

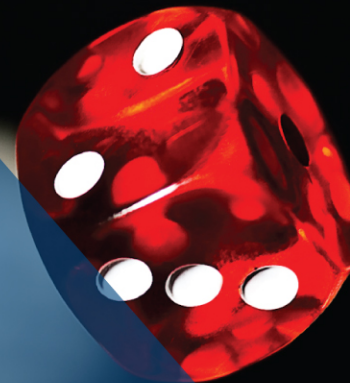


FINANCE
COMMISSIONER ENRIQUE ZUNIGA

PRESENTATION

CATEGORY 1 – REGION A RESORT CASINO

SEPTEMBER 8, 2014



APPLICANT SUMMARY: MOHEGAN SUN | REVERE

Mohegan Sun Massachusetts, LLC (“MSM”)

- Indirectly wholly owned by Mohegan Tribe of Indians of Connecticut (the “Tribe”).
- Owns & operates Mohegan Sun in Uncasville, CT:
 - 5,500 slots, 325 tables and 1,200 hotel rooms.
 - Gross gaming revenues of \$862 million in 2013 (year ended Sept 30).
- Owns & operates Mohegan Sun at Pocono Downs in Wilkes Barre, PA:
 - 2,300 slots, 80 table games and live harness racing.
 - Gross gaming revenues of \$183 million in 2013 (year ended Sept 30).
- Manages Resorts Atlantic City casino in Atlantic City, NJ with minority ownership interest (10%).
- Currently competing for a gaming license in New York State (Catskill/Hudson Valley region – capital cost-\$550 million, 1,800 slots and 50 tables, ~\$225 million in projected GGR).
- If successful in obtaining the Region A gaming license, 60% ownership of MSM will be transferred to Brigade Capital Management, LLC (“Brigade”).



APPLICANT SUMMARY: WYNN | EVERETT

Wynn MA, LLC (“Wynn”)

- Wholly owned subsidiary of Wynn Resorts Limited.
- Owns & operates Wynn and Encore in Las Vegas:
 - 230 table games, 1,854 slots and 4,748 hotel rooms.
 - Gross gaming revenue of \$683 million in 2013 (year end Dec. 31).
- Owns & operates Wynn and Encore in Macau:
 - 493 table games, 866 slots and 1,008 hotel rooms.
 - Gross gaming revenue of \$3.81 billion in 2013 (year end Dec. 31).
- Currently constructing Wynn Palace in Macau (est. completion – 2016):
 - Capital cost-\$4 billion, 1,700 room casino resort.

APPLICANT: WHAT THEY ARE PROPOSING

Category 1 Applications- Project Summaries			
Applicant	Springfield/ MGM	Revere/ Mohegan	Everett/ Wynn
Name	MGM Springfield	Mohegan Sun Massachusetts	The Wynn Resort in Everett
Location	Springfield	Revere	Everett
Construction Period	27 months	30 months	36 months
Opening Date	Subject to certain factors including license award	30 months from issuance of building permit	Q2 2017
<u>Gaming</u>			
Slots	3,000	4,240	3,242
Table Games	100	120	168
Area (sf)	126,701	171,812	192,543
<u>Non-Gaming</u>			
Number of Outlets	8	10	10
Total Seats	2,065	1,550	1,160
Hotel (rooms)	250	500 (325 and 175 rooms)	504
Entertainment	Bowling Alley, Cinema, Radio/TV Studio	44,800 sf (up to 1,000 seats) multi-purpose venue, "Dave & Busters" (or similar)	Nightclub, 1,000 seat multi-purpose venue, 500 seat outdoor amphitheatre
Exhibition/Meeting Space (sf)	19,388	44,800	32,942
Retail	8,000 sf branded retail 35,000 sf outdoor retail	102,000 sf (Specialty retail and Kids Quest)	77,250 sf retail
Parking (spaces)	3,853	4,470	3,700

Source: HLT Advisory Inc. based on Applicant's submissions.



APPLICATION: BACKGROUND FINANCE SECTION

- Application document organized under four broad areas:
 - Financial and Capital Structure.
 - Maximize Revenues to the Commonwealth.
 - Realize Maximum Capital Investment.
 - Offer Highest and Best Value to Create a Secure and Robust Gaming Market.
- 38 detailed questions in Finance Section:
 - Questions 2-13, 2-14, 2-15, 2-16, 2-17 and 2-33 not rated.
 - Additional information ascertained from Economic Development and Building and Site Design sections.
- The broad areas and detailed questions relate to the Commission’s vision for expanded gaming in the State that is rooted in the State’s gaming legislation (“objectives”).

STATE GAMING OBJECTIVES

- 18 interrelated objectives in total.
- Key objectives that directly relate to the Finance Section:
 - Maximize capital investment (exclusive of land and infrastructure).
 - Recapture out-of-state gaming expenditures.
 - Maximize revenues to State.
 - Highest and best value to create a secure and robust gaming market.
- These objectives were viewed in terms of the State’s implementation plan (“casino model”):
 - Limit one casino license per region.
 - Low tax rate and minimum investment threshold.



FINANCE: TEAM OF ADVISORS



Rob Scarpelli



Katia Muro



Drew Chamberlain



Matthew Klas

FRAMEWORK: FINANCE TEAM APPROACH

The assessment was undertaken under four interrelated areas:

1. Financial Capability:

- I. Ability to obtain project capital.
- II. Current financial strength of applicants.
- III. Expected project returns.

2. Investment Plan:

- I. Commitment to spend required capital.
- II. Timing of Development.
- III. Consistency between quality/scope of facility, expected market penetration and financial results.

3. Market Assessment:

- I. Gaming revenue projections and market share, inside and outside of defined market area.

4. Operations Plan:

- I. Understanding of internal controls.
- II. Consistency of business plan with expected financial returns.
- III. Financial projection analysis.

1. FINANCIAL CAPABILITY

The focus of this component was on assessing the financial capabilities of the Applicant to develop (construct and open) and operate the proposed Category 1 facility.

Specific assessment areas included:

- I. Applicant's ability to obtain project capital.
- II. Current financial strength of Applicant.
- III. Applicant's expected project returns over the 15 year term of the license.

1.1 ABILITY TO OBTAIN PROJECT CAPITAL

Expectations of Applicant:

- Evidence of access to and availability of capital required to fund project cost as submitted.

Assessment Approach:

- Reviewed financing plan as submitted by Applicant.
- Reviewed accompanying background materials (commitment letters, promissory notes, credit facilities, SEC filings, annual reports, public representations, as well as Phase 1 Suitability Reports):
 - Access to significant historical and detailed financial information, given one applicant is public company (Wynn).
 - Access to historical data and detailed financial info, given that another applicant borrows from the capital markets and gets its debt rated (Mohegan).

1.1 ABILITY TO OBTAIN PROJECT CAPITAL

Applicants' Proposed Funding Plans:

Financing Structure (\$Million)		
	Revere/ Mohegan	Everett/ Wynn
Capital Required	\$1,132.0	\$1,589.2
Third Party Debt	\$807.0	\$984.4
Equity	\$235.0	\$604.8
Third Party Funding*	\$90.0	\$0.0
Total	\$1,132.0	\$1,589.2
Project Financed by Debt	71%	62%
Project Financed by Equity	21%	38%
Project Financed by Third Party*	8%	0%
Total	100%	100%
<p><i>Source: HLT Advisory Inc. based on Applicant's submissions.</i></p> <p><i>*Third Party Funding refers to funding of \$30 million by retail tenants, \$18 million in second hotel equity and \$42 million in second hotel debt financing.</i></p>		



1.1 ABILITY TO OBTAIN PROJECT CAPITAL

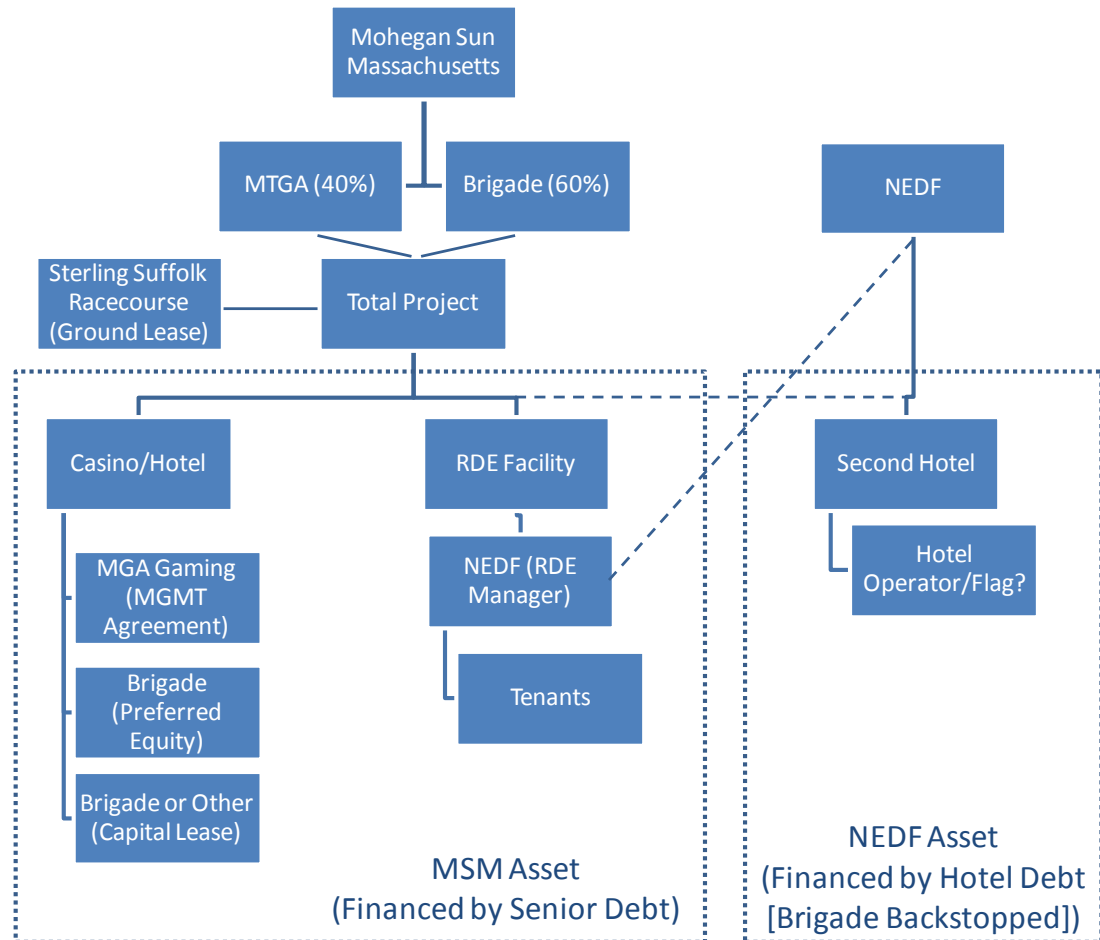
Mohegan Sun | Revere: *Funding Plan*

Revere/Mohegan - Funding Plan (\$Million)	
Source of Equity/Financing (Entity)	Total
Equity	
Pre-Development Spend to Date (Mohegan)	\$35
Pre-Development Spend to Date (Suffolk)	\$70
Common Equity (Brigade)	\$50
Preferred Equity (Brigade)	\$60
Third Party "Key Money" (New England Development/Finard)	\$20
Total Equity	\$235
Debt	
Bank Financing (Bank of America\Merrill Lynch or Goldman Sachs)	\$732
FFE-Capital Lease (TBD - Brigade backstopped)	\$75
Total Debt	\$807
Third Party Funding	
Third Party "Fit-Out" (Third Party tenants)	\$30
Third party Hotel-Equity (New England Development/Finard - Brigade backstopped)	\$18
Third Party Hotel-Financing (TBD - Brigade backstopped)	\$42
Total Third Party Funding	\$90
Total	\$1,132
<i>Source: HLT Advisory Inc. based on information from Mohegan Sun submission.</i>	



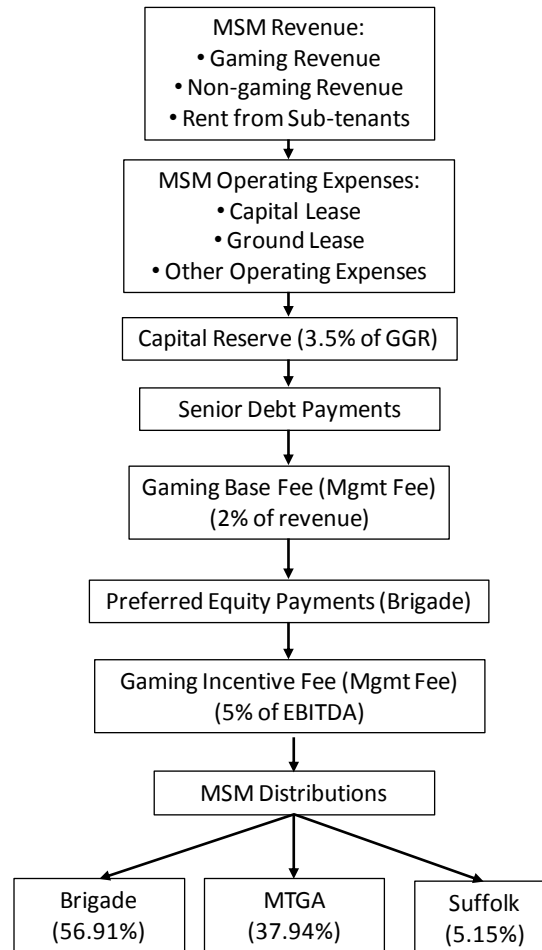
1.1 ABILITY TO OBTAIN PROJECT CAPITAL

Mohegan Sun | Revere: Funding Plan (structure)



1.1 ABILITY TO OBTAIN PROJECT CAPITAL

Mohegan Sun | Revere: *Funding Plan (priority of payments)*



1.1 ABILITY TO OBTAIN PROJECT CAPITAL

Mohegan Sun | Revere: Funding Plan (stakeholder income summary)

Note: Based on Mohegan Sun | Revere Application attachment 2-09-01

Revere/Mohegan Stakeholder Income Summary (\$millions)			
	Year 1		
	"Base Case"		"Extreme Downside Case"
Revenue			
Gaming	\$857.9		\$557.6
Other	\$9.5		\$11.9
Total Revenue	\$867.4		\$569.5
Total Operating Expenses	\$527.5		\$423.4
EBITDA	\$339.9		\$146.1
Capital Reserve(3.5% of Gaming Revenue)	\$30.0		\$19.5
Senior Debt Payments*	\$82.9		\$82.9
Ground Lease	\$69.4		\$39.9
Management Fees (Base and Incentive)	\$30.9		\$16.8
Preferred Equity Payments**	\$12.0		\$12.0
MSM Distributions (Pre-tax)	\$114.8		-\$5.4
Distributions			
Brigade (56.91%)	\$65.3		-
Mohegan (37.94%)	\$43.5		-
Suffolk (5.15%)	\$5.9		-
Stakeholder Income			
Brigade (Preferred Equity, Distributions)	\$77.3	34%	\$12.0 20%
Mohegan (MGMT Fees, Distributions)	\$74.4	33%	\$16.8 28%
Suffolk (Ground Lease, Distributions)	\$75.3	33%	\$31.5 52%
Total Stakeholder Income	\$227.0	100%	\$60.2 100%

Source: HLT Advisory Inc. based on Applicant's submission and HLT estimates for debt interest and repayment.

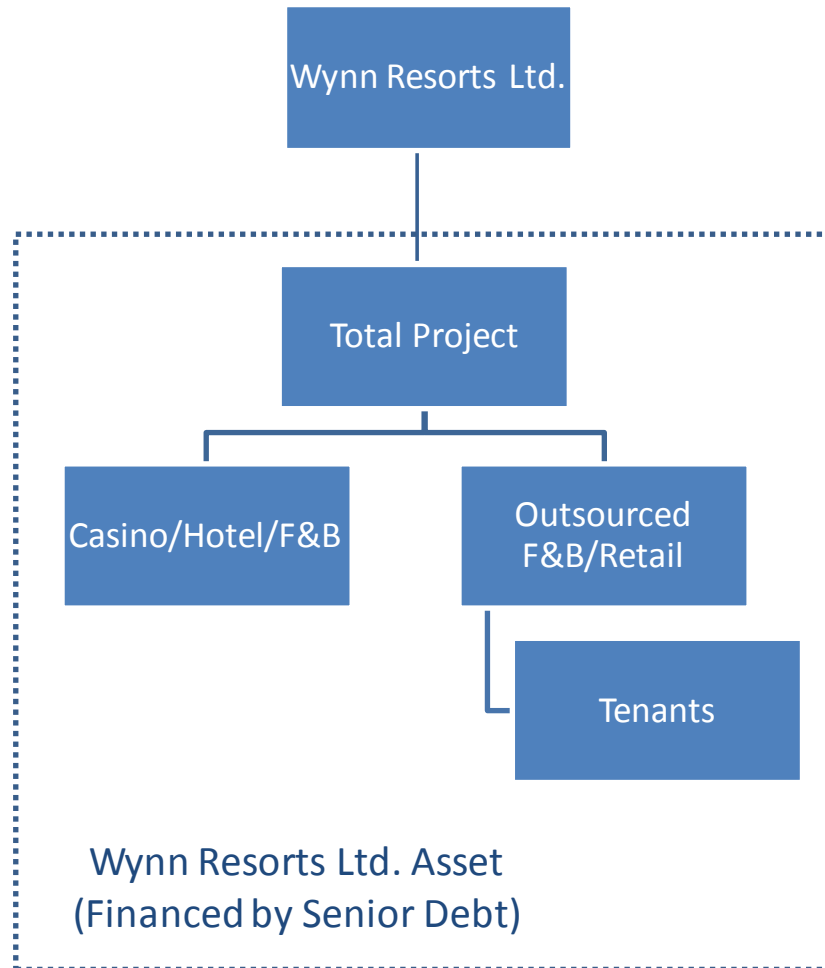
*Assumes equal annual payments over a 15 year period to pay interest and fully repay principal of Senior Bank Debt (\$732 million with a 7.5% interest rate).

**Assumes equal annual payments over a 10 year period to pay interest and fully repay principal of Preferred Equity (\$60 million with a 15% interest rate).



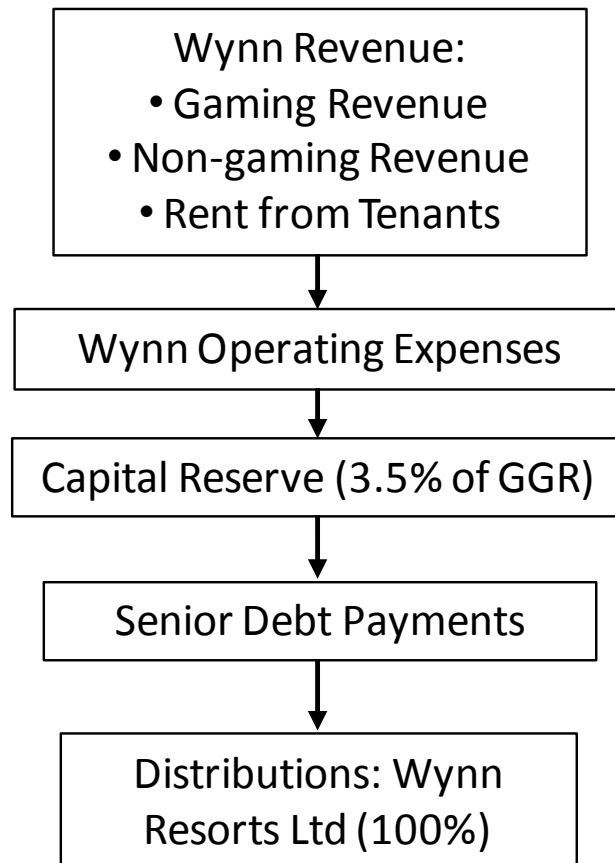
1.1 ABILITY TO OBTAIN PROJECT CAPITAL

Wynn | Everett: *Funding Plan (structure)*



1.1 ABILITY TO OBTAIN PROJECT CAPITAL

Wynn | Everett: *Funding Plan (priority of payments)*



1.1 ABILITY TO OBTAIN PROJECT CAPITAL

Mohegan Sun | Revere

Sufficient

- Complex – multiple funding sources.
- Stated equity (\$235 million) includes large sunk cost component.
- Minor equity (after “sunk costs” and license fee) to initiate development (\$45 million or ~5% of total remaining project costs).
- Preferred equity behaves like subordinate debt (annual interest rate).
- No evidence provided in original submission for \$155 million (subsequently provided Brigade “back-stop” and unaudited financial information).

Wynn | Everett

Outstanding

- Straightforward – equity and senior debt.
- Stated equity of ~\$605 million.
- Significant equity (after “sunk cost”, license fee and operating cash flow) amount to initiate development (\$478 million or ~33% of total remaining project costs).

1.2 CURRENT FINANCIAL STRENGTH

Expectations of Applicant:

- To ensure existing operations of Applicant would not negatively impact Massachusetts casino operation. Provide evidence of a strong balance sheet, reasonable levels of existing debt and positive operating results.

Assessment Approach:

- Reviewed financial statements submitted by applicants for either the Applicant or the Applicant's equity provider and performed financial ratio analyses to assess financial strength:
 - Access to historical financial information, given Wynn is public company (SEC filings, annual reports).
 - Access to historical financial information, given Mohegan's debt being rated.

1.2 CURRENT FINANCIAL STRENGTH

	Financial Ratios - Publicly Traded Gaming Companies									
	Capital Assets > \$4 billion					Capital Assets < \$4 billion				
	Las Vegas Sands Corp.	Wynn Resorts Ltd.*	MGM Resorts International*	Caesars Entertainment Corporation	Penn National Gaming, Inc.**	Mohegan Tribal Gaming Authority	Boyd Gaming Corporation	Pinnacle Entertainment, Inc.***	Station Casinos LLC	
Current Assets (\$Million)	\$5,516	\$2,968	\$2,719	\$3,770	\$487	\$138	\$335	\$599	\$221	
Current Liabilities (\$Million)	\$3,130	\$1,455	\$2,215	\$2,531	\$499	\$244	\$454	\$372	\$231	
Current Ratio	1.76	2.04	1.23	1.49	0.98	0.57	0.74	1.61	0.96	
Total Capital Assets (Net Book Value) (\$Million)	\$15,359	\$4,934	\$14,055	\$13,238	\$2,730	\$1,476	\$3,506	\$3,040	\$2,163	
Net Revenue (\$Million)	\$13,770	\$5,620	\$9,810	\$8,560	\$2,899	\$1,340	\$2,894	\$1,488	\$1,261	
Capital Asset Turnover	0.90	1.14	0.70	0.65	1.06	0.91	0.83	0.49	0.58	
Long Term Debt (\$Million)	\$9,383	\$6,587	\$13,447	\$20,918	\$2,649	\$1,649	\$4,353	\$4,364	\$2,128	
Total Shareholder Equity (\$Million)	\$7,665	-\$185	\$4,231	-\$3,122	\$2,250	\$199	\$470	\$214	\$658	
Debt Equity Ratio	1.22	N/M	3.18	N/M	1.18	8.29	9.26	20.42	3.23	
EBITDA (excludes unusual items) (\$Million)	\$4,416	\$1,294	\$1,712	\$1,700	\$687	\$309	\$573	\$270	\$328	
Investment (\$Million)****	\$17,048	\$6,086	\$17,678	\$17,796	\$4,695	\$1,848	\$4,823	\$4,578	\$2,787	
Return on Investment	26%	21%	10%	10%	15%	17%	12%	6%	12%	
EBITDA (excludes unusual items) (\$Million)	\$4,416	\$1,294	\$1,712	\$1,700	\$687	\$309	\$573	\$270	\$328	
Interest Expense (\$Million)	\$271	\$299	\$857	\$2,253	\$81	\$170	\$344	\$170	\$165	
Times Interest Earned	16.28	4.33	2.00	0.75	8.44	1.82	1.66	1.59	1.99	
Year End	12/31/2013	12/31/2013	12/31/2013	12/31/2013	12/31/2012	9/30/2013	12/31/2013	12/31/2013	12/31/2013	

Source: HLT Advisory Inc. based on most recent annual audited financial statements from gaming companies.

*Shareholder's equity excludes that amount attributable to non-controlling interests. EBITDA excludes that amount attributable to non-controlling interests.

**Ratios used are for 2012, prior to Penn National Gaming splitting in to two entities (GLPI and Penn National Gaming).

***In August 2013, Pinnacle Entertainment Inc. acquired Ameristar Casinos, Inc.

****Investment is defined as long term debt plus shareholder's equity.

N/M-Not measurable.



1.2 CURRENT FINANCIAL STRENGTH

Mohegan Sun | Revere

Sufficient

- Brigade not assessed – proven access to capital.
- Mohegan – financial ratios indicate significant challenges.
- Mohegan – concentration of operations in CT (increasingly competitive market).

Wynn | Everett

Very Good/Outstanding

- Sound current financial position– financial ratios.
- Wynn – concentration of operations (profit) in Macau (increasing competitive market).
- Demonstrated ability to compete in highly competitive markets (Las Vegas & increasingly Macau).

1.3 EXPECTED RETURNS

Expectations of Applicant:

- Earn a commercially reasonable return on investment and ability of Applicant to pay back development costs over term of license (15 years).

Assessment Approach:

- Return on investment calculation based on Applicant's submitted 15-year EBITDA. This calculated return was assessed under two annual discount rates (4%-15% as contained in application document).

1.3 EXPECTED RETURNS

Applicant's expected project returns (15 years, length of license).

Internal Rate of Return based on the Applicant's submitted 15 year EBITDA. In addition, the rate of return was assessed under two discount rates (4% and 15%).

	Mohegan Sun Revere	Wynn Everett
ROI (No discount rate)	22%	21%
ROI (Discount rate 4%)	18%	17%
ROI (Discount Rate 15%)	6%	6%

1.3 EXPECTED RETURNS

Mohegan Sun | Revere

Very Good

Wynn | Everett

Very Good

- Both applicants' plans produce commercially reasonable ROI
- Both applicants produce a positive ROI after 15% discount rate

2. INVESTMENT PLAN

The focus of this component was on assessing the suitability of the proposed physical facility plan to compete in the market over the term of the license.

Specific assessment areas included:

- I. Commitment to spend required capital.
- II. Timing of total development.
- III. Consistency between quality/scope of proposed facility and expected market penetration and financial results.

2.1 REQUIRED CAPITAL

Expectations of Applicant:

- Provide evidence that capital budget includes eligible capital expenses of at least \$500 million.

Assessment Approach:

- Reviewed Applicant's submitted capital budgets and determined eligible and ineligible expenses.

2.1 REQUIRED CAPITAL: TOTAL COST

There are material cost differences between the two applicants:

- Construction
- FF&E
- Financing
- Pre-opening
- Land (purchase-rent)
- “Chase costs” (predevelopment spend)

	Budget Comparison		
	Springfield/ MGM	Revere/ Mohegan	Everett/ Wynn
Construction			
Building - Casino	\$65,757,000	\$83,244,362	\$95,032,650
Building - Hotel	\$83,032,000	\$115,884,315	\$319,977,586
Building - Retail/Entertainment	\$48,072,000	\$22,110,362	\$91,602,929
Building - Other	\$40,830,000	\$47,088,959	\$113,721,400
Architectural and Engineering	\$22,000,000	\$20,757,471	\$67,439,709
Insurance	Included Elsewhere	\$7,656,974	\$12,969,175
Permits	Included Elsewhere	\$2,711,899	\$20,750,680
Parking Garage	\$93,132,000	\$76,934,686	\$128,699,213
Other Construction*	\$55,469,000	n/a	\$107,001,505
Total Construction	\$408,292,000	\$376,389,028	\$957,194,847
FF&E			
Gaming Equipment	\$82,000,000	\$102,123,971	\$70,000,000
Other FF&E	\$25,500,000	\$48,475,182	\$20,000,000
Total FF&E	\$107,500,000	\$150,599,153	\$90,000,000
Subtotal	\$515,792,000	\$526,988,181	\$1,047,194,847
Other Costs			
License and Application Fee	\$85,000,000	\$85,000,000	\$85,000,000
Start-up Capital and Cage Cash	\$25,000,000	\$15,300,000	\$40,000,000
Financing Costs	\$58,000,000	\$181,494,878	\$98,750,000
Contingencies	\$24,425,000	\$44,340,733	\$55,232,753
Land**	\$50,133,000	n/a	\$75,000,000
Offsite Infrastructure	Included Elsewhere	\$45,000,000	\$50,000,000
Corporate Overhead	Included Elsewhere	\$7,839,233	\$6,000,000
Pre-opening Expenses	\$30,000,000	\$10,000,000	\$60,900,000
Host/Surrounding Community	\$5,150,000	\$34,977,631	\$30,000,000
Operating Supplies	\$31,500,000	\$4,715,971	\$20,000,000
Other Project Costs***	n/a	\$71,000,000	n/a
Pre-Development Spend****	n/a	\$105,000,000	\$21,100,000
Total Other Costs	\$309,208,000	\$604,668,446	\$541,982,753
Total Budgeted Cost	\$825,000,000	\$1,131,656,627	\$1,589,177,600

Source: HLT Advisory Inc. based on Applicant's submission.

n/a- Not applicable.

* Includes site and infrastructure improvements, landscaping, and exterior features.

**Everett/Wynn's land cost includes \$30 million FBT Land (net) and \$45 million in other land related.

***Revere/Mohegan's other project costs include \$43 million in pre-operations rent and \$28 million prior development payment.

****Revere/Mohegan's pre-development spend includes \$75 million spent by Sterling Suffolk Racecourse and \$30 million spent by the Mohegan Tribal Gaming Authority. Everett/Wynn's pre-development spend includes fees paid to the Massachusetts Gaming Commission and the City of Everett, legal fees, and other pre-opening expenses.



2.1 REQUIRED CAPITAL: ELIGIBLE COSTS MINIMUM INVESTMENT THRESHOLD

Budget Comparison- Eligible Costs			
	Springfield/ MGM	Revere/ Mohegan	Everett/ Wynn
<u>Eligible Capital Costs</u>			
Construction			
Building - Casino	\$65,757,000	\$83,244,362	\$95,032,650
Building - Hotel	\$83,032,000	\$115,884,315	\$319,977,586
Building - Retail/Entertainment	\$48,072,000	\$22,110,362	\$91,602,929
Building - Other	\$40,830,000	\$47,088,959	\$113,721,400
Architectural and Engineering	\$22,000,000	\$20,757,471	\$67,439,709
Insurance	Included Elsewhere	\$7,656,974	\$12,969,175
Permits	Included Elsewhere	\$2,711,899	\$20,750,680
Parking Garage	\$93,132,000	\$76,934,686	\$128,699,213
Other Construction*	\$55,469,000	n/a	\$107,001,505
Total Construction	\$408,292,000	\$376,389,028	\$957,194,847
FF&E			
Gaming Equipment	\$82,000,000	\$102,123,971	\$70,000,000
Other FF&E	\$25,500,000	\$48,475,182	\$20,000,000
Total FF&E	\$107,500,000	\$150,599,153	\$90,000,000
Total Eligible Costs	\$515,792,000	\$526,988,181	\$1,047,194,847
<p><i>Source: HLT Advisory Inc. based on Applicant's submission and HLT's interpretation of eligible capital costs.</i></p> <p><i>n/a- Not applicable.</i></p> <p><i>* Includes site and infrastructure improvements, landscaping, and exterior features.</i></p>			



2.1 REQUIRED CAPITAL

Mohegan Sun | Revere

Sufficient

- Just met the minimum requirement - \$527 million.
- Of the \$1.1 billion total project cost, ~32% (~\$357 million) accounted for by financing, construction land rent and monies spent to pursue a casino license.

Wynn | Everett

Outstanding

- Significantly exceeded the minimum requirement - \$1,047 million.
- Of the \$1.6 billion total project cost, ~9% (~\$150 million) accounted for by financing, land purchase and monies spent to pursue a casino license.

2.2 PROJECT TIMELINES

Expectations of Applicant:

- Provided a reasonable development timeline for opening the permanent facility.

Assessment Approach:

- Reviewed planned timelines. Note: Time to obtain necessary permits not considered.

2.2 PROJECT TIMELINES

- Mohegan Sun anticipates construction to be complete 30 months from the start of construction.
- Wynn anticipates construction to be complete 36 months from the start of construction.

Construction Schedule Comparison		
	Revere/ Mohegan*	Everett/ Wynn
Category 1 License Awarded	n/p	Q2 2014
Start of Construction	January-01-14	April-04-14
Construction Completion	30 months	36 months
Opening Date	n/p	Q2 2017

Source: HLT Advisory Inc. based on Applicant's submissions.

n/p- Not provided.

**Mohegan Sun stated gaming operations will begin 30 months from the issuance of a building permit from the City of Revere.*



2.2 PROJECT TIMELINES

Mohegan Sun | Revere

Very Good

Wynn | Everett

Very Good

- Both applicants provided a reasonable timeline for opening facility given the size and scope (complexity) of the development and the site location.

2.3 CONSISTENCY WITH FINANCIALS

Expectations of Applicant:

- Consistency between size and scope of facility and operating and financial plans.

Assessment Approach:

- Reviewed capital budget and building renderings in connection with operating and financial plans.

2.3 CONSISTENCY WITH FINANCIALS:

PROPOSED FACILITIES SUITABILITY

	Mohegan Sun Revere	Wynn Everett
Site Location	Adjacent to Suffolk Downs Racecourse	Former industrial site adjacent to Mystic River
Slots	4,240	3,242
Tables	120	168
Gaming Floor (sf)	171,812	192,543
Hotel Rooms (“star”)	~325 (“4 Star”), ~175 (“3 Star”)	504 (“5 star”)
F&B Outlets (seats)	10 (1,550)	10 (1,160)
Entertainment	44,800 sf multi-purpose space (1,000 seats)	32,942 sf multi-purpose space (1,000 seats)
Parking Spaces	4,470	3,700
Exhibition Space (sf)	44,800	32,942
Retail (sf)	102,000	77,250



2.3 CONSISTENCY WITH FINANCIALS:

PROPOSED FACILITIES SUITABILITY

Proposed Facility Suitability		
	Revere/ Mohegan	Everett/ Wynn
Slot Machines	4,240	3,242
Table Games*	120	168
Gaming Positions	4,960	4,250
Gaming Space Required:		
Slot Machine Square Footage**	127,200	97,260
Table Machine Square Footage**	36,000	50,400
Total Gaming Square Footage	163,200	147,660
Proposed Gaming Square Footage (sf)	171,812	192,543
Excess Space (Proposed minus Required)	8,612	44,883
F&B Seats***	1,550	1,160
F&B Seats per Position	0.31	0.27
Total Parking Spaces	4,470	3,700
Total Parking per Position	0.90	0.87

Source: HLT Advisory Inc. based on Applicant's submissions and HLT estimates.

** Assumes 6 positions per table game.*

*** Assumes 30 sf per slot machine and 300 sf per table game.*

****Includes third party operated F&B.*

- Wynn gaming square footage is slightly greater than required – can accommodate additional devices if required.
- Proposed F&B seats per position are reasonable. Project visitor volumes indicate additional seats may be required.
- Proposed parking (on-site) spaces per position are reasonable.



2.3 CONSISTENCY WITH FINANCIALS

Mohegan Sun | Revere

Very Good

- Consistent with business and operational plans submitted – positioned to penetrate local market.
- \$10 million allocated for pre-opening expenses.

Wynn | Everett

Very Good

- Consistent with business and operational plans submitted – positioned to attract high-end and out-of-state customers.
- \$61 million allocated for pre-opening expenses.

3. MARKET ASSESSMENT: METHODOLOGY

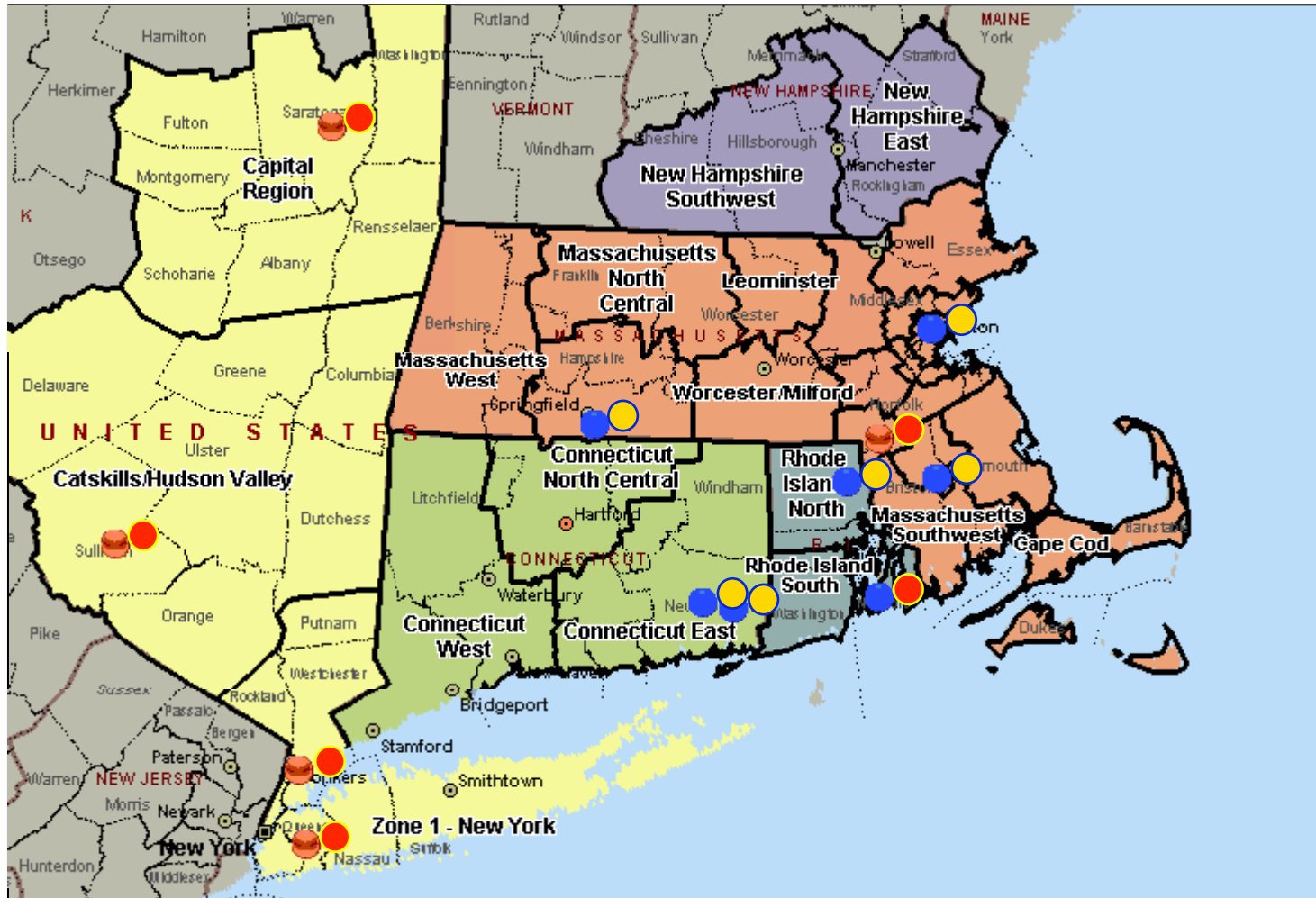
- Builds on Category 2 market assessment (prior and post competition).
- Report in packet summarizes market assessment applicable to Category 1:
 - Access to significant historical and detailed financial information, given one applicant is public company (Wynn).
 - “No competition” scenarios have been removed; the effect of two unsuccessful Category 2 applicants has been removed.
- Key considerations:
 - Size of expected market (as measured by gross gaming revenue or “GGR”).
 - Individual facility’s gaming revenue projections and market shares.
- Gaming revenues are a function of the size of the gaming market and competition. Size of gaming market is a function of adult population and propensity to game, and gaming supply in the market.
- Key elements of the market assessment model include:
 - Geographic extent of total market area (market area extent).
 - Total gaming dollars (size of market).
 - Market shares after in-state competition.



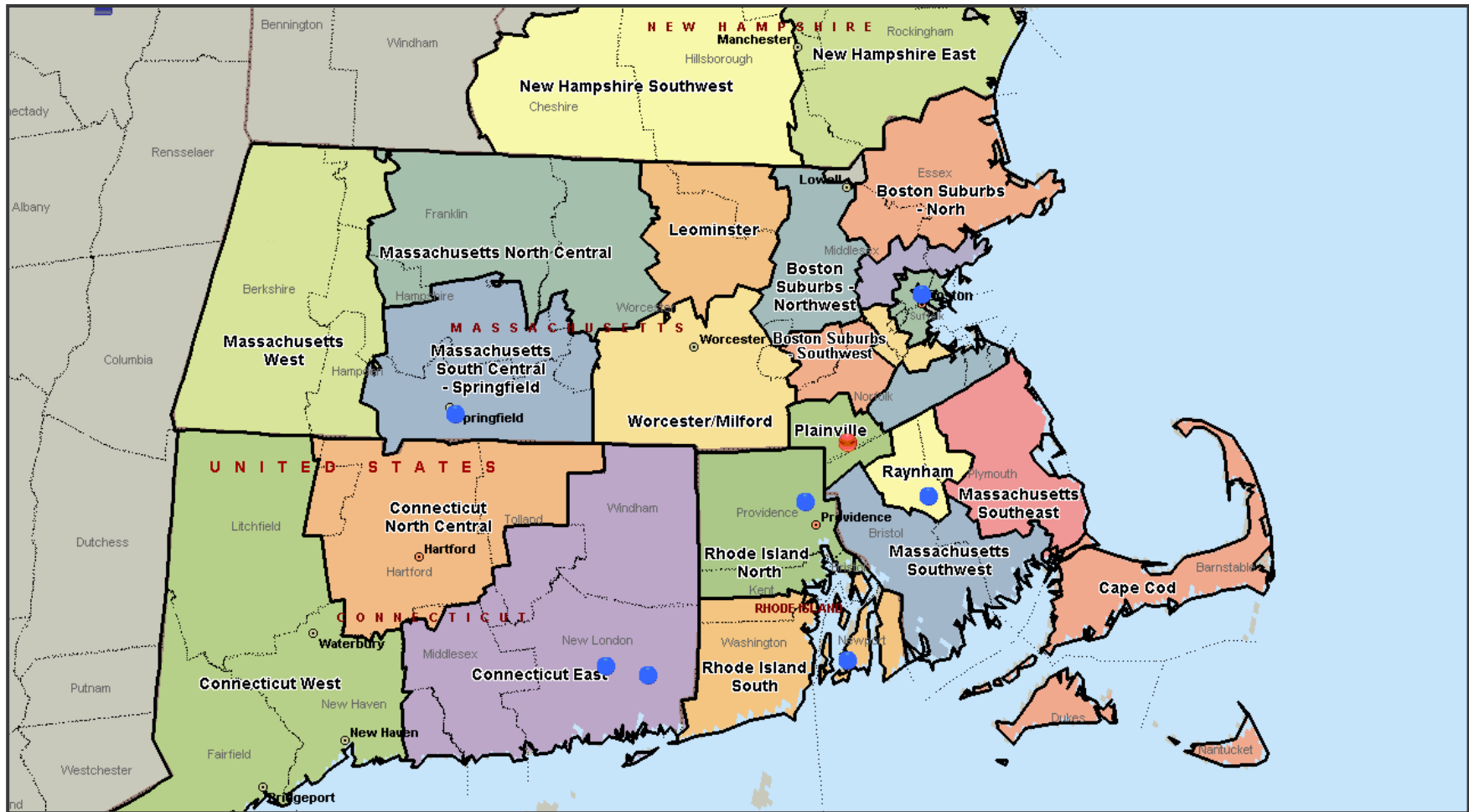
3. MARKET ASSESSMENT COMPETITION

- Proposed Category 1 facilities (Regions A & B) are similar in size and scope relative to existing competitors:
 - Three of four existing competitive casinos (RI & CT) contain between 4,500 and 6,300 slot machines, offer table games and have various ancillary facilities.
 - Category 1 facilities are proposed to offer between 3,000 and 4,240 slots and between 100 to 150 table games.
 - The Category 1 facilities will operate in an environment similar to existing competitors (i.e., similar tax rates on slot gaming). However, unlike existing competitors, Category 1 facilities will not allow smoking and tax rate will be also applicable on table gaming (no table tax in Connecticut and 18% table tax rate in Rhode Island).

3. MARKET ASSESSMENT: MARKET AREA



3. MARKET ASSESSMENT: MARKET AREA

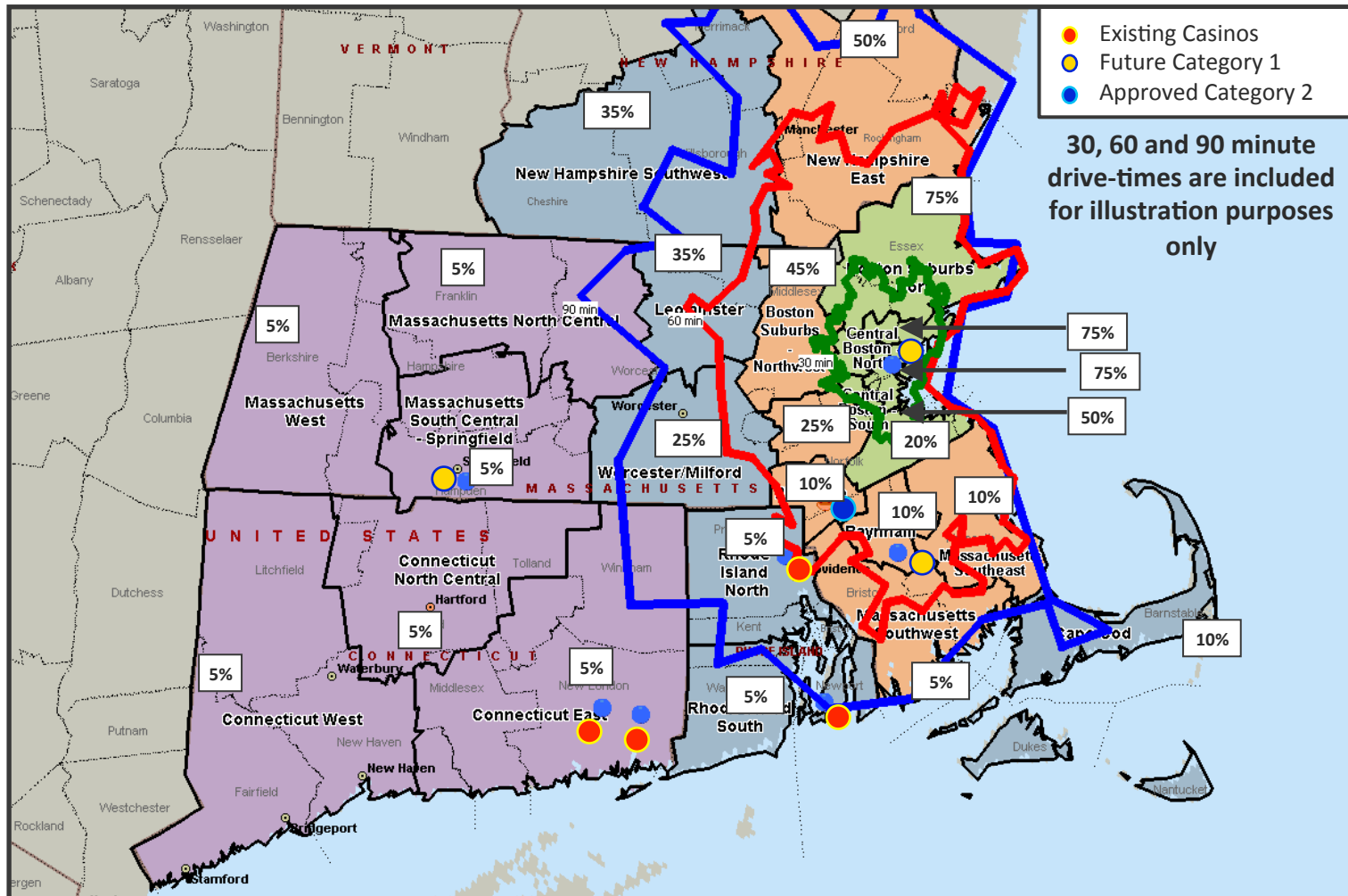


3. MARKET ASSESSMENT: SIZE OF MARKET

Market Areas	Market Area Adult Population and Total GGR Potential				
	Adult Population	At \$300/Adult		At \$350/Adult	
		GGR/Adult	Total Market GGR	GGR/Adult	Total Market GGR
<u>Massachusetts Market Areas</u>					
Central Boston	781,625	\$300	\$234,487,500	\$350	\$273,568,750
Central Boston - North	386,575	\$300	\$115,972,500	\$350	\$135,301,250
Central Boston - South	228,442	\$300	\$68,532,600	\$350	\$79,954,700
Subtotal Central Boston	1,396,642	\$300	\$418,992,600	\$350	\$488,824,700
Boston Suburbs - North	506,576	\$300	\$151,972,800	\$350	\$177,301,600
Boston Suburbs - Northwest	315,355	\$300	\$94,606,500	\$350	\$110,374,250
Boston Suburbs - Southwest	187,800	\$300	\$56,340,000	\$350	\$65,730,000
Boston Suburbs - South	179,337	\$300	\$53,801,100	\$350	\$62,767,950
Subtotal Boston Suburbs	1,189,068	\$300	\$356,720,400	\$350	\$416,173,800
Raynham	144,658	\$300	\$43,397,400	\$350	\$50,630,300
Plainville	102,830	\$300	\$30,849,000	\$350	\$35,990,500
Massachusetts Southwest	317,485	\$300	\$95,245,500	\$350	\$111,119,750
Massachusetts Southeast	230,619	\$300	\$69,185,700	\$350	\$80,716,650
Cape Cod	194,390	\$300	\$58,317,000	\$350	\$68,036,500
Subtotal Southern Massachusetts	989,982	\$300	\$296,994,600	\$350	\$346,493,700
Leominster	150,114	\$300	\$45,034,200	\$350	\$52,539,900
Worcester/Milford	394,984	\$300	\$118,495,200	\$350	\$138,244,400
Massachusetts North Central	111,892	\$300	\$33,567,600	\$350	\$39,162,200
Massachusetts South Central - Springfield	435,035	\$300	\$130,510,500	\$350	\$152,262,250
Massachusetts West	109,573	\$300	\$32,871,900	\$350	\$38,350,550
Subtotal West & Central Massachusetts	1,201,598	\$300	\$360,479,400	\$350	\$420,559,300
Subtotal Massachusetts	4,777,290	\$300	\$1,433,187,000	\$350	\$1,672,051,500
<u>Neighbouring States Market Areas</u>					
New Hampshire Southwest	268,310	\$300	\$80,493,000	\$350	\$93,908,500
New Hampshire East	453,493	\$300	\$136,047,900	\$350	\$158,722,550
Subtotal New Hampshire Areas	721,803	\$300	\$216,540,900	\$350	\$252,631,050
Rhode Island North*	579,520	\$300	\$173,856,000	\$350	\$202,832,000
Rhode Island South*	189,311	\$300	\$56,793,300	\$350	\$66,258,850
Subtotal Rhode Island	768,831	\$300	\$230,649,300	\$350	\$269,090,850
Connecticut East	468,861	\$300	\$140,658,300	\$350	\$164,101,350
Connecticut North Central	734,366	\$300	\$220,309,800	\$350	\$257,028,100
Connecticut West	1,382,839	\$300	\$414,851,700	\$350	\$483,993,650
Subtotal Connecticut	2,586,066	\$300	\$775,819,800	\$350	\$905,123,100
Subtotal Neighbouring States	4,076,700	\$300	\$1,223,010,000	\$350	\$1,426,845,000
Total Market Area	8,853,990	\$300	\$2,656,197,000	\$350	\$3,098,896,500
<i>Source: HLT Advisory Inc. estimates.</i>					



3. MARKET ASSESSMENT: MARKET SHARES



3. MARKET ASSESSMENT: MARKET SHARES

Sub-market areas have been organized (generally) by drive times for illustration purposes only.

Boston (Region A) Category 1 Casino - Summary of GGR Estimates				
Market Areas	Market Shares	At \$300/ Adult	Blended GGR/ Adult	At \$350/ Adult
Central Boston	75.0%	\$175,865,625	\$219,832,031	\$205,176,563
Central Boston - North	75.0%	\$86,979,375	\$94,227,656	\$101,475,938
Central Boston - South	50.0%	\$34,266,300	\$37,121,825	\$39,977,350
Boston Suburbs - North	75.0%	\$113,979,600	\$104,481,300	\$132,976,200
Boston Suburbs - South	20.0%	\$10,760,220	\$11,656,905	\$12,553,590
Markets Within 0-30 Minutes		\$421,851,120	\$467,319,718	\$492,159,640
New Hampshire East	50.0%	\$68,023,950	\$62,355,288	\$79,361,275
Boston Suburbs - Northwest	45.0%	\$42,572,925	\$39,025,181	\$49,668,413
Boston Suburbs - Southwest	25.0%	\$14,085,000	\$15,258,750	\$16,432,500
Raynham	10.0%	\$4,339,740	\$5,424,675	\$5,063,030
Plainville	10.0%	\$3,084,900	\$3,856,125	\$3,599,050
Massachusetts Southwest	5.0%	\$4,762,275	\$5,159,131	\$5,555,988
Massachusetts Southeast	10.0%	\$6,918,570	\$7,495,118	\$8,071,665
Cape Cod	10.0%	\$5,831,700	\$5,345,725	\$6,803,650
Markets Within 30-60 Minutes		\$149,619,060	\$143,919,993	\$174,555,570
New Hampshire Southwest	35.0%	\$28,172,550	\$25,824,838	\$32,867,975
Leominster	35.0%	\$15,761,970	\$14,448,473	\$18,388,965
Worcester/Milford	25.0%	\$29,623,800	\$32,092,450	\$34,561,100
Rhode Island North	5.0%	\$8,692,800	\$10,866,000	\$10,141,600
Rhode Island South	5.0%	\$2,839,665	\$3,549,581	\$3,312,943
Markets Within 60-90 Minutes		\$85,090,785	\$86,781,341	\$99,272,583
Massachusetts North Central	5.0%	\$1,678,380	\$1,818,245	\$1,958,110
Massachusetts South Central - Springfield	5.0%	\$6,525,525	\$8,156,906	\$7,613,113
Massachusetts West	5.0%	\$1,643,595	\$1,506,629	\$1,917,528
Connecticut East	5.0%	\$7,032,915	\$8,791,144	\$8,205,068
Connecticut North Central	5.0%	\$11,015,490	\$11,933,448	\$12,851,405
Connecticut West	5.0%	\$20,742,585	\$19,014,036	\$24,199,683
Markets Beyond 90-Minutes		\$48,638,490	\$51,220,408	\$56,744,905
Subtotal Market Area		\$705,199,455	\$749,241,459	\$822,732,698

Source: HLT Advisory Inc. estimates.



3. MARKET ASSESSMENT:

APPLICANT'S REVENUE PROJECTION

To assess the reasonableness of the Applicant's revenue projections, HLT focused on the geographic source (i.e. market area) of expected revenues and compared that to HLT's market assessment.

The source of the Applicant's revenue was based on specific geographic market area segments (total market area and sub-areas) as highlighted in the Applicant's third-party market assessment report. These market areas did not align completely with the HLT defined market area nor its defined sub-market areas.

To compare the Applicant's revenue projections to HLT's market assessment, HLT used information contained in the third-party market assessment report to estimate the portion of projected gaming revenues (Year 3 as contained in the Applicant's financials) that is likely to be generated from within the HLT defined market area. HLT's market assessment acknowledged that Category 1 casinos could generate revenue from beyond the defined market area (termed "inflow") but did not provide estimates. The ability of each casino to generate inflow is based on the location and amount of competition in the area beyond the defined market area as well as casino specific targeted marketing programs.

3. MARKET ASSESSMENT: APPLICANT'S REVENUE PROJECTION

Applicant Revenue Projections:

Mohegan Sun | Revere

Start at \$808.4 million (expressed in 2013 dollars) in GGR (Year 1) and are normalized in Year 3 at \$910.4 million.

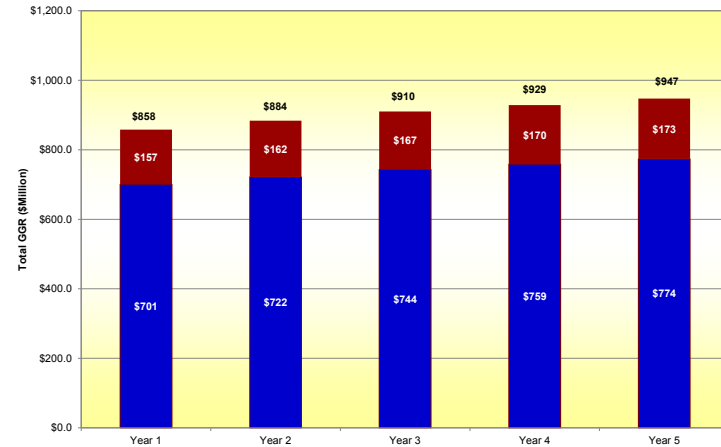
Retained a third party to undertake their market assessment which represents the base case scenario in the Applicant's submission.

Wynn | Everett

Start at \$804.1 in GGR (Year 1) and are normalized in Year 3 at \$845.5 million. Wynn | Everett later revised year 1 GGR to \$832.2 million.

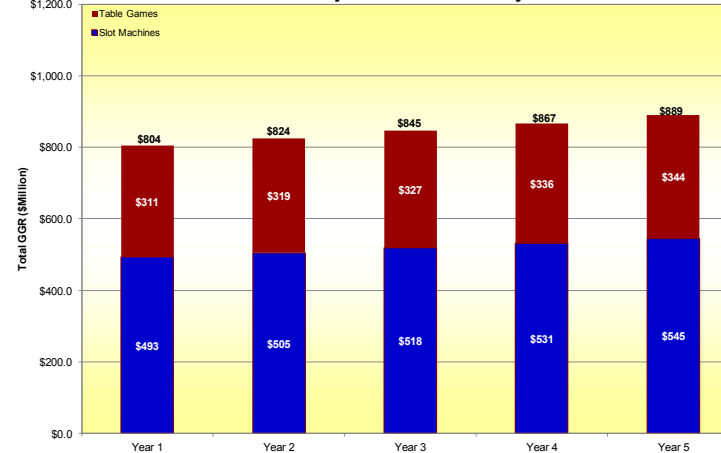
Retained a third party to undertake their market assessment which represents the base case scenario in the Applicant's submission.

Total GGR* Projections for Revere/Mohegan



Source: HLT Advisory Inc. based on information from Mohegan Sun's submission.
 * Gaming Revenue or GGR is net of free play.
 Note: Mohegan's financial projections are consistent with the market assessment estimates prepared by PKF Consulting USA.

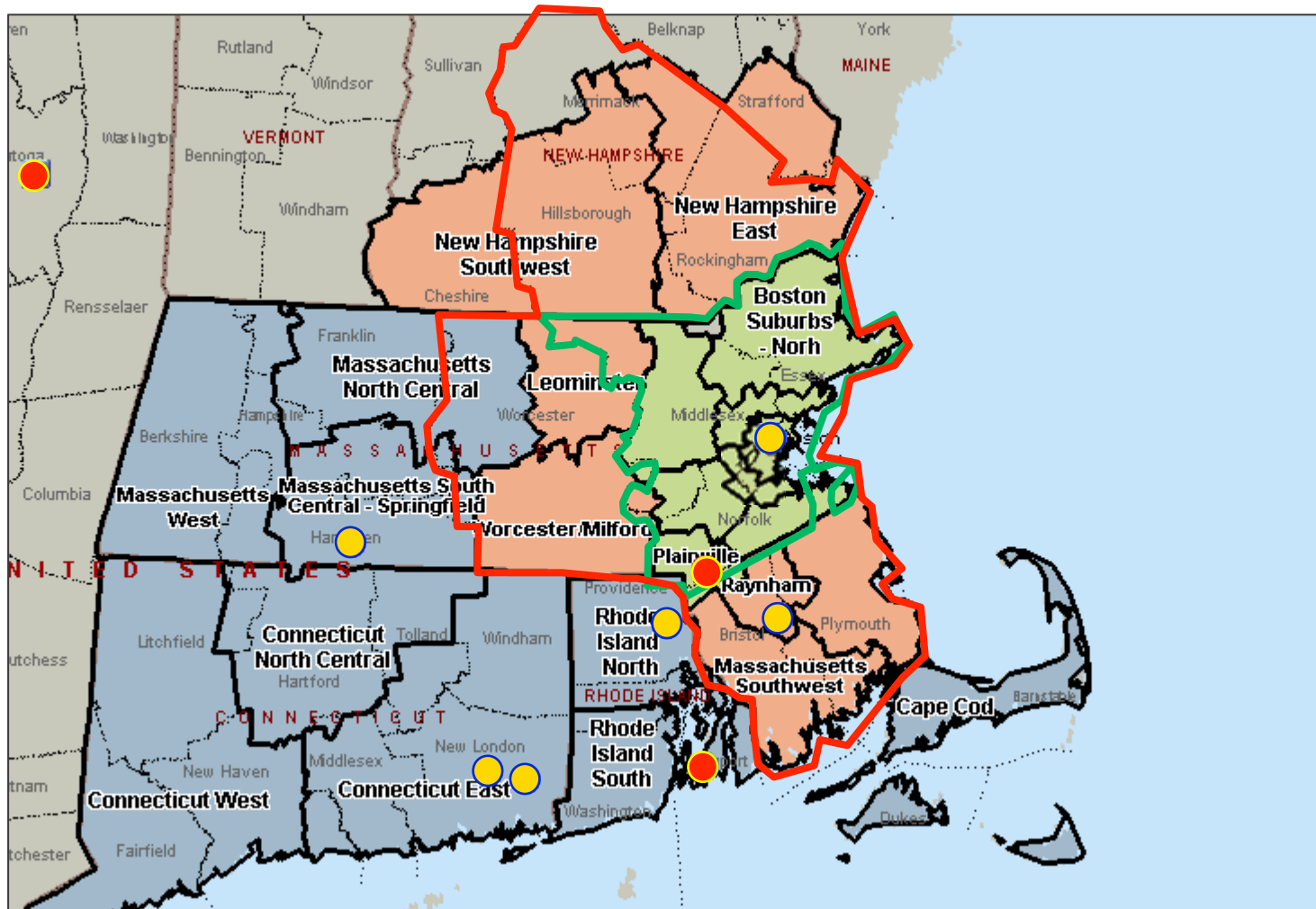
Total GGR* Projections for Everett/Wynn



Source: HLT Advisory Inc. based on information from Wynn's submission.
 * Gaming Revenue or GGR is net of free play.
 Note: Wynn's projections are consistent with market study conducted by TMG Consulting in Year 1 (first full year of operations). Market assessment only provided revenue estimates for Year 1.



3. MARKET ASSESSMENT: MOHEGAN SUN | REVERE MARKET AREA EXTENT



3. MARKET ASSESSMENT: MOHEGAN SUN | REVERE MARKET AREA PROJECTIONS

Projected GGR for Boston Category 1 Casino HLT Estimates vs. Mohegan Financial Projections by Market Area				
Gaming Revenues by Areas	HLT Estimate			Mohegan's Financial Projection
	At \$300	Blended	At \$350	Year 3
<i>Market Area</i>				
Primary Zone	\$481.6	\$525.5	\$561.9	\$668.5
Secondary Zone MA	\$62.2	\$65.5	\$72.6	\$51.1
Secondary Zone NH	\$96.2	\$88.2	\$112.2	\$150.4
Outside PKF's Market Area**	\$65.2	\$70.1	\$76.0	n.a.
Total Market	\$705.2	\$749.2	\$822.7	\$870.0
Visitor Casino Win	Inflow Not Estimated HLT			\$40.4
Total Other GGR (Inflow)	Inflow Not Estimated HLT			\$40.4
Total GGR				\$910.4

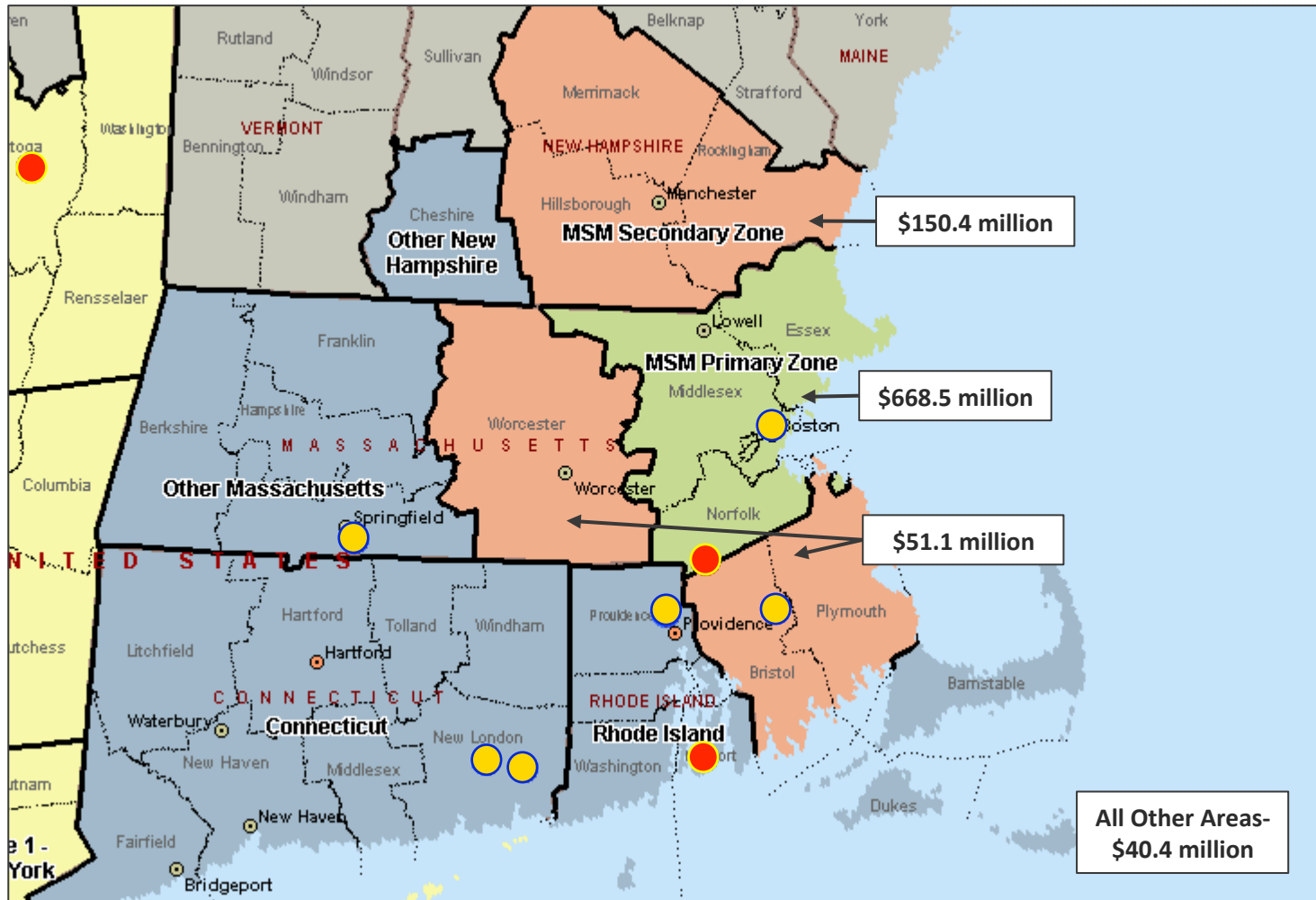
Source: HLT Advisory Inc. based on information from PKF Consulting USA, Market Study with Gaming Revenue Projections, Proposed Mohegan Sun Massachusetts Casino Resort, December 18, 2013, and HLT estimates.

* HLT has distributed its GGR estimates into the Primary and Secondary Zones as defined in PKF's market assessment - i.e., excludes all sub-markets in Western Massachusetts, Cape Cod, Rhode Island and Connecticut.

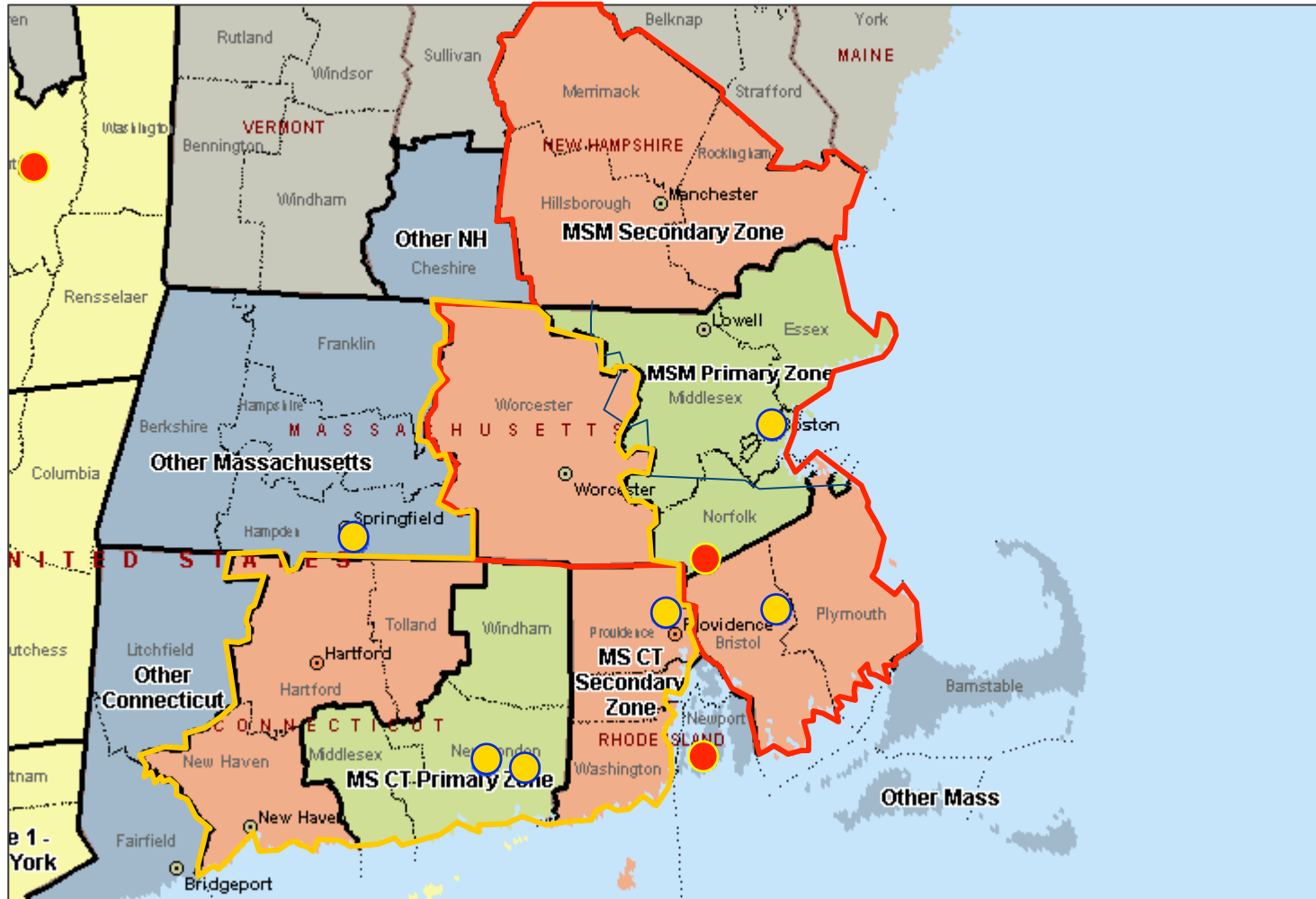
** Includes sub-market areas in Western Massachusetts (Mass North Central, Springfield and Mass West), Cape Cod, Rhode Island and Connecticut.



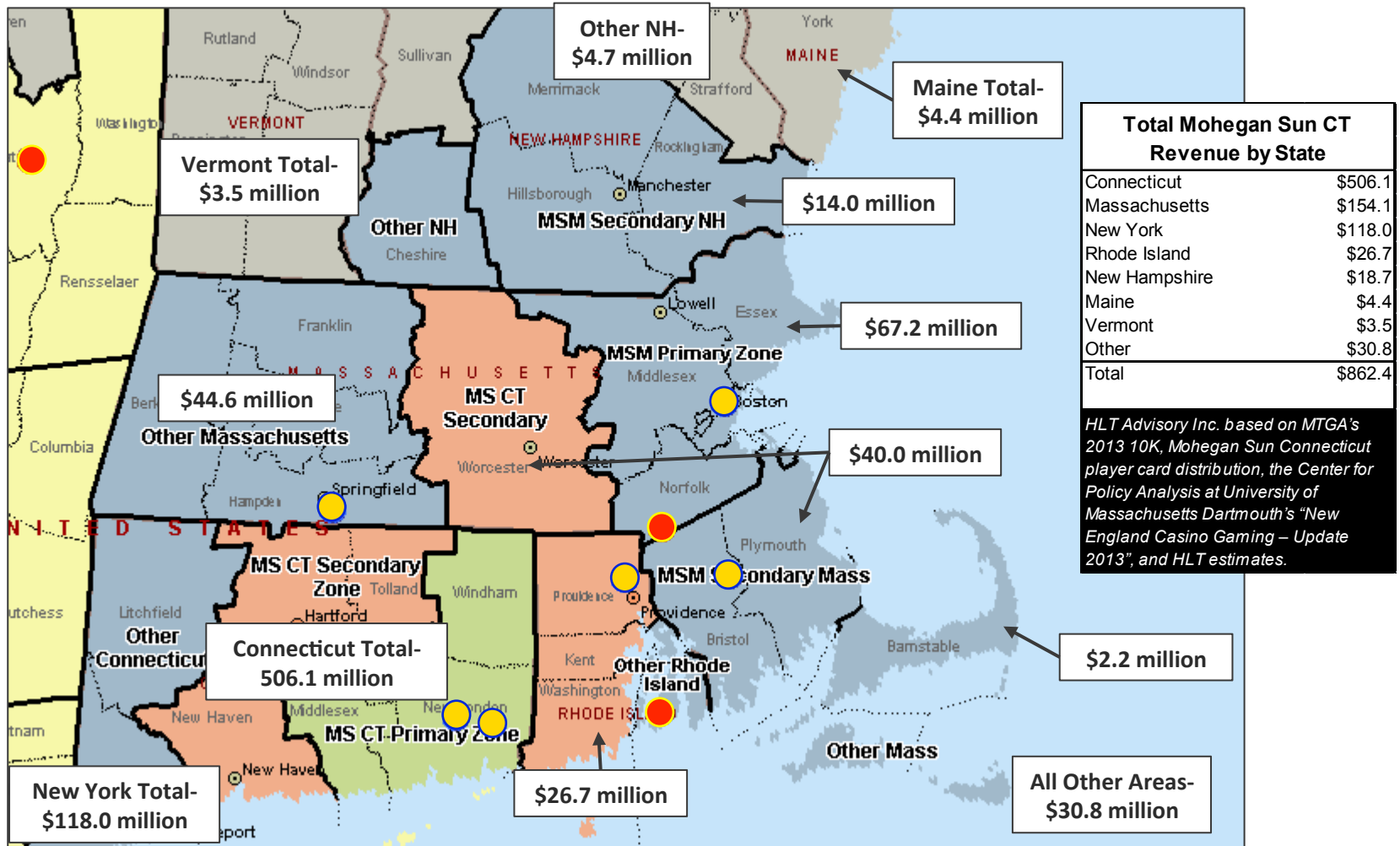
3. MARKET ASSESSMENT: MOHEGAN SUN | REVERE MARKET AREA PROJECTIONS



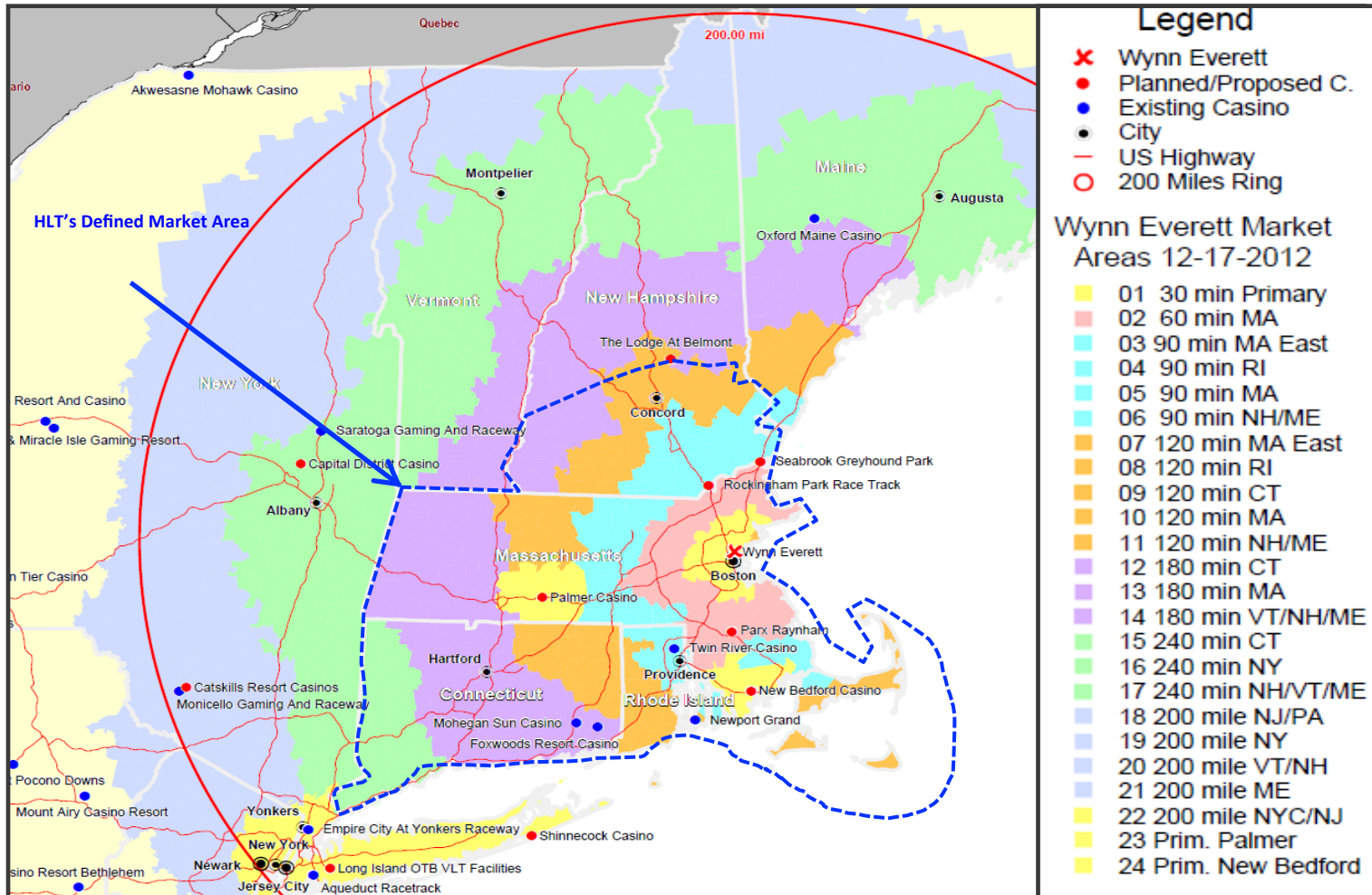
3. MARKET ASSESSMENT: MOHEGAN SUN | REVERE MARKET AREA EXPERIENCE



3. MARKET ASSESSMENT: MOHEGAN SUN | REVERE MARKET AREA EXPERIENCE



3. MARKET ASSESSMENT: WYNN | EVERETT MARKET AREA EXTENT



*Map obtained from Wynn application (12/31/13). HLT added blue dotted line for defined market area.



3. MARKET ASSESSMENT: WYNN | EVERETT MARKET AREA PROJECTIONS

Projected GGR for Boston Category 1 Casino HLT Estimates vs. Wynn Financial Projections by Market Area				
Gaming Revenues by Areas	HLT Estimate			Wynn's Financial Projection
	At \$300	Blended	At \$350	Year 3
Market Area				
Market Areas Within 30-Minutes	\$421.9	\$467.3	\$492.2	\$373.7
Market Areas Within 30 to 60-Minutes	\$149.6	\$143.9	\$174.6	\$124.6
Market Areas Within 60 to 90-Minutes	\$85.1	\$86.8	\$99.3	\$77.9
Market Areas Beyond 90-Minutes*	\$48.6	\$51.2	\$56.7	\$39.2
Total Market	\$705.2	\$749.2	\$822.7	\$615.5
Outside HLT's Market Area**	Inflow Not Estimated by HLT			\$56.7
High Yield International Players	Inflow Not Estimated by HLT			\$75.5
Overnight Guests	Inflow Not Estimated by HLT			\$43.7
Tourism	Inflow Not Estimated by HLT			\$50.4
Traffic Intercept	Inflow Not Estimated by HLT			\$3.7
Total Other GGR (Inflow)	Inflow Not Estimated by HLT			\$230.0
Total GGR				\$845.5

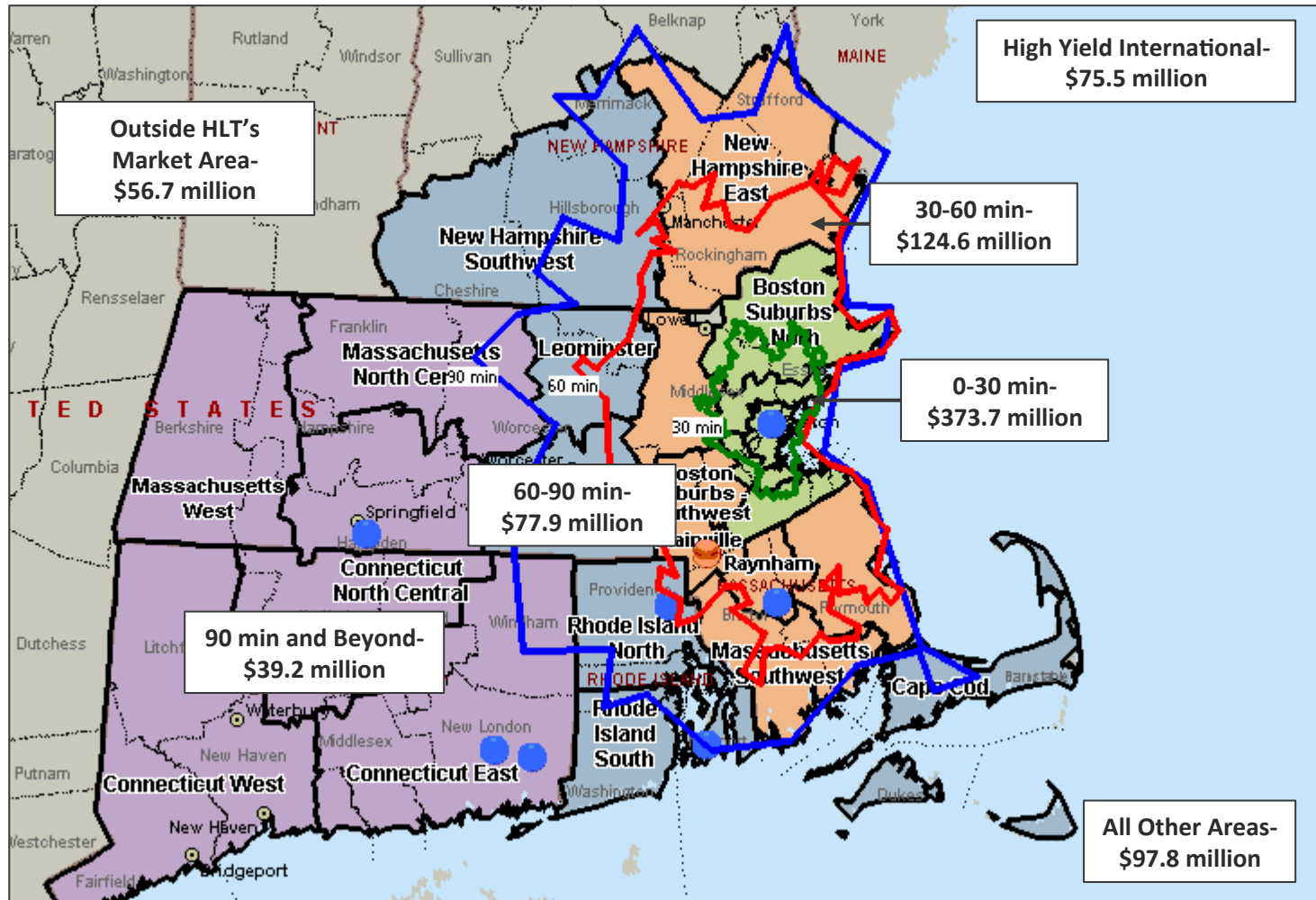
Source: HLT Advisory Inc. based on information from TMG Consulting, Wynn Everett Gaming Market Assessment, November 2013 and HLT estimates.

* Market areas beyond 90-minutes includes rest of Massachusetts, rest of Rhode Island and Connecticut as per TMG's market assessment.

** Includes rest of New Hampshire, Maine, Vermont, New York, New Jersey and Pennsylvania areas within a 200-mile radius as defined in TMG's market assessment.



3. MARKET ASSESSMENT: WYNN | EVERETT MARKET AREA PROJECTIONS



3. MARKET ASSESSMENT

Mohegan Sun | Revere

Insufficient

- Not consistent – significantly higher in Boston sub-market areas, not able to penetrate CT, RI and Western MA.
- Limited ability to attract visitation from outside region.
- Market view not consistent with experience in same market.
- Market view is not consistent with State's chosen casino model.

Wynn | Everett

Very Good

- Not consistent – significant lower in Boston sub-market areas, slightly lower in rest of market area.
- Significant ability to attract visitation from outside region (including international).
- Market view aligns with State's chosen casino model.

4. OPERATIONS PLAN

The focus of this component was on assessing the reasonableness of the Applicant's operating plan given the current and likely future gaming environment in Massachusetts.

Specific assessment areas included:

- I. Applicant's understanding of internal controls.
- II. Consistency of business plan with a "destination casino" and to financial projections.
- III. Applicant's financial projections are consistent with their business plans.

4.1 INTERNAL CONTROLS

Expectations of Applicant:

- Demonstrates understanding of the importance of a strong internal control environment.
- Experience working in a regulated environment.

Assessment Approach:

- Reviewed submitted internal control manuals and history of Applicant experience with other gaming regulators.

4.1 INTERNAL CONTROLS

Mohegan Sun | Revere

Very Good

Wynn | Everett

Very Good

- Mohegan Sun referenced experience at Connecticut and Pennsylvania properties and provided Mohegan Sun at Pocono Downs internal control manual, job descriptions.
- Wynn provided the following documents that would be utilized in Massachusetts: internal audit practice/ plan, operating charter, policies and procedures, compliance reports, internal control matrix, remediation and reporting procedures, cage accountability and audit, surveillance and security policies and procedures.
- Both applicants recognize the importance of internal controls and have experience working in a regulated environment.

4.2 CONSISTENCY OF BUSINESS PLAN

Expectations of Applicant:

- Business plan is consistent with a local market casino and demonstrates connection to financial projections.

Assessment Approach:

- Reviewed and assessed key components of the business plan to assess Applicant's understanding of regional casino market/operating strategies.
- Reviewed the Applicant's budgets and financial projections to ensure they reflect the operational plans and programs provided throughout the responses of the application and they are consistent with a local market casino and other industry benchmarks.

Note: Consists of all responses contained in Finance Section.

4.2 CONSISTENCY OF BUSINESS PLAN

	Mohegan Sun Revere	Wynn Everett
Parking Plan	<u>Reasonable</u> - 4,470 parking spaces. Parking space per gaming position of 0.9:1. Plans for employees to park off-site.	<u>Reasonable</u> - 3,700 parking spaces. Parking space per gaming position of 0.87:1. Plans for employees to park off-site.
Slot Product Plan	<u>Reasonable</u> - percentage of leased games (12.5%), amount of lower denomination slots (>50%), VIP slot room and slot hold percentage (8%).	<u>Reasonable</u> - percentage of leased games (10%), amount of lower denomination slots (>50%), VIP slot room and slot hold percentage (7.5%).
Table Product Plan	<u>Reasonable</u> - reflective of its intended local market focus.	<u>Reasonable</u> - reflective of its intended focus on the “high-end” and international play market.
Hotel Plan	<u>Reasonable</u> - average daily rate is consistent with “mid-market” brand.	<u>Reasonable</u> - average daily rate is consistent with its high-end brand.
Retail/Other Plan	<u>Reasonable</u> - has considerable experience with respect to incorporating retail in their gaming complexes.	<u>Reasonable</u> - has considerable experience with respect to incorporating retail in their gaming complexes.

4.2 CONSISTENCY OF BUSINESS PLAN

	Mohegan Sun Revere	Wynn Everett
F&B Plan	Size and scope of F&B offerings are reasonable; however, given patron volume projections indicate more seats may be required. Did not provide a buffet which is a typical component of a regional resort casino. While out-sourcing of some F&B is typical, out-sourcing all F&B outlets could pose challenges (i.e. lack of operational control).	Size and scope of F&B offerings are reasonable; however, given patron volume projections indicate more seats may be required. Did not provide a buffet which is a typical component of a regional resort casino.
Marketing Plan	Marketing approach is consistent with that which would be employed by a typical North American regional casino operator with the added value of accessing the Momentum database customers.	Marketing approach is consistent with Wynn's view of the market. The marketing plan focuses on the high-end segment the Northeast and the domestic and international premium customer. The local market does not have a prominent focus in Wynn's marketing plan.

4.2 CONSISTENCY OF BUSINESS PLAN:

ADDITIONAL MARKETING PLAN CONCEPT

Marketing Plan – Other:

In Section 4.06 (Sales; Promotions; Marketing Database; Technology systems) of the Hotel and Casino Management Agreement between MGA PALMER PARTNERS, LLC, and MGA GAMING MA, LLC, a marketing restriction program that will be imposed on the Massachusetts casino operation is detailed. The Applicant stated that this program was included in the agreement at the insistence of Brigade as part of its participation in the project.

- The Applicant states that Brigade and the MGC’s interest are “perfectly aligned” in respect of the marketing restriction program, however:
 - Brigade managed funds currently hold debt (~\$95 million) in existing MTGA operations in Connecticut.
 - If Brigade sells its interest in the Massachusetts project to MTGA or a related entity, MGC’s interest may not be protected. In this regard, the Applicant stated that they would work with MGC to ensure MGC’s goals and objectives continue to be met. This however would likely require MGC to perform regulatory or audit functions over the program.



4.2 CONSISTENCY OF BUSINESS PLAN:

ADDITIONAL MARKETING PLAN CONCEPT

Marketing Plan – Other (continued):

- The Applicant has only provided for what the “spirit” of the marketing restriction program “rules” would be. They stated that a neutral third party will determine standards and procedures to monitor the program. It is not contemplated that MGC would be involved in the creation of these standards and procedures.
- The Applicant’s defined Specified Zone is not aligned with Massachusetts casino gaming objectives – a casino of the size and scope proposed would be expected to penetrate and compete in a much larger geographic market area that is beyond the boundaries of the defined Specified Zone.
- While the concept of the submitted marketing restriction zone provides a level of comfort to the State in respect of operating two properties in the broader regional market, it is not completely aligned with the State’s casino objectives (i.e. maximizing revenues received by the commonwealth and recapture rate of State residents travelling to out-of-state gaming facilities).

4.2 CONSISTENCY OF BUSINESS PLAN

Mohegan Sun | Revere

Sufficient

- Parking, slot, table, hotel, retail plans reasonable.
- Marketing plan consistent with view of market with added value of Momentum database customers.
- More F&B seats may be required, no buffet.
- Out sourcing of all F&B outlets is not typical and could pose operational challenges.
- Concept of marketing restriction zone: not fully defined; Brigade's interest not necessarily "perfectly aligned"; not aligned with State's gaming objectives.

Wynn | Everett

Very Good

- Parking, slot, table, hotel, retail plans reasonable.
- Marketing plan consistent with view of market – high-end segment in Northeast and domestic and international premium customers (experience supports this view).
- Local market does not have prominent focus in marketing plan.
- More F&B seats may be required, no buffet.

4.3 FINANCIAL PROJECTIONS

Mohegan Sun | Revere

Sufficient

- Aligned with business plan and view of market.
- Slot and table game payroll lower than expected – could be justified by lower pay rates proposed.
- Community payments, land rent and management fees are higher than what would be expected.
- The Applicant has assumed that there would be \$528 million in debt outstanding at end of 15 year license term.

Wynn | Everett

Very Good

- Aligned with business plan and view of market.
- Table payroll lower than expected – explained by VIP table game play proposed.
- The Applicant has assumed that there would be no debt outstanding at end of 15 year license term.

AGGREGATE SECTION RATINGS

	Mohegan Sun Revere	Wynn Everett
I. Financial Strength	Sufficient	Very Good/Outstanding
II. Investment Plan	Sufficient/Very Good	Very Good/Outstanding
III. Market Assessment	Insufficient	Very Good
IV. Operations Plan	Sufficient	Very Good



OVERALL RATING: MOHEGAN SUN | REVERE

The Applicant submitted a comprehensible proposal. They demonstrated that they have access to funds necessary to develop and operate their proposed casino project. There is consistency (alignment) among Investment, Market and Operations plans submitted.

The proposed project is predominately focused on penetrating the available market area in Eastern Massachusetts and into New Hampshire. This market focus however is not consistent with why the State decided to limit the number of casino licenses permitted and impose a low gaming tax rate/ minimum investment threshold. In summary, it does not recognize the full potential market opportunity of a Region A location.

While the Applicant has demonstrated the necessary financial capability to develop and operate their proposed complex, its funding plan is complex (i.e. multiple parties with investment in and operational responsibilities for various project components) and by some measures highly leveraged. This complexity will likely reduce the degree of flexibility that the Applicant requires to efficiently (including timing) and effectively respond to marketplace changes that will likely occur over the term of the license, including immediately after opening.

Overall, Mohegan Sun's proposal is sufficient with one insufficient element, namely view of the potential market opportunity of a Region A location.

Sufficient

OVERALL RATING: WYNN | EVERETT

The Applicant submitted a comprehensive proposal and provided credible plans based on its experience in operating casino complexes in highly competitive markets and focused on penetrating “high-end” market segments (i.e. local, regional and international). This market focus (specifically out-of-state and international component) is consistent with why the State decided to limit the number of casino licenses permitted and impose a low gaming tax rate and minimum investment threshold. In summary, it recognizes the full potential market opportunity of a Region A location.

The Applicant has demonstrated the necessary financial capability to develop and operate its proposed complex. The funding plan is straightforward and there is consistency among Investment, Market and Operations plans submitted. The Applicant will directly operate virtually all complex components. Third party operators will be limited to non-core complex components (i.e. retail) and/or will be incorporated in the complex if they are deemed to add market appeal (e.g. a “Michelin Star” restaurant).

The financial strength of the Applicant (including the amount of equity committed to the project and the complex operational governance model chosen) provide the project with the needed flexibility to efficiently (including timing) and effectively respond to marketplace changes that will likely occur over the term of the license, including immediately after opening.

Overall, Wynn’s proposal is very good with outstanding elements, namely ability to obtain project capital, commitment to spend (materially more) required capital and view of the potential market opportunity of a Region A location.

Very Good/Outstanding