



GAMING & LEISURE
PROPERTIES, INC

May 1, 2015

BY E-MAIL

Stephen Crosby
Chairman
Massachusetts Gaming Commission
101 Federal Street, 23rd Floor
Boston, Massachusetts 02109

Re: Funding for KG Urban Enterprises' Cannon Street Station Casino

Dear Chairman Crosby:

I write this letter to confirm for the Massachusetts Gaming Commission (the "Commission") that Gaming and Leisure Properties, Inc. ("GLPI") is prepared to fund the real property portion of the KG Urban Enterprises Cannon Street Station casino project pursuant to a mutually acceptable lease.

As you know, GLPI is a publicly traded Real Estate Investment Trust with an enterprise value in excess of \$6 billion. In addition to our casino real estate holdings, GLPI's property holdings include the Hollywood Casino properties in Louisiana and Maryland. GLPI thus brings a wealth of recent experience to developing best-in-class gaming and entertainment properties.

GLPI has great confidence in the future of the Massachusetts gaming market. But with the balance of the Commonwealth's gaming licenses now spoken for, we believe that in a state and region whose culture, leisure dollars, and international, national and regional travel market are all so deeply tied to its coastlines, KG Urban's New Bedford proposal offers the one product that the market has yet to address: an authentic coastal waterfront casino resort property on a classic New England maritime harbor. With its glass casino on the wharf boasting 180-degree views of the harbor and its proximity to New Bedford's commercial fishing fleet, the Buzzard Bay hurricane barrier, State Pier, Cape Cod, Martha's Vineyard and Nantucket, KG's Cannon Street property will create a gaming and resort experience unique not only to the Commonwealth, but in the entire country. And one that only New England can possibly offer.

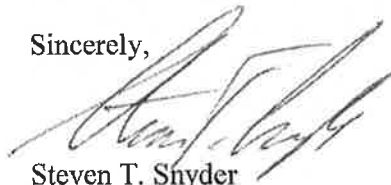
Accordingly, GLPI is working with KG Urban to fund the real property portion of the Cannon Street Project pursuant to a mutually acceptable lease. GLPI also expects to play a key role assisting KG Urban in refining and completing a robust RFA-2 project application. GLPI executives will be working closely with KG's principal team and any additional KG investors in

the coming days to cement a capital structure that maximizes the value each investor brings to and realizes from the overall project.

As you are no doubt aware, the Commission has already found several of GLPI's executives suitable based on our previous employment with Penn National, myself included. We are, of course, aware that GLPI will need to file an application forthwith as an applicant entity, and to join our KG partners at a scoping meeting with the Commission staff.

Again, we strongly believe that a South Coast gaming resort will truly define the Massachusetts brand, while also redeveloping a blighted, contaminated and obsolete industrial property -- and a grossly underutilized asset -- in the core of historic New Bedford. We look forward to working in cooperation with the Commission.

Sincerely,



Steven T. Snyder
Senior Vice President – Corporate Development