

The Cordish Companies

The Power Plant. 601 E. Pratt Street. Baltimore, Maryland 21202. 410.752.5444

March 30, 2017

Via Email: presidenta@madrid.org

Honorable Cristina Cifuentes
President, Autonomous Community of Madrid
Plaza de la Puerta del Sol
28013 Madrid
Spain

Re: Live! Resorts Madrid

Dear President Cifuentes:

We regret that we have not had the opportunity to meet face-to-face since we initially submitted our petition to develop our Live! Resorts Madrid project and apologize for any confusion in the translation of our submission. **The purpose of this letter is to re-confirm our steadfast commitment to develop the full \$2.2 billion Euro project master plan submitted to the Autonomous Community of Madrid Government.** The Euro 600 million Central Area development of the Project alone will be one of the largest private developments in Spain and a world-class integrated development including a 500-room Hotel, Retail, Dining, Entertainment, Gaming, Meetings and Convention, and cultural venues, plus a public benefit, approximately 6+ hectare lake and beach park, including public recreation areas, connection to the National Trail, fitness areas, water sports activities and destination dining and entertainment venues.

We are committed to purchasing and putting in upfront all necessary infrastructure (roads, utilities, etc...) for the entire 134-hectare Project. Obviously, a project of this magnitude will need to be built in a few phases. The fact is, the full integrated resort has enjoyed overwhelming initial support from each of its subcomponent users to the extent it is very likely we will incorporate a portion of both the East and West areas into the initial development.

In addition, **we would like to emphasize that we have not requested, nor is it necessary that any infrastructure improvements be made by the Government on behalf of the Project.** We have done extensive investigation with our consulting team and are confident that the potential infrastructure costs will not exceed Euro 15 million. NO PUBLIC subsidy has been requested by us and any road enhancements for the Project will be paid for by Developer.

Our commitment expressly includes:

1. Commitment to develop the entire 2.2 billion Euro Project, albeit in logical components.
2. Commitment to provide sufficient equity financing internally from The Cordish Companies to allow for immediate construction, without any contingency for obtaining third party bank or institutional financing, of the Central Area of the master plan, an initial expenditure of over 600 million Euros.
3. Commitment to include in the Project's initial stage, attractions promoting cultural activities for the Community of Madrid such as performing and visual arts theaters, Mus tournament area and a public lake and beach park.
4. Commitment that no public aid or tax benefits not already provided for in any current laws and/or regulations, will be requested or sought for the benefit of the Project.
5. Commitment to the Project's full compliance with applicable governing legislation, both at the state and regional levels.

Finally, we would like to once again stress our commitment to develop the Project and quickly resolve any outstanding issues and discuss any assurances you might suggest at the earliest possible opportunity. Live! Resorts Madrid will generate approximately 56,000 jobs, billions of Euros of economic activity and provide significant benefits to residents of Madrid, the entire country of Spain and international visitors. We believe the Project enjoys unparalleled public support and are prepared to proceed immediately.

We are available to meet at any convenient time for you in order to work out a final mutually beneficial agreement. With your support, we are prepared to immediately proceed to a public tender in which competing proposals can be considered.

Sincerely,

The image shows two handwritten signatures in black ink. The signature on the left is 'David Cordish' and the signature on the right is 'J. Weinberg'. Both signatures are written in a cursive, flowing style.

David S. Cordish, Principal

Joseph S. Weinberg, Principal