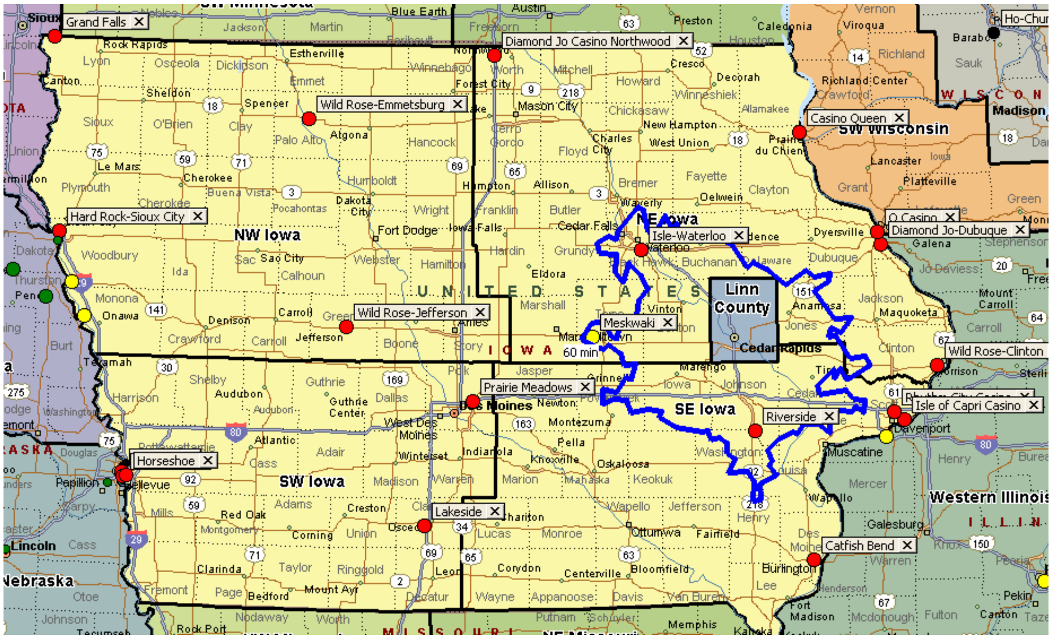
# IOWA GAMING MARKET ANALYSIS
# October 2017

*Marquette Advisors File #17018*




**Prepared for:**

Iowa Racing and Gaming Commission

c/o Mr. Brian J. Ohorilko, Administrator
1300 Des Moines Street, Suite 100
Des Moines, IA 50309

**Prepared by:**

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Marquette Advisors

*International Hospitality and Gaming Consultants*

October 2, 2017

Mr. Brian J. Ohorilko
Administrator
**Iowa Racing and Gaming Commission**
1300 Des Moines Street, Suite 100
Des Moines, IA 50309

Dear Mr. Ohorilko:

Marquette Advisors is pleased to present the accompanying report entitled: "Iowa Gaming Market Analysis." This report presents an analysis of the existing gaming market in Iowa completed during the Summer and Fall months of 2017, together with an overview of the current and projected economic climate of the region, an assessment of the potential market support for added gaming facilities, and estimated Iowa casino utilization and financial projections under varied development scenarios.

Our conclusions are based on information developed from research of the market, a review of market and property statistics, our knowledge of the industry and meetings with market participants during which we were provided with significant information. The sources of information and the basis of the estimates and assumptions are stated in the body of this report. This information and supporting documentation was assumed to be accurate and no attempt at independent verification was made. We have no responsibility to update this report for events and circumstances occurring after the conclusion of our fieldwork, which is concurrent with the report date.

The market and individual casino utilization and revenue projections presented in this report are based on estimates and assumptions developed in connection with our market study. However, some assumptions inevitably will not materialize and unanticipated events and circumstances may occur; therefore, actual results achieved during the period covered by our analysis will vary from our projections and the variations may be material. Further, we are not responsible for future marketing efforts and other management actions upon which actual casino results will depend.

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We appreciate the opportunity to be of service and remain available to answer any questions which may arise regarding our work, or if additional analysis and/or advisory services are required.

Best Regards,

**MARQUETTE ADVISORS**

Marquette Advisors

# IOWA GAMING MARKET ANALYSIS

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## BACKGROUND

On two prior occasions, Marquette Advisors has provided an assessment of gaming market conditions on behalf of IRGC, both in 2009 and 2014. The 2009 analysis included a review of the potential for new facilities at varied locations throughout the State, as well as Statewide and facility-specific revenue forecasting and an analysis of cannibalization related to the possible development of new facilities. Subsequent to that analysis, IRGC authorized a new casino in Larchwood (Lyon County), known as Grand Falls Casino Resort. In 2014, Marquette Advisors authored a report which provided a comprehensive forecast of gaming revenues for all commercial casinos in Iowa, and analyzed potential gaming facilities in Cedar Rapids (Linn County) and Jefferson (Greene County), and the related market impacts of these developments. Thereafter, IRGC authorized a new casino in Greene County, which now operates as Wild Rose Casino & Resort-Jefferson.

Recently, IRGC again retained Marquette Advisors to provide an updated market assessment to:

1) Estimate the likely future performance of existing commercial casinos,

2) Identify any underserved markets and/or underperforming facilities in the State,

3) Consider the revenue potential for three separate proposals for gaming operations in Cedar Rapids (Linn County), and

4) Estimate the impact of these developments upon existing casinos in Iowa.

The scope of services provided under this engagement is summarized below.

## SCOPE OF SERVICES[1]

This research and report components provided under this engagement are summarized as follows:

- This analysis constitutes a complete review of all casinos and submarkets within Iowa, along with relevant competitive facilities in neighboring states. This includes a detailed review of historical market and facility performance, current facilities and customer patterns, and all underlying local and regional market demography and economic conditions.

- We have interviewed Iowa casino operators and analyzed all available customer visitation and expenditure information, as provided by the casinos, voluntarily, under agreement with the licensees that such information will to remain confidential.

[1] Scope of services as per contractual agreement between Marquette Advisors and Iowa Racing and Gaming Commission.

- All Iowa casinos and submarkets were closely evaluated so as to determine whether there are any underserved or underperforming markets, presently, in Iowa.

- We have developed full projections of future gaming market potential and individual facility performance (admissions and gaming revenue) forecasts for each of Iowa's commercial casinos. Also provided is a forecast of in-state and out-of-state patronage and revenues at each casino, and for the State as a whole.

- We have evaluated three separate gaming license applications for facilities of varying size and scope in Cedar Rapid. Herein we provide projections of admissions and revenue performance for each of these proposals, along with sensitivity analyses with corresponding forecasts of revenue under assumed 10%, 25%, and 50% increases in the number of gaming positions from each application. This analysis also provides an estimate of the impact of each proposal upon tourism and economic development, notably job creation.

- As well, in evaluating each of the Cedar Rapids proposals, we have measured the potential "cannibalization" impact upon existing casino operations in Iowa, in terms of customer admissions and gaming revenues.

# IOWA GAMING MARKET CONDITIONS

## Iowa Gaming Development & Supply Trends

Casino gaming in Iowa today is an approximately **$1.59 billion** industry, and includes a variety of riverboat and land-based casinos, with 19 commercial casinos and 3 tribal casinos.[2] The following table illustrates the opening date of commercial casinos throughout the State.

**Iowa's Commercial Casinos -- Development Timeline**

| Name | Casino Opening | City | Notes |
|---|---|---|---|
| Mississippi Belle | June 10, 1991 | Clinton | |
| Diamond Jo Casino-Dubuque | May 1, 1994 | Dubuque | |
| Catfish Bend Casino-Ft. Madison | November 16, 1994 | Ft. Madison | |
| Argosy Casino | December 1, 1994 | Sioux City | |
| Horseshoe Council Bluffs | March 17, 1995 | Council Bluffs | |
| Prairie Meadows Racetrack and Casino | April 1, 1995 | Altoona | |
| Isle of Capri Casino | April 21, 1995 | Bettendorf | |
| Dubuque Greyhound Park & Casino | November 1, 1995 | Dubuque | |
| Harrah's Council Bluffs | January 1, 1996 | Council Bluffs | |
| Ameristar Casino Hotel | January 19, 1996 | Council Bluffs | |
| Terrible's Lakeside Casino | January 1, 2000 | Osceola | |
| Lady Luck Casino & Hotel | March 2, 2000 | Marquette | |
| Rhythm City Casino | October 10, 2000 | Davenport | |
| Diamond Jo Casino Northwood | April 1, 2006 | Northwood | |
| Wild Rose Casino-Emmetsburg | July, 2006 | Emmetsburg | |
| Riverside Casino and Golf Resort | August 31, 2006 | Riverside | |
| The Isle Casino and Hotel at Waterloo | June 30, 2007 | Waterloo | |
| ***Catfish Bend Casino*** | July, 2007 | Burlington | * replaces boat at Ft. Madison |
| ***Wild Rose Casino-Clinton*** | July, 2008 | Clinton | * replaces Miss. Belle boat |
| ***Diamond Jo Casino-Dubuque*** | December, 2008 | Dubuque | * replaces boat |
| Grand Falls Casino Resort | June, 2011 | Larchwood | |
| ***Hard Rock*** | ***July 31, 2014*** | ***Sioux City*** | |
| Wild Rose Casino-Jefferson | July 13, 2015 | Jefferson | |
| ***Rhythm City Casino*** | ***June 13, 2016*** | ***Davenport*** | |
| ***Isle of Capri Casino*** | ***June 24, 2016*** | ***Bettendorf*** | |

***Replacement casino developments shown in italics***

***Source: IRGC***

The commercial and Tribal casino facilities dispersed throughout the state offer a combined 23,490 total gaming positions and 3,114 hotel rooms. Iowa's 19 commercial casinos employ an estimated 9,230 workers with a total payroll estimated at $331.02 million, according to a 2016 study by the American Gaming Association (AGA).[3] The table and map on the following pages illustrates the size and location of Iowa's casinos. Note that the map also highlights the location of Cedar Rapids and Linn County, where new commercial gaming facilities are proposed.

[2] This $1.59 billion includes approximately $1.45 billion at the State's 19 commercial casinos (per IRGC statistics) and another $142 million (2015) at three Tribal casinos (per Casino City's most recent Indian Gaming Industry Report, 2017 edition).
[3] State of the States, 2016. American Gaming Association.

## State of Iowa
## Competitive Commercial & Tribal Gaming Facilities

| Casinos | Location | Type | Gaming Machines | Total Gaming Tables | Table Games (non-poker) | Poker Tables | Total Positions | Food/Bar Outlets | Hotel Rooms* |
|---|---|---|---|---|---|---|---|---|---|
| Prairie Meadows Racetrack and Casino | Altoona | Racino | 1,589 | 49 | 34 | 15 | 1,962 | 5 | 168 |
| Isle of Capri Casino | Bettendorf | Casino | 971 | 20 | 16 | 4 | 1,119 | 4 | 509 |
| Catfish Bend Casino | Burlington | Casino | 607 | 25 | 16 | 9 | 800 | 7 | 185 |
| Wild Rose Casino and Resort | Clinton | Casino | 549 | 13 | 11 | 2 | 644 | 3 | 60 |
| Ameristar Casino Hotel | Council Bluffs | Casino | 1,589 | 26 | 22 | 4 | 1,779 | 6 | 344 |
| Harrah's Council Bluffs | Council Bluffs | Casino | 543 | 22 | 20 | 2 | 701 | 4 | 251 |
| Horseshoe Council Bluffs | Council Bluffs | Racino | 1,409 | 64 | 40 | 24 | 1,905 | 4 | 0 |
| Rhythm City Casino | Davenport | Casino | 790 | 31 | 20 | 11 | 1,029 | 4 | 106 |
| Diamond Jo Casino | Dubuque | Casino | 939 | 20 | 19 | 1 | 1,081 | 8 | 0 |
| Q Casino | Dubuque | Racino | 827 | 22 | 15 | 7 | 995 | 6 | 116 |
| Wild Rose Casino | Emmetsburg | Casino | 489 | 11 | 8 | 3 | 572 | 3 | 70 |
| Wild Rose Casino and Resort | Jefferson | Casino | 512 | 13 | 10 | 3 | 609 | 2 | 72 |
| Grand Falls Casino Resort | Larchwood | Casino | 786 | 35 | 23 | 12 | 1,055 | 5 | 97 |
| Casino Queen Marquette | Marquette | Casino | 533 | 8 | 6 | 2 | 593 | 3 | 0 |
| Diamond Jo Casino Northwood | Northwood | Casino | 968 | 32 | 22 | 10 | 1,212 | 3 | 162 |
| Blackbird Bend Casino | Onawa | Casino (Tribal) | 355 | 9 | 8 | 1 | 420 | 1 | 0 |
| Lakeside Casino | Osceola | Casino | 752 | 13 | 11 | 2 | 847 | 4 | 150 |
| Riverside Casino and Golf Resort | Riverside | Casino | 974 | 48 | 28 | 20 | 1,350 | 4 | 201 |
| Hard Rock Hotel & Casino | Sioux City | Casino | 852 | 31 | 27 | 4 | 1,077 | 6 | 54 |
| Winna Vegas Casino | Sloan | Casino (Tribal) | 850 | 13 | 9 | 4 | 949 | 3 | 78 |
| Meskwaki Bingo Casino Hotel | Tama | Casino (Tribal) | 1,396 | 30 | 20 | 10 | 1,626 | 5 | 402 |
| The Isle Casino and Hotel at Waterloo | Waterloo | Casino | 947 | 30 | 26 | 4 | 1,165 | 4 | 195 |
| **Total Iowa Casinos (including Tribal facilities)** | | | **19,227** | | **411** | **154** | **23,490** | **94** | **3,220** |
| **Total Commercial Casinos (excluding Tribal)** | | | **16,626** | | **374** | **139** | **20,495** | **85** | **2,740** |

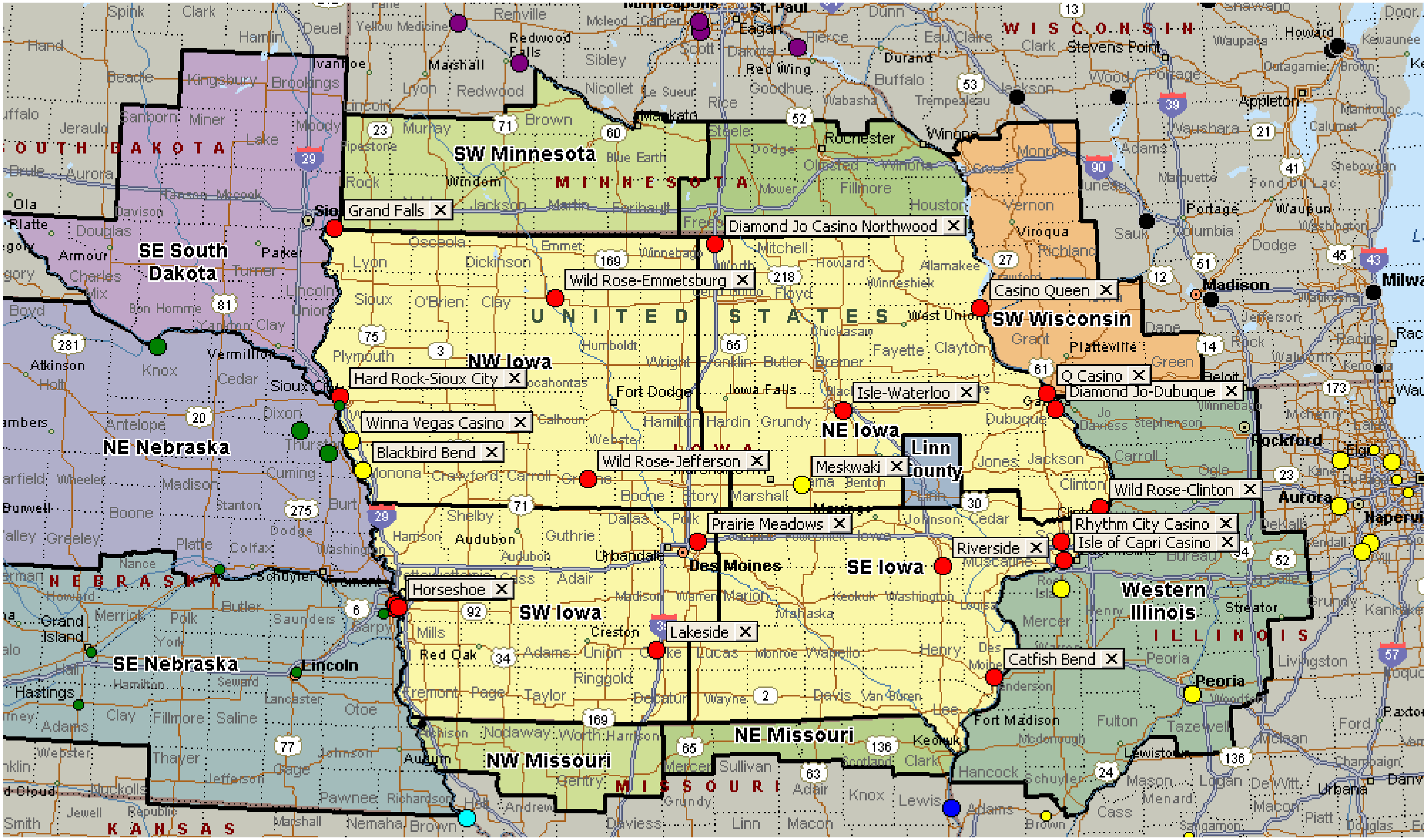
*Note: one table equals 7 gaming positions, poker tables equal 9 gaming positions.*

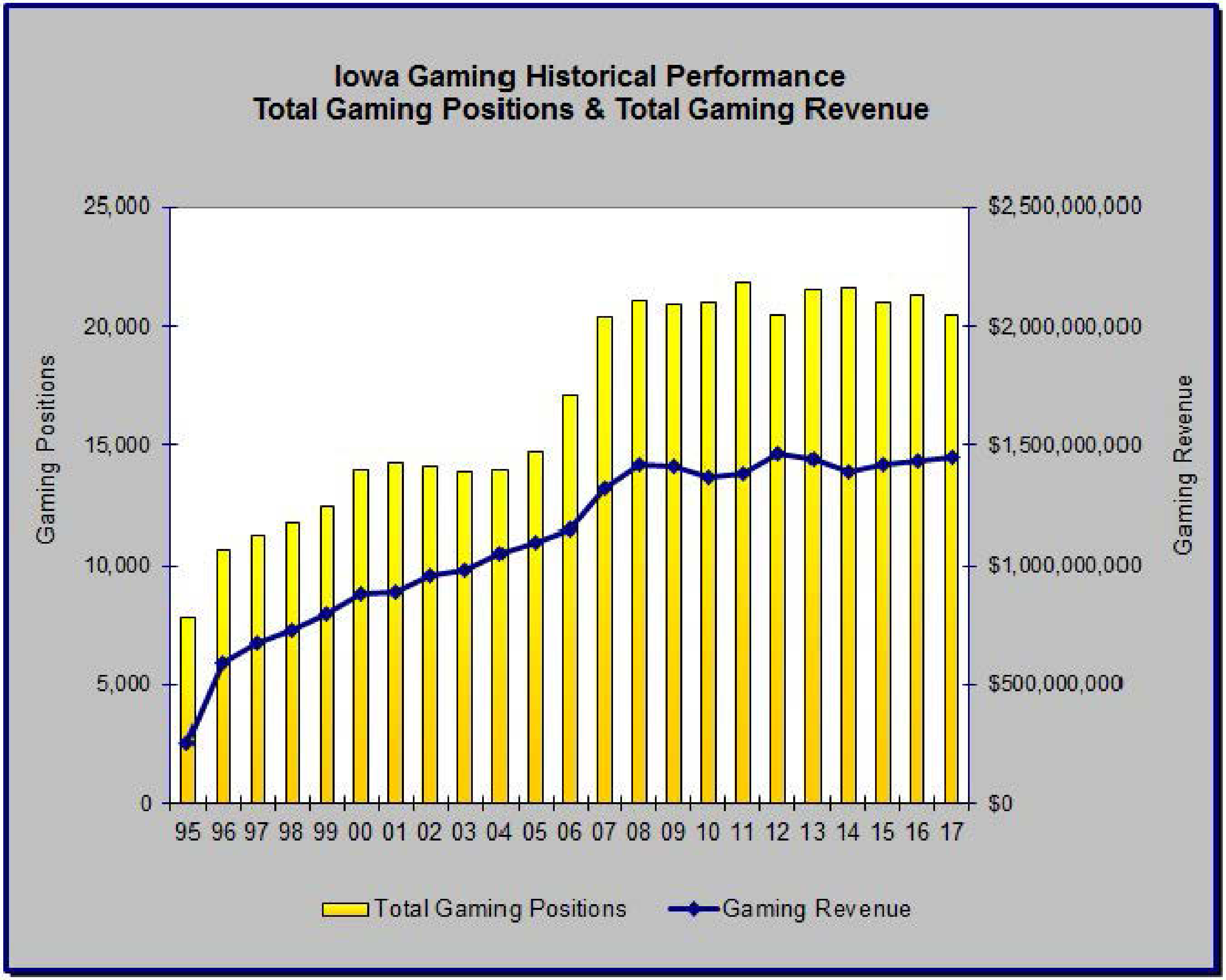
** Hotel room counts as shown above include connected and immediately adjacent hotels at Horseshoe, Diamond Jo-Northwood, and Ameristar.*

***Sources: IRGC; Individual Casino Websites; Marquette Advisors***

**Iowa Casino Locations**

(Nearby casinos in neighboring states also shown on the map)





Iowa Gaming Historical Performance
Total Gaming Positions & Total Gaming Revenue
25,000
20,000
15,000
10,000
5,000
0
Gaming Positions
$2,500,000,000
$2,000,000,000
$1,500,000,000
$1,000,000,000
$500,000,000
$0
Gaming Revenue
95 96 97 98 99 00 01 02 03 04 05 06 07 08 09 10 11 12 13 14 15 16 17
Total Gaming Positions
Gaming Revenue

| Iowa Gaming Market -- Commercial Casinos<br>Annual Gaming Supply and Revenue Growth, FY1995-2017 | | | | | | |
|---|---|---|---|---|---|---|
| Fiscal Year* | Total Gaming Positions | Annual Growth | Gaming Revenue | Annual Growth | Win per Position/Day | Annual Growth |
| 95 | 7,813 | | $251,055,049 | | $88 | |
| 96 | 10,685 | 36.8% | $590,222,695 | 135.1% | $151 | 71.9% |
| 97 | 11,285 | 5.6% | $673,196,215 | 14.1% | $163 | 8.0% |
| 98 | 11,750 | 4.1% | $728,406,272 | 8.2% | $170 | 3.9% |
| 99 | 12,393 | 5.5% | $794,885,038 | 9.1% | $176 | 3.5% |
| 00 | 13,942 | 12.5% | $878,967,316 | 10.6% | $173 | -1.7% |
| 01 | 14,241 | 2.1% | $886,995,718 | 0.9% | $171 | -1.2% |
| 02 | 14,094 | -1.0% | $959,958,783 | 8.2% | $187 | 9.4% |
| 03 | 13,914 | -1.3% | $979,990,103 | 2.1% | $193 | 3.4% |
| 04 | 13,954 | 0.3% | $1,051,515,709 | 7.3% | $206 | 7.0% |
| 05 | 14,705 | 5.4% | $1,096,436,947 | 4.3% | $204 | -1.1% |
| 06 | 17,068 | 16.1% | $1,149,059,504 | 4.8% | $184 | -9.7% |
| 07 | 20,367 | 19.3% | $1,319,964,125 | 14.9% | $178 | -3.7% |
| 08 | 21,122 | 3.7% | $1,415,377,851 | 7.2% | $184 | 3.4% |
| 09 | 20,917 | -1.0% | $1,414,907,244 | 0.0% | $185 | 0.9% |
| 10 | 20,998 | 0.4% | $1,364,230,475 | -3.6% | $178 | -4.0% |
| 11 | 21,847 | 4.0% | $1,379,171,223 | 1.1% | $173 | -2.8% |
| 12 | 20,453 | -6.4% | $1,465,963,976 | 6.3% | $196 | 13.5% |
| 13 | 21,556 | 5.4% | $1,443,858,746 | -1.5% | $184 | -6.5% |
| 14 | 21,630 | 0.3% | $1,388,198,982 | -3.9% | $176 | -4.2% |
| 15 | 21,029 | -2.8% | $1,415,528,156 | 2.0% | $182 | 3.3% |
| 16 | 21,345 | 1.5% | $1,437,145,230 | 1.5% | $184 | 1.5% |
| 17 | 20,495 | -4.0% | $1,452,899,016 | 1.1% | $194 | 5.3% |

* The IRGC fiscal year is Jul.-Jun.

***Source: Iowa Racing and Gaming Commission***

1990's

A significant development wave in Iowa gaming occurred during the mid-1990s, with the opening of casinos at three racetracks in Altoona (Prairie Meadows), Dubuque (Dubuque Greyhound-Mystique), and Council Bluffs (Bluff's Run-Horseshoe), along with the addition of riverboat gaming facilities in Dubuque (Diamond Jo), Burlington (Catfish Bend), Sioux City (Argosy), Bettendorf (Isle of Capri), and Council Bluffs (Ameristar and Harrah's). Between 1995 and 2000, Iowa gaming revenues grew from $250,000,000 ($88 per gaming position/day) to nearly $880,000,000 ($173 per position/day).

Early 2000's

The year 2000 brought the addition of boats at Osceola (Terribles-Lakeside Casino), Marquette (Lady Luck), and Davenport (Rhythm City). In spite of the expansion, the win per unit continued to increase, reflecting the increasing popularity of gaming and increasing draw of Iowa casinos due to their proximity to key population centers both within Iowa and neighboring states. By

2005, the win per position/day had increased to $204 and the State's commercial casinos generated combined revenues of nearly $1.1 billion.

Mid-2000's

In 2006 and 2007, Iowa saw the addition of new licenses and land-based casino resorts at Northwood (Diamond Jo), Emmetsburg (Wild Rose), Waterloo (Isle) and Riverside (Riverside). Also in 2007, a new land-based casino was constructed in Burlington (Catfish Bend), thereafter replacing the former riverboat at Ft. Madison. In 2008, two major land-based casinos were completed, also replacing former riverboats, including the new casino and hotel at Clinton (Wild Rose), replacing the Mississippi Belle, and an urban casino in Dubuque (Diamond Jo), replacing the former riverboat there also. Between 2006 & 2008, Iowa gaming revenues increased from $1.15 billion to $1.41 billion (+23%), approximately matching the increase in the number of gaming positions, at 24%. The average daily win per position dipped slightly from $184 in 2006 to $178 in 2007, before rebounding to $184 in 2008.

FY2010-2012

In 2009, IRGC commissioned market studies by Marquette Advisors and The Innovation Group which assessed the revenue potential and market impact of new casinos at varied locations throughout Iowa. Thereafter, IRGC awarded a license for a new facility in Lyon County in far northwestern Iowa, and denied applications for licenses in Webster and Tama Counties in central Iowa, as well as Wapello County in southeast Iowa. The new Grand Falls Casino Resort opened in Lyon County in the town of Larchwood in June 2011.

On the heels of a serious economic recession, Iowa casino revenues declined from $1.415 billion in FY2008 to $1.306 billion in FY2010 (-7.7%), before rebounding to $1.379 billion in FY2011, and then $1.465 billion in FY2012 with the opening of Grand Falls Casino Resort, which posted revenues of $57.4 million during FY2012.

FY2013 to Date

Again during the 2014 fiscal year, IGRC retained Marquette Advisors and Union Gaming to provide market studies to determine the potential revenue from new facilities proposed for Linn County (Cedar Rapids) and Green County (Jefferson). Following these studies, IRGC voted to reject the Linn County application, and approved the new Wild Rose Casino-Jefferson in Greene County, which opened in July 2015.

Iowa commercial casino revenues declined by approximately 5.4% (-$77.8 million) between FY2012-2014, before increasing to $1.415 billion in 2015, following the opening of the new Hard Rock Casino Hotel in Sioux City in July of 2014. Hard Rock posted revenues of $70.1 million in FY2015.

In FY2016, total statewide gaming revenue increased to $1.437 billion, up $21.6 million for the year, or +1.5%. This included the opening of Wild Rose Casino-Jefferson, which generated $26.9 million in gaming revenue during the year, while the other Iowa casinos experienced mixed results, some up, some down slightly in FY2016.

Both Isle of Capri-Bettendorf and Rhythm City opened new land-based casinos in the Quad Cities market, both opening in June of 2016 and replacing former boats. For FY2017, statewide gaming revenues totaled $1.452 billion, reflecting a modest increase of approximately $15.8 million (+1.1%). Our analysis indicates this increase reflects a redistribution of market share in the Quad Cities, with both Isle and Rhythm City recapturing market share that had been lost to the Jumer's Casino Hotel across the Mississippi River in Rock Island, IL.

The introduction of varied new facilities throughout the State as noted above has prompted modest growth in Iowa gaming revenues between FY2014 and FY2017. Even with the significant investment in new facilities during this timeframe, annual gaming growth averaged just 1.5% from FY2014-2017. Total admissions have remained relatively flat during this period, indicating a slight decline in casino gaming participation rates when factoring in adult population growth. The average spend per admission has increased slightly from $65 in FY2015 to $67 in FY2017. Most recently, in FY2017, casino performance in Iowa was mixed, with 12 out of 19 casinos posting a decline in revenue compared to the prior year. We note that the net increase in statewide casino revenues of approximately $15.8 million during FY2017, includes a $25.0 million combined increase in revenue at Isle-Bettendorf and Rhythm City who opened new casinos and were able to recapture market share from Jumer's in Rock Island. This net gain was offset in part by moderate declines at 12 other casinos in Iowa.

## Iowa Comparison with other U.S. Gaming Markets

Marquette Advisors also analyzed Iowa casino revenue trends in comparison with several other U.S. gaming markets, as depicted on the table on the following page. Growth in gaming was compared with key variables including adult population and increases in the gaming supply (number of gaming positions). Key points from our analysis are summarized as follows.

The Iowa gaming market experienced significant growth in gaming revenues corresponding with casino development phases in the mid-1990s and 2000, and again in 2006/2007. Between 2005 and 2008 Iowa gaming revenues increased from approximately $1.096 billion to $1.415 billion, a 29.1% increase, while the number of gaming positions in the State increased by 43.6%. Meanwhile, the Iowa adult population increased by only 1.8% during this three-year period. This trend reflects a marked increase in gaming participation and expenditure rates during this time, as casino gaming facilities were constructed and expanded across the State.

| Commercial Gaming Market Performance, 2013-20017<br>Iowa and Selected U.S. Gaming Markets | | | | | |
|---|---|---|---|---|---|
| | | | *IRGC Fiscal Year (July-June)* | | |
| **Iowa** | **2013** | **2014** | **2015** | **2016** | **2017** |
| Adult Population | 2,259,944 | 2,279,476 | 2,299,008 | 2,318,540 | 2,338,072 |
| Total Gaming Positions | 21,556 | 21,148 | 21,626 | 21,051 | 20,495 |
| Adult Population per Gaming Position | 105 | 108 | 106 | 110 | 114 |
| **Casino Net Win** | **$1,443,858,746** | **$1,388,198,982** | **$1,415,528,156** | **$1,437,145,230** | **$1,452,899,016** |
| Casino Net Win Per Position Per Day | $184 | $180 | $179 | $187 | $194 |
| Casino Net Win Per Adult Resident per Year | $639 | $609 | $616 | $620 | $621 |
| **% Change - Gaming Revenues** | | **-3.9%** | **2.0%** | **1.5%** | **1.1%** |
| % Change - Adult Population | | 0.9% | 0.9% | 0.8% | 0.8% |
| % Change - Gaming Supply | | -1.9% | 2.3% | -2.7% | -2.6% |
| **Missouri** | **2013** | **2014** | **2015** | **2016** | **2017** |
| Adult Population | 4,462,192 | 4,457,371 | 4,452,550 | 4,447,728 | 4,442,907 |
| Total Gaming Positions | 23,326 | 23,037 | 22,349 | 21,984 | 21,212 |
| Adult Population per Gaming Position | 191 | 193 | 199 | 202 | 209 |
| **Casino Net Win** | **$1,744,763,437** | **$1,662,192,791** | **$1,682,084,673** | **$1,713,124,386** | **$1,718,944,567** |
| Casino Net Win Per Position Per Day | $205 | $198 | $206 | $213 | $222 |
| Casino Net Win Per Adult Resident per Year | $391 | $373 | $378 | $385 | $387 |
| **% Change - Gaming Revenues** | | **-4.7%** | **1.2%** | **1.8%** | **0.3%** |
| % Change - Adult Population | | -0.1% | -0.1% | -0.1% | -0.1% |
| % Change - Gaming Supply | | -1.2% | -3.0% | -1.6% | -3.5% |
| **Illinois** | **2013** | **2014** | **2015** | **2016** | **2017** |
| Adult Population | 9,478,551 | 9,404,079 | 9,329,608 | 9,255,136 | 9,180,664 |
| Total Gaming Positions | 13,265 | 12,872 | 12,432 | 12,268 | 12,144 |
| Adult Population per Gaming Position | 715 | 731 | 750 | 754 | 756 |
| **Casino Net Win** | **$1,552,039,190** | **$1,463,418,253** | **$1,438,029,348** | **1,413,478,308** | **1,405,588,030** |
| Casino Net Win Per Position Per Day | $321 | $311 | $317 | $316 | $317 |
| Casino Net Win Per Adult Resident per Year | $164 | $156 | $154 | $153 | $153 |
| **% Change - Gaming Revenues** | | **-5.7%** | **-1.7%** | **-1.7%** | **-0.6%** |
| % Change - Adult Population | | -0.8% | -0.8% | -0.8% | -0.8% |
| % Change - Gaming Supply | | -3.0% | -3.4% | -1.3% | -1.0% |
| **Indiana** | **2013** | **2014** | **2015** | **2016** | **2017** |
| Adult Population | 4,757,266 | 4,790,136 | 4,823,006 | 4,855,876 | 4,888,746 |
| Total Gaming Positions | 26,600 | 25,138 | 24,686 | 24,107 | 23,876 |
| Adult Population per Gaming Position | 179 | 191 | 195 | 201 | 205 |
| **Casino Net Win** | **$2,563,217,764** | **$2,297,775,488** | **$2,221,134,903** | **$2,228,651,671** | **$2,220,174,297** |
| Casino Net Win Per Position Per Day | $264 | $250 | $247 | $253 | $255 |
| Casino Net Win Per Adult Resident per Year | $539 | $480 | $461 | $459 | $454 |
| **% Change - Gaming Revenues** | | **-10.4%** | **-3.3%** | **0.3%** | **-0.4%** |
| % Change - Adult Population | | 0.7% | 0.7% | 0.7% | 0.7% |
| % Change - Gaming Supply | | -5.5% | -1.8% | -2.3% | -1.0% |
| **United States** | **2012** | **2014** | **2015** | **2016** | **2017** |
| Adult Population | 229,700,000 | 235,275,000 | 240,850,000 | 246,425,000 | N/A |
| Casino Net Win | $65,240,000,000 | $66,444,000,000 | $68,250,000,000 | $69,400,000,000 | N/A |
| Casino Net Win Per Adult Resident per Year | $284 | $282 | $283 | $282 | N/A |
| **% Change - Gaming Revenues** | | **0.6%** | **0.9%** | **0.6%** | N/A |

** US gaming revenue statistics are combined commercial & tribal statistis. Individual market statistics shown above are for commercial casinos only.*

*Sources: Various State Gaming Commissions, American Gaming Association, US Census & ESRI Business Information Solutions (population data)*

Iowa casinos saw revenue declines related to the recent recession (an impact that hit Iowa later as compare to many US markets). Iowa gaming revenues bounced back in 2011 and 2012, but then declined by 5.3% between FY2012 and FY2014. Since that time, in spite of the addition of a new licensed facility at Jefferson (Wild Rose-Jefferson) and three new land-based casinos which replaced boats in Sioux City, Davenport and Bettendorf, Iowa gaming revenues have increased by just 5.3%, averaging 1.5% annual growth.

The decline in gaming revenues in Iowa in 2014 is related to a particularly harsh winter, which ranked as the 6th coldest on record and impacted travel throughout the state. Averaging +1.5% over the past three years, the Iowa gaming growth rate has outpaced that experienced in the nearby states of Illinois, Missouri and Indiana. Total gaming revenue in Iowa, at $1.452 billion in FY2017, equals approximately $657 per adult resident in Iowa. This is far greater compared to the ratio in neighboring states, which ranges from $153 in Illinois to $454 in Indiana. This relates largely to the impact of non-Iowa resident gamers who frequent Iowa casinos regularly, particularly those located near one or more of the State's borders. In fact, from our analysis of casino visitation and expenditure data furnished by Iowa licensees, we estimate that out-of-state gamers accounted for about 45% of Iowa combined commercial casino revenues in FY2017.

As of the end of FY2017, the Iowa commercial gaming supply consisted of 20,495 total gaming positions. There were about 114 Iowa adults (age 21+) for each gaming position. We note that the ratio of adults per gaming position is considerably lower in Iowa as compared to nearby markets such as Missouri, Indiana and Illinois, which feature 200 to more than 700 adults per gaming position. Illinois casinos benefit from a dense population base and a comparatively limited casino gaming supply, thereby showing a ratio of 756 adult residents per casino gaming position and a much higher win-per-gaming position by comparison to Iowa, Indiana and Missouri.

It is important, however, to note the effect of limited stakes gaming in Illinois, as slot machines were authorized in bars and restaurants in 2012. A total of 23,600 of these machines have since been added at 5,700 locations. Limited stakes gaming has grown to a $1.1 billion industry in Illinois, while its commercial casino revenues have declined by 13.9%. Illinois' 10 commercial casinos have seen a combined reduction of -$98.3 million in revenues since 2012. According to Rubin Brown's 2017 report on the US gaming industry, Illinois' 10 commercials have seen a reduction in total employment related to this downturn of approximately 1,000 combined jobs (-12.8%).[4]

[4] Rubin Brown, *Gaming Statistics, 2017*, p. 19.

**Individual Casino and Submarket Performance**

Marquette Advisors has toured and analyzed each of Iowa's casinos, in addition to reviewing historical and recent performance data for all facilities. This included published statistics through IRGC and casino visitation and net win reporting by zip code as provided by the casinos themselves through their player tracking programs. Property profiles and photographs are provided in the Addenda. The tables on the following pages summarize individual casino performance statistics. The following are key points from our analysis of Iowa gaming and the historical revenue performance of individual casinos and submarkets in Iowa.

There is significant variance in per-unit/day gaming revenues among Iowa's casinos. Casinos near to or within significant urban centers such as those at Council Bluffs, Des Moines and Waterloo sustain a steadier pattern of local business throughout the week, which results in a higher win per unit, ranging from $248-$279 per unit in Council Bluffs to $205-$266/unit at Isle-Waterloo and Prairie Meadows-Altoona, respectively, over the past year. This compares to casinos in smaller cities and more remote casinos which rely more heavily upon weekend business, such as Wild Rose-Emmetsburg, Casino Queen-Marquette, and Lakeside in Osceola, where the win per unit has been around $120 to $155 over the past year.

Another notable trend related to the proliferation of gaming across Iowa is the tightening of individual gaming markets. Today, most of Iowa's resident base has one or more casino venues lying within a one-hour drive from their residence. Iowans in markets such as Council Bluffs and the Quad Cities have three large casinos within a short drive. Dubuque residents have access to two mid-sized casinos within the city and four more within 90 minutes. Cedar Rapids, which is of particular focus as part of this engagements, has no casino presently. Cedar Rapids residents have three casinos within a 45 to 60-minute drive, including Meskwaki, Isle-Waterloo and Riverside. With 19 commercial casinos and 3 tribal casinos in Iowa, the market area for most Iowa casinos is relatively tight, with most casinos now attracting the majority of their customers within a primarily "local" market spanning in most cases not more than 45 to 60 minutes.

## State of Iowa
## Commercial Gaming Facilities

| Casinos | Location | Gaming Machines | Total Gaming Tables | Table Games (non-poker) | Poker Tables | Total Positions | Food/Bar Outlets | Hotel Rooms* | FY 2017 Casino Admissions | Gaming Revenue (FY 2017) | Revenue per Position/Day | Revenue per Admission |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Prairie Meadows Racetrack and Casino | Altoona | 1,589 | 49 | 34 | 15 | 1,962 | 5 | 168 | 3,155,137 | $190,172,316 | $266 | $60 |
| Isle of Capri Casino | Bettendorf | 971 | 20 | 16 | 4 | 1,119 | 4 | 509 | 1,075,519 | $77,459,196 | $190 | $72 |
| Catfish Bend Casino | Burlington | 607 | 25 | 16 | 9 | 800 | 7 | 185 | 668,883 | $41,715,632 | $143 | $62 |
| Wild Rose Casino and Resort | Clinton | 549 | 13 | 11 | 2 | 644 | 3 | 60 | 567,370 | $31,362,880 | $133 | $55 |
| Ameristar Casino Hotel | Council Bluffs | 1,589 | 26 | 22 | 4 | 1,779 | 6 | 344 | 1,856,303 | $171,435,126 | $264 | $92 |
| Harrah's Council Bluffs | Council Bluffs | 543 | 22 | 20 | 2 | 701 | 4 | 251 | 1,139,940 | $71,271,483 | $279 | $63 |
| Horseshoe Council Bluffs | Council Bluffs | 1,409 | 64 | 40 | 24 | 1,905 | 4 | 0 | 2,016,310 | $172,142,344 | $248 | $85 |
| Rhythm City Casino | Davenport | 790 | 31 | 20 | 11 | 1,029 | 4 | 106 | 1,274,293 | $61,945,577 | $165 | $49 |
| Diamond Jo Casino | Dubuque | 939 | 20 | 19 | 1 | 1,081 | 8 | 0 | 917,395 | $66,856,145 | $169 | $73 |
| Q Casino | Dubuque | 827 | 22 | 15 | 7 | 995 | 6 | 116 | 847,435 | $47,639,628 | $131 | $56 |
| Wild Rose Casino | Emmetsburg | 489 | 11 | 8 | 3 | 572 | 3 | 70 | 424,122 | $28,420,748 | $136 | $67 |
| Wild Rose Casino and Resort | Jefferson | 512 | 13 | 10 | 3 | 609 | 2 | 72 | 442,626 | $28,214,880 | $127 | $64 |
| Grand Falls Casino Resort | Larchwood | 786 | 35 | 23 | 12 | 1,055 | 5 | 97 | 1,022,242 | $54,802,316 | $142 | $54 |
| Casino Queen Marquette | Marquette | 533 | 8 | 6 | 2 | 593 | 3 | 0 | 253,122 | $26,384,268 | $122 | $104 |
| Diamond Jo Casino Northwood | Northwood | 968 | 32 | 22 | 10 | 1,212 | 3 | 162 | 1,237,613 | $85,196,088 | $193 | $69 |
| Lakeside Casino | Osceola | 752 | 13 | 11 | 2 | 847 | 4 | 150 | 539,892 | $48,135,113 | $156 | $89 |
| Riverside Casino and Golf Resort | Riverside | 974 | 48 | 28 | 20 | 1,350 | 4 | 201 | 1,524,135 | $85,682,854 | $174 | $56 |
| Hard Rock Hotel & Casino | Sioux City | 852 | 31 | 27 | 4 | 1,077 | 6 | 54 | 1,721,017 | $77,027,496 | $196 | $45 |
| The Isle Casino and Hotel at Waterloo | Waterloo | 947 | 30 | 26 | 4 | 1,165 | 4 | 195 | 1,119,847 | $87,034,926 | $205 | $78 |
| **Total Commercial Casinos** | | **16,626** | | **374** | **139** | **20,495** | **85** | **2,740** | **21,803,201** | **$1,452,899,016** | **$194** | **$67** |

*Note: one table equals 7 gaming positions, poker tables equal 9 gaming positions.*

** Hotel room counts as shown above include connected and immediately adjacent hotels at Horseshoe, Diamond Jo-Northwood, and Ameristar.*

***Sources: IRGC; Individual Casino Websites; Marquette Advisors***

## Iowa Casino Performance, FY2010-2017

| Casino | Location | FY2010 | FY2011 | FY2012 | FY2013 | FY2014 | FY2015 | FY2016 | FY2017 |
|---|---|---|---|---|---|---|---|---|---|
| Wild Rose | Emmetsburg | $28,656,825 | $30,784,794 | $31,930,925 | $32,226,026 | $31,011,415 | $30,508,336 | $29,017,941 | $28,420,748 |
| *% change* | | *3.5%* | *7.4%* | *3.7%* | *0.9%* | *-3.8%* | *-1.6%* | *-4.9%* | *-2.1%* |
| Admissions | | 549,646 | 549,189 | 535,294 | 532,977 | 492,595 | 492,704 | 450,589 | 424,122 |
| *% change* | | *N/A* | *-0.1%* | *-2.5%* | *-0.4%* | *-7.6%* | *0.0%* | *-8.5%* | *-5.9%* |
| Win per Admission | | $52 | $56 | $60 | $60 | $63 | $62 | $64 | $67 |
| *% change* | | *N/A* | *7.5%* | *6.4%* | *1.4%* | *4.1%* | *-1.6%* | *4.0%* | *4.1%* |
| Wild Rose [8] | Jefferson | $0 | $0 | $0 | $0 | $0 | $0 | $26,865,904 | $28,214,880 |
| *% change* | | *N/A* | *N/A* | *N/A* | *N/A* | *N/A* | *N/A* | *N/A* | *5.0%* |
| Admissions | | 0 | 0 | 0 | 0 | 0 | 0 | 471,306 | 442,626 |
| *% change* | | *N/A* | *N/A* | *N/A* | *N/A* | *N/A* | *N/A* | *N/A* | *-6.1%* |
| Win per Admission | | N/A | N/A | N/A | N/A | N/A | N/A | $57 | $64 |
| *% change* | | *N/A* | *N/A* | *N/A* | *N/A* | *N/A* | *N/A* | *N/A* | *11.8%* |
| Argosy [6] | Sioux City | $57,839,568 | $59,819,153 | $60,998,698 | $56,050,206 | $48,008,342 | $3,155,190 | $0 | $0 |
| *% change* | | *2.1%* | *3.4%* | *2.0%* | *-8.1%* | *-14.3%* | *N/A* | *N/A* | *N/A* |
| Admissions | | 1,021,562 | 983,972 | 913,334 | 815,787 | 701,873 | 49,395 | 0 | 0 |
| *% change* | | *N/A* | *-3.7%* | *-7.2%* | *-10.7%* | *-14.0%* | *-93.0%* | *-100.0%* | *#DIV/0!* |
| Win per Admission | | $57 | $61 | $67 | $69 | $68 | $64 | N/A | #DIV/0! |
| *% change* | | *N/A* | *7.4%* | *9.9%* | *2.9%* | *-0.4%* | *-6.6%* | *N/A* | *#DIV/0!* |
| Hard Rock [7] | Sioux City | $0 | $0 | $0 | $0 | $0 | $70,072,214 | $83,178,970 | $77,027,496 |
| *% change* | | *N/A* | *N/A* | *N/A* | *N/A* | *N/A* | *N/A* | *18.7%* | *-7.4%* |
| Admissions | | 0 | 0 | 0 | 0 | 0 | 1,988,605 | 1,958,105 | 1,721,017 |
| *% change* | | *N/A* | *N/A* | *N/A* | *N/A* | *N/A* | *N/A* | *-1.5%* | *-12.1%* |
| Win per Admission | | N/A | N/A | N/A | N/A | N/A | $35 | $42 | $45 |
| *% change* | | *N/A* | *N/A* | *N/A* | *N/A* | *N/A* | *N/A* | *20.6%* | *5.4%* |
| Ameristar | Council Bluffs | $156,076,576 | $164,927,136 | $170,263,257 | $167,786,099 | $163,693,452 | $168,630,383 | $168,960,868 | $171,435,126 |
| *% change* | | *-6.6%* | *5.7%* | *3.2%* | *-1.5%* | *-2.4%* | *3.0%* | *0.2%* | *1.5%* |
| Admissions | | 2,108,235 | 2,172,111 | 2,154,699 | 2,061,160 | 1,939,845 | 1,897,234 | 1,896,714 | 1,856,303 |
| *% change* | | *N/A* | *3.0%* | *-0.8%* | *-4.3%* | *-5.9%* | *-2.2%* | *0.0%* | *-2.1%* |
| Win per Admission | | $74 | $76 | $79 | $81 | $84 | $89 | $89 | $92 |
| *% change* | | *N/A* | *2.6%* | *4.1%* | *3.0%* | *3.7%* | *5.3%* | *0.2%* | *3.7%* |
| Harrah's [5] | Council Bluffs | $84,074,010 | $74,441,561 | $68,206,443 | $67,374,779 | $73,860,093 | $74,098,998 | $70,588,823 | $71,271,483 |
| *% change* | | *-10.4%* | *-11.5%* | *-8.4%* | *-1.2%* | *9.6%* | *0.3%* | *-4.7%* | *1.0%* |
| Admissions | | 1,341,904 | 1,189,504 | 1,056,948 | 1,021,498 | 1,225,841 | 1,109,155 | 1,074,207 | 1,139,940 |
| *% change* | | *N/A* | *-11.4%* | *-11.1%* | *-3.4%* | *20.0%* | *-9.5%* | *-3.2%* | *6.1%* |
| Win per Admission | | $63 | $63 | $65 | $66 | $60 | $67 | $66 | $63 |
| *% change* | | *N/A* | *-0.1%* | *3.1%* | *2.2%* | *-8.6%* | *10.9%* | *-1.6%* | *-4.9%* |

## Iowa Casino Performance, FY2010-2017

| Casino | Location | FY2010 | FY2011 | FY2012 | FY2013 | FY2014 | FY2015 | FY2016 | FY2017 |
|---|---|---|---|---|---|---|---|---|---|
| Horseshoe | Council Bluffs | $185,964,079 | $189,189,941 | $204,230,467 | $200,304,722 | $194,719,963 | $183,462,704 | $175,632,055 | $172,142,344 |
| *% change* | | *-3.7%* | *1.7%* | *7.9%* | *-1.9%* | *-2.8%* | *-5.8%* | *-4.3%* | *-2.0%* |
| Admissions | | 2,463,503 | 2,334,630 | 2,336,368 | 2,145,985 | 2,026,006 | 1,960,032 | 1,996,594 | 2,016,310 |
| *% change* | | *N/A* | *-5.2%* | *0.1%* | *-8.1%* | *-5.6%* | *-3.3%* | *1.9%* | *1.0%* |
| Win per Admission | | $75 | $81 | $87 | $93 | $96 | $94 | $88 | $85 |
| *% change* | | *N/A* | *7.4%* | *7.9%* | *6.8%* | *3.0%* | *-2.6%* | *-6.0%* | *-2.9%* |
| Diamond Jo | Northwood | $80,250,957 | $83,729,890 | $90,571,200 | $89,017,378 | $84,246,476 | $84,257,414 | $86,539,765 | $85,196,088 |
| *% change* | | *1.7%* | *4.3%* | *8.2%* | *-1.7%* | *-5.4%* | *0.0%* | *2.7%* | *-1.6%* |
| Admissions | | 1,206,544 | 1,409,455 | 1,457,100 | 1,320,330 | 1,245,643 | 1,233,765 | 1,266,893 | 1,237,613 |
| *% change* | | *N/A* | *16.8%* | *3.4%* | *-9.4%* | *-5.7%* | *-1.0%* | *2.7%* | *-2.3%* |
| Win per Admission | | $67 | $59 | $62 | $67 | $68 | $68 | $68 | $69 |
| *% change* | | *N/A* | *-10.7%* | *4.6%* | *8.5%* | *0.3%* | *1.0%* | *0.0%* | *0.8%* |
| Prairie Meadows | Altoona | $186,625,384 | $189,883,209 | $194,732,348 | $195,011,313 | $183,171,485 | $186,060,525 | $182,515,752 | $190,172,316 |
| *% change* | | *-3.3%* | *1.7%* | *2.6%* | *0.1%* | *-6.1%* | *1.6%* | *-1.9%* | *4.2%* |
| Admissions | | 2,519,689 | 2,430,961 | 2,702,383 | 2,964,416 | 2,941,312 | 3,003,964 | 2,926,388 | 3,155,137 |
| *% change* | | *N/A* | *-3.5%* | *11.2%* | *9.7%* | *-0.8%* | *2.1%* | *-2.6%* | *7.8%* |
| Win per Admission | | $74 | $78 | $72 | $66 | $62 | $62 | $62 | $60 |
| *% change* | | *N/A* | *5.5%* | *-7.7%* | *-8.7%* | *-5.3%* | *-0.5%* | *0.7%* | *-3.4%* |
| Lakeside | Osceola | $48,634,488 | $49,974,281 | $50,057,776 | $50,450,411 | $49,348,482 | $51,701,963 | $49,414,050 | $48,135,113 |
| *% change* | | *-5.1%* | *2.8%* | *0.2%* | *0.8%* | *-2.2%* | *4.8%* | *-4.4%* | *-2.6%* |
| Admissions | | 792,951 | 763,150 | 712,298 | 662,612 | 650,348 | 657,986 | 630,199 | 539,892 |
| *% change* | | *N/A* | *-3.8%* | *-6.7%* | *-7.0%* | *-1.9%* | *1.2%* | *-4.2%* | *-14.3%* |
| Win per Admission | | $61 | $65 | $70 | $76 | $76 | $79 | $78 | $89 |
| *% change* | | *N/A* | *6.8%* | *7.3%* | *8.3%* | *-0.3%* | *3.6%* | *-0.2%* | *13.7%* |
| Isle-Waterloo | Waterloo | $80,285,731 | $80,707,597 | $83,562,209 | $86,049,026 | $85,050,686 | $88,853,364 | $89,583,537 | $87,034,926 |
| *% change* | | *0.6%* | *0.5%* | *3.5%* | *3.0%* | *-1.2%* | *4.5%* | *0.8%* | *-2.8%* |
| Admissions | | 1,518,495 | 1,513,679 | 1,476,275 | 1,412,015 | 1,315,343 | 1,294,916 | 1,232,766 | 1,119,847 |
| *% change* | | *N/A* | *-0.3%* | *-2.5%* | *-4.4%* | *-6.8%* | *-1.6%* | *-4.8%* | *-9.2%* |
| Win per Admission | | $53 | $53 | $57 | $61 | $65 | $69 | $73 | $78 |
| *% change* | | *N/A* | *0.8%* | *6.2%* | *7.7%* | *6.1%* | *6.1%* | *5.9%* | *7.0%* |
| Riverside | Riverside | $85,164,662 | $87,330,238 | $90,348,184 | $88,668,376 | $87,669,494 | $86,746,892 | $85,207,663 | $85,682,854 |
| *% change* | | *-1.5%* | *2.5%* | *3.5%* | *-1.9%* | *-1.1%* | *-1.1%* | *-1.8%* | *0.6%* |
| Admissions | | 2,016,128 | 1,969,863 | 1,989,912 | 1,895,752 | 1,826,688 | 1,690,304 | 1,550,010 | 1,524,135 |
| *% change* | | *N/A* | *-2.3%* | *1.0%* | *-4.7%* | *-3.6%* | *-7.5%* | *-8.3%* | *-1.7%* |
| Win per Admission | | $42 | $44 | $45 | $47 | $48 | $51 | $55 | $56 |
| *% change* | | *N/A* | *5.0%* | *2.4%* | *3.0%* | *2.6%* | *6.9%* | *7.1%* | *2.3%* |

## Iowa Casino Performance, FY2010-2017

| Casino | Location | FY2010 | FY2011 | FY2012 | FY2013 | FY2014 | FY2015 | FY2016 | FY2017 |
|---|---|---|---|---|---|---|---|---|---|
| Casino Queen | Marquette | $29,187,525 | $30,015,479 | $29,875,557 | $29,817,861 | $26,716,178 | $28,553,086 | $27,124,696 | $26,384,268 |
| *% change* | | *-7.3%* | *2.8%* | *-0.5%* | *-0.2%* | *-10.4%* | *6.9%* | *-5.0%* | *-2.7%* |
| Admissions | | 385,022 | 359,001 | 355,885 | 330,691 | 291,196 | 290,135 | 272,140 | 253,122 |
| *% change* | | *N/A* | *-6.8%* | *-0.9%* | *-7.1%* | *-11.9%* | *-0.4%* | *-6.2%* | *-7.0%* |
| Win per Admission | | $76 | $84 | $84 | $90 | $92 | $98 | $100 | $104 |
| *% change* | | *N/A* | *10.3%* | *0.4%* | *7.4%* | *1.8%* | *7.3%* | *1.3%* | *4.6%* |
| Diamond Jo [1] | Dubuque | $68,400,176 | $67,243,290 | $70,054,527 | $66,536,532 | $63,560,971 | $63,910,665 | $67,561,683 | $66,856,145 |
| *% change* | | *15.5%* | *-1.7%* | *4.2%* | *-5.0%* | *-4.5%* | *0.6%* | *5.7%* | *-1.0%* |
| Admissions | | 1,161,911 | 1,086,106 | 1,150,654 | 1,093,815 | 1,053,495 | 983,978 | 977,925 | 917,395 |
| *% change* | | *N/A* | *-6.5%* | *5.9%* | *-4.9%* | *-3.7%* | *-6.6%* | *-0.6%* | *-6.2%* |
| Win per Admission | | $59 | $62 | $61 | $61 | $60 | $65 | $69 | $73 |
| *% change* | | *N/A* | *5.2%* | *-1.7%* | *-0.1%* | *-0.8%* | *7.7%* | *6.4%* | *5.5%* |
| Q Casino | Dubuque | $62,147,535 | $60,167,056 | $58,935,827 | $57,611,653 | $52,199,209 | $50,780,625 | $48,811,457 | $47,639,628 |
| *% change* | | *-9.3%* | *-3.2%* | *-2.0%* | *-2.2%* | *-9.4%* | *-2.7%* | *-3.9%* | *-2.4%* |
| Admissions | | 1,350,757 | 1,230,185 | 1,099,522 | 1,027,992 | 922,355 | 891,805 | 867,555 | 847,435 |
| *% change* | | *N/A* | *-8.9%* | *-10.6%* | *-6.5%* | *-10.3%* | *-3.3%* | *-2.7%* | *-2.3%* |
| Win per Admission | | $46 | $49 | $54 | $56 | $57 | $57 | $56 | $56 |
| *% change* | | *N/A* | *6.3%* | *9.6%* | *4.6%* | *1.0%* | *0.6%* | *-1.2%* | *-0.1%* |
| Isle-Bettendorf [10] | Bettendorf | $78,339,710 | $78,482,933 | $75,744,651 | $74,505,557 | $70,235,894 | $68,545,030 | $69,716,577 | $77,459,196 |
| *% change* | | *-12.0%* | *0.2%* | *-3.5%* | *-1.6%* | *-5.7%* | *-2.4%* | *1.7%* | *11.1%* |
| Admissions | | 1,149,086 | 1,145,848 | 1,101,393 | 1,041,086 | 922,979 | 848,113 | 822,639 | 1,075,519 |
| *% change* | | *N/A* | *-0.3%* | *-3.9%* | *-5.5%* | *-11.3%* | *-8.1%* | *-3.0%* | *30.7%* |
| Win per Admission | | $68 | $68 | $69 | $72 | $76 | $81 | $85 | $72 |
| *% change* | | *N/A* | *0.5%* | *0.4%* | *4.1%* | *6.3%* | *6.2%* | *4.9%* | *-15.0%* |
| Rhythmn City [9] | Davenport | $54,759,730 | $49,330,499 | $50,532,098 | $48,304,082 | $44,422,503 | $43,072,946 | $43,913,493 | $61,945,577 |
| *% change* | | *-5.9%* | *-9.9%* | *2.4%* | *-4.4%* | *-8.0%* | *-3.0%* | *2.0%* | *41.1%* |
| Admissions | | 956,035 | 896,608 | 967,509 | 850,501 | 740,430 | 696,351 | 751,346 | 1,274,293 |
| *% change* | | *N/A* | *-6.2%* | *7.9%* | *-12.1%* | *-12.9%* | *-6.0%* | *7.9%* | *69.6%* |
| Win per Admission | | $57 | $55 | $52 | $57 | $60 | $62 | $58 | $49 |
| *% change* | | *N/A* | *-3.9%* | *-5.1%* | *8.7%* | *5.6%* | *3.1%* | *-5.5%* | *-16.8%* |
| Wild Rose [2] | Clinton | $39,153,116 | $40,217,067 | $39,177,457 | $37,564,137 | $32,830,120 | $32,932,553 | $32,924,975 | $31,362,880 |
| *% change* | | *-6.5%* | *2.7%* | *-2.6%* | *-4.1%* | *-12.6%* | *0.3%* | *0.0%* | *-4.7%* |
| Admissions | | 784,801 | 751,213 | 695,902 | 650,333 | 598,474 | 577,689 | 576,176 | 567,370 |
| *% change* | | *N/A* | *-4.3%* | *-7.4%* | *-6.5%* | *-8.0%* | *-3.5%* | *-0.3%* | *-1.5%* |
| Win per Admission | | $50 | $54 | $56 | $58 | $55 | $57 | $57 | $55 |
| *% change* | | *N/A* | *7.3%* | *5.2%* | *2.6%* | *-5.0%* | *3.9%* | *0.2%* | *-3.3%* |

## Iowa Casino Performance, FY2010-2017

| Casino | Location | FY2010 | FY2011 | FY2012 | FY2013 | FY2014 | FY2015 | FY2016 | FY2017 |
|---|---|---|---|---|---|---|---|---|---|
| Catfish Bend [3] | Burlington | $38,670,403 | $38,489,278 | $39,350,730 | $38,407,502 | $38,283,121 | $42,011,471 | $43,838,051 | $41,715,632 |
| *% change* | | *-0.6%* | *-0.5%* | *2.2%* | *-2.4%* | *-0.3%* | *9.7%* | *4.3%* | *-4.8%* |
| Admissions | | 781,327 | 749,985 | 689,172 | 763,846 | 797,796 | 806,959 | 756,663 | 668,883 |
| *% change* | | *N/A* | *-4.0%* | *-8.1%* | *10.8%* | *4.4%* | *1.1%* | *-6.2%* | *-11.6%* |
| Win per Admission | | $49 | $51 | $57 | $50 | $48 | $52 | $58 | $62 |
| *% change* | | *N/A* | *3.7%* | *11.3%* | *-11.9%* | *-4.6%* | *8.5%* | *11.3%* | *7.6%* |
| Grand Falls [4] | Larchwood | $0 | $4,437,821 | $57,391,622 | $58,173,086 | $59,171,098 | $58,173,797 | $55,748,970 | $54,802,316 |
| *% change* | | *N/A* | *N/A* | *1193.2%* | *1.4%* | *1.7%* | *-1.7%* | *-4.2%* | *-1.7%* |
| Admissions | | 0 | 173,831 | 1,433,750 | 1,269,489 | 1,207,208 | 1,155,833 | 1,060,218 | 1,022,242 |
| *% change* | | *N/A* | *N/A* | *724.8%* | *-11.5%* | *-4.9%* | *-4.3%* | *-8.3%* | *-3.6%* |
| Win per Admission | | N/A | $26 | $40 | $46 | $49 | $50 | $53 | $54 |
| *% change* | | *N/A* | *N/A* | *56.8%* | *14.5%* | *7.0%* | *2.7%* | *4.5%* | *2.0%* |
| **TOTAL NET WIN** | | **$1,364,230,475** | **$1,379,171,223** | **$1,465,963,976** | **$1,443,858,746** | **$1,388,198,982** | **$1,415,528,156** | **$1,437,145,230** | **$1,452,899,016** |
| ***% change*** | | ***-3.6%*** | ***1.1%*** | ***6.3%*** | ***-1.5%*** | ***-3.9%*** | ***2.0%*** | ***1.5%*** | ***1.1%*** |
| **Admissions** | | **22,107,596** | **21,709,291** | **22,828,398** | **21,860,285** | **20,899,427** | **21,628,923** | **21,538,433** | **21,803,201** |
| ***% change*** | | ***N/A*** | ***-1.8%*** | ***5.2%*** | ***-4.2%*** | ***-4.4%*** | ***3.5%*** | ***-0.4%*** | ***1.2%*** |
| **Win per Admission** | | **$62** | **$64** | **$64** | **$66** | **$66** | **$65** | **$67** | **$67** |
| ***% change*** | | ***N/A*** | ***2.9%*** | ***1.1%*** | ***2.9%*** | ***0.6%*** | ***-1.5%*** | ***2.0%*** | ***-0.1%*** |

[1] Diamond Jo land based casino opens Dec. 2008, replacing boat.
[2] Wild Rose Casino-Clinton opens Jul. 2008, replacing Miss. Belle boat.
[3] Catfish Bend land based casino opens Jul. 2007, replacing boat at Ft. Madison.
[4] Grand Falls opens July 2012.
[5] Harrah's-Council Bluffs moves to land-based facility in June 2013.
[6] Argosy - closed July 30, 2014 - replaced by Hard Rock.
[7] Hard Rock - opened July 31, 2014 - replacing Argosy boat.
[8] Wild Rose Casino-Jefferson (Greene Co.) - opened July 13, 2015
[9] Rythmn City-Davenport opened new land-based casino & hotel June 13, 2016 - replacing former boat.
[10] Isle of Capri-Bettendorf opened new land-based casino June 24, 2016 - replacing former boat.

***Source: IRGC***

The table below shows a comparison of gaming metrics and market demographics for Iowa metro areas. For comparison purposes, the market areas shown comprise a one-hour drive time from the central city. This comparison is helpful in determining whether any individual markets within Iowa appear to be "under-supplied" in terms of gaming facilities, or whether an area's gaming facilities are "under-performing." Key ratios are gaming revenue per adult, and total gaming revenue as a percentage of total personal income. In the case of Cedar Rapids, Dubuque, the Quad Cities and Council Bluffs, we note that gaming revenue equates to between 1.27% and 1.58% of personal income. In Des Moines, this ratio is somewhat lower at 0.85%. This indicates that there may be some potential for added gaming development in the Des Moines metro area. However, it is important to note that Des Moines residents have two large casinos within a one-hour drive, but this increases to four casinos within 90 minutes, adding Meskwaki and Wild Rose-Jefferson. So, while one might conclude that Des Moines is under-supplied in terms of casinos, the resident base does in fact four casino alternatives available within 90 minutes, although three of those options lie between 45 and 90 minutes from the city center.

**Gaming Market Performance Metrics - Iowa Metro Areas**

| Market Area * | Des Moines | Cedar Rapids | Dubuque | Quad Cities | Council Bluffs |
|---|---|---|---|---|---|
| **Demographics** | | | | | |
| Age 21+ Population | 637,460 | 232,008 | 199,483 | 455,842 | 760,050 |
| Age 55+ Population | 232,325 | 84,674 | 89,769 | 194,538 | 276,619 |
| Median Age | 34.4 | 35.7 | 31.2 | 31.9 | 35.9 |
| Total Households | 347,552 | 261,273 | 107,223 | 250,152 | 413,449 |
| Avg. Household Income | $80,238 | $72,900 | $67,391 | $69,214 | $79,153 |
| Total Personal Income | $27,886,877,376 | $19,046,801,700 | $7,225,865,193 | $17,314,020,528 | $32,725,728,697 |
| **Gaming Market Metrics** | | | | | |
| Total Casinos | 2 | 3 | 2 | 4 | 3 |
| | Prairie Meadows | Riverside | Diamond Jo-Dubuque | Isle-Bettendorf | Harrah's |
| | Lakeside | Isle-Waterloo | Q Casino | Rhythm City | Horseshoe |
| | | Meskwaki | | Wild Rose-Clinton | Ameristar |
| | | | | Jumers | |
| Total Gaming Revenue ** | $238,000,000 | $268,000,000 | $114,500,000 | $243,000,000 | $415,000,000 |
| Gaming Revenue per Adult | $373 | $1,155 | $574 | $533 | $546 |
| Gaming Revenue as % of Income | 0.85% | 1.41% | 1.58% | 1.40% | 1.27% |

** For comparison purposes, market areas as shown reflect a 1-hour drive time surrounding each urban center.*
*** Gaming revenue for Cedar Rapids 1-hour market includes one tribal casino (Meskwaki), with revenue estimates by Marquette Advisors*

***Sources: ESRI Business Information Solutions (demographics); IRGC (gaming revenue)***

Interestingly, although the Cedar Rapids market has three gaming venues within a 60-minute drive, including Riverside, Isle-Waterloo and Meskwaki, the closest being Riverside at about 40 minutes. The supply increases to nine casinos within 90 minutes, which brings in each of the three Quad Cities Casinos, as well as Wild Rose-Clinton and the two Dubuque casinos. However, our analysis shows that the majority of gaming by Cedar Rapids area residents occurs at Riverside, Isle and Meskwaki, with these gamers making far fewer trips to the more distant gaming facilities mentioned.

**Council Bluffs** -- The Council Bluffs market contains three major gaming facilities, including Ameristar, Harrah's and Horseshoe Council Bluffs (owned by Caesar's). Horseshoe opened in 2006 with more than 100,000 sf of gaming space on a single level. Horseshoe had also offered on-site live greyhound racing; however, racing was discontinued in December 2015. Harrah's elected to discontinue operating its riverboat casino in 2013 and has since opened a new land-based facility. The three Council Bluffs casinos attract strong local patronage from throughout the Omaha-Council Bluffs metro area (pop. 885,000+). Lincoln, NE is also a key feeder market to the west. As well, with extensive resort facilities the Council Bluffs casinos attract regular patronage from gamers residing throughout much of Iowa, Nebraska and northern Missouri. Combined revenues in the Council Bluffs market totaled approximately $415 million in FY2017. This is down about 6.3% compared to five years ago, which is partly attributable to the addition of Hard Rock in Sioux City to the north, as well as improvements to nearby tribal casinos.

**Dubuque --** The Diamond Jo and Q Casinos in Dubuque attract heavy patronage from within the local Dubuque market, as well as markets in southwestern Wisconsin and northwest Illinois. Combined, the two Dubuque casinos generated revenues of approximately $114.5 million in FY 2017. The Dubuque facilities were been negatively impacted by the introduction of limited stakes gaming in Illinois. As a result of the Illinois Video Gambling Act, existing taverns, clubs and fraternal organizations which are licensed to sell liquor are now allowed to have up to five slot machines in their premises. The slot machines were installed beginning in the Fall of 2012. As a result, the Dubuque facilities declined from approximately $129.0 million in FY2012 to $115.8 million by FY2014, but have remained very steady over the past four fiscal years. More recently, we have seen a slight decline in admissions at the Dubuque casinos, offset by an increase in the average spend per visitor, increasing from $59 in 2014 to $65 in 2017.

**Quad Cities** – The Quad Cities market is comprised of three facilities, including Isle of Capri-Bettendorf and Rhythm City in Davenport, along with Jumer's Casino Resort in Rock Island, IL. A substantial redistribution of market share occurred in 2008 and 2009, following the December 2008 opening of the new land-based Jumer's', replacing the former Rock Island riverboat facility. Quad Cities combined gaming revenues increased from approximately $187,000,000 in 2008 to $217,000,000 in 2009 (+16%), following the opening of Jumer's. Both Isle and Rhythm City struggled to retain market share for several years following, with both operators opening new land-based casinos in June of 2016. The Isle development occurred on site, while Rhythm City relocated to a new site near the intersection of I-74 and I-80 in northeast Davenport. Combined revenues at Rhythm City and Isle showed an immediate improvement, increasing from $113 million in FY2016 to $126 million in FY2017 (+23%). Combined total admissions showed an even greater increase at +49%, with a corresponding decline in the average spend per visitor from $72 in 2016 to $59 in 2017. This is not surprising, as some of the initial year patronage includes "tire kickers" visiting the facility for the first time, or more frequently over a limited period before settling back in to their normal casino visitation pattern. Clearly, though, the Isle and Rhythm City developments have had a significant impact in the Quad Cities market, recapturing visitors and revenue which had previously been lost to Jumer's, and having a positive impact on casino gaming participation rates within the local market.

**Des Moines –** Des Moines area residents have one local casino, that being Prairie Meadows, the state's largest gaming facility in Altoona, and a second facility, Lakeside Casino in Osceola approximately 45 minutes to the south in Osceola. At Lakeside, revenues have fluctuated between about $48.0 and $50.0 million for several years, after seeing its revenues decline from closer to $60.0 million to $48.6 million in FY2010. This decline was attributable in part to the recession, as well as increasing competition from large, destination-casino developments which have impacted Lakeside with respect to its varied peripheral markets. Developments such as Riverside and Horseshoe had an impact during this time, as well as major improvements at Prairie Meadows.

Prairie Meadows continues to be the dominant facility within the greater Des Moines market, with revenues of approximately $190.1 million in FY2017. The addition of a 168-room hotel in 2012 provided only a modest boost to gaming at Prairie Meadows, as casino revenues increased from $189.8 million in 2011 to $195.0 million in 2013. Visitation and revenue were impacted somewhat by renovations/improvements at Prairie Meadows thereafter, before rebounding to $190.1 million in FY2017. Improvements and modernization of the facility's casino and amenity components have been intended to further solidifying the facility's position within the local market, as well as regionally. The potential for Prairie Meadows to attract destination gamers will continue to be difficult, due to major competition for such business, particularly to the east, with Meskwaki, Isle-Waterloo and Riverside all competing for similar destination business. Still, Prairie Meadows is uniquely positioned within Iowa, such that it is able to attract Iowans and others traveling to or passing through the Des Moines market, which is central on I-35 and I-80, and is the state's capitol market and major commercial center.

The 2006-built **Wild Rose Casino-Emmetsburg** captured net win of approximately $28.4 million in FY2017. After peaking at $32.2 million in 2013, the casino has seen a slight decline in revenues attributable to a sparse and slightly declining surrounding local population base, and lost market share to other casinos in the region, including its sister facility in Jefferson. Still, Wild Rose-Emmetsburg, located in northwest Iowa, attracts frequent patronage from the small communities and unincorporated areas in this primarily rural area, which is sparsely populated. Local participation rates are quite high. The majority of visitation comes from small communities lying within a 45-minute drive surrounding Emmetsburg. Much less frequent drive-in business in the form of day-trippers and hotel guests comes from throughout southern Minnesota and northern Iowa, including Clear Lake/Mason City to the east and Fort Dodge to the south. Its share of the Fort Dodge market has been reduced somewhat following the opening of its sister facility, **Wild Rose-Jefferson**, which generated revenue of $28.2 million in FY2017. Wild Rose-Jefferson is similar, in that it relies heavily on the local population base within 30 to 45 minutes. The distance of both Wild Rose-Emmetsburg and Jefferson from major population centers and the location of significant casinos in surrounding directions will prohibit them from expanding its customer base substantially beyond their respective local markets.

**Diamond Jo Casino at Northwood, IA** is strategically located on I-35 in northern Iowa. Clear Lake and Mason City are key feeder markets, situated less than 30 minutes to the south. As well, the casino is within an easy 30 to 60-minute driving distance from southern Minnesota cities including Albert Lea, Austin and Owatonna. Casino revenues totaled approximately $89.0 million in FY2013, with weather and economic conditions negatively impacting the facility in FY2014, as gaming revenues declined to $85.0 million. Since that time, revenues have remained very steady at around $84.0 to $85.0 million. This relates to stagnant population rates, a sparse and declining rural population, and competitive pressures from Minnesota casinos to the north, such as Jackpot Junction and Mystic Lake which have made major investments in their facilities.

**Wild Rose Casino in Clinton** was completed in July of 2008. The casino draws from a local community of about 50,000 in Clinton County, and also attracts patrons from southern Wisconsin and western Illinois. The casino generated revenues of approximately $40.2 million in FY2011 but had declined to $37.5 million in FY2013 following the legalization of low stakes gaming in Illinois bars and restaurants, and then to $32.8 million in FY2014. Since that time, revenues have remained fairly steady, with a slight dip in FY2017 that can be partly explained by the opening of new land-based casinos at Isle and Rhythm City in the Quad Cities, just 35 miles to the south.

**Catfish Bend Casino**, located in the far southeast Iowa city of Burlington, was completed in July of 2007, replacing the former boat at Fort Madison. Casino revenues increased from approximately $29,000,000 to $39,300,000 at that time, and remained fairly steady through FY2014. The increase to $42.0 million in FY2015 and $43.8 million in FY2017 reflects a temporary increase in the local population due to the construction of the large $3 Billion Iowa Fertiler Co. plant in nearby Wever, IA, which brought large numbers of construction workers to the area. The plant opened in April 2017. FY2017 casino revenue fell back to $41.7 million. We expect that revenue will dip back to the $39.0 to $40.0 million range in the current fiscal year.

**Grand Falls Casino Resort** is located in the far northwest part of the state in Larchwood, and draws heavily out of the Sioux Falls market just to the west. Grand Falls opened in July 2012 and generated revenues of approximately $57.0 to $59.0 million during each of its first four years, before dipping to $55.7 million in FY2016 and $54.8 million in FY2017. Recent declines relate in part to a redistribution of market share with the opening of Hard Rock in Sioux City, as well as improvements at southern Minnesota casinos such as Jackpot Junction. These developments have impacted the facility's ability to attract destination gamers from the south, and to the north and east, although local gaming participation rates and market share remain relatively high.

**Hard Rock Casino-Sioux Falls** opened in July 2014 and replaces the former Argosy riverboat facility. Nearby, tribal casinos Winna Vegas and Blackbird Bend also opened new/expanded facilities in 2014. Hard Rock generated revenues of approximately $83.2 million during its first full fiscal year, FY2016, before falling back slightly to $77.0 million in FY2017. The decrease is at least partly attributable to competition from the nearby tribal casinos, as well as is located in the far northwest part of the state in Larchwood, and draws heavily out of the Sioux Falls market just to the west. Grand Falls opened in July 2012 and generated revenues of approximately $57.0 to $59.0 million during each of its first four years, before dipping to $55.7 million in FY2016 and $54.8 million in FY2017. Recent declines relate in part to a redistribution of market share with the opening of Hard Rock in Sioux City, as well as improvements at southern Minnesota casinos such as Jackpot Junction. These developments have impacted the facility's ability to attract destination gamers from the south, and to the north and east, although local gaming participation rates and market share remain relatively high.

**Summary – Iowa Gaming Market Conditions**

From our analysis of Iowa gaming revenues and various related indicators, most importantly the gaming supply and performance of its facilities relative to the state and regional population base, the location of casinos related to key population centers, and household incomes and consumer spending patterns throughout the state, we reach the following primary conclusions regarding the state of the Iowa commercial gaming market:

- As a market, Iowa is approaching maximum market penetration, with low population growth and participation rates declining in parts of the state. Because of the addition of facilities at varied locations throughout Iowa, market areas surrounding each casino have become increasingly localized and competitive, as most Iowans have multiple casino venues (several in many cases) available to them within a relatively short driving distance. An exception appears to be Des Moines, which features one local casino at Altoona and one other within 45 minutes at Osceola. However, there are nine facilities within two hours which presently capture occasional visits from gamers originating in the Des Moines market, such that the addition of a second urban Des Moines casino would have an impact on several surrounding casinos throughout the state.

- With respect to the Cedar Rapids market, we note that the local population base demonstrates a casino gaming participation rate that is fairly low, likely in the range of 3.5 to 4.0 casino visits per year per adult. As such, we expect that a new casino in Cedar Rapids would prompt a fairly significant increase in local participation, and a redistribution in area market share, with nearby Riverside, Isle-Waterloo and Meskwaki casinos seeing the most substantive impact. A new casino here is expected to attract most of its patronage from a "local" market extending about 45 minutes, with less frequent visitation coming from more distant markets (depending on the size and scope of facilities offered) and low levels of visitation from out-of-state gamblers.

- Pressure from neighboring jurisdictions, notably Illinois, will also continue to impact Iowa casinos going forward. This has occurred recently, with the addition of gaming machines in Illinois bars and restaurants, while each year gaming legislation is considered in Illinois. Further expansion of gaming in Illinois in the form of land-based casinos throughout the state will have a more pronounced impact on casinos in eastern Iowa. For purposes of our forecast, we have assumed no change in the gaming supply in Illinois at this time.

- Meanwhile, investment by Tribes in their casinos in western Iowa (Winna Vegas and Blackbird Bend) and possible further expansion over time will continue to impact the Council Bluffs and Sioux City markets, as would any expansion of gaming in eastern Nebraska.

- It is likely that revenue growth going forward will correlate with modest population and income growth over time. Our analysis has shown that adult gaming participation rates in the Iowa market area have actually declined in recent years, offset by higher expenditure rates per visit. This issue is discussed in detail in forthcoming sections and our revenue forecast.

# REGIONAL DEMOGRAPHY & ECONOMICS

## Gaming Demand Indicators

The amount of gaming demand that exists in a market is a function of the following major factors:

- Population
- Income
- Quantity of gaming facilities
- Quality and amenities of gaming facilities
- Proximity and convenience of gaming facilities
- Variety and quality of entertainment alternatives

In evaluating the potential gaming market available for a gaming market as a whole, or a particular new casino, each of these factors must be weighed in relation to the particular characteristics of the market. These factors are discussed in greater detail below.

***Quantity of gaming facilities:*** The number of gaming devices and tables present in a market in relation to the population base available is a major determinant of the performance of those gaming devices and tables. To a certain extent, the gaming dollars available in a market are spread over the number of devices in that market. However this relationship is not constant. Depending upon the facilities and infrastructure of the casino itself and the surrounding area, a casino's market need not be entirely limited by the local or even regional population base present. To the extent the population base in the region is low, significant demand can be imported from elsewhere, particularly from places where gaming is not available. Hotels and bussing programs can import demand. Las Vegas is an extreme example of a market that has developed such a large concentration of gaming facilities and amenities that they attract patrons from around the world. In most local markets where multiple casinos exist, the local population has a tendency to participate more frequently, due to the convenience and variety of gaming facilities available, thereby expanding the pool of gaming dollars. For example, if a second casino of similar size were added to a market, the first casino would not be expected to lose one-half its volume. Instead, the total gaming volume available to the two casinos would be expected to increase somewhat, for both casinos to share, although some dilution of the first casino's business would occur. As a market begins to approach equilibrium between the supply of gaming positions and the gaming demand available within that market, however, each additional expansion has an increasingly larger dilutive effect on the overall market. From our analysis, we believe that the majority of Iowa's casinos have reached maximum market penetration. Facility improvements and the replacement of riverboats with land-based facilities, such as those finished recently in the Quad Cities market, as well as Sioux City, can have a moderate impact upon gaming participation rates within the regional population base, while also prompting a redistribution of casino trips and revenues among competing facilities.

***Proximity and convenience of gaming facilities:*** Related to the quantity of gaming facilities is the proximity and convenience factor in influencing gaming demand. People are more likely to visit a casino that is close to their home and/or is easily accessed. This is especially true during an economic recession (such as the recent situation within the U.S.) and in periods of rising fuel and travel costs. During these periods, people are much more likely to visit those casinos which are closest to their residence most frequently, making fewer visits to more distant gaming facilities. With the development of facilities throughout that State, most Iowans now have multiple casinos available to them within a relatively short driving distance. An effect of this is that many of the casinos in Iowa now draw from relatively smaller geographic area spanning 30 to 60 minutes from the facility.

***Quality and amenities of gaming facilities:*** A casino that features onsite lodging and other complimentary amenities, in addition to an overall high quality gaming environment will entice the area population to visit more frequently and will encourage people to travel a greater distance, thereby increasing the casino's market share and possibly increasing the size of the area's gaming pool. Hotels have the single most direct impact on a casino's ability to attract gamers from a greater distance. Large convention hotels such as the one at Isle of Capri-Bettendorf can have a pronounced impact on the draw area if they area able to attract convention business from more distant markets in Illinois. Meanwhile, restaurants often assist a casino in attracting more frequent visits among a local or regional population base, especially since many casino customers combine a meal with their casino visit. A casino with high quality and varied food & beverage offerings can gain a significant advantage over another nearby with more limited or lesser quality dining options and service.

***Variety and quality of entertainment alternatives:*** A population's propensity to participate in gaming activities is also influenced by the variety and quality of entertainment alternatives available to them. In general, urban populations that have movies, shopping, sporting events, restaurants and other entertainment alternatives readily available tend to participate in gaming activities less frequently than do rural populations that do not have these activities conveniently available. For example, persons residing in the Des Moines and Cedar Rapids areas have a more diverse variety of recreational and entertainment options as compared to persons residing in a smaller community in rural Iowa. Therefore, gaming participation rates in Polk County and Linn County will remain considerably lower compared to rural communities where casinos exists and there are far fewer entertainment options, such as Emmetsburg or Jefferson.

***Population:*** The most fundamental economic factor affecting casino performance is the number of people in the market, specifically the number of adults of gaming age. Although the correlation is not necessarily direct, the population base in the surrounding region is a major determinant of the number of gaming devices and tables an area can support. Iowa's age 21+ population base is estimated at 2.33 million people in 2017, with a projected annual growth rate of less than 0.7% over the next five years.

***Income:*** Income also plays an important role in affecting the performance potential of a casino market. However, the exact role played is not as obvious as it might seem. The gaming industry has long known that its reputation as being attractive primarily to under-educated, lower income classes was completely false. Rather the propensity to gamble tends to *increase* with income. Certainly casino executives spend a great deal of effort and money to attract and cater to high-income patrons.

Nevertheless, it also does not follow that the higher the average income in a particular market, the larger the gaming pool and the higher the average expenditure per person will be at the casino. The average win per person is far more directly influenced by the regulatory environment within which the casino operates and the overall level of competition present within the market. Markets in which casino play is inhibited by such regulations as table game limits, restricted games, and loss limits generally experience lower win per person characteristics than do less regulated markets. Similarly, casinos in markets where there is little competition generally experience higher levels of play that result in higher win per person.

Rather, the importance of income comes as a supplement to the population base and tourism potential by determining the total pool of dollars available to be spent on discretionary activities such as casino gaming. Another way of examining that pool of dollars is to look at growth in personal incomes in a market. Based upon statistics from ESRI Business Information Solutions, a nationally recognized econometric forecasting firm, total personal income in Iowa is estimated at $91.5 billion in 2017, and is projected to grow by about 3.0% annually over the next five years. Revenues at commercial casinos in Iowa equate to about 1.6% of total personal income. However, we estimate that about 45% of casino revenues come from out-of-state gamers, as several of Iowa's casinos also attract substantial patronage from neighboring states, especially those casinos located near Iowa's borders.

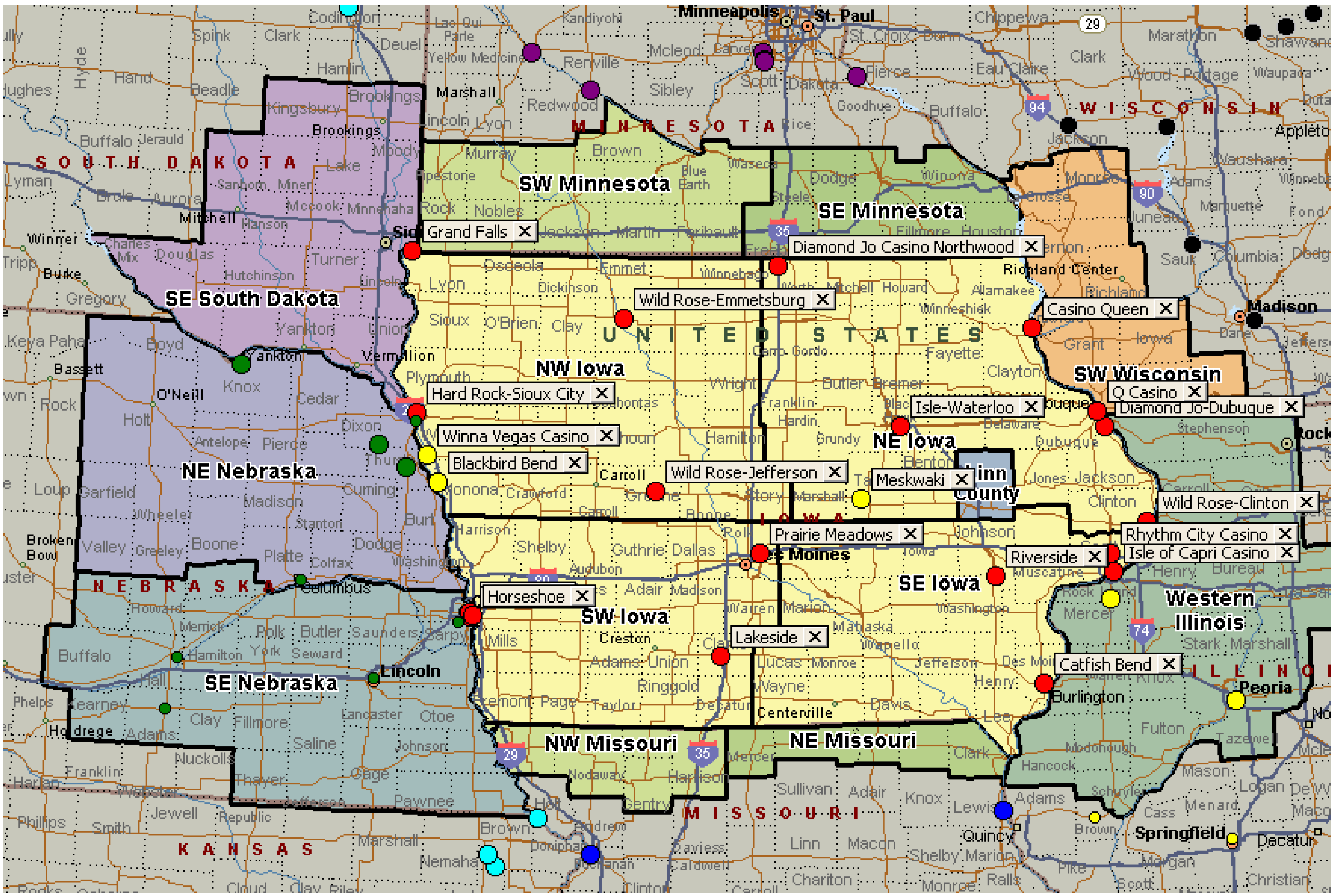
## Adult Population (Age 21+) & Income Growth Trends: Iowa Gaming Market Area

For our analysis purposes, Marquette Advisors divided the state of Iowa into four quadrants, including northwest, southwest, northeast and southeast. We reviewed adult population and household income data by county, and for each quadrant. As well, we analyzed growth trends for counties within portions of each neighboring state. The map on the following page illustrates our market segmentation. Based on our review of player tracking data as provided by Iowa casino operators, this area as a whole provides the vast majority of customer visits to Iowa's 19 commercial casinos.

The map on the following page is followed a table which summarizes population and income growth by county for all of Iowa and relevant portions of adjacent states.

## Competitive Gaming Market: Iowa & Surrounding States

Note: shaded areas as a whole reflect the primary collective draw area for Iowa's commercial casinos



| Adult Population (Age 21+) and Income Growth Trends, 2017-2022<br>Iowa Gaming Market Area (Iowa and Selected Counties in Adjacent States) | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | 2017 | | | | 2022 | | | |
| | Adults (21+) | Households | Avg. HH Income | Total Income | Adults (21+) | Households | Avg. HH Income | Total Income |
| **Northwest Iowa Counties** | | | | | | | | |
| Boone | 20,212 | 11,062 | $69,001 | $763,289,062 | 20,812 | 11,318 | $76,618 | $867,162,524 |
| Buena Vista | 14,594 | 7,596 | $62,234 | $472,729,464 | 14,605 | 7,625 | $69,746 | $531,813,250 |
| Calhoun | 7,826 | 4,109 | $64,004 | $262,992,436 | 7,652 | 3,991 | $72,999 | $291,339,009 |
| Carroll | 15,299 | 8,685 | $65,334 | $567,425,790 | 15,032 | 8,614 | $73,385 | $632,138,390 |
| Cherokee | 9,001 | 5,015 | $63,924 | $320,578,860 | 8,610 | 4,806 | $73,520 | $353,337,120 |
| Clay | 13,073 | 7,517 | $64,209 | $482,659,053 | 13,299 | 7,654 | $71,319 | $545,875,626 |
| Crawford | 12,174 | 6,396 | $63,590 | $406,721,640 | 12,078 | 6,339 | $73,278 | $464,509,242 |
| Dickinson | 14,104 | 8,042 | $71,807 | $577,471,894 | 14,760 | 8,455 | $80,304 | $678,970,320 |
| Emmet | 7,283 | 4,117 | $66,466 | $273,640,522 | 7,073 | 3,993 | $76,896 | $307,045,728 |
| Greene | 6,997 | 3,902 | $66,890 | $261,004,780 | 6,787 | 3,786 | $76,770 | $290,651,220 |
| Hamilton | 11,556 | 6,424 | $66,331 | $426,110,344 | 11,456 | 6,328 | $75,145 | $475,517,560 |
| Hancock | 8,375 | 4,663 | $64,796 | $302,143,748 | 8,191 | 4,574 | $74,434 | $340,461,116 |
| Humboldt | 7,283 | 4,119 | $67,434 | $277,760,646 | 7,104 | 4,043 | $76,451 | $309,091,393 |
| Ida | 5,264 | 3,047 | $63,525 | $193,560,675 | 5,134 | 3,032 | $73,353 | $222,406,296 |
| Kossuth | 11,644 | 6,607 | $71,901 | $475,049,907 | 11,423 | 6,484 | $82,601 | $535,584,884 |
| Lyon | 8,391 | 4,556 | $65,703 | $299,342,868 | 8,400 | 4,633 | $75,649 | $350,481,817 |
| Monona | 7,042 | 3,965 | $59,257 | $234,954,005 | 6,995 | 3,918 | $68,089 | $266,772,702 |
| O'Brien | 10,657 | 6,010 | $65,271 | $392,278,710 | 10,469 | 5,937 | $73,935 | $438,952,095 |
| Osceola | 4,738 | 2,603 | $63,093 | $164,231,079 | 4,584 | 2,542 | $72,596 | $184,539,032 |
| Palo Alto | 7,043 | 3,985 | $60,959 | $242,921,615 | 6,948 | 3,965 | $70,012 | $277,597,580 |
| Plymouth | 18,676 | 10,145 | $76,504 | $776,133,080 | 18,971 | 10,321 | $87,361 | $901,652,881 |
| Pocahontas | 5,572 | 3,206 | $60,240 | $193,129,440 | 5,425 | 3,152 | $69,941 | $220,454,032 |
| Sac | 7,777 | 4,415 | $66,116 | $291,902,140 | 7,636 | 4,348 | $75,978 | $330,352,344 |
| Sioux | 24,030 | 12,321 | $72,751 | $896,365,071 | 24,700 | 12,822 | $82,115 | $1,052,878,530 |
| Story | 67,423 | 37,048 | $72,199 | $2,674,828,552 | 70,484 | 38,682 | $80,866 | $3,128,058,612 |
| Webster | 27,894 | 15,423 | $60,062 | $926,336,226 | 27,652 | 15,262 | $66,654 | $1,017,273,348 |
| Winnebago | 8,188 | 4,630 | $62,265 | $288,286,950 | 8,240 | 4,661 | $70,805 | $330,022,105 |
| Woodbury | 76,056 | 41,019 | $63,148 | $2,590,267,812 | 77,413 | 41,585 | $69,893 | $2,906,500,405 |
| Wright | 9,766 | 5,497 | $64,438 | $354,215,686 | 9,455 | 5,369 | $74,752 | $401,343,488 |
| **NW Iowa Subtotal/Average** | **447,938** | **246,124** | **$66,586** | **$16,388,332,055** | **451,388** | **248,239** | **$75,140** | **$18,652,782,649** |

*Source: ESRI Business Information Solutions*

**Adult Population (Age 21+) and Income Growth Trends, 2017-2022**
**Iowa Gaming Market Area (Iowa and Selected Counties in Adjacent States)**

| | 2017 | | | | 2022 | | | |
|---|---|---|---|---|---|---|---|---|
| | Adults (21+) | Households | Avg. HH Income | Total Income | Adults (21+) | Households | Avg. HH Income | Total Income |
| **Northeast Iowa Counties** | | | | | | | | |
| Allamakee | 10,657 | 5,837 | $61,264 | $357,597,968 | 10,407 | 5,747 | $70,643 | $405,985,321 |
| Benton | 19,272 | 10,386 | $72,390 | $751,842,540 | 19,315 | 10,362 | $81,042 | $839,757,204 |
| Black Hawk | 99,186 | 54,491 | $63,533 | $3,461,976,703 | 101,786 | 55,925 | $70,133 | $3,922,188,025 |
| Bremer | 18,871 | 10,076 | $76,043 | $766,209,268 | 19,706 | 10,565 | $86,017 | $908,769,605 |
| Buchanan | 15,454 | 8,402 | $72,510 | $609,229,020 | 15,752 | 8,547 | $81,829 | $699,392,463 |
| Butler | 11,681 | 6,456 | $66,207 | $427,432,392 | 11,920 | 6,648 | $75,874 | $504,410,352 |
| Cerro Gordo | 33,362 | 19,356 | $64,079 | $1,240,313,124 | 33,077 | 19,203 | $71,082 | $1,364,987,646 |
| Chickasaw | 9,102 | 5,134 | $63,253 | $324,740,902 | 8,904 | 5,035 | $72,929 | $367,197,515 |
| Clayton | 14,279 | 8,014 | $63,471 | $508,656,594 | 14,069 | 7,956 | $72,643 | $577,947,708 |
| Clinton | 36,942 | 20,447 | $63,034 | $1,288,856,198 | 36,637 | 20,247 | $70,032 | $1,417,937,904 |
| Delaware | 13,946 | 7,518 | $65,677 | $493,759,686 | 14,056 | 7,599 | $75,171 | $571,224,429 |
| Dubuque | 73,033 | 39,193 | $69,849 | $2,737,591,857 | 76,428 | 40,868 | $77,542 | $3,168,986,456 |
| Fayette | 15,372 | 8,468 | $60,921 | $515,879,028 | 14,812 | 8,210 | $70,308 | $577,228,680 |
| Franklin | 7,804 | 4,217 | $66,511 | $280,476,887 | 7,490 | 4,039 | $76,293 | $308,147,427 |
| Floyd | 12,171 | 6,847 | $60,828 | $416,489,316 | 11,984 | 6,786 | $69,900 | $474,341,400 |
| Grundy | 9,536 | 5,238 | $76,634 | $401,408,892 | 9,608 | 5,315 | $87,911 | $467,246,965 |
| Hardin | 12,989 | 7,262 | $68,196 | $495,239,352 | 12,993 | 7,251 | $77,797 | $564,106,047 |
| Howard | 7,055 | 3,940 | $64,014 | $252,215,160 | 6,963 | 3,916 | $73,378 | $287,348,248 |
| Jackson | 14,874 | 8,240 | $65,642 | $540,890,080 | 14,766 | 8,163 | $73,892 | $603,180,396 |
| Jones | 15,768 | 8,195 | $67,981 | $557,104,295 | 15,571 | 8,127 | $77,335 | $628,501,545 |
| Linn | 163,274 | 91,839 | $77,804 | $7,145,441,556 | 172,105 | 96,007 | $86,166 | $8,272,539,162 |
| Marshall | 29,922 | 15,644 | $63,547 | $994,129,268 | 30,046 | 15,677 | $70,526 | $1,105,636,102 |
| Mitchell | 8,240 | 4,541 | $64,444 | $292,640,204 | 8,448 | 4,652 | $73,667 | $342,698,884 |
| Tama | 13,096 | 6,918 | $65,976 | $456,421,968 | 13,121 | 6,864 | $75,681 | $519,474,384 |
| Winneshiek | 15,193 | 8,019 | $70,644 | $566,494,236 | 15,114 | 7,962 | $79,571 | $633,544,302 |
| Worth | 5,918 | 3,210 | $64,770 | $207,911,700 | 5,999 | 3,224 | $73,881 | $238,192,344 |
| **NE Iowa Subtotal/Average** | **686,997** | **377,888** | **$69,044** | **$26,090,948,194** | **701,077** | **384,895** | **$77,348** | **$29,770,970,514** |

*Source: ESRI Business Information Solutions*

| Adult Population (Age 21+) and Income Growth Trends, 2017-2022<br>Iowa Gaming Market Area (Iowa and Selected Counties in Adjacent States) | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | 2017 | | | | 2022 | | | |
| | Adults (21+) | Households | Avg. HH Income | Total Income | Adults (21+) | Households | Avg. HH Income | Total Income |
| **Southwest Iowa Counties** | | | | | | | | |
| Adair | 5,700 | 3,196 | $63,699 | $203,582,004 | 5,421 | 3,044 | $74,082 | $225,505,608 |
| Adams | 3,017 | 1,652 | $62,183 | $102,726,316 | 2,852 | 1,574 | $71,900 | $113,170,600 |
| Audubon | 4,615 | 2,556 | $69,567 | $177,813,252 | 4,435 | 2,475 | $79,716 | $197,297,100 |
| Cass | 10,332 | 5,858 | $60,195 | $352,622,310 | 10,032 | 5,729 | $68,872 | $394,567,688 |
| Clarke | 7,007 | 3,799 | $61,637 | $234,158,963 | 7,098 | 3,842 | $70,964 | $272,643,688 |
| Dallas | 60,744 | 33,550 | $104,548 | $3,507,585,400 | 71,889 | 39,620 | $117,253 | $4,645,563,860 |
| Decatur | 6,137 | 3,191 | $56,985 | $181,839,135 | 6,133 | 3,149 | $66,176 | $208,388,224 |
| Fremont | 5,861 | 3,178 | $66,480 | $211,273,440 | 5,615 | 3,054 | $76,287 | $232,980,498 |
| Guthrie | 8,115 | 4,444 | $67,736 | $301,018,784 | 8,059 | 4,373 | $78,448 | $343,053,104 |
| Harrison | 11,040 | 5,914 | $67,308 | $398,059,512 | 10,792 | 5,791 | $76,390 | $442,374,490 |
| Madison | 11,580 | 6,199 | $76,917 | $476,808,483 | 11,928 | 6,345 | $87,328 | $554,096,160 |
| Mills | 11,169 | 5,602 | $76,473 | $428,401,746 | 11,277 | 5,618 | $84,960 | $477,305,280 |
| Montgomery | 7,917 | 4,425 | $59,930 | $265,190,250 | 7,737 | 4,275 | $68,468 | $292,700,700 |
| Page | 11,656 | 6,123 | $61,708 | $377,838,084 | 11,468 | 6,052 | $70,322 | $425,588,744 |
| Polk | 346,466 | 190,251 | $81,470 | $15,499,748,970 | 376,567 | 205,468 | $90,512 | $18,597,319,616 |
| Pottawattamie | 69,128 | 37,295 | $68,009 | $2,536,395,655 | 70,535 | 37,844 | $75,243 | $2,847,496,092 |
| Ringgold | 3,859 | 2,054 | $62,275 | $127,912,850 | 3,881 | 2,070 | $72,183 | $149,418,810 |
| Shelby | 9,161 | 5,065 | $63,096 | $319,581,240 | 9,146 | 5,034 | $71,628 | $360,575,352 |
| Taylor | 4,742 | 2,660 | $58,114 | $154,583,240 | 4,712 | 2,643 | $67,189 | $177,580,527 |
| Union | 9,174 | 5,128 | $57,283 | $293,747,224 | 8,867 | 4,943 | $65,459 | $323,563,837 |
| Warren | 35,960 | 18,815 | $83,962 | $1,579,745,030 | 38,451 | 19,928 | $93,894 | $1,871,119,632 |
| **SW Iowa Subtotal/Average** | **643,380** | **350,955** | **$79,015** | **$27,730,631,888** | **686,895** | **372,871** | **$88,911** | **$33,152,309,610** |
| | | | | | | | | |
| **Southeast Iowa Counties** | | | | | | | | |
| Appanoose | 9,565 | 5,515 | $55,132 | $304,052,980 | 9,317 | 5,385 | $63,857 | $343,869,945 |
| Cedar | 13,769 | 7,558 | $70,049 | $529,430,342 | 13,702 | 7,531 | $79,011 | $595,031,841 |
| Davis | 6,294 | 3,293 | $63,895 | $210,406,235 | 6,427 | 3,337 | $73,521 | $245,339,577 |
| Des Moines | 30,199 | 17,086 | $58,995 | $1,007,988,570 | 30,295 | 17,200 | $65,556 | $1,127,563,200 |
| Henry | 15,000 | 7,759 | $63,922 | $495,970,798 | 15,097 | 7,807 | $73,439 | $573,338,273 |
| Iowa | 12,360 | 6,753 | $72,828 | $491,807,484 | 12,530 | 6,867 | $82,490 | $566,458,830 |
| Jasper | 28,156 | 14,840 | $65,402 | $970,565,680 | 28,428 | 14,948 | $72,999 | $1,091,189,052 |
| Jefferson | 14,162 | 7,244 | $66,904 | $484,652,576 | 14,622 | 7,516 | $75,313 | $566,052,508 |
| Johnson | 106,162 | 59,541 | $79,219 | $4,716,778,479 | 115,596 | 64,441 | $88,256 | $5,687,304,896 |
| Keokuk | 7,835 | 4,294 | $57,570 | $247,205,580 | 7,599 | 4,162 | $66,687 | $277,551,294 |
| Lee | 26,595 | 13,977 | $57,773 | $807,493,221 | 26,761 | 13,915 | $64,691 | $900,175,265 |
| Louisa | 8,344 | 4,304 | $63,775 | $274,487,600 | 8,333 | 4,251 | $73,542 | $312,627,042 |
| Lucas | 6,597 | 3,656 | $59,086 | $216,018,416 | 6,548 | 3,628 | $67,947 | $246,511,716 |
| Mahaska | 16,338 | 8,961 | $60,171 | $539,192,331 | 16,225 | 8,928 | $67,968 | $606,818,304 |
| Marion | 24,322 | 13,155 | $70,592 | $928,637,760 | 24,832 | 13,459 | $77,953 | $1,049,169,427 |
| Monroe | 6,008 | 3,235 | $62,083 | $200,838,505 | 5,996 | 3,251 | $71,854 | $233,597,354 |
| Muscatine | 31,743 | 16,793 | $66,897 | $1,123,401,321 | 32,435 | 17,034 | $73,406 | $1,250,397,804 |
| Poweshiek | 13,919 | 7,483 | $72,361 | $541,477,363 | 13,715 | 7,335 | $81,180 | $595,455,300 |
| Scott | 129,167 | 70,756 | $76,767 | $5,431,725,852 | 134,809 | 73,333 | $84,917 | $6,227,218,361 |
| Van Buren | 5,570 | 3,070 | $59,451 | $182,514,570 | 5,427 | 3,008 | $68,574 | $206,270,592 |
| Wapello | 26,197 | 14,398 | $56,820 | $818,094,360 | 25,815 | 14,252 | $62,887 | $896,265,524 |
| Washington | 16,663 | 9,125 | $65,493 | $597,623,625 | 17,215 | 9,422 | $73,816 | $695,494,352 |
| Wayne | 4,792 | 2,625 | $53,526 | $140,505,750 | 4,724 | 2,595 | $62,075 | $161,084,625 |
| **SE Iowa Subtotal/Average** | **559,757** | **305,421** | **$69,612** | **$21,260,869,398** | **576,448** | **313,605** | **$77,980** | **$24,454,785,082** |
| | | | | | | | | |
| **Iowa Totals** | **2,338,072** | **1,280,388** | **$71,440** | **$91,470,781,535** | **2,415,808** | **1,319,610** | **$80,350** | **$106,030,847,855** |

*Source: ESRI Business Information Solutions*

| Adult Population (Age 21+) and Income Growth Trends, 2017-2022<br>Iowa Gaming Market Area (Iowa and Selected Counties in Adjacent States) | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | 2017 | | | | 2022 | | | |
| | Adults (21+) | Households | Avg. HH Income | Total Income | Adults (21+) | Households | Avg. HH Income | Total Income |
| **Surrounding Areas** | | | | | | | | |
| | | | | | | | | |
| **NE Missouri** | **18,955** | **10,564** | **$252,877** | **$536,614,390** | **18,754** | **10,438** | **$285,976** | **$598,698,878** |
| Clark | 5,642 | 3,153 | $53,048 | $167,260,344 | 5,349 | 3,018 | $59,443 | $179,398,974 |
| Mercer | 2,806 | 1,577 | $50,840 | $80,174,680 | 2,805 | 1,559 | $57,362 | $89,427,358 |
| Putnam | 3,754 | 2,121 | $45,520 | $96,547,920 | 3,751 | 2,106 | $50,563 | $106,485,678 |
| Schuyler | 3,287 | 1,799 | $47,028 | $84,603,372 | 3,351 | 1,817 | $53,516 | $97,238,572 |
| Scotland | 3,466 | 1,914 | $56,441 | $108,028,074 | 3,498 | 1,938 | $65,092 | $126,148,296 |
| | | | | | | | | |
| **NW Missouri** | **33,414** | **18,036** | **$273,171** | **$987,170,988** | **32,767** | **17,658** | **$311,294** | **$1,091,425,685** |
| Atchison | 4,250 | 2,378 | $61,759 | $146,862,902 | 4,105 | 2,273 | $71,237 | $161,921,701 |
| Gentry | 5,025 | 2,676 | $53,184 | $142,320,384 | 4,969 | 2,632 | $60,796 | $160,015,072 |
| Harrison | 6,379 | 3,531 | $50,787 | $179,328,897 | 6,114 | 3,417 | $57,416 | $196,190,472 |
| Nodaway | 16,082 | 8,525 | $55,161 | $470,247,525 | 15,916 | 8,424 | $61,525 | $518,286,600 |
| Worth | 1,678 | 926 | $52,280 | $48,411,280 | 1,663 | 912 | $60,320 | $55,011,840 |
| | | | | | | | | |
| **Western Illinios** | **797,889** | **428,002** | **$1,339,688** | **$27,930,611,828** | **785,687** | **420,153** | **$1,530,899** | **$31,076,127,513** |
| Bureau | 26,396 | 14,216 | $65,267 | $927,835,672 | 25,925 | 13,959 | $75,672 | $1,056,305,448 |
| Carroll | 11,942 | 6,399 | $65,536 | $419,364,864 | 11,590 | 6,156 | $75,368 | $463,965,408 |
| Fulton | 27,758 | 13,927 | $58,790 | $818,768,330 | 26,862 | 13,372 | $67,698 | $905,257,656 |
| Hancock | 13,904 | 7,727 | $59,790 | $461,997,330 | 13,505 | 7,543 | $69,649 | $525,362,407 |
| Henderson | 6,213 | 3,411 | $60,527 | $206,457,597 | 6,147 | 3,369 | $69,454 | $233,990,526 |
| Henry | 37,411 | 20,298 | $69,692 | $1,414,608,216 | 36,996 | 20,039 | $79,350 | $1,590,094,650 |
| Jo Daviess | 17,813 | 9,753 | $69,216 | $675,063,648 | 18,072 | 9,850 | $78,096 | $769,245,600 |
| Knox | 39,815 | 20,988 | $57,555 | $1,207,964,340 | 38,907 | 20,315 | $64,981 | $1,320,089,015 |
| La Salle | 85,757 | 44,699 | $67,363 | $3,011,058,737 | 84,466 | 43,795 | $77,190 | $3,380,536,050 |
| Lee | 27,690 | 13,759 | $66,776 | $918,770,984 | 27,013 | 13,478 | $77,319 | $1,042,105,482 |
| Mcdonough | 23,171 | 12,639 | $53,744 | $679,270,416 | 22,514 | 12,156 | $61,906 | $752,529,336 |
| Mercer | 12,337 | 6,649 | $66,026 | $439,006,874 | 12,048 | 6,494 | $75,697 | $491,576,318 |
| Ogle | 39,262 | 20,776 | $73,434 | $1,525,664,784 | 38,732 | 20,379 | $83,858 | $1,708,942,182 |
| Putnam | 4,587 | 2,480 | $69,069 | $171,291,120 | 4,304 | 2,318 | $80,733 | $187,139,094 |
| Rock Island | 108,038 | 60,230 | $66,021 | $3,976,444,830 | 107,008 | 59,703 | $74,155 | $4,427,275,965 |
| Schuyler | 5,570 | 2,889 | $58,461 | $168,893,829 | 5,241 | 2,713 | $66,328 | $179,947,864 |
| Stark | 4,412 | 2,347 | $64,388 | $151,118,636 | 4,268 | 2,267 | $74,658 | $169,249,686 |
| Stephenson | 35,344 | 19,526 | $59,916 | $1,169,919,816 | 34,491 | 18,971 | $67,397 | $1,278,588,487 |
| Warren | 12,814 | 6,897 | $58,028 | $400,219,116 | 12,586 | 6,763 | $64,717 | $437,681,071 |
| Whiteside | 43,451 | 23,623 | $63,012 | $1,488,532,476 | 42,915 | 23,283 | $71,726 | $1,669,996,458 |
| Winnebago | 214,204 | 114,769 | $67,077 | $7,698,360,213 | 212,097 | 113,230 | $74,947 | $8,486,248,810 |

*Source: ESRI Business Information Solutions*

| Adult Population (Age 21+) and Income Growth Trends, 2017-2022<br>Iowa Gaming Market Area (Iowa and Selected Counties in Adjacent States) | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | 2017 | | | | 2022 | | | |
| | Adults (21+) | Households | Avg. HH Income | Total Income | Adults (21+) | Households | Avg. HH Income | Total Income |
| **Surrounding Areas** | | | | | | | | |
| | | | | | | | | |
| **SW Wisconsin** | **266,409** | **144,268** | **$594,016** | **$9,673,347,363** | **271,463** | **147,091** | **$684,175** | **$11,337,717,639** |
| Crawford | 12,784 | 6,838 | $59,764 | $408,666,232 | 12,876 | 6,886 | $68,637 | $472,634,382 |
| Grant | 39,272 | 20,353 | $61,107 | $1,243,710,771 | 39,719 | 20,673 | $69,553 | $1,437,869,169 |
| Green | 27,922 | 15,200 | $72,365 | $1,099,948,000 | 28,555 | 15,476 | $84,216 | $1,303,326,816 |
| Iowa | 17,899 | 9,822 | $71,096 | $698,304,912 | 18,147 | 9,969 | $83,203 | $829,450,707 |
| La Crosse | 87,567 | 48,065 | $69,438 | $3,337,537,470 | 90,406 | 49,451 | $79,595 | $3,936,052,345 |
| Lafayette | 12,489 | 6,765 | $66,210 | $447,910,650 | 12,572 | 6,852 | $76,805 | $526,267,860 |
| Monroe | 33,115 | 18,004 | $67,909 | $1,222,633,636 | 33,720 | 18,444 | $77,386 | $1,427,307,384 |
| Richland | 12,992 | 7,160 | $62,555 | $447,893,800 | 12,556 | 6,978 | $71,501 | $498,933,978 |
| Vernon | 22,369 | 12,061 | $63,572 | $766,741,892 | 22,912 | 12,362 | $73,279 | $905,874,998 |
| | | | | | | | | |
| **SE Minnesota** | **274,807** | **149,774** | **$600,632** | **$12,220,165,825** | **282,939** | **154,074** | **$698,261** | **$14,521,448,231** |
| Dodge | 14,658 | 7,823 | $82,734 | $647,228,082 | 15,247 | 8,083 | $93,112 | $752,624,296 |
| Fillmore | 15,782 | 8,694 | $66,836 | $581,072,184 | 15,942 | 8,864 | $77,244 | $684,690,816 |
| Freeborn | 23,524 | 12,967 | $68,003 | $881,794,901 | 23,046 | 12,754 | $82,163 | $1,047,906,902 |
| Houston | 14,550 | 7,950 | $69,776 | $554,719,200 | 14,513 | 7,957 | $80,254 | $638,581,078 |
| Mower | 28,747 | 15,852 | $68,546 | $1,086,591,192 | 28,652 | 15,872 | $81,787 | $1,298,123,264 |
| Olmsted | 113,270 | 61,897 | $95,629 | $5,919,148,213 | 120,029 | 65,394 | $107,610 | $7,037,048,340 |
| Steele | 26,948 | 14,684 | $80,161 | $1,177,084,124 | 27,528 | 14,985 | $94,286 | $1,412,875,710 |
| Winona | 37,328 | 19,907 | $68,947 | $1,372,527,929 | 37,982 | 20,165 | $81,805 | $1,649,597,825 |
| | | | | | | | | |
| **SW Minnesota** | **169,470** | **92,352** | **$817,249** | **$6,367,042,590** | **169,884** | **92,879** | **$970,560** | **$7,549,666,738** |
| Blue Earth | 48,515 | 26,123 | $70,898 | $1,852,068,454 | 50,655 | 27,400 | $81,405 | $2,230,497,000 |
| Brown | 19,471 | 10,806 | $70,492 | $761,736,552 | 19,370 | 10,790 | $84,169 | $908,183,510 |
| Cottonwood | 8,706 | 4,802 | $64,335 | $308,936,670 | 8,548 | 4,738 | $76,284 | $361,433,592 |
| Faribault | 10,968 | 6,113 | $63,082 | $385,620,266 | 10,795 | 6,025 | $75,042 | $452,128,050 |
| Jackson | 7,759 | 4,383 | $69,709 | $305,534,547 | 7,589 | 4,291 | $83,330 | $357,569,030 |
| Martin | 15,498 | 8,747 | $68,510 | $599,256,970 | 14,956 | 8,434 | $82,725 | $697,702,650 |
| Murray | 6,579 | 3,631 | $70,398 | $255,615,138 | 6,341 | 3,529 | $84,396 | $297,833,484 |
| Nobles | 15,742 | 8,041 | $66,749 | $536,728,709 | 15,828 | 8,106 | $80,593 | $653,286,858 |
| Pipestone | 6,928 | 3,953 | $62,832 | $248,374,896 | 6,747 | 3,861 | $74,550 | $287,837,550 |
| Rock | 7,113 | 3,951 | $68,739 | $271,587,789 | 7,074 | 3,973 | $82,614 | $328,225,422 |
| Waseca | 14,065 | 7,339 | $73,034 | $535,996,526 | 14,053 | 7,346 | $84,222 | $618,694,812 |
| Watonwan | 8,126 | 4,463 | $68,471 | $305,586,073 | 7,928 | 4,386 | $81,230 | $356,274,780 |

*Source: ESRI Business Information Solutions*

| Adult Population (Age 21+) and Income Growth Trends, 2017-2022<br>Iowa Gaming Market Area (Iowa and Selected Counties in Adjacent States) | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | 2017 | | | | 2022 | | | |
| | Adults (21+) | Households | Avg. HH Income | Total Income | Adults (21+) | Households | Avg. HH Income | Total Income |
| **Surrounding Areas** | | | | | | | | |
| **SE South Dakota** | **306,190** | **167,739** | **$1,321,764** | **$12,247,448,921** | **326,724** | **179,933** | **$1,552,466** | **$15,277,168,580** |
| Bon Homme | 5,497 | 2,435 | $64,516 | $157,096,460 | 5,393 | 2,396 | $77,162 | $184,880,152 |
| Brookings | 23,997 | 13,365 | $63,867 | $853,582,455 | 25,522 | 14,325 | $72,565 | $1,039,493,625 |
| Charles Mix | 6,534 | 3,411 | $58,315 | $198,912,465 | 6,696 | 3,524 | $69,981 | $246,613,044 |
| Clay | 9,655 | 5,181 | $59,669 | $309,145,089 | 9,831 | 5,250 | $67,893 | $356,438,250 |
| Davison | 14,784 | 8,743 | $64,763 | $566,222,909 | 15,160 | 9,039 | $72,077 | $651,504,003 |
| Douglas | 2,317 | 1,239 | $73,841 | $91,488,999 | 2,322 | 1,256 | $88,764 | $111,487,584 |
| Hanson | 2,201 | 1,077 | $70,507 | $75,936,039 | 2,214 | 1,094 | $82,188 | $89,913,672 |
| Hutchinson | 5,567 | 2,986 | $65,042 | $194,215,412 | 5,652 | 3,043 | $77,150 | $234,767,450 |
| Kingsbury | 3,860 | 2,144 | $65,835 | $141,150,240 | 3,698 | 2,047 | $76,651 | $156,904,597 |
| Lake | 9,166 | 5,049 | $67,562 | $341,120,538 | 9,945 | 5,487 | $77,391 | $424,644,417 |
| Lincoln | 37,024 | 20,255 | $94,998 | $1,924,184,490 | 41,818 | 23,287 | $108,928 | $2,536,606,336 |
| Mccook | 4,190 | 2,256 | $69,562 | $156,931,872 | 4,246 | 2,316 | $86,701 | $200,799,516 |
| Minnehaha | 138,247 | 76,282 | $71,927 | $5,486,735,414 | 150,131 | 83,002 | $83,553 | $6,935,066,106 |
| Miner | 1,730 | 994 | $67,876 | $67,468,744 | 1,652 | 955 | $82,593 | $78,876,315 |
| Moody | 4,778 | 2,591 | $72,980 | $189,091,180 | 4,774 | 2,620 | $85,715 | $224,573,300 |
| Sanborn | 1,843 | 1,007 | $65,274 | $65,730,918 | 1,865 | 1,027 | $76,854 | $78,929,058 |
| Turner | 6,385 | 3,538 | $62,943 | $222,692,334 | 6,341 | 3,550 | $76,956 | $273,193,800 |
| Union | 11,242 | 6,181 | $90,528 | $559,553,568 | 11,902 | 6,545 | $108,117 | $707,625,765 |
| Yankton | 17,173 | 9,005 | $71,759 | $646,189,795 | 17,562 | 9,170 | $81,227 | $744,851,590 |
| **NE Nebraska** | **188,912** | **103,052** | **$1,507,311** | **$6,985,931,195** | **188,665** | **103,224** | **$1,757,006** | **$8,146,501,873** |
| Antelope | 4,910 | 2,783 | $61,530 | $171,237,990 | 4,772 | 2,725 | $72,077 | $196,409,825 |
| Boone | 4,140 | 2,303 | $67,950 | $156,488,850 | 4,075 | 2,266 | $81,107 | $183,788,462 |
| Boyd | 1,573 | 911 | $57,729 | $52,591,119 | 1,522 | 882 | $67,700 | $59,711,400 |
| Burt | 5,119 | 2,842 | $66,961 | $190,303,162 | 5,030 | 2,782 | $78,555 | $218,540,010 |
| Cedar | 6,378 | 3,481 | $64,763 | $225,440,003 | 6,165 | 3,403 | $76,386 | $259,941,558 |
| Colfax | 7,180 | 3,607 | $67,503 | $243,483,321 | 7,019 | 3,595 | $77,310 | $277,929,450 |
| Cuming | 6,733 | 3,738 | $66,200 | $247,455,600 | 6,717 | 3,734 | $76,923 | $287,230,482 |
| Dakota | 14,582 | 7,421 | $75,336 | $559,068,456 | 14,760 | 7,538 | $89,089 | $671,552,882 |
| Dixon | 4,353 | 2,337 | $62,484 | $146,025,108 | 4,316 | 2,298 | $75,219 | $172,853,262 |
| Dodge | 27,502 | 15,112 | $63,442 | $958,735,504 | 27,611 | 15,247 | $74,149 | $1,130,549,803 |
| Garfield | 1,593 | 918 | $55,204 | $50,677,272 | 1,565 | 902 | $62,867 | $56,706,034 |
| Greeley | 1,846 | 1,033 | $61,972 | $64,017,076 | 1,753 | 985 | $71,556 | $70,482,660 |
| Holt | 7,748 | 4,421 | $65,493 | $289,544,553 | 7,572 | 4,359 | $76,515 | $333,528,885 |
| Knox | 6,560 | 3,678 | $59,916 | $220,371,048 | 6,628 | 3,709 | $69,845 | $259,055,105 |
| Madison | 25,342 | 14,091 | $66,436 | $936,149,676 | 25,073 | 14,019 | $77,480 | $1,086,192,120 |
| Pierce | 5,421 | 2,930 | $64,907 | $190,177,510 | 5,482 | 2,940 | $77,042 | $226,503,480 |
| Platte | 23,784 | 13,106 | $70,503 | $924,012,318 | 24,051 | 13,339 | $81,862 | $1,091,957,218 |
| Stanton | 4,445 | 2,422 | $65,224 | $157,972,528 | 4,371 | 2,391 | $76,225 | $182,253,975 |
| Thurston | 4,338 | 2,155 | $59,141 | $127,448,855 | 4,425 | 2,191 | $66,633 | $145,992,903 |
| Valley | 3,285 | 1,943 | $63,343 | $123,075,449 | 3,254 | 1,928 | $73,170 | $141,071,760 |
| Washington | 14,914 | 7,903 | $88,109 | $696,325,427 | 15,300 | 8,042 | $100,028 | $804,425,176 |
| Wayne | 6,582 | 3,586 | $64,901 | $232,734,986 | 6,659 | 3,636 | $72,593 | $263,948,148 |
| Wheeler | 584 | 331 | $68,264 | $22,595,384 | 545 | 313 | $82,675 | $25,877,275 |

*Source: ESRI Business Information Solutions*

| Adult Population (Age 21+) and Income Growth Trends, 2017-2022<br>Iowa Gaming Market Area (Iowa and Selected Counties in Adjacent States) | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | 2017 | | | | 2022 | | | |
| | Adults (21+) | Households | Avg. HH Income | Total Income | Adults (21+) | Households | Avg. HH Income | Total Income |
| **Surrounding Areas** | | | | | | | | |
| **SE Nebraska** | **1,028,036** | **560,501** | **$2,012,840** | **$43,462,557,314** | **1,087,360** | **590,879** | **$2,335,141** | **$52,337,154,125** |
| Adams | 23,179 | 12,920 | $68,330 | $882,823,600 | 23,712 | 13,254 | $78,768 | $1,043,991,072 |
| Buffalo | 35,195 | 19,638 | $68,733 | $1,349,778,654 | 37,371 | 20,860 | $79,563 | $1,659,684,180 |
| Butler | 5,991 | 3,241 | $69,252 | $224,445,732 | 5,745 | 3,084 | $80,196 | $247,324,464 |
| Cass | 18,868 | 9,878 | $83,352 | $823,351,056 | 19,300 | 10,074 | $96,840 | $975,566,160 |
| Clay | 4,809 | 2,642 | $64,180 | $169,563,560 | 4,748 | 2,609 | $74,835 | $195,244,515 |
| Douglas | 400,069 | 220,420 | $80,495 | $17,742,707,900 | 424,490 | 232,897 | $91,184 | $21,236,480,048 |
| Fillmore | 4,366 | 2,400 | $66,356 | $159,254,400 | 4,266 | 2,344 | $77,049 | $180,602,856 |
| Gage | 16,746 | 9,406 | $63,508 | $597,356,248 | 16,740 | 9,424 | $73,663 | $694,200,112 |
| Hall | 44,424 | 23,545 | $65,412 | $1,540,125,540 | 46,375 | 24,531 | $75,276 | $1,846,595,556 |
| Hamilton | 6,903 | 3,652 | $76,217 | $278,344,484 | 7,182 | 3,763 | $91,674 | $344,969,262 |
| Howard | 4,979 | 2,752 | $64,470 | $177,421,440 | 5,155 | 2,840 | $77,506 | $220,117,040 |
| Jefferson | 5,635 | 3,258 | $61,767 | $201,236,886 | 5,421 | 3,162 | $71,545 | $226,225,290 |
| Johnson | 4,182 | 1,804 | $60,160 | $108,528,640 | 4,086 | 1,761 | $69,708 | $122,755,788 |
| Kearney | 4,914 | 2,765 | $73,888 | $204,300,320 | 4,937 | 2,801 | $85,756 | $240,202,556 |
| Lancaster | 226,455 | 124,228 | $74,666 | $9,275,607,848 | 242,193 | 132,310 | $84,985 | $11,244,365,350 |
| Merrick | 6,043 | 3,272 | $62,621 | $204,895,912 | 6,091 | 3,303 | $74,600 | $246,403,800 |
| Nance | 2,759 | 1,499 | $61,544 | $92,254,456 | 2,735 | 1,483 | $70,502 | $104,554,466 |
| Nemaha | 5,292 | 2,924 | $66,883 | $195,565,892 | 5,147 | 2,851 | $78,202 | $222,953,902 |
| Otoe | 12,234 | 6,603 | $71,546 | $472,418,238 | 12,507 | 6,765 | $81,398 | $550,657,470 |
| Pawnee | 2,079 | 1,183 | $62,448 | $73,875,984 | 1,989 | 1,133 | $73,868 | $83,692,444 |
| Polk | 3,807 | 2,085 | $72,347 | $150,843,495 | 3,666 | 2,016 | $85,111 | $171,583,776 |
| Richardson | 6,352 | 3,641 | $55,590 | $202,403,190 | 6,160 | 3,554 | $63,270 | $224,861,580 |
| Saline | 10,338 | 5,312 | $69,897 | $371,292,864 | 10,431 | 5,401 | $79,148 | $427,478,348 |
| Sarpy | 126,978 | 67,057 | $90,920 | $6,096,822,440 | 140,443 | 73,773 | $102,967 | $7,596,184,491 |
| Saunders | 15,968 | 8,427 | $80,523 | $678,567,321 | 16,480 | 8,690 | $94,167 | $818,311,230 |
| Seward | 12,441 | 6,549 | $83,246 | $545,178,054 | 12,787 | 6,731 | $98,394 | $662,290,014 |
| Sherman | 2,427 | 1,406 | $60,387 | $84,904,122 | 2,445 | 1,410 | $69,100 | $97,431,000 |
| Thayer | 4,019 | 2,309 | $60,332 | $139,306,588 | 4,007 | 2,310 | $70,749 | $163,430,190 |
| York | 10,584 | 5,685 | $73,770 | $419,382,450 | 10,751 | 5,745 | $85,117 | $488,997,165 |
| **Surrounding Area Totals** | **3,084,082** | **1,674,288** | **$71,918** | **$120,410,890,414** | **3,164,243** | **1,716,329** | **$82,697** | **$141,935,909,262** |
| **Total Market Area** | **5,422,154** | **2,954,676** | **$71,711** | **$211,881,671,949** | **5,580,051** | **3,035,939** | **$81,677** | **$247,966,757,117** |
| ***Source: ESRI Business Information Solutions*** | | | | | | | | |

*Source: ESRI Business Information Solutions*

The following are key points from our review of population and income growth data. Demographic data and projections are from *ESRI Business Information Solutions*, a national econometric forecasting firm.

- Iowa's adult (Age 21+) population is estimated to comprise 2,338,072 residents in 2017. Our analysis of market and facility statistics indicate that Iowa casinos attract regular visitation also from persons residing within a reasonable driving distance in neighboring states. These areas add an estimated 3,084,079 adults to the Iowa regional gaming market. In total, the age 21+ population residing within the primary draw area surrounding Iowa's casinos is estimated at 5,422,154 adults in 2017.

- Modest growth is expected for the market area. Between 2017 and 2022, the market area is forecast to grow from 5,422,154 adults (age 21+) to an estimated 5,580,051, reflecting the addition of approximately 158,000 adults over five years. The average annual adult population growth rate is projected to be less than 0.6% during this timeframe.

- According to ESRI, the average household income within the State of Iowa is estimated at $71,440 in 2017. Our analysis shows that household incomes vary considerably throughout Iowa. Generally, incomes are higher within the State's urban areas. The average income in Northwest Iowa was the lowest among the four quadrants analyzed, at $66,586, while Southwest Iowa, which includes the Des Moines metro area, had the highest average income at $79,015. At $104,548, the average household income in Dallas County just west of Des Moines was by far the highest among Iowa counties, while Polk County's average household income was estimated at $81,470, compared to $83,962 to the south in Warren County.

- Income growth is forecast to outpace the population growth rate in this region over the next five years. ESRI projects that the average household income in the market area will increase from an estimated $71,440 in 2017 to $81,677 in 2022. This reflects a 3.5% annual growth rate, compared to a 0.6% annual adult population growth rate.

## The Iowa Economy

The table on the following page shows unemployment rates for Iowa and its MSAs for 2008-2017. Data is shown for year-end for 2008-2016 and as of mid-year for 2017. Iowa has historically sustained lower unemployment than the nation as a whole and most states, even in times of stress. A deep economic recession impacted Iowa, certainly, albeit less dramatically and later when compared to many parts of the U.S. Unemployment in Iowa increased from 4.2% in 2008 to 6.3% in 2009. A recovery took hold throughout most of the U.S. during 2010, although it was not until 2011 that the recovery really gained traction in Iowa. Unemployment declined to 5.5% in 2011, before improving to 5.0% in 2012 and 4.2% as of 2013 year-end. Unemployment was <4.0% in every year from that point, and had declined to 3.1% as of June 2017.

**Historical Unemployment Rates -- Iowa Metropolitan Areas**
**2008-2017**

| | Unemployment Rates * | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 (June) |
| **Metropolitan Area** | | | | | | | | | | |
| Des Moines | 4.0% | 6.3% | 6.3% | 5.7% | 5.2% | 4.4% | 4.0% | 3.6% | 3.6% | 3.0% |
| Omaha-Council Bluffs | 3.8% | 5.2% | 5.0% | 4.7% | 4.2% | 3.9% | 4.1% | 3.6% | 3.6% | 3.2% |
| Dubuque | 4.7% | 6.4% | 6.4% | 5.1% | 4.8% | 4.1% | 4.0% | 3.9% | 3.8% | 2.9% |
| Waterloo-Cedar Falls | 3.7% | 6.0% | 6.1% | 5.4% | 5.1% | 4.2% | 5.0% | 4.7% | 4.8% | 3.7% |
| Iowa City | 3.2% | 4.5% | 4.5% | 4.1% | 3.6% | 3.4% | 2.8% | 2.7% | 3.1% | 2.9% |
| Cedar Rapids | 4.1% | 6.2% | 6.3% | 5.7% | 5.3% | 4.6% | 4.1% | 3.7% | 3.8% | 3.4% |
| Sioux City | 4.0% | 6.2% | 7.4% | 5.7% | 5.3% | 4.4% | 4.4% | 3.9% | 3.6% | 3.3% |
| Quad Cities | 5.6% | 9.2% | 7.8% | 7.5% | 7.0% | 6.8% | 5.1% | 4.8% | 5.4% | 4.5% |
| | | | | | | | | | | |
| State of Iowa | 4.2% | 6.3% | 6.2% | 5.5% | 5.0% | 4.2% | 3.9% | 3.5% | 3.5% | 3.1% |
| | | | | | | | | | | |
| United States | 7.3% | 9.9% | 9.4% | 8.5% | 7.9% | 6.7% | 5.6% | 5.0% | 4.7% | 4.5% |

*** as of December 31 of each year, unless otherwise noted.**

***Sources: Iowa Workforce Center; U.S. Bureau of Labor Statistics***

Unemployment is now relatively low in each of Iowa's metropolitan areas, remaining the highest in the Quad Cities, at 4.5%, although much improved compared to just four years ago when employment remained at 6.8%, more than 200 bps higher than any other Iowa metro area.

## Key Points: Demography & Economics

Iowa's economy and its gaming market fared relatively well in comparison with many markets around the United States prior to and during the recent recession. Nonetheless, the recessionary impact was significant in Iowa, and occurred later when compared to many markets. The market has improved greatly since 2011, as unemployment Statewide has declined to 3.1% compare to 4.5% nationally. Still, while the job market has improved and unemployment has declined, household incomes and wealth have not fully recovered, while very modest 0.6% annual adult population growth is expected for the market. From our analysis of growth trends and key economic indicators we would expect Iowa gaming revenues to show modest growth in the coming months, correlating with growth in population and income levels, offset somewhat by slightly declining casino participation rates as evidenced by trends in casino admissions in the state. Our gaming market forecast is detailed in the following section, which includes a baseline forecast to 2022, along with a review of the impact of a proposed new gaming facility in Cedar Rapids (Linn County).

# IOWA GAMING MARKET PROJECTIONS

## Review of January 2014 Forecast by Marquette Advisors

As part of our prior engagement, culminating in January 2014, Marquette Advisors provided a similar study which included a forecast of statewide and property-specific gaming revenues. That analysis was completed prior to the IRGC authorization of the Wild Rose Casino-Jefferson. As part of our 2014 analysis, we provided a forecast of 2017 gaming revenues for an assumed new facility at Jefferson, and all other casinos in the state, with a measurement of expected cannibalization from that development. A summary of that forecast is provided below, showing gaming revenues by facility for FY2013 and FY2017, as well as the FY2017 forecast numbers developed by Marquette Advisors in January 2014. The table shows the variance between our forecasted FY2017 revenues and actual casino performance.

**Review of Previous Iowa Gaming Market Forecast by Marquette Advisors**

| Casino | Location | FY2013 | FY2017 (Actual) | Marquette 2017 forecast (prepared January 2014) | % variance |
|---|---|---|---|---|---|
| Wild Rose | Emmetsburg | $32,226,026 | $28,420,748 | $32,000,000 | 12.6% |
| **Wild Rose [8]** | **Jefferson** | **$0** | **$28,214,880** | **$28,000,000** | **-0.8%** |
| Argosy [6] | Sioux City | $56,050,206 | $0 | $0 | 0.0% |
| Hard Rock [7] | Sioux City | $0 | $77,027,496 | $77,000,000 | 0.0% |
| Ameristar | Council Bluffs | $167,786,099 | $171,435,126 | $170,000,000 | -0.8% |
| Harrah's [5] | Council Bluffs | $67,374,779 | $71,271,483 | $83,000,000 | 16.5% |
| Horseshoe | Council Bluffs | $200,304,722 | $172,142,344 | $216,000,000 | 25.5% |
| Diamond Jo | Northwood | $89,017,378 | $85,196,088 | $91,000,000 | 6.8% |
| Prairie Meadows | Altoona | $195,011,313 | $190,172,316 | $196,000,000 | 3.1% |
| Lakeside | Osceola | $50,450,411 | $48,135,113 | $51,000,000 | 6.0% |
| Isle-Waterloo | Waterloo | $86,049,026 | $87,034,926 | $93,000,000 | 6.9% |
| Riverside | Riverside | $88,668,376 | $85,682,854 | $91,000,000 | 6.2% |
| Casino Queen | Marquette | $29,817,861 | $26,384,268 | $29,000,000 | 9.9% |
| Diamond Jo [1] | Dubuque | $66,536,532 | $66,856,145 | $73,000,000 | 9.2% |
| Q Casino | Dubuque | $57,611,653 | $47,639,628 | $62,000,000 | 30.1% |
| Isle-Bettendorf [10] | Bettendorf | $74,505,557 | $77,459,196 | $90,000,000 | 16.2% |
| Rhythmn City [9] | Davenport | $48,304,082 | $61,945,577 | $84,000,000 | 35.6% |
| Wild Rose [2] | Clinton | $37,564,137 | $31,362,880 | $41,000,000 | 30.7% |
| Catfish Bend [3] | Burlington | $38,407,502 | $41,715,632 | $40,000,000 | -4.1% |
| Grand Falls [4] | Larchwood | $58,173,086 | $54,802,316 | $63,000,000 | 15.0% |
| **TOTAL REVENUE** | | **$1,443,858,746** | **$1,452,899,016** | **$1,610,000,000** | **10.8%** |

[1] Diamond Jo land based casino opens Dec. 2008, replacing boat.
[2] Wild Rose Casino-Clinton opens Jul. 2008, replacing Miss. Belle boat.
[3] Catfish Bend land based casino opens Jul. 2007, replacing boat at Ft. Madison.
[4] Grand Falls opens July 2012.
[5] Harrah's-Council Bluffs moves to land-based facility in June 2013.
[6] Argosy - closed July 30, 2014 - replaced by Hard Rock.
[7] Hard Rock - opened July 31, 2014 - replacing Argosy boat.
[8] Wild Rose Casino-Jefferson (Greene Co.) - opened July 13, 2015
[9] Rythmn City-Davenport opened new land-based casino & hotel June 13, 2016 - replacing former boat.
[10] Isle of Capri-Bettendorf opened new land-based casino June 24, 2016 - replacing former boat.

Our 2014 forecast of 2017 revenues for the new Wild Rose Casino-Jefferson was, in fact, very accurate, with predicted 2017 revenues of $28.0 million, just 0.8% off the actual revenues of $28.2 million.

Our 2014 report also provided a forecast for the new Hard Rock Casino in Sioux City, at $77.0 million in 2017. That facility did in fact generate gaming revenue of $77.0 million during FY2017.

In our 2014 report, we had also predicted that approximately $22.0 million, or 79% of the gaming revenue at Wild Rose Casino-Jefferson would be the result of cannibalization, with 21% being from market growth. This included $6.0 million in projected lost revenue at Prairie Meadows, $4.5 million at Meskwaki, $3.2 million at Wild Rose-Emmetsburg, and another $8.0 million in smaller amounts spread across several other casinos throughout the state. From our recent analysis of casino performance statistics and proprietary player tracking information, it is apparent that our cannibalization forecast at $22.0 million was somewhat overstated. We estimate that the actual cannibalization impact has been in the range of $14.0 to $16.0 million. While casinos such as Wild Rose-Emmetsburg and Prairie Meadows have in fact generated lower 2017 revenues than what was projected for those facilities without the Jefferson impact, we conclude from our updated analysis of market information and player tracking statistics that this is not wholly attributable to the Jefferson project. Rather, it has been a combination of the Jefferson impact, along with other market factors, most notable being a more substantial decline in gaming participation rates than expected.

With respect to other forecast elements, we note that the overall revenue forecast of $1.61 billion for 2017 is 10.8% higher than the actual revenue for FY2017. This relates partly to the noted trend of declining casino gaming participation in the market. However, we also note that our 2014 forecast was developed on the assumption that the new land-based casinos in Quad Cities (Rhythm City and Isle) would be completed by late 2015. The opening of these facilities did not occur until mid-2016, so the related market adjustment and revenue increases in that market are occurring somewhat later than was assumed as part of our 2014 modeling.

## Baseline Model – 2017 (current market situation)

In order to facilitate the development of gaming revenue projections for the market as a whole and for each facility in Iowa, we have first developed a model which effectively predicts the current (FY2017) level of casino visitation and net win for each casino in Iowa, including both commercial casinos, along with estimates for competitive tribal casinos.

Our base year model ties out to current FY2017 performance levels (annual casino visitor days and gaming revenues) for each of Iowa's existing casinos, considering their relative proximity to population, appropriate participation rates and frequency rates, the impact of "outside" demand components (tourism, etc), average spend estimates, and the respective competitive advantages and disadvantages of each casino due to locational and facility size and attractiveness factors.

**Key to the development of the base model was our market analysis and review of actual casino player tracking information, as provided by Iowa's casino operators. Player tracking information is the basis for determining for each casino, where its casino customers are originating from. We analyzed zip code visitation and net win information for each casino facility, and then also aggregated this information at the county level for the market area.**

To summarize, the base casino utilization and financial performance model is rooted in the base procedure as summarized below:

County Adult Population [5] x Participation Rate [6] = Total Casino Visitors (visitor days) (per year)

These casino visits were then distributed on a percentage basis among the various Iowa gaming venues, as well as competitive casinos available within adjacent states. Our market share allocations here too were based upon our review of actual casino visitation data as provided by Iowa's casino operators, and our separate knowledge and review of adjacent competitive facilities.

Total casino visitors from each county x avg. win per visit [7] = Total Gaming Revenue

Our analysis of current market conditions and player tracking information shows that casino gaming participation rates (i.e. the avg. number of annual casino visits per adult resident) vary significantly throughout the regional gaming market, ranging from less than 2.0 in some areas which are more distant from casino facilities to 7.0 to 10.0 in several communities where one or more casinos are accessible within a relatively short driving distance. Participation rates are very high (12.0 to 15.0) in a select few rural communities where casinos exist and locals visit frequently. Overall, the participation rate for the market area as a whole is estimated at approximately 5.0 casino trips (visitor days) per adult per year, or about **27.6 million annual casino visits in 2017** by the market area's adult population base to commercial and tribal casinos in Iowa and neighboring states.

The overall average spend per casino visit (i.e. net win by the casino) was estimated at $69, with total casino spending by the market area population base of approximately **$1.894 billion** in 2017. This total includes all of Iowa's commercial and tribal casinos, as well as that part of net win at casinos in adjacent states which originates from the Iowa market area population. Iowa's commercial casinos captured approximately 77% of casino spending by adults in the defined market area, or **$1.453 billion**, with the remaining 23% going to Iowa's tribal casinos and other

[5] Adult population estimates were obtained from ESRI Business Information Solutions, a nationally recognized econometric forecasting firm.

[6] Casino gaming participation rates were determined by our market analysis and casino visitation statistics by zip code and by county as provided by Iowa casino operators.

[7] The average spend per visit was modeled based upon actual expenditure patterns by registered player club members at Iowa's casinos, in accordance with data provided by the casino operators. Average spend typically varies by county depending on the frequency of casino visits, the distance of that county from the casino being analyzed, and income levels within each county.

casinos in neighboring states. Our calculations indicate that an estimated 45% ($648 million) came from persons residing outside the State of Iowa.

**Baseline Forecast - 2022**

Next, our 2017 base model was reconfigured to reflect adult population growth (or declines) and projected changes in personal incomes and average casino spending assumptions over the next five years throughout the market. Between 2017 and 2022, the market area (Iowa and portions of adjacent states) is projected to see modest population growth from 5,422,000 adults (age 21+) to 5,580,000 adults. This reflects an annual growth rate of just under 0.6% per year.

Our baseline model assumes no increase in supply, with no new casinos or substantial expansions to existing Iowa casinos during this time.

Casino Gaming Participation Rates

Our analysis shows that casino gaming participation rates have declined slightly in many zip codes throughout Iowa in recent years. From our analysis of adult population estimates and customer visitor days as per a review of player tracking data provided by Iowa casino operators, we estimate that gaming participation rates have declined at a rate of about 1% per year since 2010. During this time, visitation to Iowa commercial casinos has declined from about 22.1 million to 21.8 million admissions. Our 2017 baseline model reflects a 1% annual decline in casino gaming participation rates for the majority of the market area, with a variance in markets where there is apparent ramp-up in participation based on our analysis. The most significant example is in the Quad Cities, where the introduction of new land-based casinos has prompted an increase in local casino gaming participation and a redistribution of market share among the area's casinos.

Altogether, our adjustments reflecting the 2022 projected adult population base and minor adjustments to casino gaming participation rates result in a projection of **approximately 26.8 million casino admissions in 2022 by the market area population base as defined for this analysis**, compared to 27.6 million in 2017. This includes trips to Iowa commercial and tribal casinos, as well as various competitive casinos in bordering states.

Market share adjustments were also made to reflect the continued market adjustment in the Quad Cities as a result of the recent development of land-based facilities at Isle and Rhythm City and recapture of market share from Illinois.

Casino Revenues

The next adjustments to the model include increases in the average spend per visit. These inputs also vary and were developed by county for all of the casinos that the market area population is assumed to visit. As noted above, the average spend per casino visit was estimated at $69 in 2017. We have adjusted the 2017 modeling by county to reflect our review of historical trend data, paired with an analysis of growth in personal incomes throughout the market area by zip code and county. While very modest 0.6% annual adult population growth is expected in the market area, personal income growth is forecast to outpace adult population growth during the forecast period, increasing by 3.5% per year. We are also aware that the average spend per admission (per IRGC statistics) increased by an average of about 0.7% per year over the past five years. Marquette Advisors made market-specific adjustments to the assumed average spend per casino visit, also varying by casino depending on the distance of the population base from each casino. Average spend per visit was inflated by an average of 0.5% to 0.75% per year for most markets. The net result of our adjustments is a projected overall average spend per admission of **$71** in 2022, compared to $69 in 2017.

Next, we multiply projected casino visits by the estimated average spend by zip code and by casino, resulting in total projected casino revenues of **$1.898 billion** in 2022. This again includes all casino trips originating from within Iowa and relevant portions of adjacent states. This total net win was then distributed among all casinos in this same market area. Based on our market share analysis, we estimate that Iowa commercial casinos will capture an estimated **$1.473 billion** in net win in FY2022. Our 2022 baseline market projections are summarized as follows for Iowa's commercial casinos. Individual casino projections are provided on the following page.

| | **FY 2017** | **FY 2022** |
|---|---|---|
| Iowa Commercial Casino Visitors | 21,803,201 | 21,322,000 |
| Iowa Commercial Casino Net Win | $1,452,899,016 | $1,473,000,000 |
| Avg. Revenue per Admission | $67 | $69 |
| Revenue from non-Iowa residents | $648,000,000 | $662,000,000 |

**Projected Gaming Revenue by Casino**
**2022 Baseline Forecast (no change in facilities)**

| Casino | Location | FY2017 | FY2022 | % change, 17-22 |
|---|---|---|---|---|
| Wild Rose | Emmetsburg | $28,420,748 | $28,698,000 | 1.0% |
| Admissions | | 424,122 | 419,385 | -1.1% |
| Win per Admission | | $67 | $68 | 2.1% |
| Wild Rose | Jefferson | $28,214,880 | $27,682,000 | -1.9% |
| Admissions | | 442,626 | 391,540 | -11.5% |
| Win per Admission | | $64 | $71 | 10.9% |
| Hard Rock | Sioux City | $77,027,496 | $76,653,000 | -0.5% |
| Admissions | | 1,721,017 | 1,602,185 | -6.9% |
| Win per Admission | | $45 | $48 | 6.9% |
| Ameristar | Council Bluffs | $171,435,126 | $172,890,000 | 0.8% |
| Admissions | | 1,856,303 | 1,850,425 | -0.3% |
| Win per Admission | | $92 | $93 | 1.2% |
| Harrah's | Council Bluffs | $71,271,483 | $71,648,000 | 0.5% |
| Admissions | | 1,139,940 | 1,080,000 | -5.3% |
| Win per Admission | | $63 | $66 | 6.1% |
| Horseshoe | Council Bluffs | $172,142,344 | $174,000,000 | 1.1% |
| Admissions | | 2,016,310 | 1,937,100 | -3.9% |
| Win per Admission | | $85 | $90 | 5.2% |
| Diamond Jo | Northwood | $85,196,088 | $84,701,000 | -0.6% |
| Admissions | | 1,237,613 | 1,131,000 | -8.6% |
| Win per Admission | | $69 | $75 | 8.8% |
| Prairie Meadows | Altoona | $190,172,316 | $191,626,000 | 0.8% |
| Admissions | | 3,155,137 | 3,169,000 | 0.4% |
| Win per Admission | | $60 | $60 | 0.3% |
| Lakeside | Osceola | $48,135,113 | $48,567,000 | 0.9% |
| Admissions | | 539,892 | 578,260 | 7.1% |
| Win per Admission | | $89 | $84 | -5.8% |
| Isle-Waterloo | Waterloo | $87,034,926 | $88,583,000 | 1.8% |
| Admissions | | 1,119,847 | 1,142,180 | 2.0% |
| Win per Admission | | $78 | $78 | -0.2% |
| Riverside | Riverside | $85,682,854 | $87,794,000 | 2.5% |
| Admissions | | 1,524,135 | 1,477,600 | -3.1% |
| Win per Admission | | $56 | $59 | 5.7% |
| Casino Queen | Marquette | $26,384,268 | $27,673,000 | 4.9% |
| Admissions | | 253,122 | 306,900 | 21.2% |
| Win per Admission | | $104 | $90 | -13.5% |
| Diamond Jo | Dubuque | $66,856,145 | $65,875,000 | -1.5% |
| Admissions | | 917,395 | 850,700 | -7.3% |
| Win per Admission | | $73 | $77 | 6.3% |
| Q Casino | Dubuque | $47,639,628 | $46,847,000 | -1.7% |
| Admissions | | 847,435 | 796,630 | -6.0% |
| Win per Admission | | $56 | $59 | 4.6% |

**Projected Gaming Revenue by Casino (continued)**
**2022 Baseline Forecast (no change in facilities)**

| Casino | Location | FY2017 | FY2022 | % change, 17-22 |
|---|---|---|---|---|
| Isle-Bettendorf | Bettendorf | $77,459,196 | $79,235,000 | 2.3% |
| Admissions | | 1,075,519 | 987,900 | -8.1% |
| Win per Admission | | $72 | $80 | 11.4% |
| Rhythmn City | Davenport | $61,945,577 | $70,797,000 | 14.3% |
| Admissions | | 1,274,293 | 1,294,800 | 1.6% |
| Win per Admission | | $49 | $55 | 12.5% |
| Wild Rose | Clinton | $31,362,880 | $31,500,000 | 0.4% |
| Admissions | | 567,370 | 552,730 | -2.6% |
| Win per Admission | | $55 | $57 | 3.1% |
| Catfish Bend | Burlington | $41,715,632 | $41,101,000 | -1.5% |
| Admissions | | 668,883 | 679,050 | 1.5% |
| Win per Admission | | $62 | $61 | -2.9% |
| Grand Falls | Larchwood | $54,802,316 | $57,444,000 | 4.8% |
| Admissions | | 1,022,242 | 1,074,250 | 5.1% |
| Win per Admission | | $54 | $53 | -0.3% |
| **TOTAL NET WIN** | | **$1,452,899,016** | **$1,473,314,000** | **1.4%** |
| **Admissions** | | **21,803,201** | **21,321,635** | **-2.2%** |
| **Win per Admission** | | **$67** | **$69** | **3.7%** |

***Sources: IRGC (hisotrical); Marquette Advisors (forecast)***

**Iowa Gaming Projections (2022) – Impact of Cedar Rapids (Linn Co.) Casino Development**

The following paragraphs outline our analysis and the results of scenarios regarding the addition of a new casino in Cedar Rapids (Linn County). For each scenario, the 2022 baseline forecast model was adjusted to reflect the development of a new casino complex. Three proposals for Cedar Rapids were considered. Again, casino visitation and net win estimates were developed for each individual market and distributed to various casinos throughout the area, including an assumed new casino in Cedar Rapids. Gaming participation rates were adjusted where appropriate to reflect the development of a new gaming venue within the submarket, thereby making casino gaming more convenient for the local resident base. Key adjustments were also made to reflect changes in capture rates (market share) among Iowa casinos resulting from new competition. Market share adjustments were estimated by Marquette Advisors based on our review of actual casino performance statistics and player tracking data as provided by Iowa casino operators, paired with our site visits and detailed review of each proposal new casino facility in terms of the following key variables:

- Casino size, components and quality
- Range of amenity components (as applicable) – size and quality
- Proximity to various population segments
- Ease of access and highway network
- Casino branding and player club

The table on the following page summarizes the key metrics of each of the three (3) Cedar Rapids proposals under consideration, including two by Cedar Rapids Development Group ("Cedar Crossing") and another by Wild Rose-Cedar Rapids.

## Cedar Rapids Casino Proposals
## Summary Metrics

| | Cedar Crossing 1.0 (larger project) | Cedar Crossing 2.0 (small project) | Wild Rose |
|---|---|---|---|
| **Planned number of gaming machines** | 840 | 550 | 600 |
| **Planned number of gaming tables** | 30 | 15 | 20 |
| **Planned number of hotel rooms** | None | None | None |
| **Projected Total Employment and employee wages on site (per proposal)** | 355 direct jobs<br>$14.9M of annual payroll per consultant<br>Wages will be 25% over minimum fed rates - this is $9.06 or $5.44 for tipped employees<br>Hourly non-tipped workers range is $9.25-$20<br>Hourly tipped workers is $5.44-$20<br>Salaries range from $40k-$252k dependent on position | 231 direct jobs<br>$9.1M of annual payroll per consultant<br>Wages will be 25% over minimum fed rates - this is $9.06 or $5.44 for tipped employees<br>Hourly non-tipped workers range is $9.25-$20<br>Hourly tipped workers is $5.44-$20<br>Salaries range from $40k-$252k dependent on position | 225 jobs<br>$7.5M of annual Payroll<br>Wages will be 25% over minimum fed rates - this is $9.06 or $5.44 for tipped employees<br>Linn County Minimum Wage:<br>$8.25 currently<br>$9.25 in Jan 2018<br>$10.25 in Jan 2019 |
| **Location** | West side of river, 1st Ave & 1st Street SW<br>Across the street from city-constructed parking ramp | East side of river, across the street from US Cellular Center & Hilton Doubletree<br>1st Ave & 4th Street NE | East side of river, across the street from US Cellular Center & Hilton Doubletree<br>401 1st Ave NE |
| **Project Size (Sq. Ft.)** | 171k sf total, 40k for gaming - up to 3,636 occupants | 55k sf total, 19k for gaming - up to 1,735 occupants | Approximately 50-60k sf, 25k for gaming - up to 2,000 occupants |
| **Description of the facilities** | Urban casino with event space and restaurants<br>Street-level - covered parking for 267 stalls, lobby<br>2nd level - 43k sf of gaming, 12k sf of restaurant/retail, 38k sf boh<br>3rd level - 14k sf of event space, 5k sf boh | Small, urban casino with a restaurant<br>Casino is beneath parking garage and connected to the Hilton Doubletree via skyway<br>Street-level - covered parking for 67 VIP spots, 3-story porte cochere for lobby entrance<br>2nd level - 19k sf of gaming, 9k sf of restaurant/bar<br>3rd -7th levels - structured parking (800 stalls total) | Urban, boutique casino across the street from the US Cellular Center<br>Street-level, covered parking with 67 stalls<br>25,000 sf of gamining on 2nd floor<br>25,000 sf of office/storage on 3rd floor |
| **Restaurants/Amentities** | No attached hotel<br>400-seat event space<br>Sinclairs Steakhouse, Kingston Buffet, PickleWorks Deli, The Rock Bar | No attached hotel<br>Sinclairs Deli, The Rock Bar | No attached hotel, event space, or full-service restaurant<br>Bar and limited food/snack menu on gaming floor<br>No restaurants with intentional to drive business to adjacent local spots |
| **Project Cost** | $169M plus additional $27M for city-constructed parking garage | $81.4M pluss additional $25M for city-constructed parking garage | $42.3M (including contingency) |

***Source: Cedar Crossing & Wild Rose Proposals***

**Cedar Crossing Proposal (large)**
840 machines, 30 table games

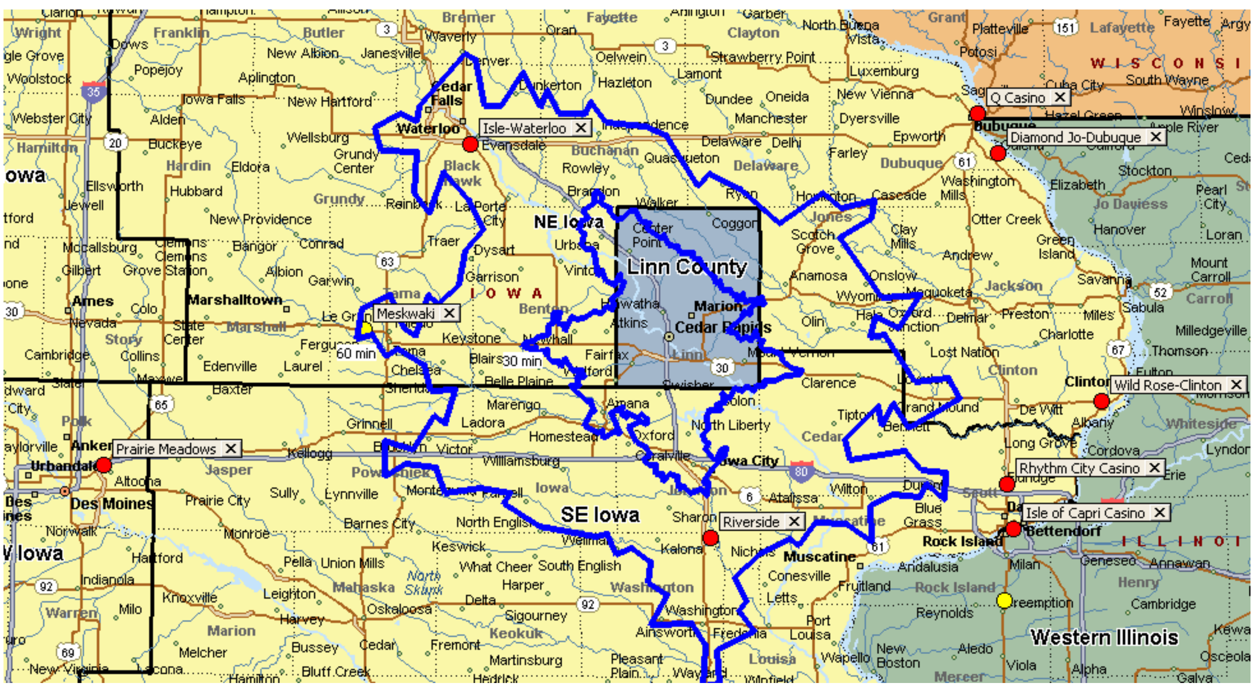

**Cedar Crossing Proposal (small)**
550 machines, 15 table games


**Wild Rose Proposal**
600 machines, 20 table games

Marquette Advisors reviewed the proposed development sites and project details for each. Each proposal profiles a high-quality urban casino with an architectural character that is attractive and fits well within the context of their respective locations.

The map below shows a 30- and 60-minute drive time surrounding Cedar Rapids. Considering the location and the facilities proposed, and the location and attractiveness of surrounding competitors, we believe that a new casino in Cedar Rapids, with no on-site lodging component, would attract the majority of its customers from within a 30-minute to 60-minute drive time, with less frequent visitation more distant markets, as well as "tourists" originating from a somewhat greater distance. This would include both Iowans and out-of-state visitors who will come occasionally for the specific purpose of gambling at the facility, and others who may be in Cedar Rapids for another purpose, perhaps on business, for a convention, or relating to another leisure activity. Key submarkets include the greater Cedar Rapids market, as well as Iowa City just to the south.

**Cedar Rapids Competitive Gaming Market**




Subsequent to this development, we would expect a corresponding increase in casino gaming participation rates, particularly within the Linn County market due to the addition of a new facility here and the convenience factor by comparison to existing gaming alternatives which are clearly more distant from Cedar Rapids. Gamers residing in the Cedar Rapids area have several casinos available to them, although the nearest venues (Riverside and Isle-Waterloo) lie about 40 to 50 minutes from most of this population base, with Meskwaki also being about one hour to the west. The convenience factor is expected to result in local regular gamers opting to gamble more frequently, with the majority of those added casino trips going to the new venue. As well, the new casino is also likely to entice new participation by current non-gamers and more casual gamers in the area. Our model adjustments have factored in a projected increase in participation rates in the Cedar Rapids area from about 3.5 presently to **6.0** casino visits per adult per year, assuming a larger casino, and 5.0 for a smaller casino. By comparison, local casino gaming participation rates in other urban Iowa markets currently featuring one or more casinos are estimated as follows:

- Waterloo: 7.5
- Dubuque: 12.0
- Davenport/Bettendorf: 7.5
- Des Moines: 3.8
- Omaha/Council Bluffs: 5.3

For more distant counties situated 30 to 60+ minutes from Cedar Rapids, we have estimated modest 5% to 10% increases in participation rates, varying by zip code.

In redistributing our projection of casino trips, market share adjustments were also made to reflect the impact of the assumed new Cedar Rapids casino upon other casinos in the region. Average expenditures per casino visit were modeled for the new facility by point of origin, based on our market analysis and review of demographic and economic data, and the expenditure characteristics of gamers at other facilities in the region according to our analysis of player tracking data provide by Iowa casinos.

Our adjusted model projects that the larger Cedar Crossing facility would generate approximately **$85 million** by 2022, with approximately 1,225,000 annual admissions. The smaller Cedar Crossing facility is estimated to generate about **$57 million**, compared to **$52 million** for the Wild Rose proposal. In comparing the two smaller casino proposals, we estimate that Cedar Crossing would command a slightly greater market share and visitation due to its somewhat more extensive food & beverage offering.

We expect that a new venue as proposed for Cedar Rapids would in fact have a significant cannibalization impact. That impact would be most pronounced with respect Riverside Casino & Resort, given the importance of the Cedar Rapids and Iowa City markets to that facility presently. **Of the $85.0 million in annual revenue projected for the larger Cedar Crossing facility, we estimate that about 55% ($47 million) would be "new" revenue resulting from an increase in gaming activity, with the remaining 45%, or $38 million coming through the cannibalization of business from other casinos. The cannibalization impact for the smaller casino proposals is estimated to range from approximately $29 to $32 million, or about 56% of facility revenues.** A summary of the projected financial performance and market impact of each proposal is presented on the following table. Also, commensurate with our agreement with IRGC, we have provided a summary of the anticipated impact of the possible increase in the size of each proposal by 10%, 25% and 50%.

## Proposed Cedar Rapids Casino Development
## Projected Performance & Market Impact

| | Baseline Proposals | | | Assume 10% Additional Gaming Positions | | | Assume 25% Additional Gaming Positions | | | Assume 50% Additional Gaming Positions | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Cedar Crossing (large project) | Cedar Crossing (small project) | Wild Rose proposal | Cedar Crossing (large project) | Cedar Crossing (small project) | Wild Rose proposal | Cedar Crossing (large project) | Cedar Crossing (small project) | Wild Rose proposal | Cedar Crossing (large project) | Cedar Crossing (small project) | Wild Rose proposal |
| ***Assumed Facilities*** | | | | | | | | | | | | |
| # of Gaming Positions | 1,150 | 655 | 740 | 1,265 | 721 | 814 | 1,438 | 819 | 925 | 1,725 | 983 | 1,110 |
| # of Attached Hotel Rooms | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| ***Estimated Construction Cost*** | $196,000,000 | $106,400,000 | $42,300,000 | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| ***Projected Annual Admissions*** | 1,225,000 | 830,000 | 760,000 | 1,325,000 | 910,000 | 845,000 | 1,465,000 | 1,025,000 | 950,000 | 1,725,000 | 1,200,000 | 1,120,000 |
| ***Projected Net Win (2022)*** | **$85,000,000** | **$57,000,000** | **$52,000,000** | **$91,400,000** | **$61,600,000** | **$56,600,000** | **$101,000,000** | **$68,500,000** | **$63,500,000** | **$117,000,000** | **$80,000,000** | **$75,000,000** |
| *Net Win per Position/Day* | *$203* | *$238* | *$218* | *$198* | *$234* | *$215* | *$192* | *$229* | *$212* | *$186* | *$223* | *$209* |
| *Net Win per Admission* | *$69* | *$69* | *$68* | *$69* | *$68* | *$67* | *$69* | *$67* | *$67* | *$68* | *$67* | *$67* |
| **Projected New Win from Out of State Customers** | $5,000,000 | $2,500,000 | $2,000,000 | $5,250,000 | $2,625,000 | $2,100,000 | $5,775,000 | $2,887,500 | $2,310,000 | $7,000,000 | $3,500,000 | $3,000,000 |
| *% of Casino Net Win* | *5.9%* | *4.4%* | *3.8%* | *5.7%* | *4.3%* | *3.7%* | *5.7%* | *4.2%* | *3.6%* | *6.0%* | *4.4%* | *4.0%* |
| ***Projected "New" Statewide Incremental Gaming Revenue*** | **$47,000,000** | **$25,000,000** | **$23,000,000** | **$49,400,000** | **$27,600,000** | **$25,600,000** | **$54,000,000** | **$30,000,000** | **$28,500,000** | **$62,000,000** | **$35,000,000** | **$34,000,000** |
| *% of Subject Casino net win attributable to* market growth (i.e. "new" revenue) | *55%* | *44%* | *44%* | *54%* | *45%* | *45%* | *53%* | *44%* | *45%* | *53%* | *44%* | *45%* |
| ***Projected Incremental Iowa Gaming Tax Revenue*** | **$10,340,000** | **$5,500,000** | **$5,060,000** | **$10,868,000** | **$6,072,000** | **$5,632,000** | **$11,880,000** | **$6,600,000** | **$6,270,000** | **$13,640,000** | **$7,700,000** | **$7,480,000** |
| ***Cannibalization Impact (revenue lost by existing casinos)*** | **$38,000,000** | **$32,000,000** | **$29,000,000** | **$42,000,000** | **$34,000,000** | **$31,000,000** | **$47,000,000** | **$38,500,000** | **$35,000,000** | **$55,000,000** | **$45,000,000** | **$41,000,000** |
| *% of Subject Casino net win attributable to cannibalization* | *45%* | *56%* | *56%* | *46%* | *55%* | *55%* | *47%* | *56%* | *55%* | *47%* | *56%* | *55%* |
| ***Cannibalization Impact per Casino*** | | | | | | | | | | | | |
| Riverside | $22,000,000 | $20,000,000 | $18,000,000 | $24,300,000 | $21,250,000 | $19,250,000 | $27,200,000 | $24,100,000 | $21,725,000 | $31,850,000 | $28,125,000 | $25,450,000 |
| Isle-Waterloo | $5,000,000 | $3,000,000 | $2,000,000 | $5,500,000 | $3,200,000 | $2,150,000 | $6,200,000 | $3,600,000 | $2,400,000 | $7,250,000 | $4,200,000 | $2,825,000 |
| Meskwaki | $6,000,000 | $4,000,000 | $3,000,000 | $6,600,000 | $4,250,000 | $3,200,000 | $7,400,000 | $4,800,000 | $3,600,000 | $8,650,000 | $5,625,000 | $4,250,000 |
| Others | $5,000,000 | $5,000,000 | $6,000,000 | $5,600,000 | $5,300,000 | $6,400,000 | $6,200,000 | $6,000,000 | $7,275,000 | $7,250,000 | $7,050,000 | $8,475,000 |

***Source: Marquette Advisors***

In either scenario, with a new casino in Cedar Rapids, we expect Riverside Casino would be particularly hard hit in terms of lost market share, losing between $18.0 and $22.0 million in annual gaming revenues. This equates to about 20% to 25% of what we would project Riverside's revenues to otherwise be in 2022 if a new casino was not developed in Cedar Rapids. Such a decrease in gaming revenues would almost certainly prompt a reduction in the number of gaming devices at Riverside. As well, we would expect a corresponding reduction in the casino's workforce, with the elimination of some gaming, food & beverage, and other support jobs due to the reduction in revenue and customer admissions. It is difficult to gauge the exact impact on Riverside employment, as we cannot accurately predict how Riverside management would handle such a downturn. However, as a point of reference, we have examined neighboring Illinois. It has been noted that the introduction of gaming machines at Illinois bars and restaurants led to a $226 million decline in casino revenues, prompting a loss of 1,000 jobs at the state's casinos, according to a 2017 report by Rubin Brown LLP. This equates to one job lost for every $226,000 in reduced gaming revenue. If the same relationship were to apply in Iowa, a $20 million reduction in revenues at Riverside could result in a layoff of about 90 employees. This is about 12% of the casino's workforce, based on 728 current employees at the facility according to IRGC published reports.

## Economic Impact

**Job Creation** -- We expect that either of the facilities will have a major impact in terms of job creation on site. We evaluated each proposal and the proposers estimates of job creation in comparison with the reported employment at Iowa's existing casinos. **This analysis suggests that the job creation impact as estimated by each proposer is in fact very reasonable.** Presented below is a summary of estimated based jobs at each of the proposed facilities, compared to current employment at a sampling of Iowa casinos of varying size. We evaluated the ratio of jobs provided both on a per-revenue basis, as well as jobs per gaming position. The subject proposals predict job creation in the range of 4.1 to 4.3 for every $1.0 million in anticipated gaming revenue, and 0.30 to 0.35 jobs per gaming position.

| Casino | Gaming Positions | Annual Gaming Revenue ($ millions) | On-Site Employment | Jobs per Gaming Position | Jobs per $1.0 million in Gaming |
|---|---|---|---|---|---|
| Cedar Crossing propsosal (large) | 1,150 | $85 | 355 | 0.31 | 4.2 |
| Cedar Crossing proposal (small) | 655 | $57 | 231 | 0.35 | 4.1 |
| Wild Rose Proposal | 740 | $52 | 225 | 0.30 | 4.3 |
| Diamond Jo-Dubuque | 1,081 | $67 | 418 | 0.39 | 6.2 |
| Casino Queen-Marquette | 593 | $26 | 162 | 0.27 | 6.2 |
| Diamond Jo-Northwood | 1,212 | $85 | 405 | 0.33 | 4.8 |
| Horseshoe-Council Bluffs | 1,905 | $172 | 747 | 0.39 | 4.3 |
| Wild Rose-Emmetsburg | 572 | $28 | 192 | 0.34 | 6.9 |
| Wild Rose-Clinton | 644 | $31 | 248 | 0.39 | 8.0 |
| Wild Rose-Jefferson | 609 | $28 | 188 | 0.31 | 6.7 |
| Average-sample group | 945 | $62 | 337 | 0.35 | 6.2 |

**Casino expenditures on products, supplies and services** -- Casinos also have a significant impact on other businesses in a local and regional economy when they purchase products, supplies and services for their operation. In estimating the potential impact of each Cedar Rapids proposal upon the Iowa vendor base, in this way, we draw reference to an April 2017 report by Spectrum Gaming Group on behalf of the American Gaming Association. That report, titled *"Gaming Means (Small) Business: How Casinos Boost Local Economies,"* indicates that Iowa's 19 commercial casinos spent approximately $289.4 million in 2015 on products, supplies and services purchased from Iowa based companies.[8] This equates to an average of $15.2 million in such spending per casino, and about $1 for every $4.90 in annual gaming revenue. Applying this same ratio, based on the expected revenue performance and characteristics of each of the proposed facilities, we estimate an annual spending impact as follows per proposal:

| | |
|---|---|
| Cedar Crossing (large): | $17.3 million per year |
| Cedar Crossing (small): | $11.6 million per year |
| Wild Rose: | $10.6 million per year |

Through these purchases made from Iowa businesses, a new Cedar Rapids casino will also support (indirectly) jobs throughout the regional economy. The Spectrum report also states that off-site spending by US casino operations totaled $52 billion nationally, supporting 350,000 jobs and $13 billion in worker payroll. Applying a similar ratio to the projected vendor spending impacts attributable to each of the Cedar Rapids casino proposals, we can estimate the indirect employment impact of each facility as follows:

| | |
|---|---|
| Cedar Crossing (large): | 115 indirect jobs ($4.25 million in payroll) |
| Cedar Crossing (small): | 77 indirect jobs ($2.85 million in payroll) |
| Wild Rose: | 71 indirect jobs ($2.63 million in payroll) |

**Off-Site Spending by Casino Customers** – Additionally, we can consider the potential impact of the casino proposals on nearby businesses, resulting from casino visitor spending off-site at area restaurants/bars, convenience stores, gas stations, hotels, and other businesses. A number of studies by the AGA and others have sited customer behavior studies and visitation patterns whereby many casino guests also visit and spend money at nearby businesses. Such an analysis is not included here, for the simple reason that the vast majority of these expenditures do not represent a net increase in spending at area businesses, especially since a large share of the casino customer base is expected to be locals. As such, these off-site expenditures are not *new* revenue within the local economy. Spending at a nearby restaurant reflects *substitution spending*, i.e. these are dollars that would have otherwise been spent elsewhere in the community, or on food/beverage purchases from an area grocery store.

[8] *"Gaming Means (Small) Business: How Casinos Boost Local Economies."* -- April 2017. Spectrum Gaming Group.

## SUMMARY OF CONCLUSIONS

Casinos have been developed throughout Iowa, such that most of the state's significant population centers have access to multiple gaming venues (in most cases two to three) within a driving distance of about one hour. As well, several casinos have been developed in border communities, thereby attracting gaming dollars from outside Iowa. Examples include the Council Bluffs market, which attracts gamers from nearby Omaha, Lincoln and much of Nebraska, as well as Kansas and Missouri to a lesser degree. Dubuque's two casinos and those in the Quad Cities are positioned to capture gamer visits from neighboring Wisconsin and Illinois. Grand Falls in Larchwood, in the far northwest corner of the Iowa, has been successful in attracting regular patronage from the nearby Sioux Falls, SD market. Meanwhile, small to mid-size casinos in border towns such as those at Marquette, Clinton, and Burlington operate similarly, albeit on a smaller scale, capturing revenue locally and from neighboring states. Northern Iowa facilities including Wild Rose-Emmetsburg and Diamond Jo-Northwood have had success in penetrating the primarily rural northern Iowa markets, while also tapping southern Minnesota population centers such as Albert Lea, Austin, Owatonna and Fairmont. Iowa casinos located in the central and east-central parts of Iowa such as Riverside, Isle-Waterloo, Meskwaki, Prairie Meadows and Lakeside provide multiple attractive gaming options for persons residing in major Iowa cities such as Des Moines, Waterloo, Cedar Falls, Cedar Rapids and Iowa City. The recently constructed Wild Rose Casino-Jefferson attracts most of its gamers from rural northwest Iowa.

Iowa gaming was impacted by a serious recession, although later and not as severely by comparison to many U.S. markets. Our analysis indicates that a recovery took hold, beginning in 2010. FY 2012 revenues at Iowa casinos totaled \$1.465 billion, about 3.5% greater than the pre-recession level, before dipping slightly to \$1.442 billion in FY2013, and again in FY2014 partly attributable to a particularly harsh winter.

Revenue growth statewide has averaged 1.5% per year since FY2014, although individual market and casino performance has been mixed. In FY2017, 12 out of the 19 commercial casinos saw declines in gaming revenue, with 7 posting increases, the most significant being Isle-Bettendorf and Rhythm City which opened new land-based casinos that have been able to recapture market share from Jumer's in Rock Island. In recent years, we have observed an increasingly competitive market environment, with multiple casinos within relative close proximity competing for gamer expenditures from a population base that continues to demonstrate a low growth rate. Some are up, others down, as market share adjustments continue. Meanwhile, gaming participation rates in most parts of Iowa have shown a decline. We estimate that the number of casino trips per year per adult resident has declined by an average of 1% per year since 2010. Increases in per-capita expenditures have offset the declines in visitation in some markets.

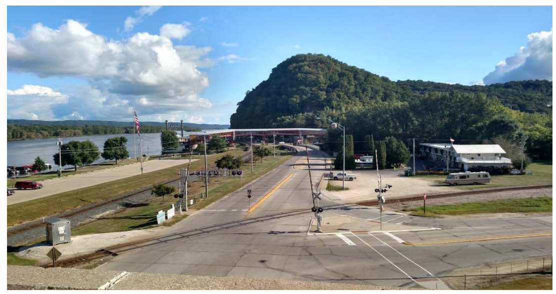
We find that Iowa's current casinos are either at maximum penetration within their respective markets, or fast approaching this stage. The draw area surrounding individual casinos has become smaller; as new facilities have been developed, each facility has become more localized in terms of its customer base.

In summary, we expect that Iowa commercial casino revenues will increase from $1.453 billion in FY2017 to approximately $1.473 billion in FY2022, reflecting very modest 1.4% growth over five years.

We expect that a new casino in Cedar Rapids will prompt an increase in local casino gaming participation rates, such that a new casino here will be successful in attracting new gaming dollars from the local population. As well, such a development will result in a redistribution of market share among existing casinos in Iowa. This "cannibalization" impact will be most pronounced on the Riverside Casino, which relies heavily on the Cedar Rapids and Iowa City markets. Other impacted casinos will include Isle-Waterloo and Meskwaki. The large Cedar Crossing proposal analyzed is estimated to produce $85.0 million in gaming revenue by 2022, with 45% of that expected to be the result of cannibalization. The smaller proposals are projected to generate revenues in the range of $52.0 to $57.0 million, with around 56% to be the result of cannibalization.

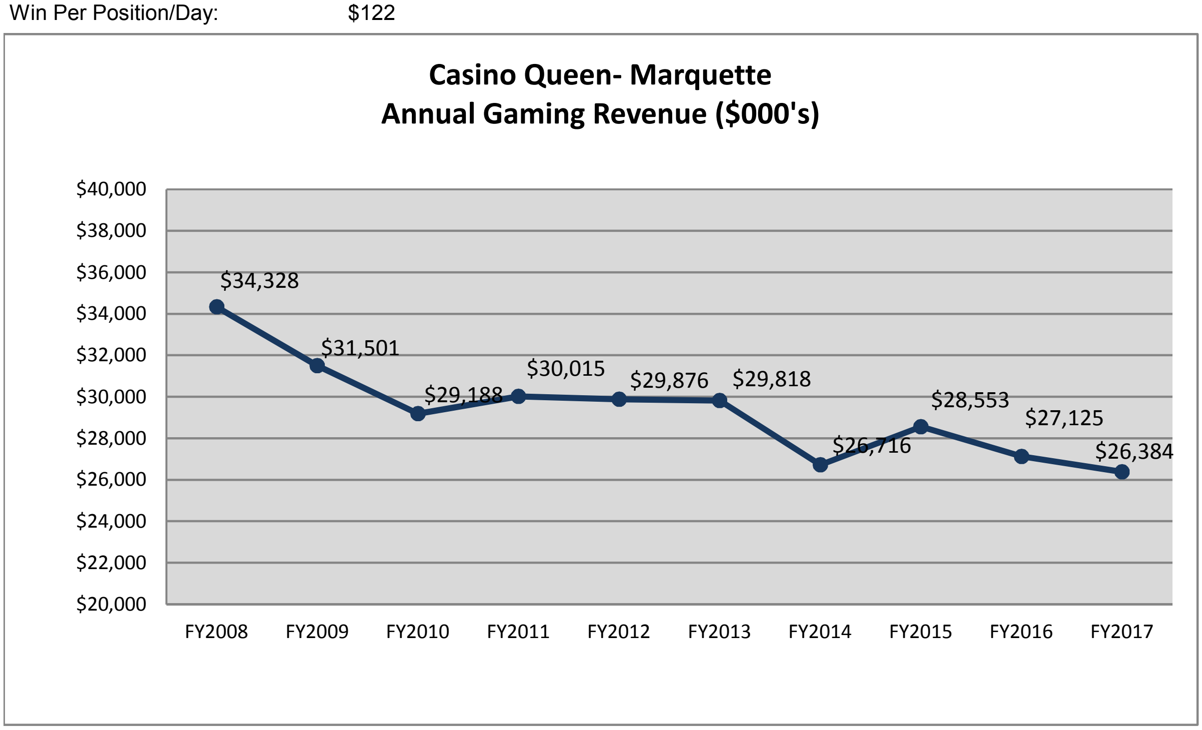
# ADDENDA

# IOWA CASINO PROFILES



## Casino Name: Casino Queen-Marquette

| | | | |
|---|---|---|---|
| Location: | Highway 18 West<br>Marquette, Iowa | | |
| Year Opened: | 2000 | Admissions: | 253,122 |
| | | Gaming Revenue/Admission: | $104 |
| Total Slots: | 533 | Casino Square Footage: | 17,514 |
| Gaming Tables: | 8 | Patron Capacity: | 1,200 |
| **Total Gaming Positions:** | **593** | Hotel Rooms: | 0 |
| | | Dining Venues: | 2 |
| **FY 2017 Net Win:** | **$26,384,268** | Dining Capacity: | 151 |
| Win Per Position/Day: | $122 | | |

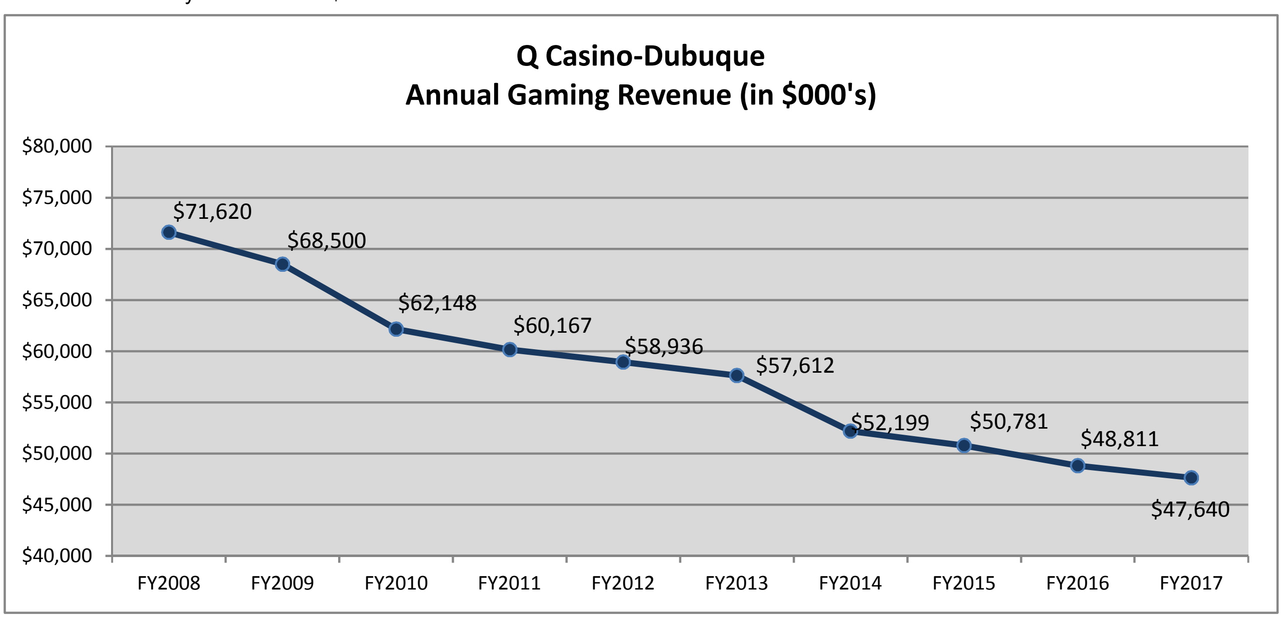


## Casino Name: Q Casino

| | |
|---|---|
| Location: | 1855 Greyhound Park Rd<br>Dubuque, IA 52001 |
| Year Opened: | 1985 |
| Total Slots: | 827 |
| Gaming Tables: | 22 |
| **Total Gaming Positions:** | **995** |

| | |
|---|---|
| Admissions: | 847,435 |
| Gaming Revenue/Admission: | $56 |
| Casino Square Footage: | 46913 |
| Patron Capacity: | 3500 |
| Hotel Rooms: | 116 |
| Dining Venues: | 6 |
| Dining Capacity: | 810 |

| | |
|---|---|
| **FY 2017 Net Win:** | **$47,639,628** |
| Win Per Position/Day: | $131 |



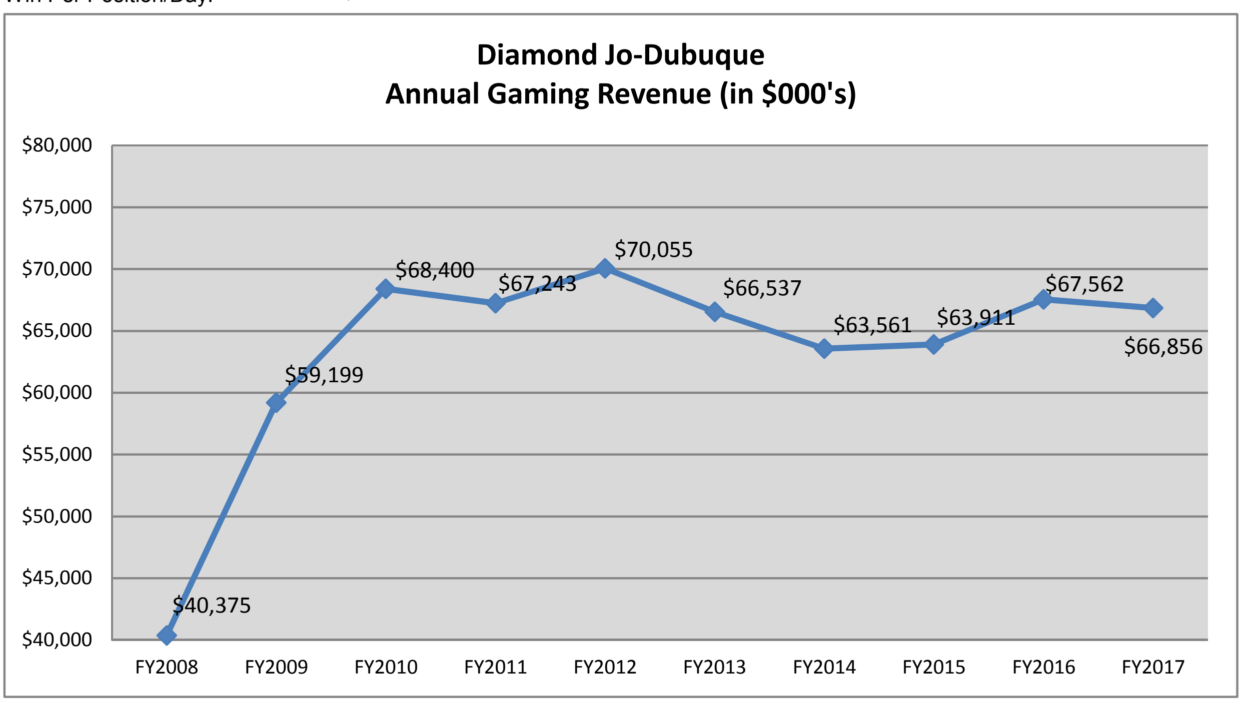
## Casino Name: Diamond Jo Casino - Dubuque

Location: 301 Bell Street
Dubuque, Iowa

| | | | |
|---|---|---|---|
| Year Opened: | 1994* | Admissions: | 917,395 |
| | | Gaming Revenue/Admission: | $73 |
| Total Slots: | 939 | Casino Square Footage: | 43,495 |
| Gaming Tables: | 20 | Patron Capacity: | 3954 |
| **Total Gaming Positions:** | **1,081** | Hotel Rooms: | 0 |
| | | Dining Venues: | 4 |
| | | Dining Capacity: | 534 |

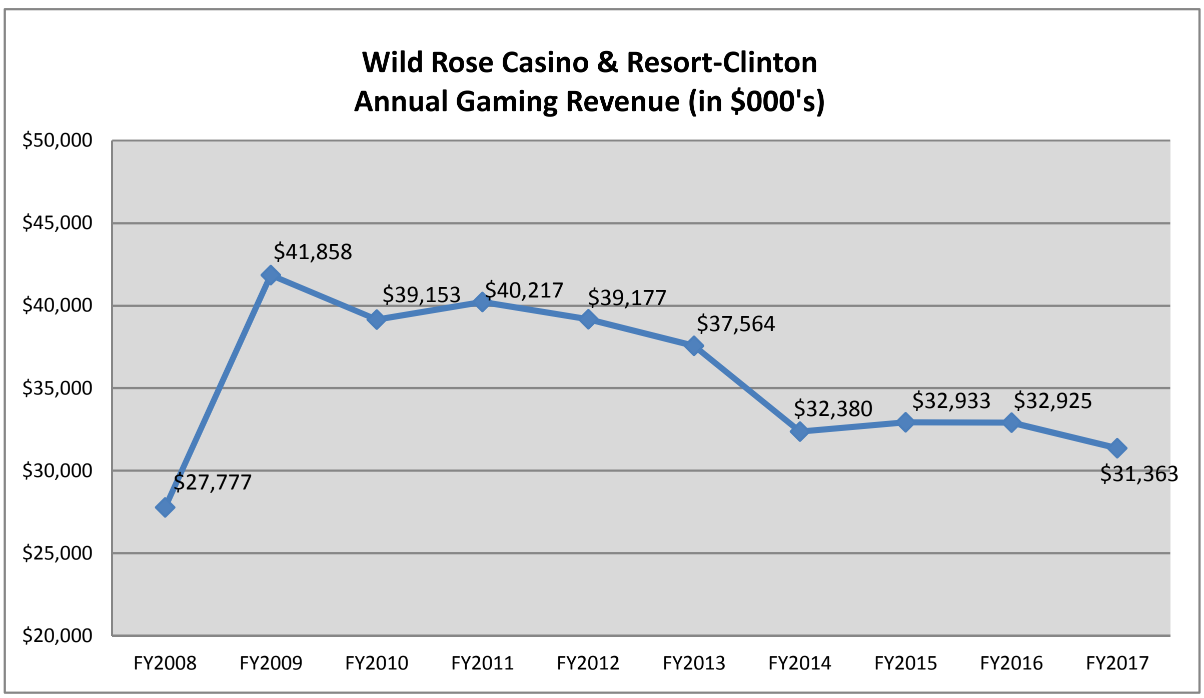
**FY 2017 Net Win:** **$66,856,145**

Win Per Position/Day: $204

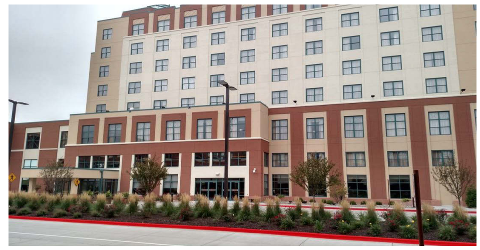



* New land based casino completed in Dec 2008

| | | | |
|---|---|---|---|
| **Casino Name:** | **Wild Rose Casino & Resort** | | |
| Location: | 777 Wild Rose Circle<br>Clinton, Iowa | | |
| Year Opened: | 1991* | Admissions: | 567,370 |
| | | Gaming Revenue/Admission: | $55.28 |
| Total Slots: | 549 | Casino Square Footage: | 19,681 |
| Gaming Tables: | 13 | Patron Capacity: | 1,790 |
| **Total Gaming Positions:** | **644** | Hotel Rooms: | 60 |
| | | Dining Venues: | 3 |
| | | Dining Capacity: | 1,150 |
| **FY 2017 Net Win:** | **$31,362,880** | | |
| Win Per Position/Day: | $131 | | |

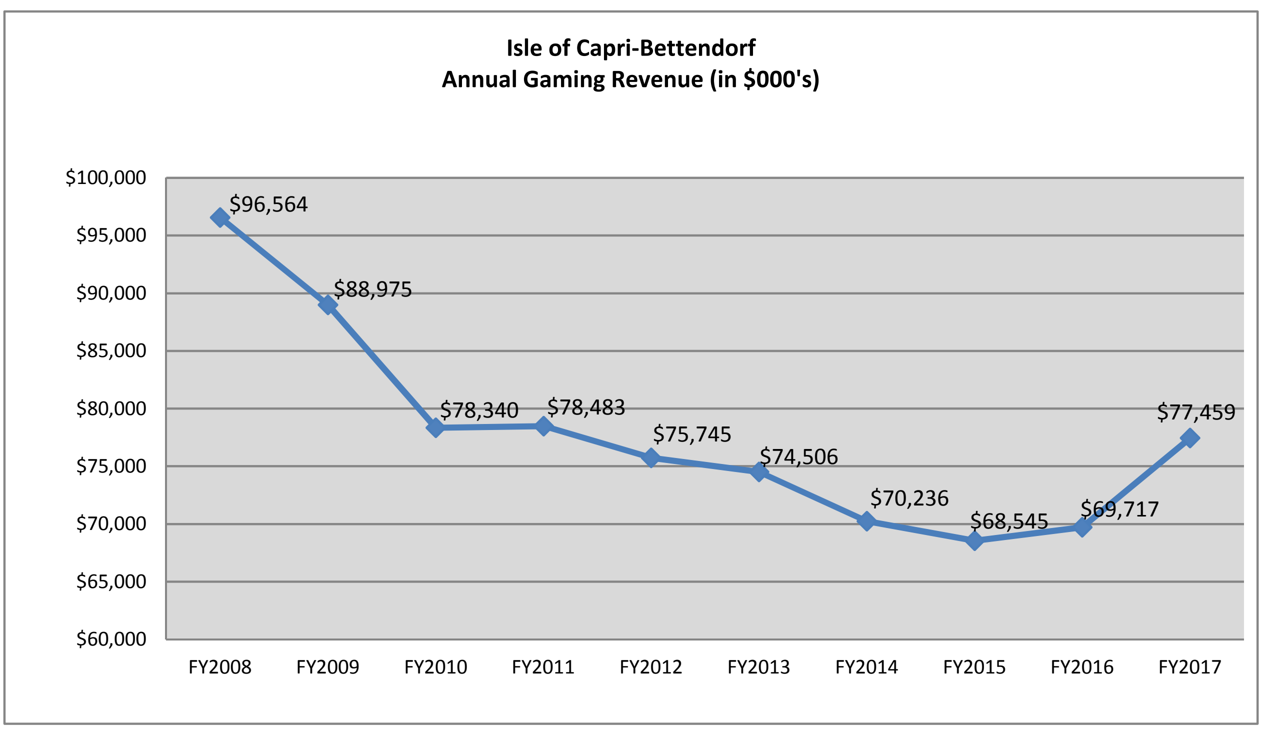



* new land based casino hotel replaced Miss. Belle riverboat in July 2008

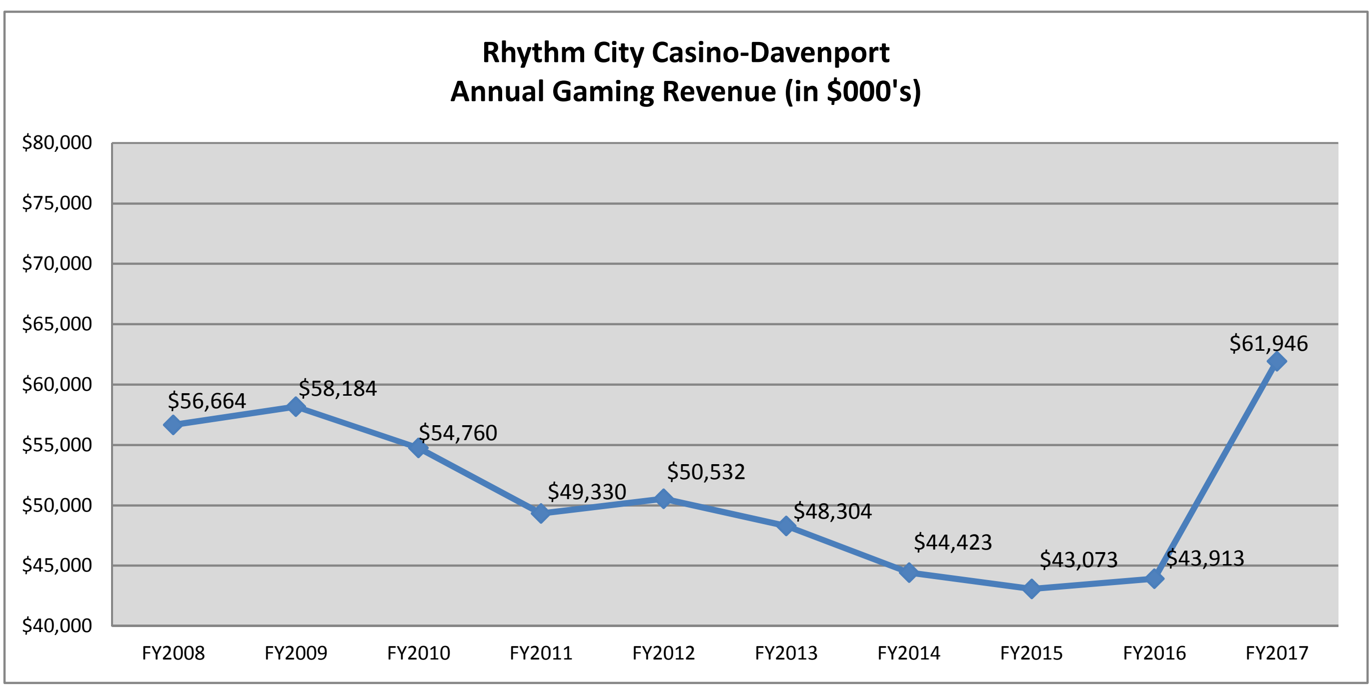


| | |
|---|---|
| **Casino Name:** | **Isle of Capri Casino** |
| Location: | 1777 Isle Parkway<br>Bettendorf, Iowa |
| Year Opened: | 1995 (2016) |
| Total Slots: | 971 |
| Gaming Tables: | 20 |
| **Total Gaming Positions:** | **1,119** |
| **FY 2017 Net Win:** | **$77,459,196** |
| Win Per Position/Day: | $167 |

| | |
|---|---|
| Admissions: | 1,075,519 |
| Gaming Revenue/Admission: | $72 |
| Casino Square Footage: | 36,659 |
| Patron Capacity: | 3,186 |
| Hotel Rooms: | 509 |
| Dining Venues: | 4 |
| Dining Capacity: | 460 |

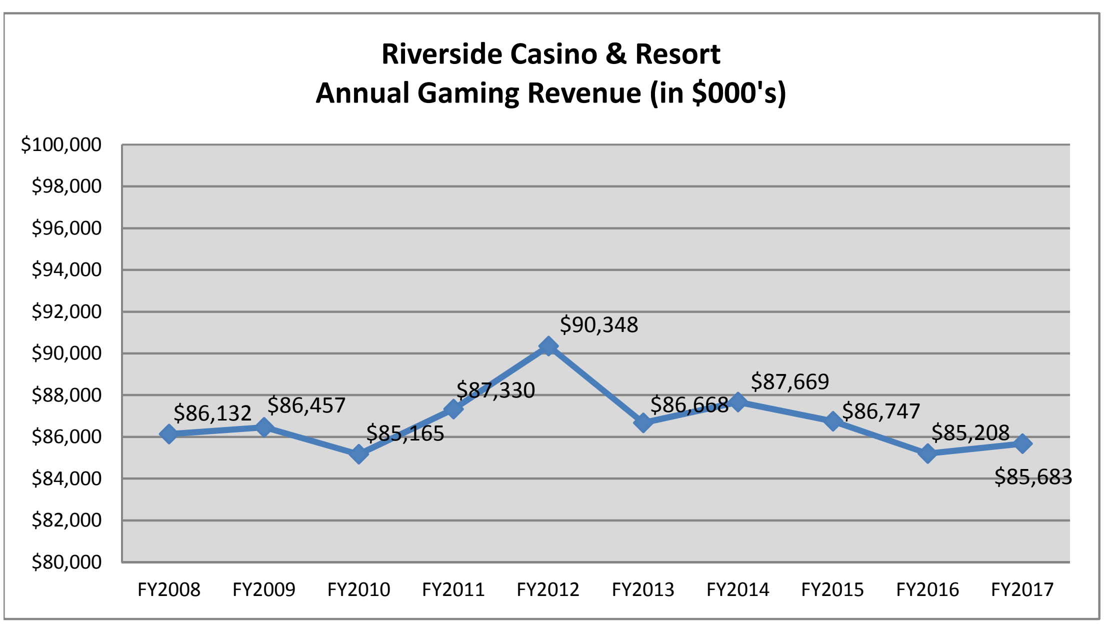



| | | | |
|---|---|---|---|
| **Casino Name:** | **Rhythm City Casino** | | |
| Location: | 101 W River Dr<br>Davenport, IA 52801 | | |
| Year Opened: | 1991 (2016) | Admissions: | 1,274,293 |
| | | Gaming Revenue/Admission: | $49 |
| Total Slots: | 790 | Casino Square Footage: | 37,917 |
| Gaming Tables: | 31 | Patron Capacity: | 1,100 |
| **Total Gaming Positions:** | **1,029** | Hotel Rooms: | 0 |
| | | Dining Venues: | 4 |
| **FY 2017 Net Win:** | **$61,945,577** | Dining Capacity: | 635 |
| Win Per Position/Day: | $165 | | |



## Casino Name: Riverside Casino & Golf Resort

| | | | |
|---|---|---|---|
| Location: | 3184 SR-22<br>Riverside, IA 52327 | | |
| Year Opened: | 2006 | Admissions: | 1,524,135 |
| | | Gaming Revenue/Admission: | $57 |
| Total Slots: | 974 | Casino Square Footage: | 51,995 |
| Gaming Tables: | 48 | Patron Capacity: | 4,562 |
| **Total Gaming Positions:** | **1,350** | Hotel Rooms: | 201 |
| | | Dining Venues: | 4 |
| | | Dining Capacity: | 510 |
| **FY 2017 Net Win:** | **$86,682,854** | | |
| Win Per Position/Day: | $153 | | |

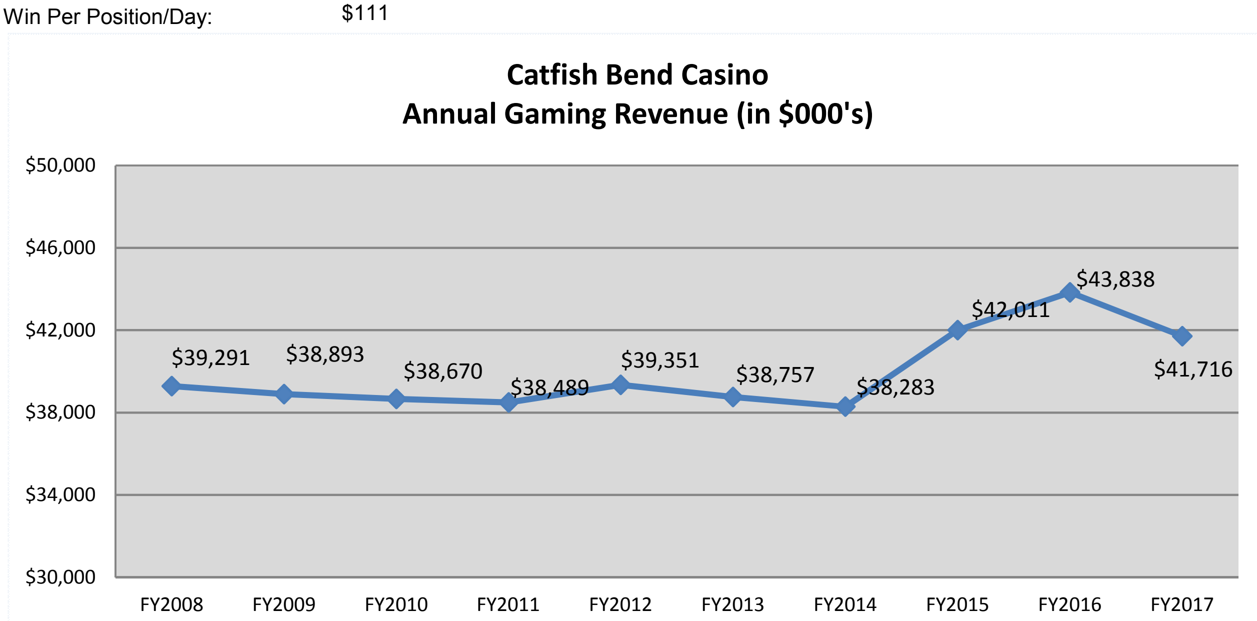



## Casino Name: Catfish Bend Casino & Hotel

Location: 3001 Winegard Dr
Burlington, IA 52601

| | | | |
|---|---|---|---|
| Year Opened: | 1994 | Admissions: | 668,883 |
| | | Gaming Revenue/Admission: | $62 |
| Total Slots: | 607 | Casino Square Footage: | 24,353 |
| Gaming Tables: | 25 | Patron Capacity: | 2213 |
| **Total Gaming Positions:** | **800** | Hotel Rooms: | 185 |
| | | Dining Venues: | 7 |
| | | Dining Capacity: | 660 |

**FY 2017 Net Win:** **$41,715,632**
Win Per Position/Day: $111



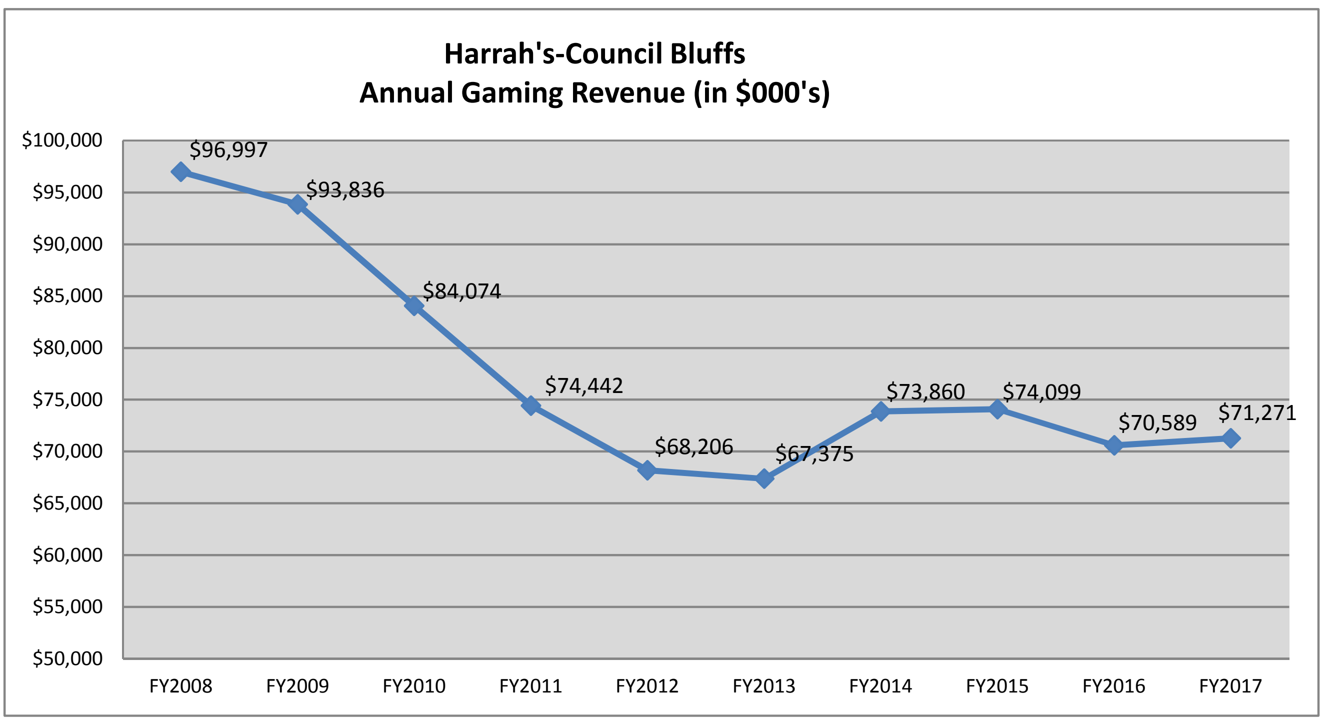

## Casino Name: Hard Rock Hotel & Casino

Location: 111 3rd St
Sioux City, IA 51101

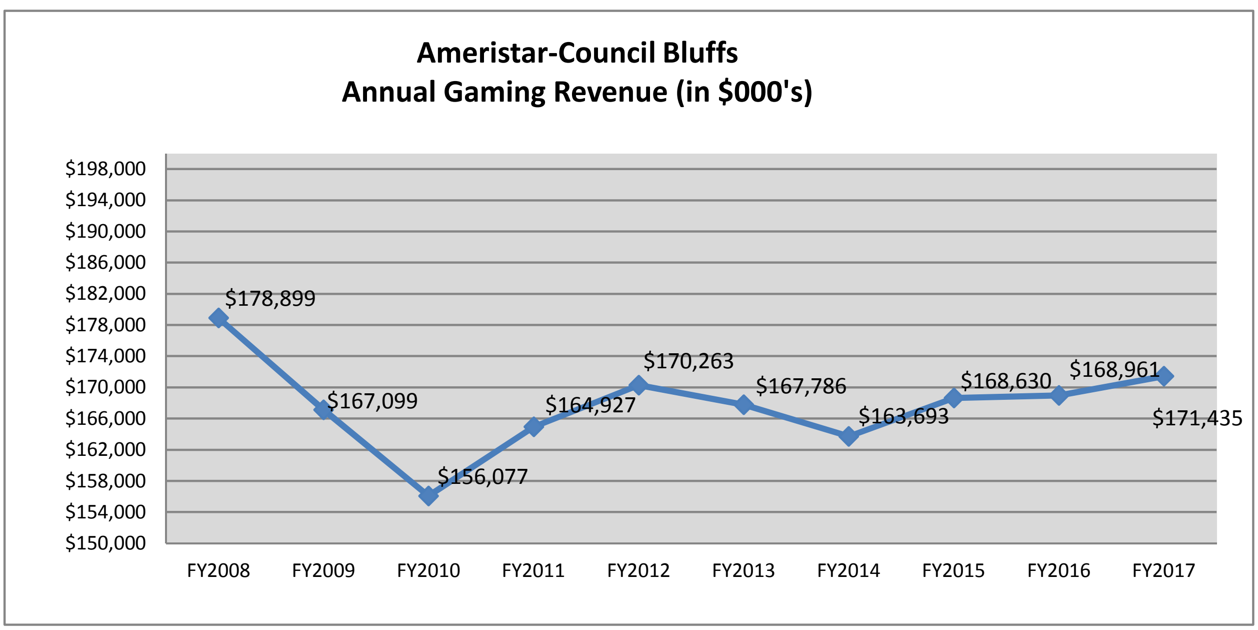
| | | | |
|---|---|---|---|
| Year Opened: | 2014 | Admissions: | 1,721,017 |
| | | Gaming Revenue/Admission: | $45 |
| Total Slots: | 852 | Casino Square Footage: | 45,380 |
| Gaming Tables: | 31 | Patron Capacity: | 3,250 |
| **Total Gaming Positions:** | **1,077** | Hotel Rooms: | 54 |
| | | Dining Venues: | 6 |
| | | Dining Capacity: | 800 |

**FY 2017 Net Win:** **$77,027,496**
Win Per Position/Day: $205

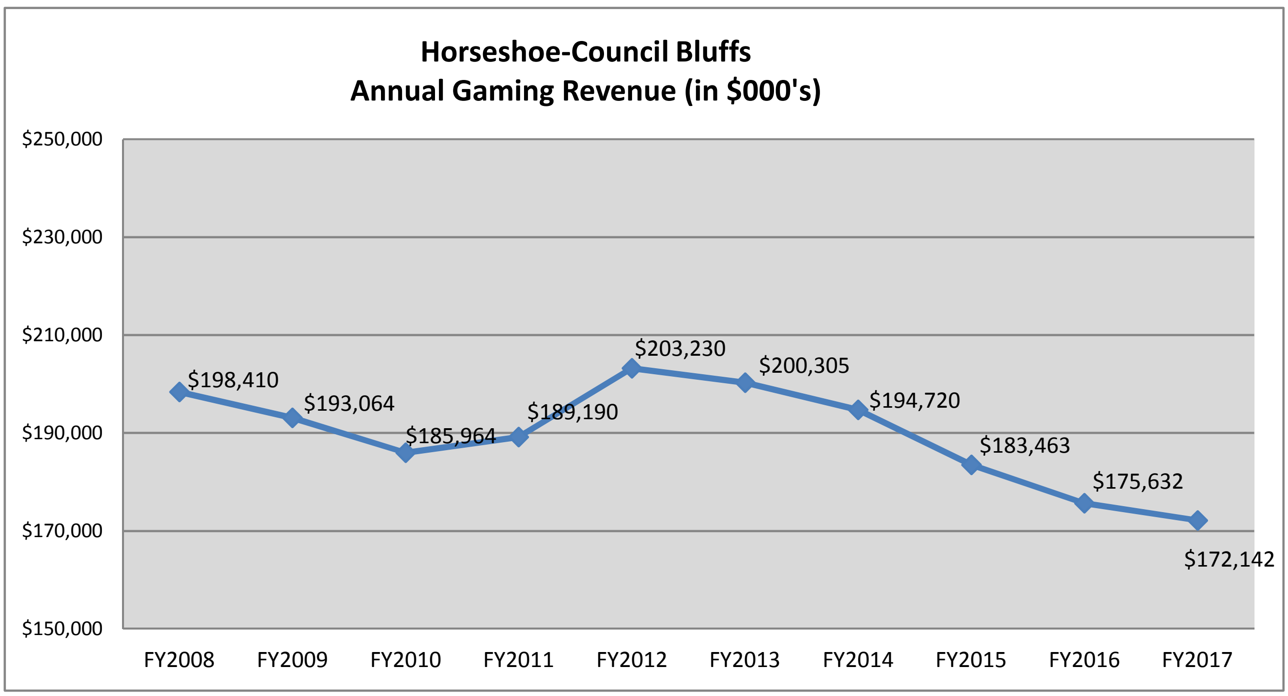

| | | | |
|---|---|---|---|
| **Casino Name:** | **Harrah's Council Bluffs** | | |
| Location: | 1 Harrahs Blvd<br>Council Bluffs, IA 51501 | | |
| Year Opened: | 1996 | Admissions: | 1,139,940 |
| | | Gaming Revenue/Admission: | $63 |
| Total Slots: | 543 | Casino Square Footage: | 21,163 |
| Gaming Tables: | 22 | Patron Capacity: | 1,909 |
| **Total Gaming Positions:** | **701** | Hotel Rooms: | 251 |
| | | Dining Venues: | 4 |
| | | Dining Capacity: | 690 |
| **FY 2017 Net Win:** | **$71,271,483** | | |
| Win Per Position/Day: | $279 | | |




| | | | |
|---|---|---|---|
| **Casino Name:** | **Ameristar Casino Hotel** | | |
| Location: | 2200 River Rd<br>Council Bluffs, IA 51501 | | |
| Year Opened: | 1996 | Admissions: | 1,856,303 |
| | | Gaming Revenue/Admission: | $92 |
| Total Slots: | 1,589 | Casino Square Footage: | 38,668 |
| Gaming Tables: | 22 | Patron Capacity: | 2,700 |
| **Total Gaming Positions:** | **1,779** | Hotel Rooms: (Ameristar) | 160 |
| | | Hotel Rooms: Total * | 344 |
| | | Dining Venues: | 6 |
| **FY 2017 Net Win:** | **$171,435,126** | Dining Capacity: | 1680 |
| Win Per Position/Day: | $264 | * Includes Holiday Inn (186) Hampton Inn (98) | |



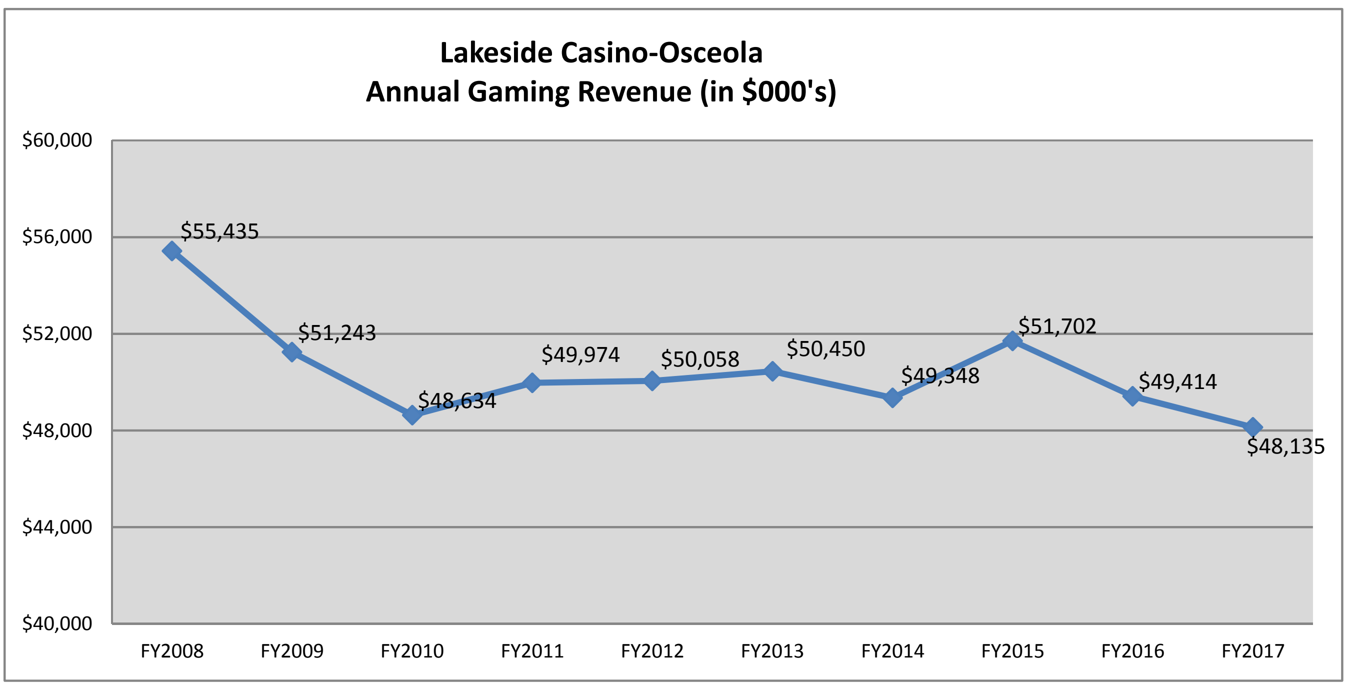

| | | | |
|---|---|---|---|
| **Casino Name:** | **Horseshoe Council Bluffs** | | |
| Location: | 2701 23rd Ave<br>Council Bluffs, IA 51501 | | |
| Year Opened: | 1986 | Admissions: | 172,142,344 |
| Total Slots: | 1,409 | Gaming Revenue/Admission: | $85 |
| Gaming Tables: | 64 | Casino Square Footage: | 59,953 |
| **Total Gaming Positions:** | **1,905** | Patron Capacity: | 10,699 |
| | | Hotel Rooms: | 0 |
| **FY 2017 Net Win:** | **$172,142,344** | Dining Venues: | 4 |
| Win Per Position/Day: | $203 | Dining Capacity: | 1037 |

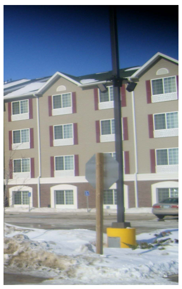



## Casino Name: Lakeside Casino

| | |
|---|---|
| Location: | 777 Casino Drive<br>Osceola, Iowa 50213 |
| Year Opened: | 2000 |
| Total Slots: | 752 |
| Gaming Tables: | 13 |
| **Total Gaming Positions:** | **847** |
| **FY 2017 Net Win:** | **$48,135,113** |
| Win Per Position/Day: | $156 |

| | |
|---|---|
| Admissions: | 539,892 |
| Gaming Revenue/Admission: | $89 |
| Casino Square Footage: | 28290 |
| Patron Capacity: | 1800 |
| Hotel Rooms: | 150 |
| Dining Venues: | 4 |
| Dining Capacity: | 820 |



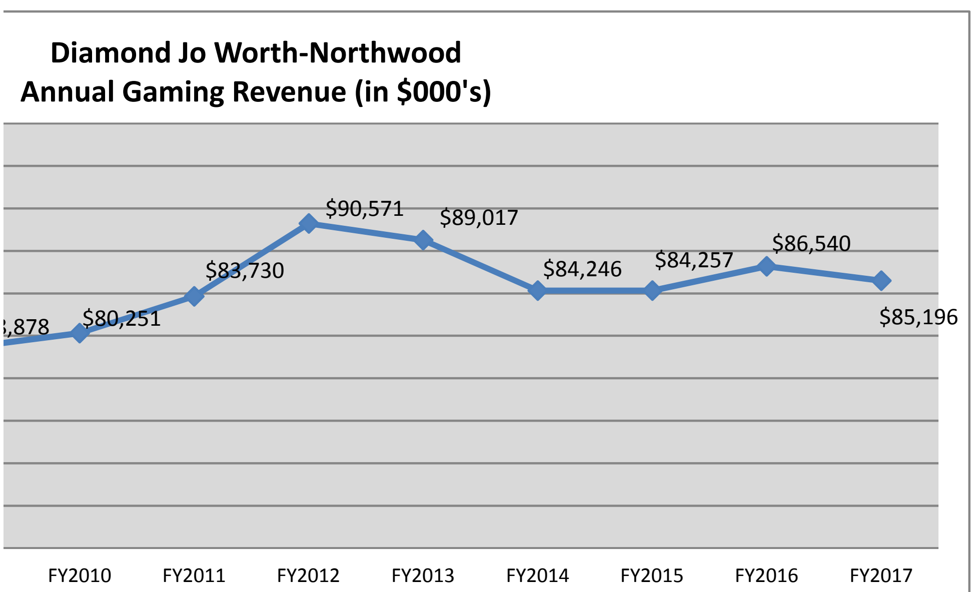



## Diamond Jo Worth Casino Northwood

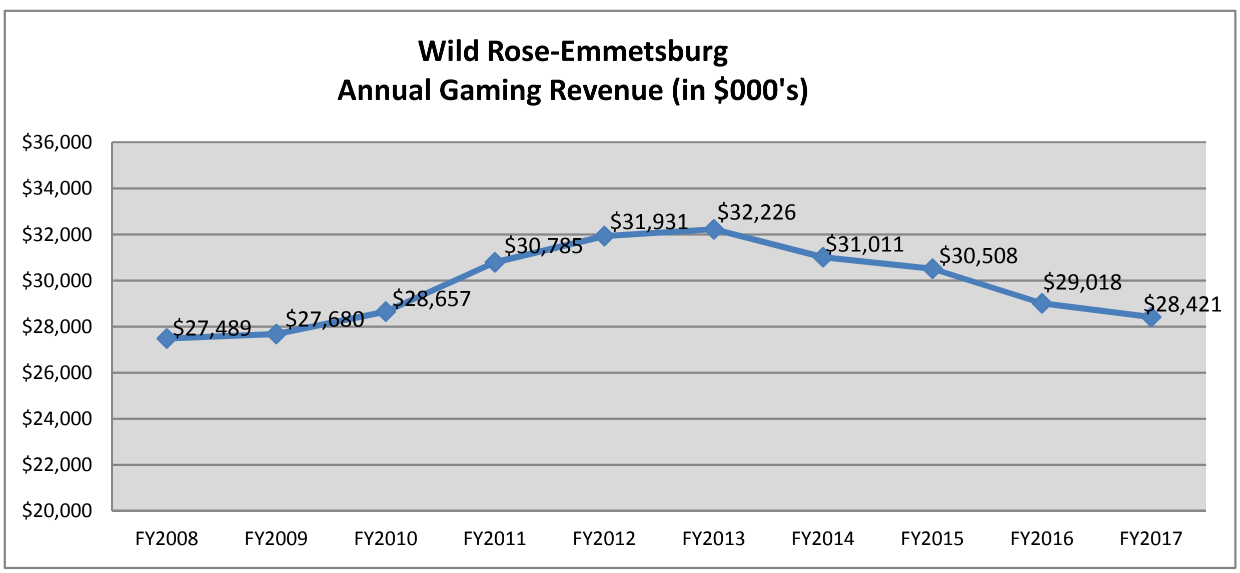
777 Diamond Jo Lane
Northwood, Iowa

| | | | |
|---|---|---|---|
| 2000 | | Admissions: | 1,237,613 |
| | | Gaming Revenue/Admission: | $69 |
| 968 | | Casino Square Footage: | 36,363 |
| 32 | | Patron Capacity: | 35,407 |
| **1,212** | | Hotel Rooms: | 162 |
| | | Dining Venues: | 3 |
| | | Dining Capacity: | 346 |

**$85,196,088**
$193



| | | | |
|---|---|---|---|
| **Casino Name:** | **Wild Rose Casino & Resort** | | |
| Location: | 777 Main Street<br>Emmetsburg, Iowa | | |
| Year Opened: | 2006 | Admissions: | 424,122 |
| | | Gaming Revenue/Admission: | $67 |
| Total Slots: | 489 | Casino Square Footage: | 16,790 |
| Gaming Tables: | 11 | Patron Capacity: | 900 |
| **Total Gaming Positions:** | **572** | Hotel Rooms: | 70 |
| | | Dining Venues: | 3 |
| | | Dining Capacity: | 559 |
| **FY 2017 Net Win:** | **$28,420,748** | | |
| Win Per Position/Day: | $136 | | |



## Casino Name: The Isle Casino and Hotel at Waterloo

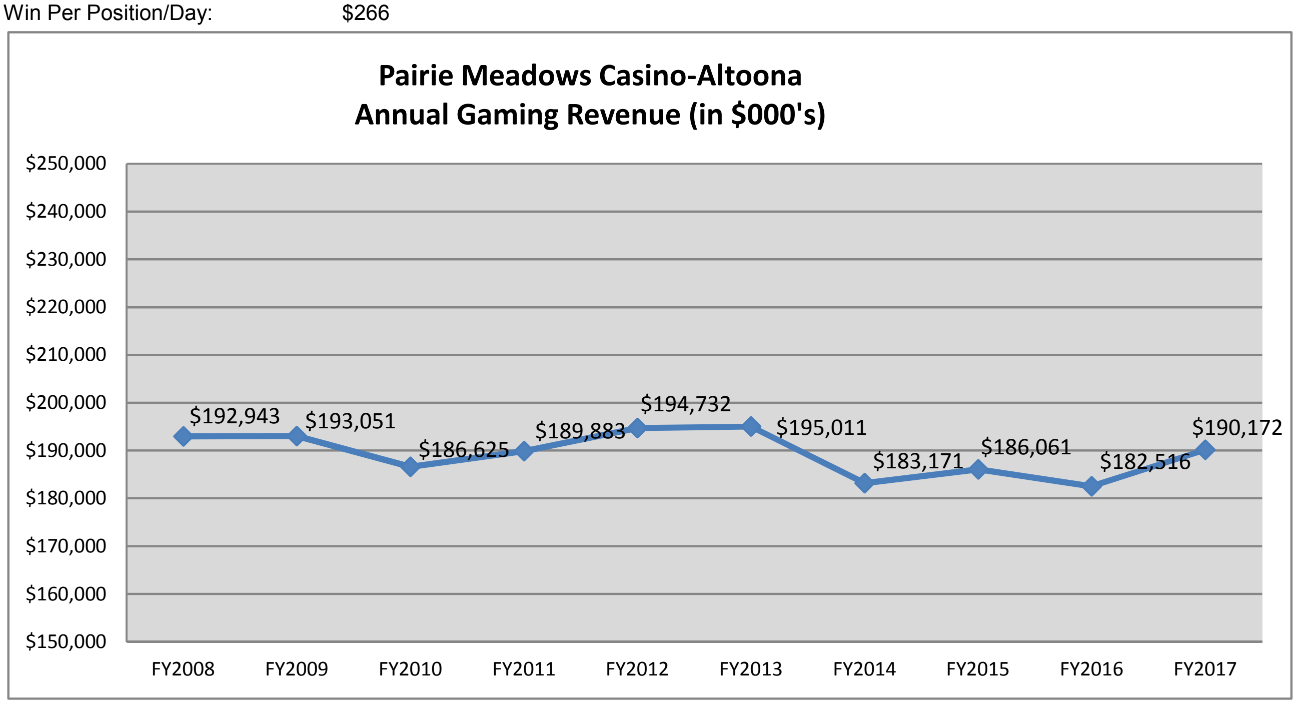
| | |
|---|---|
| Location: | 777 Isle of Capri Boulevard<br>Waterloo, Iowa |
| Year Opened: | 2007 |
| Total Slots: | 947 |
| Gaming Tables: | 25 |
| **Total Gaming Positions:** | **1,165** |

| | |
|---|---|
| Admissions: | 1,119,847 |
| Gaming Revenue/Admission: | 78 |
| Casino Square Footage: | 41,178 |
| Patron Capacity: | 3,180 |
| Hotel Rooms: | 195 |
| Dining Venues: | 4 |
| Dining Capacity: | 379 |

| | |
|---|---|
| **FY 2017 Net Win:** | **$87,034,926** |
| Win Per Position/Day: | $205 |

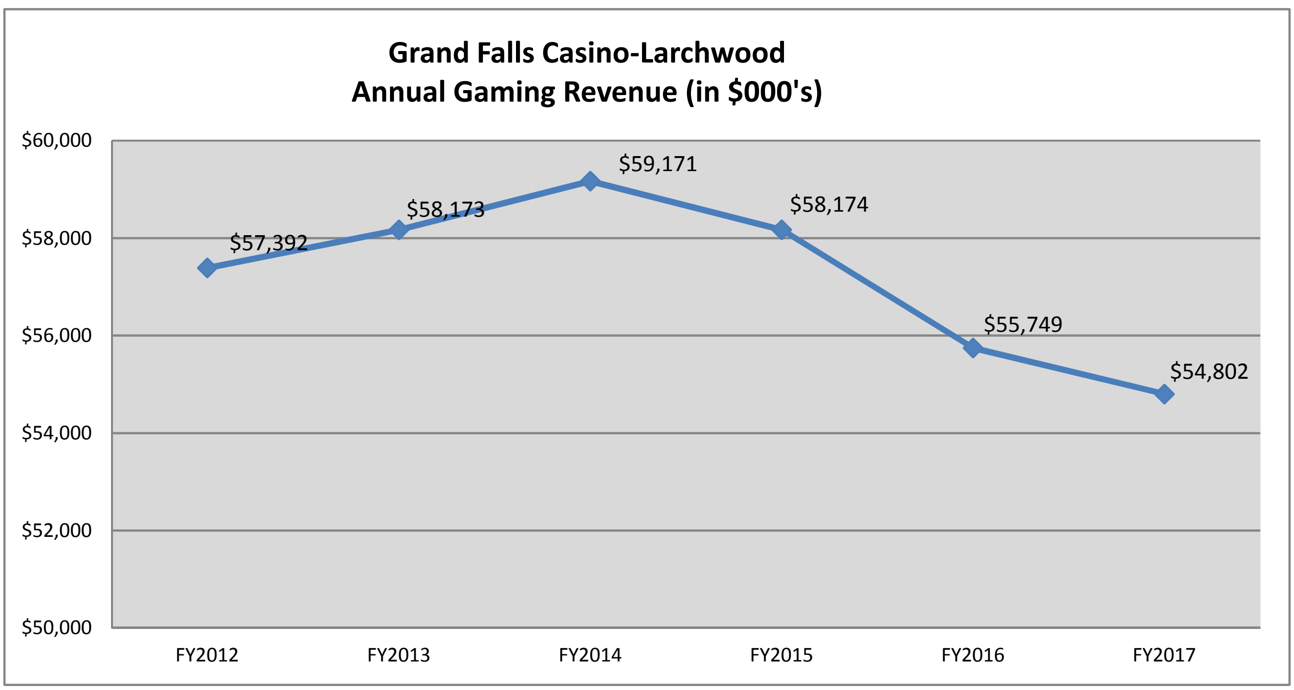


| | | | |
|---|---|---|---|
| **Casino Name:** | **Prairie Meadows Racetrack & Casino** | | |
| Location: | 1 Prairie Meadows Dr<br>Altoona, IA 50009 | | |
| Year Opened: | 1989 | Admissions: | 3,155,137 |
| | | Gaming Revenue/Admission: | $60 |
| Total Slots: | 1,589 | Casino Square Footage: | 80,786 |
| Gaming Tables: | 49 | Patron Capacity: | 6,055 |
| **Total Gaming Positions:** | **1,962** | Hotel Rooms: | 168 |
| | | Dining Venues: | 5 |
| | | Dining Capacity: | 1,683 |
| **FY 2008 Net Win:** | **$190,172,316** | | |
| Win Per Position/Day: | $266 | | |



**Casino Name:** **Grand Falls Casino**

| | | | |
|---|---|---|---|
| Location: | 1415 Grand Falls Blvd.<br>Larchwood, IA 51241 | | |
| Year Opened: | 2011 | Admissions: | 1,022,242 |
| | | Gaming Revenue/Admission: | $54 |
| Total Slots: | 786 | Casino Square Footage: | 37,810 |
| Gaming Tables: | 35 | Patron Capacity: | 3,513 |
| **Total Gaming Positions:** | **1,055** | Hotel Rooms: | 97 |
| | | Dining Venues: | 5 |
| | | Dining Capacity: | 452-800 |
| **FY 2017 Net Win:** | **$54,802,316** | | |
| Win Per Position/Day: | $142 | | |

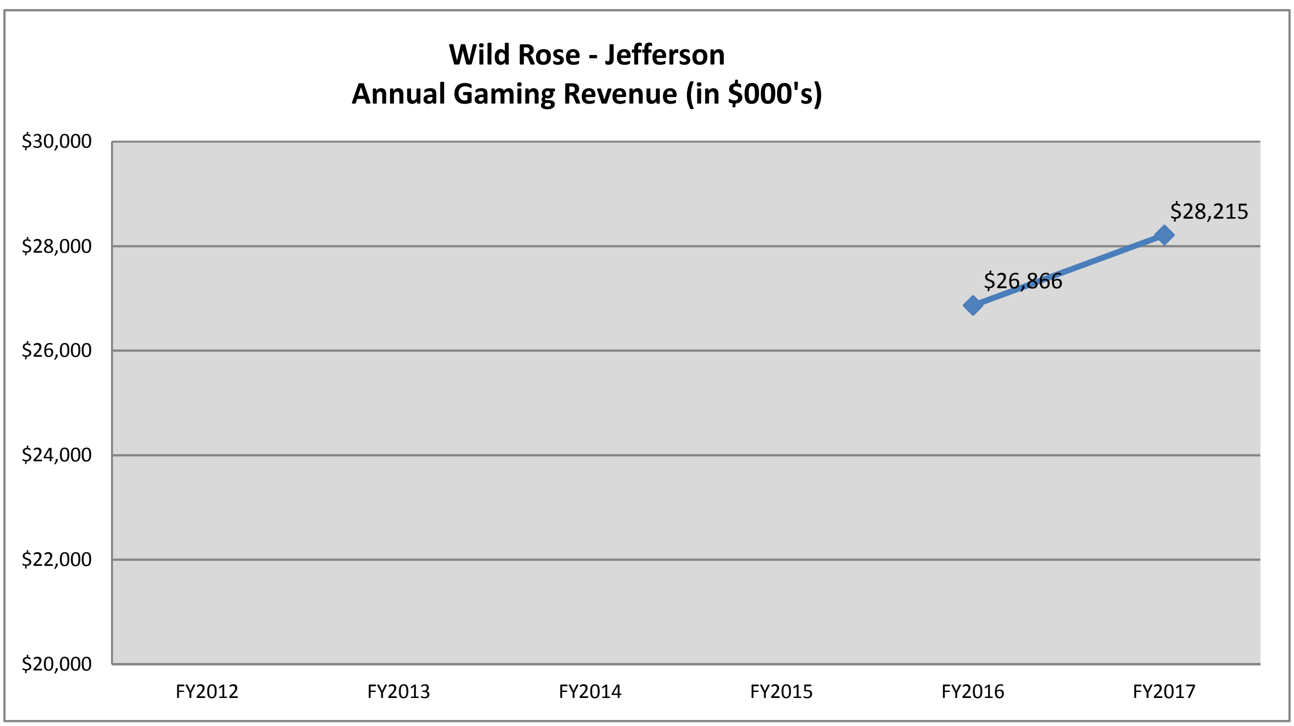



## Casino Name: Wild Rose Casino & Resorts

| | |
|---|---|
| Location: | 777 Wild Rose Drive<br>Jefferson, IA 50129 |
| Year Opened: | 2015 |
| Total Slots: | 489 |
| Gaming Tables: | 13 |
| **Total Gaming Positions:** | **572** |

| | |
|---|---|
| Admissions: | 442,626 |
| Gaming Revenue/Admission: | $64 |
| Casino Square Footage: | 16,686 |
| Patron Capacity: | 1,370 |
| Hotel Rooms: | 72 |
| Dining Venues: | 3 |
| Dining Capacity: | 355 |

| | |
|---|---|
| **FY 2017 Net Win:** | **$28,214,880** |
| Win Per Position/Day: | $135 |



Marquette Advisors

*International Hospitality and Gaming Consultants*

# Marquette Advisors

*International Hospitality and Gaming Consultants*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**www.marquetteadvisors.com**

## Marquette Advisors

Marquette Advisors is the premier provider of financial and market analysis-based advisory services to the casino gaming industry in North America.

Marquette provides a broad range of consulting services tailored to meet the unique needs of the gaming and hospitality industries. We offer a team of experienced professionals to assist developers, lenders and government officials in making prudent business decisions regarding the market potential and financial feasibility of new developments and expansion projects.

Marquette Advisors is recognized as a distinguished market and financial expert in the North American gaming industry, spanning both commercial and Native American gaming. We are regularly called upon to evaluate destination commercial casino environments and tribal resort casinos, riverboat and dockside casinos and other traditional land-based casino developments. Our expertise in other segments of the hospitality industry extends to traditional hotels and resorts, varied forms of resort-residential, food service operations, convention centers, sports arenas, golf, themed-entertainment and other recreation facilities.

Our client-oriented services include:

- Market and financial feasibility studies for casino gaming and resort development, expansion, and repositioning
- Investment Analysis and underwriting
- Going Concern Valuation services
- Market share analysis
- Business plan development
- Economic impact analysis
- Litigation support
- Operational analyses

Feasibility studies, impact studies and business plans prepared by Marquette Advisors have been used to attract financing and investment for a variety of client projects valued at over $25 Billion.

We regularly execute assignments in all gaming jurisdictions across the United States, including Las Vegas, Atlantic City, and all other commercial and Tribal gaming markets.

# Marquette Advisors

*International Hospitality and Gaming Consultants*

## Feasibility Studies

Marquette Advisors can evaluate the market support for new or expanded casinos, hotels, exhibit halls, golf, retail, themed entertainment, ice arenas and numerous other recreational facilities. Our research yields specific recommendations regarding the size and range of facilities best suited to a given market. We then prepare detailed financial projections for all facility components and compare the results to anticipated project cost and financing terms so as to determine project feasibility and measure return on investment.

## Valuation Services

We provide an array of Going Concern appraisal and valuation services for sales, financing, property tax appeals, condemnation proceedings, regulatory compliance and due diligence. Our clients include:

- Owners/developers
- Prospective buyers and sellers
- Attorneys
- Banks and institutional lenders
- Municipalities
- Hotel and gaming companies

## Operational Consulting

Operational consulting provides support to the owner/operator in making business decisions regarding property operations in such areas as: changes of franchise/affiliation, management company performance, market positioning, rate strategies, market penetration, and market share analysis. These services are designed to directly impact your bottom line by increasing revenues and reducing expenses.

## Financial Consulting

We are experts in underwriting and clarifying terms and conditions of bond issues for related parties including governmental entities. We assist lenders and receivers in disposing of or managing assets including the development of workout strategies, and assistance in selling, refinancing or negotiating interim management agreements.

**Marquette Advisors**
*International Hospitality and Gaming Consultants*

## Economic and Social Impact Studies

Marquette Advisors regularly provides analyses and projections of the revenue potential and economic impact of individual gaming and resort projects or entire industries. Our impact studies assist public officials and policy makers in understanding the revenue potential of varied development scenarios, cannibalization issues, job creation, wages and direct expenditures, tax revenue generated tourism impact and indirect impact of "multiplier effects."

## Business Plan Development and Execution

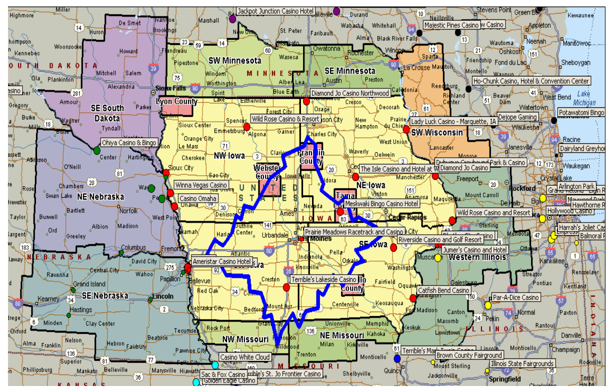
Our services include the preparation of full-scale business plans, to provide the complete package necessary to satisfy various lending, governmental and other business development requirements.

## Development Services

We have provided complete third party development services on behalf of ownership, including the coordination of site selection, site approvals and permitting, equity and debt financing, and project management and coordination.

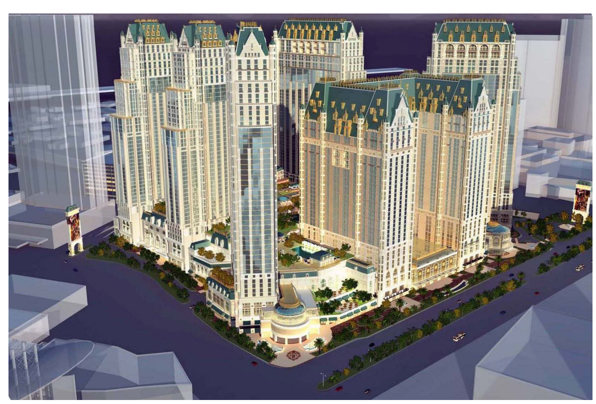
## Site Selection and Project Management

We also provide site selection services for both lodging and gaming operations. Through our Corporate and Investment Group, we can also provide full construction oversight and administration services as required.




## Litigation Support

Our specialized hotel and casino expertise in market and financial analysis can be used to support damage claims due to various causes or analyze their reasonableness. We can provide expert testimony for these and related industry issues.



# PROFESSIONAL QUALIFICATIONS OF
# LOUIS W. FRILLMAN

*President*
*MARQUETTE ADVISORS*

Louis W. Frillman has been engaged in the real estate business nationwide since 1975. During this time, he has completed counseling assignments dealing with significant decisions regarding real property utilized for real estate tax petitions, market and financial feasibility studies, valuations and disposition of major business properties, and investment analyses for acquisition of property by major pension accounts. In addition, he has provided counsel to real estate buyers, sellers, investors and lenders concerning virtually all types of real estate.

In the hospitality and gaming areas, Mr. Frillman has directed the execution of several thousand market and financial feasibility studies, going concern and real estate valuations, and has provided other counseling services to scores of hospitality and gaming projects throughout North America. Mr. Frillman is experienced at managing and overseeing large projects nationwide. His gaming experience spans North America and the Caribbean.

Mr. Frillman is a member of the American Gaming Association and an active supporter of the National Indian Gaming Association. He is a frequent guest lecturer and has participated in gaming panels, seminars, and trade shows throughout the United States. He is a member of the American Society of Real Estate Counselors, the real estate counseling affiliate of the National Association of Realtors. He is an elected member of the Appraisal Institute and has served on the MAI Demonstration Appraisal Reports Committee nationally, and was a member of the Board of Directors for the local Institute Chapter as well as on the local admissions committee.

He is a recognized expert on gaming development and is regularly retained to assist in conceptualization, and planning for new and redevelopment gaming projects. He has testified in multiple jurisdictions regarding gaming litigation issues.

Mr. Frillman has a Bachelor of Arts Degree in Finance from the College of St. Thomas. He has lectured and taught gaming market evaluation and valuation.

Finally, he is an invited member of Lambda Alpha, the international Land Economics Fraternity, and the Royal Institute of Chartered Surveyors. He is a recognized gaming and hospitality expert within these professional societies.

# PROFESSIONAL QUALIFICATIONS OF BRENT E. WITTENBERG

*Vice President*
*MARQUETTE ADVISORS*

Mr. Wittenberg has more than 20 years of experience as a real estate feasibility consultant, with a special expertise in gaming and hospitality projects, as well as commercial, residential and mixed-use real estate ventures. His diverse background has included market analyses, feasibility studies, and economic and fiscal impact studies. Brent has worked on a wide variety of gaming and real estate consulting assignments in 37 states, as well as Canada. Mr. Wittenberg has provided detailed utilization and financial projections for a wide variety of gaming and resort developments, including large and complex urban casino resort projects ranging up to $3 billion. As well, he regularly provides financial projections and market studies for a full range of development projects and businesses such as restaurants, c-stores, truck stops and golf courses.

He is a known expert in the field of real estate research and has evaluated numerous property types on behalf of Marquette Advisors' clients. In addition to both Tribal and commercial casinos and hotels, Brent has provided feasibility studies and financial projections for numerous commercial real estate projects, multifamily housing, golf courses, marinas, RV Parks, convention and event centers, retail and shopping center developments, gas station/c-stores and full service travel plazas, community centers and health clubs.

Mr. Wittenberg has earned the designation of Counselor of Real Estate (CRE). He has been an invited speaker at several national conferences and seminars regarding both gaming and real estate market issues, including several IMN Native American Finance Conferences. He has also been an invited panelist and lecturer at colleges and universities. Articles by Mr. Wittenberg have been published in the Minnesota Real Estate Journal and Heartland Real Estate Business. He is widely quoted in the local, regional and national press on issues pertaining to both the hospitality and multifamily housing industries.

Mr. Wittenberg holds a Master of City and Regional Planning Degree (MCRP) from Clemson University, where he was recognized by the American Institute of Certified Planners (AICP) for outstanding attainment in the study of planning. He earned a Bachelor of Arts Degree in Local and Urban Affairs at St. Cloud State University.

# PARTIAL LISTING OF ENGAGEMENTS

*The following is a sampling of engagements completed by our firm. The list is not intended to be comprehensive, as Marquette Advisors has consulted on hundreds of hospitality-related developments over 20+ years. Rather, this list is intended to demonstrate the variety and breadth of our experiences as advisors to the industry. We are pleased to provide additional project examples and/or references upon request.*

## *TRIBAL GAMING, RESORT & RELATED*

**SEMINOLE TRIBE OF FLORIDA, Proposed Casino Resort - Clewiston, FL:** Completion of financial feasibility studies for a proposed destination-oriented casino and resort project in south-central Florida. The proposed project included a gaming operation, hotel, convention and entertainment space, spa, and championship golf course. Marquette Advisors provided specific recommendations regarding the size and quality of the facilities for the project, as well as financial projections for the first five years of operation for the recommended components.

**SEMINOLE TRIBE OF FLORIDA, Seminole-Immokalee Casino – Immokalee, FL:** Marquette Advisors provided a market study, development recommendations and financial projections for expansion of gaming facilities and addition of on-site lodging at the Tribe's Seminole Immokalee Casino in south Florida. Report included a detailed review of customer patterns and the potential for the facility to attract more frequent gamer participation from tourist segments and Naples/Fort Myers area residents and visitors.

**RUMSEY BAND OF WINTUN INDIANS – PROPOSED POINTE MOLATE CASINO RESORT DEVELOPMENT – San Francisco, CA:** Market study, development recommendations, financial projections and feasibility analysis for proposed major resort, gaming, retail and residential development fronting San Pablo Bay near the Oakland-San Rafael Bridge.

**CAMPO BAND OF MISSION INDIANS – GOLDEN ACORN CASINO - Campo, CA:** Market study and financial projections for a proposed hotel at the Golden Acorn Casino and Travel Center in Campo, California.

**REDDING RANCHERIA – Redding, CA**: Gaming, resort and real estate market analytics and development advisory services on behalf of the Tribe, pertaining to its gaming enterprise and land holdings in Redding, CA.

**PICUYANE RANCHERIA OF THE CHUKCHANSI INDIANS – CHUKCHANSI GOLD RESORT CASINO – Coarsegold, CA:** Market study, development recommendations and financial projections for an expanded casino resort in Coarsegold, CA. Report provided a full profile and analysis of customer visitation trends and expenditure patterns by point of origin and examined the potential to further penetrate local and regional submarkets through enhancement and/or expansion of facilities.

**PICUYANE RANCHERIA OF THE CHUKCHANSI INDIANS – CHUKCHANSI GOLD RESORT CASINO – Coarsegold, CA:** Impact study – full analysis of proposed "off reservation" casinos by the Big Sandy and North Fork Tribes. Marquette Advisors provided a detailed analysis of the expected redistribution of regional gaming revenues in the greater Fresno, CA market area and the likely impact of gaming expansion near Madera, CA and/or North Fork, CA upon the market as a whole and Chukchansi Gold Resort & Casino specifically.

**CASINO SAN PABLO, San Pablo, CA:** Feasibility analysis and complete, self-contained market value appraisal report for a proposed full-service casino operation in the San Francisco-Oakland Metropolitan Area.

**BEAR RIVER TRIBE, Loleta, CA:** Market study, development recommendations and financial projections for a proposed hotel and gaming expansion at Bear River Casino in Loleta, CA.

**JACKSON RANCHERIA, JACKSON CASINO, Jackson, CA:** Analysis of performance of current casino and related facilities, and potential impact of additional competitive gaming developments throughout the competitive northern CA market. Complete casino utilization analysis, customer segmentation by point of origin, and financial projections under varied scenarios.

**ENTERPRISE RANCHERIA – Marysville, CA:** Market study and financial projections for a proposed casino and hotel development in northern California.

**RUMSEY BAND OF WINTUN INDIANS, Brooks, CA:** Market study, financial projections and consulting related to ongoing gaming operations by the Rumsey Indian Rancheria of Wintun Indians and potential expansion of gaming and resort components at the Tribe's *Cache Creek Casino* in Brooks, California.

**REDDING RANCHERIA – WIN RIVER CASINO, Redding, CA:** Analysis of existing and potential future market share for Win River Casino. Development of market positioning analysis, facility visitation and financial projections under varied market and development scenarios.

**KONOCTI VISTA CASINO, Lakeport, CA:** Market study, financial projections and feasibility analysis for a proposed expansion at the Konocti Vista Casino. The expansion plans analyzed included additional gaming facilities, hotel development, RV Park and a marina.

**TULE RIVER TRIBE, Porterville, CA:** Feasibility study for proposed new Eagle Mountain Casino and Resort near the Porterville Airport. Also provided detailed economic impact analysis on behalf of the Tribe.

**IONE BAND OF MIWOK INDIANS, Plymouth, CA:** An economic impact analysis for a proposed casino development in northern California. The report analyzed the economic and the projected fiscal impacts of the project.

**MECHOOPDA TRIBE, Chico, CA:** An economic impact analysis for a proposed casino and hotel development at a site near Chico, California. The report analyzed the economic and social benefits of the proposed project, as well as the projected fiscal impacts of the project.

**TULALIP TRIBES – Tulalip Resort Casino – Marysville, WA:** Feasibility study, financial advisory services and development consulting for an expanded destination resort complex including casino, hotel, convention center, golf course and retail development on a site just north of the Seattle metropolitan area. Marquette Advisors provided an analysis of existing gaming facilities, customer data and market penetration, and provided the Tribe with detailed recommendations for lodging and gaming expansion within an increasingly competitive Seattle market.

**TULALIP TRIBES -- Quil Ceda Village – Marysville, WA:** Economic master plan study for Quil Ceda Village in Tulalip, Washington. Marquette Advisors provided land development recommendations, including casino/gaming, hotel/resort, office/retail, and industrial. Detailed financial projections and ROI analysis for Quil Ceda Village.

**STILLAGUAMISH TRIBE – Angel of the Winds Casino – Arlington, WA:** Feasibility study for expansion of the Tribe's existing casino approximately 45 minutes north of Seattle, WA. Marquette Advisors provided a review of existing facilities, financial data and customer demographics, and the surrounding competitive gaming supply, culminating with recommendations and financial forecast for an expanded casino complex.

**PUYALLUP TRIBE – Emerald Queen Casinos – Tacoma and Fife, WA:** Marquette Advisors provided a market study which analyzed the characteristics and performance of the Tribe's gaming facilities in Tacoma and Fife, within the context of the greater Seattle-Tacoma market. Marquette provided recommendations regarding renovation and expansion of the Tribe's facilities, so as to solidify its position within an expanding and increasingly competitive market. Detailed financial projections and ROI analysis were provided.

**SPOKANE TRIBE OF INDIANS, Proposed West Plains Casino – Airway Heights/Spokane, WA:** Market study, financial projections and economic benefits study for a proposed 2,000-position gaming facility and an attached 200-room hotel in the West Plains area near the Spokane International Airport. Marquette Advisors also provided market studies and financial projections for ancillary commercial real estate development on adjacent parcels.

**QUINAULT NATION, Ocean Shores, WA:** Market and operations assessment for existing Quinault Beach Resort and Casino in Ocean Shores, WA.

**MILLE LACS BAND OF CHIPPEWA, Onamia, MN:** Market study and feasibility analysis for two casinos owned by the Tribe in support of bond financing for infrastructure improvement. Feasibility study for a 180-room hotel addition and event center to one casino and a feasibility study for a 300-room hotel addition to the other casino. Review of debt coverage capacity under bond covenants for both facilities.

**MILLE LACS BAND OF CHIPPEWA, Onamia, MN:** Market study, financial analysis and complete appraisal of land and improvements, as well as the going concern known as Grand National Golf Course, Hinckley, MN.

**TREASURE ISLAND CASINO – Red Wing, MN:** Feasibility study for a 250-room hotel addition to an existing Indian casino near Red Wing, Minnesota.

**ST. REGIS MOHAWK TRIBE – PROPOSED CATSKILLS CASINO RESORT, Monticello, NY:** Market study and financial projections for a proposed gaming facility and hotel proposed by the St. Regis Mohawk Tribe for New York's Catskills Region.

**MASHPEE WAMPANOAG TRIBE – STATE OF MASSACHUSETTS GAMING ANALYSIS:** The Tribe has proposed a new gaming and hotel complex on a site in Fall River, MA. This site is within close range of the Boston, Connecticut, and New York markets and has been the subject of consideration for licensing by the state of Massachusetts. As part of this effort, the Tribe required an independent market analysis in order to determine the market viability and potential financial performance of the proposed casino complex. Marquette Advisors provided such an analysis, together with a review of the proposed development program and suggestions regarding optimal sizing and range of facilities. This analysis involved a detailed review of several existing gaming facilities in neighboring States and development of detailed revenue forecasts under varied development scenarios. Additionally, Marquette was asked to provide a review and critique of a Massachusetts gaming market study completed by The Innovation Group on behalf of the State and the Office of Senator Stanley Rosenburg.

**NAVAJO NATION, Window Rock, New Mexico – Comprehensive market analysis, revenue forecast, site review and development recommendations for Arizona and New Mexico :** Market study by Marquette Advisors provided detailed review of potential gaming sites on tribal land in Arizona and New Mexico. Marquette Advisors analysis and recommendations were utilized by the Navajo Nation Gaming Enterprise (NNGE) in the formulating a development strategy for gaming and resort facilities on Navajo Nation land in both states. The Marquette analysis included a detailed review of numerous sites and development scenarios and provided locational and facility recommendations for optimal market penetration and revenue performance. Subsequently, project-specific market and financial feasibility studies were provided on behalf of NNGE, including development recommendations and projections of utilization and revenue.

**KANSAS CITY INTER-TRIBAL GAMING MANAGEMENT CONSORTIUM, Kansas City, KS:** Market study, facility recommendations and financial projections were prepared for a large casino in the Kansas City area. Testimony on the project and its impact on existing casinos was provided to the Governor's Task Force on Gaming.

**KANSAS FOR ECONOMIC GROWTH:** Market study, financial projections and economic impact study for a proposed destination gaming facility in southeastern Kansas on behalf of Kansas for Economic Growth and the Three Affiliated Tribes of Kansas.

**KICKAPOO TRIBE OF KANSAS – Horton, KS:** Feasibility study for proposed new casino and hotel development west of Horton, KS. Study provided an analysis of the potential economic benefit and return on investment from the development of a new, replacement casino resort complex west of the Tribe's existing gaming operation.

**KICKAPOO TRIBE OF KANSAS – Horton, KS:** Economic impact analysis – complete review of the Tribe's existing gaming enterprise and an analysis of the economic impact of Kickapoo gaming upon the Tribe and the surrounding local and regional economies in terms of employment, worker earnings, business spending and taxes.

**JENA BAND OF CHOCTAW INDIANS – Jena, LA – Jena Choctaw Pines Casino:** Feasibility study for proposed Class II gaming operation in Grant Parish, LA, approximately 10 miles north of Alexandria, LA.

**NAVAJO NATION – FIRE ROCK NAVAJO CASINO – Church Rock, NM:** Feasibility study provided for the first Navajo gaming facility near Gallup, NM. This included utilization and revenue projections under varied development scenarios, for temporary and permanent facilities. Marquette Advisors also provided a review of the lodging market, including an inventory and analysis of rate and occupancy trends for traditional hotels in Gallup, as well as casino hotels throughout the broader region.

**NAVAJO NATION – PROPOSED TWIN ARROWS CASINO – Twin Arrows (Flagstaff), AZ:** Market study, development recommendations, and financial projections for a proposed casino and resort complex approximately 20-minutes west of Flagstaff, AZ on I-40.

**NAVAJO NATION – PROPOSED FARMINGTON, NM-AREA CASINO – Farmington, NM:** Marquette Advisors was retained to evaluate three potential gaming sites in the following Navajo Chapters: Upper Fruitland, Shiprock and Hogback. A market study was developed which ranked the sites in terms of gaming revenue potential. Development recommendations were provided, along with projections of casino utilization. Detailed feasibility studies were provided for specific gaming facilities at Upper Fruitland and Hogback.

**NAVAJO NATION – PROPOSED TO'HAJIILEE CASINO – Albuquerque, NM:** Market study and financial projections for potential gaming development just west of Albuquerque on I-40 at the To'Hajiilee Chapter.

**NAVAJO NATION – PROPOSED NAHAT'A'DZIIL CASINO & TRAVEL CENTER – Albuquerque, NM:** Market study and financial projections for potential gaming development just west of Albuquerque on I-40 at the To'Hajiilee Chapter.

**NAVAJO NATION – PROPOSED TRAVEL CENTER –Iyanbito, NM:** Market study and financial projections for potential truck stop development on I-40 at Exit 36 near Gallup, NM.

**JEMEZ PUEBLO OF NEW MEXICO – PROPOSED ANTHONY, NM CASINO:** Marquette Advisors was retained to provide a market study and financial projections for a proposed casino complex in southern New Mexico in the town of Anthony. The proposed development would draw from major markets including El Paso, TX and Juarez, MX. Study included an analysis of the capacity for gaming expansion in southern New Mexico and the potential impact of the recommended Anthony development upon existing gaming facilities in the region.

**PUEBLO OF TESUQUE – Santa Fe, NM:** Market study and financial projections for proposed gaming and hotel developments. Separate market studies and financial analyses related to C-Store and RV Park developments on the Tesuque Pueblo on US Hwy 84 north of Santa Fe.

**ROUTE 66 CASINO, LAGUNA, NM:** Marquette Advisors was engaged to identify a broad range of amenities appropriate for this highly visible casino located on a major trans-continent interstate near Albuquerque. Concepts investigated included hotel, conference center, tourist-oriented retail, destination retail, festival grounds, bowling center, childcare, cinema, RV park, and a water park.

**YAVAPAI PRESCOTT TRIBE – Proposed Gaming Expansion – Prescott, AZ:** Marquette Advisors provided a detailed review of the Tribe's existing gaming and resort facilities in Prescott, AZ. Our analysis included a detailed review of the casino's current customer mix and market penetration, and provided detailed recommendations regarding expansion and consolidation of gaming and resort facilities so as to maximize the Tribe's penetration within an increasingly competitive central and northern Arizona gaming market.

**SAC & FOX TRIBE OF OKLAHOMA – Chandler, OK:** Market study analyzing the Tribe's existing gaming operations and the potential for redevelopment/repositioning and/or expansion of those facilities and the development of additional gaming facilities elsewhere in the region.

**KIOWA CASINO OPERATIONS AUTHORITY – Oklahoma:** Market study and casino utilization and revenue forecast under varied development and policy scenarios. Provided Tribe with an analysis of the economic impact of exclusivity rights and the potential impact of racino development in Oklahoma on the Tribes gaming operation.

**PROPOSED GAME LODGE CASINO RESORT – Anadarko, OK:** Market study and financial projections on behalf of ONNAM Entertainment, Inc. for this proposed themed casino resort southwest of Oklahoma City.

**OKLAHOMA CITY GAMING MARKET ANALYSIS:** Market study and analysis of gaming revenue potential for five possible gaming locations in the Oklahoma City metro area. Analysis provided on behalf of Stark Investments.

**IOWA TRIBE OF OKLAHOMA – Perkins, OK:** Market study, development recommendations and financial projections for proposed hotel development at the Cimarron Casino in Perkins, Oklahoma. Included was a detailed analysis of player data, hotel "right-sizing" and incremental gaming impact of hotel development.

**KICKAPOO TRADITIONAL TRIBE OF TEXAS, Eagle Pass, TX:** Market study, development recommendations and financial projections for a proposed casino expansion and major lodging development at the Kickapoo Lucky Eagle Casino in west Texas.

**STOCKBRIDGE MUNSEE COMMUNITY, North Star Mohican Casino - Bowler, WI:** Market study, development recommendations, financial projections and feasibility analysis for the planned new and expanded North Star Mohican Casino in Bowler, WI.

**SOKAOGON CHIPPEWA TRIBE, Mole Lake, Wisconsin:** Calculation of lost profits due to casino closure, followed by expert witness testimony.

**LCO CASINO, Hayward, Wisconsin:** Completion of a market value appraisal report for the LCO Casino and adjacent expansion land in Hayward, Wisconsin.

**SOUTHERN UTE INDIAN TRIBE, Ignacio, CO:** Feasibility study for proposed new Sky Ute Casino Resort in Ignacio, CO and a satellite gaming facility near Lake Capote in southwestern Colorado.

**SAGINAW CHIPPEWA TRIBAL NATION, Mount Pleasant, MI:** Feasibility study for proposed expansion of gaming and resort facilities at the Soaring Eagle Casino and Resort in Mount Pleasant, MI. Detailed analysis of current facilities and customer profile, assessment of facilities and recommendations regarding market-appropriate expansion components for this major resort complex.

**KEWEENAW BAY INDIAN COMMUNITY, Baraga & Marquette, MI:** Feasibility study for casino and lodging development by the Community in both Baraga and Marquette, MI.

**LAC VIEUX DESERT BAND, Watersmeet, MI:** Feasibility study for a casino, hotel and golf course development on the Michigan Upper Peninsula.

**LITTLE RIVER BAND OF OTTAWA INDIANS, Manistee, MI:** Feasibility study that identified and evaluated six alternative uses for vacant casino building.

**KLAMATH TRIBES – KLA-MO-YA CASINO, Chilquin, OR:** Market study and financial projections for proposed hotel and travel center development adjacent to this Tribal casino on State Route 97 in southern Oregon.

**NEZ PERCE TRIBAL ENTERPRISE COMMITTEE, Lewiston, ID:** Master planning and market advisory services related to gaming, lodging, entertainment and general real estate development on Tribal lands in Lewiston, Idaho.

**CONFEDERATED SALISH & KOOTENAI TRIBES, Pablo, MT:** Market study and financial projections for gaming expansion at the Tribe's resort facility on Flathead Lake, as well as a full feasibility study and recommendations for a gaming facility north of Missoula, MT.

**CONFEDERATED SALISH & KOOTENAI TRIBES – Gray Wolf Peak Casino – Evaro, MT:** Feasibility study for proposed new replacement casino for this "temporary" gaming facility just north of Missoula, MT.

**BLACKFEET NATION – Glacier Peaks Casino – Browning, MT:** Feasibility study for casino expansion and hotel development adjacent to the Tribe's existing gaming facility just east of Glacier National Park in Browning, MT.

**JENA BAND OF CHOCTAW INDIANS, JENA, LA:** Market study and financial projections for both Class II and Class III gaming facilities in central Louisiana.

**THE AFFILIATED OREGON GAMING TRIBES, Pendleton, Oregon:** Impact study on the economic benefits of Indian gaming in the State of Oregon on tribal, local and state economies and tax revenue generated to the state and federal government, which included onsite interviews with each of the six participating Oregon tribes.

**COMANCHE, CHEROKEE AND CREEK NATIONS OF OKLAHOMA:** Marquette Advisors was engaged for separate assignments to evaluate the impact that the state's proposed compacts would have on the future cash flows that each tribe would receive from their casino operations. In order to arrive at projections of future cash flow, the impact of competitive racinos and charitable gaming had to be evaluated. The tribes relied on our economic analyses in their decision to accept the compacts.

**NORTHERN ARAPAHOE TRIBE, Riverton, WY:** Feasibility study for a proposed Class III gaming facility on the Wind River Indian Reservation near Riverton, Wyoming.

**AFFILIATED TRIBES, New Town, ND:** Feasibility study for a proposed new casino and hotel complex on the south shore of Lake Sakakawea in west-central North Dakota.

**BLUE CHIP CASINO, Michigan City, Indiana:** Market study for hotel expansion, convention center, retail and entertainment amenities for existing dockside casino.

**GRAND CASINOS, INC., Minneapolis, Minnesota:** Market studies and projections of gaming win for two Indian casinos in Louisiana and two dockside gaming operations on the Mississippi Gulf Coast. Market study, financial projections and assistance in preparing revenue assumptions for the offering document for a major mixed-use casino, convention and golf resort development in Tunica County.

**MODERN GAMES, Hamburg, Germany:** Market studies, financial projections and estimates of economic impact for three Indian gaming operations in southeastern British Columbia.

## *COMMERCIAL GAMING*

**IOWA RACING AND GAMING COMMISSION – Statewide Gaming Market Analysis, Revenue Forecast, and Economic Impact Assessment:** Provided a comprehensive statewide gaming market assessment, with projections of gaming revenues for all existing operations. Provided a detailed analysis of the potential gross revenue and state tax impacts of varied development scenarios inclusive of up to five (5) new casinos at distinct locations throughout the state. Modeling by Marquette Advisors was developed so as to provide a mechanism for evaluating the potential economic impact of one or more gaming facilities of various sizes. Marquette quantified the economic impact of new casinos upon existing operations in order to assess potential cannibalization resulting from future licensing. The study by Marquette Advisors was used by IGRC in evaluating license proposals throughout the state.

**STATE OF RHODE ISLAND:** Marquette was the financial advisor to The State of Rhode Island, providing market assessment, facility review, and financial analysis regarding Newport Grand Casino in Rhode Island's

$500m refinancing. Marquette Advisors provided comprehensive financial advisory services on behalf of the State of Rhode Island related to the subject gaming license and facilities, and evaluated the potential impact of a proposed out-of-state acquisition by the operator upon that company and its financial well-being.

**MGM RESORTS INT'L – MGM NATIONAL HARBOR – Prince George's Co. Maryland:** Market study, financial projections and economic impact analysis prepared on behalf of MGM related to gaming license application to the State of Maryland for a new resort casino operation to be constructed at the National Harbor complex.

**STATE OF GEORGIA:** Marquette Advisors provided a comprehensive market study and economic impact analysis related to legislation regarding the proposed licensure of up to six casino resort developments throughout the State of Georgia. This study included a detailed forecast of gaming and non-gaming revenues under varied development scenarios, together with an estimate of the economic impacts attributable to gaming expansion that would accrue to the State of Georgia in the form of tax revenue, business output, job creation and worker earnings.

**GENTING GROUP – New York Gaming License Application:** Marquette Advisors served as Genting's market and financial analyst, providing comprehensive market analyses and financial projections related to the Company's applications for a new gaming facilities proposed for Orange County, NY.

**GENTING GROUP – RESORTS WORLD CASINO AT AQUEDUCT RACEWAY, New York, NY:** Market study and revenue projections for gaming development at Aqueduct Raceway. Marquette Advisors provided detailed gaming revenue projections and evaluated the potential impact of several proposed Catskills gaming developments upon the Aqueduct casino project, as well as casino developments proposed in neighboring states. This study also evaluated the potential economic impact of various changes in New York gaming policy upon the performance of all NY racino facilities.

**PROPOSED PLAZA CASINO RESORT – Las Vegas, NV:** Feasibility study and prospective valuation for proposed Plaza Casino located at the north end of the Strip in Las Vegas, NV. Detailed project review, development recommendations, financial projections, as-is and prospective valuation were provided.

**NEMACOLIN WOODLANDS RESORT, Farmington, PA:** Market study, financial projections and economic impact study for a proposed new casino at this luxury resort in southwestern Pennsylvania.

**MT. AIRY CASINO RESORT – Mount Pocono, PA:** Market study, development recommendations, and financial projections for this resort casino complex in the Pocono region of Pennsylvania.

**MOUNTAINEER CASINO, RACETRACK & RESORT, Chester, WV:** **D**ue diligence assignment on behalf of a client evaluating a potential acquisition of MTR Gaming Group. This included an assessment of the future market potential for the Mountaineer Gaming Resort under several market expansion scenarios, reflecting proposed casinos in Pittsburgh and elsewhere in the state. The results of our analyses were quantified and financial projections were prepared for several scenarios. This engagement also included an evaluation of potential gaming markets at new locations in several other states as well.

**MINOR VENTURES, LLC – Gaming Market Assessment – Suburban Baltimore, Maryland:** Market study and detailed utilization and financial projections for a proposed casino development in Anne Arundel County, Maryland.

**FRENCH LICK CASINO, French Lick, IN:** Market analysis, financial projections and valuation consulting on behalf of the casino development team. This project involved a major renovation of the West Baden Springs Hotel, the construction of a new hotel, convention center, and gaming complex, as well as additional resort amenities such as two championship golf courses and an upscale full-service spa.

**PENINSULA GAMING – Casino Feasibility Studies, Ft. Dodge and Des Moines, IA:** Market study and financial projections for proposed new casino developments in Fort Dodge and Des Moines, IA.

**AFFINITY GAMING, ST. JO FRONTIER CASINO, St. Joseph, MO:** Market study and financial projections for existing riverboat gaming facility, with utilization and financial modeling provided on behalf of client considering relocation and construction of new facility in Downtown St. Joseph.

**PINNACLE ENTERTAINMENT – Kansas City Gaming Market Analysis:** Market study, development recommendations and financial projections for a proposed resort gaming complex in Wyandotte County, KS.

**PROPOSED HILTON HEAD, SC CASINO RESORT – Market Study & Economic Impact Analysis**: Market study, utilization and revenue forecast, and economic impact study on behalf of development partnership proposing a major casino resort complex on a site near I-95 in Jasper County, SC.

**ISLE OF CAPRI, Casino Hotel Market Studies - Kansas City and Boonville, MO:** Market studies and financial projections for proposed hotels to be added to the Isle of Capri Casinos in Kansas City and Boonville.

**ISLE OF CAPRI, Bossier City, LA:** Market analysis to assess the likely impact that other casino developments in the market will have on this existing casino.

**JACOBS ENTERTAINTMENT, INC. – Casino/Hotel Valuation, Carson City, NV:** Complete going concern valuation of Gold Dust West Casino and Hotel in Carson City, NV. Marquette Advisors also provided detailed highest and best use analysis related to adjoining accessory land at the property.

**JACOBS ENTERTAINTMENT, INC. – Land Valuation – Colonial Downs - Virginia:** Land valuation and consulting services related to racino and excess lands.

**RENAISSANCE RESORTS INTERNATIONAL CORPORATION, Bermuda:** Comprehensive consulting services for all aspects of financing and development for a proposed residential, gaming, and resort project on the island of Bermuda. Proposed project site was the former U.S. Naval Refueling Base, Mid-Atlantic Fleet. Marquette conceptualized, programmed, and negotiated all aspects of this development, including $300m USD capitalization structure.

**DETROIT MOTOR CITY CASINO, Detroit, Michigan:** Advisors to a former partner of DMCC in a marriage dissolution. Financial models were developed to arrive at a value estimate of the going concern.

**GREEKTOWN CASINO, L.L.C., Detroit, Michigan:** Feasibility study and economic impact analysis for a proposed casino complex in downtown Detroit. Completion of all financial and economic impact input for submissions to the City of Detroit in the RFP process resulting in the award of one of only three authorized casino development agreements to the client.

**BECKER GAMING GROUP, Las Vegas, Nevada:** Market study and financial projections for a major expansion of Arizona Charlie's casino, bingo hall and hotel in Las Vegas. Feasibility and economic impact study for a proposed riverboat casino in Jefferson City, Missouri.

**DUBUQUE DIAMOND JO CASINO, Dubuque, Iowa:** Feasibility study for the addition of a hotel to the land based development of an existing riverboat casino.

**LADY LUCK GAMING CORPORATION, Las Vegas, Nevada:** Market studies and financial projections for a casino hotel in Biloxi, Mississippi and a casino expansion and hotel addition in Lula, Mississippi. Market study, financial projections and market value appraisal for a proposed hotel connected to a riverboat casino in Bettendorf, Iowa.

**CASINO AMERICA, INC., Biloxi, Mississippi:** Analysis of Mississippi Gulf Coast gaming market and subsequent strategic recommendations and financial projections for expansion of the Isle of Capri Casino and Resort in Biloxi, Mississippi. Completion of similar strategic analyses for Isle of Capri Casino in Lake Charles, Louisiana and Isle of Capri Casino & Hotel in Bossier City, Louisiana.

**FLAMINGO HOTEL AND CASINO, Kansas City, Kansas;** Completion of a full valuation of the going concern of the casino.

**STATION CASINO, Kansas City, Kansas:** Completion of a full and complete valuation of the going concern of the dual water based casino(s) located on the river near Kansas City.

**CLARIDGE HOTEL AND CASINO, Atlantic City, New Jersey**: Completion of a full and complete valuation of a 500 room hotel, 2500 machine casino and ancillary facilities.

**THE DOWNS AT ALBUQUERQUE, NM:** Feasibility study and valuation services related to a proposed new racetrack and gaming facility east of Albuquerque, NM.

**HOBBS DOWNS & CASINO, LLC: - New Mexico:** Feasibility for a proposed horse track and casino in New Mexico. A presentation on the project was made to the New Mexico Racing Commission.

**JUBILEE GAMING ENTERPRISES, Cripple Creek, Colorado:** Market value appraisal for a large expansion of the Jubilee Casino in Cripple Creek, Colorado.

**CLARIDGE GAMING, INC., Atlantic City, New Jersey:** Market study, project positioning and financial projections for a proposed casino resort development on the Las Vegas Paiute Indian Reservation in Las Vegas, Nevada.

**PRAIRIE MEADOWS RACETRACK, Polk County, Iowa:** Feasibility study for the financing of a complete track renovation and installation of 1,100 slot machines, including estimates of the impact upon pari-mutuel handle.

**GREATER DUBUQUE RIVERBOAT COMPANY, Dubuque, Iowa:** Market analysis and projection of total market gaming revenue for installation of slot machines at Dubuque Greyhound Park.

**WOODLANDS RACETRACK, Kansas City, Kansas:** Feasibility study, economic impact analysis and expert testimony in bankruptcy proceedings for the conversion of the Woodlands Racetrack into a full scale Class III Indian casino.

**SUPER G INVESTMENTS, Deadwood, South Dakota:** Feasibility study and business plan for a proposed casino and resort in Deadwood.

**DOWNTOWN WICHITA, Wichita, Kansas:** An economic impact analysis for a proposed casino and hotel development that was used for lobbying purposes to win gaming approval within the state. The report analyzed the economic and social benefits of the proposed project, as well as the projected fiscal impacts of the project.

## ***HOTELS & RESORTS***

**PROPOSED PLAZA HOTEL & CASINO – Las Vegas, NV:** Market study, financial projections, and complete going concern valuation for proposed luxury casino resort project on the Las Vegas Strip. Proposed development comprises more than 2,000 hotel rooms, along with gaming, upscale retail center and residential condominiums in a variety of formats.

**THE PLAZA HOTEL – New York, NY:** Market value appraisal of The Plaza Hotel and The Plaza Retail Collection in Manhattan.

**THE CHAMBERS HOTEL – Minneapolis, MN:** Comprehensive market study, feasibility analysis, financial projections and prospective appraisal for this proposed boutique hotel within the Hennepin Avenue Theater District of downtown Minneapolis.

**ANTELOPE POINT, Lake Powell – Page, AZ** Market study and financial projections for a proposed hotel development at the Antelope Point Marina on Lake Powell, near Page, AZ.

**CPM DEVELOPMENT – U of M/Minneapolis, MN:** Market study and development recommendations for a complex multi-use development program for a site near the U of M campus. Analysis of lodging market conditions and potential for dual-branded hotel development and complementary commercial uses at the site.

**GREAT ADVENTURE HOTEL, Bellevue, NE:** Market value appraisal of the Great Adventure Hotel located in the Bellevue, Nebraska.

**HOTEL DEVELOPMENT AT GLACIER PEAKS CASINO, Browning, Montana:** Hotel feasibility study with the Blackfeet Tribe at the Glacier Peaks Casino located in Browning, Montana. Market studies and financial projections for a hotel to be attached to the Glacier Peaks Casino.

**RAMADA INN – Downtown Minneapolis, MN:** Feasibility study for the purchase and refurbishment of a downtown limited-service hotel into a Quality Inn Hotel & Suites.

**CONSOLIDATED RAIL CORPORATION, Pittsburgh, Pennsylvania:** Analysis of hotel development potential and expert witness testimony for a tract of land in Columbus, Ohio in a taking proceeding.

**CASINO HOSPITALITY CORPORATION, Minneapolis, Minnesota:** Market studies and financial projections for casino hotels attached to two Indian casinos in Louisiana and two dockside gaming operations in Mississippi. Market studies and financial projections for a proposed Microtel in Turtle Lake, Wisconsin and a proposed Microtel in Eagan, Minnesota.

**CASINO RESOURCE CORPORATION, Elkhorn, Wisconsin:** Market Study and financial projections and market value appraisal for a proposed limited service hotel in Hinckley, Minnesota.

**DOUBLETREE HOTEL – U OF M – Minneapolis, Minnesota:** Feasibility study and complete appraisal of proposed 140-room hotel adjacent to the U of MN campus and expanding medical facility.

**HAMPTON INN – Minneapolis, Minnesota:** Complete appraisal of proposed Hampton Inn on University Avenue in Minneapolis, MN.

**IOWA-ILLINOIS GAS AND ELECTRIC COMPANY, Davenport, Iowa**: Market study for a proposed Quad City Plaza Hotel in Davenport, Iowa, developed by John Q. Hammons.

**CITY OF WAUSAU, Wausau, Wisconsin:** Market study, financial projections and analysis of public funding alternatives for a proposed exhibition hall and convention hotel in downtown Wausau.

**CHAFOULIAS MANAGEMENT COMPANY, Rochester, Minnesota:** Preliminary market research for a proposed convention hotel in Moline, Illinois. Preliminary market study for a proposed Hilton Garden Inn in Rochester Minnesota.

**CITY OF LACROSSE, LaCrosse, Wisconsin:** Market Study and financial projections for a proposed convention hotel to be connected to the LaCrosse Civic Center.

**BEST WESTERN STEPHENSON HOTEL – Freeport, IL:** Appraisal of the full service Best Western Stephenson Hotel in Freeport, Illinois for possible acquisition.

**BEAR STEARNS, New York, New York:** Market value appraisal of $3.65, 56-room AmericInn Motel & Suites located in Richfield, Minnesota.

**WINGATE INN – Oakdale, MN**: Market value appraisal of $4.2 million, 84-room Wingate Inn hotel located in Oakdale, Minnesota.

## ***CONVENTION, SPORTS & RECREATION FACILITIES***

**CITY OF MARION, INDIANA – Proposed Ice Arena:** Market and financial feasibility study for new sports arena and event center in Marion, IN. Market study evaluated the marketability and likely financial performance of the arena, with a proposed USHL minor hockey team as primary tenant. Additional user groups evaluated included universities and colleges in the local community and surrounding region, as well as youth hockey and figure skating. A detailed analysis was also provided for concerts, events and conventions.

**MARKET CREEK EVENTS & VENUES – San Diego, CA:** Market study and financial projections for this existing conference, banquet and event facility in San Diego, including a full analysis of the current financial performance and market positioning/market share for the facility, as well as the potential for future utilization and financial performance enhancement through changes in facilities, marketing and operations.

**MINNEAPOLIS CONVENTION CENTER – Minneapolis, MN:** A feasibility study for a proposed expansion of the Minneapolis Convention Center.

**ST. PAUL CIVIC CENTER – St. Paul, MN:** Market study, financial analysis and consulting services on behalf of the St. Paul Port Authority.

**SEMINOLE TRIBE OF FLORIDA – Proposed Golf Course – Clewiston, FL**: Market study and financial projections for a proposed gold course in south-central Florida.

**METROPOLITAN AIRPORTS COMMISSION, Minneapolis, Minnesota:** A feasibility study for a proposed airport conference center, along with consulting services including the valuation of the Gold Concourse, airport terminal land, proposed acquisition of new airport, and condemnation related issues regarding new north-south runway.

**CITY OF TROY, Troy, Michigan:** Feasibility study for a convention center and performing arts center. In addition to market research and financial projections for the two public facilities, the need for additional hotel rooms was evaluated and appropriate quality level, size, and amenities were recommended.

**CITY OF MANKATO, Mankato, Minnesota:** Market study for a convention center and arena to be used by the community and Mankato State University. Services included interviews with area performing arts groups, athletic programs and state and regional convention groups.

**CITY OF BRAINERD, Brainerd, Minnesota:** Market study for a public assembly facility in a northern Minnesota resort community. Objective of facility was to draw people to the area during the winter and to bring tourists into town during the summer.

**CITY OF FAIRMONT, Fairmont, Minnesota:** Market study for a regional convention center. Services included evaluation of alternative sites and adequacy of area hotel supply.

**CITY OF FERGUS FALLS, Fergus Falls, Minnesota:** Market study and financial projections for a convention/exhibition center. Services included evaluation of several alternative sites and recommendations regarding whether the facility should be operated by the city or leased to a hotel operator.

**BLUE CHIP CASINO, Michigan City, Indiana:** Market study for an expansion of the casino's convention center and the addition of a showroom.

## ***ADDITIONAL IMPACT STUDIES***

**MGM RESORTS INT'L – MGM NATIONAL HARBOR – Prince George's Co. Maryland:** Market study, financial projections and economic impact analysis prepared on behalf of MGM related to gaming license application to the State of Maryland for a new resort casino operation to be constructed at the National Harbor complex.

**MINNESOTA INDIAN GAMING ASSOCIATION, Cass Lake, Minnesota:** Impact study on the economic benefits of Indian gaming in the State of Minnesota on tribal, local and state economies and tax revenue generated to the state and federal government, which included onsite interviews with each of the ten participating MIGA tribes.

**IONE BAND OF MIWOK INDIANS, Plymouth, California:** An economic impact analysis for a proposed casino development in northern California. The report analyzed the economic and the projected fiscal impacts of the project.

**JEMEZ PUEBLO, Anthony, New Mexico:** An economic impact analysis for a proposed casino development on newly designated trust land in southern New Mexico. The report analyzed the economic and the projected fiscal impacts of the project on both the local and regional area.

**DOWNTOWN WICHITA, Wichita, Kansas:** An economic impact analysis for a proposed casino and hotel development that was used for lobbying purposes to win gaming approval within the state. The report analyzed the economic and social benefits of the proposed project, as well as the projected fiscal impacts of the project.

**KANSAS CITY INTER-TRIBAL GAMING MANAGEMENT CONSORTIUM:** Market study, facility recommendations and financial projections were prepared for a large casino in the Kansas City area. Testimony on the project and its impact on existing casinos was provided to the Governor's Task Force on Gaming.

**KANSAS FOR ECONOMIC GROWTH:** Market study, financial projections and economic impact study for a proposed destination gaming facility in southeastern Kansas on behalf of Kansas for Economic Growth and the Three Affiliated Tribes of Kansas.

**THE AFFILIATED OREGON GAMING TRIBES, Pendleton, Oregon:** Impact study on the economic benefits of Indian gaming in the State of Oregon on tribal, local and state economies and tax revenue generated to the state and federal government, which included onsite interviews with each of the six participating Oregon tribes.

**MINNESOTA RESTAURANT ASSOCIATION, Saint Paul, Minnesota:** Economic impact analysis on the food service in the State of Minnesota.

**SODAK GAMING SUPPLIES, INC., Rapid City, South Dakota:** Analysis of the economic benefits of Indian gaming in the State of Minnesota, based upon direct interviews with all Minnesota tribes.

**GREATER MINNEAPOLIS CONVENTION & VISITORS BUREAU, Minneapolis, Minnesota:** Analysis of state tax revenue increases generated by the Minneapolis Convention Center and related projects.

**UNIVERSITY OF ST. THOMAS, St. Paul, Minnesota:** Analysis of the economic impact of an expansion of the Minneapolis campus of the University of St. Thomas and construction of a multi-district K-12 magnet school.

**MECHOOPDA TRIBE, Chico, CA:** An economic impact analysis for a proposed casino and hotel development at a site near Chico, California. The report analyzed the economic and social benefits of the proposed project, as well as the projected fiscal impacts of the project.

**LIBERTY ALLIANCE, LLC, Fort Lee, New Jersey:** An economic impact analysis for a proposed casino project and ancillary development