



EXHIBIT VIII.B.1. MARKET ANALYSIS

One of the principal objectives of the Act is to recapture gaming-related spending by New York residents at out-of-state gaming facilities. Submit as Exhibit VIII.B.1. a market analysis showing the benefits of the site location of the Applicant's Gaming Facility and the estimated recapture rate of gaming-related spending by New York residents travelling to out-of-state gaming facilities. In addition, such market analysis must describe:



- a. the components of the Applicant's marketing plan that focus on out-of-state visitors and the anticipated gaming and non-gaming gross revenues the Applicant anticipates from out-of-state visitors during each of the first five (5) years of the Gaming Facility's operations on a low-, average- and high-case scenario and clearly explain how this recapture rate was determined;
- b. how the Applicant plans to compete with other nearby gaming facilities in New York and other jurisdictions; and
- c. the Applicant's overall perspective and strategy for broadening the appeal of the Region and the Host Municipality in which its Gaming Facility is located and the State to travelers inside and outside of New York.

Components of the Applicant's marketing plan that focus on out-of-state visitors and the anticipated gaming and non-gaming gross revenues the Applicant anticipates from out-of-state visitors during each of the first five (5) years of the Gaming Facility's operations on a low-, average- and high-case scenario and clearly explain how this recapture rate was determined.

Montreign Operating Company, LLC's marketing plan includes a robust approach to marketing both Montreign Resort Casino's gaming operations and non-gaming amenities, and is further described in Exhibit VIII.B.9.b. Our approach will include targeted advertising in out-of-state areas; dedicated hotel, convention and banquet staff; marketing the overall amenities of the Gaming Facility, Monster Golf Course and the Catskills' recreational and four-season amenities; and obtaining 4-diamond and 4-star status for our hotel. It will be marketed to attract gaming, as well as non-gaming, guests to Adelaar.

Montreign engaged GGH to prepare an independent market study of the gross revenues expected from out-of-state visitors, and those results are summarized in Attachment VIII.B.1.-1. The five-year estimate of gross revenues from out-of-state visitors during each of the first five (5) years of the Gaming facility's operations on a low-, average- and high- case scenario is detailed on page 5 of Attachment VIII.B.1.-1.

How the Applicant plans to compete with other nearby gaming facilities in New York and other jurisdictions.

Montreign has planned an integrated approach to competing against nearby gaming facilities in New York and other jurisdictions. Montreign's contemporary and sophisticated design will attract and continue to attract guests to the Resort Casino. In addition, the hotel is designed to obtain 4-star and 4-diamond recognition. Montreign's amenities exceed those of our competition, including its focus on the diversity of its restaurants and bars, spacious hotel rooms and suites, entertainment options, spa and salon and its multi-use meeting and convention space. But what will set us apart is the setting within the Gaming Facility. The Indoor Waterpark Lodge, Entertainment Village and the Monster Golf Course will add options that other venues cannot offer - an integrated resort casino within a regional resort development. When coupling all of this with the Catskills' hospitality, entertainment and four season recreational options, the result is an entertainment experience that is difficult to surpass. A guest can enjoy a day in the Indoor Waterpark Lodge, experience a great meal and exciting gaming at Montreign and then be entertained by one of the great entertainment acts offered at the Bethel Woods Center for the Arts.

Applicant's overall perspective and strategy for broadening the appeal of the Region and the Host Municipality in which its Gaming Facility is located and the State to travelers inside and outside of New York.

Our approach to broadening the appeal of Region One, the Town of Thompson and the State is part of our overall marketing plan. We are developing a program where our Me. Club players' points are redeemable for the purchases of goods and services at Catskills area recreational, entertainment, hospitality and retail establishments. We will market Catskills attractions on our in-house Scala marketing system, provide guests with easy access to marketing information for these attractions, sell these attractions' tickets in our Misc retail outlet when appropriate, ensure that our employees are well-informed about the attractions in our Region and the Town of Thompson, and provide shuttle services to the area's more popular attractions. This approach to reestablishing the hospitality and tourism business in the Town of Thompson and Region One will serve as an economic catalyst to the State by attracting incremental tourism revenues to an economically deprived County starving for investment and jobs.