Caesars is required to perform our obligations as tenant under the HNO Ground Lease, which include the obligation to construct a new hotel intended to be located on the ground-leased premises and to expend at least $325.0 million in connection with the construction of such hotel. The HNO Ground Lease contains certain rights in our favor should Caesars fail to perform our obligations thereunder, including providing us with additional cure periods to cure defaults. If we are unable to cure a Caesars default during any such additional cure period, then, subject to certain conditions more particularly set forth in the HNO Ground Lease, we will have a further additional period (up to 12-24 months) to seek to terminate Caesars as tenant and to enter into a replacement sublease with a new operator with respect to the leased premises. If we fail to cure such default at the end of such additional cure period, NOBC would have the right to exercise remedies, including termination of the HNO Ground Lease, in which case we would no longer have any right, title or interest to the leased premises or the improvements located thereon.

- *Creation of Las Vegas Master Lease.* In consideration of a payment by us to (i) the tenant under the CPLV Lease Agreement of $1,189.9 million (the "CPLV Lease Amendment Payment") and (ii) the tenant under the HLV Lease Agreement of $213.8 million (the "HLV Lease Amendment Payment"), upon the consummation of the Eldorado Transaction, (a) the CPLV Lease Agreement was amended to (A) combine the CPLV Lease Agreement and the HLV Lease Agreement into a single Las Vegas Master Lease Agreement, (B) increase the annual rent payable to us thereunder associated with Caesars Palace Las Vegas by $83.5 million (the "CPLV Additional Rent Acquisition"), (C) increase the annual rent previously payable to us with respect to the Harrah's Las Vegas property by $15.0 million (the "HLV Additional Rent Acquisition") under the Las Vegas Master Lease Agreement and (D) to provide for the amended terms described below, and (b) the HLV Lease Agreement and the related lease guaranty were terminated. As a result of such amendments, the Harrah's Las Vegas property is also now subject to the higher rent escalator under the Las Vegas Master Lease Agreement.

- *Lease Amendments and Terminations.* Each of the Caesars Lease Agreements was amended to, among other things, (i) remove the rent coverage floors, which coverage floors served to reduce the rent escalators under such leases in the event that the "EBITDAR to Rent Ratio" (as defined in the applicable Caesars Lease Agreements) coverage was below the stated floor and (ii) extend the term of each such lease by such additional period of time as necessary to ensure that each lease will have a full 15-year initial lease term following the consummation of the Eldorado Transaction. The Regional Master Lease Agreement was also amended to, among other things: (a) permit the tenant under the Regional Master Lease Agreement to cause facilities subject to the Regional Master Lease Agreement that in the aggregate represent up to five percent of the aggregate EBITDAR of (A) all of the facilities under such Regional Master Lease Agreement and (B) the Harrah's Joliet facility, for the 2018 fiscal year (defined as the "2018 EBITDAR Pool" in the Regional Master Lease Agreement, without giving effect to any increase in the 2018 EBITDAR Pool as a result of a facility being added to the Regional Master Lease Agreement) to be sold (whereby the tenant and landlord under the Regional Master Lease Agreement would sell the operations and real estate, respectively, with respect to such facility), provided, among other things, that (1) we and Caesars mutually agree to the split of proceeds from such sales, (2) such sales do not result in any impairment(s)/asset write down(s) by us, (3) rent under the Regional Master Lease Agreement remains unchanged following such sale and (4) the sale does not result in us recognizing certain taxable gain; (b) restrict the ability of the tenant thereunder to transfer and sell the operating business of Harrah's New Orleans and Harrah's Atlantic City to replacement tenants without our consent and remove such restrictions with respect to Horseshoe Southern Indiana (in connection with the restrictions applying to Harrah's New Orleans) and Horseshoe Bossier City (in connection with the restrictions applying to Harrah's Atlantic City), provided that the tenant under the Regional Master Lease Agreement may only sell such properties if certain terms and conditions are met, including that replacement tenants meet certain criteria provided in the Regional Master Lease Agreement; and (c) require that the tenant under the Regional Master Lease Agreement complete and pay for all capital improvements and other payments, costs and expenses related to the extension of the existing operating license with respect to Harrah's New Orleans, including, without limitation, any such payments, costs and expenses required to be made to the City of New Orleans, the State of Louisiana or any other governmental body or agency.

  Caesars has executed new guaranties with respect to the Las Vegas Master Lease Agreement (the "Las Vegas Lease Guaranty"), the Regional Master Lease Agreement (the "Regional Lease Guaranty") and the Joliet Lease Agreement (the "Joliet Lease Guaranty" and, together with the Las Vegas Lease Guaranty and the Regional Lease Guaranty, the "Caesars Guaranties"), guaranteeing the prompt and complete payment and performance in full of: (i) all monetary obligations of the tenants under the Caesars Lease Agreements, including all rent and other sums payable by the tenants under the Caesars Lease Agreements and any obligation to pay monetary damages in connection with any breach and to pay any indemnification obligations of the tenants under the Caesars Lease Agreements; and (ii) the performance when due of all other covenants, agreements and requirements to be performed and satisfied by the tenants under the Caesars Lease Agreements.

  In connection with entering into the amendments to the Caesars Lease Agreements and the Caesars Guaranties described above, we and Caesars terminated the Management and Lease Support Agreements, dated as of October 6, 2017, with respect to each of the Caesars Lease Agreements, pursuant to which, among other things, Pre-Merger

Caesars previously guaranteed the tenants' monetary obligations under the Caesars Lease Agreements and the Guaranty of Lease dated as of December 22, 2017 pursuant to which, among other things, a subsidiary of Pre-Merger Caesars guaranteed the tenant's obligations under the HLV Lease Agreement.

- *Centaur Properties Put-Call Agreement*. Prior to the consummation of the Eldorado Transaction, we were party to a right of first refusal agreement with affiliates of Pre-Merger Caesars with respect to two gaming facilities in Indiana - Harrah's Hoosier Park and Indiana Grand (together, the "Centaur Properties"). Upon the consummation of the Eldorado Transaction, the Second Amended and Restated Right of First Refusal Agreement between us and Pre-Merger Caesars terminated in accordance with its terms, which included the right of first refusal that we had with respect to the Centaur Properties, and we entered into a Put-Call Right Agreement with Caesars (the "Centaur Put-Call Agreement"), whereby (i) we have the right to acquire all of the land and real estate assets associated with the Centaur Properties at a price equal to 13.0x the initial annual rent of each facility (determined as provided below), and to simultaneously lease back each such property to a subsidiary of Caesars for initial annual rent equal to the property's trailing four quarters EBITDA at the time of acquisition divided by 1.3 (i.e., the initial annual rent will be set at 1.3x rent coverage) and (ii) Caesars will have the right to require us to acquire the Centaur Properties at a price equal to 12.5x the initial annual rent of each facility, and to simultaneously lease back each such Centaur Property to a subsidiary of Caesars for initial annual rent equal to the property's trailing four quarters EBITDA at the time of acquisition divided by 1.3 (i.e., the initial annual rent will be set at 1.3x rent coverage). Either party will be able to trigger its respective put or call, as applicable, beginning on January 1, 2022 and ending on December 31, 2024. The Centaur Put-Call Agreement provides that the leaseback of the Centaur Properties will be implemented through the addition of the Centaur Properties to the Regional Master Lease Agreement.

- *Amended and Restated Caesars Forum Convention Center Put-Call Agreement.* Upon the consummation of the Eldorado Transaction, we entered into an A&R Put-Call Right Agreement with Caesars amending and restating that certain put-call agreement related to the Caesars Forum Convention Center. In connection with the consummation of the Forum Convention Center Mortgage Loan on September 18, 2020, we further amended the agreement as described above in "—Amended and Restated Convention Center Put-Call Agreement".

- *Las Vegas Strip Assets ROFR*. Upon the consummation of the Eldorado Transaction, we entered into a right of first refusal agreement with Caesars (the "Las Vegas Strip ROFR Agreement") pursuant to which we have the first right, with respect to the first two Las Vegas Strip assets described below that Caesars proposes to sell, whether pursuant to a sale leaseback or a WholeCo sale, to a third party, to acquire any such asset (it being understood that we will have the opportunity to find an operating company should Caesars elect to pursue a WholeCo sale). The Las Vegas Strip assets subject to the Las Vegas Strip ROFR Agreement are the land and real estate assets associated (i) with respect to the first such asset subject to the Las Vegas Strip ROFR Agreement, the Flamingo Las Vegas, Paris Las Vegas, Planet Hollywood and Bally's Las Vegas gaming facilities, and (ii) with respect to the second asset subject to the Las Vegas Strip ROFR Agreement, the foregoing assets plus The LINQ gaming facility. If we enter into a sale leaseback transaction with Caesars on any of these facilities, the leaseback may be implemented through the addition of such properties to the Las Vegas Master Lease Agreement.

- *Horseshoe Baltimore ROFR*. Upon the consummation of the Eldorado Transaction, we entered into a right of first refusal agreement with Caesars pursuant to which we have the first right to enter into a sale leaseback transaction with respect to the land and real estate assets associated with the Horseshoe Baltimore gaming facility (subject to any consent required from Caesars' joint venture partners with respect to this asset).

- *CPLV CMBS Refinancing*. We were obligated to cause the CPLV CMBS Debt to be repaid in full prior to the consummation of the Eldorado/Caesars Merger. In November 2019, we repaid the CPLV CMBS Debt in full resulting in a prepayment penalty of $110.8 million, of which $55.4 million was reimbursed by Caesars upon the consummation of the Eldorado Transaction in accordance with the MTA.

- *Eldorado Bridge Facilities*. On June 24, 2019, in connection with the Eldorado Transaction, VICI PropCo entered into a commitment letter (the "Commitment Letter") with Deutsche Bank Securities Inc. and Deutsche Bank AG Cayman Islands Branch (collectively, the "Bridge Lender"), pursuant to which and subject to the terms and conditions set forth therein, the Bridge Lender agreed to provide (i) a 364-day first lien secured bridge facility of up to $3.3 billion in the aggregate (the "Eldorado Senior Bridge Facility") and (ii) a 364-day second lien secured bridge facility of up to $1.5 billion in the aggregate (the "Eldorado Junior Bridge Facility," and, together with the Eldorado Senior Bridge Facility, the "Bridge Facilities"), for the purpose of providing a portion of the financing necessary to fund the Eldorado Transaction. The commitments under the Bridge Facilities were fully terminated at our election in June 2020.

JACK Lease Agreement Amendment and Amended and Restated ROV Loan

On July 16, 2020, we and JACK Entertainment entered into an amendment to the JACK Cleveland/Thistledown Lease Agreement (the "JACK Lease Agreement Amendment"), pursuant to which, among other things, we agreed to fund $18.0 million for the construction of a new gaming patio amenity at JACK Thistledown Racino, which will be leased by JACK Entertainment pursuant to the JACK Lease Agreement Amendment. In connection with the construction of the gaming patio, commencing on April 1, 2022, rent under the JACK Cleveland/Thistledown Lease Agreement (as amended by the JACK Lease Agreement Amendment) will be increased by an incremental $1.8 million. The JACK Lease Agreement Amendment also provides for relief with respect to certain existing covenants through March 31, 2022, adds an additional 5 years to the initial lease term, with the tenant under the JACK Cleveland/Thistledown Lease Agreement having three (rather than four) five-year renewal options as a result of such extension of the initial lease term, and provides for rent escalation to begin in 2022 rather than 2021. The JACK Lease Agreement Amendment does not provide for a reduction or deferral of the tenant's rent obligations. The tenant's obligations under the JACK Lease Agreement Amendment are guaranteed by Rock Ohio Ventures LLC ("Rock Ohio Ventures"). Pursuant to the Jack Lease Agreement Amendment, the relief provided thereunder is conditioned upon (i) the tenant's timely payment of rent obligations under the JACK Cleveland/Thistledown Lease Agreement and (ii) no tenant event of default occurring under the JACK Cleveland/Thistledown Lease Agreement during the compliance period set forth in the JACK Lease Agreement Amendment.

Simultaneously with entry into the JACK Lease Agreement Amendment, we and affiliates of Rock Ohio Ventures entered into an amendment and restatement of our existing $50.0 million term loan agreement with such affiliates of Rock Ohio Ventures (the "Amended and Restated ROV Loan"), pursuant to which, among other things, we increased our existing term loan to $70.0 million (the "ROV Term Loan") which bears interest at a rate of 9.0% per annum (which interest, at the option of JACK Entertainment, may be paid-in-kind through April 30, 2021 with any paid-in-kind interest required to be paid in cash in eleven equal monthly installments ending March 31, 2022), and added a $25.0 million revolving credit facility (the "ROV Credit Facility"), which bears interest at a rate of LIBOR plus 2.75% per annum. A commitment fee of 0.50% per annum calculated on the unused portion of the ROV Credit Facility is payable quarterly. The Amended and Restated ROV Loan, which includes the ROV Term Loan and ROV Credit Facility, matures in January 2025 which maturity date may be extended at the borrower's election for up to two additional years if certain conditions are satisfied. In connection with the amendment and restatement, we received additional collateral, including an additional land parcel in proximity to JACK Cleveland so that the loan is now secured by a first priority lien on substantially all gaming and non-gaming real and personal property of JACK Entertainment, including the furniture, fixtures and equipment associated with the properties. The amendment and restatement also provides the obligors with relief with respect to certain existing financial covenants through March 31, 2022.

Omnibus Capex Amendments to Caesars Leases

On June 1, 2020, we entered into an Omnibus Amendment to Leases (the "Omnibus Amendment") with Pre-Merger Caesars. Pursuant to the Omnibus Amendment, Caesars has been granted certain relief with respect to a portion of their capital expenditure obligations under the Caesars Lease Agreements conditioned upon (i) funding by Caesars of certain minimum capital expenditures in fiscal year 2020 (which represent a reduction of the minimum capital expenditure amounts currently set forth in the Caesars Lease Agreements), (ii) timely payment of Caesars' rent obligations under the Caesars Lease Agreements during the compliance period set forth in the Omnibus Amendment, and (iii) no tenant event of default occurring under any of the Caesars Lease Agreements during the compliance period set forth in the Omnibus Amendment. Caesars will receive credit for certain deemed capital expenditure amounts, which credit may be used to satisfy certain of their capital expenditure obligations in the 2020, 2021 and 2022 fiscal years, provided that the foregoing conditions are satisfied. If Caesars fails to satisfy any of the foregoing conditions, Caesars will be required to satisfy the capital expenditure obligations set forth in the Caesars Lease Agreements or, in certain cases, to deposit amounts in respect thereof into a capital expenditure reserve in accordance with the Omnibus Amendment.

On October 27, 2020, we and Caesars entered into an Amended and Restated Omnibus Amendment to Leases, which provides for a proportionate adjustment to certain relief previously granted under the Omnibus Amendment with respect to a portion of the capital expenditure obligations of Caesars under the Caesars Lease Agreements in order to account for the addition of the MTA Properties to the Regional Master Lease Agreement pursuant to the MTA Properties Acquisitions on July 20, 2020.

Acquisition of JACK Cleveland/Thistledown

On January 24, 2020, we completed the acquisition of the casino-entitled land and real estate and related assets of the JACK Cleveland Casino ("JACK Cleveland"), located in Cleveland, Ohio and the JACK Thistledown Racino ("JACK Thistledown") located in North Randall, Ohio (the "JACK Cleveland/Thistledown Acquisition") from JACK Entertainment, for approximately $843.3 million. Simultaneous with the closing of the JACK Cleveland/Thistledown Acquisition, we entered into a master triple-net lease agreement for JACK Cleveland and JACK Thistledown with a subsidiary of JACK Entertainment. The lease has an initial total annual rent of $65.9 million and an initial term of 15 years, with four five-year tenant renewal options. The tenant's obligations under the lease are guaranteed by Rock Ohio Ventures. Additionally, we made a $50.0 million loan (the "ROV Loan") to affiliates of Rock Ohio Ventures secured by, among other things, certain non-gaming real estate assets owned by such affiliates and guaranteed by Rock Ohio Ventures. The terms of the JACK Cleveland/Thistledown Lease Agreement and the ROV Loan were subsequently amended on July 16, 2020 as described above under "— JACK Lease Agreement Amendment and Amended and Restated ROV Loan." We determined that the land and building components of the JACK Cleveland/Thistledown Lease Agreement meet the definition of a sales-type lease and, since we purchased and leased the assets back to the seller under a sale leaseback transaction, control is not considered to have transferred to us under GAAP. Accordingly, the JACK Cleveland/Thistledown Lease Agreement is accounted for as Investments in leases - financing receivables on our Balance Sheet, net of allowance for credit losses in accordance with ASC 310.

2019 Transactions

Our significant activities in 2019, in reverse chronological order, are as follows:

Acquisition of Century Portfolio

On December 6, 2019, we completed the acquisition of the Century Portfolio, comprised of the land and real estate assets of (i) Mountaineer Casino, Racetrack & Resort located in New Cumberland, West Virginia, (ii) Lady Luck Casino Caruthersville located in Caruthersville, Missouri, and (iii) Isle Casino Cape Girardeau located in Cape Girardeau, Missouri from affiliates of Eldorado, for approximately $277.8 million, and a subsidiary of Century Casinos acquired the operating assets of the Century Portfolio for approximately $107.2 million (together, the "Century Portfolio Acquisition"). Simultaneous with the closing of the Century Portfolio Acquisition, we entered into a master triple-net lease agreement for the Century Portfolio with a subsidiary of Century Casinos. The Century Portfolio Lease Agreement has an aggregate initial total annual rent of $25.0 million and an initial term of 15 years, with four five-year tenant renewal options. The tenants' obligations under the Century Portfolio Lease Agreement are guaranteed by Century Casinos. We determined that the land and building components of the Century Portfolio Lease Agreement meet the definition of a sales-type lease and have recorded the corresponding asset, including related transaction and acquisition expenses, in Investments in leases - sales-type and direct financing on our Balance Sheet.

Acquisition of Hard Rock Cincinnati

On September 20, 2019, we completed the acquisition of the casino-entitled land and real estate and related assets of Hard Rock Cincinnati, located in Cincinnati, Ohio from affiliates of JACK Entertainment LLC, for approximately $558.3 million, and a subsidiary of Hard Rock acquired the operating assets of the Hard Rock Cincinnati Casino for $186.5 million (together, the "Hard Rock Cincinnati Acquisition"). Simultaneous with the closing of the Hard Rock Cincinnati Acquisition, we entered into a triple-net lease agreement for Hard Rock Cincinnati with a subsidiary of Hard Rock. The Hard Rock Cincinnati Lease Agreement has an initial total annual rent of $42.8 million and an initial term of 15 years, with four five-year tenant renewal options. The tenant's obligations under the Hard Rock Cincinnati Lease Agreement are guaranteed by Seminole Hard Rock. We determined that the land and building components of the Hard Rock Cincinnati Lease Agreement meet the definition of a sales-type lease and have recorded the corresponding asset, including related acquisition and transaction costs, in Investments in leases - sales-type and direct financing on our Balance Sheet.

Acquisition of Greektown

On May 23, 2019, we completed the acquisition from affiliates of JACK Entertainment LLC of the land and real estate assets associated with Greektown, for $700.0 million in cash, and an affiliate of Penn National acquired the operating assets of Greektown for $300.0 million in cash (together, the "Greektown Acquisition"). Simultaneous with the closing of the Greektown Acquisition, we entered into a triple-net lease agreement for Greektown with a subsidiary of Penn National. The Greektown Lease Agreement has an initial total annual rent of $55.6 million and an initial term of 15 years, with four five-year tenant renewal options. The tenant's obligations under the Greektown Lease Agreement are guaranteed by Penn National and certain of its subsidiaries. We determined that the land and building components of the Greektown Lease Agreement meet the definition of a sales-type lease and have recorded the corresponding asset, including related acquisition and transaction costs, in Investments in leases - sales-type and direct financing on our Balance Sheet.

Acquisition of Margaritaville

On January 2, 2019, we completed the acquisition of the land and real estate assets of Margaritaville for $261.1 million. Penn National acquired the operating assets of Margaritaville for $114.9 million. Simultaneous with the closing of this transaction, we entered into a triple-net lease agreement with a subsidiary of Penn National. The Margaritaville Lease Agreement has an initial annual rent of $23.2 million and an initial term of 15 years, with four five-year tenant renewal options. The tenant's obligations under the Margaritaville Lease Agreement are guaranteed by Penn National and certain of its subsidiaries. We determined that the land and building components of the Margaritaville Lease Agreement meet the definition of a sales-type lease and have recorded the corresponding asset, including related acquisition and transaction costs, in Investments in leases - sales-type and direct financing on our Balance Sheet.

Note 5 — Real Estate Portfolio

As of December 31, 2020, our real estate portfolio consisted of the following:

- Investments in leases - sales-type, representing our investment in 23 casino assets leased on a triple net basis to our tenants, Caesars, Penn National, Hard Rock and Century Casinos, under seven separate lease agreements;
- Investments in leases - financing receivables, representing our investment in five casino assets leased on a triple net basis to our tenants, Caesars and JACK Entertainment, under two separate lease agreements;
- Investments in loans, representing our investment in the Amended and Restated ROV Loan, Chelsea Piers Mortgage Loan and Forum Convention Center Mortgage Loan; and
- Land, representing our investment in certain underdeveloped or undeveloped land adjacent to the Las Vegas strip and non-operating, vacant land parcels.

The following is a summary of the balances of our real estate portfolio as of December 31, 2020 and 2019:

(In thousands)	December 31, 2020	December 31, 2019
Minimum lease payments receivable under sales-type and direct financing leases *(1)*	$ 45,500,260	$ 31,460,712
Estimated residual values of leased property (not guaranteed)	3,348,174	2,525,469
Gross investment in sales-type and direct financing leases	48,848,434	33,986,181
Unamortized initial direct costs	23,764	42,819
Less: Unearned income	(35,390,353)	(23,294,755)
Less: Allowance for credit losses	(454,201)	—
Investments in leases - sales-type and direct financing, net	13,027,644	10,734,245
Investments in leases - operating *(2)*	—	1,086,658
Investments in leases - financing receivables, net	2,618,562	—
Total investments in leases, net	15,646,206	11,820,903
Investments in loans, net	536,721	—
Land	158,190	94,711
Total real estate portfolio	$ 16,341,117	$ 11,915,614

(1) Minimum lease payments do not include contingent rent, as discussed below, that may be received under the Lease Agreements.

(2) Upon modification of the Caesars Lease Agreements, we reassessed the lease classification of the Las Vegas Master Lease Agreement, Regional Master Lease Agreement (excluding the MTA Properties) and Joliet Lease Agreement and determined that the leases meet the definition of a sales-type lease, including the land component of Caesars Palace Las Vegas. Accordingly, we reclassified the land component of Caesars Palace Las Vegas from Investments in leases - operating to Investments in leases - sales-type.

The following table details the components of our income from sales-type, direct financing and operating leases and lease financing receivables:

(In thousands)	Year Ended December 31, 2020	2019	2018
Income from sales-type and direct financing leases, excluding contingent rent (1)	$ 1,007,193	$ 822,205	$ 741,564
Income from operating leases (2)	25,464	43,653	47,972
Income from lease financing receivables (1) (3)	137,344	—	—
Total revenue, excluding contingent rent	1,170,001	865,858	789,536
Contingent rent (1)	315	—	—
Total lease revenue	1,170,316	865,858	789,536
Non-cash adjustment (4)	(39,883)	239	(45,404)
Total contractual lease revenue	$ 1,130,433	$ 866,097	$ 744,132

(1) At lease inception (or upon modification), we determine the minimum lease payments under ASC 842 (or ASC 840), which exclude amounts determined to be contingent rent. Contingent rent is generally amounts in excess of specified floors or the variable rent portion of our leases. The minimum lease payments are recognized on an effective interest basis at a constant rate of return over the life of the lease and the contingent rent portion of the lease payments are recognized as earned, both in accordance with ASC 842. As of December 31, 2020, we have only recognized contingent rent on our Margaritaville Lease Agreement in relation to the variable rent portion of the lease. Refer to the Lease Provisions section below for information regarding contingent rent on each lease.
(2) Represents the portion of land separately classified and accounted for under the operating lease model associated with our investment in Caesars Palace Las Vegas and certain operating land parcels contained in the Regional Master Lease Agreement. Upon the consummation of the Eldorado Transaction on July 20, 2020, the land component of Caesars Palace Las Vegas and certain operating land parcels were reassessed for lease classification and were determined to be a sales-type lease. Accordingly, subsequent to July 20, 2020, such income is recognized as Income from sales-type leases.
(3) Represents the MTA Properties and the JACK Cleveland/Thistledown Lease Agreement, both of which were sale leaseback transactions. In accordance with ASC 842, since the lease agreements were determined to meet the definition of a sales-type lease and control of the asset is not considered to have been transferred to us, such lease agreements are accounted for as financings under ASC 310.
(4) Amounts represent the non-cash adjustment to the minimum lease payments from sales-type leases, direct financing leases and lease financing receivables in order to recognize income on an effective interest basis at a constant rate of return over the term of the leases.

At December 31, 2020, minimum lease payments owed to us for each of the five succeeding years under sales-type leases and our leases accounted for as financing receivables, are as follows:

	Minimum Lease Payments (1) (2)		
	Investments in Leases		
(In thousands)	Sales-Type	Financing Receivables	Total
2021	$ 1,062,373	$ 222,581	$ 1,284,954
2022	1,075,944	227,017	1,302,961
2023	1,094,796	231,332	1,326,128
2024	1,112,711	235,421	1,348,132
2025	1,126,826	237,826	1,364,652
Thereafter	40,027,610	8,239,619	48,267,229
Total	$ 45,500,260	$ 9,393,796	$ 54,894,056
Weighted Average Lease Term (2)	34.5	34.4	34.4

(1) Minimum lease payments do not include contingent rent, as discussed below, that may be received under the Lease Agreements.
(2) The minimum lease payments and weighted average remaining lease term assumes the exercise of all tenant renewal options, consistent with our conclusions under ASC 842 and ASC 310. Upon the consummation of the Eldorado Transaction, the lease term was extended by approximately three years and, as such, the weighted average lease term has increased accordingly.

Lease Provisions

Caesars Lease Agreements - Overview

The following is a summary of the material lease provisions of our Caesars Lease Agreements (both prior and subsequent to the modifications that occurred on July 20, 2020 as a result of the consummation of the Eldorado Transaction):

($ In thousands)	**Non-CPLV Lease Agreement and Joliet Lease Agreement**	**Regional Master Lease Agreement and Joliet Lease Agreement**	**CPLV Lease Agreement**	**HLV Lease Agreement**	**Las Vegas Master Lease Agreement**
Lease Provision *(1)*	**Prior to Amendment**	**As Amended**	**Prior to Amendment**	**Prior to Amendment**	**As Amended**
Initial Term *(2)*	15 years	18 years	15 years	15 years	18 years
Initial Term maturity *(2)*	10/31/2032	7/31/2035	10/31/2032	12/31/2032	7/31/2035
Renewal Terms	Four, five-year terms	Four, five-year terms	Four, five-year terms	Four, five-year terms	Four, five-year terms
Current annual rent *(3)*	$508,534	$672,472	$207,745	$89,157	$402,609
Escalator *(4)*	Lease years 2-5 - 1.5% Lease years 6-15 - Consumer price index (“CPI”) subject to 2.0% floor	Lease years 2-5 - 1.5% Lease years 6-end of term - CPI subject to 2.0% floor	> 2.0% / Change in CPI	Lease years 2-5 - 1.0% Lease years 6-15 - > 2.0% floor / change in CPI	> 2.0% / change in CPI
EBITDAR to Rent Ratio floor	1.2x commencing lease year 8	None	1.7x commencing lease year 8	1.6x commencing lease year 6	None
Variable Rent adjustment	**Year 8**: 70% base rent / 30% variable rent **Year 11**: 80% base rent / 20% variable rent	**Year 8**: 70% base rent / 30% variable rent **Years 11 & 16**: 80% base rent / 20% variable rent	**Years** 8 **& 11**: 80% base rent / 20% variable rent	**Year 8 & 11**: 80% base rent / 20% variable rent	**Years** 8**, 11 & 16**: 80% base rent / 20% variable rent
Variable Rent adjustment calculation *(5)*	<u>4% of revenue increase/decrease:</u> **Year 8**: Avg. of years 5-7 less avg. of years 0-2 **Year 11**: Avg. of years 8-10 less avg. of years 5-7	<u>4% of revenue increase/decrease:</u> **Year 8**: Avg. of years 5-7 less avg. of years 0-2 **Year 11**: Avg. of years 8-10 less avg. of years 5-7 **Year 16**: Avg. of years 13-15 less avg. of years 8-10	<u>4% of revenue increase/decrease:</u> **Year 8**: Avg. of years 5-7 less avg. of years 0-2 **Year 11**: Avg. of years 8-10 less avg. of years 5-7	<u>4% of revenue increase/decrease:</u> **Year 8**: Avg. of years 5-7 less avg. of years 0-2 **Year 11**: Avg. of years 8-10 less avg. of years 5-7	<u>4% of revenue increase/decrease:</u> **Year 8**: Avg. of years 5-7 less avg. of years 0-2 **Year 11**: Avg. of years 8-10 less avg. of years 5-7 **Year 16**: Avg. of years 13-15 less avg. of years 8-10

(1) All capitalized terms used without definition herein have the meanings detailed in the applicable Caesars Lease Agreements.
(2) Upon the consummation of the Eldorado Transaction, the Caesars Lease Agreements were extended such that each lease has a full 15-year initial term.
(3) Prior to amendment, with respect to the Non-CPLV Lease Agreement, Joliet Lease Agreement and CPLV Lease Agreement, the amount represents the annual base rent payable for the then current lease year, which was the period from November 1, 2019 through October 31, 2020. In relation to the HLV Lease Agreement, prior to its termination and the inclusion of the Harrah’s Las Vegas and Caesars Palace Las Vegas assets in the Las Vegas Master Lease Agreement, the amount represents annual base rent payable for the then current lease year, which was the period from January 1, 2020 through December 31, 2020. Subsequent to the consummation of the Eldorado Transaction and the amendments in connection therewith, (i) with respect to the Regional Master Lease Agreement, the amounts represent the current annual base rent payable for the current lease year, which is the period from November 1, 2020 through October 31, 2021, inclusive of the additional rent associated with the MTA Properties and (ii) with respect to the Las Vegas Master Lease Agreement, the amounts represent the current annual base rent payable for the current lease year, which is the period from November 1, 2020 through October 31, 2021, inclusive of the CPLV Additional Rent Acquisition and HLV Additional Rent Acquisition.
(4) Any amounts representing rents in excess of the CPI floors specified above are considered contingent rent in accordance with GAAP. No such rent has been recognized for the years ended December 31, 2020, 2019 and 2018.
(5) Variable Rent is not subject to the Escalator.

Penn National Lease Agreements - Overview

The following is a summary of the material provisions of the Penn National Lease Agreements:

($ In thousands)

Lease Provision	Margaritaville Lease Agreement	Greektown Lease Agreement
Initial term	15 years	15 years
Initial term maturity	1/31/2034	5/23/2034
Renewal terms	Four, five-year terms	Four, five-year terms
Current annual rent *(1)*	$23,462	$55,556
Escalation commencement *(2)*	Lease year two	Lease year four
Escalation	2.0% of Building base rent, subject to the net revenue to rent ratio floor	2.0% of Building base rent, subject to the net revenue to rent ratio floor
Performance to rent ratio floor *(2)*	6.1x net revenue commencing lease year two	Net revenue ratio to be mutually agreed upon prior to the commencement of lease year four
Percentage rent *(3)*	$3,000 (fixed for lease year one and two)	$6,384 (fixed for lease year one and two)
Percentage rent reset	Lease year three and each and every other lease year thereafter	Lease year three and each and every other lease year thereafter
Percentage rent multiplier	The product of (i) 4% and (ii) the excess (if any) of (a) the average annual net revenue of a trailing two-year period preceding such reset year over (b) a threshold amount (defined as 50% of LTM net revenues prior to acquisition)	The product of (i) 4% and (ii) the excess (if any) of (a) the average annual net revenue of a trailing two-year period preceding such reset year over (b) a threshold amount (defined as 50% of LTM net revenues prior to acquisition)

(1) In relation to the Margaritaville Lease Agreement, the amount represents current annual base rent payable for the current lease year, which is the period from February 1, 2021 through January 31, 2022. In relation to the Greektown Lease Agreement, the amount represents current annual base rent payable for the current lease year, which is the period from June 1, 2020 through May 31, 2021.

(2) In the event that the net revenue to rent ratio coverage, as applicable, is below the stated floor, the escalation will be reduced to such amount to achieve the stated net revenue to rent ratio coverage, as applicable, provided that the amount shall never result in a decrease to the prior year's rent. In relation to the Greektown Lease Agreement, in May 2020, the lease was adjusted to remove the escalation for lease years 2 and 3 and to provide for a net revenue to rent ratio coverage floor to be mutually agreed upon by both parties prior to the commencement of lease year four.

(3) Percentage rent is subject to the percentage rent multiplier. After the percentage rent reset in lease year three, any amounts related to percentage rent are considered contingent rent in accordance with GAAP. During the year ended December 31, 2020, we recognized approximately $0.3 million, in contingent rent in relation to the Margaritaville Lease Agreement escalation. No such rent has been recognized for the years ended December 31, 2019 and 2018. In relation to the Greektown Lease Agreement, no such rent has been recognized for the years ended December 31, 2020, 2019 and 2018.

Hard Rock Cincinnati Lease Agreement - Overview

The following is a summary of the material lease provisions of the Hard Rock Cincinnati Lease Agreement:

($ In thousands)

Lease Provision	Term
Initial term	15 years
Initial term maturity	9/30/2034
Renewal terms	Four, five-year terms
Current annual rent (1)	$43,391
Escalator commencement	Lease year two
Escalator (2)	Lease years 2-4 - 1.5% Lease years 5-15 - The greater of 2.0% or the change in CPI unless the change in CPI is less than 0.5%, in which case there is no escalation in rent for such lease year
Variable rent commencement/reset	Lease year 8
Variable rent split (3)	80% base rent and 20% variable rent
Variable rent percentage (3)	4%

(1) The amount represents the current annual base rent payable for the current lease year, which is the period from October 1, 2020 through September 30, 2021.
(2) Any amounts representing rents in excess of the CPI floors specified above are considered contingent rent in accordance with GAAP. No such rent has been recognized for the years ended December 31, 2020, 2019 and 2018.
(3) Variable rent is not subject to the escalator and is calculated as an increase or decrease of the average of net revenues for lease years 5 through 7 compared to the average net revenue for lease years 1 through 3, multiplied by the Variable rent percentage.

Century Portfolio Lease Agreement - Overview

The following is a summary of the material lease provisions of the Century Portfolio Lease Agreement:

($ In thousands)

Lease Provision	Term
Initial term	15 years
Initial term maturity	12/31/2034
Renewal terms	Four, five-year terms
Current annual rent (1)	$25,250
Escalator commencement	Lease year two
Escalator (2)	Lease years 2-3 - 1.0% Lease years 4-15 - The greater of 1.25% or the change in CPI
Net revenue to rent ratio floor	7.5x commencing lease year six - if the coverage ratio is below the stated amount the escalator will be reduced to 0.75%
Variable rent commencement/reset	Lease year 8 and 11
Variable rent split (3)	80% Base Rent and 20% Variable Rent
Variable rent percentage (3)	4%

(1) The amount represents the current annual base rent payable for the current lease year, which is the period from January 1, 2020 through December 31, 2021.
(2) Any amounts representing rents in excess of the CPI floors specified above are considered contingent rent in accordance with GAAP. No such rent has been recognized for the years ended December 31, 2020, 2019 and 2018.
(3) Variable rent is not subject to the escalator and is calculated for lease year 8 as an increase or decrease of the average of net revenues for lease years 5 through 7 compared to the average net revenue for lease years 1 through 3 and for lease year 11 as an increase or decrease of the average of net revenues for lease years 8 through 10 compared to the average net revenue for lease years 5 through 7, in each case multiplied by the Variable rent percentage.

JACK Cleveland/Thistledown Lease Agreement - Overview

The following is a summary of the material lease provisions of our JACK Cleveland/Thistledown Lease Agreement, as amended on July 16, 2020:

($ In thousands)

Lease Provision	Term
Initial term	20 years
Initial term maturity	1/31/2040
Renewal terms	Three, five-year terms
Current annual rent (1)	$65,880
Escalator commencement	Lease year three
Escalator (2)	Lease years 3-4 - 1.0% Lease years 5-7 - 1.5% Lease years 8-15 - The greater of 1.5% or the change in CPI capped at 2.5%
Net revenue to rent ratio floor	4.9x in any lease year (commencing in lease year 6) - if the coverage ratio is below the stated amount, there is no escalation in rent for such lease year
Variable rent commencement/reset	Lease year 8, 11 and 16
Variable rent split (3)	80% Base Rent and 20% Variable Rent
Variable rent percentage (3)	4%

(1) The amount represents the current annual base rent payable for the current lease year, which is the period from February 1, 2021 through January 31, 2022.
(2) Any amounts representing rents in excess of the CPI floors specified above are considered contingent rent in accordance with GAAP. No such rent has been recognized for the years ended December 31, 2020, 2019 and 2018.
(3) Variable rent is not subject to the escalator and is calculated (i) for lease year 8 as an increase or decrease of the average of net revenues for lease years 5 through 7 compared to the average net revenue for lease years 1 through 3, (ii) for lease year 11 as an increase or decrease of the average of net revenues for lease years 8 through 10 compared to the average net revenue for lease years 5 through 7, and (iii) for lease year 16 as an increase or decrease of the average of net revenues for lease years 13 through 15 compared to the average net revenue for lease years 8 through 10, in each case multiplied by the Variable rent percentage.

Capital Expenditure Requirements

We manage our residual asset risk through protective covenants in our Lease Agreements, which require the tenant to, among other things, hold specific insurance coverage, engage in ongoing maintenance of the property and invest in capital improvements. With respect to the capital improvements, the Lease Agreements specify certain minimum amounts that our tenants must spend on capital expenditures that constitute installation, restoration and repair or other improvements of items with respect to the leased properties.

The following table summarizes the capital expenditure requirements of the respective tenants under the Caesars Lease Agreements, as amended following (i) the consummation of the Eldorado Transaction, which amendments increased the existing capital expenditure requirements in proportion to the overall increase in the tenant's net revenue arising from the MTA Properties and (ii) the sale of Harrah's Reno:

Provision	Regional Master Lease Agreement and Joliet Lease Agreement	Las Vegas Master Lease Agreement
Yearly minimum expenditure	1% of net revenues (1)	1% of net revenues for CPLV (commencing in 2022 with respect to HLV) (1)
Rolling three-year minimum (2)	$311 million	$84 million
Initial minimum capital expenditure	N/A	$171 million (2017 - 2021) (with respect solely to HLV)

(1) The lease agreements require a $114.5 million floor on annual capital expenditures for CPLV, Joliet and the Regional Master Lease Agreement properties in the aggregate. Additionally, annual building & improvement capital improvements must be equal to or greater than 1% of prior year net revenues.
(2) Certain tenants under the Caesars Lease Agreements, as applicable, are required to spend $405.2 million on capital expenditures (excluding gaming equipment) over a rolling three-year period, with $311.0 million allocated to the regional assets, $84.0 million allocated to Caesars Palace Las Vegas and the remaining balance of $10.2 million to facilities (other than the Harrah's Las Vegas Facility) covered by any Caesars Lease Agreement in such proportion as such tenants may elect. Additionally, the tenants under the Regional Master Lease Agreement and Joliet Lease Agreement are required to expend a minimum of $566.7 million on capital expenditures (including gaming equipment) across certain of its affiliates and other assets, together with the $405.2 million requirement.

In connection with the ongoing COVID-19 pandemic and its impact on operations and financial performance, we agreed with Caesars, to provide limited relief with respect to a portion of their capital expenditure obligations under the Las Vegas Master Lease Agreement, the Regional Master Lease Agreement and the Joliet Lease Agreement (which relief was subsequently adjusted on October 27, 2020 to provide for a proportionate adjustment to account for the addition of the MTA Properties to the Regional Master Lease Agreement). This relief is conditioned upon (i) expenditures by Caesars of certain minimum capital expenditures, (ii) timely payment of Caesars' rent obligations under the Caesars Lease Agreements and (iii) no event of default occurring under any of the Caesars Lease Agreements during the applicable compliance period. If Caesars fails to satisfy any of the foregoing conditions, Caesars will be required to satisfy the capital expenditure obligations currently set forth in the Las Vegas Master Lease Agreement, the Regional Master Lease Agreement and the Joliet Lease Agreement.

The following table summarizes the capital expenditure requirements of the respective tenants under the Penn National Lease Agreements, Hard Rock Cincinnati Lease Agreement, Century Portfolio Lease Agreement and JACK Cleveland/Thistledown Lease Agreement:

Provision	Penn National Lease Agreements	Hard Rock Cincinnati Lease Agreement	Century Portfolio Lease Agreement	JACK Cleveland/Thistledown Lease Agreement
Yearly minimum expenditure	1% of net revenues based on rolling four-year basis	1% of net revenues	1% of net gaming revenues (1)	Initial minimum of $30 million (2) Thereafter - 1% of net revenues on a rolling three-year basis

(1) Minimum of 1% of net gaming revenue on a rolling three-year basis for each individual facility and 1% of net gaming revenues per fiscal year for the facilities collectively. In May 2020, in connection with the ongoing COVID-19 pandemic and its impact on operations and financial performance, we agreed to waive Century's capital expenditure requirements for 2020 and defer to not later than December 31, 2021 certain other expenditures contemplated in connection with the underwriting of the acquired casino properties, conditioned upon (i) Century's timely payment of rent obligations under the Century Portfolio Lease Agreement during the compliance period set forth in the amendment and (ii) no tenant event of default occurring under the Century Portfolio Lease Agreement during the compliance period set forth in the amendment. If Century fails to satisfy any of the foregoing conditions, Century will be required to satisfy the capital expenditure obligations set forth in the Century Portfolio Lease Agreement or, in certain cases, to deposit amounts in respect thereof into a capital expenditure reserve for expenditure in accordance with the amendment.
(2) Initial minimum required to be spent from the period commencing April 1, 2019 through December 31, 2022, which includes $18.0 million to be advanced by us and expended by JACK Entertainment for the construction of the new gaming patio amenity at JACK Thistledown Racino.

Loan Portfolio

The following is a summary of our investments in loans as of December 31, 2020:

($ In thousands)

Investment Name	Loan Type	Principal Balance	Carrying Value(1)	Future Funding Commitments(2)	Interest Rate(3)	Final Maturity(4)
Forum Convention Center Mortgage Loan	Senior Secured	$ 400,000	$ 400,045	$ —	7.7 %	9/18/2025
Chelsea Piers Mortgage Loan	Senior Secured	65,000	64,880	15,000	7.0 %	8/31/2027
Amended and Restated ROV Loan						
ROV Term Loan	Senior Secured	70,000	71,796	—	9.0 %	1/24/2027
ROV Credit Facility	Senior Secured	—	—	25,000	L + 2.75%	1/24/2027
Total		$ 535,000	$ 536,721	$ 40,000	7.8 %	

(1) Carrying value is net of unamortized loan origination costs and allowance for credit losses.
(2) Our future funding commitments are subject to our borrowers' compliance with the financial covenants and other applicable provisions of each respective loan agreement.
(3) Represents current interest rate per annum. The interest rate of the Forum Convention Center Mortgage Loan is subject to 2.0% annual escalation (resulting in a year two interest rate of 7.854%).
(4) Final maturity assumes all extension options are exercised; however, our loans may be repaid, subject to certain conditions, prior to such date.

Loss on Impairment

During the quarter ended September 30, 2018 we undertook a short-term strategic initiative to monetize certain vacant, non-operating land parcels included in Land on our Balance Sheet. In relation to this initiative, we determined that the fair value of these certain land parcels was lower than their current carrying values and recognized an impairment charge of $12.3 million, based on the anticipated sales prices or sales comparison approach. The impairment loss recorded was the result of various factors including changes in market conditions, strategic assessment and environmental and zoning issues that were identified during the sales process.

Note 6 — Allowance for Credit Losses

Adoption of ASC 326

On January 1, 2020, we adopted ASC 326 and, as a result, we are required to estimate and record non-cash credit losses related to our historical and any future investments in sales-type and direct financing leases, lease financing receivables and loans. Upon adoption, we recorded a $309.4 million cumulative adjustment, representing a 2.88% CECL allowance. Such amount was recorded as a cumulative-effect adjustment to our opening balance sheet with a reduction in our Investments in leases - sales-type and direct financing and a corresponding charge to retained (deficit) earnings. Periods prior to the adoption date that are presented for comparative purposes are not adjusted or disclosed.

Allowance for Credit Losses

During the year ended December 31, 2020, we recognized a $244.5 million increase in our allowance for credit losses primarily driven by the increase in investment balances subject to CECL. Specifically, the increase was primarily attributable to (i) the increase in investment balances resulting from the Eldorado Transaction, which includes (A) an initial CECL allowance on our $1.8 billion investment in the MTA Properties, (B) an additional CECL allowance on our aggregate $1.4 billion increased investment in the Las Vegas Master Lease Agreement as a result of the CPLV Additional Rent Acquisition and HLV Additional Rent Acquisition and (C) an additional CECL allowance on the $333.4 million increased balance of our existing Caesars Lease Agreements as a result of the mark to fair value in connection with the reassessment of lease classification, (ii) an increase related to our initial investment in JACK Cleveland/Thistledown and the ROV Loan in January 2020, (iii) an increase in the R&S Period PD of Caesars as a result of the Eldorado/Caesars Merger and (iv) an increase in the Long-term Period PD of our tenants due to downgrades on certain of the credit ratings of our tenants' senior secured debt in connection with the COVID-19 pandemic. The credit loss standard does not require retrospective application and as such there is no corresponding charge for the years ended December 31, 2019 and 2018.

As of December 31, 2020 and 2019, and since our Formation Date, all of our Lease Agreements and loan investments are current in payment of their obligations to us and no investments are on non-accrual status. Additionally, to the best of our knowledge, none of our tenants were in contravention of any of the Lease Agreements.

The following tables detail the allowance for credit losses included as a component in our Investments in leases - sales-type and direct financing, Investments in leases - financing receivables and Investments in loans as of December 31, 2020 and January 1, 2020, the date of adoption:

	December 31, 2020			
(In thousands)	Amortized Cost	Allowance	Net Investment	Allowance as a % of Amortized Cost
Investments in leases - sales-type and direct financing	$ 13,481,845	$ (454,201)	$ 13,027,644	3.37 %
Investments in leases - financing receivables	2,709,520	(90,958)	2,618,562	3.36 %
Investments in loans	538,547	(1,826)	536,721	0.34 %
Other assets - sales-type sub-leases	284,376	(6,894)	277,482	2.42 %
Totals	$ 17,014,288	$ (553,879)	$ 16,460,409	3.26 %

(In thousands)	January 1, 2020 Amortized Cost	Allowance	Net Investment	Allowance as a % of Amortized Cost
Investments in leases - sales-type and direct financing	$ 10,734,245	$ (309,362)	$ 10,424,883	2.88 %
Investments in leases - financing receivables	—	—	—	— %
Investments in loans	—	—	—	— %
Totals	$ 10,734,245	$ (309,362)	$ 10,424,883	2.88 %

The following chart reflects the roll-forward of the allowance for credit losses on our real estate portfolio for the year ended December 31, 2020:

(In thousands)	Year Ended December 31, 2020
Beginning Balance December 31, 2019	$ —
Initial allowance upon adoption	309,362
Initial allowance from current period investments	90,368
Current period change in credit allowance	154,149
Charge-offs	—
Recoveries	—
Ending Balance December 31, 2020	$ 553,879

Credit Quality Indicators

We assess the credit quality of our investments through the credit ratings of the senior secured debt of the guarantors of our leases, as we believe that our Lease Agreements have a similar credit profile to a senior secured debt instrument. The credit quality indicators are reviewed by us on a quarterly basis as of quarter-end. In instances where the guarantor of one of our Lease Agreements does not have senior secured debt with a credit rating, we use either a comparable proxy company or the overall corporate credit rating, as applicable. We also use this credit rating to determine the Long-term Period PD when estimating credit losses for each investment.

The following tables detail the amortized cost basis of our investments by the credit quality indicator we assigned to each lease or loan guarantor as of December 31, 2020 and January 1, 2020, the date of adoption:

	December 31, 2020						
(In thousands)	Ba2	Ba3	B1	B2	B3	N/A[(1)]	Total
Investments in leases - sales-type, direct financing and financing receivable, Investments in loans and Other assets	$ —	$ —	$ 15,733,402	$ 934,628	$ 281,246	$ 65,012	$ 17,014,288

	January 1, 2020						
(In thousands)	Ba2	Ba3	B1	B2	B3	N/A[(1)]	Total
Investments in leases - sales-type, direct financing and financing receivable, Investments in loans	$ 1,527,776	$ —	$ 8,926,229	$ 280,240	$ —	$ —	$ 10,734,245

(1) We estimate the CECL allowance for the Chelsea Piers Mortgage Loan using a traditional commercial real estate model based on standardized credit metrics to estimate potential losses.

Note 7 — Other Assets and Other Liabilities

Other Assets

The following table details the components of our other assets as of December 31, 2020 and 2019:

(In thousands)	December 31, 2020	December 31, 2019
Sales-type sub-leases	$ 277,482	$ 8,688
Property and equipment used in operations, net	69,204	70,406
Right of use assets	17,507	17,738
Debt financing costs	8,879	14,575
Tenant receivable for property taxes	3,384	—
Interest receivable	2,746	1,626
Prepaid expenses	2,710	3,252
Deferred acquisition costs	1,788	11,134
Other receivables	803	60,111
Other	2,027	1,108
Total other assets	$ 386,530	$ 188,638

Property and equipment used in operations, included within other assets, is primarily attributable to the land, building and improvements of our golf operations and consists of the following as of December 31, 2020 and 2019:

(In thousands)	December 31, 2020	December 31, 2019
Land and land improvements	$ 59,115	$ 59,346
Buildings and improvements	14,697	14,805
Furniture and equipment	7,020	4,523
Total property and equipment used in operations	80,832	78,674
Less: accumulated depreciation	(11,628)	(8,268)
Total property and equipment used in operations, net	$ 69,204	$ 70,406

	Year Ended December 31,		
(In thousands)	2020	2019	2018
Depreciation expense	$ 3,731	$ 3,831	$ 3,686

Other Liabilities

The following table details the components of our other liabilities as of December 31, 2020 and 2019:

(In thousands)	December 31, 2020	December 31, 2019
Finance sub-lease liabilities	$ 284,376	$ 8,688
Derivative liability	92,521	65,078
Lease liabilities	17,507	17,738
Accrued payroll and other compensation	8,474	7,369
Other accrued expenses	6,518	21,023
Deferred income taxes	3,533	3,382
Accounts payable	734	640
Total other liabilities	$ 413,663	$ 123,918

Note 8 — Debt

The following tables detail our debt obligations as of December 31, 2020 and 2019:

($ In thousands)	December 31, 2020			
Description of Debt	Final Maturity	Interest Rate	Face Value	Carrying Value[1]
VICI PropCo Senior Secured Credit Facilities				
Revolving Credit Facility [2]	2024	L + 2.00%	$ —	$ —
Term Loan B Facility [3]	2024	L + 1.75%	2,100,000	2,080,974
Senior Unsecured Notes [4]				
2025 Notes	2025	3.500%	750,000	740,333
2026 Notes	2026	4.250%	1,250,000	1,233,119
2027 Notes	2027	3.750%	750,000	739,733
2029 Notes	2029	4.625%	1,000,000	985,730
2030 Notes	2030	4.125%	1,000,000	985,643
Total Debt			$ 6,850,000	$ 6,765,532

($ in thousands)	December 31, 2019			
Description of Debt	Final Maturity	Interest Rate	Face Value	Carrying Value[1]
VICI PropCo Senior Secured Credit Facilities				
Revolving Credit Facility [2]	2024	L + 2.00%	$ —	$ —
Term Loan B Facility [3]	2024	L + 2.00%	2,100,000	2,076,962
Second Lien Notes [5]	2023	8.00%	498,480	498,480
Senior Unsecured Notes [4]				
2026 Notes	2026	4.25%	1,250,000	1,231,227
2029 Notes	2029	4.625%	1,000,000	984,894
Total Debt			$ 4,848,480	$ 4,791,563

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(1) Carrying value is net of original issue discount and unamortized debt issuance costs incurred in conjunction with debt.

(2) Interest on any outstanding balance is payable monthly. On May 15, 2019, we amended our Revolving Credit Facility to, among other things, increase borrowing capacity by $600.0 million to a total of $1.0 billion and extend the maturity date to May 2024. After giving effect to the amendments executed on May 15, 2019, borrowings under the Revolving Credit Facility will bear interest at a rate based on a leverage-based pricing grid with a range of 1.75% to 2.00% over LIBOR, or between 0.75% and 1.00% over the base rate depending on our total net debt to adjusted total assets ratio. Additionally, after giving effect to the amendments executed on May 15, 2019, the commitment fee under the Revolving Credit Facility is calculated on a leverage-based pricing grid with a range of 0.375% to 0.5%, in each case depending on our total net debt to adjusted total assets ratio. The commitment fee was 0.375% as of December 31, 2020.

(3) Interest on any outstanding balance is payable monthly. In connection with the repricing of the Term Loan B Facility in January 2020, the interest rate was decreased to LIBOR plus 1.75%. As of December 31, 2020 and 2019, we had six interest rate swap agreements outstanding with third-party financial institutions having an aggregate notional amount of $2.0 billion at a blended LIBOR rate of 2.7173%.

(4) Interest is payable semi-annually.

(5) The Second Lien Notes were redeemed in full on February 20, 2020 with a portion of the proceeds from the February 2020 Senior Unsecured Notes offering.

The following table is a schedule of future minimum payments of our debt obligations as of December 31, 2020:

($ in thousands)	Future Minimum Payments
2021	$ —
2022	10,000
2023	22,000
2024	2,068,000
2025	750,000
Thereafter	4,000,000
Total minimum repayments	$ 6,850,000

Senior Unsecured Notes

November 2019 Senior Unsecured Notes

On November 26, 2019, the Operating Partnership and the Co-Issuer (together with the Operating Partnership, the "Issuers"), our wholly owned subsidiaries, issued (i) $1,250.0 million in aggregate principal amount of 4.250% 2026 Notes, which mature on December 1, 2026, and (ii) $1,000.0 million in aggregate principal amount of 4.625% 2029 Notes, which mature on December 1, 2029, under separate indentures, each dated as of November 26, 2019, among the Issuers, the subsidiary guarantors party thereto and UMB Bank, National Association, as trustee (the "Trustee"). We used a portion of the net proceeds of the offering to repay in full the CPLV CMBS Debt, and pay certain fees and expenses including the net prepayment penalty of $55.4 million. On January 24, 2020, the remaining net proceeds were used to pay for a portion of the purchase price of the JACK Cleveland/Thistledown Acquisition.

Interest on the November 2019 Senior Unsecured Notes is payable semi-annually in cash in arrears on June 1 and December 1 of each year. The 2026 Notes and 2029 Notes are redeemable at our option, in whole or in part, at any time on or after December 1, 2022 and December 1, 2024, respectively, at the redemption prices set forth in the respective indenture. We may redeem some or all of the 2026 Notes or the 2029 Notes prior to such respective dates at a price equal to 100% of the principal amount thereof plus a "make-whole" premium. Prior to December 1, 2022, we may redeem up to 40% of the aggregate principal amount of the 2026 Notes or the 2029 Notes using the proceeds of certain equity offerings at the redemption price set forth in the respective indenture.

February 2020 Senior Unsecured Notes

On February 5, 2020, the Issuers issued (i) $750.0 million in aggregate principal amount of 3.500% 2025 Notes, which mature on February 15, 2025, (ii) $750.0 million in aggregate principal amount of 3.750% 2027 Notes, which mature on February 15, 2027, and (iii) $1,000.0 million in aggregate principal amount of 4.125% 2030 Notes, which mature on August 15, 2030, under separate indentures, each dated as of February 5, 2020, among the Issuers, the subsidiary guarantors party thereto and the Trustee. We placed $2.0 billion of the net proceeds of the offering into escrow pending the consummation of the Eldorado Transaction (which was subsequently released from escrow and used to fund a portion of the purchase price of the Eldorado Transaction on July 20, 2020), and used the remaining net proceeds from the 2025 Notes, together with cash on hand, to redeem in full the outstanding $498.5 million in aggregate principal amount of the Second Lien Notes plus the Second Lien Notes Applicable Premium (as defined in the Second Lien Notes indenture), for a total redemption cost of approximately $537.5 million.

Interest on the February 2020 Senior Unsecured Notes is payable semi-annually in cash in arrears on February 15 and August 15 of each year. The 2025 Notes, 2027 Notes and 2030 Notes are redeemable at our option, in whole or in part, at any time on or after February 15, 2022, February 15, 2023, and February 15, 2025, respectively, at the redemption prices set forth in the respective indenture. We may redeem some or all of the 2025 Notes, 2027 Notes or 2030 Notes prior to such respective dates at a price equal to 100% of the principal amount thereof plus a "make-whole" premium. Prior to February 15, 2022, with respect to the 2025 Notes, and February 15, 2023, with respect to the 2027 Notes and 2030 Notes, we may redeem up to 40% of the aggregate principal amount of the 2025 Notes, 2027 Notes or 2030 Notes using the proceeds of certain equity offerings at the redemption price set forth in the respective indenture.

Guarantee and Financial Covenants

The November 2019 Senior Unsecured Notes and the February 2020 Senior Unsecured Notes (together, the “Senior Unsecured Notes”) are fully and unconditionally guaranteed, jointly and severally, on a senior unsecured basis by each existing and future direct and indirect wholly owned material domestic subsidiary of the Operating Partnership that incurs or guarantees certain bank indebtedness or any other material capital market indebtedness, other than certain excluded subsidiaries and the Co-Issuer.

The Operating Partnership and its subsidiaries represent our “Real Property Business” segment, with the “Golf Course Business” segment corresponding to the portion of our business operated through entities that are not direct or indirect subsidiaries of the Operating Partnership or obligors of the Senior Unsecured Notes. Refer to Note 16 - Segment Information for more information about our segments.

The respective indentures for the Senior Unsecured Notes each contain covenants that limit the Issuers’ and their restricted subsidiaries’ ability to, among other things: (i) incur additional debt; (ii) pay dividends on or make other distributions in respect of their capital stock or make other restricted payments; (iii) make certain investments; (iv) sell certain assets; (v) create or permit to exist dividend and/or payment restrictions affecting their restricted subsidiaries; (vi) create liens on certain assets to secure debt; (vii) consolidate, merge, sell or otherwise dispose of all or substantially all of their assets; (viii) enter into certain transactions with their affiliates; and (ix) designate their subsidiaries as unrestricted subsidiaries. These covenants are subject to a number of exceptions and qualifications, including the ability to declare or pay any cash dividend or make any cash distribution to VICI to the extent necessary for VICI to fund a dividend or distribution by VICI that it believes is necessary to maintain its status as a REIT or to avoid payment of any tax for any calendar year that could be avoided by reason of such distribution, and the ability to make certain restricted payments not to exceed 95% of our cumulative Funds From Operations (as defined in the Senior Unsecured Notes indentures), plus the aggregate net proceeds from (i) the sale of certain equity interests in, (ii) capital contributions to, and (iii) certain convertible indebtedness of the Operating Partnership. As of December 31, 2020, the restricted net assets of the Operating Partnership were approximately $8.0 billion.

Senior Secured Credit Facilities

In December 2017, VICI PropCo entered into a credit agreement (the “Credit Agreement”) comprised of a $2.2 billion Term Loan B Facility and a $400.0 million Revolving Credit Facility (the Term Loan B Facility and the Revolving Credit Facility, as amended as discussed below, are referred to together as the “Senior Secured Credit Facilities”). The Senior Secured Credit Facilities initially bore interest at LIBOR plus 2.25%. Upon our initial public offering, on February 5, 2018, the interest rate was reduced to LIBOR plus 2.00%, as contemplated by the Credit Agreement.

On May 15, 2019, VICI PropCo, entered into Amendment No. 2 (“Amendment No. 2”) to the Credit Agreement, pursuant to which certain lenders agreed to provide VICI PropCo with incremental revolving credit commitments and availability under the revolving credit facility in the aggregate principal amount of $600.0 million on the same terms as VICI PropCo’s previous revolving credit facility under the Revolving Credit Facility. After giving effect to Amendment No. 2, the Credit Agreement, provided total borrowing capacity pursuant to the revolving credit commitments in the aggregate principal amount of $1.0 billion.

On May 15, 2019, immediately after giving effect to Amendment No. 2, VICI PropCo entered into Amendment No. 3 (“Amendment No. 3”, together with Amendment No. 2, the “Amendments”) to the Credit Agreement, which amended and restated the Credit Agreement in its entirety as of May 15, 2019 (the “Amended and Restated Credit Agreement”) to, among other things, (i) refinance the Revolving Credit Facility in whole with a new class of revolving commitments, (ii) extend the maturity date to May 15, 2024, which represents an extension of the December 22, 2022 maturity date of the Revolving Credit Facility, (iii) provide that borrowings under the Revolving Credit Facility will bear interest at a rate based on a leverage-based pricing grid with a range of between 1.75% to 2.00% over LIBOR, or between 0.75% and 1.00% over the base rate, in each case depending on our total net debt to adjusted total assets ratio, (iv) provide that the commitment fee payable under the Revolving Credit Facility will bear interest at a rate based on a leverage-based pricing grid with a range of between 0.375% to 0.50% depending on our total net debt to adjusted total assets ratio, (v) amend the existing springing financial covenant, which previously required VICI PropCo to maintain a total net debt to adjusted asset ratio of not more than 0.75 to 1.00 if there was 30% utilization of the Revolving Credit Facility, to require that, only with respect to the Revolving Credit Facility commencing with the first full fiscal quarter ending after the effectiveness of Amendment No. 3, VICI PropCo maintain a maximum total net debt to adjusted asset ratio of not more than 0.65 to 1.00 as of the last day of any fiscal quarter (or, during any fiscal quarter in which certain permitted acquisitions were consummated and the three consecutive fiscal quarters thereafter, not more than 0.70 to 1.00), and (vi) include a new financial covenant only with respect to the Revolving Credit Facility, requiring VICI PropCo to maintain, commencing with the first full fiscal quarter after the effectiveness of Amendment No. 3, an interest coverage ratio (defined as EBITDA to interest charges) of not less than 2.00 to 1.00 as of the last day of any fiscal quarter. The Revolving Credit Facility is available to be used for working capital purposes, capital expenditures, permitted acquisitions, permitted investments, permitted restricted payments and for other lawful corporate purposes. The Amended and Restated Credit Agreement provides for capacity to add incremental loans in an aggregate amount of: (x) $1.2 billion to be used solely to finance certain acquisitions; plus (y) an unlimited amount, subject to VICI PropCo not exceeding certain leverage ratios.

On January 24, 2020, VICI PropCo entered into Amendment No. 1 to the Amended and Restated Credit Agreement, which, among other things, reduced the interest rate on the Term Loan B Facility from LIBOR plus 2.00% to LIBOR plus 1.75%.

The Amended and Restated Credit Agreement provides that, in the event the LIBOR Rate is no longer in effect, a comparable or successor rate approved by the Administrative Agent under such facility shall be utilized, provided that such approved rate shall be applied in a manner consistent with market practice.

The Amended and Restated Credit Agreement contains customary covenants that are consistent with those set forth in the Credit Agreement (except as to the financial covenants described above), which, among other things, limit the ability of VICI PropCo and its restricted subsidiaries to: (i) incur additional indebtedness; (ii) merge with a third party or engage in other fundamental changes; (iii) make restricted payments; (iv) enter into, create, incur or assume any liens; (v) make certain sales and other dispositions of assets; (vi) enter into certain transactions with affiliates; (vii) make certain payments on certain other indebtedness; (viii) make certain investments; and (ix) incur restrictions on the ability of restricted subsidiaries to make certain distributions, loans or transfers of assets to VICI PropCo or any restricted subsidiary. These covenants are subject to a number of exceptions and qualifications, including, with respect to the restricted payments covenant, the ability to make unlimited restricted payments to maintain our REIT status and to avoid the payment of federal or state income or excise tax, the ability to make restricted payments in an amount not to exceed 95% of our Funds from Operations (as defined in the Amended and Restated Credit Agreement) subject to no event of default under the Amended and Restated Credit Agreement and pro forma compliance with the financial covenant pursuant to the Amended and Restated Credit Agreement, and the ability to make additional restricted payments in an aggregate amount not to exceed the greater of 0.6% of Adjusted Total Assets or $30 million. We are also subject to the financial covenants under the Revolving Credit Facility, as previously described above.

The Senior Secured Credit Facilities are secured by a first priority lien on substantially all of VICI PropCo's and its existing and subsequently acquired wholly owned material domestic restricted subsidiaries' material assets, including mortgages on their respective real estate, subject to customary exclusions. None of VICI nor certain subsidiaries of VICI PropCo, including CPLV Borrower, are subject to the covenants of the Amended and Restated Credit Agreement or are guarantors of the Senior Secured Credit Facilities. The Term Loan B Facility may be voluntarily prepaid at VICI PropCo's option, in whole or in part, at any time, and is subject to mandatory prepayment in the event of receipt by VICI PropCo or any of its restricted subsidiaries of the proceeds from the occurrence of certain events, including asset sales, casualty events and issuance of certain indebtedness.

In February 2018, we completed an initial public offering resulting in net proceeds of approximately $1.3 billion. We used a portion of those proceeds to pay down the $300.0 million outstanding on the Revolving Credit Facility and to repay $100.0 million of the principal amount outstanding on the Term Loan B Facility. Under the Amended and Restated Credit Agreement, the Term Loan B Facility is subject to amortization of 1.0% of principal per annum payable in equal quarterly installments on the last business day of each calendar quarter. However, as a result of prepaying $100.0 million of the Term Loan B Facility in February 2018 the next principal payment due on the Term Loan B Facility is September 2022.

Refer to Note 9 — Derivatives for a discussion of our interest rate swap agreements related to the Term Loan B Facility.

Bridge Facilities

On June 24, 2019, in connection with the Eldorado Transaction, VICI PropCo entered into the Commitment Letter with the Bridge Lender, pursuant to which and subject to the terms and conditions set forth therein, the Bridge Lender agreed to provide (i) a 364-day first lien secured bridge facility of up to $3.3 billion in the aggregate and (ii) a 364-day second lien secured bridge facility of up to $1.5 billion in the aggregate, for the purpose of providing a portion of the financing necessary to fund the consideration to be paid pursuant to the terms of the Eldorado Transaction documents and related fees and expenses. The Bridge Facilities were subject to a tiered commitment fee based on the period the commitment is outstanding and a structuring fee. The commitment fee was equal to, with respect to any commitments that are terminated prior to July 22, 2019, 0.25% of such commitments, with respect to any commitments that are outstanding on July 22, 2019 and are terminated prior to June 24, 2020, 0.50% of such commitments, with respect to any commitments that are outstanding on June 24, 2020 and are terminated prior to September 24, 2020, 0.75% of such commitments, and with respect to any commitments that are outstanding on September 24, 2020, 1.00% of such commitments. The structuring fee was equal to 0.10% of the total aggregate commitments at the date of the Commitment Letter and is payable as such commitments are terminated. For the years ended December 31, 2020 and 2019, we have recognized $3.1 million and $26.0 million, respectively, of fees related to the Bridge Facilities in Interest expense on our Statement of Operations. No such amount was recognized for the year ended December 31, 2018 as the Bridge Facilities were originated in 2019.

Following the November 2019 Senior Unsecured Notes offering, the commitments under the Bridge Facilities were reduced by $1.6 billion, to $3.2 billion. Following the February 2020 Senior Unsecured Notes offering, we placed $2.0 billion of the net proceeds of the offering into escrow pending the consummation of the Eldorado Transaction and the commitments under the Bridge Facilities were further reduced by $2.0 billion to $1.2 billion. The commitments under the Bridge Facilities were fully terminated at our election in June 2020.

Second Lien Notes

The Second Lien Notes were issued on October 6, 2017, pursuant to an indenture by and among VICI PropCo and its wholly owned subsidiary, VICI FC Inc., the subsidiary guarantors party thereto, and UMB Bank National Association, as trustee. In February 2018, we used a portion of the proceeds from our initial public offering to redeem $268.4 million of the Second Lien Notes, which represented 35% of the original aggregate principal amount, at a redemption price of 108% plus accrued and unpaid interest to the date of redemption. Due to the partial redemption of the Second Lien Notes, we recognized a loss on extinguishment of debt of $23.0 million during the year ended December 31, 2018. On February 20, 2020 we used a portion of the proceeds from the issuance of the 2025 Notes, together with cash on hand, to redeem in full the Second Lien Notes at a redemption price of 100% of the principal amount of the Second Lien Notes then outstanding plus the Second Lien Notes Applicable Premium, for a total redemption cost of $537.5 million. In connection with the full redemption, we recognized a loss on extinguishment of debt of $39.1 million during the year ended December 31, 2020.

CPLV CMBS Debt

The CPLV CMBS Debt was incurred on October 6, 2017 pursuant to a loan agreement, and was secured by a first priority lien on all of the assets of CPLV Property Owner LLC, as borrower. On November 26, 2019, we used the proceeds from the November 2019 Senior Unsecured Notes offering to repay in full the CPLV CMBS Debt. Due to the prepayment of the CPLV CMBS Debt, we recognized a loss on extinguishment of debt of $58.1 million during the year ended December 31, 2019, the majority of which related to the prepayment penalty.

Financial Covenants

As described above, our debt obligations are subject to certain customary financial and protective covenants that restrict the Operating Partnership, VICI PropCo and its subsidiaries' ability to incur additional debt, sell certain asset and restrict certain payments, among other things. These covenants are subject to a number of exceptions and qualifications, including the ability to make restricted payments to maintain our REIT status. At December 31, 2020, we are in compliance with all financial covenants under our debt obligations.

Note 9 — Derivatives

On April 24, 2018, we entered into four interest rate swap agreements with third party financial institutions having an aggregate notional amount of $1.5 billion. On January 3, 2019, we entered into two additional interest rate swap agreements with third-party financial institutions having an aggregate notional amount of $500.0 million. The interest rate swap transactions are designated as cash flow hedges that effectively fix the LIBOR component of the interest rate on a portion of the outstanding debt under the Term Loan B Facility at 2.8297% and 2.3802%, respectively. For the duration of the interest rate swap transactions, we are only subject to interest rate risk on $100.0 million of variable rate debt. Subsequent to year end, on January 22, 2021, two interest rate swap agreements having an aggregate notional amount of $500.0 million and a fixed interest rate of 2.3802% matured.

The following tables detail our outstanding interest rate derivatives that were designated as cash flow hedges of interest rate risk as of December 31, 2020 and 2019:

($ in thousands)	December 31, 2020				
Instrument	Number of Instruments	Fixed Rate	Notional	Index	Maturity
Interest Rate Swaps	4	2.8297%	$1,500,000	USD LIBOR	April 22, 2023
Interest Rate Swaps	2	2.3802%	$500,000	USD LIBOR	January 22, 2021

($ in thousands)	December 31, 2019				
Instrument	Number of Instruments	Fixed Rate	Notional	Index	Maturity
Interest Rate Swaps	4	2.8297%	$1,500,000	USD LIBOR	April 22, 2023
Interest Rate Swaps	2	2.3802%	$500,000	USD LIBOR	January 22, 2021

As of December 31, 2020 and 2019, the interest rate swaps are in net unrealized loss positions and are recorded within Other liabilities. The following table presents the effect of our derivative financial instruments on our Statement of Operations:

	Year Ended December 31,		
(In thousands)	2020	2019	2018
Unrealized loss recorded in other comprehensive income	$ (27,443)	$ (42,954)	$ (22,124)
Interest recorded in interest expense	$ 42,797	$ 9,269	$ 6,305

Note 10 — Fair Value

The following tables summarize our assets and liabilities measured at fair value on a recurring basis as of December 31, 2020 and 2019:

	December 31, 2020			
		Fair Value		
(In thousands)	Carrying Amount	Level 1	Level 2	Level 3
Financial assets:				
Short-term investments (1)	$ 19,973	$ —	$ 19,973	$ —
Financial liabilities:				
Derivative instruments - interest rate swaps (2)	$ 92,521	$ —	$ 92,521	$ —

(In thousands)	December 31, 2019			
		Fair Value		
	Carrying Amount	Level 1	Level 2	Level 3
Financial assets:				
Short-term investments (1)	$ 59,474	$ —	$ 59,474	$ —
Financial liabilities:				
Derivative instruments - interest rate swaps (2)	$ 65,078	$ —	$ 65,078	$ —

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(1) The carrying value of these investment is equal to their fair value due to the short-term nature of the investments as well as their credit quality.

(2) The fair values of our interest rate swap derivative instruments were estimated using advice from a third-party derivative specialist, based on contractual cash flows and observable inputs comprising interest rate curves and credit spreads, which are Level 2 measurements as defined under ASC 820.

The estimated fair values of our financial instruments at December 31, 2020 and 2019 for which fair value is only disclosed are as follows:

(In thousands)	December 31, 2020		December 31, 2019	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial assets:				
Investments in leases - financing receivables (1)	$ 2,618,562	$ 2,684,955	$ —	$ —
Investments in loans (1)	536,721	538,151	—	—
Cash and cash equivalents	315,993	315,993	1,101,893	1,101,893
Financial liabilities:				
Debt (2)				
Revolving Credit Facility	$ —	$ —	$ —	$ —
Term Loan B Facility	2,080,974	2,065,875	2,076,962	2,110,500
Second Lien Notes	—	—	498,480	538,358
2025 Notes	740,333	766,875	—	—
2026 Notes	1,233,119	1,296,875	1,231,227	1,287,500
2027 Notes	739,733	763,125	—	—
2029 Notes	985,730	1,070,000	984,894	1,045,000
2030 Notes	985,643	1,045,000	—	—

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(1) These investments represent the (i) JACK Cleveland/Thistledown Lease Agreement and the MTA Properties, and (ii) the Amended and Restated ROV Loan, the Chelsea Piers Mortgage Loan and the Forum Convention Center Mortgage Loan, all of which were made during year ended December 31, 2020. Given the proximity of the date of our investment to the date of the financial statements, we determined that the fair value materially approximates the purchase price of the acquisition of these financial assets.

(2) The fair value of our debt instruments was estimated using quoted prices for identical or similar liabilities in markets that are not active and, as such, these fair value measurements are considered Level 2 of the fair value hierarchy.

Gain Upon Lease Modification in Connection with the Eldorado Transaction

On July 20, 2020, in connection with the Eldorado Transaction and as required under ASC 842, we reassessed the lease classification of the Las Vegas Master Lease Agreement, Regional Master Lease Agreement and Joliet Lease Agreement and determined the leases meet the definition of a sales-type lease, including the land component of Caesars Palace Las Vegas. As a result of the reclassifications of the Caesars Lease Agreements from direct financing and operating leases to sales-type leases, we recorded the investments at their estimated fair values as of the modification date and recognized a net gain equal to the difference in fair value of the asset and its carrying value immediately prior to the modification.

We valued the real estate portfolio using a rent multiple taking into consideration a variety of factors, including (i) asset quality and location, (ii) property and lease-level operating performance and (iii) supply and demand dynamics of each property's respective market. With respect to certain assets for which were subject to signed sale agreements as of the date of reassessment, and were subject to removal from the Regional Master Lease Agreement upon consummation of such transactions, which includes Harrah's Reno, Bally's Atlantic City and Louisiana Downs, these assets were recorded at fair value using the contract price less costs to sell.

As a result of the re-measurement of the Caesars Lease Agreements to fair value, we recognized a $333.4 million gain upon lease modification in our Statement of Operations during the year ended December 31, 2020.

The following table summarizes our assets measured at fair value on a non-recurring basis in relation to the gain upon modification of the Caesars Lease Agreements on July 20, 2020 the date of modification:

(In thousands)	July 20, 2020			
		Fair Value		
	Carrying Amount	Level 1	Level 2	Level 3
Financial assets:				
Investments in sales-type leases - Caesars Lease Agreements [(1)]	$ 10,228,465	$ —	$ —	$ 10,228,465
Investments in sales-type leases - assets subject to sales agreements [(2)]	$ 55,325	$ —	$ 55,325	$ —

(1) The fair value measurement of the Caesars Lease Agreements excludes the MTA Properties Acquisitions, HLV Additional Rent Acquisition and CPLV Additional Rent Acquisition as these transactions occurred in connection with the Eldorado Transaction and the investments are measured at historical cost.

(2) Represents the Harrah's Reno, Bally's Atlantic City and Louisiana Downs assets, which were subject to sales agreements at the date of the modification. The fair value of these investments is based on the contract price and represents a Level 2 measurement as defined in ASC 820.

The following table summarizes the significant unobservable inputs used in non-recurring Level 3 fair value measurements:

(In thousands)			Significant Assumptions	
Asset Type	Fair Value[(1)]	Valuation Technique	Range	Weighted Average[(2)]
Investment in sales-type lease - Casinos	$ 10,228,465	Rent Multiple	9.75x - 15.50x	13.0x

(1) The fair value measurement of the Caesars Lease Agreements excludes the MTA Properties Acquisitions, HLV Additional Rent Acquisition and CPLV Additional Rent Acquisition as these transactions occurred in connection with the Eldorado Transaction and the investments are measured at historical cost.

(2) Weighted by relative fair value.

Note 11 — Commitments and Contingent Liabilities

Litigation

In the ordinary course of business, from time to time, we may be subject to legal claims and administrative proceedings. As of December 31, 2020, we are not subject to any litigation that we believe could have, individually or in the aggregate, a material adverse effect on our business, financial condition or results of operations, liquidity or cash flows.

Operating Lease Commitments

We are liable under various operating leases for: (i) land at the Cascata golf course, which expires in 2038 and (ii) offices in New Orleans, LA and New York, NY, which expire in 2021 and 2030, respectively. The weighted average remaining lease term as of December 31, 2020 under our operating leases was 15.4 years. Our Cascata ground lease has three 10-year extension options. The rent of such options would be the in-place rent at the time of renewal.

Total rental expense, included in golf expenses and general and administrative expenses in our Statement of Operations and contractual rent expense under these agreements were as follows:

	Year Ended December 31,		
(In thousands)	2020	2019	2018
Rent expense	$ 2,008	$ 1,622	$ 1,519
Cash paid for rent	$ 1,600	$ 1,257	$ 1,297

On May 10, 2019 we entered into a lease agreement for new office space in New York, NY for our corporate headquarters. The lease has a 10-year term, with one 5-year extension option and requires a fixed annual rent of $0.9 million. We determined the lease was an operating lease and the discount rate for the lease was determined to be 5.3% based on the yield of our secured borrowings, adjusted to match borrowings of similar terms.

On January 1, 2019, upon adoption of ASC 842, we recorded an $11.1 million right of use asset and a corresponding lease liability within Other assets and Other liabilities, respectively, on our Balance Sheet, related to the ground lease of the land at the Cascata Golf Course. The discount rate for the lease was determined to be 5.5% and was based on the yield of our secured borrowings, adjusted to match borrowings of similar terms.

The future minimum lease commitments relating to the base lease rent portion of noncancelable operating leases at December 31, 2020 are as follows:

(In thousands)	Lease Commitments
2020	$ 1,851
2021	1,808
2022	1,827
2023	1,847
2024	1,908
Thereafter	19,075
Total minimum lease commitments	$ 28,316
Discounting factor	10,809
Lease liability	$ 17,507

Finance Lease Commitments

Certain of our acquisitions necessitate that we assume, as the lessee, ground and use leases, the cost of which is passed to our tenants through the Lease Agreements, which require the tenants to pay all costs associated with such ground and use leases and provide for their direct payment to the landlord.

We have determined we are the primary obligor of certain of such ground and use leases and, accordingly, have presented these leases on a gross basis on our Balance Sheet and Statement of Operations. Further, we assessed the classification of the sub-lease to our tenant through the Lease Agreements, and our obligation as primary obligor of the ground and use leases and determined that they meet the definition of a sales-type lease and finance lease, respectively. The following table details the balance and location in our Balance Sheet of the ground and use leases as of December 31, 2020 and 2019, which is primarily comprised of the HNO Ground Lease:

(In thousands)	December 31, 2020	December 31, 2019
Others assets (sales-type sub-lease)	$ 277,482	$ 8,688
Other liabilities (finance sub-lease liability)	284,376	8,688

Total rental income and rental expense, included in Other income and Other expenses, respectively, in our Statement of Operations and contractual rent expense under these agreements were as follows:

	Year Ended December 31,		
(In thousands)	2020	2019	2018
Rental income and expense *(1)*	$ 11,632	$ 410	$ —
Contractual rent	$ 17,983	$ 452	$ —

(1) For the year ended December 31, 2020, these amounts are presented gross in Other income with an offsetting amount in Other expenses within the Statement of Operations. For the year ended December 31, 2019, we recorded such amounts as a component of General and administrative expenses on a net basis as these charges were not material to the Statement of Operations. For the year ended December 31, 2018 we did not record any amounts related to ground lease obligations.

The future minimum lease commitments relating to the ground and use leases at December 31, 2020 are as follows:

(In thousands)	Lease Commitments
2021	$ 26,350
2022	26,350
2023	23,350
2024	23,350
2025	23,350
Thereafter	765,079
Total minimum lease commitments	$ 887,829
Discounting factor	603,453
Finance sub-lease liability	$ 284,376

The discount rate for the ground and use leases was determined based on the yield of our current secured borrowings, adjusted to match borrowings of similar terms and are between 6% and 8%. The weighted average remaining lease term as of December 31, 2020 under our finance leases was 37.8 years.

Note 12 — Stockholders' Equity

Stock

Authorized

We have the authority to issue 750,000,000 shares of stock, consisting of 700,000,000 shares of Common Stock, $0.01 par value per share and 50,000,000 shares of Preferred Stock, $0.01 par value per share.

Primary Follow-on Offerings

June 2020 Offering

On June 17, 2020, we completed a primary follow-on offering of 29,900,000 shares of common stock (inclusive of 3,900,000 shares sold pursuant to the exercise in full of the underwriters' option to purchase additional common stock) at a public offering price of $22.15 per share for an aggregate offering value of $662.3 million, all of which are subject to a forward sale agreement (the "June 2020 Forward Sale Agreement"), which initially required settlement by September 17, 2020. On September 16, 2020, we amended the June 2020 Forward Sale Agreement to extend the maturity date from September 17, 2020 to June 17, 2021. We did not initially receive any proceeds from the sale of the shares of common stock in the offering, which were sold to the underwriters by the forward purchaser or its affiliates. We determined that the June 2020 Forward Sale Agreement meets the criteria for equity classification and is therefore exempt from derivative accounting. We recorded the June 2020 Forward Sale Agreement at fair value at inception, which we determined to be zero. Subsequent changes to fair value are not required under equity classification.

On September 28, 2020, we partially settled the June 2020 Forward Sale Agreement by delivering 3,000,000 shares of our common stock to the forward purchaser, in exchange for total net proceeds of approximately $63.0 million, which was calculated based on the net forward sale price on the settlement date of $21.04 per share. The physical settlement of the June 2020 Forward Sale Agreement is calculated based on the initial forward sale price per share of $21.37, as adjusted for a floating interest rate factor and other fixed amounts based on the passage of time, as specified in the June 2020 Forward Sale Agreement.

We expect to settle the remaining 26,900,000 shares under the June 2020 Forward Sale Agreement entirely by the physical delivery of shares of our common stock in exchange for cash proceeds, although we may elect cash settlement or net share settlement for all or a portion of our remaining obligations under the June 2020 Forward Sale Agreement. As of December 31, 2020, the forward share price was $20.34 and would result in us receiving approximately $547.2 million in cash proceeds if we were to physically settle the remaining shares under the June 2020 Forward Sale Agreement. Alternatively, if we were to net cash settle the remaining shares under the June 2020 Forward Sale Agreement, it would result in a cash outflow of $138.7 million or, if we were to net share settle the remaining shares under the June 2020 Forward Sale Agreement, it would result in us delivering approximately 5.4 million shares.

Further, the remaining shares of common stock issuable upon settlement of the June 2020 Forward Sale Agreement will be reflected in our diluted earnings per share calculations using the treasury stock method. Under this method, the number of shares of our common stock used in calculating diluted earnings per share is deemed to be increased by the excess, if any, of the number of shares of common stock that would be issued upon full physical settlement of the remaining shares under the June 2020 Forward Sale Agreement over the number of shares of common stock that could be purchased by us in the market (based on the average market price during the period) using the proceeds receivable upon physical settlement of the remaining shares (based on the adjusted forward sales price at the end of the reporting period). If and when we physically settle the remaining shares under the June 2020 Forward Sale Agreement, the delivery of shares of our common stock will result in an increase in the number of shares of common stock outstanding and dilution to our earnings per share. We intend to use the net proceeds upon settlement of the remaining shares under the June 2020 Forward Sale Agreement for general corporate purposes, which may include future transactions, the acquisition and improvement of properties, capital expenditures, working capital and the repayment of indebtedness.

June 2019

On June 28, 2019, we completed a primary follow-on offering of (i) 50,000,000 shares of common stock (including 15,000,000 shares sold pursuant to the exercise in full of the underwriters' option to purchase additional common stock) at an offering price of $21.50 per share for an aggregate offering value of $1.1 billion, resulting in net proceeds, after the deduction of the underwriting discount and expenses, of $1.0 billion and (ii) 65,000,000 shares of common stock that were subject to forward sale agreements to be settled by September 26, 2020 (collectively the "June 2019 Forward Sale Agreements"). We did not initially receive any proceeds from the sale of the shares of common stock subject to the June 2019 Forward Sale Agreements that were sold by the forward purchasers or their respective affiliates. We determined that the June 2019 Forward Sale Agreements meet the criteria for equity classification and are therefore exempt from derivative accounting. We recorded the June 2019 Forward Sale Agreements at fair value at inception, which we determined to be zero. Subsequent changes to fair value were not required under equity classification.

On June 2, 2020, we physically settled the June 2019 Forward Sale Agreements in full by delivering 65,000,000 shares of our common stock to the forward purchasers, in exchange for total net proceeds of approximately $1.3 billion. The physical settlement of the June 2019 Forward Sale Agreements was calculated based on the forward sale price of $19.64 per share. The proceeds were used to consummate the Eldorado Transaction.

At-the-Market Offering Program

We have entered into an equity distribution agreement, as amended (the "ATM Agreement"), pursuant to which we may sell, from time to time, up to an aggregate sales price of $750.0 million of our common stock (the "ATM Program"). Sales of common stock, if any, made pursuant to the ATM Agreement may be sold in negotiated transactions or transactions that are deemed to be "at the market" offerings, as defined in Rule 415 of the Securities Act. Actual sales under the ATM Program will depend on a variety of factors including market conditions, the trading price of our common stock, our capital needs, and our determination of the appropriate sources of funding to meet such needs. During the year ended December 31, 2020, we sold a total of 7,500,000 shares under the ATM Program for net proceeds of $200.0 million. During the year ended December 31, 2019, we sold a total of 6,107,633 shares under the ATM Program for net proceeds of $128.3 million. We have no obligation to sell the remaining shares available for sale under the ATM Program.

The following table details the issuance of outstanding shares of common stock, including restricted common stock:

Common Stock Outstanding	**2020**	**2019**
Beginning Balance January 1	461,004,742	404,729,616
Issuance of common stock in primary follow-on offerings	—	50,000,000
Issuance of common stock upon physical settlement of forward sale agreements *(1)*	68,000,000	—
Issuance of common stock under the at-the-market offering program	7,500,000	6,107,633
Issuance of restricted and unrestricted common stock under the stock incentive program, net of forfeitures *(2)*	164,980	167,493
Ending Balance December 31	536,669,722	461,004,742

(1) Excludes the 26,900,000 remaining shares subject to the June 2020 Forward Sale Agreement as such shares are not yet settled.

(2) The years ended December 31, 2020 and 2019 excludes 239,437 share units and 157,512 share units, respectively, issued under the performance-based stock incentive program.

Distributions

Dividends declared (on a per share basis) during the years ended December 31, 2020 and 2019 were as follows:

Year Ended December 31, 2020				
Declaration Date	**Record Date**	**Payment Date**	**Period**	**Dividend**
March 12, 2020	March 31, 2020	April 9, 2020	January 1, 2020 - March 31, 2020	$ 0.2975
June 11, 2020	June 30, 2020	July 10, 2020	April 1, 2020 - June 30, 2020	$ 0.2975
September 10, 2020	September 30, 2020	October 8, 2020	July 1, 2020 - September 30, 2020	$ 0.3300
December 10, 2020	December 23, 2020	January 7, 2021	October 1, 2020 - December 31, 2020	$ 0.3300

Year Ended December 31, 2019				
Declaration Date	**Record Date**	**Payment Date**	**Period**	**Dividend**
March 14, 2019	March 29, 2019	April 11, 2019	January 1, 2019 - March 31, 2019	$ 0.2875
June 13, 2019	June 28, 2019	July 12, 2019	April 1, 2019 - June 30, 2019	$ 0.2875
September 12, 2019	September 27, 2019	October 10, 2019	July 1, 2019 - September 30, 2019	$ 0.2975
December 12, 2019	December 27, 2019	January 9, 2020	October 1, 2019 - December 31, 2019	$ 0.2975

Note 13 — Earnings Per Share

Basic earnings per share is computed by dividing net income attributable to common stockholders by the weighted-average number of shares of common stock outstanding during the period, excluding net income attributable to participating securities (unvested restricted stock awards). Diluted earnings per share reflects the additional dilution for all potentially dilutive securities such as stock options, unvested restricted shares, unvested performance-based restricted shares and the shares to be issued by us upon settlement of the remaining shares under the June 2020 Forward Sale Agreement. The shares issuable upon settlement of the remaining shares under the June 2020 Forward Sale Agreement, as described in Note 12 - Stockholders' Equity, are reflected in the diluted earnings per share calculations using the treasury stock method. Under this method, the number of shares of our common stock used in calculating diluted earnings per share is deemed to be increased by the excess, if any, of the number of shares of common stock that would be issued upon full physical settlement of the remaining shares under the June 2020 Forward Sale Agreement over the number of shares of common stock that could be purchased by us in the market (based on the average market price during the period) using the proceeds receivable upon full physical settlement (based on the adjusted forward sales price at the end of the reporting period). If and when we physically or net share settle the remaining shares under the June 2020 Forward Sale Agreement, the delivery of shares of common stock would result in an increase in the number of shares outstanding and dilution to earnings per share.

The following tables reconcile the weighted-average shares of common stock outstanding used in the calculation of basic earnings per share to the weighted-average shares of common stock outstanding used in the calculation of diluted earnings per share:

	Year Ended December 31,		
(In thousands)	**2020**	**2019**	**2018**
Determination of shares:			
Weighted-average shares of common stock outstanding	506,141	435,071	367,226
Assumed conversion of restricted stock	412	566	91
Assumed settlement of Forward Sale Agreements	4,356	3,516	—
Diluted weighted-average shares of common stock outstanding	510,909	439,153	367,317

Basic and Diluted Earnings Per Share

(In thousands, except per share data)	Year Ended December 31, 2020	2019	2018
Basic:			
Net income attributable to common stockholders	$ 891,674	$ 545,964	$ 523,619
Weighted-average shares of common stock outstanding	506,141	435,071	367,226
Basic EPS	$ 1.76	$ 1.25	$ 1.43
Diluted:			
Net income attributable to common stockholders	$ 891,674	$ 545,964	$ 523,619
Diluted weighted-average shares of common stock outstanding	510,909	439,153	367,317
Diluted EPS	$ 1.75	$ 1.24	$ 1.43

Note 14 — Stock-Based Compensation

The 2017 Stock Incentive Plan (the “Plan”) is designed to provide long-term equity-based compensation to our directors and employees. It is administered by the Compensation Committee of the Board of Directors. Awards under the Plan may be granted with respect to an aggregate of 12,750,000 shares of common stock and may be issued in the form of: (a) incentive stock options, (b) non-qualified stock options, (c) stock appreciation rights, (d) dividend equivalent rights, (e) restricted stock, (f) restricted stock units or (g) unrestricted stock. In addition, the Plan limits the total number of shares of common stock with respect to which awards may be granted to any employee or director during any one calendar year At December 31, 2020, 11,476,479 shares of common stock remained available for issuance by us as equity awards under the Plan.

Time-Based Restricted Stock

During the years ended December 31, 2020, 2019 and 2018, the Company granted approximately 179,000, 177,000 and 172,000, shares of restricted stock, respectively, under the Plan, respectively, subject to vesting restrictions based on service. Such restricted time-based stock awards vest ratably on an annual basis over a service period of one to four years. The number of shares granted was determined based on the 10-day volume weighted average price using the 10 trading days immediately preceding the grant date.

Performance-Based Restricted Stock Units

During the years ended December 31, 2020, 2019 and 2018 the Company granted approximately 239,000, 158,000 and 133,000 restricted stock units, respectively, under the Plan subject to vesting restrictions based on specified absolute and relative total stockholder return goals measured over a three-year performance period. We used a Monte Carlo Simulation (risk-neutral approach) to determine the number of shares that may be earned and vested pursuant to the award as these awards were deemed to have a market condition. The risk-free interest rate assumptions used in the Monte Carlo Simulation were determined based on the zero-coupon risk-free rate of 0.8% - 2.7% and an expected price volatility of 13.3% - 20.0%. The expected price volatility was calculated based on both historical and implied volatility.

The following table details the stock-based compensation expense recorded as General and administrative expense in the Statement of Operations:

(In thousands)	Year Ended December 31, 2020	2019	2018
Stock-based compensation expense	$ 7,388	$ 5,223	$ 2,342

The following table details the activity of our incentive stock, time-based restricted stock and performance-based restricted stock units:

(In thousands, except for per share data)	Shares	Weighted Average Grant Date Fair Value
Outstanding as of December 31, 2017	123,610	$ 15.61
Granted	336,980	19.37
Vested	(59,954)	10.18
Forfeited	(2,383)	16.88
Canceled	—	—
Outstanding as of December 31, 2018	398,253	19.60
Granted	338,788	22.03
Vested	(121,786)	18.57
Forfeited	(13,783)	20.44
Canceled	—	—
Outstanding as of December 31, 2019	601,472	21.16
Granted	423,181	21.49
Vested	(144,694)	20.21
Forfeited	(24,655)	21.21
Canceled	—	—
Outstanding as of December 31, 2020	855,304	$ 21.48

As of December 31, 2020, there was $9.5 million of unrecognized compensation cost related to non-vested stock-based compensation arrangements under the Plan. This cost is expected to be recognized over a weighted average period of 1.7 years.

Note 15 — Income Taxes

We conduct our operations as a REIT for U.S. federal income tax purposes. U.S. federal income tax law generally requires that a REIT distribute annually at least 90% of its REIT taxable income, without regard to the deduction for dividends paid and excluding net capital gains, and that it pays taxes at regular corporate income tax rates to the extent that it annually distributes less than 100% of its taxable income. We intend to meet those requirements and as a result, we generally will not be subject to federal income tax except for the TRS operations.

The TRS operations (represented by the four golf course businesses) are able to engage in activities resulting in income that would not be qualifying income for a REIT. As a result, certain of our activities which occur within our TRS operations are subject to federal and state income taxes. Accordingly, our tax provision and deferred tax analysis are primarily from the results of TRS activities.

The composition of our income tax expense (benefit) was as follows:

	Year Ended December 31,								
	2020			2019			2018		
(In thousands)	Current	Deferred	Total	Current	Deferred	Total	Current	Deferred	Total
Federal	$ 381	$ 148	$ 529	$ 1,100	$ 46	$ 1,146	$ 1,693	$ (459)	$ 1,234
State	299	3	302	563	(4)	559	126	81	207
Income tax expense (benefit)	$ 680	$ 151	$ 831	$ 1,663	$ 42	$ 1,705	$ 1,819	$ (378)	$ 1,441

At December 31, 2020 and 2019, the net effects of temporary differences that gave rise to significant portions of the deferred tax assets and deferred tax liabilities were:

(In thousands)	December 31, 2020	December 31, 2019
Deferred tax assets:		
Federal net operating loss	$ —	$ —
Accruals, reserves and other	35	96
Total deferred tax assets	35	96
Deferred tax liabilities:		
Land, buildings and equipment, net	(3,568)	(3,478)
Total deferred tax liabilities	(3,568)	(3,478)
Net deferred tax liability	$ (3,533)	$ (3,382)

The following table reconciles our effective income tax rate to the historical federal statutory rate of 21% for the years ended December 31, 2020, 2019 and 2018:

	Year Ended December 31,					
	2020		2019		2018	
($ in thousands)	Amount	Percent	Amount	Percent	Amount	Percent
Federal income tax expense at statutory rate	$ 188,378	21.0 %	$ 116,757	21.0 %	$ 112,326	21.0 %
REIT income not subject to federal income tax	(187,839)	(20.9)	(115,395)	(20.8)	(111,035)	(20.8)
Pre-tax gain attributable to taxable subsidiaries	539	0.1	1,362	0.2	1,291	0.2
State income taxes, net of federal benefits	296	—	542	0.1	187	—
Non-deductible expenses and other	(4)	—	(199)	—	(37)	—
Impact of Tax Reform on deferred tax liability	—	—	—	—	—	—
Income tax expense	$ 831	0.1 %	$ 1,705	0.3 %	$ 1,441	0.2 %

We declared dividends of $1.255, $1.17 and $0.9975 per common share during the years ended December 31, 2020, 2019 and 2018, respectively. For U.S. Federal income tax purposes, the portion of the dividends allocated to stockholders for the years ended December 31, 2020, 2019 and 2018 are characterized as follows:

	Year Ended December 31,		
($ per share)	2020	2019	2018
Ordinary dividends	$ 1.2225	$ 0.8465	$ 0.9251
Section 199A dividends (1)	$ 1.2225	$ 0.8159	$ 0.9251
Qualified dividend (1)	$ —	$ 0.0306	$ —
Non-dividend distribution	$ —	$ 0.0985	$ —

(1) These amounts are a subset of, and are included in, the ordinary dividend amounts.

As of December 31, 2020, we had estimated NOLs of $151.6 million, generated by our REIT, that will expire in 2029, unless they are utilized by us prior to expiration.

As of December 31, 2020, the 2017, 2018, and 2019 tax years remain subject to examination by federal, state and local tax authorities. The tax filings for tax year 2020 have not yet been filed, and once made, will be subject to examination by taxing authorities for a period of three years.

Note 16 — Segment Information

Our real property business and our golf course business represent two reportable segments. The real property business segment consists of leased real property and our real estate lending activities and represents the substantial majority of our business. The golf course business segment consists of four golf courses, with each being operating segments that are aggregated into one reportable segment.

The results of each reportable segment presented below are consistent with the way our management assesses these results and allocates resources. The following tables present certain information with respect to our segments:

	Year Ended December 31, 2020		
(In thousands)	Real Property Business	Golf Course Business	VICI Consolidated
Revenues	$ 1,201,782	$ 23,792	$ 1,225,574
Operating expenses	299,771	21,247	321,018
Interest expense	(308,605)	—	(308,605)
Gain upon lease modification	333,352	—	333,352
Loss on extinguishment of debt	(39,059)	—	(39,059)
Income before income taxes	894,474	2,565	897,039
Income tax expense	(276)	(555)	(831)
Net income	894,198	2,010	896,208
Total assets	$ 16,968,975	$ 94,638	$ 17,063,613
Total liabilities	$ 7,551,391	$ 18,477	$ 7,569,868

	Year Ended December 31, 2019		
(In thousands)	Real Property Business	Golf Course Business	VICI Consolidated
Revenues	$ 865,858	$ 28,940	$ 894,798
Operating expenses	29,583	22,716	52,299
Interest expense	(248,384)	—	(248,384)
Loss on extinguishment of debt	(58,143)	—	(58,143)
Income before income taxes	549,503	6,483	555,986
Income tax expense	(470)	(1,235)	(1,705)
Net income	549,033	5,248	554,281
Total assets	$ 13,177,318	$ 88,301	$ 13,265,619
Total liabilities	$ 5,199,029	$ 17,601	$ 5,216,630

	Year Ended December 31, 2018		
(In thousands)	Real Property Business	Golf Course Business	VICI Consolidated
Revenues [(1)]	$ 870,776	$ 27,201	$ 897,977
Operating expenses	118,973	21,050	140,023
Interest expense	(212,663)	—	(212,663)
Loss on extinguishment of debt	(23,040)	—	(23,040)
Income before income taxes	527,407	6,151	533,558
Income tax expense	—	(1,441)	(1,441)
Net income	527,407	4,710	532,117

(1) Upon the adoption of ASC 842 on January 1, 2019, we ceased recording tenant reimbursement of property taxes as these taxes are paid directly by our tenants to the applicable government entity.

Note 17 — Subsequent Events

We have evaluated subsequent events and, except for the payment of dividends on January 7, 2021 (as described in Note 12 - Stockholders' Equity), there were no other events relative to the Financial Statements that require additional disclosure.

Schedule I

CONDENSED FINANCIAL INFORMATION OF REGISTRANT PARENT COMPANY ONLY
VICI PROPERTIES INC.
CONDENSED BALANCE SHEETS
(In thousands, except share and per share data)

	December 31, 2020	December 31, 2019
Assets		
Cash and cash equivalents	$ 15,833	$ 13,912
Other assets	86	159
Due from affiliates	7,383	838
Investment in subsidiaries	9,571,044	8,087,905
Total assets	$ 9,594,346	$ 8,102,814
Liabilities		
Other liabilities	$ 1,514	$ 576
Dividends payable	176,992	137,056
Total liabilities	178,506	137,632
Stockholders' equity		
Common stock, $0.01 par value, 700,000,000 shares authorized and 536,669,722 and 461,004,742 shares issued and outstanding at December 31, 2020 and December 31, 2019, respectively	5,367	4,610
Preferred stock, $0.01 par value, 50,000,000 shares authorized and no shares outstanding at December 31, 2020 and 2019	—	—
Additional paid in capital	9,363,540	7,817,582
Accumulated other comprehensive loss	(92,521)	(65,078)
Retained earnings	139,454	208,068
Total stockholders' equity	9,415,840	7,965,182
Total liabilities and stockholders' equity	$ 9,594,346	$ 8,102,814

See accompanying Notes to Condensed Financial Information

Schedule I

CONDENSED FINANCIAL INFORMATION OF REGISTRANT PARENT COMPANY ONLY
VICI PROPERTIES INC.
CONDENSED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME
(In thousands)

	Year Ended December 31,		
	2020	**2019**	**2018**
Expenses			
General and administrative	$ 8	$ —	$ 78
Total expenses	8	—	78
Equity in earnings of investment in subsidiary	891,620	532,699	516,116
Interest income	62	13,265	7,581
Income before income taxes	891,674	545,964	523,619
Income taxes	—	—	—
Net income	$ 891,674	$ 545,964	$ 523,619
Other comprehensive income			
Net income	$ 891,674	$ 545,964	$ 523,619
Unrealized loss on cash flow hedges - investment in subsidiaries	(27,443)	(42,954)	(22,124)
Comprehensive income	$ 864,231	$ 503,010	$ 501,495

See accompanying Notes to Condensed Financial Information

Schedule I

CONDENSED FINANCIAL INFORMATION OF REGISTRANT PARENT COMPANY ONLY
VICI PROPERTIES INC.
CONDENSED STATEMENTS OF CASH FLOWS
(In thousands)

	Year Ended December 31,		
	2020	2019	2018
Cash flows from operating activities			
Net income	$ 891,674	$ 545,964	$ 523,619
Adjustments to reconcile net income to cash flows provided by operating activities:			
Equity in income from subsidiaries	(891,620)	(532,699)	—
Distributions of earnings from subsidiaries	—	13,334	—
Change in operating assets and liabilities:			
Change in other assets	30	48	(2,150)
Change in other liabilities	275	1,370	270
Change in intercompany balances, net	(182)	(1,985)	(614)
Cash flows from operating activities	177	26,032	521,125
Cash flows from investing activities			
Investment in subsidiary	(1,540,227)	(1,700,748)	(1,838,205)
Distributions from subsidiaries	614,314	232,875	357,781
Investments in short-term investments	—	(342,767)	(691,239)
Maturities of short-term investments	—	760,419	170,362
Cash flows used in investing activities	(925,913)	(1,050,221)	(2,001,301)
Cash flows from financing activities			
Proceeds from follow-on offering of common stock	1,539,862	1,164,307	694,374
Proceeds from initial public offering of common stock	—	—	1,307,119
Dividends paid	(612,205)	(503,958)	(262,682)
Cash flows provided by financing activities	927,657	660,349	1,738,811
Net increase (decrease) in cash and cash equivalents	1,921	(363,840)	258,635
Cash, cash equivalents and restricted cash, beginning of period	13,912	377,752	119,117
Cash, cash equivalents and restricted cash, end of period	$ 15,833	$ 13,912	$ 377,752

See accompanying Notes to Condensed Financial Information

Schedule I

CONDENSED FINANCIAL INFORMATION OF REGISTRANT PARENT COMPANY ONLY
VICI PROPERTIES INC.
NOTES TO CONDENSED FINANCIAL INFORMATION

1. Background and Basis of Presentation

The condensed parent company financial information has been prepared in accordance with Rule 12-04, Schedule 1 of Regulation S-X, as the restricted net assets of VICI Properties Inc. and its subsidiaries exceed 25% of the consolidated net assets of VICI Properties Inc. and its subsidiaries (the "Company"). This information should be read in conjunction with the Company's consolidated financial statements included elsewhere in this filing.

2. Restricted net assets of subsidiaries

VICI Properties 1 LLC ("VICI PropCo"), a Delaware limited liability company and an indirect wholly owned subsidiary of VICI Properties, Inc., has certain restrictions on its ability to pay dividends or make intercompany loans and advances pursuant to financing arrangements. On December 22, 2017, VICI PropCo entered into a credit agreement (the "Credit Agreement") governing the Term Loan B Facility and the Revolving Credit Facility. The Credit Agreement contains customary covenants that, among other things, limit the ability of VICI PropCo and its restricted subsidiaries to: (i) incur additional indebtedness; (ii) merge with a third party or engage in other fundamental changes; (iii) make restricted payments; (iv) enter into, create, incur or assume any liens; (v) make certain sales and other dispositions of assets; (vi) enter into certain transactions with affiliates; (vii) make certain payments on certain other indebtedness; (viii) make certain investments; and (ix) incur restrictions on the ability of restricted subsidiaries to make certain distributions, loans or transfers of assets to VICI PropCo or any restricted subsidiary. These covenants are subject to a number of exceptions and qualifications, including the ability to make unlimited restricted payments to maintain our REIT status and to avoid the payment of federal or state income or excise tax, the ability to make restricted payments in an amount not to exceed 95% of our Funds from Operations (as defined in the Credit Agreement) subject to no event of default under the Credit Agreement and pro forma compliance with the financial covenant pursuant to the Credit Agreement, and the ability to make additional restricted payments in an aggregate amount not to exceed the greater of 0.6% of Adjusted Total Assets (as defined in the Credit Agreement) or $30,000,000. Commencing with the first full fiscal quarter ended after December 22, 2017, if the outstanding amount of the Revolving Credit Facility plus any drawings under letters of credit issued pursuant to the Credit Agreement that have not been reimbursed as of the end of any fiscal quarter exceeds 30% of the aggregate amount of the Revolving Credit Facility, VICI PropCo and its restricted subsidiaries on a consolidated basis would be required to maintain a maximum Total Net Debt to Adjusted Total Assets Ratio, as defined in the Credit Agreement, as of the last day of any applicable fiscal quarter.

The November 2019 Senior Unsecured Notes and the February 2020 Senior Unsecured Notes (together, the "Senior Unsecured Notes") were issued in November 2019 and February 2020, respectively, pursuant to indentures (the "Senior Unsecured Notes Indentures") by and among the Operating Partnership and VICI Note Co. Inc. (the "Co-Issuer" and, together with the Operating Partnership, the "Senior Unsecured Notes Issuers"), the subsidiary guarantors party thereto and UMB Bank, National Association, as trustee. The Senior Unsecured Notes Indentures contain covenants that limit the Issuers' and their restricted subsidiaries' ability to, among other things: (i) incur additional debt; (ii) pay dividends on or make other distributions in respect of their capital stock or make other restricted payments; (iii) make certain investments; (iv) sell certain assets; (v) create or permit to exist dividend and/or payment restrictions affecting their restricted subsidiaries; (vi) create liens on certain assets to secure debt; (vii) consolidate, merge, sell or otherwise dispose of all or substantially all of their assets; (viii) enter into certain transactions with their affiliates; and (ix) designate their subsidiaries as unrestricted subsidiaries. These covenants are subject to a number of exceptions and qualifications, including the ability to declare or pay any cash dividend or make any cash distribution to VICI to the extent necessary for VICI to fund a dividend or distribution by VICI that it believes is necessary to maintain its status as a REIT or to avoid payment of any tax for any calendar year that could be avoided by reason of such distribution, and the ability to make certain restricted payments not to exceed 95% of our cumulative Funds From Operations (as defined in the Senior Unsecured Notes Indentures), plus the aggregate net proceeds from (i) the sale of certain equity interests in, (ii) capital contributions to, and (iii) certain convertible indebtedness of the Operating Partnership.

The amount of restricted net assets the Company's consolidated subsidiaries held as of December 31, 2020 was approximately $8.0 billion.

3. Commitments, contingencies, and long-term obligations

For a discussion of the Company's commitments, contingencies, and long-term obligations under its senior secured credit facilities, see Note 8 - Debt of the Company's consolidated financial statements.

Exhibit 4.8

DESCRIPTION OF REGISTRANT'S SECURITIES REGISTERED PURSUANT TO SECTION 12 OF THE SECURITIES EXCHANGE ACT OF 1934

The following is a summary of the rights and preferences of our common stock. This summary does not purport to be complete and is subject to and is qualified in its entirety by reference to our charter and bylaws and applicable provisions of the Maryland General Corporation Law ("MGCL"). While we believe the following summary covers the material terms of our common stock, the description may not include all of the information that is important to you. We encourage you to read carefully our charter and bylaws and the applicable provisions of the MGCL for a more complete understanding of our common stock. Each of our charter and bylaws is attached as an exhibit to the Annual Report on Form 10-K.

General

Our charter authorizes us to issue up to 700,000,000 shares of common stock, $0.01 par value per share, and up to 50,000,000 shares of preferred stock, $0.01 par value per share, of which 12,000,000 shares are classified as Series A preferred stock, $0.01 par value per share. Our charter authorizes our board of directors, without stockholder approval, to amend our charter to increase or decrease the aggregate number of shares of stock that we are authorized to issue or the number of authorized shares of any class or series, subject to the terms of any outstanding preferred stock.

As of December 31, 2020, 536,669,722 shares of our common stock are issued and outstanding, and no shares of preferred stock of any kind (including Series A preferred stock) are issued or outstanding.

Under Maryland law, a stockholder generally is not liable for a corporation's debts or obligations solely as a result of the stockholder's status as a stockholder.

Common Stock

Subject to the restrictions on ownership and transfer of our stock discussed below under the caption "Restrictions on Ownership and Transfer" and the voting rights of holders of outstanding shares of any other class or series of our stock, holders of our common stock will be entitled to one vote for each share held of record on all matters on which stockholders are entitled to vote generally, including the election or removal of directors. The holders of our common stock will not have cumulative voting rights in the election of directors.

Holders of our common stock will be entitled to receive dividends if, as and when authorized by our board of directors and declared by us out of assets legally available for the payment of dividends. Upon our liquidation, dissolution or winding up and after payment in full of all amounts required to be paid to creditors and to the holders of outstanding shares of any class or series of our stock having liquidation preferences, if any, the holders of our common stock will be entitled to receive pro rata our remaining assets available for distribution. Holders of our common stock will not have preemptive, subscription, redemption, preference, exchange, conversion or appraisal rights. There will be no sinking fund provisions applicable to the common stock. All issued and outstanding shares of our common stock will be fully paid and nonassessable and will have equal dividend and liquidation rights. The rights, powers, preferences and privileges of holders of our common stock will be subject to those of the holders of any shares of our preferred stock or any other class or series of stock we may authorize and issue in the future.

Under Maryland law, a Maryland corporation generally may not amend its charter (with limited exceptions), consolidate, merge, convert, sell all or substantially all of its assets, engage in a statutory share exchange or dissolve unless the action is advised by its board of directors and approved by the affirmative vote of stockholders entitled to cast at least two-thirds of the votes entitled to be cast on the matter. As permitted by Maryland law, our charter provides that any of these actions, once advised by our board of directors, may be approved by the affirmative vote of stockholders entitled to cast a majority of all of the votes entitled to be cast on the matter, except for amendments to the charter provisions relating to indemnification, limitation of liability and amendments to our charter, which require the affirmative vote of stockholders entitled to cast 75% of all of the votes entitled to be cast generally in the election of directors. See "Certain Provisions of Maryland Law and Our Charter and Bylaws." Maryland law also permits a corporation to transfer all or substantially all of its assets without the approval of its stockholders to an entity owned, directly or indirectly, by the corporation. In addition, because many of our operating assets are held by our subsidiaries, these subsidiaries will be able to merge or sell all or substantially all of their assets without the approval of our stockholders.

Power to Reclassify and Issue Stock

Subject to the rights of holders of any outstanding shares of our preferred stock, our board of directors will be able to, without approval of holders of our common stock, classify and reclassify any unissued shares of our stock into other classes or series of stock, including one or more classes or series of stock that have preference over our common stock with respect to dividends or upon liquidation, or have voting rights and other rights that differ from the rights of the common stock, and authorize us to issue the newly-classified shares. Before authorizing the issuance of shares of any new class or series, our board of directors will be required to set, subject to the provisions in our charter relating to the restrictions on ownership and transfer of our stock, the preferences, conversion or other rights, voting powers, restrictions, limitations as to dividends or other distributions, qualifications and terms or conditions of redemption for each class or series of stock. In addition, our charter authorizes our board of directors, with the approval of a majority of our board of directors and without stockholder approval, to amend our charter to increase or decrease the aggregate number of shares of stock, or the number of shares of any class or series of stock, that we are authorized to issue, subject to the rights of holders of our preferred stock. These actions will be able to be taken without the approval of holders of our common stock unless such approval is required by applicable law, the terms of any other class or series of our stock or the rules of any stock exchange or automated quotation system on which any of our stock is listed or traded.

Preferred Stock

Prior to issuance of shares of each class or series of preferred stock having terms not already established pursuant to our charter, our board of directors is required by the MGCL and our charter to set the preferences, conversion and other rights, voting powers, restrictions, limitations as to dividends and other distributions, qualifications and terms and conditions of redemption for each such class or series. Our board of directors could authorize the issuance of shares of preferred stock that have priority over our common stock with respect to dividends or rights upon liquidation or with terms and conditions which could have the effect of delaying, deferring or preventing a transaction or a change of control of our company that might involve a premium price for holders of our common stock or otherwise be in their best interests.

Series A Preferred Stock

Of the 50,000,000 shares of preferred stock authorized for issuance under our charter, 12,000,000 shares are classified as Series A preferred stock, $0.01 par value per share, all of which automatically converted on November 6, 2017 in accordance with the terms of the Series A preferred stock into shares of our common stock. As a result of this conversion, none of the authorized shares of Series A preferred stock are currently issued or outstanding. Our board of directors has no plans to issue any shares of Series A preferred stock as currently constituted, and given the terms applicable to the Series A preferred stock and the circumstances in which originally issued, any such additional issuance would be impractical. Our board of directors could, however, without stockholder approval, reclassify the authorized but unissued shares of Series A preferred stock as preferred stock without further designation, or into one or more other or additional series or classes of our capital stock, pursuant to its power to reclassify stock, as described above, and cause us to issue the newly-classified shares, subject, however, to the rights of holders of any then outstanding shares of our preferred stock. For detail regarding these and other terms applicable to our authorized Series A preferred stock, we encourage you to read carefully the terms thereof, as set forth in our charter.

Restrictions on Ownership and Transfer

In order for us to qualify as a REIT for U.S. Federal income tax purposes, our stock must be beneficially owned by 100 or more persons during at least 335 days of a taxable year of 12 months or during a proportionate part of a shorter taxable year. Also, not more than 50% of the value of the outstanding shares of our stock may be owned, directly or indirectly, by five or fewer individuals (as defined in the Internal Revenue Code of 1986, as amended from time to time (the “Code”) to include certain entities such as qualified pension plans) during the last half of a taxable year.

Our charter contains restrictions on the ownership and transfer of our stock. Subject to the exceptions described below, our charter provides that no person or entity will be able to beneficially own, or be deemed to own by virtue of the applicable constructive ownership provisions of the Code, with respect to any class or series of our capital stock (including our common stock), more than 9.8% (in value or by number of shares, whichever is more restrictive) of the aggregate of the outstanding shares of such class or series of our capital stock.

The constructive ownership rules under the Code are complex and may cause stock owned actually or constructively by a group of related individuals and/or entities to be owned constructively by one individual or entity. As a result, the acquisition of 9.8% or less of a class or series of our capital stock, or the acquisition of an interest in an entity that owns our stock, could, nevertheless, cause the acquirer or another individual or entity to own our stock in excess of the ownership limit.

An exemption from the 9.8% ownership limit was granted to certain stockholders, and our board may in the future provide exceptions to the ownership limit for other stockholders, subject to certain initial and ongoing conditions designed to protect our status as a REIT. In addition, our charter provides that our board of directors will have the power to, upon receipt of certain representations and agreements and in its sole discretion, prospectively or retroactively, exempt a person from the ownership limit or establish a different limit on ownership for a particular stockholder if the stockholder's ownership in excess of the ownership limit would not result in our being "closely held" under Section 856(h) of the Code (without regard to whether the ownership interest is held during the last half of a taxable year) or otherwise failing to qualify as a REIT. As a condition to granting a waiver of the ownership limit or creating an excepted holder limit, our board of directors will be able, but will not be required, to require an opinion of counsel or IRS ruling satisfactory to our board of directors as it may deem necessary or advisable to determine or ensure our status as a REIT and may impose such other conditions or restrictions as it deems appropriate.

In connection with granting a waiver of the ownership limit or creating or modifying an excepted holder limit, or at any other time, our charter provides that our board of directors will be able to increase or decrease the ownership limit unless, after giving effect to any increased or decreased ownership limit, five or fewer individuals (as defined in the Code to include certain entities such as qualified pension plans) could beneficially own or constructively own, in the aggregate, more than 50% in value of the shares of our stock then outstanding or we would otherwise fail to qualify as a REIT. A decreased ownership limit will not apply to any person or entity whose percentage ownership of our stock is in excess of the decreased ownership limit until the person or entity's ownership of our stock equals or falls below the decreased ownership limit, but any further acquisition of our stock will be subject to the decreased ownership limit.

Our charter also provides that:

- any person is prohibited from owning shares of our stock that, if effective, would cause us to constructively own more than 10% of the ownership interests, assets or net profits in (i) any of our tenants or (ii) any tenant of one of our direct or indirect subsidiaries, to the extent such ownership would cause us to fail to qualify as a REIT;
- any person is prohibited from beneficially or constructively owning shares of our stock that would result in our being "closely held" under Section 856(h) of the Code (without regard to whether the ownership interest is held during the last half of a taxable year) or otherwise cause us to fail to qualify as a REIT; and
- any person is prohibited from transferring shares of our stock if the transfer would result in shares of our stock being beneficially owned by fewer than 100 persons.

Our charter provides that any person who acquires or attempts or intends to acquire beneficial or constructive ownership of shares of our stock that will or may violate the ownership limit or any other restrictions on ownership and transfer of our stock discussed above, and any person who owned or would have owned shares of our stock that are transferred to a trust for the benefit of one or more charitable beneficiaries described below, will be required to give immediate written notice of such an event or, in the case of a proposed or attempted transfer, give at least five days' prior written notice to us and provide us with such other information as we may request in order to determine the effect of the transfer on our status as a REIT. The provisions of our charter relating to the restrictions on ownership and transfer of our stock will not apply if our board of directors determines that it is no longer in our best interests to attempt to qualify, or to continue to qualify, as a REIT, or that compliance is no longer required in order for us to qualify as a REIT.

Our charter provides that any attempted transfer of our stock that, if effective, would result in our stock being beneficially owned by fewer than 100 persons will be void ab initio and the intended transferee will acquire no rights in such shares of stock. Our charter provides that any attempted transfer of our stock that, if effective, would result in a violation of the ownership limit (or other limit established by our charter or our board of directors), any person owning shares of our stock that, if effective, would cause us to constructively own more than 10% of the ownership interests, assets or net profits in (i) any of our tenants or (ii) any tenant of one of our direct or indirect subsidiaries, to the extent such ownership would cause us to fail to qualify as a REIT, or our being "closely held" under Section 856(h) of the Code or our otherwise failing to qualify as a REIT, will be void ab initio and the intended transferee will acquire no rights in such shares of stock and, if such voidness is not effective, the number of shares causing the violation (rounded up to the nearest whole share) will be transferred automatically to a trust for the exclusive benefit of one or more charitable beneficiaries, and the intended transferee will not acquire any rights in the shares. The automatic transfer will be effective as of the close of business on the business day before the date of the attempted transfer or other event that resulted in a transfer to the trust. Our charter provides that if the transfer to the trust as described above does not occur or is not automatically effective, for any reason, to prevent a violation of the applicable restrictions on ownership and transfer of our stock, then the attempted transfer which, if effective, would have resulted in a violation on the restrictions of ownership and transfer of our stock, will be void ab initio and the intended transferee will acquire no rights in such shares of stock.

Our charter provides that shares of our stock held in the trust will be issued and outstanding shares. The intended transferee may not benefit economically from ownership of any shares of our stock held in the trust and will have no rights to dividends and no rights to vote or other rights attributable to the shares of our stock held in the trust. The trustee of the trust will exercise all voting rights and receive all dividends and other distributions with respect to shares held in the trust for the exclusive benefit of the charitable beneficiary of the trust. Our charter provides that any dividend or other distribution paid before we discover that the shares have been transferred to a trust as described above must be repaid by the recipient to the trustee upon demand by us. Pursuant to our charter, subject to Maryland law, effective as of the date that the shares have been transferred to the trust, the trustee will have the authority to rescind as void any vote cast by an intended transferee before our discovery that the shares have been transferred to the trustee and to recast the vote in accordance with the direction of the trustee acting for the benefit of the charitable beneficiary of the trust.

Pursuant to our charter, within 20 days of receiving notice from us of a transfer of shares to the trust, the trustee must sell the shares to a person, designated by the trustee, that would be permitted to own the shares without violating the ownership limit or the other restrictions on ownership and transfer of our stock in our charter. After such sale of the shares, the interest of the charitable beneficiary in the shares sold will terminate and the trustee must distribute to the intended transferee, an amount equal to the lesser of:

- the price paid by the intended transferee for the shares or, if the intended transferee did not give value for the shares in connection with the event that resulted in the transfer to the trust at the market price of the shares on the day of the event that resulted in the transfer of such shares to the trust; and
- the sales proceeds received by the trustee for the shares.

Any net sales proceeds in excess of the amount payable to the intended transferee shall be paid to the charitable beneficiary.

Our charter provides that shares of our stock held in the trust will be deemed to be offered for sale to us, or our designee, at a price per share equal to the lesser of:

- the price per share in the transaction that resulted in the transfer to the trust or, in the case of a gift, devise or other such transaction, at market price, at the time of such gift, devise or other such transaction; and
- the market price on the date we accept, or our designee accepts, such offer.

The amount payable to the transferee may be reduced by the amount of any dividends or other distributions that we paid to the intended transferee before we discovered that the shares had been transferred to the trust and that is owed by the intended transferee to the trustee as described above. We may accept the offer until the trustee has otherwise sold the shares of our stock held in the trust. Pursuant to our charter, upon a sale to us, the interest of the charitable beneficiary in the shares sold will terminate and the trustee must distribute the net proceeds of the sale to the intended transferee and distribute any dividends or other distributions held by the trustee with respect to the shares to the charitable beneficiary.

Every owner of 5% or more (or such lower percentage as required by the Code or the regulations promulgated thereunder) of the outstanding shares of our stock, within 30 days after the end of each taxable year, must give us written notice stating the person’s name and address, the number of shares of each class and series of our stock that the person beneficially owns and a description of the manner in which the shares are held. Each such owner also must provide us with any additional information that we request in order to determine the effect, if any, of the person’s beneficial ownership on our status as a REIT and to ensure compliance with the ownership limit. In addition, any person or entity that is a beneficial owner or constructive owner of shares of our stock and any person or entity (including the stockholder of record) who is holding shares of our stock for a beneficial owner or constructive owner will be required to, on request, disclose to us such information as we may request in order to determine our status as a REIT or to comply, or determine our compliance, with the requirements of any governmental or taxing authority.

If our board of directors authorizes any of our shares to be represented by certificates, the certificates will bear a legend referring to the restrictions described above.

These restrictions on ownership and transfer of our stock could delay, defer or prevent a transaction or a change of control of us that might involve a premium price for our common stock or otherwise be in the best interests of our stockholders.

Redemption of Securities Owned or Controlled by an Unsuitable Person or Affiliate

In addition to the restrictions set forth above, all of our outstanding shares of capital stock will be held subject to applicable gaming laws. Any person owning or controlling at least 5% of the outstanding shares of any class of our capital stock will be required to promptly notify us of such person's identity. Our charter provides that any shares of our capital stock that are owned or controlled by an unsuitable person or an affiliate of an unsuitable person are redeemable by us, out of funds legally available for that redemption, to the extent required by the gaming authorities making the determination of unsuitability or to the extent determined to be necessary or advisable by our board of directors. From and after the redemption date, the securities will not be considered outstanding and all rights of the unsuitable person or affiliate will cease, other than the right to receive the redemption price. The redemption price with respect to any securities to be redeemed will be the price, if any, required to be paid by the gaming authority making the finding of unsuitability or if the gaming authority does not require a price to be paid (including if the finding of unsuitability is made by our board of directors alone), an amount that in no event exceeds (1) the market price of such securities as reported on a securities exchange, a generally recognized reporting system or domestic over-the-counter market, as applicable, or (2) if such securities are not quoted by any recognized reporting system, then the fair market value thereof, as determined in good faith and in the reasonable discretion of the board of directors. The redemption price may be paid in cash, by promissory note, or both, as required by the applicable gaming authority and, if not, as determined by us. If all or a portion of the redemption price is paid with a promissory note, such note shall have a ten year term, bear interest at 3% and amortize in 120 equal monthly installments and contain such other terms determined by our board.

Our charter provides that the redemption right is not exclusive and that our capital stock that is owned or controlled by an unsuitable person or an affiliate of an unsuitable person may also be transferred to a trust for the benefit of a designated charitable beneficiary, and that any such unsuitable person or affiliate will not be entitled to any dividends on the shares or be entitled to vote the shares or receive any proceeds from the subsequent sale of the shares in excess of the lesser of the price paid by the unsuitable person or affiliate for the shares or the amount realized from the sale, in each case less a discount in a percentage (up to 100%) to be determined by our board of directors in its sole and absolute discretion.

Our charter requires any unsuitable person and any affiliate of an unsuitable person to indemnify us and our affiliated companies for any and all losses, costs and expenses, including attorneys' fees, incurred by us and our affiliated companies as a result of the unsuitable person's ownership or control or failure to promptly divest itself of any securities of our securities when and in the specific manner required by a gaming authority or by our charter.

Under our charter, an unsuitable person will be defined as one who (i) fails or refuses to file an application, or has withdrawn or requested the withdrawal of a pending application, to be found suitable by any gaming authority or for any gaming license, (ii) is denied or disqualified from eligibility for any gaming license by any gaming authority, (iii) is determined by any gaming authority to be unsuitable or disqualified to own or control any of our capital stock or the capital stock or any other equity securities of any of our affiliates, (iv) is determined by any gaming authority to be unsuitable to be affiliated, associated or involved with a person engaged in gaming activities or holding a gaming license in any gaming jurisdiction, (v) causes any gaming license of our company or any of our affiliates to be lost, rejected, rescinded, suspended, revoked or not renewed, or causes our company or any of our affiliates to be threatened by any gaming authority with the loss, rejection, rescission, suspension, revocation or non-renewal of any gaming license, or (vi) is deemed likely, in the sole and absolute discretion of our board, to preclude or materially delay, impede, impair, threaten or jeopardize any gaming license, cause or otherwise result in, the disapproval, cancellation, termination, material adverse modification or non-renewal of any material contract with a gaming authority to which our company or our affiliates is a party, or cause or otherwise result in the imposition of any materially burdensome or unacceptable terms or conditions on any gaming license of our company or any of our affiliates.

Issuance of Common Stock upon Redemption of Partnership Units

Our Operating Partnership, VICI Properties L.P., is a Delaware limited partnership. All of our assets (other than the golf course assets), are held by, and all of our operations (other than the golf course operations) are and will be conducted through, our Operating Partnership, either directly or through subsidiaries. VICI Properties GP LLC, our wholly-owned subsidiary, is the sole General Partner of our Operating Partnership. Some of our property acquisitions could be financed by issuing units of our Operating Partnership in exchange for property owned by third parties. Such third parties would then be entitled to share in cash distributions from, and in the profits and losses of, our Operating Partnership in proportion to their respective percentage interests in our Operating Partnership. Holders of outstanding partnership units will on the twelve-month anniversary a limited partner first becoming a holder of common units of the Operating Partnership (subject to the terms of the limited partnership agreement), have the right to elect to redeem their partnership units for cash, based upon the value of an equivalent number of shares of our common stock at the time of the election to redeem, subject to our right instead, and as expressly permitted in our charter, to acquire the partnership units tendered for redemption in exchange for an equivalent number of shares of our common stock, subject to the restrictions on ownership and transfer of our stock set forth in our charter.

Provisions in the limited partnership agreement may delay or make more difficult unsolicited acquisitions of us or changes in our control. These provisions could discourage third parties from making proposals involving an unsolicited acquisition of us or change of our control, although some stockholders might consider such proposals, if made, desirable. These provisions also make it more difficult for third parties to alter the management structure of our Operating Partnership without the concurrence of our board of directors. These provisions include, among others:

- redemption rights of limited partners and certain assignees of partnership units or other Operating Partnership interests;
- transfer restrictions on partnership units and restrictions on admission of partners;
- a requirement that VICI Properties GP LLC may not be removed as the General Partner of our Operating Partnership without its consent;
- the ability of the General Partner in some cases to amend the limited partnership agreement and to cause our Operating Partnership to issue preferred partnership interests in our Operating Partnership with terms that it may determine, in either case, without the approval or consent of any limited partner; and
- the right of any future limited partners to consent to transfers of units of other Operating Partnership interests except under specified circumstances, including in connection with mergers, consolidations and other business combinations involving us.

The foregoing discussion of our Operating Partnership and select related matters does not purport to be complete and is subject to and qualified in its entirety by reference to the limited partnership agreement of VICI Properties L.P., which is filed as an exhibit to the Annual Report on Form 10-K.

Certain Provisions of Maryland Law and Our Charter and Bylaws

The following summary of certain provisions of Maryland law and of our charter and bylaws is only a summary, and is subject to, and qualified in its entirety by reference to, our charter and bylaws and the applicable provisions of the MGCL.

Election and Removal of Directors

Our charter and bylaws provide that the number of our directors may be established only by our board of directors but may not be more than fifteen or fewer than the minimum number permitted by the MGCL, which is one. Our bylaws provide for the election of directors, in uncontested elections, by a majority of the votes cast. In contested elections, the election of directors shall be by a plurality of the votes cast. Our bylaws provide that a director may not be an "unsuitable person" as defined in our charter, and that the term of office of any director found by our board of directors to be an unsuitable person will expire.

Our bylaws provide that any vacancy on our board of directors may be filled only by the affirmative vote of a majority of the remaining directors in office, even if the remaining directors do not constitute a quorum of the board of directors except that a vacancy created by the removal of a director by stockholders may also be filled by the requisite vote or consent of stockholders set forth in our bylaws.

Our charter also provides that, subject to the rights of holders of one or more classes or series of preferred stock to elect one or more directors, a director may be removed, with or without cause, by the affirmative vote of stockholders holding a majority of all of the shares of our stock entitled to vote generally in the election of directors.

Amendment to Charter and Bylaws

Except as provided in our charter with respect to indemnification, limitation of liability and amendments to our charter, which must each be advised by our board of directors and receive the affirmative vote of stockholders entitled to cast 75% of all the votes entitled to be cast generally in the election of directors, amendments to our charter must be advised by our board of directors and, with limited exceptions, approved by the affirmative vote of our stockholders entitled to cast a majority of all of the votes entitled to be cast on the matter. Each of our board of directors and our stockholders, by the affirmative vote of not less than a majority of all shares then outstanding and entitled to be cast on the matter, have the power to amend our bylaws.

Business Combinations

Under the MGCL, certain "business combinations" between a Maryland corporation and an interested stockholder or an affiliate of an interested stockholder are prohibited for five years after the most recent date on which the interested stockholder becomes an interested stockholder. These business combinations include a merger, consolidation, share exchange, and, in circumstances specified in the statute, an asset transfer or issuance or reclassification of equity securities. An interested stockholder is defined as:

- any person who beneficially, directly or indirectly, owns 10% or more of the voting power of the corporation's outstanding voting stock; or
- an affiliate or associate of the corporation who, at any time within the two-year period before the date in question, was the beneficial owner, directly or indirectly, of 10% or more of the voting power of the corporation's then outstanding voting stock.

A person is not an interested stockholder under the MGCL if the corporation's board of directors approves in advance the transaction by which the person otherwise would have become an interested stockholder. In approving the transaction, the board of directors may provide that its approval is subject to compliance, at or after the time of approval, with any terms and conditions determined by the board.

After the five-year prohibition, any business combination between the Maryland corporation and the interested stockholder generally must be recommended by the corporation's board of directors and approved by the affirmative vote of at least:

- 80% of the votes entitled to be cast by holders of outstanding shares of voting stock of the corporation; and
- two-thirds of the votes entitled to be cast by holders of outstanding shares of voting stock of the corporation other than shares held by the interested stockholder with whom or with whose affiliate the business combination is to be effected or held by an affiliate or associate of the interested stockholder.

These super-majority vote requirements do not apply if the corporation's common stockholders receive a minimum price, as defined under the MGCL, for their shares in the form of cash or other consideration in the same form as previously paid by the interested stockholder for its shares.

The foregoing provisions of the MGCL do not apply, however, to business combinations that are exempted by the board of directors before the time that the interested stockholder becomes an interested stockholder. In addition, our charter provides that, notwithstanding any other provision of our charter or our bylaws, these provisions, known as the Maryland Business Combination Act (Title 3, Subtitle 6 of the MGCL), will not apply to any business combination between us and any interested stockholder of ours and that we expressly elect not to be governed by the operative provisions of the Maryland Business Combination Act in whole or in part. Any amendment to such provision of our charter must be advised by our board of directors and approved by the affirmative vote of stockholders entitled to cast a majority of all votes entitled to be cast on the matter. Consequently, the five-year prohibition and the supermajority vote requirements will not apply to a business combination between us and any other person. As a result, any person described in the preceding sentence may be able to enter into a business combination with us that may not be in the best interests of our stockholders, without compliance with the supermajority vote requirements and other provisions of the statute. We cannot assure you that this provision of our charter will not be amended or repealed in the future. In that event, business combinations between us and an interested stockholder or an affiliate of an interested stockholder would be subject to the five-year prohibition and the super-majority vote requirements.

Control Share Acquisitions

The Maryland Control Share Acquisition Act provides that a holder of control shares of a Maryland corporation acquired in a control share acquisition has no voting rights with respect to the control shares except to the extent approved by a vote of two-thirds of the votes entitled to be cast on the matter. Shares owned by the acquirer, by officers or by employees who are directors of the corporation are excluded from shares entitled to vote on the matter. Control shares are voting shares of stock that, if aggregated with all other shares of stock owned by the acquirer or in respect of which the acquirer is able to exercise or direct the exercise of voting power (except solely by virtue of a revocable proxy), would entitle the acquirer to exercise or direct voting power in electing directors within one of the following ranges of voting power:

- one-tenth or more but less than one-third;
- one-third or more but less than a majority; or
- a majority or more of all voting power.

Control shares do not include shares the acquirer is then entitled to vote as a result of having previously obtained stockholder approval or shares acquired directly from us. A control share acquisition means the acquisition of issued and outstanding control shares, subject to certain exceptions.

A person who has made or proposes to make a control share acquisition may compel the board of directors of the corporation to call a special meeting of stockholders to be held within 50 days of demand to consider the voting rights of the shares. The right to compel the calling of a special meeting is subject to the satisfaction of certain conditions, including an undertaking to pay the expenses of the meeting. If no request for a meeting is made, the corporation may itself present the question at any stockholders meeting.

If voting rights are not approved at the meeting or if the acquirer does not deliver an acquiring person statement as required by the statute, then the corporation may, subject to certain limitations and conditions, redeem for fair value any or all of the control shares, except those for which voting rights have previously been approved. Fair value is determined, without regard to the absence of voting rights for the control shares, as of the date of the last acquisition of control shares by the acquiring person in a control share acquisition; or, if a meeting of stockholders is held at which the voting rights of the shares are considered and not approved, then as of the date of the meeting. If voting rights for control shares are approved at a stockholders meeting and the acquirer becomes entitled to exercise or direct the exercise of a majority of the voting power, all other stockholders may exercise appraisal rights. The fair value of the shares as determined for purposes of appraisal rights may not be less than the highest price per share paid by the acquirer in the control share acquisition.

The Maryland Control Share Acquisition Act does not apply (a) to shares acquired in a merger, consolidation or share exchange if the corporation is a party to the transaction or (b) to acquisitions approved or exempted by the charter or bylaws of the corporation.

Our bylaws contain a provision exempting any acquisition of our stock by any person from the foregoing provisions on control shares. In the event that our bylaws are amended by our stockholders to modify or eliminate this provision, acquisitions of our common stock may constitute a control share acquisition and may be subject to the Maryland Control Share Acquisition Act.

Subtitle 8

Subtitle 8 of Title 3 of the MGCL ("Subtitle 8") permits a Maryland corporation with a class of equity securities registered under the Exchange Act and at least three independent directors to elect, by provision in its charter or bylaws or a resolution of its board of directors and without the need for stockholder approval, and notwithstanding any contrary provision in the charter or bylaws, unless the charter or a resolution adopted by the board of directors prohibits such election, to be subject to any or all of five provisions, including:

- a classified board of directors;
- a two-thirds vote requirement for removing a director;
- a requirement that the number of directors be fixed only by vote of the board of directors;
- a requirement that a vacancy on the board of directors be filled only by the affirmative vote of a majority of the remaining directors and for the remainder of the full term of the class of directors in which the vacancy occurred and until a successor is elected and qualifies; and
- a provision that a special meeting of stockholders must be called upon stockholder request only on the written request of stockholders entitled to cast a majority of the votes entitled to be cast at the meeting.

We do not currently have a classified board. Our charter provides that we are prohibited from electing to be subject to any or all of the provisions of Subtitle 8 unless such election is first approved by the affirmative vote of stockholders of not less than a majority of all shares of ours then outstanding and entitled to be cast on the matter.

Through provisions in our charter and bylaws unrelated to Subtitle 8, we already (1) vest in our board of directors the exclusive power to fix the number of directors, and (2) require the request of stockholders entitled to cast a majority of the votes entitled to be cast at the meeting to call a special meeting (unless the special meeting is called by our board of directors, the chairman of our board of directors, our president or chief executive officer as described below under "Special Meetings of Stockholders").

Special Meetings of Stockholders

Our board of directors, the chairman of our board of directors, our president or our chief executive officer may call a special meeting of our stockholders. Our bylaws provide that a special meeting of our stockholders to act on any matter that may properly be considered at a meeting of our stockholders must also be called by our secretary upon the written request of stockholders entitled to cast a majority of all the votes entitled to be cast on such matter at the meeting and containing the information required by our bylaws.

Stockholder Action by Written Consent

The MGCL generally provides that, unless the charter of the corporation authorizes stockholder action by less than unanimous consent, stockholder action may be taken by consent in lieu of a meeting only if it is given by all stockholders entitled to vote on the matter. Our charter permits stockholder action by consent in lieu of a meeting to the extent permitted by our bylaws. Our bylaws provide that any action required or permitted to be taken at any meeting of the holders of common stock entitled to vote generally in the election of directors may be taken without a meeting (a) if a unanimous consent setting forth the action is given in writing or by electronic transmission by each stockholder entitled to vote on the matter and filed with the minutes of proceedings of the stockholders or (b) if the action is advised, and submitted to the stockholders for approval, by our board and a consent in writing or by electronic transmission of stockholders entitled to cast not less than the minimum number of votes that would be necessary to authorize or take the action at a meeting of stockholders is delivered to us in accordance with the MGCL. We will be required to give notice of any action taken by less than unanimous consent to each stockholder not later than ten days after the effective time of such action.

Competing Interests and Activities of Our Directors or Officers

Our charter provides that we have the power to renounce, by resolution of the board of directors, any interest or expectancy in, or in being offered an opportunity to participate in, business opportunities or classes or categories of business opportunities that are (i) presented to us or (ii) developed by or presented to one or more of our directors or officers.

Advance Notice of Director Nomination and New Business

Our bylaws provide that nominations of individuals for election as directors and proposals of business to be considered by stockholders at any annual meeting may be made only (1) pursuant to our notice of the meeting, (2) by or at the direction of our board of directors or any duly authorized committee of our board of directors or (3) by any stockholder present in person or by proxy who was a stockholder of record at the time of provision of notice by the stockholders and at the time of the meeting, who is entitled to vote at the meeting in the election of the individuals so nominated or on such other proposed business, who is not an "unsuitable person" as defined in our charter, and who has complied with the advance notice procedures of our bylaws. Stockholders generally must provide notice to our secretary not earlier than the 150th day or later than the close of business on the 120th day before the first anniversary of the date of our proxy statement for the preceding year's annual meeting.

Only the business specified in the notice of the meeting may be brought before a special meeting of our stockholders. Nominations of individuals for election as directors at a special meeting of stockholders may be made only (1) by or at the direction of our board of directors or any duly authorized committee of our board of directors or (2) if the special meeting has been called in accordance with our bylaws for the purpose of electing directors, by a stockholder who is a stockholder of record both at the time of provision of notice and at the time of the special meeting, who is entitled to vote at the meeting in the election of each individual so nominated and who has complied with the advance notice procedures of our bylaws. Stockholders generally must provide notice to our secretary not earlier than the 120th day before such special meeting or later than the later of the close of business on the 90th day before such special meeting or the tenth day after the first public announcement of the date of the special meeting and the nominees of our board of directors to be elected at the meeting.

A stockholder's notice must contain certain information specified by our bylaws about the stockholder, its affiliates and any proposed business or nominee for election as a director, including information about the economic interest of the stockholder, its affiliates and any proposed nominee in us.

Effect of Certain Provisions of Maryland Law and our Charter and Bylaws

The restrictions on ownership and transfer of our stock discussed under the caption "Restrictions on Ownership and Transfer of our Common Stock" prohibit any person from acquiring, with respect to any class or series of our capital stock, more than 9.8% (in value or by number of shares, whichever is more restrictive) of the aggregate of the outstanding shares of such class or series of our capital stock, including our common stock, without the approval of our board of directors. These provisions may delay, defer or prevent a change in control of us. Further, subject to the rights of holders of preferred stock, our board of directors has the power to increase the aggregate number of authorized shares, or the number of authorized shares of any class or series, and to classify and reclassify any unissued shares of our stock into other classes or series of stock, and to authorize us to issue the newly-classified shares, as discussed above under the captions "Common Stock" and "Power to Reclassify and Issue Stock," and could authorize the issuance of shares of common stock or another class or series of stock, including a class or series of preferred stock, that could have the effect of delaying, deferring or preventing a change in control of us. We believe that the power to increase the aggregate number of authorized shares and to classify or reclassify unissued shares of common or preferred stock, without approval of holders of our common stock, provides us with increased flexibility in structuring possible future financings and acquisitions and in meeting other needs that might arise.

Our charter and bylaws also provide that the number of directors may be established only by our board of directors, which prevents our stockholders from increasing the number of our directors and filling any vacancies created by such increase with their own nominees. The provisions of our bylaws discussed above under the captions "Special Meetings of Stockholders" and "Advance Notice of Director Nomination and New Business" require stockholders seeking to call a special meeting, nominate an individual for election as a director or propose other business at an annual meeting to comply with certain notice and information requirements. We believe that these provisions will help to assure the continuity and stability of our business strategies and policies as determined by our board of directors and promote good corporate governance by providing us with clear procedures for calling special meetings, information about a stockholder proponent's interest in us and adequate time to consider stockholder nominees and other business proposals. However, these provisions, alone or in combination, could make it more difficult for our stockholders to remove incumbent directors or fill vacancies on our board of directors with their own nominees and could delay, defer or prevent a change in control, including a proxy contest or tender offer that might involve a premium price for our common stockholders or otherwise be in the best interest of our stockholders.

Exclusive Forum

Our bylaws provide that, unless we consent in writing to the selection of an alternative forum, the Circuit Court for Baltimore City, Maryland, or, if that court does not have jurisdiction, the United States District Court for the District of Maryland, Baltimore Division, will be the sole and exclusive forum for (a) any derivative action or proceeding brought on our behalf, (b) any action asserting a claim of breach of any duty owed by any of our present or former directors or officers or other employees or stockholders to us or to our stockholders, as applicable, or any standard of conduct applicable to our directors, (c) any action asserting a claim against us or any of our present or former directors or officers or other employees arising pursuant to any provision of the MGCL or our charter or bylaws or (d) any action asserting a claim against us or any of our present or former directors or officers or other employees that is governed by the internal affairs doctrine.

Limitation of Liability and Indemnification of Directors and Officers

Maryland law permits us to include a provision in our charter eliminating the liability of our directors and officers to us and our stockholders for money damages, except for liability resulting from (a) actual receipt of an improper benefit or profit in money, property or services or (b) a final judgment based upon a finding that his or her action or failure to act was the result of active and deliberate dishonesty by the director or officer and was material to the cause of action adjudicated. Our charter contains a provision that eliminates our directors' and officers' liability to us and our stockholders for money damages to the maximum extent permitted by Maryland law.

The MGCL requires us (unless our charter were to provide otherwise, which our charter does not) to indemnify a director or officer who has been successful, on the merits or otherwise, in the defense of any proceeding to which he or she is made or threatened to be made a party by reason of his or her service in that capacity. The MGCL permits us to indemnify our present and former directors and officers, among others, against judgments, penalties, fines, settlements and reasonable expenses actually incurred by them in connection with any proceeding to which they may be made or threatened to be made a part to, or witness in, by reason of their service in those or certain other capacities unless it is established that:

- the act or omission of the director or officer was material to the matter giving rise to the proceeding and (a) was committed in bad faith or (b) was the result of active and deliberate dishonesty;
- the director or officer actually received an improper personal benefit in money, property or services; or
- in the case of any criminal proceeding, the director or officer had reasonable cause to believe that the act or omission was unlawful.

However, the MGCL prohibits us from indemnifying a director or officer who has been adjudged liable in a suit by us or on our behalf or in which the director or officer was adjudged liable on the basis that a personal benefit was improperly received. A court may order indemnification if it determines that the director or officer is fairly and reasonably entitled to indemnification, even though the director or officer did not meet the standard of conduct for indemnification set forth above or was adjudged liable on the basis that personal benefit was improperly received. However, indemnification for an adverse judgment in a suit by us or on our behalf, or for a judgment of liability on the basis that personal benefit was improperly received, is limited to expenses.

In addition, the MGCL permits us to advance reasonable expenses to a director or officer upon our receipt of (a) a written affirmation by the director or officer of his or her good faith belief that he or she has met the standard of conduct necessary for indemnification and (b) a written undertaking by him or her or on his or her behalf to repay the amount paid or reimbursed if it is ultimately determined that the standard of conduct was not met.

Our charter provides that we will have the power to obligate ourselves, and our bylaws obligate us, to the maximum extent permitted by Maryland law in effect from time to time, to indemnify and, without requiring a preliminary determination of the ultimate entitlement to indemnification, pay or reimburse reasonable expenses in advance of final disposition of a proceeding to:

- any present or former director or officer who is made or threatened to be made a party to, or witness in, a proceeding by reason of his or her service in that capacity; or
- any individual who, while a director or officer of our company and at our request, serves or has served as a director, officer, partner, trustee, member or manager of another corporation, REIT, limited liability company, partnership, joint venture, trust, employee benefit plan or any other enterprise and who is made or threatened to be made a party to, or witness in, the proceeding by reason of his or her service in that capacity.

Our charter and bylaws provide that we have the power, with approval of our board, to provide such indemnification and advance of expenses to a person who served a predecessor of us in any such capacity described above and to any employee or agent of us or a predecessor of us.

Indemnification Agreements

We have entered into an indemnification agreement with each of our directors and executive officers. Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors or executive officers, we have been informed that in the opinion of the SEC such indemnification is against public policy and is therefore unenforceable.

We have purchased and maintain insurance on behalf of all of our directors and executive officers against liability asserted against or incurred by them in their official capacities, whether or not we are required to have the power to indemnify them against the same liability.

Exhibit 10.3

FOURTH AMENDMENT TO LEASE

This **FOURTH AMENDMENT TO LEASE** (this "Amendment") is entered into as of November 18, 2020, by and among **CPLV PROPERTY OWNER LLC** and **CLAUDINE PROPCO LLC**, each a Delaware limited liability company (collectively, and together with their respective successors and assigns, "Landlord"), **DESERT PALACE LLC**, a Nevada limited liability company, **CEOC, LLC**, a Delaware limited liability company (for itself and as successor by merger to Caesars Entertainment Operating Company, Inc., a Delaware corporation), and **HARRAH'S LAS VEGAS, LLC,** a Nevada limited liability company (collectively, and together with their respective successors and assigns, "Tenant") and, solely for the purposes of the last paragraph of Section 1.1 of the Lease (as defined below), Propco TRS LLC, a Delaware limited liability company ("Propco TRS").

RECITALS

WHEREAS, Landlord, Tenant and, solely for the purposes of the last paragraph of Section 1.1 of the Lease, Propco TRS are parties to that certain Lease (CPLV) dated as of October 6, 2017, as amended by that certain First Amendment to Lease (CPLV), dated as of December 26, 2018, as amended by that certain Omnibus Amendment to Leases, dated as of June 1, 2020, as amended by that certain Second Amendment to Lease (CPLV), dated as of July 20, 2020, as amended by that certain Third Amendment to Lease, dated as of September 30, 2020, and to the extent amended by that certain Amended and Restated Omnibus Amendment to Leases, dated as of October 27, 2020 (collectively, as amended, the "Lease"), pursuant to which Landlord leases to Tenant, and Tenant leases from Landlord, certain real property as more particularly described in the Lease;

WHEREAS, on the date hereof, (i) Bally's Park Place LLC ("Operator"), as operator, Bally's Atlantic City LLC, as seller, and Premier Entertainment AC, LLC (as successor by assignment to Twin River Management Group, Inc.) ("Purchaser"), as purchaser, are closing a purchase and sale transaction under that certain Agreement of Sale, dated as of April 24, 2020, with respect to certain real property and (ii) Operator and Purchaser are closing a purchase and sale transaction under that certain Asset Purchase Agreement, dated as of April 24, 2020, with respect to certain casino and related operations and assets, in each case under clauses (i) and (ii), associated with the gaming and entertainment facility known as "Bally's Atlantic City", located in Atlantic City, New Jersey (the "Bally's Transaction"); and

WHEREAS, in connection with the Bally's Transaction, the parties hereto desire to amend the Lease as set forth herein.

NOW THEREFORE, in consideration of the mutual covenants and agreements hereinafter set forth and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, intending to be legally bound hereby, agree as follows:

1. **Definitions**. Except as otherwise defined herein, all capitalized terms used herein without definition shall have the meanings applicable to such terms, respectively, as set forth in the Lease.

2. **<u>Amendments to the Lease</u>**.

a. <u>Triennial Minimum Cap Ex Amount B.</u> Article II of the Lease is hereby amended such that the definition of "Triennial Minimum Cap Ex Amount B" is hereby revised and modified to replace the reference therein to "Four Hundred Twenty-One Million Nine Hundred Thousand and No/100 Dollars ($421,900,000.00)" with a reference to "Four Hundred Five Million Two Hundred Thousand and No/100 Dollars ($405,200,000.00)".

b. <u>Partial Periods.</u>

i. Section 10.5(a)(v)(b) of the Lease is hereby amended to (a) replace the reference therein to "Four Hundred Twenty-One Million Nine Hundred Thousand and No/100 Dollars ($421,900,000.00)" with a reference to "Four Hundred Five Million Two Hundred Thousand and No/100 Dollars ($405,200,000.00)" and (b) replace the reference therein to "One Hundred Forty Million Six Hundred Thirty-Three Thousand Three Hundred Thirty-Three and 33/100 Dollars ($140,633,333.33)" with a reference to "One Hundred Thirty-Five Million Sixty-Six Thousand Six Hundred Sixty-Six and 67/100 Dollars ($135,066,666.67)" and

ii. The second sentence of Section 10.5(a)(v) of the Lease is hereby amended to (a) replace the reference therein to "Four Hundred Twenty-One Million Nine Hundred Thousand and No/100 Dollars ($421,900,000.00)" with a reference to "Four Hundred Five Million Two Hundred Thousand and No/100 Dollars ($405,200,000.00)" and (b) replace the reference therein to "One Hundred Forty Million Six Hundred Thirty-Three Thousand Three Hundred Thirty-Three and 33/100 Dollars ($140,633,333.33)" with a reference to "One Hundred Thirty-Five Million Sixty-Six Thousand Six Hundred Sixty-Six and 67/100 Dollars ($135,066,666.67)".

3. **<u>No Other Modification or Amendment to the Lease</u>**. The Lease shall remain in full force and effect except as expressly amended or modified by this Amendment. From and after the date of this Amendment, all references in the Lease to the "Lease" shall be deemed to refer to the Lease as amended by this Amendment.

4. **<u>Governing Law; Jurisdiction</u>. This Amendment shall be construed according to and governed by the laws of the jurisdiction(s) specified by the Lease without regard to its or their conflicts of law principles. The parties hereto hereby irrevocably submit to the jurisdiction of any court of competent jurisdiction located in such applicable jurisdiction in connection with any proceeding arising out of or relating to this Amendment.**

5. **<u>Counterparts</u>**. This Amendment may be executed by one or more of the parties hereto on any number of separate counterparts, and all of such counterparts taken together shall be deemed to constitute one and the same instrument. Facsimile and/or .pdf signatures shall be deemed to be originals for all purposes.

6. **<u>Effectiveness</u>**. This Amendment shall be effective, as of the date hereof, only upon execution and delivery by each of the parties hereto.

7. Miscellaneous. If any provision of this Amendment is adjudicated to be invalid, illegal or unenforceable, in whole or in part, it will be deemed omitted to that extent and all other provisions of this Amendment will remain in full force and effect. Neither this Amendment nor any provision hereof may be changed, modified, waived, discharged or terminated orally, but only by an instrument in writing signed by the party against whom enforcement of such change, modification, waiver, discharge or termination is sought. The paragraph headings and captions contained in this Amendment are for convenience of reference only and in no event define, describe or limit the scope or intent of this Amendment or any of the provisions or terms hereof. This Amendment shall be binding upon and inure to the benefit of the parties and their respective heirs, legal representatives, successors and permitted assigns.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed by their duly authorized representatives, all as of the date hereof.

LANDLORD:

CPLV PROPERTY OWNER LLC,
a Delaware limited liability company

By: /s/ David Kieske
Name: David Kieske
Title: Treasurer

CLAUDINE PROPCO LLC,
a Delaware limited liability company

By: /s/ David Kieske
Name: David Kieske
Title: Treasurer

[Signatures Continue on Following Pages]

TENANT:

DESERT PALACE LLC,
a Nevada limited liability company

By: /s/ Edmund L. Quatmann, Jr.
Name: Edmund L. Quatmann, Jr.
Title: Chief Legal Officer, Executive Vice President and Secretary

CEOC, LLC,
a Delaware limited liability company

By: /s/ Edmund L. Quatmann, Jr.
Name: Edmund L. Quatmann, Jr.
Title: Chief Legal Officer, Executive Vice President and Secretary

HARRAH'S LAS VEGAS, LLC,
a Nevada limited liability company

By: /s/ Edmund L. Quatmann, Jr.
Name: Edmund L. Quatmann, Jr.
Title: Chief Legal Officer, Executive Vice President and Secretary

[Signatures Continue on Following Pages]

Acknowledged and agreed, solely for the purposes of the last paragraph of Section 1.1 of the Lease:

PROPCO TRS LLC,
a Delaware limited liability company

By: /s/ David Kieske
Name: David Kieske
Title: Treasurer

[Signature Page to Fourth Amendment to Las Vegas Lease]

ACKNOWLEDGMENT AND AGREEMENT OF GUARANTOR

The undersigned ("Guarantor") hereby: (a) acknowledges receipt of the Fourth Amendment to Lease (the "Amendment"; capitalized terms used herein without definition having the meanings set forth in the Amendment), dated as of November 18, 2020, by and among CPLV Property Owner LLC and Claudine Propco LLC, each a Delaware limited liability company, collectively as Landlord, Desert Palace LLC, a Nevada limited liability company, CEOC, LLC, a Delaware limited liability company (for itself and as successor by merger to Caesars Entertainment Operating Company, Inc., a Delaware corporation), and Harrah's Las Vegas, LLC, a Nevada limited liability company, collectively as Tenant, and the other parties party thereto; (b) consents to the terms and execution thereof; (c) ratifies and reaffirms Guarantor's obligations to Landlord pursuant to the terms of that certain Guaranty of Lease, dated as of July 20, 2020 (the "Guaranty"), by and between Guarantor and Landlord, and agrees that nothing in the Amendment in any way impairs or lessens the Guarantor's obligations under the Guaranty; and (d) acknowledges and agrees that the Guaranty is in full force and effect and is valid, binding and enforceable in accordance with its terms.

IN WITNESS WHEREOF, the undersigned has caused this Acknowledgment and Agreement of Guarantor to be duly executed as of November 18, 2020.

CAESARS ENTERTAINMENT, INC.

By: /s/ Edmund L. Quatmann, Jr.
Name: Edmund L. Quatmann, Jr.
Title: Chief Legal Officer, Executive Vice President and Secretary

[Signature Page to Acknowledgment and Agreement of Guarantor]

SEVENTH AMENDMENT TO LEASE

This **SEVENTH AMENDMENT TO LEASE** (this "Amendment") is entered into as of November 18, 2020, by and among the entities listed on Schedule A attached hereto (collectively, and together with their respective successors and assigns, "Landlord"), the entities listed on Schedule B attached hereto (collectively, and together with their respective successors and assigns, "Tenant") and, solely for the purposes of the penultimate paragraph of Section 1.1 of the Lease (as defined below), Propco TRS LLC, a Delaware limited liability company ("Propco TRS").

RECITALS

WHEREAS, Landlord, Tenant and, solely for the purposes of the penultimate paragraph of Section 1.1 of the Lease, Propco TRS, are parties to that certain Lease (Non-CPLV), dated as of October 6, 2017, as amended by that certain First Amendment to Lease (Non-CPLV), dated as of December 22, 2017, as amended by that certain Second Amendment to Lease (Non-CPLV) and Ratification of SNDA, dated as of February 16, 2018, as amended by that certain Third Amendment to Lease (Non-CPLV), dated as of April 2, 2018, as amended by that certain Fourth Amendment to Lease (Non-CPLV), dated as of December 26, 2018, as amended by that certain Omnibus Amendment to Leases, dated as of June 1, 2020, as amended by that certain Fifth Amendment to Lease (Non-CPLV), dated as of July 20, 2020, as amended by that certain Sixth Amendment to Lease, dated as of September 30, 2020, and to the extent amended by that certain Amended and Restated Omnibus Amendment to Leases, dated as of October 27, 2020 (collectively, as amended, the "Lease"), pursuant to which Landlord leases to Tenant, and Tenant leases from Landlord, certain real property as more particularly described in the Lease;

WHEREAS, on the date hereof, (i) Bally's Park Place LLC ("Operator"), as operator, Bally's Atlantic City LLC, as seller, and Premier Entertainment AC, LLC (as successor by assignment to Twin River Management Group, Inc.) ("Purchaser"), as purchaser, are closing a purchase and sale transaction under that certain Agreement of Sale, dated as of April 24, 2020, with respect to certain real property and (ii) Operator and Purchaser are closing a purchase and sale transaction under that certain Asset Purchase Agreement, dated as of April 24, 2020, with respect to certain casino and related operations and assets, in each case under clauses (i) and (ii), associated with the gaming and entertainment facility known as Bally's Atlantic City (the "Existing BAC Facility"), located in Atlantic City, New Jersey (the "Bally's Transaction"), which Existing BAC Facility is (prior to the effectiveness of this Amendment) subject to the Lease; and

WHEREAS, on the date hereof, the Landlord and Tenant have effectuated a subdivision of a portion of the real property associated with the Existing BAC Facility, such that the portion thereof commonly known as the Wild Wild West Casino, Sports Book and Bar as more specifically described on Annex B-1 attached hereto (the "Wild Wild West Parcel") shall comprise a separate legal parcel; and

WHEREAS, (i) the Wild Wild West Parcel, (ii) the parcel known as Block 488, Lot 23, as more specifically described on Annex B-2 attached hereto (the "Block 488 Parcel"), and (iii) the operations and related assets associated therewith (collectively, the "Retained Facility") are not included in, and are not being sold to Purchaser in connection with, the Bally's Transaction; and

WHEREAS, in connection with the Bally's Transaction, the parties hereto desire to amend the Lease as set forth herein.

NOW THEREFORE, in consideration of the mutual covenants and agreements hereinafter set forth and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, intending to be legally bound hereby, agree as follows:

1. Definitions. Except as otherwise defined herein, all capitalized terms used herein without definition shall have the meanings applicable to such terms, respectively, as set forth in the Lease.

2. Amendments to the Lease.

A. Termination of the Lease as to the Bally's Facility. Effective as of the date hereof:

i. the Lease is hereby terminated with respect to the Bally's Leased Property (as defined below), the Bally's Leased Property no longer constitutes Leased Property under the Lease, and neither Landlord nor Tenant has any further liabilities or obligations, from and after the date of this Amendment, in respect of the Bally's Facility (as defined below) and the Bally's Leased Property (provided that any such liabilities or obligations arising prior to such date shall not be terminated, limited or affected by or upon entry into this Amendment), and

ii. the Guaranty hereby automatically, and without further action by any party, ceases to apply with respect to any Obligations (as defined in the Guaranty) with respect to the Bally's Facility or the Bally's Leased Property to the extent arising from and after the date of this Amendment (provided that any such Obligations arising prior to such date shall not be terminated, limited or affected by or upon entry into this Amendment).

iii. For the avoidance of doubt, the Lease shall continue in full force and effect with respect to (i) the balance of (x) the Facilities (other than the Bally's Facility) and (y) the Leased Property (other than the Bally's Leased Property), and (ii) the Retained Facility and Retained Leased Property (as defined below). The term "Bally's Facility" shall refer to the applicable Facility identified as Facility 13 on the list of the Facilities annexed as Exhibit A to the Lease (prior to giving effect to the replacement of said Exhibit A pursuant to Section 2.N.i. of this Amendment), other than the portion thereof pertaining to the Retained Facility. The term "Bally's Leased Property" shall refer to the Leased Property set forth on Annex A hereto and any other Leased Property pertaining to the Bally's Facility (excluding, for the avoidance of doubt, the Retained Leased Property). The term "Retained Facility" shall have the meaning given such term in the Recitals hereto. The term "Retained Leased Property" shall refer to the Wild Wild West Parcel, the Block 488 Parcel and any other Leased Property pertaining to the Retained Facility.

B. Wild Wild West. Boardwalk Regency LLC has obtained all Gaming Licenses necessary to continue the operations of the Wild Wild West Parcel under Boardwalk Regency LLC's Gaming Licenses for the Facility known as Caesars Atlantic City, and all operations and related assets associated with the Retained Facility have been conveyed to Boardwalk Regency LLC. The Wild Wild West Parcel will be operated by Boardwalk Regency LLC as part of the Facility known as Caesars Atlantic City, which will include, but not be limited to, the Wild Wild West Parcel being operated under the Caesars Atlantic City Gaming License, provided, for the avoidance of doubt, the foregoing shall not require Caesars Atlantic City to constitute a Continuous Operation Facility.

C. Rent. Landlord and Tenant hereby expressly acknowledge and agree that there shall be no reduction in the Rent under the Lease as a result of the removal of the Bally's Facility from the Lease or otherwise as a result of the Bally's Transaction.

D. Variable Rent.

i. From and after the date hereof, for purposes of any calculation of Variable Rent under the Lease, including any adjustments in Variable Rent based on increases or decreases in Net Revenue, such calculations of Net Revenue shall exclude Net Revenue attributable to the Bally's Facility.

ii. Article II of the Lease is hereby amended such that the definition of "Base Net Revenue Amount" is hereby deleted and replaced with the following:

> "'Base Net Revenue Amount': An amount equal to the arithmetic average of the following: (i) Three Billion Three Hundred Ninety-One Million Five Hundred Fifty-Nine Thousand Twenty and No/100 Dollars ($3,391,559,020.00), which amount Landlord and Tenant agree represents Net Revenue for the Fiscal Period immediately preceding the first (1st) Lease Year (i.e., the Fiscal Period ending September 30, 2017), (ii) Three Billion Four Hundred One Million Three Hundred Ninety-Three Thousand Two Hundred Four and No/100 Dollars ($3,401,393,204.00), which amount Landlord and Tenant agree represents the Net Revenue for the Fiscal Period immediately preceding the end of the first (1st) Lease Year (i.e., the Fiscal Period ending September 30, 2018) and (iii) Three Billion Two Hundred Sixty-Four Million Four Hundred Thirty-Two Thousand Four Hundred Twenty and No/100 Dollars ($3,264,432,420.00), which amount Landlord and Tenant agree represents the Net Revenue for the Fiscal Period immediately preceding the end of the second (2nd) Lease Year (i.e., the Fiscal Period ending September 30, 2019). For the avoidance of doubt, the term "arithmetic average" as used in this definition refers to the quotient obtained by dividing (x) the sum of the amounts set forth in clauses (i), (ii) and (iii) by (y) three (3)."

E. Annual Minimum Cap Ex Amount. Article II of the Lease is hereby amended such that the definition of "Annual Minimum Cap Ex Amount" is hereby revised and modified to replace the reference therein to "One Hundred Nineteen Million Three Hundred

Thousand and No/100 Dollars ($119,300,000.00)” with a reference to “One Hundred Fourteen Million Five Hundred Thousand and No/100 Dollars ($114,500,000.00)”.

F. Annual Minimum Per-Lease B&I Cap Ex Requirement. The Annual Minimum Per-Lease B&I Cap Ex Requirement shall be unchanged by this Amendment. Further, Landlord and Tenant hereby acknowledge, for the avoidance of doubt, that the Net Revenue attributable to the Bally’s Facility during the period the Bally’s Facility was included in the Lease (i.e., during the period from the Commencement Date until the date of this Amendment) shall be included for purposes of calculating the Capital Expenditures required under Section 10.5(a)(ii) of the Lease (i.e., the Annual Minimum Per-Lease B&I Cap Ex Requirement).

G. Triennial Allocated Minimum Cap Ex Amount B Floor. Article II of the Lease is hereby amended such that the definition of “Triennial Allocated Minimum Cap Ex Amount B Floor” is hereby revised and modified to replace the reference therein to “Three Hundred Twenty-Seven Million Eight Hundred Thousand and No/100 Dollars ($327,800,000.00)” with a reference to “Three Hundred Eleven Million and No/100 Dollars ($311,000,000.00)”.

H. Triennial Minimum Cap Ex Amount A. Article II of the Lease is hereby amended such that the definition of “Triennial Minimum Cap Ex Amount A” is hereby revised and modified to replace the reference therein to “Five Hundred Ninety Million Three Hundred Thousand and No/100 Dollars ($590,300,000.00)” with a reference to “Five Hundred Sixty-Six Million Seven Hundred Thousand and No/100 Dollars ($566,700,000.00)”.

I. Triennial Minimum Cap Ex Amount B. Article II of the Lease is hereby amended such that the definition of “Triennial Minimum Cap Ex Amount B” is hereby revised and modified to replace the reference therein to “Four Hundred Twenty-One Million Nine Hundred Thousand and No/100 Dollars ($421,900,000.00)” with a reference to “Four Hundred Five Million Two Hundred Thousand and No/100 Dollars ($405,200,000.00)”.

J. Partial Periods.

i. Section 10.5(a)(v)(b) of the Lease is hereby amended to (a) replace the reference therein to “Five Hundred Ninety Million Three Hundred Thousand and No/100 Dollars ($590,300,000.00)” with a reference to “Five Hundred Sixty-Six Million Seven Hundred Thousand and No/100 Dollars ($566,700,000.00)” and (b) replace the reference therein to “One Hundred Ninety-Six Million Seven Hundred Sixty-Six Thousand Six Hundred Sixty-Six and 67/100 Dollars ($196,766,666.67)” with a reference to “One Hundred Eighty-Eight Million Nine Hundred Thousand and No/100 Dollars ($188,900,000.00)”,

ii. Section 10.5(a)(v)(c) of the Lease is hereby amended to (a) replace the reference therein to “Four Hundred Twenty-One Million Nine Hundred Thousand and No/100 Dollars ($421,900,000.00)” with a reference to “Four Hundred Five Million Two Hundred Thousand and No/100 Dollars ($405,200,000.00)” and (b) replace the reference therein to “One Hundred Forty Million Six Hundred Thirty-Three Thousand Three Hundred Thirty-Three and 33/100 Dollars

($140,633,333.33)" with a reference to "One Hundred Thirty-Five Million Sixty-Six Thousand Six Hundred Sixty-Six and 67/100 Dollars ($135,066,666.67)", and

iii. The second sentence of Section 10.5(a)(v) of the Lease is hereby amended to (a) replace the reference therein to "Five Hundred Ninety Million Three Hundred Thousand and No/100 Dollars ($590,300,000.00)" with a reference to "Five Hundred Sixty-Six Million Seven Hundred Thousand and No/100 Dollars ($566,700,000.00)", (b) replace the reference therein to "One Hundred Ninety-Six Million Seven Hundred Sixty-Six Thousand Six Hundred Sixty-Six and 67/100 Dollars ($196,766,666.67)" with a reference to "One Hundred Eighty-Eight Million Nine Hundred Thousand and No/100 Dollars ($188,900,000.00)", (c) replace the reference therein to "Four Hundred Twenty-One Million Nine Hundred Thousand and No/100 Dollars ($421,900,000.00)" with a reference to "Four Hundred Five Million Two Hundred Thousand and No/100 Dollars ($405,200,000.00)" and (d) replace the reference therein to "One Hundred Forty Million Six Hundred Thirty-Three Thousand Three Hundred Thirty-Three and 33/100 Dollars ($140,633,333.33)" with a reference to "One Hundred Thirty-Five Million Sixty-Six Thousand Six Hundred Sixty-Six and 67/100 Dollars ($135,066,666.67)".

K. Section 22.2(ix) Transfer.

i. Landlord and Tenant hereby acknowledge and agree that the Bally's Transaction shall be deemed to be, and treated as, a transfer and sale of the entire Leased Property with respect to a Facility pursuant to Section 22.2(ix) of the Lease.

ii. All of the applicable requirements and conditions set forth in Section 22.2(ix) of the Lease with respect to such transfer and sale are deemed satisfied or waived by the execution of this Amendment and the consummation of the closing of the Bally's Transaction.

iii. The 2018 Facility EBITDAR of Tenant for the Bally's Facility is as set forth on Schedule C-2 annexed hereto.

iv. The amounts of the 2018 EBITDAR Pool and 2018 EBITDAR Pool Before Fifth Amendment shall not be reduced as a result of the Bally's Facility no longer being a Facility under the Lease, and the removal of the Bally's Facility from the Lease shall not constitute a L1 Transfer or a L2 Transfer under the Lease.

v. The words, number and symbols "four and six-tenths percent (4.6%)" contained in Section 22.2(ix) of the Lease are hereby deleted and replaced with the following: "two and seventy-three hundredths percent (2.73%)".

vi. For purposes of subsequent calculations of the L1/L2 EBITDAR to Rent Ratio under the Lease, the EBITDAR of Tenant in respect of the Bally's Facility shall be disregarded.

vii. The treatment of the Bally's Transaction hereunder is not intended to serve as a precedent for the treatment of future dispositions (if any) which may be effectuated under Section 22.2(ix) of the Lease or otherwise.

L. PACE Reports. Clause (C) of Section 23.1(b)(i) of the Lease is hereby amended by replacing "(but only for the SPE Tenants associated with the current Harrah's Lake Tahoe, Harvey's Lake Tahoe, Caesars Atlantic City and Bally's Atlantic City and Schiff Parcel property locations as set forth in Exhibit A)" with "(but only for the SPE Tenants associated with the current Harrah's Lake Tahoe, Harvey's Lake Tahoe and Caesars Atlantic City property locations as set forth in Exhibit A)".

M. REA. Purchaser and Bally's Atlantic City LLC (i.e., the Landlord entity which is the fee owner with respect to the Retained Facility) have, on or about the date hereof, entered into a certain Reciprocal Easement Agreement (the "REA") affecting portions of the Retained Leased Property and portions of the real property formerly comprising the Bally's Leased Property, which REA is intended hereafter to be recorded. Tenant has participated together with Landlord in the negotiation of, and hereby consents to, the REA. The REA shall be deemed to be a Property Document and a Permitted Exception Document in each case for all purposes under the Lease.

N. Revisions to Exhibits and Schedules to the Lease. The Exhibits and Schedules to the Lease are hereby amended as follows:

i. Facilities. Exhibit A annexed to the Lease (setting forth the list of Facilities under the Lease) is hereby replaced with the replacement Exhibit A that is annexed hereto as Schedule C-1.

ii. Legal Description. The legal descriptions with respect to the Leased Property set forth on Exhibit B annexed to the Lease are hereby amended such that the legal description with respect to the Leased Property pertaining to the Existing BAC Facility as set forth on Annex A attached hereto is hereby deleted from said Exhibit B, and the legal descriptions for the Wild Wild West Parcel and the Block 488 Parcel as set forth on Annex B-1 and Annex B-2, respectively, shall be reinstated in said Exhibit B and included as part of the Leased Property pertaining to the Caesars Atlantic City Facility.

iii. Property Specific IP. The list of Property Specific IP set forth on Exhibit H annexed to the Lease is hereby amended such that:

(a) the following items of Property Specific IP listed thereon are hereby deleted from said Exhibit H:

Mark	Jurisdiction	Brand	Specific/ Enterprise	Property	App. No.	App. Date	Reg. No.	Reg. Date	Status
Noodle Village (logo)	New Jersey	Bally’s	Specific	Bally’s Atlantic City	22733	3/30/2007	22733	3/30/2007	Registered
Studio	New Jersey	Bally’s	Specific	Bally’s Atlantic City	15289	7/14/1998	15289	7/14/1998	Registered
Gold Tooth Gerties	New Jersey	Bally’s	Specific	Bally’s Atlantic City	NA	12/5/2000	20,499	12/5/2000	Registered
Mountain Bar (and Logo)	New Jersey	Bally’s	Specific	Bally’s Atlantic City	NA	8/11/1997	14,809	8/11/1997	Registered
Buck Wild Arcade	United States of America	Bally’s	Specific	Bally’s Atlantic City	87/663083	10/27/2017	5504950	6/26/2018	Registered
Boardwalk Cupcakes (logo)	United States of America	Bally’s	Specific	Bally’s Atlantic City	86/422551	10/13/2014	4780684	7/28/2015	Registered
Coyote Kate's Slot Parlor	United States of America	Bally’s	Specific	Bally’s Atlantic City	76/067657	6/9/2000	2523523	12/25/2001	Registered
Wild, Wild West Casino	United States of America	Bally’s	Specific	Bally’s Atlantic City	75/106946	5/13/1996	2837537	5/4/2004	Registered
$10,000 Pyramid	New Jersey	Bally’s	Specific	Bally’s Atlantic City	NA	2/26/1992	10,296	2/26/1992	Registered

(b) the following items of Property Specific IP are hereby added to said Exhibit H

Mark	Jurisdiction	Brand	Specific/ Enterprise	Property	App. No.	App. Date	Reg. No.	Reg. Date	Status
Gold Tooth Gerties	New Jersey	Caesars	Specific	Caesars Atlantic City	NA	12/5/2000	20,499	12/5/2000	Registered
Mountain Bar (and Logo)	New Jersey	Caesars	Specific	Caesars Atlantic City	NA	8/11/1997	14,809	8/11/1997	Registered
Buck Wild Arcade	United States of America	Caesars	Specific	Caesars Atlantic City	87/663083	10/27/2017	5504950	6/26/2018	Registered
Boardwalk Cupcakes (logo)	United States of America	Caesars	Specific	Caesars Atlantic City	86/422551	10/13/2014	4780684	7/28/2015	Registered
Coyote Kate's Slot Parlor	United States of America	Caesars	Specific	Caesars Atlantic City	76/067657	6/9/2000	2523523	12/25/2001	Registered
Wild, Wild West Casino	United States of America	Caesars	Specific	Caesars Atlantic City	75/106946	5/13/1996	2837537	5/4/2004	Registered
$10,000 Pyramid	New Jersey	Caesars	Specific	Caesars Atlantic City	NA	2/26/1992	10,296	2/26/1992	Registered

iv. Description of Title Policies. The list of Title Policies set forth on Exhibit J annexed to the Lease is hereby amended such that the reference thereon to the Title Policy relating solely to the Existing BAC Facility is hereby amended and shall be deemed to refer only to the portions of such Title Policy (including as to the exceptions listed on Schedule B thereto) that pertain to the Wild Wild West Parcel and the Block 488 Parcel.

v. Brands. The list of Brands set forth on Exhibit M annexed to the Lease is hereby amended such that “Bally’s” is hereby deleted from said Exhibit M.

vi. Managed Facilities IP Trademarks. The list of Managed Facilities IP set forth on Exhibit P annexed to the Lease is hereby amended such that “Bally’s Atlantic City” is hereby deleted from said Exhibit P.

vii. Tenant Entities. The list of entities comprising Tenant set forth on Schedule B annexed to the Lease shall be amended such that Bally’s Park Place LLC shall be deleted from said Schedule B and Bally’s Park Place LLC shall no longer be a Tenant under the Lease.

viii. Gaming Licenses. The list of Gaming Licenses set forth on Schedule 1 annexed to the Lease is hereby amended such that (a) the Gaming Licenses bearing Unique IDs 294 and 446 relating to the Bally's Facility are hereby deleted from said Schedule 1, (b) the Gaming License of Boardwalk Regency LLC bearing Unique ID 447 is amended as set forth below and (c) the following additional Gaming License of Boardwalk Regency LLC (not bearing a Unique ID) is hereby added to Schedule 1:

Unique ID	Legal Entity Name	License Category	Type of License	Issuing Agency	State	Description of License
	Boardwalk Regency LLC	Gaming	Lottery License	State of NJ, Lottery Commission	New Jersey	Lottery Terminals for Caesars Atlantic City and Harrah's Atlantic City
447	Boardwalk Regency LLC	Gaming	Casino License / Sports Wagering License	New Jersey Casino Control Commission	New Jersey	Caesars Atlantic City

ix. Maximum Fixed Rent Term. The schedule setting forth the Maximum Fixed Rent Term with respect to each Facility set forth on Schedule 3 annexed to the Lease is hereby amended such that the reference to "Bally's Atlantic City" thereon is deleted (it being understood, for the avoidance of doubt, that the reference to "Caesars Atlantic City" thereon shall be deemed to also include the Retained Facility).

x. Specified Subleases. The list of Specified Subleases set forth on Schedule 4 annexed to the Lease is hereby amended such that (a) the Specified Subleases bearing Contract ID Nos. 8171, 8197, 8167, 14871, 8178, 8208, 8209, 8207 and 8215 and the six (6) additional Specified Subleases pertaining solely to the Bally's Facility that do not have a Contract ID No. are hereby deleted from said Schedule 4 and (b) the following Sublease is hereby added to said Schedule 4:

Contract ID	Debtor(s)	Property Name	Name of Operation	Counterparty	Description	Contract Date	File Name
N/A	Boardwalk Regency LLC	Caesars Atlantic City	Guy's Bar-B-Que Joint	GRF Enterprises, LLC	RESTAURANT LICENSE AGREEMENT	12/22/2015	BAC Guy Fieri BBQ Restaurant License Agreement Fully Executed.pdf

xi. 2018 Facility EBITDAR. Schedule 11 annexed to the Lease (setting forth the 2018 Facility EBITDAR) is hereby replaced with the replacement Schedule 11 that is annexed as Schedule C-2 hereto.

O. Corrections to Leased Property Legal Descriptions. The legal descriptions with respect to the Leased Property set forth on Exhibit B annexed to the Lease are hereby amended such that the legal descriptions set forth on Annex C attached hereto are hereby deleted from said Exhibit B (the "Released Missouri Property"). The Released Missouri Property was released from the Lease prior to the date hereof.

P. Correction to Schedule of Permitted Property Sales. The list of properties set forth on Schedule 7 annexed to the Lease is hereby amended such that the following properties listed thereon are hereby deleted from said Schedule 7:

Property	Owning Entity	Area	Street (# if assigned)	City	County	State	Zip	Property ID or APN	Legal
formerly Harrah's St. Louis	Miscellaneous Land LLC	Riverport	13971 Riverport Drive	Maryland Hts	St. Louis	Missouri	63043	11P540071	
Harrah's North Kansas City	New Harrah's North Kansas City LLC		7400 NE Birmingham Rd	Randolph		MO		18-218-00-10-001.00	Tract 2

3. **No Other Modification or Amendment to the Lease**. The Lease shall remain in full force and effect except as expressly amended or modified by this Amendment. From and after the date of this Amendment, all references in the Lease to the "Lease" shall be deemed to refer to the Lease as amended by this Amendment.

4. **Governing Law; Jurisdiction**. This Amendment shall be construed according to and governed by the laws of the jurisdiction(s) specified by the Lease without regard to its or their conflicts of law principles. The parties hereto hereby irrevocably submit to the jurisdiction of any court of competent jurisdiction located in such applicable jurisdiction in connection with any proceeding arising out of or relating to this Amendment.

5. **Counterparts**. This Amendment may be executed by one or more of the parties hereto on any number of separate counterparts, and all of such counterparts taken together shall be deemed to constitute one and the same instrument. Facsimile and/or .pdf signatures shall be deemed to be originals for all purposes.

6. **Effectiveness**. This Amendment shall be effective, as of the date hereof, only upon execution and delivery by each of the parties hereto.

7. **Miscellaneous**. If any provision of this Amendment is adjudicated to be invalid, illegal or unenforceable, in whole or in part, it will be deemed omitted to that extent and all other provisions of this Amendment will remain in full force and effect. Neither this Amendment nor any provision hereof may be changed, modified, waived, discharged or terminated orally, but only by an instrument in writing signed by the party against whom enforcement of such change, modification, waiver, discharge or termination is sought. The paragraph headings and captions

contained in this Amendment are for convenience of reference only and in no event define, describe or limit the scope or intent of this Amendment or any of the provisions or terms hereof. This Amendment shall be binding upon and inure to the benefit of the parties and their respective heirs, legal representatives, successors and permitted assigns.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed by their duly authorized representatives, all as of the date hereof.

LANDLORD:

HORSESHOE COUNCIL BLUFFS LLC
HARRAH'S COUNCIL BLUFFS LLC
HARRAH'S METROPOLIS LLC
HORSESHOE SOUTHERN INDIANA LLC
NEW HORSESHOE HAMMOND LLC
NEW HARRAH'S NORTH KANSAS CITY LLC
GRAND BILOXI LLC
HORSESHOE TUNICA LLC
NEW TUNICA ROADHOUSE LLC
CAESARS ATLANTIC CITY LLC
BALLY'S ATLANTIC CITY LLC
HARRAH'S LAKE TAHOE LLC
HARVEY'S LAKE TAHOE LLC
HARRAH'S RENO LLC
BLUEGRASS DOWNS PROPERTY OWNER LLC
VEGAS DEVELOPMENT LLC
VEGAS OPERATING PROPERTY LLC
MISCELLANEOUS LAND LLC
PROPCO GULFPORT LLC
PHILADELPHIA PROPCO LLC
HARRAH'S ATLANTIC CITY LLC
NEW LAUGHLIN OWNER LLC
HARRAH'S NEW ORLEANS LLC
each, a Delaware limited liability company

By: /s/ David Kieske
Name: David Kieske
Title: Treasurer

HORSESHOE BOSSIER CITY PROP LLC
HARRAH'S BOSSIER CITY LLC
each, a Louisiana limited liability company

By: /s/ David Kieske
Name: David Kieske
Title: Treasurer

[Signatures Continue on Following Pages]

TENANT:

CEOC, LLC, a Delaware limited liability company,
HBR REALTY COMPANY LLC, a Nevada limited liability company,
HARVEYS IOWA MANAGEMENT COMPANY LLC, a Nevada limited liability company,
SOUTHERN ILLINOIS RIVERBOAT/CASINO CRUISES LLC, an Illinois limited liability company,
CAESARS RIVERBOAT CASINO, LLC, an Indiana limited liability company,
ROMAN HOLDING COMPANY OF INDIANA LLC, an Indiana limited liability company,
HORSESHOE HAMMOND, LLC, an Indiana limited liability company,
HARRAH'S BOSSIER CITY INVESTMENT COMPANY, L.L.C., a Louisiana limited liability company,
HARRAH'S NORTH KANSAS CITY LLC, a Missouri limited liability company,
GRAND CASINOS OF BILOXI, LLC, a Minnesota limited liability company,
ROBINSON PROPERTY GROUP LLC, a Mississippi limited liability company,
TUNICA ROADHOUSE LLC, a Delaware limited liability company,
CAESARS NEW JERSEY LLC, a New Jersey limited liability company,
HARVEYS TAHOE MANAGEMENT COMPANY LLC, a Nevada limited liability company,
PLAYERS BLUEGRASS DOWNS LLC, a Kentucky limited liability company,
CASINO COMPUTER PROGRAMMING, INC., an Indiana corporation,
HARVEYS BR MANAGEMENT COMPANY, INC., a Nevada corporation,
HARRAH'S LAUGHLIN, LLC, a Nevada limited liability company,
JAZZ CASINO COMPANY, L.L.C., a Louisiana limited liability company

By: /s/ Edmund L. Quatmann Jr.
Name: Edmund L. Quatmann, Jr.
Title: Chief Legal Officer, Executive Vice President and Secretary

HORSESHOE ENTERTAINMENT,
a Louisiana limited partnership

By: New Gaming Capital Partnership,
a Nevada limited partnership,
its general partner

By: Horseshoe GP, LLC,
a Nevada limited liability company,
its general partner

By: /s/ Edmund L. Quatmann Jr.
Name: Edmund L. Quatmann, Jr.
Title: Chief Legal Officer, Executive Vice President and Secretary

BOARDWALK REGENCY LLC,
a New Jersey limited liability company

By: Caesars New Jersey LLC,
a New Jersey limited liability company,
its sole member

By: /s/ Edmund L. Quatmann Jr.
Name: Edmund L. Quatmann, Jr.
Title: Chief Legal Officer, Executive Vice President and Secretary

BALLY'S PARK PLACE LLC,
a New Jersey limited liability company

By: CEOC, LLC,
a Delaware limited liability company,
its sole member

By: /s/ Edmund L. Quatmann Jr.
Name: Edmund L. Quatmann, Jr.
Title: Chief Legal Officer, Executive Vice President and Secretary

HOLE IN THE WALL, LLC,
a Nevada limited liability company

By: CEOC, LLC,
a Delaware limited liability company,
its sole member

By: /s/ Edmund L. Quatmann Jr.
Name: Edmund L. Quatmann, Jr.
Title: Chief Legal Officer, Executive Vice President and Secretary

CHESTER DOWNS AND MARINA, LLC,
a Pennsylvania limited liability company

By: Harrah's Chester Downs Investment Company, LLC,
its sole member

By: /s/ Edmund L. Quatmann Jr.
Name: Edmund L. Quatmann, Jr.
Title: Chief Legal Officer, Executive Vice President and Secretary

HARRAH'S ATLANTIC CITY OPERATING COMPANY, LLC,
a New Jersey limited liability company

By: Caesars Resort Collection, LLC,
a Delaware limited liability company,
its sole member

By: /s/ Edmund L. Quatmann Jr.
Name: Edmund L. Quatmann, Jr.
Title: Chief Legal Officer, Executive Vice President and Secretary

Acknowledged and agreed, solely for the purposes of the penultimate paragraph of Section 1.1 of the Lease:

PROPCO TRS LLC,
a Delaware limited liability company

By: /s/ David Kieske
Name: David Kieske
Title: Treasurer

ACKNOWLEDGMENT AND AGREEMENT OF GUARANTOR

The undersigned ("Guarantor") hereby: (a) acknowledges receipt of the Seventh Amendment to Lease (the "Amendment"; capitalized terms used herein without definition having the meanings set forth in the Amendment), dated as of November 18, 2020, by and among the entities listed on Schedule A attached thereto, as Landlord, and the entities listed on Schedule B attached thereto, as Tenant and the other parties party thereto; (b) consents to the terms and execution thereof; (c) ratifies and reaffirms Guarantor's obligations to Landlord pursuant to the terms of that certain Guaranty of Lease, dated as of July 20, 2020 (the "Guaranty"), by and between Guarantor and Landlord, and agrees that, except as expressly set forth in Section 2.A.ii. of the Amendment, nothing in the Amendment in any way impairs or lessens the Guarantor's obligations under the Guaranty; and (d) acknowledges and agrees that the Guaranty is in full force and effect and is valid, binding and enforceable in accordance with its terms.

IN WITNESS WHEREOF, the undersigned has caused this Acknowledgment and Agreement of Guarantor to be duly executed as of November 18, 2020.

CAESARS ENTERTAINMENT, INC.

By: /s/ Edmund L. Quatmann Jr.
Name: Edmund L. Quatmann, Jr.
Title: Chief Legal Officer, Executive Vice President and Secretary

[Signature Page to Acknowledgment and Agreement of Guarantor]

Schedule A

LANDLORD ENTITIES

Horseshoe Council Bluffs LLC

Harrah's Council Bluffs LLC

Harrah's Metropolis LLC

Horseshoe Southern Indiana LLC

New Horseshoe Hammond LLC

Horseshoe Bossier City Prop LLC

Harrah's Bossier City LLC

New Harrah's North Kansas City LLC

Grand Biloxi LLC

Horseshoe Tunica LLC

New Tunica Roadhouse LLC

Caesars Atlantic City LLC

Bally's Atlantic City LLC

Harrah's Lake Tahoe LLC

Harvey's Lake Tahoe LLC

Harrah's Reno LLC

Bluegrass Downs Property Owner LLC

Vegas Development LLC

Vegas Operating Property LLC

Miscellaneous Land LLC

Propco Gulfport LLC

Philadelphia Propco LLC

Harrah's Atlantic City LLC

New Laughlin Owner LLC

Harrah's New Orleans LLC

Schedule B

TENANT ENTITIES

CEOC, LLC, successor in interest by merger to Caesars Entertainment Operating Company, Inc.

HBR Realty Company LLC

Harveys Iowa Management Company LLC

Southern Illinois Riverboat/Casino Cruises LLC

Caesars Riverboat Casino LLC

Roman Holding Company of Indiana LLC

Horseshoe Hammond, LLC

Horseshoe Entertainment

Harrah's Bossier City Investment Company, LLC

Harrah's North Kansas City LLC

Grand Casinos of Biloxi, LLC

Robinson Property Group LLC

Tunica Roadhouse LLC

Boardwalk Regency LLC

Caesars New Jersey LLC

Bally's Park Place LLC

Harveys Tahoe Management Company LLC

Players Bluegrass Downs LLC

Casino Computer Programming, Inc.

Harveys BR Management Company, Inc.

Hole in the Wall, LLC

Chester Downs and Marina, LLC

Harrah's Atlantic City Operating Company, LLC

Harrah's Laughlin, LLC

Jazz Casino Company, L.L.C.

Schedule C-1

FACILITIES

No.	Property	State	Fee Owner	Operating Entity
1.	Horseshoe Council Bluffs	Iowa	Horseshoe Council Bluffs LLC	HBR Realty Company LLC Harveys BR Management Company, Inc.
2.	Harrah’s Council Bluffs	Iowa	Harrah's Council Bluffs LLC	Harveys Iowa Management Company LLC CEOC, LLC, successor in interest by merger to Caesars Entertainment Operating Company, Inc.
3.	Harrah’s Metropolis	Illinois	Harrah's Metropolis LLC	Southern Illinois Riverboat/Casino Cruises LLC
4.	Horseshoe Southern Indiana (now known as Caesars Southern Indiana)	Indiana	Horseshoe Southern Indiana LLC	Caesars Riverboat Casino, LLC Roman Holding Company of Indiana LLC
5.	Horseshoe Hammond	Indiana	New Horseshoe Hammond LLC	Horseshoe Hammond, LLC
6.	Horseshoe Bossier City	Louisiana	Horseshoe Bossier City Prop LLC	Horseshoe Entertainment
7.	Harrah’s Bossier City (Louisiana Downs)	Louisiana	Harrah's Bossier City LLC	Harrah's Bossier City Investment Company, L.L.C.
8.	Harrah’s North Kansas City	Missouri	New Harrah's North Kansas City LLC	Harrah’s North Kansas City LLC
9.	Harrah’s Gulf Coast (formerly known as Grand Biloxi Casino Hotel) and Biloxi Land	Mississippi	Grand Biloxi LLC	Grand Casinos of Biloxi, LLC Casino Computer Programming, Inc.
10.	Horseshoe Tunica	Mississippi and Arkansas	Horseshoe Tunica LLC	Robinson Property Group LLC

11.	Tunica Roadhouse	Mississippi	New Tunica Roadhouse LLC	Tunica Roadhouse LLC
12.	Caesars Atlantic City (includes Wild Wild West and Block 488 Parcel)	New Jersey	Caesars Atlantic City LLC Bally's Atlantic City LLC	Boardwalk Regency LLC Caesars New Jersey LLC
13.	Harrah's Lake Tahoe	Nevada	Harrah's Lake Tahoe LLC	Harveys Tahoe Management Company LLC CEOC, LLC, successor in interest by merger to Caesars Entertainment Operating Company, Inc.
14.	Harvey's Lake Tahoe	Nevada and California	Harvey's Lake Tahoe LLC	Harveys Tahoe Management Company LLC
15.	Reno Billboard Parcel	Nevada	Harrah's Reno LLC	CEOC, LLC, successor in interest by merger to Caesars Entertainment Operating Company, Inc.
16.	Bluegrass Downs	Kentucky	Bluegrass Downs Property Owner LLC	Players Bluegrass Downs LLC
17.	Las Vegas Land Assemblage Properties	Nevada	Vegas Development LLC	Hole in the Wall, LLC CEOC, LLC, successor in interest by merger to Caesars Entertainment Operating Company, Inc.

18.	Harrah's Airplane Hangar	Nevada	Vegas Operating Property LLC	CEOC, LLC, successor in interest by merger to Caesars Entertainment Operating Company, Inc.
20.	Land Leftover from Harrah's Gulfport	Mississippi	Propco Gulfport LLC	CEOC, LLC, successor in interest by merger to Caesars Entertainment Operating Company, Inc.
21.	Vacant Land in Splendora, TX	Texas	Miscellaneous Land LLC	CEOC, LLC, successor in interest by merger to Caesars Entertainment Operating Company, Inc.
22.	Vacant Land at Turfway Park	Kentucky	Miscellaneous Land LLC	CEOC, LLC, successor in interest by merger to Caesars Entertainment Operating Company, Inc.
23.	Harrah's Philadelphia	Pennsylvania	Philadelphia Propco LLC	Chester Downs and Marina, LLC
24.	Harrah's Atlantic City	New Jersey	Harrah's Atlantic City LLC	Harrah's Atlantic City Operating Company, LLC
25.	Harrah's Laughlin	Nevada	New Laughlin Owner LLC	Harrah's Laughlin, LLC
26.	Harrah's New Orleans	Louisiana	Harrah's New Orleans LLC	Jazz Casino Company, L.L.C.

Schedule C-2

NEW SCHEDULE 11

[attached]

Annex A

Bally’s Leased Property

Bally’s Park Place Hotel

ALL THAT CERTAIN LOT, TRACT, OR PARCEL OF LAND AND PREMISES SITUATE, LYING, AND BEING IN THE CITY OF ATLANTIC CITY, COUNTY OF ATLANTIC, AND STATE OF NEW JERSEY, BOUNDED AND DESCRIBED AS FOLLOWS:

BEGINNING AT THE INTERSECTION OF THE SOUTHERLY LINE OF POP LLOYD BOULEVARD (74.00' WIDE) AND THE EASTERLY LINE OF MICHIGAN AVENUE (50.00' WIDE) AND EXTENDING FROM SAID BEGINNING POINT; THENCE

1. NORTH 62° 32' 00" EAST IN AND ALONG THE SOUTHERLY LINE OF POP LLOYD BOULEVARD A DISTANCE OF 402.35' TO A POINT; THENCE

2. NORTH 27° 28' 00" WEST PARALLEL WITH MICHIGAN AVENUE A DISTANCE OF 84.00' TO THE NORTH LINE OF LOT 4 IN BLOCK 44; THENCE

3. NORTH 62° 32' 00" EAST A DISTANCE OF 145.60' TO THE WEST LINE OF PARK PLACE (60.00' WIDE); THENCE

4. SOUTH 27° 28' 00" EAST IN AND ALONG SAME A DISTANCE OF 615.31' TO A POINT IN THE CURVED INTERIOR LINE OF PARK; THENCE

5. SOUTHWESTWARDLY IN AND ALONG SAME AND CURVING TO THE LEFT ALONG THE ARC OF A CIRCLE HAVING A RADIUS OF 1679.20' AN ARC DISTANCE OF 20.05' TO A POINT OF TANGENCY IN SAME; THENCE

6. SOUTH 73° 42' 26.6" WEST STILL IN AND ALONG SAME A DISTANCE OF 538.51' TO THE EASTERLY LINE OF MICHIGAN AVENUE; THENCE

7. NORTH 27° 28' 00" WEST IN AND ALONG SAME A DISTANCE OF 422.95' TO THE POINT AND PLACE OF BEGINNING.

LESS AND EXCEPT THE FOLLOWING DESCRIBED PARCEL:

BEGINNING AT A POINT IN THE EASTERLY LINE OF MICHIGAN AVENUE (950 FEET WIDE) DISTANT 715.20 FEET AS MEASURED ALONG THE EASTERLY LINE OF MICHIGAN AVENUE FROM THE SOUTHERLY LINE OF PACIFIC AVENUE (60 FEET WIDE) THENCE FROM SAID BEGINNING POINT;

1. EASTERLY, PARALLEL WITH PACIFIC AVENUE, 59.50 FEET TO A POINT; THENCE

2. SOUTHERLY, PARALLEL WITH MICHIGAN AVENUE, 33.00 FEET TO A DRILL HOLE; THENCE

3. EASTERLY, PARALLEL WITH PACIFIC AVENUE, 76.85 FEET TO A NAIL; THENCE

4. SOUTHERLY, PARALLEL WITH MICHIGAN AVENUE, 21.12 FEET TO A NAIL; THENCE

5. EASTERLY, PARALLEL WITH PACIFIC AVENUE, 66.00 FEET TO A POINT WHICH IS DISTANT 150 FEET WESTERLY OF THE WESTERLY LINE OF OHIO AVENUE (50 FEET WIDE); THENCE

6. SOUTHERLY, PARALLEL WITH MICHIGAN AVENUE, 1230.68 FEET TO THE EXTERIOR LINE IN THE ATLANTIC OCEAN ESTABLISHED BY THE RIPARIAN COMMISSIONERS OF NEW JERSEY; THENCE

7. WESTERLY, PARALLEL WITH PACIFIC AVENUE, IN AND ALONG SAID EXTERIOR LINE, 202.35 FEET TO THE EASTERLY LINE OF MICHIGAN AVENUE IF SAME WERE EXTENDED SOUTHERLY; THENCE

8. NORTHERLY, IN AND ALONG THE EASTERLY LINE OF MICHIGAN AVENUE, IF EXTENDED, 1284.80 FEET TO THE POINT AND PLACE OF BEGINNING

Together with the beneficial easement rights as set forth in Access and Parking Agreement recorded in VOL 13723 CFN#201412082.

Together with the beneficial easement rights as set forth in Easement Agreement Recorded in VOL 13724 CFN #2014012083.

FOR INFORMATION PURPOSES ONLY: KNOWN AS LOTS 1 & 3 IN BLOCK 45 AND LOT 4 IN BLOCK 44 AS SHOWN ON THE ATLANTIC CITY TAX MAP

Boardwalk Parcel

ALL THAT CERTAIN TRACT, PARCEL AND LOT OF LAND LYING AND BEING SITUATE IN THE CITY OF ATLANTIC CITY, COUNTY OF ATLANTIC, STATE OF NEW JERSEY, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT IN THE EASTERLY LINE OF MICHIGAN AVENUE (50 FEET WIDE) DISTANT 715.20 FEET AS MEASURED ALONG THE EASTERLY LINE OF MICHIGAN AVENUE FROM THE SOUTHERLY LINE OF PACIFIC AVENUE (60 FEET WIDE) THENCE FROM SAID BEGINNING POINT;

1. NORTH 62 DEGREES 32 MINUTES 00 SECONDS EAST, PARALLEL WITH PACIFIC AVENUE, 59.50 FEET TO A POINT; THENCE

2. SOUTH 27 DEGREES 28 MINUTES 00 SECONDS EAST, PARALLEL WITH MICHIGAN AVENUE, 33.00 FEET TO A POINT; THENCE

3. NORTH 62 DEGREES 32 MINUTES 00 SECONDS EAST, PARALLEL WITH PACIFIC AVENUE, 76.85 FEET TO A POINT; THENCE

4. SOUTH 27 DEGREES 28 MINUTES 00 SECONDS EAST, PARALLEL WITH MICHIGAN AVENUE, 21.12 FEET TO A POINT; THENCE

5. NORTH 62 DEGREES 32 MINUTES 00 SECONDS EAST, PARALLEL WITH PACIFIC AVENUE, 66.00 FEET; THENCE

6. SOUTH 27 DEGREES 28 MINUTES 00 SECONDS EAST, PARALLEL WITH MICHIGAN AVENUE, A DISTANCE OF 1230.68 FEET TO A POINT IN THE RIPARIAN COMMISSIONERS LINE 2000 FEET SOUTH OF PACIFIC AVENUE; THENCE

7. SOUTH 62 DEGREES 32 MINUTES 00 SECONDS WEST IN AND ALONG SAME A DISTANCE OF 202.35 FEET TO A POINT IN THE EAST LINE OF MICHIGAN AVENUE IF EXTENDED; THENCE

8. NORTH 27 DEGREES 28 MINUTES 00 SECONDS WEST, IN AND ALONG SAME A DISTANCE OF 1284.80 FEET TO THE POINT AND PLACE OF BEGINNING.

Together with the beneficial easement rights as set forth in Access and Parking Agreement recorded in VOL 13723 CFN#201412082.

Together with the beneficial easement rights as set forth in Easement Agreement Recorded in VOL 13724 CFN #2014012083.

FOR INFORMATION PURPOSES ONLY: KNOWN AS LOTS 5 IN BLOCK 45 AS SHOWN ON THE ATLANTIC CITY TAX MAP. NOTE: Lands lying waterward of the Interior Line of the Public Park are assessed to the City of Atlantic City as Tax Lot 98 Block 1)

Bally's Park Place Garage

ALL THAT CERTAIN LOT, TRACT, OR PARCEL OF LAND AND PREMISES SITUATE, LYING, AND BEING IN THE CITY OF ATLANTIC CITY, COUNTY OF ATLANTIC, AND STATE OF NEW JERSEY, BOUNDED AND DESCRIBED AS FOLLOWS:

BEGINNING AT THE INTERSECTION OF THE SOUTHERLY LINE OF PACIFIC AVENUE (60.00' WIDE) AND THE EASTERLY LINE OF MICHIGAN AVENUE (50.00' WIDE) AND EXTENDING FROM SAID BEGINNING POINT; THENCE

1. NORTH 62° 32' 00" EAST IN AND ALONG THE SOUTHERLY LINE OF PACIFIC AVENUE A DISTANCE OF 352.35' TO THE WESTERLY LINE OF OHIO AVENUE (50.00' WIDE); THENCE

2. SOUTH 27° 28' 00" EAST IN AND ALONG SAME A DISTANCE OF 360.00' TO A POINT IN THE NORTHERLY LINE OF POP LLOYD BOULEVARD (74.00' WIDE); THENCE

3. SOUTH 62° 32' 00" WEST PARALLEL IN AND ALONG SAME A DISTANCE OF 352.35' TO THE EASTERLY LINE OF MICHIGAN AVENUE; THENCE

4. NORTH 27° 28' 00" WEST IN AND ALONG SAME A DISTANCE OF 360.00' TO THE POINT AND PLACE OF BEGINNING.

Together with the beneficial easement rights as set forth in Access and Parking Agreement recorded in VOL 13723 CFN#201412082.

Together with the beneficial easement rights as set forth in Easement Agreement Recorded in VOL 13724 CFN #2014012083.

FOR INFORMATION PURPOSES ONLY: KNOWN AS LOT 1 IN BLOCK 43 AS SHOWN ON THE ATLANTIC CITY TAX MAP

Wild West Casino

ALL THAT CERTAIN LOT, TRACT, OR PARCEL OF LAND AND PREMISES SITUATE, LYING, AND BEING IN THE CITY OF ATLANTIC CITY, COUNTY OF ATLANTIC, AND STATE OF NEW JERSEY, BOUNDED AND DESCRIBED AS FOLLOWS:

BEGINNING AT THE INTERSECTION OF THE SOUTHERLY LINE OF PACIFIC AVENUE (60.00' WIDE) AND THE EASTERLY LINE OF ARKANSAS AVENUE (50.00' WIDE) AND EXTENDING FROM SAID BEGINNING POINT; THENCE

1. NORTH 62° 32' 00" EAST IN AND ALONG THE SOUTHERLY LINE OF PACIFIC AVENUE A DISTANCE OF 350.00' TO THE WESTERLY LINE OF MICHIGAN AVENUE (50.00' WIDE); THENCE

2. SOUTH 27° 28' 00" EAST IN AND ALONG SAME A DISTANCE OF 847.08' TO A POINT IN THE INTERIOR LINE OF PARK; THENCE

3. SOUTH 73° 42' 27" WEST IN AND ALONG SAME A DISTANCE OF 332.25' TO A POINT OF CURVATURE IN SAME; THENCE

4. STILL IN AND ALONG SAME AND CURVING TO THE LEFT ALONG THE ARC OF A CIRCLE HAVING A RADIUS OF 1259.09' AN ARC DISTANCE OF 24.86' TO THE EASTERLY LINE OF ARKANSAS AVENUE; THENCE

5. NORTH 27° 28' 00" WEST IN AND ALONG SAME A DISTANCE OF 105.00' TO THE SOUTHERLY LINE OF LOT 4.01 IN BLOCK 43; THENCE

6. NORTH 62° 32' 00" EAST IN AND ALONG SAME, PARALLEL WITH PACIFIC AVENUE A DISTANCE OF 200.00' TO A POINT; THENCE

7. NORTH 27° 28' 00" WEST PARALLEL WITH ARKANSAS AVENUE A DISTANCE OF 173.19' TO A POINT; THENCE

8. SOUTH 62° 32' 00" WEST PARALLEL WITH PACIFIC AVENUE A DISTANCE OF 12.50' TO A POINT; THENCE

9. NORTH 27° 28' 00" WEST PARALLEL WITH ARKANSAS AVENUE A DISTANCE OF 50.00' TO A POINT; THENCE

10. SOUTH 62° 32' 00" WEST PARALLEL WITH PACIFIC AVENUE A DISTANCE OF 187.50' TO THE WESTERLY LINE OF ARKANSAS AVENUE; THENCE

11. NORTH 27° 28' 00" WEST IN AND ALONG SAME A DISTANCE OF 450.00' TO THE POINT AND PLACE OF BEGINNING.

Together with the beneficial easement rights as set forth in Declaration of Cross Easements recorded in Deed Book 6619, page 86.

FOR INFORMATION PURPOSES ONLY: KNOWN AS LOT 1 IN BLOCK 42 AS SHOWN ON THE ATLANTIC CITY TAX MAP.

Hummock Avenue Parcel

ALL THAT CERTAIN LOT, TRACT, OR PARCEL OF LAND AND PREMISES SITUATE, LYING, AND BEING IN THE CITY OF ATLANTIC CITY, COUNTY OF ATLANTIC, AND STATE OF NEW JERSEY, BOUNDED AND DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTH LINE OF HUMMOCK AVENUE (50.00' WIDE) A DISTANCE OF 252.76' SOUTHWEST OF OHIO AVENUE (50.00' WIDE) AND EXTENDING; THENCE

1. NORTH 62° 32' 00" EAST IN AND ALONG THE SOUTHERLY LINE OF HUMMOCK AVENUE A DISTANCE OF 69.76' TO A POINT; THENCE

2. SOUTH 27° 28' 00" EAST PARALLEL WITH OHIO AVENUE AND AT RIGHT ANGLES TO HUMMOCK AVENUE A DISTANCE OF 121.00' TO A POINT; THENCE

3. SOUTH 62° 32' 00" WEST PARALLEL WITH HUMMOCK AVENUE A DISTANCE OF 3.53' TO A POINT DISTANT 152.00' NORTHEAST OF BACHARACH BOULEVARD; THENCE

4. NORTH 76° 40' 59" WEST PARALLEL WITH BACHARACH BOULEVARD A DISTANCE OF 15.44 TO A POINT; THENCE

5. SOUTH 13° 19' 00" WEST AT RIGHT ANGLES TO BACHARACH BOULEVARD A DISTANCE OF 76.00' TO A POINT; THENCE

6. NORTH 76° 40' 59" WEST PARALLEL WITH BACHARACH BOULEVARD A DISTANCE OF 10.00' TO A POINT; THENCE

7. NORTH 13° 19' 00" EAST AT RIGHT ANGLES TO BACHARACH BOULEVARD A DISTANCE OF 76.00' TO A POINT; THENCE

8. NORTH 76° 40' 59" WEST PARALLEL WITH BACHARACH BOULEVARD A DISTANCE OF 103.50' TO A POINT; THENCE

9. NORTH 12° 59' 55" EAST A DISTANCE OF 48.57' TO THE SOUTHERLY LINE OF HUMMOCK AVENUE AND THE POINT AND PLACE OF BEGINNING.

SUBJECT TO AND TOGETHER WITH THE RIGHT OF INGRESS AND EGRESS WITH OTHERS OVER THE FOLLOWING DESCRIBED RIGHT OF WAY:

BEGINNING AT A POINT IN THE NORTHEAST LINE OF BACHARACH BLVD. (70 FEET WIDE) DISTANT 570.5 FEET SOUTHEAST OF ARKANSAS AVENUE (60 FEET WIDE) AND EXTENDING THENCE:

1. NORTHEASTWARDLY AT RIGHT ANGLES TO BACHARACH BLVD. 152 FEET; THENCE

2. SOUTHEASTWARDLY PARALLEL WITH BACHARACH BLVD. 20 FEET; THENCE

3. SOUTHWESTWARDLY AT RIGHT ANGLES TO BACHARACH BLVD 152 FEET TO THE NORTHEAST LINE OF BACHARACH BLVD.; THENCE

4. NORTHWESTWARDLY IN AND ALONG BACHARACH BLVD 20 FEET TO THE POINT AND PLACE OF BEGINNING.

FOR INFORMATION PURPOSES ONLY: BEING KNOWN AS LOTS 20, 21 & 22 IN BLOCK 488 OF THE ATLANTIC CITY TAX MAP

Air Rights Over Michigan Avenue

TRACT I:

BEGINNING AT A POINT IN THE WESTERLY LINE OF MICHIGAN AVENUE (50.00 WIDE), SAID POINT BEING DISTANT 239.00 FEET SOUTH OF THE SOUTHERLY LINE OF PACIFIC AVENUE (60.00 FEET WIDE), AND EXTENDING; THENCE

1. NORTH 62 DEGREES 32 MINUTES 00 SECONDS EAST, PARALLEL WITH PACIFIC AVENUE AND CROSSING MICHIGAN AVENUE, A DISTANCE OF 50.00 FEET TO THE EASTERLY LINE OF MICHIGAN AVENUE; THENCE

2. SOUTH 27 DEGREES 28 MINUTES 00 SECONDS EAST IN AND ALONG THE EASTERLY LINE OF MICHIGAN AVENUE A DISTANCE OF 50.00 FEET; THENCE

3. SOUTH 62 DEGREES 32 MINUTES 00 SECONDS WEST, PARALLEL WITH PACIFIC AVENUE AND CROSSING MICHIGAN AVENUE A DISTANCE OF 50.00 FEET TO THE WESTERLY LINE OF MICHIGAN AVENUE; THENCE

4. NORTH 27 DEGREES 28 MINUTES 00 SECONDS WEST IN AND ALONG THE WESTERLY LINE OF MICHIGAN AVENUE, A DISTANCE OF 50.00 FEET TO THE POINT AND PLACE OF BEGINNING.

BEING AN AREA ABOVE THE HORIZONTAL PLACE OF MICHIGAN AVENUE BETWEEN ELEVATION 46.00 FEET AND ELEVATION 46.00 FEET 6 INCHES SAID ELEVATIONS IN REFERENCE TO U.S.C. AND G.S. DATUM

(ELEVATION 0.00 =MEAN SEA LEVEL)

FOR INFORMATION ONLY: BEING KNOWN AS KNOWN AS LOT 6 IN BLOCK 42 OF THE ATLANTIC CITY TAX MAP

TRACT II

BEGINNING AT A POINT IN THE WESTERLY LINE OF MICHIGAN AVENUE (50.00 WIDE) SAID POINT BEING DISTANT 503.17 FEET SOUTH OF THE SOUTHERLY LINE OF PACIFIC AVENUE (60.00 FEET WIDE) AND EXTENDING FROM SAID BEGINNING POINT; THENCE

1. SOUTH 27 DEGREES 28 MINUTES EAST IN AND ALONG THE EASTERLY LINE OF MICHIGAN AVENUE, A DISTANCE OF 27.16 FEET; THENCE

2. SOUTH 39 DEGREES 32 MINUTES 00 SECONDS WEST, CROSSING MICHIGAN AVENUE A DISTANCE OF 54.32 FEET TO THE WESTERLY LINE OF MICHIGAN AVENUE; THENCE

3. NORTH 27 DEGREES 28 MINUTES WEST IN AND ALONG THE WESTERLY LINE OF MICHIGAN AVENUE, A DISTANCE OF 27.16 FEET; THENCE

4. NORTH 39 DEGREES 32 MINUTES 00 SECONDS EAST, CROSSING MICHIGAN AVENUE A DISTANCE OF 54.32 FEET TO THE EASTERLY LINE OF MICHIGAN AVENUE; THE POINT AND PLACE OF BEGINNING.

THE BOTTOM OF THE PROPOSED AIR RIGHTS WILL BE AT AN ELEVATION OF 20.00 N.G.V.D. DATUM (MEAN SEA LEVEL= 0.00) AND THE TOP OF THE AIR RIGHTS WILL BE AT ELEVATION 46.00

FOR INFORMATION ONLY: BEING KNOWN AS KNOWN AS LOT 7 IN BLOCK 42 OF THE ATLANTIC CITY TAX MAP

Air Rights Over Ohio Avenue

METES AND BOUNDS DESCRIPTION for proposed air rights above Ohio Avenue required in conjunction with the Baily's - Claridge Connection Project, situate in the City of Atlantic City, County of Atlantic and State of New Jersey being bounded and described as follows:

BEGINNING at a point in the easterly line of Ohio Avenue (50' wide), South 27 degrees, 28 minutes, 00 seconds East 350.00' from the southerly line of Pacific Avenue (60' wide), and extending from said beginning point; thence

1. South 27 degrees 28 minutes 00 seconds East in and along the easterly line of Ohio Avenue 10.00’ to the northerly line of Pop Lloyd Boulevard (74’ wide); thence

2. South 62 degrees 32 minutes 00 seconds West in and along same, parallel with Pacific Avenue 50.00’ to the westerly line of Ohio Avenue; thence

3. North 27 degrees 28 minutes 00 seconds West in and along same, 10.00’ to a point; thence

4. North 62 degrees 32 minutes 00 seconds East, parallel with Pacific Avenue 50.00 feet to the point and place of BEGINNING.

The above described air rights are located a minimum of 14.00’ above the existing grade elevation of Ohio Avenue.

FOR INFORMATION ONLY: BEING KNOWN AS KNOWN AS LOT 4.02 IN BLOCK 44 OF THE ATLANTIC CITY TAX MAP

AIR RIGHTS OVER POP LLOYD BOULEVARD AS SET FORTH IN CITY OF ATLANTIC ORDINANCE NO. 77 OF 1978 AND IN DEED BOOK 3442, PAGE 250.

FOR INFORMATION ONLY: BEING KNOWN AS KNOWN AS LOT 13 IN BLOCK 43 OF THE ATLANTIC CITY TAX MAP

BEING ALSO KNOWN AS (REPORTED FOR INFORMATIONAL PURPOSES ONLY):

Block 42, Lot 1 on the official tax map of the CITY OF ATLANTIC CITY, County of Atlantic, State of New Jersey

Block 42, Lot 6 on the official tax map of the CITY OF ATLANTIC CITY, County of Atlantic, State of New Jersey

Block 42, Lot 7 on the official tax map of the CITY OF ATLANTIC CITY, County of Atlantic, State of New Jersey

Block 43, Lot 1 on the official tax map of the CITY OF ATLANTIC CITY, County of Atlantic, State of New Jersey

Block 43, Lot 13 on the official tax map of the CITY OF ATLANTIC CITY, County of Atlantic, State of New Jersey

Block 44, Lot 4 on the official tax map of the CITY OF ATLANTIC CITY, County of Atlantic, State of New Jersey

Block 44, Lot 4.02 on the official tax map of the CITY OF ATLANTIC CITY, County of Atlantic, State of New Jersey

Block 45, Lot 1 on the official tax map of the CITY OF ATLANTIC CITY, County of Atlantic, State of New Jersey

Block 45, Lot 3 on the official tax map of the CITY OF ATLANTIC CITY, County of Atlantic, State of New Jersey

Block 45, Lot 5 on the official tax map of the CITY OF ATLANTIC CITY, County of Atlantic, State of New Jersey

Block 488, Lot 23 on the official tax map of the CITY OF ATLANTIC CITY, County of Atlantic, State of New Jersey

Annex B-1

Wild Wild West Parcel

ALL that certain lot, tract, or parcel of land and premises situate, lying, and being in the City of Atlantic City, County of Atlantic, and State of New Jersey, bounded and described as follows:

BEGINNING at the intersection of the southeast line of Pacific Avenue (60.00’ wide) and the northeast line of Arkansas Avenue (50.00’ wide) and extending from said beginning point; thence

(1) North 62° 32’ 00” East in and along the southeast line of Pacific Avenue a distance of 154.00’ to a point in a proposed subdivision line as shown on the below mentioned plan; thence

(2) South 27° 28’ 00” East in and said line and parallel with Arkansas Avenue a distance of 288.00’ to a point in a second proposed subdivision line as shown on the below mentioned plan; thence

(3) North 62° 32’ 00” East in and along said line and parallel with of Pacific Avenue a distance of 196.00’ to a point in the southwest line of Michigan Avenue (50.00’ wide); thence

(4) South 27° 28’ 00” East in and said line a distance of 559.08’ to a point in the interior line of public park, also being the northwest line of the Boardwalk R.O.W. (60.00’ wide); thence

(5) South 73° 42’ 27” West in and along said line a distance of 332.25’ to a point of curvature in same; thence

(6) Southwesterly still along said line and curving to the left along the arc of a circle having a radius of 1259.09’ an arc distance of 24.47’ to the intersection of the aforesaid northeast line of Arkansas Avenue; thence

(7) North 27° 28’ 00” West in and along said line a distance of 105.00’ to a point in the division line of lot 4.01; thence

(8) North 62° 32’ 00” East in and along said line and parallel with of Pacific Avenue a distance of 200.00’ to a common property corner of lot 4.01; thence

(9) North 27° 28’ 00” West still in and along said division line and parallel with Arkansas a distance of 173.19’ to another common property corner of lot 4.01; thence

(10) South 62° 32’ 00” West still in and along said division line and parallel with Pacific Avenue a distance of 12.50’ to another common property corner of lot 4.01; thence

(11) North 27° 28’ 00” West still in and along said division line and parallel with Arkansas a distance of 50.00’ to another common property corner

(12) South 62° 32’ 00” West still in and along said division line and parallel with Pacific Avenue a distance of 187.50’ to a point in the aforesaid northeast line of Arkansas Avenue; thence

(13) North 27° 28’ 00” West l in and along said line a distance of 450.00’ to the point and place of BEGINNING.

BEING known as a portion of lot 1, also being depicted as lot 1.05 in block 42 in the City of Atlantic City as shown on the below mentioned plan

CONTAINING an area of 183,920.08 square feet

THIS legal description was prepared by Daniel J. Ponzio Sr. NJPLS and is composed in accordance with a minor subdivision plan prepared by Arthur W. Ponzio Co. & Associates, Inc. dated 5/5/20 Project #35167

TOGETHER with the easements appurtenant to such land set forth in that certain Reciprocal Easement Agreement dated as of November 18, 2020, by and between Premier Entertainment AC, LLC and Bally’s Atlantic City LLC and recorded in the Office of the County Clerk of Atlantic County, New Jersey substantially concurrently with the execution of this Amendment.

Annex B-2

Block 488 Parcel

ALL THAT CERTAIN LOT, TRACT, OR PARCEL OF LAND AND PREMISES SITUATE, LYING, AND BEING IN THE CITY OF ATLANTIC CITY, COUNTY OF ATLANTIC, AND STATE OF NEW JERSEY, BOUNDED AND DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTH LINE OF HUMMOCK AVENUE (50.00' WIDE) A DISTANCE OF 252.76' SOUTHWEST OF OHIO AVENUE (50.00' WIDE) AND EXTENDING; THENCE

1. NORTH 62° 32' 00" EAST IN AND ALONG THE SOUTHERLY LINE OF HUMMOCK AVENUE A DISTANCE OF 69.76' TO A POINT; THENCE

2. SOUTH 27° 28' 00" EAST PARALLEL WITH OHIO AVENUE AND AT RIGHT ANGLES TO HUMMOCK AVENUE A DISTANCE OF 121.00' TO A POINT; THENCE

3. SOUTH 62° 32' 00" WEST PARALLEL WITH HUMMOCK AVENUE A DISTANCE OF 3.53' TO A POINT DISTANT 152.00' NORTHEAST OF BACHARACH BOULEVARD; THENCE

4. NORTH 76° 40' 59" WEST PARALLEL WITH BACHARACH BOULEVARD A DISTANCE OF 15.44 TO A POINT; THENCE

5. SOUTH 13° 19' 00" WEST AT RIGHT ANGLES TO BACHARACH BOULEVARD A DISTANCE OF 76.00' TO A POINT; THENCE

6. NORTH 76° 40' 59" WEST PARALLEL WITH BACHARACH BOULEVARD A DISTANCE OF 10.00' TO A POINT; THENCE

7. NORTH 13° 19' 00" EAST AT RIGHT ANGLES TO BACHARACH BOULEVARD A DISTANCE OF 76.00' TO A POINT; THENCE

8. NORTH 76° 40' 59" WEST PARALLEL WITH BACHARACH BOULEVARD A DISTANCE OF 103.50' TO A POINT; THENCE

9. NORTH 12° 59' 55" EAST A DISTANCE OF 48.57' TO THE SOUTHERLY LINE OF HUMMOCK AVENUE AND THE POINT AND PLACE OF BEGINNING.

SUBJECT TO AND TOGETHER WITH THE RIGHT OF INGRESS AND EGRESS WITH OTHERS OVER THE FOLLOWING DESCRIBED RIGHT OF WAY:

BEGINNING AT A POINT IN THE NORTHEAST LINE OF BACHARACH BLVD. (70 FEET WIDE) DISTANT 570.5 FEET SOUTHEAST OF ARKANSAS AVENUE (60 FEET WIDE) AND EXTENDING THENCE:

1. NORTHEASTWARDLY AT RIGHT ANGLES TO BACHARACH BLVD. 152 FEET; THENCE

2. SOUTHEASTWARDLY PARALLEL WITH BACHARACH BLVD. 20 FEET; THENCE

3. SOUTHWESTWARDLY AT RIGHT ANGLES TO BACHARACH BLVD 152 FEET TO THE NORTHEAST LINE OF BACHARACH BLVD.; THENCE

4. NORTHWESTWARDLY IN AND ALONG BACHARACH BLVD 20 FEET TO THE POINT AND PLACE OF BEGINNING.

FOR INFORMATION PURPOSES ONLY: BEING KNOWN AS LOT 23 IN BLOCK 488 OF THE ATLANTIC CITY TAX MAP.

Annex C

Released Missouri Property

Vacant Land in Missouri

PARCEL NO. 1: A parcel of ground being all of Lot 1 of the "Resubdivision Plat of Riverport Tract 7", a subdivision recorded as Daily No. 1065, on June 23, 1994, in Plat Book 327, pages 89 through 92, St. Louis County Recorder’s Office, said parcel being more particularly described as follows: Beginning at the most Southern corner of Lot 1, of said “Resubdivision Plat of Riverport Tract 7”, said corner being in the Northeastern line of a Levee Easement recorded in Book 8351, page 1184, St. Louis County Recorder’s Office; thence North 23 degrees 10 minutes 00 seconds West 1291.20 feet along the Southwestern line of said Lot 1, and along the Northeastern line of said Levee Easement, to an angle point therein; thence North 25 degrees 30 minutes 00 seconds East 250.00 feet along the Northwestern line of said Lot 1, being also the Southeastern line of said Levee Easement, to the most Southwestern corner of a Drainage and Storm Water Easement recorded in Book 8351 page 1187, St. Louis County Recorder’s Office; thence in a generally Northeastwardly direction, along the southeastern line of said Drainage and Storm Water Easement and along the Northwestern line of said Lot 1, the following courses and distances: North 50 degrees 03 minutes 29 seconds East 262.30 feet, North 28 degrees 16 minutes 56 seconds East 222.78 feet to a point of curve; thence Northeastwardly 246.83 feet along a curve to the right having a radius of 230.00 feet, the chord of which bears North 59 degrees 01 minute 32 seconds East 235.15 feet, to a point of tangency, in the Southern line of said Drainage and Storm Water Easement, and the Northern line of said Lot 1; thence North 89 degrees 46 minutes 09 seconds East 464.11 feet along the Southern line of said Drainage and Storm Water Easement, and the Northern line of said Lot 1, to the Northeastern corner of said Lot 1; thence South 23 degrees 10 minutes 00 seconds East 1521.93 feet along the Northeastern line of said Lot 1, being also the Southwestern line of Lot 2 of said “Resubdivision Plat of Riverport Tract 7”, to the most Eastern corner of said Lot 1; thence South 66 degrees 50 minutes 00 seconds West 1273.47 feet along the Southeastern line of said Lot 1, to its most Southern corner and the point of beginning.

PARCEL NO. 2: Non-Exclusive easements to use all private roadways as set forth in the First Revised and Restated Riverport Project Trust Indenture recorded in Book 8191 page 380, as amended by instruments recorded in Book 8465 page 1068, Book 9013 page 1955, Book 10263 page 1872, Book 10694 page 1881, and Book 11104 page 991, Book 11304 page 1396, Book 11890 page 2353 and Book 15124 page 654 St. Louis County Records.

PARCEL NO. 3: Non-Exclusive easements, according to Infrastructure Easement Agreement recorded on July 22, 1994, in Book 10263 page 1910, St. Louis County Records.

PARCEL NO. 4: Easements (Levee Easement), according to instrument recorded on July 22, 1994, in Book 10263 page 1895 St. Louis County Records.

PARCEL NO. 5: Non-exclusive, perpetual, irrevocable appurtenant easement for vehicle and pedestrian access, ingress and egress as set forth in Book 10263 page 1926 and as amended in the Amended and Restated Roadway Easement Agreement recorded in Book 10694 page 1908.

Harrah’s North Kansas - CEOC

TRACT 2:

All of Lots 1 through 33, both inclusive, and part of Lots 34 through 44, both inclusive, "PLAN OF RANDOLPH SUBDIVISION OF EXHIBITS "B", "C", "E" AND "F"; Part of Lot 6, Block 38; Part of

Lots 1 through 5, and All of Lot 6, Block 39, "PLAN OF RANDOLPH", both being subdivisions in Randolph, Clay County, Missouri, together with vacated Third Street, vacated Locust Street, and the vacated alleys lying therein, all being more particularly described as follows:

Beginning at the Northeast corner of said Lot 1, "PLAN OF RANDOLPH SUBDIVISION OF EXHIBITS "B", "C", "E", AND "F", said corner being the intersection of the Southerly Right of Way line of the Norfolk & Southern Railroad (formerly Wabash Railroad) and the West Right of Way line of Liberty Street, as both are now established; thence South 0 degrees 44 minutes 54 seconds West along the West Right of Way line of said Liberty Street, a distance of 500.92 feet to the Southeast corner of said Lot 6, Block 39, "PLAN OF RANDOLPH"; thence South 80 degrees 48 minutes 37 seconds West, along the South line of said Lot 6 and the South line of Lot 5 of said Block 39, a distance of 119.97 feet to a point on the Northerly Right of Way line of the Birmingham Drainage District as established by Condemnation Case No. 7087 filed in the Circuit Court of Clay County; thence North 74 degrees 47 minutes 13 seconds West, along said Northerly Right of Way line, a distance of 495.29 feet; thence Northerly continuing along said Northerly Right of Way line of the Birmingham Drainage District, along a curve to the left, having an initial tangent bearing of North 72 degrees 34 minutes 03 seconds West, a radius of 672.93 feet, and a central angle of 1 degree 25 minutes 20 seconds an arc distance of 16.70 feet to a point on the East Right of Way line of Interstate Highway Route No. 435, as condemned by the State of Missouri in Case No. 33895 in the Circuit Court of Clay County, Missouri, as set forth in the Report of Commissioners filed for record December 30, 1966 under Document No. C-7308 in Book 917 at Page 600; thence North 2 degrees 17 minutes 24 seconds East, along said East Right of Way line, a distance of 286.87 feet to a point on the aforesaid Southerly Right of Way line of the Norfolk & Southern Railroad (formerly the Wabash Railroad); thence North 80 degrees 48 minutes 37 seconds East along said Southerly Right of Way line, a distance of 615.36 feet to the Point of Beginning.

Exhibit 10.9

FOURTH AMENDMENT TO LEASE

This **FOURTH AMENDMENT TO LEASE** (this "Amendment") is entered into as of November 18, 2020, by and among **HARRAH'S JOLIET LANDCO LLC**, a Delaware limited liability company (together with its successors and assigns, "Landlord"), **DES PLAINES DEVELOPMENT LIMITED PARTNERSHIP**, a Delaware limited partnership (together with its successors and assigns, "Tenant") and, solely for the purposes of the last paragraph of Section 1.1 of the Lease (as defined below), Propco TRS LLC, a Delaware limited liability company ("Propco TRS").

RECITALS

WHEREAS, Landlord, Tenant and, solely for the purposes of the last paragraph of Section 1.1 of the Lease, Propco TRS are parties to that certain Lease (Joliet) dated as of October 6, 2017, as amended by that certain First Amendment to Lease (Joliet), dated as of December 26, 2018, as amended by that certain Omnibus Amendment to Leases, dated as of June 1, 2020, as amended by that certain Second Amendment to Lease (Joliet), dated as of July 20, 2020, as amended by that certain Third Amendment to Lease, dated as of September 30, 2020, and to the extent amended by that certain Amended and Restated Omnibus Amendment to Leases, dated as of October 27, 2020 (collectively, as amended, the "Lease"), pursuant to which Landlord leases to Tenant, and Tenant leases from Landlord, certain real property as more particularly described in the Lease;

WHEREAS, on the date hereof, (i) Bally's Park Place LLC ("Operator"), as operator, Bally's Atlantic City LLC, as seller, and Premier Entertainment AC, LLC (as successor by assignment to Twin River Management Group, Inc.) ("Purchaser"), as purchaser, are closing a purchase and sale transaction under that certain Agreement of Sale, dated as of April 24, 2020, with respect to certain real property and (ii) Operator and Purchaser are closing a purchase and sale transaction under that certain Asset Purchase Agreement, dated as of April 24, 2020, with respect to certain casino and related operations and assets, in each case under clauses (i) and (ii), associated with the gaming and entertainment facility known as Bally's Atlantic City, located in Atlantic City, New Jersey (the "Bally's Transaction"); and

WHEREAS, in connection with the Bally's Transaction, the parties hereto desire to amend the Lease as set forth herein.

NOW THEREFORE, in consideration of the mutual covenants and agreements hereinafter set forth and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, intending to be legally bound hereby, agree as follows:

1. Definitions. Except as otherwise defined herein, all capitalized terms used herein without definition shall have the meanings applicable to such terms, respectively, as set forth in the Lease.

2. Amendments to the Lease.

a. Annual Minimum Cap Ex Amount. Article II of the Lease is hereby amended such that the definition of "Annual Minimum Cap Ex Amount" is hereby revised and modified to replace the reference therein to "One Hundred Nineteen Million Three Hundred Thousand and No/100 Dollars ($119,300,000.00)" with a reference to "One Hundred Fourteen Million Five Hundred Thousand and No/100 Dollars ($114,500,000.00)".

b. Annual Minimum Per-Lease B&I Cap Ex Requirement. The Annual Minimum Per-Lease B&I Cap Ex Requirement shall be unchanged by this Amendment. Further, Landlord and Tenant hereby acknowledge, for the avoidance of doubt, that the Net Revenue attributable to the Bally's Facility (as defined in the Seventh Amendment to the Regional Lease being entered into concurrently with this Amendment) during the period the Bally's Facility was included in the Regional Lease (i.e., during the period from the "Commencement Date" (as defined in the Regional Lease) until the date of this Amendment) shall be included for purposes of calculating the Capital Expenditures required under Section 10.5(a)(ii) of the Lease (i.e., the Annual Minimum Per-Lease B&I Cap Ex Requirement).

c. Triennial Allocated Minimum Cap Ex Amount B Floor. Article II of the Lease is hereby amended such that the definition of "Triennial Allocated Minimum Cap Ex Amount B Floor" is hereby revised and modified to replace the reference therein to "Three Hundred Twenty-Seven Million Eight Hundred Thousand and No/100 Dollars ($327,800,000.00)" with a reference to "Three Hundred Eleven Million and No/100 Dollars ($311,000,000.00)".

d. Triennial Minimum Cap Ex Amount A. Article II of the Lease is hereby amended such that the definition of "Triennial Minimum Cap Ex Amount A" is hereby revised and modified to replace the reference therein to "Five Hundred Ninety Million Three Hundred Thousand and No/100 Dollars ($590,300,000.00)" with a reference to "Five Hundred Sixty-Six Million Seven Hundred Thousand and No/100 Dollars ($566,700,000.00)".

e. Triennial Minimum Cap Ex Amount B. Article II of the Lease is hereby amended such that the definition of "Triennial Minimum Cap Ex Amount B" is hereby revised and modified to replace the reference therein to "Four Hundred Twenty-One Million Nine Hundred Thousand and No/100 Dollars ($421,900,000.00)" with a reference to "Four Hundred Five Million Two Hundred Thousand and No/100 Dollars ($405,200,000.00)".

f. Partial Periods.

    i. Section 10.5(a)(v)(b) of the Lease is hereby amended to (a) replace the reference therein to "Five Hundred Ninety Million Three Hundred Thousand and No/100 Dollars ($590,300,000.00)" with a reference to "Five Hundred Sixty-Six Million Seven Hundred Thousand and No/100 Dollars ($566,700,000.00)" and (b) replace the reference therein to "One Hundred Ninety-Six Million Seven Hundred Sixty-Six Thousand Six Hundred Sixty-Six and 67/100 Dollars ($196,766,666.67)" with a reference to "One Hundred Eighty-Eight Million Nine Hundred Thousand and No/100 Dollars ($188,900,000.00)",

ii. Section 10.5(a)(v)(c) of the Lease is hereby amended to (a) replace the reference therein to "Four Hundred Twenty-One Million Nine Hundred Thousand and No/100 Dollars ($421,900,000.00)" with a reference to "Four Hundred Five Million Two Hundred Thousand and No/100 Dollars ($405,200,000.00)" and (b) replace the reference therein to "One Hundred Forty Million Six Hundred Thirty-Three Thousand Three Hundred Thirty-Three and 33/100 Dollars ($140,633,333.33)" with a reference to "One Hundred Thirty-Five Million Sixty-Six Thousand Six Hundred Sixty-Six and 67/100 Dollars ($135,066,666.67)", and

iii. The second sentence of Section 10.5(a)(v) of the Lease is hereby amended to (a) replace the reference therein to "Five Hundred Ninety Million Three Hundred Thousand and No/100 Dollars ($590,300,000.00)" with a reference to "Five Hundred Sixty-Six Million Seven Hundred Thousand and No/100 Dollars ($566,700,000.00)", (b) replace the reference therein to "One Hundred Ninety-Six Million Seven Hundred Sixty-Six Thousand Six Hundred Sixty-Six and 67/100 Dollars ($196,766,666.67)" with a reference to "One Hundred Eighty-Eight Million Nine Hundred Thousand and No/100 Dollars ($188,900,000.00)", (c) replace the reference therein to "Four Hundred Twenty-One Million Nine Hundred Thousand and No/100 Dollars ($421,900,000.00)" with a reference to "Four Hundred Five Million Two Hundred Thousand and No/100 Dollars ($405,200,000.00)" and (d) replace the reference therein to "One Hundred Forty Million Six Hundred Thirty-Three Thousand Three Hundred Thirty-Three and 33/100 Dollars ($140,633,333.33)" with a reference to "One Hundred Thirty-Five Million Sixty-Six Thousand Six Hundred Sixty-Six and 67/100 Dollars ($135,066,666.67)".

g. Regional Lease Section 22.2(ix) Transfer.

i. Landlord and Tenant hereby acknowledge and agree that the Bally's Transaction shall be deemed to be, and treated as, a transfer and sale of the entire "Leased Property" (as defined in the Regional Lease) with respect to a "Facility" (as defined in the Regional Lease) pursuant to Section 22.2(ix) of the Regional Lease.

ii. The 2018 Facility EBITDAR of Regional Tenant for the Bally's Facility is as set forth on Schedule C-2 annexed to the Seventh Amendment to the Regional Lease.

iii. The amount of the 2018 EBITDAR Pool shall not be reduced as a result of the Bally's Facility no longer being a Regional Facility under the Regional Lease, and the removal of the Bally's Facility from the Regional Lease shall not constitute a L1 Transfer or a L2 Transfer under the Regional Lease.

3. No Other Modification or Amendment to the Lease. The Lease shall remain in full force and effect except as expressly amended or modified by this Amendment. From and after the date of this Amendment, all references in the Lease to the "Lease" shall be deemed to refer to the Lease as amended by this Amendment.

4. **Governing Law; Jurisdiction.** This Amendment shall be construed according to and governed by the laws of the jurisdiction(s) specified by the Lease without regard to its or their conflicts of law principles. The parties hereto hereby irrevocably submit to the jurisdiction of any court of competent jurisdiction located in such applicable jurisdiction in connection with any proceeding arising out of or relating to this Amendment.

5. **Counterparts**. This Amendment may be executed by one or more of the parties hereto on any number of separate counterparts, and all of such counterparts taken together shall be deemed to constitute one and the same instrument. Facsimile and/or .pdf signatures shall be deemed to be originals for all purposes.

6. **Effectiveness**. This Amendment shall be effective, as of the date hereof, only upon execution and delivery by each of the parties hereto.

7. **Miscellaneous.** If any provision of this Amendment is adjudicated to be invalid, illegal or unenforceable, in whole or in part, it will be deemed omitted to that extent and all other provisions of this Amendment will remain in full force and effect. Neither this Amendment nor any provision hereof may be changed, modified, waived, discharged or terminated orally, but only by an instrument in writing signed by the party against whom enforcement of such change, modification, waiver, discharge or termination is sought. The paragraph headings and captions contained in this Amendment are for convenience of reference only and in no event define, describe or limit the scope or intent of this Amendment or any of the provisions or terms hereof. This Amendment shall be binding upon and inure to the benefit of the parties and their respective heirs, legal representatives, successors and permitted assigns.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed by their duly authorized representatives, all as of the date hereof.

LANDLORD:

HARRAH'S JOLIET LANDCO LLC,
a Delaware limited liability company

By: /s/ David Kieske__________________
Name: David Kieske
Title: Treasurer

[Signatures Continue on Following Pages]

TENANT:

DES PLAINES DEVELOPMENT LIMITED PARTNERSHIP,
a Delaware limited partnership

By: Harrah's Illinois LLC,
a Nevada limited liability company,
its general partner

By: /s/ Edmund L. Quatmann, Jr.
Name: Edmund L. Quatmann, Jr.
Title: Chief Legal Officer, Executive Vice President and Secretary

[Signatures Continue on Following Pages]

Acknowledged and agreed, solely for the purposes of the last paragraph of Section 1.1 of the Lease:

PROPCO TRS LLC,
a Delaware limited liability company

By: /s/ David Kieske___________________
Name: David Kieske
Title: Treasurer

[Signatures Continue on Following Pages]

CEOC, LLC hereby acknowledges this Amendment and reaffirms its joinder attached to the Lease.
CEOC, LLC,
a Delaware limited liability company

By: /s/ Edmund L. Quatmann, Jr.
Name: Edmund L. Quatmann, Jr.
Title: Chief Legal Officer, Executive Vice President and Secretary

ACKNOWLEDGMENT AND AGREEMENT OF GUARANTOR

The undersigned ("Guarantor") hereby: (a) acknowledges receipt of the Fourth Amendment to Lease (the "Amendment"; capitalized terms used herein without definition having the meanings set forth in the Amendment), dated as of November 18, 2020, by and among Harrah's Joliet Landco LLC, a Delaware limited liability company, as Landlord, Des Plaines Development Limited Partnership, a Delaware limited partnership, as Tenant, and the other parties party thereto; (b) consents to the terms and execution thereof; (c) ratifies and reaffirms Guarantor's obligations to Landlord pursuant to the terms of that certain Guaranty of Lease, dated as of July 20, 2020 (the "Guaranty"), by and between Guarantor and Landlord, and agrees that nothing in the Amendment in any way impairs or lessens the Guarantor's obligations under the Guaranty; and (d) acknowledges and agrees that the Guaranty is in full force and effect and is valid, binding and enforceable in accordance with its terms.

IN WITNESS WHEREOF, the undersigned has caused this Acknowledgment and Agreement of Guarantor to be duly executed as of November 18, 2020.

CAESARS ENTERTAINMENT, INC.

By: /s/ Edmund L. Quatmann, Jr.
Name: Edmund L. Quatmann, Jr.
Title: Chief Legal Officer, Executive Vice President and Secretary

[Signature Page to Acknowledgment and Agreement of Guarantor]

Subsidiaries of VICI Properties Inc.

Name of Entity	State of Incorporation or Organization
Biloxi Hammond LLC	Delaware
Bluegrass Downs Property Owner LLC	Delaware
Caesars Atlantic City LLC	Delaware
Caesars Southern Indiana Propco LLC	Delaware
Cape G LLC	Delaware
Cascata LLC	Delaware
Centaur Propco LLC	Delaware
Chariot Run LLC	Delaware
Cincinnati Propco LLC	Delaware
Claudine Propco LLC	Delaware
Claudine Property Owner LLC	Delaware
Cleveland Propco LLC	Delaware
CPLV Property Owner LLC	Delaware
Grand Bear LLC	Delaware
Grand Biloxi LLC	Delaware
Greektown Propco LLC	Delaware
Harrah's Atlantic City LLC	Delaware
Harrah’s Bossier City LLC	Louisiana
Harrah’s Council Bluffs LLC	Delaware
Harrah’s Joliet LandCo LLC	Delaware
Harrah’s Lake Tahoe LLC	Delaware
Harrah’s Metropolis LLC	Delaware
Harrah's New Orleans LLC	Delaware
Harrah’s Reno LLC	Delaware
Harvey’s Lake Tahoe LLC	Delaware
Horseshoe Bossier City Prop LLC	Louisiana
Horseshoe Council Bluffs LLC	Delaware
Horseshoe Tunica LLC	Delaware
Lady Luck C LLC	Delaware
Laughlin Propco LLC	Delaware
Margaritaville Propco LLC	Delaware
Miscellaneous Land LLC	Delaware
Mountaineer CRR LLC	Delaware
New Harrah’s North Kansas City LLC	Delaware
New Horseshoe Hammond LLC	Delaware
New Laughlin Propco LLC	Delaware
New Tunica Roadhouse LLC	Delaware
Philadelphia Propco LLC	Delaware
Propco Gulfport LLC	Delaware
Propco TRS LLC	Delaware
Rio Secco LLC	Delaware
Riverview Properties 1 LLC	Delaware
Thistledown Propco LLC	Delaware

Vegas Development LLC	Delaware
Vegas Operating Property LLC	Delaware
VICI CP Lendco LLC	Delaware
VICI Golf LLC	Delaware
VICI Greenfield LLC	Delaware
VICI Lendco LLC	Delaware
VICI Note Co. Inc.	Delaware
VICI Properties 1 LLC	Delaware
VICI Properties GP LLC	Delaware
VICI Properties L.P.	Delaware
VICI Revolving Lendco LLC	Delaware
WWW Propco LLC	Delaware

Exhibit 23.1

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in Registration Statement No. 333-220949 on Form S-8 and Registration Statement No. 333-227641 on Form S-3 of our reports dated February 18, 2021, relating to the consolidated financial statements and financial statement schedules of VICI Properties Inc. and subsidiaries, and the effectiveness of VICI Properties Inc. and subsidiaries' internal control over financial reporting, appearing in this Annual Report on Form 10-K for the year ended December 31, 2020.

/s/ Deloitte & Touche LLP

New York, New York
February 18, 2021

Exhibit 31.1

I, Edward B. Pitoniak, certify that:

1. I have reviewed this annual report on Form 10-K of VICI 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. The registrant's other certifying officers and I are 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 our 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. The registrant's other certifying officers and I have disclosed, based on our 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: February 18, 2021

By: /S/ EDWARD B. PITONIAK

Edward B. Pitoniak
Chief Executive Officer

Exhibit 31.2

I, David Kieske, certify that:

1. I have reviewed this annual report on Form 10-K of VICI 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. The registrant's other certifying officers and I are 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 our 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. The registrant's other certifying officers and I have disclosed, based on our 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: February 18, 2021

By: /S/ DAVID A. KIESKE

David A. Kieske
Chief Financial Officer

Exhibit 32.1

Certification of Principal Executive Officer

Pursuant to 18 U.S.C. § 1350, as created by Section 906 of the Sarbanes-Oxley Act of 2002, the undersigned officer of VICI Properties Inc. (the “Company”), hereby certifies, to such officer's knowledge, that:

(i) the accompanying Annual Report on Form 10-K of the Company for the year ended December 31, 2020 (the “Report”) fully complies with the requirements of Section 13(a) or Section 15(d), as applicable, of the Securities Exchange Act of 1934, as amended; and

(ii) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: February 18, 2021

By: /S/ EDWARD B. PITONIAK

Edward B. Pitoniak
Chief Executive Officer

The foregoing certification is being furnished solely to accompany the Report pursuant to 18 U.S.C. § 1350, and is not being filed for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, and is not to be incorporated by reference into any filing of the Company, whether made before or after the date hereof, regardless of any general incorporation language in such filing.

Exhibit 32.2

Certification of Principal Executive Officer

Pursuant to 18 U.S.C. § 1350, as created by Section 906 of the Sarbanes-Oxley Act of 2002, the undersigned officer of VICI Properties Inc. (the "Company"), hereby certifies, to such officer's knowledge, that:

(i) the accompanying Annual Report on Form 10-K of the Company for the year ended December 31, 2020 (the "Report") fully complies with the requirements of Section 13(a) or Section 15(d), as applicable, of the Securities Exchange Act of 1934, as amended; and

(ii) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: February 18, 2021

By: /S/ DAVID A. KIESKE

David A. Kieske

Chief Financial Officer

The foregoing certification is being furnished solely to accompany the Report pursuant to 18 U.S.C. § 1350, and is not being filed for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, and is not to be incorporated by reference into any filing of the Company, whether made before or after the date hereof, regardless of any general incorporation language in such filing.