

October 31, 2013



Return On Investment Analysis Las Vegas Global Business District

Executive Summary

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1. The implementation of the LVGBD plan is estimated to result in a 25-year ROI of \$50.40 in incremental hotel property revenues for every \$3 PRNF collected.
2. Over the 25-year period evaluated, the total PRNF investment of \$3.3 billion is projected to have a hotel property revenue impact of \$54.6 billion.
3. The breakdown of this incremental hotel property revenue would include:
 - Lodging Revenues \$26.9 billion
 - Non-Lodging Revenues \$27.7 billion
4. LVCC is at a point where additional capital investment is warranted in order to overcome both its current occupancy capabilities as well as to maintain its competitive position in light of significant expansions and renovations at McCormick Place and Orlando Convention Centers.
5. The LVGBD expansion is projected to drive approximately 1.7 million additional occupied room nights per year by 2020 and 3.6 million by 2025.
6. Our analysis projects that approximately 32,000 additional rooms will be built over the next 25 years including 8,000 attributable to the implementation of the LVGBD plan.
7. The LVGBD would make the LVCC the largest in the United States, elevating it from its current position as the third largest US convention center in terms of leasable space. The LVCC expansion will allow the center to attract new shows, handle more concurrent shows, and protect and grow existing shows.