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Atlantic City Gaming Win & Total Casino Revenue

Source: N.J. Division of Gaming Enforcement

Monthly Revenue (Industry, \$ In Thousands)	February 2020	% Change from Prior Year	February 2019	YTD February 2020	% Change from Prior Year	YTD February 2019
Total Gaming Win (includes Internet & Sports Wagering)	275,078	18.4%	232,313	545,430	20.4%	452,940
Sports Wagering Revenue	4,773	23.2%	3,875	28,180	106.7%	13,632
Internet Gaming Win	51,988	63.7%	31,749	107,074	63.9%	65,343
Casino Gaming Win	218,317	11%	196,689	410,176	9.7%	373,965

Quarterly Revenue (Industry, \$ In Thousands)	Q3 2019	% Change from Prior year	Q3 2018	YTD September 30, 2019	% Change from Prior Year	YTD September 30, 2018
Casino	\$490,347	1.92%	\$481,122	\$1,344,457	7.94%	\$1,245,560
Rooms	\$202,711	9.36%	\$185,357	\$480,060	17.83%	\$407,412
Food & Beverage	\$162,918	-1.25%	\$164,976	\$429,992	12.47%	\$382,310
Entertainment & Other	\$72,896	-0.46%	\$73,234	\$185,224	22.31%	\$151,432
Casino Licensees Total Revenue	\$928,872	2.67%	\$904,689	\$2,423,485	10.8%	\$2,186,715

Atlantic City Casino Hotel Lodging

Source: N.J. Division of Gaming Enforcement

Casino Hotel Lodging Statistics For the Period Ended June 30, 2019	Q3 2019	Q3 2018	YTD 2019	YTD 2018
Occupancy percentage	90.8%	88.2%	81.2%	84.1%
Average Daily Room Rate (ADR)	\$161.06	\$151.66	\$145.51	\$138.74
Revenue Per Available Room (RevPAR)*	\$146.24	\$133.76	\$118.15	\$116.68

* RevPAR= ADR X Occupancy Percentage

Atlantic City Statistical Transportation Data

Source: South Jersey Transportation Authority

Travel Mode	January 2020	Change from Prior Year	January 2019	YTD December 2019	Change from Prior Year	YTD December 2018
AC Expressway						
Total Toll-Paying Traffic Pleasantville Toll Plaza	1,458,906	7.2%	1,361,101	19,948,048	3.7%	19,236,371
AC Airport						
Scheduled Service Passengers	92,702	-0.6%	93,293	1,035,093	-2.2%	1,058,379
Charter Passengers	6,028	4.9%	5,747	99,652	-6.5%	106,558
Total Air Passengers	98,730	-0.3%	99,040	1,134,745	-2.6%	1,164,937

In LIGHT of the data above... February 2020 marks the 21st consecutive month of year-over-year growth for total gaming revenue in Atlantic City and the highest revenue earning February since 2011 (\$258 million). Revenue earned from internet gaming has played a significant role in this success growing from 4.9% of total February gaming revenue in 2014 to 13.7% in 2019 and 18.9% in 2020. Internet gaming has helped Atlantic City to engage customers at a time when visitation to the resort is traditionally low.

The wintery weather that likely suppressed visitation, and in-turn land-based gaming revenues, in past years was not as much a factor in February 2020. Land-based gaming in the resort was up 11% this month year-over-year.

The especially mild weather, and efforts by city businesses to bring more shoulder season entertainment to the resort, has led to increases in visitation. The South Jersey Transportation Authority reported a 6.4% increase in traffic through the Pleasantville Toll Plaza in December 2019 and a 7.2% increase in January 2020. When the February vehicle count is released, we expect to see a similar increase for this month.

Atlantic City Information

2020 Progressive Atlantic City Boat Show comes to Convention Center - As reported by **The Press of Atlantic City** and **Boating Industry**, The Atlantic City Convention Center hosted the **2020 Progressive Atlantic City Boat Show** from Feb. 26 through Mar. 1. 41,736 individuals attended the show in 2020 a 6% increase over 2019 attendance (39,454).

Casino Reinvestment Development Authority (CRDA) adopts vacant rooming house conversion plan - As reported by **The Press of Atlantic City**, on Feb. 18, the CRDA adopted a plan for the conversion of vacant rooming houses with the goal of reducing the number of rooming houses that do not comply with current land-use or local regulations, and improving the housing stock in Atlantic City. The CRDA Board of Directors has allocated \$1.2 million for the pilot project, enough for approximately four conversions. The board approved the first of these conversions via an interest-bearing loan of up to \$328,800 for the owner of the former rooming house at 26 S. Kentucky Ave. The total cost for the conversion of the building into apartments and a street level retail unit, including the purchase of the property, is estimated to be \$537,000.

First cannabis dispensary in Atlantic City asks court to stop the opening of a second - As reported by **The Press of Atlantic City**, **Compassionate Care Foundation**, operators of Atlantic City's first cannabis dispensary, The Botanist, has asked a judge to prevent the opening of a second medical marijuana facility. The second facility, Be, operated by **MPX New Jersey** is slated to open in the first quarter of 2020 a few blocks from The Botanist. Representatives of Compassionate Care Foundation argue that the State Department of Health has an obligation to spread out dispensaries and allowing two such facilities to open so close together is a disservice to consumers.

Hard Rock launches world's first live online slots - As reported by [The Press of Atlantic City](#), Hard Rock Hotel & Casino Atlantic City in partnership with Softweave Ltd., launched a new technology that allows patrons to play live slots from a connected device. A dedicated live online slot room features 12 machines with five popular games and offers an experience similar to playing slots in the casino where only one player can use the machine at a time.

MGM data breach did not compromise Borgata Hotel Casino & Spa Atlantic City - As reported by [The Press of Atlantic City](#), a data breach which exposed the personal data of more than 10 million MGM Resorts International guests did not impact Borgata Hotel Casino & Spa in Atlantic City. According to a report released by [ZDNet](#) on Feb. 19, the personal details of 10.6 million MGM hotel guests were posted to a hacking forum. MGM Resorts acknowledges that the security incident took place last summer and impacted guests have been notified. The data breach did not involve financial, payment card or password data.

National Gaming News

Alaska and Wyoming introduce sports betting bills - As reported by [Legal Sports Report](#), Alaska and Wyoming introduced sports betting bills on Feb. 12. Alaska's legislature introduced two bills [HB 246](#) and [SB 188](#) which in addition to legalizing sports betting would allow lottery style wagering including instant games, multi-state draw games and Keno. Wyoming introduced [HB 225](#) which would allow the licensure of 'qualified gaming entities' at an initial fee of \$20,000 renewable annually for \$10,000, and tax sports wagering at 16%. According to [Legal Sports Report](#) the Wyoming bill failed to advance from the House on February 28 but may be reintroduced in the next legislative session. Bills in both states would authorize online betting. As of Feb. 12, there were 21 states with active sports betting legislation, 18 of which would legalize sports betting.

Colorado issues first sports betting licenses and finalizes rules ahead of May 1 legalization - As reported by [Legal Sports Report](#), Colorado's Limited Gaming Control Commission issued its first sports betting licenses and finalized permanent sports betting rules on Feb. 20. Operators will not be able to launch until May 1, the first day sports betting will be legal in the state.

Georgia legislators introduce mobile-online sports betting bill – As reported by [Legal Sports Report](#), Georgia legislators have introduced a bill ([SB 403](#)) which would legalize mobile-online sports betting. Sports betting would be overseen by the Georgia Lottery, operators would pay \$900,000 annually for licensing and revenue would be taxed at a rate of 10%. The bill, which bears a close resemblance to sports betting law passed by Tennessee last year, would require operators to use official league data for in-play betting and limit prop betting on collegiate sports.

Mississippi legislature considers taking sports betting mobile - As reported by [Legal Sports Report](#), Mississippi launched sports betting in Aug. 2018, but restricted betting to on-property. The bill currently before the legislature, [HB 172](#), would allow any licensed casino to launch an online sports betting platform. Mobile sports betting would be taxed at 6% of revenue when operators report revenue in excess of \$134,000 per month. This compares to the 12% tax levied on retail sportsbooks, 8% of which goes to the state while 4% goes to the casino's local government.

Montana Lottery Commission makes important decisions regarding future of sports betting in the state - According to a Feb. 20 **Press Release** from the **Montana Lottery Commission**, the Commission voted to approve the types of sports and kinds of bets that will be permitted in the state. Betting terminals are to be installed at retail locations the week of March 9th with Sports Bet Montana expected to go live shortly after.

New Yorkers bet estimated \$837 million in New Jersey in 2019 - According to analysis by Eilers & Krejcik Gaming reported by **Legal Sports Report**, New Yorkers wagered an estimated \$837 million through New Jersey sportsbooks in 2019. This translated to approximately \$57 million in operator revenue and \$6 million in taxes for New Jersey. If New York doesn't pass legislation authorizing mobile sports betting in the state, Eilers & Krejcik predict New Yorkers will wager up to \$1.56 billion in New Jersey by 2022, translating to \$105 million operator revenue and \$11 million in taxes.

Pennsylvania and Mississippi gaming regulators approve Eldorado/Caesars merger - As reported by **Calvin Ayre** and **Las Vegas Review Journal**, the Pennsylvania Gaming Control Board (PGCB) and Mississippi Gaming Commission have given their approval of the \$17.3 billion merger between Eldorado Resorts and Caesars Entertainment. With the approval of Pennsylvania, Mississippi and other states including Louisiana, Iowa and Illinois, secured the merger needs the approval of 12 additional states before moving forward.

Illinois sports betting to go live - As reported by the **Chicago Tribune**, three casinos (Rivers Casino in Des Plaines, the Grand Victoria in Elgin and the Argosy in Alton, near St. Louis) in Illinois have filed the state's first applications for sports wagering licenses after the **Illinois Gaming Board** issued rules governing sportsbook operations on Jan. 23. The board is reviewing applications and plans to issue temporary operating permits to allow sportsbooks to launch "as soon as they are ready to do so."

U.S. sportsbooks report Super Bowl handle and win – as reported by the **Associated Press**, Nevada's wagering totals were the highest in the nation. The state's 190 sportsbooks handled \$154.7 million in wagers on the Super Bowl of which they kept \$18.8 million for a win percentage of 12.1%. Handle increased from 2019 (\$145.9) but fell short of 2018's record high (\$158.5 million). New Jersey's racetracks and casinos saw \$54.2 million in handle up from 2019 at \$34.8 million. However, they lost \$4.28 million to bettors for a negative win percentage of 7.8%. Pennsylvania handled \$30.7 million and lost \$3.3 million. Rhode Island handled \$5.5 million and kept \$805,000 for a win percentage of 14.6%. Delaware handled \$2.1 million and lost \$229,000. Oregon handled \$2 million and kept \$150,000. Mississippi and West Virginia handled \$6.7 million and \$3.9 million respectively but did not report how much was paid out to customers who made winning bets. Several other states including New York and New Mexico did not calculate separate Super Bowl results.

XFL expected to embrace sports betting – According to **Crain’s New York Business**, the newly formed **XFL** pro football league is positioning itself to appeal to sports bettors, and making sports betting a core part of its operations. Broadcast channels ABC and ESPN are expected to incorporate sports betting in their coverage of XFL games with announcers commenting on the effect of given plays on the point spread, which will be continuously shown as part of the on-screen graphics. Regulators in nine states have approved wagering on the XFL including New Jersey, Nevada, Pennsylvania, New York, Iowa, Indiana, New Hampshire, Rhode Island and West Virginia. For fans in states without legal sports betting, XFL will offer free-to-play contests on an app accessible in all 50 states.

Hospitality & Tourism News

Dream Hotel Group plans casino hotel for Las Vegas Strip - As reported by **Travel Weekly**, Dream Hotel Group plans to open Dream Las Vegas, a 21-story new build tower across from the Mandalay Bay Resort on Las Vegas Boulevard in 2023. The hotel will feature 450 guest rooms, 12,000 square feet of private meeting and event space as well as several other non-gaming amenities. The Dream Hotel Group portfolio currently comprises 16 properties worldwide including hotels in New York, Los Angeles, Miami, Nashville and Bangkok and Phuket, Thailand.

Loyalty bookings represent 56% of US hotel reservations in 2019 - According to data from Kalibri Labs reported by **Hotel Management**, loyalty-related bookings represented more than half of total reservations (56.2%) in the US in 2019. This represents an increase of 8.3 percentage points or 17.3% since 2016. Also, among properties with the highest consumer review scores (90-100% as measured by Global Review Index), guest-paid ADR outpaced overall industry growth at nearly 2.75 to 1.

Resorts World Las Vegas and Hilton Partner on \$4.3 billion casino resort - As reported by **Hotel Management**, Resorts World Las Vegas and Hilton have partnered on a \$4.3 billion casino resort set to open in Summer 2021. Three Hilton brands (Hilton Hotels & Resorts, LXR Hotels & Resorts and Conrad Hotels & Resorts) will be incorporated into the 3,500-room property, which will also include a 5,000-capacity theater, 350,000 square feet of meeting and convention space, and a 220,000-square-foot pool complex.