

## Exhibit VIII.B.1.a

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#### *Estimated Recapture*

Being so close to the border, a major feeder market for the proposed Traditions Casino will be Pennsylvania. Major local competitors in the Pennsylvania region include Mohegan Sun at Pocono Downs and the Mt. Airy Casino Resort. To gain a better understanding of the market, The Innovation Group utilized a gravity model to determine what proportion of New York residents are leaving the state to gamble at these locations, and the impact of the newly developed casino on these visits. Additionally, we project the number of visitors from the Pennsylvania market that will be captured by the Traditions facility.

Utilizing the “Mid” Scenario, which is the most likely scenario to result, The Innovation Group estimated the recapture rate of current New York Residents leaving for Pennsylvania facilities provided by the Traditions Casino. The following sections provide an explanation and resulting recapture rate of the facility.

#### **2013 Base**

As discussed, our gravity model consists of three major stages. The first stage looks at the current market as-is, during 2013. In 2013, we estimate that nearly 841,000 visits to Mohegan Sun and Mt. Airy come from the New York market. These visits account for approximately \$67 million in revenue to these facilities.

#### **New York Visitation to Pennsylvania Casinos (2013)**

Market	Mohegan Sun			Mt Airy		
	Visits	WPV	Revenue	Visits	WPV	Revenue
Primary	122,393	\$79.20	\$9,693,490	115,809	\$79.20	\$9,172,055
Secondary North	19,484	\$80.13	\$1,561,307	19,012	\$80.13	\$1,523,499
Secondary South*	0	\$85.85	\$0	0	\$85.85	\$0
Secondary East	12,826	\$76.31	\$978,690	15,455	\$76.31	\$1,179,326
Tioga Downs	68,084	\$77.84	\$5,300,011	56,914	\$77.84	\$4,430,465
Tertiary North	31,462	\$85.03	\$2,675,080	31,082	\$85.03	\$2,642,792
Tertiary Northeast	19,207	\$81.94	\$1,573,848	21,709	\$81.94	\$1,778,888
Poconos*	0	\$74.55	\$0	0	\$74.55	\$0
Catskills	45,437	\$78.53	\$3,568,044	59,996	\$78.53	\$4,711,340
Tertiary West	46,078	\$81.48	\$3,754,287	35,985	\$81.48	\$2,932,003
Turning Stone	60,055	\$79.47	\$4,772,379	59,904	\$79.47	\$4,760,372
<b>Total</b>	<b>425,025</b>	<b>\$79.71</b>	<b>\$33,877,136</b>	<b>415,867</b>	<b>\$79.67</b>	<b>\$33,130,740</b>

Source: The Innovation Group

\*Full market segment located in Pennsylvania

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### 2017 Base

The next stage of our model projects to year 2017 before any new facilities are introduced into the market. We estimate that visits from the New York market will grow to nearly 843,000, which will account for approximately \$70 million in revenue.

New York Visitation to Pennsylvania Casinos (2017)						
Market	Mohegan Sun			Mt Airy		
	Visits	WPV	Revenue	Visits	WPV	Revenue
Primary	121,333	\$82.50	\$10,010,013	114,790	\$82.50	\$9,470,176
Secondary North	19,747	\$83.43	\$1,647,568	19,269	\$83.43	\$1,607,634
Secondary South*	0	\$89.15	\$0	0	\$89.15	\$0
Secondary East	12,605	\$79.61	\$1,003,412	15,172	\$79.61	\$1,207,803
Tioga Downs	68,638	\$81.14	\$5,569,575	57,426	\$81.14	\$4,659,828
Tertiary North	31,689	\$88.33	\$2,798,973	31,306	\$88.33	\$2,765,135
Tertiary Northeast	19,185	\$85.24	\$1,635,411	21,676	\$85.24	\$1,847,733
Poconos*	0	\$77.85	\$0	0	\$77.85	\$0
Catskills	45,201	\$81.83	\$3,698,664	59,917	\$81.83	\$4,902,859
Tertiary West	46,870	\$84.78	\$3,973,489	36,567	\$84.78	\$3,100,040
Turning Stone	60,694	\$82.77	\$5,023,408	60,538	\$82.77	\$5,010,501
<b>Total</b>	<b>425,961</b>	<b>\$83.01</b>	<b>\$35,360,514</b>	<b>416,660</b>	<b>\$82.97</b>	<b>\$34,571,710</b>

Source: The Innovation Group

\*Full market segment located in Pennsylvania

### 2017 Projection

The final stage of our modeling process layers in the additional casinos being proposed in the region. For the purposes of our analysis, we assume Traditions, Concord, Nevele, and Saratoga will receive class III licenses and open full scale casinos on their properties. Additionally, we have assumed that the Monticello Raceway will be relocated to the Concord Property. With these adjustments made to the market, visitation from New York to the Pennsylvania markets drops significantly to 418,000 visits, generating under \$35 million in revenue.

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### New York Visitation to Pennsylvania Casinos (2017)

Market	Mohegan Sun			Mt Airy		
	Visits	WPV	Revenue	Visits	WPV	Revenue
Primary	16,289	\$82.50	\$1,343,868	15,201	\$82.50	\$1,254,121
Secondary North	11,317	\$83.43	\$944,178	11,046	\$83.43	\$921,627
Secondary South*	0	\$89.15	\$0	0	\$89.15	\$0
Secondary East	5,426	\$79.61	\$431,941	6,520	\$79.61	\$519,006
Tioga Downs	36,113	\$81.14	\$2,930,378	30,145	\$81.14	\$2,446,129
Tertiary North	26,176	\$88.33	\$2,311,991	25,854	\$88.33	\$2,283,571
Tertiary Northeast	10,171	\$85.24	\$867,052	11,399	\$85.24	\$971,705
Poconos*	0	\$77.85	\$0	0	\$77.85	\$0
Catskills	20,724	\$81.83	\$1,695,824	29,781	\$81.83	\$2,436,890
Tertiary West	32,096	\$84.78	\$2,721,037	25,195	\$84.78	\$2,135,960
Turning Stone	52,499	\$82.77	\$4,345,159	52,359	\$82.77	\$4,333,616
<b>Total</b>	<b>210,811</b>	<b>\$83.45</b>	<b>\$17,591,428</b>	<b>207,501</b>	<b>\$83.39</b>	<b>\$17,302,626</b>

Source: The Innovation Group

\*Full market segment located in Pennsylvania

In addition to the decreased visitation from the New York market, we expect that the proposed Traditions Casino will attract a significant number of visits from the Pennsylvania markets currently being captured by Mohegan Sun and Mt. Airy. In 2017, we estimate approximately 165,000 visits from the Pennsylvania market to be captured by the Traditions Casino and account for over \$13.5 million in revenue.

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### Pennsylvania Visitation to New York (2017)

Market	Visits	Traditions	
		WPV	Revenue
Primary	20,225	\$82.50	\$1,668,550
Secondary North*	0	\$83.43	\$0
Secondary South	39,593	\$89.15	\$3,529,668
Secondary East	87	\$79.61	\$6,895
Tioga Downs	24,000	\$81.14	\$1,947,499
Tertiary North*	0	\$88.33	\$0
Tertiary Northeast*	0	\$85.24	\$0
Poconos	68,440	\$77.85	\$5,327,752
Catskills	10,862	\$81.83	\$888,793
Tertiary West	2,069	\$84.78	\$175,370
Turning Stone*	0	\$82.77	\$0
<b>Total</b>	<b>165,276</b>	<b>\$81.95</b>	<b>\$13,544,527</b>

Source: The Innovation Group

\*Full market segment located in New York

### Traditions Recapture Summary

In summary, the establishment of the Traditions casino resort will have a positive impact in A) keeping border living New Yorkers to stay in their home state to gamble as opposed to crossing the border to Pennsylvania, and B) will encourage those Pennsylvanians living on the border to cross over and gamble at the Traditions facility. This will be a positive for the state, as the chart below illustrates.

### Interstate Visitation Summarized

	Total Visits (PA to Traditions)		Total Visits (NY to PA)	
	Total Visits	Total Revenue	Total Visits	Total Revenue
2013 Base	0	\$0	840,891	\$67,007,876
2017 Calibration	0	\$0	842,622	\$69,932,224
2017 Projection	165,276	\$13,544,527	418,312	\$34,894,054

Source: The Innovation Group