

**Cummings Associates**

**Projections for the Performance  
of New Gaming Facilities in Kansas**

October 19, 2009

**135 Jason Street, Arlington, Massachusetts 02476  
Telephone: 781-641-1215 - Fax: 641-0954 - e-mail: cummingsw@aol.com**

## Contents

Executive Summary	i
1. Introduction	1
2. Methodology	2
3. Major Assumptions	6
4. Projections for Kansas Entertainment	10
5. Projections for Chisholm Creek	12
6. Conclusions	15
Exhibits	16
Appendix A: Details of the Gravity-Model Methodology ( includes Bibliography )	
Appendix B: Gaming Revenue Projections – Baseline	
Appendix C: Detail for Sources of Consumer Spending	
Appendix D: Detail for Sources of Visitation	
Appendix S: Detail for Slots / Baseline	
Appendix T: Detail for Tables / Baseline	

# **List of Exhibits**

(Following the Executive Summary)

A. Summary of Projections

(Following the main body of text, but before the Appendices)

1. Northeast Kansas Area: Casino Locations
2. South-Central Kansas: Casino Location
3. Portion of Model Inputs
4. Gaming-Device “Power Ratings”
5. Projected Power Ratings (etc.)
6. Projections for Kansas Entertainment Phase 1
7. Projections for Kansas Entertainment Raving Minimum
8. Projections for Kansas Entertainment Full Build-Out
9. Projections for Chisholm Creek Phase 1
10. Projections for Chisholm Creek Raving Minimum
11. Projections for Chisholm Creek Full Build-Out
12. Summary of Projections

# Projections for the Performance of New Gaming Facilities in Kansas

## Executive Summary

The Kansas Lottery Gaming Facility Review Board retained Will Cummings, the author of this report to assess the prospects for likely future gaming revenues at two casinos currently under consideration: Kansas Entertainment LLC, at the Kansas International Speedway in Kansas City, and Chisholm Creek, proposed for the northern edge of Sumner County in South-Central Kansas.

To do this, I have developed and applied “gravity” models, which are used by analysts in assessing many types of consumer behavior. With regard to casino gaming, they are based essentially on the demographics of the areas surrounding each facility, in particular the number of adults residing at various distances, and the ratio of actual gaming revenues obtained to such adult populations at existing facilities. *Access time*, not mileage per se, and population density are the most critical variables. Previous projections based on gravity models have proved, in my opinion, reasonably accurate, and more often conservative than aggressive.

One key concept that I employ throughout my analyses is what I call the “Power Rating” of a casino and/or market. (I focus heavily on slot revenues, because they comprise roughly 90% of the gaming win and an even greater proportion of the profits of almost all casinos in the Midwest.) A Power Rating of 100 represents spending on slot machines that averages \$700 per adult in the market, adjusted for distance, competition, and other factors. This Power Rating is an extension of the “Fair Share” concept. If a casino, for example, has 20% of the slots within a market but attracts 22% of the slot revenues, then it is getting 110% of its “fair share.” My extension involves the element of comparison not just with other casinos in the area but also with the size and distribution of the surrounding population.

I have selected \$700 as the benchmark for slot power ratings based on analysis of many markets across the U.S. This figure appears typical of new casinos in the Midwest that are fairly ordinary, while not taxed too highly or subject to capacity constraints. I therefore call this benchmark “Midwest Standard.” (The corresponding figure for table games is just \$90.)

I developed projections for each facility under three scenarios: Phase I as proposed by each applicant, an alternative initial configuration suggested by Raving Consulting, and a representative fully-built-out configuration suggested by each applicant. The Phase I scenarios do *not* include hotels on-site; all the others do.

With or without these hotels, I expect Kansas’s casinos to perform somewhat better than the Midwest averages. While physically more modest than those proposed in these zones last year, I have projected their likely slot power ratings (based on synergy with area attractions in Kansas City, a slightly “rural” position at Chisholm Creek [rural casinos typically do better], fit, finish

and amenities by way of capital expenditures per gaming position, spaciousness by way of square footage per gaming position, and hotel rooms per gaming position) to range from 102.6 to 103.9. For comparison, the slot power ratings of the best casinos in Kansas City, Missouri, range from 101 to 106, and those of the most recently-constructed major casinos in Iowa from 102 to 107.

In addition to its impact on power ratings, I have reflected the addition of a hotel in some scenarios by extending the “reach” of each casino from its initial 120 or 150 miles (Chisholm Creek and Kansas Entertainment, respectively, with the latter benefiting from existing hotels nearby) to an ultimate figure of 200 miles, which I find typical for casinos with hotels attached.

In coordinated assumptions, Wells Gaming Research and I have assumed zero growth between 2009 and 2010, then three percent inflation into the future. We have assumed 2013 is the year of “stabilized operations” for comparing our projections with those of the applicants’ Phase 1s, and 2015 as the year for which to present projections for each facility at the representative full build-out configuration suggested by its proponent.

My projections for the two gaming facilities are summarized in Exhibit A.

For Kansas Entertainment Phase 1, I project total gaming revenues at \$203.3 million in 2013. With full build-out, assuming that occurs in 2015, I project total gaming revenues at \$261.6 million. These are reasonably close, in my opinion, to the applicant’s projections, which are \$220.2 million and \$326.8 million, respectively (especially because the latter may be for a year well beyond 2015).

For Chisholm Creek Phase 1, I project total gaming revenues at \$163 million, substantially *higher* than the applicant’s \$121.1 million in 2013. Though Chisholm Creek’s Phase 1 facility will be modest, I believe that its situation as effectively “the only game in town” will yield more revenue than they expect.

At full build-out, however, which I once again assume will occur by 2015 while the applicant may not, I project \$192.8 million in total gaming revenues versus the applicant’s \$230 million. Our positions are now reversed: Chisholm Creek’s full-build projections are 19% higher than mine. This is not large in absolute terms (again, especially considering the likely timing difference), but I believe their expectation that such a large *increment* would result from full build-out is unduly aggressive. I would not expect that build-out in this type of market to yield \$110 million in additional gaming revenues each year. In effect, I believe that Chisholm Creek is likely to get more bang for their buck from their *first* \$100 million in CapEx, and less from their second, than they do.

## Exhibit A: Summary of Projections

### Phase 1s, in 2013 Dollars

( at 3% per annum, skipping 2010 )

Gaming Facility / Location:	# Slots	Power Rating	Slot Win (\$mn)	win/slot/day	Total Win		%
					Cummings (\$mn)	Applicant (\$mn)	
<b>Kansas Entertainment / Northeast Zone:</b>							
Phase I as proposed	2,300	103.1	\$171.7	\$204	\$203.3	\$220.2	108%
Raving Minimum	2,300	103.3	\$176.4	\$210	\$209.2		
<b>Chisholm Creek / South-Central Zone:</b>							
Phase I as proposed	1,300	102.6	\$140.8	\$297	\$163.0	\$121.1	74%
Raving Minimum	1,300	103.4	\$145.4	\$306	\$168.3		

### Full Build-Outs, in 2015 Dollars

( at 3% per annum, skipping 2010 )

Gaming Facility / Location:	# Slots	Power Rating	Slot Win (\$mn)	win/slot/day	Total Win		%
					Cummings (\$mn)	Applicant (\$mn)	
<b>Kansas Entertainment / Northeast Zone:</b>							
Full Build-Out	3,000	103.9	\$222.9	\$204	\$261.6	\$326.8 *	125% *
<b>Chisholm Creek / South-Central Zone:</b>							
Full Build-Out	2,000	102.9	\$166.7	\$228	\$192.8	\$230.0 *	119% *

\* Applicant's projections not specifically for 2015; if further in future, should be deflated to compare with Cummings.

# **Projections for the Performance of New Gaming Facilities in Kansas**

## **1. Introduction**

In 2007, the State of Kansas enacted legislation that authorizes casino gaming in Kansas in the form of “Kansas Lottery Gaming Facilities.” The Kansas Lottery, Racing and Gaming Commission, and Lottery Gaming Facility Review Board have subsequently engaged in two rounds of applications for Lottery Gaming Facility management contracts. As a part of this process, the Lottery Gaming Facility Review Board retained Will Cummings, the author of this report, to assess the prospects for likely future gaming revenues at the various casinos under consideration. In this round of the process, there are two: Kansas Entertainment, LLC, a joint venture of Penn National Gaming and International Speedway Corporation, at the Kansas International Speedway in Kansas City, Kansas, and Chisholm Creek, a consortium led by Lakes Entertainment, Inc., at the northern edge of Sumner County in South-Central Kansas.

Section 2 describes the gravity-model methodology that I have used in brief; I have provided much more detail in Appendix A.

Section 3 describes the major assumptions underlying my analyses. Section 4 presents my projections for likely gaming revenues at the casino proposed by Kansas Entertainment under three scenarios (Phase 1 as proposed by the applicant, an alternative initial configuration suggested by Raving Consulting, and a representative fully-built-out configuration suggested by the applicant), and Section 5 presents my projections for Chisholm Creek under three corresponding scenarios.

Section 6 presents a summary of my conclusions.

## 2. Methodology

In order to develop my projections for Kansas, I first conducted detailed analyses of the performance of the casinos and gaming-device facilities nearby, and those most comparable in other states, in relation to the demographics of the market areas that surround them. “Geography,” by which I primarily mean the distribution of population, is the most important factor underlying the performance of gaming facilities, as it is indeed for the sales of most consumer goods and services.

My methodology is described in detail in Appendix A. In brief, it is based on the number of adults residing at various distances from each gaming facility in an area, and the ratio of actual revenues obtained to such numbers of adults so distributed. I apply “gravity models” that incorporate data for various geographic subunits in each market such as its adult population, per capita income, urban/rural nature, and distance to the nearest casino(s) and/or race-track gaming-device facilities (or relevant group(s) of such facilities).<sup>1</sup> From these parameters, I estimate the “distance-adjusted” adult population of each market. This figure is intended to represent the effective market population “as if” the entire population resided within ten miles of a gaming-device facility.<sup>2</sup> In order to do this on a detailed basis, I conducted this analysis by zip code throughout Kansas and in the nearest portions of Missouri. The model also covers the rest of Missouri, all of the other states neighboring Kansas, and portions of many other states nearby to

---

<sup>1</sup> These are called “gravity” models because in their simplest form, they are similar to Newton’s Law of Gravitation: the “attraction” of each competing facility is inversely proportional to the square of its distance from the relevant population. Because economists named Reilly and Huff pioneered their application to retail sales, they are now called “Reilly” or, more commonly, “Huff models.”

<sup>2</sup> And also had per capita income of \$20,000 and was urban in nature, i.e., part of a defined metropolitan statistical area. These relationships are based upon statistical analysis of these models and of survey data from several large casino markets. The ten-mile area reflects no special figure; it is simply a benchmark intended to represent convenient access.

ensure complete coverage of all the markets of interest. For the areas most remote from Kansas, I used counties as the basic elements of analysis.<sup>3</sup>

A portion of my detailed gravity model for slot machines is illustrated in **Exhibit 3** (note that this exhibit extends over two pages, and presents just a small portion of this model). In addition to the demographic data regarding each zip code, a second set of inputs describes its distance from each of many current or potential gaming facilities or groups of such facilities: the three race tracks of Kansas (assumed for this analysis to *not* proceed with the development of their gaming facilities, as they have stated they will not do so under current law), the two prospective casinos examined here, the five existing Indian casinos in Kansas, and the casinos of Missouri, Iowa, Colorado, and all other states in the region.

The model takes the distance (or travel time) *from* each geographic market segment *to* each of the competing gaming-device facilities, identifies the closest such facility, and based on that distance, estimates a “distance-adjusted” adult population for each market segment. Again, these figures represent the number of adults that would generate the estimated level of spending if they all lived within ten miles of the facility. For the State as a whole (and for all the adjoining markets), these figures are lower than the actual adult population, because most people live more than ten miles from such a facility. The model then distributes the distance-adjusted adult populations of each market segment across all the competing facilities, depending upon distance and attractiveness.

In order to project likely revenues for the alternative sites, I analyzed not only the markets nearby but also many other major markets across the country in similar fashion. The results are

---

<sup>3</sup> Because I had similar models available from other studies, I actually analyzed all of Iowa, most of Indiana and some of Illinois by zip code. I have also studied much of the Northeast on this detailed

summarized in **Exhibit 4**. This exhibit presents an index that I call a “power rating” for each of the facilities (or groups thereof) in the major markets of the Midwest and Northeastern U.S.<sup>4</sup> These power ratings represent annual spending on slot machines (and/or VLTs) per “distance-adjusted” adult compared to a representative “Midwest Standard” figure of \$700 (the middle yellow bar in each exhibit). Annual spending averaging \$770 per (distance-adjusted) adult would translate into a power rating of 110 (the upper yellow bar); \$630 into a power rating of 90 (the lower yellow bar).

(I have conducted similar analyses of and developed a corresponding model for table games. As electronic gaming devices now comprise 80% to 90% of the revenues of most casinos in the U.S., I focus heavily on them. The corresponding “Midwest Standard” benchmark for consumer spending on table games is just \$90 per distance-adjusted adult per year.)

This exhibit presents the broad range of markets in three groups: Northeastern U.S. in the first column, medium to large markets elsewhere in the second column, and very rural markets in the third column. Rural facilities often do very well.<sup>5</sup> More competitive markets also generally

---

basis, as well as the markets of New Mexico.

<sup>4</sup> It may be helpful to consider these power ratings as a kind of extension of the “fair share” concept that is often used to compare different gaming facilities. If, for example, all the slot machines in a given market average \$200 in win per day as a group, a facility at which they win \$240 per day is said to do 120% of its “fair share.” One that wins \$180 per machine per day is said to do just 90% of its fair share.

The concepts behind my power ratings are similar, but include analyses of the surrounding demographics. If there are many people and few machines in an area (Chicago, for example), each machine *should* win a lot each day. In rural Iowa, on the other hand, there are many more machines and many fewer people. A facility with the same power rating will win much less per machine per day than in Chicago, but will do equally well in attracting spending from the (smaller) surrounding population.

<sup>5</sup> As described in Appendix A, there are at least three reasons why rural facilities appear to do well: (i) it is easier to get around in those areas, (ii) there is less commercial leisure and entertainment competition, and (iii) there appears to be a “survival bias” (in small markets, often only the best survive, so these are therefore overrepresented in the statistics).

attract higher rates of spending, but as they may be either urban or rural I have not devoted a separate column to them.

The four full-scale casinos that currently serve the Kansas City area are highlighted by pale green shading. Their power ratings have actually increased somewhat since 2008 due to the abolition of loss limits in that State:

<b>Facility</b>	<b>Slot Rating FY2008</b>	<b>Slot Rating 2009</b>
Harrahs North Kansas City	103.5	105.6
Argosy Riverside	97.2	103.2
Ameristar KC	98.6	100.9
Isle of Capri	80.9	81.3

Most other slot power ratings have changed very little since my analyses in 2008. In contrast to Nevada and a few other places like Connecticut, where sharp declines in casino revenues have attracted much attention, *most* regional casino markets have seen consumer spending hold fairly steady through the recent recession.

I reviewed the performance of the casinos not only in Kansas City, Missouri, but also across Missouri, Iowa, and the rest of the Midwest in order to develop the specific assumptions described in the next section. These are basically that the new casinos look and perform very similar(ly) to those in KCMO, and the newest in Iowa, within the limits of their specific configurations (no hotels or meeting facilities in Phase 1, for example).

The resulting projections are presented in Sections 4 and 5.

### 3. Major Assumptions

In general, I have assumed that the people of Kansas will be similar to those of the rest of the Midwest in terms of “propensity to gamble,” that its facilities will be broadly comparable to those elsewhere, and that they will operate within the parameters of the current state law.

**Exhibit 5** presents my assumptions regarding the “power ratings” of the new facilities under each of the three scenarios I have examined. While admittedly somewhat subjective, I have attempted to quantify the impacts of the configuration of the proposed casino under each scenario on both the power ratings and “reach” that would likely apply. For power ratings, I have included synergy with area attractions (the Legends Mall, Nebraska Furniture Mart, and Cabela’s at the Speedway, as well as the Speedway itself), the slightly “rural” position of Chisholm Creek (again, rural facilities do better), fit, finish and amenities by way of capital expenditures per gaming position, spaciousness by way of square footage per gaming position, and hotel rooms per gaming position.<sup>6</sup>

At Kansas Entertainment, the proposed Phase 1 configuration comprises 2,300 slot machines, 61 table games, no hotel, and modest options regarding food and beverage. Raving Consulting’s alternative “minimum” configuration (with the same size casino) includes 200 hotel rooms, meeting space, and slightly more F&B. Kansas Entertainment’s suggested full build-out configuration includes 3,000 slot machines, 75 tables, 500 hotel rooms, and additional amenities.<sup>7</sup>

---

<sup>6</sup> Wells Gaming Research quantifies these, and many other characteristics of each casino, in the “mass index” that they use in their gravity models. My power ratings are generally more of a top-down approach; theirs is more bottom-up.

<sup>7</sup> I have not attempted to quantify the impacts of food and beverage nor other amenities except implicitly and fuzzily through my consideration of bricks-and-mortar dollars per gaming position.

At Chisholm Creek, Phase 1 includes 1,300 slot machines, 30 table games, no hotel, and even more modest food and beverage. Raving's alternative minimum configuration adds 100 hotel rooms here, but relatively more food and beverage, etc. The applicant's suggested full build-out includes 2,000 slots, 50 tables (perhaps including poker), and 150 hotel rooms.

The resulting power ratings range from 102.6 to 103.9. For comparison, the slot power ratings of the best casinos in Kansas City, Missouri, range from 101 to 106, and those of the most recently-constructed major facilities in Iowa from 102 to 107.

In addition to its impact on power rating, I have followed my standard procedures in varying the "reach" of each facility depending on the proximity of hotel rooms. If a gaming facility has a hotel on-site, then I begin to fade its "attractiveness" (at a rate greater than the inverse-square-laws of Newton and Reilly) at 200 miles.<sup>8</sup> Without *any* hotel rooms nearby (as will be the case for Chisholm Creek Phase 1), I begin this fade at 100 to 120 miles, as it must essentially rely on day-trippers. With some hotel rooms in the immediate vicinity (as for Kansas Entertainment), I begin the fade at the intermediate distance of 150 miles.

I have assumed that the new Boot Hill Casino opens in Dodge City as scheduled late this year, and that its (ultimate) performance is similar to that which I projected last year. (I have in fact used my current models to update those projections, but they are not materially different.) I have assumed no other significant new casinos, or video lottery terminals, in Kansas or in the neighboring areas of adjoining states.

To develop projections based on these assumptions, I took the detailed model illustrated (in part) in Exhibit 3, calculated the numbers of "distance-adjusted" adults likely to patronize the

---

<sup>8</sup> This low-pass filter is entirely empirical. Few regional casinos, even those that can fairly be characterized as full-fledged destination resorts, draw well from beyond this distance.

new facilities, and then applied the average rates of spending for each (\$700 for slot machines and \$90 for table games). The results are described below.

For Chisholm Creek in the South-Central Zone I have added an estimate of the potential contribution from passers-by on the Kansas Turnpike, where long-distance traffic averages 14,600 vehicles per day (roughly one-quarter of these are trucks). Casinos in Iowa and New Mexico in somewhat more remote situations appear to obtain incremental slot revenues on the order of one to two dollars per passing vehicle. I have assumed fifty cents per passing vehicle at Chisholm Creek, less than that elsewhere, due to the competing attractions of nearby Wichita. I have assumed no such “traffic intercept” revenues at Kansas Entertainment, figuring that most such traffic would be stopping in the Kansas City area anyway and thereby captured in the average rates of spending per local resident.<sup>9</sup>

All my analyses and projections were initially developed in terms of 2009 dollars. I then inflated these projections to “then-year” dollars for comparability with the applicants’ projections.

There will likely be initial (first-year) transients on the order of ten to twenty percent as each new facility works out its kinks. In particular, it will take some time to develop the players list upon which its critical targeted marketing efforts will depend. In the markets with less experience (Dodge City and the South-Central Zone), this process may be somewhat more

---

<sup>9</sup> These ratios are based on the experience elsewhere which, in my opinion, appropriately reflects the contributions of long-distance travelers who are likely to stop in major metropolitan areas like Kansas City.

intense and extended. After this period, however, assuming recovery to “normal” economic conditions,<sup>10</sup> I expect “outyear” win to grow by roughly three percent per year.

In coordination with Wells Gaming Research, I have used 2013 as the year of “stabilized operations” for comparing my Baseline projections with the applicants’, and 2015 as the year for which to present projections for each facility at the representative full build-out configuration suggested by its proponent.

---

<sup>10</sup> Though not until well into 2010. Specifically, for my future-dollar projections, I have assumed zero growth between 2009 and 2010, then three percent per year into the future.

## 4. Projections for Kansas Entertainment

My projections for Kansas Entertainment Phase 1, along with those for the other major casinos in the region following its opening, are summarized in **Exhibit 6**. In 2013, I project slot win at \$171.7 million, or \$204/slot/day, and total gaming win at \$203.3 million.

For comparison, the applicant projects total gaming win at \$220.2 million. The difference of eight percent between our projections is not significant. When I assess their projection via my methodology, the power rating that I infer is 106.1. My projection is that Kansas Entertainment will win 106% of its “fair share” of the market. Their projections, when I plug them into my model, imply a fair share of roughly 117%. These are all very reasonable figures.<sup>11</sup>

My projections for Raving Consulting’s alternative minimum configuration, which most prominently includes 200 hotel rooms in Phase 1, are presented in **Exhibit 7**. With this configuration, I project total gaming win at \$209.2 million in 2013. This represents an increase of \$5.9 million from Phase 1 as proposed by the applicant, which equates to roughly \$80 per hotel room per night. As a *net* figure, this appears very reasonable to me.

**Exhibit 8** presents my projections for “full build-out” as suggested by the applicant, which includes 3,000 slot machines, 75 table games, and 500 hotel rooms. In 2015, I project slot win at \$222.9 million under this scenario, also \$204/slot/day, and total gaming win at \$261.6 million.

For comparison, the applicant projects total gaming win at \$326.8 million with this configuration, 25% higher than my projections. It is not clear, however, whether the applicant

---

<sup>11</sup> In addition to my point estimate, I have used my model to develop likely “high” and “low” estimates for total gaming revenues. These are intended to represent one standard deviation above and below my point estimate; that is, there is roughly one chance out of three that the actual value will fall

expects this figure in 2015 or at some later date. If later, their figure should be discounted to bring it back to 2015 dollars to compare with mine. Since the difference between our figures is otherwise modest, as such projections go, I am not concerned with it.<sup>12</sup>

My projection for Kansas Entertainment at full build-out implies that it will win 105% of its fair share of the market under this scenario. This is actually slightly less than the 106% I project for Phase 1, but its 3,000 slots here will comprise 26% of the total market, while its initial 2,300 comprised only 21%. It is very hard to grow so much in size and increase “fair share” at the same time.

When I assess their full-build-out projection via my methodology, the power rating that I infer is 111.5, which results in winning 128% of their fair share of the market. While above average, these figures remain reasonable. They are a far cry from this zone in 2008, when three of the four applicants projected that they would win at least 153% of their fair share.

---

outside of this range. My low estimate for Phase 1 in 2013 is \$171.6 million; my high estimate is \$239.8 million. The applicant’s projections are well within this range.

<sup>12</sup> My one-standard-deviation low-to-high range for full build-out in 2015 is \$221 million to \$308.4 million. Since the applicant’s projection of \$326.8 million may be for a much later year than 2015, it may well fall within this range on an apples-to-apples basis.

## 5. Projections for Chisholm Creek

My projections for Phase 1 at Chisholm Creek are summarized in **Exhibit 9**. In 2013, I project slot win at \$140.8 million, or \$297/slot/day, and total gaming win at \$163 million.<sup>13</sup>

For comparison, the applicant projects total gaming win at just \$121.1 million in 2013, which is 26% less than my figure. When I assess their projection via my methodology, the power rating that I infer is just 90.

This is a substantial difference. While *some* facilities do perform at such low levels, they are typically old riverboats, capacity-constrained, and/or burdened by high tax rates. Though Chisholm Creek's Phase 1 facility will be modest, I believe its situation as effectively "the only game in town" should yield revenues far closer to my estimate than to theirs.

My projections for Raving Consulting's alternative minimum configuration, which includes 100 hotel rooms in Phase 1, are presented in **Exhibit 10**. Under this scenario, I project total gaming win at \$168.3 million in 2013. This represents an increase of \$5.3 million from Phase 1 as proposed by the applicant, which equates to roughly \$145 per hotel room per night. As a *net* figure, this appears high on the surface, but is likely reasonable given (a) Chisholm Creek's monopoly position (it can be more selective in granting freebies to its players) and (b) the additional food and beverage amenities that Raving also added under this scenario. Chisholm Creek is starting from a very low base there.

**Exhibit 11** presents my projections for "full build-out" as suggested by the applicant, which includes 2,000 slot machines, 50 table games, and 150 hotel rooms. In 2015, I project slot win at \$166.7 million under this scenario, or \$228/slot/day, and total gaming win at \$192.8

---

<sup>13</sup> My range from low to high for Chisholm Creek Phase 1 is \$148.7 million to \$177.9 million.

million.<sup>14</sup> This is a relatively modest increase from Phase 1, but in my opinion, rightfully so. In a monopoly market like South-Central Kansas, adding capacity and/or amenities is likely to have far less impact than in a more competitive market like Kansas City.

For comparison, the applicant projects total gaming win under this scenario at \$230 million, 19% higher than my projections. As with Kansas Entertainment, however, it is not clear that the applicant expects this figure in 2015 rather than some later date. If later, their figure should be discounted to bring it back to 2015 dollars to compare with mine. Since the difference between our figures is otherwise modest, as such projections go, I am not concerned with it.

I am, however, concerned with the *difference* between the applicant's expectations for its gaming revenues under Phase 1 (\$121 million) and upon full build-out (\$230 million). In a monopoly market like this, I would not expect the addition of roughly \$100 million in capital expenditures to an existing facility to have this sort of impact unless that facility was seriously undersized to start with. That is not the case here. I believe Chisholm Creek is likely to get more bang for their buck from the first \$100 million that they invest than they do, and less from their second.

When I assess their full-build-out projection via my methodology, the power rating that I infer is 115.7. While significantly above average, it is comparable to the level that I estimate for the typical casino in Louisiana and Mississippi. If South-Central Kansas turns out to be a market like these, total revenues of \$230 million could be very achievable.

As in the Northeast Zone, this applicant's projections are in any case far more reasonable than those in 2008. When plugging their projections into my models, I inferred that last year's applicants in the South-Central Zone implicitly expected power ratings ranging from 123 to 134.

---

<sup>14</sup> My range from low to high for full build-out (in 2015\$) is \$175.9 million to \$210.8 million.

Only the massive increase between Chisholm Creek's expectations for Phase 1 and those for its ultimate full build-out appears questionable to me.

## 6. Conclusions

**Exhibit 12** summarizes my projections for these two gaming facilities.

For Kansas Entertainment, I project the total gaming revenues of its Phase 1 project at \$203.3 million in 2013. With full build-out, assuming that occurs in 2015, I project total gaming revenues at \$261.6 million. These are reasonably close, in my opinion, to the applicant's projections, which are \$220.2 million and \$326.8 million, respectively (again, especially considering that the latter may be for a year well beyond 2015).

For Chisholm Creek, I project the total gaming revenues of its Phase 1 project at \$163 million, substantially *higher* than the applicant's expectation of \$121.1 million in 2013.

At full build-out, however, which I once again assume will occur by 2015 though the applicant may not, I project \$192.8 in total gaming revenues, versus Chisholm Creek's projection of \$230 million. The difference of 19% is not large in absolute terms (again, a timing difference is likely), but the expectation that going to their full build-out is likely to yield \$110 million in additional gaming revenues each year appears unduly aggressive. In effect, I believe that Chisholm Creek is likely to get more bang for their buck from their *first* \$100 million in CapEx, and less from their second, than they do.

My analyses and projections are based upon the assumptions described herein. Some of these assumptions will inevitably not materialize, and unanticipated events and circumstances will occur. The actual results will therefore vary from my projections, and such variations may be material.

**Cummings Associates**

**Projections for the Performance  
of New Gaming Facilities in Kansas**

**Exhibits**

October 19, 2009

## **List of Exhibits**

### **Exhibit**

- A Summary of Projections
  
- 1 Northeast Kansas Area: Casino Locations
- 2 South-Central Kansas: Casino Location
- 3 Portion of Model Inputs
- 4 Gaming-Device "Power Ratings"
- 5 Projected Power Ratings (etc.)
- 6 Projections for Kansas Entertainment Phase 1
- 7 Projections for Kansas Entertainment Raving Minimum
- 8 Projections for Kansas Entertainment Full Build-Out
- 9 Projections for Chisholm Creek Phase 1
- 10 Projections for Chisholm Creek Raving Minimum
- 11 Projections for Chisholm Creek Full Build-Out
- 12 Summary of Projections



## Exhibit 2: South-Central Kansas: Casino Location



### Exhibit 3: Portion of Model Inputs

#### Kansas Slot Estimates

Average Distances:  
(NB travel times input later)

State	County / ZIP	Woodlnds	Camptn	WGP	open	Kansas Ent'mt	open	Chisholm Creek	open	Boot Hill	open	White Cloud	Horton	Mayetta
KS	Allen / 66732	102	43	117	...	100	...	128	...	266	...	155	142	122
KS	Allen / 66748	112	56	102	...	110	...	114	...	251	...	154	134	113
KS	Allen / 66749	103	61	106	...	101	...	121	...	255	...	146	127	106
KS	Allen / 66751	101	56	111	...	98	...	125	...	260	...	145	130	110
KS	Allen / 66755	93	51	120	...	91	...	134	...	269	...	146	134	114
KS	Allen / 66772	106	40	118	...	104	...	126	...	265	...	159	146	126
KS	Anderson / 66014	69	61	139	...	67	...	156	...	287	...	132	121	102
KS	Anderson / 66015	92	68	113	...	90	...	130	...	262	...	135	118	97
KS	Anderson / 66032	74	76	129	...	71	...	147	...	276	...	121	107	88
KS	Anderson / 66033	64	77	139	...	61	...	157	...	285	...	117	106	87
KS	Anderson / 66039	82	60	127	...	79	...	143	...	275	...	136	123	104
KS	Anderson / 66091	83	71	121	...	81	...	138	...	269	...	128	113	93
KS	Anderson / 66093	90	77	112	...	88	...	129	...	260	...	131	110	89
KS	Atchison / 66002	40	158	205	...	42	...	226	...	341	...	35	31	44
KS	Atchison / 66016	43	158	192	...	44	...	214	...	329	...	36	27	32
KS	Atchison / 66023	50	164	185	...	52	...	207	...	321	...	39	20	24
:	:	:	:	:	:	:	:	:	:	:	:	:	:	:
:	:	:	:	:	:	:	:	:	:	:	:	:	:	:
:	:	:	:	:	:	:	:	:	:	:	:	:	:	:
KS	Wyandotte / 66106	9	113	195	...	8	...	215	...	337	...	84	79	65
KS	Wyandotte / 66109	7	120	196	...	7	...	216	...	337	...	76	70	57
KS	Wyandotte / 66111	7	115	196	...	7	...	216	...	337	...	82	76	63
KS	Wyandotte / 66112	7	117	196	...	7	...	216	...	337	...	79	73	60
KS	Wyandotte / 66118	12	117	203	...	11	...	223	...	344	...	86	81	69

**Total KS**

### Exhibit 3: Portion of Model Inputs

#### Kansas Slot Estimates

State	County / ZIP	Powhat	A'star KC	Closest (before KS facils)	2006 Adult Population	2000 PCI	Urban?	Impacts:				
								Dstnce	Urban?	Income	Dist-Adj Adults	
KS	Allen / 66732	147	...	114	71	229	\$15,160	20%	100%	87%	39	
KS	Allen / 66748	139	...	125	81	1,991	\$15,160	18%	100%	87%	310	
KS	Allen / 66749	132	...	116	88	6,015	\$15,160	17%	100%	87%	889	
KS	Allen / 66751	135	...	113	83	719	\$15,160	18%	100%	87%	110	
KS	Allen / 66755	139	...	105	80	862	\$15,160	18%	100%	87%	136	
KS	Allen / 66772	151	...	118	67	210	\$15,160	21%	100%	87%	37	
KS	Anderson / 66014	127	...	81	76	231	\$15,033	19%	100%	86%	37	
KS	Anderson / 66015	123	...	106	96	549	\$15,033	16%	100%	86%	76	
KS	Anderson / 66032	113	...	87	82	3,396	\$15,033	18%	100%	86%	524	
KS	Anderson / 66033	111	...	77	72	513	\$15,033	20%	100%	86%	87	
KS	Anderson / 66039	129	...	94	89	464	\$15,033	17%	100%	86%	68	
KS	Anderson / 66091	118	...	97	91	227	\$15,033	17%	100%	86%	32	
KS	Anderson / 66093	114	...	104	89	445	\$15,033	17%	100%	86%	65	
KS	Atchison / 66002	37	...	54	25	9,532	\$16,400	42%	100%	90%	3,570	
KS	Atchison / 66016	33	...	58	27	418	\$16,400	39%	100%	90%	146	
KS	Atchison / 66023	26	...	66	20	888	\$16,400	49%	100%	90%	389	
:	:	:	:	:	:	:	:	:	:	:	:	
:	:	:	:	:	:	:	:	:	:	:	:	
:	:	:	:	:	:	:	:	:	:	:	:	
KS	Wyandotte / 66106	85	...	16	10	8,071	\$15,966	1	76%	100%	89%	10,633
KS	Wyandotte / 66109	76	...	17	10	18,242	\$15,966	1	77%	100%	89%	7,055
KS	Wyandotte / 66111	82	...	16	10	3,694	\$15,966	1	79%	100%	89%	4,945
KS	Wyandotte / 66112	79	...	16	10	1,991	\$15,966	1	80%	100%	89%	5,547
KS	Wyandotte / 66118	87	...	9	7	95	\$15,966	1	100%	100%	89%	1
<b>Total KS</b>						1,943,042						651,859



## Exhibit 5: Projected Power Ratings (etc.)

	<b>Kansas Entertainment</b>			<b>Chisholm Creek</b>		
	Phase 1	Raving	Full Build	Phase 1	Raving	Full Build
Gaming Positions (not inc. poker):	2,666	2,666	3,450	1,480	1,480	2,300
<b>Baselines for Slots:</b>						
Midwest Standard	100.00	100.00	100.00	100.00	100.00	100.00
Synergy with Area Attractions	1.00	1.00	1.00			
Distance from Major Population				1.00	1.00	1.00
Bricks & Mortar \$ / Gaming Position (in \$100ks)	1.35	1.35	1.82	0.84	1.52	0.98
Casino Square Footage / Gaming Position (x .02)	0.75	0.75	0.74	0.78	0.78	0.83
Hotel Rooms / Gaming Position (x 2)	0.00	0.15	0.29	0.00	0.14	0.13
	-----	-----	-----	-----	-----	-----
<b>Total Power Rating</b>	<b>103.10</b>	<b>103.25</b>	<b>103.85</b>	<b>102.62</b>	<b>103.43</b>	<b>102.93</b>
"Reach" (miles before extra decline with distance)	150	200	200	120	200	200
<b>Compare: Last year at this location</b>			<b>103.86</b>			<b>104.00</b>

Note: 100 = "Midwest Standard." Latest major facilities in Iowa range from 102 to 107.  
 "Big Three" KCMO facilities currently range from 101 to 106. Table power ratings all 100 or less.  
 I have assumed 103 for tables in KCKS (the "3" reflects poker), 100 at Chisholm Creek.

**Exhibit 6: Gaming Revenue Projections (\$mn / 2013\$)**  
**Kansas Entertainment Phase 1**

<b>Gaming Facility / Location:</b>	<b># Slots</b>	<b>Power Rating</b>	<b>Slot Win (\$mn)</b>	<b>win/slot/day</b>	<b>Total Win (\$mn)</b>
Woodlands					
Camptown					
Wichita Gh Park					
<b>Kansas Entertainment</b>	<b>2,300</b>	<b>103.1</b>	<b>\$171.7</b>	<b>\$204</b>	<b>\$203.3</b>
Chisholm Creek	1,300	102.6	\$140.8	\$297	\$163.0
Boot Hill / Dodge City	875	112.0	\$41.7	\$131	\$46.7
	-----		-----	-----	-----
Subtotal Kansas Taxable	4,475		\$354.1	\$217	\$413.0
KCK 7th Street	560	72.7	\$15.2	\$74	\$15.2
4 Northeast KS Natives	3,293	116.9	\$163.6	\$136	\$183.1
	-----		-----		-----
Total Kansas	8,218		\$532.9	\$178	\$611.3
memo: Northeast Zone	2,300		\$171.7	\$204	\$203.3
memo: Southeast Zone					
memo: South Central Zone	1,300		\$140.8	\$297	\$163.0
Argosy Riverside	1,899	103.2	\$158.3	\$228	\$173.0
IOC KC	1,514	81.3	\$69.2	\$125	\$75.0
Harrahs NKC	1,783	105.6	\$156.0	\$240	\$180.6
Ameristar KC	3,009	100.9	\$205.1	\$187	\$228.6
Sugar Creek					
	-----		-----		-----
Subtotal KCMO	8,205		\$588.7	\$197	\$657.2
Greater KC Total	11,065		\$775.5	\$192	\$875.7
Greater Joplin Total	8,463		\$190.9	\$62	\$200.6
Greater Wichita Total	7,032		\$242.2	\$94	\$268.2
<b>Consumer Spending in Total:</b>		to Kansas	to Others	Total KS	
from Kansas (\$mn)		\$480.0	\$279.5	\$759.4	
from Others ( " )		\$131.3			
<b>Net Plus or Minus:</b>			<b>(\$148.2)</b>		

**Exhibit 7: Gaming Revenue Projections (\$mn / 2013\$)**  
**Kansas Entertainment Raving Minimum**

<b>Gaming Facility / Location:</b>	<b># Slots</b>	<b>Power Rating</b>	<b>Slot Win (\$mn)</b>	<b>win/slot/day</b>	<b>Total Win (\$mn)</b>
Woodlands					
Camptown					
Wichita Gh Park					
<b>Kansas Entertainment</b>	<b>2,300</b>	<b>103.3</b>	<b>\$176.4</b>	<b>\$210</b>	<b>\$209.2</b>
Chisholm Creek	1,300	102.6	\$140.4	\$296	\$162.5
Boot Hill / Dodge City	875	112.0	\$41.5	\$130	\$46.5
	-----		-----	-----	-----
Subtotal Kansas Taxable	4,475		\$358.4	\$219	\$418.2
KCK 7th Street	560	72.7	\$15.2	\$74	\$15.2
4 Northeast KS Natives	3,293	116.9	\$163.2	\$136	\$182.6
	-----		-----		-----
Total Kansas	8,218		\$536.8	\$179	\$616.0
memo: Northeast Zone	2,300		\$176.4	\$210	\$209.2
memo: Southeast Zone					
memo: South Central Zone	1,300		\$140.4	\$296	\$162.5
Argosy Riverside	1,899	103.2	\$158.1	\$228	\$172.8
IOC KC	1,514	81.3	\$69.2	\$125	\$74.9
Harrahs NKC	1,783	105.6	\$155.8	\$239	\$180.3
Ameristar KC	3,009	100.9	\$204.9	\$187	\$228.4
Sugar Creek					
	-----		-----		-----
Subtotal KCMO	8,205		\$588.0	\$196	\$656.5
Greater KC Total	11,065		\$779.6	\$193	\$880.8
Greater Joplin Total	8,463		\$190.5	\$62	\$200.1
Greater Wichita Total	7,032		\$241.7	\$94	\$267.6
<b>Consumer Spending in Total:</b>		to Kansas	to Others	Total KS	
from Kansas (\$mn)		\$480.8	\$278.8	\$759.6	
from Others ( " )		\$135.2			
<b>Net Plus or Minus:</b>			<b>(\$143.6)</b>		

**Exhibit 8: Gaming Revenue Projections (\$mn / 2015\$)**  
**Kansas Entertainment Full Build-Out**

<b>Gaming Facility / Location:</b>	<b># Slots</b>	<b>Power Rating</b>	<b>Slot Win (\$mn)</b>	<b>win/slot/day</b>	<b>Total Win (\$mn)</b>
Woodlands					
Camptown					
Wichita Gh Park					
<b>Kansas Entertainment</b>	<b>3,000</b>	<b>103.9</b>	<b>\$222.9</b>	<b>\$204</b>	<b>\$261.6</b>
Chisholm Creek	1,300	102.6	\$148.7	\$313	\$172.1
Boot Hill / Dodge City	875	112.0	\$44.0	\$138	\$49.2
	-----		-----	-----	-----
Subtotal Kansas Taxable	5,175		\$415.6	\$220	\$483.0
KCK 7th Street	560	72.7	\$15.3	\$75	\$15.3
4 Northeast KS Natives	3,293	116.9	\$168.9	\$141	\$189.1
	-----		-----		-----
Total Kansas	8,918		\$599.8	\$184	\$687.3
memo: Northeast Zone	3,000		\$222.9	\$204	\$261.6
memo: Southeast Zone					
memo: South Central Zone	1,300		\$148.7	\$313	\$172.1
Argosy Riverside	1,899	103.2	\$159.8	\$231	\$174.8
IOC KC	1,514	81.3	\$70.5	\$128	\$76.4
Harrahs NKC	1,783	105.6	\$159.1	\$245	\$184.2
Ameristar KC	3,009	100.9	\$210.2	\$191	\$234.3
Sugar Creek					
	-----		-----		-----
Subtotal KCMO	8,205		\$599.7	\$200	\$669.7
Greater KC Total	11,765		\$837.8	\$195	\$946.6
Greater Joplin Total	8,463		\$201.3	\$65	\$211.5
Greater Wichita Total	7,032		\$256.0	\$100	\$283.4
<b>Consumer Spending in Total:</b>		to Kansas	to Others	Total KS	
from Kansas (\$mn)		\$528.0	\$279.2	\$807.2	
from Others ( " )		\$159.3			
<b>Net Plus or Minus:</b>			<b>(\$119.8)</b>		

**Exhibit 9: Gaming Revenue Projections (\$mn / 2013\$)**  
**Chisholm Creek Phase 1**

<b>Gaming Facility / Location:</b>	<b># Slots</b>	<b>Power Rating</b>	<b>Slot Win (\$mn)</b>	<b>win/slot/day</b>	<b>Total Win (\$mn)</b>
Woodlands Camptown Wichita Gh Park					
Kansas Entertainment	2,300	103.1	\$171.7	\$204	\$203.3
<b>Chisholm Creek</b>	<b>1,300</b>	<b>102.6</b>	<b>\$140.8</b>	<b>\$297</b>	<b>\$163.0</b>
Boot Hill / Dodge City	875	112.0	\$41.7	\$131	\$46.7
Subtotal Kansas Taxable	4,475		\$354.1	\$217	\$413.0
KCK 7th Street	560	72.7	\$15.2	\$74	\$15.2
4 Northeast KS Natives	3,293	116.9	\$163.6	\$136	\$183.1
Total Kansas	8,218		\$532.9	\$178	\$611.3
memo: Northeast Zone	2,300		\$171.7	\$204	\$203.3
memo: Southeast Zone					
memo: South Central Zone	1,300		\$140.8	\$297	\$163.0
Argosy Riverside	1,899	103.2	\$158.3	\$228	\$173.0
IOC KC	1,514	81.3	\$69.2	\$125	\$75.0
Harrahs NKC	1,783	105.6	\$156.0	\$240	\$180.6
Ameristar KC	3,009	100.9	\$205.1	\$187	\$228.6
Sugar Creek					
Subtotal KCMO	8,205		\$588.7	\$197	\$657.2
Greater KC Total	11,065		\$775.5	\$192	\$875.7
Greater Joplin Total	8,463		\$190.9	\$62	\$200.6
Greater Wichita Total	7,032		\$242.2	\$94	\$268.2
<b>Consumer Spending in Total:</b>		to Kansas	to Others	Total KS	
from Kansas (\$mn)		\$480.0	\$279.5	\$759.4	
from Others ( " )		\$131.3			
<b>Net Plus or Minus:</b>			<b>(\$148.2)</b>		

**Exhibit 10: Gaming Revenue Projections (\$mn / 2013\$)**  
**Chisholm Creek Raving Minimum**

<b>Gaming Facility / Location:</b>	<b># Slots</b>	<b>Power Rating</b>	<b>Slot Win (\$mn)</b>	<b>win/slot/day</b>	<b>Total Win (\$mn)</b>
Woodlands					
Camptown					
Wichita Gh Park					
Kansas Entertainment	2,300	103.1	\$171.5	\$204	\$203.2
<b>Chisholm Creek</b>	<b>1,300</b>	<b>103.4</b>	<b>\$145.4</b>	<b>\$306</b>	<b>\$168.3</b>
Boot Hill / Dodge City	875	112.0	\$41.1	\$129	\$46.0
-----	-----	-----	-----	-----	-----
Subtotal Kansas Taxable	4,475		\$358.0	\$219	\$417.4
KCK 7th Street	560	72.7	\$15.2	\$74	\$15.2
4 Northeast KS Natives	3,293	116.9	\$163.1	\$136	\$182.5
-----	-----	-----	-----	-----	-----
Total Kansas	8,218		\$536.3	\$179	\$615.1
memo: Northeast Zone	2,300		\$171.5	\$204	\$203.2
memo: Southeast Zone					
memo: South Central Zone	1,300		\$145.4	\$306	\$168.3
Argosy Riverside	1,899	103.2	\$158.2	\$228	\$172.9
IOC KC	1,514	81.3	\$69.2	\$125	\$74.9
Harrahs NKC	1,783	105.6	\$155.9	\$240	\$180.4
Ameristar KC	3,009	100.9	\$205.0	\$187	\$228.5
Sugar Creek					
-----	-----	-----	-----	-----	-----
Subtotal KCMO	8,205		\$588.4	\$196	\$656.8
Greater KC Total	11,065		\$775.1	\$192	\$875.2
Greater Joplin Total	8,463		\$190.6	\$62	\$200.2
Greater Wichita Total	7,032		\$246.2	\$96	\$272.9
<b>Consumer Spending in Total:</b>		to Kansas	to Others	Total KS	
from Kansas (\$mn)		\$482.1	\$278.3	\$760.5	
from Others ( " )		\$133.0			
<b>Net Plus or Minus:</b>			<b>(\$145.3)</b>		

## Exhibit 11: Gaming Revenue Projections (\$mn / 2015\$) Chisholm Creek Full Build-Out

Gaming Facility / Location:	# Slots	Power Rating	Slot Win (\$mn)	win/slot/day	Total Win (\$mn)
Woodlands					
Camptown					
Wichita Gh Park					
Kansas Entertainment	2,300	103.1	\$181.8	\$217	\$215.2
Chisholm Creek	2,000	102.9	\$166.7	\$228	\$192.8
Boot Hill / Dodge City	875	112.0	\$42.7	\$134	\$47.7
	-----		-----	-----	-----
Subtotal Kansas Taxable	5,175		\$391.2	\$207	\$455.8
KCK 7th Street	560	72.7	\$16.1	\$79	\$16.1
4 Northeast KS Natives	3,293	116.9	\$171.7	\$143	\$192.1
	-----		-----		-----
Total Kansas	8,918		\$579.0	\$178	\$663.9
memo: Northeast Zone	2,300		\$181.8	\$217	\$215.2
memo: Southeast Zone					
memo: South Central Zone	2,000		\$166.7	\$228	\$192.8
Argosy Riverside	1,899	103.2	\$167.6	\$242	\$183.2
IOC KC	1,514	81.3	\$73.4	\$133	\$79.5
Harrahs NKC	1,783	105.6	\$165.2	\$254	\$191.1
Ameristar KC	3,009	100.9	\$217.2	\$198	\$242.1
Sugar Creek					
	-----		-----		-----
Subtotal KCMO	8,205		\$623.4	\$208	\$695.9
Greater KC Total	11,065		\$821.3	\$203	\$927.2
Greater Joplin Total	8,463		\$201.3	\$65	\$211.5
Greater Wichita Total	7,732		\$267.9	\$95	\$297.8
<b>Consumer Spending in Total:</b>		to Kansas	to Others	Total KS	
from Kansas (\$mn)		\$521.0	\$285.1	\$806.1	
from Others ( " )		\$142.9			
<b>Net Plus or Minus:</b>			<b>(\$142.2)</b>		

## Exhibit 12: Summary of Projections

### Phase 1s, in 2013 Dollars

( at 3% per annum, skipping 2010 )

Gaming Facility / Location:	# Slots	Power Rating	Slot Win (\$mn)	win/slot/day	Total Win		%
					Cummings (\$mn)	Applicant (\$mn)	
<b>Kansas Entertainment / Northeast Zone:</b>							
Phase I as proposed	2,300	103.1	\$171.7	\$204	\$203.3	\$220.2	108%
Raving Minimum	2,300	103.3	\$176.4	\$210	\$209.2		
<b>Chisholm Creek / South-Central Zone:</b>							
Phase I as proposed	1,300	102.6	\$140.8	\$297	\$163.0	\$121.1	74%
Raving Minimum	1,300	103.4	\$145.4	\$306	\$168.3		

### Full Build-Outs, in 2015 Dollars

( at 3% per annum, skipping 2010 )

Gaming Facility / Location:	# Slots	Power Rating	Slot Win (\$mn)	win/slot/day	Total Win		%
					Cummings (\$mn)	Applicant (\$mn)	
<b>Kansas Entertainment / Northeast Zone:</b>							
Full Build-Out	3,000	103.9	\$222.9	\$204	\$261.6	\$326.8 *	125% *
<b>Chisholm Creek / South-Central Zone:</b>							
Full Build-Out	2,000	102.9	\$166.7	\$228	\$192.8	\$230.0 *	119% *

\* Applicant's projections not specifically for 2015; if further in future, should be deflated to compare with Cummings.

**Cummings Associates**

**Projections for the Performance  
of New Gaming Facilities in Kansas**

**Appendix A:  
Details of the Gravity-Model Methodology**

October 19, 2009

# Appendix A

## Details of the Gravity-Model Methodology

My projections for the likely performance of new gaming facilities are based upon analyses of the experience of the most comparable operations elsewhere in the region and more broadly all across the United States. I use “gravity models” as a key element of this process. This methodology has been refined over the years as others and I have applied it to assessing the performance of many gaming facilities, both existing and proposed. It is based essentially on the demographics of the areas surrounding each facility, in particular the number of adults residing at various distances, and the ratio of actual revenues obtained to such adult populations at existing facilities. *Access time*, not mileage per se, and population density are the most critical variables. (A bibliography is attached.)

To illustrate the relationships among casino revenues, population, and distance, **Exhibit A-1** presents a chart comparing rates of visitation versus distance for the casinos of Mississippi, based upon statewide survey data. There is clearly a relationship between patronage and distance: the greater the distance the customer has to travel, the lower the number of visits. Fewer patrons are willing to travel long distances, and when they do, they usually visit less often. (Offsetting this slightly, long-distance travelers typically spend more on each visit than nearby customers who come more frequently – distance acts as a filter to deter the most casual fans.) In addition, the further you get from *these* casinos, the closer you get to competing casinos in other states, further reducing your rate of visiting Mississippi.

Because the rates of visitation appear to decline so dramatically as distance increases, and because the scale is so large when looking at statewide data such as these from Mississippi, it is useful to transform this data by taking logarithms (“log-transforming the data,” as economists say). **Exhibit**

**A-2** presents the Mississippi data in such fashion, and, to my eyes, at least, the pattern looks more meaningful. When we exclude the most distant data (beyond 250 miles, where competition, as well as distance, usually becomes a critical factor), regression analysis indicates a relationship that is indeed fairly robust (**Exhibit A-3**).

I have analyzed such data from a wide variety of markets, and have estimated that in general, over a reasonable range of distances the aggregate “elasticity” of spending with respect to distance is roughly -0.7, that is, consumers’ total spending declines in somewhat less than direct proportion to the distance to be traveled.<sup>1</sup> When, however, several facilities compete within the same (or closely connected) market(s), the customer overwhelmingly prefers the closest. It appears that in this respect slot machines (and VLTs) behave in a fashion very similar to many other retail markets, in which the relative “attraction” of each facility is inversely proportional to roughly the distance *squared*.<sup>2</sup>

Using these parameters to account for the relationships with distance and demographic data for each county in gaming markets across the United States (and in some cases, such as Kansas, for each zip code), I have calculated the “distance-adjusted” adult population surrounding each slot or VLT facility or close group of such facilities in each market. (A portion of my model for Kansas is presented in **Exhibit A-4**.) Dividing the total revenues, or spending, in each existing market by these

---

<sup>1</sup> This is a relatively “long-distance” attraction; if you double the distance, revenues decline by about 38%. For comparison, pari-mutuel betting at race tracks generally exhibits a distance coefficient of about -1 to -1.2: if you double the distance, visitation declines by 50% or more. Generically, this type of relationship is called a “gravity model,” because it is similar to Newton’s law of gravitation (for which the “distance factor” would be -2.0: if you double the distance, the attraction declines by a factor of 2<sup>2</sup>, or four).

<sup>2</sup> A relationship sometimes called Reilly’s Law of Retail Gravitation, based upon its mathematical identity with Newton’s Law, above. Huff and others have extended these models further with many retail applications, whence they are generally known today as Huff models.

A point of terminology: Huff describes the “general” decline with distance (as opposed to the “competitive” decline) as “friction.” I think this is a very useful way to look at this process, particularly with respect to markets in the more congested Northeast compared to those in the Midwest.

population figures results in ratios measuring revenues, or consumer spending, per “distance-adjusted” adult. The gravity model, based upon “Reilly’s Law” noted above, then distributes these adults (and so, by proxy, their spending) across the different gaming facilities, or closely-situated groups of gaming facilities, to which they have access. By summing across geographic areas, we can then estimate the sources of revenues (again, consumer spending) for each such group of facilities.

(I have conducted similar analyses of and developed a corresponding model for table games. As electronic gaming devices now comprise 80% to 90% of the revenues of most casinos in the U.S., my discussion here focuses on slot machines.)

These models can also be used to compare different markets and facilities against one another. Statistics of this type are presented for the major regional gaming markets of the U.S. in **Exhibit A-5**, listed in order of estimated slot (or VLT) spending per person.<sup>3</sup> Again, the gravity-model procedure simply puts the different markets onto a common footing in terms of performance, abstracting out differences due to the varying distributions of population around each facility. The figure for each market represents the amount that the “average” adult who lives within ten miles of (legal) gaming devices spends on them each year.<sup>4</sup>

Note that this exhibit extends over two pages. As benchmarks, I have inserted three horizontal yellow bars, which represent what I call “Midwest Standard” performance (\$700 per distance-adjusted adult per year), plus ten percent, and minus ten percent.

---

<sup>3</sup> These figures do not include relatively modest amounts spent at casinos in Las Vegas, the Caribbean, and other remote “destinations” in the U.S. and abroad. Some markets served primarily by Indian Gaming facilities are not included in this exhibit because many of these casinos do not report revenue statistics.

<sup>4</sup> There is nothing inherently special about the ten-mile figure; it is simply a benchmark to represent convenient access.

In an attempt to simplify comparisons among markets, and to clarify discussion of the principles involved, I have converted these dollar figures into what I call “power ratings” in **Exhibit A-6** (pardon the small print, but I also think it useful to see all these data points on one page.) “Midwest Standard” spending of \$700 per year translates into a power rating of 100; ten percent higher (\$770) translates into 110, and ten percent less into 90. I think these ratings are intuitively more comprehensible than large dollar figures that have no clear benchmark.

It may be helpful to consider these power ratings as a kind of extension of the “fair share” concept that is often used to compare different facilities in the gaming industry. If, for example, all the slot machines (or VLTs) in a given market average \$200 in win per day as a group, a facility at which the machines win \$240 per day is said to do 120% of its “fair share.” One that does \$180/day/machine wins just 90% of its fair share.

My extension to power ratings adds analysis of the surrounding demographics to the mix. If there are many people and few machines (like the Chicago area, for example), high wins per machine per day should be expected. Harrah’s Joliet, as an extreme example, wins roughly \$600/machine/day. In Iowa, on the other hand, there are many more machines and many fewer people. The Isle casino at Waterloo wins just \$182/machine/day (and is relatively happy to do so!) After my gravity-model analysis, however, I find that the two facilities have very similar power ratings, at 100 and 102, respectively. Despite its much lower win/slot/day, the Isle Waterloo actually does slightly *better* in drawing from the population that surrounds it.<sup>5</sup>

---

<sup>5</sup> I should, however, also point out that because of all the ways in which I use power ratings in my models, the difference between 100 and 102 ultimately results in more than a two percent difference in performance. I use the power ratings to modulate (i) average spending per person in the market, (ii) market share for each facility, and (iii) the “reach” of each facility at greater distances (the competitive interactions of the Reilly and Huff models). Other things being equal (i.e., the surrounding demographics), one point of power rating typically translates into 3-4% change in performance.

When analyzed in this way, the range of experience across the diverse spectrum of markets depicted in Exhibits A-5 and A-6 is, in my opinion, not all that wide. Hardly a factor of two separates the best markets (South Dakota, Upstate Michigan, Kansas's existing Indian casinos, Mississippi, and Louisiana) from the worst (Monticello, NY, and Twin Rivers at Lincoln, Rhode Island). Almost *all* of these markets fall into the range of \$550 to \$750 in annual spending per distance-adjusted adult. (And perhaps to the surprise of some, most of these figures have changed very little since my analyses in 2008. *Most* regional markets, in contrast to those in Nevada and a few other places like Connecticut, have seen consumer spending hold fairly steady through the recent recession.)

The four mainstream facilities that currently serve the Kansas City area are highlighted by pale green shading. These have actually increased somewhat since 2008 due to the abolition of loss limits in that State.<sup>6</sup>

As indicated by the columns in Exhibits A-5 and A-6, I have divided the broad universe of markets into three groups: Northeastern U.S. in the first column, medium to large markets elsewhere in the second column, and very rural markets in the third column. (Rural markets tend to do better than others for three reasons: (i) it is easier to get around rural areas than urban ones [the "friction" is less – a twenty-minute drive on a rural highway is generally far less challenging than a trip of similar

---

<sup>6</sup> Specifically:

<b>Facility</b>	<b>Slot Rating FY2008</b>	<b>Slot Rating 2009</b>
Harrahs North Kansas City	103.5	105.6
Argosy Riverside	97.2	103.2
Ameristar KC	98.6	100.9
Isle of Capri	80.9	81.3

Interestingly, visitation has generally increased much more than total consumer spending. In retrospect, this suggests that the need to register for loss-limit tracking (initially at the door, in recent years by using a players' club card) acted as an implicit cost of admission. Eliminating this cost increased *casual* visitation

duration in city traffic], (ii) there is less competition from other commercial entertainment alternatives, and (iii) there is likely some “survival bias” in the data – rural facilities often serve such small markets that only the best survive. Thus, all the “best” facilities in the top right corner are very rural.)

More competitive markets also appear to attract higher rates of spending. This is true even for the Northeastern U.S. and rural areas, but I have placed each of these types of markets into columns of their own for ease of comparison.

Outside of the rural markets, Mississippi casinos (combined here with Louisiana’s because their markets overlap) attract some of the highest rates of spending. Despite low personal incomes in these areas, tax rates are low, there are no statutory limits on the numbers of casinos or gaming devices, they are correspondingly highly competitive, and there is no competition from state lotteries across wide areas of the South (and, for the little that it’s worth, limited pari-mutuel competition, too). The Colorado casinos, too, while restricted to three somewhat remote locations and to \$5 bets, are also highly competitive, as are the major markets of Iowa, New Mexico, and all the best rural markets in the top right corner.

As we move down the middle column, however, we generally find less competitive conditions, with areas such as Chicago, Detroit, and Milwaukee, where the number of facilities and/or gaming devices is nowhere near sufficient to meet the demand for them, and/or the markets are constrained by cramped conditions, on riverboats or ashore. As a result of these capacity-constrained conditions, spending per (distance-adjusted) adult is relatively low in these areas. (Conversely, spending *per machine* is typically [but not always] very high, as people are figuratively lined up at the

---

more than spending by high losers. (In addition, per capita spending often declines during recessions, perhaps offsetting what would have been even greater beneficial impacts from the removal of loss limits.)

machines to play them.)<sup>7</sup> Even in these markets, however, slot spending per “distance-adjusted” adult generally ranges from \$550 to \$600 per year, not all that far below the \$700± that most competitive casino markets demonstrate and even some less-competitive markets achieve.

It is in the left-hand column, however, that we find most of the worst performers: most of the VLT facilities of New York State, Rhode Island, West Virginia and Pennsylvania. It is surely no coincidence that these four jurisdictions have some of the highest tax rates on gaming revenues. With high tax rates, only modest investments in new and improved facilities can earn a reasonable return. As a result, the facilities in New York have so far been very modest indeed, and, with few exceptions, most of those in the other states as well. High tax rates also limit the tracks’ ability to spend effectively on promoting their gaming product, including in particular player rewards programs. In competitive jurisdictions such as New Jersey, casinos spend more than twenty percent of their gaming revenues on such promotion. With less than fifty percent of the gross retained by facilities in the highest-tax states, spending any significant fraction of that amount is impossible.

In today’s competitive environment, attractive facilities and intensive promotion are essential to obtaining high volumes of revenue. In the mid-1990s (when casinos first came to Kansas and Missouri, for example), it was often sufficient to put slots in a barn and attract large numbers of customers. That is *not* the case today. If facilities do not meet competitive standards of attractiveness and marketing, they will see many fewer customers than those that do.

The strong correlation of performance with tax rate is indeed remarkable:

---

<sup>7</sup> Markets can effectively be capacity-constrained even when, as at the Indiana casinos southwest of Cincinnati today, win/day/machine is not at astronomical levels. If the major issues are accessibility and attractiveness (simply in terms of spaciousness, amenities, and/or quality of machines, not necessarily “glitz”), players may indeed not be lined up to play as they are in other jurisdictions where the unsatisfied demand is far more obvious.

<b>State</b>	<b>Effective tax rate (through 2008)<sup>8</sup></b>	<b>Average Power Rating</b>
Delaware	43%	89.5
Pennsylvania	48%	83.1
West Virginia	50%	82.0
Upstate NY	54%	76.2
Rhode Island	72%	73.9

With the effective tax rate at Kansas Lottery Gaming Facilities below thirty percent (and moreover, competitive with its neighbors – except Oklahoma), there will be no undue constraint on the ability of its casino operators to attract players. Under current law, however, the situation is very different for its potential *race track* facilities, where the tax rate is effectively 60%. My projections for the tracks last year were therefore gloomy, and those facilities are currently in limbo.

Projections for new facilities based on similar gravity models have proved reasonably accurate in the past, in my opinion, and more often conservative than overly aggressive. **Exhibit A-7** presents a tabulation of actual results versus my projections for facilities that have actually been built over the past five years.

---

<sup>8</sup> For comparability, this average “tax” rate includes payments for the machines. In some states, these are paid by the State Lottery, in others by the tracks. Indiana’s effective tax rate is lower than any of these, but I have not included it on this list because its facilities are handicapped by high payments for purses and breeding funds (15%) and by amortization of their enormous up-front license fees. Their performance to date has nevertheless been in the mid-eighties.

## Projections for Kansas

I have assumed that the people of Kansas will generally be similar to those of the rest of the Midwest in terms of “propensity to gamble,” that its facilities will be broadly comparable to those elsewhere (with specifics as described in the main body of text), and that they will operate within the parameters of the current state law.

I have assumed that the new Boot Hill Casino opens in Dodge City as scheduled late this year, and that its (ultimate) performance is similar to that which I projected last year. (I have in fact used my current models to update those projections, but they are not materially different.) I have assumed no other significant new casinos, or video lottery terminals, in Kansas or in the neighboring areas of adjoining states.

To develop projections based on these assumptions, I took the detailed model illustrated (in part) in Exhibit A-4, calculated the numbers of “distance-adjusted” adults likely to patronize the new facilities, and then applied the average rates of spending for each (\$700 for slot machines and \$90 for table games). The results are described in the main body of this report.

For Chisholm Creek in the South-Central Zone I have included an estimate of the potential contribution from passers-by on the Kansas Turnpike, where long-distance traffic averages 14,600 vehicles per day (as measured at the Oklahoma state line; roughly one-quarter of these are trucks). Casinos in Iowa and New Mexico in somewhat more remote situations appear to obtain incremental slot revenues on the order of one to two dollars per passing vehicle. (Long-distance truckers appear to be a particularly good market.) I have assumed fifty cents per passing vehicle at Chisholm Creek, less than that elsewhere, due to the competing attractions of nearby Wichita. I have assumed no such “traffic intercept” revenues at Kansas Entertainment, figuring that most such traffic would be stopping

in the Kansas City area anyway and thereby captured in the average rates of spending per local resident.<sup>9</sup>

All my analyses and projections were initially developed in terms of 2009 dollars. I then inflated these projections to “then-year” dollars for comparability with the applicants’ projections.

There will likely be initial (first-year) transients on the order of ten to twenty percent as each new facility works out its kinks. In particular, it will take some time to develop the players list upon which its critical targeted marketing efforts will depend. In the markets with less experience (Dodge City and the South-Central Zone), this process may be somewhat more intense and extended. After this period, however, assuming recovery to “normal” economic conditions,<sup>10</sup> I would expect “outyear” win to grow by roughly three percent per year.

In coordination with Wells Gaming Research, I have used 2013 as the year of “stabilized operations” for comparing my Baseline projections with the applicants’, and 2015 as the year for which to present projections for each facility at the representative full build-out configuration suggested by its proponent.

---

<sup>9</sup> The benchmark rates of spending are empirical estimates based largely on more or less comparable urban areas. Unless Kansas City has a highly deviant ratio of stopover truckers and other visitors versus its resident population (because many more or many fewer people pass by on I-70 *without* stopping than similar situations elsewhere), those benchmarks should properly capture such visitors. Adding “traffic intercept” estimates is in my opinion appropriate only for situations in which the ratio of passers-by to local residents is far above average.

<sup>10</sup> Though not until well into 2010. Specifically, for my future-dollar projections, I have assumed zero growth between 2009 and 2010, then three percent per year into the future.

## BIBLIOGRAPHY

Christiansen/Cummings Associates, Inc., et al., *Legal Gambling in Connecticut: Assessment of Current Status and Options for the Future*, January, 1992.

Gerstein et al., *Gambling Impact and Behavior Study: Report to the National Gambling Impact Study Commission*, National Opinion Research Center at the University of Chicago, April 1, 1999.

The Innovation Group, *Video Lottery Terminals at New York Race Tracks: An Economic Study*, June, 2001.

Cummings, Will E., *If You Build It, They Will Come -- But How Far? The "Distance Factor" in Regional Gaming Markets*, a presentation to the 12<sup>th</sup> International Conference on Gambling and Risk-Taking, Vancouver, B.C., May 30, 2003.

Cummings Associates, *Analysis of Current Markets for Casino Gaming in Iowa, with Projections for the Revenues and Impacts of Potential New Facilities*, October 7, 2003.

Cummings Associates, *Analysis of the Current Markets for Gaming in South Dakota, with Projections for the Likely Impacts of New or Enlarged Facilities*, April 5, 2004. May be found at [www.state.sd.us/drr2/reg/gaming/Analysis.pdf](http://www.state.sd.us/drr2/reg/gaming/Analysis.pdf).

Cummings Associates, *Analysis of Current Markets for Casino Gaming in Iowa, with Projections for the Revenues and Impacts of Potential New Facilities: Update*, April 18, 2005. May be found at [www.state.ia.us/irgc/Cummings.pdf](http://www.state.ia.us/irgc/Cummings.pdf).

Cummings Associates, *Slot Machines (or Video Lottery Terminals) at the Four Race Tracks of Massachusetts: An Opportunity for More Jobs and Tax Revenues*, March 17, 2006.

Cummings, Will E., *Casinos' Gravity According To Reilly – Amended*, a presentation to the 13<sup>th</sup> International Conference on Gambling and Risk-Taking, Lake Tahoe, Nevada, May 25, 2006. May be found at <http://www.unr.edu/gaming/13thConferenceWebfiles/Files/Abstracts/index.htm>.

Cummings Associates, variety of reports to the Kansas Lottery Gaming Facility Review Board, May-September, 2008, at <http://krgc.ks.gov/index.php?id=40>.

Cummings, Will E., *Size Matters – But How Much?*, a presentation to the 14<sup>th</sup> International Conference on Gambling and Risk-Taking, Lake Tahoe, Nevada, May 26, 2009. May soon be found at <http://www.unr.edu/gaming/14thConference/presentations.html>.

**Cummings Associates**

**Projections for the Performance  
of New Gaming Facilities in Kansas**

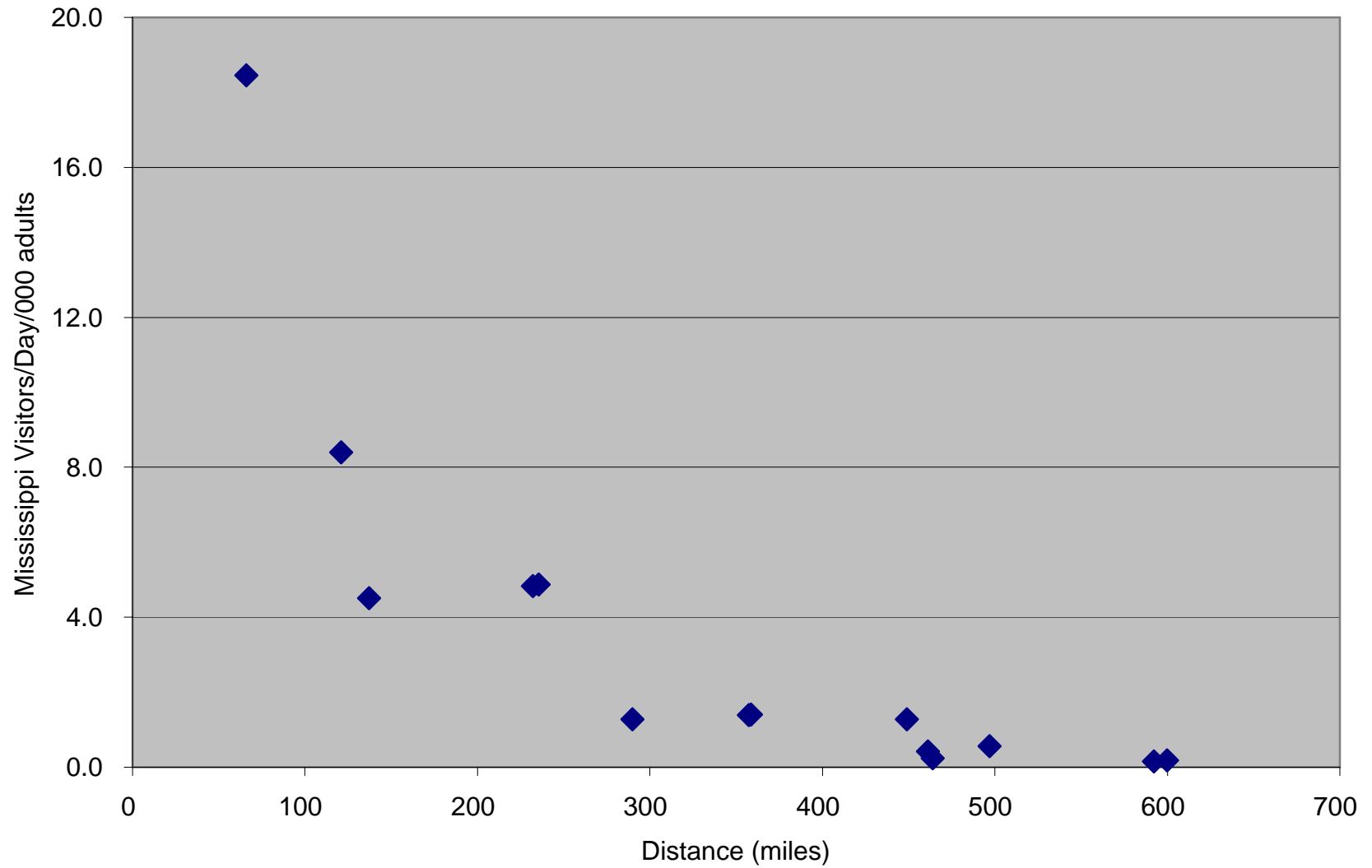
**Appendix A:**

**Details of the Gravity-Model Methodology**

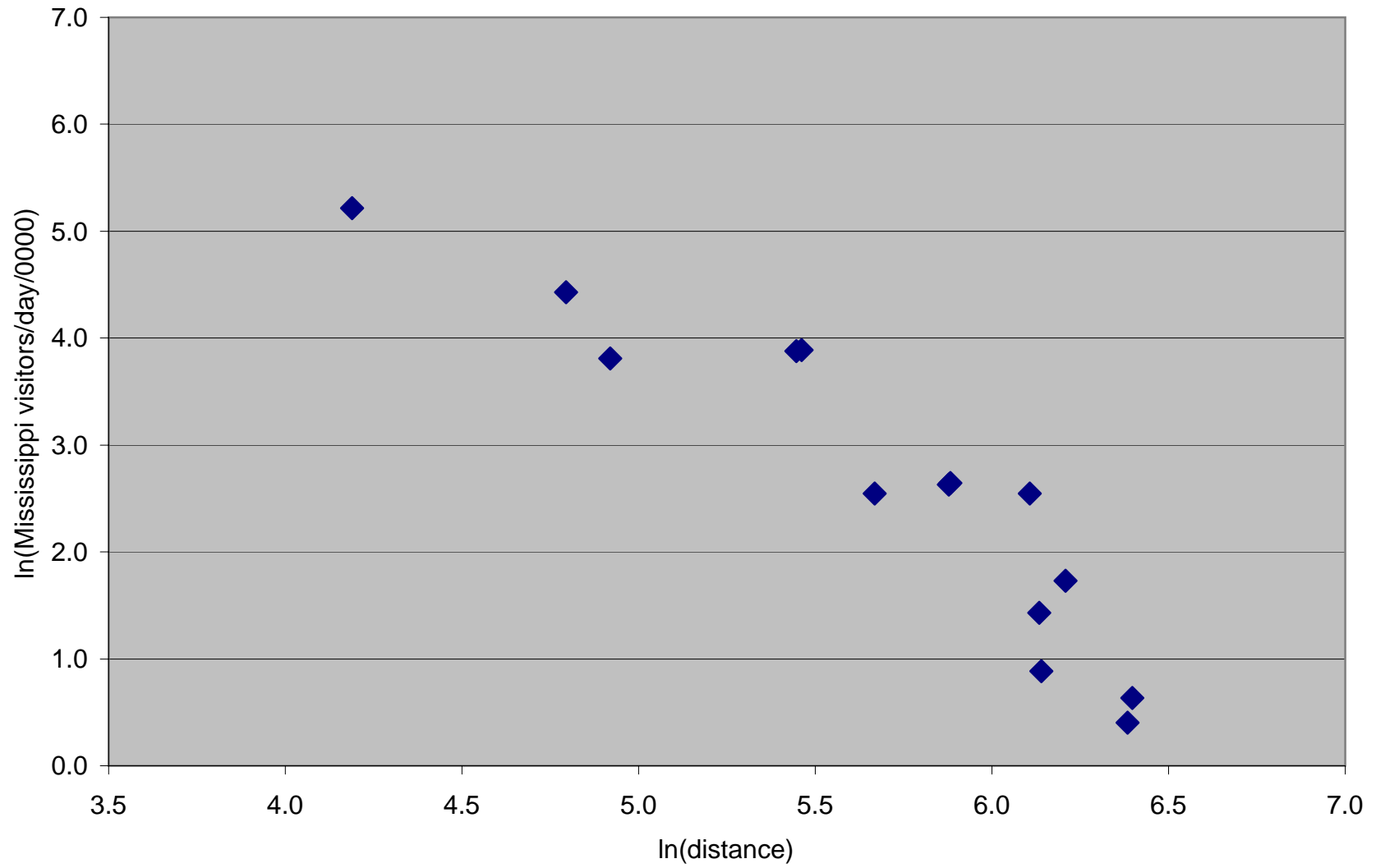
**Exhibits**

October 19, 2009

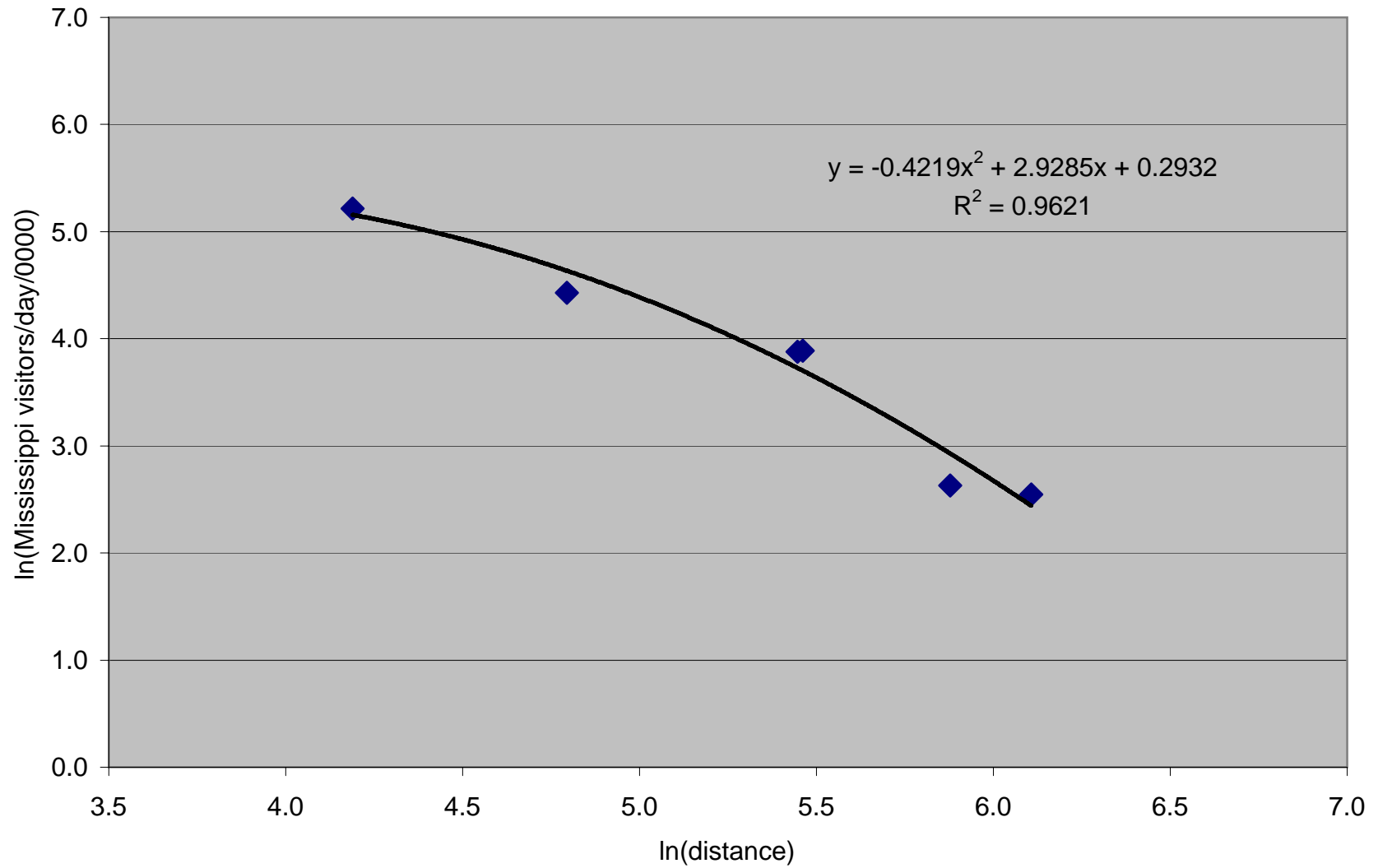
**Exhibit A-1: Illustrative Distance Relationships (Mississippi)**



### Exhibit A-2: Distance Relationships II



### Exhibit A-3: Distance Relationships III



### Exhibit A-4: Portion of Model Inputs

#### Kansas Slot Estimates

Average Distances:  
(NB travel times input later)

State	County / ZIP	Woodlnds	Camptn	WGP	open	Kansas Ent'mt	open	Chisholm Creek	open	Boot Hill	open	White Cloud	Horton	Mayetta
KS	Allen / 66732	102	43	117	...	100	...	128	...	266	...	155	142	122
KS	Allen / 66748	112	56	102	...	110	...	114	...	251	...	154	134	113
KS	Allen / 66749	103	61	106	...	101	...	121	...	255	...	146	127	106
KS	Allen / 66751	101	56	111	...	98	...	125	...	260	...	145	130	110
KS	Allen / 66755	93	51	120	...	91	...	134	...	269	...	146	134	114
KS	Allen / 66772	106	40	118	...	104	...	126	...	265	...	159	146	126
KS	Anderson / 66014	69	61	139	...	67	...	156	...	287	...	132	121	102
KS	Anderson / 66015	92	68	113	...	90	...	130	...	262	...	135	118	97
KS	Anderson / 66032	74	76	129	...	71	...	147	...	276	...	121	107	88
KS	Anderson / 66033	64	77	139	...	61	...	157	...	285	...	117	106	87
KS	Anderson / 66039	82	60	127	...	79	...	143	...	275	...	136	123	104
KS	Anderson / 66091	83	71	121	...	81	...	138	...	269	...	128	113	93
KS	Anderson / 66093	90	77	112	...	88	...	129	...	260	...	131	110	89
KS	Atchison / 66002	40	158	205	...	42	...	226	...	341	...	35	31	44
KS	Atchison / 66016	43	158	192	...	44	...	214	...	329	...	36	27	32
KS	Atchison / 66023	50	164	185	...	52	...	207	...	321	...	39	20	24
:	:	:	:	:	:	:	:	:	:	:	:	:	:	:
:	:	:	:	:	:	:	:	:	:	:	:	:	:	:
:	:	:	:	:	:	:	:	:	:	:	:	:	:	:
KS	Wyandotte / 66106	9	113	195	...	8	...	215	...	337	...	84	79	65
KS	Wyandotte / 66109	7	120	196	...	7	...	216	...	337	...	76	70	57
KS	Wyandotte / 66111	7	115	196	...	7	...	216	...	337	...	82	76	63
KS	Wyandotte / 66112	7	117	196	...	7	...	216	...	337	...	79	73	60
KS	Wyandotte / 66118	12	117	203	...	11	...	223	...	344	...	86	81	69

**Total KS**

### Exhibit A-4: Portion of Model Inputs

#### Kansas Slot Estimates

State	County / ZIP	Powhat	A'star KC	Closest (before KS facils)	2006 Adult Population	2000 PCI	Urban?	Impacts:				
								Dstnce	Urban?	Income	Dist-Adj Adults	
KS	Allen / 66732	147	...	114	71	229	\$15,160	20%	100%	87%	39	
KS	Allen / 66748	139	...	125	81	1,991	\$15,160	18%	100%	87%	310	
KS	Allen / 66749	132	...	116	88	6,015	\$15,160	17%	100%	87%	889	
KS	Allen / 66751	135	...	113	83	719	\$15,160	18%	100%	87%	110	
KS	Allen / 66755	139	...	105	80	862	\$15,160	18%	100%	87%	136	
KS	Allen / 66772	151	...	118	67	210	\$15,160	21%	100%	87%	37	
KS	Anderson / 66014	127	...	81	76	231	\$15,033	19%	100%	86%	37	
KS	Anderson / 66015	123	...	106	96	549	\$15,033	16%	100%	86%	76	
KS	Anderson / 66032	113	...	87	82	3,396	\$15,033	18%	100%	86%	524	
KS	Anderson / 66033	111	...	77	72	513	\$15,033	20%	100%	86%	87	
KS	Anderson / 66039	129	...	94	89	464	\$15,033	17%	100%	86%	68	
KS	Anderson / 66091	118	...	97	91	227	\$15,033	17%	100%	86%	32	
KS	Anderson / 66093	114	...	104	89	445	\$15,033	17%	100%	86%	65	
KS	Atchison / 66002	37	...	54	25	9,532	\$16,400	42%	100%	90%	3,570	
KS	Atchison / 66016	33	...	58	27	418	\$16,400	39%	100%	90%	146	
KS	Atchison / 66023	26	...	66	20	888	\$16,400	49%	100%	90%	389	
:	:	:	:	:	:	:	:	:	:	:	:	
:	:	:	:	:	:	:	:	:	:	:	:	
:	:	:	:	:	:	:	:	:	:	:	:	
KS	Wyandotte / 66106	85	...	16	10	8,071	\$15,966	1	76%	100%	89%	10,633
KS	Wyandotte / 66109	76	...	17	10	18,242	\$15,966	1	77%	100%	89%	7,055
KS	Wyandotte / 66111	82	...	16	10	3,694	\$15,966	1	79%	100%	89%	4,945
KS	Wyandotte / 66112	79	...	16	10	1,991	\$15,966	1	80%	100%	89%	5,547
KS	Wyandotte / 66118	87	...	9	7	95	\$15,966	1	100%	100%	89%	1
<b>Total KS</b>						1,943,042						651,859

## Exhibit A-5: Gaming-Device Spending Ratios in Major US Markets

(Total Annual Spending on Slots and/or VLTs Per "Distance-Adjusted" Adult in FY2009)

Northeastern US Markets	Medium to Large Midwest (+/-) Markets	Rural Markets West & Midwest
		Deadwood, SD \$909
		S Dakota Indian avg. (8) \$873 e
		Upstate Michigan avg. \$840 e
		Kansas Natives avg. \$818 e
		Diamond Jo Worth, IA \$817
	Mississippi / Louisiana \$809 (average of MANY facilities)	Terribles Lakeside. IA \$809
		Iowa Natives average \$784 e
<b>Midwest Standard +10%</b>		Upstate Wisconsin avg. \$770 e
	Dubuque Greyh Park, IA \$762	Emmetsburg, IA \$764
	Albuquerque, NM avg. \$752	
	Horseshoe / Bluffs Run, IA \$751	
Atlantic City, NJ avg. \$750	Dubuque Diamond Jo, IA \$750	Colorado (2) \$746
	Riverside, IA \$747	IOC Marquette, IA \$745 o
	Ameristar Council Bluffs, IA \$740	IOC Boonville, MO \$744 o
	<b>Harrahs NKCMO \$739</b>	Other New Mexico avg. \$740
Niagara (NY) casino \$729 e	<b>Argosy Riverside, MO \$722</b>	Mt. Pleasant, MI \$718 e
	IOC Waterloo, IA \$712	Wisconsin Dells \$715 e
	Harrahs Council Bluffs, IA \$709	
	<b>Ameristar KCMO \$707</b>	
	Prairie Meadows, IA \$703	
	Michigan City, IN \$703	
<b>"Midwest Standard"</b>		
	Harrahs Joliet, IL \$700 o	
Mohegan Sun, CT \$688 o	Harrahs W St Louis \$685	
	Clinton, IA \$677	Metropolis, IL/KY \$679 o
	Argosy Sioux City, IA \$670 o	
	Ameristar St Chas, MO \$668	
	Jumers Rock Island, IL \$663	
	<b>St Jo MO \$662 o</b>	
	Catfish Bend Burlington, IA \$661	
	IOC Bettendorf, IA \$658 o	
Foxwoods, CT \$656 o	Belterra, Florence, IN \$656	
Salamanca, NY casino \$656 e	Ameristar, E Chicago IN \$655 o	
		Mark Twain, MO \$651 o
Dover Downs, DE \$640		
	East St Louis, IL \$633 o	
<b>Midwest Standard -10%</b>		

## Exhibit A-5: Gaming-Device Spending Ratios in Major US Markets

(Total Annual Spending on Slots and/or VLTs Per "Distance-Adjusted" Adult in FY2009)

Northeastern US Markets		Medium to Large Midwest (+/-) Markets		Rural Markets West & Midwest	
<b>Midwest Standard -10%</b>					
Harrington Raceway, DE	\$626	Green Bay, WI	\$627 e		
		Rhythm City, IA	\$621 o		
Wheeling, WV	\$619	Grand Vic, Rising Sun, IN	\$617 o	Caruthersville, MO	\$616 o
Delaware Park	\$612	Hammond, IN	\$615	French Lick, IN	\$615
Charles Town, WV	\$611				
Erie, PA	\$607	Aurora (Chicago), IL	\$606 o		
Mohegan @ Pocono Downs	\$602	Elgin (Chicago) IL	\$605 o		
Tioga Downs, NY	\$601	Hollywood, Lawr'burg, IN	\$603 o*		
Philadelphia Park	\$595	Joliet Empress, IL	\$596 o		
Saratoga, NY	\$593	Hoosier Park, IN	\$590		
Penn National (Harrisburg)	\$585	Louisville, KY/IN	\$588 o		
Vernon Downs, NY	\$584	Indiana Downs	\$584		
Harrahs @ Chester, PA	\$581	Majestic Star, Gary IN	\$582 o		
		Detroit (avg / 3 facils)	\$576 o		
Hollywood @ Bangor, ME	\$567	<b>IOC KCMO</b>	<b>\$569 o</b>		
Mount Airy (Pocono), PA	\$567	Milwaukee, WI	\$567 e o		
Finger Lakes, NY	\$561	Lumiere + Admiral, St Louis	\$562 o*		
Batavia, NY	\$557				
The Meadows (Pittsburgh)	\$545				
(Buffalo) Fairgrounds, NY	\$543				
Newport Grand, RI	\$540	<b>South Dakota VLTs</b>	<b>\$541</b>		
Mountaineer Park, WV	\$540				
Tri-State, WV	\$527				
		Peoria, IL	\$520 o		
		KCKS 7th St Casino	\$510 e o		
Empire City @ Yonkers, NY	\$498 o	<b>Montana VLTs (2)</b>	<b>\$497</b>		
Twin Rivers @ Lincoln, RI	\$495 o				
Monticello, NY	\$485	Evansville, IN	\$486 o		

e = estimated

o = old boat or capacity-constrained market

(1) Nevada local markets would be off this scale, somewhere north of \$1000/adult.

(2) Colorado and Montana statistics do not include Native American facilities

# Exhibit A-6: Gaming-Device "Power Ratings"

(Total Annual Spending versus benchmark of \$700)

Northeastern US Markets		Medium to Large Midwest (+/-) Markets		Rural Markets West & Midwest	
				Deadwood, SD	129.9
				S Dakota Indian avg. (8)	124.7 e
				Upstate Michigan avg.	120.0 e
				Kansas Natives avg.	116.9 e
				Diamond Jo Worth, IA	116.7
				Terribles Lakeside, IA	115.6
		Mississippi / Louisiana (average of MANY facilities)	115.5	Iowa Natives average	112.0 e
				Upstate Wisconsin avg.	110.0 e
				Emmetsburg, IA	109.1
		Dubuque Greyh Park, IA	108.9		
		Albuquerque, NM avg.	107.4		
		Horseshoe / Bluffs Run, IA	107.4		
Atlantic City, NJ avg.	107.1	Dubuque Diamond Jo, IA	107.1	Colorado (2)	106.6
		Riverside, IA	106.7	IOC Marquette, IA	106.4 o
		Ameristar Council Bluffs, IA	105.7	IOC Boonville, MO	106.3 o
		Harrahs NKCMO	105.6	Other New Mexico avg.	105.7
Niagara (NY) casino	104.1 e	Argosy Riverside, MO	103.1	Mt. Pleasant, MI	102.6 e
		IOC Waterloo, IA	101.7	Wisconsin Dells	102.1 e
		Harrahs Council Bluffs, IA	101.2		
		Ameristar KCMO	101.0		
		Prairie Meadows, IA	100.4		
		Michigan City, IN	100.4		
		Harrahs Joliet, IL	100.0 o		
Mohegan Sun, CT	98.3 o	Harrahs W St Louis	97.9	Metropolis, IL/KY	97.0 o
		Clinton, IA	96.7		
		Argosy Sioux City, IA	95.7 o		
		Ameristar St Chas, MO	95.4		
		Jumers Rock Island, IL	94.7		
		St Jo MO	94.6 o		
		Catfish Bend Burlington, IA	94.4		
		IOC Bettendorf, IA	94.0 o		
Foxwoods, CT	93.7 o	Belterra, Florence, IN	93.7		
Salamanca, NY	93.7 e	Ameristar, E Chicago IN	93.6 o		
Dover Downs, DE	91.4			Mark Twain, MO	93.0 o
		East St Louis, IL	90.4 o		
		Green Bay, WI	89.6 e		
Harrington Raceway, DE	89.4	Rhythm City, IA	88.7 o		
Wheeling, WV	88.4	Grand Vic, Rising Sun, IN	88.1 o	Caruthersville, MO	88.0 o
Delaware Park	87.4	Hammond, IN	87.9	French Lick, IN	87.9
Charles Town, WV	87.3				
Erie, PA	86.7	Aurora (Chicago), IL	86.6 o		
Mohegan @ Pocono Downs	86.0	Elgin (Chicago) IL	86.4 o		
Tioga Downs, NY	85.9	Hollywood, Lawr'burg, IN	86.1 o*		
Philadelphia Park	85.0	Joliet Empress, IL	85.1 o		
Saratoga, NY	84.7	Hoosier Park, IN	84.3		
Penn National (Harrisburg)	83.6	Louisville, KY/IN	84.0 o		
Vernon Downs, NY	83.4	Indiana Downs	83.4		
Harrahs @ Chester, PA	83.0	Majestic Star, Gary IN	83.1 o		
		Detroit (avg / 3 facils)	82.3 o		
Hollywood @ Bangor, ME	81.0	IOC KCMO	81.3 o		
Mount Airy (Pocono), PA	81.0	Milwaukee, WI	81.0 e o		
Finger Lakes, NY	80.1	Lumiere + Admiral, St Louis	80.3 o*		
Batavia, NY	79.6				
The Meadows (Pittsburgh)	77.9				
(Buffalo) Fairgrounds, NY	77.6				
Newport Grand, RI	77.1	South Dakota VLTs	77.3		
Mountaineer Park, WV	77.1				
Tri-State, WV	75.3	Peoria, IL	74.3 o		
		KCKS 7th St Casino	72.9 e o		
Empire City @ Yonkers, NY	71.1 o	Montana VLTs	71.0		
Twin Rivers @ Lincoln, RI	70.7 o				
Monticello, NY	69.3	Evansville, IN	69.4 o		

**Exhibit A-7: Recent Projections Compared to Actual Results**  
(Annual Slot Win / \$million)

<b>Facility / Market:</b>	<b>Projection / Source</b>		<b>Actual / Source</b>	
Zia Park / New Mexico	\$54	(1)	\$69	(2)
Emmetsburg / Iowa	\$23	(3)	\$25	(4)
Worth County / Iowa	\$34	(3)	\$68	(4)*
Riverside / Iowa	\$82	(3)	\$77	(4)
IOC Waterloo / Iowa	\$97	(3)	\$73	(4)
Tioga Downs ,NY	\$30 \$50	(5)	\$48	(6)
Hoosier Park	\$275	(7)	\$202	(8)
Indiana Downs	\$261	(7)	\$189	(8)

- (1) *The Projected Performance of a New Race Track / Slot Facility at Hobbs, New Mexico (etc. February 15, 2002.*
- (2) Penn National Gaming Press Release, 4/17/07 stated total revenue was \$76.6 million in 2006. I assume 90% was gaming.
- (3) *Analysis of Current Markets for Casino Gaming in Iowa, with Projections for the Revenues and Impacts of Potential New Facilities -- Update, April 18, 2005.*
- (4) Iowa Racing and Gaming Commission, FY2009. \* FY 2007, before recent expansion
- (5) *Projections for the Performance of a New Race Track and Video Lottery Facility at Tioga Park, September 14, 2004.* Higher projection is without competition from Pocono Downs; lower figure is with such competition. Both projections assumed marketing allowances as of 2004.
- (6) New York State Lottery, FY2009. Mohegan Sun @ Pocono Downs was open throughout this period, but Tioga Downs had more money for marketing than under New York's original VLT statute as of my report in 2004.
- (7) *Projections for the Performance of Slot Machines at the Race Tracks of Central Indiana, September 8, 2007.*
- (8) Indiana Gaming Commission, July 2008 - June 2009 monthly revenue reports. In recent months, Indiana Downs has surpassed Hoosier Park.

**Cummings Associates**

**Projections for the Performance  
of New Gaming Facilities in Kansas**

**Appendix B:  
Gaming Revenue Projections – Baseline**

October 19, 2009

## **List of Exhibits**

Appendix B: Baseline Gaming Revenue Projections (2009\$) \*

### **Exhibit**

- B-1 Likely Future / Baseline -- with New Facilities Elsewhere
- B-2 Likely Future / Baseline -- with New Facilities Elsewhere AND SC KS
- B-3 Kansas Entertainment Phase 1
- B-4 Kansas Entertainment Raving Minimum
- B-5 Kansas Entertainment Full Build-Out
- B-6 Likely Future / Baseline -- with New Facilities Elsewhere AND NE KS
- B-7 Chisholm Creek Phase 1
- B-8 Chisholm Creek Raving Minimum
- B-9 Chisholm Creek Full Build-Out

\* Corresponding exhibits for slots and tables separately are provided in Appendices S and T, respectively.

## Exhibit B-1: Gaming Revenue Projections (\$mn / 2009\$) Likely Future Baseline -- with New Facilities Elsewhere

Gaming Facility / Location:	# Slots	Power Rating	Slot Win (\$mn)	win/slot/day	Total Win (\$mn)
Woodlands					
Camptown					
Wichita Gh Park					
 Kansas Entertainment					
 Chisholm Creek					
Boot Hill / Dodge City	875	112.0	\$39.8	\$125	\$45.3
	-----		-----		-----
Subtotal Kansas Taxable	875		\$39.8	\$125	\$45.3
KCK 7th Street	560	72.7	\$17.4	\$85	\$17.4
4 Northeast KS Natives	3,293	116.9	\$165.0	\$137	\$188.0
	-----		-----		-----
Total Kansas	4,728		\$222.2	\$129	\$250.7
 memo: Northeast Zone					
memo: Southeast Zone					
memo: South Central Zone					
 Argosy Riverside	1,899	103.2	\$177.9	\$257	\$196.8
IOC KC	1,514	81.3	\$74.5	\$135	\$81.3
Harrahs NKC	1,783	105.6	\$166.9	\$256	\$196.2
Ameristar KC	3,009	100.9	\$214.8	\$196	\$241.9
Sugar Creek					
	-----		-----		-----
Subtotal KCMO	8,205		\$634.2	\$212	\$716.3
 Greater KC Total	8,765		\$651.6	\$204	\$733.7
Greater Joplin Total	8,463		\$178.8	\$58	\$188.1
Greater Wichita Total	5,732		\$118.4	\$57	\$123.0
 <b>Consumer Spending in Total:</b>		to Kansas	to Others	Total KS	
from Kansas (\$mn)		\$185.2	\$372.9	\$558.1	
from Others ( " )		\$65.5			
<b>Net Plus or Minus:</b>			<b>(\$307.4)</b>		

**Exhibit B-2: Gaming Revenue Projections (\$mn / 2009\$)  
Likely Future Baseline -- with New Facilities Elsewhere AND SC KS**

<b>Gaming Facility / Location:</b>	<b># Slots</b>	<b>Power Rating</b>	<b>Slot Win (\$mn)</b>	<b>win/slot/day</b>	<b>Total Win (\$mn)</b>
Woodlands					
Camptown					
Wichita Gh Park					
Kansas Entertainment					
Chisholm Creek	1,300	102.6	\$129.3	\$272	\$149.7
Boot Hill / Dodge City	875	112.0	\$38.3	\$120	\$42.9
	-----		-----		-----
Subtotal Kansas Taxable	2,175		\$167.5	\$211	\$192.6
KCK 7th Street	560	72.7	\$17.4	\$85	\$17.4
4 Northeast KS Natives	3,293	116.9	\$162.7	\$135	\$183.2
	-----		-----		-----
Total Kansas	5,918		\$347.7	\$161	\$393.3
memo: Northeast Zone					
memo: Southeast Zone					
memo: South Central Zone	1,300		\$129.3	\$272	\$149.7
Argosy Riverside	1,899	103.2	\$177.5	\$256	\$196.1
IOC KC	1,514	81.3	\$74.4	\$135	\$81.2
Harrahs NKC	1,783	105.6	\$166.5	\$256	\$195.1
Ameristar KC	3,009	100.9	\$214.3	\$195	\$240.9
Sugar Creek					
	-----		-----		-----
Subtotal KCMO	8,205		\$632.7	\$211	\$713.3
Greater KC Total	8,765		\$650.1	\$203	\$730.8
Greater Joplin Total	8,463		\$176.6	\$57	\$185.7
Greater Wichita Total	7,032		\$222.3	\$87	\$246.4
<b>Consumer Spending in Total:</b>		to Kansas	to Others	Total KS	
from Kansas (\$mn)		\$322.9	\$331.9	\$654.9	
from Others ( " )		\$70.3			
<b>Net Plus or Minus:</b>			<b>(\$261.6)</b>		

**Exhibit B-3: Gaming Revenue Projections (\$mn / 2009\$)**  
**Kansas Entertainment Phase 1**

<b>Gaming Facility / Location:</b>	<b># Slots</b>	<b>Power Rating</b>	<b>Slot Win (\$mn)</b>	<b>win/slot/day</b>	<b>Total Win (\$mn)</b>
Woodlands					
Camptown					
Wichita Gh Park					
<b>Kansas Entertainment</b>	<b>2,300</b>	<b>103.1</b>	<b>\$157.1</b>	<b>\$187</b>	<b>\$186.0</b>
Chisholm Creek	1,300	102.6	\$128.8	\$272	\$149.2
Boot Hill / Dodge City	875	112.0	\$38.1	\$119	\$42.7
	-----		-----		-----
Subtotal Kansas Taxable	4,475		\$324.1	\$198	\$377.9
KCK 7th Street	560	72.7	\$13.9	\$68	\$13.9
4 Northeast KS Natives	3,293	116.9	\$149.7	\$125	\$167.5
	-----		-----		-----
Total Kansas	8,218		\$487.7	\$163	\$559.4
memo: Northeast Zone	2,300		\$157.1	\$187	\$186.0
memo: Southeast Zone					
memo: South Central Zone	1,300		\$128.8	\$272	\$149.2
Argosy Riverside	1,899	103.2	\$144.9	\$209	\$158.4
IOC KC	1,514	81.3	\$63.4	\$115	\$68.6
Harrahs NKC	1,783	105.6	\$142.8	\$219	\$165.2
Ameristar KC	3,009	100.9	\$187.7	\$171	\$209.2
Sugar Creek					
	-----		-----		-----
Subtotal KCMO	8,205		\$538.7	\$180	\$601.4
Greater KC Total	11,065		\$709.7	\$176	\$801.4
Greater Joplin Total	8,463		\$174.7	\$57	\$183.6
Greater Wichita Total	7,032		\$221.6	\$86	\$245.5
<b>Consumer Spending in Total:</b>		to Kansas	to Others	Total KS	
from Kansas (\$mn)		\$439.2	\$255.8	\$695.0	
from Others ( " )		\$120.1			
<b>Net Plus or Minus:</b>			<b>(\$135.6)</b>		

**Exhibit B-4: Gaming Revenue Projections (\$mn / 2009\$)**  
**Kansas Entertainment Raving Minimum**

<b>Gaming Facility / Location:</b>	<b># Slots</b>	<b>Power Rating</b>	<b>Slot Win (\$mn)</b>	<b>win/slot/day</b>	<b>Total Win (\$mn)</b>
Woodlands					
Camptown					
Wichita Gh Park					
<b>Kansas Entertainment</b>	<b>2,300</b>	<b>103.3</b>	<b>\$161.5</b>	<b>\$192</b>	<b>\$191.4</b>
Chisholm Creek	1,300	102.6	\$128.5	\$271	\$148.8
Boot Hill / Dodge City	875	112.0	\$38.0	\$119	\$42.6
	-----		-----		-----
Subtotal Kansas Taxable	4,475		\$328.0	\$201	\$382.7
KCK 7th Street	560	72.7	\$13.9	\$68	\$13.9
4 Northeast KS Natives	3,293	116.9	\$149.3	\$124	\$167.1
	-----		-----		-----
Total Kansas	8,218		\$491.2	\$164	\$563.7
memo: Northeast Zone	2,300		\$161.5	\$192	\$191.4
memo: Southeast Zone					
memo: South Central Zone	1,300		\$128.5	\$271	\$148.8
Argosy Riverside	1,899	103.2	\$144.7	\$209	\$158.2
IOC KC	1,514	81.3	\$63.3	\$115	\$68.5
Harrahs NKC	1,783	105.6	\$142.6	\$219	\$165.0
Ameristar KC	3,009	100.9	\$187.5	\$171	\$209.0
Sugar Creek					
	-----		-----		-----
Subtotal KCMO	8,205		\$538.1	\$180	\$600.8
Greater KC Total	11,065		\$713.5	\$177	\$806.1
Greater Joplin Total	8,463		\$174.3	\$56	\$183.1
Greater Wichita Total	7,032		\$221.2	\$86	\$244.9
<b>Consumer Spending in Total:</b>		to Kansas	to Others	Total KS	
from Kansas (\$mn)		\$440.0	\$255.2	\$695.2	
from Others ( " )		\$123.7			
<b>Net Plus or Minus:</b>			<b>(\$131.4)</b>		

**Exhibit B-5: Gaming Revenue Projections (\$mn / 2009\$)**  
**Kansas Entertainment Full Build-Out**

<b>Gaming Facility / Location:</b>	<b># Slots</b>	<b>Power Rating</b>	<b>Slot Win (\$mn)</b>	<b>win/slot/day</b>	<b>Total Win (\$mn)</b>
Woodlands					
Camptown					
Wichita Gh Park					
<b>Kansas Entertainment</b>	<b>3,000</b>	<b>103.9</b>	<b>\$192.2</b>	<b>\$176</b>	<b>\$225.7</b>
Chisholm Creek	1,300	102.6	\$128.3	\$270	\$148.5
Boot Hill / Dodge City	875	112.0	\$37.9	\$119	\$42.5
	-----		-----		-----
Subtotal Kansas Taxable	5,175		\$358.5	\$190	\$416.6
KCK 7th Street	560	72.7	\$13.2	\$64	\$13.2
4 Northeast KS Natives	3,293	116.9	\$145.7	\$121	\$163.1
	-----		-----		-----
Total Kansas	8,918		\$517.4	\$159	\$592.9
memo: Northeast Zone	3,000		\$192.2	\$176	\$225.7
memo: Southeast Zone					
memo: South Central Zone	1,300		\$128.3	\$270	\$148.5
Argosy Riverside	1,899	103.2	\$137.9	\$199	\$150.8
IOC KC	1,514	81.3	\$60.8	\$110	\$65.9
Harrahs NKC	1,783	105.6	\$137.3	\$211	\$158.9
Ameristar KC	3,009	100.9	\$181.3	\$165	\$202.1
Sugar Creek					
	-----		-----		-----
Subtotal KCMO	8,205		\$517.3	\$173	\$577.7
Greater KC Total	11,765		\$722.7	\$168	\$816.5
Greater Joplin Total	8,463		\$173.6	\$56	\$182.4
Greater Wichita Total	7,032		\$220.8	\$86	\$244.5
<b>Consumer Spending in Total:</b>		to Kansas	to Others	Total KS	
from Kansas (\$mn)		\$455.5	\$240.8	\$696.3	
from Others ( " )		\$137.4			
<b>Net Plus or Minus:</b>			<b>(\$103.4)</b>		

**Exhibit B-6: Gaming Revenue Projections (\$mn / 2009\$)**  
**Likely Future Baseline -- with New Facilities Elsewhere AND NE KS**

<b>Gaming Facility / Location:</b>	<b># Slots</b>	<b>Power Rating</b>	<b>Slot Win (\$mn)</b>	<b>win/slot/day</b>	<b>Total Win (\$mn)</b>
Woodlands Camptown Wichita Gh Park					
Kansas Entertainment	2,300	103.1	\$157.4	\$188	\$187.0
Chisholm Creek					
Boot Hill / Dodge City	875	112.0	\$39.6	\$124	\$45.1
-----			-----		-----
Subtotal Kansas Taxable	3,175		\$197.0	\$170	\$232.0
KCK 7th Street	560	72.7	\$13.9	\$68	\$13.9
4 Northeast KS Natives	3,293	116.9	\$151.9	\$126	\$171.9
-----			-----		-----
Total Kansas	6,918		\$362.8	\$144	\$417.9
memo: Northeast Zone	2,300		\$157.4	\$188	\$187.0
memo: Southeast Zone					\$187.0
memo: South Central Zone					\$0.0
Argosy Riverside	1,899	103.2	\$145.3	\$210	\$159.1
IOC KC	1,514	81.3	\$63.4	\$115	\$68.7
Harrahs NKC	1,783	105.6	\$143.2	\$220	\$166.2
Ameristar KC	3,009	100.9	\$188.2	\$171	\$210.2
Sugar Creek					
-----			-----		-----
Subtotal KCMO	8,205		\$540.1	\$180	\$604.1
Greater KC Total	11,065		\$711.4	\$176	\$805.0
Greater Joplin Total	8,463		\$176.8	\$57	\$186.0
Greater Wichita Total	5,732		\$117.8	\$56	\$122.3
<b>Consumer Spending in Total:</b>		to Kansas	to Others	Total KS	
from Kansas (\$mn)		\$302.5	\$295.7	\$598.2	
from Others ( " )		\$115.3			
<b>Net Plus or Minus:</b>			<b>(\$180.3)</b>		

## Exhibit B-7: Gaming Revenue Projections (\$mn / 2009\$)

### Chisholm Creek Phase 1

Gaming Facility / Location:	# Slots	Power Rating	Slot Win (\$mn)	win/slot/day	Total Win (\$mn)
Woodlands					
Camptown					
Wichita Gh Park					
Kansas Entertainment	2,300	103.1	\$157.1	\$187	\$186.0
Chisholm Creek	1,300	102.6	\$128.8	\$272	\$149.2
Boot Hill / Dodge City	875	112.0	\$38.1	\$119	\$42.7
	-----		-----		-----
Subtotal Kansas Taxable	4,475		\$324.1	\$198	\$377.9
KCK 7th Street	560	72.7	\$13.9	\$68	\$13.9
4 Northeast KS Natives	3,293	116.9	\$149.7	\$125	\$167.5
	-----		-----		-----
Total Kansas	8,218		\$487.7	\$163	\$559.4
memo: Northeast Zone	2,300		\$157.1	\$187	\$186.0
memo: Southeast Zone					
memo: South Central Zone	1,300		\$128.8	\$272	\$149.2
Argosy Riverside	1,899	103.2	\$144.9	\$209	\$158.4
IOC KC	1,514	81.3	\$63.4	\$115	\$68.6
Harrahs NKC	1,783	105.6	\$142.8	\$219	\$165.2
Ameristar KC	3,009	100.9	\$187.7	\$171	\$209.2
Sugar Creek					
	-----		-----		-----
Subtotal KCMO	8,205		\$538.7	\$180	\$601.4
Greater KC Total	11,065		\$709.7	\$176	\$801.4
Greater Joplin Total	8,463		\$174.7	\$57	\$183.6
Greater Wichita Total	7,032		\$221.6	\$86	\$245.5
<b>Consumer Spending in Total:</b>		to Kansas	to Others	Total KS	
from Kansas (\$mn)		\$439.2	\$255.8	\$695.0	
from Others ( " )		\$120.1			
<b>Net Plus or Minus:</b>			<b>(\$135.6)</b>		

**Exhibit B-8: Gaming Revenue Projections (\$mn / 2009\$)**  
**Chisholm Creek Raving Minimum**

<b>Gaming Facility / Location:</b>	<b># Slots</b>	<b>Power Rating</b>	<b>Slot Win (\$mn)</b>	<b>win/slot/day</b>	<b>Total Win (\$mn)</b>
Woodlands					
Camptown					
Wichita Gh Park					
Kansas Entertainment	2,300	103.1	\$157.0	\$187	\$185.9
<b>Chisholm Creek</b>	<b>1,300</b>	<b>103.4</b>	<b>\$133.0</b>	<b>\$280</b>	<b>\$154.0</b>
Boot Hill / Dodge City	875	112.0	\$37.6	\$118	\$42.1
-----	-----	-----	-----	-----	-----
Subtotal Kansas Taxable	4,475		\$327.6	\$201	\$382.0
KCK 7th Street	560	72.7	\$13.9	\$68	\$13.9
4 Northeast KS Natives	3,293	116.9	\$149.2	\$124	\$167.0
-----	-----	-----	-----	-----	-----
Total Kansas	8,218		\$490.8	\$164	\$562.9
memo: Northeast Zone	2,300		\$157.0	\$187	\$185.9
memo: Southeast Zone					\$339.9
memo: South Central Zone	1,300		\$133.0	\$280	\$154.0
Argosy Riverside	1,899	103.2	\$144.8	\$209	\$158.3
IOC KC	1,514	81.3	\$63.3	\$115	\$68.6
Harrahs NKC	1,783	105.6	\$142.7	\$219	\$165.1
Ameristar KC	3,009	100.9	\$187.6	\$171	\$209.1
Sugar Creek					
-----	-----	-----	-----	-----	-----
Subtotal KCMO	8,205		\$538.4	\$180	\$601.1
Greater KC Total	11,065		\$709.3	\$176	\$800.9
Greater Joplin Total	8,463		\$174.4	\$56	\$183.2
Greater Wichita Total	7,032		\$225.3	\$88	\$249.8
<b>Consumer Spending in Total:</b>		to Kansas	to Others	Total KS	
from Kansas (\$mn)		\$441.2	\$254.7	\$695.9	
from Others ( " )		\$121.7			
<b>Net Plus or Minus:</b>			<b>(\$133.0)</b>		

## Exhibit B-9: Gaming Revenue Projections (\$mn / 2009\$) Chisholm Creek Full Build-Out

Gaming Facility / Location:	# Slots	Power Rating	Slot Win (\$mn)	win/slot/day	Total Win (\$mn)
Woodlands					
Camptown					
Wichita Gh Park					
Kansas Entertainment	2,300	103.1	\$156.8	\$187	\$185.7
Chisholm Creek	2,000	102.9	\$143.8	\$197	\$166.4
Boot Hill / Dodge City	875	112.0	\$36.8	\$115	\$41.1
	-----		-----		-----
Subtotal Kansas Taxable	5,175		\$337.4	\$179	\$393.2
KCK 7th Street	560	72.7	\$13.9	\$68	\$13.9
4 Northeast KS Natives	3,293	116.9	\$148.1	\$123	\$165.7
	-----		-----		-----
Total Kansas	8,918		\$499.5	\$153	\$572.7
memo: Northeast Zone	2,300		\$156.8	\$187	\$185.7
memo: Southeast Zone					
memo: South Central Zone	2,000		\$143.8	\$197	\$166.4
Argosy Riverside	1,899	103.2	\$144.6	\$209	\$158.0
IOC KC	1,514	81.3	\$63.3	\$115	\$68.5
Harrahs NKC	1,783	105.6	\$142.5	\$219	\$164.9
Ameristar KC	3,009	100.9	\$187.4	\$171	\$208.8
Sugar Creek					
	-----		-----		-----
Subtotal KCMO	8,205		\$537.8	\$180	\$600.3
Greater KC Total	11,065		\$708.5	\$175	\$799.8
Greater Joplin Total	8,463		\$173.6	\$56	\$182.4
Greater Wichita Total	7,732		\$231.1	\$82	\$256.9
<b>Consumer Spending in Total:</b>		to Kansas	to Others	Total KS	
from Kansas (\$mn)		\$449.5	\$245.9	\$695.4	
from Others ( " )		\$123.3			
<b>Net Plus or Minus:</b>			<b>(\$122.6)</b>		

# **Cummings Associates**

## **Projections for the Performance of New Gaming Facilities in Kansas**

### **Appendix C: Detail for Sources of Consumer Spending**

October 19, 2009

## **List of Exhibits**

Appendix C: Detail for Sources of Consumer Spending (2009\$)

### **Exhibit**

- C-1 Likely Future / Baseline -- with New Facilities Elsewhere
- C-2 Likely Future / Baseline -- with New Facilities Elsewhere AND SC KS
- C-3 Kansas Entertainment Phase 1
- C-4 Kansas Entertainment Raving Minimum
- C-5 Kansas Entertainment Full Build-Out
- C-6 Likely Future / Baseline -- with New Facilities Elsewhere AND NE KS
- C-7 Chisholm Creek Phase 1
- C-8 Chisholm Creek Raving Minimum
- C-9 Chisholm Creek Full Build-Out

**Exhibit C-1: Detail for Sources of Consumer Spending (\$000)  
Baseline -- with New Facilities Elsewhere**

		Total	WoodInds	Camptown	WGhPk	open	KS Entmt	open	Chisholm	open	Boot Hill	open
Number of Slots		875									875	
Slot Power Rating											112.0	
Win/Slot/Day											\$125	
Kansas	Tourists	\$6,442									\$6,442	
Kansas	Locals	34,429									34,429	
Kansas Total		\$40,871	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$40,871	\$0
Missouri	Tourists	\$63									\$63	
Missouri	Locals	0									0	
Missouri Total		\$63	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$63	\$0
Okla + Ark	Tourists	\$1,681									\$1,681	
Okla + Ark	Locals	543									543	
Okla + Ark Total		\$2,224	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,224	\$0
Iowa		\$8	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$8	\$0
Nebraska		\$1,312	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,312	\$0
Other Near		\$828	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$828	\$0
Frontage Traffic		\$0									\$0	
Total All Sources		\$45,304	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$45,304	\$0
total Tourists		\$10,332									\$10,332	
total locals		\$34,972									\$34,972	

Note: Totals may not add due to rounding.

**Exhibit C-2: Detail for Sources of Consumer Spending (\$000)  
Baseline -- with New Facilities Elsewhere AND SC KS**

		Total	WoodInds	Camptown	WGhPk	open	KS Entmt	open	Chisholm	open	Boot Hill	open
Number of Slots		2,175							1,300		875	
Slot Power Rating									102.6		112.0	
Win/Slot/Day									\$267		\$120	
Kansas	Tourists	\$7,526							\$2,867		\$4,659	
Kansas	Locals	175,786							141,948		33,838	
Kansas	Total	\$183,312	\$0	\$0	\$0	\$0	\$0	\$0	\$144,815	\$0	\$38,497	\$0
Missouri	Tourists	\$239							\$176		\$63	
Missouri	Locals	0							0		0	
Missouri	Total	\$239	\$0	\$0	\$0	\$0	\$0	\$0	\$176	\$0	\$63	\$0
Okla + Ark	Tourists	\$2,653							\$1,012		\$1,641	
Okla + Ark	Locals	1,218							682		536	
Okla + Ark	Total	\$3,871	\$0	\$0	\$0	\$0	\$0	\$0	\$1,695	\$0	\$2,177	\$0
Iowa		\$13	\$0	\$0	\$0	\$0	\$0	\$0	\$5	\$0	\$8	\$0
Nebraska		\$1,409	\$0	\$0	\$0	\$0	\$0	\$0	\$102	\$0	\$1,307	\$0
Other Near		\$849	\$0	\$0	\$0	\$0	\$0	\$0	\$23	\$0	\$826	\$0
Frontage Traffic		\$2,931							\$2,931			
Total All Sources		\$192,623	\$0	\$0	\$0	\$0	\$0	\$0	\$149,746	\$0	\$42,878	\$0
total	Tourists	\$15,619							\$7,116		\$8,504	
total	locals	\$177,004							\$142,630		\$34,374	

Note: Totals may not add due to rounding.

**Exhibit C-3: Detail for Sources of Consumer Spending (\$000)  
Kansas Entertainment Phase 1**

		Total	WoodInds	Camptown	WGhPk	open	KS Entmt	open	Chisholm	open	Boot Hill	open
Number of Slots		4,475					2,300		1,300		875	
Slot Power Rating							103.1		102.6		112.0	
Win/Slot/Day							\$187		\$266		\$119	
Kansas	Tourists	\$10,299					\$3,032		\$2,694		\$4,573	
Kansas	Locals	305,358					130,008		141,566		33,785	
Kansas	Total	\$315,657	\$0	\$0	\$0	\$0	\$133,040	\$0	\$144,260	\$0	\$38,358	\$0
Missouri	Tourists	\$5,156					\$4,929		\$168		\$60	
Missouri	Locals	45,869					45,869		0		0	
Missouri	Total	\$51,026	\$0	\$0	\$0	\$0	\$50,798	\$0	\$168	\$0	\$60	\$0
Okla + Ark	Tourists	\$2,968					\$317		\$1,011		\$1,639	
Okla + Ark	Locals	1,217					0		682		535	
Okla + Ark	Total	\$4,185	\$0	\$0	\$0	\$0	\$317	\$0	\$1,693	\$0	\$2,175	\$0
Iowa		\$757	\$0	\$0	\$0	\$0	\$744	\$0	\$5	\$0	\$8	\$0
Nebraska		\$2,266	\$0	\$0	\$0	\$0	\$869	\$0	\$100	\$0	\$1,296	\$0
Other Near		\$1,133	\$0	\$0	\$0	\$0	\$284	\$0	\$23	\$0	\$826	\$0
Frontage Traffic		\$2,931							\$2,931			
Total All Sources		\$377,950	\$0	\$0	\$0	\$0	\$186,049	\$0	\$149,179	\$0	\$42,721	\$0
total	Tourists	\$25,505					\$10,172		\$6,932		\$8,401	
total	locals	\$352,445					\$175,877		\$142,247		\$34,320	

Note: Totals may not add due to rounding.

**Exhibit C-4: Detail for Sources of Consumer Spending (\$000)  
Kansas Entertainment Raving Minimum**

	Total	Woodlnds	Camptown	WGhPk	open	KS Entmt	open	Chisholm	open	Boot Hill	open
Number of Slots	4,475					2,300		1,300		875	
Slot Power Rating						103.3		102.6		112.0	
Win/Slot/Day						\$192		\$265		\$119	
Kansas Tourists	\$11,276					\$4,108		\$2,661		\$4,507	
Kansas Locals	305,373					130,484		141,176		33,713	
Kansas Total	\$316,649	\$0	\$0	\$0	\$0	\$134,593	\$0	\$143,837	\$0	\$38,220	\$0
Missouri Tourists	\$6,616					\$6,390		\$167		\$59	
Missouri Locals	46,119					46,119		0		0	
Missouri Total	\$52,734	\$0	\$0	\$0	\$0	\$52,509	\$0	\$167	\$0	\$59	\$0
Okla + Ark Tourists	\$3,386					\$739		\$1,009		\$1,637	
Okla + Ark Locals	1,215					0		681		534	
Okla + Ark Total	\$4,601	\$0	\$0	\$0	\$0	\$739	\$0	\$1,690	\$0	\$2,172	\$0
Iowa	\$1,325	\$0	\$0	\$0	\$0	\$1,312	\$0	\$5	\$0	\$8	\$0
Nebraska	\$2,971	\$0	\$0	\$0	\$0	\$1,590	\$0	\$99	\$0	\$1,282	\$0
Other Near	\$1,527	\$0	\$0	\$0	\$0	\$679	\$0	\$23	\$0	\$825	\$0
Frontage Traffic	\$2,931							\$2,931			
Total All Sources	\$382,730	\$0	\$0	\$0	\$0	\$191,414	\$0	\$148,751	\$0	\$42,565	\$0
total Tourists	\$30,022					\$14,811		\$6,894		\$8,317	
total locals	\$352,707					\$176,603		\$141,857		\$34,248	

Note: Totals may not add due to rounding.

**Exhibit C-5: Detail for Sources of Consumer Spending (\$000)  
Kansas Entertainment Full Build-Out**

	Total	WoodInds	Camptown	WGhPk	open	KS Entmt	open	Chisholm	open	Boot Hill	open
Number of Slots	5,175					3,000		1,300		875	
Slot Power Rating						103.9		102.6		112.0	
Win/Slot/Day						\$176		\$265		\$119	
Kansas Tourists	\$12,298					\$5,224		\$2,610		\$4,465	
Kansas Locals	323,721					149,081		140,962		33,678	
Kansas Total	\$336,019	\$0	\$0	\$0	\$0	\$154,305	\$0	\$143,571	\$0	\$38,143	\$0
Missouri Tourists	\$8,375					\$8,152		\$164		\$58	
Missouri Locals	57,648					57,648		0		0	
Missouri Total	\$66,023	\$0	\$0	\$0	\$0	\$65,800	\$0	\$164	\$0	\$58	\$0
Okla + Ark Tourists	\$3,589					\$944		\$1,009		\$1,636	
Okla + Ark Locals	1,215					0		681		534	
Okla + Ark Total	\$4,803	\$0	\$0	\$0	\$0	\$944	\$0	\$1,689	\$0	\$2,170	\$0
Iowa	\$1,710	\$0	\$0	\$0	\$0	\$1,697	\$0	\$5	\$0	\$8	\$0
Nebraska	\$3,425	\$0	\$0	\$0	\$0	\$2,052	\$0	\$98	\$0	\$1,275	\$0
Other Near	\$1,732	\$0	\$0	\$0	\$0	\$885	\$0	\$23	\$0	\$824	\$0
Frontage Traffic	\$2,931							\$2,931			
Total All Sources	\$416,633	\$0	\$0	\$0	\$0	\$225,673	\$0	\$148,482	\$0	\$42,478	\$0
total Tourists	\$34,049					\$18,944		\$6,840		\$8,266	
total locals	\$382,584					\$206,730		\$141,642		\$34,212	

Note: Totals may not add due to rounding.

**Exhibit C-6: Detail for Sources of Consumer Spending (\$000)  
Baseline -- with New Facilities Elsewhere AND NE KS**

	Total	WoodInds	Camptown	WGhPk	open	KS Entmt	open	Chisholm	open	Boot Hill	open
Number of Slots	3,175					2,300				875	
Slot Power Rating						103.1				112.0	
Win/Slot/Day						\$188				\$124	
Kansas Tourists	\$10,195					\$3,920				\$6,275	
Kansas Locals	164,401					130,037				34,365	
Kansas Total	\$174,596	\$0	\$0	\$0	\$0	\$133,957	\$0	\$0	\$0	\$40,640	\$0
Missouri Tourists	\$4,993					\$4,933				\$60	
Missouri Locals	45,872					45,872				0	
Missouri Total	\$50,865	\$0	\$0	\$0	\$0	\$50,805	\$0	\$0	\$0	\$60	\$0
Okla + Ark Tourists	\$2,000					\$321				\$1,679	
Okla + Ark Locals	542					0				542	
Okla + Ark Total	\$2,542	\$0	\$0	\$0	\$0	\$321	\$0	\$0	\$0	\$2,221	\$0
Iowa	\$752	\$0	\$0	\$0	\$0	\$744	\$0	\$0	\$0	\$8	\$0
Nebraska	\$2,171	\$0	\$0	\$0	\$0	\$870	\$0	\$0	\$0	\$1,301	\$0
Other Near	\$1,111	\$0	\$0	\$0	\$0	\$284	\$0	\$0	\$0	\$827	\$0
Frontage Traffic	\$0										
Total All Sources	\$232,034	\$0	\$0	\$0	\$0	\$186,978	\$0	\$0	\$0	\$45,056	\$0
total Tourists	\$21,219					\$11,070				\$10,149	
total locals	\$210,816					\$175,909				\$34,907	

Note: Totals may not add due to rounding.

**Exhibit C-7: Detail for Sources of Consumer Spending (\$000)  
Chisholm Creek Phase 1**

		Total	WoodInds	Camptown	WGhPk	open	KS Entmt	open	Chisholm	open	Boot Hill	open
Number of Slots		4,475					2,300		1,300		875	
Slot Power Rating							103.1		102.6		112.0	
Win/Slot/Day							\$187		\$266		\$119	
Kansas	Tourists	\$10,299					\$3,032		\$2,694		\$4,573	
Kansas	Locals	305,358					130,008		141,566		33,785	
Kansas	Total	\$315,657	\$0	\$0	\$0	\$0	\$133,040	\$0	\$144,260	\$0	\$38,358	\$0
Missouri	Tourists	\$5,156					\$4,929		\$168		\$60	
Missouri	Locals	45,869					45,869		0		0	
Missouri	Total	\$51,026	\$0	\$0	\$0	\$0	\$50,798	\$0	\$168	\$0	\$60	\$0
Okla + Ark	Tourists	\$2,968					\$317		\$1,011		\$1,639	
Okla + Ark	Locals	1,217					0		682		535	
Okla + Ark	Total	\$4,185	\$0	\$0	\$0	\$0	\$317	\$0	\$1,693	\$0	\$2,175	\$0
Iowa		\$757	\$0	\$0	\$0	\$0	\$744	\$0	\$5	\$0	\$8	\$0
Nebraska		\$2,266	\$0	\$0	\$0	\$0	\$869	\$0	\$100	\$0	\$1,296	\$0
Other Near		\$1,133	\$0	\$0	\$0	\$0	\$284	\$0	\$23	\$0	\$826	\$0
Frontage Traffic		\$2,931							\$2,931			
Total All Sources		\$377,950	\$0	\$0	\$0	\$0	\$186,049	\$0	\$149,179	\$0	\$42,721	\$0
total Tourists		\$25,505					\$10,172		\$6,932		\$8,401	
total locals		\$352,445					\$175,877		\$142,247		\$34,320	

Note: Totals may not add due to rounding.

**Exhibit C-8: Detail for Sources of Consumer Spending (\$000)  
Chisholm Creek Raving Minimum**

		Total	WoodInds	Camptown	WGhPk	open	KS Entmt	open	Chisholm	open	Boot Hill	open
Number of Slots		4,475					2,300		1,300		875	
Slot Power Rating							103.1		103.4		112.0	
Win/Slot/Day							\$187		\$275		\$118	
Kansas	Tourists	\$11,407					\$3,003		\$3,940		\$4,464	
Kansas	Locals	306,621					129,943		143,323		33,355	
Kansas	Total	\$318,028	\$0	\$0	\$0	\$0	\$132,946	\$0	\$147,263	\$0	\$37,819	\$0
Missouri	Tourists	\$5,714					\$4,916		\$739		\$59	
Missouri	Locals	45,857					45,857		0		0	
Missouri	Total	\$51,571	\$0	\$0	\$0	\$0	\$50,773	\$0	\$739	\$0	\$59	\$0
Okla + Ark	Tourists	\$3,649					\$316		\$1,741		\$1,592	
Okla + Ark	Locals	1,209					0		700		509	
Okla + Ark	Total	\$4,858	\$0	\$0	\$0	\$0	\$316	\$0	\$2,441	\$0	\$2,101	\$0
Iowa		\$775	\$0	\$0	\$0	\$0	\$744	\$0	\$23	\$0	\$8	\$0
Nebraska		\$2,623	\$0	\$0	\$0	\$0	\$864	\$0	\$479	\$0	\$1,280	\$0
Other Near		\$1,215	\$0	\$0	\$0	\$0	\$284	\$0	\$110	\$0	\$821	\$0
Frontage Traffic		\$2,931							\$2,931			
Total All Sources		\$381,997	\$0	\$0	\$0	\$0	\$185,925	\$0	\$153,985	\$0	\$42,087	\$0
total Tourists		\$28,310					\$10,125		\$9,962		\$8,223	
total locals		\$353,687					\$175,800		\$144,023		\$33,864	

Note: Totals may not add due to rounding.

**Exhibit C-9: Detail for Sources of Consumer Spending (\$000)  
Chisholm Creek Full Build-Out**

		Total	WoodInds	Camptown	WGhPk	open	KS Entmt	open	Chisholm	open	Boot Hill	open
Number of Slots		5,175					2,300		2,000		875	
Slot Power Rating							103.1		102.9		112.0	
Win/Slot/Day							\$187		\$193		\$115	
Kansas	Tourists	\$12,276					\$2,794		\$5,488		\$3,994	
Kansas	Locals	315,282					129,898		152,434		32,950	
Kansas	Total	\$327,558	\$0	\$0	\$0	\$0	\$132,692	\$0	\$157,922	\$0	\$36,944	\$0
Missouri	Tourists	\$6,045					\$4,908		\$1,078		\$59	
Missouri	Locals	45,849					45,849		0		0	
Missouri	Total	\$51,895	\$0	\$0	\$0	\$0	\$50,757	\$0	\$1,078	\$0	\$59	\$0
Okla + Ark	Tourists	\$4,413					\$315		\$2,542		\$1,556	
Okla + Ark	Locals	1,489					0		996		494	
Okla + Ark	Total	\$5,902	\$0	\$0	\$0	\$0	\$315	\$0	\$3,537	\$0	\$2,049	\$0
Iowa		\$785	\$0	\$0	\$0	\$0	\$744	\$0	\$34	\$0	\$8	\$0
Nebraska		\$2,822	\$0	\$0	\$0	\$0	\$862	\$0	\$689	\$0	\$1,271	\$0
Other Near		\$1,264	\$0	\$0	\$0	\$0	\$284	\$0	\$162	\$0	\$818	\$0
Frontage Traffic		\$2,931							\$2,931			
Total All Sources		\$393,151	\$0	\$0	\$0	\$0	\$185,651	\$0	\$166,351	\$0	\$41,149	\$0
total Tourists		\$30,531					\$9,904		\$12,922		\$7,705	
total locals		\$362,620					\$175,748		\$153,429		\$33,444	

Note: Totals may not add due to rounding.

# **Cummings Associates**

## **Projections for the Performance of New Gaming Facilities in Kansas**

### **Appendix D: Detail for Sources of Visitation**

October 19, 2009

## **List of Exhibits**

Appendix D: Detail for Sources of Visitation (2009\$)

### **Exhibit**

- D-1 Likely Future / Baseline -- with New Facilities Elsewhere
- D-2 Likely Future / Baseline -- with New Facilities Elsewhere AND SC KS
- D-3 Kansas Entertainment Phase 1
- D-4 Kansas Entertainment Raving Minimum
- D-5 Kansas Entertainment Full Build-Out
- D-6 Likely Future / Baseline -- with New Facilities Elsewhere AND NE KS
- D-7 Chisholm Creek Phase 1
- D-8 Chisholm Creek Raving Minimum
- D-9 Chisholm Creek Full Build-Out

**Exhibit D-1: Detail for Visitation by Source  
Baseline -- with New Facilities Elsewhere**

		Total	WoodInds	Camptown	WGhPk	open	KS Entmt	open	Chisholm	open	Boot Hill	open
Number of Slots		875									875	
Slot Power Rating											112.0	
Win/Slot/Day											\$125	
Kansas	Tourists	81,181									81,181	
Kansas	Locals	532,546	0	0	0	0	0	0	0	0	532,546	0
Kansas	Total	613,727	0	0	0	0	0	0	0	0	613,727	0
Missouri	Tourists	822									822	
Missouri	Locals	0	0	0	0	0	0	0	0	0	0	0
Missouri	Total	822	0	0	0	0	0	0	0	0	822	0
Okla + Ark	Tourists	22,833									22,833	
Okla + Ark	Locals	8,123	0	0	0	0	0	0	0	0	8,123	0
Oklahoma	Total	30,955	0	0	0	0	0	0	0	0	30,955	0
Iowa		103	0	0	0	0	0	0	0	0	103	0
Nebraska		16,933	0	0	0	0	0	0	0	0	16,933	0
Other Near		9,292	0	0	0	0	0	0	0	0	9,292	0
Frontage Traffic		0										
Total All Sources		671,832	0	0	0	0	0	0	0	0	671,832	0
total Tourists		131,163									131,163	
total locals		540,669									540,669	
Spending Per Visitor		\$67									\$67	

Note: Totals may not add due to rounding.

**Exhibit D-2: Detail for Visitation by Source  
Baseline -- with New Facilities Elsewhere AND SC KS**

		Total	WoodInds	Camptown	WGhPk	open	KS Entmt	open	Chisholm	Marvel Wel	Boot Hill	open
Number of Slots		2,175							1,300		875	
Slot Power Rating									102.6		112.0	
Win/Slot/Day									\$267		\$120	
Kansas	Tourists	91,418							31,014		60,405	
Kansas	Locals	2,284,687	0	0	0	0	0	0	1,756,346	0	528,342	0
Kansas	Total	2,376,106	0	0	0	0	0	0	1,787,359	0	588,746	0
Missouri	Tourists	2,755							1,928		827	
Missouri	Locals	0	0	0	0	0	0	0	0	0	0	0
Missouri	Total	2,755	0	0	0	0	0	0	1,928	0	827	0
Okla + Ark	Tourists	34,039							11,515		22,524	
Okla + Ark	Locals	16,412	0	0	0	0	0	0	8,326	0	8,086	0
Oklahoma	Total	50,452	0	0	0	0	0	0	19,842	0	30,610	0
Iowa		156	0	0	0	0	0	0	53	0	103	0
Nebraska		18,088	0	0	0	0	0	0	1,105	0	16,982	0
Other Near		9,561	0	0	0	0	0	0	225	0	9,336	0
Frontage Traffic		29,351							29,351			
Total All Sources		2,486,468	0	0	0	0	0	0	1,839,863	0	646,605	0
total	Tourists	185,369							75,191		110,177	
total	locals	2,301,100							1,764,672		536,428	
Spending Per Visitor		\$77							\$81		\$66	

Note: Totals may not add due to rounding.

**Exhibit D-3: Detail for Visitation by Source  
Kansas Entertainment Phase 1**

		Total	WoodInds	Camptown	WGhPk	open	KS Entmt	open	Chisholm	Marvel Wel	Boot Hill	open
Number of Slots		4,475					2,300		1,300		875	
Slot Power Rating							103.1		102.6		112.0	
Win/Slot/Day							\$187		\$266		\$119	
Kansas	Tourists	121,036					32,501		29,203		59,332	
Kansas	Locals	3,808,730	0	0	0	0	1,527,223	0	1,753,591	0	527,916	0
Kansas	Total	3,929,766	0	0	0	0	1,559,724	0	1,782,794	0	587,248	0
Missouri	Tourists	56,613					53,981		1,842		790	
Missouri	Locals	562,195	0	0	0	0	562,195	0	0	0	0	0
Missouri	Total	618,808	0	0	0	0	616,176	0	1,842	0	790	0
Okla + Ark	Tourists	37,598					3,572		11,511		22,515	
Okla + Ark	Locals	16,410	0	0	0	0	0	0	8,327	0	8,083	0
Oklahoma	Total	54,009	0	0	0	0	3,572	0	19,838	0	30,599	0
Iowa		8,247	0	0	0	0	8,091	0	53	0	103	0
Nebraska		27,339	0	0	0	0	9,393	0	1,093	0	16,853	0
Other Near		12,438	0	0	0	0	2,880	0	225	0	9,333	0
Frontage Traffic		29,376							29,376			
Total All Sources		4,679,982	0	0	0	0	2,199,836	0	1,835,220	0	644,926	0
total	Tourists	292,647					110,418		73,302		108,927	
total	locals	4,387,335					2,089,418		1,761,918		535,999	
Spending Per Visitor		\$81					\$85		\$81		\$66	

Note: Totals may not add due to rounding.

**Exhibit D-4: Detail for Visitation by Source  
Kansas Entertainment Raving Minimum**

		Total	WoodInds	Camptown	WGhPk	open	KS Entmt	open	Chisholm	Marvel Wel	Boot Hill	open
Number of Slots		4,475					2,300		1,300		875	
Slot Power Rating							103.3		102.6		112.0	
Win/Slot/Day							\$192		\$265		\$119	
Kansas	Tourists	131,178					43,789		28,868		58,522	
Kansas	Locals	3,797,702	0	0	0	0	1,520,148	0	1,750,330	0	527,224	0
Kansas	Total	3,928,880	0	0	0	0	1,563,936	0	1,779,198	0	585,746	0
Missouri	Tourists	72,071					69,457		1,829		785	
Missouri	Locals	560,540	0	0	0	0	560,540	0	0	0	0	0
Missouri	Total	632,611	0	0	0	0	629,996	0	1,829	0	785	0
Okla + Ark	Tourists	42,269					8,271		11,500		22,499	
Okla + Ark	Locals	16,401	0	0	0	0	0	0	8,323	0	8,078	0
Oklahoma	Total	58,670	0	0	0	0	8,271	0	19,823	0	30,577	0
Iowa		14,329	0	0	0	0	14,174	0	53	0	103	0
Nebraska		34,824	0	0	0	0	17,064	0	1,080	0	16,679	0
Other Near		16,382	0	0	0	0	6,831	0	225	0	9,327	0
Frontage Traffic		29,395							29,395			
Total All Sources		4,715,091	0	0	0	0	2,240,273	0	1,831,601	0	643,217	0
total Tourists		340,449					159,585		72,949		107,915	
total locals		4,374,642					2,080,688		1,758,653		535,302	
Spending Per Visitor		\$81					\$85		\$81		\$66	

Note: Totals may not add due to rounding.

**Exhibit D-5: Detail for Visitation by Source  
Kansas Entertainment Full Build-Out**

		Total	WoodInds	Camptown	WGhPk	open	KS Entmt	open	Chisholm	Marvel Wel	Boot Hill	open
Number of Slots		5,175					3,000		1,300		875	
Slot Power Rating							103.9		102.6		112.0	
Win/Slot/Day							\$176		\$265		\$119	
Kansas	Tourists	143,506					57,174		28,328		58,004	
Kansas	Locals	4,060,342	0	0	0	0	1,784,755	0	1,748,678	0	526,910	0
Kansas	Total	4,203,848	0	0	0	0	1,841,929	0	1,777,006	0	584,913	0
Missouri	Tourists	93,569					90,989		1,805		775	
Missouri	Locals	721,767	0	0	0	0	721,767	0	0	0	0	0
Missouri	Total	815,336	0	0	0	0	812,756	0	1,805	0	775	0
Okla + Ark	Tourists	44,815					10,826		11,497		22,492	
Okla + Ark	Locals	16,398	0	0	0	0	0	0	8,323	0	8,076	0
Oklahoma	Total	61,213	0	0	0	0	10,826	0	19,820	0	30,567	0
Iowa		18,982	0	0	0	0	18,827	0	52	0	103	0
Nebraska		40,279	0	0	0	0	22,615	0	1,073	0	16,591	0
Other Near		18,678	0	0	0	0	9,128	0	225	0	9,325	0
Frontage Traffic		29,408							29,408			
Total All Sources		5,187,745	0	0	0	0	2,716,082	0	1,829,389	0	642,274	0
total Tourists		389,237					209,559		72,389		107,289	
total locals		4,798,508					2,506,522		1,757,000		534,985	
Spending Per Visitor		\$80		\$100			\$83		\$81		\$66	

Note: Totals may not add due to rounding.

**Exhibit D-6: Detail for Visitation by Source  
Baseline -- with New Facilities Elsewhere AND NE KS**

	Total	WoodInds	Camptown	WGhPk	open	KS Entmt	open	Chisholm	Marvel Wel	Boot Hill	open
Number of Slots	3,175					2,300				875	
Slot Power Rating						103.1				112.0	
Win/Slot/Day						\$188				\$124	
Kansas Tourists	120,528					41,270				79,258	
Kansas Locals	2,058,242	0	0	0	0	1,526,158	0	0	0	532,084	0
Kansas Total	2,178,770	0	0	0	0	1,567,428	0	0	0	611,342	0
Missouri Tourists	54,755					53,970				786	
Missouri Locals	561,662	0	0	0	0	561,662	0	0	0	0	0
Missouri Total	616,417	0	0	0	0	615,632	0	0	0	786	0
Okla + Ark Tourists	26,432					3,607				22,825	
Okla + Ark Locals	8,121	0	0	0	0	0	0	0	0	8,121	0
Oklahoma Total	34,553	0	0	0	0	3,607	0	0	0	30,947	0
Iowa	8,186	0	0	0	0	8,084	0	0	0	102	0
Nebraska	26,203	0	0	0	0	9,397	0	0	0	16,806	0
Other Near	12,168	0	0	0	0	2,878	0	0	0	9,290	0
Frontage Traffic	0										
Total All Sources	2,876,298	0	0	0	0	2,207,025	0	0	0	669,272	0
total Tourists	248,272					119,205				129,067	
total locals	2,628,025					2,087,820				540,205	
Spending Per Visitor	\$81					\$85				\$67	

Note: Totals may not add due to rounding.

**Exhibit D-7: Detail for Visitation by Source  
Chisholm Creek Phase 1**

		Total	WoodInds	Camptown	WGhPk	open	KS Entmt	open	Chisholm	Marvel Wel	Boot Hill	open
Number of Slots		4,475					2,300		1,300		875	
Slot Power Rating							103.1		102.6		112.0	
Win/Slot/Day							\$187		\$266		\$119	
Kansas	Tourists	121,036					32,501		29,203		59,332	
Kansas	Locals	3,808,730	0	0	0	0	1,527,223	0	1,753,591	0	527,916	0
Kansas	Total	3,929,766	0	0	0	0	1,559,724	0	1,782,794	0	587,248	0
Missouri	Tourists	56,613					53,981		1,842		790	
Missouri	Locals	562,195	0	0	0	0	562,195	0	0	0	0	0
Missouri	Total	618,808	0	0	0	0	616,176	0	1,842	0	790	0
Okla + Ark	Tourists	37,598					3,572		11,511		22,515	
Okla + Ark	Locals	16,410	0	0	0	0	0	0	8,327	0	8,083	0
Oklahoma	Total	54,009	0	0	0	0	3,572	0	19,838	0	30,599	0
Iowa		8,247	0	0	0	0	8,091	0	53	0	103	0
Nebraska		27,339	0	0	0	0	9,393	0	1,093	0	16,853	0
Other Near		12,438	0	0	0	0	2,880	0	225	0	9,333	0
Frontage Traffic		29,376							29,376			
Total All Sources		4,679,982	0	0	0	0	2,199,836	0	1,835,220	0	644,926	0
	total Tourists	292,647					110,418		73,302		108,927	
	total locals	4,387,335					2,089,418		1,761,918		535,999	
Spending Per Visitor		\$81					\$85		\$81		\$66	

Note: Totals may not add due to rounding.

**Exhibit D-8: Detail for Visitation by Source  
Chisholm Creek Raving Minimum**

		Total	WoodInds	Camptown	WGhPk	open	KS Entmt	open	Chisholm	Marvel Wel	Boot Hill	open
Number of Slots		4,475					2,300		1,300		875	
Slot Power Rating							103.1		103.4		112.0	
Win/Slot/Day							\$187		\$275		\$118	
Kansas	Tourists	132,643					32,192		42,396		58,055	
Kansas	Locals	3,807,527	0	0	0	0	1,526,754	0	1,757,763	0	523,010	0
Kansas	Total	3,940,170	0	0	0	0	1,558,945	0	1,800,159	0	581,065	0
Missouri	Tourists	62,702					53,857		8,055		790	
Missouri	Locals	562,149	0	0	0	0	562,149	0	0	0	0	0
Missouri	Total	624,852	0	0	0	0	616,007	0	8,055	0	790	0
Okla + Ark	Tourists	45,199					3,565		19,710		21,924	
Okla + Ark	Locals	16,203	0	0	0	0	0	0	8,489	0	7,714	0
Oklahoma	Total	61,402	0	0	0	0	3,565	0	28,199	0	29,638	0
Iowa		8,448	0	0	0	0	8,091	0	253	0	103	0
Nebraska		31,191	0	0	0	0	9,346	0	5,168	0	16,676	0
Other Near		13,247	0	0	0	0	2,880	0	1,070	0	9,297	0
Frontage Traffic		29,138					0		29,138			
Total All Sources		4,708,447	0	0	0	0	2,198,834	0	1,872,043	0	637,570	0
total Tourists		322,568					109,931		105,790		106,846	
total locals		4,385,879					2,088,903		1,766,252		530,724	
Spending Per Visitor		\$81					\$85		\$82		\$66	

Note: Totals may not add due to rounding.

**Exhibit D-9: Detail for Visitation by Source  
Chisholm Creek Full Build-Out**

		Total	WoodInds	Camptown	WGhPk	open	KS Entmt	open	Chisholm	Marvel Wel	Boot Hill	open
Number of Slots		5,175					2,300		2,000		875	
Slot Power Rating							103.1		102.9		112.0	
Win/Slot/Day							\$187		\$193		\$115	
Kansas	Tourists	146,323					30,002		64,160		52,162	
Kansas	Locals	4,111,643	0	0	0	0	1,526,815	0	2,065,711	0	519,117	0
Kansas	Total	4,257,967	0	0	0	0	1,556,817	0	2,129,871	0	571,279	0
Missouri	Tourists	67,312					53,791		12,731		791	
Missouri	Locals	562,281	0	0	0	0	562,281	0	0	0	0	0
Missouri	Total	629,594	0	0	0	0	616,072	0	12,731	0	791	0
Okla + Ark	Tourists	56,136					3,551		31,064		21,521	
Okla + Ark	Locals	20,606	0	0	0	0	0	0	13,093	0	7,513	0
Oklahoma	Total	76,742	0	0	0	0	3,551	0	44,157	0	29,034	0
Iowa		8,595	0	0	0	0	8,093	0	399	0	104	0
Nebraska		34,027	0	0	0	0	9,322	0	8,094	0	16,611	0
Other Near		13,854	0	0	0	0	2,881	0	1,685	0	9,289	0
Frontage Traffic		31,522							31,522			
Total All Sources		5,052,302	0	0	0	0	2,196,736	0	2,228,459	0	627,107	0
total Tourists		357,771					107,640		149,655		100,477	
total locals		4,694,531					2,089,096		2,078,804		526,630	
Spending Per Visitor		\$78					\$85		\$75		\$66	

Note: Totals may not add due to rounding.

# **Cummings Associates**

## **Projections for the Performance of New Gaming Facilities in Kansas**

### **Appendix S:**

#### **Detail for Slots / Baseline**

October 19, 2009

## **List of Exhibits**

Appendix S: Detail for Slots / Baseline (2009\$)

### **Exhibit**

- S-1 Likely Future / Baseline -- with New Facilities Elsewhere
- S-2 Likely Future / Baseline -- with New Facilities Elsewhere AND SC KS
- S-3 Kansas Entertainment Phase 1
- S-4 Kansas Entertainment Raving Minimum
- S-5 Kansas Entertainment Full Build-Out
- S-6 Likely Future / Baseline -- with New Facilities Elsewhere AND NE KS
- S-7 Chisholm Creek Phase 1
- S-8 Chisholm Creek Raving Minimum
- S-9 Chisholm Creek Full Build-Out

**Exhibit S-1: Slot Projections (\$mn / 2009\$)**  
**Likely Future Baseline -- with New Facilities Elsewhere**

Gaming Facility / Location:	# Slots	Power Rating	Slot Win (\$mn)	win/slot/day
Woodlands				
Camptown				
Wichita Gh Park				
 Kansas Entertainment				
 Chisholm Creek				
Boot Hill / Dodge City	875	112.0	\$39.8	\$125
	-----		-----	
Subtotal Kansas Taxable	875		\$39.8	\$125
KCK 7th Street	560	72.7	\$17.4	\$85
4 Northeast KS Natives	3,293	116.9	\$165.0	\$137
	-----		-----	
Total Kansas	4,728		\$222.2	\$129
 memo: Northeast Zone				
memo: Southeast Zone				
memo: South Central Zone				
 Argosy Riverside	1,899	103.2	\$177.9	\$257
IOC KC	1,514	81.3	\$74.5	\$135
Harrahs NKC	1,783	105.6	\$166.9	\$256
Ameristar KC	3,009	100.9	\$214.8	\$196
Sugar Creek				
	-----		-----	
Subtotal KCMO	8,205		\$634.2	\$212
 Greater KC Total	8,765		\$651.6	\$204
Greater Joplin Total	8,463		\$178.8	\$58
Greater Wichita Total	5,732		\$118.4	\$57
 <b>Slot Spending in Total:</b>		to Kansas	to Others	Total KS
from Kansas (\$mn)		\$163.1	\$334.2	\$497.4
from Others ( " )		\$59.1		
<b>Net Plus or Minus:</b>			<b>(\$275.1)</b>	

**Exhibit S-2: Slot Projections (\$mn / 2009\$)**  
**Likely Future Baseline -- with New Facilities Elsewhere AND SC KS**

<b>Gaming Facility / Location:</b>	<b># Slots</b>	<b>Power Rating</b>	<b>Slot Win (\$mn)</b>	<b>win/slot/day</b>
Woodlands				
Camptown				
Wichita Gh Park				
Kansas Entertainment				
Chisholm Creek	1,300	102.6	\$129.3	\$272
Boot Hill / Dodge City	875	112.0	\$38.3	\$120
-----			-----	
Subtotal Kansas Taxable	2,175		\$167.5	\$211
KCK 7th Street	560	72.7	\$17.4	\$85
4 Northeast KS Natives	3,293	116.9	\$162.7	\$135
-----			-----	
Total Kansas	6,028		\$347.7	\$158
memo: Northeast Zone				
memo: Southeast Zone				
memo: South Central Zone	1,300		\$129.3	\$272
Argosy Riverside	1,899	103.2	\$177.5	\$256
IOC KC	1,514	81.3	\$74.4	\$135
Harrahs NKC	1,783	105.6	\$166.5	\$256
Ameristar KC	3,009	100.9	\$214.3	\$195
Sugar Creek				
-----			-----	
Subtotal KCMO	8,205		\$632.7	\$211
Greater KC Total	8,765		\$650.1	\$203
Greater Joplin Total	8,463		\$176.6	\$57
Greater Wichita Total	7,032		\$222.3	\$87
<b>Slot Spending in Total:</b>		to Kansas	to Others	Total KS
from Kansas (\$mn)		\$284.7	\$298.9	\$583.6
from Others ( " )		\$63.0		
<b>Net Plus or Minus:</b>			<b>(\$235.9)</b>	

**Exhibit S-3: Slot Projections (\$mn / 2009\$)**  
**Kansas Entertainment Phase 1**

<b>Gaming Facility / Location:</b>	<b># Slots</b>	<b>Power Rating</b>	<b>Slot Win (\$mn)</b>	<b>win/slot/day</b>
Woodlands				
Camptown				
Wichita Gh Park				
<b>Kansas Entertainment</b>	<b>2,300</b>	<b>103.1</b>	<b>\$157.1</b>	<b>\$187</b>
Chisholm Creek	1,300	102.6	\$128.8	\$272
Boot Hill / Dodge City	875	112.0	\$38.1	\$119
-----			-----	
Subtotal Kansas Taxable	4,475		\$324.1	\$198
KCK 7th Street	560	72.7	\$13.9	\$68
4 Northeast KS Natives	3,293	116.9	\$149.7	\$125
-----			-----	
Total Kansas	8,328		\$487.7	\$160
memo: Northeast Zone	2,300		\$157.1	\$187
memo: Southeast Zone				
memo: South Central Zone	1,300		\$128.8	\$272
Argosy Riverside	1,899	103.2	\$144.9	\$209
IOC KC	1,514	81.3	\$63.4	\$115
Harrahs NKC	1,783	105.6	\$142.8	\$219
Ameristar KC	3,009	100.9	\$187.7	\$171
Sugar Creek				
-----			-----	
Subtotal KCMO	8,205		\$538.7	\$180
Greater KC Total	11,065		\$709.7	\$176
Greater Joplin Total	8,463		\$174.7	\$57
Greater Wichita Total	7,032		\$221.6	\$86
<b>Slot Spending in Total:</b>		to Kansas	to Others	Total KS
from Kansas (\$mn)		\$383.8	\$234.5	\$618.3
from Others ( " )		\$103.9		
<b>Net Plus or Minus:</b>			<b>(\$130.6)</b>	

**Exhibit S-4: Slot Projections (\$mn / 2009\$)**  
**Kansas Entertainment Raving Minimum**

<b>Gaming Facility / Location:</b>	<b># Slots</b>	<b>Power Rating</b>	<b>Slot Win (\$mn)</b>	<b>win/slot/day</b>
Woodlands				
Camptown				
Wichita Gh Park				
<b>Kansas Entertainment</b>	<b>2,300</b>	<b>103.3</b>	<b>\$161.5</b>	<b>\$192</b>
Chisholm Creek	1,300	102.6	\$128.5	\$271
Boot Hill / Dodge City	875	112.0	\$38.0	\$119
-----	-----	-----	-----	-----
Subtotal Kansas Taxable	4,475		\$328.0	\$201
KCK 7th Street	560	72.7	\$13.9	\$68
4 Northeast KS Natives	3,293	116.9	\$149.3	\$124
-----	-----	-----	-----	-----
Total Kansas	8,328		\$491.2	\$162
memo: Northeast Zone	2,300		\$161.5	\$192
memo: Southeast Zone				
memo: South Central Zone	1,300		\$128.5	\$271
Argosy Riverside	1,899	103.2	\$144.7	\$209
IOC KC	1,514	81.3	\$63.3	\$115
Harrahs NKC	1,783	105.6	\$142.6	\$219
Ameristar KC	3,009	100.9	\$187.5	\$171
Sugar Creek				
-----	-----	-----	-----	-----
Subtotal KCMO	8,205		\$538.1	\$180
Greater KC Total	11,065		\$713.5	\$177
Greater Joplin Total	8,463		\$174.3	\$56
Greater Wichita Total	7,032		\$221.2	\$86
<b>Slot Spending in Total:</b>		to Kansas	to Others	Total KS
from Kansas (\$mn)		\$384.5	\$234.0	\$618.5
from Others ( " )		\$106.8		
<b>Net Plus or Minus:</b>			<b>(\$127.2)</b>	

**Exhibit S-5: Slot Projections (\$mn / 2009\$)**  
**Kansas Entertainment Full Build-Out**

<b>Gaming Facility / Location:</b>	<b># Slots</b>	<b>Power Rating</b>	<b>Slot Win (\$mn)</b>	<b>win/slot/day</b>
Woodlands				
Camptown				
Wichita Gh Park				
<b>Kansas Entertainment</b>	<b>3,000</b>	<b>103.9</b>	<b>\$192.2</b>	<b>\$176</b>
Chisholm Creek	1,300	102.6	\$128.3	\$270
Boot Hill / Dodge City	875	112.0	\$37.9	\$119
-----	-----	-----	-----	-----
Subtotal Kansas Taxable	5,175		\$358.5	\$190
KCK 7th Street	560	72.7	\$13.2	\$64
4 Northeast KS Natives	3,293	116.9	\$145.7	\$121
-----	-----	-----	-----	-----
Total Kansas	9,028		\$517.4	\$157
memo: Northeast Zone	3,000		\$192.2	\$176
memo: Southeast Zone				
memo: South Central Zone	1,300		\$128.3	\$270
Argosy Riverside	1,899	103.2	\$137.9	\$199
IOC KC	1,514	81.3	\$60.8	\$110
Harrahs NKC	1,783	105.6	\$137.3	\$211
Ameristar KC	3,009	100.9	\$181.3	\$165
Sugar Creek				
-----	-----	-----	-----	-----
Subtotal KCMO	8,205		\$517.3	\$173
Greater KC Total	11,765		\$722.7	\$168
Greater Joplin Total	8,463		\$173.6	\$56
Greater Wichita Total	7,032		\$220.8	\$86
<b>Slot Spending in Total:</b>		to Kansas	to Others	Total KS
from Kansas (\$mn)		\$398.6	\$220.9	\$619.5
from Others ( " )		\$118.8		
<b>Net Plus or Minus:</b>			<b>(\$102.1)</b>	

**Exhibit S-6: Slot Projections (\$mn / 2009\$)**  
**Likely Future Baseline -- with New Facilities Elsewhere AND NE KS**

<b>Gaming Facility / Location:</b>	<b># Slots</b>	<b>Power Rating</b>	<b>Slot Win (\$mn)</b>	<b>win/slot/day</b>
Woodlands				
Camptown				
Wichita Gh Park				
Kansas Entertainment	2,300	103.1	\$157.4	\$188
Chisholm Creek				
Boot Hill / Dodge City	875	112.0	\$39.6	\$124
Subtotal Kansas Taxable	3,175		\$197.0	\$170
KCK 7th Street	560	72.7	\$13.9	\$68
4 Northeast KS Natives	3,293	116.9	\$151.9	\$126
Total Kansas	7,028		\$362.8	\$141
memo: Northeast Zone	2,300		\$157.4	\$188
memo: Southeast Zone				
memo: South Central Zone				
Argosy Riverside	1,899	103.2	\$145.3	\$210
IOC KC	1,514	81.3	\$63.4	\$115
Harrahs NKC	1,783	105.6	\$143.2	\$220
Ameristar KC	3,009	100.9	\$188.2	\$171
Sugar Creek				
Subtotal KCMO	8,205		\$540.1	\$180
Greater KC Total	11,065		\$711.4	\$176
Greater Joplin Total	8,463		\$176.8	\$57
Greater Wichita Total	5,732		\$117.8	\$56
<b>Slot Spending in Total:</b>		to Kansas	to Others	Total KS
from Kansas (\$mn)		\$262.8	\$269.3	\$532.1
from Others ( " )		\$100.0		
<b>Net Plus or Minus:</b>			<b>(\$169.3)</b>	

**Exhibit S-7: Slot Projections (\$mn / 2009\$)**  
**Chisholm Creek Phase 1**

<b>Gaming Facility / Location:</b>	<b># Slots</b>	<b>Power Rating</b>	<b>Slot Win (\$mn)</b>	<b>win/slot/day</b>
Woodlands				
Camptown				
Wichita Gh Park				
Kansas Entertainment	2,300	103.1	\$157.1	\$187
<b>Chisholm Creek</b>	<b>1,300</b>	<b>102.6</b>	<b>\$128.8</b>	<b>\$272</b>
Boot Hill / Dodge City	875	112.0	\$38.1	\$119
-----			-----	
Subtotal Kansas Taxable	4,475		\$324.1	\$198
KCK 7th Street	560	72.7	\$13.9	\$68
4 Northeast KS Natives	3,293	116.9	\$149.7	\$125
-----			-----	
Total Kansas	8,328		\$487.7	\$160
memo: Northeast Zone	2,300		\$157.1	\$187
memo: Southeast Zone				
memo: South Central Zone	1,300		\$128.8	\$272
Argosy Riverside	1,899	103.2	\$144.9	\$209
IOC KC	1,514	81.3	\$63.4	\$115
Harrahs NKC	1,783	105.6	\$142.8	\$219
Ameristar KC	3,009	100.9	\$187.7	\$171
Sugar Creek				
-----			-----	
Subtotal KCMO	8,205		\$538.7	\$180
Greater KC Total	11,065		\$709.7	\$176
Greater Joplin Total	8,463		\$174.7	\$57
Greater Wichita Total	7,032		\$221.6	\$86
<b>Slot Spending in Total:</b>		to Kansas	to Others	Total KS
from Kansas (\$mn)		\$383.8	\$234.5	\$618.3
from Others ( " )		\$103.9		
<b>Net Plus or Minus:</b>			<b>(\$130.6)</b>	

**Exhibit S-8: Slot Projections (\$mn / 2009\$)  
Chisholm Creek Raving Minimum**

<b>Gaming Facility / Location:</b>	<b># Slots</b>	<b>Power Rating</b>	<b>Slot Win (\$mn)</b>	<b>win/slot/day</b>
Woodlands				
Camptown				
Wichita Gh Park				
Kansas Entertainment	2,300	103.1	\$157.0	\$187
<b>Chisholm Creek</b>	<b>1,300</b>	<b>103.4</b>	<b>\$133.0</b>	<b>\$280</b>
Boot Hill / Dodge City	875	112.0	\$37.6	\$118
Subtotal Kansas Taxable	4,475		\$327.6	\$201
KCK 7th Street	560	72.7	\$13.9	\$68
4 Northeast KS Natives	3,293	116.9	\$149.2	\$124
Total Kansas	8,328		\$490.8	\$161
memo: Northeast Zone	2,300		\$157.0	\$187
memo: Southeast Zone				
memo: South Central Zone	1,300		\$133.0	\$280
Argosy Riverside	1,899	103.2	\$144.8	\$209
IOC KC	1,514	81.3	\$63.3	\$115
Harrahs NKC	1,783	105.6	\$142.7	\$219
Ameristar KC	3,009	100.9	\$187.6	\$171
Sugar Creek				
Subtotal KCMO	8,205		\$538.4	\$180
Greater KC Total	11,065		\$709.3	\$176
Greater Joplin Total	8,463		\$174.4	\$56
Greater Wichita Total	7,032		\$225.3	\$88
<b>Slot Spending in Total:</b>		to Kansas	to Others	Total KS
from Kansas (\$mn)		\$385.7	\$233.5	\$619.2
from Others ( " )		\$105.1		
<b>Net Plus or Minus:</b>			<b>(\$128.5)</b>	

**Exhibit S-9: Slot Projections (\$mn / 2009\$)  
Chisholm Creek Full Build-Out**

<b>Gaming Facility / Location:</b>	<b># Slots</b>	<b>Power Rating</b>	<b>Slot Win (\$mn)</b>	<b>win/slot/day</b>
Woodlands				
Camptown				
Wichita Gh Park				
Kansas Entertainment	2,300	103.1	\$156.8	\$187
<b>Chisholm Creek</b>	<b>2,000</b>	<b>102.9</b>	<b>\$143.8</b>	<b>\$197</b>
Boot Hill / Dodge City	875	112.0	\$36.8	\$115
-----			-----	
Subtotal Kansas Taxable	5,175		\$337.4	\$179
KCK 7th Street	560	72.7	\$13.9	\$68
4 Northeast KS Natives	3,293	116.9	\$148.1	\$123
-----			-----	
Total Kansas	9,028		\$499.5	\$152
memo: Northeast Zone	2,300		\$156.8	\$187
memo: Southeast Zone				
memo: South Central Zone	2,000		\$143.8	\$197
Argosy Riverside	1,899	103.2	\$144.6	\$209
IOC KC	1,514	81.3	\$63.3	\$115
Harrahs NKC	1,783	105.6	\$142.5	\$219
Ameristar KC	3,009	100.9	\$187.4	\$171
Sugar Creek				
-----			-----	
Subtotal KCMO	8,205		\$537.8	\$180
Greater KC Total	11,065		\$708.5	\$175
Greater Joplin Total	8,463		\$173.6	\$56
Greater Wichita Total	7,732		\$231.1	\$82
<b>Slot Spending in Total:</b>		to Kansas	to Others	Total KS
from Kansas (\$mn)		\$393.4	\$225.3	\$618.7
from Others ( " )		\$106.1		
<b>Net Plus or Minus:</b>			<b>(\$119.2)</b>	

# **Cummings Associates**

## **Projections for the Performance of New Gaming Facilities in Kansas**

### **Appendix T:**

#### **Detail for Table Games / Baseline**

October 19, 2009

## **List of Exhibits**

Appendix T: Detail for Table Games / Baseline (2009\$)

### **Exhibit**

- T-1 Likely Future / Baseline -- with New Facilities Elsewhere
- T-2 Likely Future / Baseline -- with New Facilities Elsewhere AND SC KS
- T-3 Kansas Entertainment Phase 1
- T-4 Kansas Entertainment Raving Minimum
- T-5 Kansas Entertainment Full Build-Out
- T-6 Likely Future / Baseline -- with New Facilities Elsewhere AND NE KS
- T-7 Chisholm Creek Phase 1
- T-8 Chisholm Creek Raving Minimum
- T-9 Chisholm Creek Full Build-Out

**Exhibit T-1: Table Projections (\$mn / 2009\$)  
Likely Future Baseline -- with New Facilities Elsewhere**

<b>Gaming Facility / Location:</b>	<b># Tabs</b>	<b>Power Rating</b>	<b>Tab Win (\$mn)</b>	<b>win/tab/day</b>
Woodlands				
Camptown				
Wichita Gh Park				
 Kansas Entertainment				
 Chisholm Creek				
 Boot Hill / Dodge City	15	100.0	\$5.5	\$1,012
	-----		-----	
Subtotal Kansas Taxable	15		\$5.5	\$1,012
 KCK 7th Street				
4 Northeast KS Natives	59	110.6	\$23.0	\$1,066
	-----		-----	
Total Kansas	74		\$28.5	\$1,055
 memo: Northeast Zone				
memo: Southeast Zone				
memo: South Central Zone				
 Argosy Riverside	39	91.3	\$18.9	\$1,328
IOC KC	24	72.4	\$6.8	\$776
Harrahs NKC	47	100.1	\$29.3	\$1,708
Ameristar KC	60	94.1	\$27.1	\$1,237
Sugar Creek				
	-----		-----	
Subtotal KCMO	170		\$82.1	\$1,323
 Greater KC Total	170		\$82.1	\$1,323
Greater Joplin Total	114		\$9.3	\$224
Greater Wichita Total	51		\$4.6	\$248
 <b>Table Spending in Total:</b>		to Kansas	to Others	Total KS
from Kansas (\$mn)		\$22.1	\$38.6	\$60.7
from Others ( " )		\$6.4		
<b>Net Plus or Minus:</b>			<b>(\$32.2)</b>	

**Exhibit T-2: Table Projections (\$mn / 2009\$)**  
**Likely Future Baseline -- with New Facilities Elsewhere AND SC KS**

<b>Gaming Facility / Location:</b>	<b># Tabs</b>	<b>Power Rating</b>	<b>Tab Win (\$mn)</b>	<b>win/tab/day</b>
Woodlands				
Camptown				
Wichita Gh Park				
Kansas Entertainment				
Chisholm Creek	30	100.0	\$20.5	\$1,872
Boot Hill / Dodge City	15	100.0	\$4.6	\$841
	-----		-----	
Subtotal Kansas Taxable	45		\$25.1	\$1,528
KCK 7th Street				
4 Northeast KS Natives	59	110.6	\$20.5	\$953
	-----		-----	
Total Kansas	104		\$45.6	\$1,202
memo: Northeast Zone				
memo: Southeast Zone				
memo: South Central Zone	30		\$20.5	\$1,872
Argosy Riverside	39	91.3	\$18.6	\$1,305
IOC KC	24	72.4	\$6.8	\$772
Harrahs NKC	47	100.1	\$28.7	\$1,672
Ameristar KC	60	94.1	\$26.6	\$1,215
Sugar Creek				
	-----		-----	
Subtotal KCMO	170		\$80.6	\$1,299
Greater KC Total	170		\$80.6	\$1,299
Greater Joplin Total	114		\$9.0	\$217
Greater Wichita Total	81		\$24.0	\$812
<b>Table Spending in Total:</b>		to Kansas	to Others	Total KS
from Kansas (\$mn)		\$38.3	\$33.0	\$71.3
from Others ( " )		\$7.3		
<b>Net Plus or Minus:</b>			<b>(\$25.7)</b>	

**Exhibit T-3: Table Projections (\$mn / 2009\$)  
Kansas Entertainment Phase 1**

<b>Gaming Facility / Location:</b>	<b># Tabs</b>	<b>Power Rating</b>	<b>Tab Win (\$mn)</b>	<b>win/tab/day</b>
Woodlands				
Camptown				
Wichita Gh Park				
<b>Kansas Entertainment</b>	<b>61</b>	<b>103.0</b>	<b>\$29.0</b>	<b>\$1,301</b>
Chisholm Creek	30	100.0	\$20.3	\$1,857
Boot Hill / Dodge City	15	100.0	\$4.6	\$835
	-----		-----	
Subtotal Kansas Taxable	106		\$53.9	\$1,392
KCK 7th Street				
4 Northeast KS Natives	59	110.6	\$17.9	\$829
	-----		-----	
Total Kansas	165		\$71.7	\$1,191
memo: Northeast Zone	61		\$29.0	\$1,301
memo: Southeast Zone				
memo: South Central Zone	30		\$20.3	\$1,857
Argosy Riverside	39	91.3	\$13.5	\$948
IOC KC	24	72.4	\$5.2	\$598
Harrahs NKC	47	100.1	\$22.5	\$1,309
Ameristar KC	60	94.1	\$21.5	\$983
Sugar Creek				
	-----		-----	
Subtotal KCMO	170		\$62.7	\$1,010
Greater KC Total	231		\$91.7	\$1,087
Greater Joplin Total	114		\$8.9	\$213
Greater Wichita Total	81		\$23.8	\$806
<b>Table Spending in Total:</b>		to Kansas	to Others	Total KS
from Kansas (\$mn)		\$55.5	\$21.2	\$76.7
from Others ( " )		\$16.2		
<b>Net Plus or Minus:</b>			<b>(\$5.0)</b>	

## Exhibit T-4: Table Projections (\$mn / 2009\$)

### Kansas Entertainment Raving Minimum

Gaming Facility / Location:	# Tabs	Power Rating	Tab Win (\$mn)	win/tab/day
Woodlands				
Camptown				
Wichita Gh Park				
<b>Kansas Entertainment</b>	<b>61</b>	<b>103.0</b>	<b>\$29.9</b>	<b>\$1,345</b>
Chisholm Creek	30	100.0	\$20.2	\$1,848
Boot Hill / Dodge City	15	100.0	\$4.5	\$830
	-----		-----	
Subtotal Kansas Taxable	106		\$54.7	\$1,414
KCK 7th Street				
4 Northeast KS Natives	59	110.6	\$17.8	\$826
	-----		-----	
Total Kansas	165		\$72.5	\$1,204
memo: Northeast Zone	61		\$29.9	\$1,345
memo: Southeast Zone				
memo: South Central Zone	30		\$20.2	\$1,848
Argosy Riverside	39	91.3	\$13.5	\$947
IOC KC	24	72.4	\$5.2	\$598
Harrahs NKC	47	100.1	\$22.4	\$1,307
Ameristar KC	60	94.1	\$21.5	\$982
Sugar Creek				
	-----		-----	
Subtotal KCMO	170		\$62.6	\$1,009
Greater KC Total	231		\$92.6	\$1,098
Greater Joplin Total	114		\$8.8	\$212
Greater Wichita Total	81		\$23.7	\$802
<b>Table Spending in Total:</b>		to Kansas	to Others	Total KS
from Kansas (\$mn)		\$55.5	\$21.2	\$76.7
from Others ( " )		\$17.0		
<b>Net Plus or Minus:</b>			<b>(\$4.2)</b>	

**Exhibit T-5: Table Projections (\$mn / 2009\$)  
Kansas Entertainment Full Build-Out**

<b>Gaming Facility / Location:</b>	<b># Tabs</b>	<b>Power Rating</b>	<b>Tab Win (\$mn)</b>	<b>win/tab/day</b>
Woodlands				
Camptown				
Wichita Gh Park				
<b>Kansas Entertainment</b>	<b>75</b>	<b>103.0</b>	<b>\$33.4</b>	<b>\$1,221</b>
Chisholm Creek	30	100.0	\$20.2	\$1,843
Boot Hill / Dodge City	15	100.0	\$4.5	\$828
-----	-----	-----	-----	-----
Subtotal Kansas Taxable	120		\$58.2	\$1,328
KCK 7th Street				
4 Northeast KS Natives	59	110.6	\$17.4	\$807
-----	-----	-----	-----	-----
Total Kansas	179		\$75.5	\$1,156
memo: Northeast Zone	75		\$33.4	\$1,221
memo: Southeast Zone				
memo: South Central Zone	30		\$20.2	\$1,843
Argosy Riverside	39	91.3	\$12.9	\$905
IOC KC	24	72.4	\$5.0	\$575
Harrahs NKC	47	100.1	\$21.6	\$1,261
Ameristar KC	60	94.1	\$20.8	\$950
Sugar Creek				
-----	-----	-----	-----	-----
Subtotal KCMO	170		\$60.4	\$973
Greater KC Total	245		\$93.8	\$1,049
Greater Joplin Total	114		\$8.8	\$211
Greater Wichita Total	81		\$23.7	\$800
<b>Table Spending in Total:</b>		to Kansas	to Others	Total KS
from Kansas (\$mn)		\$56.9	\$19.9	\$76.8
from Others ( " )		\$18.6		
<b>Net Plus or Minus:</b>			<b>(\$1.3)</b>	

**Exhibit T-6: Table Projections (\$mn / 2009\$)**  
**Likely Future Baseline -- with New Facilities Elsewhere AND NE KS**

<b>Gaming Facility / Location:</b>	<b># Tabs</b>	<b>Power Rating</b>	<b>Tab Win (\$mn)</b>	<b>win/tab/day</b>
Woodlands Camptown Wichita Gh Park				
Kansas Entertainment	61	103.0	\$29.6	\$1,327
Chisholm Creek				
Boot Hill / Dodge City	15	100.0	\$5.4	\$995
	-----		-----	
Subtotal Kansas Taxable	76		\$35.0	\$1,262
KCK 7th Street 4 Northeast KS Natives	59	110.6	\$20.0	\$931
	-----		-----	
Total Kansas	135		\$55.0	\$1,117
memo: Northeast Zone	61		\$29.6	\$1,327
memo: Southeast Zone				
memo: South Central Zone				
Argosy Riverside	39	91.3	\$13.8	\$968
IOC KC	24	72.4	\$5.3	\$601
Harrahs NKC	47	100.1	\$23.0	\$1,342
Ameristar KC	60	94.1	\$22.0	\$1,003
Sugar Creek				
	-----		-----	
Subtotal KCMO	170		\$64.0	\$1,032
Greater KC Total	231		\$93.6	\$1,110
Greater Joplin Total	114		\$9.1	\$219
Greater Wichita Total	51		\$4.5	\$242
<b>Table Spending in Total:</b>		to Kansas	to Others	Total KS
from Kansas (\$mn)		\$39.7	\$26.4	\$66.1
from Others ( " )		\$15.3		
<b>Net Plus or Minus:</b>			<b>(\$11.1)</b>	

**Exhibit T-7: Table Projections (\$mn / 2009\$)  
Chisholm Creek Phase 1**

<b>Gaming Facility / Location:</b>	<b># Tabs</b>	<b>Power Rating</b>	<b>Tab Win (\$mn)</b>	<b>win/tab/day</b>
Woodlands				
Camptown				
Wichita Gh Park				
Kansas Entertainment	61	103.0	\$29.0	\$1,301
<b>Chisholm Creek</b>	<b>30</b>	<b>100.0</b>	<b>\$20.3</b>	<b>\$1,857</b>
Boot Hill / Dodge City	15	100.0	\$4.6	\$835
Subtotal Kansas Taxable	106		\$53.9	\$1,392
KCK 7th Street				
4 Northeast KS Natives	59	110.6	\$17.9	\$829
Total Kansas	165		\$71.7	\$1,191
memo: Northeast Zone	61		\$29.0	\$1,301
memo: Southeast Zone				
memo: South Central Zone	30		\$20.3	\$1,857
Argosy Riverside	39	91.3	\$13.5	\$948
IOC KC	24	72.4	\$5.2	\$598
Harrahs NKC	47	100.1	\$22.5	\$1,309
Ameristar KC	60	94.1	\$21.5	\$983
Sugar Creek				
Subtotal KCMO	170		\$62.7	\$1,010
Greater KC Total	231		\$91.7	\$1,087
Greater Joplin Total	114		\$8.9	\$213
Greater Wichita Total	81		\$23.8	\$806
<b>Table Spending in Total:</b>		to Kansas	to Others	Total KS
from Kansas (\$mn)		\$55.5	\$21.2	\$76.7
from Others ( " )		\$16.2		
<b>Net Plus or Minus:</b>			<b>(\$5.0)</b>	

**Exhibit T-8: Table Projections (\$mn / 2009\$)  
Chisholm Creek Raving Minimum**

<b>Gaming Facility / Location:</b>	<b># Tabs</b>	<b>Power Rating</b>	<b>Tab Win (\$mn)</b>	<b>win/tab/day</b>
Woodlands				
Camptown				
Wichita Gh Park				
Kansas Entertainment	61	103.0	\$28.9	\$1,300
<b>Chisholm Creek</b>	<b>30</b>	<b>100.0</b>	<b>\$21.0</b>	<b>\$1,914</b>
Boot Hill / Dodge City	15	100.0	\$4.5	\$816
Subtotal Kansas Taxable	106		\$54.4	\$1,405
KCK 7th Street				
4 Northeast KS Natives	59	110.6	\$17.8	\$826
Total Kansas	165		\$72.1	\$1,198
memo: Northeast Zone	61		\$28.9	\$1,300
memo: Southeast Zone				
memo: South Central Zone	30		\$21.0	\$1,914
Argosy Riverside	39	91.3	\$13.5	\$947
IOC KC	24	72.4	\$5.2	\$598
Harrahs NKC	47	100.1	\$22.4	\$1,308
Ameristar KC	60	94.1	\$21.5	\$982
Sugar Creek				
Subtotal KCMO	170		\$62.7	\$1,010
Greater KC Total	231		\$91.6	\$1,086
Greater Joplin Total	114		\$8.8	\$212
Greater Wichita Total	81		\$24.4	\$827
<b>Table Spending in Total:</b>		to Kansas	to Others	Total KS
from Kansas (\$mn)		\$55.5	\$21.2	\$76.7
from Others ( " )		\$16.6		
<b>Net Plus or Minus:</b>			<b>(\$4.6)</b>	

**Exhibit T-9: Table Projections (\$mn / 2009\$)  
Chisholm Creek Full Build-Out**

<b>Gaming Facility / Location:</b>	<b># Tabs</b>	<b>Power Rating</b>	<b>Tab Win (\$mn)</b>	<b>win/tab/day</b>
Woodlands				
Camptown				
Wichita Gh Park				
Kansas Entertainment	61	103.0	\$28.8	\$1,296
<b>Chisholm Creek</b>	<b>50</b>	<b>100.0</b>	<b>\$22.6</b>	<b>\$1,237</b>
Boot Hill / Dodge City	15	100.0	\$4.3	\$786
Subtotal Kansas Taxable	----- 126		----- \$55.7	\$1,212
KCK 7th Street				
4 Northeast KS Natives	59	110.6	\$17.5	\$813
Total Kansas	----- 185		----- \$73.2	\$1,085
memo: Northeast Zone	61		\$28.8	\$1,296
memo: Southeast Zone				
memo: South Central Zone	50		\$22.6	\$1,237
Argosy Riverside	39	91.3	\$13.4	\$944
IOC KC	24	72.4	\$5.2	\$597
Harrahs NKC	47	100.1	\$22.4	\$1,304
Ameristar KC	60	94.1	\$21.4	\$979
Sugar Creek				
Subtotal KCMO	----- 170		----- \$62.5	\$1,007
Greater KC Total	231		\$91.3	\$1,083
Greater Joplin Total	114		\$8.8	\$211
Greater Wichita Total	101		\$25.8	\$701
<b>Table Spending in Total:</b>		to Kansas	to Others	Total KS
from Kansas (\$mn)		\$56.1	\$20.6	\$76.7
from Others ( " )		\$17.2		
<b>Net Plus or Minus:</b>			<b>(\$3.4)</b>	