

### **Exhibit VIII.A.2.b - Prior Capital Investment**

Traditions at the Glen was purchased by the Walsh family in 2004 and has been through numerous renovations since then. A breakdown of the prior investments can be seen in Exhibit VIII.A.2.b.1.

**Phase 1** - The renovations occurred over a 10 year period. The Walsh family saw the potential in the mansion that was located on top of the hill and made the decision to move all operations to this new location from the lower Heritage Building. In the first phase, the existing carriage house (adjacent to the mansion) was transformed into the new Pro Shop and a two level cart barn was built nearby to house the golf carts and host tournament outings.

**Phase 2** - The second phase was to relocate the banquet venue and kitchen. The mansion building was expanded upon and renovated in the East Wing of the building. This consisted of a large banquet facility, bathrooms, kitchen, and administration space along with 18 hotel rooms. The existing facility did not have overnight accommodations but the Walsh family saw the potential in the event space and the need for these rooms.

**Phase 3** - The third phase of construction was expanding existing maintenance facilities to keep up with the expanded operations. Three different building were renovated and expanded upon. New equipment was also purchased to maintain the property more efficiently.

**Phase 4** - The new banquet space experienced continued growth over the first couple of years. The events that occurred were demanding more rooms to house their guests. In April of 2006, the Walsh family completed the renovation of the west wing into 23 additional hotel rooms. These were created with a modern design to provide an alternative for guests from the more traditional original suites.

**Phase 5** - In October 2006, a renovation of the vacant 4,000 sf lower level of the west wing was developed into a full service spa that soon became a destination all in its own. This was a perfect complement to the existing amenities at Traditions. Weddings, events, golf tournaments and overnight guests utilized this destination spa and the local market became regular customers.

**Phase 6** - When the Walsh family purchased the property from IBM, the golf course consisted of 27 holes. The 9-hole homestead course was transformed into a luxury Townhouse community built to energy star standards targeting "empty nesters" from near and far. Overlooking the Susquehanna Valley, the maintenance free townhouses saw great interest from buyers. The initial offering to the public was in the form of a lottery due to the overwhelming demand. The project commenced in 2006 and demand was greater than supply until the housing "crash" of 2009. There were subsequent phases proposed for this subdivision but the Binghamton housing market is at a standstill and is currently on hold pending the casino license approval.

**Phase 7** - The spa continued to see a growth in its customer base over the years. A decision was made to expand upon the current offerings and implement new services unique to the area. In October of 2011, the spa expansion opened and was home to the only Halo therapy Cave in the United States. The Southern Tier now had a natural healing therapy close to home. The unique services have increased the ability for Traditions at the Glen to draw customers from the entire northeast to the resort location.

## Exhibit VIII.A.2.b

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**Phase 8** - The most recent addition to Traditions at the Glen was the outdoor entertainment patio completed in April of 2013. Traditions is home to numerous events throughout the year and there are many times where there was not adequate space for multiple events to occur simultaneously. The Walsh family decided to expand upon the outdoor tent venue to include a bluestone patio, portico and waterfall feature. With an increase in outdoor weddings and events, this has become the most popular venue at Traditions. The natural setting is just another option that attracts travelers to the resort..

The Walsh family retains ownership of the entire resort with the exception of the Heritage Building and 10 acres associated with the property. This property has been vacant and has deteriorated since the sale. There have been numerous parties interested in the building due to the exceptionally low asking price but no projects have come to fruition due to the lack of desire to develop the Broome County market. The Walsh family has also sold off a majority of the townhouses but retains numerous residential lots in subsequent phases. As stated above, these residences started as a lottery due to the demand and there are currently 4 units in the first phase that have yet to be constructed due to the lack of residential demand. The Walsh family has plans to start the second phase of the townhouse development soon after the casino and associated amenities open.

Every phase of construction should be considered for the total capital investment. Each phase added value to the Traditions property and it enhanced the property into a true destination resort. The townhouse project is not typically considered an amenity to a hotel and resort. The residents of the townhomes receive discounts to all amenities at Traditions. The rolling hills and 200 acre adjoining nature preserve is a favorite for all the walkers in the development. The construction that saw a huge lull when the market declined in 2009 is anticipated to take off as soon as the casino is constructed. The increase in quality jobs will make this development a very popular neighborhood for future employees.