

EXHIBIT V. | EXECUTIVE SUMMARY



NYS Funding LLC (the “Applicant”) is pleased to submit its application for a Gaming Facility in the Capital Region of New York (the “Gaming Facility”). As described in more detail herein, the key attributes of the Gaming Facility are as follows:

- **Location.** The Gaming Facility will be located at the DeLaet’s Landing site in Rensselaer, directly on the waterfront overlooking Downtown Albany.
- **Name.** The Gaming Facility will be the Hard Rock Hotel & Casino.
- **Program.** The Gaming Facility’s initial program will include the following:
 - › **Gaming.** 1,500 slot machines, 50 table games, and an off-track-betting outlet.
 - › **Hospitality.** 100 luxury hotel rooms, an indoor/outdoor pool overlooking a new Hudson River boardwalk, a Rock Spa™, a Body Rock™ fitness center, and meeting space.
 - › **Restaurants.** A 250-seat Hard Rock Cafe™ and stage, an upscale steakhouse, a "marketplace" casual dining venue, and a Hard Rock Center Bar.
 - › **Other.** A Rock Shop™ retail outlet and 1,500 parking spaces.
- **Budget.** The Gaming Facility’s initial budget is \$280 million.
- **Brand.** The Gaming Facility will be branded a Hard Rock Hotel & Casino. As described in more detail in Exhibit VIII.B.8., in a June 2014 Wisser Research Group study of the Albany market, potential customers overwhelmingly said they would choose to patronize a Hard Rock facility over competing brands (48% for Hard Rock, 32% for Saratoga, 11% for Rivers, and 10% for Churchill Downs).
- **Revenues.** Union Gaming Advisors projects stabilized gross gaming revenues of \$260 million.
- **Employment.** Camoin Associates projects 1,638 direct and indirect jobs created by the Gaming Facility.
- **Team.** The Gaming Facility’s sponsor is Och-Ziff Real Estate, a New York-based private equity fund with experience in gaming and hospitality development projects. Och-Ziff Real Estate has engaged Seminole Hard Rock Entertainment and Global Gaming Consulting as its franchisor and consultant, respectively, for the Gaming Facility. The Gaming Facility’s site will be owned by FMI and leased to the Applicant under a 75-year ground lease.
- **Timing.** The Gaming Facility can be developed in approximately one year from the commencement of construction.

We believe that the Gaming Facility is the best proposal for the Capital Region for the following key reasons:

- ***A true destination resort, not just a “locals’ casino”***
 - › In addition to world-class gaming, the Gaming Facility will include a luxury hotel with an indoor/outdoor pool and spa all overlooking a new Hudson River boardwalk, as well as the excitement of the region's first Hard Rock Cafe, featuring world-class food, service, and entertainment. Notwithstanding the substantial initial phase, the Gaming Facility has been designed for expansion, with additional hotel towers, gaming space, and event space all easy to add to the base program.

- > As has been well documented, the East Coast gaming market is becoming increasingly saturated. Accordingly, it is critical for the Capital Region to have a gaming facility that will not simply be another “locals’ casino” – i.e., a commodity product that will compete for customers based mostly on convenience instead of providing world-class amenities – since these cookie-cutter “locals’ casinos” are highly susceptible to performance declines in the face of increased competition.
- > On the other hand, a world-class gaming destination can still “grow the market,” not just cannibalize existing gaming operations. A recent example of this can be found in Ohio, where an affiliate of the Applicant and Hard Rock partnered to develop the first Hard Rock “Rocksino” (i.e., a gaming facility at a racetrack) in an increasingly-competitive gaming market. Given the draw of the Hard Rock brand, the world-class design, and the project’s substantial nongaming amenities, the Hard Rock Rocksino has been the only new gaming facility in Ohio that was able to grow the market substantially, not just cause dilution at existing properties, by uniquely appealing to non-gamers and tourists, and is now the statewide leader in slot/VLT revenue.

- ***The best location in the Capital Region***

- > Rensselaer is the best casino location in the Capital Region, directly across the river from Downtown Albany and easily accessible from all major local and regional destinations.
- > The Gaming Facility’s site is the best possible gaming site in the Capital Region. The site is only a half mile from Dunn Memorial Bridge, providing far easier access than other potential gaming facility sites in the Albany metro area.
- > Additionally, the Gaming Facility will benefit from being directly across the street from the Albany-Rensselaer Amtrak station, the ninth busiest train station in the country. The Applicant plans to aggressively use this proximity to market the Gaming Facility as a regional destination.
- > The Gaming Facility’s location on the Hudson River across from Downtown Albany will provide for unmatched visibility while achieving the City of Rensselaer’s goal of revitalizing its waterfront.

- ***We have partnered with an iconic brand***

- > Hard Rock is an internationally-recognized lifestyle brand, with \$3.5 billion of system-wide revenues and 83% brand awareness in the U.S. Hard Rock’s portfolio includes nine casinos and 20 hotels, including resorts in popular vacation destinations such as Punta Cana, Orlando, and Cancun. Having the ability to cross-market the Gaming Facility with other world-class Hard Rock properties, including trip give-aways and point redemptions, dramatically distinguishes the Gaming Facility from other applicants in the Capital Region that have no brand affiliation.
- > Hard Rock already has a deep existing database in the northeast. As shown in Exhibit VIII.B.8., Hard Rock’s loyalty program has over 480,000 members within a 200-mile radius of the Gaming Facility site. These members have the potential to generate approximately \$140 million in annual revenues for the Gaming Facility.

- ***Our bid is fully funded – there is no financing risk***

- > The Gaming Facility’s sponsor is a leading private equity fund with sufficient capital to fund the Gaming Facility without the use of third-party financing. Historically, the availability of financing for gaming projects has been unpredictable, and during the last recession a number of gaming projects were stalled due to an inability to procure third party financing. The Gaming Facility’s Sponsorship provides certainty of completion irrespective of financing market conditions.

- ***Our team has a deep gaming, hospitality, and development track record***

- > Och-Ziff Real Estate is a New York-based real estate private equity firm that has invested in over \$6 billion of real estate assets. Och-Ziff Real Estate has longstanding experience in gaming development projects, including recent projects in the Cleveland, Ohio and Portland, Maine markets. Och-Ziff Real Estate has been vetted for suitability by the New York State Division of the Lottery as part of the 2009 Aqueduct process.
- > Och-Ziff Real Estate has augmented the team in three ways: (i) engaging Hard Rock as a franchisor and consultant, (ii) engaging Global Gaming Consulting as a consultant, and (iii) identifying key personnel that may comprise the project's senior management team. More detail on the team is provided in Section VI.G.
- > Applicant has also assembled a best-in-class development team, including New York-based Turner Construction and SOSH Architects of New York/New Jersey.

- ***The Gaming Facility has strong local and regional support***

- > On June 4, 2014, the Common Council of the City of Rensselaer passed a resolution (by a 6-1 vote) to support a proposed casino at the DeLaet's Landing site in Rensselaer.
- > The Gaming Facility has received strong support from local communities, having received letters of support from numerous neighboring counties, including from the following ten counties: Clinton, Essex, Franklin, Herkimer, Madison, St. Lawrence, Greene, Columbia, Cortland, and Washington.

- ***The project will have an enormous economic impact in the Capital Region***

- > With a proposed \$280 million capital investment, the Gaming Facility will be a transformative investment in the Capital Region, expected to provide the following economic impacts:
 - Creation of 967 direct construction jobs
 - Creation of an additional 393 indirect construction jobs
 - Upon opening, anticipated employment of over 900 at the Gaming Facility
 - Anticipated annual gaming taxes of nearly \$100 million per year, of which approximately \$10 million per year will go to the local area

- ***We can complete the project in around one year***

- > The Gaming Facility is expected to be open approximately 12 months after the beginning of construction. An affiliate of the Applicant and Hard Rock recently opened the Hard Rock "Rocksino" in the Cleveland market in just 10 months.
- > The Gaming Facility site has completed the required State Environmental Quality Review (SEQR) process for a larger, previous planned mixed-use development.