

April 2018 Las Vegas Strip Gaming Revenue Analysis

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I really wanted to go #nocaps for this newsletter, but it made the text even more painful to read than usual. And messing with the company logo is generally frowned upon.

I'm keeping the upfront analysis shorter because nationwide quarterly numbers are finally available (Delaware was late posting some numbers). I've updated the format and expanded the coverage, so please take a look.

April 2018 Las Vegas Strip Analysis

April 2018 had one less weekend day compared to last year but may have benefited from some March collections.

Unadjusted for luck factors and calendar issues, according to the Nevada Gaming Control Board, April 2018 revenue was as follows:

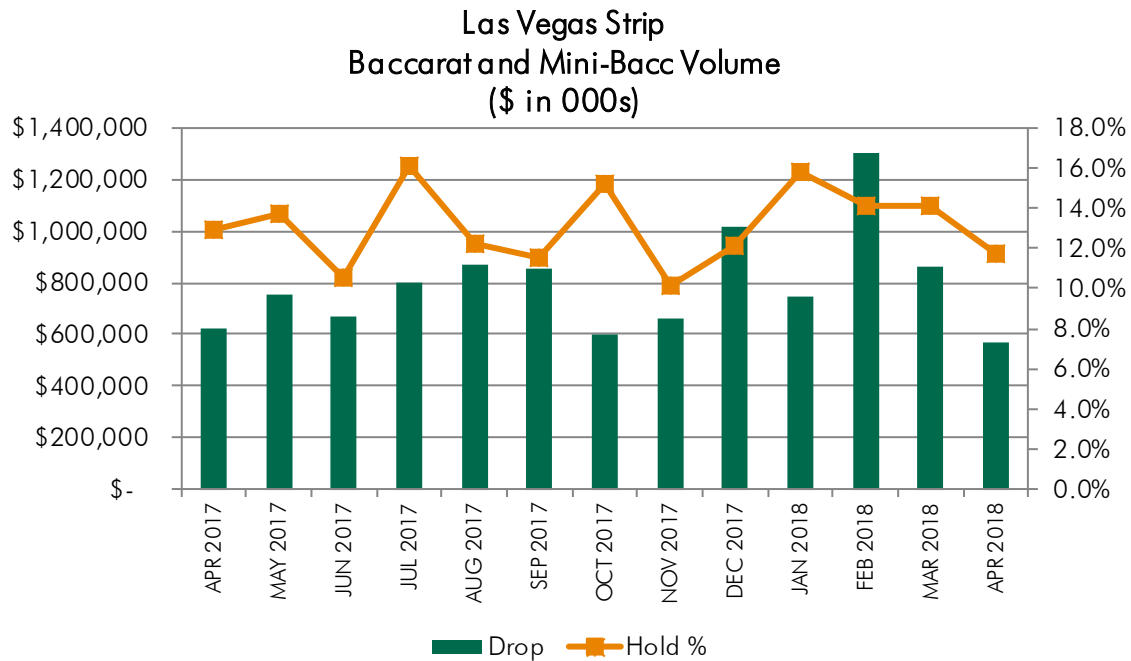
- Las Vegas Strip gaming revenue was \$499.5 million, up 5.1% for the month, and up 3.7% YTD.
- Table games revenue, excluding bacc/mini bacc, was \$145.5 million, up 19.6% for the month, but down -4.9% YTD.
- Bacc/mini bacc revenue was \$66.6 million, down -17.2% for the month, but up 21.1% YTD.
- Slot revenue was \$274.2 million, up 5.4% for the month, and up 1.9% YTD.

Mass market table games (excluding bacc/mini bacc) hold was 15.79% in April 2018, 60 bps above the hold of 15.19% in April 2017 and 19 bps below the trailing twelve-month average. Bacc/mini

bacc hold was 11.77%, 111 bps below April 2017, and 142 bps below the trailing twelve-month average.

Slot volume was up 1.4% for the month, and is up 0.7% YTD. Hold was 8.30% this month, versus the 7.99% hold of last April.

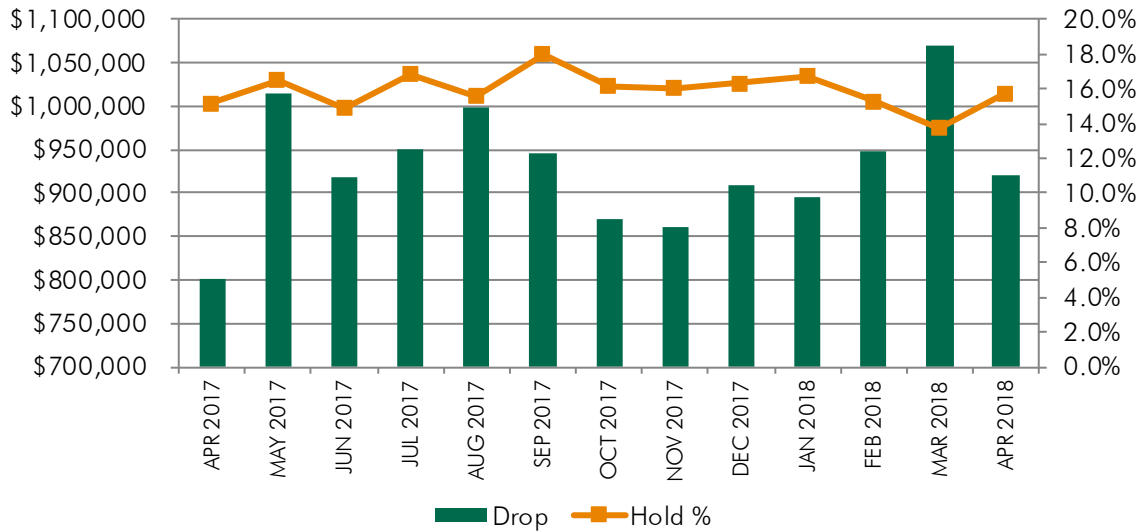
The following graphs show the drop/handle and win percentage for the Las Vegas Strip for the trailing thirteen months.



Source: NGCB; CBRE estimates

In the trailing twelve months ending April 2018, baccarat volume was up 7.1% over the TTM ending April 2017. Baccarat hold in the current TTM is lower (down by -81 bps) over the previous TTM, and win is up by 0.9% in the period.

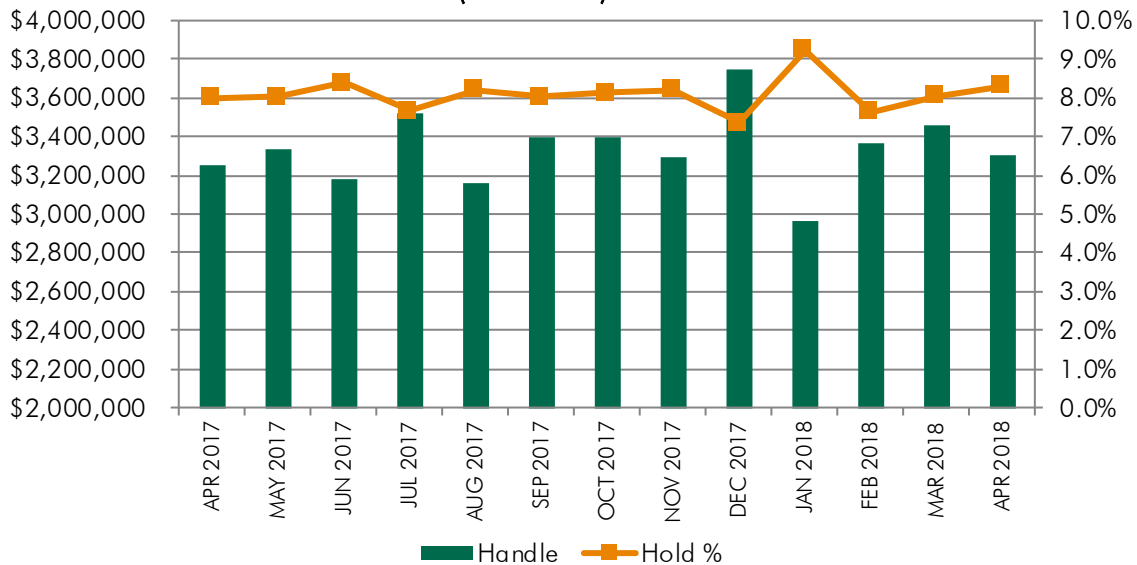
Las Vegas Strip Mass Market Table Games Volume (\$ in 000s)



Source: NGCB; CBRE estimates

Mass market table games volume was down by -1.5% in the TTM through April 2018. The hold percentage is up by 17 basis points, which holds the TTM revenue decline to -0.4%.

Las Vegas Strip Slot Volume (\$ in 000s)



Source: NGCB; CBRE estimates

Slot volumes are up 1.5% in the TTM comparison, and win is up by 2.3% in the period, due to a 7 bps increase in hold.

Downtown Las Vegas

Downtown gaming revenue jumped 15.7% this month, likely aided by March collections. The market is able to hold on to its positive trend in the TTM comparison (+5.5%).

Please see the attachment for more detail on the Downtown market.

Las Vegas Locals Market

The locals gaming market was up 14.1% this month versus April 2017, and the local market's long-term trend is solidly in positive territory (+3.7%) in the TTM comparison. Both table games and slot volumes are up in the TTM comparison (+2.7% and +3.4%, respectively).

Please see the attachment for more details on the local market.

Las Vegas Locals Gaming Revenue

<u>Period</u>	<u>Revenue (\$000)</u>	<u>% Change</u>
TTM Ending APR 2016	\$2,153,711	2.2%
TTM Ending APR 2017	\$2,217,382	3.0%
TTM Ending APR 2018	\$2,300,357	3.7%

Source: NGCB; CBRE estimates

Nevada Statewide

Nevada was a little shy of the \$1.0 billion in gaming revenue this month, but the YTD and TTM comparisons look good all across the state. Excluding the Strip, Nevada is up 4.6% in the TTM comparison.

Area	Trailing Twelve Months			% of State
	2017 APR	2018 APR	TTM % Change	
Statewide	\$11,402,835,903	\$11,723,467,850	2.8%	100.0%
Clark County	\$9,862,903,386	\$10,101,115,938	2.4%	86.2%
LV Strip	\$6,447,768,368	\$6,540,445,998	1.4%	55.8%
Downtown	\$600,248,680	\$632,947,590	5.4%	5.4%
North Las Vegas	\$282,716,780	\$289,083,325	2.3%	2.5%
Laughlin	\$478,676,629	\$501,590,673	4.8%	4.3%
Boulder Strip	\$801,958,543	\$828,400,638	3.3%	7.1%
Mesquite	\$119,182,721	\$125,776,740	5.5%	1.1%
Balance of County	\$1,132,351,661	\$1,182,870,975	4.5%	10.1%
Washoe County	\$804,130,971	\$841,581,768	4.7%	7.2%
Reno	\$591,225,510	\$620,116,432	4.9%	5.3%
Sparks	\$127,092,011	\$129,773,258	2.1%	1.1%
North Lake Tahoe	\$25,815,921	\$26,268,355	1.8%	0.2%
Balance of County	\$59,997,529	\$65,423,720	9.0%	0.6%
South Lake Tahoe	\$217,082,922	\$228,330,784	5.2%	1.9%
Elko County	\$269,311,848	\$288,130,975	7.0%	2.5%
Wendover	\$176,432,138	\$193,065,071	9.4%	1.6%
Balance of County	\$92,879,711	\$95,065,901	2.4%	0.8%
Carson Valley Area*	\$100,636,007	\$106,806,167	6.1%	0.9%
Other	\$148,770,766	\$157,502,220	5.9%	1.3%

* Carson Valley Area includes Carson City, Gardnerville, Minden and all other areas of Douglas County except South Lake Tahoe.

Source: NGCB; CBRE estimates

Updating our Format

CBRE's review of casino revenue by state and submarket began more than a decade ago, not long after the Global Gaming Group was formed. The number of states and submarkets with casinos has grown since then, and we added a regional outlook to the analysis a couple years ago, but the general format of our reporting has remained the same. We think it's time for an update.

Given the changes in the gaming landscape, we are updating our reporting to provide more clarity and context. For instance, we are adjusting our analysis of the regions to show how individual states perform within their region. Rankings by state and submarket remain, but we are expanding the number of submarkets and contextualizing them within the regional and national outlooks.

Nevada represents such a large portion of the national commercial gaming market (greater than 25% and larger than any other single region), so our analysis also includes a view of the trends excluding this state.

Furthermore, we now include revenue data for select states with electronic gaming devices in bars, restaurants, truck stops, hotel lobbies, etc. (“limited stakes gaming” similar to restricted gaming licenses in Nevada, typically 20 games or less per location). This sector of the gaming industry has been growing since Illinois expanded their legislation, and new jurisdictions for this type of gaming product seem imminent. We report internet casino gaming, or “iGaming,” revenue as well.

We hope you find this new presentation of information helpful, and that the additional context will provide new insights.

1Q 18 Gaming Revenue

National

National commercial gaming revenue grew by 1.3% in 1Q 18 to \$10.44 billion, from \$10.31 billion in 1Q 17. **This was a new record of total revenue in the first quarter, breaking the prior record set the year before.** In our methodology, which includes slot revenue from the tribes in Connecticut, there were 25 states with 573 casinos. Excluding Nevada, which represented \$3.06 billion (29.3%) of the national revenue total and 326 locations, national gaming revenue grew by 0.6%. **Nearly every submarket in Nevada was up strongly in the first quarter, which led to growth above the national trend.**

National Commercial Casino Revenue

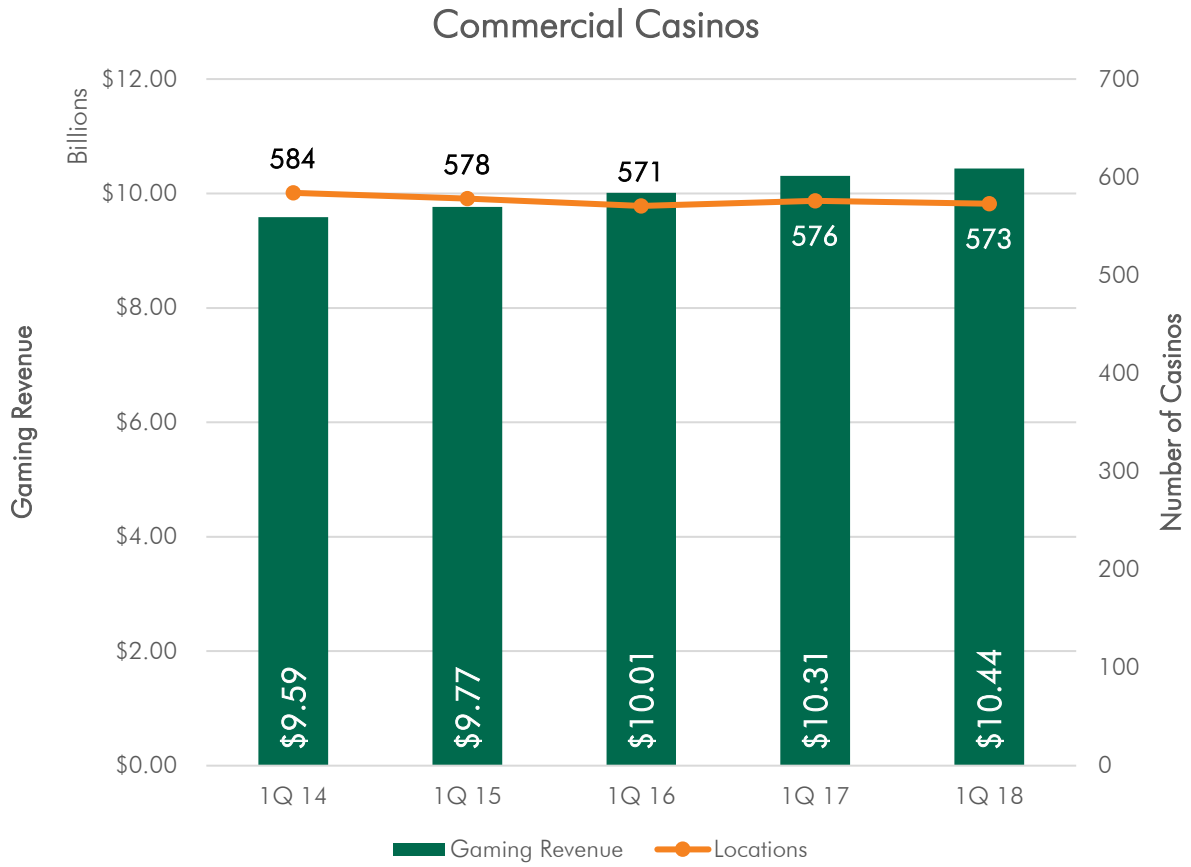
(\$ in billions)

	1Q 15	1Q 16	1Q 17	1Q 18	% Change
National Total	\$9.77	\$10.01	\$10.31	\$10.44	1.3%
Nevada	\$2.82	\$2.84	\$2.97	\$3.06	2.9%
Exc. Nevada	\$6.95	\$7.17	\$7.33	\$7.38	0.6%

National Commercial Casino Locations

	1Q 15	1Q 16	1Q 17	1Q 18
National Total	578	571	576	573
Nevada	326	325	327	326
Exc. Nevada	252	246	249	247

Source: CBRE; various state agencies



Source: CBRE; various state agencies

Regional

The gaming regions are defined in the tables below.

Region (millions)	1Q 15	1Q 16	1Q 17	1Q 18
New England				
Connecticut	\$243.4	\$256.8	\$255.2	\$261.3
Maine	\$28.6	\$31.5	\$31.4	\$34.1
Massachusetts	\$0.0	\$38.7	\$38.4	\$42.2
Rhode Island	\$150.9	\$155.9	\$157.3	\$155.5
Total	\$423.0	\$482.9	\$482.3	\$493.1
Mid-Atlantic				
Delaware	\$101.6	\$101.3	\$103.6	\$92.0
Maryland	\$258.8	\$279.5	\$396.1	\$414.4
New Jersey	\$544.7	\$552.9	\$572.6	\$525.3
New York	\$466.6	\$503.0	\$555.7	\$620.0
Pennsylvania	\$771.6	\$813.4	\$801.0	\$812.2
West Virginia	\$161.3	\$161.4	\$160.1	\$152.7
Total	\$2,304.6	\$2,411.6	\$2,589.2	\$2,616.5
Midwest				
Illinois	\$354.9	\$359.4	\$354.4	\$337.7
Indiana	\$551.5	\$574.2	\$569.6	\$559.8
Iowa	\$354.6	\$362.4	\$365.3	\$363.7
Kansas	\$94.5	\$95.6	\$92.8	\$104.3
Michigan	\$349.3	\$350.4	\$360.5	\$360.2
Missouri	\$428.3	\$440.8	\$439.0	\$438.9
Ohio	\$403.9	\$431.3	\$443.7	\$461.4
South Dakota	\$24.3	\$25.4	\$24.0	\$23.4
Total	\$2,561.5	\$2,639.4	\$2,649.2	\$2,649.4
Southern				
Florida	\$147.9	\$149.2	\$150.4	\$149.8
Louisiana	\$681.1	\$644.5	\$638.3	\$649.3
Mississippi	\$544.2	\$556.4	\$539.1	\$524.5
Oklahoma	\$28.6	\$29.4	\$28.7	\$35.3
Total	\$1,401.8	\$1,379.4	\$1,356.6	\$1,358.9
Western				
Colorado	\$188.5	\$198.1	\$197.9	\$203.0
New Mexico	\$68.3	\$61.8	\$58.5	\$58.7
Total	\$256.8	\$259.9	\$256.4	\$261.7
Nevada	\$2,820.0	\$2,837.3	\$2,972.5	\$3,057.3
Grand Total	\$9,767.6	\$10,010.5	\$10,306.2	\$10,436.9
Less: Nevada	\$6,947.6	\$7,173.2	\$7,333.7	\$7,379.7

Source: CBRE; various state agencies

Region % Change	1Q 15	1Q 16	1Q 17	1Q 18
New England				
Connecticut	-6.3%	5.5%	-0.6%	2.4%
Maine	-1.8%	10.2%	-0.3%	8.5%
Massachusetts			-0.8%	9.9%
Rhode Island	0.2%	3.3%	0.9%	-1.1%
Total	-3.8%	14.2%	-0.1%	2.2%
Mid-Atlantic				
Delaware	-1.3%	-0.2%	2.3%	-11.3%
Maryland	23.2%	8.0%	41.7%	4.6%
New Jersey	-10.2%	1.5%	3.6%	-8.3%
New York	1.5%	7.8%	10.5%	11.6%
Pennsylvania	2.5%	5.4%	-1.5%	1.4%
West Virginia	-11.7%	0.1%	-0.8%	-4.6%
Total	-0.5%	4.6%	7.4%	1.1%
Midwest				
Illinois	-1.5%	1.3%	-1.4%	-4.7%
Indiana	-0.2%	4.1%	-0.8%	-1.7%
Iowa	3.3%	2.2%	0.8%	-0.4%
Kansas	5.8%	1.1%	-3.0%	12.4%
Michigan	5.4%	0.3%	2.9%	-0.1%
Missouri	3.7%	2.9%	-0.4%	0.0%
Ohio	18.9%	6.8%	2.9%	4.0%
South Dakota	3.0%	4.6%	-5.7%	-2.3%
Total	4.4%	3.0%	0.4%	0.0%
Southern				
Florida	5.1%	0.9%	0.9%	-0.4%
Louisiana	9.4%	-5.4%	-1.0%	1.7%
Mississippi	-1.1%	2.2%	-3.1%	-2.7%
Oklahoma	-1.3%	3.0%	-2.5%	23.1%
Total	4.5%	-1.6%	-1.7%	0.2%
Western				
Colorado	4.9%	5.1%	-0.1%	2.6%
New Mexico	3.0%	-9.5%	-5.3%	0.3%
Total	4.4%	1.2%	-1.4%	2.1%
Nevada	1.0%	0.6%	4.8%	2.9%
Grand Total	1.9%	2.5%	3.0%	1.3%
Less: Nevada	2.2%	3.2%	2.2%	0.6%

Source: CBRE; various state agencies

Regional Summary

Region	Revenue (millions)	% Change	% of Region	% of National Total	% of Total Less: Nevada	3-Year CAGR
New England						
Connecticut	\$261.3	2.4%	53.0%	2.5%	3.5%	2.4%
Maine	\$34.1	8.5%	6.9%	0.3%	0.5%	6.0%
Massachusetts	\$42.2	9.9%	8.6%	0.4%	0.6%	N/A
Rhode Island	\$155.5	-1.1%	31.5%	1.5%	2.1%	1.0%
Total	\$493.1	2.2%	100.0%	4.7%	6.7%	5.2%
Mid-Atlantic						
Delaware	\$92.0	-11.3%	3.5%	0.9%	1.2%	-3.3%
Maryland	\$414.4	4.6%	15.8%	4.0%	5.6%	17.0%
New Jersey	\$525.3	-8.3%	20.1%	5.0%	7.1%	-1.2%
New York	\$620.0	11.6%	23.7%	5.9%	8.4%	9.9%
Pennsylvania	\$812.2	1.4%	31.0%	7.8%	11.0%	1.7%
West Virginia	\$152.7	-4.6%	5.8%	1.5%	2.1%	-1.8%
Total	\$2,616.5	1.1%	100.0%	25.1%	35.5%	4.3%
Midwest						
Illinois	\$337.7	-4.7%	12.7%	3.2%	4.6%	-1.6%
Indiana	\$559.8	-1.7%	21.1%	5.4%	7.6%	0.5%
Iowa	\$363.7	-0.4%	13.7%	3.5%	4.9%	0.8%
Kansas	\$104.3	12.4%	3.9%	1.0%	1.4%	3.3%
Michigan	\$360.2	-0.1%	13.6%	3.5%	4.9%	1.0%
Missouri	\$438.9	0.0%	16.6%	4.2%	5.9%	0.8%
Ohio	\$461.4	4.0%	17.4%	4.4%	6.3%	4.5%
South Dakota	\$23.4	-2.3%	0.9%	0.2%	0.3%	-1.2%
Total	\$2,649.4	0.0%	100.0%	25.4%	35.9%	1.1%
Southern						
Florida	\$149.8	-0.4%	11.0%	1.4%	2.0%	0.4%
Louisiana	\$649.3	1.7%	47.8%	6.2%	8.8%	-1.6%
Mississippi	\$524.5	-2.7%	38.6%	5.0%	7.1%	-1.2%
Oklahoma	\$35.3	23.1%	2.6%	0.3%	0.5%	7.3%
Total	\$1,358.9	0.2%	100.0%	13.0%	18.4%	-1.0%
Western						
Colorado	\$203.0	2.6%	77.6%	1.9%	2.8%	2.5%
New Mexico	\$58.7	0.3%	22.4%	0.6%	0.8%	-4.9%
Total	\$261.7	2.1%	100.0%	2.5%	3.5%	0.6%
Nevada	\$3,057.3	2.9%	100.0%	29.3%		2.7%
Grand Total	\$10,436.9	1.3%		100.0%	100.0%	2.2%
Less: Nevada	\$7,379.7	0.6%				2.0%

Source: CBRE; various state agencies

Gaming revenue was up 1.3% in 1Q 18, with most regions showing at least some year-over-year improvement (the Midwest and Southern regions were basically flat). The average annual growth rate over a 3-year period has been 2.2%. Excluding Nevada, the average annual growth rate has been 2.0%.

Maryland and New York continued to provide most of the boost to the Mid-Atlantic region, and New Jersey managed a small increase this year. Declines in the Southern region came from Mississippi, more specifically from struggles in the River Counties. Louisiana, which previously had to deal with flooding, smoking bans, road closures, and the impact of a volatile oil market in its various feeder markets, booked a small increase.

State Revenue Rankings

Nevada is the largest commercial casino market in the United States, with \$3.06 billion in gaming revenue in 1Q 18. Only four of the 25 states CBRE tracks showed declines in 2017, but bad weather and a slow start to the year meant a muted increase in the first quarter. New York, Massachusetts, Maryland, and Kansas all enjoyed ramp-up market growth. Most other states faced regional competitive pressure or suffered from weather-related difficulties.

1Q 17 Rank	1Q 18 Rank	State	1Q 17	1Q 18	% Change
1	1	Nevada	\$2,972.5	\$3,057.3	2.9%
2	2	Pennsylvania	\$801.0	\$812.2	1.4%
3	3	Louisiana	\$638.3	\$649.3	1.7%
6	4	New York	\$555.7	\$620.0	11.6%
5	5	Indiana	\$569.6	\$559.8	-1.7%
4	6	New Jersey	\$572.6	\$525.3	-8.3%
7	7	Mississippi	\$539.1	\$524.5	-2.7%
8	8	Ohio	\$443.7	\$461.4	4.0%
9	9	Missouri	\$439.0	\$438.9	0.0%
10	10	Maryland	\$396.1	\$414.4	4.6%
11	11	Iowa	\$365.3	\$363.7	-0.4%
12	12	Michigan	\$360.5	\$360.2	-0.1%
13	13	Illinois	\$354.4	\$337.7	-4.7%
14	14	Connecticut	\$255.2	\$261.3	2.4%
15	15	Colorado	\$197.9	\$203.0	2.6%
17	16	Rhode Island	\$157.3	\$155.5	-1.1%
16	17	West Virginia	\$160.1	\$152.7	-4.6%
18	18	Florida	\$150.4	\$149.8	-0.4%
20	19	Kansas	\$92.8	\$104.3	12.4%
19	20	Delaware	\$103.6	\$92.0	-11.3%
21	21	New Mexico	\$58.5	\$58.7	0.3%
22	22	Massachusetts	\$38.4	\$42.2	9.9%
24	23	Oklahoma	\$28.7	\$35.3	23.1%
23	24	Maine	\$31.4	\$34.1	8.5%
25	25	South Dakota	\$24.0	\$23.4	-2.3%
Total			\$10,306.2	\$10,436.9	1.3%

Notes:

1) Slots only

Gaming revenue figures based on those reported monthly by state agencies. As such they may differ slightly from annual figures.

Source: CBRE; various state agencies

Submarket Revenue

The submarket summary and ranking is now more comprehensive than it was in the past. The submarkets we track capture more than 90% of the national total. The top 10 submarkets represent just over 50% of the national total.

As we noted previously, bad weather contributed to a slow start in the first quarter. The top 10 markets grew just 0.8% over the same period last year.

1Q 17 Rank	1Q 18 Rank	U.S. Gaming Submarket	1Q 17	1Q 18	Revenue % Change
1	1	Las Vegas Strip, NV	\$1,676.9	\$1,732.2	3.3%
2	2	Las Vegas Locals Market, NV	\$590.4	\$595.9	0.9%
3	3	Atlantic City, NJ	\$572.6	\$525.3	-8.3%
4	4	Chicagoland, IL & IN	\$501.6	\$487.7	-2.8%
5	5	Washington DC/Baltimore, MD	\$370.9	\$386.4	4.2%
8	6	Philadelphia, PA	\$353.9	\$365.2	3.2%
7	7	Detroit, MI	\$360.5	\$360.2	-0.1%
6	8	New York City, NY	\$363.8	\$358.7	-1.4%
9	9	St. Louis, MO & IL	\$260.6	\$261.6	0.4%
10	10	Lake Charles, LA	\$216.4	\$236.7	9.4%
12	11	Pittsburgh, PA	\$202.0	\$201.4	-0.3%
13	12	Kansas City, MO & KS	\$198.7	\$197.3	-0.7%
11	13	Biloxi, MS	\$208.0	\$196.9	-5.4%
14	14	Cincinnati, OH	\$191.3	\$188.9	-1.2%
17	15	Reno/Sparks, NV	\$165.4	\$175.6	6.1%
15	16	Shreveport/Bossier City, LA	\$172.6	\$169.0	-2.1%
16	17	Downtown, NV	\$170.2	\$163.7	-3.8%
20	18	Black Hawk, CO	\$148.3	\$151.7	2.3%
23	19	New Orleans, LA	\$146.1	\$151.5	3.6%
19	20	Miami/Ft Lauderdale, FL	\$150.4	\$149.8	-0.4%
18	21	Tunica/Lula, MS	\$155.3	\$148.6	-4.3%
21	22	Uncasville, CT	\$147.5	\$146.7	-0.6%
25	23	Cleveland, OH	\$136.9	\$146.2	6.8%
22	24	Providence, RI	\$146.4	\$144.5	-1.3%
24	25	Laughlin, NV	\$137.5	\$142.6	3.7%
26	26	Bethlehem, PA	\$134.5	\$130.9	-2.7%
27	27	Indianapolis, IN	\$124.2	\$123.9	-0.3%
28	28	Mashantucket, CT	\$107.8	\$114.6	6.4%
30	29	Council Bluffs, IA	\$104.1	\$103.5	-0.5%
29	30	Scranton, PA	\$107.5	\$103.5	-3.8%
32	31	Other Gulf Coast, MS	\$96.2	\$102.1	6.1%
33	32	Columbus, OH	\$95.9	\$100.2	4.4%
31	33	Baton Rouge, LA	\$103.1	\$92.1	-10.7%
34	34	Charleston, WV	\$86.1	\$83.6	-2.9%
36	35	Vicksburg/Greenville/Natchez, MS	\$79.7	\$77.0	-3.4%
35	36	Southern Indiana	\$85.4	\$76.6	-10.3%
39	37	Des Moines, IA	\$60.1	\$62.3	3.8%
37	38	Harrisburg, PA	\$62.5	\$61.3	-2.0%
40	39	New Mexico Racinos	\$58.5	\$58.7	0.3%
38	40	Quad Cities, IA	\$60.6	\$58.6	-3.3%
41	41	South Lake Tahoe, NV	\$48.9	\$54.1	10.7%
42	42	Wendover, NV	\$45.5	\$49.7	9.2%
44	43	Plainridge, MA	\$38.4	\$42.2	9.9%
48	44	Oklahoma Racinos	\$28.7	\$35.3	23.1%
46	45	Mesquite, NV	\$34.1	\$34.8	2.1%
45	46	Dubuque/Marquette, IA	\$34.6	\$34.1	-1.5%
43	47	Dover, DE	\$38.7	\$33.6	-13.3%
47	48	Cripple Creek, CO	\$31.8	\$32.8	3.3%
50	49	Carson Valley Area, NV	\$23.8	\$25.6	7.6%
49	50	Deadwood, SD	\$24.0	\$23.4	-2.3%
51	51	Elko Balance of County, NV	\$22.4	\$23.0	2.4%
52	52	Oxford, ME	\$19.7	\$22.8	15.5%
53	53	Central City, CO	\$17.8	\$18.5	3.9%
54	54	Washoe Balance of County, NV	\$14.2	\$14.9	5.0%
55	55	Bangor, ME	\$11.7	\$11.3	-3.4%
56	56	Newport, RI	\$11.0	\$11.0	0.8%
57	57	North Lake Tahoe, NV	\$5.4	\$5.6	2.5%

Note: Gaming revenue figures based on those reported monthly by state agencies. As such, they may vary on an annual basis.

Source: CBRE; various state agencies

Limited Stakes

Limited stakes gaming is essentially video gaming terminals in locations such as bars, restaurants, hotel lobbies, and truck stops, typically with 20 machines or less. Nevada has a similar program called Restricted licenses, but the NGCB does not track revenue at those locations (they instead charge a fee per machine, so tax revenue from those machines is not based on revenue).

This market segment is currently small, but it is likely to be an area of growth within the industry as states look to fill budget gaps. Illinois is the largest state in this category, representing more than half the revenue as we track it here (see notes below) and nearly all the growth.

Limited Stakes	YTD 1Q 18					3-Year CAGR
	Revenue (millions)	Win per Location	WPUD	Revenue % Change	Revenue % of Total	
State						
Illinois	\$368.2	\$57,444	\$35	16.9%	54.7%	20.3%
Louisiana	\$153.0	\$88,942	\$32	1.3%	22.7%	-1.3%
South Dakota	\$55.9	\$41,655	\$17	3.3%	8.3%	N/A
West Virginia	\$96.1	\$76,511	\$35	6.1%	14.3%	0.3%
Total	\$673.2	\$62,749	\$32	10.2%	100.0%	13.1%

Notes:

- Gaming revenue figures based on those reported monthly by state agencies. As such they may differ slightly from annual figures.
- Montana and Oregon also have limited stakes gaming, but do not report frequently enough to be included in this analysis. On an annual basis, Montana and Oregon together represent 35.0% of a \$3.76 billion limited stakes market segment.

Source: CBRE; various state agencies

iGaming

There are only three states offering internet gaming, Delaware, Nevada, and New Jersey. Nevertheless, like limited stakes gaming, internet gaming is viewed as a potential revenue source in the future.

There are five online gaming operators in New Jersey, and New Jersey is the dominant player in the iGaming segment. The Golden Nugget site is the first-place site in New Jersey, currently, doing nearly twice as much in gaming revenue as the second place Borgata site.

Nevada is limited to offering online poker (peer-to-peer wagering). With this in mind, online poker represents 11.7% of the total iGaming revenues.

iGaming State	YTD 1Q 18 Revenue (millions)			3-Year CAGR
	% Change	% of Total		
Delaware	\$0.6	-5.9%	0.8%	10.1%
Nevada	\$2.8	0.0%	3.8%	0.0%
New Jersey	\$69.5	17.3%	95.5%	25.5%
Total	\$72.8	16.3%	100.0%	23.9%

Notes:

- Gaming revenue figures based on those reported monthly by state agencies. As such they may differ slightly from annual figures.
- Nevada does not break out internet gaming revenue separately because there are less than three operators in the state. Reported numbers are CBRE estimates.

Source: CBRE; various state agencies

Please feel free to contact me if you have questions at 702.369.4803 or brent.pirosch@cbre.com.