

Exhibit VIII.A.4.a - Pro-Forma Financial Information

EXHIBIT VIII. A.4 PRO-FORMA FINANCIAL INFORMATION

Submit as Exhibit VIII. A.4. for the proposed Gaming Facility, a detailed financial forecast in the form of a pro-forma (i) statement of material revenue lines, material expense categories, EBITDA and net income, (ii) balance sheet and calculation of debt-to-equity ratio, and (iii) statement of cash flows, each, annually for a period of at least the first ten (10) years after opening for gaming on a high-, average- and low-case basis. The high-, average- and low-case pro-forma forecasted financial information should be presented for the high-, average- and low- case revenue and gaming patronage projections for such years that are reported in the independent expert's gaming market study provided pursuant to Item VIII. A.3. of this RFA.

Detail all assumptions relevant to the pro forma forecasted financial information and relevant projected operating statistics, including but not limited to: (i) operating margins; (ii) liquidity;(iii) margins; (iv) growth; (v) revenue; (vi) visitation; (vii) win per day; (viii) hold percentages; (ix) number of slot and table positions; and (x) customer database growth. Substantiate the bases and reasonableness of all such assumptions, for example, by comparison to the Applicant's other gaming facilities currently in operation or by comparison to the most comparable gaming facilities for which data are available.

Pro Forma Assumptions

Based on the program noted above, The Innovation Group created assumptions which were utilized when projecting expected revenue and expenses for the Traditions facility.

Revenues

Revenue consists of gaming, hotel, food and beverage, retail, and other revenue sources. Revenues are based on the following:

- Casino – The Traditions casino will offer a total of 1,500 gaming positions consisting of 1,200 slot machines and 50 table games
- Hotel – 41 Rooms during years one and two (2017 and 2018), growing to 200 rooms thereafter.
- Food & Beverage – Assumed a ratio of between 1.5 and 2.0 turns per meal period on a total of 370 seats and a cost per cover ranging from \$13.00 to \$15.00. Please note that the turns include covers in the room service, special events, etc.
- Retail and Other – used a ratio of retail and other revenue to total revenue as calculated from comparable facilities.

Expenses

There are two types of expenses covered within the pro forma: departmental and undistributed expenses. Departmental expenses are operating expenses derived by each department, and are labeled in the pro forma by said departments. Undistributed expenses are those that cannot be associated with departments such as marketing property operations and maintenance, utilities, General and administrative, and other similar expenses.

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With the exception of gaming taxes, which is set at a blended rate of approximately 31% (38% for slots and 10% for tables), we utilized expense ratios based on our competitive set when developing expenses.

Traditions Ten Year Forecast

With the proposed program, and assumptions noted above, The Innovation Group has projected the Traditions facility to produce nearly [REDACTED] million in EBITDA during its first year of operations. Following a ramp up period, and the addition of the new hotel product in 2019, the facility will produce an estimated [REDACTED] million in EBITDA by year 5 and [REDACTED] million by year 10.

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“Mid” Scenario

Traditions Pro Forma, 10-year Forecast (Mid-Case)

(in millions)	2016	2017	2018 *	2019	2020	2021	2022	2023	2024	2025
DEPARTMENTAL REVENUE										
Slots										
Tables										
Rooms										
F&B										
Retail & Other										
<i>Gross Revenues</i>										
<i>Promotional Allowances</i>										
<i>Net Revenues</i>										
Labor										
Slots										
Tables										
Unallocated Gaming										
Rooms										
F&B										
Retail and Other										
DEPARTMENTAL EXPENSES										
Gaming										
Marketing: Free Play										
Gaming Fees & Taxes										
Horseman Fees										
Rooms										
F&B										
Retail & Other										
<i>Total Departmental Expenses</i>										
DEPARTMENTAL INCOME										
UNDISTRIBUTED EXPENSES										
General and Administration										
Property Operations & Maintenance										
Marketing: Other										
Security/Surveillance										
<i>Total Undistributed Expenses</i>										
EBITDA										
EBITDA MARGIN										

Source: The Innovation Group

* Adds another 159 rooms for a total of 200 rooms

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“High” Scenario

Traditions Pro Forma, 10-year Forecast (High-Case)

(in millions)	2016	2017	2018 *	2019	2020	2021	2022	2023	2024	2025
DEPARTMENTAL REVENUE										
Slots										
Tables										
Rooms										
F&B										
Retail & Other										
<i>Gross Revenues</i>										
<i>Promotional Allowances</i>										
<i>Net Revenues</i>										
Labor										
Slots										
Tables										
Unallocated Gaming										
Rooms										
F&B										
Retail and Other										
DEPARTMENTAL EXPENSES										
Gaming										
Marketing: Free Play										
Gaming Fees & Taxes										
Horseman Fees										
Rooms										
F&B										
Retail & Other										
<i>Total Departmental Expenses</i>										
DEPARTMENTAL INCOME										
UNDISTRIBUTED EXPENSES										
General and Administration										
Property Operations & Maintenance										
Marketing: Other										
Security/Surveillance										
<i>Total Undistributed Expenses</i>										
EBITDA										
EBITDA MARGIN										

Source: The Innovation Group

* Adds another 159 rooms for a total of 200 rooms

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“Low” Scenario

Traditions Pro Forma, 10-year Forecast (Low-Case)

(in millions)	2016	2017	2018 *	2019	2020	2021	2022	2023	2024	2025
DEPARTMENTAL REVENUE										
Slots										
Tables										
Rooms										
F&B										
Retail & Other										
<i>Gross Revenues</i>										
<i>Promotional Allowances</i>										
<i>Net Revenues</i>										
Labor										
Slots										
Tables										
Unallocated Gaming										
Rooms										
F&B										
Retail and Other										
DEPARTMENTAL EXPENSES										
Gaming										
Marketing: Free Play										
Gaming Fees & Taxes										
Horseman Fees										
Rooms										
F&B										
Retail & Other										
<i>Total Departmental Expenses</i>										
DEPARTMENTAL INCOME										
UNDISTRIBUTED EXPENSES										
General and Administration										
Property Operations & Maintenance										
Marketing: Other										
Security/Surveillance										
<i>Total Undistributed Expenses</i>										
EBITDA										
EBITDA MARGIN										

Source: The Innovation Group

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