

VIII. ECONOMIC ACTIVITY AND BUSINESS DEVELOPMENT

A. FINANCE AND CAPITAL STRUCTURE

15. PROOF OF ADVANCING OBJECTIVES

Submit as Exhibit VIII. A.15.a. a description of the Applicant's and, if applicable, the Manager's experience, training and expertise in developing, constructing and operating casinos and related facilities (e.g., hotels, restaurants and entertainment facilities). For each such project, include the name and location, the total dollar investment, number of gaming devices, number of hotel rooms, amenities, total gaming revenues for the last three (3) years, total non--gaming revenues for the last three (3) years, number of full-- time employees, and approximate size of the site on which the project is located. For any such project no longer owned or operated, include a description of the disposition of the project or termination of its operations

The applicant and its intermediate parent entities are all newly formed and have not operated or built any casinos and related facilities themselves; however, their ultimate parents have extensive experience in developing and operating casino projects throughout North America.

Penn National Gaming, Inc.

Penn National owns or operates nineteen casino facilities four of which have integrated pari-mutuel racing facilities. The company also owns and/or operates seven standalone racetracks. The casino facilities have run the gamut from a small casino with less than 300 slots and no table games, to integrated resorts with thousands of slots and over 100 table games. As the largest regional operator of casinos and racetracks in the US, Penn operates facilities in 18 jurisdictions, including Florida, Illinois, Indiana, Iowa, Kansas, Maine, Maryland, Massachusetts, Mississippi, Missouri, Nevada, New Jersey, New Mexico, Ohio, Pennsylvania, Texas, West Virginia, and Ontario. In total, Penn National currently operates over 31,000 slots and nearly 800 table games at its various properties. In 2013, the company had over \$2.6 billion in gaming revenue and nearly \$3 billion in total revenue from its North American operations.

Attachment 1 contains a tabular summary of all of Penn's casino facilities which includes number of games, casino and site size, number of hotel rooms and number of restaurants. Exhibit **Attachment 2** provides a confidential chart showing gaming and non-gaming revenue at each Penn casino facility along with number of full time equivalent employees and total investment in each property. **Attachment 3** provides a detailed description of the scope and variety of the non-gaming amenities that Penn offers at its various casino properties.

Over the last 10 years, Penn National has managed development projects costing over \$3.6 billion. These projects ranged from expansions or renovations valued at less than \$2 million to new green-field projects costing over \$400 million. All projects were managed by Penn's in-house construction/ development staff, which has demonstrated its ability to manage multiple development projects simultaneously. In fact, in just one year (2012), the company opened three brand new casino properties with a combined value of over \$1.1 billion. The company currently

has the following four major construction projects under way: two green field racino projects in Ohio, a green field First Nations casino in California and a new slots casino being built at an existing racetrack in Massachusetts.

The Cordish Company

The Cordish Companies' origins date back to 1910 and encompass four generations of privately-held, family ownership. During the past ten decades, The Cordish Companies has grown into a global leader with four major areas of expertise: (i.) Real Estate Development; (ii.) Gaming & Lodging; (iii.) Entertainment Management; and (iv.) Private Equity Holdings. Over the generations, The Cordish Companies has remained true to the family's core values of quality, entrepreneurial spirit, long-term personal relationships and integrity. As a testimony to the long-term vision of its family leadership, The Cordish Companies still owns and manages virtually every business it has created.

The Cordish Companies is one of the largest and most respected developers in the world with extensive expertise in almost every discipline of real estate: Entertainment and Mixed-Use Developments, Sports Anchored Developments, Shopping Centers, Corporate Office and Residential/Student Housing. Widely recognized as the leading international developer of large scale, urban revitalization projects and entertainment districts, The Cordish Companies has been awarded an unprecedented seven Urban Land Institute Awards for Excellence, which is more than any other developer in the world. Many of The Cordish Companies' real estate developments involve public/private partnerships and are of unique significance to the cities in which they are located. Prime examples are The Cordish Companies' prominent role in the redevelopment of Baltimore's world famous Inner Harbor; Philadelphia, PA; Atlantic City, NJ; Charleston, SC; Houston, TX; Louisville, KY; Kansas City, MO and St. Louis, MO.

The Cordish Companies is one of the largest and most successful operators of entertainment districts and concepts in the United States. Within its entertainment portfolio, The Cordish Companies owns and manages several Live! entertainment districts throughout the United States which welcome over 50 million visitors every year and are the most visited destinations in their respective regions. The Cordish Companies is proud to have partnered with many of the leading brands in the world including: Anheuser Busch, NASCAR, Comcast Spectator, Hard Rock Café, St. Louis Cardinals, Madison Square Garden and others.

The Cordish Companies has received international acclaim for its hospitality developments. This division focuses on developing and operating best-in-class, high-profile gaming and lodging destinations. The Cordish Companies is proud to have developed several of the most successful gaming and resort destinations in the world, including the Seminole Hard Rock Hotel & Casinos in Hollywood and Tampa, Florida, Maryland Live! Casino in Hanover, MD and Charleston Place in Charleston, SC.

The Cordish Companies has leveraged its operating and investment expertise to diversify into a number of related businesses including Cordish Media, Inc. and Cordish Private Ventures, Inc. For example, The Cordish Companies founded Seventh Art Releasing in 1994, which is an industry leading independent film distribution company which has been repeatedly singled out as one of

the most profitable and longest standing true independent distributors. Cordish Private Ventures, Inc., founded in 1998, serves as the private investment arm of The Cordish Companies, as well as an investment manager with funds such as the US Select Private Opportunities Fund, LP.

The Cordish Group has trademarks which are important for brand recognition, market identity and marketing, including the LIVE! and LIVE! Rewards trademarks and a series of other owned and licensed marks that are used either regularly or intermittently with its entertainment and casino programs. Among those marks that could be potentially included in the Gaming Facility's marketing plan are LIVE!; LIVE! Rewards; Casino LIVE!; N LIVE!; Rams Head LIVE!; NASCAR; The Marquee; Tengo Sed Cantina; Chapel Spirits; The Sports and Social Club; The Kill Devil Club; The Streak. While our strategy remains fluid, the Applicant expects that it will incorporate several of these marks into its Business Plan and marketing strategy with the objective of creation of a large, diversified entertainment center and hotel casino.

Specifically, unlike other applicants, the Cordish/Penn Applicant has no other competing gaming business in the primary marketplace, and therefore no possibility of diversion of players to other properties or to other jurisdictions. Moreover, this Applicant brings a new, fresh brand to attract and broaden the market; the brand is vibrant, fresh and contemporary. As elements of our business plan revolves around world class entertainment and special events, a significant benefit will be derived through the use of the dual data bases of Penn and Cordish in bringing visitors to LIVE! Hotel & Casino New York for a different, refreshing experience. The Applicant is confident that the breadth of experience of Cordish combined with the gaming depth of Penn will result in the establishment of a LIVE! and unequalled entertainment facility and hotel casino.

Attachments included:

Attachment 1 Experience - Penn Property Description

Attachment 2 Experience - Operating Properties Revenue

Attachment 3 Experience - Penn Restaurants Other Amenities