

# June 2018 Las Vegas Strip Gaming Revenue Analysis

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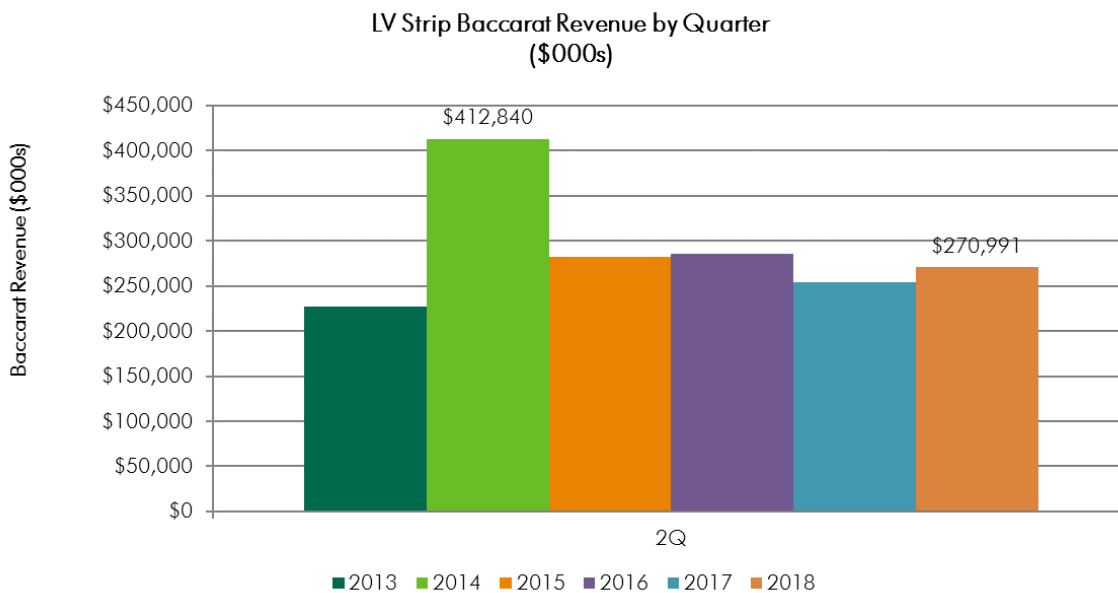
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## Baccarat Growth

When we ran this analysis for the first quarter of this year, baccarat was propping up the market while the mass market was struggling with bad hold.

Baccarat revenue for the second quarter was up 6.6% over 2Q 2017 and combined with the first quarter's outperformance leads to a 20.0% jump in the YTD numbers.



Source: NGCB; CBRE estimates

Baccarat revenues have crept back up in the TTM comparison as well, and baccarat volume is up significantly (+6.3%).

The good news is that while baccarat continues to show improvement, the mass market is back in black as hold has normalized. Mass market revenue in the first half of this year is still among the highest periods outside the pre-recession boom. See the analysis below for more details about baccarat and the mass market hold trends.

## June 2018 Las Vegas Strip Analysis

June 2018 had one extra weekend day but may have had some collections slip into July. June 2017 may also have had some collections slip into the next month.

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

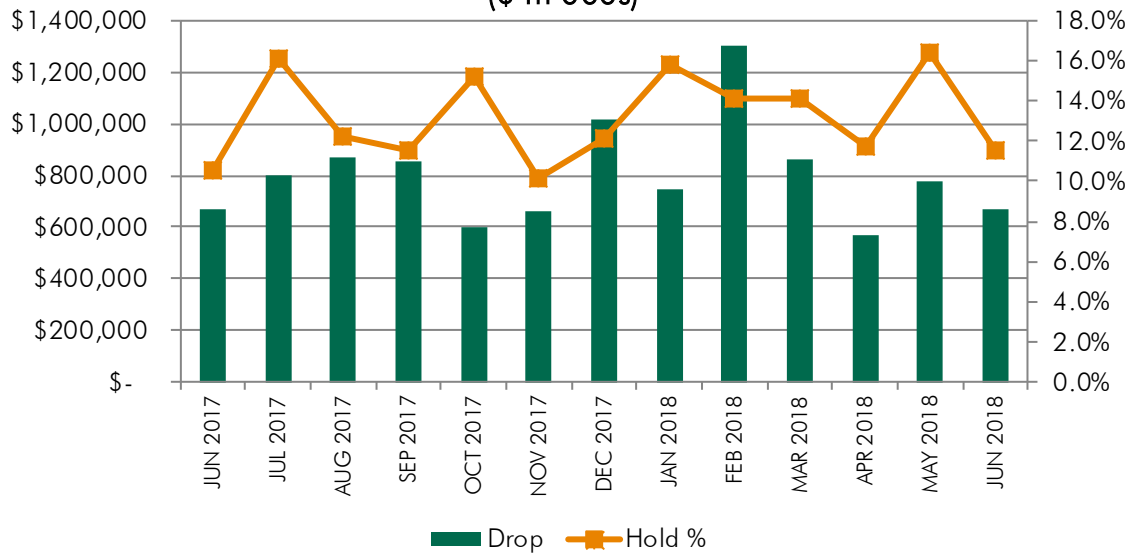
- Las Vegas Strip gaming revenue was \$523.9 million, up 5.4% for the month, and up 4.4% YTD.
- Table games revenue, excluding bacc/mini bacc, was \$166.3 million, up 21.8% for the month, but down -1.4% YTD.
- Bacc/mini bacc revenue was \$77.2 million, up 9.6% for the month, and up 20.0% YTD.
- Slot revenue was \$254.3 million, down -4.4% for the month, but up 1.5% YTD.

Mass market table games (excluding bacc/mini bacc) hold was 16.02% in June 2018, 114 bps above the hold of 14.88% in June 2017 and 19 bps above the trailing twelve-month average. Bacc/mini bacc hold was 11.56%, 103 bps above June 2017, and 192 bps below the trailing twelve-month average.

Slot volume was up 4.6% for the month, but is up 1.6% YTD. Hold was 7.66% this month, versus the 8.38% hold of last June.

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

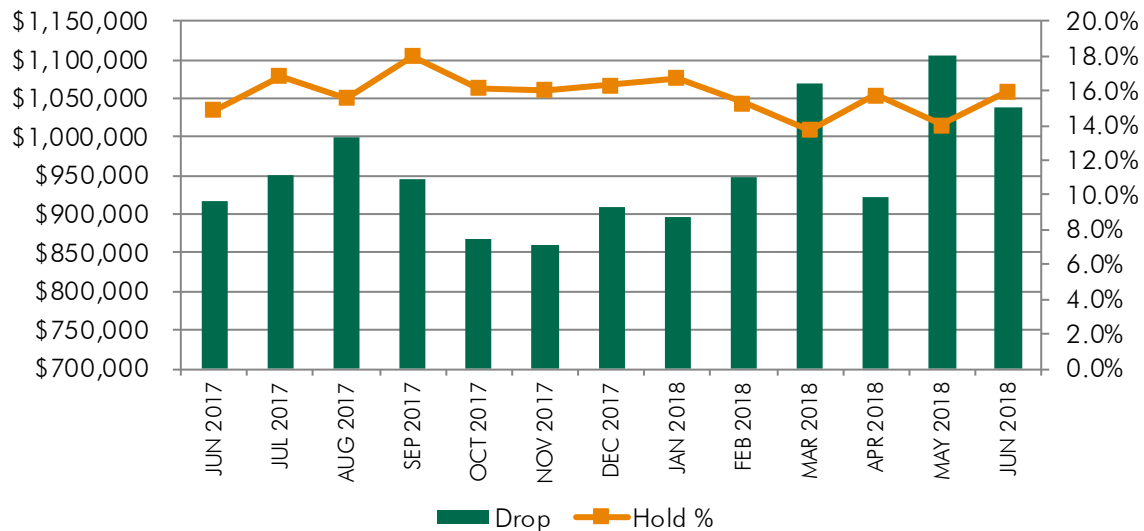
### Las Vegas Strip Baccarat and Mini-Bacc Volume (\$ in 000s)



Source: NGCB; CBRE estimates

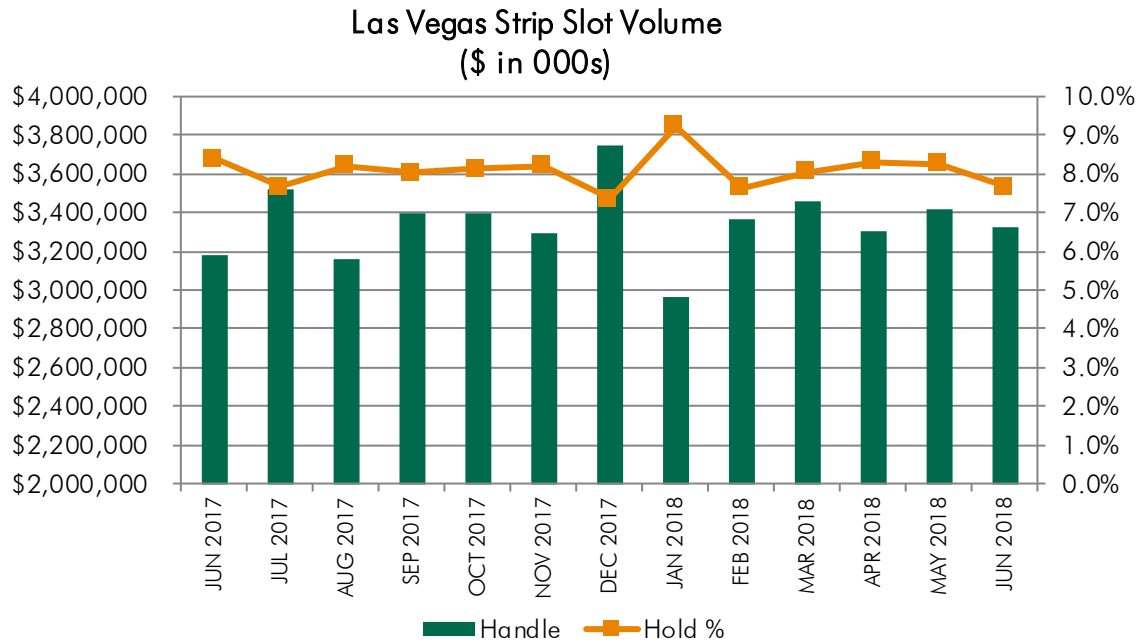
In the trailing twelve months ending June 2018, baccarat volume was up 6.3% over the TTM ending June 2017. Baccarat hold in the current TTM is lower (down by -37 bps) over the previous TTM, but win is up by 3.4% in the period.

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



Source: NGCB; CBRE estimates

Mass market table games volume was up by 1.1% in the TTM through June 2018. The hold percentage is down by -16 basis points, which holds the TTM revenue flat at 0.0%.



Source: NGCB; CBRE estimates

Slot volumes are up 1.6% in the TTM comparison, and win is up by 2.0% in the period, due to a 3 bps increase in hold.

### Downtown Las Vegas

Downtown gaming revenue fell 4.4% this month. The Lucky Dragon, which had boosted Downtown's numbers for the year and change it was open, closed the casino in early January 2018. We believe same-store growth Downtown is still ahead of the headline number as the Downtown story remains strong.

The market is able to hold on to its positive trend in the TTM comparison (+3.3%).

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

## Las Vegas Locals Market

The locals gaming market was up slightly by 0.9% this month versus June 2017, but the local market's long-term trend is on fire (+4.4%) in the TTM comparison. Both table games and slot volumes are up in the TTM comparison (+3.7% and +3.6%, respectively).

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

### Las Vegas Locals Gaming Revenue

Period	Revenue (\$000)	% Change
TTM Ending JUN 2016	\$2,183,878	2.9%
TTM Ending JUN 2017	\$2,213,283	1.3%
TTM Ending JUN 2018	\$2,311,696	4.4%

Source: NGCB; CBRE estimates

## Nevada Statewide

The statewide numbers continue to do well. Nevada's numbers are up 3.2% in the TTM, and this is the best YTD start since coming the other side of the recession in 2008. Excluding the Strip, Nevada is up 4.8% in the TTM comparison.

Area	Trailing Twelve Months			% of State
	2017 JUN	2018 JUN	TTM % Change	
<b>Statewide</b>	<b>\$11,444,722,830</b>	<b>\$11,813,518,949</b>	<b>3.2%</b>	<b>100.0%</b>
<b>Clark County</b>	<b>\$9,894,822,087</b>	<b>\$10,171,654,767</b>	<b>2.8%</b>	<b>86.1%</b>
LV Strip	\$6,471,902,628	\$6,602,051,872	2.0%	55.9%
Downtown	\$608,751,223	\$628,994,963	3.3%	5.3%
North Las Vegas	\$279,706,228	\$288,700,709	3.2%	2.4%
Laughlin	\$480,751,605	\$501,618,542	4.3%	4.2%
Boulder Strip	\$793,912,636	\$830,394,894	4.6%	7.0%
Mesquite	\$120,533,274	\$127,295,464	5.6%	1.1%
Balance of County	\$1,139,264,490	\$1,192,598,324	4.7%	10.1%
<b>Washoe County</b>	<b>\$805,465,855</b>	<b>\$857,115,386</b>	<b>6.4%</b>	<b>7.3%</b>
Reno	\$592,794,119	\$632,277,115	6.7%	5.4%
Sparks	\$126,731,678	\$132,255,907	4.4%	1.1%
North Lake Tahoe	\$25,309,164	\$26,754,489	5.7%	0.2%
Balance of County	\$60,630,893	\$65,827,872	8.6%	0.6%
<b>South Lake Tahoe</b>	<b>\$222,929,737</b>	<b>\$226,735,646</b>	<b>1.7%</b>	<b>1.9%</b>
<b>Elko County</b>	<b>\$271,030,097</b>	<b>\$291,094,662</b>	<b>7.4%</b>	<b>2.5%</b>
Wendover	\$178,478,495	\$195,704,910	9.7%	1.7%
Balance of County	\$92,551,603	\$95,389,751	3.1%	0.8%
<b>Carson Valley Area*</b>	<b>\$100,798,878</b>	<b>\$108,758,977</b>	<b>7.9%</b>	<b>0.9%</b>
<b>Other</b>	<b>\$149,676,173</b>	<b>\$158,159,512</b>	<b>5.7%</b>	<b>1.3%</b>

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

Source: NGCB; CBRE estimates

Please feel free to contact me if you have questions at 702.369.4803 or [brent.pirosch@cbre.com](mailto:brent.pirosch@cbre.com).