

REPORT TO

STATE RACING COMMISSION

COMMONWEALTH OF PENNSYLVANIA

Harrisburg, Pennsylvania

Report to the board and commission from licensee with regards to its efforts to

enhance live racing at Presque Isle Downs & Casino's racetrack in accordance with

provisions of § 1211(a)(2) of the table games legislation.

Name of Licensee: Presque Isle Downs, Inc.

Part I.

Live Attendance

1. Furnish documentation of how the introduction of slot machine gaming at the Licensed racetrack has enhanced live racing by increasing live attendance over the calendar year. Please include the following:

A. Total Attendance Statistics – daily, monthly and annually

With the almost daily increase in alternative types of wagering attendance for simulcast and live racing continues to diminish. If the weather or other daily situations prevent guests from coming on property, they still have other legal ways to place their bets.

Daily attendance for live racing (while lower than the 1,498 average per night during our first live race meet of 25 days in 2007) has stabilized over the past few years at an average of 840-850 patrons per day. Sunday and Wednesday Family Night at the races continues to be a success as mom and dad bring in the children for economical food options and the fun and excitement of live racing. Attendance on Family Nights is double what it is on other nights. The average daily attendance in 2015 was 841 patrons. Weather does play an important role in attendance for Live Racing. We have had low temperatures and even snow the first few weeks of live racing and we have also had days when the track temperature has reached over 150°. Erie is a vacation destination and when the weather gets hot, the race fans will take the opportunity to go to the beautiful beaches of Lake Erie.

Presque Isle Downs continued our weekly race day schedule of Sunday through Thursday evenings. Not racing Friday and Saturday was considered a bit out of the ordinary when we began, but over the past few seasons, there have been other race tracks moving to the less popular race days due to less competition. While unconventional, doing things differently is becoming more and more attractive and hopefully a bit more profitable.

[REPORT - FOLLOWING PAGE]

PRESQUE ISLE DOWNS CASINO ATTENDANCE LIVE AND SIMULCAST 1/1/2015 - 12/31/2015

	Live	Simulcast			Live	Simulcast			Live	Simulcast	
Date	Attend.	Attend.	Total	Date	Attend.	Attend.	Total	Date	Attend.	Attend.	Total
01/01/15	0	48	48	02/21/15	0	88	88	04/13/15	0	32	32
01/02/15	0	116	116	02/22/15	0	62	62	04/14/15	0	0	C
01/03/15	0	98	98	02/23/15	0	20	20	04/15/15	0	62	62
01/04/15	0	44	44	02/24/15	0	20	20	04/16/15	0	66	66
01/05/15	0	10	10	02/25/15	0	42	42	04/17/15	0	102	102
01/06/15	0	16	16	02/26/15	0	36	36	04/18/15	0	116	116
01/07/15	0	22	22	02/27/15	0	94	94	04/19/15	0	64	64
01/08/15	0	34	34	02/28/15	0	122	122	04/20/15	0	34	34
01/09/15	0	36	36	03/01/15	0	66	66	04/21/15	0	40	40
01/10/15	0	86	86	03/02/15	0	16	16	04/22/15	0	74	74
01/11/15	0	36		03/03/15	0	20	20	04/23/15	0	52	52
01/12/15	0	8		03/04/15	0	46	46	04/24/15	0	120	120
01/13/15	0	18		03/05/15	0	58	58	04/25/15	0	96	96
01/14/15	0	42	42	03/06/15	0	122	122	04/26/15	0	70	70
01/15/15	0	56		03/07/15	0	126	126	04/27/15	0	26	26
01/16/15	0	76		03/08/15	0	66	66	04/28/15	0	34	34
01/17/15	0	112	112	03/09/15	0	34	34	04/29/15	0	54	54
01/18/15	0	64		03/10/15	0	36	36	04/30/15	0	70	70
01/19/15	0	38		03/11/15	0	56	56	05/01/15	0	334	334
01/20/15	0	24		03/12/15	0	58	58	05/02/15	0	556	556
01/21/15	0	18	18	03/13/15	0	88	88	05/03/15	0	42	42
01/22/15	0	42	42	03/14/15	0	124	124	05/04/15	0	26	26
01/23/15	0	92	92	03/15/15	0	82	82	05/05/15	0	32	32
01/24/15	0	88	88	03/16/15	0	28	28	05/06/15	0	62	62
01/25/15	0	66		03/17/15	0	40	40	05/07/15	0	58	58
01/26/15	0	10	10	03/18/15	0	64	64	05/08/15	0	98	98
01/27/15	0	16		03/19/15	0	38	38	05/09/15	0	122	122
01/28/15	0	38	38	03/20/15	0	72	72	05/10/15	0	68	68
01/29/15	0	18		03/21/15	0	110		05/11/15	0	28	28
01/30/15	Ō	76	76	03/22/15	0	58	58	05/12/15	0	42	42
01/31/15	0	108		03/23/15	0	14	14	05/13/15	0	46	46
02/01/15	0	26		03/24/15	0	24		05/14/15	0	70	70
02/02/15	0	8	8	03/25/15	0	50	50	05/15/15	0	190	190
02/03/15	0	22	22	03/26/15	0	34	34	05/16/15	0	332	332
02/04/15	0	38		03/27/15	0	98	98	05/17/15	2,040	,106	2,146
02/05/15	0	58	58	03/28/15	0	116	116	05/18/15	672	18	690
02/06/15	0	90		03/29/15	0	72	72	05/19/15	393	32	425
02/07/15	0	90		03/30/15	0	20	20	05/20/15	543	42	585
02/08/15	0	60		03/31/15	0	20	20	05/21/15	495	48	543
02/09/15	0	14		04/01/15	0	58	58	05/22/15		94	94
02/10/15	0	18	18	04/02/15	0	58	58	05/23/15	0	88	88
02/11/15	0	40		04/03/15	0	102		05/24/15	1,860	94	1,954
02/12/15	0	38	38	04/04/15	0	110	110	05/25/15	885	24	909
02/13/15	0	88		04/05/15	0	40	40	05/26/15	429	30	459
02/14/15	0	66	66	04/06/15	0	22	22	05/27/15	726	58	784
02/14/15	0	56	56	04/07/15	0	46	46	05/28/15	603	42	645
02/16/15	0	24	24	04/08/15	0	72	72	05/29/15	000	86	86
02/17/15	0	18		04/09/15	0	58	58	05/30/15	0	112	112
02/18/15	0	34	34	04/10/15	0	102	102	05/31/15	666	84	750
02/19/15	0	34	34	04/11/15	0	102	102	06/01/15	363	16	379
02/19/15	0	82		04/11/15	0	54		06/02/15	429	30	459

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	Live	Simulcast			Live	Simulcast			Live	Simulcast	
Date	Attend.	Attend.	Total	Date	Attend.	Attend.	Total	Date	Attend.	Attend.	Total
06/03/15	957	48	1,005	07/24/15	0	84	84	09/13/15	504	50	554
06/04/15	489	58	547	07/25/15	0	98	98	09/14/15	429	28	457
06/05/15	0	192	192	07/26/15	1,374	70	1,444	09/15/15	453	26	479
06/06/15	0	386	386	07/27/15	690	48	738	09/16/15	762	46	808
06/07/15	1,167	48	1,215	07/28/15	474	32	506	09/17/15	534	60	594
06/08/15	309	22	331	07/29/15	984	74	1,058	09/18/15	0	110	110
06/09/15	564	46	610	07/30/15	966	66	1,032	09/19/15	0	86	86
06/10/15	1,017	54	1,071	07/31/15	0	86	86	09/20/15	828	68	896
06/11/15	804	40	844	08/01/15	0	140	140	09/21/15	345	22	367
06/12/15	0	108	108	08/02/15	1,407	100	1,507	09/22/15	390	36	426
06/13/15	0	114	114	08/03/15	552	54	606	09/23/15	705	58	763
06/14/15	1,164	80	1,244	08/04/15	624	50	674	09/24/15	483	42	525
06/15/15	591	40	631	08/05/15	1,110	68	1,178	09/25/15	0	108	108
06/16/15	471	42	513	08/06/15	1,365	60	1,425	09/26/15	0	110	110
06/17/15	939	72	1,011	08/07/15	0	98	98	09/27/15	915	50	965
06/18/15	642	58	700	08/08/15	0	112	112	09/28/15	720	30	750
06/19/15	0	90		08/09/15	1,377	64	1,441	09/29/15	333	36	369
06/20/15	0	92		08/10/15	285	48	333	09/30/15	525	48	573
06/21/15	1,479	62		08/11/15	474	48	522	10/01/15	474	50	524
06/22/15	420	30		08/12/15	1,050	72	1,122	10/02/15	0	116	116
06/23/15	540	26	566	08/13/15	870	68	938	10/03/15	0	104	104
06/24/15	1,227	54	1,281	08/14/15	0	126	126	10/04/15	780	50	830
06/25/15	627	50	677	08/15/15	0	204	204	10/05/15	576	40	616
06/26/15	0	70		08/16/15	1,230	92	1,322	10/06/15	747	54	801
06/27/15	0	124		08/17/15	714	52	766	10/07/15	0	44	44
06/28/15	927	72	999	08/18/15	498	56	554	10/08/15	0	48	48
06/29/15	0	34		08/19/15	957	82	1,039	10/09/15	0	98	98
06/30/15	0	42		08/20/15	981	64	1,045	10/10/15	0	72	72
07/01/15	1,044	82	1,126	08/21/15	0	104	104	10/11/15	0	38	38
07/02/15	996	50		08/22/15	0	124		10/12/15	0	44	44
07/03/15	0	88	·····	08/23/15	1,512	76	1,588	10/13/15	0	28	28
07/04/15	0	94		08/24/15	576	50		10/14/15	0	26	26
07/05/15	1,416	78		08/25/15	384	36	420	10/15/15	0	44	44
07/06/15	552	20		08/26/15	576	86	662	10/16/15	0	100	100
07/07/15	450	52	502	08/27/15	582	78	660	10/17/15	0	108	108
07/08/15	816	56	872	08/28/15	0	114	114	10/18/15	0	44	44
07/09/15	450	52	502	08/29/15	0	130	130		0	16	16
07/10/15	0	94	· · · · · · · · · · · · · · · · · · ·	08/30/15	1,380	74	1,454	10/20/15	o	44	44
07/11/15	0	130	130	08/31/15	525	48	573	10/21/15	0	56	56
07/12/15	1,335	82	1,417	09/01/15	522	48	570		0	56	56
07/13/15	450	30	480	09/02/15	714	62	776	10/23/15	0	120	120
07/14/15	681	48	729	09/03/15	585	50	635		0	90	90
07/15/15	798	62		09/04/15	0	90		10/25/15	0	46	46
07/16/15	546	74		09/05/15	0	106		10/26/15	0		12
07/17/15	0	98		09/06/15	1,980	106		10/27/15	0	44	44
07/18/15	0	98		09/07/15	792	102		10/28/15	0		40
07/19/15	1,233	82		09/08/15	375	34		10/29/15	0		116
07/20/15	525	34		09/09/15	600	26		10/30/15	0		210
07/21/15	441	30		09/10/15	450	48		10/31/15	0		194
07/22/15	759	60		09/11/15	0	90		11/01/15	0		66
07/23/15	702	64		09/12/15	0	94		11/02/15	0		18

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	Live	Simulcast			Live	Simulcast			Live	Simulcast	
Date	Attend.	Attend.	Total	Date	Attend.	Attend.	Total	Date	Attend.	Attend.	Total
11/03/15	0	24	24	11/23/15	0	14	14	12/13/15	0	56	56
11/04/15	0	52	52	11/24/15	0	34	34	12/14/15	0	24	24
11/05/15	0	52	52	11/25/15	0	48	48	12/15/15	0	34	34
11/06/15	0	90	90	11/26/15	0	26	26	12/16/15	0	46	46
11/07/15	0	102	102	11/27/15	0	135	135	12/17/15	0	46	46
11/08/15	0	64	64	11/28/15	0	88	88	12/18/15	0	70	70
11/09/15	0	20	20	11/29/15	0	72	72	12/19/15	0	60	60
11/10/15	0	54	54	11/30/15	0	18	18	12/20/15	0	32	32
11/11/15	0	54	54	12/01/15	0	38	38	12/21/15	0	24	24
11/12/15	0	62	62	12/02/15	0	48	48	12/22/15	0	34	34
11/13/15	0	86	86	12/03/15	0	62	62	12/23/15	0	52	52
11/14/15	0	78	78	12/04/15	0	102	102	12/24/15	0	0	0
11/15/15	0	60	60	12/05/15	0	98	98	12/25/15	0	0	0
11/16/15	0	16	16	12/06/15	0	52	52	12/26/15	0	116	116
11/17/15	0	42	42	12/07/15	0	24	24	12/27/15	0	60	60
11/18/15	0	38	38	12/08/15	0	20	20	12/28/15	0	8	8
11/19/15	0	48	48	12/09/15	0	50	50	12/29/15	0	54	54
11/20/15	0	88	88	12/10/15	0	50	50	12/30/15	0	46	46
11/21/15	0	70	70	12/11/15	0	84	84	12/31/15	0	42	42
11/22/15	0	52	52	12/12/15	0	96	96				

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LLOIAL Attendance	for Simulcast Racing	16,599
rotar / atomatioe	tor onnuloust raoing	10,000

Total Attendance for Live Racing 77,670

ATTENDANCE

		200	07	20	08	20	09	20	10	201	1	201	2	20	13	20	14	20	15
		Simul	Live	Simul	Live	Simul	Live	Simul	Live	Simul	Live	Simul	Live	Simul	Live	Simul	Live	Simul	Live
Daily Average		62	1,498	136	1,010	122	1,218	92	970	75	916	67	937	64	851	65	841	65	97:
Aonthly To	otals											Storight		5011535555			[o ta Batana I.	No de la
	Jan			2,794		2,970		2,794		1,694		1,500	MARKANNE I	1,318		1,370		1,556	0.303660
	Feb		UNERSEACE .	3,394		3,320		2,580		1,690		1,832		1,604		1,410		1,388	Jandaribila
1	Mar			3,300		3,616		3,282		2,116		2,100		2,086		1,892		1,856	<u>Principa</u>
/	Apr			3,918		3,692		3,156		2,306		2,036		2,066		1,908		1,776	
1	May			6,718	13,926	5,820	19,836	4,260	13,263	3,562	9,318	3,284	12,000	3,030	11,868	3,238	11,562	3,064	14,62
	Jun			4,952	17,880	4,210	22,122	2,850	17,670	2,806	19,131	2,500	20,883	2,224	17,568	2,570	17,712	2,200	19,9
	Jul	972		5,148	23,859	4,144	28,932	3,070	25,293	2,968	21,084	2,260	21,597	2,146	19,641	2,362	20,139	2,116	22,2
/	۹ug	5,272		5,284	25,091	4,204	27,355	2,996	22,320	2,590	21,474	2,216	21,849	2,114	20,205	2,129	20,873	2,578	23,48
5	Sep	5,588	37,443	4,118	20,271	3,626	23,529	2,548	18,477	2,238	17,511	2,028	17,409	1,841	15,862	1,954	13,857	1,870	15,72
(Oct	4,252		4,106		3,092		2,240		1,918	1,218	1,574		1,720		1,864		2,152	2,18
1	Vov	3,472		2,976		3,192		2,308		1,944		1,700		1,894		1,572		1,671	
l	Dec	2,938		2,684		2,326		1,456		1,548		1,406		1,340		1,452		1,528	00000.00
nnually		22,494	37,443	and the second	101.027		121.774	33,540	97,023	27.380	89,736	24,436	93,738	23,383	85,144	23,721	84,143	23,755	98,12

Simicasting at Presque Isle Downs began July 27, 2007. The first live race meet in September of 2007 consisted of 25 days and 200 races. Beginning in 2008, Presque Isle Downs & Casino has operated running 100 days of live racing with a total of 800 races. Due to a cancellation of 7 races one evening because of a thunder storm, the 800 races were run over 101 days. In 2009 raced 100 days with 798 live raes. Storms with thunder & lightning again forced the cancellation of 2 races. The 2010 race meet was 100 days of with 798 races. In 2011 racing was run 98 days, 2 days of live racing were cancelled due to extreme heat and the 800 races were run by adding races to other days. In 2012 798 races were run when once again 2 races were cancelled due to weather. In 2013, there were 796 races run. An extreme lightning storm caused us to cancel 4 races.

The100 day 2014 race season brought a change to the live race day schedule. Presque Isle Downs scheduled race days Sunday through Thursday. While staying with the early eveing post time of 5:25pm. 796 races were run in 2014. Two races were ruled no contest for the safety of the participants when horses broke down on two separate evenings. Two races were cancelled on another evening due to equipment failure.

2015 races were cancelled due to deer on the racetrack. A total of three races were cancelled on two different evenings. Following these cancellations, racing was cancelled two days an additional higher fencing was installed around the property. With this added precaution, we were able to keep the deer from returning and the remainder of the race meet was completed without further incident.

B. Description of the general demeanor and qualities of facility and amenities.

2015 was the 9th race season in the history of Presque Isle Downs. The newest Thoroughbred Race Track built in Pennsylvania remains one of the truly integrated Racinos where slot machines and racing coexist in the same building. Our racing surface continues to be proven one of the safest racing surfaces in the industry. The one mile Tapeta racing surface is durable, does not retain water and is one of the kindest to racehorses with a minimal number of breakdowns. Through the cooperative efforts of the racing association and the HBPA, additional fibers and liquid have been added in each of the past few. Records support the breakdown occurrences over the past 7 race meets run at Presque Isle Downs. The average racing related catastrophic injury in the past 7 years is less than 1 per 1000 starts. Presque Isle Downs continues to have one of the safest records in the Country.

Our remodeled buffet opened an additional venue for our patrons to dine and watch live racing. We have indoor seating as well as outdoor patio seating adjacent to the buffet for diners who like to be a little closer to the live racing action. Our facility was designed with families with young children in mind. While gaming laws prevent anyone under the age of 21 from accessing the gaming floor, our racetrack is accessible through outdoor gates. The area also gives access to the buffet and clubhouse from the apron/patio. Free admission and free parking is a big draw for families.

Our outdoor Concession Stand is available for guests who want to grab a hot, delicious and quick snack while enjoying live horse racing very close to the action. Our Wednesday Family Night Food promotions drew large crowds in for a satisfying burger, locally manufactured Smith's hotdog or other offerings. This was such a hit that we added Sunday Family Night to our promotions.

Our second floor mutuels area is integrated into the Clubhouse for the convenience of our racing fans who would like to dine while wagering on the races. Each table has its own television and there are several large-screen TV's located throughout the dining room.

Mutuel tellers also service the guests outside on the patio, inside in the simulcast area on the first floor and in the mutuels area on the clubhouse second floor level. We also have several self bet stations located throughout the facility including directly adjacent to the Poker room. We

added additional seating and TV's to the outside patio to allow our Guests to enjoy a more comfortable area do dine and enjoy the outdoors.

During the non-live racing season, we offer live entertainment on our stage in the clubhouse. Race fans can watch and wager on simulcast races from around the country and then stay for the performance by local bands and local and nationally known entertainers. We also offer other sports such as football, hockey and boxing on our large screen TV. We also offered outdoor concerts and live boxing on our racing apron on dark days.

Our poker room was quite well received by our patrons when it opened. Unfortunately, with the opening of the poker room at the Horseshoe in Cleveland, and the continued competition for the gaming dollar at neighboring casinos our revenues have declined substantially.

C. Description of appropriate signage and information so patrons can easily access and utilize racing facilities.

Presque Isle Downs has highway signs on I-90 and I-79. There is a lighted, highly visible high-rise Presque Isle Downs & Casino sign which can be seen when driving on I-90. As you cross the bridge, there is signage to the North and South Parking lots. The front of our facility has been revitalized with new signage showcasing all offerings of the property. When patrons arrive on property there is signage that directs them to all areas of the casino. Since the racetrack and casino are integrated, there is easy access from our casino and restaurants to the racetrack. North and South parking lots allow patrons direct access through the gates to the apron. As you enter the South Gate, you have direct view into the Paddock and access to the patio and apron.

We also have valet parking available for our patrons who prefer the convenience of not having to walk far in inclement weather. We employ shuttle bus drivers to transport our guests from the parking lots to the west side of the Casino to the racetrack and Casino. Way-finding signs have been installed inside the Casino so our gaming guests are able to locate all amenities of the property.

D. Description of changes to physical plant

Along with the addition of surface material and liquid to the Tapeta[™], PID purchased additional equipment to help work the track to keep it in for training and racing. Additional picnic table type seating was added to the

apron. TV's were installed in the barns. A new program counter along with wagering stations constructed. Due to the interference of the PA White Tailed deer with our live racing, we constructed higher, additional fencing around the property. With the help of Aphis/PA State Game Commission, we were able to continue the remainder of the race season with the 5:25pm post time.

These 2015 improvements were provided at a cost of \$325,360.00. Total investment in 2015 for projects covering all other areas of the operation at Presque isle Downs, (with the exception of Racing) totaled nearly \$4.8 million.

2. Describe plans to improve attendance at licensee's racetrack over the successive calendar year in addition to a marketing plan that includes:

A. Planned promotional programs to attract patronage

- Advertising During the live race meet, 50% to 75% of Presque Isle Downs' advertising budget is utilized for racing awareness and promotional event nights. Our advertising efforts include both national and regional state racing publications (Bloodhorse, Horsemen's Journal & The Saratogan), local print, radio, television, and billboards; Print, radio, and television in New York; and Radio, Print and Television in Ohio (specifically the Cleveland and Ashtabula markets).
- 2. Promotions Throughout the live race meet, we host a variety of promotions and special events, but the biggest draws are our Family Nights at the Races. We promote this through direct mail, television, radio, and print across all markets. This features family-friendly pricing on food (\$2 cheeseburgers, two Smith's hot dogs for \$2; \$1 fries, etc) to make it more affordable to bring the whole family out for a night of entertainment. The Wednesday Night at the Races (family night) was so popular and such a huge success that we extended that to Sundays as well. We also do special event nights like T-Shirt Giveaway Nights; Fan Appreciation Nights; Stakes Nights with special giveaways all designed to bring more people into the racetrack. We have events for adults and kids!
- Public Relations & Public Awareness The local Erie media WJET (ABC), WICU (NBC), WFXP (FOX), WSEE (CBS), and the Erie Times News provide extensive coverage through the live race meet. Live coverage during

opening night consists of 2 ½ hours of live broadcasts during their news segment live from Presque Isle Downs. Featured are owners, trainers, racing officials, jockeys, track maintenance, simulcast hosts, all in an effort to better educate the public to help them understand what it takes to put on a show. We also have different features throughout the live race meet on various jockeys, trainers, etc. throughout the meet. We work with VisitErie and the Convention Authority by offering visiting conventions to experience "A Night at the Races" as well as local businesses within our community.

 Direct Mail – Each month during live racing, our core direct mail contains racing information to promote the events that are occurring each month. This is sent to approximately 80,000 people each month.

B. Plans for public awareness and outreach

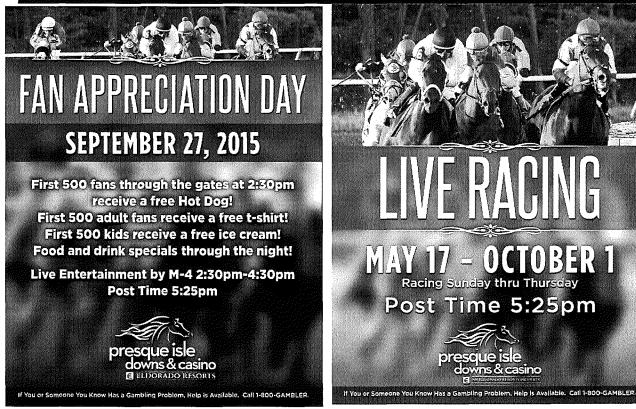
- Groups that come to our property are offered an opportunity to learn the betting basics from our track officials and are given a \$5 Match Play wager to generate interest in racing.
- 2. Local groups have "company" nights at Presque Isle Downs on a regular basis. Along with the "company" name in the live racing program, some of the group members go into the Winners Circle for a group picture after the race.

Sample advertisements on following pages:



6 Furlongs For horsemen information, please call 814-860-8984.

If You or Someone You Know Has a Gambling Problem, Help is Available. Call 1-800-GAMBLER.







2 Describe plans to improve attendance at licensee's racetrack over the successive calendar year in addition to a marketing plan that includes:

A. Planned promotional programs to attract patronage

- Advertising 50% to 75% of our direct advertising budget during our live race meet is utilized for racing awareness and promotional event nights. The television spots that run year round (with different messaging) contain racing messages. Advertising targets national and state racing publications, local print, radio and television; Print & Radio in Pennsylvania & New York; and Print, Radio & Television in Ohio (specifically the Cleveland and Ashtabula market).
- 2. Promotions –Throughout the live race meet, we host a variety of promotions and special events

T-shirt giveaways; Sundays Family Night at the Races, Wednesday Night at the Races which also includes food specials (features \$2 Cheeseburgers, Two Hot Dogs for \$2 and other food items at discount prices); Fan Appreciation Nights with free popcorn for kids, \$1 Hot Dogs); Poster Giveaways; and Match Play Wagers. In 2015, we added an additional Sunday Family Night at the Races with live entertainment before racing and \$2 Cheeseburgers and \$1 Hot Dogs.

- Public Relations & Public Awareness The local Erie media WJET (ABC), WICU (NBC), WFXP (FOX), WSEE (CBS), and the Erie Times News provide extensive coverage throughout the live race meet. Live coverage during opening night. We also work with VisitErie and the Convention Authority by offering visiting conventions to experience "A Night at the Races."
- 4. Direct Mail Each month during live racing, our core direct mail piece contains racing information. This is sent to approximately 75,000 to 80,000 each month. A direct mail piece is also sent quarterly to racing players that contain Match Play Wagers to promote upcoming racing events.

B. Plans for public awareness and outreach

1. Groups that come onto property are offered an opportunity to learn the betting basics and are given a \$5 Match Play wager to generate interest in racing. 2. Local groups have "company" nights at Presque Isle Downs on a regular basis. Along with the "company" name in the live racing program, some of the group members go into the Winners Circle for a group picture after the race.

[SAMPLES ON FOLLOWING PAGES]



Part II. Handle

1. Furnish documentation of how the introduction of slot machine gaming at the licensed racetrack has enhanced live racing by increasing live handle over the calendar year.

Please include the following:

A. Total amount of live handle wagered on races conducted by licensee -

Presque Isle Downs & Casino opened our doors in February 2007. Live Racing began in September 2007. There were no handle numbers to compare before the introduction of slot machine gaming. Following is our handle report for the calendar years 2007 – 2015.

[REPORT FOLLOWING PAGE]

HANDLE LIVE RACES

2007	2008	2009	2010	2011	2012	2013	2014	2015
,456,691.00	\$4,001,392.00	\$4,426,725.00	\$3,564,571.00	\$3,425,082.00	\$3,469,364.80	\$2,921,201.10	\$2,782,759.70	\$2,771,069.20
N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
,184,942.00	\$27,746,910.00	\$39,436,847.00	\$41,042,003.00	\$40,543,185.00	\$46,704,985.62	\$67,408,178.23	\$64,716,886.78	\$62,319,999.68
	456,691.00 N/A	456,691.00 \$4,001,392.00 N/A N/A N/A N/A	456,691.00 \$4,001,392.00 \$4,426,725.00 N/A N/A N/A N/A N/A N/A N/A	456,691.00 \$4,001,392.00 \$4,426,725.00 \$3,564,571.00 N/A N/A N/A N/A N/A N/A N/A N/A N/A N/A	456,691.00 \$4,001,392.00 \$4,426,725.00 \$3,564,571.00 \$3,425,082.00 N/A N/A N/A N/A N/A N/A N/A N/A N/A N/A N/A N/A N/A	456,691.00 \$4,001,392.00 \$4,426,725.00 \$3,564,571.00 \$3,425,082.00 \$3,469,364.80 N/A N/A N/A N/A N/A N/A N/A N/A N/A N/A N/A N/A N/A N/A N/A	456,691.00 \$4,001,392.00 \$4,426,725.00 \$3,564,571.00 \$3,425,082.00 \$3,469,364.80 \$2,921,201.10 N/A N/A N/A N/A N/A N/A N/A N/A N/A N/A N/A N/A N/A N/A N/A N/A N/A N/A	456,691.00 \$4,001,392.00 \$4,426,725.00 \$3,564,571.00 \$3,425,082.00 \$3,469,364.80 \$2,921,201.10 \$2,782,759.70 N/A N/A N/A N/A N/A N/A N/A N/A N/A N/A

Presque Isle Downs does not own or operate Off-Track Facilities nor an Account Wagering System

B. Total amount wagered on simulcast races received by the licensee –

[REPORT FOLLOWING PAGE]

HANDLE SIMULCAST RACES

	2007	2008	2009	2010	2011	2012	2013	2014	2015
1) On-Track	\$5,123,207.00	\$11,990,848.00	\$11,867,180.00	\$9,799,750.00	\$5,131,712.00	\$7,604,887.00	\$7,529,506.30	\$6,293,107.10	\$6,400,978.90
2) Off-Track	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
3) Account Wagering	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Total	\$5,123,207.00	\$11,990,848.00	\$11,867,180.00	\$9,799,750.00	\$5,131,712.00	\$7,605,887.00	\$7,529,506.30	\$6,293,107.10	\$6,400,978.90

Presque Isle Downs does not own or operate Off-Track Facilities nor an Account Wagering System

2. Describe plans to increase live handle and simulcast handle with both licensee and at guest locations.

Presque Isle Downs is enlisting the services of nationally known handicappers to promote our live racing signal on TV and radio shows. We will also be looking into the possibility of lowering take-out rates and host fees to make wagering on Presque Isle Downs races more profitable for the tracks that simulcast our races and the people who wager on them.

Our On-track Handicapper, Andrew Demsky prepares his picks each day and this information is also available to our race fans.

We have contracted with TVG and the Presque Isle Downs signal is shown on both TVG and TVG-2 along with most Race Tracks across the United States and in Canada. We are also working with our Tote Company to provide the most updated wagering systems available.

Again in 2016 Presque Isle Downs and the HBPA plan to work together to bring the crew from TVG to cover the Presque Isle Mile and the Grade II Presque Isle Masters Stakes in September. Their presence added a boost to our handle on those nights and we will explore opportunities to add more of this type of programming to our schedule.

Our 5:25pm post time works locally as residents have finished their work day and can head out for some early entertainment and our dining options throughout the facility give them many choices. Our final race of the day is usually completed before 9:00pm which is not too late for children in the summer months. Nationally we are considered the latest of the bridge tracks for those handicappers who are able to participate in wagering throughout the day.

We also participate in promotions offered by simulcast sites to increase our patron's awareness of tracks which are simulcast at Presque Isle Downs.

Part III Native Breeding Industry

- 1. Furnish documentation of how the introduction of slot machine gaming at the licensed racetrack has enhanced live racing by increasing the number of PAbred or PA-sired horses participating in races at track over the calendar year. Please include the following:
 - A. Total of individual PA-bred/sired horses competing at racetrack, total Number of starts these horses made, and total purses earned.

During the 2015 race meet there were 376 unique PA Bred Starts with total wins of 174. Total starts by PA Bred horses were 1,344 for total earnings of \$5,574,393.

B. Percentage of the whole that these PA-bred/sired horses contribute to the total number of horses competing at its track, the percentage of the whole as to the total number of starts made, the percentage of the whole of purses.

A total of 2290 horses competed at Presque Isle Downs in 2015 with PAbred/sired making up 17.17% of the total. Total starts at PID were 5975; total PA-bred/sired starts were 1,344 or 22.49%. Total purses paid \$16,648,780 with PA Bred/sired purses totaling \$4,754,393 or 28.56%.

C. Total number of races restricting entry to PA-bred or PA-sired horses and total purses paid in restricted races.

86 PA restricted races were run at Presque Isle Downs in 2015 with purses of \$2,104,000. Included 5 PA Bred Stakes Races.

2. Describe plans to increase participation of PA-bred or PA-sired horses for the successive calendar year.

As we have in the past, we continue to work with the PA Breeder's Association and the HBPA. Depending on available funding we will continue to offer at least one race in the Condition Book per card and at least one Substitute race per card. This has proven to work at Presque Isle Downs in the past years and we are certain it will continue. In 2015 we will offer 5 - \$100,000 Stakes Races for Registered PA Breeds.

Part IV Class

1. Furnish documentation of how the introduction of slot machine gaming at the licensed racetrack has enhanced racing by improving the quality in the class of races over the calendar year. Please include the following:

Type Of Race	Number of Races	Number of Starters	Purses Paid
	See Race Summary R	eports on following pa	iges

Race Summary Report From 05/17/2015 to 10/06/2015 Breed: TB Course: Both Sex: Both State Bred: Only Sorted By: Race Type

Presque Isle D	lowns	State B	red: Only Se	orted By: Race	е Туре				Pa	age 1 of 1
Race Type	Race Class	Races	Horses	Purses	Percent Total	Long Races	Avg Long	Short Races	Avg Short	Overall Avg
ALLOWANCE										
	ALWNW1/XMCorNW2(PA)	16	120	478,000	19.05	9	6.89	7	8.29	7.50
	ALWNW2/XMCorNW3(PA)	7	44	215,000	8.33	2	6.50	5	6.20	6.29
	All ALW Classes	23	164	693,000	27.38	11	6.82	12	7.42	7.13
CLAIMING										
	C12500-10000(PA)	13	83	249,000	15.48	5	5.80	8	6.75	6.38
	C12500-10000NW2(PA)	6	41	83,000	7.14	3	6.33	3	7.33	6.83
	C12500-10000NW3(PA)	3	18	45,000	3.57	1	5.00	2	6.50	6.00
	C25000-22500NW2(PA)	2	11	34,000	2.38	0	0.00	2	5.50	5.50
	All CLM Classes	24	153	411,000	28.57	9	5.89	15	6.67	6.37
MAIDEN CLAIN	MING									
	M12500-10000(PA)	17	114	196,000	20.24	2	5.00	15	6.93	6.71
	All MCL Classes	17	114	196,000	20.24	2	5.00	15	6.93	6.71
MAIDEN SPEC	IAL WEIGHT									
	M(PA)	15	100	429,000	17.86	2	6.50	13	6.69	6.67
	All MSW Classes	15	100	429,000	17.86	2	6.50	13	6.69	6.67
STAKES										
	STK	3	27	225,000	3.57	3	9.00	0	0.00	9.00
	STK(PA)	2	18	150,000	2.38	0	0.00	2	9.00	9.00
	All STK Classes	5	45	375,000	5.95	3	9.00	2	9.00	9.00
	All Races	84	576	2,104,000	100.00	27	6.59	57	6.98	6.86

Race Summary Report From 05/17/2015 to 10/06/2015 Breed: TB Course: Both Sex: Both State Bred: Included Sorted By: Race Type

Presque Isle Do	owns			: Both Sex: I Sorted By: Ra					Pa	ge 1 of 2
Race Type	Race Class	Races	Horses	Purses	Percent Total	Long Races	Avg Long	Short Races	Avg Short	Overa Av
ALLOWANCE	· · · · · · · · · · · · · · · · · · ·					· · · · · · · · · · · · · · · · · · ·				
	ALW	8	60	298,000	1.00	3	7.00	5	7.80	7.5
	ALWNW1/XMC	1	6	28,000	0.13	0	0.00	1	6.00	6.0
	ALWNW1/XMCorNW2	22	151	658,000	2.76	10	6.70	12	7.00	6.8
	ALWNW1/XMCorNW2(PA)	16	120	478,000	2.01	9	6,89	7	8.29	7.5
	ALWNW2	18	123	540,000	2.26	8	6.63	, 10	7.00	6.8
	ALWNW2/XMCorNW3	4	23	116,000	0.50	2	5.50	2	6.00 [.]	5.7
	ALWNW2/XMCorNW3(PA)	4	23 44	215,000	0.50	2	5.50 6.50	5	6.20	6.2
	ALWNW2/XINCONWV3(PA) ALWNW3					2 4		5	6.20	6.2
	ALWINWS All ALW Classes	11 87	69 596	340,000 2,673,000	1.38 10.92	4 38	6.25 6.63	49	6.29 7.02	6.8
		07	590	2,073,000	10.92	30	0.03	45	1.02	0.0
ALLOWANCE C	OPTIONAL CLAIMING									
	ALWNW1/XMCorC25000	1	· 6	28,000	0.13	0	0.00	1	6.00	6.0
	ALWNW2/XMCorNW3orC40000	12	84	372,000	1.50	7	7.43	5	6.40	7.0
	ALWNW2orC62500	6	40	198,000	0.75	1	6.00	5	6.80	6.6
	ALWNW3/XMCorC62500	1	4	31,000	0.13	0	0.00	1	4.00	4.0
	ALWNW3/XMCorNW4orC62500	3	22	105,000	0.38	0	0.00	3	7.33	7.3
	ALWorC25000	1	6	28,000	0.13	0	0.00	1	6.00	6.0
	CONDorNW4orC62500	2	9	62,000	0.25	1	4.00	1	5.00	4.5
	All AOC Classes	26	171	824,000	3.27	9	6.89	17	6.41	6.5
BEATEN CLAIM	IING									
	C5000NW1(DATE)	70	582	739,000	8.77	24	7.88	46	8.54	8.3
	C5000NW2(DATE)	18	149	190,000	2.26	13	8,38	5	8.00	8.2
	C7500NW1(DATE)	12	94	144,000	1.50	7	7.71	5	8.00	7.8
	C7500NW2(DATE)	13	95	160,000	1.63	7	7.00	6	7.67	7.3
	All BCL Classes	113	920	1,233,000	14.16	51	7.86	62	8.37	8.1
CLAIMING										
	C12500-10000	24	171	444,000	3.01	9	6.89	15	7.27	7.1
	C12500-10000(PA)	13	83	249,000	1.63	5	5.80	8	6.75	6.3
	C12500-10000(I A)	6	41	83,000	0.75	3	6.33	3	7.33	6.8
	C12500-10000NW3(PA)	3	18	45,000	0.38	1	5.00	2	6,50	6.0
	C16000-14000	21	141		2.63	8	7.25	13	6.38	6.7
		15	141	446,000	1.88	3	7.67	13	6.42	6.6
	C16000-14000NW2			233,000		8		12	6.92	6.7
	C16000-14000NW3	20	135	352,000	2.51	-	6.50	2	6.92 6.00	6.0
	C25000	2	12	46,000	0.25	0	0.00		6.38	6.6
	C25000-22500	17	113	428,000	2.13	9	6.89	8		6.6
	C25000-22500NW2	14	93	252,000	1.75	3	6.67	11	6.64	
	C25000-22500NW2(PA)	2	11	34,000	0.25	0	0.00	2	5.50	5.5
	C25000-22500NW3	9	58	177,000	1.13	4	6.50	5	6.40	6.4
	C40000	3	17	78,000	0.38	2	6.00	1	5.00	5.6
	C40000NW2	3	19	62,000	0.38	0	0.00	3	6.33	6.
	C40000NW3	1	6	21,000	0.13	0	0.00	1	6.00	6.0
	C5000	21	155	328,000	2.63	7	7.29	14	7.43	7.3
	C5000NW1(DATE)	6	43	64,000	0.75	3	8.33	3	6.00	7.1
	C5000NW2(DATE)	16	151	178,000	2.01	0	0.00	16	9.44	9.4
	C7500	16	107	277,000	2.01	7	6.29	9	7.00	6.6
	C7500NW1(DATE)	1	11	12,000	0.13	1	11.00	0	0.00	11.0
	C7500NW2	60	484	700,000	7.52	26	7.65	34	8.38	8.
	C7500NW2(DATE)	1	7	13,000	0.13	0	0.00	1	7.00	7.
	C7500NW3	54	474	743,000	6.77	20	7.60	34	9.47	8.
	C7500NW4	18	150	284,000	2.26	8	8.50	10	8.20	8.
	All CLM Classes	346	2600	5,549,000	43.40	127	7.23	219	7.68	7.
AIDEN CLAIM	ling									
	M12500-10000(PA)	17	114	196,000	2.13	2	5.00	15	6.93	6.
	M16000-14000	3	19	39,000	0.38	1	6.00	2	6.50	6.
	M25000	1	5	15,000	0.13	0	0.00	1	5.00	5.0
	M25000-22500	15	108	241,000	1.88	2	5.00	13	7.54	7.
	WIZ3000-ZZ300	10	100	241.000	1.00	2	5.00	10	7.04	

Race Summary Report From 05/17/2015 to 10/06/2015 Breed: TB Course: Both Sex: Both State Bred: Included Sorted By: Race Type

Presque Isle D	owns	State Bree	d: Included	Sorted By: Ra	се Туре				Pa	age 2 of 2
Race Type	Race Class	Races	Horses	Purses	Percent Total	Long Races	Avg Long	Short Races	Avg Short	Overall Avg
	All MCL Classes	92	705	1,082,000	11.54	25	7.32	67	7.79	7.67
MAIDEN SPEC	AL WEIGHT									
	М	59	457	1,725,000	7.39	20	6.30	39	8.49	7.75
	M(PA)	15	100	429,000	1.88	2	6.50	13	6.69	6.67
	All MSW Classes	74	557	2,154,000	9.27	22	6.32	52	8.04	7.53
STARTER OPT	FIONAL CLAIMING									
	C16000(DATE)	2	13	48,000	0.25	1	7.00	1	6.00	6.50
	All SOC Classes	2	13	48,000	.25	1	7.00	1	6.00	6.50
STAKES										
	STK	10	92	1,325,000	1.25	5	9.60	5	8.80	9.20
	STK(PA)	2	18	150,000	0.25	0	0.00	2	9.00	9.00
	All STK Classes	12	110	1,475,000	1.50	5	9.60	7	8.86	9.17
STARTER ALL	OWANCE					4				
	STR/ALW	2	11	74,000	0.25	0	0.00	2	5.50	5.50
	STR/ALW16000	9	63	294,000	1.13	5	7.40	4	6.50	7.00
	STR/ALW5000	24	153	432,000	3.01	9	6.33	15	6.40	6.38
	STR/ALW7500	11	76	225,000	1.38	1	8.00	10	6.80	6.91
	All STR Classes	46	303	1,025,000	5.77	15	6.80	31	6.48	6.59
	All Races	798	5975	16,063,000	100.00	293	7.21	505	7.65	7.49

Race Summary Report From 05/17/2015 to 10/06/2015 Breed: TB Course: Both Sex: Both State Bred: Excluded Sorted By: Race Type

Presque Isle D	owns	State Bred	: Excluded	Sorted By: Ra	се Туре				Page 1 of 2		
Race Type	Race Class	Races	Horses	Purses	Percent Total	Long Races	Avg Long	Short Races	Avg Short	Overall Avg	
ALLOWANCE											
	ALW	8	60	298,000	1.12	3	7.00	5	7.80	7.50	
	ALWNW1/XMC	1	6	28,000	0.14	0	0.00	1	6.00	6.00	
	ALWNW1/XMCorNW2	22	151	658,000	3.08	10	6,70	12	7.00	6.86	
	ALWNW2	18	123	540,000	2.52	8	6.63	10	7.00	6.83	
	ALWNW2/XMCorNW3	4	23	116,000	0.56	2	5.50	2	6.00	5.75	
	ALWNW3	11	69	340,000	1.54	4	6.25	7	6.29	6.27	
	All ALW Classes	64	432	1,980,000	8.96	27	6.56	37	6.89	6.75	
ALLOWANCE (OPTIONAL CLAIMING										
	ALWNW1/XMCorC25000	1	6	28,000	0.14	0	0.00	1	6.00	6.00	
	ALWNW2/XMCorNW3orC40000	12	84	372,000	1.68	.7	7,43	5	6.40	7.00	
	ALWNW2orC62500	6	40	198,000	0.84	1	6,00	5	6.80	6.67	
	ALWNW3/XMCorC62500	- 1	4	31,000	0.14	0	0.00	1	4.00	4.00	
	ALWNW3/XMCorNW4orC62500	3	22	105,000	0.42	0	0.00	3	7.33	7.33	
	ALWorC25000	1	6	28,000	0.14	0	0.00	1	6.00	6.00	
	CONDorNW4orC62500	2	9	62,000	0.28	1	4.00	1	5.00	4.50	
	All AOC Classes	26	171	824,000	3.64	9	6.89	17	6.41	6.58	
BEATEN CLAIN	MING										
	C5000NW1(DATE)	70	582	739,000	9.80	24	7.88	46	8.54	8.31	
	C5000NW2(DATE)	18	149	190,000	2.52	13	8.38	.5	8.00	8.28	
	C7500NW1(DATE)	12	94	144,000	1.68	7	7.71	5	8.00	7.83	
	C7500NW2(DATE)	12	95	160,000	1.82	7	7.00	6	7.67	7.31	
	All BCL Classes	113	920	1,233,000	15.82	51	7.86	62	8.37	8.14	
CLAIMING											
	C12500-10000	24	171	444,000	3.36	9	6.89	15	7.27	7.13	
	C16000-14000	24	141	446,000	2.94	8	7.25	13	6.38	6.71	
	C16000-14000NW2	15	141	233,000	2.10	3	7.67	10	6.42	6.67	
	C16000-14000NW3	20	135	352,000	2.10	8	6.50	12	6.92	6.75	
	C 16000-14000NWS	20	135	46,000	0.28	0	0.00	2	6.00	6.00	
	C25000-22500	17	12	48,000	2,38	9	6.89	8	6.38	6.65	
	C25000-22500NW2	14	93	428,000	1.96	3	6.67	11	6.64	6.64	
			93 58		1.90	4	6.50	5	6.40	6.44	
	C25000-22500NW3	9		177,000	0.42	4	6.00	1	5.00	5.67	
	C40000	3 3	17	78,000		2	0.00	3	5.00 6.33	6.33	
	C40000NW2		19	62,000	0.42 0.14		0.00	1	6.00	6.00	
	C40000NW3	1	6	21,000		0 7	0.00 7.29	י 14	7.43	7.38	
	C5000	21	155	328,000	2.94			3	6.00	7.17	
	C5000NW1(DATE)	6	43	64,000	0.84	3 0	8.33 0.00		9.44	9.44	
	C5000NW2(DATE)	16 16	151	178,000	2.24	0 7		9	9.44 7.00	6.69	
	C7500	16	107	277,000	2.24		6.29	9	0.00	11.00	
	C7500NW1(DATE)	1	11	12,000	0.14	1	11.00				
	C7500NW2	60	484	700,000	8.40	26	7.65	34	8.38	8.07	
	C7500NW2(DATE)	1	7	13,000	0.14	0	0.00	1	7.00	7.00	
	C7500NW3	54	474	743,000	7.56	20	7.60	34	9.47	8.78	
	C7500NW4	18	150	284,000	2.52	8	8.50	10	8.20	8.33	
	All CLM Classes	322	2447	5,138,000	45.08	118	7.33	204	7.76	7.60	
MAIDEN CLAIN		-			- 15			<u>^</u>	A 70	A 44	
	M16000-14000	3	19	39,000	0.42	1	6.00	2	6.50	6.33	
	M25000	1	5	15,000	0.14	0	0.00	1	5.00	5.00	
	M25000-22500	15	108	241,000	2.10	2	5.00	13	7.54	7.20	
	M7500	56	459	591,000	7.84	20	7.85	36	8.39	8.20	
	All MCL Classes	75	591	886,000	10.50	23	7.52	52	8.04	7.88	
MAIDEN SPEC								~~	A 16		
	Μ	59	457	1,725,000	8.26	20	6.30	39	8.49	7.75	
	All MSW Classes	59	457	1,725,000	8.26	20	6.30	39	8.49	7.75	

Race Summary Report From 05/17/2015 to 10/06/2015 Breed: TB Course: Both Sex: Both State Bred: Excluded Sorted By: Race Type

Presque Isle Downs		State Bred: Excluded Sorted By: Race Type							Page 2 of	
Race Type	Race Class	Races	Horses	Purses	Percent Total	Long Races	Avg Long	Short Races	Avg Short	Overall Avg
STARTER OPT	ONAL CLAIMING									
	C16000(DATE)	2	13	48,000	0.28	1	7.00	1	6.00	6.50
	All SOC Classes	2	13	48,000	.28	1	7.00	1	6.00	6.50
STAKES										
	STK	7	65	1,100,000	0.98	2	10.50	5	8.80	9.29
	All STK Classes	7	65	1,100,000	.98	2	10.50	5	8.80	9.29
STARTER ALL	OWANCE									
	STR/ALW	2	11	74,000	0.28	0	0.00	2	5.50	5.50
	STR/ALW16000	9	63	294,000	1.26	5	7.40	4	6.50	7.00
	STR/ALW5000	24	153	432,000	3.36	9	6.33	15	6.40	6.38
	STR/ALW7500	11	76	225,000	1.54	1	8.00	10	6.80	6.91
	All STR Classes	46	303	1,025,000	6.44	15	6.80	31	6.48	6.59
	All Races	714	5399	13,959,000	100.00	266	7.27	448	7.73	7.56

2. Describe plans to improve class of horses in races for the successive calendar year.

Presque Isle Downs continues our practice of allotting stalls according to the trainers with horses that will fit into the racing program at Presque Isle Downs. The horsemen who participate in the race meet at Presque Isle Downs believe horsemen should run a better quality of horses for the quality of purses we have the ability to offer. With the year over year decline in foal crop there are less and less horses available to fill races. The average start per race in 2015 was 7.49 which were on par with the average start per race in 2014.

The class of horses that have competed in Stakes races at Presque Isle Downs has improved steadily in the past few years. The Presque Isle Downs Masters Stakes was awarded Grade II status in 2011. Living the Life repeated her win in the 2015 Masters Stakes; hopefully she will return in the 2016 Masters and be our first three peat. In 2014 she won the Masters Stakes and went on to compete in the DraftKings Breeders Cup Filly and Mare Stakes where Dame Dorothy who finished 3rd in the 2014 Masters Stakes went on to win. Groupie Doll a repeat (2012 & 2013) winner of the Masters as well as Musical Romance the winner in the previous years (2011) Masters Stakes went on to win the Breeders Cup Filly and Mare Sprint race and to be named Champion Female Sprinter of the year. The winner of the 2010 Masters Stakes (Gr.III) Informed Decision, also competed in the 2010 Breeders' Cup Filly and Mare Sprint; Dubai Majesty who finished second to Informed Decision in the 2010 Masters Stakes won the 2010 Breeders' Cup Filly and Mare Sprint and was also named 2010 Champion Female Sprinter. Informed Decision won the 2009 Presque Isle Downs Masters Stakes and the 2009 Breeders' Cup Filly and Mare Sprint was named 2009 Champion Female Sprinter.

The Winner of the Presque Isle Downs 2011 Mile Stakes Wise Dan was named Horse of the Year at the 2012 and 2013 Eclipse Awards. Presque Isle Downs is pleased to proclaim their association with these great horses. The quality of the horses that compete over the Tapeta[™] surface at Presque Isle Downs does continue to improve year after year.

We continue to allot stalls to trainers with horses that fit into the Presque Isle Downs Program. In addition to the trainers who supported the Presque Isle Downs Race meet in 2015, stalls were allotted to 12 new trainers for who had not previously stabled here.

Part V Residence

- 1. Furnish documentation of how the introduction of slot machine gaming at the licensed racetrack has enhanced live racing by increasing the number of PA residents participating in the Commonwealth's racing industry throughout the calendar year. Please include the following:
 - A. Number of PA Residents participating at the track as owners and trainers.

In 2015 there were 132 PA Residents participating at the track as owners and trainers out of 866 owners and trainers.

B. Percentage of the whole that PA residents contribute to the total number of owners and trainers.

15.24% of the registered owners and trainers participating at Presque Isle Downs in 2015 were PA Residents.

C. Total purse earnings of PA residents at track of owners (as determined by address of stable or lead owner) and trainers.

Total earned by PA residents in 2015 was \$2,066,286 or 12.52%

D. Estimated amount of purse earnings of non-PA residents stabling horses at the track.

Estimated total earned by non-PA residents stabling horses at Presque Isle Downs in 2015 was \$14,437,191.50.

2. Provide strategy to increase the participation of Pennsylvania residents in the PA racing industry for the successive calendar year.

Through continued promotion of Presque Isle Downs races, we plan to encourage PA residents to race their horses at Presque Isle Downs. The purses offered along with PA Bred restricted races offered and additional owner bonus will help to entice additional owners/trainers to move to the Erie area to race in the future. We were provided with a promotional video by the PA Breeders Association. We show this every live race day at the beginning of our program.

We promote PA restricted races in advertising and on our website. We continue to work with the HBPA to increase interest in racing in Erie, PA.

We allot stalls to new trainers as they become open. Many of the PA residents have upgraded their stock to participate on a higher level.