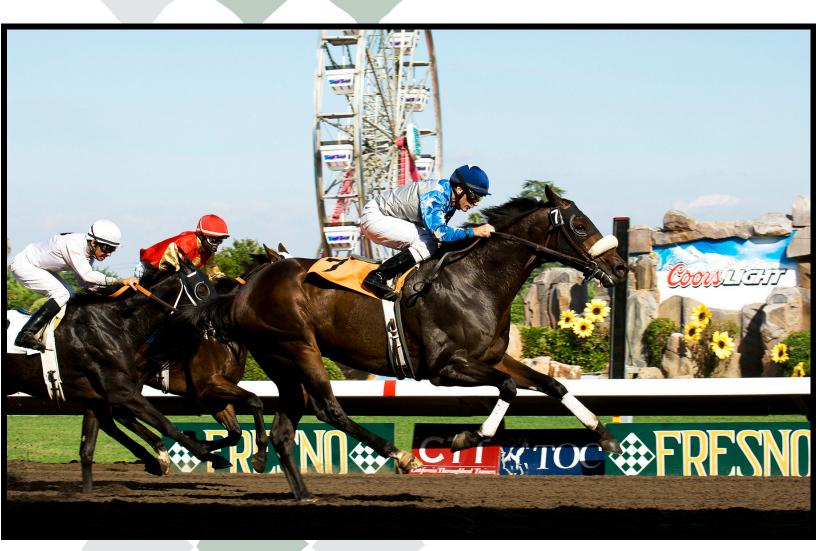
CALIFORNIA AUTHORITY OF RACING FAIRS

CARF RECRUITMENT PROGRAM 2012

RACING FAIR PROGRAM TO RECRUIT OUT-OF-STATE HORSE OWNERS AND TRAINERS TO COMPETE IN CALIFORNIA





CHRISTOPHER KORBY, EXECUTIVE DIRECTOR DECEMBER 2012

CALIFORNIA AUTHORITY OF RACING FAIRS

2012 OUT-OF-STATE RECRUITMENT PROGRAM

SUMMARY

GOALS AND OBJECTIVES

Since 2001, the California Authority of Racing Fairs (CARF) has conducted a program to actively recruit out-of-state owners, trainers and horses to compete on the Northern California Summer Racing Circuit. The goal of the program is simple: increase the field size for summer racing in Northern California. In order to accomplish this goal, CARF has set three objectives for the program: 1) inform and educate horsemen in other jurisdictions about the benefits of racing in California; 2) retain horsemen who have elected to compete in Northern California in previous years; and 3) offer financial incentives to assist horsemen with the cost of shipping horses to Northern California.

RECRUITMENT VISITS OUT-OF-STATE

Each spring CARF schedules a series of out-of-state recruitment visits in order to 1) personally meet one-on-one with horsemen in other jurisdictions; 2) explain the benefits of our program; and 3) invite them to compete in Northern California for the summer. In 2012, these visits included recruitment trips to Turf Paradise, Portland Meadows and L.A. County Fair . To streamline expenses, recruitment trips now consist of a reception for horsemen, eliminating the traditional sit down dinners. These visits allow CARF management to respond personally and directly to questions or concerns about such matters as workmen's compensation, backstretch labor inspections and purse structures. In addition to the receptions and the personal visits with horsemen, CARF distributes an extensive packet of information to educate and inform horsemen about current issues of interest in California. By word of mouth, information about the program has also reached horsemen in Iowa, Idaho, West Virginia, New Mexico, Utah and Washington.

RELOCATION FEES

In order to financially assist horsemen who choose to ship horses to our circuit, in 2012 CARF paid a \$300 Relocation Fee to the owner of any horse shipping into Northern California from over 600 miles for the horse's first start and \$150 for the horse's second start. A runner making its first start at Ferndale received \$150 for the first start and \$150 for the second start, as well as an additional \$150 for starting again in Stockton and/or Fresno. The Relocation Fee gives some extra meaning to our invitation to come to California. In some cases, the incentive may create the tipping point as an owner or trainer decides about shipping to our circuit. The Relocation Fee also creates a Paymaster record that allows us to accurately track the results of our program from year to year.

Christopher Korby Executive Director



Results of CARF Program to Increase Field Size

The Fair Out-of-State Recruitment Program, administered by the California Authority of Racing Fairs, pays \$300 to every horse that travels 600 or more miles to start on the Northern California Fair Circuit for its first start and an additional \$150 for its second start (\$450 total). A runner making its first start at Ferndale receives \$150 for each of two starts, with another \$150 available if the horse starts again at Stockton and/or Fresno.

• 2012 Total TB Recruitment Costs - \$66,411.71 2012 Recruitment at Tracks - \$13,711.71 2012 TB Relocation Fees Paid - \$50,700.00 2012 Trainer Incentives - \$2,000.00 Number of Horses Paid - 149 Number of TB Starts - 338 Percentage of Total Horse Population - 11%

• Number of Starts by Recruited TB Horses, by Fair: Pleasanton - 49 (75% increase from 2011) Sacramento - 38 Santa Rosa - 72 (9% increase from 2011) Ferndale - 93 Stockton - 50 Fresno - 36

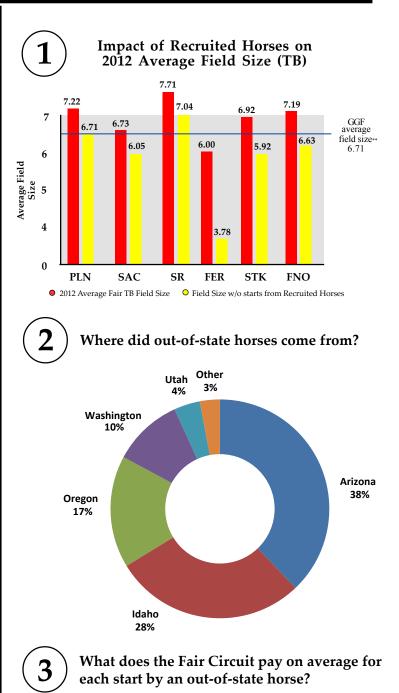
 Number of TB Starts by State Recruited From: Arizona - 128 (71% increase from 2011) Idaho - 96 Oregon - 56 Washington - 35 Utah - 13 New Mexico - 7 Nevada - 3

• Leading Trainers of Recruited Horses (by starts): Don Roberson Eugene Burns W.R. Whitehouse Tim McCanna Paul Treasure Kenneth McReynolds

Phil Oviedo Mike Chambers

2012 Emerging Breed Relocation Fees - \$4,500 (42 starts) ** During Period 12/26/2011-6/18/2012

*** Cost of Recruitment at Tracks and TB Relocation Fees divided by number of Thoroughbred Starts.



\$196 per starter***

Increased field size is the single largest contributor to increasing ontrack and simulcast handle.

1. Statistics from CHRIMS Runners Report & CARF Out-of-State Starts.

2. Statistics from CARF Paymaster Reports & CFSA Relocation Costs.

Transaction Type Report For Types: RE From 06/01/2012 To 12/31/2012

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Relocation Costs

CRF	6/21/2012	30636	Relocation Costs	29270	Rhonda B. Davis	300.00 Raditch
CRF	6/22/2012	30636	Relocation Costs	37139	Don E. Roberson	300.00 Chain of Goods
CRF	6/22/2012	30636	Relocation Costs	37139	Don E. Roberson	300.00 Karen's Good Boy
CRF	6/22/2012	30636	Relocation Costs	37139	Don E. Roberson	300.00 Midway Surf
CRF	6/22/2012	30636	Relocation Costs	37206	W. R. Whitehouse	300.00 Dontwiseupadummy
CRF	6/23/2012	30636	Relocation Costs	37760	Luigi Di Pietro	300.00 Hayjax
CRF	6/24/2012	30636	Relocation Costs	37206	W. R. Whitehouse	300.00 Pharo's Gold
CRF	6/27/2012	30636	Relocation Costs	37549	Patrick Gleason	300.00 E Z Spool
CRF	6/29/2012	30636	Relocation Costs	12451	Ray Odom	300.00 Musical Wings
CRF	6/30/2012	30636	Relocation Costs	39186	Candelario Villamar	300.00 Jugador
CRF	7/1/2012	30636	Relocation Costs	31392	Tim W. Elison	300.00 Ziva the Diva
CRF	7/1/2012	30636	Relocation Costs	39369	Sundance Racing Stable, LLC	300.00 Temecula
CRF	7/1/2012	30636	Relocation Costs	37402	John C. Ivory	300.00 Good Mango
CRF	7/4/2012	30636	Relocation Costs	39358	Mike E. Chambers	300.00 Purple Starduster
CRF	7/4/2012	30636	Relocation Costs	39358	Mike E. Chambers	300.00 Guiding Hand
CRF	7/4/2012	30636	Relocation Costs	39358	Mike E. Chambers	300.00 Dunscombe
CRF	7/6/2012	30636	Relocation Costs	35449	Sam A Vasquez	150.00 By Golly Its Hot
CRF	7/6/2012	30636	Relocation Costs	39358	Mike E. Chambers	300.00 Sound Pick
CRF	7/6/2012	30636	Relocation Costs	35449	Sam A Vasquez	300.00 By Golly Its Hot
CRF	7/6/2012	30636	Relocation Costs	35449	Sam A Vasquez	300.00 Golly Bret
CRF	7/6/2012	30636	Relocation Costs	37206	W. R. Whitehouse	300.00 Stormin Ahead
CRF	7/6/2012	30636	Relocation Costs	37206	W. R. Whitehouse	300.00 Given Episode
CRF	7/7/2012	30636	Relocation Costs	39358	Mike E. Chambers	300.00 Lord Avalon
CRF	7/7/2012	30636	Relocation Costs	39186	Candelario Villamar	150.00 Jugador
CRF	7/7/2012	30636	Relocation Costs	39293	Darold Andrist	150.00 October Road
CRF	7/7/2012	30636	Relocation Costs	34819	William H Ehmcke	300.00 Decarchy Fever
CRF	7/7/2012	30636	Relocation Costs	39415	Ronnie C Rogers	300.00 Mobius
CRF CRF	7/8/2012 7/8/2012	30636 30636	Relocation Costs Relocation Costs	38919 39242	Remmah Racing, Inc. Theodore Loving	300.00 Redseasalt 300.00 Iron Fireball
CRF	7/8/2012	30636	Relocation Costs	39242	Theodore Loving	300.00 Ivory and Ebony
CRF	7/11/2012		Relocation Costs	39358	Mike E. Chambers	500.00 Per T. Doutrich
CRF	7/11/2012		Relocation Costs	38488	Theodore Loving	300.00 Iron Fireball
CRF	7/11/2012		Relocation Costs	38488	Theodore Loving	300.00 Ivory and Ebony
CRF			Relocation Costs	37402	John C. Ivory	300.00 Nubian Princess
CRF	7/11/2012		Relocation Costs	37549	Patrick Gleason	150.00 Fighting City Hall
CRF	7/11/2012		Relocation Costs	35449	Sam A Vasquez	150.00 Golly Bret
CRF	7/11/2012		Relocation Costs	38435	Ray McCanna	300.00 Black Oak
CRF	7/11/2012		Relocation Costs	37139	Don E. Roberson	150.00 Chain of Goods
CRF	7/11/2012		Relocation Costs	37139	Don E. Roberson	300.00 Red Hot Bern
CRF	7/11/2012	30636	Relocation Costs	37206	W. R. Whitehouse	300.00 Gummy Runner
CRF	7/11/2012	30636	Relocation Costs	37206	W. R. Whitehouse	300.00 Golden Warrior
CRF	7/11/2012	30636	Relocation Costs	29270	Rhonda B. Davis	150.00 Raditch
CRF	7/11/2012	30636	Relocation Costs	29270	Rhonda B. Davis	300.00 Dennika
CRF	7/11/2012	30636	Relocation Costs	29270	Rhonda B. Davis	300.00 Free the World
CRF	7/12/2012	30636	Relocation Costs	36832	Charles E Hiatt	300.00 Inbetweenthesheets
CRF	7/14/2012		Relocation Costs	12460	Jackie Payton	300.00 Royaly Forbidden
CRF	7/14/2012		Relocation Costs	37206	W. R. Whitehouse	300.00 Gonging Wild
CRF	7/15/2012		Relocation Costs	33104	Steve G Porter	300.00 Robindip
CRF	7/15/2012		Relocation Costs	37402	John C. Ivory	150.00 Good Mango
CRF	7/15/2012		Relocation Costs	39189	Jethorse LLC	300.00 Guzzlingin
CRF	7/16/2012		Relocation Costs	38992	Ryan Kenney	300.00 Sassy Britches
CRF	7/16/2012		Relocation Costs	39537	Gary C. Hughes	300.00 Miss Top Nite
CRF	7/16/2012		Relocation Costs	39541	Al Hodge or Tim McCanna	300.00 Howmuchisit
CRF	7/16/2012		Relocation Costs	37206	W. R. Whitehouse	150.00 Pharo's Gold
CRF	7/16/2012		Theodore Loving	30636	Relocation Costs	300.00 Iron Fireball
CRF	7/16/2012		Theodore Loving	30636	Relocation Costs	300.00 Ivory and Ebony
CRF	7/20/2012		Relocation Costs	37436	Phil Oviedo	150.00 Bag's of Fun 300.00 Bino Drivo
CRF CRF	7/20/2012 7/20/2012		Relocation Costs Relocation Costs	37436 37436	Phil Oviedo Phil Oviedo	300.00 Pine Drive
CRF	7/20/2012		Relocation Costs	38292	Thomas N Valenzuela	300.00 Tiger Cat 300.00 Big Swig
U.V.	112012012	00000	100000000000000000000000000000000000000	30232		SUSTED BIG SWIG

Transaction Type Report For Types: RE From 06/01/2012 To 12/31/2012 Facilities: CARF

Fac.	Date	From	Account Name	То	Account Name	Amount Memo	
CRF	7/20/2012	30636	Relocation Costs	37326	– – – – – – – – – – – – – – – – – – –	300.00 Alabama Boy	
CRF	7/20/2012		Relocation Costs	37206	W. R. Whitehouse	150.00 Golden Warrior	
CRF	7/20/2012		Relocation Costs	36832	Charles E Hiatt		
						300.00 Buh Buh Bones	
CRF	7/20/2012		Relocation Costs	10433	Ben C. Bryan	150.00 Jenny's First Gear	
CRF	7/20/2012		Relocation Costs	39146	John Gish or Jim Schleimer	300.00 Burning Speed MKP	
CRF	7/20/2012		Relocation Costs	39146	John Gish or Jim Schleimer	150.00 Burning Speed MKP	
CRF	7/20/2012		Relocation Costs	39018	John Gish	300.00 Kentucky Bay	
CRF	7/20/2012		Relocation Costs	39018	John Gish	150.00 Kentucky Bay	
CRF	7/21/2012		Relocation Costs	29501	Sandy Hanna	300.00 Northern Poptart	
CRF	7/21/2012		Relocation Costs	37206	W. R. Whitehouse	300.00 Loose Line	
CRF	7/21/2012	30636	Relocation Costs	37436	Phil Oviedo	300.00 Melanistic	
CRF	7/21/2012	30636	Relocation Costs	29270	Rhonda B. Davis	150.00 Dennika	
CRF	7/21/2012	30636	Relocation Costs	29270	Rhonda B. Davis	150.00 Free the World	
CRF	7/22/2012	30636	Relocation Costs	38995	David P. Taylor, Jr.	300.00 Special Holiday	
CRF	7/22/2012	30636	Relocation Costs	29477	Jim Schleimer	300.00 French Beat	
CRF	7/22/2012	30636	Relocation Costs	39415	Ronnie C Rogers	150.00 Mobius	
CRF	7/22/2012	30636	Relocation Costs	38763	Victor Bahna Jr	300.00 Jiddaw	
CRF	7/22/2012	30636	Relocation Costs	37206	W. R. Whitehouse	300.00 You Know You Love Me	
CRF	7/22/2012	30636	Relocation Costs	37206	W. R. Whitehouse	300.00 Majestic Vintage	
CRF	7/22/2012	30636	Relocation Costs	37206	W. R. Whitehouse	150.00 Dontwiseupadummy	
CRF	7/22/2012		Relocation Costs	12460	Jackie Payton	300.00 Stately Tom	
CRF	7/22/2012		Relocation Costs	38992	Ryan Kenney	300.00 Tough Road	
CRF	7/22/2012		Relocation Costs	37436	Phil Oviedo	300.00 Stylefree	
CRF	7/22/2012		Relocation Costs	37436	Phil Oviedo	300.00 Steel Blue	
CRF	7/22/2012		Relocation Costs	29501	Sandy Hanna	300.00 I'll Try	
CRF	7/22/2012		Relocation Costs	39012	Paul A. Treasure	300.00 Paris in April	
CRF	7/22/2012		Relocation Costs	39012	Paul A. Treasure	300.00 Rata Tat Kat	
CRF	7/28/2012			37821			
			Relocation Costs		Gary D. Greiner	150.00 County Wexford	
CRF	7/28/2012		Relocation Costs	37821	Gary D. Greiner	300.00 Wicked Trip	
CRF	7/28/2012		Relocation Costs	37821	Gary D. Greiner	300.00 Katieinthefastlane	
CRF	7/28/2012		Relocation Costs	36832	Charles E Hiatt	300.00 Divorce Attorney	
CRF	7/28/2012		Relocation Costs	37206	W. R. Whitehouse	150.00 Given Episode	
CRF	7/28/2012		Relocation Costs	39604	John G. Lindley	300.00 She's a Time Bomb	
CRF	7/28/2012		Relocation Costs	39358	Mike E. Chambers	300.00 Mymothermarge	
CRF	7/28/2012		Relocation Costs	37436	Phil Oviedo	150.00 Tiger Cat	
CRF	7/28/2012		Relocation Costs	37326	Denise Gero	300.00 Littleman John	
CRF	7/28/2012		Relocation Costs	36832	Charles E Hiatt	150.00 Inbetweenthesheets	
CRF	7/29/2012		Relocation Costs	39369	Sundance Racing Stable, LLC	150.00 Temecula	
CRF	7/31/2012	30636	Relocation Costs	37206	W. R. Whitehouse	150.00 Gummy Runner	
CRF	8/2/2012	30636	Relocation Costs	36832	Charles E Hiatt	150.00 Buh Buh Bones	
CRF	8/2/2012	30636	Relocation Costs	36832	Charles E Hiatt	300.00 Snow Glo	
CRF	8/2/2012	30636	Relocation Costs	37206	W. R. Whitehouse	300.00 Rhythm in May	
CRF	8/4/2012	30636	Relocation Costs	39647	Larry & Jacki Cacchiotti	300.00 Nico Suave'	
CRF	8/4/2012	30636	Relocation Costs	38763	Victor Bahna Jr	150.00 Jiddaw	
CRF	8/4/2012	30636	Relocation Costs	37436	Phil Oviedo	150.00 Melanistic	
CRF	8/4/2012	30636	Relocation Costs	39358	Mike E. Chambers	150.00 Purple Starduster	
CRF	8/4/2012	30636	Relocation Costs	37206	W. R. Whitehouse	150.00 Majestic Vintage	
CRF	8/4/2012	30636	Relocation Costs	39537	Gary C. Hughes	150.00 Miss Top Nite	
CRF	8/5/2012	30636	Relocation Costs	35449	Sam A Vasquez	300.00 KADOR N U	
CRF	8/5/2012	30636	Relocation Costs	37436	Phil Oviedo	150.00 Stylefree	
CRF	8/5/2012	30636	Relocation Costs	38992	Ryan Kenney	150.00 Sassy Britches	
CRF	8/5/2012	30636	Relocation Costs	37821	Gary D. Greiner	300.00 Blind Optimism	
CRF	8/5/2012	30636	Relocation Costs	37206	W. R. Whitehouse	300.00 Scratchthemoon	
CRF	8/5/2012	30636	Relocation Costs	39012	Paul A. Treasure	300.00 Wups	
CRF	8/5/2012	30636	Relocation Costs	12460	Jackie Payton	150.00 Stately Tom	
					•	-	
CRF	8/7/2012	30636	Relocation Costs	35449	Sam A Vasquez	300.00 Jet Setting Sandrita	
CRF	8/7/2012	30636	Relocation Costs	12460	Jackie Payton	300.00 Popular Name	
CRF	8/7/2012	30636	Relocation Costs	37326	Denise Gero	150.00 Littleman John	
CRF	8/9/2012	30636	Relocation Costs	31744	Mr. & Mrs. Larry D. Williams	300.00 Marks Mine	
CRF	8/9/2012	30636	Relocation Costs	39012	Paul A. Treasure	300.00 Road to the Pulpit	
CRF	8/9/2012	30636	Relocation Costs	29501	Sandy Hanna	150.00 I'll Try	
CRF	8/9/2012	30636	Relocation Costs	12460	Jackie Payton	300.00 Mon in the Moon	

Transaction Type Report For Types: RE From 06/01/2012 To 12/31/2012 Facilities: CARF

Fac.	Date	From	Account Name	То	Account Name	Amount Memo
CRF	8/9/2012	30636	Relocation Costs	39358	Mike E. Chambers	150.00 Brite Eyed N Lucky
CRF	8/9/2012	30636	Relocation Costs	38919	Remmah Racing, Inc.	150.00 Redseasalt
CRF	8/9/2012	30636	Relocation Costs	38299	C J Racing, LLC	150.00 Mystery Channel
CRF	8/10/2012		Relocation Costs	12460	Jackie Payton	300.00 Bail Out Mom
CRF	8/10/2012		Relocation Costs	37206	W. R. Whitehouse	150.00 Gonging Wild
CRF	8/10/2012		Relocation Costs	37436	Phil Oviedo	300.00 Socks Don't Match
CRF	8/10/2012		Relocation Costs	37326	Denise Gero	150.00 Alabama Boy
CRF	8/12/2012		Relocation Costs	31744	Mr. & Mrs. Larry D. Williams	150.00 Marks Mine
CRF	8/12/2012		Relocation Costs	31744	Mr. & Mrs. Larry D. Williams	300.00 Royal Recruit
CRF	8/12/2012		Relocation Costs	37176	Bret H. Layne	300.00 Blaster
CRF	8/12/2012		Relocation Costs	34819	William H Ehmcke	150.00 Decarchy Fever
CRF	8/12/2012		Relocation Costs	38992	Ryan Kenney	150.00 Tough Road
CRF	8/12/2012		Relocation Costs	39012	Paul A. Treasure	150.00 Rata Tat Kat
CRF	8/12/2012		Relocation Costs	37206	W. R. Whitehouse	300.00 Rulloke
CRF	8/12/2012		Relocation Costs	37821	Gary D. Greiner	150.00 Wicked Trip
CRF	8/15/2012		Relocation Costs	38435	Ray McCanna	150.00 Black Oak
CRF	8/15/2012		Relocation Costs	29477	Jim Schleimer	150.00 French Beat
CRF	8/15/2012		Relocation Costs	31305	Nancy Klapatch (lessee)	150.00 Old Standard
CRF	8/15/2012		Relocation Costs	36832	Charles E Hiatt	150.00 Divorce Attorney
CRF	8/18/2012		Relocation Costs	38992	Ryan Kenney	150.00 Sleep Walking
CRF	8/18/2012		Relocation Costs	37821	Gary D. Greiner	150.00 Katieinthefastlane
CRF	8/18/2012		Relocation Costs	37206	W. R. Whitehouse	150.00 Scratchthemoon
CRF	8/18/2012		Relocation Costs	36832	Charles E Hiatt	150.00 Snow Glo
CRF	8/18/2012		Relocation Costs	30072	Nancy Klapatch	150.00 Sharp Upbeat
CRF	8/18/2012		Relocation Costs	37436	Phil Oviedo	150.00 Socks Don't Match
CRF	8/18/2012		Relocation Costs	39694	Kenneth E. McReynolds	150.00 Grantmartyamiracle
CRF	8/18/2012		Relocation Costs	39694	Kenneth E. McReynolds	150.00 Oregon Dynasty
CRF	8/18/2012		Relocation Costs	37196	Helen Shelley	300.00 SAND DE WIND
CRF	8/18/2012		Relocation Costs	37196	Helen Shelley	150.00 SAND DE WIND
CRF	8/18/2012		Relocation Costs	34701	Homer Thoroughbreds	150.00 Native Chum
CRF	8/18/2012		Relocation Costs	34701	Homer Thoroughbreds	150.00 Classic Chumaree
CRF	8/18/2012		Relocation Costs	39708	Eugene Burns	150.00 Absolute Courage
CRF	8/18/2012		Relocation Costs	39708	Eugene Burns	150.00 Hollywood Twotone
CRF	8/18/2012		Relocation Costs	39541	Al Hodge or Tim McCanna	150.00 Howmuchisit
CRF	8/18/2012	30636	Relocation Costs	37139	Don E. Roberson	1,000.00 Per T. Doutrich & L. Swartzlander
CRF	8/18/2012		Relocation Costs	37436	Phil Oviedo	150.00 Pay Now Play Later
CRF	8/18/2012		Relocation Costs	39694	Kenneth E. McReynolds	150.00 Albacore Bob
CRF	8/18/2012		Relocation Costs	39708	Eugene Burns	150.00 M J Knuckles
CRF	8/18/2012		Relocation Costs	37206	W. R. Whitehouse	150.00 Rulloke
CRF	8/18/2012		Relocation Costs	39694	Kenneth E. McReynolds	150.00 Follow Through
CRF	8/18/2012		Relocation Costs	34701	Homer Thoroughbreds	150.00 Nene
CRF	8/18/2012		Relocation Costs	34701	Homer Thoroughbreds	150.00 Splashmee
CRF	8/19/2012		Relocation Costs	37139	Don E. Roberson	150.00 Coming by Ya Now
CRF	8/19/2012		Relocation Costs	37139	Don E. Roberson	150.00 I'm the Irish Man
CRF	8/19/2012		Relocation Costs	37139	Don E. Roberson	150.00 Molinari
CRF	8/19/2012		Relocation Costs	37139	Don E. Roberson	150.00 Midway Surf
CRF	8/19/2012		Relocation Costs	37139	Don E. Roberson	150.00 Karmalize
CRF	8/19/2012		Relocation Costs	39694	Kenneth E. McReynolds	150.00 Joyzey Billy
CRF	8/19/2012		Relocation Costs	39708	Eugene Burns	150.00 Finish Rich
CRF	8/19/2012		Relocation Costs	39694	Kenneth E. McReynolds	150.00 Diamond Touch
CRF	8/19/2012		Relocation Costs	37206	W. R. Whitehouse	150.00 Rhythm in May
CRF	8/19/2012		Relocation Costs	34701	Homer Thoroughbreds	150.00 Chumaree's Choice
CRF	8/22/2012		Relocation Costs	30072	Nancy Klapatch	150.00 Sharp Upbeat
CRF	8/22/2012		Relocation Costs	31305	Nancy Klapatch (lessee)	150.00 Old Standard
CRF	8/24/2012		Relocation Costs	37139	Don E. Roberson	150.00 Ranaway Fay
CRF	8/24/2012		Relocation Costs	37139	Don E. Roberson	150.00 What Is Not
CRF	8/24/2012		Relocation Costs	39708	Eugene Burns	150.00 Chumaree Red
CRF	8/24/2012		Relocation Costs	39708	Eugene Burns	150.00 Bellachaza
CRF	8/25/2012		Relocation Costs	39708	Eugene Burns	150.00 Citizen's Attitude
CRF	8/25/2012		Relocation Costs	37139	Don E. Roberson	150.00 I'm the Irish Man
CRF		30636	Relocation Costs	37139	Don E. Roberson	150.00 Molinari

Transaction Type Report For Types: RE From 06/01/2012 To 12/31/2012 Facilities: CARF

Faa	Data	Erom	A account Name		Account Name	
Fac.	Date	From	Account Name	То	Account Name	Amount Memo
CRF	8/25/2012	30636	Relocation Costs	39708	Eugene Burns	150.00 Hollywood Twotone
CRF	8/25/2012	30636	Relocation Costs	39694	Kenneth E. McReynolds	150.00 Oregon Dynasty
CRF	8/25/2012	30636	Relocation Costs	39694	Kenneth E. McReynolds	150.00 Hanger Thirtyeight
CRF	8/25/2012	30636	Relocation Costs	39694	Kenneth E. McReynolds	150.00 Wicked Kick
CRF	8/25/2012	30636	Relocation Costs	34701	Homer Thoroughbreds	150.00 Native Chum
CRF	8/25/2012	30636	Relocation Costs	34701	Homer Thoroughbreds	150.00 Chumaree's Choice
CRF	8/26/2012	30636	Relocation Costs	34701	Homer Thoroughbreds	150.00 Splashmee
CRF	8/26/2012	30636	Relocation Costs	37139	Don E. Roberson	150.00 Coming by Ya Now
CRF	8/26/2012	30636	Relocation Costs	37139	Don E. Roberson	150.00 Cause Ur a Ten
CRF	8/26/2012	30636	Relocation Costs	37139	Don E. Roberson	150.00 Karmalize
CRF	8/26/2012	30636	Relocation Costs	37139	Don E. Roberson	150.00 Norville
CRF	9/20/2012	30636	Relocation Costs	37139	Don E. Roberson	500.00 Per T. Doutrich
CRF	9/20/2012	30636	Relocation Costs	39012	Paul A. Treasure	150.00 Wups
CRF	9/20/2012	30636	Relocation Costs	39012	Paul A. Treasure	300.00 Hammett Star
CRF	9/20/2012	30636	Relocation Costs	39012	Paul A. Treasure	150.00 Paris in April
CRF	9/21/2012	30636	Relocation Costs	39708	Eugene Burns	300.00 Absolute Courage
CRF	9/21/2012	30636	Relocation Costs	38992	Ryan Kenney	300.00 Sleep Walking
CRF	9/21/2012	30636	Relocation Costs	37139	Don E. Roberson	150.00 I'm the Irish Man
CRF	9/21/2012	30636	Relocation Costs	37139	Don E. Roberson	300.00 Ranaway Fay
CRF	9/21/2012	30636	Relocation Costs	39012	Paul A. Treasure	150.00 Road to the Pulpit
CRF	9/21/2012	30636	Relocation Costs	39012	Paul A. Treasure	150.00 Northern Poptart
CRF	9/21/2012	30636	Relocation Costs	39012	Paul A. Treasure	300.00 Lovers Pulz
CRF	9/22/2012	30636	Relocation Costs	37139	Don E. Roberson	300.00 Sogn
CRF	9/22/2012	30636	Relocation Costs	37139	Don E. Roberson	150.00 Karmalize
CRF	9/22/2012	30636	Relocation Costs	39708	Eugene Burns	300.00 Tanner's Event
CRF	9/22/2012		Relocation Costs	39012	Paul A. Treasure	300.00 Total Fabrication
CRF	9/26/2012	30636	Relocation Costs	36832	Charles E Hiatt	300.00 Cause Hesa Pistol
CRF	9/26/2012	30636	Relocation Costs	36832	Charles E Hiatt	300.00 Imfixintowin
CRF	9/26/2012		Relocation Costs	37139	Don E. Roberson	300.00 Double Zado
CRF	9/26/2012		Relocation Costs	39012	Paul A. Treasure	300.00 Molly Mae
CRF	9/26/2012		Relocation Costs	39012	Paul A. Treasure	300.00 Girlsgonebad
CRF	9/27/2012		Relocation Costs	38292	Thomas N Valenzuela	300.00 Peek a Boo Baby
CRF	9/28/2012		Relocation Costs	39012	Paul A. Treasure	300.00 Wild Fibs
CRF	9/28/2012		Relocation Costs	37139	Don E. Roberson	300.00 Belenus
CRF	9/29/2012		Relocation Costs	37202	Sandy Torok	300.00 Hy Hopes Jpl
CRF	9/29/2012		Relocation Costs	37176	Bret H. Layne	150.00 Blaster
CRF	10/3/2012		Relocation Costs	39781	Mark Vasquez	300.00 Vaz Djets On
CRF	10/3/2012		Relocation Costs	35449	Sam A Vasquez	300.00 Lacy Vaz
CRF	10/5/2012		Relocation Costs	39708	Eugene Burns	300.00 Finish Rich
CRF	10/6/2012		Relocation Costs	38292	Thomas N Valenzuela	150.00 Peek a Boo Baby
CRF	10/6/2012		Relocation Costs	36832	Charles E Hiatt	150.00 Cause Hesa Pistol
CRF	10/7/2012		Relocation Costs	36832	Charles E Hiatt	150.00 Imfixintowin
CRF	10/10/2012		Relocation Costs	39708	Eugene Burns	300.00 Somthintomakimrun
CRF	10/12/2012	30636	Relocation Costs	29990	Lyle D. Canham	300.00 Skiddles

52,700.00

Grand Total

52,700.00

Results of CARF Program to Increase Field Size

The Fair Out-of-State Recruitment Program, administered by the California Authority of Racing Fairs, pays \$300 to every horse that travels 600 or more miles to start on the Northern California Fair Circuit for its first start and an additional \$150 for its second start (\$450 total). A runner making its first start at Ferndale receives \$150 for each of two starts, with another \$150 available if the horse starts again at Fresno.

• 2011 Total Recruitment Costs - \$83,110.47 2011 Recruitment at Tracks - \$17,410.47 2011 TB Relocation Fees Paid - \$56,700.00 2011 Trainer Incentives - \$9,000.00 Number of Horses Paid - 175 Number of TB Starts - 328 (15% increase from 2010) Percentage of Total Horse Population - 11%

 Number of Starts by Recruited TB Horses, by Fair: Stockton - 14 Pleasanton - 28 Sacramento - 36 Santa Rosa - 66 Ferndale - 105 (15% increase from 2010) Fresno - 79 (44% increase from 2010)

• Number of TB Starts by State Recruited From: Oregon - 95

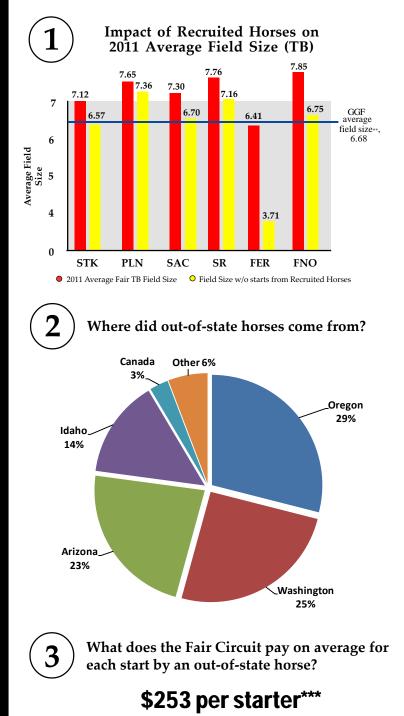
Washington - 83 (315% increase from 2010) Arizona - 75 Idaho - 47 Canada - 9 Minnesota - 7 Nebraska - 7 Utah - 4 Florida - 1

• Leading Trainers of Recruited Horses (by starts): Tim McCanna Nick Lowe Bob Beckner Miguel Silva Charles Essex Michael Talbot Gary Morris Paul Treasure

2011 Emerging Breed Relocation Fees - \$750

** During Period 12/26/2010-6/12/2011

*** Cost of Recruitment at Tracks and TB Relocation Fees divided by number of Thoroughbred Starts.



Increased field size is the single largest contributor to increasing ontrack and simulcast handle.

Statistics from CHRIMS Runners Report & CARF Out-of-State Starts.
 Statistics from CARF Paymaster Reports & CFSA Relocation Costs.

Results of CARF Program to Increase Field Size

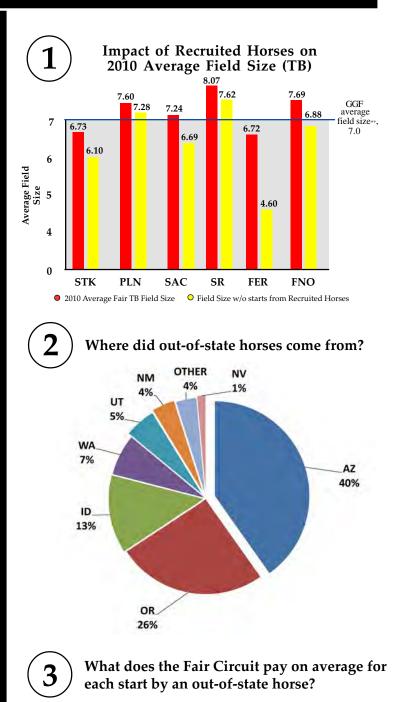
The Fair Out-of-State Recruitment Program, administered by the California Authority of Racing Fairs, pays \$300 to every horse that travels 600 or more miles to start on the Northern California Fair Circuit for its first start and an additional \$150 for its second start (\$450 total). A runner making its first start at Ferndale receives \$150 for each of two starts, with another \$150 available if the horse starts again at Fresno.

- 2010 Total Recruitment Costs \$86,808.40* 2010 Recruitment at Tracks - \$31,108.40 2010 TB Relocation Fees Paid - \$45,150.00 2010 Trainer Incentives - \$5,300.00 Number of Horses Paid - 143 Number of Starts - 331 Number of TB Starts - 286 Percentage of Total Horse Population - 9%
- Number of Starts by Recruited TB Horses, by Fair: Stockton - 19 Pleasanton - 35 Sacramento - 34 Santa Rosa - 52 Ferndale - 91 Fresno - 55
- Number of TB Starts by State Recruited From: Arizona - 115 Oregon - 73 Idaho - 38 Washington - 20 Utah - 15 New Mexico - 11 Nevada - 4 Delaware - 4 Other - 5

• Leading Trainers of Recruited Horses (by starts): Tim McCanna Bob Beckner W.R. Whitehouse Brenda Estes Nick Lowe Phil Oviedo

* Emerging Breed Relocation Fees - \$5,250, Does not Include CMC Reimbursement - \$20,000

- ** During Period 1/1/10-6/20/10
- *** Cost of Recruitment at Tracks and TB Relocation Fees divided by number of Thoroughbred Starts.



\$266 per starter***

Increased field size is the single largest contributor to increasing ontrack and simulcast handle.

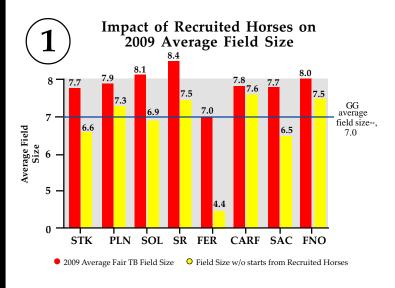
Statistics from CHRIMS Runners Report & CARF Out-of-State Starts.
 Statistics from CARF Paymaster Reports & CFSA Relocation Costs.

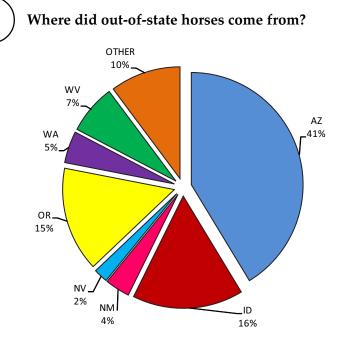
CALIFORNIA AUTHORITY OF RACING FAIRS

Results of CARF Program to Increase Field Size

The Fair Out-of-State Recruitment Program, administered by the California Authority of Racing Fairs, pays \$300 to every horse that travels 600 or more miles to start on the Northern California Fair Circuit for its first start and an additional \$150 for its second start (\$450 total). A runner making its first start at Ferndale receives \$150, with another \$300 available if the horse starts again at another Fair facility.

- 2009 Total Recruitment Costs \$104,776.04* 2009 Recruitment at Tracks - \$22,176.04 2009 TB Relocation Fees Paid - \$73,600.00 2009 Trainer Incentives - \$4,500 Number of Horses Paid - 217 Number of Starts - 588 Percentage of Total Horse Population - 13%
- Number of Starts by Recruited Horses, by Fair: Stockton - 81 Pleasanton - 82 Vallejo - 51 Santa Rosa - 74 Ferndale - 111 CARF at GGF - 43 Sacramento - 104 Fresno - 42
- Number of Starts by State Recruited From: Arizona - 243 Idaho - 94 Oregon - 89 West Virginia - 42 Washington - 27 California (Fairplex) - 23 New Mexico - 21 Nevada - 12 Other - 60
- Leading Trainers of Recruited Horses (by starts): Don Roberson Keith Bennett Justin Treasure Kelly Bainum Jason Homer W.R. Whitehouse Charles Hiatt
 - * Emerging Breed Relocation Fees \$4,500, Does not Include CMC Reimbursement - \$25,000
 ** During Period 1/1/09-6/18/09







What does the Fair Circuit pay on average for each start by an out-of-state horse?

\$178 per starter

Increased field size is the single largest contributor to increasing ontrack and simulcast handle.

- Statistics from CHRIMS Runners Report & CARF Out-of-State Starts.
 Statistics from CARF Paymaster Reports & CFSA Relocation Costs.
 - CALIFORNIA AUTHORITY OF RACING FAIRS

Results of CARF Program to Increase Field Size

The Fair Out-of-State Recruitment Program, administered by the California Authority of Racing Fairs, pays \$300 to every horse that travels 600 or more miles to start on the Northern California Fair Circuit. A runner making its first start at Ferndale receives \$150, with another \$150 available if the horse starts again at Fresno.

2007 Total Recruitment Costs - \$59,585
 2007 TB Relocation Fees Paid - \$43,200
 Numer of Horses Paid - 154 (-15%)
 Number of Starts - 409 (-9%)

 Number of Starts by Recruited Horses, by Fair: Stockton - 62 Pleasanton - 28 Vallejo - 33* Santa Rosa - 118* San Mateo - 24 Ferndale - 97 Sacramento - Harness Meet Conducted (2005-2007) Fresno - 47

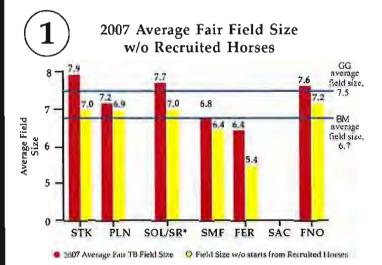
 Number of Starts by State Recruited From: Arizona - 195 (+43%) Oregon - 130 (-12%) Idaho - 48 (-8%) Utah - 16 (-75%)

Washington - 9 (+50%) New Mexico - 7 (-77%) Other - 4

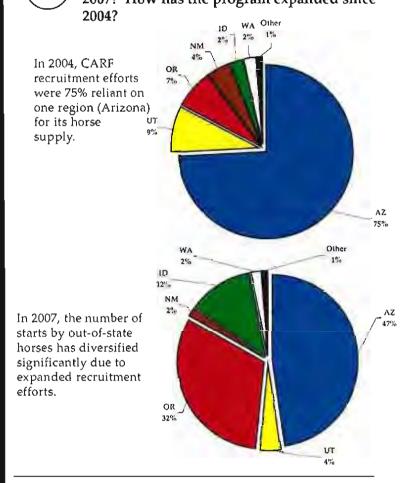
• Leading Trainers of Recruited Horses (by starts): Haverty, K. - 46

Espinoza, L. - 34 Brinkerhoff, D. - 30 Bennett, K. - 31 Bainum, T. - 27 Whitehouse, W.R. - 25 Delima, C. - 23 Costa, F. - 19 Treasure, J. - 19 Morgan, D. - 16

* In 2007, the Solano County Fair and the Sonoma County Fair ran a combined Solano Sonoma Wine Country Race Meet with 18 days run at Santa Rosa and 5 days run at Vallejo.



Where did out-of-state horses come from in 2007? How has the program expanded since



Statistics from CHRIMS Runners Report & CARF Out-of-State Starts.
 Statistics from CARF Paymaster Reports & CFSA Relocation Costs.

CALIFORNIA AUTHORITY OF RACING FAIRS.

Results of CARF Program to Increase Field Size

The Fair Out-of-State Recruitment Program, administered by the California Authority of Racing Fairs, pays \$200 to every horse that travels 600 or more miles to start on the Northern California Fair Circuit. The popularity continues to grow with participation increasing every year since its inception.

 2005 Total Recruitment Costs - \$43,048.59 2005 Relocation Fees Paid - \$31,400 Numer of Horses Paid - 157 (417%) Number of Starts - 445 (-1%)*^{12 Lewer Race Days}

 Number of Starts by Recruited Horses, by Fair: Stockton - 79 (-10%) Pleasanton - 36 (+64%) Vallejo - 86 (-7%) Santa Rosa - 106 (+46%) San Mateo - 53 (+74%) Ferndale - 48 (+71%) Sacramento - Harness Meet Conducted in 2005 Fresno - 37 (+6%)

 Number of Starts by State Recruited From: Arizona - 241 (-28%) Oregon - 81 (+145%) Utah - 39 (13%) Idaho - 36 (+227%) Iowa - 22 (+210%)

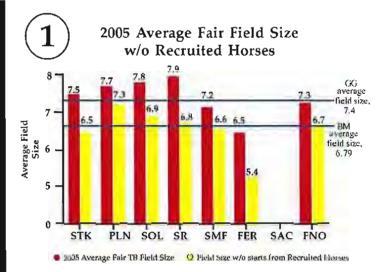
Washington - 12 (±20%) Other - 13 (NM, CAN, WY, KY, TX)

Leading Trainers of Recruited Horses (by starts): Lenzini, M. (AZ) - 113 (+8%) Bainum, T. (AZ) - 49 (+100%) DeLima, C. (IA) - 28 (+100%)

James, G. (UT) - 26 (+18%) Truitt, P. (OR) - 23 (+130%) Hanford, P. (AZ) - 19 (+25%) Courtright, C. (OR) - 19 (+100%) White, R. (OR) - 17 (-32%)

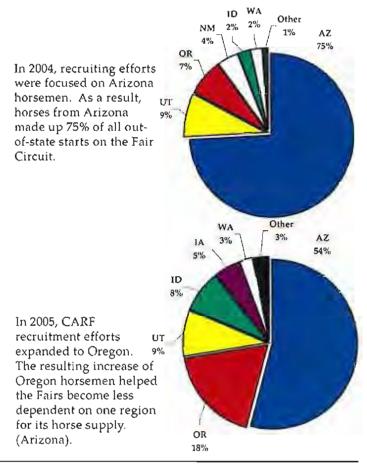
Trainers that participated in the program in 2004, but did not start a significant amount of out-of-state horses in 2005 include:

Dennis Hopkins (54 from AZ in 2004), Van Belvoir (22 from AZ in 2004), Lanny Sharp (16 from NM in 2004), Stan Wasson (33 from AZ in 2004) and Jim Weaver (13 from AZ).



2

Where did out-of-state horses come from in 2004? Did the trend continue in 2005?



Statistics from CHRIMS Runners Report & CARF Out-of-State Starts.
 Statistics from CARF Paymaster Reports & CFSA Relocation Costs.