

***Market Analysis & Revenue Projections
For the River Hills Riverboat Commission***

Executive Summary

Introduction

In May of 2004, the state of Iowa passed legislation lifting the moratorium on issuing new excursion boat gaming licenses that had been effect for over five years. Developers, together with local non-profit sponsoring organizations, can now file applications for new excursion boat gaming licenses. The May 2004 legislation also increased the gaming tax rates, allowed table games to be installed at the three existing racetracks, removed the cruising requirement, and liberalized the definition of an excursion boat.

The electorate of Wapello County approved casino gaming on October 28, 2003, in a referendum election. The community formed a non-profit organization, the River Hills Riverboat Commission, to sponsor a new excursion boat in the city of Ottumwa. Over the ensuing months, the River Hills Riverboat Commission entertained, received, and evaluated three competing proposals from casino gaming developers to build and operate an excursion type casino in Ottumwa. The three casino operators who submitted proposals included:

1. Grace Entertainment's Lakeside Casino
2. Catfish Bend Casino
3. Wild Rose Entertainment, LLC

After careful review and study of the proposals, the River Hills Riverboat Commission announced on July 28, 2004 that Wild Rose Entertainment LLC had been selected as the developer and operator of the Ottumwa Casino. Wild Rose Entertainment LLC is based in Des Moines, Iowa, and is owned principally by Mr. Gary Kirke, a successful and highly respected businessman and developer.

On July 12, 2004, the River Hills Riverboat Commission (hereinafter referred to as the Client) retained Wells Gaming Research (hereinafter referred to as WGR), a Nevada corporation located at 495 Apple Street, Reno, Nevada, 89502, to prepare a market analysis and revenue projections study for a riverboat casino to be located in Ottumwa, Iowa (Wapello County). WGR has extensive experience and expertise in casino market, competition, financial, and operations analyses.

To be considered, all casino license applications must be filed with the Iowa Racing & Gaming Commission (IR&GC) by November 10, 2004. The Client is the sponsoring non-profit organization that will work with Wild Rose Entertainment, LLC to develop and operate the casino as a co-licensee. A license application will be submitted to the IR&GC before the November 10, 2004, filing deadline for a non-cruising excursion casino that will be located in Ottumwa.

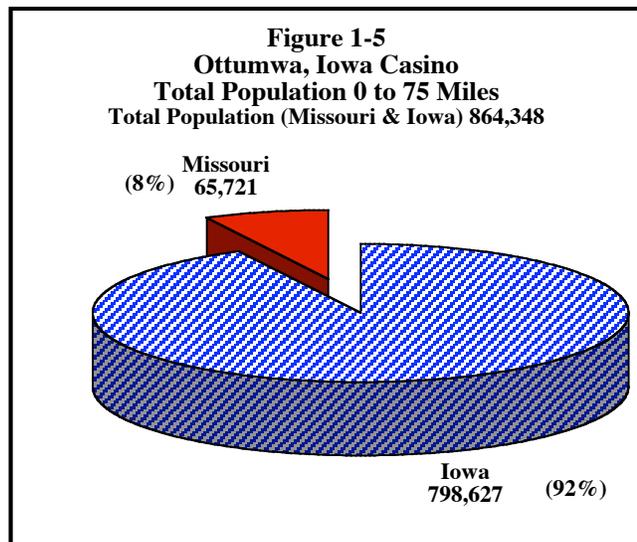
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Background on Ottumwa

Established in 1851 on the banks of the Des Moines River, Ottumwa is located in Wapello County, Iowa. Three bridges span the Des Moines River at Ottumwa, giving Ottumwa the name “city of bridges”. Of these, the Jefferson Viaduct has been named to the National Registry of Historic Places, and has the distinction of being the longest municipal bridge in the state of Iowa (2,120 feet in length).

Ottumwa is located just off U.S. Highway 34, approximately 90.9 miles southeast of Des Moines, and 32.2 miles southeast of Oskaloosa. In 2003, the population of Des Moines was estimated to be 196,021, while the population for Oskaloosa was estimated to be 11,037. The 2003 population estimates for the City of Ottumwa and for Wapello County were 24,697 and 35,885, respectively.

Population estimates for 2005 within a 0-to-75 mile radius of Ottumwa include a total population of 864,348, and an adult population of 605,332. Approximately eight percent (65,721) of the trade area population lives in Missouri. This provides an opportunity for an Ottumwa casino to attract casino entertainment customers and spending from Missouri. It would also serve to reduce the flow of gaming entertainment dollars from Iowa residents to Missouri casinos. **Figure 1-5** graphically illustrates the 2005 trade area population allocation between Iowa versus Missouri.



Development Site

Ottumwa is aggressively pursuing economic opportunities, and views the addition of a casino as a significant economic development. As proposed, the Ottumwa casino would be located just off of the U.S. Highway 34 corridor in downtown Ottumwa. The casino development site is located adjacent to both the Jefferson Viaduct and the Bridge View Center site. The Bridge View Center is a city planned events center that will include a concert stage, meeting rooms, and possibly hotel rooms. Economic Research Association (ERA), a major California research firm, completed the Ottumwa Civic Center Feasibility Study in April of 1999. The conclusions reached by the ERA were that the Bridge View Center would serve as “a catalyst and focal point for economic development in downtown Ottumwa, would be a quality of life feature, and a tool to reinforce Ottumwa as the regional hub for Southeast Iowa”. The Ottumwa casino development project would also enhance the utilization of the proposed Bridge View Center.

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Casino Hotel Project

The Client's plans include developing a casino entertainment facility that will incorporate a theme that celebrates Ottumwa's bridges and heritage, while adding an attractive measure of pizzazz, fun, and celebration. The scope of the project for an Ottumwa casino will include:

- Approximately 450 slot machines
- 10 table games
- Lounge with a performing stage for live entertainment
- Variety of restaurants
- 90-room hotel
- Conference center to compliment the planned Bridge View Center

To recreate the historic Iowa riverboat era, the Client plans to place the non-cruising casino hotel complex near the Des Moines River on the Bridge View site.

Research Methodology

WGR conducted a thorough analysis of the trade areas of 32 casinos located in the following states:

- Illinois (1 casino)
- Iowa (16 casinos)
- Minnesota (5 casinos)
- Missouri (2 casinos)
- Nebraska (1 casino)
- South Dakota (3 casinos)
- Wisconsin (4 casinos)

The casinos studied in border-states were near enough to have overlapping trade areas with existing or proposed Iowa casinos. Utilizing the most recent population data from state data centers and the US Census Bureau, the University of Nevada Reno, GIS Department conducted an extensive trade area population overlap analysis at the direction of WGR for each of the existing 32 casinos, as well as eight proposed casinos.

WGR analyzed the trade area mapping conducted by Strategic Economic Group (SEG) in a report issued January 2004. Utilizing the SEG's trade area mapping of 13 Iowa casinos, WGR refined the trade area analysis of existing casinos with respect to the size of the trade areas (primary, secondary, and tertiary).

WGR used adult population statistics provided by the Bureau of Business and Economic Research at the University of Nevada Reno to analyze the relationships between the trade area adult population (after adjustments for competitive overlap) and gaming revenues and admissions for 15 casinos. Admissions and average gaming revenue (AGR) data were available for the fiscal year ended June 2004 for this group of casinos, which included the 10 excursion boats, three Iowa racetracks, one riverboat in Illinois (Jumer's), and one riverboat in Missouri (Mark Twain).

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Four Scenarios for New Casinos

As it currently stands, eight or more casino applications could be filed with the IR&GC by November 10, 2004. Seven counties have approved gaming through referendum elections. Three counties near Des Moines have referendum elections on November 2, 2004. It appears that at least two counties will file multiply applications with the IR&GC.

WGR has formulated four casino expansion scenarios. Each of the scenarios includes the 32 existing casinos discussed above, on **page 1-19**. WGR estimated the trade area adult population, the number of gaming admissions, and the average gaming revenue for the proposed Ottumwa casino within the context of the four scenarios that follow:

- **Scenario I**

The most optimistic of the four scenarios, **Scenario I** includes the 32 existing casinos, and one new casino located at Ottumwa. Given the **Scenario I** assumptions, the River Hills Casinos has been projected to generate annual gaming revenues that range from a low of \$27.9 million, to a mid range of \$40.7 million, and a high of \$55.4 million.

- **Scenario II**

Scenario II includes the 32 existing casinos, as well as four new casinos located at Ottumwa, Worth County, Waterloo, and Ft. Dodge. The addition of Worth County, Waterloo, and Ft. Dodge casinos has very little impact on Ottumwa. Gaming revenue projections for **Scenario II** are close to those projected in **Scenario I**.

- **Scenario III**

Scenario III includes the 32 casinos, along with seven new casinos located in Ottumwa, Worth County, Waterloo, Ft. Dodge, Franklin County, Emmetsburg, and in the Des Moines area. The addition of proposed casinos has little impact on Ottumwa. Annual gaming revenues in **Scenario III** are decreased by approximately \$1 million from the **Scenario I** projections.

- **Scenario IV**

Scenario IV encompasses the 32 existing casinos, as well as eight new casinos. The eighth casino has been proposed for Riverside in Washington County. The Washington County casino would be the closest to Ottumwa, and would have the most potential impact on Ottumwa's admissions and revenues. **Scenario IV** is the most conservative from the standpoint of revenue projections for Ottumwa. Under **Scenario IV**, annual gaming revenues would range from a low of \$22.2 million, to a mid range of \$32.3 million, and a high range of \$44.2 million. Even using **Scenario IV**, the worst-case scenario of the four, the market potential is sufficient to support a successful casino in Ottumwa of the size planned by the Client.

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Admissions & Revenue Projections For the Four Scenarios

Summarized in **Figure 1-6** is a range of admission and gaming revenue projections for three levels of performance: **Low, Mid, and High**. These performance projections were based on two key statistics: the number of admissions per adult per year, and the gaming win per admission. These two statistics were based on the actual performance of 15 casinos (13 in Iowa, one in Missouri, and one in Illinois) for the fiscal year ending in June of 2004. Average statistics plus or minus one-half standard deviation from the average were used as a basis for the assumptions shown in **Figure 1-6**.

Figure 1-6					
Ottumwa Casino 2005 Admission & Revenue Projections					
Scenario I					
Admissions per Year per Adult			5.11	6.95	8.89
			Low	Mid	High
<i>RH Only</i>	Win/Admit	Admissions	551,332	750,220	959,461
	\$50.73	Low Revenue	\$27,969,050	\$38,058,655	\$48,673,464
	\$54.23	Mid Revenue	\$29,898,710	\$40,684,425	\$52,031,578
	\$57.72	High Revenue	\$31,822,857	\$43,302,692	\$55,380,097
Scenario II					
Admissions per Year per Adult			5.11	6.96	8.90
			Low	Mid	High
<i>RH, WC, WL, FD</i>	Win/Admit	Admissions	547,654	745,269	953,244
	\$50.73	Low Revenue	\$27,782,501	\$37,807,503	\$48,358,090
	\$54.23	Mid Revenue	\$29,699,291	\$40,415,945	\$51,694,445
	\$57.72	High Revenue	\$31,610,605	\$43,016,934	\$55,021,268
Scenario III					
Admissions per Year per Adult			5.12	6.96	8.91
			Low	Mid	High
<i>All Except RS</i>	Win/Admit	Admissions	538,752	733,284	938,195
	\$50.73	Low Revenue	\$27,330,905	\$37,199,514	\$47,594,633
	\$54.23	Mid Revenue	\$29,216,538	\$39,766,009	\$50,878,316
	\$57.72	High Revenue	\$31,096,784	\$42,325,171	\$54,152,616
Scenario IV					
Admissions per Year per Adult			5.17	7.06	9.07
			Low	Mid	High
<i>All Including RS</i>	Win/Admit	Admissions	436,770	595,984	765,786
	\$50.73	Low Revenue	\$22,157,326	\$30,234,264	\$38,848,315
	\$54.23	Mid Revenue	\$23,686,020	\$32,320,208	\$41,528,566
	\$57.72	High Revenue	\$25,210,346	\$34,400,192	\$44,201,158
Source: Wells Gaming Research October 2004					

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Trade Area Impact Analysis

WGR conducted in-depth analyses on the trade area population for the Ottumwa casino development site, as well as for each casino within the region. To evaluate the potential impacts of existing and proposed casinos on Ottumwa, as well as the impact of Ottumwa on adjacent casinos with overlapping trade areas, WGR analyzed trade area impacts within the context of each of the four scenarios for 31 of the 32 existing casinos within the region, as well as for eight proposed casino locations.

Profiled in **Figure 1-7, page 1-24**, are the results of WGR's primary trade area analyses for the proposed casino expansion. The data has been analyzed within the context of the four scenarios outlined on **page 1-20**. All of the analyses apply to the year 2005.

Listed in **Figure 1-7** are the names and locations, by state, of all of the casinos studied. Each casino has been assigned a numeric weighting factor, which reflects WGR's estimate of each casino's relative drawing power (refer to the ***Scope of Work & Research Methodology*** portion of **Section 1, page 1-10**, for a discussion on the development of the weighting factors). The data in **Figure 1-7** is organized in columns as follows:

- Column E shows the total 2005 population for each casino's primary trade area.
- Column F profiles the 2005 adult population (ages 21 and over).
- Column G shows the adult population allocations after weighting, and adjustments have been made for competitive trade area overlapping.
- Column H shows the impact of all existing casinos on each other.
- Columns I through P detail the impact, per casino, for **Scenario I, II, III, and IV** (see **page 1-23** for a complete description of these eight columns).

For example, if Ameristar were the only casino in the region, it would have an adult population of 493,863 (column F) in its primary trade area. However, because Ameristar shares its primary trade area with other casinos including Harrah's and Bluffs Run, its net primary trade population is 184,763 (column G), or 37% of the total.

It is important to note that casino number 30 (the St. Jo Frontier, located in St. Joseph, Missouri) has been omitted from the listing shown in **Figure 1-7**. Even though WGR did analyze the St. Jo Frontier's population overlap into Iowa, the entire trade area was not analyzed, because the difficulty of obtaining complete population data. The St. Jo Frontier has both secondary and tertiary trade area overlaps with casinos located in Council Bluffs and Lakeside. This overlap was analyzed and considered in computing the net trade area adult populations for the three casinos located in Council Bluffs, as well as Lakeside.

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Ottumwa Primary Trade Area 0-to-20 Mile Radius

Scenario I - Ottumwa as Only New Casino (see columns I & J)

Figure 1-7 shows that the Ottumwa casino would have an adult population of 37,619, which represents a net addition to the primary trade area (refer to the lower section of **Figure 1-7, Proposed New Casinos**). It is important that Ottumwa does not impact other primary trade areas, because they generate a higher level of gaming participation and more frequent casino visits than do either the secondary or tertiary trade areas. Convenience is the key factor.

Currently, the nearest casinos to Ottumwa are 75-to-85 miles away, and include Lakeside, Catfish Bend, Meskwaki, and Prairie Meadows. As a result, the current gaming participation level is limited. It is likely that local casino participation within the primary trade area would increase significantly if a casino were built in Ottumwa.

Ottumwa's primary trade area of 37,619 adults is smaller than the 31-casino average of 100,732, or the median of 53,245. Of the existing casinos, the smallest primary trade area population for an excursion boat is 14,644 for the Lakeside Casino Resort. The next smallest primary trade area population is 21,893 for the Isle of Capri-Marquette.

Scenario II - Ottumwa, Ft. Dodge, Waterloo, & Worth Co. (refer to columns K & L)

Scenario II adds four new casinos, but has no impact on the primary trade area of the Ottumwa casino. The only primary trade area that is impacted is the Meskwaki (casino number 21), which would be slightly effected by a new casino at Waterloo. **Scenario II** would add 216,611 additional people into the primary trade areas of Iowa's four new casinos.

Scenario III - Ottumwa Plus Six New Casinos (refer to columns M & N)

In **Scenario III**, Ottumwa's primary trade area is not affected by the addition of the six new casinos (Emmetsburg, Ft. Dodge, Franklin County, Worth County, Waterloo, and the Des Moines area). However, **Scenario III** does impact the primary trade area for Prairie Meadows (casino number 25 on **Figure 1-7**), because of the new casino in the Des Moines area. Nonetheless, Prairie Meadows would still have a primary trade area of 162,038 adults, 61% higher than the average of 100,734 for the 31 existing casinos.

Scenario IV - Eight New Casinos (refer to columns O & P)

The primary trade area for the Ottumwa casino would not be affected by the addition of eight new casinos (the seven listed in **Scenario III**, as well as one located in Washington County near Riverside). The primary trade areas of the existing 31 casinos would not be affected beyond the impact to Prairie Meadows from a casino located in the Des Moines area.

Figure 1-7 shows that if the eight proposed casinos are approved and built, the net increase in the number of adults who reside within the primary trade areas of an Iowa casino would increase from 1,362,654 to 1,727,029. This represents an increase of 364,375, or 27% (refer to the lower right hand corner of **Figure 1-7, page 1-24**). This increase in the number of adults living within a casino's primary trade area could enhance Iowa's gaming revenues by an estimated \$250-to-\$300 million per year.

Market Analysis & Revenue Projections for Ottumwa, Iowa
 Prepared for River Hills Riverboat Commission

Figure 1- 7

Impact Analysis 2005

0 to 20 Mile Radius - Primary Market

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P
				Total	Total	Net of Comp	Impact	Scenario I 1 New Casinos		Scenario II 4 New Casinos		Scenario III 7 New Casinos		Scenario IV 8 new Casinos	
Code	Casino Name	ST	Weights	2005 Population	2005 Ages 21 & Over	2005 Ages 21 & Over After Weighting	Impact of Existing Casinos on Each Other	Adult Pop	Impact	Adult Pop	Impact	Adult Pop	Impact	Adult Pop	Impact
1	Ameristar	IA	14.0	721,882	493,863	184,763	-309,100	184,763	0	184,763	0	184,763	0	184,763	0
2	Argosy's Belle	IA	4.0	133,337	89,734	61,395	-28,339	61,395	0	61,395	0	61,395	0	61,395	0
3	Bluffs Run	IA	12.0	719,255	492,071	156,641	-335,430	156,641	0	156,641	0	156,641	0	156,641	0
4	Borrowed Buck's	SD	1.0	187,658	129,097	128,461	-636	128,461	0	128,461	0	128,461	0	128,461	0
5	Casino Omaha	IA	3.0	18,691	12,872	7,810	-5,062	7,810	0	7,810	0	7,810	0	7,810	0
6	Catfish Bend	IA	5.3	86,878	62,518	62,518	0	62,518	0	62,518	0	62,518	0	62,518	0
7	Dejope Bingo	WI	4.0	478,512	340,185	339,907	-279	339,907	0	339,907	0	339,907	0	339,907	0
8	Diamond Jo	IA	7.2	120,110	83,188	50,667	-32,521	50,667	0	50,667	0	50,667	0	50,667	0
9	Dubuque Greyhound	IA	4.7	121,440	84,164	34,344	-49,819	34,344	0	34,344	0	34,344	0	34,344	0
10	Fort Randall	SD	3.0	9,176	6,002	5,990	-12	5,990	0	5,990	0	5,990	0	5,990	0
11	Harrah's	IA	11.5	709,004	485,458	154,232	-331,226	154,232	0	154,232	0	154,232	0	154,232	0
12	Ho Chunk	WI	30.0	92,040	65,611	65,574	-37	65,574	0	65,574	0	65,574	0	65,574	0
13	Isle of Capri (Bettendorf)	IA	9.5	334,442	235,519	88,998	-146,521	88,998	0	88,998	0	88,998	0	88,998	0
14	Isle of Capri (Marquette)	IA	6.1	30,928	21,893	21,893	0	21,893	0	21,893	0	21,893	0	21,893	0
15	Jackpot Junction	MN	10.0	25,565	17,852	17,303	-549	17,303	0	17,303	0	17,303	0	17,303	0
16	Jumer's	IL	8.0	327,819	230,742	70,740	-160,001	70,740	0	70,740	0	70,740	0	70,740	0
17	Lakeside Casino Resort	IA	8.0	20,846	14,644	14,644	0	14,644	0	14,644	0	14,556	-88	14,556	-88
18	Little Six	MN	3.0	1,247,668	885,517	121,856	-763,661	121,856	0	121,856	0	121,856	0	121,856	0
19	Majestic Pines	WI	6.0	25,543	18,258	18,258	0	18,258	0	18,258	0	18,258	0	18,258	0
20	Mark Twain	MO	6.0	75,366	53,133	53,133	0	53,133	0	53,133	0	53,133	0	53,133	0
21	Meskwaki Bingo	IA	15.0	64,201	45,141	45,141	0	45,141	0	44,775	-366	44,657	-484	44,657	-484
22	Mississippi Belle	IA	5.0	85,038	60,425	53,245	-7,180	53,245	0	53,245	0	53,245	0	53,245	0
23	Mystic Lake	MN	31.6	1,175,251	836,565	764,971	-71,594	764,971	0	764,971	0	764,971	0	764,971	0
24	Ohiya	NE	4.0	11,117	8,063	8,026	-36	8,026	0	8,026	0	8,026	0	8,026	0
25	Prairie Meadows	IA	15.0	450,543	315,707	315,707	0	315,707	0	315,707	0	162,038	-153,668	162,038	-153,668
26	Prairie's Edge	MN	5.0	24,406	17,153	16,054	-1,099	16,054	0	16,054	0	16,054	0	16,054	0
27	Rainbow	WI	6.0	62,858	44,724	44,724	0	44,724	0	44,724	0	44,724	0	44,724	0
28	Rhythm City	IA	8.7	328,016	230,879	76,946	-153,933	76,946	0	76,946	0	76,946	0	76,946	0
29	Royal River	SD	3.0	30,384	20,936	20,724	-212	20,724	0	20,724	0	20,724	0	20,724	0
31	Treasure Island	MN	15.0	125,448	84,377	84,377	0	84,377	0	84,377	0	84,377	0	84,377	0
32	Winna Vegas	IA	6.0	82,852	54,828	33,710	-21,118	33,710	0	33,710	0	33,710	0	33,710	0
Proposed New Casinos															
33	Emmetsburg	IA	4.0	16,622	11,690							11,690	11,690	11,690	11,690
34	Ft Dodge	IA	6.0	61,870	43,805					43,805	43,805	43,804	43,804	43,804	43,804
35	Franklin Co.	IA	6.0	28,353	20,400					0	20,400	20,400	20,400	20,400	20,400
36	Otumwa	IA	5.0	52,621	37,617			37,619	37,619	37,619	37,619	37,618	37,618	37,618	37,618
37	Waterloo	IA	10.0	150,590	104,771					104,223	104,223	104,339	104,339	104,339	104,339
38	West Des Moines	IA	15.0	466,449	326,385							172,667	172,667	172,667	172,667
39	Worth Co.	IA	6.0	43,273	31,330					31,330	31,330	31,330	31,330	31,330	31,330
40	Riverside	IA	6.0	138,953	96,766						0			96,766	96,766
Seven State Total							3,122,750	3,160,369	37,619	3,339,361	216,611	3,390,359	267,608	3,487,125	364,375
Iowa Total							1,362,654	1,400,273	37,619	1,579,265	216,611	1,630,262	267,608	1,727,029	364,375
30	Only the overlapping portion of the trade area for the St. Jo Frontier in St. Joseph, MO was analyzed. Thus, St. Jo was omitted from the detailed impact analysis.														
Source: Data from UNR BBER GIS Dept. Analysis by Wells Gaming Research															

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Ottumwa's Secondary Trade Area 20-to-50 Mile Radius

Profiled in **Figure 1-8, page 1-26**, are the results of WGR's secondary trade area analyses. Included are the 31 existing casinos, as well as eight proposed new casinos. The net adult population estimates for the year of 2005 has been adjusted for competitive overlap from other casinos. The number of casino visits per adult per year tends to decline with distance and drive time, resulting in casino participation rates in secondary trade areas that can be one-quarter to one-third of the rates within primary trade areas. Nevertheless, the secondary trade area can be of critical importance to a casino's viability.

Scenario I - Ottumwa as the Only New Casino (refer to columns I & J)

Casino number 36 (Ottumwa), in column F, shows that 124,968 adults are located within Ottumwa's secondary trade area. Of these, WGR has estimated that Ottumwa can claim 57,500 of these adults as their secondary market. The remaining 67,468 people live in areas that already have casinos with secondary trade area overlap with Ottumwa. Included are Lakeside, Prairie Meadows, Meskwaki, Catfish Bend, and the Mark Twain. Of the 57,500 in Ottumwa's secondary trade area, 16,006 have been estimated to come from Catfish Bend, 3,368 from Lakeside, 904 from the Mark Twain, 5,476 from Meskwaki, and 3,537 from Prairie Meadows. The remaining 28,231 represent new customers who currently do not live within a casino's secondary trade area. The state of Iowa benefits from having an additional 29,114 adults who live within the secondary trade area of an Iowa casino.

Ottumwa's secondary trade area of 57,500 adults is smaller than either the average of 127,817, or the median of 63,122 for the 31 casinos studied. Nonetheless, Ottumwa would have a secondary trade area slightly larger than Lakeside, Diamond Jo, and Argosy's Belle.

Scenario II - Ottumwa, Ft. Dodge, Waterloo, and Worth Co. (see columns K & L)

Scenario II does not impact Ottumwa's secondary trade area. However, the addition of three more casinos does significantly impact other existing casinos, such as the Isle of Capri-Marquette (13,908), Meskwaki (133,464), and Prairie Meadows (17,908). **Scenario II** results in an increase of 238,355 adults within the secondary trade area of an Iowa casino.

Scenario III - Ottumwa Plus Six More New Casinos (see columns M & N)

The secondary trade area for Ottumwa is reduced by about 1,880 in **Scenario III** due to the addition of a Des Moines area casino. Other significant trade area impacts occur at Lakeside, Meskwaki, and Prairie Meadows. **Scenario III** results in the addition of 265,707 adults within the secondary trade areas of Iowa casinos.

Scenario IV - Eight New Casinos (refer to columns O & P)

In **Scenario IV**, Washington County (the Riverside casino) is also added. The addition of the Riverside has a significant impact on Ottumwa by reducing Ottumwa's secondary trade area by 16,893 adults. Overall, **Scenario IV** results in the addition of 247,464 adults within the secondary trade areas of Iowa casinos. Heightened accessibility is likely to increase the gaming participation levels, which would, in turn, increase the casino gaming revenues for Iowa casinos by as much as \$60 to \$80 million per year. Refer to **Figure 1-8, page 1-26** for details of the secondary trade area impacts on adult population for each of the four scenarios.

Market Analysis & Revenue Projections for Ottumwa, Iowa
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Figure 1- 8
Impact Analysis 2005
20 - 50 Mile Radius - Secondary Market

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	
Code	Casino Name	ST	Weights	Total	Total	Net of Comp	Impact	Scenario I 1 New Casinos		Scenario II 4 New Casinos		Scenario III 7 New Casinos		Scenario IV 8 new Casinos		
				2005 Population	2005 Ages 21 & Over	2005 Ages 21 & Over After Weighting	Impact of Existing Casinos on Each Other	Adult Pop	Impact	Adult Pop	Impact	Adult Pop	Impact	Adult Pop	Impact	
1	Ameristar	IA	14.0	310,233	219,520	103,782	-115,739	103,782	0	103,782	0	103,782	0	103,782	0	
2	Argosy's Belle	IA	4.0	139,037	94,550	45,340	-49,210	45,340	0	45,340	0	45,302	-38	44,945	-395	
3	Bluffs Run	IA	12.0	270,246	191,345	63,122	-128,223	63,122	0	63,122	0	63,122	0	63,122	0	
4	Borrowed Buck's	SD	1.0	117,845	80,439	27,047	-53,392	27,047	0	27,047	0	27,047	0	27,047	0	
5	Casino Omaha	IA	3.0	312,199	214,069	20,547	-193,522	20,547	0	20,547	0	20,547	0	20,547	0	
6	Catfish Bend	IA	5.3	216,210	152,446	74,025	-78,421	58,019	-16,006	58,019	-16,006	58,019	-16,006	48,941	-25,084	
7	Dejope Bingo	WI	4.0	760,211	530,221	396,901	-133,320	396,901	0	396,901	0	396,901	0	396,901	0	
8	Diamond Jo	IA	7.2	217,798	153,309	41,754	-111,555	41,754	0	39,282	-2,472	39,282	-2,472	37,489	-4,265	
9	Dubuque Greyhound	IA	4.7	209,254	147,180	26,915	-120,265	26,915	0	25,495	-1,420	25,495	-1,420	24,511	-2,404	
10	Fort Randall	SD	3.0	43,262	30,433	21,494	-8,939	21,494	0	21,494	0	21,494	0	21,494	0	
11	Harrah's	IA	11.5	222,708	156,137	44,525	-111,611	44,525	0	44,525	0	44,525	0	44,525	0	
12	Ho Chunk	WI	30.0	675,637	480,602	127,627	-352,976	127,627	0	127,627	0	127,627	0	127,627	0	
13	Isle of Capri (Bettendorf)	IA	9.5	335,709	238,315	62,781	-175,534	62,781	0	62,781	0	62,781	0	56,236	-6,545	
14	Isle of Capri (Marquette)	IA	6.1	284,563	197,361	79,923	-117,438	79,923	0	66,015	-13,908	66,015	-13,908	66,015	-13,908	
15	Jackpot Junction	MN	10.0	203,668	141,037	82,583	-58,455	82,599	17	82,599	17	80,744	-1,838	80,744	-1,838	
16	Jumer's	IL	8.0	361,867	256,896	58,807	-198,089	58,807	0	58,807	0	58,807	0	42,009	-16,798	
17	Lakeside Casino Resort	IA	8.0	565,312	396,759	56,387	-340,372	53,019	-3,368	53,019	-3,368	39,331	-17,056	39,331	-17,056	
18	Little Six	MN	3.0	2,067,798	1,404,433	92,403	-1,312,030	92,408	5	92,142	-261	92,142	-261	92,142	-261	
19	Majestic Pines	WI	6.0	455,701	313,950	234,981	-78,969	234,981	0	234,981	0	234,981	0	234,981	0	
20	Mark Twain	MO	6.0	164,241	118,130	73,519	-44,611	72,614	-904	72,614	-904	72,614	-904	72,614	-904	
21	Meskwaki Bingo	IA	15.0	427,164	299,207	235,148	-64,058	229,673	-5,476	96,208	-138,940	82,123	-153,025	72,726	-162,423	
22	Mississippi Belle	IA	5.0	589,021	417,335	91,279	-326,056	91,279	0	91,279	0	91,279	0	91,018	-261	
23	Mystic Lake	MN	31.6	2,135,496	1,450,440	945,468	-504,972	945,468	0	942,567	-2,901	942,567	-2,901	942,567	-2,901	
24	Ohiya	NE	4.0	76,720	53,099	30,318	-22,781	30,318	0	30,318	0	30,318	0	30,318	0	
25	Prairie Meadows	IA	15.0	338,758	235,835	132,464	-103,370	128,928	-3,537	111,019	-21,445	61,885	-70,579	61,870	-70,594	
26	Prairie's Edge	MN	5.0	132,887	92,755	39,769	-52,986	39,769	0	39,769	0	39,769	0	39,769	0	
27	Rainbow	WI	6.0	366,134	257,070	165,825	-91,245	165,825	0	165,825	0	165,825	0	165,825	0	
28	Rhythm City	IA	8.7	364,528	258,808	65,158	-193,650	65,158	0	65,158	0	65,158	0	45,736	-19,422	
29	Royal River	SD	3.0	273,666	188,566	46,445	-142,120	46,445	0	46,445	0	46,445	0	46,445	0	
31	Treasure Island	MN	15.0	2,825,937	1,973,357	472,380	-1,500,977	472,380	0	469,360	-3,021	469,360	-3,021	469,360	-3,021	
32	Winna Vegas	IA	6.0	177,475	122,650	32,867	-89,783	32,867	0	32,867	0	32,867	0	32,867	0	
Proposed New Casinos																
33	Emmetsburg	IA	4.0	180,046	128,429							78,569	78,569	78,595	78,595	
34	Ft Dodge	IA	6.0	217,497	151,914					81,125	81,125	48,652	48,652	45,554	45,554	
35	Franklin Co.	IA	6.0	254,967	180,881							39,174	39,174	38,924	38,924	
36	Ottumwa	IA	5.0	176,703	124,968			57,500	57,500	57,495	57,495	55,672	55,672	38,779	38,779	
37	Waterloo	IA	10.0	393,493	276,992					173,358	173,358	162,328	162,328	124,638	124,638	
38	West Des Moines	IA	15.0	316,285	220,798							64,204	64,204	64,204	64,204	
39	Worth Co.	IA	6.0	240,370	168,836					123,936	123,936	91,612	91,612	92,029	92,029	
40	Riverside	IA	6.0	429,711	301,406									87,098	87,098	
Seven State Total							3,991,584		4,019,816	28,231	4,222,869	231,284	4,248,365	256,781	4,213,325	221,740
Iowa Total							1,176,018		1,205,133	29,114	1,414,373	238,355	1,441,725	265,707	1,423,482	247,464

30 Only the overlapping portion of the trade area for the St. Jo Frontier in St. Joseph, MO was analyzed. Thus, St. Jo was omitted from the detailed impact analysis.

Source: Data from UNR BBER GIS Dept. Analysis by Wells Gaming Research

Market Analysis & Revenue Projections
For the River Hills Riverboat Commission

Ottumwa Tertiary Trade Area 50-to-75 Mile Radius

The tertiary trade area represents the band within a 50-to-75 mile radius surrounding the Ottumwa casino development site. **Figure 1-9, page 1-28**, profiles the tertiary trade area population statistics for 2005 for the 31 existing casinos, as well as for the eight proposed casinos. Typically, tertiary trade areas do not play a major role in the success of a casino, because they tend to have significantly lower rates of casino gaming participation, and fewer casino visits per adult per year than do either the primary or the secondary trade areas.

Scenario I - Ottumwa as Only New Casino (refer to columns I & J)

Shown in **Figure 1-9, page 1-28**, column F, casino number 36 (Ottumwa) has an estimated 429,653 adults within its tertiary trade area. WGR estimates that Ottumwa can claim only 12,769 of these adults as part of its tertiary trade area population base. The majority of these residents live within the tertiary trade areas of the eleven existing casinos whose tertiary trade areas overlap with the proposed Ottumwa casino. Included are Catfish Bend, Diamond Jo, Dubuque Greyhound, Isle of Capri-Bettendorf, Jumer's, Lakeside, the Mark Twain, Meskwaki, Mississippi Belle, Prairie Meadows, and Rhythm City.

Scenario II - Ottumwa, Ft. Dodge, Waterloo, & Worth Co. (refer to columns K & L)

Scenario II has little effect on Ottumwa's tertiary trade area. However, it would have significant impacts on the tertiary trade areas of ten existing casinos that are shown in columns K & L: Casino Omaha, Diamond Jo, Isle Bettendorf, Isle Marquette, Jumer's, Meskwaki, Mystic Lake, Prairie Meadows, Rhythm City, and the Treasure Island.

Scenario III - Ottumwa Plus Six More New Casinos (refer to columns M & N)

Scenario III also has little impact on Ottumwa. Additional impacts beyond those shown in **Scenario II** would likely occur at Jackpot Junction and Argosy's Belle.

Scenario IV - Eight New Casinos (refer to columns O & P)

Scenario IV includes adding a new casino at Riverside, which would impact Ottumwa's tertiary market and reduce it by approximately 4,000 adults. In addition, the Riverside casino would have negative impacts on the tertiary trade areas at Diamond Jo, Dubuque Greyhound, Isle Bettendorf, Jumer's, Meskwaki, Rhythm City, and Waterloo.

Impact to the State of Iowa

The net effect of **Scenario IV** on the state of Iowa would induce shift of 319,797 adults away from the current tertiary trade areas to the primary and secondary trade areas of the new casinos. This represents a 36% reduction of the 895,139 adults who currently reside within the tertiary trade areas of existing casinos. The 319,797 adults would be absorbed into the primary or secondary trade areas of the eight new casinos.

The net dollar effect of reducing the adult population within the tertiary trade areas would be minor, estimated at no more than a \$5-to-\$10 million reduction in gaming revenues for Iowa casinos.

Market Analysis & Revenue Projections for Ottumwa, Iowa
Prepared for River Hills Riverboat Commission

Figure 1-9
Impact Analysis 2005
50 - 75 Mile Radius - Tertiary Market

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P		
Code	Casino Name	ST	Weights	Total	Total	Net of Comp	Impact	Scenario I 1 New Casinos		Scenario II 4 New Casinos		Scenario III 7 New Casinos		Scenario IV 8 new Casinos			
				2005 Population	2005 Ages 21 & Over	2005 Ages 21 & Over After Weighting	Impact of Existing Casinos on Each Other	Adult Pop	Impact	Adult Pop	Impact	Adult Pop	Impact	Adult Pop	Impact		
1	Ameristar	IA	14.0	306,797	212,002	60,057	-151,945	60,057	0	59,800	-257	59,285	-772	59,280	-777		
2	Argosy's Belle	IA	4.0	389,061	269,328	21,512	-247,815	21,512	0	17,325	-4,188	9,884	-11,628	10,251	-11,261		
3	Bluffs Run	IA	12.0	348,922	241,772	50,242	-191,530	50,242	0	49,993	-249	49,521	-721	49,513	-728		
4	Borrowed Buck's	SD	1.0	287,533	196,907	5,557	-191,349	5,557	0	5,528	-29	2,536	-3,021	3,187	-2,370		
5	Casino Omaha	IA	3.0	926,880	634,046	19,033	-615,012	19,033	0	10,609	-8,424	8,466	-10,567	8,295	-10,738		
6	Catfish Bend	IA	5.3	645,435	456,685	38,802	-417,883	26,713	-12,089	26,278	-12,524	26,278	-12,524	23,399	-15,403		
7	Dejope Bingo	WI	4.0	2,491,385	1,733,463	1,380,766	-352,697	1,380,759	-7	1,380,759	-7	1,380,759	-7	1,380,759	-7		
8	Diamond Jo	IA	7.2	1,194,094	841,289	21,455	-819,834	20,996	-459	7,226	-14,229	7,226	-14,229	2,012	-19,443		
9	Dubuque Greyhound	IA	4.7	1,202,420	842,849	13,021	-829,828	12,809	-212	3,950	-9,071	3,488	-9,533	1,329	-11,692		
10	Fort Randall	SD	3.0	88,989	62,020	17,876	-44,144	17,876	0	17,876	0	17,876	0	17,876	0		
11	Harrah's	IA	11.5	407,112	284,032	49,922	-234,110	49,922	0	48,943	-979	48,277	-1,645	48,259	-1,663		
12	Ho Chunk	WI	30.0	862,052	604,536	122,142	-482,394	122,142	0	122,142	0	122,142	0	122,142	0		
13	Isle of Capri (Bettendorf)	IA	9.5	961,624	678,932	124,623	-554,309	122,148	-2,474	105,953	-18,670	105,953	-18,670	97,276	-27,346		
14	Isle of Capri (Marquette)	IA	6.1	641,745	445,574	30,095	-415,479	30,095	0	6,351	-23,744	6,253	-23,841	6,125	-23,970		
15	Jackpot Junction	MN	10.0	479,893	326,199	42,622	-283,577	42,486	-136	34,404	-8,218	12,392	-30,230	17,454	-25,168		
16	Jumer's	IL	8.0	871,228	617,994	63,349	-554,645	60,996	-2,353	47,284	-16,065	47,284	-16,065	39,978	-23,371		
17	Lakeside Casino Resort	IA	8.0	366,742	257,434	31,895	-225,538	16,725	-15,170	15,233	-16,662	14,499	-17,397	14,499	-17,397		
18	Little Six	MN	3.0	646,675	442,726	19,082	-423,644	19,039	-43	17,024	-2,058	16,981	-2,101	17,011	-2,070		
19	Majestic Pines	WI	6.0	470,437	327,659	35,226	-292,433	35,226	0	34,895	-331	34,895	-331	34,895	-331		
20	Mark Twain	MO	6.0	340,624	239,959	133,123	-106,836	124,650	-8,473	124,650	-8,473	124,650	-8,473	124,650	-8,473		
21	Meskwaki Bingo	IA	15.0	1,011,898	707,350	98,920	-608,431	80,451	-18,468	13,795	-85,125	13,715	-85,205	0	-98,920		
22	Mississippi Belle	IA	5.0	1,027,118	713,452	176,007	-537,445	175,701	-306	172,905	-3,101	171,107	-4,899	169,300	-6,707		
23	Mystic Lake	MN	31.6	653,350	447,354	186,829	-260,525	186,829	-1	161,474	-25,355	160,979	-25,851	161,314	-25,515		
24	Ohiya	NE	4.0	159,189	108,001	9,513	-98,487	9,513	0	9,513	0	9,513	0	9,513	0		
25	Prairie Meadows	IA	15.0	259,341	184,509	62,327	-122,182	46,518	-15,809	2,930	-59,397	1,619	-60,708	1,619	-60,708		
26	Prairie's Edge	MN	5.0	265,514	182,460	39,581	-142,879	39,509	-72	39,508	-73	38,855	-726	39,182	-399		
27	Rainbow	WI	6.0	657,963	459,428	146,913	-312,515	146,913	0	146,913	0	146,913	0	146,913	0		
28	Rhythm City	IA	8.7	859,190	609,557	65,102	-544,455	62,568	-2,533	47,642	-17,460	47,642	-17,460	39,696	-25,406		
29	Royal River	SD	3.0	178,190	122,518	31,496	-91,022	31,496	0	31,496	0	27,187	-4,308	29,054	-2,442		
31	Treasure Island	MN	15.0	1,002,858	674,800	128,049	-546,751	128,049	0	93,889	-34,160	93,888	-34,160	93,889	-34,160		
32	Winna Vegas	IA	6.0	899,621	617,946	32,127	-585,819	32,127	0	22,981	-9,146	16,966	-15,161	16,819	-15,308		
Proposed New Casinos																	
33	Emmetsburg	IA	4.0	266,369	188,302							5,818	5,818	5,787	5,787		
34	Ft Dodge	IA	6.0	677,100	476,867					26,197	26,197	2,046	2,046	1,503	1,503		
35	Franklin Co.	IA	6.0	510,416	356,113							355	355	355	355		
36	Ottumwa	IA	5.0	615,911	429,653			12,769	12,769	12,021	12,021	12,021	12,021	8,016	8,016		
37	Waterloo	IA	10.0	468,880	325,514					11,555	11,555	9,892	9,892	2,513	2,513		
38	West Des Moines	IA	15.0	273,007	194,289							2,320	2,320	2,320	2,320		
39	Worth Co.	IA	6.0	497,987	343,670					16,246	16,246	6,782	6,782	7,174	7,174		
40	Riverside	IA	6.0	691,145	488,296									0	0		
Seven State Total							3,257,263			3,191,426	-65,837	2,945,288	-311,975	2,866,263	-391,000	2,813,159	-444,104
Iowa Total								895,139		840,387	-54,752	677,933	-217,206	629,412	-265,727	575,342	-319,797
30	Only the overlapping portion of the trade area for the St. Jo Frontier in St. Joseph, MO was analyzed. Thus, St. Jo was omitted from the detailed impact analysis.																
Source: Data from UNR BBER GIS Dept. Analysis by Wells Gaming Research																	

Market Analysis & Revenue Projections
For the River Hills Riverboat Commission

Ottumwa Total Trade Area - 0-to -75 Mile Radius

The total trade area, shown in **Figure 1-10, page 1-31**, represents the net adult population for the 31 existing casinos, and eight proposed casinos within a 0-to-75 mile radius that has been adjusted for competition. All data is for the year 2005.

Scenario I - Ottumwa as Only New Casino (refer to columns I & J)

Figure 1-10 shows that the proposed Ottumwa casino would have a net adult trade area population of 107,889 if it were the only new casino built. Since Ottumwa's total trade area overlaps with the following casinos, they would sustain the most significant competitive impacts from **Scenario I**: Catfish Bend (-28,095), Lakeside (-18,538), Meskwaki (-23,944), and Prairie Meadows (-19,346). In addition, a total of 9,377 adults would be pulled from the Mark Twain's trade area, which would provide Iowa with some out-of-state revenue. As previously mentioned, most of the impacts from the Ottumwa casino would occur within the tertiary trade areas, that would have very little casino revenue impact.

Scenario II - Ottumwa, Ft. Dodge, Waterloo, & Worth County (columns K & L)

The additional casinos included in **Scenario II** do not impact Ottumwa. While **Figure 1-10** shows that a number of existing casinos are affected by competitive overlap impacts. The most significant by far would be to the Meskwaki, which would be severely impacted by the proposed Waterloo casino. Other significant impacts would be expected at the Diamond Jo, Dubuque Greyhound, Isle Bettendorf, Isle Marquette, Jumer's, Lakeside, Mystic Lake, Prairie Meadows, Rhythm City, Treasure Island, and Winna Vegas casinos.

Scenario III - Ottumwa Plus Six More New Casinos (refer to columns M & N)

Scenario III of **Figure 1-10** shows that Ottumwa is only marginally affected by the addition of the proposed casinos. The addition of a casino located in west Des Moines would reduce the total trade area population for Prairie Meadows by over 200,000. Argosy's Belle and Jackpot Junction would also be affected by **Scenario III**. The remainder of the existing casinos would experience little or no change to their respective total adult trade area populations.

Scenario - IV Eight New Casinos (see columns O & P)

In **Scenario IV**, Ottumwa would lose 20,898 adults (19.8%), but would still maintain a total adult population large enough to support a casino of the Ottumwa's proposed size. This adult trade area population loss would be mainly due to the development of the Riverside casino. Even under **Scenario IV** wherein eight new casinos are built in Iowa, the Ottumwa casino would continue to have a total net adult population trade area of 84,413. A population base of 84,413 is adequate to sustain a successful casino operation.

Market Analysis & Revenue Projections
For the River Hills Riverboat Commission

The addition of a new casino at Riverside would also have negative impacts on the trade areas of Catfish Bend, Diamond Jo, Dubuque Greyhound, Isle of Capri-Bettendorf, Jumer's, Meskwaki, Rhythm City, and the Waterloo casino. Under **Scenario IV**, an additional 292,042 adults would be within the 0-to-75 mile trade area radius of one or more Iowa casinos. The dynamics of increasing the adult populations within the trade areas would create a shift in adult population within the trade areas.

Combined, the adult trade area populations would be affected as follows:

- Primary trade area populations would increase by approximately 364,375
- Secondary trade areas would increase by 247,464
- Tertiary trade areas would decrease by 319,797 adults

Impact on the State of Iowa

The net effect of additional market coverage in primary and secondary trade areas of an Iowa casino, partly offset by reductions in tertiary trade areas, could generate an estimated net additional gaming revenues for Iowa casinos in the range of \$300 to \$375 million per year.

Market Analysis & Revenue Projections for Ottumwa, Iowa
Prepared for River Hills Riverboat Commission

Figure 1- 10
Impact Analysis 2005
0 - 75 Mile Radius - Total Market

A	B	C	D	E	F	G	H	I		J		K		L		M		N		O		P	
								Code	Casino Name	ST	Weights	2005 Population	2005 Ages 21 & Over	2005 Net of Comp	Impact of Existing Casinos on Each Other	Scenario I New Casinos		Scenario II 4 New Casinos		Scenario III 7 New Casinos		Scenario IV 8 new Casinos	
																Adult Pop	Impact	Adult Pop	Impact	Adult Pop	Impact	Adult Pop	Impact
1	Ameristar	IA	14.0	1,338,912	925,385	348,601	-576,784	348,601	0	348,345	-257	347,830	-772	347,824	-777								
2	Argosy's Belle	IA	4.0	661,435	453,612	128,247	-325,365	128,247	0	124,059	-4,188	116,581	-11,666	116,591	-11,656								
3	Bluffs Run	IA	12.0	1,338,423	925,188	270,005	-655,183	270,005	0	269,756	-249	269,284	-721	269,277	-728								
4	Borrowed Buck's	SD	1.0	593,035	406,443	161,066	-245,377	161,066	0	161,037	-29	158,045	-3,021	158,696	-2,370								
5	Casino Omaha	IA	3.0	1,257,769	860,987	47,391	-813,597	47,391	0	38,966	-8,424	36,823	-10,567	36,653	-10,738								
6	Catfish Bend	IA	5.3	948,524	671,649	175,345	-496,304	147,250	-28,095	146,815	-28,530	146,815	-28,530	134,857	-40,487								
7	Dejope Bingo	WI	4.0	3,730,108	2,603,869	2,117,573	-486,296	2,117,567	-7	2,117,567	-7	2,117,567	-7	2,117,567	-7								
8	Diamond Jo	IA	7.2	1,532,003	1,077,786	113,876	-963,910	113,417	-459	97,175	-16,701	97,175	-16,701	90,168	-23,709								
9	Dubuque Greyhound	IA	4.7	1,533,114	1,074,192	74,280	-999,912	74,068	-212	63,789	-10,492	63,327	-10,953	60,184	-14,096								
10	Fort Randall	SD	3.0	141,427	98,455	45,360	-53,095	45,360	0	45,360	0	45,360	0	45,360	0								
11	Harrah's	IA	11.5	1,338,825	925,627	248,679	-676,947	248,679	0	247,701	-979	247,034	-1,645	247,016	-1,663								
12	Ho Chunk	WI	30.0	1,629,730	1,150,750	315,343	-835,407	315,343	0	315,343	0	315,343	0	315,343	0								
13	Isle of Capri (Bettendorf)	IA	9.5	1,631,776	1,152,765	276,402	-876,364	273,927	-2,474	257,732	-18,670	257,732	-18,670	242,510	-33,892								
14	Isle of Capri (Marquette)	IA	6.1	957,236	664,828	131,911	-532,917	131,911	0	94,259	-37,652	94,161	-37,749	94,033	-37,878								
15	Jackpot Junction	MN	10.0	709,126	485,089	142,507	-342,581	142,507	0	134,306	-8,201	110,439	-32,068	115,501	-27,006								
16	Jumer's	IL	8.0	1,560,914	1,105,631	192,897	-912,735	190,543	-2,353	176,831	-16,065	176,831	-16,065	152,728	-40,169								
17	Lakeside Casino Resort	IA	8.0	952,901	668,837	102,927	-565,911	84,389	-18,538	82,897	-20,030	68,386	-34,541	68,386	-34,541								
18	Little Six	MN	3.0	3,962,142	2,732,676	233,340	-2,499,336	233,302	-38	231,021	-2,319	230,979	-2,362	231,009	-2,331								
19	Majestic Pines	WI	6.0	951,681	659,866	288,464	-371,402	288,464	0	288,133	-331	288,133	-331	288,133	-331								
20	Mark Twain	MO	6.0	580,231	411,221	259,775	-151,447	250,397	-9,377	250,397	-9,377	250,397	-9,377	250,397	-9,377								
21	Meskwaki Bingo	IA	15.0	1,503,263	1,051,698	379,208	-672,489	355,264	-23,944	154,778	-224,430	140,494	-238,714	117,383	-261,826								
22	Mississippi Belle	IA	5.0	1,701,177	1,191,212	320,531	-870,681	320,225	-306	317,429	-3,101	315,631	-4,899	313,563	-6,968								
23	Mystic Lake	MN	31.6	3,964,097	2,734,359	1,897,268	-837,091	1,897,267	-1	1,869,012	-28,256	1,868,517	-28,752	1,868,852	-28,417								
24	Ohya	NE	4.0	247,026	169,162	47,858	-121,305	47,858	0	47,858	0	47,858	0	47,858	0								
25	Prairie Meadows	IA	15.0	1,048,642	736,050	510,498	-225,552	491,152	-19,346	429,657	-80,842	225,542	-284,956	225,527	-284,971								
26	Prairie's Edge	MN	5.0	422,807	292,368	95,404	-196,964	95,332	-72	95,331	-73	94,678	-726	95,005	-399								
27	Rainbow	WI	6.0	1,086,956	761,222	357,462	-403,760	357,462	0	357,462	0	357,462	0	357,462	0								
28	Rhythm City	IA	8.7	1,551,734	1,099,244	207,206	-892,038	204,673	-2,533	189,746	-17,460	189,746	-17,460	162,379	-44,828								
29	Royal River	SD	3.0	482,240	332,019	98,665	-233,354	98,665	0	98,665	0	94,357	-4,308	96,223	-2,442								
31	Treasure Island	MN	15.0	3,954,243	2,732,534	684,805	-2,047,728	684,805	0	647,625	-37,181	647,624	-37,181	647,625	-37,181								
32	Winna Vegas	IA	6.0	1,159,948	795,423	98,704	-696,719	98,704	0	89,558	-9,146	83,543	-15,161	83,396	-15,308								
Proposed New Casinos																							
33	Emmetsburg	IA	4.0	463,038	328,420							96,077	96,077	96,072	96,072								
34	Ft Dodge	IA	6.0	983,120	691,127					151,127	151,127	94,503	94,503	90,862	90,862								
35	Franklin Co.	IA	6.0	794,453	557,624							59,930	59,930	59,679	59,679								
36	Ottumwa	IA	5.0	864,348	605,322			107,889	107,889	107,135	107,135	105,311	105,311	84,413	84,413								
37	Waterloo	IA	10.0	1,019,150	711,400					289,135	289,135	276,558	276,558	231,490	231,490								
38	West Des Moines	IA	15.0	1,047,683	735,680							239,190	239,190	239,191	239,191								
39	Worth Co.	IA	6.0	797,605	554,540					171,511	171,511	129,724	129,724	130,534	130,534								
40	Riverside	IA	6.0	1,250,429	879,702									183,864	183,864								
Seven State Total								10,371,598		10,371,731	133	10,507,518	135,920	10,504,987	133,389	10,513,609	142,011						
Iowa Total								3,433,811		3,445,793	11,981	3,671,571	237,760	3,701,399	267,588	3,725,853	292,042						
30	Only the overlapping portion of the trade area for the St. Jo Frontier in St. Joseph, MO was analyzed. Thus, St. Jo was omitted from the detailed impact analysis.																						
Source: Data from UNR BBER GIS Dept. Analysis by Wells Gaming Research																							

*Market Analysis & Revenue Projections
For the River Hills Riverboat Commission*

Limitations of Analyses

The scope-of-the-project did not include conducting marketing research in the primary and secondary markets areas to determine gambling tastes and preferences, or the potential utilization of a casino located in Ottumwa, Iowa.

The results of the analyses contained in this report were based upon analysis of other casinos in the following states:

- Iowa
- Southern Minnesota
- Illinois
- Missouri
- Nebraska
- South Dakota

Data and performance of the casinos thus analyzed may not translate to similar performance for a casino located at Ottumwa, Iowa.

While WGR's study was prepared with great care and diligence, the scope and the time period of the study are limited. Projects of this nature are subject to many risks and variables, some known and some unknown. The actual performance of the Ottumwa casino may vary significantly from any estimates contained in this report.

ACCEPTANCE AND/OR USE OF THE RESULTS AND ANALYSES CONTAINED IN THIS REPORT BY THE CLIENT OR BY ANY THIRD PARTY CONSTITUTES ACCEPTANCE OF THE ABOVE CONDITIONS. WGR'S LIABILITY EXTENDS ONLY TO THE STATED CLIENT AND NOT TO SUBSEQUENT PARTIES OR USERS. THESE STUDY RESULTS AND ANALYSES ARE NOT REPRESENTATIONS OR GUARANTEES OF ANY SPECIFIC LEVEL OF PERFORMANCE FOR THE RIVER HILLS RIVERBOAT COMMISSION OR THE WILD ROSE ENTERTAINMENT LLC, OR FOR ANY OTHER USER OF THIS REPORT.