Attachment VIII.A.3.-1

Gaming Market Assessment for Proposed Montreign Casino

Located in:

Monticello, New York

Prepared For:

Empire Resorts, Inc.

Prepared By:

Global Gaming & Hospitality, LLC

&

Morowitz Gaming Advisors, LLC

June 6, 2014

MOROWITZ GAMING ADVISORS, LLC

PROFESSIONAL SERVICES TO THE GAMING INDUSTRY

GGH

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All communications, inquiries and requests for information relating to this Report should be addressed directly to the Advisors at the contact information listed below.

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Gaming Market Assessment - Proposed Montreign Casino

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I. PROJECT BACKGROUND

Global Gaming & Hospitality, LLC and Morowitz Gaming Advisors LLC (collectively "GGH" or the "Advisors") were engaged by Empire Resorts, Inc. (the "Company") to prepare a market assessment and revenue analysis of a proposed Class III casino that would be developed by the Company as part of *Adelaar*, a comprehensive master planned resort community to be developed by EPR Properties (NYSE:EPR), a specialty real estate investment trust ("EPR"), near Monticello, NY. The Company's proposed $453MM new regional destination resort casino in Monticello, NY ("Montreign" or the "Project") will be part of the larger $900 million master planned resort community (including Montreign). As currently envisioned, Montreign will consist of the following features (the "Project Features"):

- 391 room 4 star destination hotel including 42 suites;
- 2,150 slots & 58 "live" table games, including an Asian pit and a separate high limit pit each w/8 table games;
- 40-50,000 square foot flexible multi-functional banquet/event center (including support space);
- an upscale "fine dining" restaurant, a sports bar (including casual dining), Grab n' Go, 120 seat food court, 150 seat coffee shop, noodle bar and central casino bar along with additional service bars;
- state-of-the-art spa/salon
- 1,600 space structured parking garage plus surface parking for 1,350 vehicles (2,950 total parking spaces); and
- A professional-caliber championship golf course.

Montreign will sit in the heart of the Catskill tourist region of New York State. The facility is located in a relatively unpopulated area and will depend mostly upon a combination of visitation from high frequency gamers in the suburban counties north of New York City and overnight visitors to the Catskills.

The following report will explore national and regional macroeconomic & gaming trends along with the Advisors' evaluation regarding the potential gaming and other revenues that Montreign is capable of producing. The Advisors' assume the opening of Montreign will be within 24 months of the award of the gaming license and for purposes of this report the opening will be January 1, 2017. If the license is granted prior to the end of December, 2014, the opening will be accelerated. The Advisors' conclusions assume, among other key variables, that the economy will continue its recovery from the "Great Recession" and will steadily improve through the opening of the new casino in the beginning of 2017. In the event economic growth stalls or other unforeseen events or conditions occur in the intervening period of time, the conclusions arrived in this report may not be fully realized.

II. MAJOR PROJECT ASSUMPTIONS

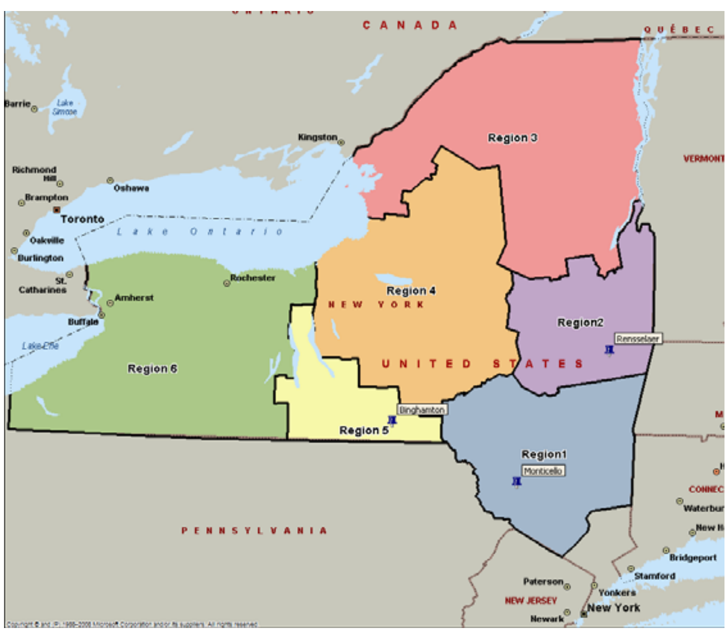
The following assumptions are an integral part of this study:

- Zoning and planning regulations pertaining to the Project will readily allow for the scope of gaming, hotel, dining, and entertainment development anticipated in this report.
- The casino operation, at the discretion of management, will be capable of offering Class III gaming similar to that currently allowed in Atlantic City, Connecticut, and Pennsylvania.
- Management personnel will have extensive experience operating comparable casino and resort operations.
- The casino will use comprehensive accounting and gaming control systems capable of providing management with accurate and timely performance data.
- The Project will be properly maintained and annual capital expenditures required to keep the Project at a competitive level will be made.
- Management will implement a proper and aggressive marketing and advertising campaign and a promotional plan to ensure adequate patronage from local, regional, and tourism-based customers. The entire Project will be positioned, in accordance with the quality of the envisioned development, to offer customers a consistently excellent customer experience from both a physical facility, overall amenity, and customer service perspective.
- Management will implement a customer loyalty program and offer comparable levels of promotional expenditures or “comps” on par with similarly-positioned competitive properties in Montreign’s region.
- The quality, design, décor, restaurants, gaming product, and other public areas and amenities will be competitive with comparable facilities the Project intends to compete with.
- Parking will be adequate to service projected demand.
- The Project will cost approximately $453 million (exclusive of gaming license fees) and will have at least the Project Features detailed above.
- The Project will be adequately capitalized with sufficient equity to support Project debt financing obtained in normalized capital markets conditions that provide for a reasonable market rate of return on invested capital for investors in the Project.
- The Project will be integrated into the larger *Adelaar* comprehensive master planned resort community, which will consist of a 400 room water park hotel (The “Indoor Waterpark Lodge”), a substantial entertainment village offering retail, dining, a movie theater, a bowling alley and other entertainment product offerings (the “Entertainment Village”), redesign of the 18-hole Monster Golf Course and new clubhouse, other recreational offerings, and residential housing and will include $450 million of additional capital investment.

- The only new competition during the projection period is assumed by the Advisors to be one new Class III casino in each of Region 2 (Albany) and Region 5 (Binghamton) as well as new casinos in Massachusetts. For purposes of this base report developed by the Advisors, it is assumed that there will be **no other new Class III casino development in Region 1**.
- The Advisors assumed the following gaming tax and fee structure:
  - Slots 39%
  - Tables 10%
  - Annual license fee of $500 per machine and table
- As part of *Adelaar,* a comprehensive master planned resort community, Montreign will benefit from certain tax abatement assumptions provided to the Advisors by the Company for the first seven years of operations.

III. ENABLING LEGISLATION

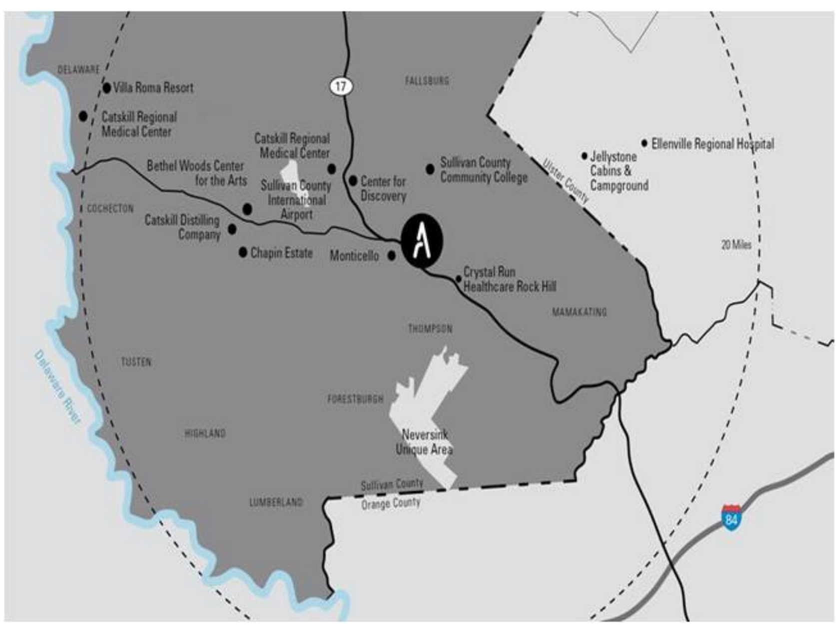
The Governor's legislation calls for at least one Class III casino in the Catskills which encompasses Region 1. A total of four Class III casinos are allocated among the six regions. For purposes of this base report we assume that only one casino will be approved for Region 1, along with one new Class III casino in each of Region 2 (near Albany) and another in Region 5 (near Binghamton).



III. THE PROJECT

The Company is proposing to develop Montreign to act as an anchor for *Adelaar*, *a* $900 million comprehensive master planned resort community (including Montreign), currently being proposed by EPR and that will be located near Monticello, NY in Sullivan County, just off of Route 17.

The Project is only 90 minutes away from New York City, and easily accessible to a population of over 22 million people emanating from five neighboring states.



The master plan consists of 1,700 acres designed to offer a year-round "four seasons" destination resort experience with a wide variety of indoor and outdoor activities which includes:

- Third Party Assets including $450 million of development
- 200,000 sf Entertainment Village (3rd party capital) including retail shops, casual & fine dining restaurants, a movie theater, a bowling alley and other entertainment product offerings and seasonal events
- Indoor Waterpark Lodge (3rd party capital) offering 350 family-style guest rooms, 50 condo-style suites, and an 80,000 sf indoor water park

The Project – Destination Gaming

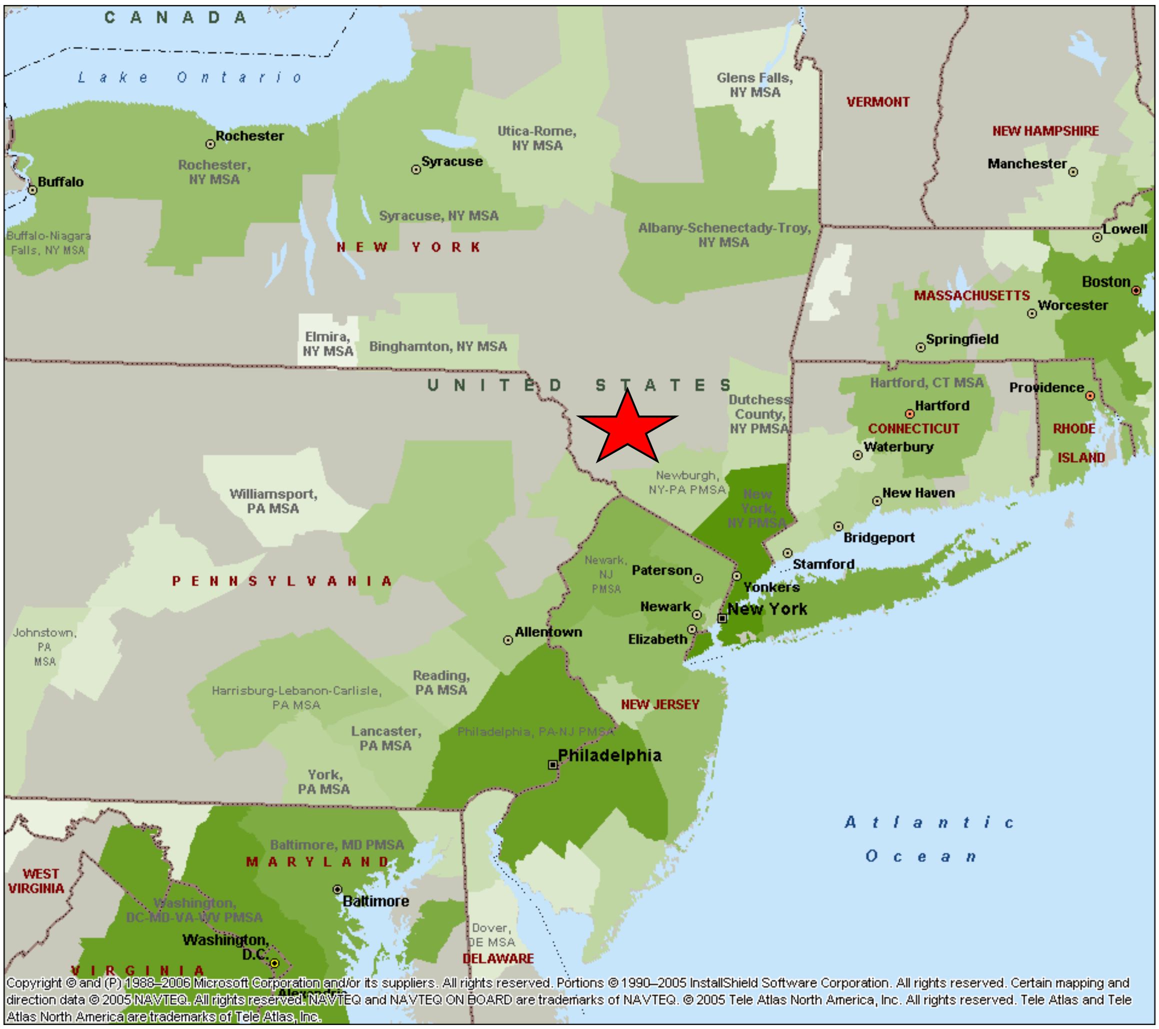
Montreign is located in the Catskill region of New York State as part of a 1,700 acre site in Monticello, New York. Empire will invest $453 million in the Project which will include high-end finishes and will be sized a take advantage of the large New York metropolitan area population. Additional Project details include the following:

- 2,150 slot machines
- 58 table games, including an Asian and high limit pit, each with 8 table games
- construction of a brand new 391 room 4 star destination hotel with 42 suites
- an upscale restaurant, a sports bar (including casual dining), a 150 seat coffee shop, a 120 seat food court, Grab n Go, noodle bar, a casino bar, several casino service bars
- 40-50,000 sf flexible multi-functional banquet/event center (including support space)
- 18 hole championship golf course
- State-of-the-art spa/salon
- a new 1,600 space structured parking garage plus surface parking for 1,350 vehicles (2,950 total parking spaces)

Location

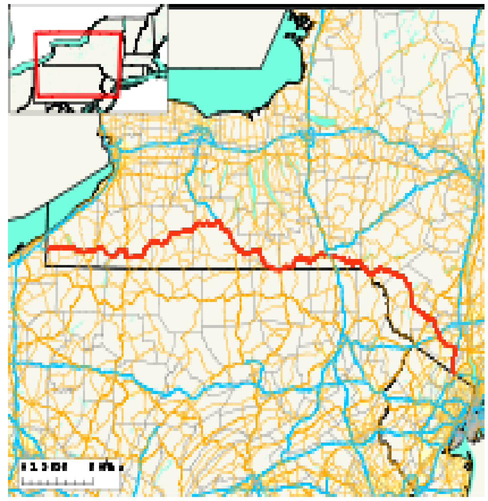
The Project will be located in Monticello, Sullivan County New York, 90 miles northwest of New York City. Monticello is located in the Catskill region, a sparsely populated area of southern upstate New York. This region was at one time a popular tourist destination for New York area residents, boasted several famous destination resorts including The Concord (only minutes from the proposed site) and Grossingers Resort. Over the years the appeal of the Catskill region has diminished and many of the large scale destination hotels aged and closed. Today, the region is still popular as a second home and seasonal getaway (which peaks in the summer) but is not generally considered to be a significant tourist destination in its own right.

According to the Sullivan County Chamber of Commerce, there are 75,000 year round residents in the region and another 75,000 second home owners. According to the Chamber, the summer season (Memorial Day to Labor Day) residency is over 350,000. The following map depicts the proposed development relative to major population centers.

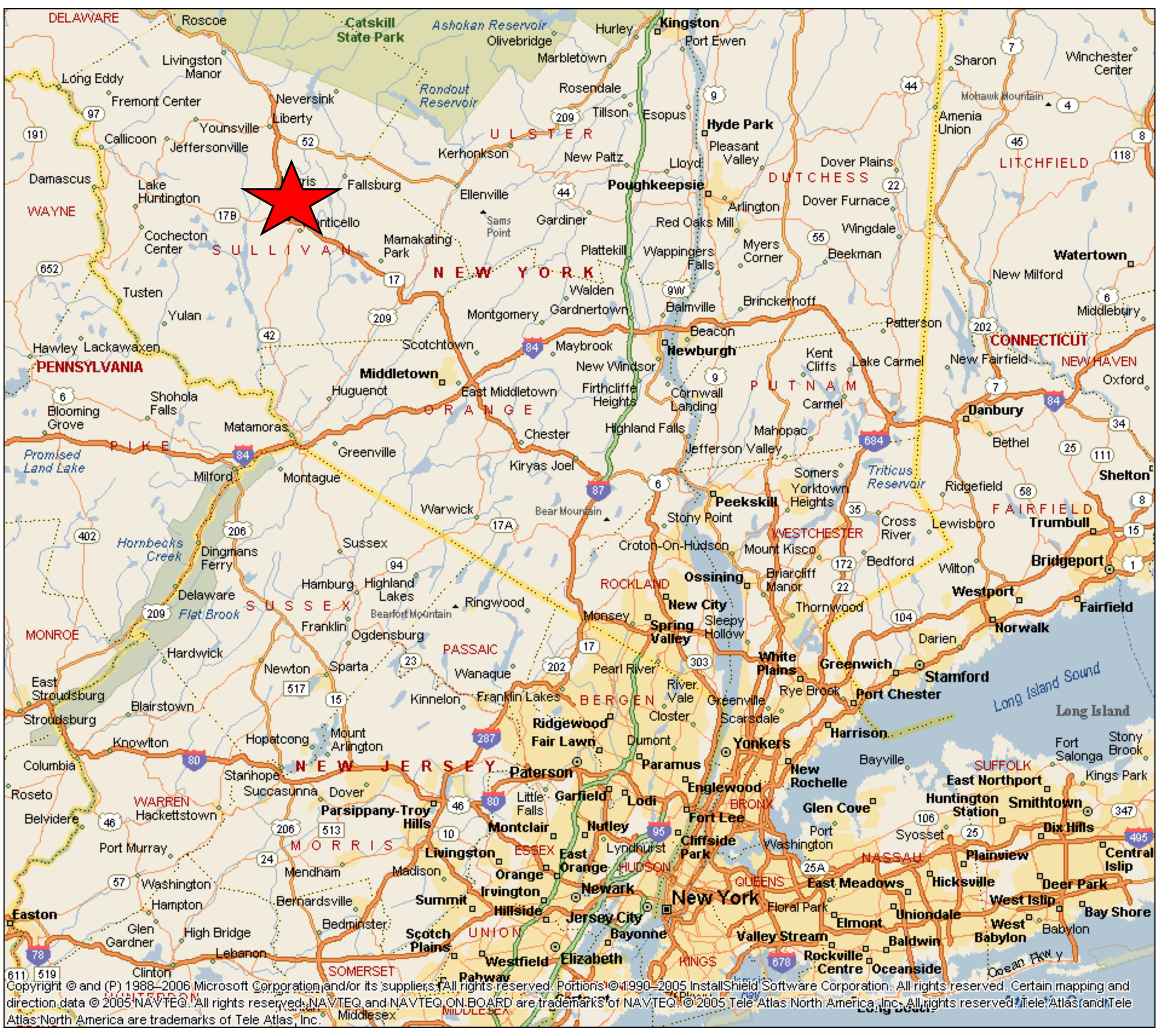


Transportation Access

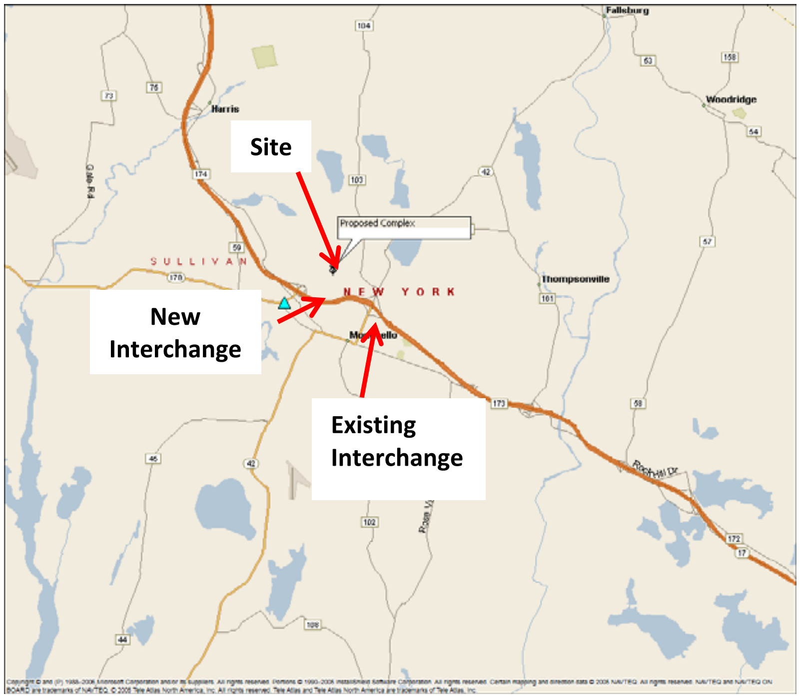
The primary access to the Project will be via New York State Route 17 (NY 17), a major thoroughfare that extends for 397 miles through the southern tier and downstate regions of New York. Route 17 is an important highway because it not only connects the western regions of the state to the New York metro area but also intersects with a major Interstate Highway (I-84) only 30 miles south of the site, providing access to points east (Westchester, Duchess and Putnam counties in New York, and western Connecticut) and to points west (Scranton-Wilkes-Barre in Pennsylvania).



This road network makes quick travel to the site from different regions highly feasible and convenient as most patrons can avoid using any local access roads. The following map depicts the site and major road systems. Route 17 runs past the site and intersects with I-84, and then connects with I-87 (the primary north-south interstate highway connecting New York City to Albany and points north) a little further south - providing easy access to the highly populated New York metro region and New York City.



Access to the site off Rte. 17 will also be excellent with a full new interchange (Exit 106) providing almost direct access.



There are over 16.2 million adults within 90 miles and 32.2 million adults within 180 miles of the proposed casino.

Miles from Montreign	*2013 Adult Population (21+)*
0 to 15	*53,627*
15 to 30	243,479
30 to 45	605,798
45 to 60	1,837,462
60 to 75	6,793,410
75 to 90	6,733,440
90 to 120	7,516,567
120 to 150	4,396,134
150 to 180	3,970,103
Total	**32,150,020**

Other than the Newburgh MSA, almost all major metropolitan areas or population concentrations are greater than sixty minutes drive time from the Project - reinforcing the dependence of the Catskills market on demand derived from the southeast and southwest suburbs extending towards the New York metropolitan areas as well as the need for additional destination resort amenities in order to maximize gaming revenues.

Key Feeder Markets, Distance, and Travel Time

MSA	Population (2004) by Metropolitan Area	Driving Miles from Site	Minutes from Site
Newburgh, NY-PA PMSA	423,860	53	0:53
Dutchess County, NY PMSA	294,234	76	1:16
Bergen-Passaic, NJ PMSA	1,402,356	77	1:25
Danbury, CT PMSA	226,179	86	1:28
Scranton--Wilkes-Barre--Hazleton, PA MSA	614,462	79	1:34
Newark, NJ PMSA	2,080,714	96	1:35
Binghamton, NY MSA	250,793	97	1:37
New York, NY PMSA[1]	9,449,241	97	1:42
Stamford-Norwalk, CT PMSA	362,449	103	1:47
Waterbury, CT PMSA	234,974	113	1:52
Albany-Schenectady-Troy, NY MSA	894,569	107	1:53
Jersey City, NJ PMSA	606,768	107	1:55
Middlesex-Somerset-Hunterdon, NJ PMSA	1,236,285	116	1:56
Allentown-Bethlehem-Easton, PA MSA	665,446	104	2:05
Bridgeport, CT PMSA	468,874	122	2:07
Nassau-Suffolk, NY PMSA	2,823,190	126	2:19
Pittsfield, MA MSA	83,187	130	2:19
New Haven-Meriden, CT PMSA	559,068	124	2:20
Elmira, NY MSA	90,205	144	2:22
Hartford, CT MSA	1,221,777	148	2:24
Monmouth-Ocean, NJ PMSA	1,194,230	143	2:25
Trenton, NJ PMSA	365,448	140	2:31
Glens Falls, NY MSA	127,334	156	2:37
Utica-Rome, NY MSA	297,571	135	2:38
Reading, PA MSA	388,909	135	2:42
Syracuse, NY MSA	737,104	167	2:42
Springfield, MA MSA	601,785	173	2:47

Note:
[1.)] Includes Westchester, Rockland, and Putnam counties

Source: Microsoft MapPoint North America, GGH & Morowitz Gaming Advisors, LLC research

Supporting Development

As noted previously, the Project will be part of Adelaar, a large, comprehensive master planned resort community. Additional development at *Adelaar* includes the 200,000 sf Entertainment Village (approx. 65,000 sf under LOI) and the Indoor Water Park Lodge consisting of a 400 room hotel and an 80,000 sf indoor water park. These developments will act as additional attractors to the site from populations to the southeast of the Project and also from neighboring states and Canada.

The Project is located in Sullivan County, in the Catskill region of New York. This region hosts a large second home market but lacks significant destination facilities. Most of the large destination resorts that thrived during the early and middle parts of the last century have since closed. What is left is a network of mostly mid to lower tier commercial hotels with few of any size currently located conveniently to the Project (along with a handful of older destination resorts).

There are six hotels and one resort totaling 813 rooms located within 10 miles of the Property. There are another 587 rooms located between 10 and 20 miles of the site and 1,425 rooms located between 20 and 30 miles of the site. Guests at these hotels and resorts represent an opportunity to drive additional revenues to Montreign (assuming no additional immediate competitive gaming supply). Most of the hotel inventory (~2,900 rooms) located within thirty miles of the site is positioned as mid-price to economy lodging product. In addition to the hotel product in the area, there are several bed and breakfasts, camp grounds, and bungalow colonies.

Hotels Located Near the Property

Name of Establishment	City & State	Rooms	Mi from Monticello
Best Western	Monticello, NY	62	0.7
Econo Lodge Monticello	Monticello, NY	47	1.5
Super 8 Monticello	Monticello, NY	46	1.5
Kutsher's Country Club[1]	Monticello, NY	400	2.8
Lodge at Rock Hill	Rock Hill, NY	70	7.2
Howard Johnson Express Inn Liberty	Liberty, NY	70	9.2
Days Inn Liberty	Liberty, NY	118	9.2
Catskill Motel	Liberty, NY	13	10.2
Eldred Preserve Resort	Eldred, NY	25	10.6
Days Inn Wurtsboro	Wurtsboro, NY	31	11.6
Mohican lake Resort	Glen Spey, NY	20	11.7
Valley Brook Inn & Cottages	Wurtsboro, NY	27	13.5
New Age Health Spa	Neversink, NY	36	13.5
Fosterdale Motor Lodge	Fosterdale, NY	20	13.8
Villa Roma Resort Hotel	Callicoon, NY	150	15.1
Mountain View	Glen Spey, NY	25	15.3
Honor's Haven Resort	Ellenville, NY	240	16.9
Hampton Inn Matamoras	Matamoras, PA	98	20.5
Best Western Inn @ Hunt's Landing	Matamoras, PA	109	20.5
Days Inn Port Jervis	Port Jervis, NY	103	20.8
Rockland House	Roscoe, NY	23	22.0
Golden Swann Motel	Swan Lake, NY	25	22.4
Roscoe Motel	Roscoe, NY	16	22.6
Reynolds House Inn	Roscoe, NY	11	22.6
Microtel Inn & Suites Middletown	Middletown, NY	80	23.0
Hampton Inn Middletown	Middletown, NY	127	23.0
Super 8 Middletown	Middletown, NY	82	23.0
Holiday Inn Middletown Goshen	Middletown, NY	101	23.0
Howard Johnson Middletown	Middletown, NY	117	23.0
Courtyard Middletown	Middletown, NY	134	23.0
Days Inn New Hampton Middletown	New Hampton, NY	41	25.2
Super 8 Montgomery Maybrook Area	Montgomery, NY	96	26.5
Comfort Inn & Suites Goshen	Goshen, NY	95	27.7
Woodloch Pines Resort	Hawley, PA	167	28.0

Note:
1.) Kutsher's Country Club closes during the winter months

Source: Smith Travel Research, GGH & Morowitz Gaming Advisors, LLC research

Most of the area tourism centers focus on the second home community, the arts, hunting, and fishing in nearby streams and lakes. There are several farms and farmers' markets and a few restaurants scattered throughout the small towns within the proximate area of the Project.

The arts are a big part of the Catskill tourism experience. There are several performing arts centers and a number of art galleries and exhibits throughout the region. There are also several museums and family attractions including the Museum at Bethel Woods, the Catskill Fly Fishing Center & Museum, the Apple Pond Farm and Renewable Education Center, the Eagle Institute, the Forestburgh Playhouse, and the Holiday Mountain Ski and Fun Park.

Golf is another area attraction and in addition to the proposed casino's own championship course, there are several nearby golf courses including the Concord Resort and Kutsher's Country Club (Kutsher's is closed during the winter months). In all, there are 12 golf courses within 25 miles of the Project.

IV. THE MACRO-ECONOMIC ENVIRONMENT

The macro-economic environment has been at the forefront recently in terms of the ability of consumers to spend discretionary income on such items as gaming. While the gaming sector has been flat across the U.S., there are several indicators that suggest the consumer may rebound in the future. The Advisors provide several indicators of the general trend of the macro economy below:

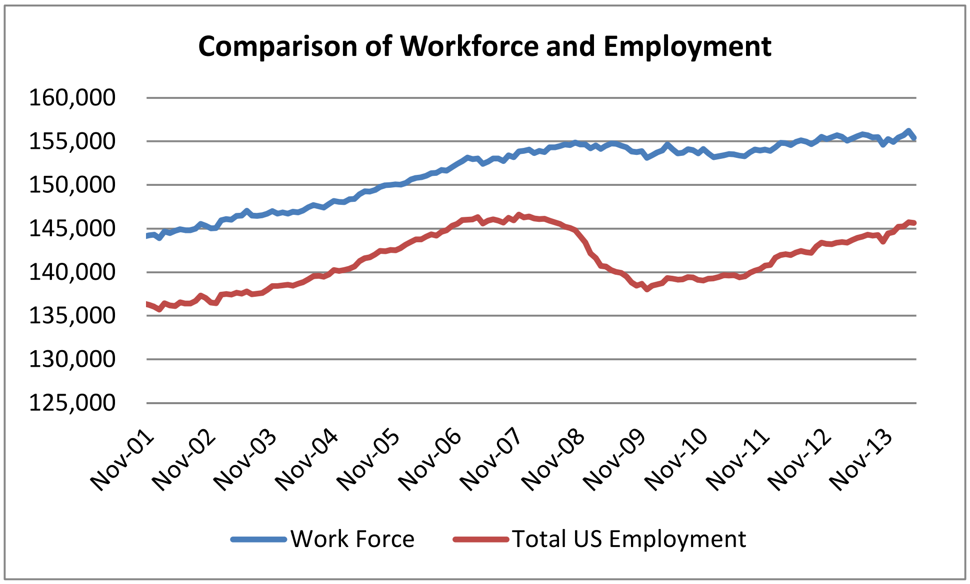
Unemployment is declining

Unemployment (seasonally adjusted) spiked at over 10% in October, 2009, has since declined to 6.3% and continues to trend downward.

Source: Bureau of Labor Statistics

Total Employment is inching up

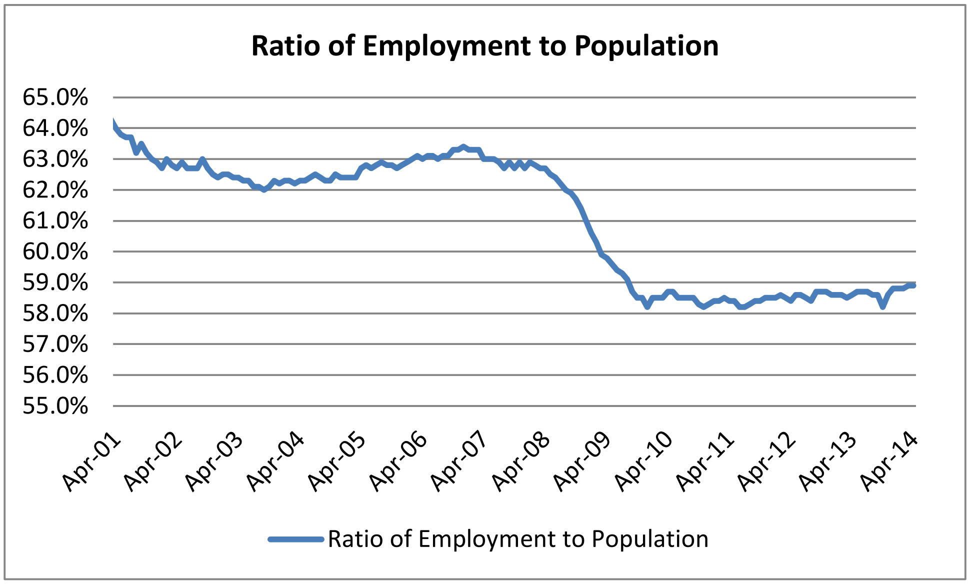
Similar to the decline in unemployment, total employment has increased since bottoming in December of 2009. At 145.7 million, employment has reached its highest levels since June 2008 (just before the economic meltdown) and is less than 1 million below the all-time November 2007 peak.



Source: Bureau of Labor Statistics

The Percentage of the Population at Work Remains Low but is Trending Upward

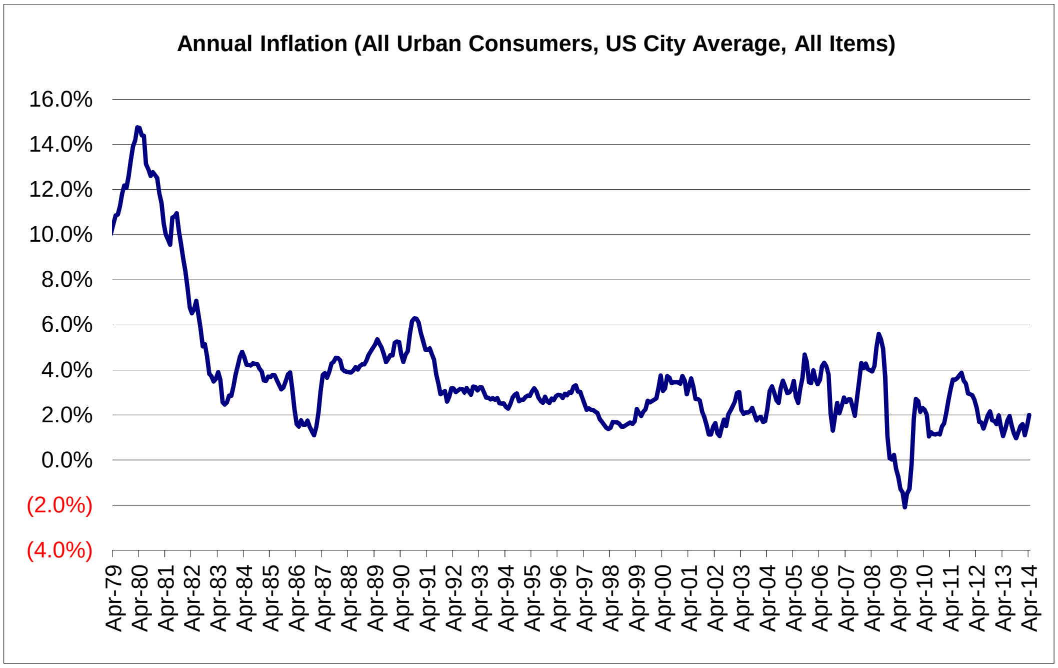
While unemployment continues its decline and the number of jobs is approaching its all-time high, the percentage of the population working is still at only 58.9% compared to 64.4% at the beginning of 2001. This decline reflects the aging of the population but also the ceiling on the total workforce that is in some respects a reflection of changes in the structure of the economy. The upshot of this is that employment appears to be poised to break through its recent range bound level to higher levels.



Source: Bureau of Labor Statistics

Inflation and Interest Rates remain low

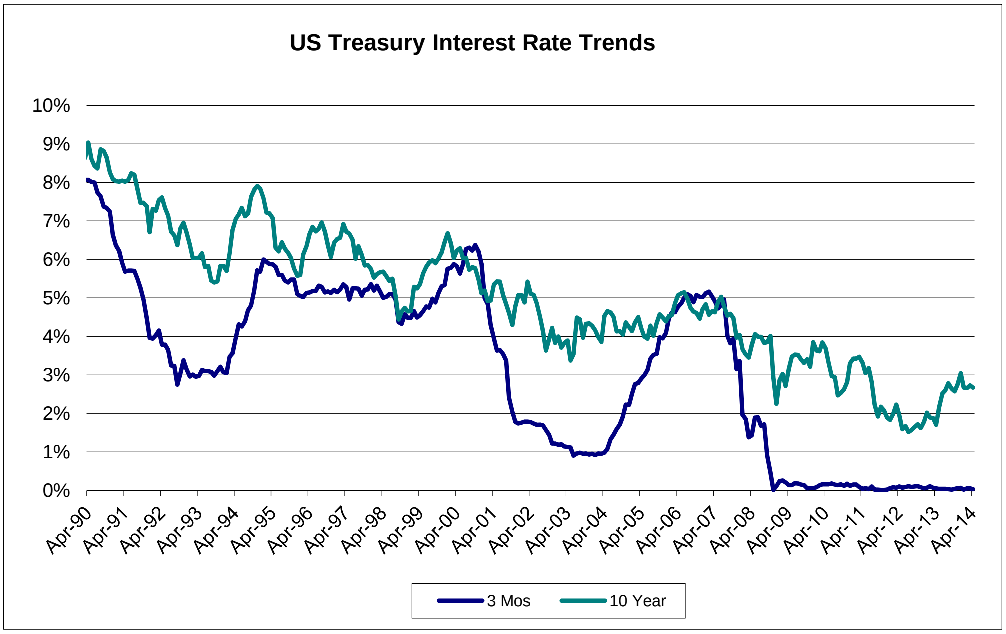
Inflation remains a non-factor in the economy, despite loose monetary policy. Year over year CPI increases have remained below 2 percent for an extended period.



Source: Bureau of Labor Statistics

The Federal Reserve injected substantial liquidity into the U.S. financial system throughout the economic crisis through its Quantitative Easing (QE) programs. These measures along with other monetary measures suppressed interest rates for quite some time.

The following chart depicts 3 month and 10 year interest rates since 1990. The data indicates that during periods following an economic downturn (1990, 2001, 2008) the spread between the 3 month and 10 year treasury widens and as economic growth begins these rates converge (usually through increasing short term rates). We have had a prolonged period of low interest rates and we now see 10 year rates increasing toward 3%. While these rates are still low by standards of the last 25 years it appears that short term rates should start to increase and converge with longer term rates as economic growth accelerates.

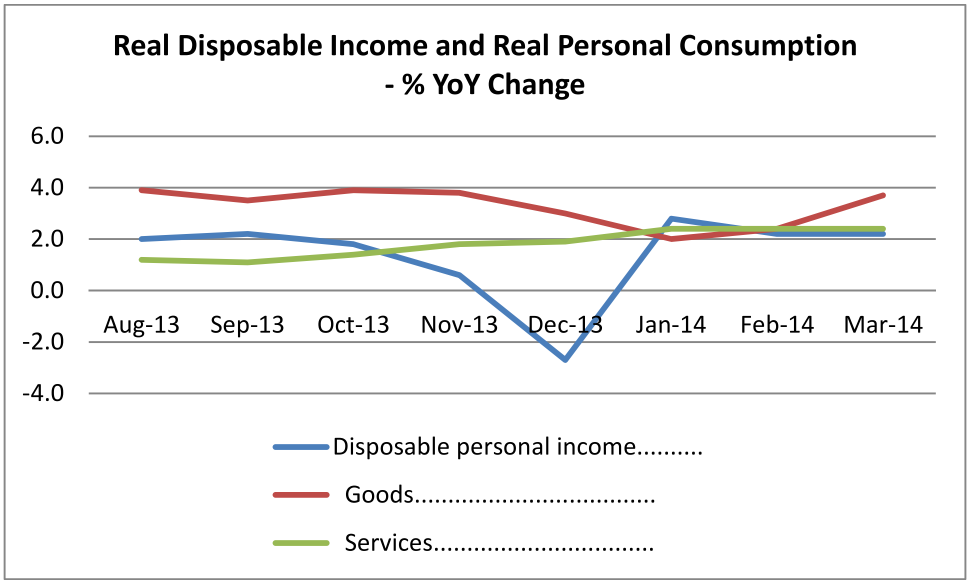


Source: GGH/Morowitz Gaming Advisors, LLC analysis

The relatively low ten year rates do not seem to signal a period of high inflation. In fact, they seem to signal a period of low economic growth in the US and a relatively benign inflation environment. These indicators appear to be waiting for a catalyst before growth rates increase and inflation and interest rates trend significantly upward. These low interest rates are a mixed blessing in terms of consumer spending and gaming market growth. The low interest rates help consumers in that they make the cost of home and vehicle purchases more reasonable. However, for savers, low yields reduce discretionary spending, especially for older consumers who have the time and wealth to visit casinos.

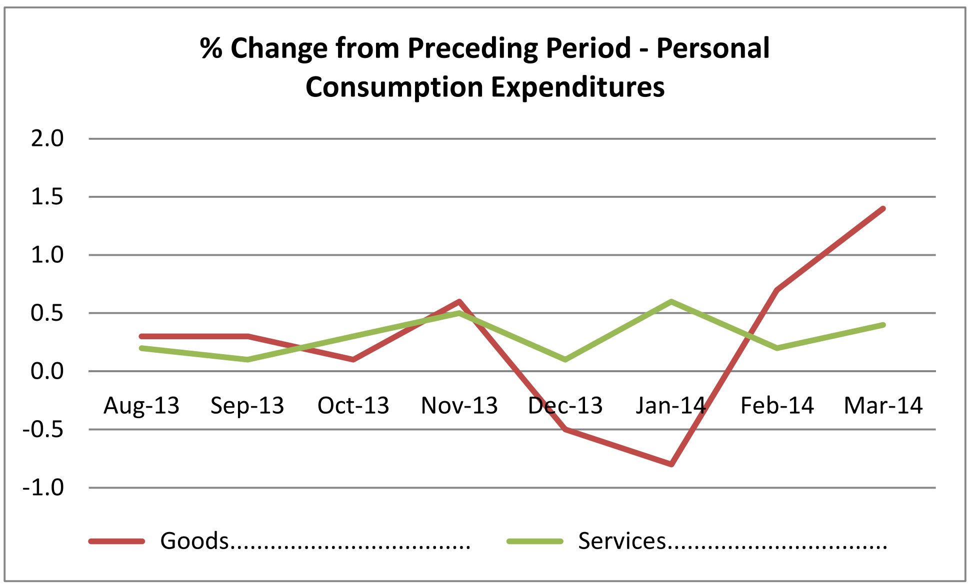
Personal Consumption is Trending Upward

Disposable income declined significantly in December 2013 before recovering in the first quarter of 2014. Real increases in spending on tangible goods declined during this period relative to the last several months of 2013 while percentage increases in spending on services increased in 2014 relative to the last several months of 2013.



Source: Bureau of Economic Analysis

After a rough winter, personal consumption has trended upward for the last couple of months.

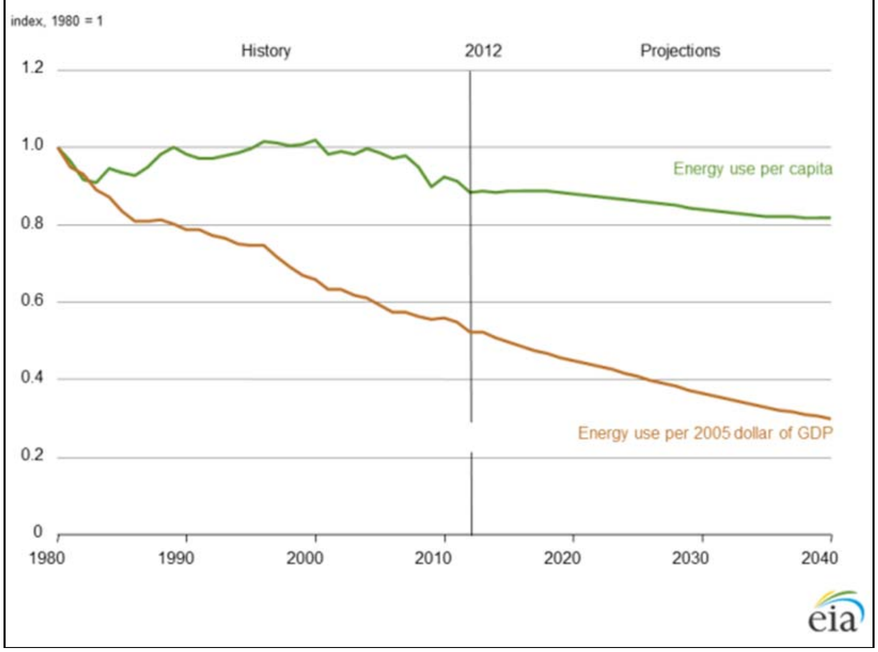


Source: Bureau of Economic Analysis

US Energy Independence is becoming a Reality

The U.S. Energy Information Administration forecasts significant declines in energy usage per capita in the U.S. The projected declines in energy use will result from gains in appliance efficiency, a shift in production from cooler to warmer regions, and an increase in vehicle efficiency standards, combined with modest growth in travel per licensed driver. From 1970 through 2008, energy use dipped below 320 million British thermal units (Btu) per person for only a few years in the 1980s. In 2012, energy use per capita was about 302 million Btu. Forecasted energy use per capita declines to 279 million Btu per person in 2040—levels not seen since 1965. Continual changes in the structure of the U.S. economy are expected to reduce energy use per dollar of GDP.

Figure MT-7. Energy use per capita and per dollar of gross domestic product in the Reference case, 1980-2040

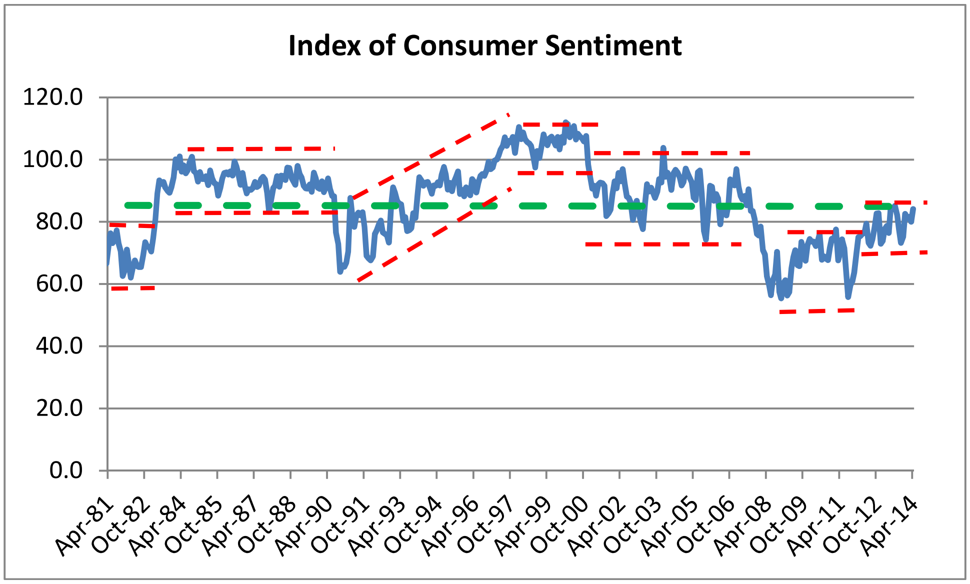


Source: U.S. Energy Information Administration

These trends, combined with what is known as the "fracking revolution" are expected to catalyze economic growth and should have positive impacts on consumers.

Consumer Sentiment is poised to break through 30 year trend

Consumer sentiment, as measured by the University of Michigan-Index-of-Consumer-Sentiment has been trending upward since the depths of the Great Recession and is now poised to break through and above its 30 year trend. This indicates a potential increase in consumer spending after several years of malaise.



Source: Thomson Reuters, University of Michigan

Macroeconomic Conclusion

From a U.S. perspective, many economic indicators have turned positive as of the date of this Report. Essentially, absent some geo-political shock, the U.S. appears poised for a period of growth. This should have positive impacts on consumer spending. We explore national and regional gaming trends in the next section of this report and note that overall gaming growth has been negative to muted as of late; however, these positive macro-economic trends suggest this could be reversed in the near future. Based upon these trends, we estimate that annual consumer budgets for gaming will grow by 1% annually for the duration of our financial projections.

V. NATIONAL GAMING TRENDS

Up until 2008, the gaming industry had enjoyed annual growth for almost two decades. With new jurisdictions opening throughout the U.S. throughout this time frame, gaming revenues grew significantly at both commercial and Native American casinos. From 2007 through 2009, general reductions in consumer spending resulted in declining gaming revenues before stabilizing and recovering in 2010 and then growing in 2011 and 2012 as new jurisdictions came online and matured. Growth declined to 1.3% in 2013, mostly due to consumer malaise. The following table depicts revenue trends in commercial (non-Native American) casino jurisdictions from 2007 through 2013.

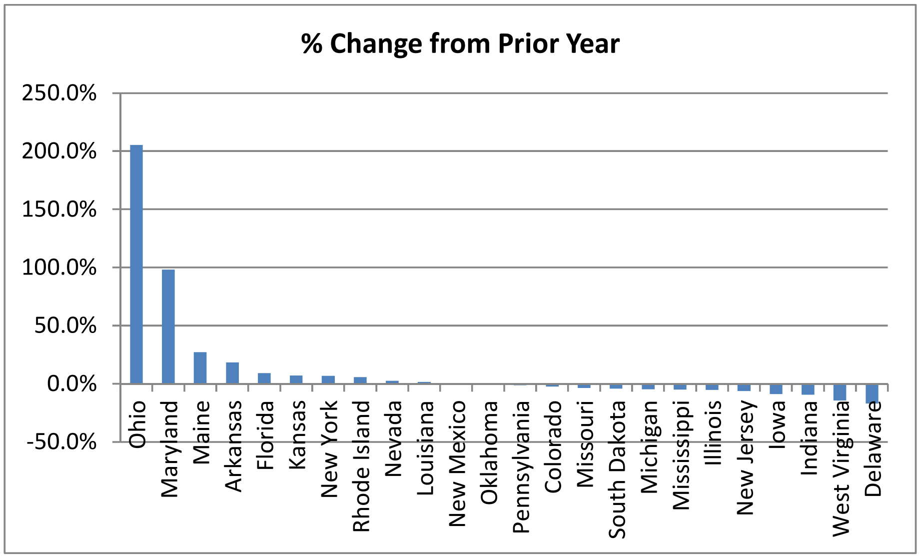
States with Commercial Gaming ($Billion)

	States With Commercial Casinos (Non-Native American) - 2007-2013 Revenues ($ Billion)						
State	**2007**	**2008**	**2009**	**2010**	**2011**	**2012**	**2013**
Nevada	$ 12.8	$ 11.6	$ 10.4	$ 10.4	$ 10.7	$ 10.9	$ 11.1
Pennsylvania	$ 1.0	$ 1.6	$ 2.0	$ 2.5	$ 3.0	$ 3.2	$ 3.1
New Jersey	$ 4.9	$ 4.5	$ 3.9	$ 3.6	$ 3.3	$ 3.1	$ 2.9
Louisiana	$ 2.6	$ 2.6	$ 2.5	$ 2.4	$ 2.4	$ 2.4	$ 2.4
Indiana	$ 2.6	$ 2.7	$ 2.8	$ 2.8	$ 2.7	$ 2.7	$ 2.4
Mississippi	$ 2.9	$ 2.7	$ 2.5	$ 2.4	$ 2.2	$ 2.3	$ 2.1
New York	$ 0.8	$ 0.9	$ 1.0	$ 1.1	$ 1.3	$ 1.8	$ 1.9
Missouri	$ 1.6	$ 1.7	$ 1.7	$ 1.8	$ 1.8	$ 1.8	$ 1.7
Illinois	$ 2.0	$ 1.6	$ 1.4	$ 1.4	$ 1.5	$ 1.6	$ 1.6
Michigan	$ 1.3	$ 1.4	$ 1.3	$ 1.4	$ 1.4	$ 1.4	$ 1.3
Iowa	$ 1.4	$ 1.4	$ 1.4	$ 1.4	$ 1.4	$ 1.4	$ 1.3
Ohio						$ 0.4	$ 1.1
West Virginia	$ 0.9	$ 1.0	$ 0.9	$ 0.9	$ 1.0	$ 0.9	$ 0.8
Colorado	$ 0.8	$ 0.7	$ 0.7	$ 0.8	$ 0.8	$ 0.8	$ 0.7
Maryland				$ 0.0	$ 0.2	$ 0.4	$ 0.7
Rhode Island	$ 0.4	$ 0.5	$ 0.5	$ 0.5	$ 0.5	$ 0.5	$ 0.6
Florida	$ 0.2	$ 0.2	$ 0.2	$ 0.3	$ 0.4	$ 0.4	$ 0.5
Delaware	$ 0.6	$ 0.6	$ 0.6	$ 0.6	$ 0.5	$ 0.5	$ 0.4
Kansas			$ 0.0	$ 0.0	$ 0.0	$ 0.3	$ 0.4
New Mexico	$ 0.2	$ 0.3	$ 0.2	$ 0.2	$ 0.2	$ 0.2	$ 0.2
Arkansas	$ 0.0	$ 0.0	$ 0.0	$ 0.1	$ 0.1	$ 0.2	$ 0.2
Maine	$ 0.0	$ 0.1	$ 0.1	$ 0.1	$ 0.1	$ 0.1	$ 0.1
Oklahoma	$ 0.1	$ 0.1	$ 0.1	$ 0.1	$ 0.1	$ 0.1	$ 0.1
South Dakota	$ 0.1	$ 0.1	$ 0.1	$ 0.1	$ 0.1	$ 0.1	$ 0.1
Totals	**$ 37.5**	**$ 36.2**	**$ 34.4**	**$ 34.8**	**$ 35.8**	**$ 37.4**	**$ 38.0**
% Increase (Decrease)		***-3.4%***	***-5.1%***	***1.1%***	***3.0%***	***4.7%***	***1.3%***

Source: Various state agencies and GGH/Morowitz Gaming Advisors, LLC research

Eleven states registered gains in 2013 including Ohio and Maryland which are both in the early phases of their new gaming industries – Maine (added capacity and table games), Florida (added capacity), Kansas (early stages of gaming), New York (ramp-up of Resorts World), Rhode Island (added tables) and Nevada (economic growth).

The other thirteen states experienced revenue declines with the largest percentage declines occurring in Delaware (impacted by new casinos in MD), West Virginia (impacted by MD and OH), Indiana (OH), New Jersey (MD), and several states throughout the Mississippi River Valley that were impacted by a combination of a weak economy, lack of re-investment, and competitive forces.



Source: Various state agencies and GGH/Morowitz Gaming Advisors, LLC research

Revenues at Native American casinos followed a similar pattern, declining in 2009 before recovering post-recession). Revenues grew at a healthy pace in 2011 and 2012 (2013 revenues have not been published yet).

	Native American Casinos Revenues ($Billion)					
	2007	2008	2009	2010	2011	2012
Region 1 - Alaska, Idaho, Oregon, and Washington.	$ 2.3	$ 2.4	$ 2.5	$ 2.7	$ 2.8	$ 2.9
Region 2 - California, and Northern Nevada	$ 7.8	$ 7.4	$ 7.0	$ 6.8	$ 6.9	$ 7.0
Region 3 - Arizona, Colorado, New Mexico, and Southern Nevada.	$ 2.9	$ 2.8	$ 2.6	$ 2.5	$ 2.6	$ 2.7
Region 4 - Iowa, Michigan, Minnesota, Montana, North Dakota, Nebraska, South Dakota, Wisconsin and Wyoming	$ 4.2	$ 4.4	$ 4.4	$ 4.5	$ 4.6	$ 4.8
Region 5 (East) - Kansas, and Eastern Oklahoma.	$ 1.4	$ 1.7	$ 1.7	$ 1.8	$ 1.9	$ 2.0
Region 5 (West) - Western Oklahoma and Texas.	$ 1.1	$ 1.3	$ 1.5	$ 1.6	$ 1.7	$ 1.8
Region 6 - Alabama, Connecticut, Florida, Louisiana, Mississippi, North Carolina, and New York.	$ 6.4	$ 6.8	$ 6.8	$ 6.7	$ 6.7	$ 6.7
Totals	***$ 26.1***	***$ 26.7***	***$ 26.5***	***$ 26.5***	***$ 27.2***	***$ 27.9***
Annual Increase (Decrease)	***5.0%***	***2.3%***	***-1.0%***	***0.1%***	***2.5%***	***2.7%***

Source: National Indian Gaming Commission

The land-based gaming industry in the U.S. generates approximately $65 billion annually between commercial and Native American gaming; however, the economic crisis of the mid-2000's has constrained investment and growth in many "legacy" jurisdictions. Most of the growth in gaming over the last several years has come from either new jurisdictions or existing jurisdictions expanding or adding new types of gaming such as table games. While we expect the economy to improve over the next few years, it is clear that gaming is increasingly becoming a regional industry with the fortunes of casinos tied to the nearby competitive landscape and health of the local economy.

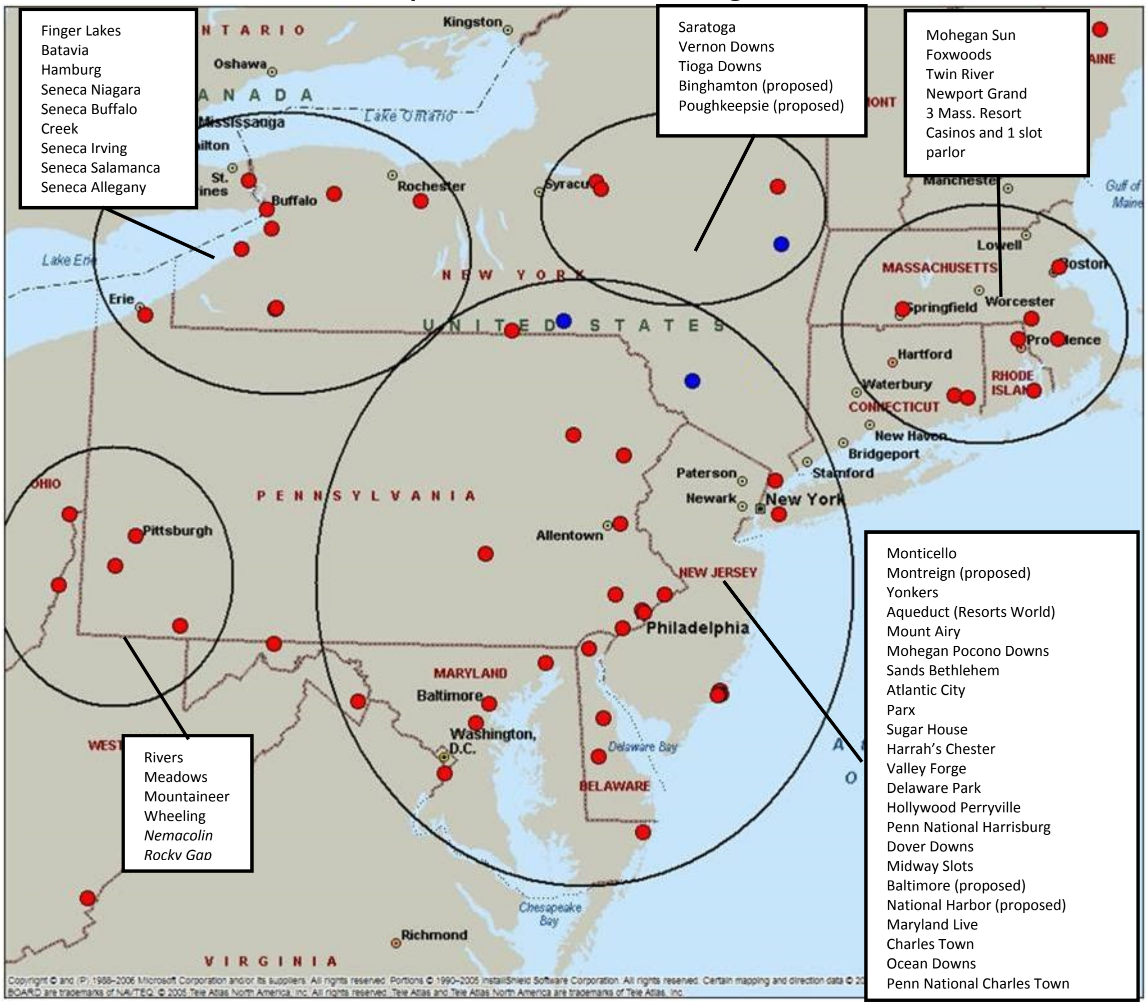
VI. REGIONAL GAMING TRENDS

A review of the Mid-Atlantic and Northeast gaming markets is particularly important to understanding the potential dynamics of gaming in the Catskill region of New York state. The regional market includes a total of 51 existing casinos in New York, Connecticut, New Jersey, Pennsylvania, West Virginia, Delaware, and Maryland (which will increase to 57 after expansion in MA and MD) including eleven in Atlantic City and five Seneca casinos. The Advisors have identified five separate sub-groupings for these gaming markets/casinos (although there is overlap among several of these) as follows:

Market	Participants
Mid-Atlantic	includes Montreign, 11 AC casinos (w/ closure of Atlantic Club); 5 MD casinos (includes MGM Prince George and Caesars Baltimore to-be-developed); 3 DE casinos; 9 PA casinos (includes 1 new in/around Philly); 1 WV casino; Yonkers & Aqueduct
New England	Mohegan Sun & Foxwoods in CT, Twin River & Newport Grand in RI, 4 MA casinos (includes Springfield MA, Boston, eastern MA & 1 racino to-be-developed in Plainridge)
Upstate NY	Tioga Downs, Saratoga, Vernon Downs, Turning Stone
Western NY	Finger Lakes, Batavia, Hamburg, 5 Seneca casinos, and Presque Isle in PA
Western PA	Rivers, Meadows & Nemacolin in Western PA; Mountaineer & Wheeling in WV

The following map depicts these markets and the Mid-Atlantic and Northeast casino market place.

Montreign Competitors (Current & Future) and Radius of Operations in Relevant Competitive Sub-Markets Regions



Total gaming revenues in this region peaked in 2013 at $11.8 billion.

Gaming Revenues in Regional Markets ($Million)

	2007	2008	2009	2010	2011	2012	2013
Mid-Atlantic/Metro NYC							
Monitcello	$ 64.3	$ 58.1	$ 53.8	$ 57.4	$ 60.9	$ 63.9	$ 62.8
Atlantic City	$ 4,920.8	$ 4,545.2	$ 3,943.2	$ 3,565.0	$ 3,317.7	$ 3,051.3	$ 2,862.4
Delaware Park	$ 272.6	$ 253.3	$ 235.0	$ 236.2	$ 222.6	$ 211.8	$ 167.8
Harrahs Chester	$ 286.0	$ 328.4	$ 315.9	$ 326.5	$ 349.1	$ 340.8	$ 311.2
Sugar House	$ -	$ -	$ -	$ 54.2	$ 245.2	$ 274.1	$ 265.6
Parx	$ 285.0	$ 345.5	$ 359.3	$ 432.6	$ 491.2	$ 494.5	$ 487.7
Valley Forge	$ -	$ -	$ -	$ -	$ -	$ 58.0	$ 96.3
Sands Bethlehem	$ -	$ -	$ 142.3	$ 286.1	$ 377.3	$ 438.0	$ 465.0
Mount Airy	$ 25.7	$ 176.4	$ 164.6	$ 163.3	$ 185.4	$ 189.5	$ 183.4
Mohegan Pocono	$ 175.5	$ 185.6	$ 220.8	$ 243.2	$ 274.8	$ 274.9	$ 263.4
Penn Hollywood PA	$ -	$ 171.1	$ 237.7	$ 268.5	$ 287.3	$ 282.6	$ 266.8
Resorts World (Aqueduct)	$ -	$ -	$ -	$ -	$ 89.3	$ 672.6	$ 785.1
Empire Slots (Yonkers Raceway)	$ 394.3	$ 486.5	$ 540.5	$ 581.2	$ 624.4	$ 544.7	$ 559.9
Ocean Downs	$ -	$ -	$ -	$ -	$ 44.9	$ 49.9	$ 51.9
Penn Perryville	$ -	$ -	$ -	$ 27.6	$ 110.8	$ 98.6	$ 87.5
Midway	$ 122.9	$ 122.1	$ 121.5	$ 125.0	$ 115.1	$ 107.2	$ 97.7
Dover	$ 216.9	$ 213.6	$ 207.7	$ 210.1	$ 209.6	$ 201.5	$ 166.6
Penn National Charles Town	$ 465.3	$ 444.8	$ 426.8	$ 458.1	$ 553.2	$ 543.4	$ 456.2
Maryland Live	$ -	$ -	$ -	$ -	$ -	$ 229.3	$ 586.0
Total Mid-Atlantic/Metro NYC	***$ 7,229.3***	***$ 7,330.6***	***$ 6,969.1***	***$ 7,035.1***	***$ 7,558.9***	***$ 8,126.8***	***$ 8,223.2***
New England							
Mohegan Sun	$ 1,293.3	$ 1,197.5	$ 1,077.3	$ 1,041.1	$ 1,032.2	$ 955.6	$ 914.4
Foxwoods (Does not Report tables-estimated)	$ 783.4	$ 728.0	$ 684.4	$ 649.0	$ 633.8	$ 576.8	$ 530.6
Twin River	$ 375.8	$ 407.5	$ 399.7	$ 423.8	$ 462.8	$ 477.8	$ 511.7
Newport Grand	$ 72.7	$ 67.5	$ 61.5	$ 53.3	$ 50.1	$ 50.1	$ 46.4
Total New England	***$ 2,525.2***	***$ 2,400.6***	***$ 2,222.9***	***$ 2,167.2***	***$ 2,178.9***	***$ 2,060.3***	***$ 2,003.1***
Upstate New York							
Tioga Downs	$ 41.4	$ 47.2	$ 49.4	$ 53.0	$ 57.0	$ 61.7	$ 59.6
Saratoga	$ 129.8	$ 134.4	$ 136.0	$ 139.7	$ 150.4	$ 159.8	$ 159.6
Vernon Downs	$ 32.1	$ 37.3	$ 37.1	$ 41.3	$ 42.3	$ 43.7	$ 43.7
Turning Stone (Does not report)	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Upstate New York	***$ 203.3***	***$ 218.9***	***$ 222.5***	***$ 234.0***	***$ 249.7***	***$ 265.1***	***$ 262.9***
Western New York							
Finger Lakes	$ 93.2	$ 101.4	$ 111.1	$ 115.7	$ 122.0	$ 129.6	$ 131.5
Batavia	$ 28.2	$ 32.5	$ 36.3	$ 37.7	$ 39.8	$ 45.1	$ 43.7
Fairgrounds	$ 44.9	$ 50.0	$ 55.1	$ 61.6	$ 73.1	$ 81.2	$ 76.8
Seneca Casinos (stopped reporting)	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Presque Isle	$ 142.2	$ 164.5	$ 166.7	$ 180.2	$ 188.4	$ 169.6	$ 144.6
Total Western New York	***$ 308.5***	***$ 348.3***	***$ 369.2***	***$ 395.3***	***$ 423.3***	***$ 425.6***	***$ 396.6***
Western PA							
Rivers	$ -	$ -	$ 78.8	$ 267.7	$ 343.1	$ 351.5	$ 352.0
The Meadows	$ 124.6	$ 244.1	$ 278.5	$ 264.1	$ 282.9	$ 284.4	$ 264.3
Mountaineer	$ 229.3	$ 254.6	$ 235.1	$ 202.2	$ 201.4	$ 195.7	$ 176.0
Wheeling	$ 175.5	$ 189.7	$ 179.0	$ 144.9	$ 137.2	$ 122.4	$ 99.8
Nemacolin	$ -	$ -	$ -	$ -	$ -	$ -	$ 13.8
Rocky Gap	$ -	$ -	$ -	$ -	$ -	$ -	$ 23.2
Total Western PA	***$ 529.4***	***$ 688.3***	***$ 771.4***	***$ 878.9***	***$ 964.7***	***$ 954.0***	***$ 929.2***
Total	***$ 10,795.7***	***$ 10,986.7***	***$ 10,555.2***	***$ 10,710.6***	***$ 11,375.6***	***$ 11,831.8***	***$ 11,815.0***

Source: Various state agencies and GGH/Morowitz Gaming Advisors, LLC research – Atlantic City includes free play

VII. REGIONAL ANALYSIS

Market Demographics

The Project's proposed location is in Monticello, New York and is part of the Catskills region of New York. The Catskills region was a traditional tourism destination for the large metro New York populations and still draws significant visitation for the arts and other seasonal activities. The table at bottom depicts adult population estimates within a 180 miles of the proposed site (the relevant market area) as of 2013 and clearly shows that significant market opportunity exists for the proposed casino. The proposed location is within approximately 180 miles of over 32.2MM adults.

Adult Population within 150 Miles of Site

Miles	2013 Adult Population (21+)
0 to 15	53,627
15 to 30	243,479
30 to 45	605,798
45 to 60	1,837,462
60 to 75	6,793,410
75 to 90	6,733,440
90 to 120	7,516,567
120 to 150	4,396,134
150 to 180	3,970,103
Total	32,150,020

Source: DemographicsNow & GGH/Morowitz Gaming Advisors, LLC analysis

The Project's remote location in the Catskills dictates that it must drive revenue from customers traveling from longer distances in order to maximize economics. In that regard, the Advisors provide regional demographic data for the 30, 60 and 90 mile radii. The table that follows depicts total population for 2010 and projected for 2015, total households, number of families, the number of housing units, household income, home values, per capital income and median age of the population. In all respects, population beyond 30 miles provides the most potential because of sheer population numbers, home values, income amounts, and consequent potential disposable income.

Regional Demographic Data

	30 miles radius	60 miles radius	90 miles radius
2010 Total Population	339,511	3,322,791	21,107,007
2015 Total Population	349,487	3,360,435	21,378,681
2010 - 2015 Annual Rate	0.58%	0.23%	0.26%
2010 Households	123,843	1,188,121	7,786,801
2010 Average Household Size	2.6	2.7	2.64
2015 Households	127,978	1,202,882	7,883,928
2015 Average Household Size	2.6	2.7	2.64
2010 - 2015 Annual Rate	0.66%	0.25%	0.25%
2010 Families	85,632	850,213	5,121,326
2010 Average Family Size	3.12	3.21	3.27
2015 Families	88,165	856,926	5,156,269
2015 Average Family Size	3.12	3.21	3.27
2010 - 2015 Annual Rate	0.58%	0.16%	0.14%
2010 Housing Units	169,907	1,370,669	8,527,699
Owner Occupied Housing Units	51.1%	62.4%	46.7%
Renter Occupied Housing Units	21.7%	24.3%	44.6%
Vacant Housing Units	27.1%	13.3%	8.7%
2015 Housing Units	179,243	1,407,135	8,709,988
Owner Occupied Housing Units	50.3%	61.6%	46.3%
Renter Occupied Housing Units	21.1%	23.9%	44.2%
Vacant Housing Units	28.6%	14.5%	9.5%
Median Household Income			
2010	$57,073	$70,539	$63,160
2015	$64,376	$81,616	$74,234
Median Home Value			
2010	$193,133	$287,498	$334,248
2015	$240,279	$364,577	$410,374
Per Capita Income			
2010	$25,544	$33,781	$32,223
2015	$29,207	$38,620	$37,449
Median Age			
2010	40.2	40.0	37.8
2015	40.5	40.2	38.0

Source: ESRI, US Census Bureau

Data on consumer spending based on the 30, 60 and 90 mile radii is provided below. As the Table indicates, entertainment, meals, retail and travel spending are all significantly higher in households beyond the 30 mile radius. The Spending Potential Index measures the amount spent in the radius relative to a national average of 100. Proximate markets spend at rates near the national average while the 60 and 90 mile radii spend at levels significantly above the national average.

Consumer Spending (by Households) within 90 Miles from Monticello

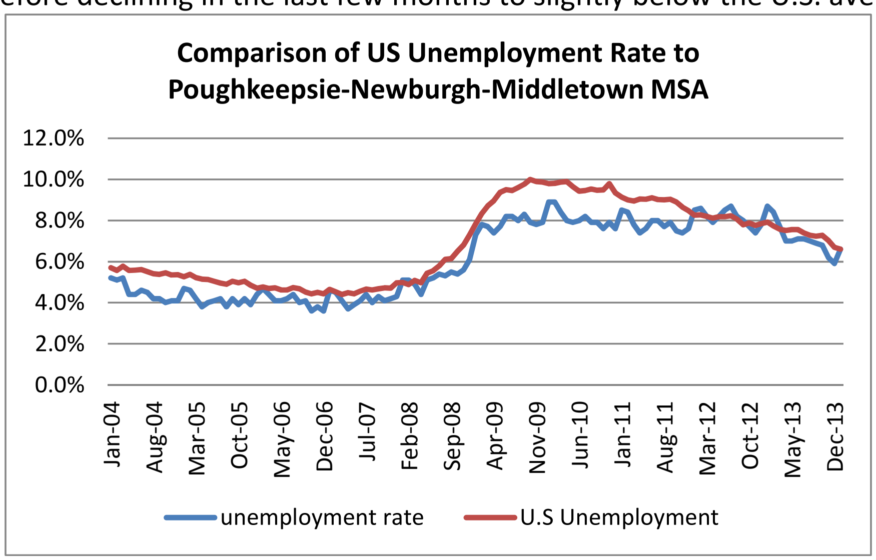
	30 Miles Radius	60 Mile Radius	90 Mile Radius
Entertainment/Recreation: Total $	$405,373,914	$5,240,440,216	$31,101,401,932
Average Spent	$3,273.29	$4,410.70	$3,994.12
Spending Potential Index	102	137	124
Food Away from Home: Total $	$384,062,939	$5,025,952,675	$31,554,031,044
Average Spent	$3,101.21	$4,230.17	$4,052.25
Spending Potential Index	96	131	126
Retail Goods: Total $	$2,937,301,160	$37,471,281,061	$222,290,552,581
Average Spent	$23,717.94	$31,538.27	$28,547.10
Spending Potential Index	95	127	115
Travel: Total $	$232,307,696	$3,187,634,807	$18,838,380,193
Average Spent	$1,875.82	$2,682.92	$2,419.27
Spending Potential Index	99	142	128

2010 Consumer Spending shows the amount spent on a variety of goods and services by households that reside in the market area. Expenditures are shown by broad budget categories that are not mutually exclusive. Consumer spending does not equal business revenue.

Source: ESRI, 2005 and 2006 Consumer Expenditure Surveys, Bureau of Labor Statistics

Labor Market

The unemployment rate in the Poughkeepsie-Newburgh-Middletown MSA never reached the peaks of the U.S. market but has remained stubbornly high through the recovery before declining in the last few months to slightly below the U.S. average.



The largest job sectors are the Trade, Transport, Utilities; Education and Health Services; and Government sectors representing ~63% of total employment in the MSA.

Regional Labor Data

	Sept 2013	Oct 2013	Nov 2013	Dec 2013	Jan 2014	Feb 2014
Labor Force Data						
Civilian Labor Force (1)	312.8	313.7	312.7	(P) 309.9	315.2	(P) 316.3
Employment (1)	291.1	292.5	293.2	(P) 291.7	294.5	(P) 294.4
Unemployment (1)	21.7	21.2	19.5	(P) 18.2	20.7	(P) 21.9
Unemployment Rate (2)	6.9	6.8	6.2	(P) 5.9	6.6	(P) 6.9
Nonfarm Wage and Salary Employment						
Total Nonfarm (3)	254	258.2	258.4	257.7	248.4	(P) 251.9
12-month % change	1.4	0.9	1.1	0.6	1.6	(P) 1.8
Mining, Logging, and Construction (3)	10.1	10	9.9	9.5	8.7	(P) 8.6
12-month % change	7.4	5.3	6.5	4.4	4.8	(P) 2.4
Manufacturing (3)	18.5	18.5	18.4	18.5	18.1	(P) 18.1
12-month % change	1.1	1.1	1.7	0.5	0.6	(P) 0.0
Trade, Transportation, and Utilities (3)	56.5	57	58.4	58.8	56.8	(P) 56.3
12-month % change	0.9	-0.7	-0.5	-0.3	1.6	(P) 2.7
Information (3)	3.6	3.6	3.6	3.6	3.5	(P) 3.5
12-month % change	-2.7	-2.7	-2.7	-2.7	-2.8	(P) -2.8
Financial Activities (3)	8.7	8.7	8.7	8.7	8.6	(P) 8.6
12-month % change	1.2	0	0	0	2.4	(P) 2.4
Professional and Business Services (3)	23.4	23.3	22.8	22.4	22.2	(P) 22.5
12-month % change	4	2.6	0.9	-0.9	2.3	(P) 3.2
Education and Health Services (3)	53.7	54.9	55.3	55	52.2	(P) 54.4
12-month % change	1.9	2.4	2.4	2.2	2.6	(P) 1.5
Leisure and Hospitality (3)	22.7	23.3	22.7	22.3	21.4	(P) 21.9
12-month % change	2.7	5.9	8.1	6.7	7	(P) 8.4
Other Services (3)	10.3	10.5	10.4	10.5	10.4	(P) 10.4
12-month % change	2	1	0	1	1	(P) 2.0
Government (3)	46.5	48.4	48.2	48.4	46.5	(P) 47.6
12-month % change	-1.5	-2.2	-2	-2.2	-1.9	(P) -1.7
Footnotes						
(1) Number of persons, in thousands, not seasonally adjusted.						
(2) In percent, not seasonally adjusted.						
(3) Number of jobs, in thousands, not seasonally adjusted.						
(P) Preliminary						

Source: Bureau of Labor Statistics

VIII. COMPETITION & GAMING MARKET ASSESSMENT

Competition

In addition to location, competition in gaming manifests itself through strategic and product positioning. There are essentially two types of gaming facilities; gaming-centric convenience offerings and entertainment destinations. Currently most of the market properties in the northeast would be considered gaming-centric convenience operations, with limited facilities and capital investment relative to more traditional destination resorts.

These gaming-centric casinos offer the purest form of gaming experience and rely primarily on proximity and convenience to draw customers to their facilities (i.e. customers frequent their facilities because they are close to where they live and are closer than other competing facilities). The result is that most of the visitation to competitor properties is from local customers living within sixty miles of such a facility. This would be true of most of the facilities in upstate New York and Pennsylvania. Some competitors such as Mount Airy, Foxwoods, Mohegan Sun and Atlantic City would be more akin to entertainment destinations seeking to draw customers from much further distances, mostly out of necessity (i.e. close-in populations, even within 60 miles, that are not particularly robust) and, in the case of Atlantic City, due to its long-standing history as a gaming destination with a critical mass of assets and attractors. That said, the well-documented impact to Atlantic City of the recent proliferation of new gaming-centric competitors located in Eastern Pennsylvania and Delaware within its core expanded "convenience" market demonstrates that even entertainment destinations are not immune to such competition.

Consequently, many casino companies tend to migrate towards what might be labeled as an entertainment "superstore" in order to draw patrons from increasingly further distances, increase consumer spend and length of stay/play, and induce customers to travel past more convenient casinos. They do so by adding non-gaming amenities such as hotel, retail, convention, dining, and entertainment options.

There are 19 gaming venues within 180 miles of the Project (including the current Monticello Gaming and Raceway casino and considering Atlantic City as one "venue") but only 9 (including Atlantic City) that will realistically compete with the Montreign. We have excluded casinos in the Philadelphia, Delaware and central Pennsylvania markets because they do not draw meaningfully from the immediate target markets Montreign is expected to primarily draw from. Primary competitors for Montreign will include Atlantic City, Mohegan Sun and Foxwoods, Mount Airy Lodge, Pocono Downs, Sands Bethlehem, Resorts World, Yonkers, and Tioga Downs, the new Region 2 Class III casino, the new Region 5 Class III casino and a new mixed use MGM casino development in Springfield, Massachusetts. Secondary competitors include racinos at Vernon Downs, Saratoga, and Turning Stone located in upstate New York. The Finger Lakes casino will also provide some remote competition.

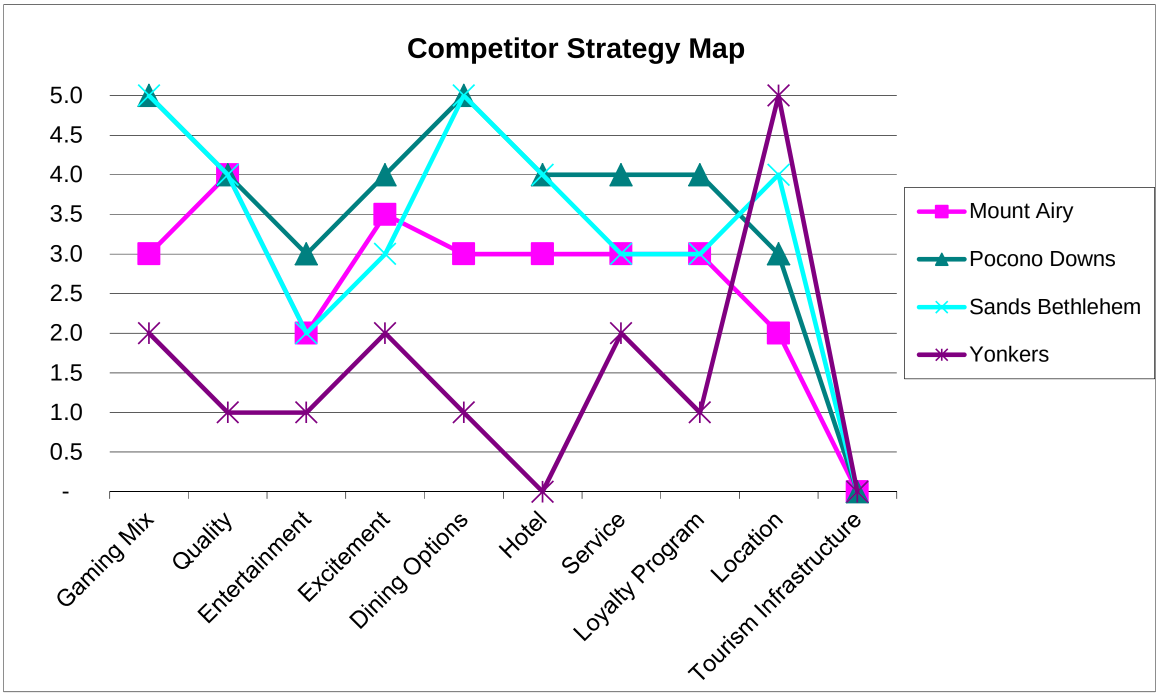
Existing Direct Competitor Matrix

Company	City	State	Straight Line Distance from Monticello	Driving Distance from Monticello	Type	Slots	Tables	Poker	Bingo	Racebook	Casino SF	Conv. SF	Rooms	Rests.	Venues	Parking
Monticello	Monticello	NY	-	-	Horse Racino	1,545	-	-	-	Yes	40,000	-	-	4	2	5,000
Mount Airy	Mount Pocono	PA	53.88	65.1	Casino	2,300	77	11	-	No	65,144	6,000	188	4	2	-
Empire Raceway - Yonkers	Yonkers	NY	66.92	89.5	Horse Racino	5,300	-	-	-	Yes	120,000	-	-	7	1	-
Pocono Downs	Wilkes Barre	PA	68.39	85.5	Horse Racino	2,331	66	18	-	No	82,000	20,000	238	12	4	4,000
Resorts World - Aqueduct	Queens	NY	79.60	103.5	Casino	5,000	-	-	-	Yes	330,000	-	-	10	2	6,400
Sands	Bethlehem	PA	93.92	101.8	Horse Racino	3,024	152	30	-	No	139,000	22,000	300	8	4	3,500
Tioga Downs	Nichols	NY	96.73	124.1	Horse Racino	800	-	-	-	No	19,000	-	-	4	2	-
Mohegan Sun	Uncasville	CT	136.27	185.5	Casino	5,500	280	40	-	Yes	350,000	100,000	1,176	36	5	13,000
Foxwoods	Mashantucket	CT	143.14	188.5	Casino	6,400	350	100	3,600	Yes	344,000	150,000	2,577	32	11	10,750
Atlantic City (excl AC Club)	Atlantic City	NJ	160.98	213.6	Casino	26,207	1,367	304	500	Yes	1,345,698	893,457	17,338	155	60	37,041

Source: CasinoCity.com, state agencies, company filings

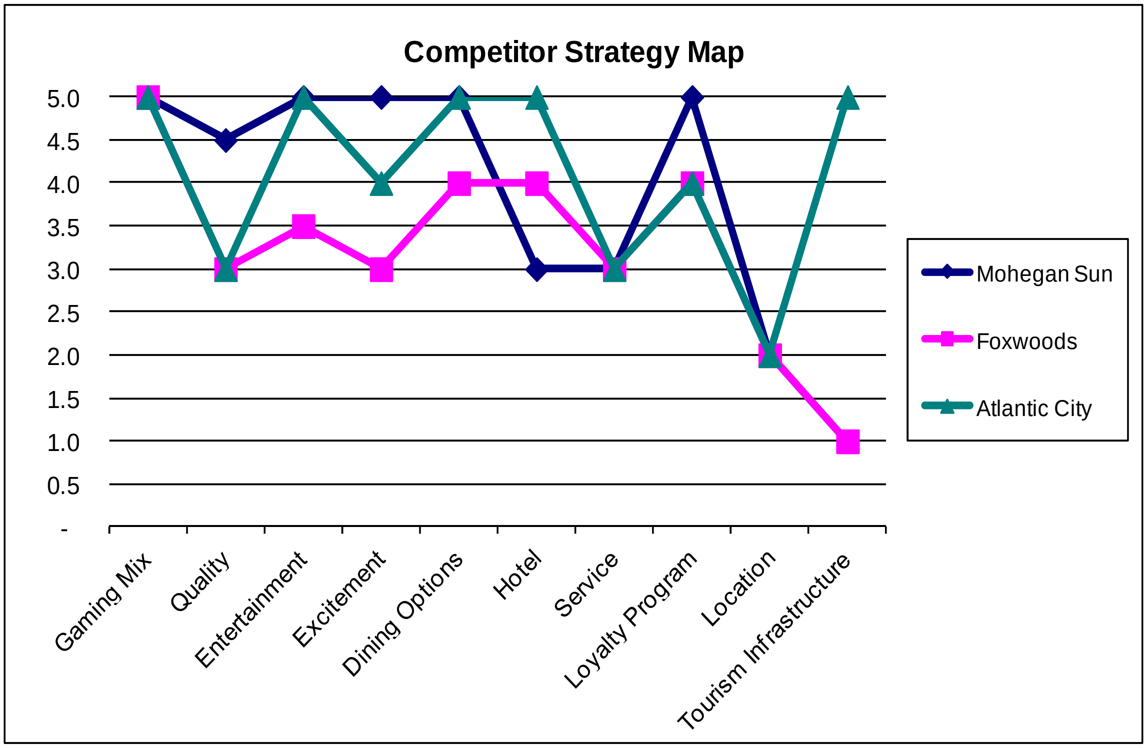
Competition in gaming usually manifests itself through convenience (i.e. proximity), pricing, quality, gaming mix, entertainment, dining options, hotel, cleanliness, service, and loyalty programs.

The following chart depicts the offerings of the primary competitors and their competitive level on several different dimensions compared to where we expect Montreign to position itself.



Mount Airy is positioned as a higher quality property with moderate amenities albeit in a less accessible location. Both Pocono downs and Sands Bethlehem are in a decent location and have a high quality product along with a wide array of dining options in order to make up for the lack of strong entertainment options.

Mount Airy, Mohegan Sun, Foxwoods, and Atlantic City all have a distinct locational disadvantage relative to smaller casinos located in greater proximity to high population areas, such as Yonkers, which is positioned as a more limited amenity property offering an enormous locational advantage.

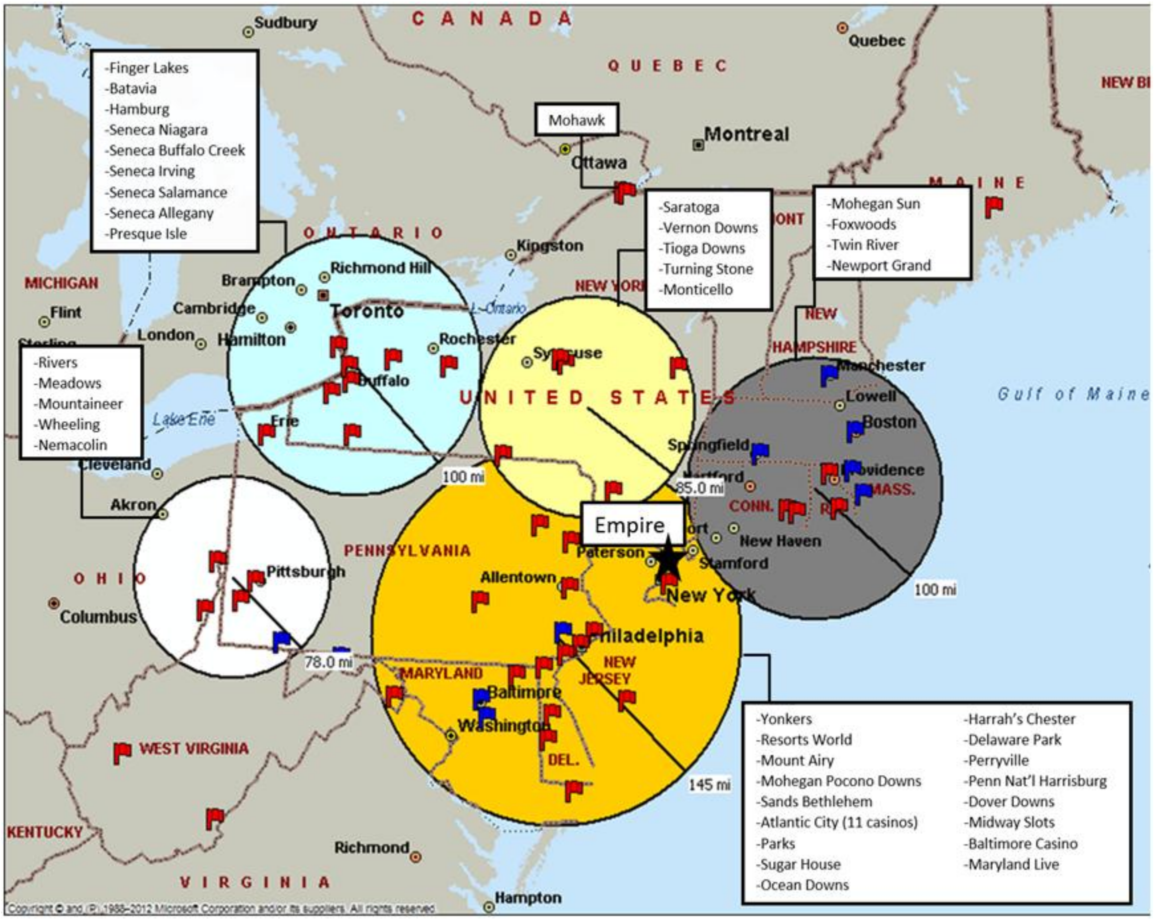


Mohegan Sun is positioned at a higher end than the remaining market participants and also has a full gaming mix to offer patrons. Their loyalty club is differentiated because, in addition to free play, they can offer patrons an array of products and services for purchases with their loyalty club points. Atlantic City competes based upon its wide product offering and critical mass of 11 properties that includes several destination resorts, including the Borgata, Revel and Harrah's. Foxwoods has significant facilities and amenities but suffers from a disjointed development plan and lack of alignment, although Foxwoods does generate significant revenue.

The positioning of all these various competitors provides competition for Montreign. The key for Montreign will be to focus on customers that reside within its expanded but targeted radius and carve-out a position that is somewhat differentiated from each of these competitors through leveraging any or all of the following factors (depending upon the competitor) – expanded appeal of $900 million of total mixed-use development with varied and differentiated entertainment and non-gaming facilities, more convenient access for many customers, highly-targeted marketing/loyalty programs, superb customer experience and service.

The following map depicts competition in the market. Yonkers Raceway and Resorts World, with their location squarely in the heart of the New York metro market have a clear location advantage over all competitors.

Competitors in Relevant Market Area



Montreign, as part of a unique $900 million comprehensive master planned resort community, will compete more directly in the western Connecticut, New York metro and northern New Jersey markets with casinos in Connecticut and Atlantic City as well as with casinos in northeastern Pennsylvania.

In terms of broad regulation and tax rates, each of these jurisdictions has significant similarities and differences. New York and Pennsylvania both have very high tax rates relative to Atlantic City and Connecticut but the tax rates applied to the Class III facilities in New York are advantaged relative to Pennsylvania.

Legislative Comparison

State	Effective Tax Rate	Hours of Operation	Type of Gaming	Number of Casinos	Smoking	Key Legislation
New York (Class III Casinos)	39% - 45% for slots & 10% for tables for Class III Casinos and Approx 69% less 10% marketing award and up to $2.5 million capital award for Class II Casinos	24 hrs for Class III casinos and Limited to 18 hours at racinos	Class III: Unlimited Las Vegas style slots, tables, etc. Class II: VGMs only at racinos (VLTs owned by State	4 Class III casinos, 8 racinos and 7 tribal (all tribal in western and northern NY)	Not in racinos	
Connecticut	17% (25% on Slots and 0% on tables	24 but alcohol limited	Unlimited Las Vegas style slots, tables, etc.	Two (Mohegan Sun and Foxwoods)	Yes	
Pennsylvania	55% plus depending on revenues	24 hours or determined by operator	Racino and slot parlor based VLT's and tables implemented in 2010	Legislation allows for 7 racinos, 5 slot parlors, and 2 resort based capped at 61,000 VLT's	Limited	Considering taxing free play
New Jersey	9.25% (includes reinvestment obligation)	24 hours	Unlimited Las Vegas style slots, tables, etc.	Unlimited but only in Atlantic City	Limited but phasing out	Full smoking ban under consideration

Source: GGH & Morowitz Gaming Advisors, LLC research

EXISITING KEY COMPETITORS IN THE MARKET

Monticello Gaming & Raceway

Monticello Gaming & Raceway is a racino, harness racing and simulcasting facility owned and operated by the parent company of Montreign and located in the Catskill region of the southern tier of upstate New York. The casino presently features an approximately 1,100 unit gaming floor (including a 20 electronic table games), a buffet, small food court, a bar with a small entertainment venue, a 3,000 seat grand stand and simulcasting area, and 2,010 surface parking spots (including bus parking). The facility is approximately one hour and forty five minutes from New York City and is close enough to major population centers to generate/ drive customer traffic with the right product offering and amenities package. During the last calendar year (2013) Monticello Gaming and Raceway generated $62.8 million in net VGM revenue, down from a 2006 peak of $76.5 million. The Spartan nature of the existing facility and new competitors in Pennsylvania and at Yonkers, combined with the recession, are the likely reasons for this decline in gaming revenue (although revenues have been increasing of late).

Upon the Montreign market entry this casino will either be closed or stripped-down to a smaller racing-oriented facility geared towards a lower-end pure convenience customer. For purposes of our gravity model forecasts we assume it will be closed.

Empire City Casino at Yonkers

Yonkers Raceway, founded in 1899 as the Empire City Race Track, is a one-half-mile standard bred harness racing dirt track and racino located at the intersection of Central Park Avenue and Yonkers Avenue (Exits 2 off the New York State Thruway) in Yonkers, New York near the New York City border. It is located ~21 miles or ~41 minutes away from New York City and located ~89 miles or ~1.5 hrs from Monticello. Due to its proximity to New York City, Yonkers will be in direct competition with Monticello's proposed Class III Casino for New York City customers.

The Empire City Casino is a gaming centric VGM only casino that launched its first phase operations on October 11, 2006, with 1,870 video gaming machines. The project's second phase opened on December 28, 2006 and added 120,000 square feet of space bringing the total number of slot machines to 4,000. On March 12, 2007, the third phase opened to bring the slot machine total to 5,300. Boasting over 120,000 square feet of gaming space and over 5,000 gaming machines, the facility is one of the largest casinos, in terms of the number of slot machines, in the county.

The food and beverage offerings include mostly mid to low scale dining (four restaurants), a casino bar & lounge, and fine dining options in Nonno's Trattoria Italian Restaurant and the Empire Terrace Restaurant. Entertainment options include live music at Dan Rooney's Sports Pub, Alley 810 bowling at Pinch Grille, and Wednesday comedy nights at the Good Time Room. Meeting and Event space accommodations include the Empire Terrace Restaurant (25 – 125 people) and the Good Time Room (up to 400 people).

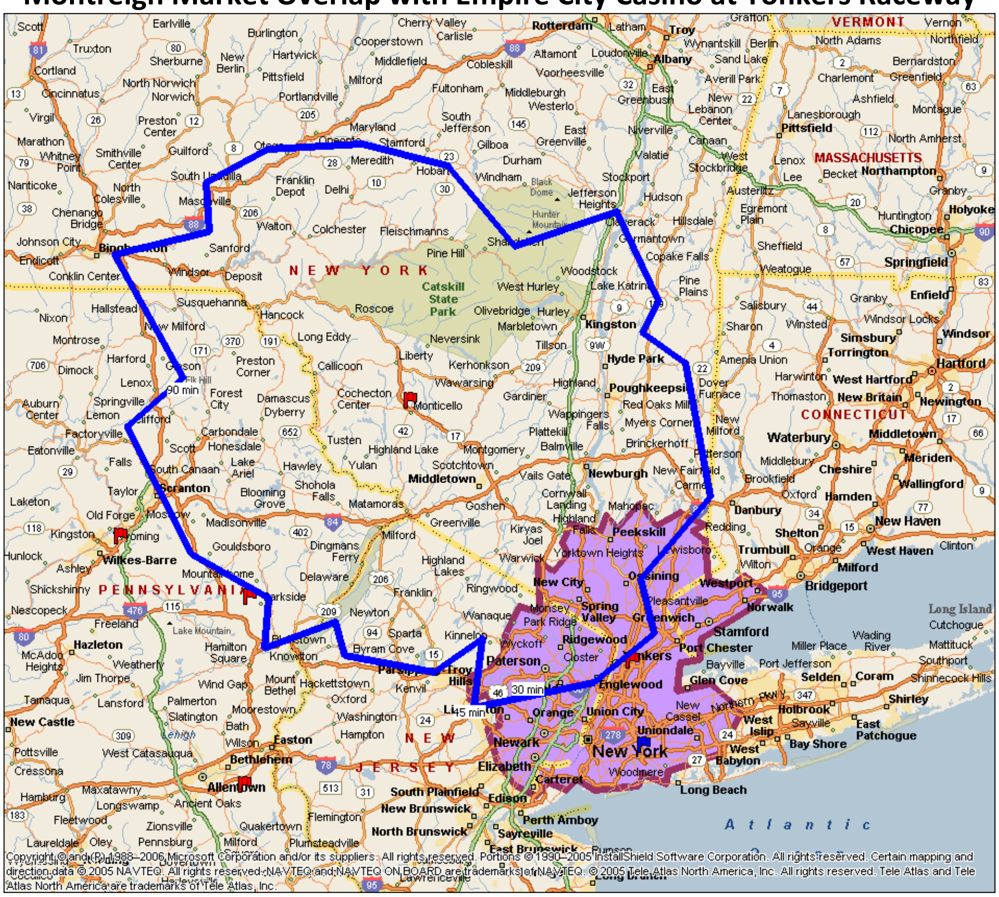
Empire City generated $559.9 million in VGM revenue in 2013, with a WPU of $288, up 2.8% year-over-year from $544.7 million in 2012 but still below 2011's record revenues of $624.4 million. Year to date April 2014 Empire City generated $176.8MM, an 8.5% year over year decline from year to date April 2013.

In January 2013, Empire City Casino completed a new $50 million expansion designed by Studio V Architecture that added 66,000 square feet to the casino. The expansion featured a porte-cochere sculptural entrance, a new gaming floor with nearly 700 slot machines, and two new restaurants – Dan Rooney's Café & Bar and Pinch.

If granted a full gaming license, Empire City Casino intends to invest more than $310 million to build a 400-room hotel, 5,000 seat multi-use arena, and a 2,500-space parking garage and more. In a 2012 report released by the New York Gaming Association, it is estimated that this will give a $572 million jolt to the local economy creating 2,979 jobs. For purposes of our analysis we do not anticipate Class III gaming to start at Yonkers until after the ten year forecast period.

The following map depicts the competitive overlap of Montreign with the Empire City casino based on the assumed market reach of Montreign. There will be some market overlap, specifically in Rockland and Westchester counties, and parts of the City itself.

Montreign Market Overlap with Empire City Casino at Yonkers Raceway



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Aqueduct – Resorts World

The Resorts World casino opened at the 119 year old Aqueduct racetrack in Queens, New York in April 2012. The facility sits squarely in the New York metro market and features 5,005 VLTs/ electronic table games and 330,000 square feet of gaming space, making it one of the largest casinos in terms of the number of slots in the country. Resorts World is located 11 miles or 39 minutes from New York City and located 114 miles or approximately 2 hours from Montreign.

Resorts World offers casual food and beverage options with Artichoke Basille's Pizza, Bar 360, Good Friends Noodle House, Cups N' Cones, and Queens Burgers, along with fast food options in Popeyes, Subway, and Haagen-Dazs. Fine dining offerings include the Delicatessen Restaurant, Genting Palace, and RW Prime Steakhouse and Wine Bar. A variety of entertainment options are also available including Bar/Club 360 (150 capacity), Central Park Events Center (70,000 square feet/ 3000 capacity), RW Prime (200 capacity), and Genting Palace (60 capacity).

In 2013 Resorts World generated $785.1MM of VGM revenue, with a win-per-day-per-unit (WPU) of $430, representing a 16.7% year over year increase from 2012. For year to date April 2014 Resorts World has generated $264MM of VGM revenue, with a WPU of $440, a 3.7% year over year increase from year to date April 2013.

Due to its proximity to New York City, there will be a slight market overlap between Resorts World and Montreign in the New York metro market, but it will not as significant as Empire City.

Montreign Market Overlap with Resorts World

Mount Airy & Mohegan Sun at Pocono Downs

These two casinos are located in the Pocono Mountains, 70 and 82 miles (over an hour and a half drive time each) respectively from Montreign. Mount Airy casino is an upscale destination resort featuring design flourishes, 2300 slots, 77 table games, 11 poker tables, 65,144 square feet of gaming space, 6000 square feet of convention space, 188 rooms, and a night club.

It also features several mid to upscale restaurants, an 18 hole-golf course, and is one of two AAA 4 Diamond Casino Resorts in Pennsylvania. The property also has 2 entertainment venues along with 4 meeting facilities totaling 5764 square feet and a capacity of 170-190 people. However, the property has little in the way of supporting development to drive customers from remote locations.

In January 2013 Mount Airy completed $5 million pool and bar/lounge expansion. The project, whose centerpiece is an 11,000-square-foot pool that allows guests to swim from outdoors to indoors, opened in January 2014. The 52,000-square-foot area includes “Wet,” the poolside lounge and bar, luxury cabanas, a heated spa and an outdoor deck with fire pits that looks onto the lake and golf course.

Mount Airy has some challenges in that it is not conveniently located to population or highway access. It tries to make up for these limitations with its product offering but its limited investment constrains its revenues.

Mohegan Sun at Pocono Downs is located closer to the Scranton/ Wilkes-Barre market and has developed into a very successful high frequency gamers property. Mohegan Sun at Pocono Downs features a horse racing facility, an upscale casino with an excellent and varied dining, entertainment and retail offering to complement their gaming assets. The property has become a favored entertainment destination for the Scranton/ Wilkes-Barre market. The property recently opened a 243 room third-party developed hotel.

The casino boasts 2331 slots, 66 table games, 18 poker tables, 82,000 square feet of gaming space, 20,000 square feet of convention space, and 238 rooms. Food and beverage options include 3 casual dining options, 4 bars/ nightclubs, and 2 upscale restaurants. The property also features specialty retail shops, live entertainment with local bands every weekend at Breakers and Bar Louie. In addition, less than 5 miles away is the 8,300-seat Mohegan Sun Arena at Casey Plaza which features a variety of events including music, sports, and more as well as being home to the American Hockey League's and Wilkes-Barre's own Wilkes-Barre/Scranton Penguins.

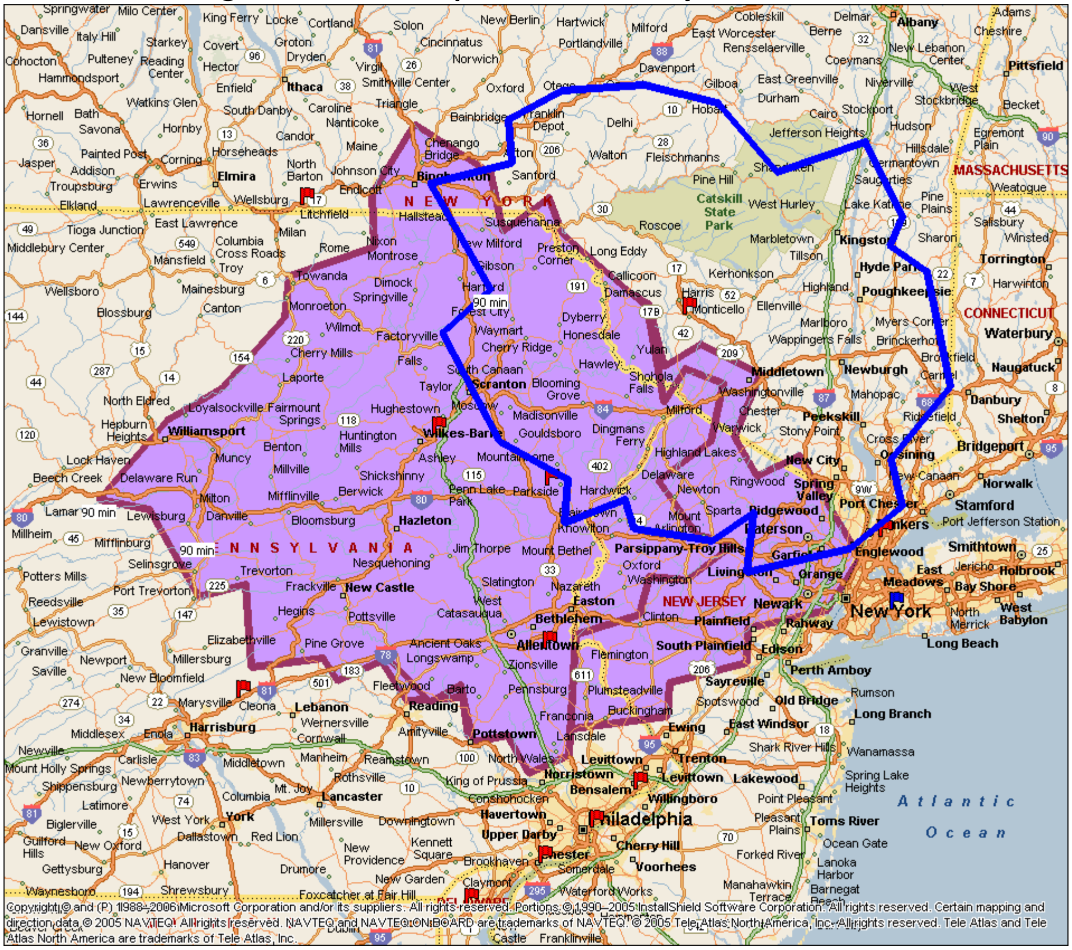
The adjacent Convention Center offers flexible meeting space to accommodate groups, meetings, banquets and functions ranging from 10 to 1,500. The space can also be converted into a live events center that can accommodate up to 1,500 guests for concerts, live comedy and more.

Mount Airy generated slot revenue of $142.9MM in 2013, down from a 2008 peak of $176.4MM and a year over year decline of 3.2% from 2012. They have been negatively impacted by the opening of Sands Bethlehem. Year to date April 2014 slot revenues were 140.3MM, a 5.3% decline from year to date April 2013. Pocono Downs generated $219.7MM in slot revenue in 2013, a year over year decline of 4.3% from 2012 and down from a 2011 peak of $232.8MM. Year to date April 2014 slot revenues are $219.4MM, down 2.9% year over year from year to date April 2013.

Table games were added at both Mount Airy and Pocono Downs in 2010. Mount Airy generated $38.6MM in 2013, a year over year increase of 3.5% from 2012. Year to date April 2014 table revenues were 39.1MM, a year over year increase of 5.2% from year to date April 2013 revenues. Pocono Downs generated $40.1MM in 2013, a year over year increase of 3.0% from 2012. YEAR TO DATE April 2014 table revenues were $40.9MM, up 6.9% year over year from year to date April 2013 revenues.

Market overlap will be great between Montreign and the two northeast Pennsylvania casinos, particularly in the northern New Jersey and Binghamton markets making them primary competitors for Montreign.

Montreign Market Overlap with Mount Airy and Pocono Downs



Atlantic City

Atlantic City is the only true destination gaming market in the northeastern US. By virtue of the critical mass of eleven casino/hotel complexes, over 26,000 slots and over 1,300 tables, or ~34,000 gaming positions, over 17,000 hotel rooms, 800,000 square feet of casino-based convention space (plus a 500,000 square foot convention center), over 150 casino based dining outlets, and 60 entertainment venues, Atlantic City is able to draw customers from beyond a traditional 60 mile radius. Atlantic City does draw heavily from the metro New York market and as new competitive threats continue to emerge in Pennsylvania and other east coast jurisdictions, Atlantic City will be forced to market more aggressively to retain market share.

Atlantic City is 210 miles and three and one half hours from Montreign and about two hours from New York city. It is a slightly shorter drive to Montreign from the New York metro market than to Atlantic City. While Atlantic City can call itself a destination relative to most other casinos in the Northeast market, the industry in Atlantic City has been positioned as gaming centric, focusing on high frequency gaming customers. As a result, Atlantic City has been hurt by new competition located within its feeder markets.

The gaming industry in Atlantic City is now attempting to re-invent itself as a true entertainment and convention destination, similar to Las Vegas.

In addition to its critical mass of assets, Atlantic City has the second lowest effective gaming tax rate (9.25%) in the US. This rate is considerably lower than rates in neighboring states and allows casinos in this market to provide a much higher level of complimentary products and services to its guests. This (and a beach and boardwalk) is one of the prime competitive advantages that Atlantic City has. However, Montreign does have an advantage relative to Atlantic City in terms of proximity to some high population markets in New York and north Jersey, plus it is a relatively easy ride, with a lower toll rate structure for metro New York populations. In addition, the Catskill region is a traditional destination for New York metro inhabitants.

Atlantic City generated $2.06 billion in slot revenue in 2013, a 5.9% year over year decline from 2012 and down from a peak of $3.8 billion in 2006. Table game revenues have also declined in Atlantic City, from a peak of $1.45 billion in 2007 to $754.7MM in 2013, a 6.9% year over year decline from 2012. Atlantic City casinos have been impacted by the recession and competition in their feeder markets as evidence by the decline of gaming revenue and the recent struggles of Revel and closure of the Atlantic City Club.

In November 2013 New Jersey online gaming began with several operations licensed to the existing Atlantic City casinos. From November 2013 to April 2014, online gaming generated $51.4MM, with over 322,000 accounts. The roll-out of online gaming has experienced set-backs, including payment processing and geo location issues, but optimism remains high as the “kinks” get worked out.

Essentially, in order for Atlantic City to remain competitive, it must transform beyond its traditional gaming centric market. This will require new casino product & operators entering the Atlantic City market and online gaming ramping up. In addition, a sweeping private public partnership to operate a casino and entertainment district in Atlantic City is underway. If these initiatives are successful Atlantic City will likely become more competitive but the early indications are that Atlantic City will continue to fade as a gaming destination.

Connecticut Casinos (Mohegan Sun and Foxwoods)

Mohegan Sun and Foxwoods in southeastern Connecticut both compete for the same patrons in the Connecticut and New York metro markets that Montreign will target. Mohegan Sun is 185 miles and 3 hours from Montreign and Foxwoods is approximately 191 miles and 3 hours and 10 minutes from Montreign. The two Connecticut casinos offer a full array of gaming and entertainment and are positioned very similar to how Montreign will be positioned. Mohegan Sun is more upscale than Foxwoods and due to excellent planning, presents a more aligned product to the marketplace. Mohegan Sun has outperformed Foxwoods over the past several years.

Mohegan Sun features over 5,500 slot machines, 280 table games, 40 poker tables, a 1,176 room luxury hotel, 36 restaurants, 5 entertainment venues including a 10,000 seat arena, and a 100,000 square foot convention center. Foxwoods features 6,400 slot machines, over 350 table games, 100 poker tables, a 3,500 seat bingo facility, 2,577 hotel rooms, 32 restaurants, and 11 entertainment venues. These two properties, due to their massive facilities compete significantly in the western Connecticut, eastern New York, and New York metro markets.

Mohegan has 36 restaurants including 21 casual dining options, 4 upscale restaurants, and 11 bars/night clubs. The casino's entertainment venues are highlighted by the 12,000-seat capacity Mohegan Sun Arena, home of the WNBA's Connecticut Sun. It houses a 350-seat Cabaret Theatre, the 300-seat Wolf Den, and 100,000 square feet of meeting and function room space, including the Northeast's largest ballroom and 130,000 square feet of retail shopping.

Foxwoods' food and beverage options include 10 casual dining options such as the Hard Rock Café and the California Pizza Kitchen and 18 fast food venues including Subway and Sbarro. The casino resort also has a buffet and 6 upscale restaurants. A variety of apparel and specialty retail options are also available.

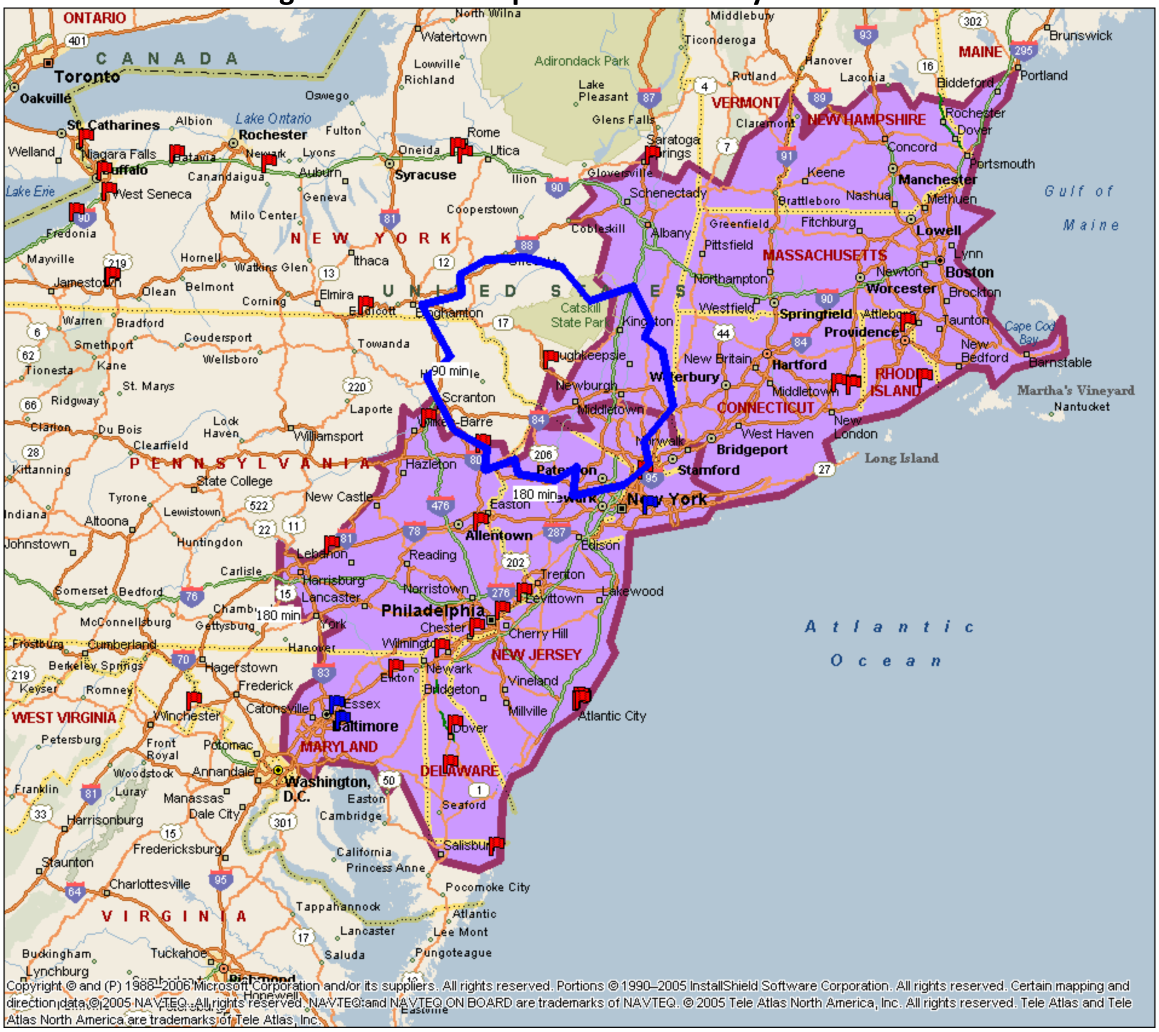
For the year 2013, Mohegan Sun generated $614.3MM of slot revenue, a 5.9% year over year decline from 2012 and down from a 2006 peak of $917.7 million while Foxwoods generated $530.1MM in slot revenue in 2013, a 8.0% year over year decline from 2012 and down from a 2006 peak of $816.8 million. For the year to date April 2014, Mohegan Sun generated $185.6MM of slot revenue, an 8.9% year over year decline from year to date April 2013. Foxwoods generated $160.8MM of slot revenue, a 7.2% year over year decline from year to date April 2013. While Foxwoods does not report its table revenue, Mohegan Sun operates the most successful table games on the east coast with close to $300 million in annual revenues.

In June 2013 Mohegan Sun announced plans for a major $50 million retail expansion called "The Downtown District" which will feature 200,000 square feet of entertainment, shopping and dining space. Construction began in 2013 and the project is scheduled to debut in early 2015. The project's key features include the Taste of New England Gourmet Hall, Marquee Cinemas 14-plex Premium Cinema, Kings Bowl, and a promenade of retail shops called High Street Fashion.

In September 2013, Foxwoods announced a 300,000 square foot retail expansion with the construction of Tanger Outlets shopping center. Tanger officials expect to have about 80 stores on opening day which is expected to be in the first half of 2015.

The following map depicts the market overlap for Montreign with both Atlantic City and Connecticut casinos. Clearly there will be much rivalry in the New York metro market but with close to $1 billion of combined investment at Montreign / Adelaar, Montreign should be well positioned to compete.

Montreign Market Overlap with Atlantic City and Connecticut



Tioga Downs

Tioga Downs is a county fair themed standard bred racetrack and racino located on a 139 acre site in the Town of Nichols in southern Tioga County, New York. It is located 123 miles or 2 hours east of Montreign, directly off of NY-17. Due to its proximity to the Pennsylvania border, Tioga Downs draws a large percentage of its attendance from out-of-state and from the Binghamton, NY market.

Tioga Downs is owned and operated by American Racing and Entertainment, LLC. It was originally established in 1976 as a quarter-horse track called Tioga Park until it was approved for VLT's by the NY State Gaming commission in 2005. On June 9, 2006, it was officially re-opened offering harness racing, simulcast betting, and over 800 VLTs inside of 19,000 square feet of gaming space.

Food and beverage options include the County Fair Buffet, Carousel Bar, Coasters Sports Bar, Subway, Owego Soft Serve & Café Fiacco. There are also 2 entertainment venues including the Tioga Stage for outdoor concerts and events.

In 2013 Tioga Downs generated $59.6MM of VGM revenue, with a WPU of $204, and a year over year decline of 3.4% from 2012. For year to date April 2014, Tioga Downs generated $18.6MM of VGM revenue, with a WPU of $194, an 8.8% year over year decline from year to date April 2013.

Tioga Downs has applied for a license in the Southern Tier region, and has plans to build a new 136 room hotel, event center, and expand the gaming floor that will include table games and a poker room. A preliminary preparation for the 275 space parking garage will begin and the groundbreaking will follow on Nov. 18. According to its owner, the expanded facility will provide over 600 construction jobs and 200 permanent jobs at the Casino and hotel complex.

In April, Tioga Downs and American Racing and Entertainment General Manager Tom Osiecki announced two major developments in the planning stages to include a partnership with Tioga Country Club, located on Roki Boulevard in Nichols, N.Y. If awarded, and the lease enacted, Tioga Downs has plans to build an 8,000 to 10,000 square foot building. The $3 million dollar facility would be designed as a resort destination, complete with an expanded golf club, pro-shop, full bar, restaurants, and space for meetings and banquets. The construction, according to Osiecki, would take approximately one year to complete. Tioga Country Club is an already established destination for golfing.

Sands Bethlehem

Sands Casino Resort Bethlehem is a casino in Bethlehem, Pennsylvania in the Lehigh Valley region of eastern Pennsylvania, in the United States. Owned, operated, and constructed by the Las Vegas Sands Corporation, it is one of five stand-alone casinos that was awarded a slots license by the Pennsylvania Gaming Control Board on December 20, 2006 and officially opened on May 22, 2009.

In the winter of 2009, the Casino was granted a license for table games which allowed the casino to expand to include 180 table games including poker, blackjack and craps. Table games began operation on July 18, 2010. The Sands Casino Hotel opened on May 27, 2011 with 300 rooms.

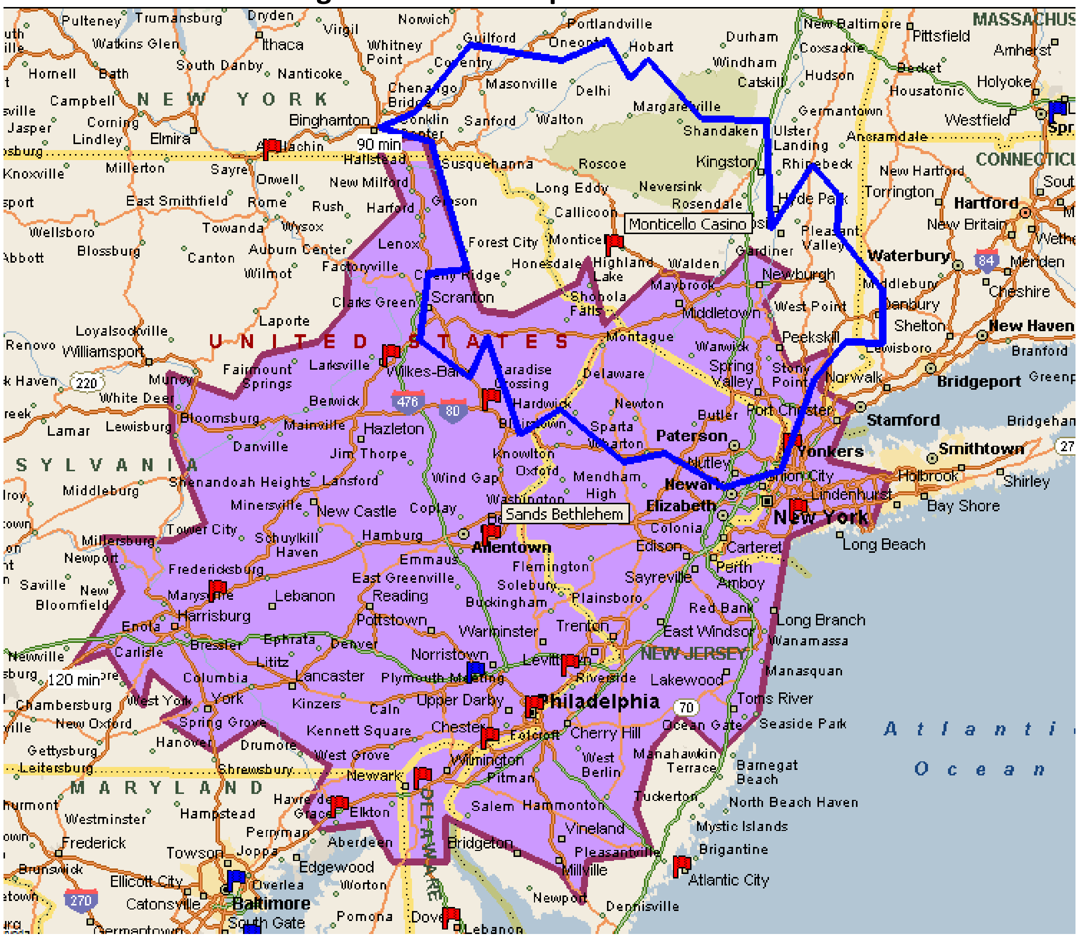
Sands Casino has ten food and beverage options that includes 3 cafés, 4 casual restaurants, 2 upscale restaurants, and a buffet. The four entertainment venues are highlighted by the 50,000 Sands Bethlehem Event Center which will undergo even further expansion in 2014.

The Outlets at Sands Bethlehem is located under the Minsi Trail Bridge and connects the casino and the hotel. The mall has 133,000 square feet of retail space. The outlets opened on November 1, 2011. In addition, the resort has 10,623 square feet of meeting and event space with banquet halls that can seat 500 people. The casino has 3024 slots, 152 table games, 36 poker tables, and 139,000 square feet of gaming space.

Sands Bethlehem's 2013 slot revenues were $288. million, a year over year decline of 1.1% from 2012 peak revenues of $291.5 million. Year to date April 2014 slot revenues were $91.0 million, a year over year decline of 7.5% from year to date April 2013. Sands Bethlehem debuted table games in July 2010 and 2013 table revenues were $176.6million, up 20.5% year over year from 2012. Year to date April 2014 table revenues were $57.4 million, up 3.8% from year to date 2013.

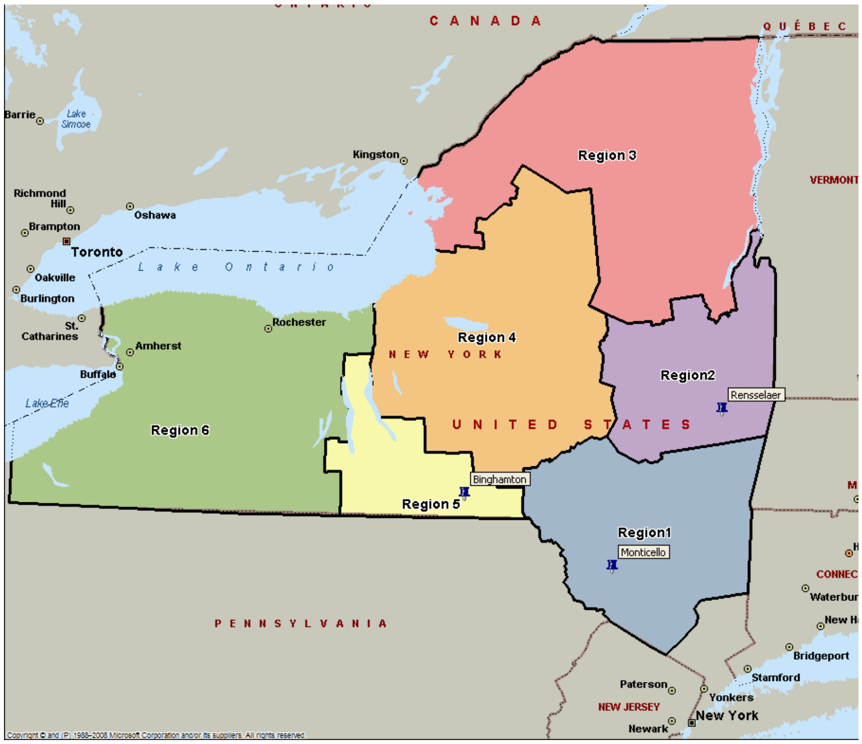
The following map depicts the market overlap for Montreign with Sands Bethlehem. Market overlap will be high between Montreign and the northern Pennsylvania casino - particularly in Orange and Sullivan County in New York along with northern New Jersey – and represents a great opportunity for Montreign to "repatriate" revenues that are currently being lost from New York to Pennsylvania.

Montreign Market Overlap with Sands Bethlehem



Future Competition – Introduction of Class III Gaming

Massachusetts and New York are both in the process of approving and implementing Class III casino development. The State of New York gaming legislation calls for a total of four Class III casinos. The four Class III casinos will be allocated among six regions in upstate New York. In our base report it is assumed that only one Class III casino will be located in Region 1, one new Class III casino in Region 2 (near Albany) and another in Region 5 (near Binghamton). A total of 22 entities have submitted the $1MM application fee. The map below depicts the Regions and locations of these new competitors. For purposes of our base report, we assume the Class III casinos in regions 2 and 5 will each have approximately 2,000 slot machines and 50 table games and will be positioned as regional high frequency casinos with limited reach relative to Montreign. MGM Resorts will develop a casino in Springfield, MA approximately 113 miles straight-line distance from Montreign. The downtown MGM casino will feature a 250 room hotel, a 125.000 sf casino (approximately 3,000 gaming positions), a small (12,000 sf) retail component, several restaurants and pool and spa amenities. This casino will focus mostly on the western and central Massachusetts markets and underserved portions of Vermont and New Hampshire and will also compete directly with the Region 2 facilities. It will have little if any impact of Montreign but because of its reach into northeastern New York will still be relevant. Other casinos in eastern Massachusetts are not expected to impact Montreign.



IX. CASINO MARKET COMPETITOR ASSESSMENT CONCLUSIONS

In this section gaming strategy is re-visited to gain an understanding of the strategic orientation of each of these market competitors relative to the proposed Montreign casino.

Gaming Strategy Spectrum

Gaming Centric
- Monticello
- Yonkers
- Aqueduct
- Tioga Downs
- Vernon Downs

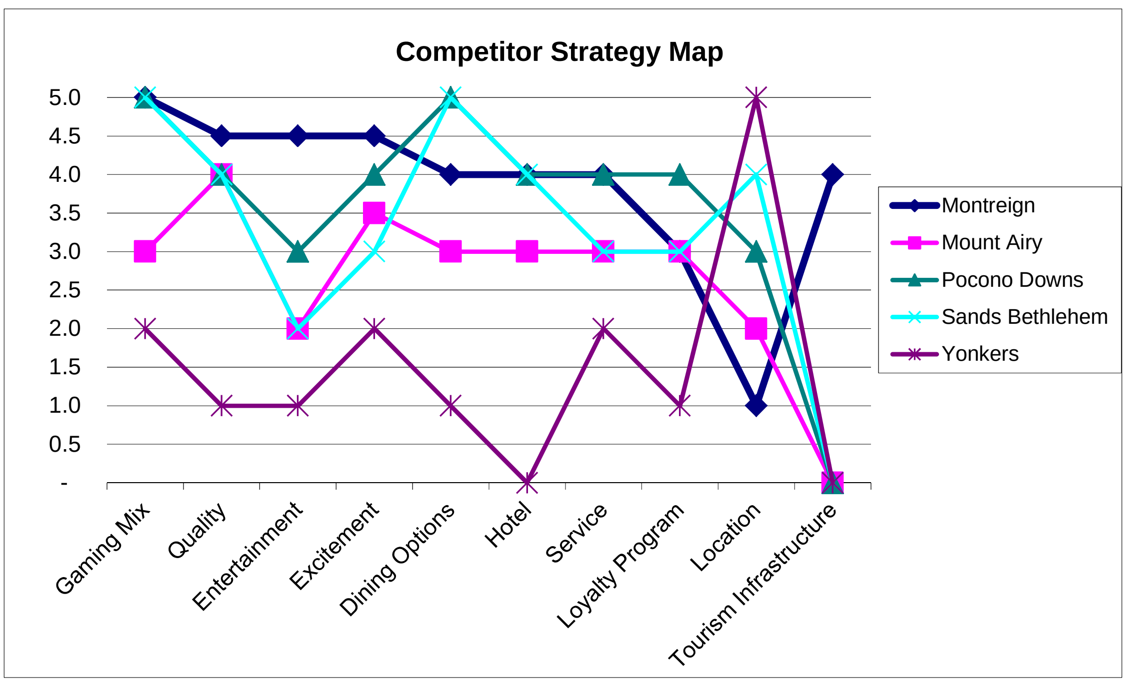
Hybrid
- Mount Airy
- Mohegan Sun Pocono

Entertainment Destination
- Atlantic City
- Mohegan Sun
- Foxwoods
- Turning Stone

Gaming-centric, high frequency casinos usually differentiate themselves based on the following attributes:

- Convenient access to surrounding communities
- Slot product geared to high frequency play coupled with a loyalty program designed to entice increased visitation and play per visit
- Regularly scheduled entertainment and exciting atmosphere
- Dining and retail product designed to entice repeat visitation and aligned to high frequency customer
- Quality level aligned to locals customer

Casinos that are not located close to dense population centers (Atlantic City, Connecticut, Mount Airy and Montreign) maximize their revenues and cash flows by adding destination resort amenities. This allows the casinos in these markets to draw patronage from customers who have more convenient alternatives. The key to a successful migration to an entertainment destination is to drive revenue and cash flow sufficient enough to provide an above market return on the investment required to create the destination assets. We re-visit our strategy maps depicting Montreign and where it is expected to be positioned relative to their key competitors. In most cases Montreign will be superior to or on par with its competitors.



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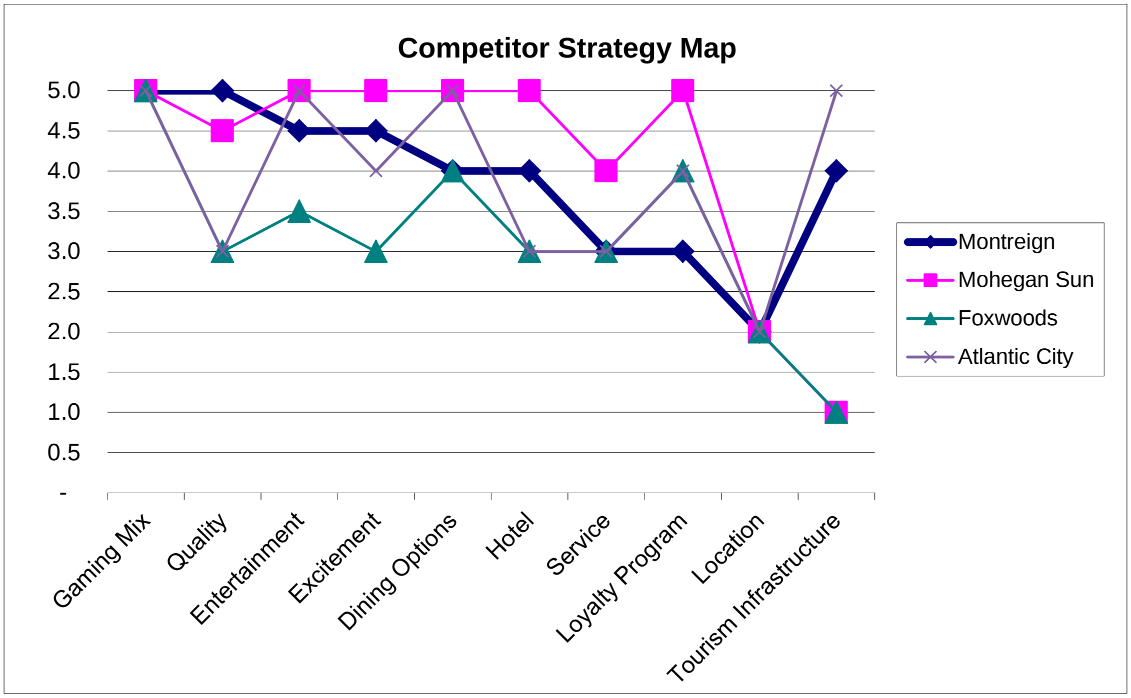


Based upon its combined nearly $1 billion investment with *Adelaar* and the master-planned mixed use nature of the integrated resort development, Montreign appears to be well positioned to operate as a stand-alone destination casino in the Catskill region and to compete effectively against the two tribal casinos in Connecticut and with Atlantic City casinos for gaming consumers in the highly populated New York metro region who currently visit those facilities.

X. POTENTIAL SOURCES OF GAMING REVENUES AT MONTREIGN

We identified three sources of revenue for the Montreign development including a drive-in market (defined as patrons emanating from within 90 miles straight-line distance from the casino), the overnight visitor market (defined as patrons staying at the Montreign casino hotel and patrons staying at other nearby hotels), and the traffic intercept market (defined as passers-by on the nearby Route 17 highways who emanate from outside the drive-in market but who stop in at the casino to gamble).

Gaming Revenues from Drive-In Market

A gravity model was used to quantify the potential drive-in gaming markets from the surrounding populations. The gravity model is an excellent tool for forecasting & quantifying gaming revenues from the drive-in market. In later sections, we quantify additional revenues that may be derived from the overnight visitor segment, and the traffic intercept market.

A gravity model is a quantitative model that estimates customer demand based on the following factors: adult population, gaming penetration or participation, the distance to and attractiveness of various gaming facilities and their offerings. The gravity model derives its name and basic premise from Isaac Newton's law of gravity. William Reilly developed Reilly's Law of Retail Gravitation for purposes of determining "Retail Gravitation." The analysis encompasses the market of gamers in the Mid-Atlantic region. Gravity models are commonly used in the retail and gaming industries to determine the interaction between or likely number of trips from population centers (generators) to shopping malls or casinos (attractors). The model is used to predict the likely number of gamers in the market and at which properties (or proposed properties) they spend (or would spend) their gaming dollars.

The gravity mode formula is gamers X (# of gaming positions + hotel rooms) X attraction / Distance squared.

For purposes of this analysis we have developed two separate gravity models including a model for the slot market and a model for the table games market. We have done so because the market as it exists today does not have table games deployed in New York and calibrating a model including New York's existing racinos creates distortions. Our research has also found that slot market and table markets are mostly accretive to one another i.e. when tables are added to a market they normally do not impact slot revenues negatively.

Slot Revenues from Drive-In Market

We first model the slot drive-in market using our gravity model methodology. Based on the model, the Advisors determined the potential revenues from the local market that could be generated by each competing facility. Those revenues are dependent on two significant assumptions.

The first assumption is the maximum potential penetration of the market based on the current casinos. According to the Harrah's Survey and Profile of the American Casino Gambler (2004 version), in jurisdictions with significant gaming capacity, we often see state-wide participation rates (the percentage of the adult population that visits casinos) up to and exceeding 40%. Our model assumes maximum participation rates of 35%.

The second major assumption is the annual gaming budget for participants. Throughout the United States, these budgets typically range from $700 to over $1,100 annually. Higher budgets exist where gaming product is readily accessible to populations. We have calibrated a slot model for 2013 (a 180 mile radius of the site) assuming maximum slot budgets of $900 annually (which yields an average budget of $815) and the following market revenue. Participation is based on a negative exponential curve with a convenient distance of 3.5 miles and an exponent of -0.7. We weight hotel rooms by 100% in the model.

Market Slot Revenues

		2013		TTM 2014
Mid-Atlantic/Metro NYC				
Monitcello	$	62,821,386	$	60,949,121
Atlantic City	$	2,064,183,018	$	2,021,791,989
Delaware Park	$	141,651,300	$	135,905,500
Harrahs Chester	$	233,875,716	$	223,403,790
Sugar House	$	180,760,342	$	176,194,934
Parx	$	368,423,346	$	358,068,451
Valley Forge	$	63,207,408	$	66,497,734
Sands Bethlehem	$	288,378,795	$	281,010,030
Mount Airy	$	142,856,720	$	140,256,087
Mohegan Pocono	$	219,667,891	$	219,365,333
Penn Hollywood PA	$	230,334,692	$	220,570,048
Resorts World (Aqueduct)	$	785,128,863	$	794,635,613
Empire Slots (Yonkers Raceway)	$	559,946,875	$	543,593,166
Penn Perryville	$	74,878,287	$	73,026,068
Dover Downs	$	145,620,700	$	140,942,400
Total Mid-Atlantic/Metro NYC	$	5,561,735,339	$	5,456,210,264
New England				
Mohegan Sun	$	614,364,394	$	596,138,446
Foxwoods (Does not Report tables)	$	530,572,312	$	518,070,128
Twin River	$	470,391,573	$	467,818,926
Newport Grand	$	46,350,352	$	45,255,751
Total New England	$	1,661,678,631	$	1,627,283,251
Upstate New York				
Tioga Downs	$	59,591,749	$	57,797,166
Saratoga	$	159,594,798	$	158,915,914
Vernon Downs	$	43,707,318	$	43,167,323
Turning Stone (Does not report)	$	-	$	-
Total Upstate New York	$	262,893,865	$	259,880,403
Western New York				
Finger Lakes	$	131,461,308	$	130,792,861
Total Western NY	$	131,461,308	$	130,792,861
Total	$	7,617,769,143	$	7,474,166,779

Source: Various state agencies, GGH & Morowitz Gaming Advisors, LLC research

Based on these revenues and assumptions, our gravity model is calibrated to yield 2013 slot revenues in the markets from which the current Monticello Gaming and Raceway Casino derives its drive-in revenues (less than 75 miles from the site). These revenues are depicted by distance on the following table as are revenues for the entire 180 mile market radius.

2013 Calibrated Gravity Model Summary

SL Distance	2013 Adult Population	2019 Adult Population	Particip-ation %	Gamers	Avg. Annual Budget	Estimated Market	Spend per Adult
within 15 miles	50,277	50,927	35.0%	17,597	$ 758	$ 13,330,031	$ 265
within 15 - 30	199,095	206,032	27.0%	53,664	$ 824	$ 44,193,264	$ 222
within 30 - 60	2,099,792	2,157,521	25.8%	542,143	$ 843	$ 456,892,212	$ 218
within 60 - 90	13,179,620	13,357,709	31.4%	4,138,007	$ 798	$ 3,302,547,512	$ 251
within 90 - 120	7,761,708	7,931,615	25.8%	2,003,863	$ 829	$ 1,661,519,710	$ 214
within 120 - 180	8,334,754	8,576,511	27.9%	2,323,740	$ 826	$ 1,919,419,306	$ 230
Total	***31,625,246***	***32,280,315***	***28.7%***	***9,079,013***	***$ 815***	***$ 7,397,902,035***	***$ 234***

Cumulative Figures

SL Distance	2013 Adult Population	2019 Adult Population	Particip-ation %	Gamers	Avg. Annual Budget	Estimated Market	Spend per Adult
<15	*50,277*	*50,927*	*35.0%*	*17,597*	*$ 758*	*$ 13,330,031*	*$ 265*
<30	*249,372*	*256,959*	*28.6%*	*71,261*	*$ 807*	*$ 57,523,294*	*$ 231*
<60	*2,349,164*	*2,414,480*	*26.1%*	*613,404*	*$ 839*	*$ 514,415,506*	*$ 219*
<90	*15,528,784*	*15,772,189*	*30.6%*	*4,751,411*	*$ 803*	*$ 3,816,963,018*	*$ 246*
<120	*23,290,492*	*23,703,804*	*29.0%*	*6,755,273*	*$ 811*	*$ 5,478,482,728*	*$ 235*
<180	***31,625,246***	***32,280,315***	***28.7%***	***9,079,013***	***$ 815***	***$ 7,397,902,035***	***$ 234***

There are presently $7.4 billion of slot revenues generated from markets within 180 miles of the site. The model yields consumer participation rates of 28.7% in this region, in conformity with data published in Harrah's surveys of gamers.

We modeled slot revenues for the year ending 2019 as we assume that is the first stabilized year of operations after a ramp-up period. Our model for 2019 assumes an increase in annual budgets of 1% annually (based on current and expected economic conditions) to $946 in 2019. This budget is then adjusted based on per capita income. The average slot budget for 2019 is $856. We assume an attraction factor of 1.2 for Montreign.

The following tables depict the market potential and revenue allocation to Montreign, based on the assumptions set forth in this report. As the output from the model indicates, the total slot market is projected to grow from $7.4 billion to $8.1 billion by 2019 due to budget growth of 1% annually, annual population growth and the introduction of gaming in Massachusetts and Class III gaming in New York with a commensurate increase in participation rates (to a market wide 29.5%). **Montreign is projected to yield $232.5 million in 2019 in slot revenues from the drive-in market.**

2019 Calibrated Gravity Model Summary

SL Distance	2019 21+	Part %	Gamers	Budget	Market	$/Adult	Montreign	Market Share
<15 miles	53,627	35.0%	18,769	$ 796	$ 14,935,128	$ 279	$ 13,952,072	93.4%
15-30 miles	243,479	27.5%	66,877	$ 883	$ 59,035,192	$ 242	$ 33,877,325	57.4%
30-60 miles	2,443,260	27.1%	661,238	$ 890	$ 588,552,178	$ 241	$ 76,274,543	13.0%
60-90 miles	13,526,850	31.6%	4,276,958	$ 838	$ 3,583,301,204	$ 265	$108,427,007	3.0%
90-120 miles	7,516,567	27.5%	2,068,537	$ 867	$ 1,792,597,942	$ 238	$ -	0.0%
120-180 miles	8,366,237	28.7%	2,404,058	$ 868	$ 2,086,074,095	$ 249	$ -	0.0%
Total	32,150,020	29.5%	9,496,437	$ 856	$ 8,124,495,738	$ 253	$232,530,946	2.9%

Cumulative Figures

SL Distance	2019 21+	Part %	Gamers	Budget	Market	$/Adult	Montreign	Market Share
<15	53,627	35.0%	18,769	$ 796	$ 14,935,128	$ 279	$ 13,952,072	93.4%
<30	297,106	28.8%	85,647	$ 864	$ 73,970,319	$ 249	$ 47,829,396	64.7%
<60	2,740,366	27.3%	746,885	$ 887	$ 662,522,497	$ 242	$124,103,940	18.7%
<90	16,267,216	30.9%	5,023,843	$ 845	$ 4,245,823,701	$ 261	$232,530,946	5.5%
<120	23,783,783	29.8%	7,092,379	$ 851	$ 6,038,421,643	$ 254	$232,530,946	3.9%
<180	32,150,020	29.5%	9,496,437	$ 856	$ 8,124,495,738	$ 253	$232,530,946	2.9%

Table Revenues from Drive-In Market

We have completed a similar model and analysis for the table games market. Participation is based on a negative exponential curve with a convenient distance of 18.0 miles and an exponent of -2.0. Maximum participation is 12.5%. We weight hotel rooms by 100% in the model.

We have calibrated a table model for the trailing twelve months ending in March/April 2014 (a 180 mile radius of the site) assuming maximum table budgets of $715 annually (which yields an average budget of $652) and the following market revenue.

Market Table Revenues

	2013	TTM 2014
Mid-Atlantic/Metro NYC		
Monitcello	$ -	$ -
Atlantic City	$ 798,243,190	$ 786,747,882
Delaware Park	$ 26,104,392	$ 23,917,207
Harrahs Chester	$ 77,285,610	$ 75,580,593
Sugar House	$ 84,797,895	$ 85,602,137
Parx	$ 119,244,192	$ 121,558,195
Valley Forge	$ 33,046,232	$ 34,684,066
Sands Bethlehem	$ 176,577,739	$ 178,682,778
Mount Airy	$ 40,523,391	$ 41,065,573
Mohegan Pocono	$ 43,764,897	$ 44,471,856
Penn Hollywood PA	$ 36,427,143	$ 34,595,115
Resorts World (Aqueduct)	$ -	$ -
Empire Slots (Yonkers Raceway)	$ -	$ -
Penn Perryville	$ 12,651,979	$ 14,151,578
Dover Downs	$ 20,953,555	$ 19,897,694
Total Mid-Atlantic/Metro NYC	$ 1,469,620,215	$ 1,460,954,674
New England		
Mohegan Sun	$ 300,048,000	$ 298,399,000
Foxwoods (Does not Report tables)	$ -	$ -
Twin River	$ 41,342,389	$ 65,418,189
Newport Grand	$ -	
Total New England	$ 341,390,389	$ 363,817,189
Upstate New York		
Tioga Downs	$ -	$ -
Saratoga	$ -	$ -
Vernon Downs	$ -	$ -
Turning Stone (Does not report)	$ -	$ -
Total Upstate New York	$ -	$ -
Western New York		
Finger Lakes	$ -	$ -
Total Western NY	$ -	$ -
Total	$ 1,811,010,604	$ 1,824,771,863

Source: Various state agencies, GGH & Morowitz Gaming Advisors, LLC research

Based on these revenues and assumptions, our gravity model is calibrated to yield 2013 table revenues in the markets from which Montreign will derive its drive-in table revenues. Table market revenues are depicted by distance band for the entire 180 mile market radius.

2013 Calibrated Gravity Model Summary

Distance from Montreign	2013 Adult Population	2019 Adult Population	Particip-ation %	Gamers	Avg. Annual Budget	Estimated Market	Spend per Adult
within 15 miles	52,843	53,627	10.8%	5,713	$ 602	$ 3,437,642	$ 65
within 15 - 30	235,279	243,479	10.0%	23,575	$ 668	$ 15,737,222	$ 67
within 30 - 60	2,382,460	2,443,260	8.6%	204,449	$ 672	$ 137,325,779	$ 58
within 60 - 90	13,348,104	13,526,850	7.9%	1,048,301	$ 643	$ 673,877,551	$ 50
within 90 - 120	7,349,515	7,516,567	11.0%	808,319	$ 655	$ 529,814,599	$ 72
within 120 - 180	8,127,553	8,366,237	11.0%	896,281	$ 654	$ 586,037,705	$ 72
Total	***31,495,754***	***32,150,020***	***9.5%***	***2,986,639***	***$ 652***	***$ 1,946,230,497***	***$ 62***

Cumulative Figures

Distance from Montreign	2013 Adult Population	2019 Adult Population	Particip-ation %	Gamers	Avg. Annual Budget	Estimated Market	Spend per Adult
<15	*52,843*	*53,627*	*10.8%*	*5,713*	*$ 602*	*$ 3,437,642*	*$ 65*
<30	*288,122*	*297,106*	*10.2%*	*29,288*	*$ 655*	*$ 19,174,865*	*$ 67*
<60	*2,670,582*	*2,740,366*	*8.8%*	*233,737*	*$ 670*	*$ 156,500,643*	*$ 59*
<90	*16,018,686*	*16,267,216*	*8.0%*	*1,282,039*	*$ 648*	*$ 830,378,194*	*$ 52*
<120	*23,368,201*	*23,783,783*	*8.9%*	*2,090,358*	*$ 651*	*$ 1,360,192,793*	*$ 58*
<180	***31,495,754***	***32,150,020***	***9.5%***	***2,986,639***	***$ 652***	***$ 1,946,230,497***	***$ 62***

There are presently $1.94 billion of table revenues generated from markets within 180 miles of the site. The model yields consumer participation rates of 9.5% in this region.

We modeled table revenues for the year ending 2019 as we assume that is the first stabilized year of operations after a ramp-up period. Our model for 2019 assumes an increase in annual budgets of 1% annually (based on current and expected economic conditions) to $751 in 2019. This budget is then adjusted based on per capita income. The average slot budget for 2019 is $685. We also assume an attraction factor of 1.2.

The following tables depict the market potential and revenue allocation to Montreign, based on the assumptions set forth in this report. As the output from the model indicates, the total table market is projected to grow from $1.94 billion to $2.30 billion by 2019 due to the introduction of gaming in Massachusetts and Class III gaming in New York and the commensurate increase in participation rates (to a market wide 9.5%), plus budget growth of 1% annually, and annual population growth. **Montreign is projected to yield $70.6 million in 2019 in table revenues from the drive-in market.**

2019 Calibrated Gravity Model Summary

SL Distance	2018 21+	Part %	Gamers	Budget	Market	$/Adult	Monticello	Market Share
<15 miles	53,627	12.5%	6,703	$ 632	$ 4,237,546	$ 79	$ 3,924,470	92.6%
15-30 miles	243,479	12.5%	30,435	$ 704	$ 21,412,905	$ 88	$ 10,923,477	51.0%
30-60 miles	2,443,260	11.8%	288,016	$ 711	$ 204,827,125	$ 84	$ 28,477,502	13.9%
60-90 miles	13,526,850	8.6%	1,160,435	$ 674	$ 782,592,516	$ 58	$ 27,280,389	3.5%
90-120 miles	7,516,567	11.7%	876,830	$ 689	$ 604,264,628	$ 80	$ -	0.0%
120-180 miles	8,366,237	11.8%	988,120	$ 688	$ 679,410,407	$ 81	$ -	0.0%
Total	32,150,020	10.4%	3,350,539	$ 685	$ 2,296,745,127	$ 71	$ 70,605,838	3.1%

Cumulative Figures

SL Distance	2018 21+	Part %	Gamers	Budget	Market	$/Adult	Monticello	Market Share
<15	53,627	12.5%	6,703	$ 632	$ 4,237,546	$ 79	$ 3,924,470	92.6%
<30	297,106	12.5%	37,138	$ 691	$ 25,650,451	$ 86	$ 14,847,947	57.9%
<60	2,740,366	11.9%	325,154	$ 709	$ 230,477,576	$ 84	$ 43,325,449	18.8%
<90	16,267,216	9.1%	1,485,589	$ 682	$ 1,013,070,092	$ 62	$ 70,605,838	7.0%
<120	23,783,783	9.9%	2,362,419	$ 685	$ 1,617,334,720	$ 68	$ 70,605,838	4.4%
<180	32,150,020	10.4%	3,350,539	$ 685	$ 2,296,745,127	$ 71	$ 70,605,838	3.1%

Total Slots and Tables Drive-In Market and Comparison to Benchmarks

We summarize the drive-in market for both slots and tables and compare those to national and regional gaming benchmarks.

		Revenues			Spend Per Adult		
SL Distance	**2019 21+**	**Slot**	**Table**	**Total**	**Slot**	**Table**	**Total**
<15 miles	53,627	$ 14,935,128	$ 4,237,546	$ 19,172,674	$ 279	$ 79	$ 358
15-30 miles	243,479	$ 59,035,192	$ 21,412,905	$ 80,448,097	$ 242	$ 88	$ 330
30-60 miles	2,443,260	$ 588,552,178	$ 204,827,125	$ 793,379,303	$ 241	$ 84	$ 325
60-90 miles	13,526,850	$ 3,583,301,204	$ 782,592,516	$ 4,365,893,720	$ 265	$ 58	$ 323
90-120 miles	7,516,567	$ 1,792,597,942	$ 604,264,628	$ 2,396,862,570	$ 238	$ 80	$ 319
120-180 miles	8,366,237	$ 2,086,074,095	$ 679,410,407	$ 2,765,484,502	$ 249	$ 81	$ 331
Total	***32,150,020***	***$ 8,124,495,738***	***$ 2,296,745,127***	***$ 10,421,240,865***	***$ 253***	***$ 71***	***$ 324***

Cumulative Figures		Revenues			Spend Per Adult		
SL Distance	**2019 21+**	**Slot**	**Table**	**Total**	**Slot**	**Table**	**Total**
<15	53,627	$ 14,935,128	$ 4,237,546	$ 19,172,674	$ 279	$ 79	$ 358
<30	297,106	$ 73,970,319	$ 25,650,451	$ 99,620,770	$ 249	$ 86	$ 335
<60	2,740,366	$ 662,522,497	$ 230,477,576	$ 893,000,073	$ 242	$ 84	$ 326
<90	16,267,216	$ 4,245,823,701	$ 1,013,070,092	$ 5,258,893,793	$ 261	$ 62	$ 323
<120	23,783,783	$ 6,038,421,643	$ 1,617,334,720	$ 7,655,756,363	$ 254	$ 68	$ 322
<180	**32,150,020**	**$ 8,124,495,738**	**$ 2,296,745,127**	**$ 10,421,240,865**	**$ 253**	**$ 71**	**$ 324**

We compare these results to national and regional benchmarks of spend per adult. On a national level, spend per adult is approximately $290. This amount is tempered by the fact that not all adults in the U.S. live within a convenient distance of a casino. After New York and Massachusetts are fully built out there will be casinos within convenient distance of most adults in the northeast and mid-Atlantic states.

		2012		2013
Commercial Casinos	$	37,445,898,138	$	37,950,239,362
Native American	$	27,904,675,612	$	28,280,510,589
	$	65,350,573,750	$	66,230,749,951
Estimated U.S. Adult Population		227,059,283		228,690,683
Spend Per Adult	$	288	$	290

Spend per adult in the Mid-Atlantic region (defined as 100 miles from Bethlehem, PA) is currently $322, slightly lower than our 2019 estimate.

2013 Gaming Revenues for Mid-Atlantic Region

Casino	Slot/VLT Revenues	Table Game Revenues	Total Gaming Revenues
Monticello	$ 62,821,386	$ -	$ 62,821,386
Mount Airy	142,856,721	40,523,391	183,380,112
Mohegan Pocono Downs	219,667,891	43,764,897	263,432,788
Yonkers	559,946,387	-	559,946,387
Sands	288,378,795	176,577,739	464,956,535
Resorts World	785,128,863	-	785,128,863
Parx	371,162,805	116,504,732	487,667,537
Valley Forge	63,207,408	33,046,232	96,253,641
SugarHouse	182,189,890	83,368,347	265,558,237
Harrah's Phila	235,506,464	75,654,861	311,161,325
Hollywood Grantville	230,334,692	36,427,141	266,761,834
Delaware Park	141,651,300	26,104,392	167,755,692
Hollywood Perryville	66,429,549	12,651,978	79,081,527
Atlantic City	2,064,183,021	798,243,187	2,862,426,208
Dover Downs	145,620,700	20,953,555	166,574,255
	$5,496,264,487	$ 1,463,820,453	$ 6,960,084,940
Estimated Adults	21,622,848	21,622,848	21,622,848
Spend per Adult	$ 254	$ 68	$ 322

Similarly, spend per adult within 180 miles of Monticello, NY is currently $316, again slightly lower than the 2019 projection.

2013 Gaming Revenues - 180 Miles of Monticello

Casino	Miles from Monticello	TTM Slot Revenues	TTM Table Revenues	TTM Total Gaming Revenues
Monticello	-	$ 62,821,386	$ -	$ 62,821,386
Mount Airy	49.6	142,856,721	40,523,391	183,380,112
Mohegan Pocono Downs	63.5	219,667,891	43,764,897	263,432,788
Yonkers	67.8	559,946,387	-	559,946,387
Sands	80.0	288,378,795	176,577,739	464,956,535
Resorts World	82.4	785,128,863	-	785,128,863
Tioga Downs	91.1	59,591,749	-	59,591,749
Vernon Downs	105.4	43,707,318	-	43,707,318
Saratoga	107.7	159,594,798	-	159,594,798
Parx	109.4	371,162,805	116,504,732	487,667,537
Turning Stone ***(estimated)***	109.7	200,000,000	50,000,000	250,000,000
Valley Forge	114.5	63,207,408	33,046,232	96,253,641
SugarHouse	119.6	182,189,890	83,368,347	265,558,237
Harrah's Phila	129.8	235,506,464	75,654,861	311,161,325
Hollywood Grantville	134.1	230,334,692	36,427,141	266,761,834
Mohegan Sun	135.9	614,364,394	293,000,000	907,364,394
Foxwoods	142.8	530,572,312	296,000,000	826,572,312
Delaware Park	144.6	141,651,300	26,104,392	167,755,692
Hollywood Perryville	159.8	66,429,549	12,651,978	79,081,527
Atlantic City	160.6	2,064,183,021	798,243,187	2,862,426,208
Finger Lakes	161.8	131,461,308	-	131,461,308
Twin River	168.9	470,391,984	88,968,000	559,359,984
Newport Grand	176.0	46,350,614	-	46,350,614
Dover Downs	176.4	145,620,700	20,953,555	166,574,255
Totals w/in 180 Miles		**$ 7,815,120,350**	**$ 2,191,788,453**	**$ 10,006,908,803**
Est. Adults w/in 180 Miles		31,625,246	31,625,246	31,625,246
Spend per Adult		**$ 247**	**$ 69**	**$ 316**

Based on these benchmarks, the gravity models are reasonably capturing the gaming market in 2019.

We also sensitize drive-in market revenues based on increasing and decreasing the attraction factor in our gravity model by 20%. We summarize gaming revenues from the drive-in market in the low, mid and high cases as follows:

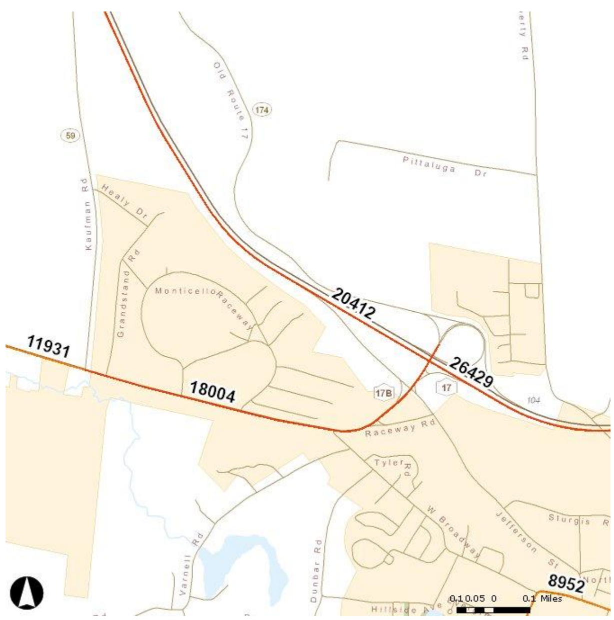
	Montreign Only		
	High Case	**Mid Case**	**Low Case**
# of Slot Machines	2,150	2,150	2,150
# of Table Games	58	58	58
Drive-in Market			
Slot Revenues	$ 261,583,784	$ 232,530,946	$ 202,160,124
TG Revenues	79,313,936	70,605,838	61,445,103
Total Drive-in Market Revenues	$ 340,897,720	$ 303,136,784	$ 263,605,227

Gaming Revenues from Traffic Intercept Market

The proposed casino is located directly off of Route-17, a major east/west thoroughfare connecting western New York to southeastern New York, through the southern tier of New York. In that regard, a reasonably large number of vehicles will be passing by the Project along NY-17. Based on the casino's proximity to & visibility from the highway and the existence of nearby exits, vehicles are likely to exit the highway to patronize the casino. Based on our own proprietary studies, traffic intercept trips are usually for a shorter duration than trips made for the sole purpose of visiting the casino and we assume a lower win per trip than the average visitor for these patrons. Traffic intercept revenues are based the following assumptions.

- 15% of Route- 17 traffic will be from beyond the 90 mile drive-in market (based on Advisors proprietary observations of highway traffic in other jurisdictions and remote location of Montreign relative to populations).
- 1.0% of travelers will patronize the casino (based on industry wide accepted rates and anticipated investment and assets at the master planned site).
- Travelers will make relatively short duration trips and average win per trip will be \$61 for slots and \$21 for tables based on an estimate of one hour of play time.
- Each car will have an average of 1.5 adult passengers (based on Advisors traffic observations).
- We also sensitize (for high and low) our traffic intercept model by increasing and decreasing the capture rate by 25%.

Average annual daily traffic (AADT) on Route-17 is based on data supplied by ESRI ArcGIS as follows:



Based on these assumptions, we have calculated the gaming revenue potential from the traffic intercept market as follows:

Traffic Intercept Gaming Revenues - 2019	Montreign Only - High		Montreign Only - Mid		Montreign Only - Low	
	Slots	Tables	Slots	Tables	Slots	Tables
Average Annual Daily Traffic	26,665	26,665	26,665	26,665	26,665	26,665
% Pass-Through Vehicles	15%	15%	15%	15%	15%	15%
Adults per Vehicle	1.5	1.5	1.5	1.5	1.5	1.5
Gaming Capture Rate	1.25%	1.25%	1.00%	1.00%	0.75%	0.75%
Daily Gamer Visits	75	75	60	60	45	45
Win per Guest	$ 61.00	$ 21.00	$ 61.00	$ 21.00	$ 61.00	$ 21.00
Daily Gaming Win	$ 4,575	$ 1,575	$ 3,660	$ 1,260	$ 2,745	$ 945
Annual Win	$ 1,669,875	$ 574,875	$ 1,335,900	$ 459,900	$ 1,001,925	$ 344,925
Estimated Win Per Guest Calculations - 2019						
	Slots	Tables	Slots	Tables	Slots	Tables
Time on Device (Hours)	1.00	1.00	1.00	1.00	1.00	1.00
Decisions per Hour	720	70	720	70	720	70
Average Bet	$ 1.00	$ 20.00	$ 1.00	$ 20.00	$ 1.00	$ 20.00
Casino Hold %	8.50%	1.50%	8.50%	1.50%	8.50%	1.50%
Total Theoretical Revenue	$ 61	$ 21	$ 61	$ 21	$ 61	$ 21

Gaming Revenues from Overnight Visitor Market

The Advisors calculated potential revenue from the overnight visitor segment based on assumptions of occupancy, hotel occupants hailing from beyond the 90-mile (straight line) drive-in market, gaming capture percentage (participation), occupants per room, and gaming revenue per occupant.

Based on our research, we have identified two specific hotel segments relevant to Montreign. These include hotel guests at the site staying in the Property's 391 room hotel and at the the 400 room Indoor Water Park Lodge, and guests staying in other nearby hotels. We have identified 2,901 hotel/motel rooms within 30 miles of the property.

Gaming revenue per occupied room is based on the formula for daily theoretical revenue per customer and is expressed as follows:

$$TR = t \times b \times h \times d$$

Where:
t = hours played
b = average bet
h = hold %
d = spins per hour

Average daily play time for a room occupants staying on-site is estimated at 4 hours (based on the Advisor's proprietary analysis of several different casino databases and overnight customers), average bet for a slot customer generally averages $1.00 (based on our proprietary database of over 15,000 slot machines and several casinos), and spins per hour on a slot machine are normally 600 (industry standard). Assuming a slot floor yielding 8.5%, daily revenue for hotel- based customers would be $245. Similarly, table games customers are estimated to play four hours at 70 decisions per hour (typical average for a table game) at $100 per hand (assuming yield managed rooms for high end table players). Daily table game win per on-site guest is estimated at $420.

Average daily play time for room occupants at nearby hotels and the Indoor Water Park Lodge is estimated at approximately 2 hours, average slot bet for a customer generally averages 1.00 ($25 for tables), and spins per hour on a slot machine are normally 600 (70 decisions per hour for tables). Assuming a slot floor yielding 8.5% (1.5% for tables), daily revenue for off-site hotel- based customers would be $122 for slots and $53 for tables.

Other key assumptions include room occupancy, the percentage of gamers for each segment and the percentage of visitors from beyond the 90 mile drive-in market. Occupancy at local hotels is estimated to range from 54% to 64% based on history and the age of the product in the market. Overnight visitors from beyond 90 miles are estimated at 15% for off-site and 20% for on-site hotel guests because it is assumed that most visitors to the region come from within the 90 mile radius but some will travel further distances to visit the newer *Adelaar* developments. The capture percentages are estimated based on the Advisor's proprietary database of hotel based guests who gamble and are estimated at 85% for the onsite hotel, 40% for the Indoor Waterpark Lodge, and 3.81% for visitors to nearby hotels (weighted average based on proximity). We also sensitized these models to determine a high and low case by increasing and decreasing the estimated capture rates. Based on these assumptions, overnight visitor segment revenues for 2019 (the initial stabilized year of operations) years of operations are calculated as follows:

Overnight Visitor Gaming Model

Casino Hotel Over Night Visitor Market - 2019	Montreign Only - High		Montreign Only - Mid		Montreign Only - Low	
	Slots	Tables	Slots	Tables	Slots	Tables
# of Rooms	391	391	391	391	391	391
Occupancy	92%	92%	90%	90%	88%	88%
Guests/ Room	1.8	1.8	1.8	1.8	1.8	1.8
Numbre of Hotel Guests	236,336	236,336	231,198	231,198	226,061	226,061
Gaming Capture Rate	90.0%	90%	85.0%	85%	80.0%	80%
Total Gamers	212,702	212,702	196,519	196,519	180,848	180,848
% Slots/Tables	70.0%	30%	70.0%	30%	70.0%	30%
Total Gamers by Segment	148,892	63,811	137,563	58,956	126,594	54,255
Avg. Win per Guest	$ 245	$ 420	$ 245	$ 420	$ 245	$ 420
Gaming Win	$ 36,478,468	$ 26,800,507	$ 33,702,932	$ 24,761,338	$ 31,015,509	$ 22,786,904
% From Beyond 90 Miles	20%	20%	20%	20%	20%	20%
	$ 7,295,694	$ 5,360,101	$ 6,740,586	$ 4,952,268	$ 6,203,102	$ 4,557,381
Estimated Win Per Guest Calculations - 2019						
	Slots	Tables	Slots	Tables	Slots	Tables
Time on Device (Hours)	4.00	4.00	4.00	4.00	4.00	4.00
Decisions per Hour	720	70	720	70	720	70
Average Bet	$ 1.00	$ 100.00	$ 1.00	$ 100.00	$ 1.00	$ 100.00
Casino Hold %	8.50%	1.50%	8.50%	1.50%	8.50%	1.50%
Total Theoretical Revenue	$ 245	$ 420	$ 245	$ 420	$ 245	$ 420

Waterpark Hotel Over Night Visitor Market - 2019	Montreign Only - High		Montreign Only - Mid		Montreign Only - Low	
	Slots	Tables	Slots	Tables	Slots	Tables
# of Rooms	350	350	350	350	350	350
Occupancy	75%	75%	75%	75%	75%	75%
Adult Guests/ Room	1.8	1.8	1.8	1.8	1.8	1.8
Numbre of Hotel Guests	172,463	172,463	172,463	172,463	172,463	172,463
Gaming Capture Rate	60.0%	60%	40.0%	40%	20.0%	20%
Total Gamers	103,478	103,478	68,985	68,985	34,493	34,493
% Slots/Tables	75.0%	25%	75.0%	25%	75.0%	25%
Total Gamers by Segment	77,608	25,869	51,739	17,246	25,869	8,623
Avg. Win per Adult Guest	$ 122	$ 53	$ 122	$ 53	$ 122	$ 53
Gaming Win	$ 9,468,191	$ 1,371,077	$ 6,312,128	$ 914,051	$ 3,156,064	$ 457,026
% From Beyond 90 Miles	20%	20%	20%	20%	20%	20%
	$ 1,893,638	$ 274,215	$ 1,262,426	$ 182,810	$ 631,213	$ 91,405
Estimated Win Per Guest Calculations - 2019						
	Slots	Tables	Slots	Tables	Slots	Tables
Time on Device (Hours)	2.00	2.00	2.00	2.00	2.00	2.00
Decisions per Hour	720	70	720	70	720	70
Average Bet	$ 1.00	$ 25.00	$ 1.00	$ 25.00	$ 1.00	$ 25.00
Casino Hold %	8.50%	1.50%	8.50%	1.50%	8.50%	1.50%
Total Theoretical Revenue	$ 122	$ 53	$ 122	$ 53	$ 122	$ 53

Other Hotel Over Night Visitor Market - 2019	Montreign Only - High		Montreign Only - Mid		Montreign Only - Low	
	Slots	Tables	Slots	Tables	Slots	Tables
# of Rooms	2,901	2,901	2,901	2,901	2,901	2,901
Occupancy	58%	58%	58%	58%	58%	58%
Guests/ Room	1.8	1.8	1.8	1.8	1.8	1.8
Gaming Capture Rate	5.0%	5.0%	3.81%	3.8%	2.5%	2.5%
Avg. Win per Guest	$ 122	$ 53	$ 122	$ 53	$ 122	$ 53
Gaming Win	$ 6,780,227	$ 2,945,508	$ 5,166,051	$ 2,244,268	$ 3,390,113	$ 1,472,754
% From Beyond 90 Miles	15%	15%	15%	15%	15%	15%
	$ 1,017,034	$ 441,826	$ 774,908	$ 336,640	$ 508,517	$ 220,913
Estimated Win Per Guest Calculations - 2019						
	Slots	Tables	Slots	Tables	Slots	Tables
Time on Device (Hours)	2.00	2.00	2.00	2.00	2.00	2.00
Decisions per Hour	720	70	720	70	720	70
Average Bet	$ 1.00	$ 25.00	$ 1.00	$ 25.00	$ 1.00	$ 25.00
Casino Hold %	8.50%	1.50%	8.50%	1.50%	8.50%	1.50%
Total Theoretical Revenue	$ 122	$ 53	$ 122	$ 53	$ 122	$ 53

Summary of Gaming Revenues

Gaming revenues and visitation for 2019 (first year of stabilized operations) from the three segments are summarized in the following table. Visitation (trip frequency) is determined based on distance and participation relationships applied to gaming revenues derived in the gravity (drive-in), overnight visitor and traffic intercept models.

	Montreign Only		
	High Case	**Mid Case**	**Low Case**
# of Slot Machines	2,150	2,150	2,150
# of Table Games	58	58	58
# of Rooms	391	391	391
Drive-in Market			
Slot Revenues	$ 261,583,784	$ 232,530,946	$ 202,160,124
TG Revenues	79,313,936	70,605,838	61,445,103
Total Drive-in Market Revenues	$ 340,897,720	$ 303,136,784	$ 263,605,227
Incremental Overnight-Casino Hotel (Beyond Drive-In)	12,655,795	11,692,854	10,760,483
Incremental Overnight-Waterpark Hotel (Beyond Drive-In)	2,167,854	1,445,236	722,618
Incremental Overnight-Other Hotel (Beyond Drive-In)	1,458,860	1,111,548	729,430
Incremental Traffic Intercept (Beyond Drive-In)	2,244,750	1,795,800	1,346,850
TOTAL GAMING REVENUES	**$ 359,424,979**	**$ 319,182,222**	**$ 277,164,607**
Slot Revs	$ 273,460,025	$ 242,644,766	$ 210,504,880
Table Revs	$ 85,964,954	$ 76,537,456	$ 66,659,727
Table Revenue as % of Slot Revenue	31.4%	31.5%	31.7%
WDU	$ 348	$ 309	$ 268
WDT	$ 4,061	$ 3,615	$ 3,149
WDP	$ 394	$ 350	$ 304

Visitation and win-per-visit are summarized below as well.

	Montreign Only - Scenario 1		
	High Case	**Mid Case**	**Low Case**
Gaming Revenues Yr 3	$ 359,424,979	$ 319,182,222	$ 277,164,607
Drive-In Market Visitation:			
Slots	2,652,473	2,357,172	2,050,324
Table Games	563,578	505,547	443,847
Incremental Visitation:			
Casino Hotel Overnight	42,540	39,304	36,170
Water Park Hotel Overnight	20,696	13,797	6,899
Other Hotel Overnight	8,336	6,352	4,168
Traffic Intercept	27,375	21,900	16,425
Total Visitation	3,314,998	2,944,071	2,557,833
Average Win per Visit	$ 108	$ 108	$ 108

Visitation by Distance

	Montreign Only		
Straight Line Distance from Montreign	**High Case**	**Mid Case**	**Low Case**
<15 miles	233,296	231,217	228,430
15-30 miles	451,918	427,535	398,086
30-60 miles	964,453	851,679	732,534
60-90 miles	1,566,383	1,352,288	1,135,122
>90 miles	98,947	81,352	63,661
Total	3,314,998	2,944,071	2,557,833

Win per Visit by Distance

	Montreign Only		
Straight Line Distance from Montreign	**High Case**	**Mid Case**	**Low Case**
<15 miles	$ 77.32	$ 77.32	$ 77.30
15-30 miles	$ 105.10	$ 104.79	$ 104.41
30-60 miles	$ 122.59	$ 122.99	$ 123.43
60-90 miles	$ 100.31	$ 100.35	$ 100.40
>90 miles	$ 187.24	$ 197.23	$ 212.99
Total	$ 108.42	$ 108.42	$ 108.36

The Advisors benchmark total revenues and win per unit against northeast destination casinos with significant supporting assets. We utilize these benchmarks because of the array of assets that will be featured at Montreign and the master-planned *Adelaar* development. In addition to the $453 million of investment in the Montreign casino and its related 391 room hotel, dining, golf course and entertainment assets, *Adelaar* will include an adjacent 400 room Indoor Waterpark Lodge, the Entertainment Village and over $450 million of additional development. Those combined assets put Montreign in some respects on par with properties like Mohegan Sun, Foxwoods, the Borgata and other mixed use multi-amenity casinos in terms of their ability to drive visitation from longer distances and divert trips away from other more convenient casinos.

The following table depicts benchmarks of slot and table revenue, capacity, and win per unit.

Northeast Destination Casinos – Gaming Revenue Benchmarks

	TTM April 2014							
	Slot Revenues	Slots	W/D/S	Table Revenues	Tables	W/D/T	Tables as % of Slots	Total Gaming Revenue
Mohegan Sun at Pocono Downs	$ 219,365,333	2,332	$ 258	$ 44,471,856	84	$ 1,447	20.3%	$ 263,837,189
Sands Bethlehem	$ 281,010,030	3,011	$ 256	$ 178,682,778	188	$ 2,602	63.6%	$ 459,692,808
Mohegan Sun CT	$ 596,138,446	5,509	$ 296	$ 298,399,000	327	$ 2,500	50.1%	$ 894,537,446
Foxwoods	$ 518,070,128	5,830	$ 243					$ 518,070,128
Bally's AC	$ 156,051,430	2,100	$ 204	$ 77,225,340	140	$ 1,509	49.5%	$ 233,276,770
Borgata	$ 418,969,722	3,152	$ 364	$ 204,071,524	272	$ 2,052	48.7%	$ 623,041,246
Caesars	$ 205,718,743	2,062	$ 273	$ 131,504,114	166	$ 2,166	63.9%	$ 337,222,857
Harrah's Marina	$ 264,787,471	2,314	$ 314	$ 84,424,417	178	$ 1,299	31.9%	$ 349,211,888
Resorts	$ 107,095,082	1,681	$ 175	$ 27,576,492	74	$ 1,021	25.7%	$ 134,671,574
Showboat	$ 142,978,890	2,198	$ 178	$ 39,259,035	113	$ 952	27.5%	$ 182,237,925
Tropicana	$ 190,950,200	2,596	$ 202	$ 42,266,951	134	$ 866	22.1%	$ 233,217,151
Golden Nugget	$ 103,519,130	1,396	$ 203	$ 30,777,723	94	$ 897	29.7%	$ 134,296,853
Trump Taj Mahal	$ 178,624,739	2,526	$ 194	$ 64,331,850	180	$ 979	36.0%	$ 242,956,589
Revel	$ 105,800,237	2,305	$ 126	$ 62,415,234	125	$ 1,373	59.0%	$ 168,215,471
Average	***$ 249,219,970***	***2,787***	***$ 235***	***$ 98,877,409***	***160***	***$ 1,513***	***40.6%***	***$ 341,034,707***
Median	***$ 198,334,472***	***2,323***	***$ 224***	***$ 64,331,850***	***140***	***$ 1,373***	***36.0%***	***$ 253,396,889***
Min	***$ 103,519,130***	***1,396***	***$ 126***	***$ 27,576,492***	***74***	***$ 866***	***20.3%***	***$ 134,296,853***
Max	***$ 596,138,446***	***5,830***	***$ 364***	***$ 298,399,000***	***327***	***$ 2,602***	***63.9%***	***$ 894,537,446***
Montreign Stabilized	***$ 242,644,766***	***2,150***	***$ 309***	***$ 76,537,456***	***59***	***$ 3,554***	***31.5%***	***$ 319,182,222***

At $242 million slot revenue, $77 million table revenue and $319 million of total gaming revenue (2019 stabilized), Montreign is slightly below the mean destination casino and above the median. Win per unit is higher at Montreign because the Project is streamlined and purpose-built for today's gaming market as opposed to the large sprawling destination casinos in Atlantic City and Connecticut which were built in a different day when competition was less intense. Montreign's casino is "right-sized" to leverage the other assets of the master-planned *Adelaar* development and take advantage of higher frequency visitation that will naturally occur and to reach deep into the New York metro market that is naturally inclined to travel to the Catskill region.

We also compare the win per visit to several other casinos and jurisdictions, Win per visit averages from $74 in Missouri to over $105 in Illinois. However, some casinos report win per visit (or admission) of over $130.

Illinois		**Indiana**		**Louisiana**		**Missouri**	
Harrah's, Metropolis	$ 129	Horseshoe, SI	$ 124	Horseshoe	$ 131	Argosy	$ 84
Joliet Harrah's	$ 124	Hollywood, Lawrenceberg	$ 116	L'Auberge, B.R.	$ 101	Isle of Capri - KC	$ 56
Joliet-Hollywood	$ 124	Horseshoe, Hammond	$ 106	Delta Downs	$ 98	Ameristar - KC	$ 70
Grand Victoria Elgin	$ 121	Casino Aztar	$ 100	Treashure Chest	$ 93	Harrah's NKC	$ 85
Aurora - Hollywood	$ 115	Belterra	$ 93	Boomtown, N.O.	$ 92	Hollywood ST. Louis	$ 86
Rivers Casino, Des Plaines	$ 114	Ameristar	$ 86	Hollywood, B.R.	$ 91	Lumiere Place	$ 65
Par-A-Dice Casino. East Peoria	$ 98	Majestic Star I	$ 82	L'Auberge, Lake Charles	$ 89	Ameristar SC	$ 78
Argosy Casino, Alton	$ 86	French Lick	$ 76	Isle of Capri, Lake Charles	$ 87	River City	$ 73
Casino Queen, E St Louis	$ 69	Rising Star	$ 71	Amelia Belle	$ 80	IOC Boonville	$ 79
Jumers Casino, Rock Island	$ 68	Blue Chip	$ 67	Belle of B.R.	$ 70	IOC Lady Luck	$ 86
		Majestic Star II	$ 63	Harrah's , N.O.	$ 68	Mark Twain	$ 73
				Evangeline Downs	$ 66	St. Jo Frontier	$ 65
				Sam's Town	$ 64	IOC Cape Girardeau	$ 66
				Boomtown, Bossier	$ 64		
				Fair Growunds	$ 61		
				Harrah's LA Downs	$ 60		
				Diamond Jacks	$ 58		
				Margaritaville	$ 54		
				Eldorado Resort	$ 53		
Average	***$ 105***	***Average***	***$ 89***	***Average***	***$ 78***	***Average***	***$ 74***

Average win per visit for the Project of $108 is higher than many markets because of the location and positioning of Montreign. The location in Monticello, combined with the master planned development and quality of the casino investment will result in longer duration trips and customers coming from longer distances than the typical locals casino in the mid-west. At $108, Montreign's expected win per visit is above average but in line with casinos such as L'Auberge in Baton Rouge or several of the Horseshoe properties. In addition, the Entertainment Village and on-site hotels naturally translate into longer duration trips, more time on device and higher win per visit. Based on this analysis of estimated gaming revenue and win per visit, patronage and revenues appear reasonable.

Gaming Revenue Ramp-Up

In order to determine an appropriate "ramp-up" period to achieve this stabilized gaming revenue, we look to market entries by casinos into other markets. The table below depicts revenue ramp up for several recent casino openings. We deem these relevant casino openings because they were in relatively protected markets with little if any expansion of the opening gaming capacity.

	Yr 1	Yr 2	Yr 3	Yr 1	Yr 2	Yr 3
Tioga	$ 41,021,651	$ 44,724,891	$ 48,443,145	84.7%	92.3%	100.0%
Vernon	$ 33,417,961	$ 36,900,032	$ 36,629,445	91.2%	100.7%	100.0%
Mohegan Pocono	$ 176,334,068	$ 181,893,040	$ 219,909,723	80.2%	82.7%	100.0%
Parx	$ 285,032,169	$ 345,502,693	$ 359,274,247	79.3%	96.2%	100.0%
Harrah's Chester	$ 304,955,991	$ 326,820,531	$ 317,010,400	96.2%	103.1%	100.0%
Presque Isle	$ 163,919,047	$ 166,744,745	$ 165,062,750	99.3%	101.0%	100.0%
Saratoga	$ 83,494,380	$ 105,723,841	$ 118,904,304	70.2%	88.9%	100.0%
Mount Airy	$ 171,128,430	$ 169,818,183	$ 157,038,161	109.0%	108.1%	100.0%
Penn National Grantville	$ 198,313,803	$ 241,479,919	$ 272,786,439	72.7%	88.5%	100.0%
Finger Lakes	$ 62,983,498	$ 73,644,825	$ 87,290,844	72.2%	84.4%	100.0%
Fairgrounds	$ 34,393,396	$ 39,357,216	$ 41,996,158	81.9%	93.7%	100.0%
Batavia	$ 23,055,279	$ 24,814,684	$ 30,494,575	75.6%	81.4%	100.0%
Monticello	$ 62,790,305	$ 74,368,337	$ 70,956,581	88.5%	104.8%	100.0%
Meadows	$ 231,203,755	$ 264,489,170	$ 261,072,067	88.6%	101.3%	100.0%
Sugar House	$ 227,798,190	$ 274,241,541	$ 267,549,815	85.1%	102.5%	100.0%
Flagler Casino	$ 62,774,921	$ 77,564,687	$ 77,147,712	81.4%	100.5%	100.0%
Calder Casino	$ 64,800,027	$ 76,669,018	$ 72,330,645	89.6%	106.0%	100.0%
Boot Hill Casino	$ 37,618,378	$ 42,470,979	$ 43,962,513	85.6%	96.6%	100.0%
Ocean Downs	$ 44,930,695	$ 49,920,418	$ 51,892,471	86.6%	96.2%	100.0%
Average				***85.1%***	***96.3%***	***100.0%***
Min				***70.2%***	***81.4%***	***100.0%***
Max				***109.0%***	***108.1%***	***100.0%***

We assume Montreign will achieve 85% of stabilized revenues in its initial year and 94% in its second year of operations. Annual gaming revenues in the Base, Low and High cases are depicted below.

Base Case Gaming Revenue Ramp-Up

	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
Number of Slots	2,150	2,150	2,150	2,150	2,150	2,150	2,150	2,150	2,150	2,150
WDU	$ 263	$ 291	$ 309	$ 322	$ 331	$ 335	$ 338	$ 341	$ 345	$ 348
WDU as % of Year 3	85%	94.0%	100.0%	104%	103%	101%	101%	101%	101%	101%
Number of Tables	58	58	58	58	58	58	58	58	58	58
WDT	$ 3,072	$ 3,398	$ 3,615	$ 3,760	$ 3,873	$ 3,912	$ 3,951	$ 3,990	$ 4,030	$ 4,070
WDU as % of Year 3	85%	94.0%	100.0%	104%	103%	101%	101%	101%	101%	101%
Slot Revs	206,193,121	228,049,592	242,644,766	252,350,556	259,921,073	262,520,284	265,145,487	267,796,941	270,474,911	273,179,660
TG Revs	65,039,511	71,933,699	76,537,456	79,598,954	81,986,923	82,806,792	83,634,860	84,471,209	85,315,921	86,169,080
Total Gaming Revenue	271,232,632	299,983,291	319,182,222	331,949,511	341,907,996	345,327,076	348,780,347	352,268,150	355,790,832	359,348,740
TG Rev as % of Slot Rev	31.5%	31.5%	31.5%	31.5%	31.5%	31.5%	31.5%	31.5%	31.5%	31.5%

Low Case Gaming Revenue Ramp-Up

	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
Number of Slots	2,150	2,150	2,150	2,150	2,150	2,150	2,150	2,150	2,150	2,150
WDU	$ 228	$ 252	$ 268	$ 279	$ 287	$ 290	$ 293	$ 296	$ 299	$ 302
WDU as % of Year 3	85%	94.0%	100.0%	104%	103%	101%	101%	101%	101%	101%
Number of Tables	58	58	58	58	58	58	58	58	58	58
WDT	$ 2,676	$ 2,959	$ 3,149	$ 3,275	$ 3,373	$ 3,407	$ 3,441	$ 3,475	$ 3,510	$ 3,545
WDU as % of Year 3	85%	94.0%	100.0%	104%	103%	101%	101%	101%	101%	101%
Slot Revs	178,881,494	197,842,933	210,504,880	218,925,076	225,492,828	227,747,756	230,025,234	232,325,486	234,648,741	236,995,228
TG Revs	56,645,678	62,650,119	66,659,727	69,326,116	71,405,900	72,119,959	72,841,158	73,569,570	74,305,266	75,048,318
Total Gaming Revenue	235,527,172	260,493,052	277,164,607	288,251,192	296,898,727	299,867,715	302,866,392	305,895,056	308,954,006	312,043,546
TG Rev as % of Slot Rev	31.7%	31.7%	31.7%	31.7%	31.7%	31.7%	31.7%	31.7%	31.7%	31.7%

High Case Gaming Revenue Ramp-Up

	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
Number of Slots	2,150	2,150	2,150	2,150	2,150	2,150	2,150	2,150	2,150	2,150
WDU	$ 296	$ 328	$ 348	$ 362	$ 373	$ 377	$ 381	$ 385	$ 388	$ 392
WDU as % of Year 3	**85%**	**94.0%**	100.0%	**104%**	**103%**	**101%**	**101%**	**101%**	**101%**	**101%**
Number of Tables	58	58	58	58	58	58	58	58	58	58
WDT	$ 3,451	$ 3,816	$ 4,061	$ 4,223	$ 4,350	$ 4,393	$ 4,437	$ 4,482	$ 4,526	$ 4,572
WDU as % of Year 3	**85%**	**94.0%**	100.0%	**104%**	**103%**	**101%**	**101%**	**101%**	**101%**	**101%**
Slot Revs	232,379,116	257,011,302	273,460,025	284,398,426	292,930,379	295,859,683	298,818,279	301,806,462	304,824,527	307,872,772
TG Revs	73,050,750	80,794,129	85,964,954	89,403,552	92,085,658	93,006,515	93,936,580	94,875,946	95,824,705	96,782,952
Total Gaming Revenue	305,429,865	337,805,431	359,424,979	373,801,978	385,016,037	388,866,198	392,754,860	396,682,408	400,649,232	404,655,725
TG Rev as % of Slot Rev	31.4%	31.4%	31.4%	31.4%	31.4%	31.4%	31.4%	31.4%	31.4%	31.4%

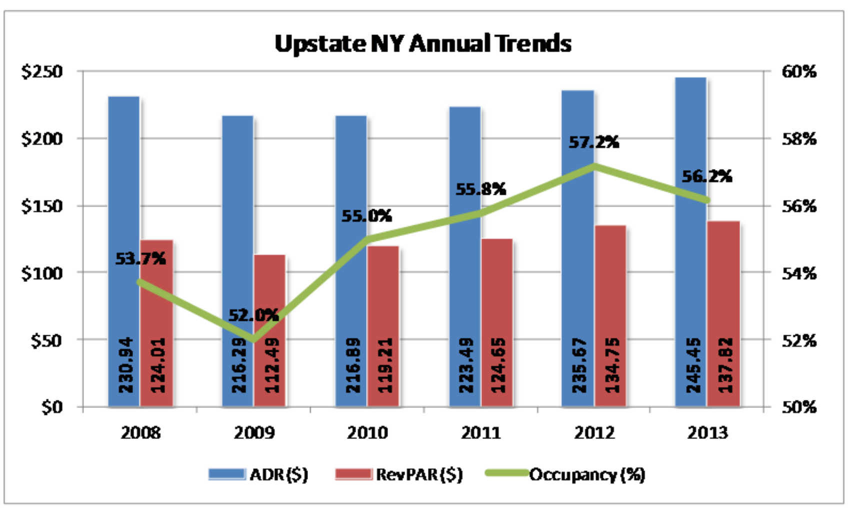
XI. HOTEL MARKET ASSESSMENT

GGH examined a competitive set of resorts and destination hotels similarly positioned to Montreign that are located throughout upstate New York. One competitive set consisted of six Upstate NY Destination resort/hotels, comprising 1,190 hotel rooms.

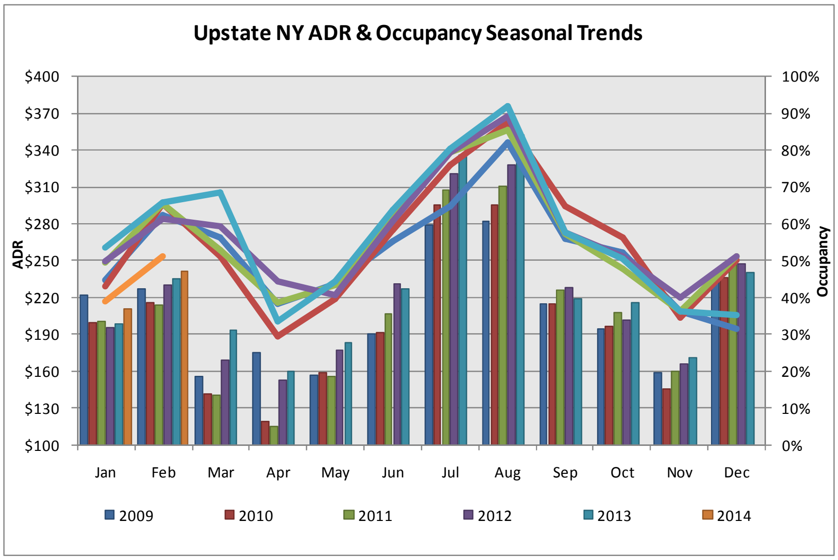
Name of Establishment	City & State	Zip Code	Class	Aff Date	Open Date	Rooms
Six Flags Great Escape Lodge & Waterpark	Queensbury, NY	12804	Luxury Class	Feb 2006	Feb 2006	200
Preferred The Sagamore	Bolton Landing, NY	12814	Luxury Class	May 2009	Jun 1930	386
Crowne Plaza Lake Placid Golf Club	Lake Placid, NY	12946	Upscale Class	Jun 2005	Nov 1969	246
The Whiteface Lodge	Lake Placid, NY	12946	Luxury Class	Jun 2005	Jun 2005	94
High Peaks Resort	Lake Placid, NY	12946	Upper Upscale Class	Jun 2008	Oct 1978	133
Mirror Lake Inn	Lake Placid, NY	12946	Luxury Class	Jun 1924	Jun 1924	131
			Total Properties:		6	1190

All six of the hotels are categorized as either upscale or luxury. Two of the hotels opened in the mid 2000's, two of the hotels opened in the 60's/70's, and the other two opened in the 20's/30's.

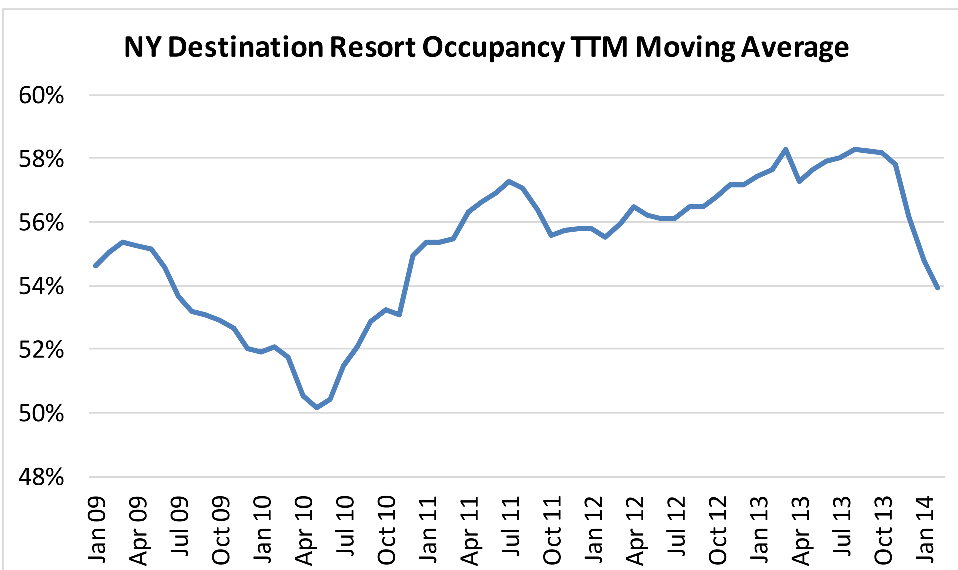
Average daily rate (ADR) appears to have rebounded since the recession. Since 2008 ADR has increased from \$231 to \$245 in 2013. During the recession in 2009 and 2010, ADR (average daily rate) declined to \$216. Occupancy percentages have remained relatively stable since 2008, with the occupancy percentage increasing from 53.7% in 2008 to 56.2% in 2013.

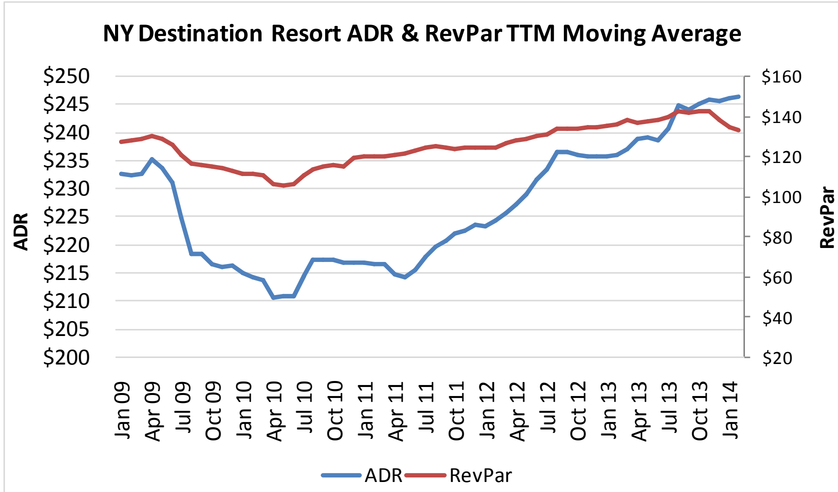


The Upstate NY market is highly seasonal, with July & August being the peak months and the market experiencing additional increases during the ski season from December to February. During "off-peak" months (April & November), the occupancy percentage declined to the high 30's, averaging 37%.

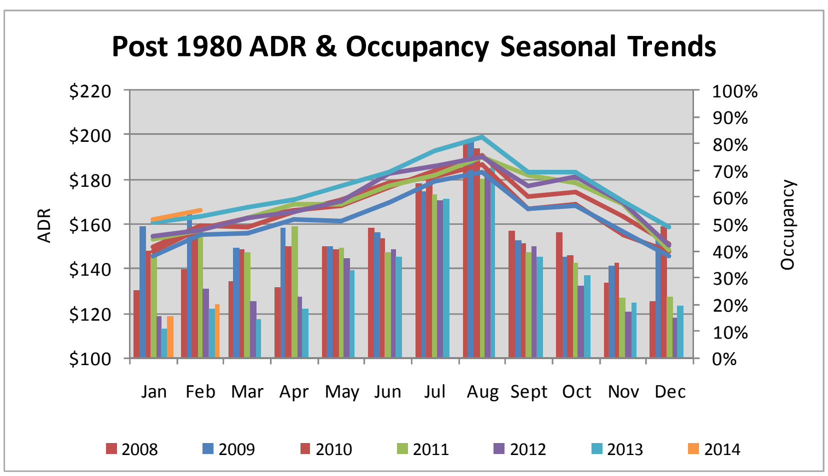


Overall occupancy has remained relatively stable, ranging from a low of 50% to a high of 58% (declining slightly more recently to 54%); although occupancy has generally rebounded since the last recession. The Trailing Twelve Month (TTM) ADR moving average indicates that ADR has rebounded since bottoming out in 2010 and is showing signs of stabilization and recovery. Since bottoming out at $210 in April/May 2010, ADR has since recovered and grown to a high of $245 indicating greater pricing power.

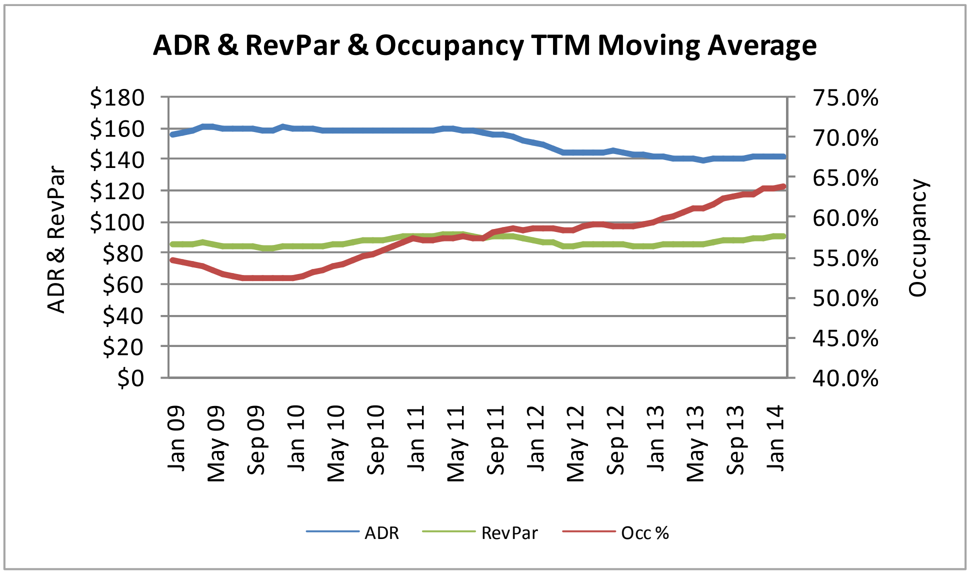




The Advisors also examined a broader competitive hotel set of 185 destination resorts and hotels located throughout the Northeast region, including upstate New York which included many older resort properties or large hotels. This alternate competitive set was further narrowed down to a comp set of 21 comparable properties that all opened Post-1980 compromising 4,881 rooms although the overall age of this comp set remains relatively older. This data indicates that the hotel market is still highly seasonal with ADR and occupancy percentages peaking in August. ADR has slowly declined from $153 in 2008 to $141 in 2013, with a high of $160 in 2009. Conversely, the occupancy percentage has increased each year and has rebounded from 52% in 2009 to 64% in 2013.



The trailing twelve month ADR moving average indicates that ADR has been decreasing while occupancy is showing signs of recovery since bottoming out in the summer of 2009. Trailing twelve month June 2013 occupancy is ~70% vs ~64% for the Upstate NY Destination Hotel comp set.


ADR & RevPar & Occupancy TTM Moving Average
$180
$160
$140
$120
$100
$80
$60
$40
$20
$0
ADR & RevPar
75.0%
70.0%
65.0%
60.0%
55.0%
50.0%
45.0%
40.0%
Occupancy
Jan 09
May 09
Sep 09
Jan 10
May 10
Sep 10
Jan 11
May 11
Sep 11
Jan 12
May 12
Sep 12
Jan 13
May 13
Sep 13
Jan 14
ADR
RevPar
Occ %

Post 1980 Hotel Competitive Set

Name of Establishment	City & State	Zip Code	Class	Aff Date	Open Date	Rooms
Sheraton Hotel Springfield Monarch Place	Springfield, MA	01144	Upper Upscale Class	Sep 1987	Sep 1987	325
Southbridge Hotel & Conf Ctr	Southbridge, MA	01550	Upper Upscale Class	Jun 2007	Jan 2002	203
Ocean Edge Resort & Golf Club	Brewster, MA	02631	Luxury Class	Apr 1990	Jun 1986	337
Marriott Mystic Hotel & Spa	Groton, CT	06340	Upper Upscale Class	Jun 2001	Jun 2001	285
Coco Key Water Resort Hotel & Convention Center	Waterbury, CT	06705	Midscale Class	Jan 2011	Jul 1985	282
Sheraton Hotel Atlantic City Convention Ctr	Atlantic City, NJ	08401	Upper Upscale Class	Nov 1997	Nov 1997	502
Hampton Inn Harriman Woodbury	Central Valley, NY	10917	Upper Midscale Class	Aug 2008	Aug 2008	136
Courtyard Middletown	Middletown, NY	10941	Upscale Class	Aug 2003	Aug 2003	134
Hampton Inn Middletown	Middletown, NY	10941	Upper Midscale Class	Jun 1999	Jun 1999	127
Hyatt Place Saratoga Malta	Malta, NY	12020	Upscale Class	Aug 2008	Aug 2008	120
Hilton Garden Inn Troy	Troy, NY	12180	Upscale Class	Aug 2009	Aug 2009	127
Hilton Albany	Albany, NY	12207	Upper Upscale Class	Mar 2013	Jun 1981	385
Homewood Suites Newburgh Stewart Airport	New Windsor, NY	12553	Upscale Class	Nov 2007	Nov 2007	125
Hampton Inn Suites Saratoga Springs Downtown	Saratoga Springs, NY	12866	Upper Midscale Class	Jul 2008	Jul 2008	123
Hilton The Saratoga	Saratoga Springs, NY	12866	Upper Upscale Class	Mar 2008	Aug 1984	242
Courtyard Saratoga Springs	Saratoga Springs, NY	12866	Upscale Class	Jul 2004	Jul 2004	146
Hilton Garden Inn Saratoga Springs	Saratoga Springs, NY	12866	Upscale Class	Aug 1999	Aug 1999	112
Nemacolin Woodlands Resort	Farmington, PA	15437	Luxury Class	Sep 1988	Sep 1988	318
Great Wolf Lodge Pocono Mountains	Scotrun, PA	18355	Upscale Class	Oct 2005	Oct 2005	401
Hampton Inn Stroudsburg Poconos	Stroudsburg, PA	18360	Upper Midscale Class	Sep 1999	Sep 1999	100
Chateau @ Camelback	Tannersville, PA	18372	Upper Midscale Class	Jun 1985	Jun 1985	152
Rocky Gap Casino Resort	Flintstone, MD	21530	Upper Midscale Class	Dec 1997	Dec 1997	199
			Total Properties:		22	4881

Source: Smith Travel Research, 2014

The Advisors also analyzed selected northeast casino hotel statistics. The weighted average occupancy and ADR of casino hotels in the Northeast is 79% and $98 respectively. Newer casinos (Borgata, Sands Bethlehem, and Revel) yield higher ADRs (generally >$125). Occupancy is dependent on the size of the casinos database relative to its room capacity as well as each individual casino's strength of player database and strategy with respect to yield management (especially mid-week).

2013	Rooms	Occupancy	ADR
Atlantic City			
Caesars	1,141	90.3%	$ 99.56
Borgata	2,767	85.4%	$ 131.26
Harrah's	2,590	80.9%	$ 95.38
Golden Nugget	727	79.5%	$ 90.70
Bally's	1,749	78.7%	$ 89.68
Showboat	1,329	78.5%	$ 89.11
Taj Mahal	2,010	74.7%	$ 88.98
Resorts	942	73.2%	$ 77.12
Revel	1,399	72.9%	$ 127.39
Tropicana	2,079	72.2%	$ 91.36
Atlantic Club	809	66.3%	$ 60.50
Trump Plaza	906	60.8%	$ 91.78
Total Atlantic City	***18,448***	***77.4%***	***$ 99.29***
Other Northeast Casinos			
Sands Bethlehem	300	73.6%	$ 142.00
Mohegan Sun CT	1,200	96.7%	$ 95.00
Dover Downs	500	88.0%	NA
Mountaineer	354	NA	$ 82.00
Total Other NE Casinos	**589**	**86.1%**	**$ 106.33**
Mean	**1,300**	**79%**	**$ 97.93**
Median	**1,171**	**79%**	**$ 91.36**
Max	**2,767**	**97%**	**$ 142.00**
Min	**300**	**61%**	**$ 60.50**

We anticipate that Montreign with its low room count and being among the newest properties in the Northeast will yield ADRs similar to both the Upstate NY Destination Hotel comp set and this Newer Casino Hotel comp set. With only 391 rooms, Montreign should be able to drive similar occupancy to that of other casinos in the Northeast while also supplementing this occupancy with stronger FIT/group business driven by the destination appeal of EPR's *Adelaar, a* comprehensive master planned resort community.

We used the Upstate New York Destination Hotel comp set, the Post-1980 hotel comp set, and the Casino Hotels in the Northeast comp set as benchmarks for hotel revenue, occupancy, and ADR. The upstate New York resort hotel market reported 54% occupancy and a $246 ADR. During the summer season, the resort market occupancy runs to above 85%. The Post 1980 hotel market reported 64% occupancy and a $140 ADR. The weighted average occupancy and ADR of casino hotels in the Northeast was 79% and $98 respectively.

Hotel revenues for Montreign are forecasted based upon assumptions of estimated occupancy (both cash and casino "comped" rooms) and average daily rate (ADR), based upon the Company's anticipated business plan, the local area hotel trends from Smith Travel (STR), and other similar casino hotels in the Northeast. We estimate hotel occupancy based on a 391 room casino hotel at Montreign to be 82% in the first year, ramping up to and stabilizing at 90% by year 5. We assume casino comps will drive higher occupancy. We estimate ADR to be $140 at opening, increasing 2% thereafter.

Hotel Revenue Mid-Case

	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
Number of Rooms	391	391	391	391	391	391	391	391	391	391
Occupancy	82.0%	86.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%
Rate	$ 140	$ 143	$ 146	$ 149	$ 152	$ 153	$ 155	$ 156	$ 158	$ 159
% Growth		102%	102%	102%	102%	101%	101%	101%	101%	101%
Hotel Room Revenue	16,383,682	17,526,544	18,708,566	19,082,738	19,464,393	19,659,036	19,855,627	20,054,183	20,254,725	20,457,272
Other Hotel Revenue	327,674	350,531	374,171	381,655	389,288	393,181	397,113	401,084	405,094	409,145
Total Hotel Revenue	**16,711,356**	**17,877,075**	**19,082,738**	**19,464,393**	**19,853,680**	**20,052,217**	**20,252,739**	**20,455,267**	**20,659,819**	**20,866,418**

In the low case occupancy is assumed to be 84% at stabilization and the initial ADR is assumed to be $125.

Hotel Revenue Low-Case

	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
Number of Rooms	391	391	391	391	391	391	391	391	391	391
Occupancy	75.0%	78.0%	84.0%	84.0%	84.0%	84.0%	84.0%	84.0%	84.0%	84.0%
Rate	$ 125	$ 128	$ 130	$ 133	$ 135	$ 137	$ 138	$ 139	$ 141	$ 142
% Growth		102%	102%	102%	102%	101%	101%	101%	101%	101%
Hotel Room Revenue	13,379,531	14,193,007	15,590,472	15,902,281	16,220,327	16,382,530	16,546,356	16,711,819	16,878,937	17,047,727
Other Hotel Revenue	267,591	283,860	311,809	318,046	324,407	327,651	330,927	334,236	337,579	340,955
Total Hotel Revenue	**13,647,122**	**14,476,867**	**15,902,281**	**16,220,327**	**16,544,734**	**16,710,181**	**16,877,283**	**17,046,056**	**17,216,516**	**17,388,681**

In the high case, stabilized occupancy is estimated at 92% and the initial ADR is $140.

Hotel Revenue High-Case

	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
Number of Rooms	391	391	391	391	391	391	391	391	391	391
Occupancy	83.0%	87.0%	92.0%	92.0%	92.0%	92.0%	92.0%	92.0%	92.0%	92.0%
Rate	$ 140	$ 143	$ 146	$ 149	$ 152	$ 153	$ 155	$ 156	$ 158	$ 159
% Growth		102%	102%	102%	102%	101%	101%	101%	101%	101%
Hotel Room Revenue	16,583,483	17,730,341	19,124,312	19,506,799	19,896,935	20,095,904	20,296,863	20,499,832	20,704,830	20,911,878
Other Hotel Revenue	331,670	354,607	382,486	390,136	397,939	401,918	405,937	409,997	414,097	418,238
Total Hotel Revenue	**16,915,153**	**18,084,948**	**19,506,799**	**19,896,935**	**20,294,873**	**20,497,822**	**20,702,800**	**20,909,828**	**21,118,927**	**21,330,116**

XII. OTHER DEPARTMENTAL REVENUE

Food and Beverage

We estimated potential food and beverage revenues based upon anticipated trips to Montreign multiplied by an assumed capture rate for both day trip customers and hotel customers – an average meal or beverage spend per customer was then applied to these captured trips to arrive at gross food and beverage revenue. Capture rates, average meal spend, and beverage spend are based upon similarly positioned casino operations throughout the Northeast as follows:

NORTHEAST FOOD & BEVERAGE BENCHMARKS

	Mohegan Sun CT	Mohegan Pocono	Sands	Moutaineer	Presque Isle	Scioto Downs	Dover Downs	Market Avg
Slot Machines	5,541	2,332	3,024	2,145	1,720	2,125	2,600	2,784
Table Games	326	84	182	59	49	-	58	108
Hotel Rooms	1,200	-	300	354	-	-	500	336
# of Restaurants	36	11	8	7	6	2	15	12
Gaming Revenues	$ 916.8	$ 278.0	$ 462	$ 175.7	$ 114.2	$ 120.1	$ 173.0	$ 320.0
Food & Beverage	$ 61.1	$ 26.9	$ 29	$ 19.5	$ 10.9	$ 9.0	$ 14.8	$ 24.5
% of Gaming	***6.7%***	***9.7%***	***6.3%***	***11.1%***	***9.5%***	***7.5%***	***8.6%***	***8.5%***

Food and beverage revenue at Montreign is expected to average 10.1% of gaming revenue which is within the range of percentages (6.7% to 11.1%) observed at other casinos throughout the Northeast. We therefore estimate food & beverage to be $25.7 million in Year 1, increasing to $30.1 million by Year 3 or 9.5% of gaming revenue.

F&B Revenue Mid-Case

	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
Occupied Rooms	117,026	122,735	128,444	128,444	128,444	128,444	128,444	128,444	128,444	128,444
Guests per Room	1.70	1.70	1.70	1.70	1.70	1.70	1.70	1.70	1.70	1.70
Covers per Guest	1.75	1.75	1.75	1.75	1.75	1.75	1.75	1.75	1.75	1.75
F&B Covers from Hotel Guests	348,153	365,136	382,119	382,119	382,119	382,119	382,119	382,119	382,119	382,119
Avg. Check	$ 12.50	$ 12.75	$ 13.01	$ 13.27	$ 13.53	$ 13.80	$ 14.08	$ 14.36	$ 14.65	$ 14.94
Avg. Check Growth		102.0%	102.0%	102.0%	102.0%	102.0%	102.0%	102.0%	102.0%	102.0%
	$ 4,351,916	**$ 4,655,488**	**$ 4,969,463**	**$ 5,068,852**	**$ 5,170,229**	**$ 5,273,634**	**$ 5,379,107**	**$ 5,486,689**	**$ 5,596,422**	**$ 5,708,351**
Gaming Revenue	271,232,632	299,983,291	319,182,222	331,949,511	341,907,996	345,327,076	348,780,347	352,268,150	355,790,832	359,348,740
Estimated Win per Visit	$ 108	$ 110	$ 112	$ 115	$ 117	$ 119	$ 122	$ 124	$ 127	$ 129
Win per Visit Growth		102.0%	102.0%	102.0%	102.0%	102.0%	102.0%	102.0%	102.0%	102.0%
Gamer Visits	2,511,413	2,723,160	2,840,630	2,896,328	2,924,724	2,896,050	2,867,657	2,839,543	2,811,704	2,784,138
Hotel Guests	198,945	208,649	218,354	218,354	218,354	218,354	218,354	218,354	218,354	218,354
% Gamers	85.0%	85.0%	85.0%	85.0%	85.0%	85.0%	85.0%	85.0%	85.0%	85.0%
	169,103	177,352	185,601	185,601	185,601	185,601	185,601	185,601	185,601	185,601
Day Trip Gamers	2,342,310	2,545,808	2,655,029	2,710,727	2,739,123	2,710,449	2,682,056	2,653,942	2,626,103	2,598,538
Day Trip Capture	45.0%	45.0%	45.0%	45.0%	45.0%	45.0%	45.0%	45.0%	45.0%	45.0%
Number of Covers Per Day	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Number of Meals from Gamers	1,054,040	1,145,614	1,194,763	1,219,827	1,232,605	1,219,702	1,206,925	1,194,274	1,181,746	1,169,342
Avg. Check	$ 12.50	$ 12.75	$ 13.01	$ 13.27	$ 13.53	$ 13.80	$ 14.08	$ 14.36	$ 14.65	$ 14.94
	$ 13,175,495	**$ 14,606,573**	**$ 15,537,891**	**$ 16,181,131**	**$ 16,677,644**	**$ 16,833,120**	**$ 16,989,924**	**$ 17,148,066**	**$ 17,307,554**	**$ 17,468,398**
Total F&B Covers	1,402,193	1,510,750	1,576,882	1,601,947	1,614,725	1,601,821	1,589,045	1,576,393	1,563,866	1,551,461
% Capture	55.8%	55.5%	55.5%	55.3%	55.2%	55.3%	55.4%	55.5%	55.6%	55.7%
Beverage per Patron	$ 3.25	$ 3.32	$ 3.38	$ 3.45	$ 3.52	$ 3.59	$ 3.66	$ 3.73	$ 3.81	$ 3.88
		102.0%	102.0%	102.0%	102.0%	102.0%	102.0%	102.0%	102.0%	102.0%
	$ 8,162,093	**$ 9,027,275**	**$ 9,605,021**	**$ 9,989,221**	**$ 10,288,898**	**$ 10,391,787**	**$ 10,495,705**	**$ 10,600,662**	**$ 10,706,669**	**$ 10,813,735**
Total Food & Beverage Revenue	**$ 25,689,504**	**$ 28,289,336**	**$ 30,112,375**	**$ 31,239,204**	**$ 32,136,771**	**$ 32,498,540**	**$ 32,864,735**	**$ 33,235,417**	**$ 33,610,645**	**$ 33,990,484**
% of Gaming Revenue	**9.5%**	**9.4%**	**9.4%**	**9.4%**	**9.4%**	**9.4%**	**9.4%**	**9.4%**	**9.4%**	**9.5%**

In the low case food and beverage revenues are reduced due to lower volumes and are estimated at 9.0% of gaming revenue.

F&B Revenue Low-Case

	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
Occupied Rooms	107,036	111,318	119,881	119,881	119,881	119,881	119,881	119,881	119,881	119,881
Guests per Room	1.70	1.70	1.70	1.70	1.70	1.70	1.70	1.70	1.70	1.70
Covers per Guest	1.75	1.75	1.75	1.75	1.75	1.75	1.75	1.75	1.75	1.75
F&B Covers from Hotel Guests	318,433	331,170	356,645	356,645	356,645	356,645	356,645	356,645	356,645	356,645
Avg. Check	$ 12.50	$ 12.75	$ 13.01	$ 13.27	$ 13.53	$ 13.80	$ 14.08	$ 14.36	$ 14.65	$ 14.94
Avg. Check Growth		102.0%	102.0%	102.0%	102.0%	102.0%	102.0%	102.0%	102.0%	102.0%
	$ 3,980,411	**$ 4,222,420**	**$ 4,638,165**	**$ 4,730,929**	**$ 4,825,547**	**$ 4,922,058**	**$ 5,020,499**	**$ 5,120,909**	**$ 5,223,328**	**$ 5,327,794**
Gaming Revenue	235,527,172	260,493,052	277,164,607	288,251,192	296,898,727	299,867,715	302,866,392	305,895,056	308,954,006	312,043,546
Estimated Win per Visit	$ 108	$ 110	$ 112	$ 115	$ 117	$ 119	$ 122	$ 124	$ 127	$ 129
Win per Visit Growth		102.0%	102.0%	102.0%	102.0%	102.0%	102.0%	102.0%	102.0%	102.0%
Gamer Visits	2,180,807	2,364,679	2,466,685	2,515,051	2,539,709	2,514,810	2,490,155	2,465,741	2,441,567	2,417,630
Hotel Guests	181,962	189,240	203,797	203,797	203,797	203,797	203,797	203,797	203,797	203,797
% Gamers	80.0%	80.0%	80.0%	80.0%	80.0%	80.0%	80.0%	80.0%	80.0%	80.0%
	145,569	151,392	163,038	163,038	163,038	163,038	163,038	163,038	163,038	163,038
Day Trip Gamers	2,035,238	2,213,287	2,303,647	2,352,014	2,376,671	2,351,772	2,327,117	2,302,704	2,278,530	2,254,593
Day Trip Capture	40.0%	40.0%	40.0%	40.0%	40.0%	40.0%	40.0%	40.0%	40.0%	40.0%
Number of Covers Per Day	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Number of Meals from Gamers	814,095	885,315	921,459	940,805	950,668	940,709	930,847	921,081	911,412	901,837
Avg. Check	$ 12.50	$ 12.75	$ 13.01	$ 13.27	$ 13.53	$ 13.80	$ 14.08	$ 14.36	$ 14.65	$ 14.94
	$ 10,176,189	**$ 11,287,764**	**$ 11,983,573**	**$ 12,479,878**	**$ 12,862,926**	**$ 12,982,731**	**$ 13,103,558**	**$ 13,225,413**	**$ 13,348,303**	**$ 13,472,235**
Total F&B Covers	1,132,528	1,216,485	1,278,104	1,297,450	1,307,313	1,297,354	1,287,492	1,277,726	1,268,057	1,258,482
% Capture	51.9%	51.4%	51.8%	51.6%	51.5%	51.6%	51.7%	51.8%	51.9%	52.1%
Beverage per Patron	$ 3.25	$ 3.32	$ 3.38	$ 3.45	$ 3.52	$ 3.59	$ 3.66	$ 3.73	$ 3.81	$ 3.88
		102.0%	102.0%	102.0%	102.0%	102.0%	102.0%	102.0%	102.0%	102.0%
	$ 7,087,623	**$ 7,838,911**	**$ 8,340,602**	**$ 8,674,226**	**$ 8,934,452**	**$ 9,023,797**	**$ 9,114,035**	**$ 9,205,175**	**$ 9,297,227**	**$ 9,390,199**
Total Food & Beverage Revenue	**$ 21,244,223**	**$ 23,349,095**	**$ 24,962,340**	**$ 25,885,033**	**$ 26,622,925**	**$ 26,928,586**	**$ 27,238,092**	**$ 27,551,498**	**$ 27,868,858**	**$ 28,190,229**
% of Gaming Revenue	**9.0%**	**9.0%**	**9.0%**	**9.0%**	**9.0%**	**9.0%**	**9.0%**	**9.0%**	**9.0%**	**9.0%**

In the high case food and beverage revenues increase due to higher volume and visitation and are estimated at 9.3% of gaming revenue.

F&B Revenue High-Case

	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
Occupied Rooms	118,453	124,162	131,298	131,298	131,298	131,298	131,298	131,298	131,298	131,298
Guests per Room	1.70	1.70	1.70	1.70	1.70	1.70	1.70	1.70	1.70	1.70
Covers per Guest	1.75	1.75	1.75	1.75	1.75	1.75	1.75	1.75	1.75	1.75
F&B Covers from Hotel Guests	352,399	369,382	390,611	390,611	390,611	390,611	390,611	390,611	390,611	390,611
Avg. Check	$ 12.50	$ 12.75	$ 13.01	$ 13.27	$ 13.53	$ 13.80	$ 14.08	$ 14.36	$ 14.65	$ 14.94
Avg. Check Growth		102.0%	102.0%	102.0%	102.0%	102.0%	102.0%	102.0%	102.0%	102.0%
	$ 4,404,988	**$ 4,709,622**	**$ 5,079,895**	**$ 5,181,493**	**$ 5,285,123**	**$ 5,390,826**	**$ 5,498,642**	**$ 5,608,615**	**$ 5,720,787**	**$ 5,835,203**
Gaming Revenue	305,429,865	337,805,431	359,424,979	373,801,978	385,016,037	388,866,198	392,754,860	396,682,408	400,649,232	404,655,725
Estimated Win per Visit	$ 108	$ 110	$ 112	$ 115	$ 117	$ 119	$ 122	$ 124	$ 127	$ 129
Win per Visit Growth		102.0%	102.0%	102.0%	102.0%	102.0%	102.0%	102.0%	102.0%	102.0%
Gamer Visits	2,828,054	3,066,498	3,198,778	3,261,500	3,293,475	3,261,186	3,229,214	3,197,555	3,166,206	3,135,165
Hotel Guests	201,371	211,075	223,206	223,206	223,206	223,206	223,206	223,206	223,206	223,206
% Gamers	85.0%	85.0%	85.0%	85.0%	85.0%	85.0%	85.0%	85.0%	85.0%	85.0%
	171,165	179,414	189,725	189,725	189,725	189,725	189,725	189,725	189,725	189,725
Day Trip Gamers	2,656,889	2,887,084	3,009,053	3,071,774	3,103,750	3,071,461	3,039,488	3,007,829	2,976,481	2,945,440
Day Trip Capture	45.0%	45.0%	45.0%	45.0%	45.0%	45.0%	45.0%	45.0%	45.0%	45.0%
Number of Covers Per Day	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Number of Meals from Gamers	1,195,600	1,299,188	1,354,074	1,382,298	1,396,687	1,382,157	1,367,770	1,353,523	1,339,416	1,325,448
Avg. Check	$ 12.50	$ 12.75	$ 13.01	$ 13.27	$ 13.53	$ 13.80	$ 14.08	$ 14.36	$ 14.65	$ 14.94
	$ 14,945,001	**$ 16,564,644**	**$ 17,609,731**	**$ 18,336,327**	**$ 18,897,742**	**$ 19,075,167**	**$ 19,254,136**	**$ 19,434,659**	**$ 19,616,747**	**$ 19,800,410**
Total F&B Covers	1,547,999	1,668,570	1,744,685	1,772,909	1,787,298	1,772,768	1,758,381	1,744,134	1,730,027	1,716,059
% Capture	54.7%	54.4%	54.5%	54.4%	54.3%	54.4%	54.5%	54.5%	54.6%	54.7%
Beverage per Patron	$ 3.25	$ 3.32	$ 3.38	$ 3.45	$ 3.52	$ 3.59	$ 3.66	$ 3.73	$ 3.81	$ 3.88
		102.0%	102.0%	102.0%	102.0%	102.0%	102.0%	102.0%	102.0%	102.0%
	$ 9,191,177	**$ 10,165,441**	**$ 10,816,029**	**$ 11,248,671**	**$ 11,586,131**	**$ 11,701,992**	**$ 11,819,012**	**$ 11,937,202**	**$ 12,056,574**	**$ 12,177,140**
Total Food & Beverage Revenue	**$ 28,541,165**	**$ 31,439,707**	**$ 33,505,656**	**$ 34,766,491**	**$ 35,768,996**	**$ 36,167,985**	**$ 36,571,790**	**$ 36,980,476**	**$ 37,394,108**	**$ 37,812,753**
% of Gaming Revenue	**9.3%**	**9.3%**	**9.3%**	**9.3%**	**9.3%**	**9.3%**	**9.3%**	**9.3%**	**9.3%**	**9.3%**

Retail Revenues

Retail revenues are based on a small gift shop at the casino of 500 square feet and sales per square foot based on similar casino based establishments of $900, growing by 2% annually in the first five years and 1% thereafter. In the low case they are estimated at $750 per square foot and in the high case they are estimated at $1,000 per square foot.

Entertainment Revenue

Montreign will feature a 1,200 seat multi-purpose event center. Entertainment revenues are based on the anticipated entertainment schedule at the Project and estimates of tickets sold and average ticket price. The Seneca properties are used as a benchmark for this analysis because they had similar sized facilities. The following schedule depicts entertainment events at two of their properties during the quarters ending June 2009 and 2010 (the only periods for which they reported this information). Seneca increased its entertainment schedule leading to lower attendance per event and in the case of SNFGC, lower pricing. Based on this limited sample of data, the typical event at Seneca during those periods drew between 700 and 1,800 spectators at prices ranging from $20 to $54.

	Jun-09	June-10
SNFGC Shows		
Number Shows	10	16
Tickets Sold	12,809	11,565
Tickets Per Event	1,281	723
Occupancy	85.0%	76.0%
Average Ticket Price[1]	$ 53.50	$ 47.36
STGC Shows		
Number Shows	2	5
Tickets Sold	3,534	7,901
Tickets Per Event	1,767	1,580
Occupancy	74.0%	66.0%
Average Ticket Price[1]	$ 19.85	$ 42.65

Note:
1.) Reflects average price per occupied seat

Company management estimated they would operate a little over four shows per quarter (or 18 annually). The Advisors estimated the average show will draw 1,020 patrons at $40 per ticket (ticket price growing at 2% annually). Entertainment revenues for the Project are estimated as follows:

Entertainment Revenues Mid-Case

	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
Showroom										
# of Events	18	18	18	18	18	18	18	18	18	18
Capacity	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200
Occupancy	85.0%	85%	85%	85%	85%	85%	85%	85%	85%	85%
Avg Ticket Price	$ 40	$ 41	$ 42	$ 42	$ 43	$ 44	$ 45	$ 46	$ 47	$ 48
Total Show room Revenue	**$ 734,400**	**$ 749,088**	**$ 764,070**	**$ 779,351**	**$ 794,938**	**$ 810,837**	**$ 827,054**	**$ 843,595**	**$ 860,467**	**$ 877,676**
Total Entertainment Revenue	$734,400	$749,088	$764,070	$779,351	$794,938	$810,837	$827,054	$843,595	$860,467	$877,676
% of Gaming Rev	*0.3%*	*0.2%*	*0.2%*	*0.2%*	*0.2%*	*0.2%*	*0.2%*	*0.2%*	*0.2%*	*0.2%*

In the low case occupancy is estimated to decline to 75% and the initial ticket price to $35. In the high case occupancy is estimated to increase to 90% and initial ticket prices to $45.

Spa Revenues

The preliminary design anticipates a five-star spa with a 24/7 state-of-the-art health & fitness center. The Advisors forecasted spa revenues based upon assumed capture rates of total hotel guests (6%), an estimate of non-hotel guests (locals) who will frequent the spa (3,900 annually growing to 4,200) and a spa spend per guest of $90 per visit. Spa revenue is estimated to be $1.4 million in the initial year and growing to $ 1.6 million by 2019 and $1.7 million by 2026.

Spa Revenues Mid-Case

	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
Hotel Guests	198,945	208,649	218,354	218,354	218,354	218,354	218,354	218,354	218,354	218,354
Participation	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%
Hotel Guests Utilizing Spa	11,937	12,519	13,101	13,101	13,101	13,101	13,101	13,101	13,101	13,101
Local Guests	3,600	3,900	4,200	4,200	4,200	4,200	4,200	4,200	4,200	4,200
Total Spa Guests	15,537	16,419	17,301	17,301	17,301	17,301	17,301	17,301	17,301	17,301
Revenue per Guest	$90	$91	$92	$93	$94	$95	$96	$96	$97	$98
Total Spa Revenue	$1,398,301	$1,492,483	$1,588,409	$1,604,293	$1,620,336	$1,636,540	$1,652,905	$1,669,434	$1,686,128	$1,702,990
% of Gaming Rev	*0.5%*	*0.5%*	*0.5%*	*0.5%*	*0.5%*	*0.5%*	*0.5%*	*0.5%*	*0.5%*	*0.5%*

In both the low and high cases, the basic assumptions for spa revenue remain the same and revenues fluctuate with hotel volume.

Golf Revenues

A 2008 survey of over 2,500 U.S. golf facilities by the PGA of America and the National Golf Course Owners Association (NGCOA) found the average number of rounds per course to be approximately 28,000 annually. Montreign will have the ability comp certain of its guest which should result in increased rounds played at its own facility. The Advisors forecasted golf revenues based upon an estimate of total annual rounds played (30,600) and an average price per round of $60 growing by 2% annually. Golf revenues are estimated at $1.8 million in the initial year and $2.6 million by 2026.

Golf Revenues Mid-Case

	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
Total Golf Guests	30,000	30,600	31,212	31,836	32,473	33,122	33,785	34,461	35,150	35,853
Revenue per Round	$ 60	$ 61	$ 62	$ 64	$ 65	$ 66	$ 68	$ 69	$ 70	$ 72
Total Golf Revenue	$1,800,000	$1,872,720	$1,948,378	$2,027,092	$2,108,987	$2,194,190	$2,282,835	$2,375,062	$2,471,014	$2,570,843
% of Gaming Rev	*0.7%*	*0.6%*	*0.6%*	*0.6%*	*0.6%*	*0.6%*	*0.7%*	*0.7%*	*0.7%*	*0.7%*

In the low case, golf rounds decrease to 27,000 and revenue per round decreases in the initial year to $55. In the high case, golf rounds increase to 33,000 and initial revenue per round revenue to $65.

Other Revenues

Other revenues include ATM fees and other miscellaneous charges and are based upon typical relationship to gaming revenues found in similar casino properties. These revenues are projected to average 0.5% of gaming revenue based on similar sized casino operations.

	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
Total Other Revenue	$1,356,163	$1,499,916	$1,595,911	$1,659,748	$1,709,540	$1,726,635	$1,743,902	$1,761,341	$1,778,954	$1,796,744
% of Gaming Revenue	*0.5%*	*0.5%*	*0.5%*	*0.5%*	*0.5%*	*0.5%*	*0.5%*	*0.5%*	*0.5%*	*0.5%*

Promotional Allowances

Promotional allowances represent the retail value of items of revenue provided to patrons for free as part of the company's expected marketing efforts. These include free hotel rooms, comped meals and drinks at restaurants on site, comped entertainment tickets, and comped miscellaneous items. These amounts are estimated based on the past practice of the facility, the amenities available for comping, and the competitive environment, which is expected to be intense within the northeast and Mid-Atlantic states but with only one casino in the Catskills, muted locally.

In Atlantic City, comps and promotional cash are over 34% of gross gaming revenue. In Pennsylvania, where there is a high tax rate and little else to offer, firms have resorted to increasing their free play offers to over 20% of gross gaming revenue (especially in competitive environments).

Non-taxable promotional play is normally not shown on the financial statements - i.e. it is a reduction of gross gaming revenue. In New York, some forms of promotional credits are presently non-taxable. We assume all promotional credits will be non-taxable at Class III casinos in New York.

The following schedule depicts estimated promotional allowances for the Project for the revenue analysis period. The combined at 9.4% of gaming revenue (exclusive of free play) and 54.3% of total other revenues depicted in the schedule below compares reasonably with competitive facilities in the market.

	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
Hotel	9,830,209	10,515,926	11,225,140	11,449,643	11,678,636	11,795,422	11,913,376	12,032,510	12,152,835	12,274,363
F&B	14,129,227	15,559,135	16,561,806	17,181,562	17,675,224	17,874,197	18,075,605	18,279,479	18,485,855	18,694,766
Entertainment	440,640	449,453	458,442	467,611	476,963	486,502	496,232	506,157	516,280	526,606
Spa/Salon	559,321	596,993	635,364	641,717	648,135	654,616	661,162	667,774	674,451	681,196
Golf	720,000	749,088	779,351	810,837	843,595	877,676	913,134	950,025	988,406	1,028,337
Other	474,657	524,971	558,569	580,912	598,339	604,322	610,366	616,469	622,634	628,860
	26,154,054	28,395,566	30,218,672	31,132,282	31,920,891	32,292,735	32,669,875	33,052,413	33,440,461	33,834,129
As % of Gaming Revenue	9.6%	9.5%	9.5%	9.4%	9.3%	9.4%	9.4%	9.4%	9.4%	9.4%
As % of Other Revenue	54.3%	54.4%	54.4%	54.4%	54.4%	54.4%	54.3%	54.3%	54.3%	54.3%
Assumptions:										
Hotel Comps (as % of Hotel Rev)	**60.0%**	60.0%	60.0%	60.0%	60.0%	60.0%	60.0%	60.0%	60.0%	60.0%
F&B Comps (as % of F&B Rev)	**55.0%**	55.0%	55.0%	55.0%	55.0%	55.0%	55.0%	55.0%	55.0%	55.0%
Ent Comps (as % of Ent Rev)	**60.0%**	60.0%	60.0%	60.0%	60.0%	60.0%	60.0%	60.0%	60.0%	60.0%
Spa Comps (as % of Spa Rev)	**40.0%**	40.0%	40.0%	40.0%	40.0%	40.0%	40.0%	40.0%	40.0%	40.0%
Golf Comps (as % of Golf Rev)	**40.0%**	40.0%	40.0%	40.0%	40.0%	40.0%	40.0%	40.0%	40.0%	40.0%
Other Comps (as % of Other Rev)	**35.0%**	35.0%	35.0%	35.0%	35.0%	35.0%	35.0%	35.0%	35.0%	35.0%

Promotional allowances in both the low and high cases are estimated to fluctuate with gaming and hotel volume. All assumptions of individual promotional relationships remain the same.

XIII. SUMMARY OF NET REVENUE

Mid Case Net Revenues

Montreign Casino Resort - Mid Case Ten Year Pro Forma Revenue

	FYE 12/31									
	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
Revenue										
Gaming	$ 271,232,632	$ 299,983,291	$ 319,182,222	$ 331,949,511	$ 341,907,996	$ 345,327,076	$ 348,780,347	$ 352,268,150	$ 355,790,832	$ 359,348,740
Hotel	16,711,356	17,877,075	19,082,738	19,464,393	19,853,680	20,052,217	20,252,739	20,455,267	20,659,819	20,866,418
Food & Beverage	25,689,504	28,289,336	30,112,375	31,239,204	32,136,771	32,498,540	32,864,735	33,235,417	33,610,645	33,990,484
Retail	450,000	459,000	468,180	477,544	487,094	491,965	496,885	501,854	506,872	511,941
Entertainment	734,400	749,088	764,070	779,351	794,938	810,837	827,054	843,595	860,467	877,676
Spa/Salon	1,398,301	1,492,483	1,588,409	1,604,293	1,620,336	1,636,540	1,652,905	1,669,434	1,686,128	1,702,990
Golf	1,800,000	1,872,720	1,948,378	2,027,092	2,108,987	2,194,190	2,282,835	2,375,062	2,471,014	2,570,843
Other	1,356,163	1,499,916	1,595,911	1,659,748	1,709,540	1,726,635	1,743,902	1,761,341	1,778,954	1,796,744
Gross Revenue	**319,372,356**	**352,222,910**	**374,742,282**	**389,201,135**	**400,619,343**	**404,738,001**	**408,901,402**	**413,110,119**	**417,364,732**	**421,665,835**
Promotional Allowances	26,154,054	28,395,566	30,218,672	31,132,282	31,920,891	32,292,735	32,669,875	33,052,413	33,440,461	33,834,129
Net Revenue	**293,218,302**	**323,827,344**	**344,523,611**	**358,068,854**	**368,698,452**	**372,445,265**	**376,231,528**	**380,057,705**	**383,924,271**	**387,831,707**

Low Case Net Revenues

Montreign Casino Resort - Low Case Ten Year Pro Forma Revenue

	FYE 12/31									
	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
Revenue										
Gaming	$ 235,527,172	$ 260,493,052	$ 277,164,607	$ 288,251,192	$ 296,898,727	$ 299,867,715	$ 302,866,392	$ 305,895,056	$ 308,954,006	$ 312,043,546
Hotel	13,647,122	14,476,867	15,902,281	16,220,327	16,544,734	16,710,181	16,877,283	17,046,056	17,216,516	17,388,681
Food & Beverage	21,244,223	23,349,095	24,962,340	25,885,033	26,622,925	26,928,586	27,238,092	27,551,498	27,868,858	28,190,229
Retail	375,000	382,500	390,150	397,953	405,912	414,030	422,311	430,757	439,372	448,160
Entertainment	567,000	578,340	589,907	601,705	613,739	626,014	638,534	651,305	664,331	677,617
Spa/Salon	1,306,593	1,372,896	1,478,504	1,478,504	1,478,504	1,478,504	1,478,504	1,478,504	1,478,504	1,478,504
Golf	1,485,000	1,544,994	1,607,412	1,672,351	1,739,914	1,810,207	1,883,339	1,959,426	2,038,587	2,120,946
Other	1,177,636	1,302,465	1,385,823	1,441,256	1,484,494	1,499,339	1,514,332	1,529,475	1,544,770	1,560,218
Gross Revenue	**275,329,745**	**303,500,209**	**323,481,025**	**335,948,321**	**345,788,949**	**349,334,575**	**352,918,787**	**356,542,076**	**360,204,944**	**363,907,901**
Promotional Allowances	21,581,051	23,327,829	25,156,919	25,903,942	26,549,989	26,856,102	27,166,638	27,481,687	27,801,339	28,125,688
Net Revenue	**253,748,694**	**280,172,380**	**298,324,106**	**310,044,379**	**319,238,961**	**322,478,474**	**325,752,149**	**329,060,390**	**332,403,606**	**335,782,213**

High Case Net Revenues

Montreign Casino Resort - High Case Ten Year Pro Forma Revenue

	FYE 12/31									
	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
Revenue										
Gaming	$ 305,429,865	$ 337,805,431	$ 359,424,979	$ 373,801,978	$ 385,016,037	$ 388,866,198	$ 392,754,860	$ 396,682,408	$ 400,649,232	$ 404,655,725
Hotel	16,915,153	18,084,948	19,506,799	19,896,935	20,294,873	20,497,822	20,702,800	20,909,828	21,118,927	21,330,116
Food & Beverage	28,541,165	31,439,707	33,505,656	34,766,491	35,768,996	36,167,985	36,571,790	36,980,476	37,394,108	37,812,753
Retail	500,000	510,000	520,200	530,604	541,216	552,040	563,081	574,343	585,830	597,546
Entertainment	874,800	892,296	910,142	928,345	946,912	965,850	985,167	1,004,870	1,024,968	1,045,467
Spa/Salon	1,776,767	1,874,413	1,989,345	1,989,345	1,989,345	1,989,345	1,989,345	1,989,345	1,989,345	1,989,345
Golf	2,145,000	2,231,658	2,321,817	2,415,618	2,513,209	2,614,743	2,720,379	2,830,282	2,944,625	3,063,588
Other	1,527,149	1,689,027	1,797,125	1,869,010	1,925,080	1,944,331	1,963,774	1,983,412	2,003,246	2,023,279
Gross Revenue	**357,709,900**	**394,527,480**	**419,976,062**	**436,198,325**	**448,995,668**	**453,598,314**	**458,251,196**	**462,954,964**	**467,710,281**	**472,517,818**
Promotional Allowances	28,275,820	30,699,009	32,802,242	33,798,795	34,654,055	35,051,595	35,454,913	35,864,128	36,279,362	36,700,742
Net Revenue	**329,434,080**	**363,828,471**	**387,173,820**	**402,399,530**	**414,341,613**	**418,546,719**	**422,796,283**	**427,090,836**	**431,430,918**	**435,817,076**

XV. PROJECT RISKS

There are several risks associated with this project, any one or a combination of which could cause the Project to fail. These risks include but are not limited to the following:

- If patrons in the region do not behave according to the 2013 calibrated model and the 2019 gravity model, revenues could be considerably lower.
- A new recession could constrain consumer demand and cause revenues to be lower than anticipated in this report. A continued downturn in consumer spending could curtail gaming revenues.
- A resurgence of problems in the financial markets – this could lead to constraints on capital and an inability to finance the Project or higher capital costs than anticipated by management.
- New entrants – Additional casinos in the Catskill region or closer to the New York metro region could cause revenue to be substantially lower than projected in this Report.
- Regulation and taxes – The gaming sector is a highly regulated industry at the federal and state levels. Over the last few years, states with gaming have increased tax rates in order to close growing budget deficits. Should the federal government or State of New York choose to change or increase gaming regulation or taxes, there could be a negative impact on this project.
- Other risks - Other risks that could impact the Project in the future include work or labor stoppages, shortages of labor, weather, environmental problems, natural disasters and/or construction problems.

XVI. LIMITING CONDITIONS

Global Gaming & Hospitality and Morowitz Gaming Advisors LLC (collectively the "Advisors") has been engaged by Empire Resorts, Inc. to conduct a gaming market assessment of a proposed Montreign casino in Monticello, NY and to prepare a ten year revenue financial analysis.

Certain information included in this report contains forward-looking estimates, projections, and/or statements. The Advisors have based these projections, estimates and/or statements on our current expectations about future events. These forward-looking items include statements that reflect our existing beliefs and knowledge regarding the operating environment, existing trends, existing plans, objectives, goals, expectations, anticipations, results of operations, and future performance. Further, statements that include the words: "may," "could," "should," "would," "believe," "expect," "anticipate," "estimate," "intend," "plan," "project," or other words or expressions of similar meaning have been utilized. These statements reflect our judgment on the date they are made and we have no duty to update such statements after the date of this report.

Supply and demand projections are, by their very nature, only estimates and "best guesses" of what may occur in the future. Any number of variables may change over time and methodologies that work under certain conditions may not work in other or changing conditions. Additionally, some of the assumptions used in our study will inevitably not materialize and unanticipated events and circumstances may occur; therefore, actual results achieved during the period of our analysis will vary from our projections and the variations may be material. Accordingly, the Advisors accept no liability in relation to the estimates or projections provided herein.

The Advisors have no duty to update the conclusions in this report for events and circumstances occurring after the date of this report.