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PRESS RELEASE

MI DEVELOPMENTS ANNOUNCES BRIDGE LOAN AND AMENDMENTS TO EXISTING PROJECT FINANCING FACILITIES IN CONNECTION WITH MAGNA ENTERTAINMENT DEBT ELIMINATION PLAN

September 13, 2007, Aurora, Ontario, Canada – MI Developments Inc. (TSX: MIM.A, MIM.B; NYSE: MIM) (“MID”) today announced that it has agreed to provide a short-term bridge loan to Magna Entertainment Corp. **(TSX: MEC.A; NASDAQ: MECA) (“MEC”)** of up to US\$80 million. The bridge loan, together with a US\$20 million private placement of MEC Class A Subordinate Voting Stock to Fair Enterprise Limited (a company that forms part of an estate planning vehicle for the family of Mr. Frank Stronach, “Fair Enterprise”), will provide immediate funding to support the debt elimination plan announced today by MEC.

MID also announced that the existing project financing facilities provided in connection with MEC's racing and alternative gaming facilities at Gulfstream Park racetrack in Florida and Remington Park racetrack in Oklahoma are to be amended by, among other things, requiring repayment of at least US\$100 million under the Gulfstream Park facility by May 31, 2008 and waiving the make-whole payment, if applicable, for any repayments made under either facility prior to that date.

MEC Debt Elimination Plan

MEC announced today a plan designed to eliminate its net debt by December 31, 2008 through: (i) the sale of certain real estate, racetracks and other assets; (ii) the sale of, or entering into strategic transactions involving, MEC's other racing, gaming and technology operations; and (iii) a possible future equity issuance, likely in 2008.

MEC's plan is intended to generate aggregate proceeds of approximately US\$600-700 million. These proceeds are to be used to fund MEC's operations and applied to eliminate MEC's net debt, including amounts owed to MID under the bridge loan and the existing Gulfstream Park and Remington Park project financing facilities. At June 30, 2007, MEC had debt of approximately US\$550 million, of which approximately US\$195 million was due to MID under the project financing facilities.

“We have been closely monitoring our MEC investment and actively considering potential alternatives to the current MID-MEC relationship for the last couple of years,” said John Simonetti, Chief Executive Officer of MID. “We believe that the best option for MID at this time is to provide the bridge loan to MEC to facilitate its debt elimination

plan, which if successfully implemented would enable MEC to execute its long-term strategy independently.”

The real estate properties MEC has announced it intends to sell include those situated in the following locations: Dixon, California; Ocala, Florida; Aventura and Hallandale, adjacent to Gulfstream Park in Florida; Porter, New York; adjacent to Laurel Park in Maryland; and adjacent to the Magna Racino in Ebreichsdorf, Austria. MEC has also announced that it intends to explore selling its membership interests in the mixed use developments at its Gulfstream Park racetrack in Florida and Santa Anita Park racetrack in California that it is pursuing under joint venture arrangements with Forest City Enterprises and Caruso Affiliated, respectively. As previously disclosed, MID may consider the acquisition of certain of these real estate assets, including the joint venture membership interests. Potential purchases of any of these assets would be subject to review by MID’s Special Committee of independent directors and the approval of the MID board of directors.

The racetracks that MEC has announced it intends to sell include: Great Lakes Downs in Michigan; Thistledown in Ohio; and its interest in Portland Meadows in Oregon. In addition, MEC has announced that it will cease horse racing for its own account at the Magna Racino in Austria after the close of the 2007 meet and that it is exploring a contractual arrangement for a third party to utilize the racing facilities.

MEC also announced that it intends to explore strategic transactions involving other racing, gaming and technology operations. These potential transactions may include: partnerships or joint ventures in respect of the existing gaming facility at Gulfstream Park and potential alternative gaming operations at other MEC racetracks; the possible sale of Remington Park in Oklahoma City; partnerships or joint ventures relating to other racetracks, such as Santa Anita Park; and transactions involving MEC’s technology operations, which may include one or more of the assets that comprise MEC’s PariMax business. MEC expects to engage an investment bank to assist with its evaluation and implementation of these transactions.

Mr. Simonetti commented that, “The success of MEC's plan is strategically important for MID and therefore, pursuant to a consulting agreement between MID and MEC, MID management will assist the MEC management team and board in its implementation. Fair Enterprise has committed to make an equity investment in MEC and we are providing MEC with the bridge loan to address immediate liquidity issues and provide MEC with an opportunity to sell assets in an orderly manner for the benefit of all MEC stakeholders, including MID. The bridge financing will not limit our options with respect to our core real estate business or our investment in MEC, and we will continue to evaluate our relationship with MEC as its plan progresses.”

Fair Enterprise Equity Investment in MEC

The MEC plan includes a private placement of MEC Class A Subordinate Voting Stock (“MEC Class A Stock”) to Fair Enterprise, a company that forms part of an estate

planning vehicle for the family of Mr. Frank Stronach, MID's Chairman and MEC's Chairman and Interim Chief Executive Officer, in an amount of US\$20 million.

Fair Enterprise has executed a definitive subscription agreement to purchase MEC Class A Stock at a price per share equal to the greater of: (i) 90% of the volume-weighted average price of MEC Class A Stock on NASDAQ for the five trading days commencing on the announcement of the plan and the Fair Enterprise equity investment; and (ii) US\$1.91 (being 100% of the volume-weighted average price of MEC Class A Stock on NASDAQ for the five trading days immediately preceding such announcement). The purchase is subject to various regulatory approvals, and MEC anticipates the closing taking place in October 2007.

MEC Bridge Loan

The bridge loan of up to US\$80 million will be made available through a non-revolving facility provided to MEC by a wholly-owned subsidiary of MID. The bridge loan proceeds may only be used by MEC in accordance with the plan and will be available solely to fund: (i) operations; (ii) payments of principal, interest and costs, fees and expenses due under the bridge loan and the Gulfstream Park and Remington Park project financing facilities; (iii) mandatory payments of interest in connection with permitted debt under the bridge loan; (iv) mandatory capital expenditures; and (v) capital expenditures required pursuant to the terms of the joint venture arrangements between MEC and Forest City Enterprises and Caruso Affiliated.

The MEC bridge loan has a maturity date of May 31, 2008 and bears interest at a rate per annum equal to LIBOR plus 10%, subject to increase in the event MEC does not reach certain specified milestones in connection with the plan. The bridge loan will be secured by certain assets of MEC and guaranteed by certain subsidiaries of MEC. The guarantees will be secured by charges over the lands owned by Santa Anita Park, Golden Gate Fields and Thistledown and by charges over the lands owned by MEC in Dixon and Ocala, as well as by pledges of the shares of certain MEC subsidiaries.

MID will receive an arrangement fee of US\$2.4 million (3% of the bridge loan commitment) at closing and an additional arrangement fee on February 29, 2008 of 1% of the then current bridge loan commitment. MID will also receive an annual commitment fee equal to 1% of the undrawn facility. The interest rates and fees reflect MID's assessment (with the benefit of advice from its financial advisors) of the credit risk associated with MEC, taking into consideration, among other things, MEC's revised business plan pursuant to its plan and the security package for the bridge loan. The bridge loan must be repaid with, and the commitment will be reduced by, amounts equal to all net proceeds realized by MEC from asset sales and issuances of debt or equity (other than the issuance of US\$20 million of equity to Fair Enterprise Limited announced as part of the MEC plan), subject to amounts required to be paid to MEC's existing lenders.

The MEC bridge loan is subject to customary funding conditions, as well as the extension to at least January 31, 2008 of MEC's US\$40 million secured revolving bank credit facility.

Amendments to the Project Financing Facilities

The terms of the existing Gulfstream Park project financing facility made available to the wholly-owned subsidiary of MEC that operates Gulfstream Park will also be amended such that: (i) MEC will be added as a guarantor under this facility; (ii) the borrower and all of the guarantors (including MEC) will agree to use commercially reasonable efforts to implement MEC's plan (including the sale of specific assets by the time periods listed in the plan); and (iii) the borrower will be required to repay at least US\$100 million under the facility by May 31, 2008.

In consideration of these amendments, and subject to certain conditions, the MID subsidiary that is the lender under the project financing facilities has agreed to waive the make-whole payment for any repayments made under the project financing facilities prior to May 31, 2008 and to adjust the amortization schedule for the Gulfstream Park project financing facility following receipt of the US\$100 million repayment.

MID Special Committee

The MEC bridge loan and the amendments to the project financing facilities were approved by the MID Board after considering, among other things, a recommendation from a Special Committee of independent directors of MID comprised of Messrs. Neil Davis, who acted as Chairman, John Barnett, Philip Fricke and Manfred Jakszus. The Special Committee engaged CIBC World Markets Inc. as independent financial advisor and Goodmans LLP as independent legal advisor. TD Securities Inc. acted as financial advisor, and Davies Ward Phillips & Vineberg LLP acted as legal advisor, to MID.

MID will file a material change report immediately upon filing of this press release. The material change report will be filed less than 21 days before the date of the closing of the MEC bridge loan and the amendments to the project financing facilities, which, in MID's view, is both reasonable and necessary in the circumstances as the terms of the bridge loan and the amendments to the project financing facilities were settled, and approved by MID's Board of Directors, on September 12, 2007, and MEC requires immediate funding to address its short-term liquidity concerns. For more details on the bridge loan and the project financing facilities amendments, please refer to the material change report. In addition, the bridge loan agreement and the amendment to the Gulfstream Park project financing facility will be filed by MID on SEDAR at www.sedar.com and on the SEC's website at www.sec.gov.

About MID

MID is a real estate operating company engaged in the ownership, development, management, leasing and acquisition of industrial and commercial real estate properties located in North America and Europe. Virtually all of our income-producing properties are currently under lease to Magna International Inc. and its subsidiaries. MID also

holds a controlling investment in MEC, North America's number one owner and operator of horse racetracks, based on revenues, and one of the world's leading suppliers, via simulcasting, of live racing content to the growing inter-track, off-track and account wagering markets.

For further information about this press release, please contact John Simonetti, MID's Chief Executive Officer, at 905-726-7619.

Forward-Looking Statements

The contents of this press release may contain statements that, to the extent they are not recitations of historical fact, constitute "forward-looking statements" within the meaning of applicable securities legislation, including the United States Securities Exchange Act of 1934. Forward-looking statements may include, among others, statements regarding the Company's future plans, goals, strategies, intentions, beliefs, estimates, costs, objectives, economic performance or expectations, or the assumptions underlying any of the foregoing. Words such as "may", "would", "could", "will", "likely", "expect", "anticipate", "believe", "intend", "plan", "forecast", "project", "estimate" and similar expressions are used to identify forward-looking statements. Forward-looking statements should not be read as guarantees of future performance or results, and will not necessarily be accurate indications of whether or the times at or by which such future performance will be achieved. Undue reliance should not be placed on such statements. Forward-looking statements are based on information available at the time and/or management's good faith assumptions and analyses made in light of our perception of historical trends, current conditions and expected future developments, as well as other factors we believe are appropriate in the circumstances, and are subject to known and unknown risks, uncertainties and other unpredictable factors, many of which are beyond the Company's control, that could cause actual events or results to differ materially from such forward-looking statements. Important factors that could cause such differences include, but are not limited to the risks set forth in the "Risk Factors" section in MID's Annual Information Form for 2006, filed on SEDAR at www.sedar.com and attached as Exhibit 1 to MID's Annual Report on Form 40-F for the year ended December 31, 2006. The "Risk Factors" section also contains information about the material factors or assumptions underlying such forward-looking statements. In addition, the bridge loan is expected to be repaid through the sale of MEC assets as part of the MEC plan. If MEC is unable to sell assets in a timely manner or for the prices contemplated by its plan, MEC may be unable to repay the bridge loan by May 31, 2008 or at all, which could have a material adverse effect on MID's financial condition. Forward-looking statements speak only as of the date the statement was made and unless otherwise required by applicable securities laws, MID expressly disclaims any intention and undertakes no obligation to update or revise any forward-looking statements contained in this press release to reflect subsequent information, events or circumstances or otherwise.