

## Casino-Related Demand

Casino room night of demand (RND) relates to casino patrons that will utilize a hotel room while visiting the resort. These visits are incremental to the projected gaming visit determined in the casino market assessment. Casino RND is based on a capture rate of how many proposed gaming patrons from each market area will stay at the hotel during their visit. The capture rates increase the further the casino patron has to travel to reach the resort. Each room night of demand from the casino segment is expected to have a double occupancy factor between 1.5 adults for the interior markets to 1.9 adults for the outer market. Length of stay is also expected to vary based on distance traveled, from one night in the Primary to 1.8 nights in the outer markets.

**Nevele Resort Casino Room Night of Demand by Market Region for Casino Segment**

Segment	Gamer Visits	Capture Rate	Overnight Gamers	Annual RND
Primary	910,603	0.50%	4,553	3,385
Suburban NYC	208,575	2.01%	4,192	3,316
Westchester	64,387	3.02%	1,941	1,842
NYC	224,446	8.04%	18,045	18,543
Long Island	24,621	10.72%	2,639	2,701
Western CT	175,616	4.02%	7,060	6,463
Southwest CT	157,805	3.02%	4,758	3,954
Secondary NE	200,677	1.34%	2,689	1,959
Albany	159,381	3.35%	5,339	4,814
Western MA	29,452	4.69%	1,381	1,368
Secondary NW	23,945	2.68%	642	563
Tioga Park	43,516	3.35%	1,458	1,306
Northern PA	10,291	3.35%	345	309
Poconos	63,351	1.34%	849	583
Wilkes-Barre	66,569	3.35%	2,230	1,685
Bethlehem	149,674	3.35%	5,014	3,768
Paterson NJ	201,327	3.02%	6,070	4,942
Northern NJ	342,297	3.35%	11,467	10,612
Staten Island	35,412	3.35%	1,186	1,182
Out-of-market	38,649	29.48%	11,394	13,673
<b>Total</b>	<b>3,130,592</b>		<b>93,253</b>	<b>83,213</b>

Source: The Innovation Group

## Total Demand

Combining demand from all segments total annual demand in room nights is anticipated to be approximately 131,469 in year one and increase to 142,418 by year five.

### Room Night Demand by Segment

	2017	2018	2019	2020	2021
Group Tour	10,754	11,377	11,491	11,606	11,722
Group Meetings	4,467	7,467	7,616	7,692	7,769
Tourist	30,984	33,346	33,847	34,354	34,870
Commercial	2,051	2,203	2,225	2,247	2,269
Casino	83,213	83,962	84,591	85,188	85,788
<b>Total Demand</b>	<b>131,469</b>	<b>138,354</b>	<b>139,769</b>	<b>141,087</b>	<b>142,418</b>

Source: The Innovation Group

The following table shows hotel RND by segment, based on the total number of rooms. Casino demand accounts for approximately 60% of total demand.

### Room Night Demand Percentages by Segment

	2017	2018	2019	2020	2021
Group Tour	8.2%	8.2%	8.2%	8.2%	8.2%
Group Meetings	3.4%	5.4%	5.4%	5.5%	5.5%
Tourist	23.6%	24.1%	24.2%	24.3%	24.5%
Commercial	1.6%	1.6%	1.6%	1.6%	1.6%
<b>Casino</b>	<b>63.3%</b>	<b>60.7%</b>	<b>60.5%</b>	<b>60.4%</b>	<b>60.2%</b>
Total Demand	100.0%	100.0%	100.0%	100.0%	100.0%

Source: The Innovation Group

## *Estimated Average Daily Rate*

The Innovation Group estimated ADR for the proposed hotel based on the current ADR profile for comparable casino hotels in the target market with similar amenities and of similar quality, segregated by visitor segment and by weekend and weekday periods. As previously mentioned, the quality and scope of the proposed hotel is expected to be superior in comparison to the comparable group non-casino hotel group, therefore average daily rates are based on information gathered from comparable casino hotels in similar jurisdictions of similar size and scope.

### Subject Blended ADR Forecast

Segment	Midweek Rate	Weekend Rate
Group Tour	\$174.01	\$199.82
Group Meetings	\$174.01	\$199.82
Tourist	\$156.61	\$184.70
Commercial	\$165.31	\$183.17
Casino	\$156.61	\$184.70
<b>Annual Average</b>	<b>\$161.67</b>	<b>\$185.46</b>

Source: The Innovation Group