

A bright pink, multi-pointed starburst graphic is centered behind the text. It has eight sharp points extending outwards, creating a star-like effect.

Sugar House

Ingredients for Success

- ✓ **Experienced Team**
 - Development
 - Casino Operations
 - Public-Private Partnerships

- ✓ **Integrity & Character**
 - Reputation for Doing What's Right
 - Strong Commitment to Community Outreach & Diversity

- ✓ **No Competing Facilities in Atlantic City**

- ✓ **Best Philadelphia Site & Outstanding Design**

Falls Management Company

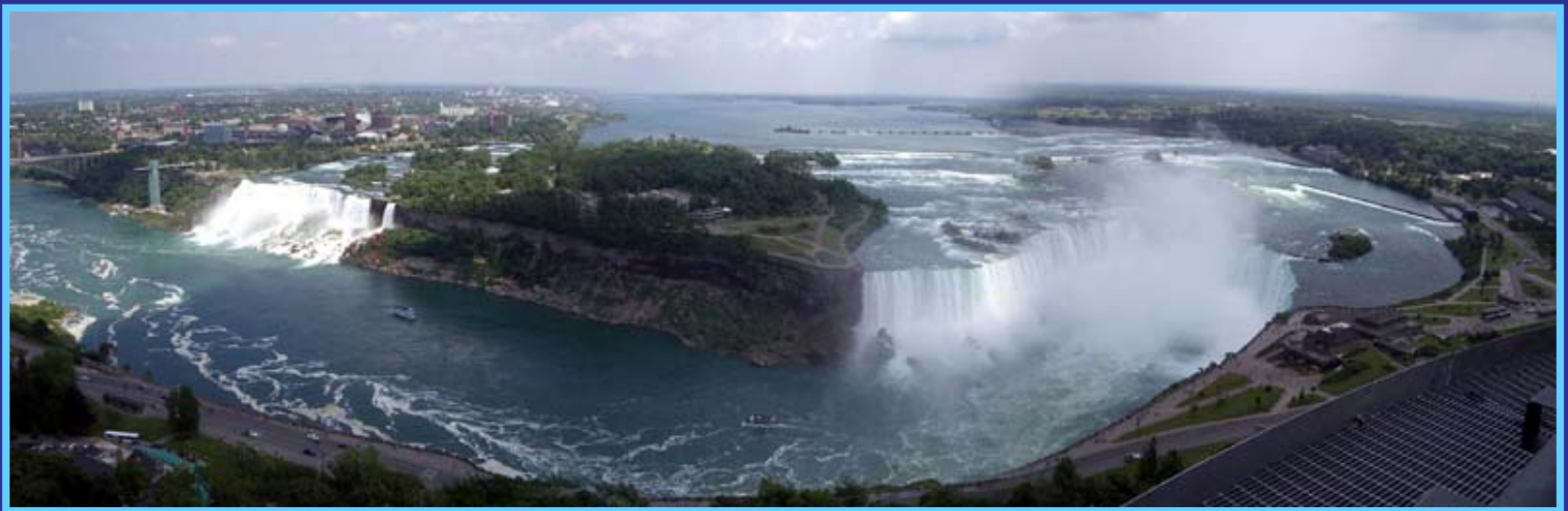
- ✓ Developer/Manager of Niagara Fallsview Casino Resort
- ✓ Manager of Casino Niagara

Neil Bluhm

Chairman of the Board

Greg Carlin

Board Member and Member of
Executive and Compliance Committees



www.fallsmanagement.com

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Progress Since April Public Hearing

- ✓ Enhanced SugarHouse Team
- ✓ Evolved Design
- ✓ Expanded Traffic Analysis
- ✓ Community Outreach
- ✓ Revised Projections & Budget
- ✓ Firm Financing Commitment

Enhanced SugarHouse Team

- ✓ **BOB SHELDON** - President, SugarHouse Casino
- ✓ **LARRY LEWIN** - Gaming Operations & Facility Opening
- ✓ **DEBBIE MARCHESE** - Finance, Accounting & IT
- ✓ **LISA REILLY** - Casino Accounting & Cage
- ✓ **MELONEASE SHAW** - Public Relations & Diversity
- ✓ **JOANN WEBER** - Human Resources

Design & Build an Inviting and Fun Place to Visit



Develop A Great Team & A Rewarding Work Environment

- ✓ SugarHouse will hire approximately 1,100 employees in Phase I
- ✓ These are quality jobs with competitive wages and opportunities to advance
- ✓ Progressive approach to benefits, including flexible working arrangements and opt-in 401(k) program
- ✓ Commitment to building and nurturing a diverse and open work environment at all levels of the company

Positioning in the Market



The logo for SugarHouse, featuring a stylized red starburst icon to the left of the word "SugarHouse" written in a blue, cursive script font.

Commitment to Responsible Gaming

- ✓ Mandatory Employee Training
- ✓ Comprehensive Self-Exclusion Program With Reporting to the PGCB
- ✓ Strict Enforcement Against Underage Gaming
- ✓ Compliant with the AGA Code of Conduct

Community Outreach

SUGARHOUSE CAREER FORUM
October 3, 2006 - Over 300 Attendees

SUGARHOUSE VENDOR FORUM
October 4, 2006 - Over 60 Attendees



Contact Information
Worksheets

Downloadable From:

www.sugarhousecasino.com



Commitment to Vendor Diversity

- ✓ To Date, SugarHouse has engaged a wide range of M/WBE's in the following industries:
 - Public Relations
 - Web Site Development
 - Promotional Products
 - Event Planning
 - Garage Design
 - Graphic Design
- ✓ Providing Assistance with Licensing & Qualification
- ✓ Providing Assistance with Financing

Giving Back to the Community

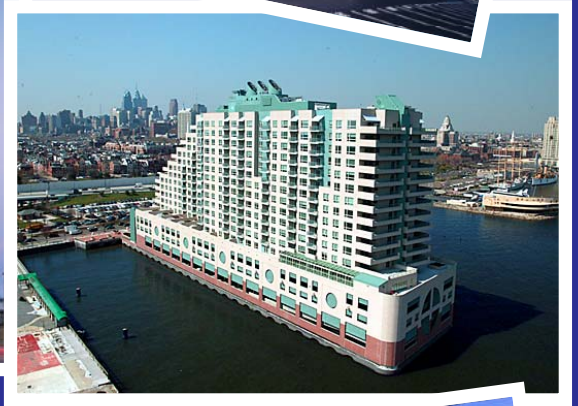
- ✓ Funded with 2.5% of pretax income from SugarHouse casino, up to \$3 Million annually
- ✓ Supports improved quality of life in the local community
- ✓ Awards grants to programs that focus on childcare, education, and senior needs, while encouraging fair employment practices

Trade Diversity

Throughout its history, Keating Building Corporation has fostered a commitment to significant M/W/DBE participation.

THE RESULT:

**M/W/DBE
Contracts Valued at
over \$700 Million**

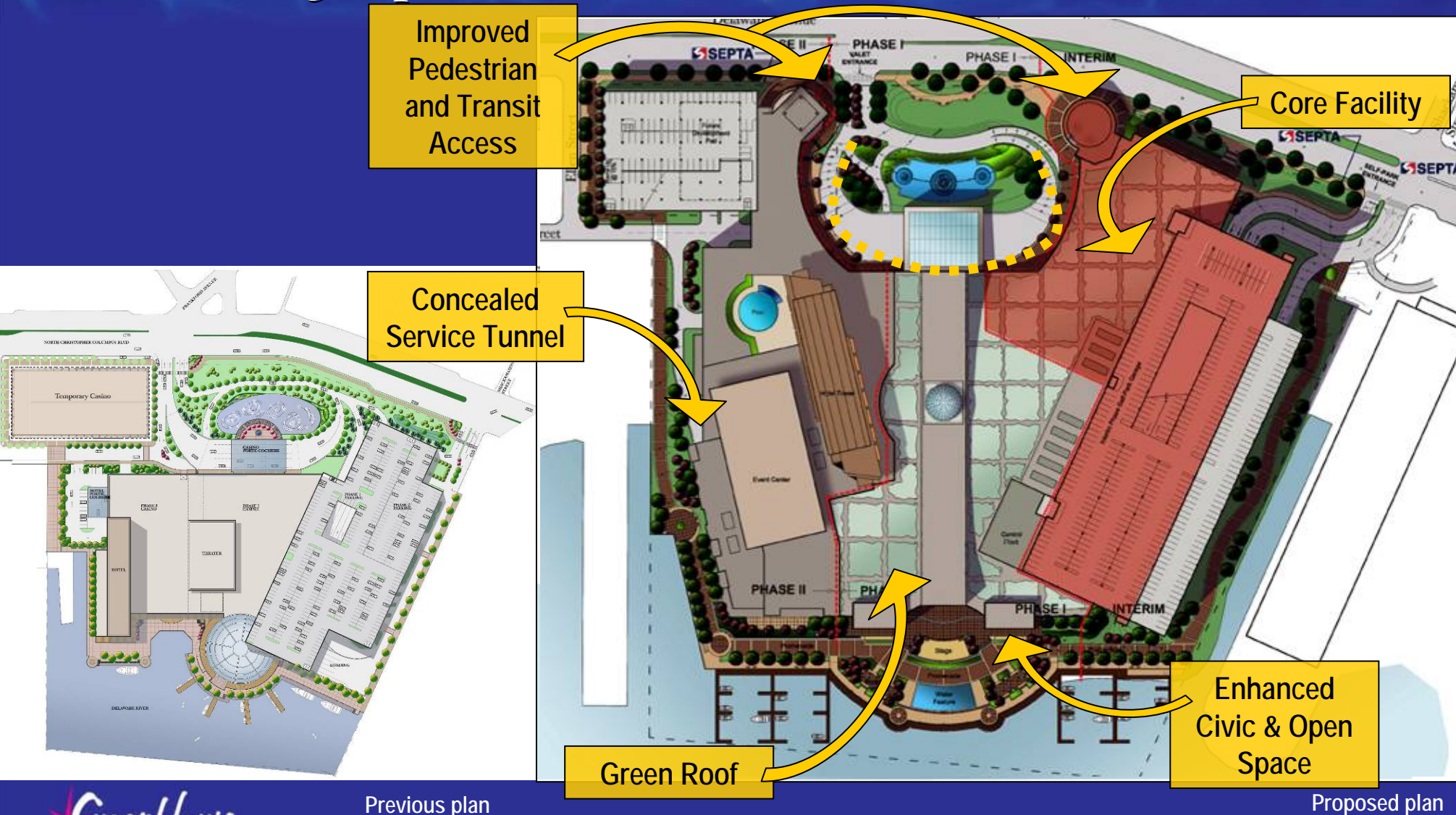


Updated Design



Site Plan Changes

Community Input

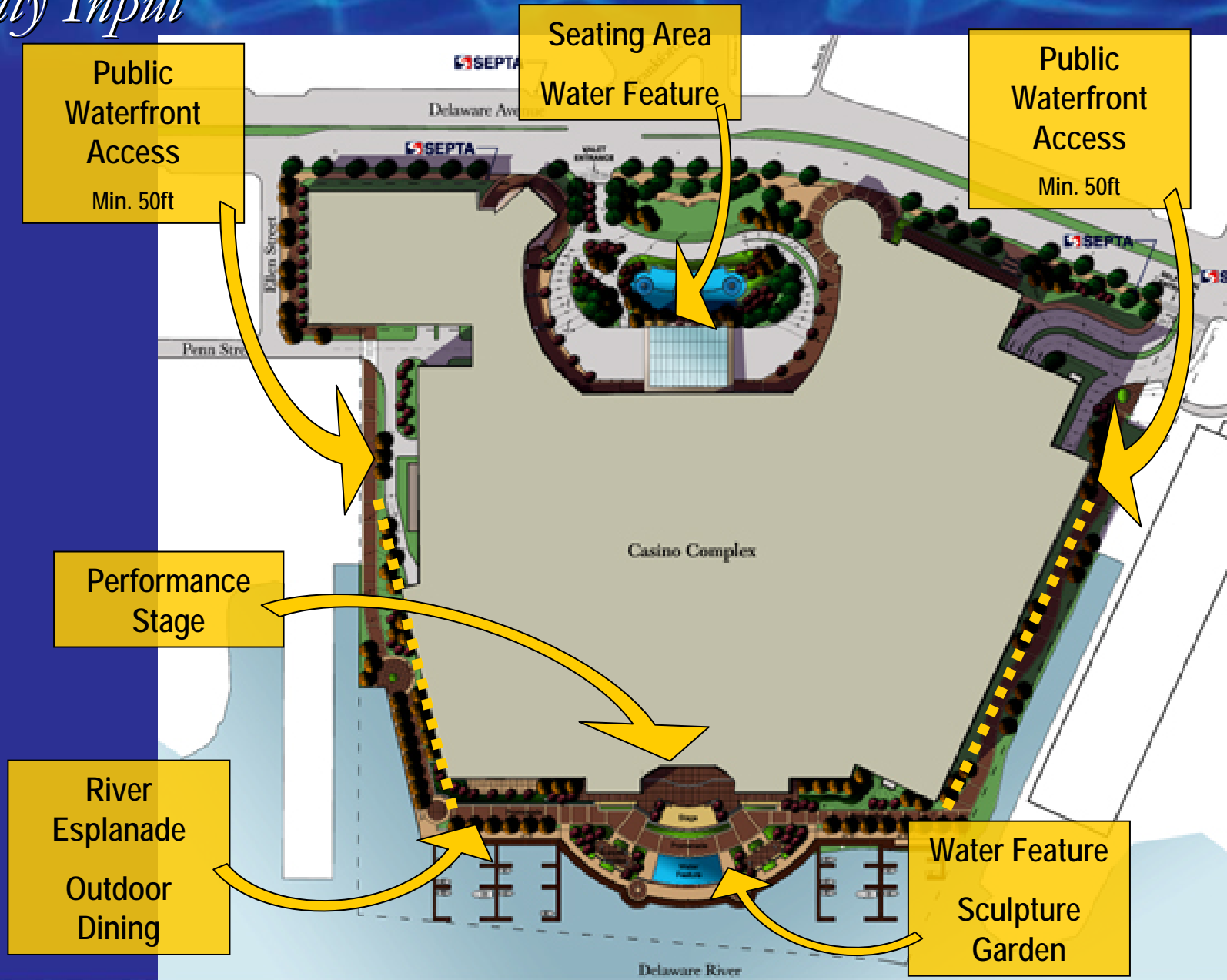


Previous plan

Proposed plan

Site Plan Changes

Community Input



Site Plan Changes

Community Input

Complies with the City's
Commercial Entertainment
District Ordinance

- Coverage
- FAR
- Parking
- Waterfront Access
- Height



Interim Casino

1,500 Slots - A Permanent and Core Facility

Program

- 2,400 Parking Spaces
- Permanent Gaming Support
 - Cage
 - PGCB Offices
 - Police / PGCB Parking
 - Armored Car Bay
- Permanent Employee Facility
 - Dining Room
 - Lockers & Lounge

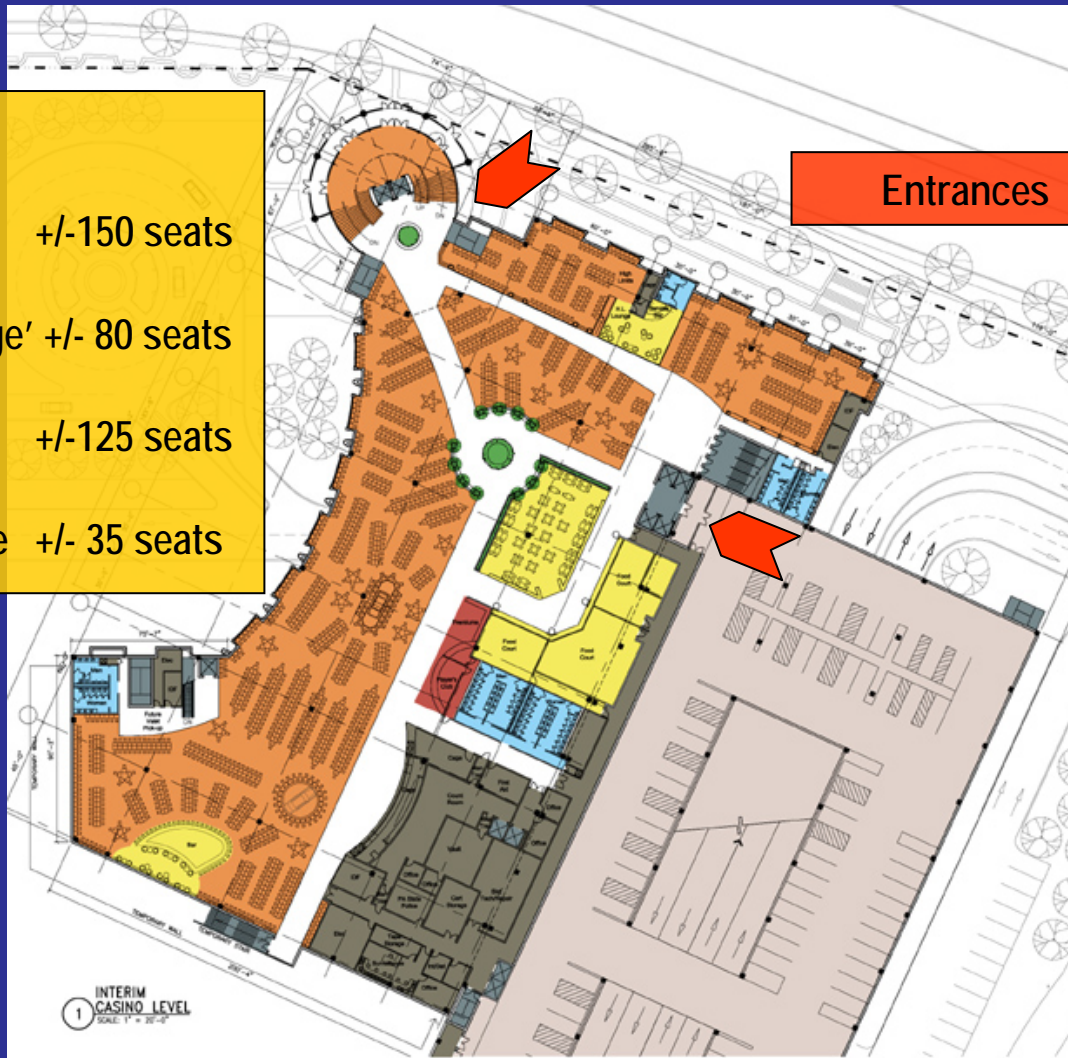


Interim Casino

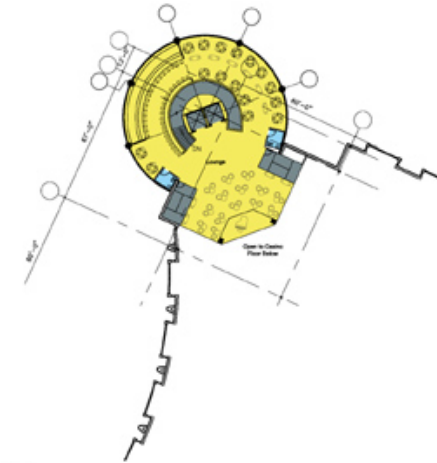
1,500 Slots - A Permanent and Core Facility

Amenities

- Food Court +/- 150 seats
- 'Skyline Lounge' +/- 80 seats
- Restaurant +/- 125 seats
- Casino Lounge +/- 35 seats



Entrances

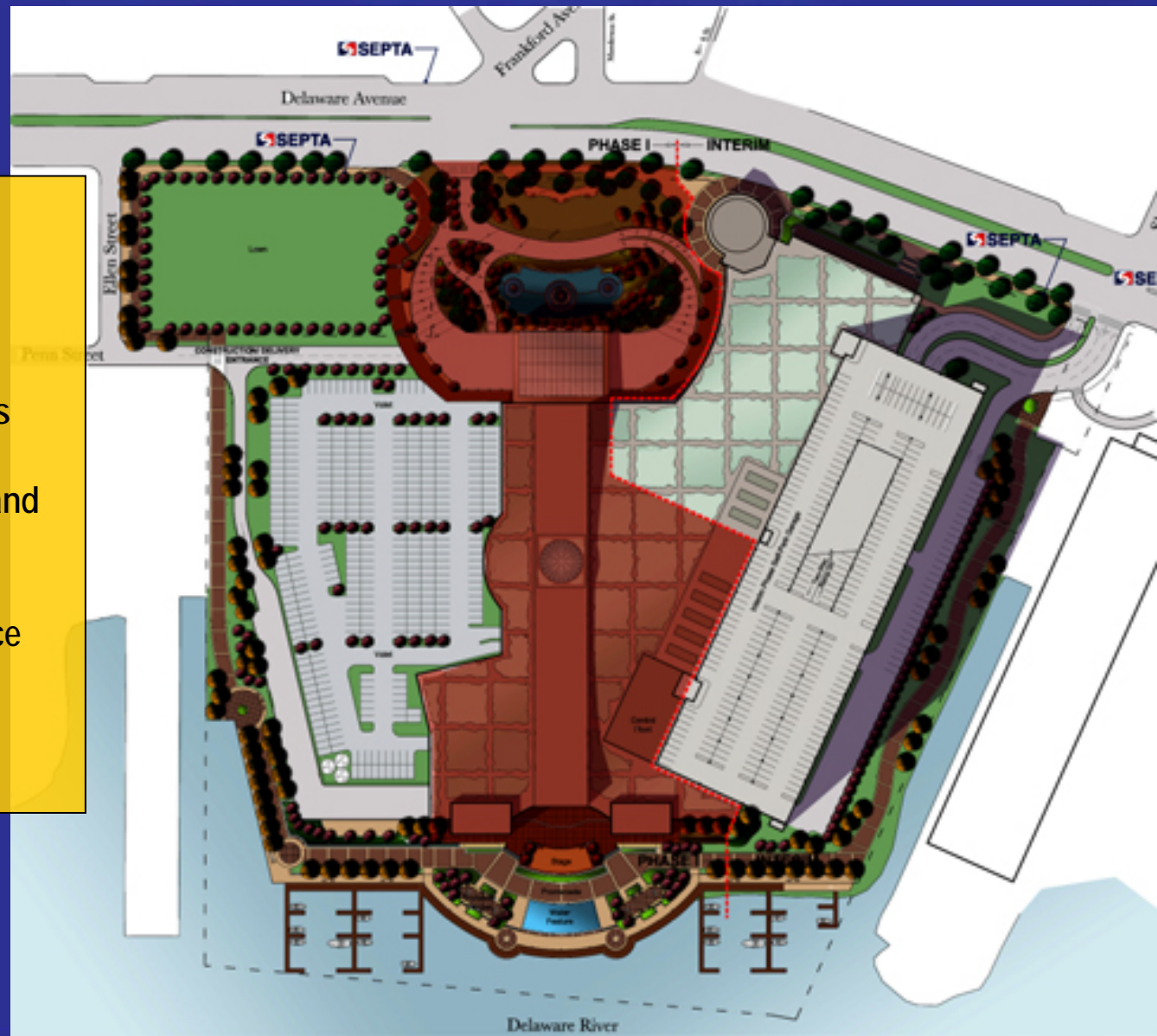


Phase I

Additional 1,500 Slots – 3,000 Total

Program

- Expanded Gaming to 3,000 slots
- Expanded Parking to 3,000 spaces
- Complete Main Casino Entrance and Porte Cochere
- Complete Main Riverfront Entrance
- Complete Truck Tunnel and Main Loading Dock

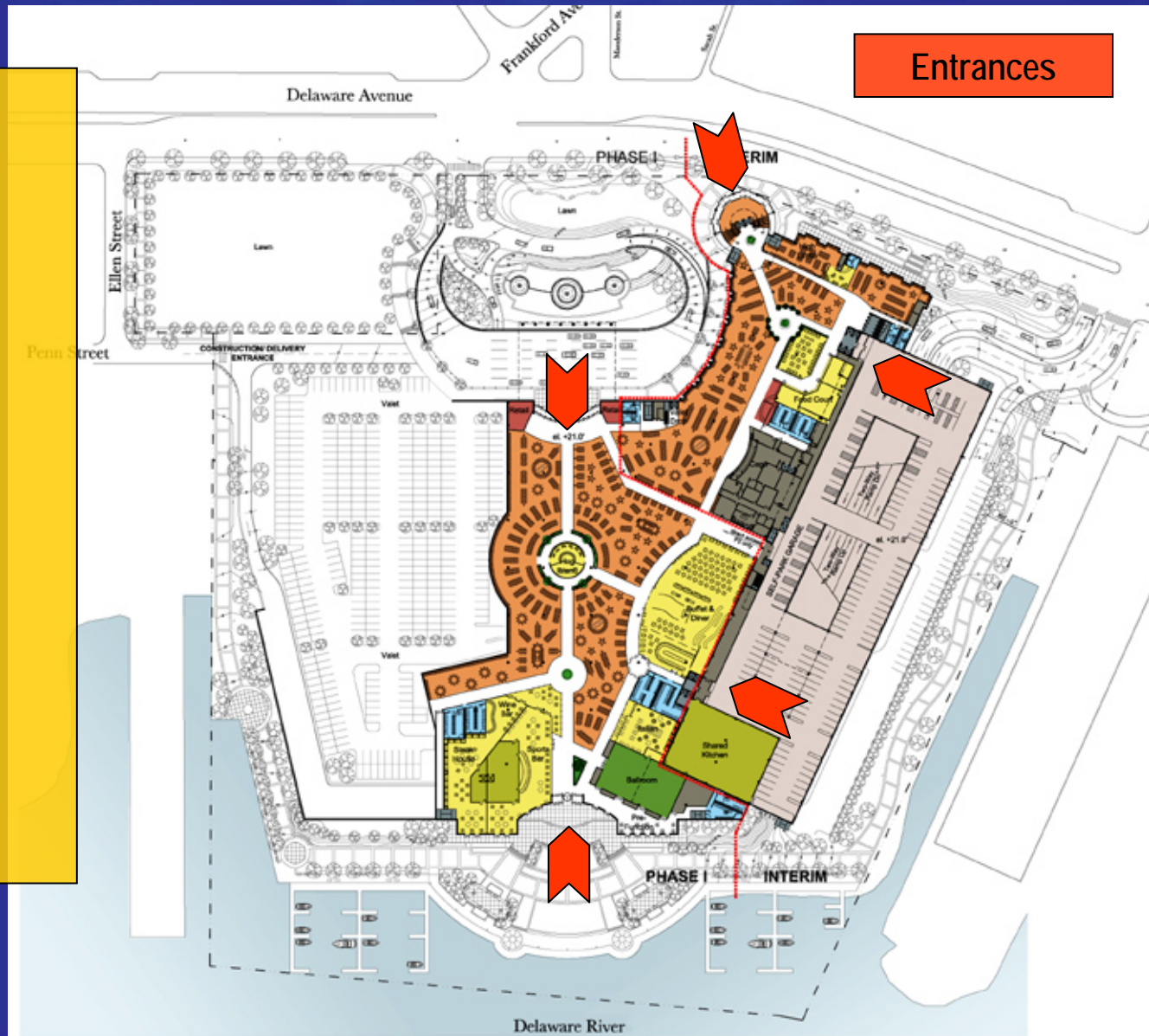


Phase I

3,000 Slots

Amenities

- Buffet +/- 400 seats
- Sports Bar +/- 250 seats
- Steak House +/- 150 seats
- Italian Rest. +/- 125 seats
- 'Hog Island' Bar +/- 60 seats
- Food Court +/- 125 seats
- Ballroom 6,000 sf
- Boutique Retail



Phase II

Additional 2,000 Slots – 5,000 Total

Program

- Expanded Gaming to 5,000 slots
- Luxury Hotel
- Event Center
- Increased Parking to 4,250 casino spaces + hotel parking

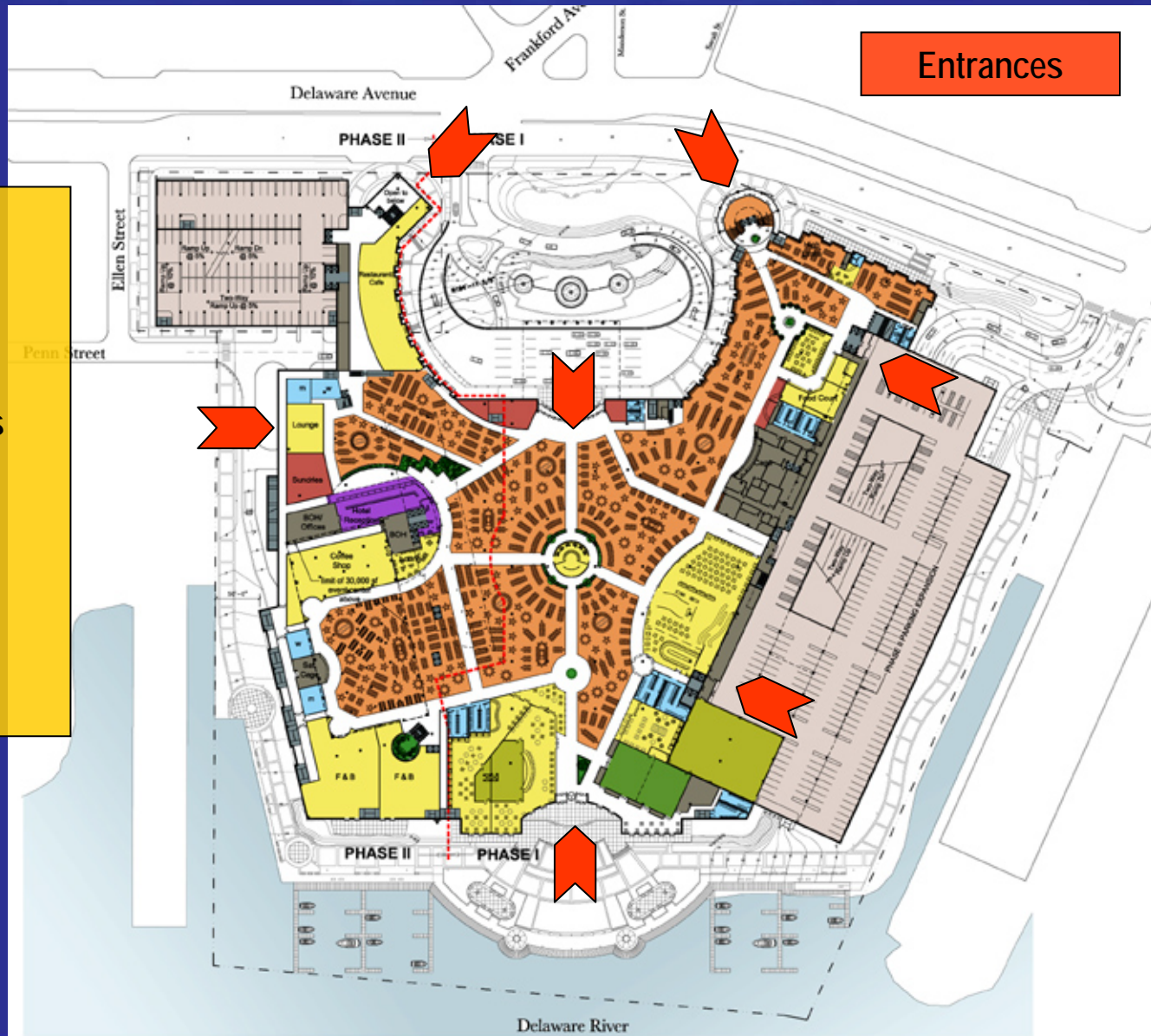


Phase II

Casino Level - 5,000 Slots

Amenities

- Hotel Lobby
- 2 or 3 Additional Restaurants
- Lounges
- Sundries & Boutique Retail
- Street Level Retail

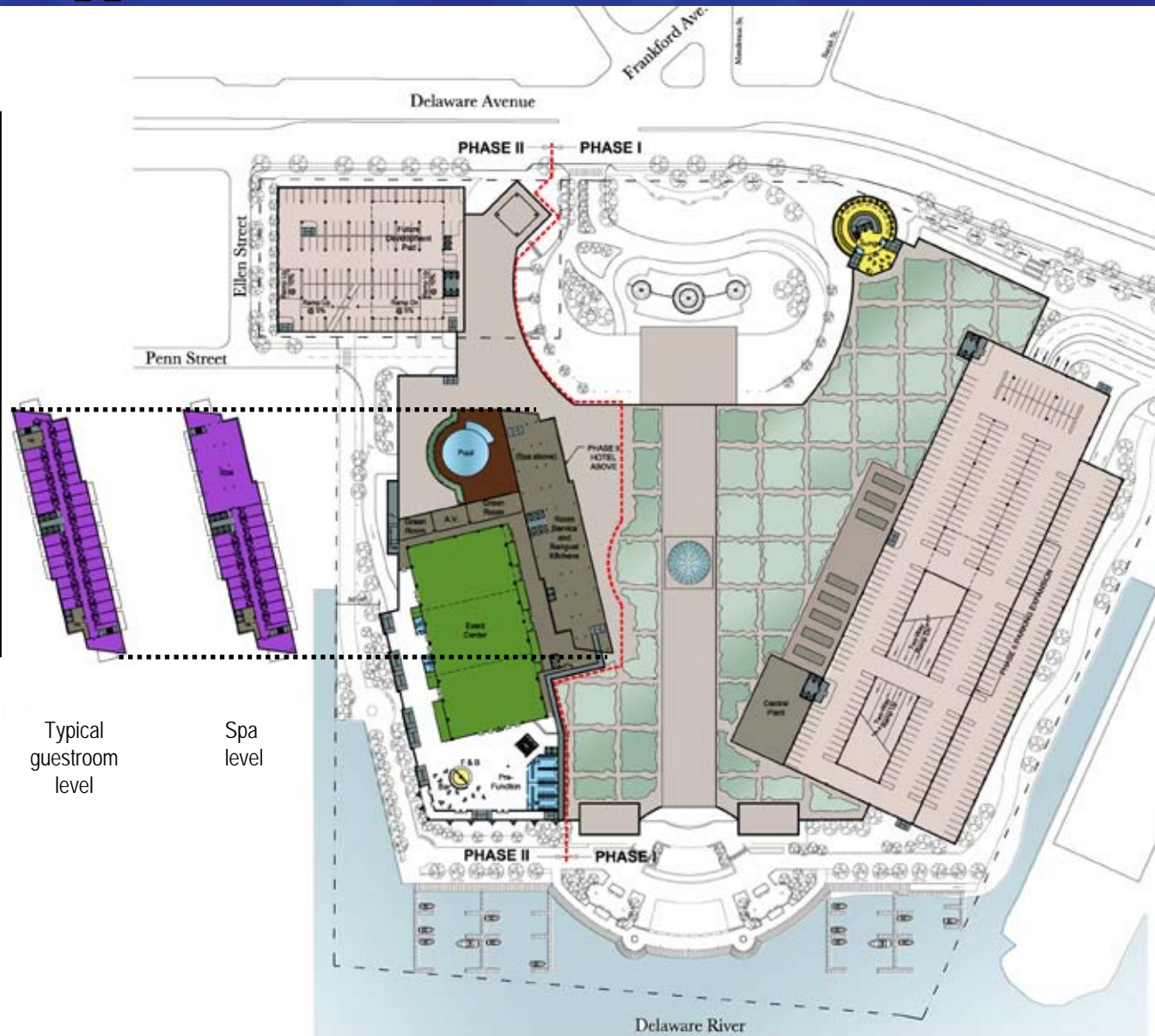


Phase II

Entertainment and Upper Hotel Levels

Amenities

- 30,000 sf Multipurpose Event Center
- Large Pre-function area with River Views
- Meeting Rooms
- 500 room Luxury Hotel & Spa

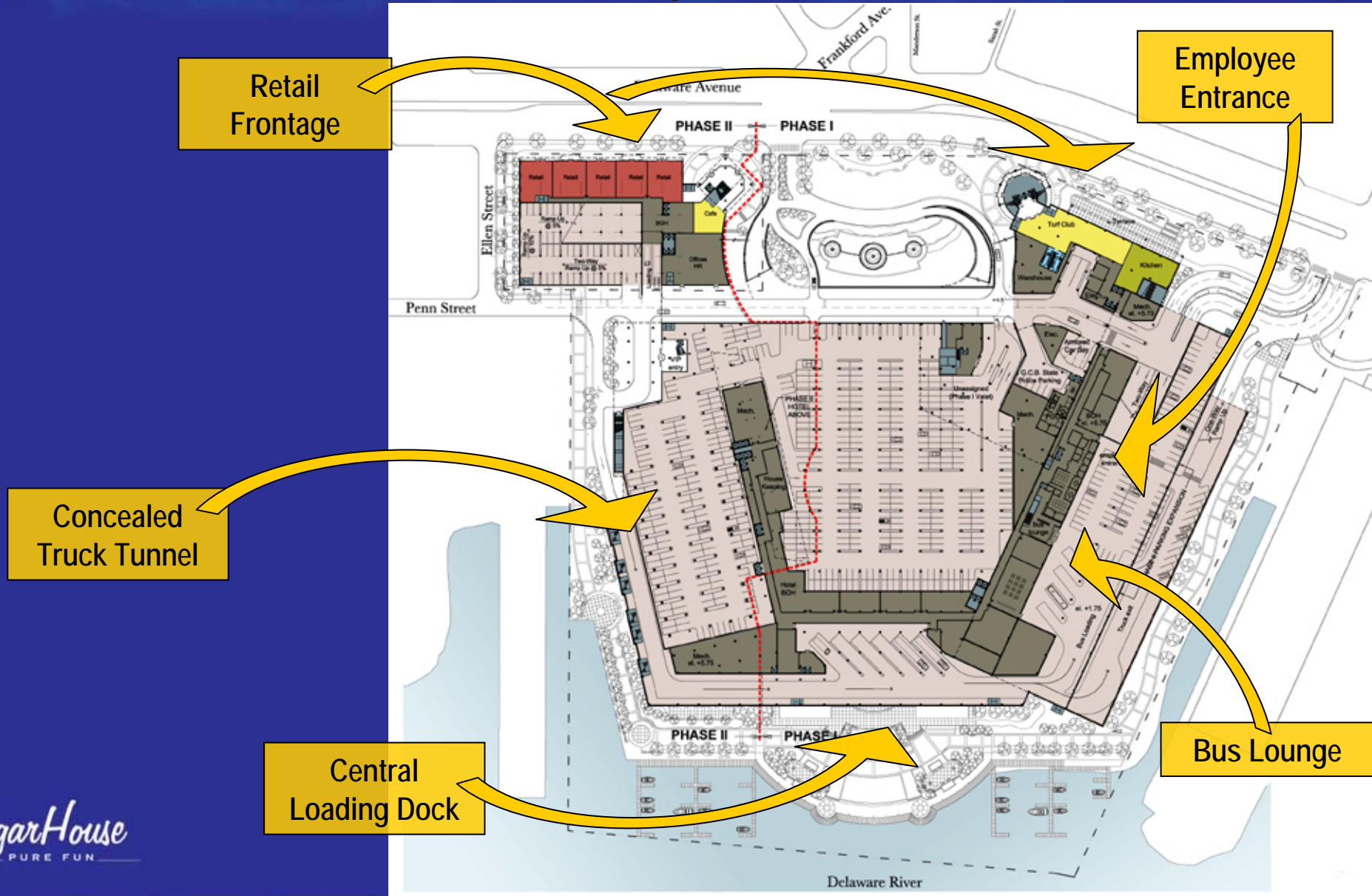


Typical
guestroom
level

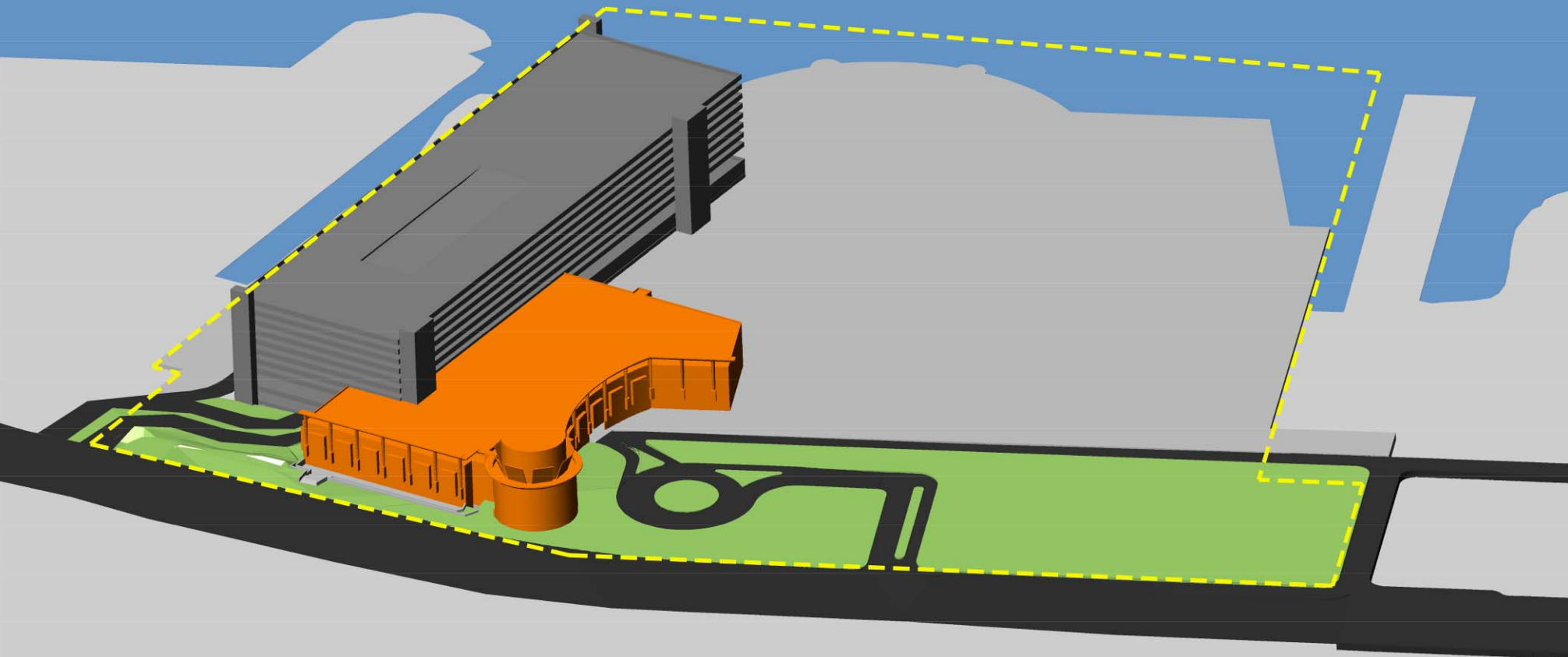
Spa
level

Phase II

Lower Level - Valet and Back of House Services



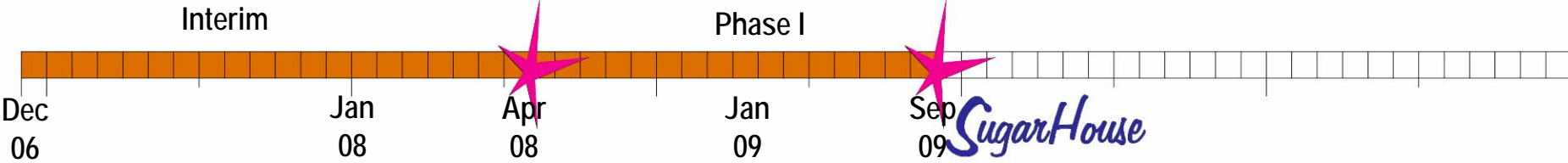
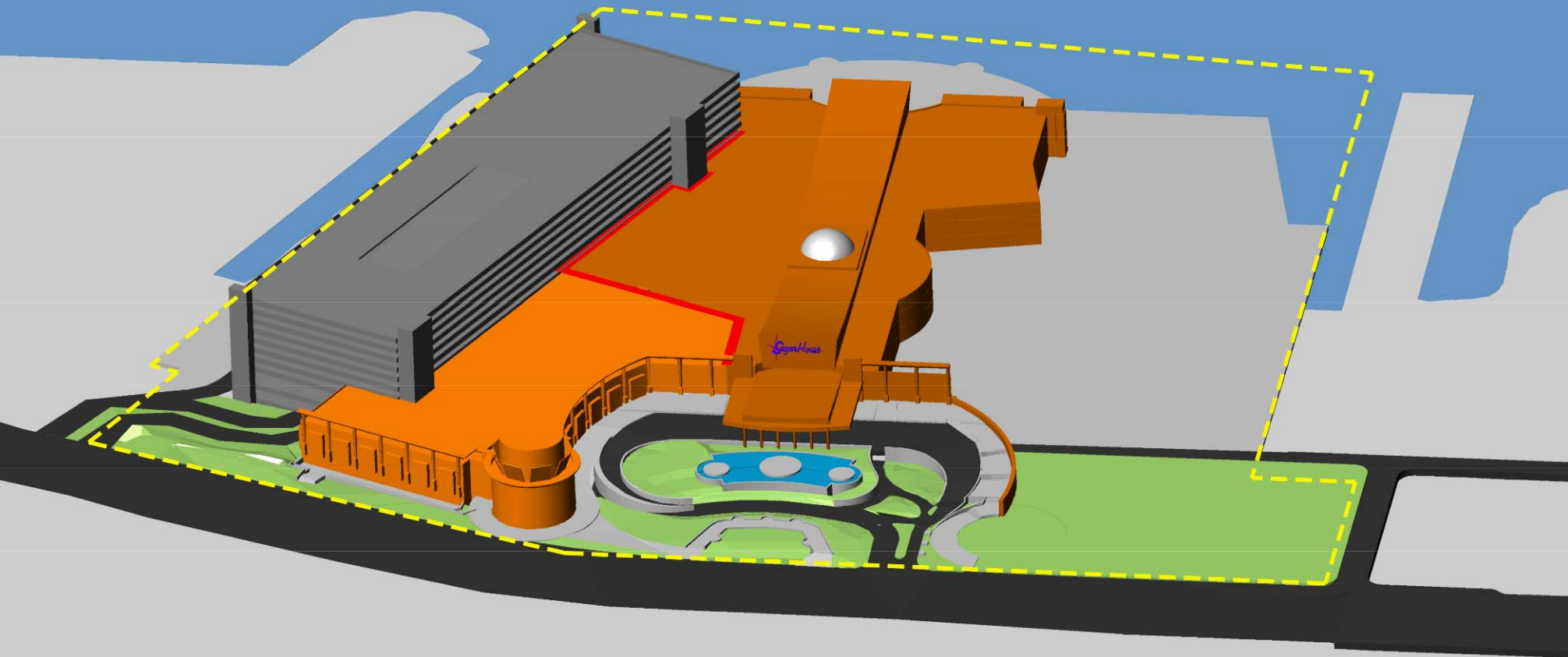
Timeline



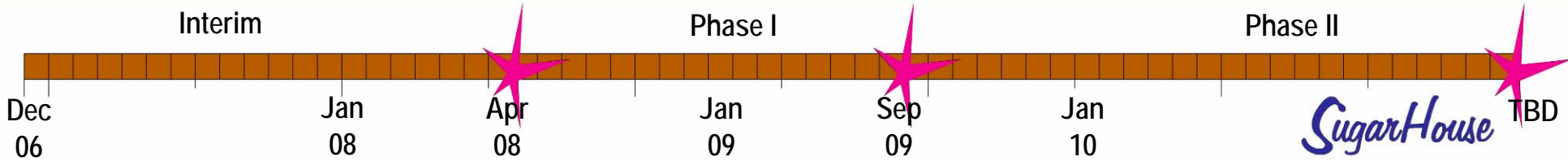
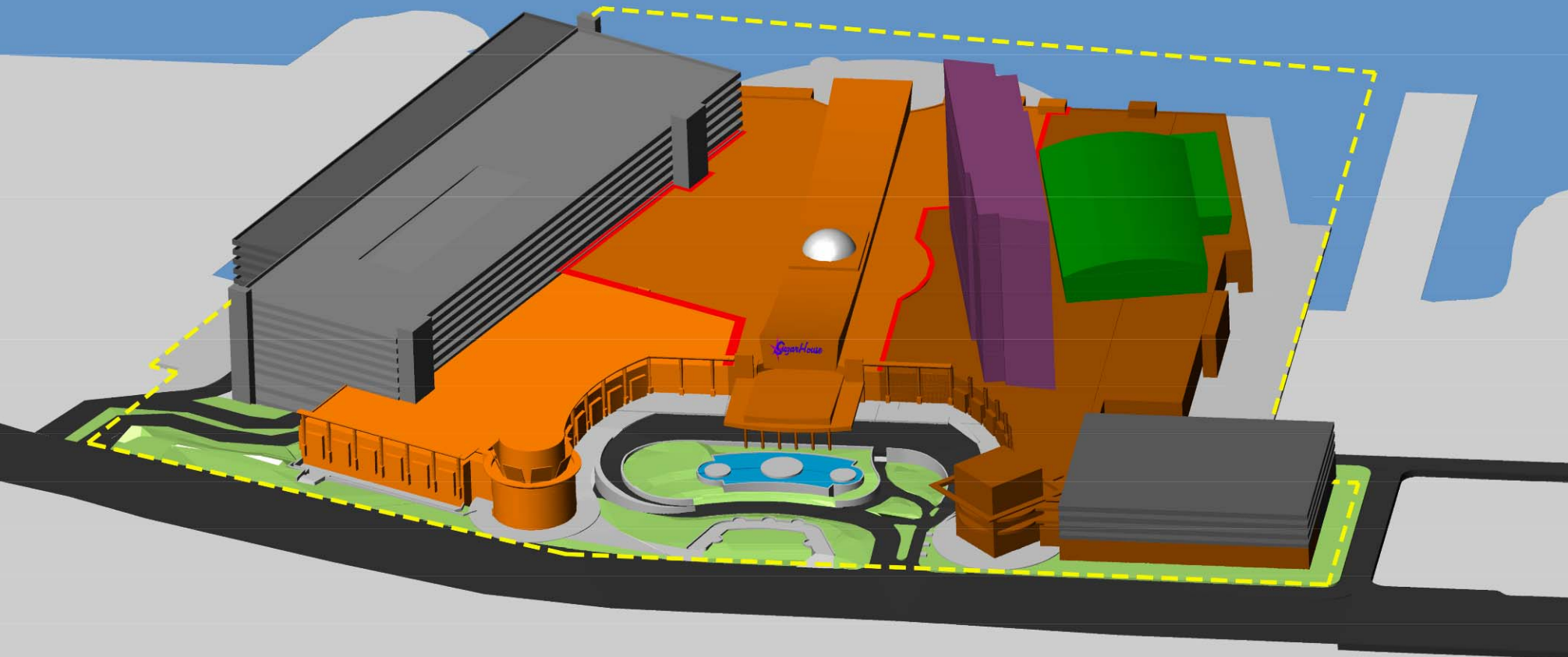
Interim



Timeline



Timeline



View of Interim Casino Entrance



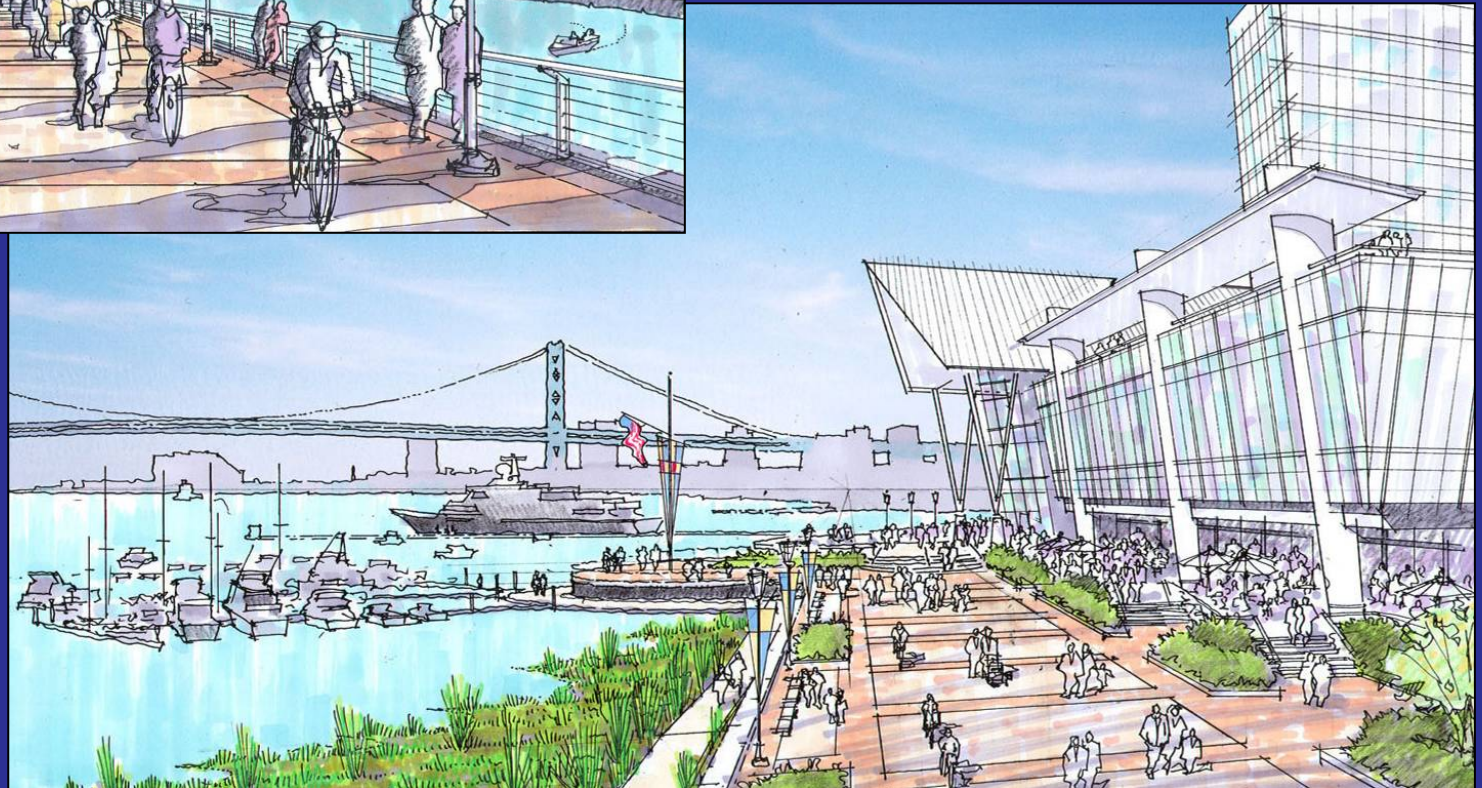
View of Porte Cochere



View of Delaware Ave Entrance



Riverfront Access



SugarHouse Casino



SugarHouse Casino



SugarHouse Casino



SugarHouse Casino



SugarHouse Traffic

The Process

- ✓ Gannett Fleming
- ✓ Urban Systems
- ✓ Coordination with Architect
- ✓ Community Input
- ✓ Consultation with PennDOT
- ✓ Review and Response to Edwards and Kelcey

SugarHouse Traffic

The Conclusion

The site, roads, streets and intersections serving the facility provide a more than adequate level of service to support the SugarHouse Casino and other local area traffic.

- ✓ Size of the site
- ✓ Separation of traffic
- ✓ Three signalized intersections
- ✓ Capacity on N. Delaware Avenue

We will continue to work with PennDOT and the community

SugarHouse Traffic

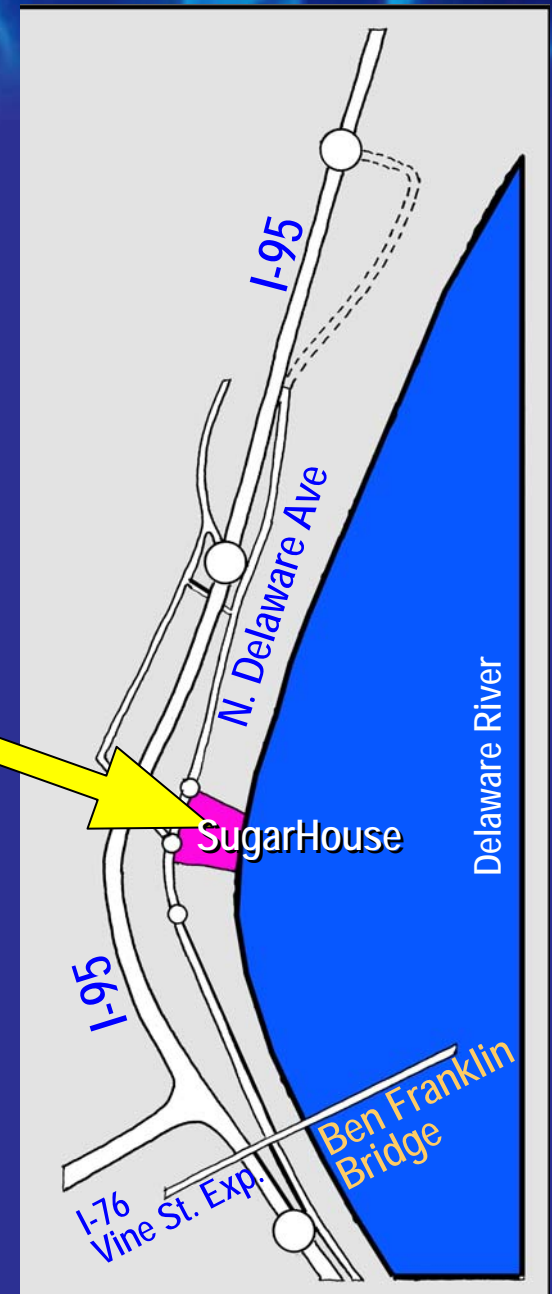
Keys To A Sound Traffic Plan

- ★ Plentiful & Free Parking for Customers & Employees

2,400 Spaces on Opening Day

3,000 at Phase I

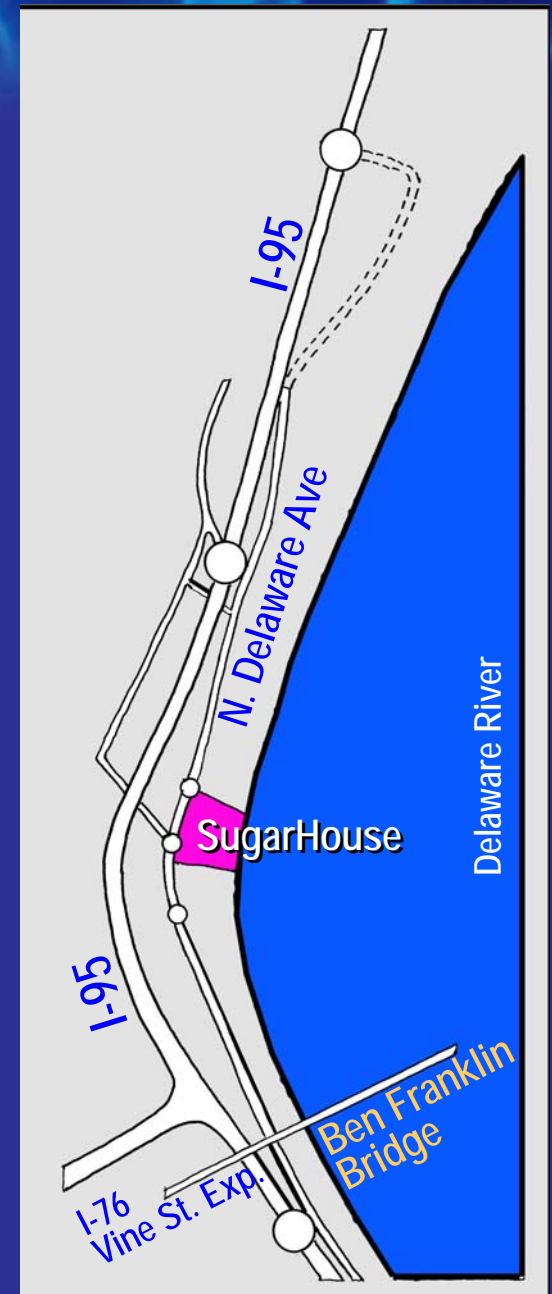
4,250 at Phase II



SugarHouse Traffic

Keys To A Sound Traffic Plan

- ★ Separation of Traffic on Site
 - Valet, Self-Park, Trucks/Buses
 - Plenty of Queuing Space



SugarHouse Traffic

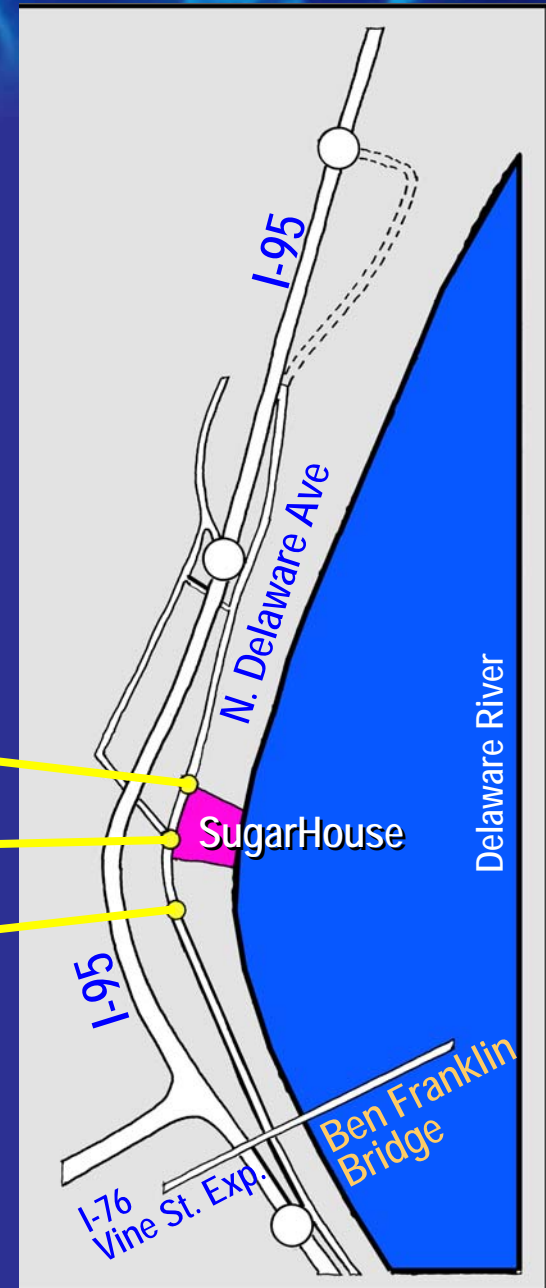
Keys To A Sound Traffic Plan

- ★ Convenient Ingress & Egress
- 3 SIGNALIZED INTERSECTIONS**
- 2 Expanded & Upgraded with Multiple Lanes

Shackamaxon Street ←

Frankford Avenue ←

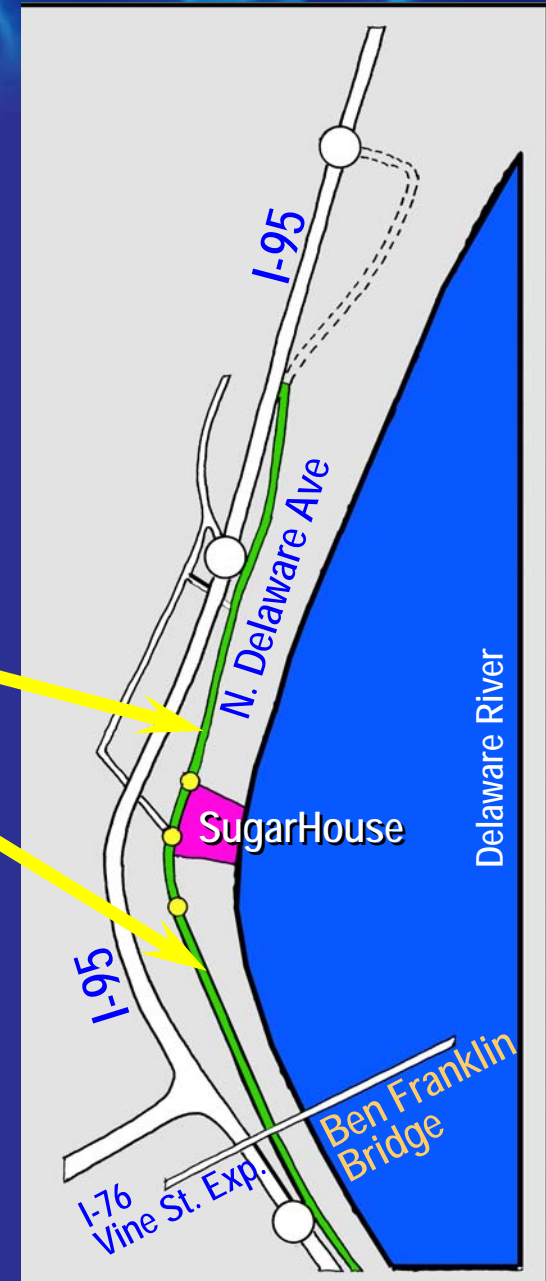
Penn Street ←



SugarHouse Traffic

Keys To A Sound Traffic Plan

- ★ Major Arterial Feeder with Excess Capacity:
NORTH DELAWARE AVENUE



SugarHouse Traffic

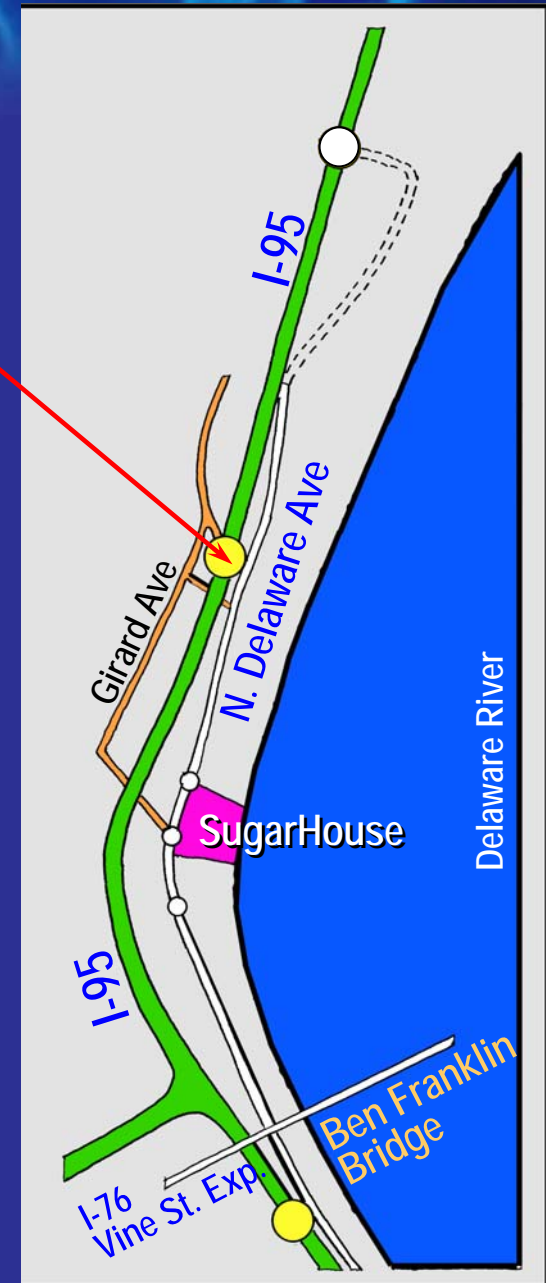
Keys To A Sound Traffic Plan

★ 2012:

With New Girard Avenue Interchange:
I-95 Linked Directly to Delaware Ave

**Best Possible Connection to the
Regional Roadway Network for a
Casino**

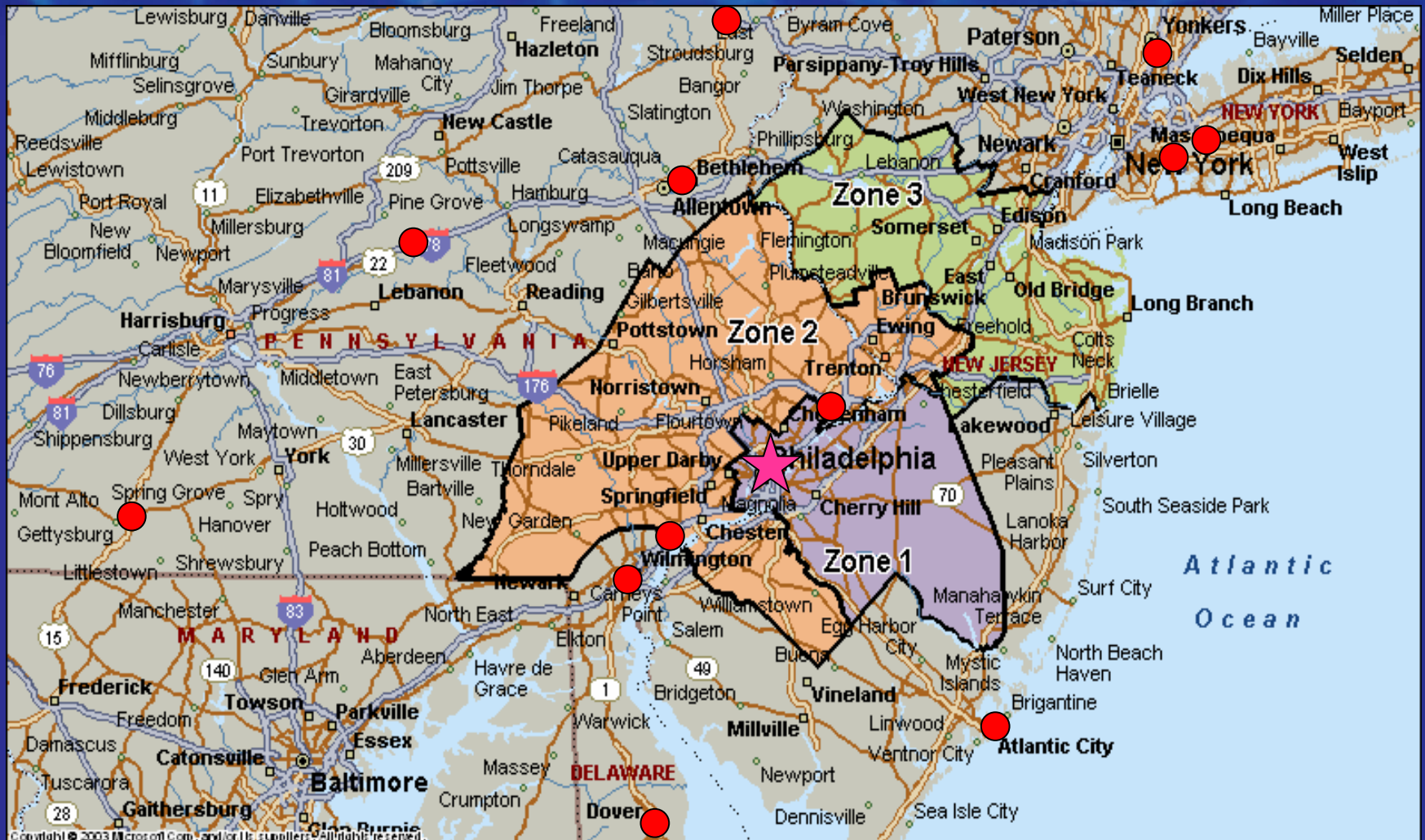
**GIRARD AVENUE
INTERCHANGE**



SugarHouse Site

Great Site...And it Works!

Philadelphia Area Gaming Market



Projections Methodology

Modified Drive Time Analysis

- ✓ Identify Gaming Market
 - Locals (zones 1-3)
 - Visitors / Overnight Visitors

- ✓ Determine Appropriate Inputs
 - Adult Visitors
 - Propensity to Game
 - Frequency
 - Win Per Visitor

- ✓ Allocate Estimated Market Across Competitive Venues

Merrill Lynch Gaming Credentials

Has Raised in Excess of \$9.8 Billion Since 2005

This announcement is made in connection with the continued sale of an offer to sell or a solicitation of an offer to buy any of these securities. The offering is made only by the Offering Memorandum.

September 2006

\$1,400,000,000

Sands
LAS VEGAS SANDS CORP.

US\$700 mm FRNs
US\$700 mm Interim Term
Loan Facility

Joint Bookrunner
and Administrative Agent

Merrill Lynch

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July 2006

\$275,000,000

ATLANTIS
THE PALM, RESORT

**\$275,000,000 Second
Lien Term Loan**

Joint Lead Arranger and
Administrative Agent

Merrill Lynch

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March 2006

\$230,000,000

**Gulfside
Casino
Partnership**

Senior Secured
Facility

Joint Lead Arranger

Merrill Lynch

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New Issue March 2006

\$270,000,000

FRENCH LICK
RESORTS • CASINO

10 3/4% First Mortgage
Notes due 2014

Sole Book-Running Manager

Merrill Lynch

This announcement is made in connection with the continued sale of an offer to sell or a solicitation of an offer to buy any of these securities. The offering is made only by the Offering Memorandum.

March 2006

\$750,000,000

MGM MIRAGE

Senior Notes

Joint Bookrunner

Merrill Lynch

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December 2005

\$600,000,000

GALAXY
银河

9.875% due 2012
Floating-Rate Notes due
2010

Bookrunning Manager

Merrill Lynch

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November 2005

\$475,000,000

**GREEKTOWN
CASINO**
A Venetian Casino

\$185,000,000 Senior Notes
\$190,000,000 Term Loan B
\$100,000,000 Revolving Credit
Facility

These securities were sold pursuant to
Rule 144A under the Securities Act of 1933.

Sole Bookrunner and Sole Lead Arranger

Merrill Lynch

This announcement is made in connection with the continued sale of an offer to sell or a solicitation of an offer to buy any of these securities. The offering is made only by the Offering Memorandum.

October 2005

\$310,000,000

CHUKCHANSI GOLD
Resort & Casino

Chukchansi Economic
Development Authority

Floating-Rate Notes due 2012
8.00% due 2013

These securities were sold pursuant to
Rule 144A under the Securities Act of 1933.

Sole Bookrunner

Merrill Lynch

This announcement is made in connection with the continued sale of an offer to sell or a solicitation of an offer to buy any of these securities. The offering is made only by the Offering Memorandum.

October 2005

\$730,000,000

**The Seminole
Tribe of Florida**

Gaming Division Bonds
5.798% due 2013
6.535% due 2020

These securities were sold pursuant to
Rule 144A under the Securities Act of 1933.

Sole Bookrunner

Merrill Lynch

This announcement is made in connection with the continued sale of an offer to sell or a solicitation of an offer to buy any of these securities. The offering is made only by the Offering Memorandum.

September 2005

\$180,000,000

San Pasqual
Casino Development Group Inc. I

**VALLEY VIEW
CASINO**

8% Senior Notes
due 2013

These securities were sold pursuant to
Rule 144A under the Securities Act of 1933.

Sole Bookrunner

Merrill Lynch

This announcement is made in connection with the continued sale of an offer to sell or a solicitation of an offer to buy any of these securities. The offering is made only by the Offering Memorandum.

August 2005

\$495,000,000

**BLB Investors
LLC**

\$125 million Revolving Credit Facility
\$245 million First Lien Term Loan B
\$125 million Second Lien Term Loan

Joint Lead Arranger and Administrative Agent

Merrill Lynch

This announcement is made in connection with the continued sale of an offer to sell or a solicitation of an offer to buy any of these securities. The offering is made only by the Offering Memorandum.

August 2005

\$230,000,000

Donkers Raceway
The Historic Empire City Trotting Club 1897

Senior Secured Term
Loan Facility

Sole Lead Arranger and Sole Bookrunner

Merrill Lynch

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August / June 2005

\$875,000,000

MGM MIRAGE

6 3/4% Senior Notes
due 2015

These securities were sold pursuant to
Rule 144A under the Securities Act of 1933.

Bookrunning Manager

Merrill Lynch

This announcement is made in connection with the continued sale of an offer to sell or a solicitation of an offer to buy any of these securities. The offering is made only by the Offering Memorandum.

July 2005

\$1,050,000,000

**MDTQR City
CASINO**

\$300,000,000 Senior Notes
\$750,000,000 Credit
Facilities

These securities were sold pursuant to
Rule 144A under the Securities Act of 1933.

Joint Lead Arranger/Bookrunning Manager

Merrill Lynch

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May 2005

\$200,000,000

**SENECA ALLEGANY
CASINO**

7 1/4% Senior Notes
due 2012, Series B

These securities were sold pursuant to
Rule 144A under the Securities Act of 1933.

Bookrunning Manager

Merrill Lynch

This announcement is made in connection with the continued sale of an offer to sell or a solicitation of an offer to buy any of these securities. The offering is made only by the Offering Memorandum.

February 2005

\$69,000,000

San Pasqual
Casino Development Group Inc. I

Senior Credit Facilities

Sole Lead Arranger and Sole Bookrunner

Merrill Lynch

This announcement is made in connection with the continued sale of an offer to sell or a solicitation of an offer to buy any of these securities. The offering is made only by the Offering Memorandum.

January 2005

\$1,692,000,000

**GALA
GROUP**

Senior Credit
Facilities

Joint Lead Arranger

Merrill Lynch

SugarHouse: A Winning Combination

- ✓ **Best Philadelphia Site & First-Rate Design**
- ✓ **Experienced Operating & Development Team**
- ✓ **Commitment to Diversity & Community Outreach**
- ✓ **Unquestioned Integrity & Commitment**
- ✓ **No Competing Casinos in the Region**
- ✓ **Strong Financial Resources**
- ✓ **Connection to Philadelphia & the Commonwealth**

SugarHouse

PURE FUN



www.sugarhousecasino.com