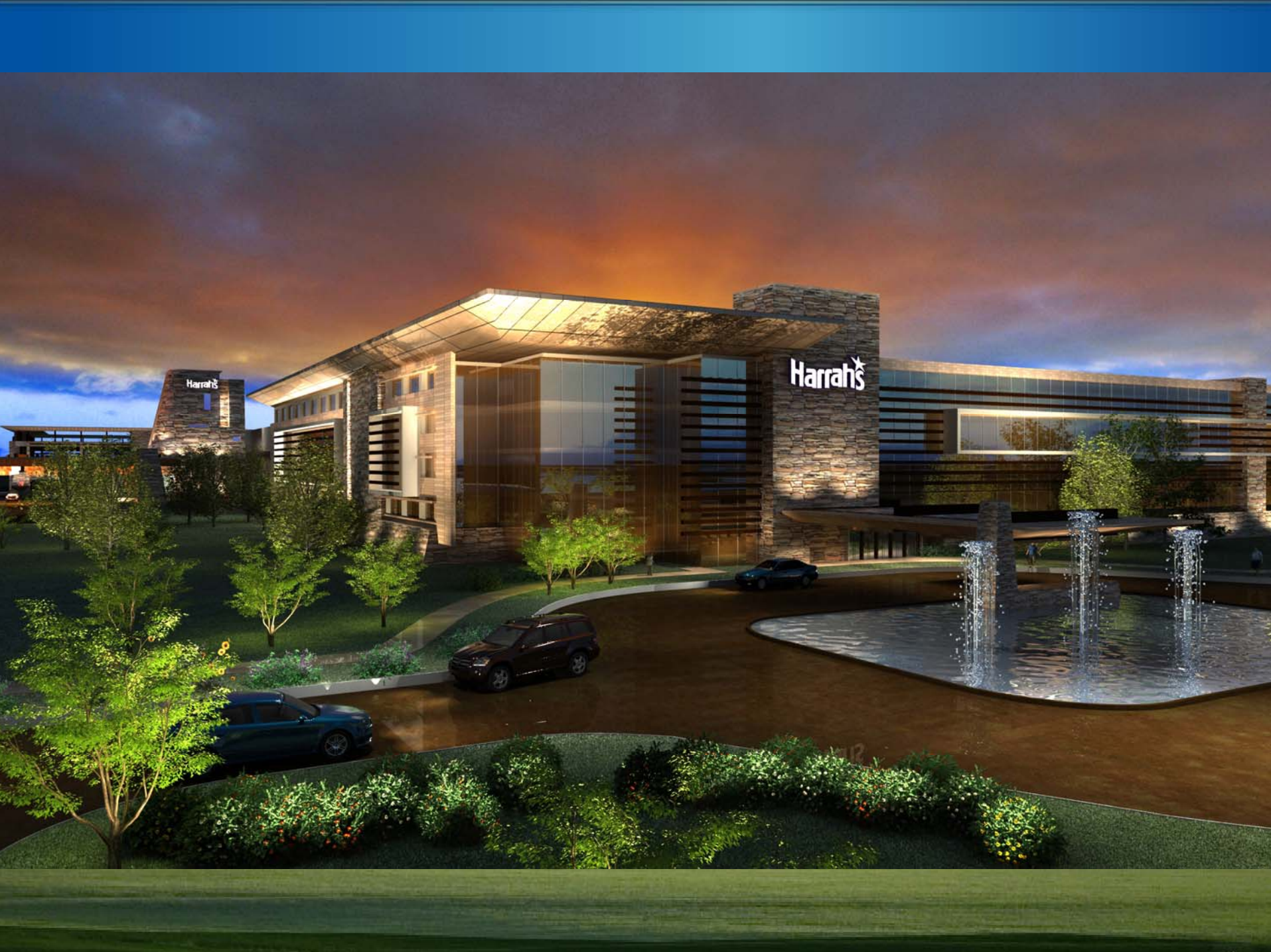


Sumner Resorts
Harrah's Kansas:
The Best Plan By Every Measure
**Delivering GREATER Benefits to
Sumner County and Kansas**

SUMNER RESORTS

Harrah's[®]
KANSAS



Harrah's

Harrah's



Nancy Seitz

Sumner Gaming & Resorts

Sumner Resorts Harrah's Kansas: Delivering the Most Benefits to Kansas

- **MORE** revenue to Sumner County and the State of Kansas
- **MORE** tourists to Kansas
- **MORE** amenities
- **GREATER** capital investment
- **GREATER** economic growth in Kansas
- **GREATER** reinvestment in the community
- **GREATER** community support for the project
- **BEST** location

Sumner Resorts Harrah's Kansas:
The best plan by every measure.



Bruce Christenson

Sumner Gaming & Resorts

Sumner Resorts Harrah's Kansas

- Sumner Gaming Joint Venture, L.C., combining a trusted Kansas developer with the best casino resort manager
 - Sumner Resorts – local Kansas developer
 - Bruce Christenson
 - Bruce McPherson
 - Mike McPherson
 - Nancy Seitz
 - James Walker
 - Jeff Ungerer
 - Harrah's Entertainment – the world's largest, most socially responsible and generous company in the industry
 - Local community

Anticipated Project Funding

	<u>Harrah's Kansas</u>	<u>Additional Development</u>	<u>Total</u>
Project Debt	\$330	\$56	\$386
Sumner Gaming Equity	\$79	\$19	\$98
Harrah's Equity	\$76	0	\$76
Total	\$485	\$75	\$560

In millions of dollars.

A Proven Kansas Developer

- Developing in Kansas and the Midwest since 1987
- 3,000,000 square feet of retail completed/under development including the Derby Marketplace
- Over 4,000 multi-family units, numerous single family developments
- Sumner Resorts Harrah's Kansas is the only Sumner County proposal put forth by a Kansas developer

Why we selected Harrah's Entertainment

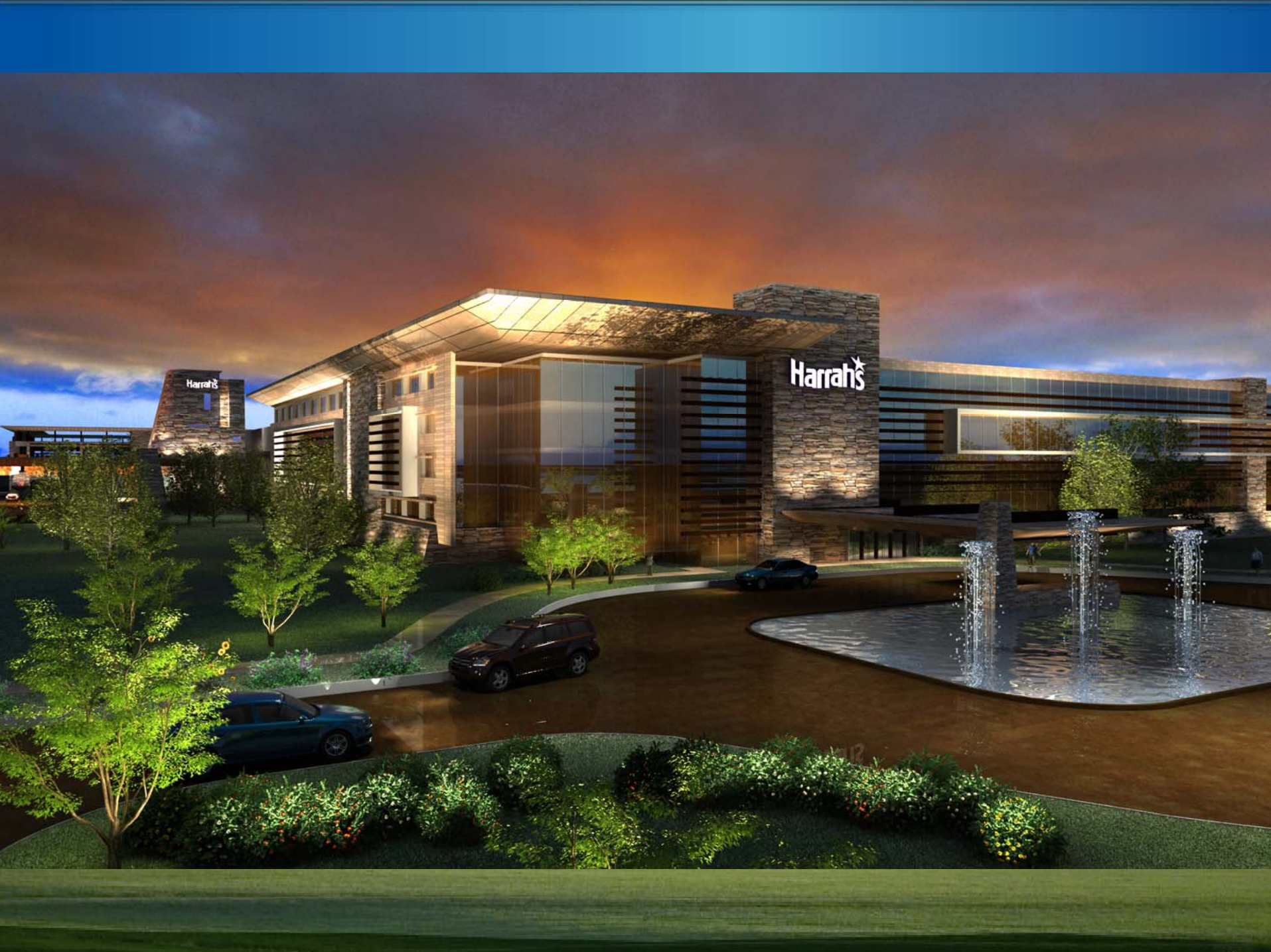


- #1 Destination Entertainment Provider in the World
 - Successful track record in building tourism related to casino resorts
 - Fortune 500 ranks Harrah's Entertainment #1 in casino industry
 - Serve more guests annually than any other entertainment company
 - Harrah's has established relationships with the biggest names in the entertainment business
 - Business Week ranks Harrah's as the most generous company in the US (by % of pretax profit)
 - The leader in responsible gaming programs

Charles Atwood

**Vice Chairman of the Board
Harrah's Entertainment**





Harrah's

Harrah's

Driving Tourism through compelling offerings

- **18 hole championship golf course**
- **13,000 square foot resort pool and a second private VIP pool**
- **365 hotel rooms, including 30 suites and 5 private pool villas**
- **5 restaurants and 3 themed lounges**
- **Outdoor amphitheatre for music concerts**
- **30,000 square feet of convention space**
- **World-class casino with 2,000 slot machines, 50 table games and a World Series of Poker poker room**





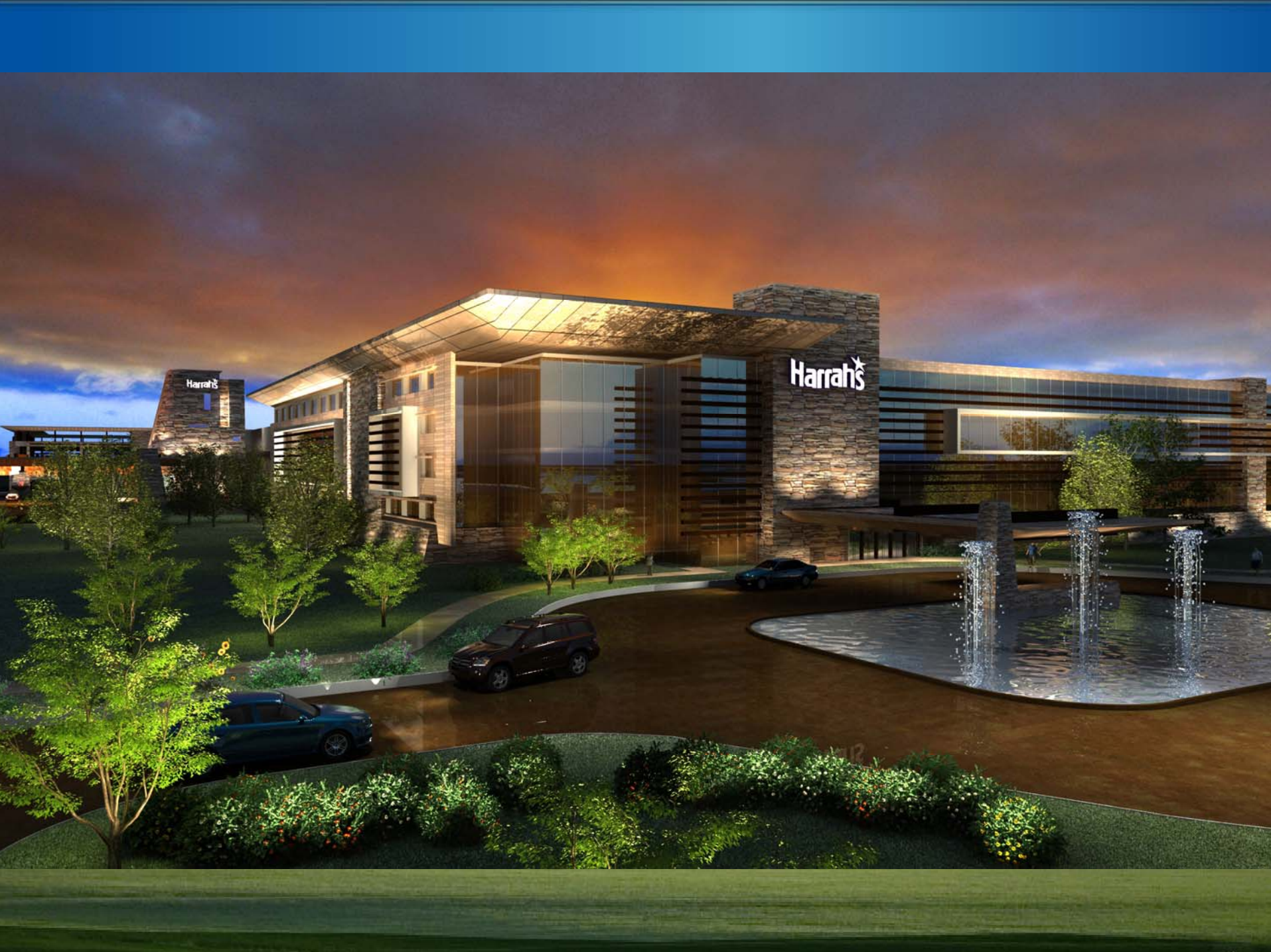
Greg Schwerdt

Schwerdt Design Group



Paul Steelman

Steelman Designs



Harrah's

Harrah's

Charles Atwood

**Vice Chairman of the Board
Harrah's Entertainment**



Harrah's Kansas: The Links at Harrah's Kansas

- 18 hole championship course
- Adjoining residential development planned
- School of Golf



Harrah's Kansas: The Pool and Spa

- Large pool, a third of an acre
- Private pool for luxury pool villas
- Pool deck café
- Luxurious spa



Harrah's Kansas: Guest Accommodations

- 365 hotel rooms
 - 5 luxury 2 - 3 bedroom pool villas
 - 30 well-appointed suites
 - 140 premium rooms
 - 190 limited service rooms



Harrah's Kansas: Restaurants and Lounges

- Five restaurants with a variety of price points to please every taste and budget
- 3 themed lounges
- Unique signature celebrity outlets



Harrah's Kansas: Entertainment

- Exciting outside amphitheatre
 - Will accommodate 5,000 people
- Indoor entertainment space that can seat 1,500
 - 30,000 square feet of convention space will also be used as entertainment space
- Thrilling Cabaret for dancing and cocktails
- Only Harrah's can leverage existing relationships with the world's most powerful brands to assist in the programming



Harrah's Kansas: Conferences and Conventions

- Over 30,000 square feet of convention space
- 120,000 existing relationships with the nation's top organizations that will be leveraged to immediately bring in convention business to Harrah's Kansas



Harrah's Kansas- The Casino

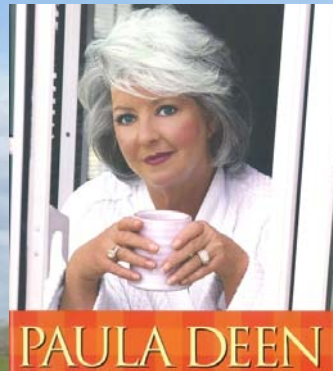
- A Las Vegas resort quality casino
- 2,000 slots
- 50 table games for blackjack, roulette and poker
- World Series of Poker Room that will host WSOP sanctioned events



Harrah's Kansas: Leveraging Powerful Industry Relationships

Established relationships with global brands

- Harrah's in Tunica just opened a Paula Deen restaurant
- In North Kansas City and in Las Vegas we offer Toby Keith's *I Love this Bar & Grill*
- Bossier City's Horseshoe recently opened the first Country Music Television (CMT) *Crossroads*
- Butch Harmon's headquarters for his world famous golf school is at our Rio Secco course in Las Vegas
- All have expressed interest in helping us deliver amenities that will add to the nation-wide appeal of the resort



CMT



When Sumner Resorts Harrah's Kansas Will Deliver

Current anticipated schedule:

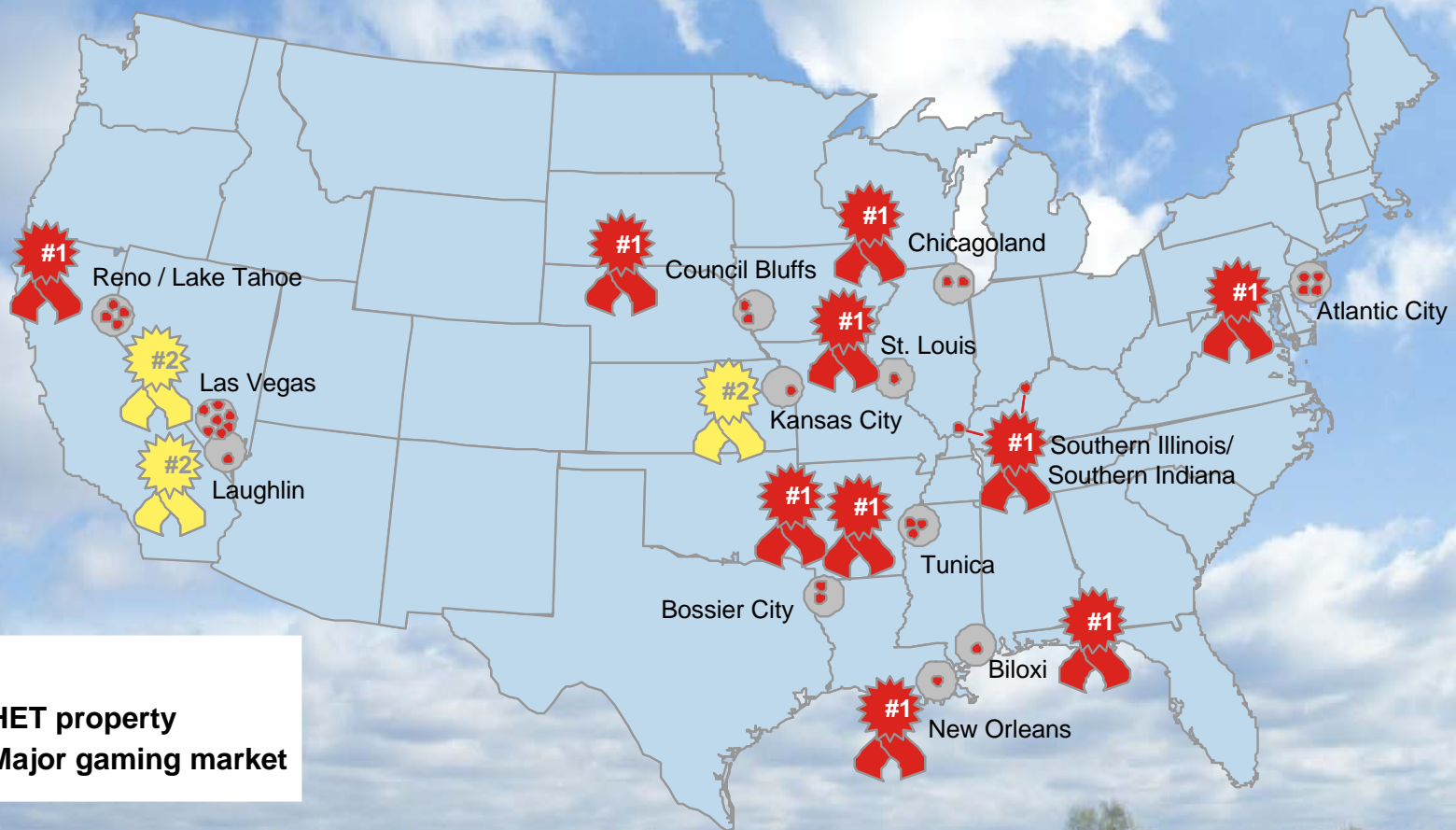
- Contract awarded, August 2008
- Development begins, November 2008
- Construction completed, mid-year 2010
- Sumner Resorts Harrah's Kansas opens and begins generating revenue for Kansas and Sumner County, August 2010

John Payne

President of the Central Division
Harrah's Entertainment



Harrah's Properties are #1 or #2 in Each Major Market



Harrah's Kansas: Delivering MORE to Kansas through operational excellence

Harrah's is the world's biggest casino entertainment manager

- Harrah's owns some of the industry's most powerful brands
- The industry's largest customer loyalty program, Total Rewards
 - Harrah's Kansas will leverage this global database of 40 million to draw customers from around the country



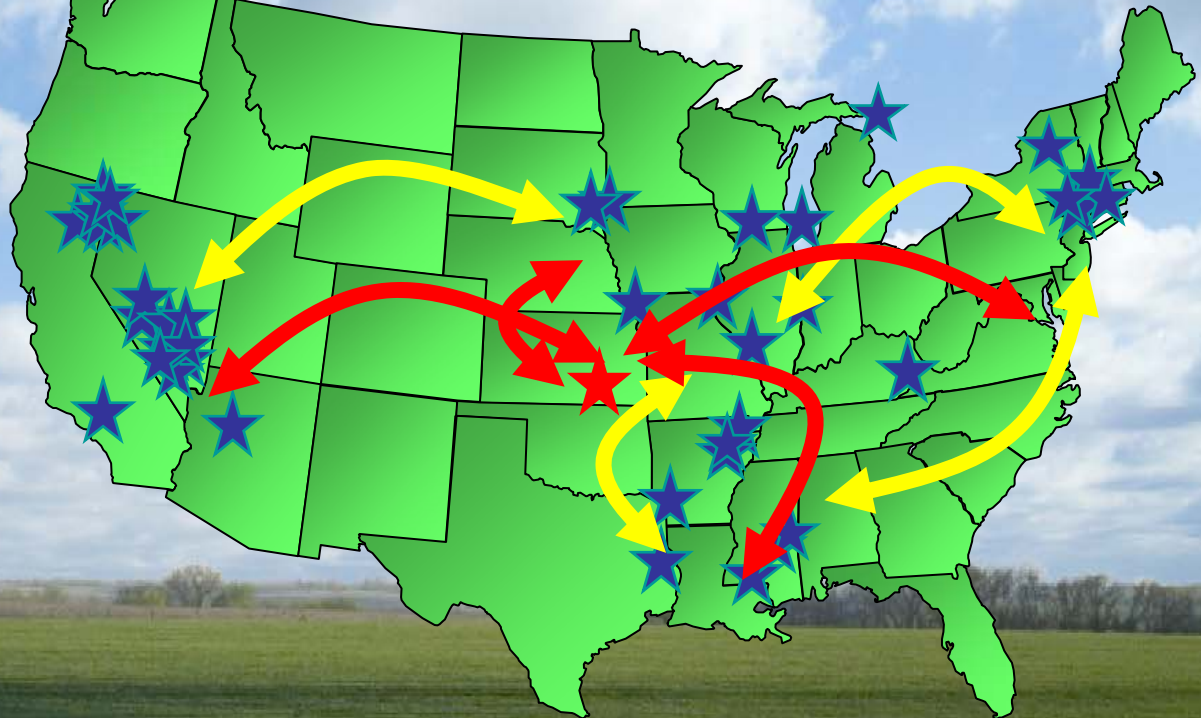
Driving Tourism Through Operational Experience and Capabilities

- Sumner Resorts Harrah's Kansas will deliver more than **3 million visitors** annually leveraging sophisticated tools that no other manager can deliver
 - Total Rewards, **40-million member** customer loyalty database
 - Expect to leverage Harrah's **national air charter** program to bring guests to Harrah's Kansas
 - Current list of **120,000 organizations** to program the 30,000 square feet of convention space



Total Rewards

- The industry's largest customer loyalty program, over 40 million members
- Enables Harrah's to drive tourism throughout our deep network of properties



Total Rewards Ensures Nation Wide Appeal of Resorts

Example of the Power of Total Rewards.
40% of Harrah's Council Bluffs guests are from
>100 miles away.



Total Rewards Ensures Nation Wide Appeal of Resorts

Example of the Power of Total Rewards.
37% Horseshoe Indiana guests are from
>100 miles away.



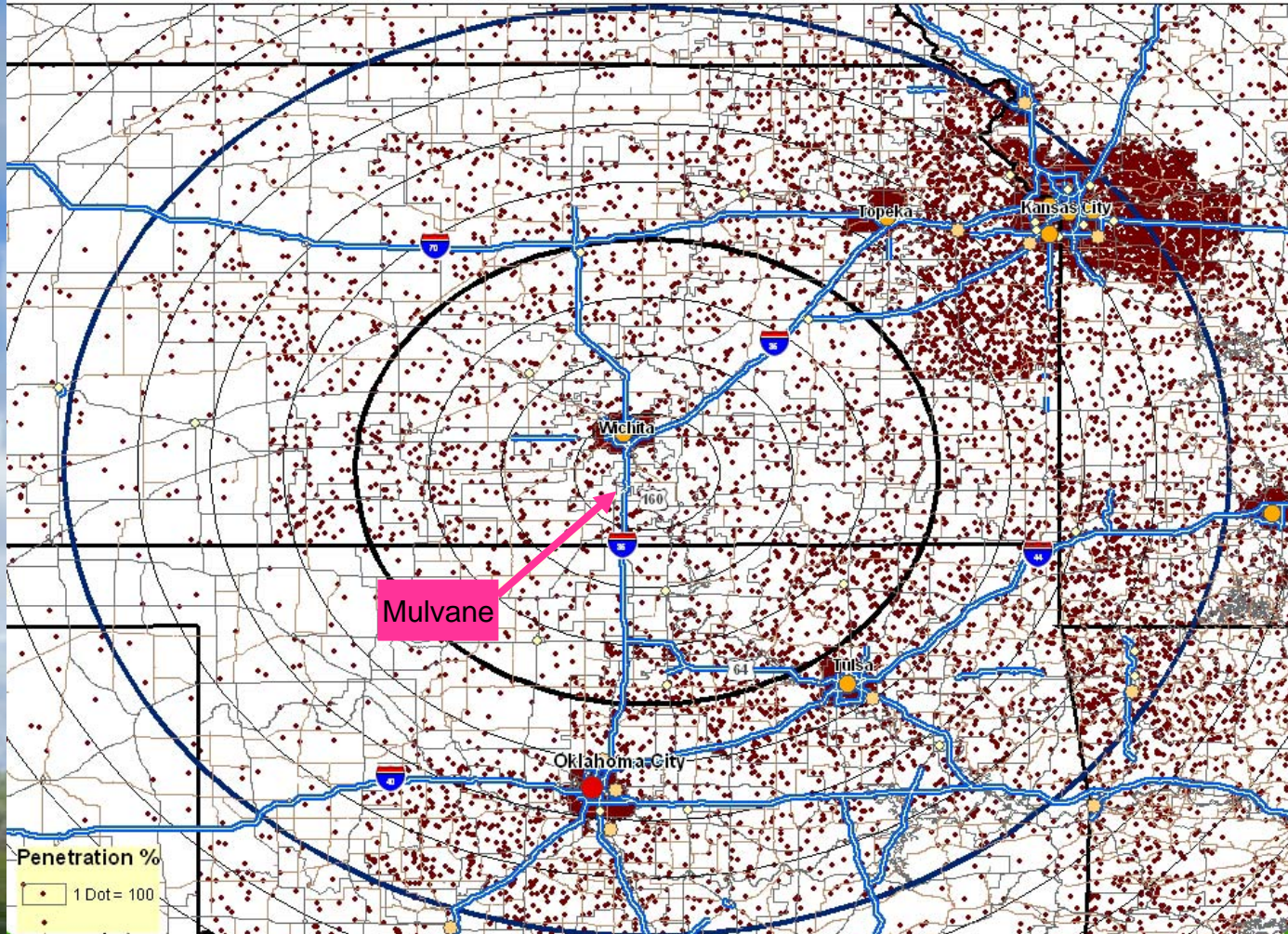
Total Rewards Case Study

- In 2004 Harrah's acquired the Horseshoe properties from Jack Binion
- Same properties, in the same locations are now generating **14% more** in revenue than under the previous management
- Within the first 12 months of implementing Total Rewards:
 - Harrah's boosted the number of customer trips to Horseshoe properties
 - Harrah's increased new visitation to Horseshoe properties



3 Million Total Rewards Members Within a 3 Hour Drive

of Total Rewards Members (1 dot = 100 members)



We already know 3 million customers within a 3 hour drive of our Mulvane site.

Each ring = 25 miles.

National Air Program

Improved Customer Service – Reliable Customer Journey

- Provides Harrah's Entertainment with the ability to fly customers to our properties
- Strategic relationship with charter airline

Program Objectives

- Enter new markets and acquire new players
- Increase occupancy at targeted properties



Harrah's Kansas: A responsible resort manager for Kansas

Regulatory Compliance Overview

- Over 70 years of exemplary regulatory compliance in 16 unique jurisdictions
- Harrah's Entertainment is dedicated to maintaining the highest ethical standards
- Harrah's has enterprise-wide compliance program that is overseen by the Chief Compliance Officer
- Compliance program contains a wide variety of policies that set forth the company's focus on compliance with all laws, not just gaming laws
- All employees are trained, each property has a compliance director and a compliance committee
- Enterprise-wide compliance committee reports directly to the audit committee of the Board of Directors

Harrah's Kansas: A responsible resort manager for Kansas

- First casino company to recognize, operationally address problem gambling
 - Harrah's programs serve as models for entire industry
- **Funded creation of first national helpline for problem gambling**
- Received first corporate award given by National Council on Problem Gambling
- Regularly contribute to and assist international, national and local problem-gambling agencies
- First to offer nationwide self-exclusion, self-restriction
- Commitment to effective responsible gaming training for all employees



Harrah's Kansas: A neighbor you want in Kansas

- Harrah's actively supports non-profit organizations in **EVERY** community where we operate
 - Giving over **\$1.5 million each week** to non-profits, Harrah's is committed to making each and every community in which we operate a vibrant place to live and work
 - Named #1 to Business Week's list of most generous companies (by % of pretax profit)



Harrah's Kansas: Employer of Choice

- Harrah's Kansas will create 2,240 jobs
- Harrah's offers competitive wages
- Compensation includes full benefit packages (medical, dental, flex spending accounts for employees and dependents, 401K, etc.)
- Harrah's offers opportunities for advancement
- Tuition reimbursement

*Just ask our North Kansas City team
Harrah's NKC recently won
"Best Place to Work in Kansas City"*



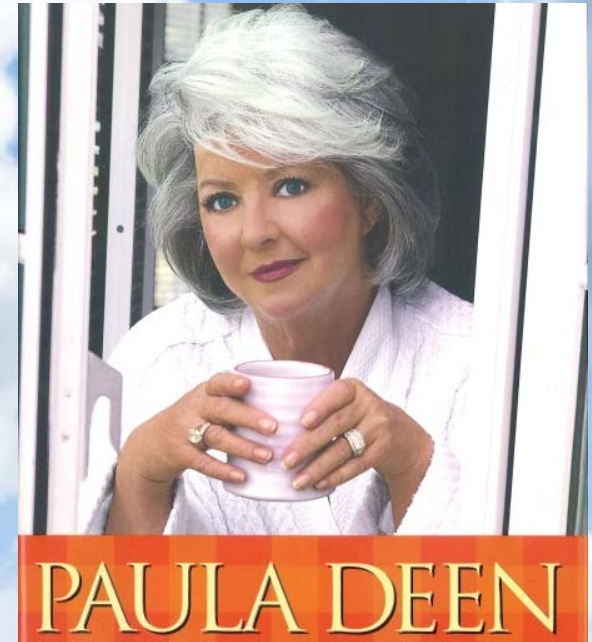
Paula Deen

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KANSAS

Paula Deen

- New York Times best selling author
- Two-time Emmy Award winning Food Network Star
- Food Network shows include: *Paula's Home Cooking*, *Paula's Party*, *Paula's Best Dishes*
- The magazine, *Cooking with Paula*, hit the news stands in 2006



Paula Deen Buffet in Harrah's Tunica





Michael French
PricewaterhouseCoopers

Charles Atwood

**Vice Chairman of the Board
Harrah's Entertainment**



The Best Plan by Every Measure and Every Report

- Experts for the Kansas Lottery Commission and Facility Review Board agree that Harrah's Kansas will generate the most revenue for the State of Kansas
- Christiansen Capital projects Harrah's Kansas to generate at least \$8M more each year for the state and more than half a million dollars more to Sumner County
- Cummings Associates projects at least \$7M more each year for the state and over \$800K more each year for Sumner County
- Wells Gaming Research projects a Mulvane location will generate \$50-60 million more in total revenues

Christiansen Capital Advisors LLC
170 Sawyer Road
New Gloucester, ME 04360
Phone: 207.888.4600
Fax: 207.826.9412
Email: stinc@cpri.net

The Feasibility of Electronic and/or Casino Gaming in Kansas
Supplemental Report

Cummings Associates
Projections for the
Market Potential of the
Four Gaming Zones in Kansas

AFT
06, 2008
0196, Massachusetts 02476
08954 • e-mail: cummingaw@aol.com

Kansas Casino Market Study
Task I - Estimates of gaming revenues for a generic casino to be located in each of the four gaming zones
Final Report

Prepared For:
Kansas Lottery Gaming Facility Review Board
May 26, 2008

Prepared By:
Wells Gaming Research
495 Apple Street, Suite 205
Reno, NV 89502
775-826-3232
<http://www.wellsgaming.com>

Harrah's Kansas: MORE Revenue

Christiansen Capital Report

	Harrah's Kansas	Penn	Marvel
Revenue to the State	\$49 M	\$41 M	\$36 M
Revenue to Sumner County	\$2.24 M	\$1.66 M	\$1.66 M

Cummings Report

	Harrah's Kansas	Penn	Marvel
Revenue to the State	\$45 M	\$38 M	\$34 M
Revenue to Sumner County	\$2.37 M	\$1.53 M	\$1.53 M

Harrah's Kansas: Realizing the Spirit of Senate Bill 66

Largest Initial Investment

- **\$560 million** projected budget
- Control over 650 acre site
- Future master planned development bringing the total investment to **over \$1 billion.**

Driving MORE Tourism to Kansas

- More than **3 million visitors** to Harrah's Kansas annually

The MOST Revenue for Kansas & Sumner Co.

- \$74 million in tax receipts to the state of Kansas, local counties and host city
- \$22 M in property and other taxes

BEST Interest of the State of Kansas

- Financially stable applicant
- Experienced manager
- Responsible, good neighbors
 - EMS station
- Kansas developer

SUMNER RESORTS

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KANSAS