

**Downs Racing L.P.  
Petition to modify the Gaming Floor Plan**

# Speakers

- **Anthony Carlucci** – President and General Manager
- **Gary DeWitt Jr.** – Assistant General Manager
- **Sunil Mukul** – Director of Casino Operations

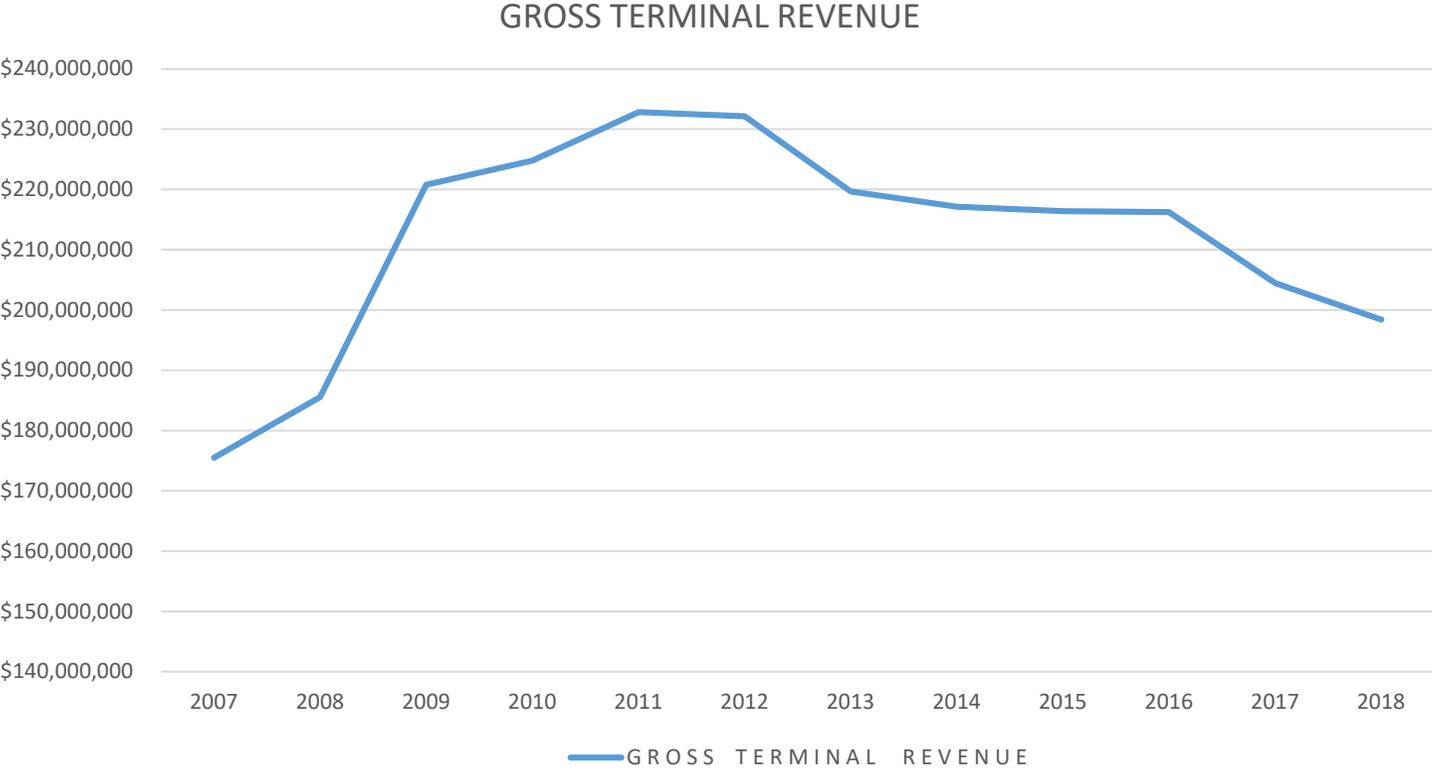
# Agenda

- Overview of Proposal
- Property Statistics
- Occupancy - Over-Supply/Underutilized
- Commitment to Property - Capital Investment
- Phase 1/Original Casino
- Poker Room Relocation
- High Limit Area
- Table Game Repositioning
- Open Discussion/Questions

# Overview of Proposal

- Upgrade our high quality gaming experience
- No Projected Reduction in Revenue or Staffing
- Close Phase 1 – Original Casino Area
- Relocate the Poker Room to the Main Floor
- Better utilize our High Limit Gaming square footage
- Add Slot Machines to the Non-Smoking area

# Property Statistics – GTR - CY

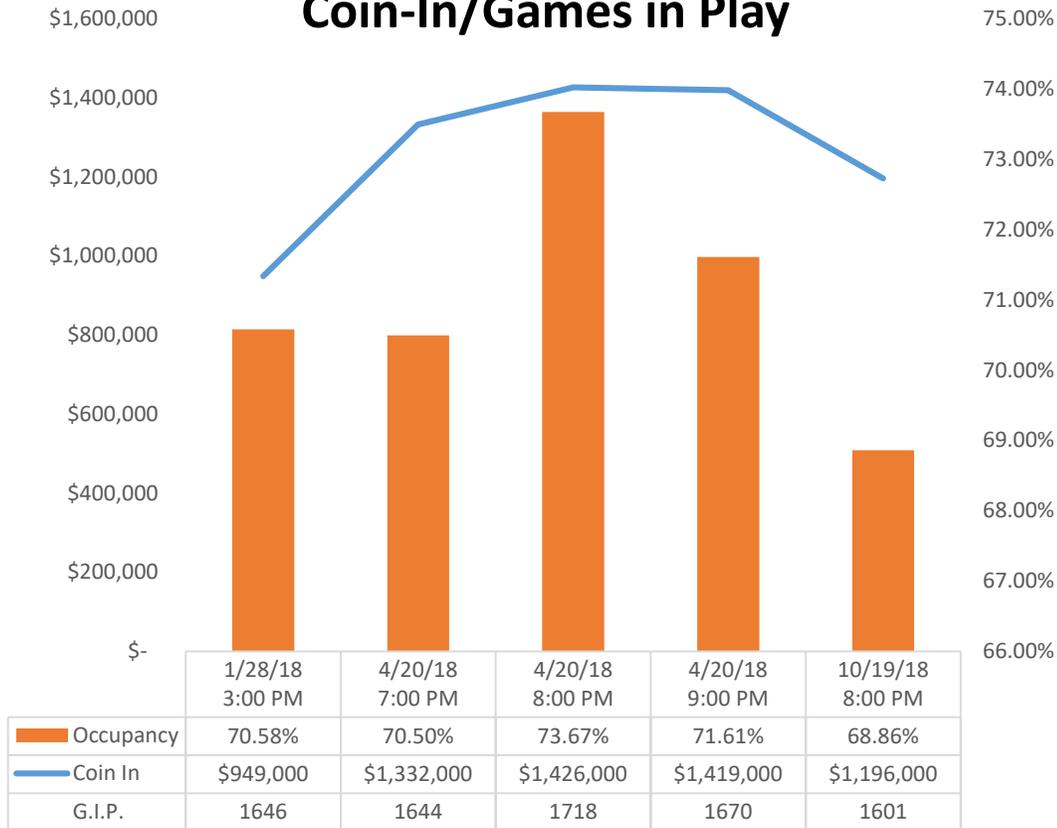


## Slot Count History/Impacts

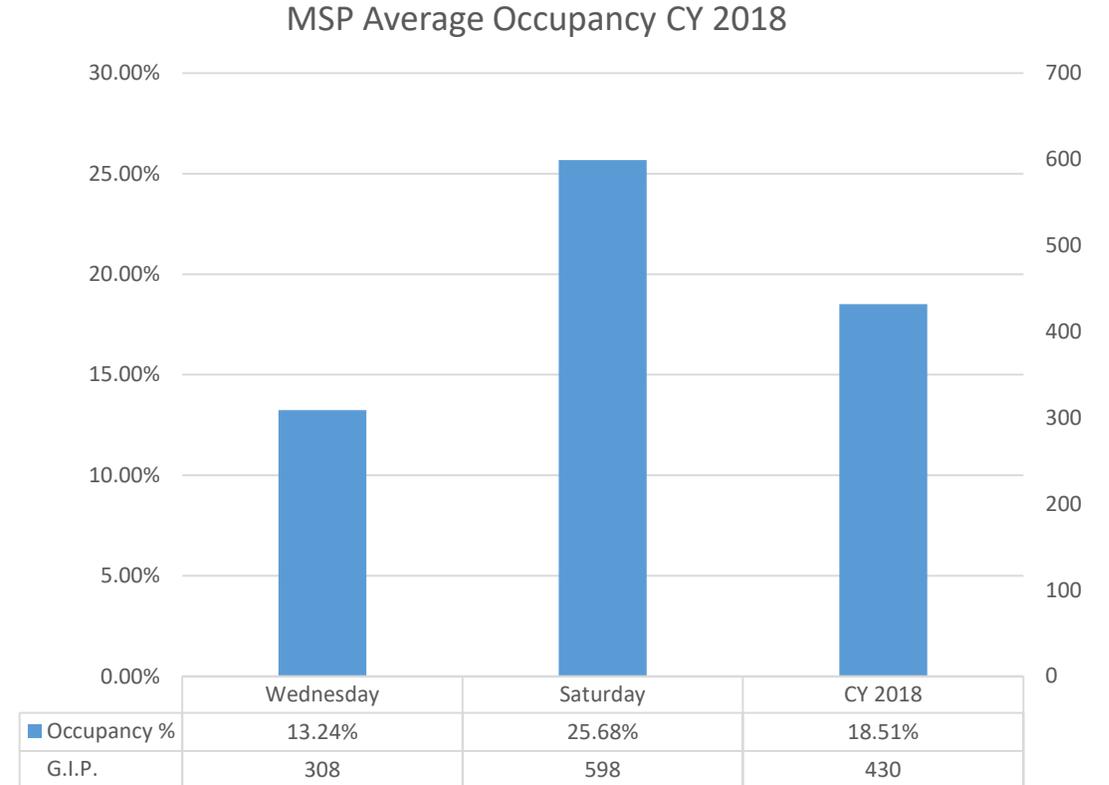
- 1,099 – Initial Opening/Original Casino
- 2,325 – Current Count
- (405) – Total Requested Reduction
  - (383) – Phase 1(Original Casino)
  - (109) – Relocation of Poker Room
  - (2) – Sunburst Bar(Center Bar)
  - +16 – High Limit Slot Area
  - +73 – Slots – Non Smoking Area
- 1,920 – Requested New Slot Count
- We will review/discuss each of the above impacted areas

# Occupancy/Over-Supply

## CY 2018 Top 5 Highest Hourly Coin-In/Games in Play



## CY 2018 Average Occupancy



# Commitment to Property – Capital Investment

- Slot Machine purchases since 2008 have totaled over **\$44M**
  - 2017, 2018 and 2019 – over **\$10M** collectively
  - Includes new games and conversion kits
- Additional Capital Improvements over \$750,000 – not including pending Sports Book
  - New Irish Pub added – Molly O’Sheas
  - New Italian Food offering – Slice’d
  - Remodeled Hotel Lobby Bar – Bean and Vine
  - Master Planning – engaged with our Corporate Office - outside designer/architect contracted
    - Sports Betting – submitted – location will be in a vacant retail location
    - No reduction of machine count with this addition
- Installed new carpet on the “River” 9/18 – walkway around the casino
- Installed new carpet on the Main floor – late 2016 early 2017
  - Purchased new slot chairs and bases – approximately \$350k, doesn’t include cost of carpet and additional labor etc.



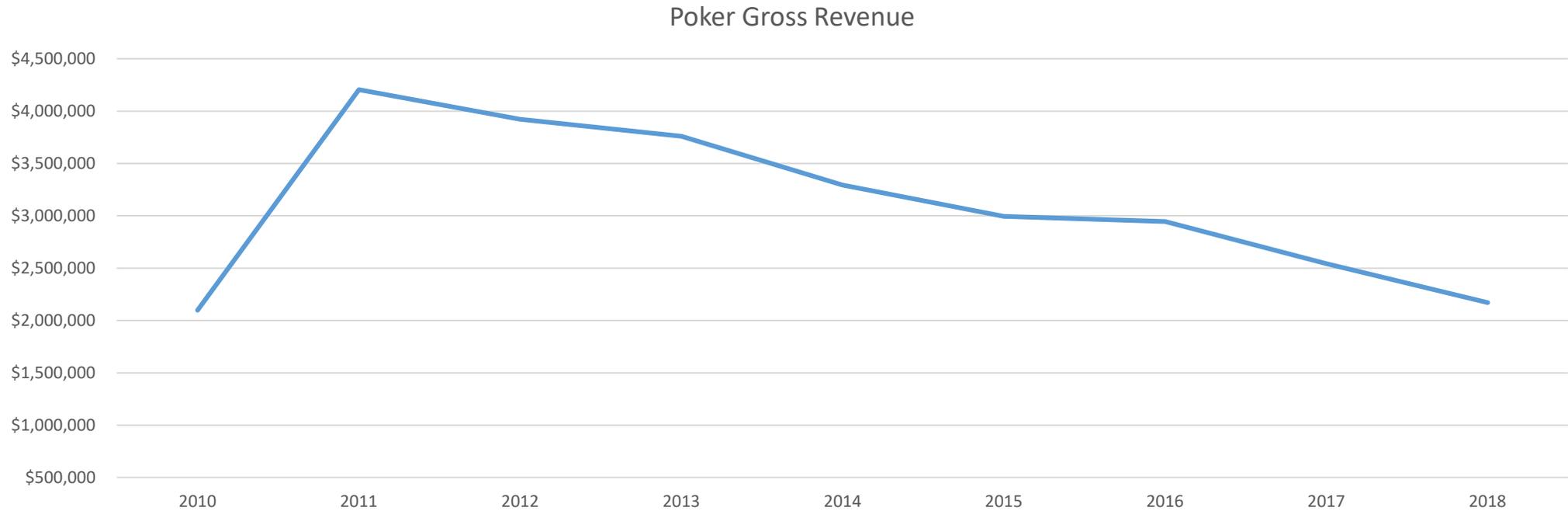
# Phase 1 – “Original Casino”

- Close this existing space
- “Disjointed” from main casino floor and amenities
  - Over 300 feet from Main Guest areas – Gaming and Non-Gaming
- Old building – high maintenance costs
  - Water leaks – Operating and Capital expense – better use \$ elsewhere
- 383 Slots in this space – average age over 11 years old
- Relocate/Remodel the Poker Room
- No projected reduction in revenue or staffing

# Phase 1 – “Original Casino” - Statistics

- Slots - Currently 383
- Occupancy Levels/GIP
  - Extremely low
- YTD 2018 - Calendar
  - Floor Share – 16.1%
  - Coin-In Share – 3.3%
  - Revenue Share – 2.6%
- Poker Room - Currently 18 tables

# Poker Revenue - CY



# Poker Room Relocation

- Relocate the Poker Room from the Original casino/Phase 1 to the Main casino floor/Penny Grove area
  - Currently 18 tables
  - Current room is outdated
  - New room would accommodate 8 tables
  - Little to no opportunity for “impulse/cross-over/curiosity” play
  - Increased visibility, guest comfort and accessibility to amenities
  - No projected reduction in revenue or staffing
  - Estimated Capital Spend to relocate and remodel/update is over \$400,000

# New Poker Room Diagram



# Existing Poker Room



# New Poker Room Design



# New Poker Room Design

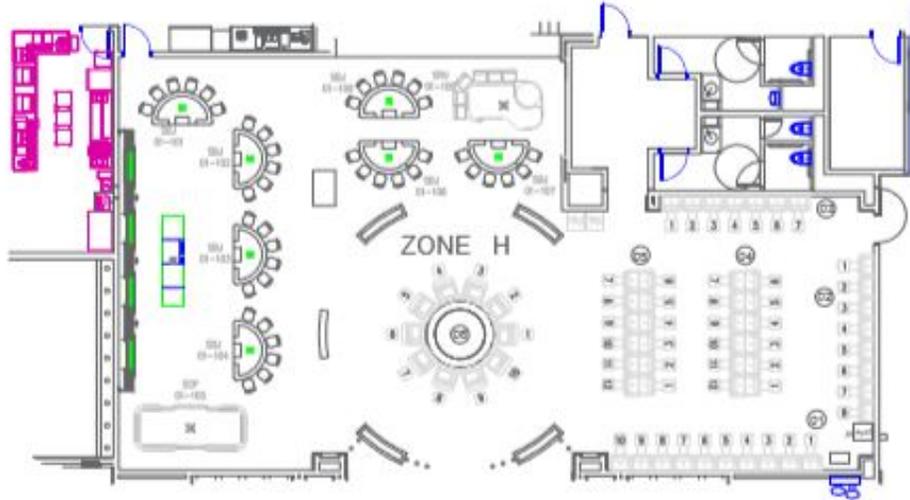


# High Limit Gaming Repositioning

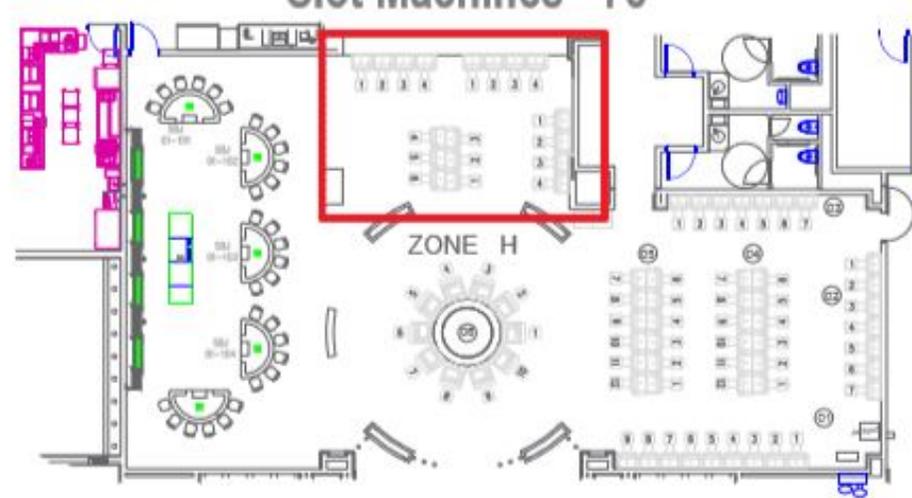
- Increase slot product offering – 16 units
  - Increase number of High Limit product
  - Overall machine Win per Unit in this area at a premium
  - Ability to offer more variety and comfort
  - Offer a “Non-Smoking” area for these guests
- Reduce the Table Game offering – 4 Tables
  - Underutilized games – have not opened this year
  - We can accommodate guests in remaining High Limit Tables
  - No projected reduction in revenue or staffing

# High Limit Gaming Area Diagram

High Limit Gaming - Current  
Table Games - 9  
Slot Machines - 59



High Limit Gaming - Proposed  
Table Games - 5  
Slot Machines - 75

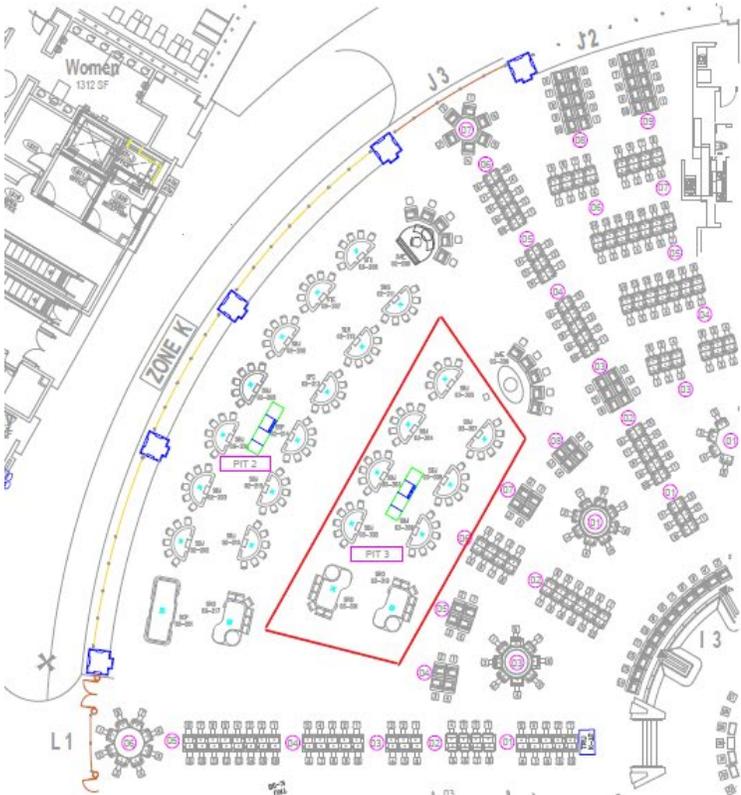


# Table Games – Reduction – Non-Smoking

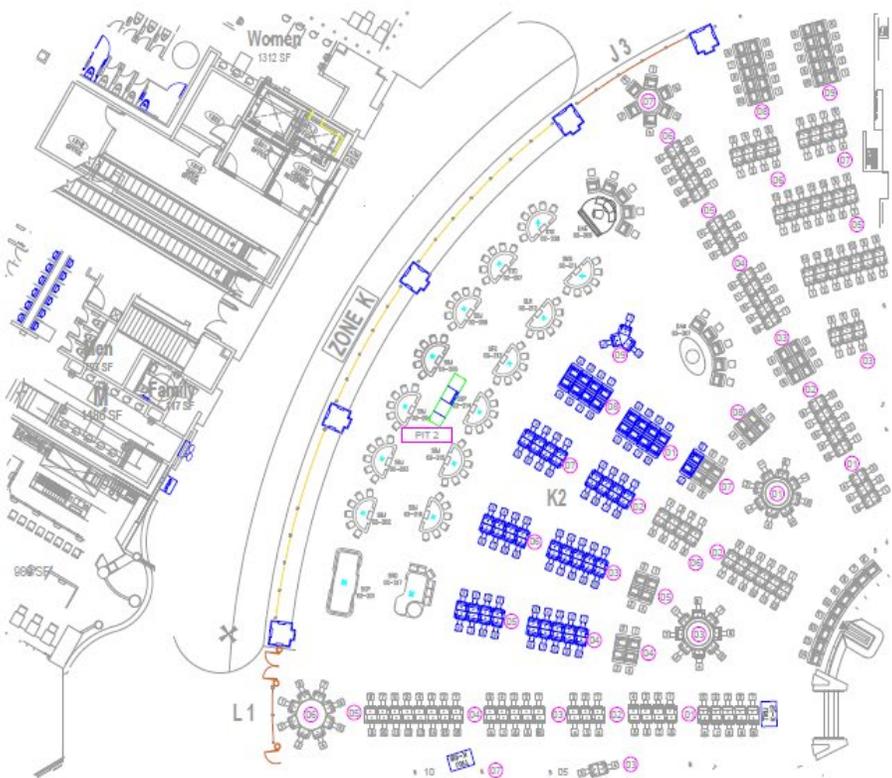
- Increase slot product offering in this area
  - Add 73 slot machines to the space being vacated by 9 table games
  - Designate an area of the Sunburst/Center bar as non-smoking, 13 bar top units
- Reduce the table game offering
  - Closed approximately 90% of the time
  - Capacity at other open table games
  - No projected reduction in revenue or staffing

# Table Games Reduction

Table Game Reduction - 9 Tables



Slot Machine Addition - 73 Units



# Gaming Floor Modification Request Summary

## Slot Machines

- (405) Units - Total
  - (383) Phase 1
  - (109) Poker Relocation
  - (2) Sunburst Bar(Center Bar)
  - +73 Non-Smoking Area
  - +16 High Limit Gaming
- **New Total – 1,920**

## Table Games

- (13) Tables – Total
  - (9) Non-Smoking Area
  - (4) High Limit
- **New Total - 56**

## Poker Tables

- (10) Tables
  - Relocate room from Phase 1
- **New Total - 8**

# Open Discussion/Questions?

- Questions?
- Thank You!