



EXHIBIT VIII.A.2.b.

APPLICANT MINIMUM CAPITAL INVESTMENT Prior Capital Investment

For purposes of providing the information required in Exhibit VIII.A.2.a. the Applicant shall not include costs incurred prior to the Effective Date of the Act. Rather, the Applicant shall submit as Exhibit VIII.A.2.b. (i) a description of any capital investment made by the Applicant prior to the Effective Date including the date, type and dollar amount of any such investment and the reason for making the investment; (ii) the current fair market value of capital assets obtained from such prior capital investment; (iii) the amount of VLT Capital Award funds or other external reimbursement of such prior capital investment costs; and (iv) state whether the Applicant believes such capital investment(s) should be included in calculating the Applicant's Minimum Capital Investment and if yes, the reasons why such amounts should be included. Pursuant to PML Section 1315, the Board may, in its sole discretion, determine what portion, if any, of such capital investments may be included toward computing the Applicant's Minimum Capital Investment.

As set forth in Exhibit VIII.A.2.a., the capital investments made by Empire and EPR prior to the Effective Date were not included in the calculation of Minimum Capital Investment.

Description of any capital investment made by the Applicant prior to the Effective Date including the date, type and dollar amount of any such investment and the reason for making the investment.

Empire Resorts, Inc. and EPR Properties have made a combined capital investment in the amount of \$178,724,790 prior to the Effective Date of the Act. Empire's capital investment was \$17,724,790 and EPR's capital investment was \$161,000,000.



Details including the date, type and dollar amount of such investment is set forth in Attachments VIII.A.2.b.-1 and -2. These co-developers had initially begun development initiatives in March 2011 with the purpose of relocating Monticello Casino & Raceway to the Town of Thompson pursuant to and in accordance with N.Y. Tax Law §1612(G). However, prior to the commencement of construction, the Gaming Act was enacted and N.Y. Tax Law §1612(G) was repealed.

Current fair market value of capital assets obtained from such prior capital investment.

The current market value of the investment made by Empire is undeterminable at this time. The value of its investment is dependent on Montreign being awarded a Gaming Facility License. Applying U.S. GAAP, the investment made by Empire is characterized as an expense and not an asset, since the granting of a Gaming Facility License is dependent on the outcome of a bidding process.

The market value of the land that EPR owns approximates \$200 million. However, this is based on Montreign being awarded a Gaming facility License. EPR does not intend to proceed with the development of the Indoor Waterpark Lodge and the Entertainment Village unless Montreign is awarded a Gaming Facility License.

Amount of VLT Capital Award funds or other external reimbursement of such prior capital investment costs.

No VLT Capital Awards funds or other external reimbursement of such prior capital investment costs were utilized or obtained.

State whether the Applicant believes such capital investment(s) should be included in calculating the Applicant's Minimum Capital Investment and if yes, the reasons why such amounts should be included.

As previously stated, Empire and EPR had initially begun development initiatives in March 2011 with the purpose of relocating Monticello Casino & Raceway to the Town of Thompson pursuant to and in accordance with N.Y. Tax Law §1612(G). However, prior to the commencement of construction, the Gaming Act was enacted and N.Y. Tax Law §1612(G) was repealed. Because the purpose of such capital investment was, and remains to be, for the purpose of boosting tourism and economic development in Sullivan County and other communities across the region, to increase education aid, and to create construction and full time operational positions in the region, we believe that such capital should be included in calculating our Minimum Capital Investment.

We respectively request that the investments made by each of Empire and EPR prior to January 1, 2014, the Effective Date, be included in the calculation of the Minimum Capital Investment. These incurred costs include expenses related to land acquisition, SEQRA approval, master planning, architects and consultants, all of which are critical and necessary expenditures to support the development of the Gaming Facility. Control of the land, ensuring compliance with SEQRA, obtaining approvals from the various local, State and Federal agencies and the architectural, design and other consultants necessary to develop a world-class resort destination such as Adelaar, need to be completed before commencement of construction.

Additionally, these expenditures over a three (3) year period place us in an advantageous position to start construction quickly after the awarding of Gaming Facility License to Montreign by the Commission, which will enable us to become operational in an expeditious fashion after the selection by the Board.