

Gaming Market Assessment for Proposed Montreign Casino – Supplemental Analysis

Alternative Development Scenarios

Located in:

Monticello, New York

Prepared For:

Empire Resorts, Inc.

Prepared By:

Global Gaming & Hospitality, LLC

&

Morowitz Gaming Advisors, LLC

June 6, 2014

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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 the *Adelaar* master planned development currently being proposed by Entertainment Properties Trust (“EPR”) near Monticello, NY (“the Project”).

Our original study and report dated June 6, 2014 (the “Original Report”) was completed under the assumption that Montreign would be the only Class III casino operating in Region 1 (Scenario 1). This Supplement is being provided to present three additional “competitive” scenarios. This report presents the estimated gaming and other revenues under the following three competitive scenarios:

- **Scenario 2 (High Case w/competition)** - Montreign scaled back to a \$300 million investment with 1,750 slot machines, 58 tables, and 232 hotel rooms, smaller dining offering, etc (*Adelaar* assets remain the same) and a new Class III casino **competitor in Liberty, NY** with approximately \$300 million of investment and similar gaming capacity as Montreign.
- **Scenario 3 (Mid Case w/competition)** - Montreign scaled back to a \$300 million investment with 1,750 slot machines, 58 tables, and 232 hotel rooms, smaller dining offering, etc (*Adelaar* assets remain the same) and a new Class III casino **competitor in Newburgh, NY** with approximately \$400 million of investment, 2,500 slot machines, 100 table games, and 300 hotel rooms.
- **Scenario 4 (Low Case w/competition)** - Montreign scaled back to a \$150 million investment with 900 slot machines, 40 tables, and 125 hotel rooms, smaller dining offering, etc (*Adelaar* assets assumed to remain the same) with a new Class III casino **competitor in southern Orange County, NY (near Woodbury Commons)** with approximately \$750 million of investment, 4,500 slot machines, 100 table games, and 300 hotel rooms.

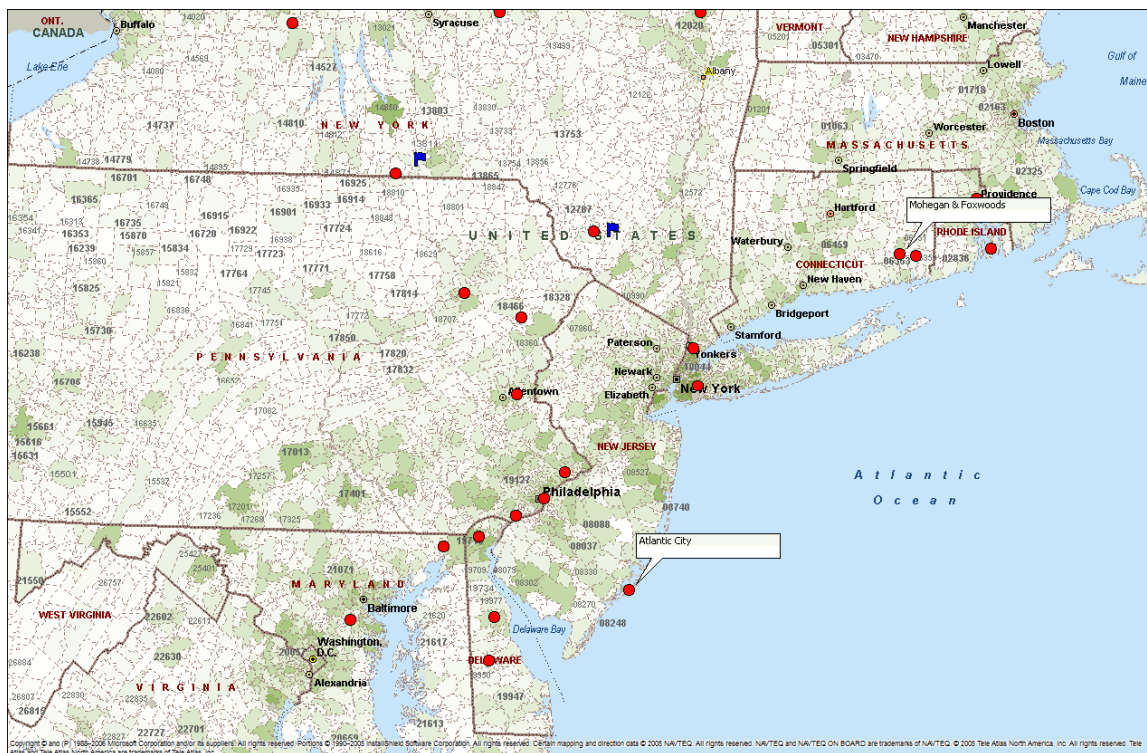
Aside from the changes in the competitive scenarios and building programs above, all other significant assumptions to our market assessment and financial analysis remain the same as that contained in the Original Report, unless otherwise referred to later in this Supplement. Accordingly, the Original Report should be read and considered carefully in conjunction with this Supplement.

II. NORTHEAST MARKET & IMPACTS OF COMPETITION IN REGION 1

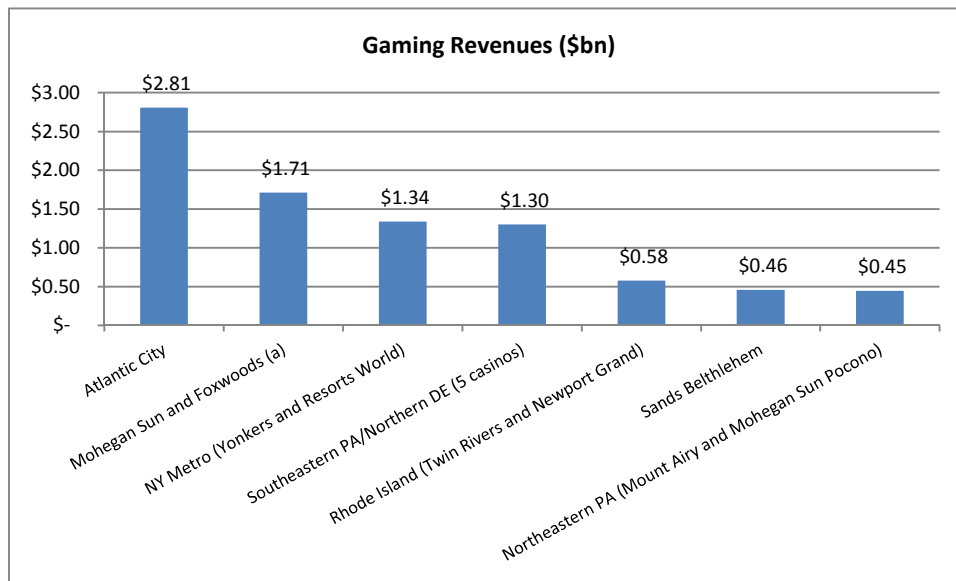
The three competitive scenarios depicted above each have differing impacts on Montreign’s financial performance. Montreign will be dependent to a large extent on patrons emanating from the New York metro region. With close to \$1 billion of total development (Montreign and Adelaar combined) and a mix of unique assets, Montreign is expected to compete for patrons who are presently visiting casinos in Atlantic City, Connecticut and northeastern Pennsylvania. Adding competition into Region 1 will have some dilutive impact on Montreign.

This is comparable in some respects to Mohegan Sun and Foxwoods who have each invested close to \$2 billion over a twenty year period which has allowed those two remotely located casinos to draw patrons from throughout New England and the New York metro region. Similarly, Atlantic City, with over \$10 billion of investment is still the second largest individual market in the U.S.

The following map depicts the remote locations of both Atlantic City and Connecticut casinos (Mohegan Sun and Foxwoods) relative to the population centers of New York, Connecticut and Massachusetts. The darker shaded regions represent population centers. Atlantic City, with an ocean on one side and the sparsely populated southern New Jersey pine barrens on the other is clearly challenged as are the casinos in Connecticut, yet they manage to still draw significant revenues despite their remote locations.



No single casino or cluster of casinos has invested close to the amounts invested in Connecticut and Atlantic City. We compare gaming revenues in Connecticut and Atlantic City to those of other northeast casino clusters as an example of the impact of investment and the synergies created by multiple casinos close by to each other. Atlantic City and Connecticut, despite remote locations, garner significantly more gaming revenue than the two casinos located in the NY metro region, the five casinos in and around Philadelphia or any of the other casino clusters identified below.



Source: GGH/Morowitz Gaming Advisors research and multiple state agencies
 (a) Foxwoods table games revenues estimated

Scenario 2

Of the three competitive scenarios depicted above, Liberty will have the least impact, Newburgh will have more impact (but will still leave Montreign as a viable entity) and southern Orange County will have the most impact. Similar to the two tribal casinos in Connecticut or the casinos in Atlantic City, the combination of two large casinos in the Catskills (Liberty and Monticello) will create a synergistic impact whereby the effects of competition, investment and combined marketing efforts will lift the entire Catskill region as a casino destination. We expect that *Adelaar*, Montreign and a Liberty casino will have \$1.5 billion to \$2 billion in total investment between them. While not as significant as Connecticut or Atlantic City, it will still be significantly more than any of the other individual casino operations in the northeast not located in those two jurisdictions and will rival the total investment of five casinos in southeastern Pennsylvania.

Scenario 3

A casino in Newburgh will have more impact on Montreign than a casino in Liberty because it will be located closer to Montreign’s feeder markets in southeastern New York and also because Montreign will not benefit from the synergistic impacts of a

casino close by; however, this greater impact will be mitigated to some extent by the closer accessibility of Route 17 (Montreign’s primary feeder highway) to much of this population than Newburgh itself which will require additional travel along the heavily trafficked I-87 interstate highway.

Scenario 4

A casino in southern Orange County will have significant negative impacts on Montreign. By virtue of its location at the crossroads of I-87 and NY-17, a southern Orange County casino will act as the primary intercept of most gaming traffic heading towards Route 17 towards the Catskills region and will form a “chokehold” on most traffic headed north or west. Depending on the level of investment at a proposed casino in the location, patrons would have little reason to travel past to visit other casinos. While Montreign would be able to continue to leverage off of the investment at *Adelaar* (assuming that investment proceeds), a majority of its revenues would be at risk, and it would have to significantly curtail its investment, further compounding this lost revenue and making a project potentially infeasible with a southern Orange County casino.

We summarize the impacts of these impacts on Montreign in the following table:

	Montreign Only - Scenario 1			w/ Liberty - Scenario 2	w/ Newburgh - Scenario 3	w/ S Orange County - Scenario 4
	High Case	Mid Case	Low Case	High Case	Mid Case	Low Case
Gaming Revenues Yr 3	\$ 359,424,979	\$ 319,182,222	\$ 277,164,607	\$ 238,588,612	\$ 208,756,848	\$ 100,329,426
Drive-In Market Visitation:						
Slots	2,652,473	2,357,172	2,050,324	1,784,760	1,630,255	724,060
Table Games	563,578	505,547	443,847	362,199	414,118	231,057
Incremental Visitation:						
Casino Hotel Overnight	42,540	39,304	36,170	22,803	23,321	13,748
Water Park Hotel Overnight	20,696	13,797	6,899	12,935	13,452	13,797
Other Hotel Overnight	8,336	6,352	4,168	3,811	6,352	6,352
Traffic Intercept	27,375	21,900	16,425	17,520	21,900	16,425
Total Visitation	3,314,998	2,944,071	2,557,833	2,204,027	2,109,398	1,005,438
Average Win per Visit	\$ 108	\$ 108	\$ 108	\$ 108	\$ 99	\$ 100

Visitation by Distance

Straight Line Distance from Montreign	Montreign Only			w/ Liberty	w/ Newburgh	w/ S Orange County - Scenario 4
	High Case	Mid Case	Low Case	High Case	Mid Case	Low Case
<15 miles	233,296	231,217	228,430	149,504	203,668	191,703
15-30 miles	451,918	427,535	398,086	291,521	253,114	197,080
30-60 miles	964,453	851,679	732,534	625,125	543,191	326,158
60-90 miles	1,566,383	1,352,288	1,135,122	1,037,862	1,044,401	240,176
>90 miles	98,947	81,352	63,661	100,016	65,025	50,321
Total	3,314,998	2,944,071	2,557,833	2,204,027	2,109,398	1,005,438

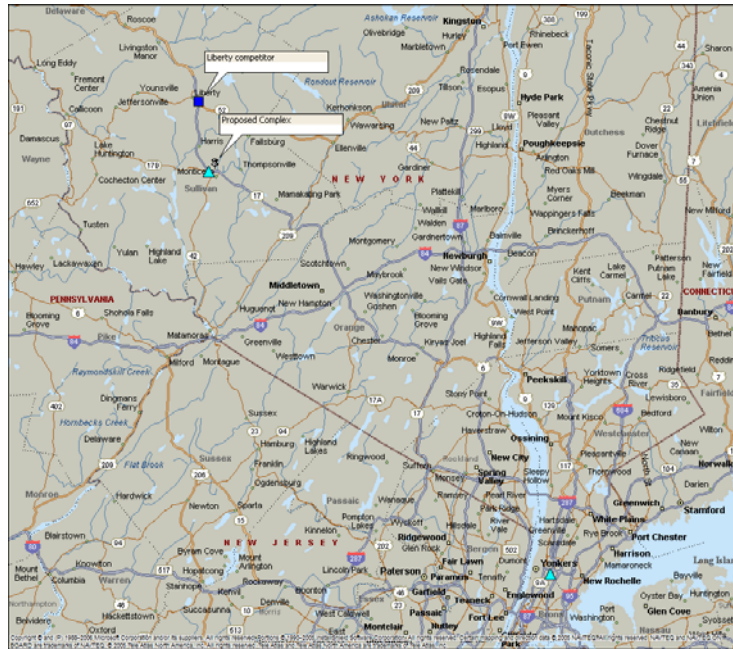
III. COMPETITIVE SCENARIOS & REVENUES

The enabling gaming legislation in New York calls for the development of up to two Class III casinos in Region 1, where Montreign will be located. Our initial analysis assumed that there would only be one casino in Region 1 (Montreign). We provide three separate competitive scenarios for Montreign that indicate the impact of different levels of competitive intensity for Montreign based upon the location of such competition. In our “high case” (the highest revenues generated by Montreign with competition), we assume there will be a new Class III casino in Liberty, NY. In our “mid-case,” we assume there will be a new Class III casino in Newburgh, NY; and in our “low case” (the lowest gaming revenues generated by Montreign) we assume there will be a casino in southern Orange County, NY (nearby Woodbury Commons).

- **Scenario 2 – High Case (Competition in Liberty)**

In Scenario 2, Montreign will compete with a casino in Liberty, NY. Under this scenario, Montreign would scale back its investment from \$453 million to \$300 million by reducing the size of its casino and gaming capacity, and by reducing the number of hotel rooms as described previously in this report; however, Montreign would still be able to leverage off of the additional \$450 million of investment at the adjacent Adelaar master planned mixed-use development including the 200,000 square foot retail village and 400 room indoor/outdoor water park hotel. Additionally, the existence of an additional competitor only 12 miles away in Liberty will create some marketing synergies and additional critical mass that will draw additional patronage to the broader Catskills region, most likely at the expense of Atlantic City and Connecticut, the two other larger gaming destinations in the Northeast.

We assume the Liberty casino would be of a similar size and scope as Montreign, and would also feature additional amenities and attractors to draw patronage to upstate New York. The following map shows Montreign’s advantage relative to Liberty relative to the fertile populations to the south and southeast. Montreign is well positioned relative to travelers heading west on NY-17 and also relative to patrons from both Pennsylvania and Connecticut who would be traveling on I-84.



While Montreign would be impacted negatively by competition, it will have a location advantage and the critical mass of the two new Class III casinos, *Adelaar* development, etc. will draw significant patronage to this region by creating a substantial new level of attraction vs. what currently exists in the region today.

Gaming revenues for this and the other two competitive scenarios are based on the same methodologies as in the Original Report. We determine gaming revenues based on our analysis of each of the: i) drive-in market, ii) overnight visitor market, and iii) traffic intercept market. Our methodologies are discussed in our Original Report and should be read along with this Supplement. We estimate revenues for each of the market and the market share to Montreign as follows:

Drive-in Market – The total drive-in market does not grow significantly because both Liberty and Montreign will be proximate to each other; however, the total revenue flowing to the area will increase with a second major new Class III casino while the share to Montreign will decrease. However, we assume with two casinos in the Catskills battling for customers, market reach in some cases will expand to beyond 90 miles.

Montreign Casino with Liberty Competition - Slot Drive-In Market

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	\$ 9,071,780	60.7%
15-30 miles	243,479	27.8%	67,692	\$ 883	\$ 59,742,540	\$ 245	\$ 22,978,964	38.5%
30-60 miles	2,443,260	27.1%	662,376	\$ 890	\$ 589,495,895	\$ 241	\$ 55,560,291	9.4%
60-90 miles	13,526,850	31.6%	4,276,958	\$ 838	\$ 3,583,301,204	\$ 265	\$ 83,132,158	2.3%
90-120 miles	7,516,567	27.5%	2,068,537	\$ 867	\$ 1,792,597,942	\$ 238	\$ 6,241,484	0.3%
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%	9,498,389	\$ 856	\$ 8,126,146,804	\$ 253	\$ 176,984,678	2.2%

Montreign Casino with Liberty Competition – Table Drive-In Market

SL Distance	2019 21+	Part %	Gamers	Budget	Market	\$/Adult	Montreign	Market Share
<15 miles	53,627	12.5%	6,703	\$ 632	\$ 4,237,546	\$ 79	\$ 2,553,513	60.3%
15-30 miles	243,479	12.5%	30,435	\$ 704	\$ 21,412,905	\$ 88	\$ 7,349,660	34.3%
30-60 miles	2,443,260	11.8%	288,119	\$ 711	\$ 204,891,561	\$ 84	\$ 20,509,751	10.0%
60-90 miles	13,526,850	8.6%	1,160,442	\$ 674	\$ 782,596,841	\$ 58	\$ 20,948,751	2.7%
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%	3,350,649	\$ 685	\$ 2,296,813,888	\$ 71	\$ 51,361,674	2.2%

Overnight Visitor Market - segment is adjusted to reflect additional competition in the region. With fewer rooms, the overnight visitor segment from the onsite hotel at Montreign itself shrinks. While there will be fewer rooms at Montreign we also assume occupancy will also be lower at stabilization, falling from 90% in the base case without competition to 88% with Liberty. We also assume lower gaming capture rates from the water park and nearby hotels in the market as guests staying at these establishments will have additional gaming choices. This results in slightly lower revenues from the overnight visitor segment.

Montreign Casino with Liberty Competition – Overnight Visitor Market

Casino Hotel Over Night Visitor Market	w/ Liberty	
	Slots	Tables
# of Rooms	232	232
Occupancy	88%	88%
Guests/ Room	1.8	1.8
Number of Hotel Guests	134,133	134,133
Gaming Capture Rate	85.0%	85%
Total Gamers	114,013	114,013
% Slots/Tables	70.0%	30%
Total Gamers by Segment	79,809	34,204
Avg. Win per Guest	\$ 245	\$ 420
Gaming Win	\$ 19,553,256	\$ 14,365,657
% From Beyond 90 Miles	20%	20%
	\$ 3,910,651	\$ 2,873,131
Waterpark Hotel Over Night Visitor Market	w/ Liberty	
	Slots	Tables
# of Rooms	350	350
Occupancy	75%	75%
Adult Guests/ Room	1.8	1.8
Number of Hotel Guests	172,463	172,463
Gaming Capture Rate	37.5%	38%
Total Gamers	64,673	64,673
% Slots/Tables	75.0%	25%
Total Gamers by Segment	48,505	16,168
Avg. Win per Adult Guest	\$ 122	\$ 53
Gaming Win	\$ 5,917,620	\$ 856,923
% From Beyond 90 Miles	20%	20%
	\$ 1,183,524	\$ 171,385
Other Hotel Over Night Visitor Market	w/ Liberty	
	Slots	Tables
# of Rooms	2,901	2,901
Occupancy	58%	58%
Guests/ Room	1.8	1.8
Gaming Capture Rate	2.3%	2.3%
Avg. Win per Guest	\$ 122	\$ 53
Gaming Win	\$ 3,099,630	\$ 1,346,561
% From Beyond 90 Miles	15%	15%
	\$ 464,945	\$ 201,984

Traffic intercept - segment will also shrink as patrons will now split these trips between two new venues. The critical mass of non-gaming assets at Adelaar will be a larger attraction factor relative to Liberty, so while we assume the gaming capture rate from the pass-through traffic segment will decline, Montreign should still yield more than 50% of this segment.

Montreign Casino with Liberty Competition – Traffic Intercept Market

Traffic Intercept Gaming Revenues	w/ Liberty	
	Slots	Tables
Average Annual Daily Traffic	26,665	26,665
% Pass-Through Vehicles	15%	15%
Adults per Vehicle	1.5	1.5
Gaming Capture Rate	0.80%	0.80%
Daily Gamer Visits	48	48
Win per Guest	\$ 61.00	\$ 21.00
Daily Gaming Win	\$ 2,928	\$ 1,008
Annual Win	\$ 1,068,720	\$ 367,920

Total gaming revenues with a Liberty competitor are estimated at \$238.6 million. We compare this vs. the three non-competitive cases for Montreign as follows:

Montreign Casino with Liberty Competition – Gaming Revenue Summary

	Montreign Only			w/ Liberty
	High Case	Mid Case	Low Case	High Case
# of Slot Machines	2,150	2,150	2,150	1,750
# of Table Games	58	58	58	58
# of Rooms	391	391	391	232
Drive-in Market				
Slot Revenues	\$ 261,583,784	\$ 232,530,946	\$ 202,160,124	\$ 176,984,678
TG Revenues	79,313,936	70,605,838	61,445,103	51,361,674
Total Drive-in Market Revenues	\$ 340,897,720	\$ 303,136,784	\$ 263,605,227	\$ 228,346,352
Incremental Overnight-Casino Hotel (Beyond Drive-In)	12,655,795	11,692,854	10,760,483	6,783,783
Incremental Overnight-Waterpark Hotel (Beyond Drive-In)	2,167,854	1,445,236	722,618	1,354,909
Incremental Overnight-Other Hotel (Beyond Drive-In)	1,458,860	1,111,548	729,430	666,929
Incremental Traffic Intercept (Beyond Drive-In)	2,244,750	1,795,800	1,346,850	1,436,640
TOTAL GAMING REVENUES	\$ 359,424,979	\$ 319,182,222	\$ 277,164,607	\$ 238,588,612
Slot Revs	\$ 273,460,025	\$ 242,644,766	\$ 210,504,880	\$ 183,612,517
Table Revs	\$ 85,964,954	\$ 76,537,456	\$ 66,659,727	\$ 54,976,095
Table Revenue as % of Slot Revenue	31.4%	31.5%	31.7%	29.9%
WDU	\$ 348	\$ 309	\$ 268	\$ 287
WDT	\$ 4,061	\$ 3,615	\$ 3,149	\$ 2,597
WDP	\$ 394	\$ 350	\$ 304	\$ 312

The impact on visitation to Montreign is also summarized as follows:

Montreign Casino with Liberty Competition – Visitation Summary

Straight Line Distance from Montreign	Montreign Only			w/ Liberty
	High Case	Mid Case	Low Case	High Case
<15 miles	233,296	231,217	228,430	149,504
15-30 miles	451,918	427,535	398,086	291,521
30-60 miles	964,453	851,679	732,534	625,125
60-90 miles	1,566,383	1,352,288	1,135,122	1,037,862
>90 miles	98,947	81,352	63,661	100,016
Total	3,314,998	2,944,071	2,557,833	2,204,027

Win per Visit by Distance

Straight Line Distance from Montreign	Montreign Only			w/ Liberty
	High Case	Mid Case	Low Case	High Case
<15 miles	\$ 77.32	\$ 77.32	\$ 77.30	\$ 77.76
15-30 miles	\$ 105.10	\$ 104.79	\$ 104.41	\$ 104.04
30-60 miles	\$ 122.59	\$ 122.99	\$ 123.43	\$ 121.69
60-90 miles	\$ 100.31	\$ 100.35	\$ 100.40	\$ 100.28
>90 miles	\$ 187.24	\$ 197.23	\$ 212.99	\$ 164.81
Total	\$ 108.42	\$ 108.42	\$ 108.36	\$ 108.25

Competition in Liberty will impact other revenues as well. Although the hotel will be smaller, we assume competition will put pressure on occupancy and it will be 88% in the third year of operations. Other changes to our revenue models include a small decrease to retail sales per square foot and less visitation ultimately lowers food and beverage spending and other revenues.

Hotel Revenue Assumptions - Hotel revenues are based on 88% occupancy at stabilization and a \$140 initial ADR and are as follows.

Montreign Hotel Revenues with Liberty Competition

	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
Number of Rooms	232	232	232	232	232	232	232	232	232	232
Occupancy	82.0%	86.0%	88.0%	88.0%	88.0%	88.0%	88.0%	88.0%	88.0%	88.0%
Rate	\$ 140	\$ 143	\$ 146	\$ 149	\$ 152	\$ 153	\$ 155	\$ 156	\$ 158	\$ 159
% Growth		102%	102%	102%	102%	101%	101%	101%	101%	101%
Hotel Room Revenue	9,721,264	10,399,381	10,854,052	11,071,133	11,292,556	11,405,481	11,519,536	11,634,732	11,751,079	11,868,590
Other Hotel Revenue	194,425	207,988	217,081	221,423	225,851	228,110	230,391	232,695	235,022	237,372
Total Hotel Revenue	9,915,689	10,607,369	11,071,133	11,292,556	11,518,407	11,633,591	11,749,927	11,867,426	11,986,100	12,105,961

F&B Revenues - Food and beverage revenues are estimated using a similar methodology as in the initial market assessment without competition and are projected as follows.

Montreign F&B Revenues with Liberty Competition

	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
Occupied Rooms	69,438	72,825	74,518	74,518	74,518	74,518	74,518	74,518	74,518	74,518
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	206,577	216,654	221,692	221,692	221,692	221,692	221,692	221,692	221,692	221,692
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%
	\$ 2,582,211	\$ 2,762,336	\$ 2,883,108	\$ 2,940,770	\$ 2,999,585	\$ 3,059,577	\$ 3,120,768	\$ 3,183,184	\$ 3,246,847	\$ 3,311,784
Gaming Revenue	202,746,309	224,237,417	238,588,612	248,132,157	255,576,121	258,131,883	260,713,201	263,320,333	265,953,537	268,613,072
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	1,877,281	2,035,561	2,123,370	2,165,004	2,186,230	2,164,796	2,143,573	2,122,557	2,101,748	2,081,143
Hotel Guests	118,044	123,802	126,681	126,681	126,681	126,681	126,681	126,681	126,681	126,681
% Gamers	85.0%	85.0%	85.0%	85.0%	85.0%	85.0%	85.0%	85.0%	85.0%	85.0%
	100,337	105,232	107,679	107,679	107,679	107,679	107,679	107,679	107,679	107,679
Day Trip Gamers	1,776,943	1,930,329	2,015,691	2,057,325	2,078,551	2,057,117	2,035,894	2,014,878	1,994,069	1,973,464
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	799,624	868,648	907,061	925,796	935,348	925,703	916,152	906,695	897,331	888,059
Avg. Check	\$ 12.50	\$ 12.75	\$ 13.01	\$ 13.27	\$ 13.53	\$ 13.80	\$ 14.08	\$ 14.36	\$ 14.65	\$ 14.94
	\$ 9,995,306	\$ 11,075,264	\$ 11,796,325	\$ 12,280,782	\$ 12,655,633	\$ 12,775,633	\$ 12,896,702	\$ 13,018,848	\$ 13,142,079	\$ 13,266,403
Total F&B Covers	1,006,201	1,085,302	1,128,753	1,147,489	1,157,040	1,147,395	1,137,844	1,128,387	1,119,023	1,109,751
% Capture	53.6%	53.3%	53.2%	53.0%	52.9%	53.0%	53.1%	53.2%	53.2%	53.3%
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%	102.0%
	\$ 6,101,162	\$ 6,747,885	\$ 7,179,750	\$ 7,466,940	\$ 7,690,948	\$ 7,767,858	\$ 7,845,536	\$ 7,923,992	\$ 8,003,231	\$ 8,083,264
Total Food & Beverage Revenue	\$ 18,678,679	\$ 20,585,485	\$ 21,859,183	\$ 22,688,491	\$ 23,346,166	\$ 23,603,067	\$ 23,863,006	\$ 24,126,023	\$ 24,392,157	\$ 24,661,451
% of Gaming Revenue	9.2%	9.2%	9.2%	9.1%	9.1%	9.1%	9.2%	9.2%	9.2%	9.2%

Retail revenues - Retail revenues are based on sales per square foot which is expected to decline slightly with competition and are as follows.

Montreign Retail Revenues with Liberty Competition

	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
Total Retail Sq Ft	500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500
Sales / Sq ft	\$ 875	\$ 893	\$ 910	\$ 929	\$ 947	\$ 966	\$ 985	\$ 1,005	\$ 1,025	\$ 1,046
Total Retail Revenue	\$ 437,500	\$ 446,250	\$ 455,175	\$ 464,279	\$ 473,564	\$ 483,035	\$ 492,696	\$ 502,550	\$ 512,601	\$ 522,853
% of Gaming Rev	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%

Entertainment revenues - Entertainment revenues are also expected to decline slightly with competition as occupancy will dip to 82.5% and the average ticket price declines.

Montreign Entertainment Revenues with Liberty Competition

	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	82.5%	83%	83%	83%	83%	83%	83%	83%	83%	83%
Avg Ticket Price	\$ 35	\$ 36	\$ 36	\$ 37	\$ 38	\$ 39	\$ 39	\$ 40	\$ 41	\$ 42
Total Show room Revenue	\$ 623,700	\$ 636,174	\$ 648,897	\$ 661,875	\$ 675,113	\$ 688,615	\$ 702,388	\$ 716,435	\$ 730,764	\$ 745,379
Total Entertainment Revenue	\$ 623,700	\$ 636,174	\$ 648,897	\$ 661,875	\$ 675,113	\$ 688,615	\$ 702,388	\$ 716,435	\$ 730,764	\$ 745,379
% of Gaming Rev	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%

Spa revenues - Spa revenues also decline due to a smaller room base and lower visitation.

Montreign Spa Revenues with Liberty Competition

	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
Hotel Guests	118,044	\$ 123,802	\$ 126,681	\$ 126,681	\$ 126,681	\$ 126,681	\$ 126,681	\$ 126,681	\$ 126,681	\$ 126,681
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	7,083	7,428	7,601	7,601	7,601	7,601	7,601	7,601	7,601	7,601
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	10,683	11,328	11,801	11,801	11,801	11,801	11,801	11,801	11,801	11,801
Revenue per Guest	\$90	\$92	\$94	\$96	\$97	\$99	\$101	\$103	\$105	\$108
Total Spa Revenue	\$ 961,437	\$ 1,039,922	\$ 1,104,987	\$ 1,127,087	\$ 1,149,628	\$ 1,172,621	\$ 1,196,073	\$ 1,219,995	\$ 1,244,395	\$ 1,269,283
% of Gaming Rev	0.5%	0.5%	0.5%	0.5%	0.4%	0.5%	0.5%	0.5%	0.5%	0.5%

Golf revenues - Golf revenues are estimated to decline with competition in the Catskills as annual rounds are estimated to decline by 10%.

Montreign Golf Revenues with Liberty Competition

	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
Total Golf Guests	27,000	27,540	28,091	28,653	29,226	29,810	30,406	31,015	31,635	32,267
Revenue per Round	\$ 60	\$ 61	\$ 62	\$ 64	\$ 65	\$ 66	\$ 68	\$ 69	\$ 70	\$ 72
Total Golf Revenue	\$ 1,620,000	\$ 1,685,448	\$ 1,753,540	\$ 1,824,383	\$ 1,898,088	\$ 1,974,771	\$ 2,054,552	\$ 2,137,556	\$ 2,223,913	\$ 2,313,759
% of Gaming Rev	0.8%	0.8%	0.7%	0.7%	0.7%	0.8%	0.8%	0.8%	0.8%	0.9%

Other revenues – other revenues continue to be based on 0.5% of gaming revenue.

Promotional allowances – Promotional allowances are estimated to decline as gaming volume declines and also because the number of hotel rooms available to comp declines.

Montreign Promotional Allowances with Liberty Competition

	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
Hotel	5,346,695	5,719,660	5,969,729	6,089,123	6,210,906	6,273,015	6,335,745	6,399,102	6,463,093	6,527,724
F&B	10,273,273	11,322,017	12,022,551	12,478,670	12,840,391	12,981,687	13,124,653	13,269,313	13,415,687	13,563,798
Entertainment	343,035	349,896	356,894	364,031	371,312	378,738	386,313	394,039	401,920	409,959
Spa/Salon	384,575	415,969	441,995	450,835	459,851	469,048	478,429	487,998	497,758	507,713
Golf	648,000	674,179	701,416	729,753	759,235	789,908	821,821	855,022	889,565	925,504
Other	354,806	392,415	417,530	434,231	447,258	451,731	456,248	460,811	465,419	470,073
	17,350,385	18,874,136	19,910,114	20,546,644	21,088,954	21,344,128	21,603,210	21,866,285	22,133,442	22,404,770
As % of Gaming Revenue	8.6%	8.4%	8.3%	8.3%	8.3%	8.3%	8.3%	8.3%	8.3%	8.3%
Assumptions:										
Hotel Comps (as % of Hotel Rev)	55.0%	55.0%	55.0%	55.0%	55.0%	55.0%	55.0%	55.0%	55.0%	55.0%
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)	55.0%	55.0%	55.0%	55.0%	55.0%	55.0%	55.0%	55.0%	55.0%	55.0%
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%

Stabilized Year 3 revenues are compared to the Base Case (without competition) as follows:

Comparison of Year 3 Revenues with Liberty to No Competition Base Case

	Montreign Only - Scenario 1		w/ Liberty - Scenario 2	
	Mid Case	%	High Case	%
Revenue				
Gaming	\$ 319,182,222	92.6%	\$238,588,612	92.9%
Hotel	19,082,738	5.5%	11,071,133	4.3%
Food & Beverage	30,112,375	8.7%	21,859,183	8.5%
Retail	468,180	0.1%	455,175	0.2%
Entertainment	764,070	0.2%	648,897	0.3%
Spa/Salon	1,588,409	0.5%	1,104,987	0.4%
Golf	1,948,378	0.6%	1,753,540	0.7%
Other	1,595,911	0.5%	1,192,943	0.5%
Gross Revenue	374,742,282	108.8%	276,674,471	107.8%
Promotional Allow ances	30,218,672	8.8%	19,910,114	7.8%
Net Revenue	344,523,611	100.0%	256,764,357	100.0%

Net revenues for the initial ten years of operations are estimated as follows.

Montreign Net Revenues with Liberty Competition

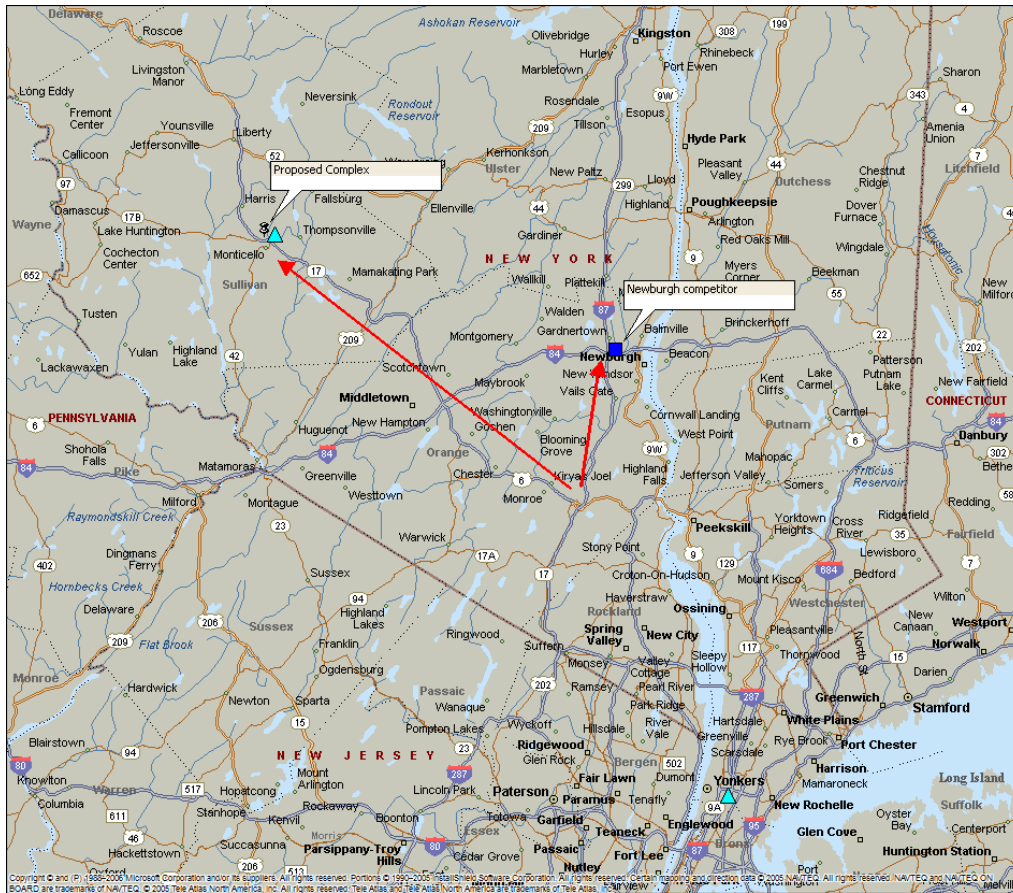
Revenue	FYE 12/31									
	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
Gaming	\$ 202,746,309	\$ 224,237,417	\$ 238,588,612	\$ 248,132,157	\$ 255,576,121	\$ 258,131,883	\$ 260,713,201	\$ 263,320,333	\$ 265,953,537	\$ 268,613,072
Hotel	9,915,689	10,607,369	11,071,133	11,292,556	11,518,407	11,633,591	11,749,927	11,867,426	11,986,100	12,105,961
Food & Beverage	18,678,679	20,585,485	21,859,183	22,688,491	23,346,166	23,603,067	23,863,006	24,126,023	24,392,157	24,661,451
Retail	437,500	446,250	455,175	464,279	473,564	483,035	492,696	502,550	512,601	522,853
Entertainment	623,700	636,174	648,897	661,875	675,113	688,615	702,388	716,435	730,764	745,379
Spa/Salon	961,437	1,039,922	1,104,987	1,127,087	1,149,628	1,172,621	1,196,073	1,219,995	1,244,395	1,269,283
Golf	1,620,000	1,685,448	1,753,540	1,824,383	1,898,088	1,974,771	2,054,552	2,137,556	2,223,913	2,313,759
Other	1,013,732	1,121,187	1,192,943	1,240,661	1,277,881	1,290,659	1,303,566	1,316,602	1,329,768	1,343,065
Gross Revenue	235,997,046	260,359,253	276,674,471	287,431,488	295,914,968	298,978,243	302,075,409	305,206,920	308,373,235	311,574,823
Promotional Allow ances	17,350,385	18,874,136	19,910,114	20,546,644	21,088,954	21,344,128	21,603,210	21,866,285	22,133,442	22,404,770
Net Revenue	218,646,661	241,485,117	256,764,357	266,884,844	274,826,014	277,634,115	280,472,200	283,340,635	286,239,793	289,170,053

- Scenario 3 – Mid Case (Competition in Newburgh)**

In Scenario 3, Montreign will compete with a new Class III casino developed in Newburgh, NY. Similar to Scenario 2, under this competitive scenario, Montreign would scale back its investment from \$453 million to \$300 million by reducing the size of its casino and gaming capacity, and by reducing the number of hotel rooms as described previously in this report. Again, similar to Scenario 2, Montreign would still be able to leverage off of the additional \$450 million of investment at the adjacent Adelaar development.

We assume the Newburgh casino would have higher investment (approximately \$400 million) than Montreign and larger capacity due to its location in Orange County (more proximate to the density of NY metro area population), but would have fewer amenities when considering the Adelaar development and overall less investment. The following map shows Montreign’s location relative to Newburgh. While it is farther than

Newburgh from the important populations to the south and southeast, the relative distance from the NY-17 / I-87 cutoff near Monroe and Newburgh’s location north of Monroe provides some competitive benefit to Montreign.



While Montreign would be impacted more negatively by a new Class III casino in Newburgh (vs. Liberty), it will still be able to draw patronage from the New York metro region because of the road system and the critical mass of the *Adelaar* development.

Gaming revenues for this scenario are based upon the same methodologies as in our Original Report. We determine gaming revenues based upon our analysis of each of the drive-in market, overnight visitor market and traffic intercept market. Our methodologies are discussed in our Original Report and should be read along with this Supplement. We estimate revenues for each of market and the market share to Montreign as follows.

Drive-in Market – the total drive-in market grows significantly in this scenario because Newburgh is located closer to the population density in/around the New York metropolitan area; however, Montreign’s share of this market declines due to the locational strength of a Newburgh competitor (vs. Liberty).

Montreign Casino with Newburgh Competition - Slot Drive-In Market

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	\$ 12,323,892	82.5%
15-30 miles	243,479	31.2%	75,898	\$ 884	\$ 67,100,543	\$ 276	\$ 18,879,431	28.1%
30-60 miles	2,443,260	29.6%	724,316	\$ 891	\$ 645,717,834	\$ 264	\$ 43,225,079	6.7%
60-90 miles	13,526,850	31.7%	4,281,580	\$ 838	\$ 3,587,620,223	\$ 265	\$ 74,156,283	2.1%
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	29.8%	9,573,157	\$ 856	\$ 8,194,045,765	\$ 255	\$148,584,684	1.8%

Montreign Casino with Newburgh Competition - Table Drive-In Market

SL Distance	2019 21+	Part %	Gamers	Budget	Market	\$/Adult	Montreign	% Market Share
<15 miles	53,627	12.5%	6,703	\$ 632	\$ 4,237,546	\$ 79	\$ 3,363,286	79.4%
15-30 miles	243,479	12.5%	30,435	\$ 704	\$ 21,412,905	\$ 88	\$ 5,329,465	24.9%
30-60 miles	2,443,260	12.5%	305,304	\$ 711	\$ 216,984,699	\$ 89	\$ 14,472,788	6.7%
60-90 miles	13,526,850	11.4%	1,538,103	\$ 672	\$ 1,032,881,657	\$ 76	\$ 25,752,212	2.5%
90-120 miles	7,516,567	11.8%	889,762	\$ 690	\$ 613,677,242	\$ 82	-	0.0%
120-180 miles	8,366,237	11.8%	988,120	\$ 688	\$ 679,410,407	\$ 81	-	0.0%
Total	32,150,020	11.7%	3,758,428	\$ 683	\$ 2,568,604,455	\$ 80	\$ 48,917,752	1.9%

Overnight Visitor – segment is adjusted further to reflect increased competition in the region and the slightly larger scale of the new casino hotel at Newburgh. With fewer rooms, the overnight visitor segment from the onsite hotel at Montreign also shrinks; however, we assume occupancy will remain at 90% since there will be no gaming competitor directly in the Catskills. We assume lower gaming capture rates from the adjacent water park and nearby hotels. This results in slightly lower revenues from the overnight visitor segment.

**Montreign Casino with Newburgh Competition –
Overnight Visitor Market**

Casino Hotel Over Night Visitor Market	w/ Newburgh	
	Slots	Tables
# of Rooms	232	232
Occupancy	90%	90%
Guests/ Room	1.8	1.8
Number of Hotel Guests	137,182	137,182
Gaming Capture Rate	85.0%	85%
Total Gamers	116,604	116,604
% Slots/Tables	70.0%	30%
Total Gamers by Segment	81,623	34,981
Avg. Win per Guest	\$ 245	\$ 420
Gaming Win	\$ 19,997,648	\$ 14,692,149
% From Beyond 90 Miles	20%	20%
	\$ 3,999,530	\$ 2,938,430
Waterpark Hotel Over Night Visitor Market		
	Slots	Tables
# of Rooms	350	350
Occupancy	75%	75%
Adult Guests/ Room	1.8	1.8
Number of Hotel Guests	172,463	172,463
Gaming Capture Rate	39.0%	39%
Total Gamers	67,260	67,260
% Slots/Tables	75.0%	25%
Total Gamers by Segment	50,445	16,815
Avg. Win per Adult Guest	\$ 122	\$ 53
Gaming Win	\$ 6,154,324	\$ 891,200
% From Beyond 90 Miles	20%	20%
	\$ 1,230,865	\$ 178,240
Other Hotel Over Night Visitor Market		
	Slots	Tables
# of Rooms	2,901	2,901
Occupancy	58%	58%
Guests/ Room	1.8	1.8
Gaming Capture Rate	3.8%	3.8%
Avg. Win per Guest	\$ 122	\$ 53
Gaming Win	\$ 5,166,051	\$ 2,244,268
% From Beyond 90 Miles	15%	15%
	\$ 774,908	\$ 336,640

Traffic intercept – segment will be slightly lower than in the non-competitive case (although better than in Scenario 2) largely because in the case of Newburgh, Montreign remain the primary gaming destination for traffic emanating along Route 17.

Montreign Casino with Newburgh Competition – Traffic Intercept Market

Traffic Intercept Gaming Revenues	w/ Newburgh	
	Slots	Tables
Average Annual Daily Traffic	26,665	26,665
% Pass-Through Vehicles	15%	15%
Adults per Vehicle	1.5	1.5
Gaming Capture Rate	1.00%	1.00%
Daily Gamer Visits	60	60
Win per Guest	\$ 61.00	\$ 21.00
Daily Gaming Win	\$ 3,660	\$ 1,260
Annual Win	\$ 1,335,900	\$ 459,900

Total gaming revenues with a Newburgh competitor are estimated at \$208.8 million. We compare this vs. the three non-competitive cases for Montreign as follows:

Montreign Casino with Newburgh Competition – Gaming Revenue Summary

	Montreign Only			w/ Newburgh
	High Case	Mid Case	Low Case	Mid Case
# of Slot Machines	2,150	2,150	2,150	1,750
# of Table Games	58	58	58	58
# of Rooms	391	391	391	232
Drive-in Market				
Slot Revenues	\$ 261,583,784	\$ 232,530,946	\$ 202,160,124	\$ 148,584,684
TG Revenues	79,313,936	70,605,838	61,445,103	48,917,752
Total Drive-in Market Revenues	\$ 340,897,720	\$ 303,136,784	\$ 263,605,227	\$ 197,502,436
Incremental Overnight-Casino Hotel (Beyond Drive-In)	12,655,795	11,692,854	10,760,483	6,937,959
Incremental Overnight-Waterpark Hotel (Beyond Drive-In)	2,167,854	1,445,236	722,618	1,409,105
Incremental Overnight-Other Hotel (Beyond Drive-In)	1,458,860	1,111,548	729,430	1,111,548
Incremental Traffic Intercept (Beyond Drive-In)	2,244,750	1,795,800	1,346,850	1,795,800
TOTAL GAMING REVENUES	\$ 359,424,979	\$ 319,182,222	\$ 277,164,607	\$ 208,756,848
Slot Revs	\$ 273,460,025	\$ 242,644,766	\$ 210,504,880	\$ 155,925,887
Table Revs	\$ 85,964,954	\$ 76,537,456	\$ 66,659,727	\$ 52,830,962
Table Revenue as % of Slot Revenue	31.4%	31.5%	31.7%	33.9%
WDU	\$ 348	\$ 309	\$ 268	\$ 244
WDT	\$ 4,061	\$ 3,615	\$ 3,149	\$ 2,496
WDP	\$ 394	\$ 350	\$ 304	\$ 273

The impact on visitation to Montreign in Scenario 3 is also summarized as follows:

Montreign Casino with Newburgh Competition – Visitation Summary

Straight Line Distance from Montreign	Montreign Only			w/ Newburgh
	High Case	Mid Case	Low Case	Mid Case
<15 miles	233,296	231,217	228,430	203,668
15-30 miles	451,918	427,535	398,086	253,114
30-60 miles	964,453	851,679	732,534	543,191
60-90 miles	1,566,383	1,352,288	1,135,122	1,044,401
>90 miles	98,947	81,352	63,661	65,025
Total	3,314,998	2,944,071	2,557,833	2,109,398

Win per Visit by Distance

Straight Line Distance from Montreign	Montreign Only			w/ Newburgh
	High Case	Mid Case	Low Case	Mid Case
<15 miles	\$ 77.32	\$ 77.32	\$ 77.30	\$ 77.02
15-30 miles	\$ 105.10	\$ 104.79	\$ 104.41	\$ 95.64
30-60 miles	\$ 122.59	\$ 122.99	\$ 123.43	\$ 106.22
60-90 miles	\$ 100.31	\$ 100.35	\$ 100.40	\$ 95.66
>90 miles	\$ 187.24	\$ 197.23	\$ 212.99	\$ 173.08
Total	\$ 108.42	\$ 108.42	\$ 108.36	\$ 98.97

Hotel Revenue Assumptions - Hotel revenues are based on 90% occupancy (higher than with Liberty because Montreign will be only Catskill casino hotel) at stabilization and a \$140 initial ADR and are as follows.

Montreign Hotel Revenues with Newburgh Competition

	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
Number of Rooms	232	232	232	232	232	232	232	232	232	232
Occupancy	84.0%	87.0%	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	9,958,368	10,520,304	11,100,735	11,322,750	11,549,205	11,664,697	11,781,344	11,899,157	12,018,149	12,138,330
Other Hotel Revenue	199,167	210,406	222,015	226,455	230,984	233,294	235,627	237,983	240,363	242,767
Total Hotel Revenue	10,157,535	10,730,711	11,322,750	11,549,205	11,780,189	11,897,991	12,016,971	12,137,140	12,258,512	12,381,097

F&B Revenues - Food and beverage revenues are estimated using a similar methodology as in the initial market assessment without competition and are projected as follows.

Montreign F&B Revenues with Newburgh Competition

	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
Occupied Rooms	71,131	73,672	76,212	76,212	76,212	76,212	76,212	76,212	76,212	76,212
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	211,615	219,173	226,731	226,731	226,731	226,731	226,731	226,731	226,731	226,731
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%
	\$ 2,645,192	\$ 2,794,456	\$ 2,948,633	\$ 3,007,605	\$ 3,067,758	\$ 3,129,113	\$ 3,191,695	\$ 3,255,529	\$ 3,320,639	\$ 3,387,052
Gaming Revenue	177,396,063	196,200,045	208,756,848	215,547,863	220,408,262	222,612,345	224,838,469	227,086,853	229,357,722	231,651,299
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	1,642,556	1,781,046	1,857,876	1,880,700	1,885,400	1,866,915	1,848,612	1,830,489	1,812,543	1,794,773
Hotel Guests	120,923	125,242	129,560	129,560	129,560	129,560	129,560	129,560	129,560	129,560
% Gamers	85.0%	85.0%	85.0%	85.0%	85.0%	85.0%	85.0%	85.0%	85.0%	85.0%
	102,785	106,455	110,126	110,126	110,126	110,126	110,126	110,126	110,126	110,126
Day Trip Gamers	1,539,772	1,674,591	1,747,749	1,770,573	1,775,273	1,756,789	1,738,486	1,720,362	1,702,416	1,684,646
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	692,897	753,566	786,487	796,758	798,873	790,555	782,319	774,163	766,087	758,091
Avg. Check	\$ 12.50	\$ 12.75	\$ 13.01	\$ 13.27	\$ 13.53	\$ 13.80	\$ 14.08	\$ 14.36	\$ 14.65	\$ 14.94
	\$ 8,661,215	\$ 9,607,964	\$ 10,228,266	\$ 10,569,075	\$ 10,809,073	\$ 10,910,458	\$ 11,012,724	\$ 11,115,875	\$ 11,219,918	\$ 11,324,859
Total F&B Covers	904,513	972,739	1,013,218	1,023,489	1,025,604	1,017,286	1,009,049	1,000,894	992,818	984,822
% Capture	55.1%	54.6%	54.5%	54.4%	54.4%	54.5%	54.6%	54.7%	54.8%	54.9%
Beverage per Patron	\$ 3.25	\$ 3.32	\$ 3.38	\$ 3.45	\$ 3.52	\$ 3.59	\$ 3.66	\$ 3.73	\$ 3.81	\$ 3.88
	\$ 5,338,307	\$ 5,904,168	\$ 6,282,035	\$ 6,486,394	\$ 6,632,656	\$ 6,698,983	\$ 6,765,972	\$ 6,833,632	\$ 6,901,968	\$ 6,970,988
Total Food & Beverage Revenue	\$ 16,644,714	\$ 18,306,588	\$ 19,458,933	\$ 20,063,074	\$ 20,509,486	\$ 20,738,554	\$ 20,970,391	\$ 21,205,036	\$ 21,442,526	\$ 21,682,899
% of Gaming Revenue	9.4%	9.3%	9.3%	9.3%	9.3%	9.3%	9.3%	9.3%	9.3%	9.4%

Retail Revenues - Retail revenues are based on sales per square foot which is expected to decline slightly with competition and are as follows.

Montreign Retail Revenues with Newburgh Competition

	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
Total Retail Sq Ft	500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500
Sales / Sq Ft	\$ 850	\$ 867	\$ 884	\$ 902	\$ 920	\$ 938	\$ 957	\$ 976	\$ 996	\$ 1,016
Total Retail Revenue	\$ 425,000	\$ 433,500	\$ 442,170	\$ 451,013	\$ 460,034	\$ 469,234	\$ 478,619	\$ 488,191	\$ 497,955	\$ 507,914
% of Gaming Rev	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%

Entertainment Revenues - Entertainment revenues are also expected to decline slightly with competition in Newburgh as occupancy will dip to 82.5% and the average ticket price declines.

Montreign Entertainment Revenues with Newburgh Competition

	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	82.5%	83%	83%	83%	83%	83%	83%	83%	83%	83%
Avg Ticket Price	\$ 35	\$ 36	\$ 36	\$ 37	\$ 38	\$ 39	\$ 39	\$ 40	\$ 41	\$ 42
Total Show room Revenue	\$ 623,700	\$ 636,174	\$ 648,897	\$ 661,875	\$ 675,113	\$ 688,615	\$ 702,388	\$ 716,435	\$ 730,764	\$ 745,379
Total Entertainment Revenue	\$ 623,700	\$ 636,174	\$ 648,897	\$ 661,875	\$ 675,113	\$ 688,615	\$ 702,388	\$ 716,435	\$ 730,764	\$ 745,379
% of Gaming Rev	0.4%	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%

Spa Revenues - Spa revenues also decline due to a smaller room base and lower visitation.

Montreign Spa Revenues with Newburgh Competition

	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
Hotel Guests	120,923	\$ 125,242	\$ 129,560	\$ 129,560	\$ 129,560	\$ 129,560	\$ 129,560	\$ 129,560	\$ 129,560	\$ 129,560
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	7,255	7,515	7,774	7,774	7,774	7,774	7,774	7,774	7,774	7,774
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	10,855	11,415	11,974	11,974	11,974	11,974	11,974	11,974	11,974	11,974
Revenue per Guest	\$90	\$92	\$94	\$96	\$97	\$99	\$101	\$103	\$105	\$108
Total Spa Revenue	\$ 976,984	\$1,047,851	\$1,121,162	\$1,143,586	\$1,166,457	\$1,189,786	\$1,213,582	\$1,237,854	\$1,262,611	\$1,287,863
% of Gaming Rev	0.6%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.6%	0.6%

Golf Revenues - Golf revenues are estimated to decline with competition in the Catskills as annual rounds are estimated to decline by 10% and the revenue per round is also estimated to decline..

Montreign Golf Revenues with Newburgh Competition

	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
Total Golf Guests	27,000	27,540	28,091	28,653	29,226	29,810	30,406	31,015	31,635	32,267
Revenue per Round	\$ 58	\$ 59	\$ 60	\$ 61	\$ 62	\$ 63	\$ 65	\$ 66	\$ 67	\$ 69
Total Golf Revenue	\$1,552,500	\$1,615,221	\$1,680,476	\$1,748,367	\$1,819,001	\$1,892,489	\$1,968,945	\$2,048,491	\$2,131,250	\$2,217,352
% of Gaming Rev	0.9%	0.8%	0.8%	0.8%	0.8%	0.9%	0.9%	0.9%	0.9%	1.0%

Other Revenues – other revenues continue to be based on 0.5% of gaming revenue.

Promotional Allowances – Promotional allowances are estimated to decline as gaming volume declines and also because the number of hotel rooms available to comp declines.

Montreign Promotional Allowances with Newburgh Competition

	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
Hotel	5,975,021	6,312,183	6,660,441	6,793,650	6,929,523	6,998,818	7,068,806	7,139,494	7,210,889	7,282,998
F&B	9,154,593	10,068,623	10,702,413	11,034,691	11,280,218	11,406,204	11,533,715	11,662,770	11,793,389	11,925,595
Entertainment	374,220	381,704	389,338	397,125	405,068	413,169	421,433	429,861	438,458	447,228
Spa/Salon	390,794	419,141	448,465	457,434	466,583	475,915	485,433	495,141	505,044	515,145
Golf	621,000	646,088	672,190	699,347	727,600	756,996	787,578	819,396	852,500	886,941
Other	310,443	343,350	365,324	377,209	385,714	389,572	393,467	397,402	401,376	405,390
	16,826,070	18,171,090	19,238,173	19,759,456	20,194,706	20,440,673	20,690,432	20,944,065	21,201,657	21,463,296
As % of Gaming Revenue	9.5%	9.3%	9.2%	9.2%	9.2%	9.2%	9.2%	9.2%	9.2%	9.3%
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%

The following schedule compares revenues and expenses in Scenario 1 (no competition) to Scenario 3 (the Newburgh case):

Comparison of Year 3 Revenues with Newburgh to No Competition Base Case

	Montreign Only - Scenario 1		w/ Newburgh - Scenario 3	
	Mid Case	%	Mid Case	%
Revenue				
Gaming	\$ 319,182,222	92.6%	\$ 208,756,848	92.7%
Hotel	19,082,738	5.5%	11,322,750	5.0%
Food & Beverage	30,112,375	8.7%	19,458,933	8.6%
Retail	468,180	0.1%	442,170	0.2%
Entertainment	764,070	0.2%	648,897	0.3%
Spa/Salon	1,588,409	0.5%	1,121,162	0.5%
Golf	1,948,378	0.6%	1,680,476	0.7%
Other	1,595,911	0.5%	1,043,784	0.5%
Gross Revenue	374,742,282	108.8%	244,475,021	108.5%
Promotional Allowances	30,218,672	8.8%	19,238,173	8.5%
Net Revenue	344,523,611	100.0%	225,236,848	100.0%

Total and net revenues for the initial ten years of operations with Newburgh competition are projected as follows:

Montreign – Net Revenues with Newburgh Competition

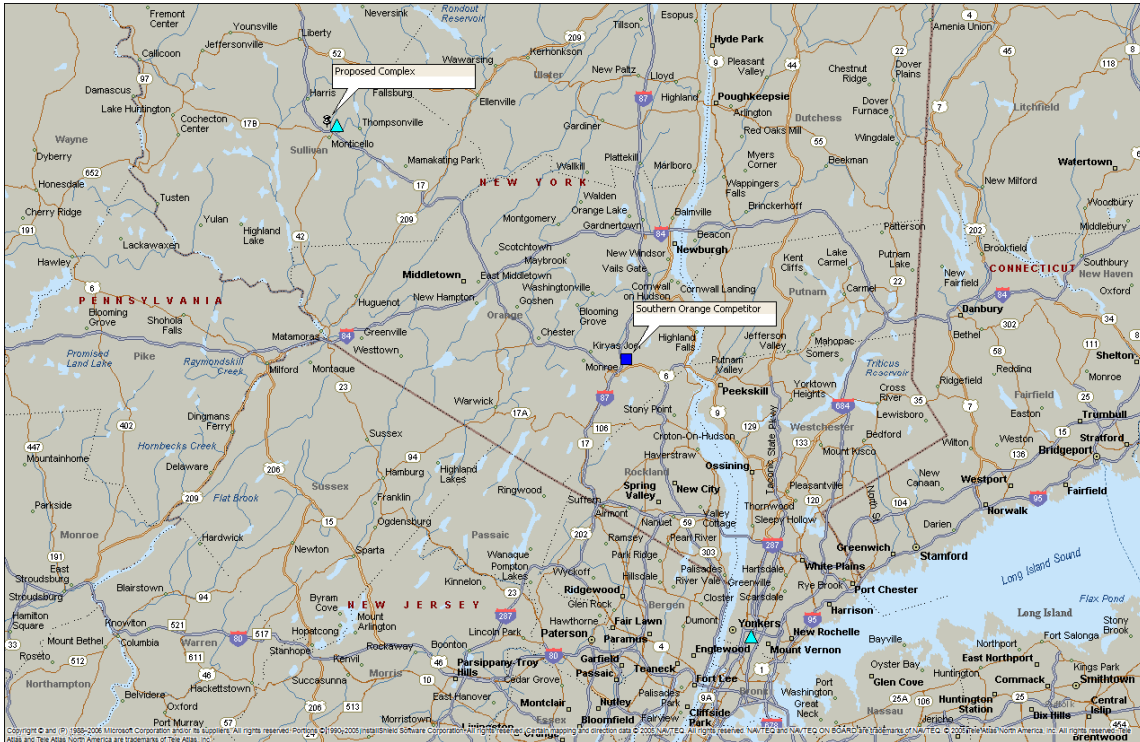
	FYE 12/31									
	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
Revenue										
Gaming	\$ 177,396,063	\$ 196,200,045	\$ 208,756,848	\$ 215,547,863	\$ 220,408,262	\$ 222,612,345	\$ 224,838,469	\$ 227,086,853	\$ 229,357,722	\$ 231,651,299
Hotel	10,157,535	10,730,711	11,322,750	11,549,205	11,780,189	11,897,991	12,016,971	12,137,140	12,258,512	12,381,097
Food & Beverage	16,644,714	18,306,588	19,458,933	20,063,074	20,509,486	20,738,554	20,970,391	21,205,036	21,442,526	21,682,899
Retail	425,000	433,500	442,170	451,013	460,034	469,234	478,619	488,191	497,955	507,914
Entertainment	623,700	636,174	648,897	661,875	675,113	688,615	702,388	716,435	730,764	745,379
Spa/Salon	976,984	1,047,851	1,121,162	1,143,586	1,166,457	1,189,786	1,213,582	1,237,854	1,262,611	1,287,863
Golf	1,552,500	1,615,221	1,680,476	1,748,367	1,819,001	1,892,489	1,968,945	2,048,491	2,131,250	2,217,352
Other	886,980	981,000	1,043,784	1,077,739	1,102,041	1,113,062	1,124,192	1,135,434	1,146,789	1,158,256
Gross Revenue	208,663,477	229,951,091	244,475,021	252,242,723	257,920,584	260,602,076	263,313,557	266,055,435	268,828,128	271,632,061
Promotional Allowances	16,826,070	18,171,090	19,238,173	19,759,456	20,194,706	20,440,673	20,690,432	20,944,065	21,201,657	21,463,296
Net Revenue	191,837,406	211,780,001	225,236,848	232,483,267	237,725,878	240,161,403	242,623,124	245,111,370	247,626,471	250,168,764

- Scenario 4 – Low Case (Competition in Southern Orange County)**

In Scenario 4, Montreign will compete with a major new Class III destination casino located in southern Orange County, NY, near Woodbury Commons. Due to the vastly superior location of this competitor, Montreign would be forced to curtail its investment drastically, while still seeking to leverage the Adelaar development. In this scenario we assume a \$150 million investment for Montreign including scaled-down finishes, a minimal hotel (125 rooms), and substantially reduced gaming capacity (to 900 slots and

40 tables). We also assume a very large competitor in Orange County with over \$600 million of investment and approximately 4,500 gaming positions.

The following map shows Montreign’s location relative to southern Orange County. A competitor in this location effectively functions as a “choke-hold” for gaming visits as it cuts off many of the most important parts of the market and significant concentrations or density of population not only for Montreign but for many other Region 1 applicants including virtually all other applicants in the Catskills region.



Montreign’s revenues would be devastated by this competitor, forcing it to scale-back its investment significantly, which in turn will make Montreign much less competitive creating a “downward spiral” of investment and profitability and thus virtually insuring that any new Class III Catskills casino would not be remotely competitive with a Class III casino developed in southern Orange county.

Gaming revenues for this scenario are based on the same methodologies as in our Original Report. We determine gaming revenues based on our analysis of each of the drive-in market, overnight visitor market and traffic intercept market. Our methodologies are discussed in our Original Report and should be read along with this Supplement. We estimate revenues for each of market and the market share to Montreign as follows:

Drive-in market – plummets by over 66% of those levels projected under Scenario 1 and 50% of those in many other competitive scenarios providing a clear indication of the extent of the impact on the entire Region 1 of a “category-killer” developed in southern Orange County – even before factoring in impact on marketing costs required to capture this substantially reduced gamer volume.

Montreign Casino with Southern Orange Competition - Slot Drive-In Market

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	\$ 11,521,059	77.1%
15-30 miles	243,479	30.3%	73,895	\$ 886	\$ 65,463,134	\$ 269	\$ 14,437,839	22.1%
30-60 miles	2,443,260	29.4%	719,436	\$ 892	\$ 641,682,303	\$ 263	\$ 25,407,352	4.0%
60-90 miles	13,526,850	31.6%	4,279,093	\$ 838	\$ 3,585,291,593	\$ 265	\$ 15,231,683	0.4%
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	29.7%	9,563,787	\$ 856	\$ 8,186,044,194	\$ 255	\$ 66,597,934	0.8%

Montreign Casino with Southern Orange Competition - Table Drive-In Market

SL Distance	2019 21+	Part %	Gamers	Budget	Market	\$/Adult	Montreign	% Market Share
<15 miles	53,627	12.5%	6,703	\$ 632	\$ 4,237,546	\$ 79	\$ 3,265,265	77.1%
15-30 miles	243,479	12.5%	30,435	\$ 704	\$ 21,412,905	\$ 88	\$ 4,720,966	22.0%
30-60 miles	2,443,260	12.5%	305,304	\$ 711	\$ 216,984,699	\$ 89	\$ 10,611,018	4.9%
60-90 miles	13,526,850	12.4%	1,683,649	\$ 670	\$ 1,127,678,750	\$ 83	\$ 7,140,660	0.6%
90-120 miles	7,516,567	12.0%	902,889	\$ 690	\$ 623,265,812	\$ 83	-	0.0%
120-180 miles	8,366,237	11.8%	988,120	\$ 688	\$ 679,410,407	\$ 81	-	0.0%
Total	32,150,020	12.2%	3,917,101	\$ 682	\$ 2,672,990,119	\$ 83	\$ 25,737,909	1.0%

Overnight visitor – segments is adjusted to reflect intense competition in the region and Montreign’s significantly reduced competitive position. With only 125 rooms, revenue generated from onsite hotel guests plummets although Montreign should be able to maintain a high occupancy (93%+) assuming a highly-targeted and well-maintained loyalty program. Capture rates from the casino-hotel would increase due to a smaller room base and more focus on gamers. However, capture rates from the water park and especially nearby hotels in the region would decline sharply resulting in lower overall revenues from the overnight visitor segment.

**Montreign Casino with Southern Orange Competition
– Overnight Visitor Market**

Casino Hotel Over Night Visitor Market	w/ S Orange	
	Slots	Tables
# of Rooms	125	125
Occupancy	93%	93%
Guests/ Room	1.8	1.8
Number of Hotel Guests	76,376	76,376
Gaming Capture Rate	90.0%	90%
Total Gamers	68,739	68,739
% Slots/Tables	70.0%	30%
Total Gamers by Segment	48,117	20,622
Avg. Win per Guest	\$ 245	\$ 420
Gaming Win	\$11,788,674	\$ 8,661,067
% From Beyond 90 Miles	20%	20%
	\$ 2,357,735	\$ 1,732,213
Waterpark Hotel Over Night Visitor Market		
	w/ S Orange	
	Slots	Tables
# of Rooms	350	350
Occupancy	75%	75%
Adult Guests/ Room	1.8	1.8
Number of Hotel Guests	172,463	172,463
Gaming Capture Rate	40.0%	40%
Total Gamers	68,985	68,985
% Slots/Tables	75.0%	25%
Total Gamers by Segment	51,739	17,246
Avg. Win per Adult Guest	\$ 122	\$ 53
Gaming Win	\$ 6,312,128	\$ 914,051
% From Beyond 90 Miles	20%	20%
	\$ 1,262,426	\$ 182,810
Other Hotel Over Night Visitor Market		
	w/ S Orange	
	Slots	Tables
# of Rooms	2,901	2,901
Occupancy	58%	58%
Guests/ Room	1.8	1.8
Gaming Capture Rate	3.8%	3.8%
Avg. Win per Guest	\$ 122	\$ 53
Gaming Win	\$ 5,166,051	\$ 2,244,268
% From Beyond 90 Miles	15%	15%
	\$ 774,908	\$ 336,640

Traffic intercept – segment will be lower than in the non-competitive case since the large-scale casino in southern Orange County, NY should be able to capture some of this intercept, however as with Newburgh, Montreign should still be able to maintain a share of the Route 17 traffic intercept which is unfortunately a relatively small proportion of total gaming revenue potential.

**Montreign Casino with Southern Orange Competition –
Traffic Intercept Market**

Traffic Intercept Gaming Revenues	w/ Woodbury	
	Slots	Tables
Average Annual Daily Traffic	26,665	26,665
% Pass-Through Vehicles	15%	15%
Adults per Vehicle	1.5	1.5
Gaming Capture Rate	0.75%	0.75%
Daily Gamer Visits	45	45
Win per Guest	\$ 61.00	\$ 21.00
Daily Gaming Win	\$ 2,745	\$ 945
Annual Win	\$ 1,001,925	\$ 344,925

Total gaming revenues with a southern Orange County competitor is estimated at \$100.3 million – a decline of **nearly 67%** vs. Scenario 1 (no competition) and by ~50% for Scenarios 2 or 3 (competition in Liberty or Newburgh), clearly illustrating the challenges that Montreign will have maintaining its competitive positioning – and possibly its economic survival – in the case of Scenario 4 (competition in southern Orange County). We summarize this vs. revenues in the three non-competitive cases as follows:

**Montreign Casino with Southern Orange Competition –
Gaming Revenue Summary**

	Montreign Only			w/ South Orange
	High Case	Mid Case	Low Case	Low Case
# of Slot Machines	2,150	2,150	2,150	900
# of Table Games	58	58	58	40
# of Rooms	391	391	391	125
Drive-in Market				
Slot Revenues	\$ 261,583,784	\$ 232,530,946	\$ 202,160,124	\$ 66,597,934
TG Revenues	79,313,936	70,605,838	61,445,103	25,737,909
Total Drive-in Market Revenues	\$ 340,897,720	\$ 303,136,784	\$ 263,605,227	\$ 92,335,844
Incremental Overnight-Casino Hotel (Beyond Drive-In)	12,655,795	11,692,854	10,760,483	4,089,948
Incremental Overnight-Waterpark Hotel (Beyond Drive-In)	2,167,854	1,445,236	722,618	1,445,236
Incremental Overnight-Other Hotel (Beyond Drive-In)	1,458,860	1,111,548	729,430	1,111,548
Incremental Traffic Intercept (Beyond Drive-In)	2,244,750	1,795,800	1,346,850	1,346,850
TOTAL GAMING REVENUES	\$ 359,424,979	\$ 319,182,222	\$ 277,164,607	\$ 100,329,426
Slot Revs	\$ 273,460,025	\$ 242,644,766	\$ 210,504,880	\$ 71,994,927
Table Revs	\$ 85,964,954	\$ 76,537,456	\$ 66,659,727	\$ 28,334,498
Table Revenue as % of Slot Revenue	31.4%	31.5%	31.7%	39.4%
WDU	\$ 348	\$ 309	\$ 268	\$ 219
WDT	\$ 4,061	\$ 3,615	\$ 3,149	\$ 1,941
WDP	\$ 394	\$ 350	\$ 304	\$ 241

The impact on visitation to Montreign in Scenario 4 is also summarized as follows:

Montreign Casino with Southern Orange Competition – Visitation Summary

Straight Line Distance from Montreign	Montreign Only			w/ S Orange County - Scenario 4
	High Case	Mid Case	Low Case	Low Case
<15 miles	233,296	231,217	228,430	191,703
15-30 miles	451,918	427,535	398,086	197,080
30-60 miles	964,453	851,679	732,534	326,158
60-90 miles	1,566,383	1,352,288	1,135,122	240,176
>90 miles	98,947	81,352	63,661	50,321
Total	3,314,998	2,944,071	2,557,833	1,005,438

Win per Visit by Distance

Straight Line Distance from Montreign	Montreign Only			w/ S Orange County - Scenario 4
	High Case	Mid Case	Low Case	Low Case
<15 miles	\$ 77.32	\$ 77.32	\$ 77.30	\$ 77.13
15-30 miles	\$ 105.10	\$ 104.79	\$ 104.41	\$ 97.21
30-60 miles	\$ 122.59	\$ 122.99	\$ 123.43	\$ 110.43
60-90 miles	\$ 100.31	\$ 100.35	\$ 100.40	\$ 93.15
>90 miles	\$ 187.24	\$ 197.23	\$ 212.99	\$ 158.85
Total	\$ 108.42	\$ 108.42	\$ 108.36	\$ 99.79

As noted, the investment at Montreign will be substantially reduced with fewer and lower quality hotel rooms and other amenities.

Hotel Revenue Assumptions - Hotel revenues are based on 93% occupancy (smaller hotel) at stabilization and a \$120 initial ADR and are as follows.

Montreign Hotel Revenues with South Orange Competition

	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
Number of Rooms	125	125	125	125	125	125	125	125	125	125
Occupancy	84.0%	88.0%	93.0%	93.0%	93.0%	93.0%	93.0%	93.0%	93.0%	93.0%
Rate	\$ 120	\$ 122	\$ 125	\$ 127	\$ 130	\$ 131	\$ 133	\$ 134	\$ 135	\$ 137
% Growth		102%	102%	102%	102%	101%	101%	101%	101%	101%
Hotel Room Revenue	4,599,000	4,914,360	5,297,457	5,403,406	5,511,474	5,566,589	5,622,255	5,678,477	5,735,262	5,792,615
Other Hotel Revenue	91,980	98,287	105,949	108,068	110,229	111,332	112,445	113,570	114,705	115,852
Total Hotel Revenue	4,690,980	5,012,647	5,403,406	5,511,474	5,621,703	5,677,920	5,734,700	5,792,047	5,849,967	5,908,467

F&B Revenues - Food and beverage revenues are estimated using a similar methodology as in the initial market assessment without competition and are projected as follows.

Montreign F&B Revenues with Southern Orange Competition

	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
Occupied Rooms	38,325	40,150	42,431	42,431	42,431	42,431	42,431	42,431	42,431	42,431
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	114,017	119,446	126,233	126,233	126,233	126,233	126,233	126,233	126,233	126,233
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%
	\$ 1,425,211	\$ 1,522,940	\$ 1,641,660	\$ 1,674,493	\$ 1,707,983	\$ 1,742,142	\$ 1,776,985	\$ 1,812,525	\$ 1,848,776	\$ 1,885,751
Gaming Revenue	85,257,299	94,294,573	100,329,426	104,342,603	107,472,881	108,547,610	109,633,086	110,729,417	111,836,711	112,955,078
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	789,419	855,978	892,903	910,411	919,336	910,323	901,399	892,561	883,811	875,146
Hotel Guests	65,153	68,255	72,133	72,133	72,133	72,133	72,133	72,133	72,133	72,133
% Gamers	85.0%	85.0%	85.0%	85.0%	85.0%	85.0%	85.0%	85.0%	85.0%	85.0%
	55,380	58,017	61,313	61,313	61,313	61,313	61,313	61,313	61,313	61,313
Day Trip Gamers	734,040	797,962	831,590	849,098	858,023	849,010	840,085	831,248	822,498	813,833
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	330,318	359,083	374,215	382,094	386,110	382,055	378,038	374,062	370,124	366,225
Avg. Check	\$ 12.50	\$ 12.75	\$ 13.01	\$ 13.27	\$ 13.53	\$ 13.80	\$ 14.08	\$ 14.36	\$ 14.65	\$ 14.94
	\$ 4,128,974	\$ 4,578,305	\$ 4,866,671	\$ 5,068,514	\$ 5,224,230	\$ 5,272,739	\$ 5,321,658	\$ 5,370,991	\$ 5,420,739	\$ 5,470,906
Total F&B Covers	444,335	478,529	500,448	508,327	512,343	508,288	504,271	500,295	496,357	492,458
% Capture	56.3%	55.9%	56.0%	55.8%	55.7%	55.8%	55.9%	56.1%	56.2%	56.3%
Beverage per Patron	\$ 3.25	\$ 3.32	\$ 3.38	\$ 3.45	\$ 3.52	\$ 3.59	\$ 3.66	\$ 3.73	\$ 3.81	\$ 3.88
	\$ 2,565,613	\$ 2,837,568	\$ 3,019,173	\$ 3,139,939	\$ 3,234,138	\$ 3,266,479	\$ 3,299,144	\$ 3,332,135	\$ 3,365,457	\$ 3,399,111
Total Food & Beverage Revenue	\$ 8,119,798	\$ 8,938,812	\$ 9,527,503	\$ 9,882,947	\$ 10,166,350	\$ 10,281,360	\$ 10,397,787	\$ 10,515,651	\$ 10,634,971	\$ 10,755,768
% of Gaming Revenue	9.5%	9.5%	9.5%	9.5%	9.5%	9.5%	9.5%	9.5%	9.5%	9.5%

Retail Revenues - Retail revenues are based on sales per square foot which is expected to decline slightly with competition and are as follows.

Montreign Retail Revenues with Southern Orange Competition

	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
Total Retail Sq Ft	500	500	500	500	500	500	500	500	500	500
Sales / Sq Ft	\$ 750	\$ 765	\$ 780	\$ 796	\$ 812	\$ 828	\$ 845	\$ 862	\$ 879	\$ 896
Total Retail Revenue	\$ 375,000	\$ 382,500	\$ 390,150	\$ 397,953	\$ 405,912	\$ 414,030	\$ 422,311	\$ 430,757	\$ 439,372	\$ 448,160
% of Gaming Rev	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%

Entertainment Revenues - Entertainment revenues are also expected to decline based on a smaller show calendar and lower pricing.

Montreign Entertainment Revenues with Southern Orange Competition

Showroom	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
# of Events	12	12	12	12	12	12	12	12	12	12
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	\$ 35	\$ 36	\$ 36	\$ 37	\$ 38	\$ 39	\$ 39	\$ 40	\$ 41	\$ 42
Total Show room Revenue	\$ 428,400	\$ 436,968	\$ 445,707	\$ 454,622	\$ 463,714	\$ 472,988	\$ 482,448	\$ 492,097	\$ 501,939	\$ 511,978
Total Entertainment Revenue	\$ 428,400	\$ 436,968	\$ 445,707	\$ 454,622	\$ 463,714	\$ 472,988	\$ 482,448	\$ 492,097	\$ 501,939	\$ 511,978
% of Gaming Rev	0.5%	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%

Golf Revenues - Golf revenues are estimated to decline with competition in the Catskills as annual rounds are estimated to decline by 20% and the revenue per round is also estimated to decline.

Montreign Golf Revenues with Southern Orange Competition

	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
Total Golf Guests	25,000	25,500	26,010	26,530	27,061	27,602	28,154	28,717	29,291	29,877
Revenue per Round	\$ 58	\$ 59	\$ 60	\$ 62	\$ 63	\$ 64	\$ 65	\$ 67	\$ 68	\$ 69
Total Golf Revenue	\$1,450,000	\$1,508,580	\$1,569,527	\$1,632,936	\$1,698,906	\$1,767,542	\$1,838,951	\$1,913,244	\$1,990,539	\$2,070,957
% of Gaming Rev	1.6%	1.5%	1.5%	1.5%	1.5%	1.6%	1.6%	1.7%	1.7%	1.8%

Other Revenues – other revenues continue to be based on 0.5% of gaming revenue.

Promotional Allowances – Promotional allowances are estimated to decline as gaming volume declines and also because the number of hotel rooms and restaurants available to comp declines.

Montreign Promotional Allowances with Southern Orange Competition

	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
Hotel	2,759,400	2,948,616	3,178,474	3,242,044	3,306,884	3,339,953	3,373,353	3,407,086	3,441,157	3,475,569
F&B	4,465,889	4,916,347	5,240,127	5,435,621	5,591,493	5,654,748	5,718,783	5,783,608	5,849,234	5,915,672
Entertainment	278,460	284,029	289,710	295,504	301,414	307,442	313,591	319,863	326,260	332,785
Spa/Salon	-	-	-	-	-	-	-	-	-	-
Golf	580,000	603,432	627,811	653,174	679,562	707,017	735,580	765,298	796,216	828,383
Other	255,772	282,884	300,988	313,028	322,419	325,643	328,899	332,188	335,510	338,865
	8,339,521	9,035,308	9,637,110	9,939,370	10,201,772	10,334,803	10,470,207	10,608,043	10,748,377	10,891,275
As % of Gaming Revenue	9.8%	9.6%	9.6%	9.5%	9.5%	9.5%	9.6%	9.6%	9.6%	9.6%
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)	65.0%	65.0%	65.0%	65.0%	65.0%	65.0%	65.0%	65.0%	65.0%	65.0%
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)	60.0%	60.0%	60.0%	60.0%	60.0%	60.0%	60.0%	60.0%	60.0%	60.0%

The following schedule compares revenues generated in Scenario 1 (no competition) vs. Scenario 4 (southern Orange County).

Comparison of Year 3 Revenues with Southern Orange to No Competition Base Case

	Montreign Only - Scenario 1		w/ S Orange County - Scenario 4	
	Mid Case	%	Low Case	%
Revenue				
Gaming	\$ 319,182,222	92.6%	\$ 100,329,426	92.4%
Hotel	19,082,738	5.5%	5,403,406	5.0%
Food & Beverage	30,112,375	8.7%	9,527,503	8.8%
Retail	468,180	0.1%	390,150	0.4%
Entertainment	764,070	0.2%	445,707	0.4%
Spa/Salon	1,588,409	0.5%	-	0.0%
Golf	1,948,378	0.6%	1,569,527	1.4%
Other	1,595,911	0.5%	501,647	0.5%
Gross Revenue	374,742,282	108.8%	118,167,366	108.9%
Promotional Allowances	30,218,672	8.8%	9,637,110	8.9%
Net Revenue	344,523,611	100.0%	108,530,256	100.0%

Total and net revenues for the initial ten years of operations with competition in southern Orange County are projected as follows:

Montreign – Net Revenues with Southern Orange Competition

	FYE 12/31									
	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
Revenue										
Gaming	\$ 85,257,299	\$ 94,294,573	\$ 100,329,426	\$ 104,342,603	\$ 107,472,881	\$ 108,547,610	\$ 109,633,086	\$ 110,729,417	\$ 111,836,711	\$ 112,955,078
Hotel	4,690,980	5,012,647	5,403,406	5,511,474	5,621,703	5,677,920	5,734,700	5,792,047	5,849,967	5,908,467
Food & Beverage	8,119,798	8,938,812	9,527,503	9,882,947	10,166,350	10,281,360	10,397,787	10,515,651	10,634,971	10,755,768
Retail	375,000	382,500	390,150	397,953	405,912	414,030	422,311	430,757	439,372	448,160
Entertainment	428,400	436,968	445,707	454,622	463,714	472,988	482,448	492,097	501,939	511,978
Spa/Salon	-	-	-	-	-	-	-	-	-	-
Golf	1,450,000	1,508,580	1,569,527	1,632,936	1,698,906	1,767,542	1,838,951	1,913,244	1,990,539	2,070,957
Other	426,286	471,473	501,647	521,713	537,364	542,738	548,165	553,647	559,184	564,775
Gross Revenue	100,747,764	111,045,553	118,167,366	122,744,246	126,366,831	127,704,189	129,057,448	130,426,860	131,812,683	133,215,182
Promotional Allowances	8,339,521	9,035,308	9,637,110	9,939,370	10,201,772	10,334,803	10,470,207	10,608,043	10,748,377	10,891,275
Net Revenue	92,408,243	102,010,246	108,530,256	112,804,876	116,165,059	117,369,385	118,587,241	119,818,816	121,064,306	122,323,908