


Case Study – Complex Valuation Analysis

Company Background	Transaction Details	SGC's Role
<ul style="list-style-type: none">▪ The City of Atlantic City is the second oldest gaming market in the U.S. with annual gross gaming revenue over \$2.6 billion▪ Gaming revenue and city tax receipts had fallen precipitously since 2007 due to nearby competition 	<ul style="list-style-type: none">▪ In 2013, Borgata Hotel Casino and Spa filed an appeal of its real estate taxes for the 2009 and 2010 fiscal years▪ The tax court ruled in favor of Borgata, valuing the property at \$875M, compared with the \$2.3 assessed value, and awarded the company a \$48M refund▪ The property filed a subsequent appeal for the 2011-2013 fiscal years	<ul style="list-style-type: none">▪ Prepared a 130-page expert report on the Atlantic City gaming market, Borgata relative to the competition, and valuation of casinos▪ Performed an in-depth valuation analysis of Borgata using multiple valuation methodologies▪ Drafted a critical review of the analyses prepared by experts for Borgata▪ Borgata settled the tax dispute for 2011-2013 at a valuation of \$900M, up from the 2009-10 valuation despite a 40% decline in EBITDA from 2009-2013



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