

FORM 27

Securities Act

MATERIAL CHANGE REPORT UNDER
SECTION 75(3) OF THE ACT

1. Reporting Issuer

The reporting issuer is Magna Entertainment Corp. (the "Corporation"), a corporation incorporated under the laws of the State of Delaware and having its registered office located at 1209 Orange Street, Wilmington, Delaware 19801, USA and its principal executive offices at 337 Magna Drive, Aurora, Ontario, Canada L4G 7K1.

2. Date of Material Change

The material change occurred on November 13, 2002.

3. Press Release

On November 13, 2002, the Corporation issued a press release and delivered such press release to the Ontario Securities Commission and the other Canadian securities regulatory authorities, The Toronto Stock Exchange, The NASDAQ Stock Market and the U.S. Securities & Exchange Commission and to Canada NewsWire for publication and dissemination through its North American Disclosure Network which includes its USA and Canadian Disclosure Networks, United States US1 Network, Investor Research Wire and on-line and databases connections.

4. Summary of Material Change

On November 13, 2002, the Maryland Racing Commission unanimously approved the acquisition by the Corporation of the controlling interest in Pimlico Race Course and Laurel Park, which operate under the trade name The Maryland Jockey Club ("MJC"). The proposed acquisition and its terms were first announced on July 15, 2002. The full text of the press release issued by the Corporation is attached as Exhibit 1 and is incorporated herein by reference.

5. Full Description of Material Change

On November 13, 2002, the Corporation issued a press release in which it announced that the Maryland Racing Commission unanimously approved the acquisition by the Corporation of the controlling interest in Pimlico Race Course and Laurel Park, which operate under the trade name The Maryland Jockey Club ("MJC").

In addition to its Maryland operations, MJC manages Colonial Downs in New Kent, Virginia and its network of Virginia off-track betting facilities. Accordingly, the transaction was scheduled to be considered for approval and was, in fact, unanimously approved by the Virginia Racing Commission on November 20, 2002. The transaction is expected to close in late November or early December 2002.

The full text of the press release issued by the Corporation is attached as Exhibit 1 and is incorporated herein by reference.

6. Reliance on Section 75(3) of the Act

This report is not being filed on a confidential basis.

7. Omitted Information

Not applicable.

8. Senior Officers

For further information, please contact Gary M. Cohn, Vice-President, Special Projects and Secretary of the Corporation at 905-726-7060.

9. Statement of Senior Officer

The foregoing accurately discloses the material change referred to herein.

DATED at Aurora, Ontario as of the 22nd day of November, 2002.

/s/Gary M. Cohn
Gary M. Cohn
Vice-President, Special Projects and Secretary

**Magna Entertainment Corp.**

337 Magna Drive
Aurora, Ontario,
Canada L4G 7K1
Tel (905) 726-2462
Fax (905) 726-7172

EXHIBIT 1**PRESS RELEASE****MARYLAND RACING COMMISSION
UNANIMOUSLY APPROVES ACQUISITION BY
MAGNA ENTERTAINMENT CORP. OF
CONTROLLING INTEREST IN THE MARYLAND JOCKEY CLUB**

November 13, 2002, Aurora, Ontario, Canada..... The Maryland Racing Commission today unanimously approved the acquisition by Magna Entertainment Corp. ("MEC") (NASDAQ: MIEC; TSX: MIE.A, MEH) of the controlling interest in Pimlico Race Course and Laurel Park, which operate under the trade name The Maryland Jockey Club ("MJC"). The proposed acquisition and its terms were first announced on July 15, 2002.

In addition to its Maryland operations, MJC manages Colonial Downs in New Kent, Virginia and its network of Virginia off-track betting facilities. Accordingly, the transaction is scheduled to be considered for approval by the Virginia Racing Commission at its meeting on Wednesday, November 20, 2002. Pending this final regulatory approval, the transaction is expected to close in late November or early December 2002.

About Magna Entertainment Corp.

MEC, one of the largest operators of premier horse racetracks in the United States, acquires, develops and operates horse racetracks and related pari-mutuel wagering operations, including off-track betting facilities, and owns and operates a national account wagering system called XpressBet™.

In the first nine months of 2002, MEC reported racing revenues of \$433.9 million, an increase of \$47.6 million over the comparable period in 2001.

About The Maryland Jockey Club

The Maryland Jockey Club is the oldest sporting organization in North America, established in 1743. It owns and operates Maryland's two major thoroughbred tracks, Pimlico Race Course in Baltimore – the home of the Preakness Stakes, the middle jewel in thoroughbred racing's Triple Crown – and Laurel Park, located in Laurel, MD, midway between Baltimore and Washington, DC. MJC runs 220 live thoroughbred racing dates a year at Pimlico and Laurel.

Through ownership of the Maryland-Virginia Racing Circuit, Inc., MJC manages Colonial Downs in New Kent, VA, and its network of Virginia off-track betting facilities. Colonial Downs is Virginia's only major horse racing facility and runs approximately 26 days of live thoroughbred racing in the summer when live racing is not conducted at Pimlico or Laurel.

MJC also owns and operates the Bowie Training Center in Bowie, MD, and manages three off-track betting facilities in Maryland.

This year's Preakness drew the second largest crowd in the track's 132-year history – 101,138 – despite cold and inclement morning weather. Television coverage of the Preakness on NBC Sports drew the highest rating since 1990. The day's handle from all sources topped \$71 million, a 14 percent increase over last year.

For more information contact:

Graham Orr
Executive Vice President &
Chief Financial Officer
Magna Entertainment Corp.
(905) 726-7099