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

FORM 10-Q

(Mark One)

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

For the Quarterly Period Ended September 30, 2016

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 No. 333-203106

CAESARS GROWTH PROPERTIES HOLDINGS, LLC

(Exact name of registrant as specified in its charter)

Delaware	37-1751234
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
One Caesars Palace Drive, Las Vegas, Nevada	89109
(Address of principal executive offices)	(Zip Code)

(702) 407-6000
(Registrant's telephone number, including area code)
N/A
(Former name, former address and former fiscal year, if changed since last report)

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 and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted 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 and post such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☐		Accelerated filer ☐
Non-accelerated filer ☒	(Do not check if a smaller reporting company)	Smaller reporting company ☐

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

CAESARS GROWTH PROPERTIES HOLDINGS, LLC
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Caesars Growth Properties Holdings, LLC and its subsidiaries have proprietary rights to a number of trademarks used in this Quarterly Report on Form 10-Q that are important to its business. In addition, Caesars Entertainment Corporation, Caesars Entertainment Operating Company, Inc., and their subsidiaries have proprietary rights to, among others, Caesars, Caesars Entertainment, Harrah's, Total Rewards, Horseshoe and Bally's. We have omitted the registered trademark (®) and trademark (™) symbols for such trademarks named in this Quarterly Report on Form 10-Q.

PART I - FINANCIAL INFORMATION

Item 1. Unaudited Financial Statements.

CAESARS GROWTH PROPERTIES HOLDINGS, LLC
CONSOLIDATED CONDENSED BALANCE SHEETS
(UNAUDITED)
(In millions)

	September 30, 2016	December 31, 2015
Assets		
Current assets		
Cash and cash equivalents	$ 159.3	$ 98.1
Receivables, net of allowance for doubtful accounts of $5.0 and $8.8, respectively	57.1	49.8
Restricted cash	2.6	2.6
Prepayments and other current assets	25.4	26.6
Total current assets	244.4	177.1
Land, property and equipment, net	2,197.4	2,253.6
Investment in Caesars Enterprise Services, LLC	28.3	26.5
Goodwill	214.1	214.1
Intangible assets other than goodwill, net	83.2	94.3
Prepaid management fees to related parties	179.9	188.3
Deferred charges and other	43.6	45.2
Total assets	$ 2,990.9	$ 2,999.1
Liabilities and Stockholder's Equity		
Current liabilities		
Accounts payable	$ 17.0	$ 26.3
Payables to related parties	15.0	12.1
Accrued expenses	107.8	102.2
Accrued interest payable	46.3	30.6
Current portion of long-term debt	13.1	61.1
Total current liabilities	199.2	232.3
Long-term debt	1,951.9	1,957.2
Deferred credits and other	1.9	4.6
Total liabilities	2,153.0	2,194.1
Commitments and contingencies (Note 12)		
Stockholder's equity		
Additional paid-in capital	1,355.5	1,351.4
Accumulated deficit	(517.6)	(546.4)
Total stockholder's equity	837.9	805.0
Total liabilities and stockholder's equity	$ 2,990.9	$ 2,999.1

See accompanying Notes to Consolidated Condensed Financial Statements.

CAESARS GROWTH PROPERTIES HOLDINGS, LLC
CONSOLIDATED CONDENSED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME
(UNAUDITED)
(In millions)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2016	2015	2016	2015
Revenues				
Casino	$ 168.2	$ 180.6	$ 527.0	$ 546.5
Food and beverage	61.8	67.8	191.7	189.7
Rooms	90.2	82.2	274.4	239.0
Other	51.5	41.5	145.7	116.8
Less: casino promotional allowances	(43.3)	(44.5)	(139.9)	(133.7)
Net revenues	328.4	327.6	998.9	958.3
Operating expenses				
Direct				
Casino	83.4	85.7	260.6	261.5
Food and beverage	28.6	30.8	86.6	87.4
Rooms	24.9	21.6	71.1	61.8
Property, general, administrative and other	101.4	97.2	291.7	271.0
Management fees to related parties	9.2	10.0	28.0	28.0
Write-downs, reserves and project opening costs, net of recoveries	—	1.8	0.6	6.5
Depreciation and amortization	39.2	32.2	104.8	89.6
Total operating expenses	286.7	279.3	843.4	805.8
Income from operations	41.7	48.3	155.5	152.5
Interest expense, net of interest capitalized	(41.6)	(42.1)	(126.7)	(121.3)
Income before provision for income taxes	0.1	6.2	28.8	31.2
Provision for income taxes	—	—	—	—
Net income	0.1	6.2	28.8	31.2
Other comprehensive income, net of income taxes	—	—	—	—
Total comprehensive income	$ 0.1	$ 6.2	$ 28.8	$ 31.2

See accompanying Notes to Consolidated Condensed Financial Statements.

CAESARS GROWTH PROPERTIES HOLDINGS, LLC
CONSOLIDATED CONDENSED STATEMENTS OF STOCKHOLDER'S EQUITY
(UNAUDITED)
(In millions)

	Additional Paid-in Capital	Accumulated Deficit	Total Stockholder's Equity
Balance at January 1, 2015	$ 1,335.4	$ (565.4)	$ 770.0
Net income	—	31.2	31.2
Stock-based compensation	3.2	—	3.2
Transactions with parent and affiliates, net	(0.1)	—	(0.1)
Other	3.0		3.0
Balance at September 30, 2015	$ 1,341.5	$ (534.2)	$ 807.3
Balance at January 1, 2016	$ 1,351.4	$ (546.4)	$ 805.0
Net income	—	28.8	28.8
Stock-based compensation	4.1	—	4.1
Balance at September 30, 2016	$ 1,355.5	$ (517.6)	$ 837.9

See accompanying Notes to Consolidated Condensed Financial Statements.

CAESARS GROWTH PROPERTIES HOLDINGS, LLC
CONSOLIDATED CONDENSED STATEMENTS OF CASH FLOWS
(UNAUDITED)
(In millions)

	Nine Months Ended September 30,	
	2016	**2015**
Cash flows from operating activities		
Net income	$ 28.8	$ 31.2
Adjustments to reconcile net income to cash flows provided by operating activities		
Depreciation and amortization	104.8	89.6
Amortization of debt discount and debt issuance costs	6.7	6.3
Stock-based compensation	4.1	3.2
Net change in long-term accounts	5.0	0.6
Net change in working capital accounts	15.2	(15.2)
Other	0.8	—
Cash flows provided by operating activities	165.4	115.7
Cash flows from investing activities		
Land, buildings and equipment additions, net of change in construction payables	(42.6)	(126.9)
Increase in restricted cash	—	(1.7)
Decrease in restricted cash	—	5.8
Additional investment in Caesars Enterprise Services, LLC	(2.6)	(1.5)
Cash flows used in investing activities	(45.2)	(124.3)
Cash flows from financing activities		
Proceeds from issuance of debt	15.0	80.0
Repayments under lending agreements	(74.0)	(54.6)
Distribution to parent	—	(0.1)
Cash flows (used in)/provided by financing activities	(59.0)	25.3
Net increase in cash and cash equivalents	61.2	16.7
Cash and cash equivalents, beginning of period	98.1	103.1
Cash and cash equivalents, end of period	$ 159.3	$ 119.8

See accompanying Notes to Consolidated Condensed Financial Statements.

CAESARS GROWTH PROPERTIES HOLDINGS, LLC
NOTES TO CONSOLIDATED CONDENSED FINANCIAL STATEMENTS
(UNAUDITED)

Note 1 — Description of Business and Basis of Presentation

Organization and Description of Business

Caesars Growth Properties Holdings, LLC ("CGPH," the "Borrower," the "Company," "we," "us" and "our") is an indirect, wholly-owned subsidiary of Caesars Growth Partners, LLC ("CGP LLC"), which is a joint venture between Caesars Acquisition Company ("CAC"), a Delaware corporation, and Caesars Entertainment Corporation ("CEC" or "Caesars Entertainment").

CGPH's properties include The Cromwell, The LINQ Hotel & Casino, Bally's Las Vegas and Harrah's New Orleans (the "May 2014 Acquisitions"), and Planet Hollywood Resort and Casino ("Planet Hollywood"). We view each casino property as an operating segment and aggregate such casino properties into one reportable segment.

Basis of Presentation

The Consolidated Condensed Financial Statements include all revenues, costs, assets and liabilities directly attributable to us. The accompanying unaudited Consolidated Condensed Financial Statements also include allocations of certain general corporate expenses of Caesars Entertainment and Caesars Enterprise Services, LLC ("CES"). These allocations of general corporate expenses may not reflect the expense we would have incurred if we were a stand-alone company nor are they necessarily indicative of our future costs. Management believes the assumptions and methodologies used in the allocation of general corporate expenses from Caesars Entertainment and CES are reasonable. Given the nature of these costs, it is not practicable for us to estimate what these costs would have been on a stand-alone basis.

Transactions between Caesars Entertainment and the Company have been identified in the financial statements and related footnotes as transactions between related parties (see Note 14 — Related Party Transactions).

The preparation of financial statements in accordance with accounting principles generally accepted in the United States ("GAAP") requires the use of estimates and assumptions that affect the reported amounts of assets, liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the amounts of revenues and expenses during the reporting periods. Management believes the accounting estimates are appropriate and reasonably determined. However, due to the inherent uncertainties in making these estimates, actual amounts could differ.

The results of operations for our interim periods are not necessarily indicative of the results of operations that may be achieved for the 2016 fiscal year. The accompanying unaudited Consolidated Condensed Financial Statements are prepared under the rules and regulations of the Securities and Exchange Commission ("SEC") applicable for interim periods and, therefore, do not include all information and footnotes necessary for complete financial statements in conformity with GAAP. Accordingly, the accompanying unaudited Consolidated Condensed Financial Statements should be read in conjunction with the Company's audited financial statements presented in the Company's Annual Report on Form 10-K for the year ended December 31, 2015.

Note 2 — Recently Issued Accounting Pronouncements

In May 2014, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2014-09, *Revenue from Contracts with Customers (Topic 606)*, which amends the FASB Accounting Standards Codification ("ASC") and creates a new Topic 606, *Revenue from Contracts with Customers*. This guidance provides that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Existing industry guidance, including revenue recognition guidance specific to the gaming industry, will be eliminated. In addition, interim and annual disclosures will be substantially revised. In August 2015, the FASB issued ASU No. 2015-14, *Revenue from Contracts with Customers (Topic 606): Deferral of the Effective Date*, which defers the effective date of ASU 2014-09 for all entities by one year. In April 2016, the FASB issued ASU No. 2016-10, *Revenue from Contracts with Customers (Topic 606): Identifying Performance Obligations and Licensing*, which (1) clarifies the principle for determining whether a good or service is separately identifiable from other promises in the contract and, therefore, should be accounted for separately, (2) allows entities to disregard items that are immaterial in the context of a contract, and (3) clarifies how an entity should evaluate the nature of its promise in granting a license by categorizing intellectual property into two categories which will determine whether revenue is recognized at a point in time or over time. In May 2016, the FASB issued ASU No. 2016-12, *Revenue from Contracts with Customers (Topic 606): Narrow-Scope Improvements and Practical Expedients*, which clarify and amend certain guidance in Topic 606 on assessing collectability, presentation of sales taxes and other similar taxes collected from customers, non-cash consideration, and completed contracts and contract modifications at transition. In addition, the ASU clarifies that an entity that retrospectively

applies the guidance in Topic 606 to each prior reporting period is not required to disclose the effect of the accounting change for the period of adoption; however, an entity is required to disclose the effect on any periods retrospectively adjusted. The ASUs are effective for public business entities for fiscal years beginning after December 15, 2017, and interim reporting periods within that reporting period. Early application is permitted for fiscal years beginning after December 15, 2016, including interim reporting periods within that reporting period. We are currently assessing the impact the adoption of these standards will have on our financial statements.

In January 2016, the FASB issued ASU No. 2016-01, *Financial Instruments-Overall: Recognition and Measurement of Financial Assets and Financial Liabilities*, which primarily affects the accounting for equity investments that do not result in consolidation and are not accounted for under the equity method, presentation of changes in the fair value of financial liabilities measured under the fair value option, and the presentation and disclosure requirements for financial instruments. The ASU also clarifies that an entity should evaluate the need for a valuation allowance on a deferred tax asset related to available-for-sale securities in combination with the entity's other deferred tax assets. The ASU is effective for public business entities for fiscal years beginning after December 15, 2017, and interim periods within those years. Entities can early adopt certain provision of ASU 2016-01. We are currently assessing the impact the adoption of this standard will have on our financial statements.

In February 2016, the FASB issued ASU No. 2016-02, *Leases (Topic 842)*, which requires recognizing lease assets and lease liabilities on the balance sheet and disclosing key quantitative and qualitative information about leasing arrangements. Generally, leases with terms of 12 months or less will not be required to be recognized on the balance sheet. The new standard requires the recognition and measurement of leases at the beginning of the earliest period presented using a modified retrospective approach. The modified retrospective approach includes a number of optional practical expedients that entities may elect to apply. For public business entities, the ASU will be effective for fiscal years beginning after December 15, 2018, and interim periods within those years. Early adoption is permitted. We are currently assessing the impact the adoption of this standard will have on our financial statements.

In March 2016, the FASB issued ASU No. 2016-07, *Investments-Equity Method and Joint Ventures (Topic 323): Simplifying the Transition to the Equity Method of Accounting*, which eliminates the requirement for retroactive adjustment when an investment qualifies for use of the equity method as a result of an increase in the level of ownership interest or degree of influence. The amendments in this ASU also require that an entity that has an available-for-sale equity security that becomes qualified for the equity method of accounting recognize through earnings the unrealized holding gain or loss in accumulated other comprehensive income at the date the investment becomes qualified for use of the equity method. The amendments should be applied prospectively upon their effective date to increases in the level of ownership interest or degree of influence that result in the adoption of the equity method. The amendments in this guidance are effective for fiscal years beginning after December 15, 2016, and interim periods within those years. Early adoption is permitted. We are currently assessing the impact the adoption of this standard will have on our financial statements, but do not believe, based upon preliminary data that the impact will be material.

In March 2016, the FASB issued ASU No. 2016-09, *Compensation-Stock Compensation (Topic 718): Improvements to Employee Share-Based Payment Accounting*, which (1) requires that all income tax effects of awards to be recognized in the income statement when the awards vest or are settled, (2) requires that companies present excess tax benefits as an operating activity on the statement of cash flows rather than as a financing activity, (3) allows employers to withhold up to the maximum statutory tax rates in the applicable jurisdictions without triggering liability accounting, (4) allows companies to make a policy election to either account for forfeitures as they occur or estimate forfeitures, and (5) includes nonpublic entity practical expedients. For public business entities, the amendments in this guidance are effective for fiscal years beginning after December 15, 2016, and interim periods within those years. Early adoption is permitted. Caesars Entertainment grants stock-based compensation awards in Caesars Entertainment common stock to certain employees that work for the management companies of our casino properties and allocates the expense to us. Caesars Entertainment adopted ASU No. 2016-09 during the quarter ended June 30, 2016. The adoption of this ASU had an immaterial impact on our financial statements.

In June 2016, FASB issued ASU No. 2016-13, *Financial Instruments - Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*, which replaces the incurred loss impairment methodology with a methodology that reflects expected credit losses on certain types of financial instruments and requires consideration of a broader range of reasonable and supportable information to inform credit loss estimates. For available-for-sale debt securities, ASU No. 2016-13 aligns the income statement recognition of credit losses with the reporting period in which changes occur by recording credit losses and subsequent reversals through an allowance rather than a write-down. For public business entities that are SEC filers, the amendments in this guidance are effective for fiscal years beginning after December 15, 2019, and interim periods within those years. Early application will be permitted for fiscal years beginning after December 15, 2018, and interim periods within those fiscal years. We are currently assessing the impact the adoption of this standard will have on our financial statements.

In August 2016, the FASB issued ASU No. 2016-15, *Statement of Cash Flows (Topic 230): Classification of Certain Cash Receipts and Cash Payments*, which addresses classification issues related to the statement of cash flows. The amendments in ASU No. 2016-15 provide guidance on the following eight specific cash flow issues: (1) debt prepayment or

debt extinguishment costs, (2) settlement of zero-coupon debt instruments or other debt instruments with coupon interest rates that are insignificant in relation to the effective interest rate of the borrowing, (3) contingent consideration payments made after a business combination, (4) proceeds from the settlement of insurance claims, (5) proceeds from the settlement of corporate-owned life insurance policies including bank-owned life insurance policies, (6) distributions received from equity method investees, (7) beneficial interests in securitization transactions, and (8) separately identifiable cash flows and application of the predominance principle. For public business entities, the ASU will be effective for fiscal years beginning after December 15, 2017, and interim periods within those years. Early adoption is permitted. We are currently assessing the impact the adoption of this standard will have on our financial statements.

In October 2016, the FASB issued ASU No. 2016-17, *Consolidation (Topic 810): Interests Held through Related Parties That Are under Common Control,* which amends ASU No. 2015-02*, Consolidation (Topic 810): Amendments to the Consolidation Analysis*. The amendment alters how a decision maker should consider indirect interests in a variable interest entity ("VIE") held through an entity under common control. If a decision maker is required to evaluate whether it is the primary beneficiary of a VIE, it will need to consider only its proportionate indirect interest in the VIE held through a common control party. ASU No. 2016-17 does not change the characteristics of a primary beneficiary in the VIE model. This ASU is effective for public business entities for fiscal years beginning after December 15, 2016, and interim periods within those years. Early adoption is permitted. We are currently assessing the impact the adoption of this standard will have on our financial statements.

Note 3 — Land, Property and Equipment, net

Land, property and equipment, net consists of the following:

(In millions)	September 30, 2016	December 31, 2015
Land and land improvements	$ 1,072.6	$ 1,072.5
Building and improvements	1,176.4	1,167.0
Furniture, fixtures and equipment	496.3	492.1
Construction in progress	25.6	4.9
	2,770.9	2,736.5
Less: accumulated depreciation	(573.5)	(482.9)
Land, property and equipment, net	$ 2,197.4	$ 2,253.6

Depreciation expense for property and equipment is reflected in Depreciation and amortization in the Consolidated Condensed Statements of Operations and Comprehensive Income. For the three months ended September 30, 2016 and 2015, the aggregate depreciation expense was $35.3 million and $27.8 million, respectively. For the nine months ended September 30, 2016 and 2015, the aggregate depreciation expense was $92.0 million and $76.6 million, respectively.

Amortization expense related to other items included within Depreciation and amortization in the Consolidated Condensed Statements of Operations and Comprehensive Income totaled $0.3 million and $0.7 million for the three months ended September 30, 2016 and 2015, respectively. For the nine months ended September 30, 2016 and 2015, amortization expense was $1.7 million and $1.8 million, respectively.

During the three months ended September 30, 2016 and 2015, capital expenditures net of related payables were $13.2 million and $17.8 million, respectively. Significant capital expenditures net of related payables include $8.4 million for Planet Hollywood during the three months ended September 30, 2016 and $12.5 million for The LINQ Hotel & Casino during the three months ended September 30, 2015.

During the nine months ended September 30, 2016 and 2015, capital expenditures net of related payables were $42.6 million and $126.9 million, respectively. Significant capital expenditures net of related payables include $24.3 million for Planet Hollywood during the nine months ended September 30, 2016 and $98.2 million for The LINQ Hotel & Casino during the nine months ended September 30, 2015.

The renovation of The LINQ Hotel & Casino was substantially completed and available to guests in early May 2015.

No impairment of property and equipment was recognized by the Company for the periods presented in the accompanying Consolidated Condensed Statements of Operations and Comprehensive Income.

Note 4 — Goodwill and Other Intangible Assets

Goodwill was as follows as of September 30, 2016 and December 31, 2015:

(In millions)		
Gross goodwill	$	1,155.0
Accumulated impairment		(940.9)
Balance at December 31, 2015 and September 30, 2016	$	214.1

There were no additions or impairment charges to goodwill during the nine months ended September 30, 2016 and 2015.

Changes in Carrying Value of Intangible Assets Other Than Goodwill

(In millions)		
Balance at January 1, 2015	$	109.3
Amortization expense		(11.2)
Balance at September 30, 2015	$	98.1
Balance at January 1, 2016	$	94.3
Amortization expense		(11.1)
Balance at September 30, 2016	$	83.2

Gross Carrying Value and Accumulated Amortization of Intangible Assets Other Than Goodwill

The following table provides the gross carrying amount and accumulated amortization for each major class of intangible asset other than goodwill:

	September 30, 2016				December 31, 2015		
(In millions)	Weighted Average Remaining Useful Life (In years)	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
Amortizing intangible assets							
Customer relationships	5.1	$ 211.6	$ (150.4)	$ 61.2	$ 211.6	$ (141.3)	$ 70.3
Gaming rights	7.8	45.8	(23.8)	22.0	45.8	(21.8)	24.0
		$ 257.4	$ (174.2)	$ 83.2	$ 257.4	$ (163.1)	$ 94.3

The aggregate amortization expense for those intangible assets that are amortized is reflected in Depreciation and amortization in the Consolidated Condensed Statements of Operations and Comprehensive Income. For the three months ended September 30, 2016 and 2015, there was $3.6 million and $3.7 million, respectively, of amortization expense. For the nine months ended September 30, 2016 and 2015, there was $11.1 million and $11.2 million, respectively, of amortization expense. Estimated amortization expense is $3.7 million for the remaining three months ending December 31, 2016, $15.0 million for each of the four years from 2017 through 2020 and $12.2 million for 2021. Total estimated amortization expense for 2022 and thereafter is $7.3 million.

No impairment charges for amortizing intangible assets were recorded for the periods presented in the accompanying Consolidated Condensed Statements of Operations and Comprehensive Income.

Note 5 — Accrued Expenses

Accrued expenses consisted of the following:

(In millions)	September 30, 2016	December 31, 2015
Deposits and customer funds liability, including advance hotel deposits	$ 34.7	$ 32.9
Payroll and other compensation	19.9	25.8
Accrued non-income taxes	9.4	12.0
Chip and token liability	5.2	6.1
Insurance claims and reserves	3.0	3.8
Progressive liability	2.5	2.7
Other accruals	33.1	18.9
	$ 107.8	$ 102.2

Note 6 — Debt

The following table presents CGPH outstanding third-party debt as of September 30, 2016 and December 31, 2015.

	Final	Interest Rates at	Face Value at	Book Value at	
(In millions)	Maturity	September 30, 2016	September 30, 2016	September 30, 2016	December 31, 2015
Secured debt					
Caesars Growth Properties Holdings Revolving Credit Facility [1]	2019	variable	$ —	$ —	$ 45.0
Caesars Growth Properties Holdings Term Loan	2021	6.25%	1,148.6	1,120.8	1,125.7
Caesars Growth Properties Holdings Notes	2022	9.375%	675.0	661.7	660.3
Cromwell Credit Facility	2019	11.00%	172.4	167.9	169.2
Capital lease obligations	2016 - 2017	various	0.1	0.1	1.2
Unsecured debt					
Special Improvement District Bonds	2037	5.30%	13.7	13.7	14.1
Other financing obligations	2016	various	0.8	0.8	2.8
Total debt			2,010.6	1,965.0	2,018.3
Current portion of total debt			(13.1)	(13.1)	(61.1)
Long-term debt			$ 1,997.5	$ 1,951.9	$ 1,957.2

[1] Variable interest rate calculated as London Inter-Bank Offered Rate ("LIBOR") plus 5.00% for payments subsequent to May 9, 2016 and LIBOR plus 5.25% for payments prior to May 9, 2016.

As of September 30, 2016, the face value of CGPH's annual maturities of outstanding third-party debt were as follows:

(In millions) Year	Annual Maturity of Outstanding Third-Party Debt
Remainder of 2016	$ 3.9
2017	12.2
2018	12.2
2019	184.6
2020	12.2
2021	1,099.1
Thereafter	686.4
Total outstanding third-party debt	$ 2,010.6

Caesars Growth Properties Holdings Senior Secured Credit Facility

On May 8, 2014, CGPH closed on the $1.175 billion term loan (the "CGPH Term Loan") pursuant to a First Lien Credit Agreement among Caesars Growth Properties Parent, LLC ("Parent"), the Borrower, the lenders party thereto, Credit Suisse AG, Cayman Islands Branch, as Administrative Agent (the "Administrative Agent"), and Credit Suisse Securities (USA) LLC, Citigroup Global Markets Inc., Deutsche Bank Securities Inc., UBS Securities LLC, J.P. Morgan Securities LLC, Morgan Stanley & Co. LLC, Macquarie Capital (USA) Inc. and Nomura Securities International, Inc., as Co-Lead Arrangers and Bookrunners (the "Credit Agreement").

The Credit Agreement provides for a $150.0 million revolving credit agreement (the "Revolving Credit Facility"), which was undrawn at the closing of the CGPH Term Loan. As of September 30, 2016, no borrowings were outstanding under the Revolving Credit Facility and $0.1 million was committed to outstanding letters of credit. Borrowings under the Revolving Credit Facility are each subject to separate note agreements executed based on the provisions of the Credit Agreement.

Borrowings under the CGPH Term Loan bear interest at a rate equal to, at the Borrower's option, either (a) the LIBOR determined by reference to the costs of funds for Eurodollar deposits for the interest period relevant to such borrowing, adjusted for certain additional costs, subject to a floor of 1.00% in the case of term loans or (b) a base rate determined by reference to the highest of (i) the federal funds rate plus 0.50%, (ii) the prime rate as determined by the Administrative Agent under the Credit Agreement and (iii) the one-month adjusted LIBOR rate plus 1.00%, in each case plus an applicable margin. Such applicable margin shall be 5.25% per annum for LIBOR loans and 4.25% per annum for base rate loans, subject to step downs with respect to the revolving loans based on CGPH's senior secured leverage ratio. In addition, on a quarterly basis, CGPH is required to pay each lender under the Revolving Credit Facility a commitment fee in respect of any unused commitments under the Revolving Credit Facility, which is subject to a leverage based pricing grid. CGPH is also required to pay customary agency fees as well as letter of credit participation fees computed at a rate per annum equal to the applicable margin for LIBOR borrowings on the dollar equivalent of the daily stated amount of outstanding letters of credit, plus such letter of credit issuer's customary documentary and processing fees and charges and a fronting fee in an amount equal to 0.125% of the daily stated amount of such letter of credit.

As of September 30, 2016 and December 31, 2015, the book value of the CGPH Term Loan was presented net of the unamortized discount of $23.7 million and $27.0 million, respectively, and net of unamortized debt issuance costs of $4.1 million and $4.7 million, respectively. The effective interest rate was 6.86% as of both September 30, 2016 and December 31, 2015.

The CGPH Term Loan is guaranteed by the Parent and the material, domestic wholly-owned subsidiaries of CGPH (subject to exceptions), and is secured by a pledge of the equity interest of CGPH directly held by the Parent and substantially all of the existing and future property and assets of CGPH and the subsidiary guarantors (subject to exceptions).

The CGPH Term Loan includes negative covenants, subject to certain exceptions, restricting or limiting CGPH's ability and the ability of its restricted subsidiaries to, among other things: (i) incur additional debt or issue certain preferred shares; (ii) pay dividends on or make distributions in respect of their capital stock or make other restricted payments; (iii) make certain investments; (iv) sell certain assets; (v) create liens on certain assets to secure debt; (vi) consolidate, merge, sell, or otherwise dispose of all or substantially all of their assets; (vii) enter into certain transactions with their affiliates and (viii) designate their subsidiaries as unrestricted subsidiaries. The CGPH Term Loan also contains customary affirmative covenants and customary events of default, subject to customary or agreed-upon exceptions, baskets and thresholds (including equity cure provisions).

The CGPH Term Loan requires that CGPH maintains a senior secured leverage ratio ("SSLR") of no more than 6.00 to 1.00, which is the ratio of first lien senior secured net debt to earnings before interest, taxes, depreciation and amortization ("EBITDA"), adjusted as defined. As of September 30, 2016, CGPH's SSLR was 2.86 to 1.00.

As of September 30, 2016 and December 31, 2015, the assets of Harrah's New Orleans, Bally's Las Vegas, Planet Hollywood and The LINQ Hotel & Casino were pledged as collateral for the CGPH Term Loan.

Caesars Growth Properties Holdings Notes

CGPH and Caesars Growth Properties Finance, Inc. (together, the "Issuers") issued $675.0 million aggregate principal amount of 9.375% second-priority senior secured notes due 2022 (the "2022 Notes") pursuant to an indenture dated as of April 17, 2014, among the Issuers and US Bank National Association, as trustee.

As of September 30, 2016 and December 31, 2015, the book value of the 2022 Notes was presented net of the unamortized discount of $11.7 million and $12.9 million, respectively, and net of unamortized debt issuance costs of $1.6 million and $1.8 million, respectively. The effective interest rate was 9.84% as of both September 30, 2016 and December 31, 2015.

The 2022 Notes are secured by substantially all of the existing and future property and assets of CGPH and the subsidiary guarantors (subject to exceptions).

The 2022 Notes include negative covenants, subject to certain exceptions, restricting or limiting CGPH's ability and the ability of its restricted subsidiaries to, among other things: (i) incur additional debt or issue certain preferred shares; (ii) pay dividends on or make distributions in respect of their capital stock or make other restricted payments; (iii) make certain investments; (iv) sell certain assets; (v) create liens on certain assets to secure debt; (vi) consolidate, merge, sell, or otherwise dispose of all or substantially all of their assets; (vii) enter into certain transactions with their affiliates and (viii) designate their subsidiaries as unrestricted subsidiaries. The 2022 Notes also contain customary affirmative covenants and customary events of default, subject to customary or agreed-upon exceptions, baskets and thresholds (including equity cure provisions).

As of September 30, 2016 and December 31, 2015, the assets of Harrah's New Orleans, Bally's Las Vegas, Planet Hollywood and The LINQ Hotel & Casino were pledged as collateral for the 2022 Notes.

Intercreditor Agreement and Collateral Agreements

On May 20, 2014, intercreditor and collateral agreements were entered into which establish the subordination of the liens securing the 2022 Notes to the liens securing first priority lien obligations and secures the payment and performance when due of all of the obligations under the 2022 Notes and the $1.325 billion senior secured credit facilities (the "Senior Secured Credit Facilities"), which consist of the CGPH Term Loan and the Revolving Credit Facility, the related guarantees and the security documents. Subject to the terms of the security documents, CGPH and the subsidiary guarantors have the right to remain in possession and retain exclusive control of the collateral securing the 2022 Notes and the Senior Secured Credit Facilities (other than certain assets and obligations), to freely operate the collateral and to collect, invest and dispose of any income therefrom.

Cromwell Credit Facility

In November 2012, Corner Investment Propco, LLC ("PropCo"), a wholly-owned subsidiary of The Cromwell, entered into a $185.0 million, seven-year senior secured credit facility bearing interest at LIBOR plus 9.75% with a LIBOR floor of 1.25% (the "Cromwell Credit Facility") to fund the renovation of the former Bill's Gamblin' Hall and Saloon into a boutique lifestyle hotel, rebranded as The Cromwell. The renovation included a complete remodeling of the guest rooms, casino floor, and common areas, the addition of a second floor restaurant, and the construction of an approximately 65,000 square foot rooftop pool and dayclub/nightclub. The Cromwell owns the property and the dayclub/nightclub is leased to a third party. The Cromwell's gaming floor opened on April 21, 2014 and its 188 hotel rooms became available to guests starting on May 21, 2014.

As of September 30, 2016 and December 31, 2015, the book value of the Cromwell Credit Facility was presented net of the unamortized discount of $3.2 million and $3.8 million, respectively, and net of unamortized debt issuance costs of $1.3 million and $1.6 million, respectively. The effective interest rate was 11.92% as of both September 30, 2016 and December 31, 2015.

The Cromwell Credit Facility also contains certain affirmative and negative covenants and requires PropCo to maintain a SSLR of no more than 5.25 to 1.00 during the first quarter of 2016, which is the ratio of PropCo's first lien senior secured net debt to consolidated PropCo EBITDA. The SSLR from the second quarter of 2016 through the first quarter of 2017 may not exceed 5.00 to 1.00. The SSLR beginning in the second quarter of 2017 and for each fiscal quarter thereafter may not exceed 4.75 to 1.00. As of September 30, 2016, PropCo's SSLR was 4.80 to 1.00.

The Cromwell Credit Facility allows the right to cure provided that (i) in each eight-fiscal-quarter period there shall be no more than five fiscal quarters in which the cure right is exercised and (ii) the cure right may not be exercised in any fiscal quarter that immediately follows two consecutive fiscal quarters in which it was exercised.

As of September 30, 2016 and December 31, 2015, the assets of The Cromwell were pledged as collateral for the Cromwell Credit Facility.

Special Improvement District Bonds

In 2008, Bally's Las Vegas entered into a District Financing Agreement with Clark County, Nevada (the "County"). In accordance with the agreement, the County issued Special Improvement District Bonds to finance land improvements at Bally's Las Vegas and at an affiliate casino property, Caesars Palace. Of the total bonds issued by the County, $16.5 million was related to Bally's Las Vegas. These bonds bear interest at 5.30%, have principal and interest payments on June 1st of every year and interest only payments on December 1st of every year. The Special Improvement District Bonds mature on August 1, 2037.

Note 7 — Financial Instruments

Restricted Cash

As of both September 30, 2016 and December 31, 2015, the Company had $2.6 million of restricted cash related to Harrah's New Orleans to guarantee workers' compensation payments and for capital replacements required under the Rivergate Development Corporation lease agreement.

Investment in CES

Investment in CES, further described in Note 14 — Related Party Transactions, consists of membership interests in CES which is a variable interest entity of which we own less than 20% and are not the primary beneficiary. We account for our investment using the equity method. Pursuant to capital calls during the nine months ended September 30, 2016 and 2015, CGPH contributed an additional $2.6 million and $1.5 million, respectively, to CES. During the nine months ended September 30, 2016, CGPH's investment in CES decreased by $0.8 million due to the allocation of depreciation related to assets in the investment.

Note 8 — Casino Promotional Allowances

The retail value of accommodations, food and beverage, and other services furnished to guests without charge is included in gross revenues and then deducted as Casino promotional allowances.

The estimated retail value of such Casino promotional allowances is included in Net revenues as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
(In millions)	**2016**	**2015**	**2016**	**2015**
Food and beverage	$ 21.7	$ 22.6	$ 69.0	$ 68.0
Rooms	19.3	19.9	63.3	59.0
Other	2.3	2.0	7.6	6.7
	$ 43.3	$ 44.5	$ 139.9	$ 133.7

The estimated cost of providing such promotional allowances is included in Operating expenses as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
(In millions)	**2016**	**2015**	**2016**	**2015**
Food and beverage	$ 12.4	$ 12.6	$ 38.9	$ 38.9
Rooms	6.3	6.5	19.4	18.4
Other	1.7	1.1	4.8	3.9
	$ 20.4	$ 20.2	$ 63.1	$ 61.2

Note 9 — Write-downs, Reserves and Project Opening Costs, Net of Recoveries

Write-downs, reserves and project opening costs, net of recoveries include project opening costs, remediation costs, costs associated with efficiency projects, project write-offs, demolition costs and other non-routine transactions, net of recoveries.

The components of Write-downs, reserves and project opening costs, net of recoveries are as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
(In millions)	**2016**	**2015**	**2016**	**2015**
Divestitures and abandonments [1]	$ —	$ 0.4	$ 0.4	$ 5.0
Efficiency projects	(0.2)	—	—	—
Remediation costs	0.1	0.3	0.3	1.8
Project opening costs	—	0.2	—	1.0
Other	0.1	0.9	(0.1)	(1.3)
	$ —	$ 1.8	$ 0.6	$ 6.5

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[1] Divestitures and abandonments were primarily comprised of demolition costs related to projects in development.

Note 10 — Income Taxes

CGPH is a disregarded entity for income tax purposes whereby all income or loss is passed through to its parent company, CGP LLC, which is treated as a flow through entity for income tax purposes.

CGPH classifies reserves for tax uncertainties within Deferred credits and other in the Consolidated Condensed Balance Sheets, separate from any related income tax payable or deferred income taxes. Reserve amounts relate to any potential income tax liabilities resulting from uncertain tax positions as well as potential interest or penalties associated with those liabilities. CGPH had no reserves for tax uncertainties as of September 30, 2016 or December 31, 2015.

Note 11— Fair Value Measurements

The fair value hierarchy defines fair value as an exit price, representing the amount that would be received to sell an asset or be paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions. As such, fair value is a market-based measurement that should be determined based upon assumptions that market participants would use in pricing an asset or liability. The fair value hierarchy establishes three tiers, which prioritize the inputs used in measuring fair value as follows:

Level 1: Observable inputs such as quoted prices in active markets for identical assets or liabilities that are accessible at the measurement date;

Level 2: Inputs, other than quoted prices in active markets, that are observable either directly or indirectly; and

Level 3: Unobservable inputs in which there is little or no market data, which require the reporting entity to develop its own assumptions.

Entities are permitted to choose to measure certain financial instruments and other items at fair value. We have not elected the fair value measurement option for any of our assets or liabilities that meet the criteria for this option.

Items Disclosed at Fair Value

Debt

As of September 30, 2016, our outstanding debt with third parties had an estimated fair value of $2,043.0 million and a book value of $1,965.0 million. As of December 31, 2015, our outstanding debt with third parties had an estimated fair value of $1,800.3 million and a book value of $2,018.3 million.

We calculate the fair value of debt based on borrowing rates available as of September 30, 2016, for debt with similar terms and maturities, and based on market quotes of our publicly traded debt. We classify the fair value of debt within Level 1 and Level 2 in the fair value hierarchy.

Items Measured at Fair Value on a Non-Recurring Basis

During the three and nine months ended September 30, 2016 and 2015, there were no impairment charges for assets and liabilities measured at fair value on a non-recurring basis in periods subsequent to initial recognition.

Note 12 — Litigation, Contractual Commitments and Contingent Liabilities

CAC-CEC Proposed Merger

On December 30, 2014, Nicholas Koskie, on behalf of himself and, he alleges, all others similarly situated, filed a lawsuit (the "Nevada Lawsuit") in the Clark County District Court in the State of Nevada against CAC, CEC and members of the CAC board of directors Marc Beilinson, Philip Erlanger, Dhiren Fonseca, Don Kornstein, Karl Peterson, Marc Rowan, and David Sambur (the individual defendants collectively, the "CAC Directors"). The Nevada Lawsuit alleges claims for breach of fiduciary duty against the CAC Directors and aiding and abetting breach of fiduciary duty against CAC and CEC. It seeks (1) a declaration that the claim for breach of fiduciary duty is a proper class action claim; (2) to order the CAC Directors to fulfill their fiduciary duties to CAC in connection with the Proposed Merger between CAC and CEC announced on December 22, 2014 (the "Proposed Merger"), specifically by announcing their intention to (a) cooperate with bona fide interested parties proposing alternative transactions, (b) ensure that no conflicts exist between the CAC Directors' personal interests and their fiduciary duties to maximize shareholder value in the Proposed Merger, or resolve all such conflicts in favor of the latter, and (c) act independently to protect the interests of the shareholders; (3) to order the CAC Directors to account for all damages suffered or to be suffered by the plaintiff and the putative class as a result of the Proposed Merger; and (4) to award the plaintiff for his costs and attorneys' fees. It is unclear whether the Nevada Lawsuit also seeks to enjoin the Proposed Merger. On October 14, 2016, the Nevada Lawsuit was dismissed without prejudice by the court for lack of prosecution. Pursuant to local rule, the case may be reinstated at the plaintiff's written request, provided such request is received no later than November 14, 2016. CAC and the CAC Directors believe this lawsuit is without merit and will defend themselves vigorously.

We cannot provide assurance as to the outcome of this matter or of the range of reasonably possible losses should this matter ultimately be resolved against us due to the inherent uncertainty of litigation and the stage of the related litigation.

CEOC Bondholder Litigation, or Noteholder Disputes

On August 4, 2014, Wilmington Savings Fund Society, FSB, solely in its capacity as successor indenture trustee for the 10% Second-Priority Senior Secured Notes due 2018 (the "Notes"), on behalf of itself and, it alleges, derivatively on behalf of Caesars Entertainment Operating Company, Inc. ("CEOC"), filed a lawsuit (the "Delaware Second Lien Lawsuit") in the Court of Chancery in the State of Delaware against CEC, CEOC, CGP LLC, CAC, Caesars Entertainment Resort Properties, LLC ("CERP"), CES, Eric Hession, Gary Loveman, Jeffrey D. Benjamin, David Bonderman, Kelvin L. Davis, Marc C. Rowan, David B. Sambur, and Eric Press. The lawsuit alleges claims for breach of contract, intentional and constructive fraudulent transfer, breach of fiduciary duty, aiding and abetting breach of fiduciary duty, and corporate waste. The lawsuit seeks (1) an award of money damages; (2) to void certain transfers, the earliest of which dates back to 2010; (3) an injunction directing the recipients of the assets in these transactions to return them to CEOC; (4) a declaration that CEC remains liable under the parent guarantee formerly applicable to the Notes; (5) to impose a constructive trust or equitable lien on the transferred assets; and (6) an award to the plaintiffs for their attorneys' fees and costs. The only claims against CAC and CGP LLC are for intentional and constructive fraudulent transfer. CAC and CGP LLC believe this lawsuit is without merit and will defend themselves vigorously. A motion to dismiss this action was filed by CEC and other defendants in September 2014, and the motion was argued in December 2014. During the pendency of its Chapter 11 bankruptcy proceedings, the action has been automatically stayed with respect to CEOC. The motion to dismiss with respect to CEC was denied on March 18, 2015. In a Verified Supplemental Complaint filed on August 3, 2015, the plaintiff stated that due to CEOC's bankruptcy filing, the continuation of all claims was stayed pursuant to the bankruptcy except for Claims II, III, and X. These are claims against CEC only, for breach of contract in respect of the release of the parent guarantee formerly applicable to the Notes, for declaratory relief in respect of the release of this guarantee, and for violations of the Trust Indenture Act in respect of the release of this guarantee. CEC has informed us that fact discovery in the case is substantially complete, and cross-motions for summary judgment have been filed by the parties. On October 5, 2016, the Bankruptcy Court granted CEOC's motion for a stay of this proceeding (and others). The stay will remain in effect until the earlier of (a) the first omnibus hearing after the Bankruptcy Court issues its decision confirming or denying confirmation of the CEOC reorganization plan, (b) the termination of the restructuring support agreement with the Official Committee of Second Priority Noteholders (the "Second Lien RSA") or (c) further order of the Bankruptcy Court.

On September 3, 2014, holders of approximately $21 million of CEOC Senior Unsecured Notes due 2016 and 2017 filed suit in federal district court in United States District Court for the Southern District of New York against CEC and CEOC, claiming broadly that an August 12, 2014 Note Purchase and Support Agreement between CEC and CEOC (on the one hand) and certain other holders of the CEOC Senior Unsecured Notes (on the other hand) impaired their own rights under the Senior Unsecured Notes. The lawsuit seeks both declaratory and monetary relief. On October 2, 2014, other holders of CEOC Senior Unsecured Notes due 2016 purporting to represent a class of all holders of these Notes from August 11, 2014 to the present filed a substantially similar suit in the same court, against the same defendants, relating to the same transactions. Both lawsuits (the "Senior Unsecured Lawsuits") were assigned to the same judge. The claims against CEOC have been automatically stayed during its Chapter 11 bankruptcy proceedings. The court denied a motion to dismiss both lawsuits with respect to CEC. The parties have completed fact discovery with respect to both plaintiffs' claims against CEC. On October 23, 2015, plaintiffs in the Senior Unsecured Lawsuits moved for partial summary judgment, and on December 29, 2015, those motions were denied. On December 4, 2015, plaintiff in the action brought on behalf of holders of CEOC's 6.50% Senior Unsecured Notes moved for class certification and briefing has been completed. The judge presiding over these cases thereafter retired, and a new judge was appointed to preside over these lawsuits. That judge set a new summary judgment briefing schedule, and the parties filed cross-motions for summary judgment which remain pending. On October 5, 2016, the Bankruptcy Court granted CEOC's motion for a stay of these proceedings (and others). The stay will remain in effect until the earlier of (a) the first omnibus hearing after the Bankruptcy Court issues its decision confirming or denying confirmation of the CEOC reorganization plan, (b) the termination of the Second Lien RSA or (c) further order of the Bankruptcy Court. CAC and CGP LLC are not parties to these lawsuits.

On November 25, 2014, UMB Bank ("UMB"), as successor indenture trustee for CEOC's 8.5% senior secured notes due 2020, filed a verified complaint (the "Delaware First Lien Lawsuit") in Delaware Chancery Court against CEC, CEOC, CERP, CAC, CGP LLC, CES, and against an individual, and past and present members of the CEC and CEOC Boards of Directors, Gary Loveman, Jeffrey Benjamin, David Bonderman, Kelvin Davis, Eric Press, Marc Rowan, David Sambur, Eric Hession, Donald Colvin, Fred Kleisner, Lynn Swann, Chris Williams, Jeffrey Housenbold, Michael Cohen, Ronen Stauber, and Steven Winograd, alleging generally that defendants have improperly stripped CEOC of prized assets, have wrongfully affected a release of a CEC parental guarantee of CEOC debt and have committed other wrongs. Among other things, UMB has asked the court to appoint a receiver over CEOC. In addition, the Delaware First Lien Lawsuit pleads claims for fraudulent conveyances/transfers, insider preferences, illegal dividends, declaratory judgment (for breach of contract as regards to the parent guarantee and also as to certain covenants in the bond indenture), tortious interference with contract, breach of fiduciary duty, aiding and abetting breach of fiduciary duty, usurpation of corporate opportunities, and unjust enrichment, and seeks monetary and equitable as well as declaratory relief. CAC and CGP LLC believe this lawsuit is without merit and will defend themselves vigorously. All of the defendants have moved to dismiss the lawsuit, and that motion has been fully briefed. In

addition, this lawsuit has been automatically stayed with respect to CEOC during the Chapter 11 process and, pursuant to the (a) Fifth Amended and Restated Restructuring Support and Forbearance Agreement dated October 7, 2015, with certain holders of claims in respect of claims under CEOC's first lien notes (the "First Lien Bond RSA") and (b) Restructuring Support and Forbearance Agreement dated August 21, 2015, with certain holders of claims in respect of claims under CEOC's first lien credit agreement (the "First Lien Bank RSA" and, together with the First Lien Bond RSA, the "RSAs"), has been subject to a consensual stay for all.

On February 13, 2015, Caesars Entertainment received a Demand For Payment of Guaranteed Obligations (the "February 13 Notice") from Wilmington Savings Fund Society, FSB, in its capacity as successor Trustee for CEOC's 10.00% Second-Priority Notes. The February 13 Notice alleges that CEOC's commencement of its voluntary Chapter 11 bankruptcy case constituted an event of default under the indenture governing the 10.00% Second-Priority Notes; that all amounts due and owing on the 10.00% Second-Priority Notes therefore immediately became payable; and that Caesars Entertainment is responsible for paying CEOC's obligations on the 10.00% Second-Priority Notes, including CEOC's obligation to timely pay all principal, interest, and any premium due on these notes, as a result of a parent guarantee provision contained in the indenture governing the notes that the February 13 Notice alleges is still binding. The February 13 Notice accordingly demands that Caesars Entertainment immediately pay Wilmington Savings Fund Society, FSB, cash in an amount of not less than $3.7 billion, plus accrued and unpaid interest (including without limitation the $184 million interest payment due December 15, 2014 that CEOC elected not to pay) and accrued and unpaid attorneys' fees and other expenses. The February 13 Notice also alleges that the interest, fees and expenses continue to accrue. CAC and CGP LLC are not parties to this demand.

On February 18, 2015, Caesars Entertainment received a Demand For Payment of Guaranteed Obligations (the "February 18 Notice") from BOKF, N.A. ("BOKF"), in its capacity as successor Trustee for CEOC's 12.75% Second-Priority Senior Secured Notes due 2018 (the "12.75% Second-Priority Notes"). The February 18 Notice alleges that CEOC's commencement of its voluntary Chapter 11 bankruptcy case constituted an event of default under the indenture governing the 12.75% Second-Priority Notes; that all amounts due and owing on the 12.75% Second-Priority Notes therefore immediately became payable; and that CEC is responsible for paying CEOC's obligations on the 12.75% Second-Priority Notes, including CEOC's obligation to timely pay all principal, interest and any premium due on these notes, as a result of a parent guarantee provision contained in the indenture governing the notes that the February 18 Notice alleges is still binding. The February 18 Notice therefore demands that CEC immediately pay BOKF cash in an amount of not less than $750 million, plus accrued and unpaid interest, accrued and unpaid attorneys' fees, and other expenses. The February 18 Notice also alleges that the interest, fees and expenses continue to accrue. CAC and CGP LLC are not parties to this demand.

On March 3, 2015, BOKF filed a lawsuit (the "New York Second Lien Lawsuit") against CEC in federal district court in Manhattan, in its capacity as successor trustee for CEOC's 12.75% Second-Priority Notes. On June 15, 2015, UMB filed a lawsuit (the "New York First Lien Lawsuit") against CEC, also in federal district court in Manhattan, in its capacity as successor trustee for CEOC's 11.25% Senior Secured Notes due 2017, 8.50% Senior Secured Notes due 2020, and 9.00% Senior Secured Notes due 2020. Plaintiffs in these actions allege that CEOC's filing of its voluntary Chapter 11 bankruptcy case constitutes an event of default under the indenture governing these notes, causing all principal and interest to become immediately due and payable, and that CEC is obligated to make those payments pursuant to a parent guarantee provision in the indentures governing these notes that plaintiffs allege are still binding. Both plaintiffs bring claims for violation of the Trust Indenture Act of 1939, breach of contract, breach of duty of good faith and fair dealing and for declaratory relief and BOKF brings an additional claim for intentional interference with contractual relations. The cases were assigned to the same judge presiding over the other Parent Guarantee Lawsuits, as defined below. CEC filed its answer to the BOKF complaint on March 25, 2015, and to the UMB complaint on August 10, 2015. On June 25, 2015, and June 26, 2015, BOKF and UMB, respectively, moved for partial summary judgment, specifically on their claims alleging a violation of the Trust Indenture Act of 1939, seeking both declaratory relief and damages. On August 27, 2015, those motions were denied. The court, on its own motion, certified its order with respect to the interpretation of the Trust Indenture Act for interlocutory appeal to the United States Court of Appeals for the Second Circuit, and on December 22, 2015, the appellate court denied CEC's motion for leave to appeal. On November 20, 2015, BOKF and UMB again moved for partial summary judgment. Those motions likewise were denied. The judge presiding over these cases thereafter retired, and a new judge was appointed to preside over these lawsuits. That judge set a new summary judgment briefing schedule, and the parties submitted cross-motions for summary judgment which remain pending. On October 5, 2016, the Bankruptcy Court granted CEOC's motion for a stay of the New York First Lien Lawsuit and the New York Second Lien Lawsuit (and others). The stay will remain in effect until the earlier of (a) the first omnibus hearing after the Bankruptcy Court issues its decision confirming or denying confirmation of the CEOC reorganization plan, (b) the termination of the Second Lien RSA or (c) further order of the Bankruptcy Court. CAC and CGP LLC are not parties to these lawsuits.

On October 20, 2015, Wilmington Trust, National Association ("Wilmington Trust"), filed a lawsuit (the "New York Senior Notes Lawsuit" and, together with the Delaware Second Lien Lawsuit, the Delaware First Lien Lawsuit, the Senior Unsecured Lawsuits, the New York Second Lien Lawsuit, and the New York First Lien Lawsuit, the "Parent Guarantee Lawsuits") against CEC in federal district court in Manhattan in its capacity as successor indenture trustee for CEOC's 10.75%

Senior Notes due 2016 (the "10.75% Senior Notes"). Plaintiff alleges that CEC is obligated to make payment of amounts due on the 10.75% Senior Notes pursuant to a parent guarantee provision in the indenture governing those notes that plaintiff alleges is still in effect. Plaintiff raises claims for violations of the Trust Indenture Act of 1939, breach of contract, breach of the implied duty of good faith and fair dealing, and for declaratory judgment, and seeks monetary and declaratory relief. CEC filed its answer to the complaint on November 23, 2015. As with the other parent guaranty lawsuits taking place in Manhattan, the judge presiding over these cases recently retired, and a new judge has been appointed to preside over these lawsuits. That judge set a new summary judgment briefing schedule and the parties submitted cross-motions for summary judgment which remain pending. On October 5, 2016, the Bankruptcy Court granted CEOC's motion for a stay of this proceeding (and others). The stay will remain in effect until the earlier of (a) the first omnibus hearing after the Bankruptcy Court issues its decision confirming or denying confirmation of the CEOC reorganization plan, (b) the termination of the Second Lien RSA or (c) further order of the Bankruptcy Court.

In accordance with the terms of the applicable indentures and as previously disclosed, Caesars Entertainment believes that it is not subject to the above-described guarantees. As a result, Caesars Entertainment believes the demands for payment are without merit. The claims against CEOC have been stayed due to the Chapter 11 process and, except as described above, the actions against CEC have been allowed to continue.

We believe that the claims and demands described above against CAC and CGP LLC in the Delaware First Lien Lawsuit and Delaware Second Lien Lawsuit are without merit and intend to defend ourselves vigorously. For the Delaware First Lien Lawsuit and Delaware Second Lien Lawsuit, at the present time, we believe it is not probable that a material loss will result from the outcome of these matters. However, given the uncertainty of litigation, we cannot provide assurance as to the outcome of these matters or of the range of reasonably possible losses should the matters ultimately be resolved against us. Should these matters ultimately be resolved through litigation outside of the financial restructuring of CEOC, which we believe these matters would likely be long and protracted, and were a court to find in favor of the claimants in the Delaware First Lien Lawsuit or the Delaware Second Lien Lawsuit, such determination could have a material adverse effect on our business, financial condition, results of operations, and cash flows.

As part of CEOC's bankruptcy proceeding, the Official Committee of Second Priority Noteholders ("Second Priority Noteholders") filed a standing motion in bankruptcy court on May 13, 2016 seeking standing to commence claims on behalf of CEOC's estate. The proposed complaint names as potential defendants CAC, CGP LLC, Caesars Interactive Entertainment, Inc. ("CIE"), and CES as well as CEC and CERP among others, and seeks recovery of assets transferred from CEOC. The proposed complaint alleges claims on behalf of CEOC's estate ranging in value from $8.1 billion to $12.6 billion against all defendants, as valued by the Second Priority Noteholders. Of this amount, the Second Priority Noteholders allege potential claims against CAC, CGP LLC, and CIE ranging from $3.7 billion to $7.9 billion, without taking into account any duplicative recovery, based on calculations in an exhibit to the revised disclosure statement filed in the bankruptcy court on May 27, 2016. A hearing on the standing motion was held on October 19, 2016, and the standing motion was continued until January 17, 2017.

On October 5, 2016, CEOC announced the execution of, or amendment and restatement of, restructuring support agreements with representatives of all of CEOC's major creditor groups, as well as agreement to the terms of CEOC's third amended plan of reorganization. Included among these was the Second Lien RSA. Pursuant to the terms of the Second Lien RSA, CEOC and the Second Priority Noteholders have agreed to stay certain discovery deadlines and to hold in abeyance various proceedings pending before the bankruptcy court. The Second Priority Noteholders' standing motion, various claim objections and motions to compel will all be held in abeyance until (a) the date on which the debtors' third amended plan becomes effective or (b) seven days after the termination of the Second Lien RSA for any reason, whichever is earlier. The Second Lien RSA further requires the consenting Second Priority Noteholders to vote in favor of the plan.

On August 9, 2016, CEOC and certain of its affiliates, each debtors in the Chapter 11 bankruptcy proceedings, filed an adversary complaint as part of the Chapter 11 bankruptcy proceeding against CAC, CIE, CGP LLC, and CGPH, among others, including CEC, CES, and certain current and former directors of CEOC and CEC. In this adversary complaint, the plaintiffs assert claims against CAC for actual and constructive fraudulent conveyances and transfers. The plaintiffs allege, among other things, that certain transactions in which CAC purchased assets from CEOC constituted fraudulent conveyances, and that CAC did not provide CEOC with reasonably equivalent value for the assets acquired. The plaintiffs also claim certain transactions involving CIE constituted fraudulent transfers. The plaintiffs seek, among other relief, avoidance and/or rescission of the disputed transactions; return of assets transferred in those transactions; compensation from defendants for CEOC's alleged losses and damages; and an award to plaintiffs of the costs of the actions, including attorney's fees.

CAC, CIE, CGP LLC, and CGPH believe the above-referenced adversary complaint is without merit and intend to defend it vigorously, including by filing a motion to dismiss at the appropriate time. The status and timing of the adversary proceeding is affected by the Bankruptcy proceedings. On August 10, 2016, CEOC filed an emergency motion seeking, among other relief, to stay the above-referenced adversary proceeding. On August 23, 2016, the bankruptcy court granted the relief requested until the October 19, 2016 omnibus hearing. At the October 19, 2016 omnibus hearing, the bankruptcy court continued the adversary proceeding until the November 16, 2016 omnibus hearing.

Report of Bankruptcy Examiner

The Bankruptcy Court previously engaged an independent examiner to investigate possible claims CEOC might have against CEC, CAC, CGP LLC, other entities and certain individuals. On March 15, 2016, the examiner released his report in redacted form (to the public) and in unredacted form (to certain entities and individuals). On May 16, 2016, the examiner issued a substantially unredacted version of his report. CAC, CGP LLC and CIE do not have access to the unredacted report, and accordingly the description below is based on the substantially unredacted publicly-available report.

The examiner's report identifies a variety of potential claims against CAC, CGP LLC, CIE, other entities and certain individuals related to a number of transactions dating back to 2009. Most of the examiner's findings are based on his view that CEOC was "insolvent" at the time of the applicable transactions. The examiner's report includes his conclusions on the relative strength of these possible claims, many of which are described above. The examiner calculates an estimated range of potential damages for these potential claims as against all parties from $3.6 billion to $5.1 billion. The examiner calculates an estimated range of potential damages for potential claims against CAC, CGP LLC and CIE from $1.7 billion to $2.3 billion, ignoring potential duplication of recovery from other defendants. Neither calculation takes into account probability of success, likelihood of collection, or the time or cost of litigation.

Although this report was prepared at the request of the Bankruptcy Court, none of the findings are legally binding on the Bankruptcy Court or any party. CAC, CGP LLC and CIE contest many of the examiner's findings, including his finding that CEOC did not receive fair value for assets transferred, any suggestion that certain of the potential claims against CAC, CGP LLC and CIE have merit, and his calculation of potential damages. CAC, CGP LLC and its subsidiaries believe that each of the disputed transactions involving them provided substantial value to CEOC that was reasonably equivalent to the value of the asset(s) transferred, and that they at all times acted in good faith.

National Retirement Fund

In January 2015, a majority of the Trustees of the National Retirement Fund ("NRF"), a multi-employer defined benefit pension plan, voted to expel CEC and its participating subsidiaries (the "CEC Group") from the plan. Neither CAC, CGP LLC, CGPH nor any of their subsidiaries are part of the CEC Group. NRF claims that CEOC's bankruptcy presents an "actuarial risk" to the plan because, depending on the outcome of the bankruptcy proceeding, CEC might no longer be liable to the plan for any partial or complete withdrawal liability. NRF has advised the CEC Group that its expulsion has triggered withdrawal liability with a present value of approximately $360 million, payable in 80 quarterly payments of about $6 million.

Prior to NRF's vote, the CEC Group reiterated its commitment to remain in the plan and not seek rejection of any collective bargaining agreements in which the obligation to contribute to NRF exists. It is completely current with respect to pension contributions. The CEC Group is pursuing several litigation strategies to challenge NRF's action.

CEC believes that its legal arguments against the actions undertaken by NRF are strong and will pursue them vigorously. Because legal proceedings with respect to this matter are at the preliminary stages, CEC cannot currently provide assurance as to the ultimate outcome of the matters at issue.

Other Matters

In recent years, governmental authorities have been increasingly focused on anti-money laundering ("AML") policies and procedures, with a particular focus on the gaming industry. In October 2013, CEOC's subsidiary, Desert Palace, Inc. (the owner of and referred to herein as Caesars Palace), received a letter from the Financial Crimes Enforcement Network of the United States Department of the Treasury ("FinCEN"), stating that FinCEN was investigating Caesars Palace for alleged violations of the Bank Secrecy Act to determine whether it is appropriate to assess a civil penalty and/or take additional enforcement action against Caesars Palace. Caesars Palace responded to FinCEN's letter in January 2014. Additionally, CEC was informed in October 2013 that a federal grand jury investigation regarding anti-money laundering practices of CEC and its subsidiaries had been initiated. CEC and Caesars Palace have been cooperating with FinCEN, the Department of Justice and the Nevada Gaming Control Board (the "GCB") on this matter. On September 8, 2015, FinCEN announced a settlement pursuant to which Caesars Palace agreed to an $8 million civil penalty for its violations of the Bank Secrecy Act, which penalty shall be treated as a general unsecured claim in Caesars Palace's bankruptcy proceedings. In addition, Caesars Palace agreed to conduct periodic external audits and independent testing of its AML compliance program, report to FinCEN on mandated improvements, adopt a rigorous training regime, and engage in a "look-back" for suspicious transactions. The terms of the FinCEN settlement were approved by the bankruptcy court on October 19, 2015.

CEOC and the GCB reached a settlement on the same facts as above, wherein CEC agreed to pay $1.5 million and provide to the GCB the same information that is reported to FinCEN and to resubmit its updated AML policies. On September 17, 2015, the settlement agreement was approved by the Nevada Gaming Commission. CEOC continues to cooperate with the Department of Justice in its investigation of this matter.

The Company is party to ordinary and routine litigation incidental to our business. We do not expect the outcome of any such litigation to have a material effect on our financial position, results of operations, or cash flows, as we do not believe it is reasonably possible that we will incur material losses as a result of such litigation.

Harrah's New Orleans Operating Agreement

Harrah's New Orleans operates under a casino operating contract with the Rivergate Development Corporation, as amended and restated on various occasions. The term of the amended casino operating contract expired in July 2014 and automatically renewed for 10 years. As amended, the contract requires Harrah's New Orleans to make minimum annual payments to the Louisiana Gaming Control Board equal to the greater of 21.5% of gross gaming revenues from Harrah's New Orleans in the applicable casino operating contract fiscal year or $60.0 million for each annual period beginning after April 1, 2002. In addition, Harrah's New Orleans is required to pay an override on gross gaming revenues equal to (i) 1.5% of gross gaming revenues between $500.0 million and $700.0 million; (ii) 3.5% for gross gaming revenues between $700.0 million and $800.0 million; (iii) 5.5% for gross gaming revenues between $800.0 million and $900.0 million; and (iv) 7.5% for gross gaming revenues in excess of $900.0 million. For both the three months ended September 30, 2016 and 2015, Harrah's New Orleans paid $15.1 million to the Louisiana Gaming Control Board. For the nine months ended September 30, 2016 and 2015, Harrah's New Orleans paid $48.8 million and $56.2 million, respectively, to the Louisiana Gaming Control Board.

Planet Hollywood Energy Services Agreement

Planet Hollywood's predecessor entered into an Energy Services Agreement ("ESA") with Northwind Aladdin, LLC ("Northwind") on September 24, 1998, subject to five subsequent amendments. Under the terms of the amended ESA, Northwind is required to provide chilled water, hot water and emergency power to Planet Hollywood from a central utility plant for a term that expires February 29, 2020. As of September 30, 2016, Planet Hollywood had future minimum commitments and contingencies of $3.9 million related to the amended ESA.

Insurance Accruals

CGPH's properties are insured for workers' compensation, property, general liability and other insurance coverage through Caesars Entertainment. See Note 14 — Related Party Transactions for additional information.

Entertainment Commitments

In July 2013, Planet Hollywood entered into a performance agreement with Britney Spears pursuant to which Ms. Spears agreed to perform at The AXIS starting in December 2013. The original performance agreement ran through the end of 2015. In September 2015, Planet Hollywood and Ms. Spears entered into a new performance agreement pursuant to which Ms. Spears agreed to continue to perform at The AXIS through December 2017. In November 2015, Planet Hollywood finalized its performance agreement with Jennifer Lopez pursuant to which Ms. Lopez agreed to perform at The AXIS starting in January 2016. The performance agreements with Ms. Spears and Ms. Lopez contain customary representations, warranties, covenants and agreements and exclusivity and non-compete provisions for similar transactions. As of September 30, 2016, CGPH's future commitments aggregate to approximately $50.8 million.

Management Fees to Related Party

See Note 14 — Related Party Transactions for discussion of management fees to related party.

Uncertainties

Since 2009, Harrah's New Orleans has undergone audits by state and local departments of revenue related to sales taxes on hotel rooms, parking and entertainment complimentaries. The periods that have been or are currently being audited are 2004 through 2013. In connection with these audits, certain periods have been paid under protest or are currently in various stages of litigation. As a result of these audits, Harrah's New Orleans had accrued $5.0 million and $3.6 million at September 30, 2016 and December 31, 2015, respectively.

Note 13 — Supplemental Cash Flow Information

The net change in cash and cash equivalents due to the changes in working capital accounts were as follows:

(In millions)	Nine Months Ended September 30, 2016	2015
Receivables	$ (7.3)	$ (17.0)
Prepayments and other current assets	0.8	(0.4)
Accounts payable	(2.5)	1.6
Payables to related parties	2.9	(19.0)
Accrued expenses and interest payable	21.3	19.6
Net change in working capital accounts	$ 15.2	$ (15.2)

Cash paid for interest for the nine months ended September 30, 2016 and 2015 was $103.0 million and $104.7 million, respectively.

There were no cash payments or refunds related to income taxes during the periods presented herein.

Note 14 — Related Party Transactions

Formation of Caesars Enterprise Services, LLC

CES, a services joint venture among CEOC, CERP, a subsidiary of Caesars Entertainment, and the Company, (together the "Members" and each a "Member") manages our properties and provides us with access to Caesars Entertainment's management expertise, intellectual property, back office services and Total Rewards loyalty program. CES also employs personnel under each property's corresponding property management agreement. Operating expenses are allocated to each Member with respect to their respective properties serviced by CES in accordance with historical allocation methodologies, subject to annual revisions and certain prefunding requirements. Corporate expenses that are not allocated to the properties directly are allocated by CES to CEOC, CERP, and CGPH according to their allocation percentages (initially 70.0%, 24.6% and 5.4%, respectively), subject to annual review. As a result of an annual review undertaken in September 2015 but effective July 2015, the allocation percentages of CES members, CEOC, CERP and CGPH were revised to 65.4%, 21.8% and 12.8%, respectively. The Company notified CES, CEOC and CERP that it objected to the September 2015 expense allocation but would pay the revised expense allocations under protest and reserved all rights. As a result of an annual review undertaken in August 2016 but effective January 2017, the allocation percentages for CEOC, CERP and CGPH were revised to 62.9%, 22.9% and 14.2%, respectively. On October 1, 2014, CES began operations in Nevada, Louisiana and certain other jurisdictions in which regulatory approval had been received or was not required, including through the commencement of direct employment by CES of certain designated enterprise-wide employees. The Company notified CES, CEOC and CERP that it objects to the August 2016 expense allocation but will pay the revised expense allocations under protest and reserves all rights.

Omnibus License and Enterprise Services Agreement

On May 20, 2014, the Members entered into an Omnibus License and Enterprise Services Agreement (the "Omnibus Agreement"), which granted licenses to the Members and certain of their affiliates in connection with the formation of CES. Pursuant to capital calls during the nine months ended September 30, 2016 and 2015, CGPH contributed an additional $2.6 million and $1.5 million, respectively, to CES. On October 1, 2014 and January 1, 2015, the Members transitioned certain executives and employees to CES and the services of such employees were available as part of CES's provision of services to the Members and certain of their affiliates that own properties that require CES services under the Omnibus Agreement.

Under the Omnibus Agreement, CEOC, Caesars License Company, LLC ("CLC"), Caesars World, Inc. ("CWI"), CGPH and certain of their subsidiaries that granted CES a non-exclusive, irrevocable, world-wide, royalty-free license in and to all intellectual property owned or used by such licensors, including all intellectual property (a) currently used, or contemplated to be used, in connection with the properties owned by the Members and their respective affiliates, including any and all intellectual property related to the Total Rewards program, and (b) necessary for the provision of services contemplated by the Omnibus Agreement and by the applicable management agreement for any such property (collectively, the "Enterprise Assets").

CES granted to the properties owned or controlled by the Members, and their respective affiliates, non-exclusive licenses to the Enterprise Assets. CES granted to CEOC, CLC, CWI, CGPH and the properties owned or controlled by the Members licenses to any intellectual property that CES develops or acquires in the future that is not a derivative of the intellectual property licensed to it. CES also granted to CEOC, CLC, CWI and CGPH a non-exclusive license to intellectual property specific to the properties controlled by CGPH, CERP and their subsidiaries for any uses consistent with the uses made by CEOC, CLC, and CWI with respect to such intellectual property prior to the date of the Omnibus Agreement.

Allocated General Corporate Expenses

The Consolidated Condensed Statements of Operations and Comprehensive Income reflects an allocation of both expenses incurred in connection with our shared services agreements and directly billed expenses incurred through Caesars Entertainment and CES. We recorded allocated general corporate expenses and directly billed expenses totaling $33.9 million and $97.5 million for the three and nine months ended September 30, 2016, respectively, and $32.4 million and $88.3 million for the three and nine months ended September 30, 2015, respectively. The net payable balances for allocated and directly billed expenses are recorded in Payables to related parties in the Consolidated Condensed Balance Sheets.

The allocations of general corporate expenses may not reflect the expense the Company would have incurred if it were a stand-alone company nor are they necessarily indicative of the Company's future costs. Management believes the assumptions and methodologies used in the allocation of general corporate expenses from Caesars Entertainment and CES are reasonable. Given the nature of these costs, it is not practicable for the Company to estimate what these costs would have been on a stand-alone basis.

Management Fees

Harrah's New Orleans, The LINQ Hotel & Casino, Bally's Las Vegas and The Cromwell Management Fees

Harrah's New Orleans Management Company, The Quad Manager, LLC, Bally's Las Vegas Manager, LLC and Cromwell Manager, LLC (collectively, the "Property Managers" and individually, a "Property Manager") are wholly-owned indirect subsidiaries of CEOC, and prior to the assignment of each respective management agreement to CES as of October 1, 2014, managed the operations of Harrah's New Orleans, The LINQ Hotel & Casino, Bally's Las Vegas and The Cromwell. Fees paid to the Property Managers for such services include a base management fee calculated at 2.0% of adjusted gross operating revenue plus net casino wins, and an incentive fee calculated at 5.0% of EBITDA less the base management fee. For the three months ended September 30, 2016 and 2015, the fees were $6.9 million and $7.2 million, respectively, and for the nine months ended September 30, 2016 and 2015, the fees were $21.6 million and $21.2 million, respectively. These fees were included in Management fees to related parties in the Consolidated Condensed Statements of Operations and Comprehensive Income. As of September 30, 2016 and December 31, 2015, the payable balance related to these fees and recorded in Payables to related parties in the Consolidated Condensed Balance Sheets were $1.3 million and $0.8 million, respectively.

In May 2014, CGPH purchased a 50% interest in the management fee revenues of the Property Managers for $138.0 million, recognized as a long-term prepaid asset included in Prepaid management fees to related parties in the Consolidated Condensed Balance Sheets. The prepaid asset will be amortized over 15 years, which represents the term of the related management contracts. During both the three months ended September 30, 2016 and 2015, the Company recorded amortization in the amount of $2.3 million and during both the nine months ended September 30, 2016 and 2015, the Company recorded amortization in the amount of $6.9 million, which is included in Management fees to related parties in the Consolidated Condensed Statements of Operations and Comprehensive Income. Additionally, during the three months ended September 30, 2016 and 2015, the Company received 50% of the management fees paid in the amount of $3.5 million and $3.6 million respectively, and during the nine months ended September 30, 2016 and 2015, the Company received $10.8 million and $10.6 million, respectively, which is included in Management fees to related parties in the Consolidated Condensed Statements of Operations and Comprehensive Income.

Planet Hollywood Management Fees

PHW Manager, LLC ("PHW Manager") is a wholly-owned subsidiary of CEOC, and prior to the assignment of the management agreement to CES as of October 1, 2014, managed the operations of Planet Hollywood. Fees paid to PHW Manager for such services include a base management fee calculated at 3.0% of adjusted gross operating revenue plus net casino wins, and an incentive fee calculated at 4.5% of EBITDA less the base management fee. For the three months ended September 30, 2016 and 2015, the fees were $5.9 million and $5.4 million, respectively, and for the nine months ended September 30, 2016 and 2015, the fees were $17.6 million and $15.8 million, respectively. These fees were included in Management fees to related parties in the Consolidated Condensed Statements of Operations and Comprehensive Income. As of September 30, 2016 and December 31, 2015, the payable balances related to these fees and recorded in Payables to related parties in the Consolidated Condensed Balance Sheets were $1.0 million and $0.8 million, respectively.

On October 21, 2013, CGP LLC purchased a 50% interest in the management fee revenues of PHW Manager for $70.0 million, recognized as a long-term prepaid asset included in Prepaid management fees to related parties in the Consolidated Condensed Balance Sheets. On May 5, 2014, CGP LLC contributed the equity interests of PHWLV, LLC and the 50% interest in the management fee revenues of PHW Manager to CGPH. The prepaid asset will be amortized over 35 years, which represents the term of the related management contract. During both the three months ended September 30, 2016 and 2015, the Company recorded amortization in the amount of $0.5 million and during both the nine months ended September 30, 2016 and 2015, the Company recorded amortization in the amount of $1.5 million, which is included in

Management fees to related parties in the Consolidated Condensed Statements of Operations and Comprehensive Income. Additionally, for the three months ended September 30, 2016 and 2015, the Company received 50% of the Planet Hollywood management fee paid in the amount of $2.9 million and $1.8 million, respectively, and during the nine months ended September 30, 2016 and 2015, the Company received $8.8 million and $6.8 million, respectively, which is included in Management fees to related parties in the Consolidated Condensed Statements of Operations and Comprehensive Income.

Total Rewards Loyalty Program

CEOC's customer loyalty program, Total Rewards, offers incentives to customers from their spending related to on-property entertainment expenses, including gaming, hotel, dining, and retail shopping at our, CEC and CEOC's resort properties located in the U.S. and Canada. Under the program, customers are able to accumulate, or bank, Reward Credits over time that they may redeem at their discretion under the terms of the program. The Reward Credit balance will be forfeited if the customer does not earn a Reward Credit over the prior six-month period. As a result of the ability of the customer to bank the Reward Credits, CEOC estimates the cost of fulfilling the redemption of Reward Credits, after consideration of estimated forfeitures (referred to as "breakage") based upon the cost of historical redemptions. The estimated value of Reward Credits is expensed as the Reward Credits are earned by customers and is included in direct casino expense. The total estimated cost is accrued by CEOC, with the incremental charges related to our casino properties included in due to affiliates, net in the accompanying balance sheets.

Use of Bally's, Harrah's, and LINQ Trademarks

Bally's Las Vegas and Harrah's New Orleans have historically used the Bally's and Harrah's trademarks, which are owned by CEOC. CEOC has not historically charged a royalty fee for the use of these trademarks. Accordingly, no such charges were recorded in the Consolidated Condensed Financial Statements. As discussed above, we entered into a management agreement with CEOC in connection with the May 2014 Acquisitions, which among other services, includes the use of CEOC-owned trademarks. As discussed in Formation of Caesars Enterprise Services LLC above, these services were assumed by CES in 2014. The LINQ Hotel & Casino uses its trademark, which is owned by CLC, in connection with this agreement.

Insurance Accruals

Our properties are insured for workers' compensation, property, general liability and other insurance coverage through Caesars Entertainment and are charged premiums by Caesars Entertainment based on claims activity. We are self-insured for employee health, dental, vision and other insurance and our insurance claims and reserves include accruals of estimated settlements for known claims, as well as accruals of actuarial estimates of incurred but not reported claims. In estimating these reserves, historical loss experience and judgments about the expected levels of costs per claim are considered. These claims are accounted for based on actuarial estimates of the undiscounted claims, including those claims incurred but not reported. The use of actuarial methods to account for these liabilities provides a consistent and effective way to measure these highly judgmental accruals and was believed to be reasonable. CGPH regularly monitors the potential for changes in estimates, evaluates its insurance accruals, and adjusts its recorded provisions.

Employee Benefit Plans

Caesars Entertainment maintains a defined contribution savings and retirement plan in which certain employees of the Company may participate. The plan, among other things, provides for pretax and after-tax contributions by employees. Under the plan, participating employees may elect to contribute up to 50% of their eligible earnings, provided that participants who are designated as highly compensated will have their contributions limited to ensure the plan does not discriminate in their favor. Caesars Entertainment maintains an employer match of up to $600 per year. The Company's reimbursement for Caesars Entertainment's contribution expense was $0.2 million for both three months ended September 30, 2016 and 2015 and $1.7 million and $1.8 million for the nine months ended September 30, 2016 and 2015, respectively.

Multiemployer Benefit Plans

Certain employees of the Company are covered by union sponsored, collectively bargained, health and welfare multiemployer benefit plans. The Company's reimbursement for Caesars Entertainment's contributions and charges for these plans was $8.9 million and $8.8 million for the three months ended September 30, 2016 and 2015, respectively, and $26.5 million and $26.2 million for the nine months ended September 30, 2016 and 2015, respectively. These expenses were included in Property, general, administrative and other in the Consolidated Condensed Statements of Operations and Comprehensive Income.

Equity Incentive Awards

Caesars Entertainment maintains equity incentive award plans in which employees of CGPH may participate. Caesars Entertainment allocates an appropriate amount of cost for these awards to each subsidiary where employees participate. For the

three and nine months ended September 30, 2016, allocations were $1.1 million and $4.1 million, respectively. For the three and nine months ended September 30, 2015, allocations were $1.3 million and $3.2 million, respectively.

Lease Agreements

On April 25, 2011, The LINQ Hotel & Casino entered into an agreement pursuant to which it will lease a land parcel from Caesars LINQ LLC ("The LINQ"), an indirect wholly-owned subsidiary of Caesars Entertainment, under an operating lease with an expiration date of April 25, 2026. The land parcel is utilized by The LINQ Hotel & Casino for gaming and other space. Pursuant to the terms of the agreement, The LINQ Hotel & Casino is required to pay The LINQ rent of approximately $1.3 million per month beginning on January 1, 2014, totaling $3.8 million for both the three months ended September 30, 2016 and 2015 and $11.3 million for both the nine months ended September 30, 2016 and 2015.

Bally's Las Vegas leases land to JGB Vegas Retail Lessee, LLC ("JGB Lessee") under a ground lease that includes annual base rent payments with annual escalations as well as an annual percentage of revenue payable should JGB Lessee revenues exceed a breakpoint as defined in the lease agreement, which is paid on a monthly basis. Rental payments began in February 2015. GB Investor, LLC, a wholly-owned subsidiary of Caesars Entertainment, has an approximate 10% ownership interest in JGB Lessee. Monthly revenues of $0.4 million from the ground lease are currently being recognized straight-line over the term of the lease starting in December 2013 upon transfer of rights to the property through February 2035 and are included in Other revenue in the Consolidated Condensed Statements of Operations and Comprehensive Income.

Note 15 — Consolidating Condensed Financial Information of Guarantors and Issuer

The 2022 Notes issued by CGPH ("Parent Company") and Caesars Growth Properties Finance, Inc. (included in the "Subsidiary Issuer" column below) are secured by substantially all of the existing and future property and assets of CGPH and certain wholly-owned subsidiary guarantors of CGPH ("Subsidiary Guarantors") as further discussed in Note 6 — Debt. Each subsidiary guarantor jointly and severally, irrevocably and unconditionally guarantees (1) the performance and punctual payment when due of all obligations of CGPH under the indenture and the 2022 Notes, whether for payment of principal, premium, if any, or interest in respect of the 2022 Notes and all other monetary obligations of CGPH under the indenture and the 2022 Notes and (2) the full and punctual performance within applicable grace periods of all other obligations of CGPH whether for fees, expenses, indemnification or otherwise under the indenture and the 2022 Notes (collectively called the "Guaranteed Obligations").

Each guarantee will be a continuing guarantee and shall:

1. remain in full force and effect until payment in full of all the guaranteed obligations of such Subsidiary Guarantor;
2. subject to the next succeeding paragraph, be binding upon each such Subsidiary Guarantor and its successors; and
3. inure to the benefit of and be enforceable by the trustee, the holders and their successors, transferees and assigns.

Each guarantee will be automatically released upon:

1. the sale, disposition, exchange or other transfer (including through merger, consolidation, amalgamation or otherwise) of the capital stock (including any sale, disposition or other transfer following which the applicable Subsidiary Guarantor is no longer a restricted subsidiary), of the applicable Subsidiary Guarantor if such sale, disposition, exchange or other transfer is made in a manner not in violation of the indenture;
2. the designation of such Subsidiary Guarantor as an unrestricted subsidiary;
3. the release or discharge of the guarantee by such Subsidiary Guarantor of the indebtedness which resulted in the obligation to guarantee the notes;
4. the issuers' exercise of their legal defeasance option or covenant defeasance option or if the issuers' obligations under the indenture are discharged in accordance with the terms of the indenture; and
5. such restricted subsidiary ceasing to be a subsidiary as a result of any foreclosure of any pledge or security interest in favor of the first-priority lien obligations.

The tables below present the consolidating condensed financial information as of September 30, 2016 and December 31, 2015 and for the three and nine months ended September 30, 2016 and 2015.

In lieu of providing separate unaudited financial statements for the guarantor subsidiaries, we have included the accompanying unaudited financial information based on Rule 3-10 of the SEC's Regulation S-X. Management does not believe that separate financial statements of the guarantor subsidiaries are material to our investors.

CAESARS GROWTH PROPERTIES HOLDINGS, LLC
CONSOLIDATING CONDENSED BALANCE SHEET
SEPTEMBER 30, 2016
(In millions)

	Parent Company	Subsidiary Issuer	Subsidiary Guarantors	Subsidiary Non-Guarantors	Consolidating / Eliminating Adjustments	Total
Assets						
Current assets						
Cash and cash equivalents	$ 81.9	$ —	$ 52.2	$ 25.2	$ —	$ 159.3
Receivables, net of allowance for doubtful accounts	0.6	—	53.6	2.9	—	57.1
Restricted cash	—	—	2.6	—	—	2.6
Prepayments and other current assets	0.4	—	23.9	1.1	—	25.4
Total current assets	82.9	—	132.3	29.2	—	244.4
Land, property and equipment, net	0.1	—	1,949.6	247.7	—	2,197.4
Investment in CES	28.3	—	—	—	—	28.3
Investment in subsidiaries	2,885.2	—	—	—	(2,885.2)	—
Goodwill	—	—	214.1	—	—	214.1
Intangible assets other than goodwill, net	—	—	83.2	—	—	83.2
Prepaid management fees to related parties	—	—	165.6	14.3	—	179.9
Deferred charges and other	2.1	—	41.3	0.2	—	43.6
Total assets	$ 2,998.6	$ —	$ 2,586.1	$ 291.4	$ (2,885.2)	$ 2,990.9
Liabilities and Stockholder's Equity						
Current liabilities						
Accounts payable	$ —	$ —	$ 16.2	$ 0.8	$ —	$ 17.0
Payables to related parties	11.9	—	3.0	0.1	—	15.0
Accrued expenses	0.1	—	100.7	7.0	—	107.8
Accrued interest payable	43.5	26.4	—	2.8	(26.4)	46.3
Current portion of long-term debt	11.7	—	1.3	0.1	—	13.1
Total current liabilities	67.2	26.4	121.2	10.8	(26.4)	199.2
Long-term debt	1,770.7	675.0	13.3	167.9	(675.0)	1,951.9
Deferred credits and other	—	—	1.9	—	—	1.9
Total liabilities	1,837.9	701.4	136.4	178.7	(701.4)	2,153.0
Stockholder's equity						
Additional paid-in capital	1,355.5	(701.4)	2,413.5	228.7	(1,940.8)	1,355.5
Retained earnings/(Accumulated deficit)	(194.8)	—	36.2	(116.0)	(243.0)	(517.6)
Total stockholder's equity	1,160.7	(701.4)	2,449.7	112.7	(2,183.8)	837.9
Total liabilities and stockholder's equity	$ 2,998.6	$ —	$ 2,586.1	$ 291.4	$ (2,885.2)	$ 2,990.9

CAESARS GROWTH PROPERTIES HOLDINGS, LLC
CONSOLIDATING CONDENSED BALANCE SHEET
DECEMBER 31, 2015
(In millions)

	Parent Company	Subsidiary Issuer	Subsidiary Guarantors	Subsidiary Non-Guarantors	Consolidating / Eliminating Adjustments	Total
Assets						
Current assets						
Cash and cash equivalents	$ 21.0	$ —	$ 59.5	$ 17.6	$ —	$ 98.1
Receivables, net of allowance for doubtful accounts	—	—	47.3	2.5	—	49.8
Restricted cash	—	—	2.6	—	—	2.6
Prepayments and other current assets	0.4	—	24.9	1.3	—	26.6
Total current assets	21.4	—	134.3	21.4	—	177.1
Land, property and equipment, net	—	—	1,995.1	258.5	—	2,253.6
Investment in CES	26.5	—	—	—	—	26.5
Investment in subsidiaries	2,945.1	—	—	—	(2,945.1)	—
Goodwill	—	—	214.1	—	—	214.1
Intangible assets other than goodwill, net	—	—	94.3	—	—	94.3
Prepaid management fees to related parties	—	—	173.2	15.1	—	188.3
Deferred charges and other	2.8	—	42.1	0.3	—	45.2
Total assets	$ 2,995.8	$ —	$ 2,653.1	$ 295.3	$ (2,945.1)	$ 2,999.1
Liabilities and Stockholder's Equity						
Current liabilities						
Accounts payable	$ 0.8	$ —	$ 24.6	$ 0.9	$ —	$ 26.3
Payables to related parties	8.4	—	3.6	0.1	—	12.1
Accrued expenses	0.1	—	96.9	5.2	—	102.2
Accrued interest payable	27.6	10.5	—	3.0	(10.5)	30.6
Current portion of long-term debt	56.8	—	3.8	0.5	—	61.1
Total current liabilities	93.7	10.5	128.9	9.7	(10.5)	232.3
Long-term debt	1,774.3	675.0	13.7	169.2	(675.0)	1,957.2
Deferred credits and other	—	—	4.6	—	—	4.6
Total liabilities	1,868.0	685.5	147.2	178.9	(685.5)	2,194.1
Stockholder's equity						
Additional paid-in capital	1,351.4	(685.5)	2,639.5	219.6	(2,173.6)	1,351.4
Accumulated deficit	(223.6)	—	(133.6)	(103.2)	(86.0)	(546.4)
Total stockholder's equity	1,127.8	(685.5)	2,505.9	116.4	(2,259.6)	805.0
Total liabilities and stockholder's equity	$ 2,995.8	$ —	$ 2,653.1	$ 295.3	$ (2,945.1)	$ 2,999.1

CAESARS GROWTH PROPERTIES HOLDINGS, LLC
CONSOLIDATING CONDENSED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME/(LOSS)
THREE MONTHS ENDED SEPTEMBER 30, 2016
(In millions)

	Parent Company	Subsidiary Issuer	Subsidiary Guarantors	Subsidiary Non-Guarantors	Consolidating / Eliminating Adjustments	Total
Revenues						
Casino	$ —	$ —	$ 157.3	$ 10.9	$ —	$ 168.2
Food and beverage	—	—	55.2	6.6	—	61.8
Rooms	—	—	86.9	3.3	—	90.2
Other	—	—	47.7	3.8	—	51.5
Less: casino promotional allowances	—	—	(40.4)	(2.9)	—	(43.3)
Net revenues	—	—	306.7	21.7	—	328.4
Operating expenses						
Direct						
Casino	—	—	76.7	6.7	—	83.4
Food and beverage	—	—	24.6	4.0	—	28.6
Rooms	—	—	24.0	0.9	—	24.9
Property, general, administrative and other	6.1	—	91.1	4.2	—	101.4
Management fees to related parties	—	—	8.7	0.5	—	9.2
Write-downs, reserves and project opening costs, net of recoveries	0.1	—	(0.1)	—	—	—
Depreciation and amortization	—	—	35.2	4.0	—	39.2
Total operating expenses	6.2	—	260.2	20.3	—	286.7
(Loss)/income from operations	(6.2)	—	46.5	1.4	—	41.7
Interest expense, net of interest capitalized	(36.3)	—	(0.1)	(5.2)	—	(41.6)
Net (loss)/income before gain on interests in subsidiaries	(42.5)	—	46.4	(3.8)	—	0.1
Gain on interests in subsidiaries	42.6	—	—	—	(42.6)	—
Net income/(loss)	0.1	—	46.4	(3.8)	(42.6)	0.1
Other comprehensive income, net of income taxes	—	—	—	—	—	—
Total comprehensive income/(loss)	$ 0.1	$ —	$ 46.4	$ (3.8)	$ (42.6)	$ 0.1

CAESARS GROWTH PROPERTIES HOLDINGS, LLC
CONSOLIDATING CONDENSED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME/(LOSS)
THREE MONTHS ENDED SEPTEMBER 30, 2015
(In millions)

	Parent Company	Subsidiary Issuer	Subsidiary Guarantors	Subsidiary Non-Guarantors	Consolidating / Eliminating Adjustments	Total
Revenues						
Casino	$ —	$ —	$ 171.0	$ 9.6	$ —	$ 180.6
Food and beverage	—	—	60.5	7.3	—	67.8
Rooms	—	—	79.3	2.9	—	82.2
Other	—	—	37.3	4.2	—	41.5
Less: casino promotional allowances	—	—	(41.5)	(3.0)	—	(44.5)
Net revenues	—	—	306.6	21.0	—	327.6
Operating expenses						
Direct						
Casino	—	—	79.9	5.8	—	85.7
Food and beverage	—	—	25.9	4.9	—	30.8
Rooms	—	—	20.8	0.8	—	21.6
Property, general, administrative and other	6.0	—	86.8	4.4	—	97.2
Management fees to related parties	—	—	9.5	0.5	—	10.0
Write-downs, reserves and project opening costs, net of recoveries	0.9	—	1.0	(0.1)	—	1.8
Depreciation and amortization	—	—	29.4	2.8	—	32.2
Total operating expenses	6.9	—	253.3	19.1	—	279.3
(Loss)/income from operations	(6.9)	—	53.3	1.9	—	48.3
Interest expense, net of interest capitalized	(37.2)	—	0.5	(5.4)	—	(42.1)
Net (loss)/income before gain on interests in subsidiaries	(44.1)	—	53.8	(3.5)	—	6.2
Gain on interests in subsidiaries	50.3	—	—	—	(50.3)	—
Net income/(loss)	6.2	—	53.8	(3.5)	(50.3)	6.2
Other comprehensive income, net of income taxes	—	—	—	—	—	—
Total comprehensive income/(loss)	$ 6.2	$ —	$ 53.8	$ (3.5)	$ (50.3)	$ 6.2

CAESARS GROWTH PROPERTIES HOLDINGS, LLC
CONSOLIDATING CONDENSED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME/(LOSS)
NINE MONTHS ENDED SEPTEMBER 30, 2016
(In millions)

	Parent Company	Subsidiary Issuer	Subsidiary Guarantors	Subsidiary Non-Guarantors	Consolidating / Eliminating Adjustments	Total
Revenues						
Casino	$ —	$ —	$ 496.5	$ 30.5	$ —	$ 527.0
Food and beverage	—	—	170.7	21.0	—	191.7
Rooms	—	—	264.9	9.5	—	274.4
Other	—	—	134.1	11.6	—	145.7
Less: casino promotional allowances	—	—	(131.3)	(8.6)	—	(139.9)
Net revenues	—	—	934.9	64.0	—	998.9
Operating expenses						
Direct						
Casino	—	—	240.9	19.7	—	260.6
Food and beverage	—	—	73.7	12.9	—	86.6
Rooms	—	—	68.3	2.8	—	71.1
Property, general, administrative and other	18.6	—	260.6	12.5	—	291.7
Management fees to related parties	—	—	26.5	1.5	—	28.0
Write-downs, reserves and project opening costs, net of recoveries	0.1	—	0.6	(0.1)	—	0.6
Depreciation and amortization	—	—	92.8	12.0	—	104.8
Total operating expenses	18.7	—	763.4	61.3	—	843.4
(Loss)/income from operations	(18.7)	—	171.5	2.7	—	155.5
Interest expense, net of interest capitalized	(109.5)	—	(1.7)	(15.5)	—	(126.7)
Net (loss)/income before gain on interests in subsidiaries	(128.2)	—	169.8	(12.8)	—	28.8
Gain on interests in subsidiaries	157.0	—	—	—	(157.0)	—
Net income/(loss)	28.8	—	169.8	(12.8)	(157.0)	28.8
Other comprehensive income, net of income taxes	—	—	—	—	—	—
Total comprehensive income/(loss)	$ 28.8	$ —	$ 169.8	$ (12.8)	$ (157.0)	$ 28.8

CAESARS GROWTH PROPERTIES HOLDINGS, LLC
CONSOLIDATING CONDENSED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME/(LOSS)
NINE MONTHS ENDED SEPTEMBER 30, 2015
(In millions)

	Parent Company	Subsidiary Issuer	Subsidiary Guarantors	Subsidiary Non-Guarantors	Consolidating / Eliminating Adjustments	Total
Revenues						
Casino	$ —	$ —	$ 513.8	$ 32.7	$ —	$ 546.5
Food and beverage	—	—	167.8	21.9	—	189.7
Rooms	—	—	230.0	9.0	—	239.0
Other	—	—	104.0	12.8	—	116.8
Less: casino promotional allowances	—	—	(124.9)	(8.8)	—	(133.7)
Net revenues	—	—	890.7	67.6	—	958.3
Operating expenses						
Direct						
Casino	—	—	242.7	18.8	—	261.5
Food and beverage	—	—	72.4	15.0	—	87.4
Rooms	—	—	59.1	2.7	—	61.8
Property, general, administrative and other	13.2	—	244.4	13.4	—	271.0
Management fees to related parties	—	—	26.5	1.5	—	28.0
Write-downs, reserves and project opening costs, net of recoveries	0.9	—	5.5	0.1	—	6.5
Depreciation and amortization	—	—	78.7	10.9	—	89.6
Total operating expenses	14.1	—	729.3	62.4	—	805.8
(Loss)/income from operations	(14.1)	—	161.4	5.2	—	152.5
Interest expense, net of interest capitalized	(110.7)	—	5.6	(16.2)	—	(121.3)
Net (loss)/income before gain on interests in subsidiaries	(124.8)	—	167.0	(11.0)	—	31.2
Gain on interests in subsidiaries	156.0	—	—	—	(156.0)	—
Net income/(loss)	31.2	—	167.0	(11.0)	(156.0)	31.2
Other comprehensive income, net of income taxes	—	—	—	—	—	—
Total comprehensive income/(loss)	$ 31.2	$ —	$ 167.0	$ (11.0)	$ (156.0)	$ 31.2

CAESARS GROWTH PROPERTIES HOLDINGS, LLC
CONSOLIDATING CONDENSED STATEMENTS OF CASH FLOWS
NINE MONTHS ENDED SEPTEMBER 30, 2016
(In millions)

	Parent Company	Subsidiary Issuer	Subsidiary Guarantors	Subsidiary Non-Guarantors	Consolidating / Eliminating Adjustments	Total
Cash flows provided by operating activities	$ 126.4	$ —	$ 263.9	$ 2.4	$ (227.3)	$ 165.4
Cash flows from investing activities						
Land, buildings and equipment additions, net of change in construction payables	(0.1)	—	(41.4)	(1.1)	—	(42.6)
Investment in subsidiaries	(8.9)	—	—	—	8.9	—
Additional investment in CES	(2.6)	—	—	—	—	(2.6)
Cash flows used in investing activities	(11.6)	—	(41.4)	(1.1)	8.9	(45.2)
Cash flows from financing activities						
Proceeds from issuance of long-term debt	15.0	—	—	—	—	15.0
Repayments under lending agreements	(68.9)	—	(2.5)	(2.6)	—	(74.0)
Transactions with parents and affiliates	—	—	(227.3)	8.9	218.4	—
Cash flows (used in)/provided by financing activities	(53.9)	—	(229.8)	6.3	218.4	(59.0)
Net increase/(decrease) in cash and cash equivalents	60.9	—	(7.3)	7.6	—	61.2
Cash and cash equivalents, beginning of period	21.0	—	59.5	17.6	—	98.1
Cash and cash equivalents, end of period	$ 81.9	$ —	$ 52.2	$ 25.2	$ —	$ 159.3

CAESARS GROWTH PROPERTIES HOLDINGS, LLC
CONSOLIDATING CONDENSED STATEMENTS OF CASH FLOWS
NINE MONTHS ENDED SEPTEMBER 30, 2015
(In millions)

	Parent Company	Subsidiary Issuer	Subsidiary Guarantors	Subsidiary Non-Guarantors	Consolidating / Eliminating Adjustments	Total
Cash flows (used in)/provided by operating activities	$ (21.2)	$ —	$ 238.1	$ 1.3	$ (102.5)	$ 115.7
Cash flows from investing activities						
Land, buildings and equipment additions, net of change in construction payables	—	—	(124.4)	(2.5)	—	(126.9)
Change in restricted cash	—	—	—	4.1	—	4.1
Additional investment in CES	(1.5)	—	—	—	—	(1.5)
Cash flows (used in)/provided by investing activities	(1.5)	—	(124.4)	1.6	—	(124.3)
Cash flows from financing activities						
Proceeds from issuance of long-term debt	80.0	—	—	—	—	80.0
Repayments under lending agreements	(43.9)	—	(3.6)	(7.1)	—	(54.6)
Transactions with parents and affiliates	—	—	(110.8)	8.2	102.5	(0.1)
Cash flows provided by/(used in) financing activities	36.1	—	(114.4)	1.1	102.5	25.3
Net increase/(decrease) in cash and cash equivalents	13.4	—	(0.7)	4.0	—	16.7
Cash and cash equivalents, beginning of period	36.7	—	47.7	18.7	—	103.1
Cash and cash equivalents, end of period	$ 50.1	$ —	$ 47.0	$ 22.7	$ —	$ 119.8

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

Basis of Presentation and Discussion

Caesars Growth Properties Holdings, LLC ("CGPH," the "Borrower," the "Company," "we," "us" and "our") is an indirect, wholly-owned subsidiary of Caesars Growth Partners, LLC ("CGP LLC"), which is a joint venture between Caesars Acquisition Company ("CAC"), a Delaware corporation, and Caesars Entertainment Corporation ("CEC" or "Caesars Entertainment").

CGPH's properties include The Cromwell, The LINQ Hotel & Casino, Bally's Las Vegas and Harrah's New Orleans (the "May 2014 Acquisitions"), and Planet Hollywood Resort and Casino ("Planet Hollywood").

Operating Results

(In millions)	Three Months Ended September 30, 2016	Three Months Ended September 30, 2015	Change	Nine Months Ended September 30, 2016	Nine Months Ended September 30, 2015	Change
Net revenues	$ 328.4	$ 327.6	$ 0.8	$ 998.9	$ 958.3	$ 40.6
Income from operations	41.7	48.3	(6.6)	155.5	152.5	3.0
Net income	0.1	6.2	(6.1)	28.8	31.2	(2.4)
Adjusted EBITDA[1]	81.7	85.2	(3.5)	266.5	253.9	12.6

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[1] See Reconciliations of Non-GAAP Financial Measures later in this Management's Discussion and Analysis of Financial Condition and Results of Operations for a reconciliation of Net income to Adjusted Earnings before Interest Income/Expense, Income Taxes, Depreciation and Amortization ("Adjusted EBITDA").

Performance of our casino properties is measured in part through tracking of trips by rated customers, which means a customer whose gaming activity is tracked through the Total Rewards system, referred to as "trips," and spend per rated customer trip, referred to as "spend per trip." A trip is created by a Total Rewards card holder engaging in one or more of the following activities while at our property: (1) hotel stay, (2) gaming activity or (3) a comp redemption, which means the receipt of a complimentary item given out by the casino. Lodgers are guests registered with the Total Rewards program who stay at the property and non-lodgers are guests registered with the Total Rewards program not staying at the property. Customer spend means the cumulative rated theoretical spend (which is the amount of money expected to be retained by the casino based upon the mathematics underlying the particular game as a fraction of the amount of money wagered by the customer) across all game types for a specific customer. The average combined gross hold is the percentage of the amount wagered across all game types (including table games and slot machines) that the casino retained.

Third Quarter 2016 results compared with Third Quarter 2015

Casino Properties and Developments revenues were impacted primarily by the following:

- Continued expansion of entertainment options at Planet Hollywood positively impacted other revenues; and
- Increases in room revenues due to increased room rates, resort fees and higher occupancy rates at The LINQ Hotel & Casino, which was substantially completed and available to guests in early May 2015.
- These increases were partially offset by lower casino revenues at Harrah's New Orleans due to unfavorable volume and hold when comparing to the prior year and lower food and beverage revenues for all casino properties.

Net revenues for the three months ended September 30, 2016 increased by $0.8 million, or 0.2%, compared with the same period in 2015. Total trips decreased by approximately 7.8% during the three months ended September 30, 2016 when compared to the same period in 2015. Gross casino hold decreased to 12.1% for the three months ended September 30, 2016 from 12.6% for the same period in 2015.

Cash average daily room rates for the three months ended September 30, 2016 increased to $129, or 8.4%, when compared to $119 for the same period in 2015. Average daily occupancy was 95.5% for the three months ended September 30, 2016 and 92.7% for the same period in 2015. Revenue per available room ("RevPar") for the three months ended September 30, 2016 and 2015 was $120 and $109, respectively, or an increase of 10.1%.

Income from operations for the three months ended September 30, 2016 decreased by $6.6 million, or 13.7%, compared with the same period in 2015, and Net income for the three months ended September 30, 2016 decreased by $6.1 million, or 98.4%, compared with the same period in 2015. The decreases were due to an increase in depreciation expense at Planet Hollywood resulting from the acceleration of depreciation for assets that will be replaced as a result of renovations partially offset by the income impact of increased net revenues. Adjusted EBITDA for the three months ended

September 30, 2016 decreased by $3.5 million, or 4.1%, as compared with the same period in 2015 primarily due to an increase in general and administrative expenses related to the expansion of entertainment options at Planet Hollywood partially offset by the income impact of increased revenues.

Nine months ended September 30, 2016 results compared with September 30, 2015

Casino Properties and Developments revenues were impacted primarily by the following:

- Continued expansion of entertainment options at Planet Hollywood positively impacted other revenues; and
- Increases in all categories of revenues as a result of renovations at The LINQ Hotel & Casino.
- These increases were partially offset by lower revenues at Harrah's New Orleans as a result of the April 2015 smoking ban.

Net revenues for the nine months ended September 30, 2016 increased by $40.6 million, or 4.2%, compared with the same period in 2015. Total trips decreased by approximately 6.1% during the nine months ended September 30, 2016 when compared to the same period in 2015. Gross casino hold was 11.9% for both the nine months ended September 30, 2016 and 2015.

Cash average daily room rates for the nine months ended September 30, 2016 increased to $132, or 9.1%, when compared to $121 for the same period in 2015. Average daily occupancy was 95.1% for the nine months ended September 30, 2016 and 93.1% for the same period in 2015. RevPar for the nine months ended September 30, 2016 and 2015 was $122 and $112, respectively, or an increase of 8.9%.

Income from operations for the nine months ended September 30, 2016 increased by $3.0 million, or 2.0%, compared with the same period in 2015, and Net income for the nine months ended September 30, 2016 decreased by $2.4 million, or 7.7%, compared with the same period in 2015. The income impact of increased revenues as discussed above offset by an increase in general and administrative expenses related to the expansion of entertainment options at Planet Hollywood and an increase in depreciation expense at Planet Hollywood resulting from the acceleration of depreciation for assets that will be replaced as a result of renovations impacted both Income from operations and Net income. In addition, an increase in interest expense contributed to the decrease in Net income. Adjusted EBITDA for the nine months ended September 30, 2016 increased by $12.6 million, or 5.0%, as compared with the same period in 2015 primarily due to the income impact of increased revenues as discussed above offset by an increase in general and administrative expenses related to the expansion of entertainment options at Planet Hollywood.

Incentives are often provided for customers to stay and play at our properties. Incentives are provided to customers based on a number of factors such as marketing plans, competitive factors, economic conditions, and regulations. These incentives come in a variety of different forms including free and discounted products, gaming credits, food and beverage credits, hotel room credits, and other forms. The retail value of accommodations, food and beverage credits, and other services furnished to casino guests is included in gross revenue and then deducted as promotional allowances. Hence, net revenues as discussed above include all promotional allowances. We believe our allocation of promotional allowances to be within industry standards and appropriate for our brands and competitive environment.

Other Factors Affecting Net Income

Interest Expense, Net of Interest Capitalized

The debt agreements captioned in the following table are defined in Note 6 — Debt of the Consolidated Condensed Financial Statements in this report. The table below summarizes our Interest expense, net of interest capitalized as it relates to these agreements:

	Three Months Ended September 30,			Nine Months Ended September 30,		
(In millions)	**2016**	**2015**	**Change**	**2016**	**2015**	**Change**
CGPH Term Loan, Revolving Credit Facility, and 2022 Notes	$ (36.3)	$ (37.2)	$ 0.9	$ (109.5)	$ (110.7)	$ 1.2
Cromwell Credit Facility	(5.2)	(5.4)	0.2	(15.5)	(16.2)	0.7
Other interest (expense)/income, including capitalized interest	(0.1)	0.5	(0.6)	(1.7)	5.6	(7.3)
Interest expense, net of interest capitalized	$ (41.6)	$ (42.1)	$ 0.5	$ (126.7)	$ (121.3)	$ (5.4)

Reconciliations of Non-GAAP Financial Measures

CGPH uses Adjusted EBITDA as a supplemental measure of its financial performance. EBITDA is comprised of net income before (i) interest expense, net of capitalized interest, (ii) interest income, (iii) provision for income taxes, and (iv)

depreciation and amortization expense. Adjusted EBITDA is comprised of EBITDA, further adjusted for certain items that CGPH does not consider indicative of its ongoing operating performance.

The financial statements are prepared in accordance with accounting principles generally accepted in the United States ("GAAP"). Adjusted EBITDA is a non-GAAP financial measure that is reconciled to its most comparable GAAP measure below. Adjusted EBITDA is included because management believes that Adjusted EBITDA provides investors with additional information that allows an understanding of the results of operational activities separate from the financial impact of capital investment decisions made for the long-term benefit of CGPH.

Because not all companies use identical calculations, the presentation of CGPH's EBITDA and Adjusted EBITDA may not be comparable to other similarly titled measures of other companies.

	Three Months Ended September 30,		Nine Months Ended September 30,	
(In millions)	**2016**	**2015**	**2016**	**2015**
Net income	$ 0.1	$ 6.2	$ 28.8	$ 31.2
Interest expense, net of interest capitalized	41.6	42.1	126.7	121.3
Depreciation and amortization	39.2	32.2	104.8	89.6
EBITDA	80.9	80.5	260.3	242.1
Stock-based compensation [1]	1.1	1.3	4.1	3.2
Write-downs, reserves and project opening costs, net of recoveries (2)	—	1.8	0.6	6.5
Other [3]	(0.3)	1.6	1.5	2.1
Adjusted EBITDA	$ 81.7	$ 85.2	$ 266.5	$ 253.9

(1) Amounts represent non-cash stock based compensation expense.
(2) Amounts include development costs related to the renovation of The LINQ Hotel & Casino and Planet Hollywood.
(3) Amounts represent other add-backs and deductions to arrive at Adjusted EBITDA but not separately identified, such as acquisition and integration costs and severance expense.

Liquidity and Capital Resources

Capital Spending

We incur capital expenditures in the normal course of business, and we perform ongoing refurbishment and maintenance at our existing casino entertainment facilities to maintain our quality standards. We may pursue development and acquisition opportunities for additional casino entertainment and other hospitality facilities that meet our strategic and return on investment criteria. Cash used for capital expenditures in the normal course of business is typically made available from cash flows generated by our operating activities while cash used for development projects is typically funded from specific project financing and additional debt offerings.

Future capital spending and maintenance could require, individually and in the aggregate, significant capital commitments and, if completed, may result in significant additional revenues. The commitment of capital, the timing of completion, and the commencement of operations of development projects would be contingent upon, among other things, negotiation of final agreements and receipt of requisite approvals from the applicable political and regulatory bodies. In addition, we must also comply with covenants and restrictions set forth in our debt instruments, further described in Capital Resources below and in Note 6 — Debt in the Consolidated Condensed Financial Statements in this report.

During the three months ended September 30, 2016 and 2015, capital expenditures net of related payables were $13.2 million and $17.8 million, respectively. Significant capital expenditures net of related payables include $8.4 million for Planet Hollywood during the three months ended September 30, 2016 and $12.5 million for The LINQ Hotel & Casino during the three months ended September 30, 2015.

During the nine months ended September 30, 2016 and 2015, capital expenditures net of related payables were $42.6 million and $126.9 million, respectively. Significant capital expenditures net of related payables include $24.3 million for Planet Hollywood during the nine months ended September 30, 2016 and $98.2 million for The LINQ Hotel & Casino during the nine months ended September 30, 2015.

The renovation of The LINQ Hotel & Casino was substantially completed and available to guests in early May 2015.

Liquidity

CGPH's primary sources of liquidity include currently available cash and cash equivalents, cash flows generated from its operations and the $150.0 million revolving credit agreement (the "Revolving Credit Facility"). Payments of short-term debt obligations and other commitments are expected to be made from operating cash flows. CGPH's operating cash inflows are

used for operating expenses, debt service costs, working capital needs and capital expenditures in the normal course of business. Long-term obligations are expected to be paid through operating cash flows, refinancing of existing debt or the issuance of new debt, or, if necessary, additional investments from its equity holders. CGPH's ability to refinance debt will depend upon numerous factors such as market conditions, our financial performance, and the limitations applicable to such transactions under our financing documents.

Our cash and cash equivalents, excluding restricted cash, totaled $159.3 million as of September 30, 2016, compared to $98.1 million as of December 31, 2015. Restricted cash totaled $2.6 million as of both September 30, 2016 and December 31, 2015 related to Harrah's New Orleans to guarantee workers' compensation payments and for capital replacements required under the Rivergate Development Corporation lease agreement.

As of September 30, 2016 and December 31, 2015, we had $2,010.6 million and $2,070.1 million, respectively, face value of indebtedness outstanding, including capital lease indebtedness. Cash paid for interest for the nine months ended September 30, 2016 and 2015 was $103.0 million and $104.7 million, respectively.

Our ability to fund our operations, pay our debt obligations, and fund planned capital expenditures depends, in part, upon economic and other factors that are beyond our control, and disruptions in capital markets and restrictive covenants related to our existing debt could impact our ability to fund our liquidity needs, pay our indebtedness and secure additional funds through financing activities. We believe that our cash and cash equivalents balance, our short-term and long-term restricted cash balances and our cash flows from operations herein will be sufficient to meet our normal operating requirements during the next 12 months and to fund capital expenditures.

Capital Resources

The following table presents CGPH outstanding third-party debt as of September 30, 2016 and December 31, 2015.

(In millions)	Final Maturity	Interest Rates at September 30, 2016	Face Value at September 30, 2016	Book Value at September 30, 2016	Book Value at December 31, 2015
Secured debt					
Caesars Growth Properties Holdings Revolving Credit Facility[1]	2019	variable	$ —	$ —	$ 45.0
Caesars Growth Properties Holdings Term Loan	2021	6.25%	1,148.6	1,120.8	1,125.7
Caesars Growth Properties Holdings Notes	2022	9.375%	675.0	661.7	660.3
Cromwell Credit Facility	2019	11.00%	172.4	167.9	169.2
Capital lease obligations	2016 - 2017	various	0.1	0.1	1.2
Unsecured debt					
Special Improvement District Bonds	2037	5.30%	13.7	13.7	14.1
Other financing obligations	2016	various	0.8	0.8	2.8
Total debt			2,010.6	1,965.0	2,018.3
Current portion of total debt			(13.1)	(13.1)	(61.1)
Long-term debt			$ 1,997.5	$ 1,951.9	$ 1,957.2

[1] Variable interest rate calculated as London Inter-Bank Offered Rate ("LIBOR") plus 5.00% for payments subsequent to May 9, 2016 and LIBOR plus 5.25% for payments prior to May 9, 2016.

As of September 30, 2016, we are in compliance with all affirmative and negative covenants related to our debt instruments.

See Note 6 — Debt in the Consolidated Condensed Financial Statements in this report for further details.

Other Obligations and Commitments

The table below summarizes CGPH's debt and related interest obligations as of September 30, 2016.

(In millions)	Payments due by Period: Total	Remainder of 2016	1-3 years	4-5 years	After 5 years
Debt payable to third parties, face value	$ 2,010.6	$ 3.9	$ 209.0	$ 1,111.3	$ 686.4
Estimated interest payments to third parties [1]	806.0	71.8	469.4	227.7	37.1

[1] Estimated interest for variable rate debt included in this table is based on projected rates at September 30, 2016.

Off-Balance Sheet Arrangements

CGPH did not have any off-balance sheet arrangements at September 30, 2016 or December 31, 2015.

Recently Issued Accounting Pronouncements

The information regarding recent accounting pronouncements is included in Note 2 — Recently Issued Accounting Pronouncements to the CGPH Consolidated Condensed Financial Statements in this report.

Supplemental Disclosure of Non-GAAP Financial Measure

Adjusted EBITDA - Restricted

Adjusted EBITDA - Restricted is defined as EBITDA further adjusted to exclude certain non-cash and other items required or permitted in calculating covenant compliance under the indenture governing the CGPH credit facility. Specifically, Adjusted EBITDA - Restricted excludes Corner Investment Company, LLC and its subsidiaries, which are qualified non-recourse subsidiaries of CGPH, consistent with the calculations used to determine compliance with debt covenants under the credit facility.

Because not all companies use identical calculations, the presentation of CGPH's Adjusted EBITDA - Restricted may not be comparable to other similarly titled measures of other companies.

The following table reconciles Net income - Restricted to Adjusted EBITDA - Restricted:

	Three Months Ended September 30,		Nine Months Ended September 30,	
(In millions)	**2016**	**2015**	**2016**	**2015**
Net income	$ 0.1	$ 6.2	$ 28.8	$ 31.2
Less: Net loss - Unrestricted	(3.8)	(3.5)	(12.8)	(11.0)
Net income - Restricted	3.9	9.7	41.6	42.2
Interest expense, net of interest capitalized	36.4	36.7	111.2	105.1
Depreciation and amortization	35.2	29.4	92.8	78.7
Write-downs, reserves and project opening costs, net of recoveries	—	1.9	0.7	6.4
Stock-based compensation	1.0	1.3	3.9	3.0
Other [1]	(0.2)	1.6	1.5	2.1
Adjusted EBITDA - Restricted	$ 76.3	$ 80.6	$ 251.7	$ 237.5

[1] Amounts represent other add-backs and deductions to arrive at Adjusted EBITDA - Restricted but not separately identified, such as acquisition and integration costs and severance expense.

CAUTIONARY STATEMENT PURSUANT TO THE PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995

This Form 10-Q contains or may contain "forward-looking statements" intended to qualify for the safe harbor from liability established by the Private Securities Litigation Reform Act of 1995. You can identify these statements by the fact that they do not relate strictly to historical or current facts. You should not place undue reliance on such statements because they are subject to numerous uncertainties and factors relating to our operations and business environment, all of which are difficult to predict and many of which are beyond our control. Forward-looking statements include information concerning our possible or assumed future results of operations, including descriptions of our business strategy. These statements contain words such as "may," "will," "project," "might," "expect," "believe," "anticipate," "intend," "could," "would," "estimate," "continue," or "pursue," or the negative of these words or other words or expressions of similar meaning that may identify forward-looking statements and are found at various places throughout this Form 10-Q. These forward-looking statements, including, without limitation, those relating to future actions, new projects, strategies, future performance, the outcome of contingencies such as legal proceedings, and future financial results, wherever they occur in this Form 10-Q, are based on our current expectations about future events and are estimates reflecting the best judgment of CGPH's management and involve a number of risks and uncertainties that could cause actual results to differ materially from those suggested by the forward-looking statements.

Investors are cautioned that forward-looking statements are not guarantees of future performance or results and involve risks and uncertainties that cannot be predicted or quantified, and, consequently, the actual performance of CGPH may differ materially from those expressed or implied by such forward-looking statements. We disclose important factors that could cause actual results to differ materially from our expectations under "Risk Factors" and elsewhere in this Form 10-Q and the documents incorporated by reference. Such risks and uncertainties include, but are not limited to, the following factors, as well as other factors described from time to time in the Company's reports filed with the Securities and Exchange Commission (the "SEC") (including the sections entitled "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" contained therein):

- CGPH's dependence on Caesars Entertainment and its subsidiaries, including Caesars Enterprise Services, LLC ("CES"), to provide support and services, as well as CGPH's dependence on Caesars Entertainment's and CES' senior management's expertise and its participation in Caesars Entertainment's Total Rewards loyalty program;
- the effects of a default by Caesars Entertainment or Caesars Entertainment Operating Company, Inc. ("CEOC") on certain debt obligations;
- the ability of CEC to meet its financial obligations in light of its limited cash balances;
- Caesars Entertainment's interests may conflict with CGPH's interests and Caesars Entertainment may possibly keep all potential development opportunities for itself;
- the adverse effects due to the bankruptcy filing of CEOC and certain of its subsidiaries;
- the effects if a third-party successfully challenges Caesars Entertainment or its affiliates' ownership of, or right to use, the intellectual property owned or used by subsidiaries of Caesars Entertainment, which CGPH licenses for use in its businesses;
- the difficulty of operating CGPH's business separately from Caesars Entertainment and managing that process effectively could take up a significant amount of management's time;
- CGPH's ability to realize the anticipated benefits of current or potential future acquisitions and the ability to timely and cost-effectively integrate assets and companies that CGPH acquires into its operations;
- the effects of any lawsuits against CAC or CGP LLC related to the May 2014 Acquisitions;
- the adverse effects if extensive governmental regulation and taxation policies, which are applicable to CGPH, are enforced;
- the effects of local and national economic, credit and capital market conditions on the economy in general, and on the gaming industry in particular;
- the sensitivity of CGPH's business to reductions in discretionary consumer spending;
- the changing industry in which CGPH operates;
- any failure to protect CGPH's trademarks or other intellectual property;
- abnormal gaming holds ("gaming hold" is the amount of money that is retained by the casino from wagers by customers);

- the effects of competition, including locations of competitors and operating and market competition, particularly the intense competition CGPH's casino properties face in their respective markets;
- political and economic uncertainty created by terrorist attacks and other acts of war or hostility; and
- the other factors set forth under "Risk Factors."

Any forward-looking statements are made pursuant to the Private Securities Litigation Reform Act of 1995 and, as such, speak only as of the date made. CGPH disclaims any obligation to update the forward-looking statements. You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date stated or, if no date is stated, as of the date of this Form 10-Q.

Item 3. Quantitative and Qualitative Disclosures About Market Risk.

Market risk is the risk of loss arising from adverse changes in market rates and prices, such as interest rates, foreign currency exchange rates and commodity prices. Our primary exposure to market risk is interest rate risk associated with our debt. We attempt to limit our exposure to interest rate risk by managing the mix of our debt between fixed-rate and variable-rate obligations.

Assuming a constant outstanding balance for our variable rate debt, a hypothetical 1% increase in interest rates would increase interest expense for the next twelve months by $10.9 million. At September 30, 2016, the weighted average U.S. Dollar LIBOR rate on our variable rate debt was 0.86%. A hypothetical reduction of this rate to zero would have no impact on interest expense for the next twelve months.

CGPH does not purchase or hold any derivative financial instruments for trading purposes.

As of September 30, 2016, our long-term variable rate debt reflects borrowings under our credit facilities provided to us by a consortium of banks with a total capacity of $1,470.9 million. The interest rates charged on borrowings under these facilities are a function of LIBOR. As such, the interest rates charged to us for borrowings under the facilities are subject to change as LIBOR changes.

Debt covenant compliance is disclosed in the Liquidity and Capital Resources section above.

Item 4. Controls and Procedures.

Evaluation of Disclosure Controls and Procedures

We maintain disclosure controls and procedures designed to provide reasonable assurance that information required to be disclosed in reports filed under the Securities Exchange Act of 1934, as amended (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, with the participation of our Chief Executive Officer and Chief Financial Officer, evaluated the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15(e) or 15d-15(e) promulgated under the Exchange Act) at September 30, 2016. Based on this evaluation required by paragraph (b) of Rules 13a-15 or 15d-15, our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures were effective as of September 30, 2016.

Changes in Internal Controls

There have not been changes in internal controls over financial reporting during the three months ended September 30, 2016 that have materially affected, or are reasonably likely to materially affect, our internal controls over financial reporting.

PART II - OTHER INFORMATION

Item 1. Legal Proceedings.

CAC-CEC Proposed Merger

On December 30, 2014, Nicholas Koskie, on behalf of himself and, he alleges, all others similarly situated, filed a lawsuit (the "Nevada Lawsuit") in the Clark County District Court in the State of Nevada against CAC, CEC and members of the CAC board of directors Marc Beilinson, Philip Erlanger, Dhiren Fonseca, Don Kornstein, Karl Peterson, Marc Rowan, and David Sambur (the individual defendants collectively, the "CAC Directors"). The Nevada Lawsuit alleges claims for breach of fiduciary duty against the CAC Directors and aiding and abetting breach of fiduciary duty against CAC and CEC. It seeks (1) a declaration that the claim for breach of fiduciary duty is a proper class action claim; (2) to order the CAC Directors to fulfill their fiduciary duties to CAC in connection with the Proposed Merger between CAC and CEC announced on December 22, 2014 (the "Proposed Merger"), specifically by announcing their intention to (a) cooperate with bona fide interested parties proposing alternative transactions, (b) ensure that no conflicts exist between the CAC Directors' personal interests and their fiduciary duties to maximize shareholder value in the Proposed Merger, or resolve all such conflicts in favor of the latter, and (c) act independently to protect the interests of the shareholders; (3) to order the CAC Directors to account for all damages suffered or to be suffered by the plaintiff and the putative class as a result of the Proposed Merger; and (4) to award the plaintiff for his costs and attorneys' fees. It is unclear whether the Nevada Lawsuit also seeks to enjoin the Proposed Merger. On October 14, 2016, the Nevada Lawsuit was dismissed without prejudice by the court for lack of prosecution. Pursuant to local rule, the case may be reinstated at the plaintiff's written request, provided such request is received no later than November 14, 2016. CAC and the CAC Directors believe this lawsuit is without merit and will defend themselves vigorously.

We cannot provide assurance as to the outcome of this matter or of the range of reasonably possible losses should this matter ultimately be resolved against us due to the inherent uncertainty of litigation and the stage of the related litigation.

CEOC Bondholder Litigation, or Noteholder Disputes

On August 4, 2014, Wilmington Savings Fund Society, FSB, solely in its capacity as successor indenture trustee for the 10% Second-Priority Senior Secured Notes due 2018 (the "Notes"), on behalf of itself and, it alleges, derivatively on behalf of Caesars Entertainment Operating Company, Inc. ("CEOC"), filed a lawsuit (the "Delaware Second Lien Lawsuit") in the Court of Chancery in the State of Delaware against CEC, CEOC, CGP LLC, CAC, Caesars Entertainment Resort Properties, LLC ("CERP"), CES, Eric Hession, Gary Loveman, Jeffrey D. Benjamin, David Bonderman, Kelvin L. Davis, Marc C. Rowan, David B. Sambur, and Eric Press. The lawsuit alleges claims for breach of contract, intentional and constructive fraudulent transfer, breach of fiduciary duty, aiding and abetting breach of fiduciary duty, and corporate waste. The lawsuit seeks (1) an award of money damages; (2) to void certain transfers, the earliest of which dates back to 2010; (3) an injunction directing the recipients of the assets in these transactions to return them to CEOC; (4) a declaration that CEC remains liable under the parent guarantee formerly applicable to the Notes; (5) to impose a constructive trust or equitable lien on the transferred assets; and (6) an award to the plaintiffs for their attorneys' fees and costs. The only claims against CAC and CGP LLC are for intentional and constructive fraudulent transfer. CAC and CGP LLC believe this lawsuit is without merit and will defend themselves vigorously. A motion to dismiss this action was filed by CEC and other defendants in September 2014, and the motion was argued in December 2014. During the pendency of its Chapter 11 bankruptcy proceedings, the action has been automatically stayed with respect to CEOC. The motion to dismiss with respect to CEC was denied on March 18, 2015. In a Verified Supplemental Complaint filed on August 3, 2015, the plaintiff stated that due to CEOC's bankruptcy filing, the continuation of all claims was stayed pursuant to the bankruptcy except for Claims II, III, and X. These are claims against CEC only, for breach of contract in respect of the release of the parent guarantee formerly applicable to the Notes, for declaratory relief in respect of the release of this guarantee, and for violations of the Trust Indenture Act in respect of the release of this guarantee. CEC has informed us that fact discovery in the case is substantially complete, and cross-motions for summary judgment have been filed by the parties. On October 5, 2016, the Bankruptcy Court granted CEOC's motion for a stay of this proceeding (and others). The stay will remain in effect until the earlier of (a) the first omnibus hearing after the Bankruptcy Court issues its decision confirming or denying confirmation of the CEOC reorganization plan, (b) the termination of the restructuring support agreement with the Official Committee of Second Priority Noteholders (the "Second Lien RSA") or (c) further order of the Bankruptcy Court.

On September 3, 2014, holders of approximately $21 million of CEOC Senior Unsecured Notes due 2016 and 2017 filed suit in federal district court in United States District Court for the Southern District of New York against CEC and CEOC, claiming broadly that an August 12, 2014 Note Purchase and Support Agreement between CEC and CEOC (on the one hand) and certain other holders of the CEOC Senior Unsecured Notes (on the other hand) impaired their own rights under the Senior Unsecured Notes. The lawsuit seeks both declaratory and monetary relief. On October 2, 2014, other holders of CEOC Senior Unsecured Notes due 2016 purporting to represent a class of all holders of these Notes from August 11, 2014 to the present filed a substantially similar suit in the same court, against the same defendants, relating to the same transactions. Both lawsuits

(the "Senior Unsecured Lawsuits") were assigned to the same judge. The claims against CEOC have been automatically stayed during its Chapter 11 bankruptcy proceedings. The court denied a motion to dismiss both lawsuits with respect to CEC. The parties have completed fact discovery with respect to both plaintiffs' claims against CEC. On October 23, 2015, plaintiffs in the Senior Unsecured Lawsuits moved for partial summary judgment, and on December 29, 2015, those motions were denied. On December 4, 2015, plaintiff in the action brought on behalf of holders of CEOC's 6.50% Senior Unsecured Notes moved for class certification and briefing has been completed. The judge presiding over these cases thereafter retired, and a new judge was appointed to preside over these lawsuits. That judge set a new summary judgment briefing schedule, and the parties filed cross-motions for summary judgment which remain pending. On October 5, 2016, the Bankruptcy Court granted CEOC's motion for a stay of these proceedings (and others). The stay will remain in effect until the earlier of (a) the first omnibus hearing after the Bankruptcy Court issues its decision confirming or denying confirmation of the CEOC reorganization plan, (b) the termination of the Second Lien RSA or (c) further order of the Bankruptcy Court. CAC and CGP LLC are not parties to these lawsuits.

On November 25, 2014, UMB Bank ("UMB"), as successor indenture trustee for CEOC's 8.5% senior secured notes due 2020, filed a verified complaint (the "Delaware First Lien Lawsuit") in Delaware Chancery Court against CEC, CEOC, CERP, CAC, CGP LLC, CES, and against an individual, and past and present members of the CEC and CEOC Boards of Directors, Gary Loveman, Jeffrey Benjamin, David Bonderman, Kelvin Davis, Eric Press, Marc Rowan, David Sambur, Eric Hession, Donald Colvin, Fred Kleisner, Lynn Swann, Chris Williams, Jeffrey Housenbold, Michael Cohen, Ronen Stauber, and Steven Winograd, alleging generally that defendants have improperly stripped CEOC of prized assets, have wrongfully affected a release of a CEC parental guarantee of CEOC debt and have committed other wrongs. Among other things, UMB has asked the court to appoint a receiver over CEOC. In addition, the Delaware First Lien Lawsuit pleads claims for fraudulent conveyances/transfers, insider preferences, illegal dividends, declaratory judgment (for breach of contract as regards to the parent guarantee and also as to certain covenants in the bond indenture), tortious interference with contract, breach of fiduciary duty, aiding and abetting breach of fiduciary duty, usurpation of corporate opportunities, and unjust enrichment, and seeks monetary and equitable as well as declaratory relief. CAC and CGP LLC believe this lawsuit is without merit and will defend themselves vigorously. All of the defendants have moved to dismiss the lawsuit, and that motion has been fully briefed. In addition, this lawsuit has been automatically stayed with respect to CEOC during the Chapter 11 process and, pursuant to the (a) Fifth Amended and Restated Restructuring Support and Forbearance Agreement dated October 7, 2015, with certain holders of claims in respect of claims under CEOC's first lien notes (the "First Lien Bond RSA") and (b) Restructuring Support and Forbearance Agreement dated August 21, 2015, with certain holders of claims in respect of claims under CEOC's first lien credit agreement (the "First Lien Bank RSA" and, together with the First Lien Bond RSA, the "RSAs"), has been subject to a consensual stay for all.

On February 13, 2015, Caesars Entertainment received a Demand For Payment of Guaranteed Obligations (the "February 13 Notice") from Wilmington Savings Fund Society, FSB, in its capacity as successor Trustee for CEOC's 10.00% Second-Priority Notes. The February 13 Notice alleges that CEOC's commencement of its voluntary Chapter 11 bankruptcy case constituted an event of default under the indenture governing the 10.00% Second-Priority Notes; that all amounts due and owing on the 10.00% Second-Priority Notes therefore immediately became payable; and that Caesars Entertainment is responsible for paying CEOC's obligations on the 10.00% Second-Priority Notes, including CEOC's obligation to timely pay all principal, interest, and any premium due on these notes, as a result of a parent guarantee provision contained in the indenture governing the notes that the February 13 Notice alleges is still binding. The February 13 Notice accordingly demands that Caesars Entertainment immediately pay Wilmington Savings Fund Society, FSB, cash in an amount of not less than $3.7 billion, plus accrued and unpaid interest (including without limitation the $184 million interest payment due December 15, 2014 that CEOC elected not to pay) and accrued and unpaid attorneys' fees and other expenses. The February 13 Notice also alleges that the interest, fees and expenses continue to accrue. CAC and CGP LLC are not parties to this demand.

On February 18, 2015, Caesars Entertainment received a Demand For Payment of Guaranteed Obligations (the "February 18 Notice") from BOKF, N.A. ("BOKF"), in its capacity as successor Trustee for CEOC's 12.75% Second-Priority Senior Secured Notes due 2018 (the "12.75% Second-Priority Notes"). The February 18 Notice alleges that CEOC's commencement of its voluntary Chapter 11 bankruptcy case constituted an event of default under the indenture governing the 12.75% Second-Priority Notes; that all amounts due and owing on the 12.75% Second-Priority Notes therefore immediately became payable; and that CEC is responsible for paying CEOC's obligations on the 12.75% Second-Priority Notes, including CEOC's obligation to timely pay all principal, interest and any premium due on these notes, as a result of a parent guarantee provision contained in the indenture governing the notes that the February 18 Notice alleges is still binding. The February 18 Notice therefore demands that CEC immediately pay BOKF cash in an amount of not less than $750 million, plus accrued and unpaid interest, accrued and unpaid attorneys' fees, and other expenses. The February 18 Notice also alleges that the interest, fees and expenses continue to accrue. CAC and CGP LLC are not parties to this demand.

On March 3, 2015, BOKF filed a lawsuit (the "New York Second Lien Lawsuit") against CEC in federal district court in Manhattan, in its capacity as successor trustee for CEOC's 12.75% Second-Priority Notes. On June 15, 2015, UMB filed a lawsuit (the "New York First Lien Lawsuit") against CEC, also in federal district court in Manhattan, in its capacity as

successor trustee for CEOC's 11.25% Senior Secured Notes due 2017, 8.50% Senior Secured Notes due 2020, and 9.00% Senior Secured Notes due 2020. Plaintiffs in these actions allege that CEOC's filing of its voluntary Chapter 11 bankruptcy case constitutes an event of default under the indenture governing these notes, causing all principal and interest to become immediately due and payable, and that CEC is obligated to make those payments pursuant to a parent guarantee provision in the indentures governing these notes that plaintiffs allege are still binding. Both plaintiffs bring claims for violation of the Trust Indenture Act of 1939, breach of contract, breach of duty of good faith and fair dealing and for declaratory relief and BOKF brings an additional claim for intentional interference with contractual relations. The cases were assigned to the same judge presiding over the other Parent Guarantee Lawsuits, as defined below. CEC filed its answer to the BOKF complaint on March 25, 2015, and to the UMB complaint on August 10, 2015. On June 25, 2015, and June 26, 2015, BOKF and UMB, respectively, moved for partial summary judgment, specifically on their claims alleging a violation of the Trust Indenture Act of 1939, seeking both declaratory relief and damages. On August 27, 2015, those motions were denied. The court, on its own motion, certified its order with respect to the interpretation of the Trust Indenture Act for interlocutory appeal to the United States Court of Appeals for the Second Circuit, and on December 22, 2015, the appellate court denied CEC's motion for leave to appeal. On November 20, 2015, BOKF and UMB again moved for partial summary judgment. Those motions likewise were denied. The judge presiding over these cases thereafter retired, and a new judge was appointed to preside over these lawsuits. That judge set a new summary judgment briefing schedule, and the parties submitted cross-motions for summary judgment which remain pending. On October 5, 2016, the Bankruptcy Court granted CEOC's motion for a stay of the New York First Lien Lawsuit and the New York Second Lien Lawsuit (and others). The stay will remain in effect until the earlier of (a) the first omnibus hearing after the Bankruptcy Court issues its decision confirming or denying confirmation of the CEOC reorganization plan, (b) the termination of the Second Lien RSA or (c) further order of the Bankruptcy Court. CAC and CGP LLC are not parties to these lawsuits.

On October 20, 2015, Wilmington Trust, National Association ("Wilmington Trust"), filed a lawsuit (the "New York Senior Notes Lawsuit" and, together with the Delaware Second Lien Lawsuit, the Delaware First Lien Lawsuit, the Senior Unsecured Lawsuits, the New York Second Lien Lawsuit, and the New York First Lien Lawsuit, the "Parent Guarantee Lawsuits") against CEC in federal district court in Manhattan in its capacity as successor indenture trustee for CEOC's 10.75% Senior Notes due 2016 (the "10.75% Senior Notes"). Plaintiff alleges that CEC is obligated to make payment of amounts due on the 10.75% Senior Notes pursuant to a parent guarantee provision in the indenture governing those notes that plaintiff alleges is still in effect. Plaintiff raises claims for violations of the Trust Indenture Act of 1939, breach of contract, breach of the implied duty of good faith and fair dealing, and for declaratory judgment, and seeks monetary and declaratory relief. CEC filed its answer to the complaint on November 23, 2015. As with the other parent guaranty lawsuits taking place in Manhattan, the judge presiding over these cases recently retired, and a new judge has been appointed to preside over these lawsuits. That judge set a new summary judgment briefing schedule and the parties submitted cross-motions for summary judgment which remain pending. On October 5, 2016, the Bankruptcy Court granted CEOC's motion for a stay of this proceeding (and others). The stay will remain in effect until the earlier of (a) the first omnibus hearing after the Bankruptcy Court issues its decision confirming or denying confirmation of the CEOC reorganization plan, (b) the termination of the Second Lien RSA or (c) further order of the Bankruptcy Court.

In accordance with the terms of the applicable indentures and as previously disclosed, Caesars Entertainment believes that it is not subject to the above-described guarantees. As a result, Caesars Entertainment believes the demands for payment are without merit. The claims against CEOC have been stayed due to the Chapter 11 process and, except as described above, the actions against CEC have been allowed to continue.

We believe that the claims and demands described above against CAC and CGP LLC in the Delaware First Lien Lawsuit and Delaware Second Lien Lawsuit are without merit and intend to defend ourselves vigorously. For the Delaware First Lien Lawsuit and Delaware Second Lien Lawsuit, at the present time, we believe it is not probable that a material loss will result from the outcome of these matters. However, given the uncertainty of litigation, we cannot provide assurance as to the outcome of these matters or of the range of reasonably possible losses should the matters ultimately be resolved against us. Should these matters ultimately be resolved through litigation outside of the financial restructuring of CEOC, which we believe these matters would likely be long and protracted, and were a court to find in favor of the claimants in the Delaware First Lien Lawsuit or the Delaware Second Lien Lawsuit, such determination could have a material adverse effect on our business, financial condition, results of operations, and cash flows.

As part of CEOC's bankruptcy proceeding, the Official Committee of Second Priority Noteholders ("Second Priority Noteholders") filed a standing motion in bankruptcy court on May 13, 2016 seeking standing to commence claims on behalf of CEOC's estate. The proposed complaint names as potential defendants CAC, CGP LLC, Caesars Interactive Entertainment, Inc. ("CIE"), and CES as well as CEC and CERP among others, and seeks recovery of assets transferred from CEOC. The proposed complaint alleges claims on behalf of CEOC's estate ranging in value from $8.1 billion to $12.6 billion against all defendants, as valued by the Second Priority Noteholders. Of this amount, the Second Priority Noteholders allege potential claims against CAC, CGP LLC, and CIE ranging from $3.7 billion to $7.9 billion, without taking into account any duplicative recovery, based

on calculations in an exhibit to the revised disclosure statement filed in the bankruptcy court on May 27, 2016. A hearing on the standing motion was held on October 19, 2016, and the standing motion was continued until January 17, 2017.

On October 5, 2016, CEOC announced the execution of, or amendment and restatement of, restructuring support agreements with representatives of all of CEOC's major creditor groups, as well as agreement to the terms of CEOC's third amended plan of reorganization. Included among these was the Second Lien RSA. Pursuant to the terms of the Second Lien RSA, CEOC and the Second Priority Noteholders have agreed to stay certain discovery deadlines and to hold in abeyance various proceedings pending before the bankruptcy court. The Second Priority Noteholders' standing motion, various claim objections and motions to compel will all be held in abeyance until (a) the date on which the debtors' third amended plan becomes effective or (b) seven days after the termination of the Second Lien RSA for any reason, whichever is earlier. The Second Lien RSA further requires the consenting Second Priority Noteholders to vote in favor of the plan.

On August 9, 2016, CEOC and certain of its affiliates, each debtors in the Chapter 11 bankruptcy proceedings, filed an adversary complaint as part of the Chapter 11 bankruptcy proceeding against CAC, CIE, CGP LLC, and CGPH, among others, including CEC, CES, and certain current and former directors of CEOC and CEC. In this adversary complaint, the plaintiffs assert claims against CAC for actual and constructive fraudulent conveyances and transfers. The plaintiffs allege, among other things, that certain transactions in which CAC purchased assets from CEOC constituted fraudulent conveyances, and that CAC did not provide CEOC with reasonably equivalent value for the assets acquired. The plaintiffs also claim certain transactions involving CIE constituted fraudulent transfers. The plaintiffs seek, among other relief, avoidance and/or rescission of the disputed transactions; return of assets transferred in those transactions; compensation from defendants for CEOC's alleged losses and damages; and an award to plaintiffs of the costs of the actions, including attorney's fees.

CAC, CIE, CGP LLC, and CGPH believe the above-referenced adversary complaint is without merit and intend to defend it vigorously, including by filing a motion to dismiss at the appropriate time. The status and timing of the adversary proceeding is affected by the Bankruptcy proceedings. On August 10, 2016, CEOC filed an emergency motion seeking, among other relief, to stay the above-referenced adversary proceeding. On August 23, 2016, the bankruptcy court granted the relief requested until the October 19, 2016 omnibus hearing. At the October 19, 2016 omnibus hearing, the bankruptcy court continued the adversary proceeding until the November 16, 2016 omnibus hearing.

Report of Bankruptcy Examiner

The Bankruptcy Court previously engaged an independent examiner to investigate possible claims CEOC might have against CEC, CAC, CGP LLC, other entities and certain individuals. On March 15, 2016, the examiner released his report in redacted form (to the public) and in unredacted form (to certain entities and individuals). On May 16, 2016, the examiner issued a substantially unredacted version of his report. CAC, CGP LLC and CIE do not have access to the unredacted report, and accordingly the description below is based on the substantially unredacted publicly-available report.

The examiner's report identifies a variety of potential claims against CAC, CGP LLC, CIE, other entities and certain individuals related to a number of transactions dating back to 2009. Most of the examiner's findings are based on his view that CEOC was "insolvent" at the time of the applicable transactions. The examiner's report includes his conclusions on the relative strength of these possible claims, many of which are described above. The examiner calculates an estimated range of potential damages for these potential claims as against all parties from $3.6 billion to $5.1 billion. The examiner calculates an estimated range of potential damages for potential claims against CAC, CGP LLC and CIE from $1.7 billion to $2.3 billion, ignoring potential duplication of recovery from other defendants. Neither calculation takes into account probability of success, likelihood of collection, or the time or cost of litigation.

Although this report was prepared at the request of the Bankruptcy Court, none of the findings are legally binding on the Bankruptcy Court or any party. CAC, CGP LLC and CIE contest many of the examiner's findings, including his finding that CEOC did not receive fair value for assets transferred, any suggestion that certain of the potential claims against CAC, CGP LLC and CIE have merit, and his calculation of potential damages. CAC, CGP LLC and its subsidiaries believe that each of the disputed transactions involving them provided substantial value to CEOC that was reasonably equivalent to the value of the asset(s) transferred, and that they at all times acted in good faith.

National Retirement Fund

In January 2015, a majority of the Trustees of the National Retirement Fund ("NRF"), a multi-employer defined benefit pension plan, voted to expel CEC and its participating subsidiaries (the "CEC Group") from the plan. Neither CAC, CGP LLC, CGPH nor any of their subsidiaries are part of the CEC Group. NRF claims that CEOC's bankruptcy presents an "actuarial risk" to the plan because, depending on the outcome of the bankruptcy proceeding, CEC might no longer be liable to the plan for any partial or complete withdrawal liability. NRF has advised the CEC Group that its expulsion has triggered withdrawal liability with a present value of approximately $360 million, payable in 80 quarterly payments of about $6 million.

Prior to NRF's vote, the CEC Group reiterated its commitment to remain in the plan and not seek rejection of any collective bargaining agreements in which the obligation to contribute to NRF exists. It is completely current with respect to pension contributions. The CEC Group is pursuing several litigation strategies to challenge NRF's action.

CEC believes that its legal arguments against the actions undertaken by NRF are strong and will pursue them vigorously. Because legal proceedings with respect to this matter are at the preliminary stages, CEC cannot currently provide assurance as to the ultimate outcome of the matters at issue.

Other Matters

In recent years, governmental authorities have been increasingly focused on anti-money laundering ("AML") policies and procedures, with a particular focus on the gaming industry. In October 2013, CEOC's subsidiary, Desert Palace, Inc. (the owner of and referred to herein as Caesars Palace), received a letter from the Financial Crimes Enforcement Network of the United States Department of the Treasury ("FinCEN"), stating that FinCEN was investigating Caesars Palace for alleged violations of the Bank Secrecy Act to determine whether it is appropriate to assess a civil penalty and/or take additional enforcement action against Caesars Palace. Caesars Palace responded to FinCEN's letter in January 2014. Additionally, CEC was informed in October 2013 that a federal grand jury investigation regarding anti-money laundering practices of CEC and its subsidiaries had been initiated. CEC and Caesars Palace have been cooperating with FinCEN, the Department of Justice and the Nevada Gaming Control Board (the "GCB") on this matter. On September 8, 2015, FinCEN announced a settlement pursuant to which Caesars Palace agreed to an $8 million civil penalty for its violations of the Bank Secrecy Act, which penalty shall be treated as a general unsecured claim in Caesars Palace's bankruptcy proceedings. In addition, Caesars Palace agreed to conduct periodic external audits and independent testing of its AML compliance program, report to FinCEN on mandated improvements, adopt a rigorous training regime, and engage in a "look-back" for suspicious transactions. The terms of the FinCEN settlement were approved by the bankruptcy court on October 19, 2015.

CEOC and the GCB reached a settlement on the same facts as above, wherein CEC agreed to pay $1.5 million and provide to the GCB the same information that is reported to FinCEN and to resubmit its updated AML policies. On September 17, 2015, the settlement agreement was approved by the Nevada Gaming Commission. CEOC continues to cooperate with the Department of Justice in its investigation of this matter.

The Company is party to ordinary and routine litigation incidental to our business. We do not expect the outcome of any such litigation to have a material effect on our financial position, results of operations, or cash flows, as we do not believe it is reasonably possible that we will incur material losses as a result of such litigation.

Item 1A. Risk Factors.

Risks Related to Our Indebtedness

Our substantial indebtedness could adversely affect our ability to raise additional capital to fund our operations, limit our ability to react to changes in the economy or our industry and prevent us from making debt service payments.

We are a highly leveraged business. As of September 30, 2016, we had $2,010.6 million face value of outstanding debt (which includes $172.4 million of assumed debt related to The Cromwell). Assuming constant outstanding balances and interest rates, our debt service obligation for the next twelve months would be approximately $173.3 million (which includes obligations under the assumed debt related to The Cromwell), comprised solely of interest payments.

Our substantial indebtedness could:

- limit our ability to borrow money for our working capital, capital expenditures, development projects, debt service requirements, strategic initiatives or other purposes;
- make it more difficult for us to satisfy our obligations with respect to our indebtedness, and any failure to comply with the obligations of any of our debt instruments, including restrictive covenants and borrowing conditions, could result in an event of default under the agreements governing our indebtedness;
- require us to dedicate a substantial portion of our cash flow from operations to the payment of interest and the repayment of our indebtedness thereby reducing funds available to us for other purposes;
- limit our flexibility in planning for, or reacting to, changes in our operations or business;
- make us more highly leveraged than some of our competitors, which may place us at a competitive disadvantage;
- make us more vulnerable to downturns in our business or the economy;
- restrict us from making strategic acquisitions, developing new gaming facilities, introducing new technologies or exploiting business opportunities;

- affect our ability to renew gaming and other licenses;
- limit, along with the financial and other restrictive covenants in our indebtedness, among other things, our ability to borrow additional funds or dispose of assets; and
- expose us to the risk of increased interest rates as certain of our borrowings are at variable rates of interest.

Any of the foregoing could have a material adverse effect on our business, financial condition, results of operations, prospects and ability to satisfy our obligations under the $675.0 million aggregate principal amount of 9.375% second-priority senior secured notes due 2022 (the "2022 Notes").

Our ability to satisfy our debt obligations will depend upon, among other things:

- our future financial and operating performance, which will be affected by prevailing economic conditions and financial, business, regulatory and other factors, many of which are beyond our control; and
- our future ability to borrow under the $1.325 billion senior secured credit facilities (the "Senior Secured Credit Facilities") in the Consolidated Condensed Financial Statements in this report, the availability of which depends on, among other things, our complying with the covenants thereunder.

We may be unable to generate sufficient cash flow from operations, or unable to draw under our Senior Secured Credit Facilities or otherwise, in an amount sufficient to fund our liquidity needs. If we are unable to service our debt obligations, we cannot assure you that our business will continue in its current state and your interests as a noteholder may be adversely affected.

We may incur significantly more debt in the future, which could adversely affect our ability to pursue certain opportunities.

We and our subsidiaries may be able to incur substantial indebtedness at any time, and from time to time, including in the near future. Although the terms of the Senior Secured Credit Facilities and the indenture governing the 2022 Notes contain restrictions on our ability to incur additional indebtedness, those restrictions will be subject to a number of important qualifications and exceptions, and the indebtedness incurred in compliance with these restrictions could be substantial.

If we significantly leverage ourselves, we will be subject to considerable interest payment expenses that could adversely affect our ability to obtain additional financing. Further, once we have a highly leveraged capital structure, we may lose certain advantages that we have against competitors, making the pursuit of capital-intensive opportunities more challenging.

Our debt agreements contain restrictions that limit our flexibility in operating our business.

Our Senior Secured Credit Facilities and the indenture governing the 2022 Notes contain, and any future indebtedness of ours would likely contain, a number of covenants that impose significant operating and financial restrictions on us, including restrictions on our and our subsidiaries' ability to, among other things:

- incur additional debt or issue certain preferred shares;
- pay dividends on or make distributions in respect of our capital stock or make other restricted payments;
- make certain investments;
- sell certain assets;
- create liens on certain assets;
- consolidate, merge, sell or otherwise dispose of all or substantially all of our assets;
- enter into certain transactions with our affiliates; and
- designate our subsidiaries as unrestricted subsidiaries.

As a result of these covenants, we are limited in the manner in which we conduct our business, and we may be unable to engage in favorable business activities or finance future operations or capital needs.

We have pledged a significant portion of our assets as collateral under the Senior Secured Credit Facilities and the 2022 Notes. If any of our lenders accelerate the repayment of borrowings, there can be no assurance that we will have sufficient assets to repay our indebtedness.

Under the Senior Secured Credit Facilities, except during a covenant suspension period as defined in the credit agreement governing the Senior Secured Credit Facilities, we are required to comply on a quarterly basis with a maximum first-priority net senior secured leverage ratio of no more than 6.00 to 1.00. This ratio is calculated based on the aggregate principal amount of certain senior first-priority secured debt net of the amount of unrestricted cash on hand. In addition, for purposes of determining compliance with such financial maintenance covenant for any fiscal quarter, we may exercise an equity cure by issuing certain permitted securities for cash or otherwise receiving cash contributions to the capital of the Company or any of its

direct or indirect parent that will, upon the receipt by the Company of such cash, be included in the calculation of Adjusted EBITDA. The equity cure right may not be exercised in more than three fiscal quarters during any period of four consecutive fiscal quarters or more than six fiscal quarters during any period of eight consecutive fiscal quarters. Under the Senior Secured Credit Facilities, we may also be required to meet specified leverage ratios in order to take certain actions, such as incurring certain debt or making certain acquisitions and asset sales. Many factors affect our continuing ability to comply with these covenants, including (a) changes in gaming trips, spend per trip and hotel metrics, which are correlated to a consumer recovery, (b) increases in cost-savings actions, (c) asset sales, (d) additional debt financings, (e) equity financings, (f) delays in investments in new developments, or (g) a combination thereof. Our ability to meet these ratios can be affected by events beyond our control, and there can be no assurance that we will meet these ratios.

A failure to comply with the covenants contained in the Senior Secured Credit Facilities or our other indebtedness could result in an event of default thereunder, which, if not cured or waived, could have a material adverse effect on our business, financial condition and results of operations. In the event of any default under the Senior Secured Credit Facilities or our other indebtedness, the lenders thereunder:

- will not be required to lend any additional amounts to us, including under the Revolving Credit Facility;
- could elect to declare all borrowings outstanding, together with accrued and unpaid interest and fees, to be due and payable and terminate all commitments to extend further credit; and/or
- require us to apply all of our available cash to repay these borrowings.

Such actions by the lenders could cause cross defaults under our other indebtedness. If we were unable to repay those amounts, the lenders under the Senior Secured Credit Facilities and our other indebtedness could proceed against the collateral granted to them to secure that indebtedness.

If the indebtedness under the 2022 Notes, the Senior Secured Credit Facilities or our other indebtedness were to be accelerated, there can be no assurance that our assets would be sufficient to repay such indebtedness in full.

Repayment of our debt, including required principal and interest payments on the 2022 Notes, is dependent on cash flow generated by our subsidiaries.

Our subsidiaries currently own a portion of our assets and conduct a portion of our operations. Accordingly, repayment of our indebtedness, including the 2022 Notes, is dependent, to a significant extent, on the generation of cash flow by our subsidiaries and their ability to make such cash available to CGPH and Caesars Growth Properties Finance, Inc. (together, the "Issuers"), by dividend, debt repayment or otherwise. Our subsidiaries do not have any obligation to pay amounts due on the 2022 Notes or to make funds available for that purpose (other than with respect to the subsidiary guarantees). Our subsidiaries may not be able to, or may not be permitted to, make distributions to enable us to make payments in respect of our indebtedness, including the 2022 Notes. Each subsidiary is a distinct legal entity and, under certain circumstances, legal and contractual restrictions may limit our ability to obtain cash from our subsidiaries. While the indenture governing the 2022 Notes limits the ability of our subsidiaries to incur consensual restrictions on their ability to pay dividends or make other intercompany payments to us, these limitations are subject to certain qualifications and exceptions. In the event that we do not receive distributions from our subsidiaries we may be unable to make required principal and interest payments on our indebtedness, including the 2022 Notes.

If the Issuers default on their obligations to pay their other indebtedness, the Issuers may not be able to make payments on the 2022 Notes.

Any default under the agreements governing the indebtedness of the Issuers, including a default under the Senior Secured Credit Facilities that is not waived by the required lenders, and the remedies sought by the holders of such indebtedness could leave the Issuers unable to pay principal, premium, if any, or interest on the 2022 Notes and could substantially decrease the market value of the 2022 Notes. If the Issuers are unable to generate sufficient cash flow and are otherwise unable to obtain funds necessary to meet required payments of principal, premium, if any, or interest on their indebtedness, or if the Issuers otherwise fail to comply with the various covenants, including financial and operating covenants, in the instruments governing their indebtedness (including the Senior Secured Credit Facilities), the Issuers could be in default under the terms of the agreements governing such indebtedness. In the event of such default, the holders of such indebtedness could elect to declare all the funds borrowed thereunder to be due and payable, together with accrued and unpaid interest, the lenders under the Revolving Credit Facility could elect to terminate their commitments, cease making further loans and institute foreclosure proceedings against the assets of the Issuers, and the Issuers could be forced into bankruptcy or liquidation. If the operating performance of the Issuers decline, the Issuers may in the future need to seek waivers from the required lenders under the Senior Secured Credit Facilities to avoid being in default. If the Issuers breach their covenants under the Senior Secured Credit Facilities and seek a waiver, the Issuers may not be able to obtain a waiver from the required lenders. If this occurs, the Issuers would be in default under the Senior Secured Credit Facilities, the lenders could exercise their rights as described above, and the Issuers could be forced into bankruptcy or liquidation.

Risks Related to CGPH's Continued Dependence on Caesars Entertainment and CES

CGPH is dependent on CES, CEOC and its subsidiaries to provide corporate services, back-office support and business advisory services through the Omnibus Agreement. CGPH cannot operate without the services provided by subsidiaries of Caesars Entertainment and will be adversely affected if the Omnibus Agreement is terminated.

CES, a services joint venture among CEOC, CERP, a subsidiary of CEC, and CGPH, manages our properties and provides us with access to Caesars Entertainment's management expertise, intellectual property, back office services and Total Rewards® loyalty program. Pursuant to the Omnibus License and Enterprise Services Agreement (the "Omnibus Agreement"), CES provides corporate services and back-office support to CGPH and its casinos. CGPH has a very short history of operating casinos and interactive entertainment. Therefore, the business and operations of CGPH is dependent on the services provided by CES, and CGPH cannot operate without these services. If the quality of the services provided by Caesars Entertainment and its subsidiaries deteriorates, or if the terms under which CES provide such services change in a manner that is adverse to CGPH, it could have a material adverse effect on CGPH's business, financial condition and operating results.

In addition, if the Omnibus Agreement were to be terminated and not replaced, or if CES were to suffer significant liquidity or operational difficulties, becoming incapable of providing support and management services (or unable to provide such services at agreed upon levels) to CGPH or cease operations altogether, CGPH would no longer have access to the operational support and management expertise provided by Caesars Entertainment and its subsidiaries and it could have a material adverse effect on CGPH's business, financial condition and operating results. The management of Caesars Entertainment has concluded that, due to the material uncertainty related to certain of the litigation proceedings against Caesars Entertainment, as more fully described in Item 1. Legal Proceedings - CEOC Bondholder Litigation or Noteholder Disputes, there is substantial doubt about Caesars Entertainment's ability to continue as a going concern.

If Caesars Entertainment were unable to continue as a going concern, CERP and CEOC, as subsidiaries of Caesars Entertainment, could be unable to provide CES with their respective contributions to CES's operating funds and capital, which would also render CES incapable of providing us with the support and management services we require. In addition, if CES were to become a debtor in a bankruptcy case, it may seek bankruptcy court approval to assume the Omnibus Agreement or the management agreements under the Bankruptcy Code, to assign such agreements to a third party or to reject such agreements. See "Our operations depend on material contracts with third parties, including Caesars Entertainment, the continued enforcement of which may be adversely impacted by a bankruptcy of Caesars Entertainment or CES." Any failure by CAC or CGPH to obtain the operational and management support of Caesars Entertainment and its subsidiaries, and particularly any failure by CGPH to obtain Caesars Entertainment's expertise in operating casinos or maintaining access to the Total Rewards loyalty program, would adversely affect CGPH's business, financial condition and operating results.

We do not control CES, and the interests of our co-investors may not align with our interests.

CEOC, CERP and CGPH are members of CES, and CGPH and its subsidiaries rely on CES to provide it with intellectual property licenses and property management services, among other services. Each member of CES is required to contribute as necessary to fund CES's operating costs and capital requirements in accordance with the terms of the operating agreement that governs CES. The amount CGPH will be required to fund in the future may be greater than its initial contribution, and will be subject to the review and approval of the CES steering committee. CGPH, CEOC and CERP control CES through its steering committee, which is comprised of one representative from each of CGPH, CEOC and CERP. In the event that CGPH interests do not align with those of CEOC or CERP, the interests of CEOC or CERP may be met before CGPH. In addition, certain decisions by CES may not be made without unanimous consent of the members, including CGPH. These actions include any decision with respect to liquidation or dissolution of CES, merger, consolidation or sale of all or substantially all the assets of CES, usage of CES assets in a manner inconsistent with the purposes of CES, material amendment to CES's operating agreement, admission of new investors to CES and filing of any bankruptcy or similar action by CES. Thus, any member may block those actions requiring unanimous consent of the members notwithstanding that such actions are in our interest. As a result of an annual review undertaken in September 2015 but effective July 2015, the allocation percentages of the CES members, CEOC, CERP and CGPH, were revised to 65.4%, 21.8% and 12.8%, respectively. CGPH notified CES, CEOC and CERP that it objected to the September 2015 expense allocation but would pay the revised expense allocations under protest and reserved all rights. As a result of an annual review undertaken in August 2016 but effective January 2017, the allocation percentages for CEOC, CERP and CGPH were revised to 62.9%, 22.9% and 14.2%, respectively. The Company notified CES, CEOC and CERP that it objects to the August 2016 expense allocation but will pay the revised expense allocations under protest and reserves all rights.

CGPH is dependent on the expertise of Caesars Entertainment's and CES' senior management, who may not be directly invested in CGPH's success, which may have an adverse effect on CGPH's business, financial condition and operating results.

CGPH relies a great deal on the expertise and guidance of Caesars Entertainment's senior management who do not receive direct compensation from CGPH. As a result, Caesars Entertainment's senior management may devote substantially less

time to the business and operations of CGPH than were they to be employed by CGPH. Senior management that is not invested in the success of CGPH's business may have an adverse effect on CGPH's business, financial condition and operating results.

Loss of the services of any key personnel from Caesars Entertainment or CES could have a material adverse effect on the business of CGPH.

The leadership of Caesars Entertainment's and CES' senior management has been a critical element of Caesars Entertainment's success. The advisory and management services provided to CGPH depend on this senior management. The death or disability of, or other extended or permanent loss of services, or any negative market or industry perception of Caesars Entertainment's or CES' senior management could have a material adverse effect on CGPH's business. CGPH is not protected by key man insurance or similar life insurance covering members of Caesars Entertainment's senior management, nor does CGPH have employment agreements with any of Caesars Entertainment's senior management.

A default by Caesars Entertainment on certain of its debt obligations could adversely affect CGPH's business, financial condition and operating results.

Caesars Entertainment (including its consolidated subsidiaries as well as CEOC) is a highly leveraged company and has pledged a significant portion of its assets and the assets of its subsidiaries as collateral under certain of its debt obligations, including the trademarks for which CGPH has licensed the right to use, including "Total Rewards" and "Harrah's." The stock of CEOC is also pledged to secure these debt obligations. CEOC and its subsidiaries that are the owners of these trademarks filed for bankruptcy in January 2015. If Caesars Entertainment or its subsidiaries were to default on these obligations, its lenders could exercise significant influence over CGPH's business. CGPH is dependent on a number of services from Caesars Entertainment, CEOC, CES and other subsidiaries of Caesars Entertainment, pursuant to the Omnibus Agreement. If Caesars Entertainment and/or its subsidiaries file for bankruptcy protection under the U.S. bankruptcy code, their filing may materially and adversely affect CGPH's assets and operations. For example, in the event of a default by Caesars Entertainment, its lenders or their successors may elect to reject the Omnibus Agreement as an executory contract in a bankruptcy proceeding. The result of this influence and any related disruption in CGPH's business could have a material adverse effect on CGPH's business, financial condition and operating results. Recent litigation against CEC may increase the risk these events occur. See Item 1. Legal Proceedings - CEOC Bondholder Litigation or Noteholder Disputes.

Caesars Entertainment's interests may conflict with CGPH's interests.

The interests of Caesars Entertainment could conflict with CGPH's interests. Caesars Entertainment is in a casino and entertainment business similar to CGPH and may, from time to time in the future, pursue for itself acquisitions that would be complementary to CGPH's business, in which case, and as a result, those acquisition opportunities would not be available to us. Without access to acquisition opportunities, CGPH will be limited in growing its business.

The success of CGPH's business depends in part on its continued participation in Caesars' Total Rewards loyalty program. If casinos owned by CGPH are unable to access the Total Rewards loyalty program database, it could have a material adverse impact on CGPH's business.

The success of CGPH's business depends in part on its ability to direct targeted marketing efforts to important casino and hospitality customers. The ability of CGPH's business to undertake those marketing efforts depends to a significant extent on its continued participation in the Total Rewards loyalty program owned and maintained by CEOC and its subsidiaries licensed to CES. In connection with this program, the casinos owned by CGPH can develop information which allows them to track casino play and award complimentaries and other promotional opportunities to their customers. Complimentaries and other similar rewards are customarily offered by casino and gaming facilities to their customers and are important incentives to those customers. If the casinos owned by CGPH are unable to access the Total Rewards loyalty program database, it could have a material adverse impact on CGPH's business. Participation in the Total Rewards loyalty program is one of our competitive strengths and our business and growth strategy are, in part, based on tracked play and targeted marketing efforts.

In the past, the removal of the Total Rewards loyalty program from a casino property has resulted in negative impacts on such property's financial results. Similarly, if we are unable to access the Total Rewards loyalty program database, we expect our annual revenue would decline, which could have a material adverse impact on our business and results of operations.

CGPH licenses its right to use and sublicense various trademarks and service marks from Caesars Entertainment and certain of its affiliates. Accordingly, if a third-party successfully challenges Caesars Entertainment or its affiliates' ownership of, or right to use, the Caesars-related marks or if CGPH is unable to stop unauthorized use of such marks, or if Caesars Entertainment or its affiliates use such marks in a way that negatively impacts the value of such marks, CGPH's business or results of operations could be harmed.

CGPH has licensed the right to use certain trademarks and service marks owned or used by various affiliates of Caesars Entertainment, including Caesars World, Inc. ("CWI"), Caesars License Company, LLC ("CLC") and CEOC. These licensed trademarks and service marks include, among others, "The LINQ," "Harrah's," and "Total Rewards." CGPH's rights to use these

trademarks and service marks are among its most valuable assets. CWI, CLC and CEOC filed for bankruptcy protection in January 2015, as more fully discussed in the risk factor above entitled "A default by Caesars Entertainment on certain of its debt obligations could adversely affect CGPH's business, financial condition and operating results."

If the existing licensing arrangements were terminated and CGPH fails to enter into new arrangements in respect of these marks, CGPH could lose their rights to use these marks and the corresponding domain names, which could have a material adverse effect on its business, financial condition and operating results. If a third-party successfully challenges Caesars Entertainment or its affiliates' ownership of, or right to use, these marks (including, for example, due to Caesars Entertainment or its affiliates' failure to file for protection of such marks), CGPH, business, financial condition and operating results.

In addition, these trademarks and service marks are used by Caesars Entertainment and its affiliates around the United States and internationally. Any negative events associated with the use of these marks by Caesars Entertainment or its affiliates may be out of CGPH's control, and may negatively impact the "The LINQ," "Harrah's" or "Total Rewards" brands, which could harm CGPH's business and results of operations.

Failure by CES or CEOC and its subsidiaries to protect the trademarks, technology and other intellectual property that CGPH uses could have a negative impact on the value of CGPH's brand names and adversely affect our business. In addition, CES or CEOC and its subsidiaries may have the right to limit the expansion of scope or usage of our intellectual property.

CGPH currently licenses from CES and CEOC and its subsidiaries, intellectual property and technology material to its overall business strategy, and CGPH regards such intellectual property and technology to be an important element of its success. CGPH relies on CES and CEOC and its subsidiaries to seek to establish and maintain proprietary rights in such intellectual property and technology through the use of copyrights, trademarks and trade secret laws. In addition, CGPH relies on CES and CEOC and its subsidiaries to maintain the trade secrets and confidential information licensed to CGPH by nondisclosure policies and through the use of appropriate confidentiality agreements. Despite these efforts to protect the proprietary rights on which CGPH relies, parties may infringe such intellectual property and use licensed information and technology that CGPH regards as proprietary and CGPH's rights may be invalidated or unenforceable. Monitoring the unauthorized use of CGPH's licensed intellectual property and technology is difficult. Litigation by CEOC and its subsidiaries or CES, as applicable, may be necessary to enforce the intellectual property rights and other rights on which we rely or to determine the validity and scope of the proprietary rights of others. Litigation of this type could result in substantial costs and diversion of resources. We cannot assure you that all of the steps that CGPH, CEOC and its subsidiaries or CES have taken or will take to protect the licensed trademarks that CGPH uses in the United States will be adequate to prevent imitation of such trademarks by others. The unauthorized use or reproduction of the trademarks that CGPH uses could diminish the value of its brand and its market acceptance, competitive advantages or goodwill, which could adversely affect its business. In addition, the expansion of the scope or use of CGPH's intellectual property licensed from CEOC or CES, as applicable, in many cases is subject to the consent of CEOC or CES. Accordingly, CGPH may not be able to take advantage of new applications or uses of these licensed trade names, trademarks or other intellectual property without the consent of CEOC or CES, which may adversely affect CGPH's ability to compete or expand its business scope.

A bankruptcy court may conclude that each of the May 2014 Acquisitions constitutes a financing rather than a true sale, and as a result we would no longer have ownership and control over assets sold or contributed to CGPH to the same extent as we do now.

Caesars Entertainment and its consolidated subsidiaries, as well as CEOC and its consolidated subsidiaries, have reported significant net losses during the past three fiscal years. In a bankruptcy of Caesars Entertainment or any of its subsidiaries (such as the bankruptcy proceeding of CEOC and certain of its subsidiaries that was filed in January 2015) that sold or contributed assets to CGPH, including CEOC, the court may conclude that each of the May 2014 Acquisitions constitutes a disguised financing rather than a true sale. In such case, the court would deem CGPH's assets as belonging to Caesars Entertainment, and consider us to be a lender to Caesars Entertainment or its subsidiaries to the extent of the purchase price CGPH paid for those assets. While we should have a claim against Caesars Entertainment and its subsidiaries for the amounts paid to them for the assets, we would no longer have ownership and control over the assets to the same extent as we do now. Moreover, if our claim against Caesars Entertainment and its subsidiaries is considered a financing, no guaranty exists that our claim will be deemed a secured claim entitled to a priority right of repayment from the assets, rather than a general unsecured claim against Caesars Entertainment's or CEOC's bankruptcy estate that shares pro rata with other creditors in any recovery from the residual value of the bankruptcy estate. Finally, a risk exists that any such claim might be primed in favor of a debtor-in-possession financing, or that the court might equitably subordinate our claim to those of other creditors, recharacterize the claim as equity or otherwise not allow the claim (including on equitable grounds).

A bankruptcy court may substantively consolidate the bankruptcy estates of Caesars Entertainment and its debtor subsidiaries with CGPH, which would, among other things, allow the creditors of the bankrupt entities to satisfy their claims from the combined assets of the consolidated entities, including CGPH.

Even though CGPH has certain bankruptcy remote features that restrict its ability to file for bankruptcy relief, there can be no assurance that a bankruptcy court will not direct CGPH's or any of its subsidiaries' substantive consolidation with Caesars Entertainment or a subsidiary of Caesars Entertainment in a bankruptcy case of Caesars Entertainment (including the pending bankruptcy of CEOC and certain of its subsidiaries filed in January 2015) or such subsidiary even if CGPH or its subsidiaries do not themselves file a bankruptcy petition. CGPH's or its subsidiaries' substantive consolidation with Caesars Entertainment or its subsidiaries in their bankruptcy cases would, among other things, allow the creditors of the bankrupt entities to satisfy their claims from the combined assets of the consolidated entities, including CGPH and its subsidiaries. This may dilute the value of distributions available for recovery to CGPH's creditors, and may prevent recovery by our stockholders of any value at all if the combined creditor claims exceed the combined value of the entities. In addition, substantive consolidation with Caesars Entertainment or its subsidiaries' bankruptcies may subject our assets and operations to the automatic stay, and may impair CGPH's ability to operate independently, as well as otherwise restrict our operations and capacity to function as a standalone enterprise.

An independent investigation of the May 2014 Acquisitions in connection with CEOC's bankruptcy is currently ongoing, which will expose our and CGPH's contractual relationships with Caesars Entertainment and its subsidiaries to heightened scrutiny.

The Bankruptcy Court previously engaged an independent examiner to investigate possible claims CEOC might have against CEC, CAC, CGP LLC, other entities and certain individuals. On March 15, 2016, the examiner released his report in redacted form (to the public) and in unredacted form (to certain entities and individuals). On May 16, 2016, the examiner issued a substantially unredacted version of his report. CAC, CGP LLC and CIE do not have access to the unredacted report, and accordingly the description below is based on the substantially unredacted publicly-available report.

The examiner's report identifies a variety of potential claims against CAC, CGP LLC, CIE, other entities and certain individuals related to a number of transactions dating back to 2009. Most of the examiner's findings are based on his view that CEOC was "insolvent" at the time of the applicable transactions. The examiner's report includes his conclusions on the relative strength of these possible claims, many of which are described in Note 12 of the Notes to Consolidated Condensed Financial Statements. The examiner calculates an estimated range of potential damages for these potential claims as against all parties from $3.6 billion to $5.1 billion. The examiner calculates an estimated range of potential damages for potential claims against CAC, CGP LLC and CIE from $1.7 billion to $2.3 billion, ignoring potential duplication of recovery from other defendants. Neither calculation takes into account probability of success, likelihood of collection, or the time or cost of litigation.

Although this report was prepared at the request of the Bankruptcy Court, none of the findings are legally binding on the Bankruptcy Court or any party. CAC, CGP LLC and CIE contest many of the examiner's findings, including his finding that CEOC did not receive fair value for assets transferred, any suggestion that certain of the potential claims against CAC, CGP LLC and CIE have merit, and his calculation of potential damages. CAC, CGP LLC and its subsidiaries believe that each of the disputed transactions involving them provided substantial value to CEOC that was reasonably equivalent to the value of the asset (s) transferred, and that they at all times acted in good faith.

In April 2016, CAC and various other constituents began mediation with Joseph Farnan, the former chief judge of the United States District Court for the District of Delaware, seeking to reach a resolution of various issues including the potential claims of the CEOC bankruptcy estate and other issues regarding a plan of reorganization of CEOC. The mediation has continued throughout June and July, with more sessions expected in the coming weeks.

On June 28, 2016, an order approving the disclosure statement and an order approving solicitation procedures for creditors to vote on the third amended joint plan of reorganization were entered in the bankruptcy court. On October 19, 2016, the objection and voting deadline for the third amended joint plan of reorganization was scheduled for November 21, 2016. The confirmation hearing is currently scheduled to begin on January 17, 2017 (which date is subject to being moved by the bankruptcy court).

CAC and CGP LLC are subject to fraudulent transfer litigation that, if adversely decided, may require us to return the assets acquired in the May 2014 Acquisitions, or their value, to Caesars Entertainment and its subsidiaries.

Creditors of Caesars Entertainment and its subsidiaries have sued CAC and CGP LLC under state law in an effort to recover, for their benefit, the assets CGPH acquired in the May 2014 Acquisitions as fraudulent transfers. See Item 1. Legal Proceedings - CEOC Bondholder Litigation or Noteholder Disputes for a discussion of these proceedings. As a general matter, fraudulent transfer law allows a creditor to recover assets, or their value, from an initial or subsequent transferee if the debtor conveyed the assets with an actual intent to hinder, delay or defraud its creditors, or if the transfer was a constructive fraudulent

transfer. The principal elements of a constructive fraudulent transfer are a transfer, made while a debtor was insolvent or that rendered a debtor insolvent, for less than reasonably equivalent value.

CAC and CGP LLC strongly believe there is no merit to the actions described in Item 1. Legal Proceedings - CEOC Bondholder Litigation or Noteholder Disputes and CAC and CGP LLC will defend themselves vigorously and seek appropriate relief should any action be brought. However, in the CEOC Bondholder Litigation, plaintiffs seek, among other remedies, return to CEOC of six casino properties CGP LLC (including the 4 casino properties acquired by CGPH in May 2014) for approximately $3.1 billion in cash and assumed debt. The six casino properties acquired in the May 2014 Acquisitions are the only casino properties owned by CGP LLC and account for 100% of CGPH's revenue from casino operations. If CAC and CGP LLC lose the lawsuits described above, they may have to return the assets or their value to Caesars Entertainment and its subsidiaries, or be forced to pay additional amounts therefor. If CGPH were forced to return the casino properties to Caesars Entertainment and its subsidiaries, that could cause it to lose the benefit of substantial revenue generated by those properties. Additionally, if a court were to find that the transfers and sales in the May 2014 Acquisitions were improper, that could trigger a default under the debt that CGPH raised to finance the May 2014 Acquisitions. These consequences could have a material adverse effect on our business, financial condition, results of operations and prospects.

CES may be subject to fraudulent transfer or other litigation that may result in its unwinding, or its licensing agreements with CEOC may otherwise be rescinded or terminated.

Creditors of Caesars Entertainment, CEOC and their subsidiaries may commence an action against CES under state or federal bankruptcy law in an effort to rescind, avoid or otherwise terminate, for their benefit, the licensing agreements CEOC entered into with CES. Alternatively, as CEOC and certain of its subsidiaries has filed for Chapter 11 bankruptcy, they may reject their licensing agreements with CES. If CES can no longer enforce such licensing agreements, it may be unable to perform under its licensing agreements with CGPH. As a result, among other things, CGPH may no longer have access to the Total Rewards loyalty program and may no longer be able to use certain intellectual property, such as the Caesars trademark, which could have a material adverse effect on CGPH's business, financial condition and operating results.

Our operations depend on material contracts with third parties, including Caesars Entertainment, the continued enforcement of which may be adversely impacted by a bankruptcy of Caesars Entertainment or CES.

A debtor operating under the protection of the Bankruptcy Code may exercise certain rights that may adversely affect our contractual relations and ability to participate in the Caesars Entertainment system. For example, the protection of the statutory automatic stay which arises by operation of Section 362 of the Bankruptcy Code upon the commencement of a bankruptcy case prohibits us from terminating a contract with CEOC or any of its debtor subsidiaries. The Bankruptcy Code also invalidates clauses that permit the termination of contracts automatically upon the filing by one of the parties of a bankruptcy petition or which are conditioned on a party's insolvency. Meanwhile in this circumstance, we would ordinarily be required to continue performing our obligations under such agreement. As a practical matter, legal proceedings to obtain relief from the automatic stay and to enforce rights to payments or terminate agreements can be time consuming, costly and uncertain as to outcome.

In addition, under Section 365 of the Bankruptcy Code, a debtor may decide whether to assume or reject an executory contract, including or any licensing agreement with CES. Assumption of a contract would permit the debtor to continue operating under the assumed contract; provided that the debtor (i) immediately cures all existing defaults thereunder or provides adequate assurance that such defaults will be promptly cured, (ii) compensates the non-debtor party for any actual monetary loss incurred as a result of the debtor's default or provides adequate assurance that such compensation will be forthcoming and (iii) provides the non-debtor party with adequate assurance of future performance under the contract. As a general matter, a bankruptcy court approves a debtor's assumption of a contract as long as assumption appears to be in the best interest of the debtor's estate, the debtor is able to perform and it is a good business decision to assume the contract. Subject to bankruptcy court approval and satisfaction of the "business judgment" rule, a debtor in Chapter 11 may reject an executory contract, and rejection of an executory contract in a Chapter 7 case may occur automatically by operation of law. If a debtor rejects an executory contract, the non-debtor party to the contract generally has an unsecured claim against the debtor's bankruptcy estate for breach of contract damages arising from the rejection. On request of any party to such contract, a bankruptcy court may order the debtor to determine within a specific period of time whether to assume or reject an executory contract.

Further, CEOC and its subsidiaries that filed for bankruptcy protection, as debtors, may seek bankruptcy court approval to assume material contracts, including among others, the Omnibus Agreement, or other valuable license agreements under Section 365 of the Bankruptcy Code and may also seek to assign such agreement to a third-party. A debtor may also seek to reject such contracts. If CEOC, for example, rejects the Omnibus Agreement, CES may not be able to provide us operational support and management expertise, with the result that we may lack sufficient support to manage our operations, and may no longer be able to use certain licensed intellectual property, such as certain trademarks.

Claims of CGPH against Caesars Entertainment or CEOC in a Caesars Entertainment or CEOC bankruptcy might be equitably subordinated or disallowed.

Bankruptcy law allows the court to equitably subordinate claims to those of other creditors or equity holders based on inequitable conduct. A bankruptcy court may also recharacterize a claim for debt as equity, or not allow a claim for other reasons including on equitable grounds. Claims of insiders, including stockholders, are subject to heightened scrutiny and a court may find inequitable conduct in the form of overreaching or self-dealing transactions. If a claim is subordinated to those of other creditors, or recharacterized as equity, the claim will likely receive no distribution from the bankruptcy estate unless the estate has enough assets to satisfy the non-subordinated creditors in full; a claim that is disallowed would not share in recoveries from the estate to the extent of such disallowance. The equitably subordinated or disallowed claim need not necessarily relate to the inequitable conduct. Therefore, a damages claim arising from the rejection of an executory contract may be subordinated or disallowed based on conduct wholly unrelated to the contractual relationship itself. Under these principles, should a court determine that they are triggered in the bankruptcy of CEOC or in a bankruptcy of CEC, if one were to occur, claims of CGPH may not share ratably with claims from other general unsecured creditors or may be disallowed.

Following assignment of the management agreements to CES upon its commencing operations as of October 1, 2014, CGPH is dependent upon CES to operate CGPH's properties.

Each of CGPH's properties is managed by CES. CGPH is dependent upon CES to provide the services necessary to operate CGPH's properties. CGPH does not have a history of operating casinos. Therefore, CGPH's properties are dependent on the services provided by CES and CGPH cannot operate CGPH's properties without these services. If the quality of the services provided by CES deteriorates, or the terms under which CES provides services change in a manner that is adverse to CGPH, it could have a material adverse effect on CGPH's business, financial condition and operating results. Following the commencement of operations and receipt of regulatory approvals for CES, at CGPH's request, the property management agreements were assigned to CES. CES is a newly formed entity and will not receive the management fees under the property management agreements. Furthermore, CES is dependent upon its members (CGPH, CEOC and CERP) to provide it with the operating funds and capital requirements (the allocation of which shall be based on each member's ownership interest in CES) necessary to provide services under the property management agreements. If any of the members of CES fail to provide it with the operating funds necessary to operate CES, CES may not be able to fully provide the services required by the property management agreements to operate CGPH's properties.

In addition, if the property management agreements were to be terminated, or if CES were to suffer significant liquidity or operational difficulties, becoming incapable of providing property management services (or unable to provide such services at agreed upon level) to CGPH or cease operations altogether, CGPH may be unable to continue to operate its properties, which would have a material adverse effect on our business, financial condition and operating results.

If a court were to find in favor of the claimants in the Noteholder Disputes as described in Item 1, it would likely have a material adverse effect on CEC's business, financial condition, results of operations and cash flows and, absent an intervening event, a reorganization under Chapter 11 of the Bankruptcy Code would likely be necessary due to the limited resources available at CEC to resolve such matters. The significant amounts CEC has agreed to pay in connection with CEOC's reorganization raise substantial doubt about CEC's ability to continue as a going concern. In addition, CEC estimates that it will require additional sources of funding to meet the ongoing financial commitments of the CEC holding company for amounts other than committed to under the RSAs as described in Item 1.

CEC is subject to a number of Noteholder Disputes related to various transactions that CEOC has completed since 2008. Plaintiffs in certain of these actions raise allegations of breach of contract, intentional and constructive fraudulent transfer, and breach of fiduciary duty, among other claims. Although the Delaware First Lien Lawsuit has been subject to a consensual stay pursuant to the First Lien Bond RSA since CEOC's filing for Chapter 11, and the Delaware Second Lien Lawsuit is not proceeding with respect to fraud or breach of fiduciary duty claims, should a court find in favor of the plaintiffs on such claims in any of the Noteholder Disputes, including the New York First Lien Lawsuit, the New York Second Lien Lawsuit or the Senior Unsecured Lawsuits, the transactions at issue in those lawsuits may be subject to rescission and/or CEC may be required to pay damages to the plaintiffs. In the event of an adverse outcome on one or all of these matters, it is likely that a reorganization under Chapter 11 of the Bankruptcy Code would be necessary for CEC due to the limited resources available at CEC to resolve such matters.

A number of the Noteholder Disputes also involve claims that CEC is liable for all amounts due and owing on certain notes issued by CEOC, based on allegations that provisions in the governing indentures pursuant to which CEC guaranteed CEOC's obligations under those notes remain in effect (the "Guarantee Claims"). Such Guarantee Claims were most recently raised against Caesars Entertainment in the New York Senior Notes Lawsuit. Adverse rulings on the Guarantee Claims in this action or any of the other Noteholder Disputes could negatively affect CEC's position on such Guarantee Claims in other Noteholder Disputes, or with respect to potential claims by other holders of certain other notes issued by CEOC. If the court in any of these Noteholder Disputes were to find in favor of the plaintiffs on the Guarantee Claims, CEC may become obligated to

pay all principal, interest, and other amounts due and owing on the notes at issue. If CEC became obligated to pay amounts owed on CEOC's indebtedness as a result of the Guarantee Claims, it is likely that a reorganization of CEC under Chapter 11 of the Bankruptcy Code would be necessary due to the limited resources available at CEC to resolve such matters. Accordingly, as certain of the Guarantee Claims have not been stayed, and given the timing on which these Guarantee Claims are proceeding and the inherent uncertainties of litigation, we have concluded that these matters raise substantial doubt about the Company's ability to continue as a going concern. The remaining issues in these lawsuits are expected to be tried as early as August 2016. In the event of an adverse outcome on such matters, CEC would likely seek reorganization under Chapter 11 of the Bankruptcy Code soon thereafter.

In addition to the liquidity issues raised as a result of complying with the material commitments CEC made under the RSAs, CEC estimates that it will require additional sources of funding to meet the ongoing financial commitments of the CEC holding company for amounts other than committed to under the RSAs, primarily resulting from significant expenditures made to (1) defend CEC against the matters disclosed in in Item 1. Legal Proceedings and (2) support CEOC's plan of reorganization. As a result of the foregoing, there is substantial doubt about CEC's ability to continue as a going concern, which could have a materially adverse effect on CGPH.

Risks Related to Our Business

CGPH may not realize all of the anticipated benefits of current or potential future acquisitions.

On May 20, 2014, we closed a transaction whereby CGPH, an indirect, wholly-owned subsidiary of CGPH acquired from CEOC certain of its properties and related assets. There are incremental risks and uncertainties related to the May 2014 Acquisitions contemplated thereunder, many of which are outside of our control, including the following:

- the diversion of our management's attention from our ongoing business concerns;
- the outcome of any legal proceedings that may be instituted against us and/or others relating to the May 2014 Acquisitions; and
- the amounts of the costs, fees, expenses and charges related to the May 2014 Acquisitions.

For example, CAC and CGP LLC have been named in two separate lawsuits related to the May 2014 Acquisitions, as more fully described in Item 1. Legal Proceedings - CEOC Bondholder Litigation or Noteholder Disputes. CGPH is not party to these lawsuits.

In addition, CGPH's ability to realize the anticipated benefits of acquisitions, including but not limited to the May 2014 Acquisitions, will depend, in part, on its ability to integrate the businesses acquired with its business. The combination of two independent companies is a complex, costly and time consuming process. This process may disrupt the business of either or both of the companies, and may not result in the full benefits expected. The difficulties of combining the operations of two companies include, among others:

- coordinating marketing functions;
- undisclosed liabilities;
- unanticipated issues in integrating information, communications and other systems;
- unanticipated incompatibility of purchasing, marketing and administration methods;
- retaining key employees;
- consolidating corporate and administrative infrastructures;
- the diversion of management's attention from ongoing business concerns;
- coordinating geographically separate organizations; and
- obtaining all necessary gaming regulatory approvals.

CGPH may sell or divest different properties or assets as a result of its evaluation of its portfolio of businesses. Such sales or divestitures could affect CGPH's costs, revenues, profitability and financial position.

From time to time, CGPH may evaluate its properties and portfolio of businesses and may, as a result, sell or attempt to sell, divest or spin-off different properties or assets.

These sales or divestitures may affect its costs, revenues, profitability, and financial position. 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 and relatively illiquid real estate markets may result in fewer potential bidders and

unsuccessful sales efforts. Expected costs savings, which are offset by revenue losses from divested properties, may also be difficult to achieve or maximize.

CGPH may require additional capital to support business growth, and this capital might not be available on acceptable terms or at all.

CGPH intends to continue to make significant investments to support its business growth and may require additional funds to respond to business challenges, expand into new markets, improve its operating infrastructure or acquire complementary businesses, personnel and technologies. Accordingly, CGPH may need to engage in debt financings to secure additional funds. Any debt financing CGPH secures in the future could involve restrictive covenants relating to capital raising activities and other financial and operational matters, which may make it more difficult to obtain additional capital and to pursue business opportunities, including potential acquisitions. CGPH is a recently formed entity and may not be able to obtain additional financing on favorable terms, if at all. For instance, the lack of operating history and relationship with Caesars Entertainment may impede CGPH's ability to raise debt financing on acceptable terms, if at all, and there can be no assurances that we could pursue a future offering of securities at an appropriate price to raise the necessary financing. If CGPH is unable to obtain adequate financing or financing on terms satisfactory to it when required, CGPH's ability to continue to support CGPH's business growth and to respond to business challenges could be significantly impaired, which could have a material adverse effect on CGPH's, business, financial condition and operating results.

We may not realize any or all of our projected cost savings, which would have a negative effect on our results of operations.

As part of our business strategy, CEC and CES have implemented certain cost savings programs and are in the process of identifying opportunities to improve profitability by reducing costs. For example, Caesars Entertainment and CES have identified cost savings, a portion of which would directly reduce our expenses. Any cost savings that we realize from such efforts may differ materially from our estimates. In addition, any cost savings that we realize may be offset, in whole or in part, by reductions in revenues, or through increases in other expenses. For example, cutting advertising or marketing expenses may have an unintended negative affect on our revenues. These cost savings plans are subject to numerous risks and uncertainties that may change at any time. We cannot assure you that cost-savings initiatives will be completed as anticipated or that the benefits we expect will be achieved on a timely basis or at all.

Our historical financial information may not be a reliable indicator of our future results.

The historical financial information we have included in this Form 10-Q has been prepared using assumptions and allocations that we believe are reasonable. However, such historical financial information does not necessarily reflect what our financial position, results of operations and cash flows would have been as a stand-alone entity separate from Caesars Entertainment during the periods presented. In addition, the historical information is not necessarily indicative of what our results of operations, financial position and cash flows will be in the future.

CGPH's business may be subject to seasonal fluctuations which could result in volatility and have an adverse effect on our operating results.

CGPH's business may be subject to some degree of seasonality. Weather conditions may deter or prevent customers from reaching the facilities or undertaking trips. Such conditions would particularly affect customers who are traveling longer distances to visit CGPH's casino properties. We believe the number of customer visits to CGPH's casino properties will fluctuate based on the season, with winter months experiencing lower visitation; however, volume of business generated by our Las Vegas properties is generally lower during the summer months. Seasonality may cause CGPH's casino properties working capital cash flow requirements to vary from quarter to quarter depending on the variability in the volume and timing of sales. These factors, among other things, make forecasting more difficult and may adversely affect CGPH's casino properties ability to manage working capital and to predict financial results accurately, which could adversely affect CGPH's business, financial condition and operating results.

There may be a significant degree of difficulty in operating CGPH's businesses separately from Caesars Entertainment, and managing that process effectively could require a significant amount of management's time.

The separation from Caesars Entertainment could cause an interruption of, or loss of momentum in, the operation of CGPH's businesses. Management may be required to devote considerable amounts of time to the separation, which will decrease the time they will have to manage their ordinary responsibilities. If management is not able to manage the separation effectively, or if any significant business activities are interrupted as a result of the separation, CGPH's businesses and operating results could suffer.

CGPH is subject to extensive governmental regulation and taxation policies, the enforcement of which could adversely impact CGPH's business, financial condition and results of operations.

CGPH is subject to extensive gaming regulations and political and regulatory uncertainty. Regulatory authorities in the jurisdictions where CGPH operates have broad powers with respect to the licensing of casino operations and may revoke,

suspend, condition or limit the gaming or other licenses of CGPH's casino properties or developments, impose substantial fines and take other actions, any one of which could adversely impact CGPH's business, financial condition and results of operations. For instance, the Missouri Gaming Commission has required that CAC obtain certain licenses after the closing of the May 2014 Acquisitions even though CGPH does not operate in Missouri. The failure of CAC to maintain a license from the Missouri Gaming Commission could, among other things, result in the loss of Caesars Entertainment's gaming license in Missouri. If other jurisdictions require CGPH to obtain new licenses in connection with its operations, the formation of CES or due to future changes in regulation, and CGPH is unable to obtain those licenses, it could adversely impact CGPH's business, financial condition and results of operations. As another example, CGPH's ability to expand its operations at Harrah's New Orleans, which could include increasing the number of rooms at the hotel or opening new restaurants at the complex, is subject to regulatory approval, and any such proposal may or may not be approved.

Furthermore, interpretations of laws and local regulations and ordinances on which CGPH rely may change or be made conditional on certain other factors, which could adversely impact our business, financial condition and results of operations. For example, Harrah's New Orleans is currently subject to a local ordinance in New Orleans related to the minimum number of people who must be employed at Harrah's New Orleans. A change in the interpretation of this ordinance or a change in this ordinance could force a reevaluation of staffing at that property in a manner that could adversely affect the financial results of Harrah's New Orleans.

Furthermore, because CGPH is subject to regulation in each jurisdiction in which they operate, and because regulatory agencies within each jurisdiction review our 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.

From time to time, individual jurisdictions have also considered legislation or referendums, such as bans on smoking in casinos and other entertainment and dining facilities, which could adversely impact the operations of CGPH's casino properties. For example, the city council in New Orleans enacted an ordinance restricting smoking indoors in public places, including in Harrah's New Orleans, which went into effect in April 2015. The likelihood or outcome of similar legislation in such jurisdictions and referendums in the future cannot be predicted, though any smoking ban would be expected to negatively impact CGPH's financial performance.

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 CGPH's business, financial condition and results of operations.

Acts of terrorism, natural disasters, severe weather and political, economic and military conditions may impede CGPH's ability to operate or harm its financial results.

Terrorist attacks and other acts of war or hostility have created many economic and political uncertainties. For example, a substantial number of the customers of CGPH's casinos in Las Vegas and New Orleans use air travel for transportation to and from the casino. As a result of terrorist acts, domestic and international travel was severely disrupted, which resulted in a decrease in customer visits to Las Vegas or New Orleans. We cannot predict the extent to which disruptions in air or other forms of travel as a result of any further terrorist act, security alerts or war, uprisings, or hostilities in places such as Iraq and Afghanistan, or other countries throughout the world, will continue to directly or indirectly impact CGPH's business and operating results. As a consequence of the threat of terrorist attacks and other acts of war or hostility in the future, premiums for a variety of insurance products have increased, and some types of insurance are no longer available. If any such event were to affect our properties, we would likely be adversely impacted.

In addition, natural and man-made disasters such as major fires, floods, hurricanes, earthquakes and oil spills, or severe or inclement weather affecting the ability of CGPH's casino customers to travel can have a negative impact on its results of operations. In most cases, we have insurance that covers portions of any losses from a natural disaster, but it is subject to deductibles and maximum payouts in many cases. Although we may be covered by insurance from a natural disaster, the timing of our receipt of insurance proceeds, if any, is out of our control. In some cases, however, we may receive no proceeds from insurance. Additionally, a natural disaster affecting one or more of our properties may affect the level and cost of insurance coverage we may be able to obtain in the future, which may adversely affect our financial position. As our operations depend in part on our customers' ability to travel, severe or inclement weather can also have a negative impact on our results of operations.

Any violation of the Foreign Corrupt Practices Act or other similar laws and regulations could have a negative impact on us.

CGPH is subject to risks associated with doing business outside of the United States, which exposes CGPH to complex foreign and U.S. regulations inherent in engaging in a cross-border business and in each of the countries in which CGPH and its businesses transact business. CGPH is subject to requirements imposed by the Foreign Corrupt Practices Act ("FCPA") and other anti-corruption laws that generally prohibit U.S. companies and their affiliates from offering, promising, authorizing or making improper payments to foreign government officials for the purpose of obtaining or retaining business. Violations of the FCPA

and other anti-corruption laws may result in severe criminal and civil sanctions as well as other penalties and the SEC and U.S. Department of Justice have increased their enforcement activities with respect to the FCPA. Policies and procedures and employee training and compliance programs that CGPH has implemented to deter prohibited practices may not be effective in prohibiting our employees, contractors or agents from violating or circumventing our policies and the law. Any determination that CGPH has violated any anti-corruption laws could have a material adverse effect on CGPH's financial condition. Compliance with international and U.S. laws and regulations that apply to CGPH's international operations increase CGPH's cost of doing business in foreign jurisdictions.

CGPH and its businesses also deal with significant amounts of cash in its operations and are subject to various reporting and anti-money laundering ("AML") regulations. Any violation of AML or regulations, on which in recent years, governmental authorities have been increasingly focused, with a particular focus on the gaming industry, by any of our resorts could have a negative effect on our results of operations. As an example, a major gaming company recently settled a U.S. Attorney investigation into its AML practices. In recent years, governmental authorities have been increasingly focused on AML policies and procedures, with a particular focus on the gaming industry. In October 2013, CEOC's subsidiary, Desert Palace, Inc. (the owner of and referred to herein as Caesars Palace), received a letter from Financial Crimes Enforcement Network of the United States Department of the Treasury ("FinCEN"), stating that FinCEN was investigating Caesars Palace for alleged violations of the Bank Secrecy Act to determine whether it is appropriate to assess a civil penalty and/or take additional enforcement action against Caesars Palace. Caesars Palace responded to FinCEN's letter in January 2014. Additionally, CEC was informed in October 2013 that a federal grand jury investigation regarding anti-money laundering practices of CEC and its subsidiaries had been initiated. CEC and Caesars Palace have been cooperating with FinCEN, the Department of Justice and the Nevada Gaming Control Board (the "GCB") on this matter. On September 8, 2015, FinCEN announced a settlement pursuant to which Caesars Palace agreed to an $8 million civil penalty for its violations of the Bank Secrecy Act, which penalty shall be treated as a general unsecured claim in Caesars Palace's bankruptcy proceedings. In addition, Caesars Palace agreed to conduct periodic external audits and independent testing of its AML compliance program, report to FinCEN on mandated improvements, adopt a rigorous training regime, and engage in a "look-back" for suspicious transactions. The terms of the FinCEN settlement are subject to bankruptcy court approval. CEOC and the GCB reached a settlement on the same facts as above, wherein CEC agreed to pay $1.5 million and provide to the GCB the same information that is reported to FinCEN and to resubmit its updated AML policies. On September 17, 2015, the settlement agreement was approved by the Nevada Gaming Commission.

We are, or may become involved, in legal proceedings that if adversely adjudicated or settled, could impact our financial condition.

From time to time, CGPH may be a defendant in various lawsuits or other legal proceedings relating to matters incidental to our business. The nature of our business subjects CGPH to the risk of lawsuits filed by customers, past and present employees, competitors, business partners, and others in the ordinary course of business. As with all legal proceedings, however, no assurance can be provided as to the outcome of these matters and in general, legal proceedings can be expensive and time consuming. CGPH may not be successful in the defense or prosecution of these lawsuits, which could result in settlements or damages that could significantly impact our business, financial condition and results of operations.

CGPH's business is particularly sensitive to reductions in discretionary consumer spending resulting from downturns in the economy, the volatility and disruption of the capital and credit markets, adverse changes in the global economy and other factors which could negatively impact our financial performance and our ability to access financing.

Changes in discretionary consumer spending or consumer preferences are driven by factors beyond CGPH's control, such as perceived or actual general economic conditions; high energy, fuel and other commodity costs; the cost of travel; the potential for bank failures; a soft job market; an actual or perceived decrease in disposable consumer income and wealth; fears of recession and changes in consumer confidence in the economy; and terrorist attacks or other global events. CGPH's Casino Properties and Developments business is particularly susceptible to any such changes because CGPH's casino properties offer a highly discretionary set of entertainment and leisure activities and amenities. If discretionary consumer spending declines, then CGPH's results of operations will be adversely impacted.

The adverse conditions in certain local, regional, national and global markets have negatively affected CGPH and may continue to negatively affect CGPH in the future. During periods of economic contraction, CGPH's revenues may decrease while some of its costs remain fixed or even increase, resulting in decreased earnings. In addition, CGPH may also be unable to find additional cost savings to offset any decrease in revenues. Even an uncertain economic outlook may adversely affect consumer spending in CGPH's gaming operations and related facilities, as consumers spend less in anticipation of a potential economic downturn.

Theoretical win rates for CGPH's casino operations depend on a variety of factors, some of which are beyond its control.

The gaming industry is characterized by an element of chance. Accordingly, CGPH's casino properties employ theoretical win rates to estimate what a certain type of game, on average, will win or lose in the long run. In addition to the element of chance, theoretical win rates are also affected by the spread of table limits and factors that are beyond CGPH's

control, such as a player's skill and experience and behavior, the mix of games played, the financial resources of players, the volume of bets placed and the amount of time players spend gambling. As a result of the variability in these factors, the actual win rates at the casino may differ from the theoretical win rates and could result in the winnings of CGPH's gaming customers exceeding those anticipated. The variability of these factors, alone or in combination, have the potential to negatively impact our actual win rates, which may adversely affect CGPH's business, financial condition, results of operations and cash flows.

CGPH's casino operations extend credit to its customers and may not be able to collect gaming receivables from its credit players.

CGPH's casino properties conduct their gaming activities on a credit basis as well as a cash basis, which credit is unsecured. Table games players typically are extended more credit than slot players, and high stakes players are typically extended more credit than patrons who tend to wager lower amounts. High-end gaming is more volatile than other forms of gaming, and variances in win-loss results attributable to high-end gaming may have a significant positive or negative impact on cash flow and earnings in a particular quarter.

CGPH's casino properties extend credit to those customers whose level of play and financial resources warrant, in the opinion of management, an extension of credit. These receivables could have a significant impact on our results of operations if deemed uncollectible. While gaming debts are evidenced by a credit instrument, including what is commonly referred to as a "marker," and judgments on gaming debts are enforceable under the current laws of the jurisdictions in which CGPH allows play on a credit basis and judgments in such jurisdictions on gaming debts are enforceable in all states under the Full Faith and Credit Clause of the U.S. Constitution, other jurisdictions may determine that enforcement of gaming debts is against public policy. Although courts of some foreign nations will enforce gaming debts directly and the assets in the U.S. of foreign debtors may be reached to satisfy a judgment, judgments on gaming debts from U.S. courts are not binding on the courts of many foreign nations.

We face the risk of fraud and cheating.

Casino gaming customers may attempt or commit fraud or cheat in order to increase winnings. Acts of fraud or cheating could involve the use of counterfeit chips or other tactics, possibly in collusion with the employees of CGPH's casinos. Internal acts of cheating could also be conducted by employees through collusion with dealers, surveillance staff, floor managers or other casino or gaming area staff. Failure to discover such acts or schemes in a timely manner could result in losses in gaming operations. In addition, negative publicity related to such schemes could have an adverse effect on CGPH's reputation, potentially causing a material adverse effect on CGPH's business, financial condition, results of operations and cash flows.

Because a majority of CGPH's major gaming resorts are concentrated on the Las Vegas Strip, we are subject to greater risks than a gaming company that is more geographically diversified.

Given that a majority of CGPH's major resorts are concentrated on the Las Vegas Strip, CGPH's 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 can adversely affect our business. We cannot control the number or frequency of flights to or from Las Vegas, but CGPH relies on air traffic for a significant portion of its visitors. Reductions in flights by major airlines as a result of higher fuel prices or lower demand can impact the number of visitors to CGPH's resorts. Additionally, there is one principal interstate highway between Las Vegas and Southern California, where a large number of CGPH's customers reside. Capacity constraints of that highway or any other traffic disruptions may also affect the number of customers who visit CGPH's facilities.

CGPH's business is particularly sensitive to energy prices and a rise in energy prices could harm its operating results.

CGPH is a large consumer of electricity and other energy and, therefore, higher energy prices may have an adverse effect on its results of operations. Accordingly, increases in energy costs may have a negative impact on its operating results. Additionally, higher electricity and gasoline prices that affect its customers may result in reduced visitation to its resorts and a reduction in its revenues. CGPH may be indirectly impacted by regulatory requirements aimed at reducing the impacts of climate change directed at up-stream utility providers, as it could experience potentially higher utility, fuel, and transportation costs.

If we are unable to effectively compete against our competitors, our profits will decline.

The gaming industry is highly competitive and CGPH's competitors vary considerably in size, quality of facilities, number of operations, brand identities, marketing and growth strategies, financial strength and capabilities, and geographic diversity. CGPH also competes with other non-gaming resorts and vacation areas, and with various other entertainment businesses. Competitors in each market that CGPH participates may have greater financial, marketing, or other resources than CGPH does, and there can be no assurance that they will not engage in aggressive pricing action to compete with CGPH. Although we believe CGPH is currently able to compete effectively in each of the various markets in which we participate, we cannot ensure that CGPH will be able to continue to do so or that they will be capable of maintaining or further increasing their

current market share. CGPH's failure to compete successfully in their various markets could adversely affect their business, financial condition, results of operations, and cash flow.

In recent years, many casino operators have been reinvesting in existing markets to attract new customers or to gain market share, thereby increasing competition in those markets. As companies have completed new expansion projects, supply has typically grown at a faster pace than demand in some markets, including Las Vegas, CGPH's largest market, and competition has increased significantly. For example, SLS Las Vegas opened in August 2014 on the northern end of the Strip, and the Genting Group has announced plans to develop a casino and hotel called Resorts World Las Vegas, which is expected to open in 2018 on the northern end of the Strip. Also, in response to changing trends, Las Vegas operators have been focused on expanding their non-gaming offerings, including upgrades to hotel rooms, new food and beverage offerings, and new entertainment offerings. MGM's The Park and joint venture with AEG, T-Mobile Arena, located between New York-New York and Monte Carlo, opened in April 2016 and includes retail and dining options and a 20,000 seat indoor arena for sporting events and concerts. In addition, in June 2016, MGM announced that the Monte Carlo Resort and Casino will undergo $450 million in non-gaming renovations focused on room, food and beverage and entertainment enhancements and is expected to re-open in late 2018 as two newly branded hotels. There have also been proposals for other large scale non-gaming development projects in Las Vegas by various other developers. The expansion of existing casino entertainment properties, the increase in the number of properties and the aggressive marketing strategies of many of CGPH's competitors have increased competition in many markets in which they operate, and this intense competition is expected to continue. These competitive pressures have and are expected to continue to adversely affect CGPH's financial performance. Growth in consumer demand for non-gaming offerings could also negatively impact our gaming revenue.

CGPH also competes with legalized gaming from casinos located on Native American tribal lands, primarily those located in California. While the competitive impact on our operations in Las Vegas from the continued growth of Native American gaming establishments in California remains uncertain, the proliferation of gaming in California and other areas located in the same region as our Las Vegas properties and other properties could have an adverse effect on CGPH's results of operations.

In addition, certain states have legalized, and others may legalize, casino gaming in specific areas, including metropolitan areas from which we traditionally attract customers. A number of states have permitted or are considering permitting gaming, on Native American reservations and through expansion of state lotteries.

The current global trend toward liberalization of gaming restrictions and resulting proliferation of gaming venues could result in a decrease in the number of visitors to our Las Vegas facilities by attracting customers close to home and away from Las Vegas, which could have an adverse effect on our financial condition, results of operations or cash flows.

The success of third parties adjacent to CGPH's properties is important to its ability to generate revenue and operate CGPH's business and any deterioration to their success could materially adversely affect our revenue and results of operations.

In certain cases, CGPH does not own the businesses and amenities adjacent to its properties. However, the adjacent third-party businesses and amenities stimulate additional traffic through its complexes. For example, the Grand Bazaar shops located in front of Bally's Hotel and Casino in Las Vegas. Any decrease in the popularity of, or the number of customers visiting, these adjacent businesses and amenities may lead to a corresponding decrease in the traffic through our complexes, which would negatively affect CGPH's business and operating results. Further, if newly opened properties, such as The Cromwell, are not as popular as expected, CGPH will not realize the increase in traffic through CGPH's properties that it expects as a result of their opening, which would negatively affect its business projections.

CGPH's business may be subject to material environmental liability, including as a result of unknown environmental contamination.

CGPH's business is subject to certain federal, state and local environmental laws, regulations and ordinances which govern activities or operations that may have adverse environmental effects, such as emissions to air, discharges to streams and rivers and releases of hazardous substances and pollutants into the environment, as well as handling and disposal from municipal/non-hazardous waste, and which also apply to current and previous owners or operators of real estate generally. Federal examples of these laws include the Clean Air Act, the Clean Water Act, the Resource Conservation Recovery Act, the Comprehensive Environmental Response, Compensation and Liability Act and the Oil Pollution Act of 1990. Certain of these environmental laws may impose cleanup responsibility and liability without regard to whether the owner or operator knew of or caused particular contamination or release of hazardous substances. Should unknown contamination be discovered on CGPH's property, or should a release of hazardous substances occur on CGPH's property, CGPH could be required to investigate and clean up the contamination and could also be held responsible to a governmental entity or third parties for property damage, personal injury or investigation and cleanup costs incurred in connection with the contamination or release, which may be substantial. Moreover, such contamination may also impair CGPH's ability to use the affected property. Such liability could be joint and several in nature, regardless of fault, and could affect CGPH even if such property is vacated. The potential for substantial costs and an inability to use the property could adversely affect our business.

Work stoppages and other labor problems could negatively impact our future profits.

Some of our employees are represented by labor unions and, accordingly, we are subject to the risk of work stoppages or other labor disruptions from time to time. We have seven collective bargaining agreements covering various employees in Las Vegas expiring in 2016. We intend to negotiate renewal agreements for all collective bargaining agreements expiring and are hopeful that we will be able to reach agreements with the respective unions without any work stoppage. Work stoppages and other labor disruptions could have a material adverse impact on our operations. Also, wage and/or benefit increases resulting from new labor agreements may be significant and could also have an adverse impact on our results of operations. From time to time, we have experienced attempts by labor organizations to organize certain of our non-union employees. To the extent that our non-union employees join unions, we could have greater exposure to risks associated with labor problems and could negatively impact our profits.

CGPH's insurance coverage may not be adequate to cover all possible losses it could suffer, and, in the future, its insurance costs may increase significantly or it may be unable to obtain the same level of insurance coverage.

CGPH's casino properties may suffer damage to its property caused by a casualty loss (such as fire, natural disasters and acts of war or terrorism) that could severely disrupt its business or subject it to claims by third parties who are injured or harmed. Although CGPH maintains insurance (including property, casualty, terrorism and business interruption insurance), that insurance may be inadequate or unavailable to cover all of the risks to which its business and assets may be exposed. Should an uninsured loss or loss in excess of insured limits occur, it could have a significant adverse impact on CGPH's operations and revenues.

CGPH renews its insurance policies on an annual basis. If the cost of coverage becomes too high, CGPH may need to reduce its policy limits or agree to certain exclusions from its coverage in order to reduce the premiums to an acceptable amount. Among other factors, homeland security concerns, other catastrophic events or any change in the current U.S. statutory requirement that insurance carriers offer coverage for certain acts of terrorism could adversely affect available insurance coverage and result in increased premiums on available coverage (which may cause CGPH to elect to reduce its policy limits) and additional exclusions from coverage. Among other potential future adverse changes, in the future, CGPH may elect to not, or may be unable to, obtain any coverage for losses due to acts of terrorism.

Planet Hollywood licenses the Planet Hollywood brand from affiliates of Robert Earl and there can be no assurances that the Planet Hollywood brand would not be negatively impacted by its use outside of our control.

Affiliates of Robert Earl license certain intellectual property relating to the operation of the Planet Hollywood Resort and Casino to Planet Hollywood. The license includes certain names and trademarks and the right to display certain memorabilia on the Planet Hollywood premises. Planet Hollywood has invested significant time and financing to establish its brand as a Hollywood-themed entertainment and non-gaming destination. The expiration or termination, or modification of the terms, of this license may have a materially adverse effect on Planet Hollywood's, and therefore CGPH's business, financial conditions and operating results.

In addition, the Planet Hollywood brand is used by affiliates of Robert Earl in Hollywood-themed restaurants, hotels and shops around the United States and internationally. Any negative events associated with the use of the Planet Hollywood brand with these restaurants and shops may be out of CGPH's control, and may negatively impact the brand's image for the Planet Hollywood casino, which could harm Planet Hollywood's, therefore CGPH's business and results of operations.

Our obligation to fund multi-employer pension plans to which we contribute may have an adverse impact on us.

We contribute to and participate in various multi-employer pension plans for employees represented by certain unions. We are required to make contributions to these plans in amounts established under collective bargaining agreements. We do not administer these plans and, generally, are not represented on the boards of trustees of these plans. The Pension Protection Act enacted in 2006, or the PPA, requires under-funded pension plans to improve their funding ratios. Based on the information available to us, some of the multi-employer plans to which we contribute are either "critical" or "endangered" as those terms are defined in the PPA. Specifically, the Pension Plan of the UNITE HERE National Retirement Fund is less than 65% funded. We cannot determine at this time the amount of additional funding, if any, we may be required to make to these plans. However, plan assessments could have an adverse impact on our results of operations or cash flows for a given period. Furthermore, under current law, upon the termination of a multi-employer pension plan, due to the withdrawal of all its contributing employers (a mass withdrawal), or in the event of a withdrawal by us, which we consider from time to time, we would be required to make payments to the plan for our proportionate share of the plan's unfunded vested liabilities, that would have a material adverse impact on our consolidated financial condition, results of operations and cash flows.

In January 2015, the Trustees of the National Retirement Fund ("NRF"), a multi-employer defined benefit pension plan, voted to expel CEC and its participating subsidiaries, the CEC Group, from the plan. NRF claims that CEOC's bankruptcy presents an "actuarial risk" to the plan purportedly permitting such expulsion. The CGP LLC affiliate that is included in NRF is the Las Vegas laundry. NRF has advised the CEC Group that its expulsion has triggered withdrawal liability with a present value of approximately $360 million, payable in 80 quarterly payments of about $6 million.

The CEC Group disputes NRF's authority to take such action. Prior to NRF's vote, the CEC Group reiterated its commitment to remain in the plan and not seek rejection of any collective bargaining agreement in which the obligation to contribute to NRF exists. CEOC is current with respect to pension contributions. The CEC Group is pursuing several litigation strategies to challenge NRF's action. There can be no assurance that our strategies will have a successful outcome, and the CEC Group may become liable for the withdrawal liability, which would have an adverse impact on us.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.

None.

Item 3. Defaults Upon Senior Securities.

None.

Item 4. Mine Safety Disclosures.

Not applicable.

Item 5. Other Information.

None.

Item 6. Exhibits.

Exhibit Number	Exhibit Description	Filed Herewith	Incorporated by Reference			
			Form	Period Ending	Exhibit	Filing Date
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	The following financial statements from the Company's Form 10-Q as of September 30, 2016 and December 31, 2015, for the three and nine months ended September 30, 2016 and 2015 formatted in XBRL: (i) Consolidated Condensed Balance Sheets, (ii) Consolidated Condensed Statements of Operations and Comprehensive Income, (iii) Consolidated Condensed Statements of Stockholder's Equity, (iv) Consolidated Condensed Statements of Cash Flows, (v) Notes to Consolidated Condensed Financial Statements.	X				

* Furnished herewith.

SIGNATURE

Pursuant to the requirements 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.

CAESARS GROWTH PROPERTIES HOLDINGS, LLC

By: Caesars Growth Properties Parent, LLC
its managing member

By: Caesars Growth Partners, LLC
its managing member

By: Caesars Acquisition Company
its managing member

November 7, 2016

By: /S/ TROY J. VANKE

Troy J. Vanke

Chief Accounting Officer of Caesars Acquisition Company, its managing member

Exhibit 31.1

I, Mitch Garber, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Caesars Growth Properties Holdings, LLC;
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: November 7, 2016

By: Caesars Growth Properties Parent, LLC
its managing member

By: Caesars Growth Partners, LLC
its managing member

By: Caesars Acquisition Company
its managing member

By: /S/ MITCH GARBER

Mitch Garber
President and Chief Executive Officer
of Caesars Acquisition Company, its managing member

Exhibit 31.2

I, Craig Abrahams, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Caesars Growth Properties Holdings, LLC;
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: November 7, 2016

By: Caesars Growth Properties Parent, LLC

its managing member

By: Caesars Growth Partners, LLC

its managing member

By: Caesars Acquisition Company

its managing member

By: /S/ CRAIG ABRAHAMS

Craig Abrahams
Chief Financial Officer
of Caesars Acquisition Company, its managing member

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 Caesars Growth Properties Holdings, LLC (the "Company"), hereby certifies, to such officer's knowledge, that:

(i) the accompanying Quarterly Report on Form 10-Q of the Company for the quarterly period ended September 30, 2016 (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.

Dated: November 7, 2016

By:	Caesars Growth Properties Parent, LLC
	its managing member
By:	Caesars Growth Partners, LLC
	its managing member
By:	Caesars Acquisition Company
	its managing member
By:	/s/ MITCH GARBER
	Mitch Garber **President and Chief Executive Officer** **of Caesars Acquisition Company, its managing member**

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 Financial Officer

Pursuant to 18 U.S.C. § 1350, as created by Section 906 of the Sarbanes-Oxley Act of 2002, the undersigned officer of Caesars Growth Properties Holdings, LLC (the "Company"), hereby certifies, to such officer's knowledge, that:

(i) the accompanying Quarterly Report on Form 10-Q of the Company for the quarterly period ended September 30, 2016 (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.

Dated: November 7, 2016

By:	Caesars Growth Properties Parent, LLC **its managing member**
By:	Caesars Growth Partners, LLC **its managing member**
By:	Caesars Acquisition Company **its managing member**
By:	/S/ CRAIG ABRAHAMS
	Craig Abrahams **Chief Financial Officer** **of Caesars Acquisition Company, its managing member**

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.