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PRESS RELEASE

MI DEVELOPMENTS ANNOUNCES AMENDMENTS TO MAGNA ENTERTAINMENT BRIDGE LOAN AND PROJECT FINANCING FACILITIES

May 23, 2008, Aurora, Ontario, Canada – MI Developments Inc. (TSX: MIM.A, MIM.B; NYSE: MIM) today announced that it and one of its wholly-owned subsidiaries (collectively, "MID") have agreed to amend the bridge loan (the "Bridge Loan") provided in September 2007 by MID to Magna Entertainment Corp. (**TSX: MEC.A; NASDAQ: MECA**) ("MEC"), as well as the project financing facilities (the "Project Financings") provided in connection with MEC's racing and alternative gaming facilities at Gulfstream Park racetrack in Florida and Remington Park racetrack in Oklahoma.

John Simonetti, MID's Chief Executive Officer, stated, "With the implementation of its Debt Elimination Plan taking longer than anticipated, MEC will not be in a position to repay the bridge loan or a portion of the Gulfstream Park project financing as originally contemplated. Recently, certain MID shareholders brought forward a reorganization proposal that would deal with our MEC investment, including the MEC bridge loan and project financings. This proposal is currently being considered by MID's Special Committee of independent directors and, in the circumstances, we believe that it is in the best interests of MID to enter into these amendments."

Bridge Loan Amendments

The primary components of the amendments to the Bridge Loan are:

- The maturity date has been extended from May 31, 2008 to August 31, 2008; provided, however, that if the reorganization proposal received by MID on behalf of various shareholders on March 31, 2008 (the "Reorganization Proposal") does not proceed for any reason, the maturity date will be accelerated to one month after the date on which MID gives notice to MEC that the Reorganization Proposal is not proceeding.
- The current maximum commitment under the Bridge Loan is approximately US\$58.5 million (US\$80 million original commitment less approximately US\$21.5 million repaid by MEC), of which US\$49.1 million is currently outstanding. The amount available to MEC under the Bridge Loan, as amended, will be increased by approximately US\$51.5 million (as the maximum commitment will be increased to US\$110 million).

In connection with the amendments to the Bridge Loan, MID will receive a fee of US\$1.1 million (1% of the increased maximum commitment). MID is also entitled to an additional arrangement fee of 1% of the then current commitment if the Reorganization Proposal has not been approved by August 1, 2008 or if the Bridge Loan maturity date is accelerated.

Project Financing Amendments

In connection with the amendments to the Bridge Loan, MID also agreed to amend the Project Financings by extending the deadline for repayment of at least US\$100 million under the Gulfstream Park facility from May 31, 2008 to August 31, 2008 (during which time any repayments made under either facility will not be subject to a make-whole payment). If the Bridge Loan maturity date is accelerated, the deadline for repayment of the US\$100 million will also be accelerated to the same date.

MID Special Committee

The MID Board approved the amendments to the Bridge Loan and the Project Financings after considering, among other things, legal and financial advice and a recommendation from a Special Committee of independent directors.

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 amendments, which, in MID's view, is both reasonable and necessary in the circumstances as the terms of the amendments were settled, and approved by MID's Board of Directors, on May 23, 2008, and MEC requires immediate funding to address its short-term liquidity concerns. For more details on the amendments, please refer to the material change report. In addition, the amendments to the Bridge Loan and the Project Financings will be filed by MID on SEDAR at www.sedar.com and on the SEC's website at www.sec.gov.

Reorganization Proposal

The Reorganization Proposal is supported by over 50% of MID's Class A shareholders and approximately 95% of Class B shareholders. For further details on the Reorganization Proposal, please refer to the proposal term sheet, which is posted on MID's website at www.midevelopments.com.

The proposed reorganization would be carried out by way of a court-approved plan of arrangement under Ontario law, requiring at least two-thirds of the votes cast by each class of MID's shareholders in favour of the proposal at a special meeting of shareholders to consider the proposal. In addition, the reorganization would be subject to applicable regulatory approvals, including those contained in Multilateral Instrument 61-101. The proposed reorganization is also conditional on, among other things, Magna International Inc.'s participation in the proposed transaction. The Reorganization Proposal contemplates MID calling by May 30, 2008 a special meeting to consider the reorganization and closing the transaction no later than July 30, 2008.

The Board has not yet made any decisions or recommendations with respect to the Reorganization Proposal and has constituted a Special Committee of the Board to review and make recommendations relating thereto. The proposal is subject to certain material conditions, some of which are beyond MID's control, and there can be no assurance that the transaction contemplated by the Reorganization Proposal will be completed.

About MID

MID is a real estate operating company focusing primarily on the ownership, leasing, management, acquisition and development of a predominantly industrial rental portfolio for Magna International Inc. and its subsidiaries in North America and Europe. MID also acquires land that it intends to develop for mixed-use and residential projects. MID holds a controlling interest in MEC, North America's number one owner and operator of horse racetracks, based on revenue, and one of the world's leading suppliers, via simulcasting, of live horse racing content to the growing intertrack, off-track and account wagering markets.

For further information about this press release, please contact Richard Smith, MID's Executive Vice-President and Chief Financial Officer, at 905-726-7507.

Forward-Looking Statements

This press release contains "forward-looking statements" within the meaning of applicable securities legislation. Forward-looking statements may include, among others, statements relating to the reorganization proposal and the terms and conditions of such proposal. 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 events or results and will not necessarily be accurate indications of whether or the times at or by which such future events or results 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, 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 2007, 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, 2007, which investors are strongly advised to review. The "Risk Factors" section also contains information about the material factors or assumptions underlying such forward-looking statements. Forward-looking statements speak only as of the date the statements were 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.