HVS

MARKET REPORT

Atlantic City Casino and Hotel Market Outlook 2010

FEBRUARY 1, 2010

Atlantic City faces many challenges ahead. This article examines the visitation and revenues trends for Atlantic City and summarizes major developments occurring in 2010 and beyond, including the Pennsylvania table games.

The biggest question on everyone's mind is: What can save Atlantic City? Public speculation and negative predictions dominate as Atlantic City is severely challenged with the combined threats of newly legalized Table Games in Pennsylvania, widespread financial difficulties, and decreasing visitation. Five of the eleven casinos are in or have concluded bankruptcy proceedings, the Borgata's new hotel tower is seasonally closed mid-week and the Revel megaresort has put interior work on hiatus, but anticipates a 2011 opening date. Atlantic City has transformed from its heyday as the only East Coast gambling destination to one of many regional gaming destinations on the East Coast. The downturn in the national economy and the decrease in discretionary spending have reduced visitation to Atlantic City in 2009. New Jersey casinos struggle to compete with Pennsylvania casinos with newer physical plants and more convenient locations. The addition of table games and new casinos in Pennsylvania in 2010 will surely negatively impact New Jersey casinos. In the past two years, Atlantic City has been transforming itself to a Las Vegas-style destination with a multitude of dining, shopping, and entertainment options: but is it enough? Major developments lie ahead for Atlantic City, but it will need a new vision, new incentives and new changes prompted by Atlantic City lawmakers, trend-setters and decision makers to spark a new stage of revitalization.

Regional Competition: The Growth of Pennsylvania Gaming

Atlantic City possesses a critical mass of gaming, lodging, and entertainment facilities. In the past, local demand played a secondary role to regional demand from the tour and travel and leisure segments. Historically, Atlantic City had been a day-trip and drive-in market, with a significant amount of visitors from outside the immediate area surrounding Atlantic City. The Mid-Atlantic Region (New York/New Jersey/Pennsylvania) was the primary feeder market for Atlantic City. With the introduction of gaming options in most surrounding states, Atlantic City is slowly shifting from a destination market to a more local and regional market primarily fed by southern New Jersey.

Gaming is now legalized in various forms throughout the New England and the Mid-Atlantic States: New York has racetracks and video lottery terminals; Connecticut is a hub of Indian Gaming; Delaware has state-run slot and racetrack facilities; Maryland has racetracks with slots legalized and awaiting implementation. Rumors abound about the legalization of additional gaming options in these jurisdictions, as states seek additional funding in this time of economic softness.

One of the most closely watched gaming projects is the Aqueduct Racetrack in Queens, New York. The State of New York has put the right to operate a Video Lottery Terminal casino at the Aqueduct Race Track on Long Island up for bid and chosen Aqueduct Entertainment Group as its gaming operator. Given the size of the New York City market and location, this project could compete directly with Atlantic City and the Pennsylvania casinos.

Despite this intense regional competition, Atlantic City casinos face the greatest regional competition from Pennsylvania casinos. The growth of the Pennsylvania market has been remarkable in its impact on Atlantic City. Although some of the Pennsylvania casinos are located a significant drive away, these casinos serve, for the most part, gaming clientele that also frequent Atlantic City.

In 2005, Pennsylvania gaming was legalized with Governor Edward Rendell's signature on the Pennsylvania Race Horse Development and Gaming Act. This legislation authorized the installation and operation of slot machines at licensed gaming facilities for the first time in Pennsylvania. Under the Act, Pennsylvania's Gaming Control Board was authorized to award up to 14 slot-machine gaming licenses for facilities across the commonwealth. There are three distinct classifications for slot machine licenses: Category One licenses for horse racetracks (7 available), Category Two licenses are authorized for stand-alone slots facilities in specified locations (5 available), and Category Three licenses for existing resorts having no fewer than 275 guestrooms (2 available). The cost of Category 1 and Category 2 licenses is $50,000,000 and holders of Category 1 and Category 2 licenses may be authorized to operate up to 5,000 slot machines. The cost of Category 3 licenses is $5,000,000 and no more than 500 slot machines can be installed. Additionally, only overnight guests of a Category 3 facility, patrons of one or more of the resort's amenities, and individuals holding a valid seasonal or year-round membership to use one or more of the amenities at the resort are permitted to use the gaming facility. Since legislation passed in 2004, of the 14 available gaming licenses, nine facilities have opened.

In 2009, the Pennsylvania State legislature budgeted table games revenue in order to prevent a revenue shortfall. On January 5, 2010, the Pennsylvania Senate approved the table games bill; followed by the House of Representatives' passage of the table games bill on January 6, 2010. Governor Rendell, a proponent of table games, signed the bill into law shortly after and legalized table games in Pennsylvania. The table games bill will allow large casinos to have 250 tables and resorts to have 50 tables. Licenses would cost $16.5 million at large casinos and $7.5 million at resort casinos. Initially, table games would be taxed at 16%, of which 14% taxes would be directed toward the state, and 1% each of tax revenues would be directed to the casino's county and municipality. Authorities at the Pennsylvania Gaming Control Board estimate a starting implementation date of six to nine months. The introduction of table games in Pennsylvania would allow its casinos to compete more directly with Atlantic City's casinos. Additionally, the legislation of table games will spur additional development and competition for the remaining unassigned Pennsylvania licenses.

The state of Delaware is rumored also to be pursuing the addition of table games to its three existing racetrack casinos, which presently offer slots, sports wagering, and pari-mutuel betting.

Visitation

Given the aforementioned factors that continue to siphon off Atlantic City visitation, visitor traffic was flat over the period from 1992 to 2008. The number of Atlantic City visitors is provided in the following table.

Table 1 – Atlantic City Visitors[1]

Year	Visitors	% Change
1992	30,705,000	--- %
1993	30,225,000	(1.6)
1994	31,321,000	3.6
1995	33,272,000	6.2
1996	34,042,000	2.3
1997	34,070,000	0.1
1998	34,300,000	0.7
1999	33,652,000	(1.9)
2000	33,184,000	(1.4)
2001	32,423,000	(2.3)
2002	33,187,000	2.4
2003	32,224,000	(2.9)
2004	33,313,000	3.4
2005	34,924,000	5.1
2006	34,534,000	(1.1)
2007	33,300,000	(3.6)
2008	31,813,000	(4.5)
Average Annual % Change 1992-2008:		0.2 %

Source: New Jersey Casino Control Commission *

For the period from 1992 to 2008, visitation increased by a modest annual average compounded rate of 0.2%. In the historical period shown, visitation grew to over 34 million visitors in 1996 through 1998. From 1999 to 2003, visitation declined modestly. The opening of the Borgata and robust economy in 2004 and 2005 spurred visitation growth, peaking at close approximately 35 million visitors in 2005. Visitation in the period from 2006 to 2008 decreased, which can be partly attributed to the relocation of the Miss America pageant for the first time in 84 years, the closure of the Sands casino-hotel in November 2006, the opening of gaming facilities in Pennsylvania beginning in late 2006, and the decline of the national and global economies beginning in 2008. In 2008, visitation declined 4.5% from the previous year.

Opportunities and challenges lie ahead for Atlantic City visitation. Travel to Atlantic City has shifted from primarily gambler-focused visitation to include convention attendees and shoppers. Atlantic City had several commercial expansions in 2007 that made it more attractive to shoppers, including the opening of the Caesar's Pier Shops, a high-end luxury retail mall, and phase two of the Atlantic City Outlets – The Walk. The opening of Harrah's Atlantic City "The Pool" in 2007 and the Caesar's Pier added new nightlife and dining options. Despite these measures, visitation has declined in the 2006 through 2008 period. Based on this decline, additional recreational options in a soft economy cannot induce marketwide visitation growth on its own; the question remains, what can induce marketwide growth in visitors to Atlantic City?

Gaming Demand

The historical gaming win for Atlantic City for 1992 to 2008 with comparative prior-year data are shown in the following table and graph.

Table 3 – Total Visitors, Revenue, and Win per Visitor (Atlantic City)[2]

Year	Total Revenue (Win)	% Change	Total Visitors	% Change	Total Revenue (Win) per Visitor	% Change
1992	$3,215,970,000	---	30,705,000	---	$105	---
1993	3,301,360,000	2.7 %	30,225,000	(1.6) %	109	4.3 %
1994	3,422,534,000	3.7	31,321,000	3.6	109	0.0
1995	3,747,578,000	9.5	33,272,000	6.2	113	3.1
1996	3,813,653,000	1.8	34,042,000	2.3	112	(0.5)
1997	3,906,139,000	2.4	34,070,000	0.1	115	2.3
1998	4,033,012,000	3.2	34,300,000	0.7	118	2.6
1999	4,164,197,000	3.3	33,652,000	(1.9)	124	5.2
2000	4,300,948,000	3.3	33,184,000	(1.4)	130	4.7
2001	4,303,078,000	0.0	32,420,000	(2.3)	133	2.4
2002	4,381,579,000	1.8	33,168,000	2.4	132	(0.5)
2003	4,488,336,000	2.4	32,223,000	(2.9)	139	5.5
2004	4,806,799,000	7.1	33,323,000	3.4	144	3.6
2005	5,018,275,000	4.4	34,924,000	4.8	144	(0.4)
2006	5,217,715,000	4.0	34,534,000	(1.1)	151	5.1
2007	4,920,786,000	(5.7)	33,300,000	(3.6)	148	(2.2)
2008	4,544,960,791	(7.6)	31,813,000	(4.5)	143	(3.3)
2009	3,943,171,237	(13.2)	N/A	N/A	N/A	N/A
Avg. Annual Comp. Change 1992 to 2009:		1.2 %				
Avg. Annual Comp. Change 1992 to 2008:				0.2 %		2.0 %

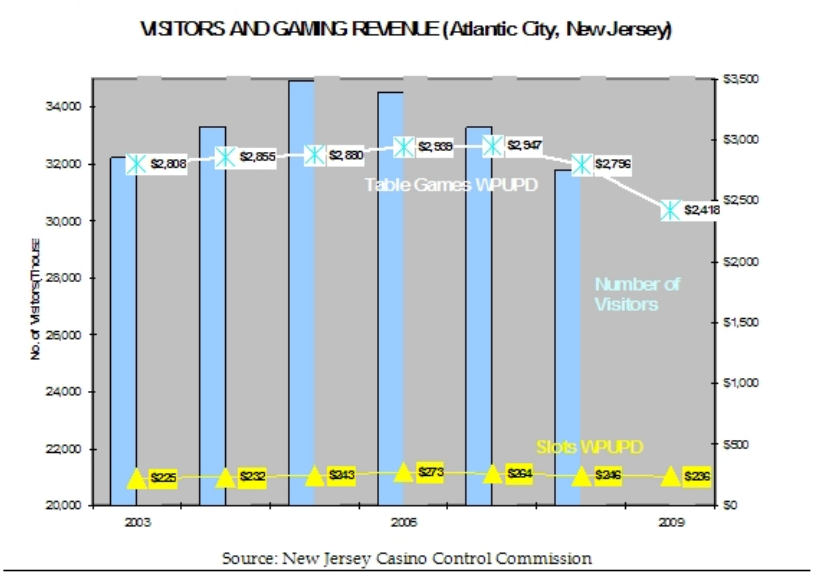
Source: Atlantic City Convention and Visitors Authority

For the historical period shown, gaming revenues grew 1.2% on an average annual compounded rate from 1992 to 2009. Gaming revenues grew year-over-year from 1992 to 2006, when Atlantic City's revenues began to decline. In late 2006, the first of Pennsylvania's slot parlors opened and the Sand Casinos closed. Additionally, in 2007, smoking was banned from 75% of the gaming floor, a move that alienated smoking customers. These events marked a turning point for Atlantic City's fortunes; 2007 was the first year that marketwide revenue declined in Atlantic City. The weakened economy and decreased leisure budgets further drove gaming revenue decline in 2008, as more Pennsylvania slot parlors opened and grew market share. In 2009, gaming revenues declined 13.2% over the previous year. In a press release, the New Jersey Casino Control Commission Chair, Linda Kassekert, attributed the depressed 2009 revenues to "the weak national economy, growing competition across our [New Jersey] borders, and the partial ban on smoking in casinos."

From 1992 to 2008, as gaming revenue has grown, total win per visitor as grown. As discussed in the previous section, Atlantic City visitation has grown modestly from 1992 to 2008. Gaming revenue increases have spurred revenue per visitor

growth for the majority of the period shown. Total win per visitor peaked at $151 in 2006, prior to the impact of Pennsylvania gaming, which largely affected 2007 and beyond. As reflected in 2007 and 2008 declining revenue, win per visitor began to decline in these respective periods.

Chart 1 – Atlantic City Visitation and Gaming Revenue (2004-2008)



Source: New Jersey Casino Control Commission

As shown in the chart above, Win Per Unit Per Day (WPUPD) trends appear to reflect general visitation trends. In the period from 2003 to 2009, visitation resembled a bell curve, growing from 2003 to 2005 and declining thereafter. Slot WPUPD follow this bell curve shape, growing from $225 in 2003 to a peak of $273 in 2006, and declining to $236 in 2009. Table games WPUPD also follow a bell curve shape, growing from a $2,808 WPUPD to peak at $2,939 WPUPD to fall to $2,418 in 2009. In these calculations, Table Games WPUPD does not incorporate keno or poker revenues or units, and utilizes an average annual count of table games units. Slot WPUPD is calculated using an average annual count of slot units.

In the near term, Atlantic City's revenues are widely anticipated to continue to decline due to the current national recession, the growing market share of Pennsylvania gaming at convenient locations, and the smaller discretionary gambling budget associated with soft national and regional economy. Later in this report, we will discuss the major developments in Atlantic City and Pennsylvania that will affect gaming supply and demand in the future.

Lodging Demand

Historically, the Atlantic City lodging market attained occupancy levels well above the national average due to the need for casino operators to fill their rooms at a market-driven price point in order to generate patrons for their casinos. The following table presents lodging trends for the Atlantic City market.

Table 2 – Analysis of Atlantic City Lodging Statistics

Year	Occupancy	Average Rate	% Change	RevPAR	% Change
1995	91.9 %	$80.67	---	$74.14	---
1996	91.6	82.76	2.6 %	75.81	2.3 %
1997	89.6	82.06	(0.8)	73.57	(3.0)
1998	89.0	80.32	(2.1)	71.48	(2.8)
1999	91.3	80.64	0.4	73.65	3.0
2000	92.7	81.15	0.6	75.23	2.1
2001	93.3	79.58	(1.9)	74.25	(1.3)
2002	94.6	79.87	0.4	75.56	1.8
2003	93.0	83.32	4.3	77.49	2.6
2004	90.6	91.41	9.7	82.82	6.9
2005	91.3	94.86	3.8	86.61	4.6
2006	91.7	96.76	4.1	90.56	4.6
2007	86.2	101.84	3.1	87.77	(3.1)
2008	77.4	94.96	(6.8)	73.50	(16.3)
Average Annual %					

Change - 1995 to 2008:			1.3 %		(0.1) %
Year-to-date period thru Sept.					
2008	78.3 %	$94.96	---	$74.38	---
2009	82.2	96.06	1.1 %	78.94	6.1 %

Source: New Jersey Casino Control Commission

Overall, occupancy levels for the Atlantic City market have historically been strong, despite fluctuations. Average rates grew at an average annual compounded rate of 1.3% between 1995 and 2008, with a large increase in 2004 of 9.7%. Revenue per available room (RevPAR) decreased at an average annual rate of 0.1%, with the only largest increase occurring in 2004 at 6.9%. In the year-to-date period through September 2009, the casino hotels occupancy, average rate and RevPAR statistics have improved. Occupancy increased modestly, by 3.9 points, average room rates increased a modest 1.1%, and RevPAR increased 6.1% from the previous year-to-date period.

In 2009, several major events and announcements affected hotel demand and supply, which are anticipated to have long-term effects on the market. The Borgata Water Club, a new hotel tower completed in 2008, has seasonally closed midweek in the spring, and in October through December, through the near future. Plans were recently announced for the refurbishment of Bally's 500-room Depression-era Claridge Tower, and to spruce up the facade. The proposed Revel megaresort is expected to add 1,900 rooms to the Atlantic City market's hotel supply once it opens in 2011, dependent on available financing. The aforementioned hotel changes, in addition to several major developments in Atlantic City discussed below, may incite additional visitation and gaming revenue growth in the future.

Major Developments

After decades of stagnation, the Atlantic City market is once again dynamic. Major changes in Atlantic City are occurring as casinos complete bankruptcy proceedings, additional Pennsylvania gaming supply opens, Pennsylvania completes the legislation and implementation of table game supply, and Atlantic City continues to diversify its dining, retail, and entertainment options.

Bankruptcies and Restructuring

Atlantic City casinos are under-demolished and rumors abound about potential closures. Five Atlantic City casinos are in the midst of, or have completed bankruptcy proceedings, although none of the bankrupt casinos have closed. In the past three years, the Sands Casino closed to make way for a future casino development site, and Bally's Atlantic City removed gaming devices and tables games from its Claridge floor. Although speculative, it remains a possibility that gaming supply could exit this market with the closure of a bankrupt casino.

- **Tropicana Casino** - A group of Tropicana lenders, including billionaire Carl Icahn, have agreed to purchase the casino for approximately $200 million. The sale has been approved in the US bankruptcy court and by the New Jersey Casino Control Commission, but an extension was recently granted that pushes back the sale closure date to June 4, 2010.
- **Resorts Atlantic City** - In December 2009, Resorts Atlantic City ownership was passed to a group of lenders headed by Credit Suisse. In an Associated Press article published mid-November 2009, a spokesperson for Resorts Atlantic City said "it has serious doubts about its ability to continue to operate." Since its mid-December change of ownership, Resorts Atlantic City has continued operations.
- **Three Trump Casinos (Trump Taj, Trump Plaza, and Trump Marina)** - Trump Entertainment is also in the midst of bankruptcy proceedings. Trump Entertainment, owns three properties: the Trump Plaza, the Trump Marina, and the Trump Taj Mahal. The future ownership of the Trump Entertainment casinos is unclear; investors such as Donald Trump and Carl Icahn have publically announced intentions to bid for Trump Entertainment in bankruptcy court. Carl Icahn has purchased more than $486 million of Trump Entertainment's bank debt. With the purchase of Trump Entertainment, Carl Icahn would be invested in four Atlantic City hotels, which is roughly a third of the Atlantic City market. Public speculation continues that Carl Icahn may sell either the Trump Marina or Trump Plaza if he gains control of all the aforementioned properties.

Major Developments in Pennsylvania

Pennsylvania gaming supply has increased tremendously over the past three years, since the legalization of gambling. In December of 2009, Pennsylvania statewide slot machine revenues exceeded that of New Jersey slot machine revenues by

approximately $10 million for the first time. The current national recession and Pennsylvania's budget shortfall have further spurred the addition of table games, as the state struggles to fill its budget with additional gaming revenue.

- **Table Games –** As mentioned previously, the long-anticipated table games bill passed into law January 7, 2010. The Pennsylvania Gaming Control Board estimates table games will be operational starting in six to nine months; however this situation remains dynamic due to the undetermined regulatory controls and the other implementation factors.
- **Additional Gaming Supply –** Currently, nine of the fourteen authorized casinos are operational; and several are in various stages of design and construction. Philadelphia's Sugarhouse Casino recently broke ground; its interim facility is planned to open in 2010 with 1,700 slot machines. The development of the Foxwoods Philadelphia Casino has become speculative; after an attempt to move the casino site to the city center, Foxwoods has missed several deadlines to deliver design plans for the original site. Additionally, Pennsylvania lawmakers are calling on the Pennsylvania Gaming Control Board to revoke the Foxwoods license. Of the Category Three (resort) licenses, one license has been approved for the Valley Forge Convention Center and the other license has not been awarded. Additionally, a bill in the Pennsylvania legislature may allow up to two extra licenses for this type of facility. The legislation of table games has spurred competition for the remaining casino licenses, as four venues compete: Nemacolin Woods in Fayette County, a proposed Mason-Dixon Hotel & Resort near Gettysburg in Adams County, a convention center near Reading in Berks County, and the Fernwood resort in the Poconos.

Major Developments in Atlantic City

Since the opening of the Borgata, Atlantic City has developed new gaming, dining, retail, and entertainment options in an effort to attract new customers. New improvements since 2003 included the addition of hotel towers at the Borgata's Water Club, Harrah's Waterfront, and a hotel tower at Trump Taj; new retail shops at the Atlantic City – The Walk - Phase Two and the Caesar's Pier Shops; and new nightlife options at the Borgata Water Club, Harrah's The Pool, and Caesar's Pier Shops. Of these developments, the Trump Taj and Ceasar's Pier Shops are now mired in bankruptcy proceedings. Additionally, Harrah's Atlantic City opened "The Loft," an expansion to its successful "The Pool" nightclub on New Year's Eve of 2010. The growth of table games in Pennsylvania further incentivizes Atlantic City casinos to diversify entertainment options, as Atlantic City loses its competitive edge of table games. Further changes are anticipated as casino-hotels expand dining, retail, and entertainment facilities that are not solely focused on gaming and target a broader range of patrons. Potential future development projects include:

- **The Atlantic City Outlets** – The Walk is a shopping/dining venue featuring approximately 100 retail outlets, including J. Crew, Nike, Adidas, Kenneth Cole, and Calvin Klein. It has been very successful in attracting an affluent clientele to Atlantic City. Plans for a phase three expansion were recently announced.
- **Atlantic City Boardwalk** – In conjunction with the development of the Revel megaresort, Atlantic City had planned $50 million in improvements for the nearby boardwalk. Plans included Boardwalk reconstruction and renovations at the city-run nearby Garden Pier funded by tax payments from the new Revel casino. In late December, the plans for this cleanup project were delayed, as city, county, and state governments will meet to discuss funding approval in 2010.
- **New Revel Entertainment Casino** – According to Revel Entertainment's public relation firm, Weber Shandwick, Revel put interior work on hiatus beginning in January 2009, but continued work on the parking structure, podium and exterior enclosure. Work has and is continuing on the site, with an anticipated opening in 2011. Ownership is seeking additional funding to complete the project. The Revel megaresort site is located in the Uptown casino neighborhood, north of the Showboat Casino. Revel is a megaresort that is planned to have 1,900 rooms, 150,000 square feet of casino space, and additional convention, retail, and restaurant space. At the Global Gaming Exposition in 2009, Revel management reported that the building structure is complete. They estimate that once funding is secured, the Revel megaresort casino can be completed within 18 months. The Revel megaresort is primarily intended as a convention hotel that has the amenities of world-class gaming, dining, and retail space. The state is considering allowing a 75% abatement on Revel's sales and rooms taxes for the first 20 years as a incentive to help the property secure financing.
- **Proposed Pinnacle Entertainment Development** – In 2006, Pinnacle Entertainment of Nevada purchased the Sands Casino Hotel and surrounding property. The Sands was demolished on October 18, 2007. After the collapse of the credit markets, national economic recession, and abrupt resignation of the company's CEO, the project has been placed on

indefinite hold and the future of the site remains unclear. Plans previously called for a new casino-resort estimated at a cost of $1.5 billion. City officials have reportedly attempted to trade the old Sands Casino site with the Bader Field site in a land swap.

- **Proposed MGM Grand Atlantic City** – Plans called for three hotel towers with more than 3,000 rooms, 5,000 slot machines, 200 table games, and a poker room, along with a 1,500-seat theater, restaurants, and nightclubs, a spa, a convention center, and 500,000 square feet of retail space. The MGM Grand Atlantic City would be the largest casino floor and facility in Atlantic City, built on 62 of the 70 acres that MGM owns. This project has been placed on indefinite hold. Area brokers report that MGM has quietly been seeking a buyer for this site.
- **Bader Field -** Another site that will potentially be available for future development measures over 140 acres and is located at Bader Field, a former municipal airport that has been decommissioned. It is a strip of land surrounded on three sides by water featuring 2,850-foot runways. Pinnacle and Steve Wynn have been rumored to have expressed interest in building a casino on Bader Field. However, the city has posted two Requests for Proposals, but has not received any offers for development on this site.

Many of these anticipated developments are now considered speculative, due to the current national recession, frozen credit markets, and lack of available financing for casino projects. The Revel Casino is structurally built, but not complete; the project is generally considered too far along in construction to remain unfinished. Once the Revel Casino is built, similar to the Borgata's opening, it is expected to spark marketwide increases in visitation because of its convention facilities, world-class gaming, dining, retail, and entertainment options.

Conclusion

Risks of further decline in the economy and growth of Pennsylvania gaming supply and table games are greatly concerning operators in the Atlantic City market. Visitation to Atlantic City and the amount spent per visitor are in decline, resulting in deteriorating revenue and net income levels for Atlantic City casino hotels. While the duration and magnitude of the downturn are uncertain at this time, this decline is more than a cyclical downturn. The closure of the Sands casino was the first closure of a casino in the Atlantic City market. Much of the Atlantic City gaming supply is dated and have experienced little or no renovations or refurbishments since opening in the late 1970s or 1980s. The dated physical plants of these casinos, and smoking ban on 75% of the gaming floor have given customers further incentive to gamble at Pennsylvania casinos, which are a closer drive than Atlantic City casinos to local and regional population centers. The addition of new supply and legislation of table games in Pennsylvania are sure to negatively impact Atlantic City. Given the intense competition provided by Pennsylvania slots, many analysts are negative on the future of Atlantic City.

The current financial crisis has curtailed lending on major development projects, most prominently the Revel Casino. The project was originally financed by Morgan Stanley; Revel Entertainment continues to seek a secondary lender. Many industry leaders are looking to Revel's project as the spark that would bring visitors back to Atlantic City. Once the project opens, similar to the Borgata, it is anticipated to incite marketwide growth in visitation and revenue.

Overall, the Atlantic City market is expected to experience economic decline in the short term as a result of the downturn in the national economy, and growth of Pennsylvania gaming. Even the opening of the delayed Revel casino, while it may induce demand, may not be enough to grow marketwide gaming revenues and visitation. The addition of dining, retail and entertainment options offer more amenities than local gaming facilities, but this will probably not enough to incite visitation on a regular basis. As the prospects grow dimmer for Atlantic City casinos, Atlantic City trendsetters, law makers, and government officials must find a new "reinvention" for their city. Historically, Atlantic City has already reinvented itself from its original purpose as a seaside resort to a gaming destination. Ironically, gaming is often seen as a savior of the last resort, in order to revitalize an area, grow state revenues and protect against budget shortfalls. Once gaming is exhausted as a revenue generator, what can be the next stage of revitalization? Atlantic City will surely face a rough period of economic decline until it finds out.

ABOUT THE AUTHOR

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1 * 2009 year-end and 2009 year-to-date visitor statistics were not available.

2 2009 Visitor Statistics were not available.