

MSM CONDITIONS - FINANCE

MSM Total Project Costs to be financed by senior bank debt are \$732 million. This covers the entire Project except for FFE, third party hotel and third party fit-out (fit out of individual retail tenant space).

Project Cost to be Financed by Senior Debt	
Total Project Cost	\$1,132.0
Less:	
Stated Equity	\$235.0
FFE-Capital Lease	\$75.0
Third Party Fit-Out	\$30.0
Third Party Hotel Equity	\$18.0
Third Part Hotel Debt	\$42.0
Project Cost to be Financed by Senior Debt	\$732.0



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MSM will have \$45 million in equity to initiate construction:

Funding Plan: Equity Available to Initiate Construction	
	Millions
Total Applicant Stated Equity	\$235.0
Less:	
Pre-Development Spend to date (Mohegan)	\$35.0
Pre-Development Spend to date (Suufolk)	\$70.0
License Fee	\$85.0
Equity Available to Initiate Construction	\$45.0

M.G.L. c 23 K § 14 – Commission determines a suitable debt-to-equity ratio.



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As submitted by the Applicant, the current Debt/Equity ratio at the start of construction is 94.2%/5.8%. The Commission wants a Debt/Equity ratio of ~80%/20% at the start of construction. To achieve this MSM has to obtain \$100 million in additional equity.

Debt/Equity Mix at Start of Construction		
As proposed by Applicant	Millions	
Equity Available to Initiate Construction	\$45.0	5.8%
Senior Project Debt	\$732.0	94.2%
Total	\$777.0	100.0%
As Per MGC Condition	Millions	
Equity Available to Initiate Construction	\$145.0	18.7%
Senior Project Debt	\$632.0	81.3%
Total	\$777.0	100.0%

Commission to approve all credit agreements with Senior Lender(s)

Commission to approve all transfers of ownership, including among existing partners



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Amended Marketing Restriction:

- Commission to approve policies and procedures detailing marketing rules and restrictions between Mohegan Sun Massachusetts and Mohegan's other properties
- Mohegan Sun Massachusetts is marketed at no less than an equivalent basis in the states of Massachusetts, Connecticut, Rhode Island and New Hampshire with Mohegan's other gaming facilities
- Commission or its agent to oversee and monitor compliance with the marketing policies and procedures
- Cost of oversight and monitoring to be borne by MSM