

# Mount Airy Resort & Casino

G A M I N G   I N   P A R A D I S E

*— Presentation to the Pennsylvania Gaming Control Board —*



# Mount Airy Resort & Casino



“I could fill a book with names and stories of families and organizations he has helped anonymously.”

- Charles Mecca  
Retired Superintendent  
Dunmore School Dist.

October 5, 2006

To Whom It May Concern

*I am writing this brief letter as a character reference for Louis DeNaples. This is not like most character references filled with false platitudes about someone you really do not know. The statements I am making about Louis DeNaples are truthful personal observations over my lifetime. I have known and respected Louis for over 50 years. As an educator, high school principal and superintendent of schools for 36 years, I have had the opportunity of dealing and working with many different types of personalities and individuals. For this reason I feel I am very adroit at character analysis.*

*Louis DeNaples is a modern man whose philosophy is rooted in historical democratic ethical values. He is first and foremost a religious family oriented man. Louis believes and lives his life on deep seeded moral standards. His sincere love for his family and humanity is seen in his daily interactions with all individuals. He is a doer rather than a talker. A man who acts rather than preaches. He is dedicated to both short and long term goals. He is a leader by example and never seeks recognition for what he does for his fellow man. He is honest and strives to help as many people as he can.*

*He is a religious man who feels he can best serve his beliefs by helping anyone in need. Self recognition and glory are not what he seeks. Sharing and caring for others is his only goal. I could fill a book with names and stories of families and organizations he has helped anonymously. He believes in people even when they may not always share his views. He respects individual differences, cultural and religious diversity and freedom of speech. His ethnic background is very important to him but he also embraces all other ethnic cultures as part of his loving nature. Louis's philosophy is very simple as I see it, "Respect your God and religion, family heritage, community, profession and all individuals". He is a friend to all, an asset to our community and a reflection of hard work and integrity. Louis is the man you want on your team when you have a difficult task to complete because he never stops caring.*

*As an educator I can say Louis believes in the educational system of our community and has always been there for our children. I am very proud to say he has been an inspiration to me and so many others. I am thankful to God that both he and his family have been my friends.*

Sincerely,



Charles Mecca  
Retired Superintendent  
Dunmore School District  
423 Smith Street  
Dunmore, Pennsylvania 18512

  
ALLIED  
SERVICES  
John Heinz Institute  
of Rehabilitation Medicine

150 Mundy Street • Wilkes-Barre Township, PA 18702  
(570) 826-3800 • TDD (570) 826-3789

October 5, 2006

To Whom It May Concern:

I have had the pleasure of working with Louis DeNaples for nearly twenty years in his capacity as a member of our Board.

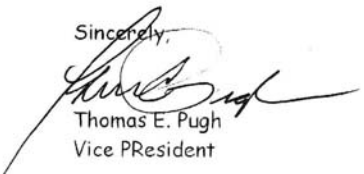
He is a man of integrity, concerned not only with the efficient running of our system but also with the quality of care we provide and the fulfillment of our mission. There are programs we would not have were we to make a "business" decision, but Mr. DeNaples always asks, "Who would care for these people if we don't." It is a question that reveals his compassion for the community.

Mr. DeNaples is well known as a quiet force behind the success of many local charities. He does not seek recognition, only to do the right thing. And that reputation is well known far beyond the boundaries of his hometown. Throughout Northeastern Pennsylvania, people have been touched by his generosity.

Louis DeNaples is one of those individuals whom you are proud to say you know. He is a person of ethic, an example of his religion put into practice, and a leader.

Our corporation and the people we serve are far better off for having known Louis DeNaples.

Sincerely,

  
Thomas E. Pugh  
Vice President

“the quiet force  
behind the  
success of many  
local charities.”

- Thomas E. Pugh  
Vice President  
Allied Services

J.A. PANUSKA, S.J.  
PRESIDENT EMERITUS

October 9, 2006

Commission for Casino Licensing

**Members of the Commission:**

Realizing that the awarding of a permit for the operation of a casino requires clear verification of the personal and moral qualities of an applicant, I wish to offer my judgment on the qualities possessed and demonstrated repeatedly by Mr. Louis DeNaples of this community.

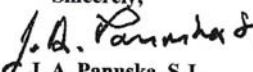
I have known Mr. DeNaples since arriving in Scranton as the University President in 1982. I also know his wife and children, occasionally visiting the family in their rather modest setting, where everyone seemed to have a task to perform in preparing meals and maintaining the household. This was done out of a principle held strongly to by Louis himself: work hard and share.

He did not talk about his generosity, but I became aware of them through others. Regularly, he avoided personal recognition, and would help others, individuals or organizations, quietly. This was his way of life --- deeply spiritual, knowing that life was just a temporary journey, practicing his strong Catholic faith on a daily basis, even by attending Mass just about every morning. This is something he received from his own parents and which he is intent on passing on to his own family. And he never talks about it --- it is between him and his creator. A straight dealer in business, he is completely trustworthy. His success comes from hard work and a very sharp business sense.

Mr. DeNaples is very devoted to his local community and has assisted it through his employees and also directly in numerous ways. A casino under his direction would surely be a huge asset to this area --- because it is this community to which he is devoted, and we need this asset.

In my many years of close contact with Mr. DeNaples (from 1982 to the present as I serve as President Emeritus of the University of Scranton) I have never had any reason to question his honesty, management skills, generosity, devotion to the needy and outstanding citizenship.

I would be happy to discuss my comments personally if this seemed desirable.

Sincerely,  
  
J. A. Panuska, S.J.  
President Emeritus

“His success comes from hard work and a very sharp business sense.”

- J. A. Panuska, S.J.  
President Emeritus  
University of Scranton



Independent Licensees of the Blue Cross and Blue Shield Association  
®Registered Mark of the Blue Cross and Blue Shield Association

19 North Main Street, Wilkes-Barre, Pennsylvania 18711-0302

Denise S. Cesare  
President & CEO

*Excellence in Action*

October 6, 2006

To Whom It May Concern:

I have known Louis A. DeNaples as a local business leader, and now friend, for more than twenty years.

Our first interaction was in 1986 when he served as Chairman of the Audit Committee of Allied Services for the Handicapped, a regional rehabilitation facility headquartered in Scranton, Pennsylvania. I worked directly for him at that time as the Director of Internal Audit. The facility was recovering from a period of mismanagement, and Mr. DeNaples played a large role in shaping a new "tone at the top" as management was recruited into new leadership positions. In my experience at Allied, Mr. DeNaples consistently displayed a business ethic of integrity, fairness, and accuracy in all corporate dealings, with a particular attention toward the care and well-being of all patients being treated at the facilities. Mr. DeNaples currently serves as the Chairman of the Board of Allied Services and is greatly appreciated for his twenty years of dedicated attention.

Mr. DeNaples has served on a variety of community Boards, both not-for-profit institutions as well as for-profit entities. He has been an active member of any Board on which he serves, consistently driving for high performance, quality and integrity. His tenures are generally long in nature, a credit to his commitment to local business and community. There are countless stories of his generosity to those within the community who need a helping hand.

In short, Mr. Louis DeNaples exemplifies a man who has been successful due to his strong work ethic, commitment to his faith, and love of family. He is regarded as one of our community's outstanding business leaders and one who truly shares his blessings with his community. In the twenty years that I have known him, he has consistently shown himself to be a man of high standards, ethics and integrity.

Sincerely,



“...consistently driving for high performance, quality, and integrity.”

- Denise Cesare  
President & CEO  
Blue Cross of  
Northeastern PA

*St. Mary of Mt. Carmel Convent*

*336 Chestnut Street*

*Dunmore, Pennsylvania 18512*

October 9, 2006

TO WHOM IT MAY CONCERN:

This letter is being written on behalf of Mr. Louis DeNaples whom I have known over the course of at least twenty years.

Having served as Treasurer General of our I.H.M. Congregation for thirteen years, Vice President for Business Affairs at Marywood University for fifteen years, and on the Board of Directors of Blue Cross of Northeastern Pennsylvania for twenty-five years, I have met many wonderful and outstanding people. However, none can surpass, let alone equal, Mr. DeNaples.

Mr. DeNaples possesses an outstanding compassion for the poor and forsaken, is a man of overwhelming integrity, generosity, and straightforwardness. He is a God-fearing man who attends the 6:30 Mass at the Cathedral in Scranton every morning, which in itself epitomizes his outstanding qualities and characteristics.

Mr. DeNaples has a family of seven children, all of whom are a credit to him and emulate their father's qualities of honesty, goodness, and kindness.

I am proud and honored to have been asked to write this letter of recommendation on behalf of Mr. DeNaples.

Respectfully,

*Sister M. Martin de Porres*  
Sister M. Martin de Porres McHale, I.H.M.

mm

“...a man of  
overwhelming  
integrity, generosity,  
and  
straightforwardness.”

- Sister. M. Martin dePorres  
St. Mary of Mt. Carmel Convent

Richard Bowen, Mayor

*Taylor Borough Council*

122 UNION STREET TAYLOR, PENNSYLVANIA 18517  
Phone: (570) 562-1400 Fax: (570) 562-1415

KENNETH F. MICKAVICZ, President  
GENE KING, Vice-President  
JAMES DIGWOOD  
GEORGE KOFIRA  
EDWARD DERENICK  
MARK A. MATTIOLI  
GEORGE P. AULISIO

ATTORNEY WILLIAM T. JONES, Solicitor  
DANIEL P. ZELENIAK, Borough Manager  
DAWN A. RICHARDS, Borough Secretary  
ELEANOR SEMANSKI, Treasurer  
FRANCIS SCOTT, Tax Collector

September 18, 2006

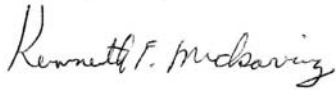
To Whom It May Concern:

Please accept this character reference for Mr. Louis DeNaples. I have known Mr. DeNaples for over ten years both professionally and personally. I cannot think of a more reliable or civic minded individual. Mr. DeNaples is a perfect example of a family oriented, hard working individual.

Through his unselfish actions, which he has never sought or received recognition, the citizen's of our community have benefited greatly. Mr. DeNaples enormous generosity has not only benefited the Borough of Taylor but also many of our youth, civic and private organizations.

I whole-heartedly provide my full support and am proud to provide him with this recommendation for whatever endeavor he may pursue.

Very Truly Yours;



Kenneth F. Mickavicz, President

“I cannot think of a more reliable or civic minded individual.”

- Taylor Borough Council  
Kenneth F. Mickavicz,  
President



“I can relate hundreds and may be thousands of stories where he helped get total strangers back on their feet.”

- Joseph W. Loftus  
Manager  
Borough of Dunmore

## BOROUGH OF DUNMORE



400 South Blakely Street  
Dunmore, PA 18512  
570-343-7611 / FAX 570-343-8107

October 4, 2006

Re: Louis DeNaples

To Whom It May Concern:

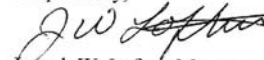
I have known Louis DeNaples all my professional life spanning just over two decades. As a former insurance adjuster and banker, my dealings with Mr. DeNaples have always been marked by an honest and professional manner. Now as Borough Manager for Dunmore, I have observed and can truly appreciate his altruistic and philanthropic nature. His love of his hometown is evident. He is always prepared to give back to the community, particularly in areas involving public safety and recreation for children. I know he is very generous to senior citizens and his church as well. I have asked for many things from Mr. DeNaples on behalf of the Borough and not once has he asked for anything in return. I know of not one other single person about which I can make that statement.

Despite the size of his business empire, Mr. DeNaples remains a humble servant of his God and his community. He is very accessible and always willing to help people in need. I can relate hundreds and maybe thousands of stories where he helped get total strangers back on their feet.

Mr. DeNaples is a family man first, businessman second. Whenever we meet, he always inquires about my family and is quick to remind me that a happy and healthy family is worth more than anything else in this world. He is quick to put problems in perspective. His ever expanding family is proof of that.

In summary, I am honored to call Louis DeNaples a friend and benefactor.

Respectfully,

  
Joseph W. Loftus, Manager  
Dunmore Borough

# Mount Airy Resort & Casino

PROJECT OVERVIEW



# Mount Airy Resort & Casino

## PROJECT OVERVIEW



- Groundbreaking on permanent facility in July 2006
- On target for October 2007 opening

# Mount Airy Resort & Casino

PROGRESS SINCE APRIL



- Addition of new team members
- Traffic studies
- Updated financial projections
- Refinement of casino/resort design

# Mount Airy Resort & Casino

PROGRESS SINCE APRIL






















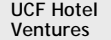















- Master Plan
- Diversity outreach initiatives
- Progress on Financing

# Mount Airy Resort & Casino

## FINANCING

JPMORGAN'S LODGING AND GAMING CREDENTIALS

|   |   |  |   |  |  |  |  |  |
|---|---|--|---|--|--|--|--|--|
| <p>October 2006<br/>\$960 million</p> <p>Resorts Intl Holdings</p> <p>4 gaming assets</p> <p>Floating rate CMBS</p>   | <p>September 2006<br/>\$7.0 billion</p> <p></p> <p>senior secured credit facility</p> <p>Joint Bookrunner</p>              | <p>September 2006<br/>\$1.2 billion</p> <p></p> <p>sale to Genting International</p> <p>Exclusive Financial Advisor</p> | <p>April 2006<br/>\$5.5 billion</p> <p></p> <p>acquisition of Fairmont Hotels &amp; Resorts</p> <p>Exclusive Financial Advisor</p> | <p>April 2006<br/>\$500 million</p> <p></p> <p>senior secured credit facility</p> <p>Joint Bookrunner</p>           | <p>March 2006<br/>\$3.8 billion</p> <p></p> <p>advisor to the Special Committee on sale of company</p> <p>Exclusive Financial Advisor</p> | <p>March 2006<br/>\$750 million</p> <p></p> <p>senior notes</p> <p>Joint Bookrunner</p>                                       | <p>March 2006<br/>\$5.2 billion</p> <p></p> <p>sale of Makuhari Prince Hotel</p> <p>Exclusive Financial Advisor</p> | <p>February 2006<br/>\$1.5 billion</p> <p></p> <p>senior credit facility</p> <p>Joint Bookrunner</p>                          |
| <p>November 2005<br/>\$205 million</p> <p></p> <p>asset backed securities of timeshare receivables</p> <p>Joint Bookrunner</p> | <p>June 2006<br/>\$750 million</p> <p></p> <p>senior unsecured notes</p> <p>Joint Bookrunner</p>                           | <p>November 2005<br/>\$195 million</p> <p></p> <p>Marriott East Side 646 hotel rooms</p> <p>Floating rate CMBS</p>      | <p>October 2005<br/>\$400 million</p> <p></p> <p>senior subordinated notes</p> <p>Joint Bookrunner</p>                             | <p>Pending Undisclosed</p> <p></p> <p>corporate breakup</p> <p>Exclusive Financial Advisor</p>                     | <p>September 2005<br/>\$256 million</p> <p></p> <p>Initial public offering</p> <p>Joint Bookrunner</p>                                    | <p>September 2005<br/>\$200 million</p> <p></p> <p>senior secured credit facility</p> <p>Joint Bookrunner</p>                 | <p>August 2005<br/>\$495 million</p> <p></p> <p>first and second lien credit facilities</p> <p>Joint Bookrunner</p> | <p>May 2005<br/>\$946 million</p> <p></p> <p>Wyndham hotel portfolio 14 hotel properties</p> <p>Floating rate CMBS</p>        |
| <p>July 2005<br/>\$455 million</p> <p></p> <p>acquisition of Wembley Inc.</p> <p>Exclusive Financial Advisor</p>               | <p>June 2005<br/>\$7.9 billion</p> <p></p> <p>acquisition of Mandalay Resort Group</p> <p>Financial Advisor</p>            | <p>June 2005<br/>\$3.2 billion</p> <p></p> <p>sale to the Blackstone Group</p> <p>Financial Advisor</p>                 | <p>June 2005<br/>\$1.2 billion</p> <p></p> <p>acquisition by JD Holdings</p> <p>Exclusive Financial Advisor</p>                    | <p>June 2005<br/>\$450 million</p> <p></p> <p>Universal Hotel portfolio 2400 hotel rooms</p> <p>Fixed rate CMBS</p> | <p>June 2005<br/>\$125 million</p> <p></p> <p>senior secured credit facility</p> <p>Sole Bookrunner</p>                                   | <p>May 2005<br/>£504 million</p> <p></p> <p>sale of retail bookmaking operations to William Hill</p> <p>Financial Advisor</p> | <p>May 2005<br/>\$895 million</p> <p></p> <p>first and second Lien credit facilities</p> <p>Joint Bookrunner</p>    | <p>March 2005<br/>Undisclosed</p> <p></p> <p>acquisition of a 25% stake in Rezidor SAS</p> <p>Exclusive Financial Advisor</p> |
| <p>December 2004<br/>\$794 million</p> <p></p> <p>initial public offering</p> <p>Co-Lead Manager</p>                         | <p>December 2004<br/>\$275 million</p> <p></p> <p>convertible senior subordinated debentures</p> <p>Joint Bookrunner</p> | <p>December 2004<br/>\$200 million</p> <p></p> <p>senior subordinated notes</p> <p>Joint Bookrunner</p>               | <p>November 2004<br/>\$1.3 billion</p> <p></p> <p>senior secured notes</p> <p>Joint Bookrunner</p>                               | <p>October 2005<br/>\$650 million</p> <p></p> <p>senior secured credit facility</p> <p>Joint Bookrunner</p>      | <p>August 2004<br/>\$160 million</p> <p></p> <p>4 hotel properties</p> <p>Fixed rate CMBS</p>   | <p>July 2004<br/>\$1.4 billion</p> <p></p> <p>acquisition of Horseshoe Gaming</p> <p>Financial Advisor</p>                  | <p>June 2004<br/>\$750 million</p> <p></p> <p>senior unsecured notes</p> <p>Sole Bookrunner</p>                   | <p>April 2004<br/>\$223 million</p> <p></p> <p>secondary offering</p> <p>Joint Bookrunner</p>                               |

# Mount Airy Resort & Casino

FINANCING



- Commitment letter is in place
- Solid project with a good team of people

# Mount Airy Resort & Casino

CONSTRUCTION



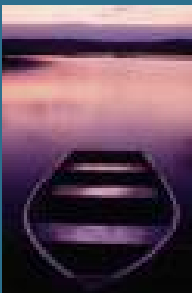
**ceco**  
**associates inc.**  
consulting engineers

**LP Ciminelli**



# Mount Airy Resort & Casino

CONSTRUCTION



# Mount Airy Resort & Casino

CONSTRUCTION



# Mount Airy Resort & Casino

## CONSTRUCTION

Mount Airy has received 11 completed permits  
Paradise Township

- Mount Airy Lake Dam Permit Transfer from PADEP
- Mount Airy WWTP NPDES & BWQ Management Permit Transfer from PADEP
- Sewage Facilities Planning Modules from PADEP
- Part 2 Construction Permit – Sanitary Sewers from PADEP
- GP-2, GP-5 & GP-7 from Monroe County Conservation District
- GP-8 for temporary Wetlands Crossing for Access Road to Water Wells from Monroe County Conservation District
- Water Allocation Permit-Water Supply & Irrigation System from DRBC
- Public Water Supply Permit from PADEP
- Jurisdictional Wetland Determination from USACOE
- NPDES Permit – Individual including Soil Erosion and Sedimentation Control Plan from Monroe County Conservation District – PADEP
- Conditional Permit – Work in Flood Plain from Paradise Township

# Mount Airy Resort & Casino

## CONSTRUCTION

### Mount Airy has received 17 completed approvals

- Lot Consolidation Plan from Paradise Township Board of Supervisors
- Lot Consolidation Plan from Pocono Township Board of Supervisors
- Conditional Use Permit from Paradise Township Board of Supervisors
- Traffic Impact Study (TIS)/Woodland Road Design from PADOT and Hanover Engineering
- Phase I – Bog Turtle Habitat Assessment for Study Area from US Fish & Wildlife Service
- Phase I – Bog Turtle Habitat Assessment for Study Area from PA Fish & Wildlife Service
- Phase I – Bog Turtle Habitat Assessment for GP-8 Wetland Crossing, US Fish & Wildlife Service
- Phase I – Bog Turtle Habitat Assessment for GP-8 Wetland Crossing, PA Fish & Boat Commission
- Woodland Road Turnback from Paradise Township Board of Supervisors / PADOT5-0
- Land Development/Stormwater Management Drainage Plan Approval and Developer's Agreement from Paradise Township Board of Supervisors
- Minor Variances – Construction of Infrastructure Conservation Areas from Paradise Township Board of Zoning Appeals
- Conservation Area Variance – Section 131-22(B) from Paradise Township Supervisors
- Archaeological Clearance from PHMC
- Archaeological Clearance Supplement from PHMC
- Historic Structure Clearance from PHMC
- Historic Structure Clearance Supplement from PHMC
- Sewage Facilities Planning Modules from Paradise Township Board of Supervisors

# Mount Airy Resort & Casino

C O N S T R U C T I O N

## Initial phase to include:

- 3,000 slot machines
- 400 room resort hotel
- Italian restaurant, steakhouse, buffet, and coffee shop
- Casino lounge and nightclub
- 14,500 square foot spa
- Indoor swimming pool
- Retail space, conference rooms, business center
- Parking for 2,232 vehicles
- 31,000 sq. ft. retail bridge

# Mount Airy Resort & Casino

DESIGN

DAVID LEUNG ARCHITECT  
MANAGING ARCHITECT

CECO ASSOCIATES  
CIVIL ENGINEERS

HEMMLER CAMAYD  
ARCHITECTS  
ARCHITECTS, INTERIOR  
DESIGN, & PLANNING

CAYUGA GAMING GROUP  
PROGRAMMING AND  
PLANNING

GIOVANETTI SHULMAN  
ASSOCIATES  
MEP/FP & LOW VOLTAGE  
SYSTEMS

FLOSS BARBER, INC.  
INTERIOR DESIGN

RICCA NEWMARK DESIGN  
INTERIOR DESIGN

CAGLEY HARMAN &  
ASSOCIATES  
STRUCTURAL ENGINEERS

SIMONE COLLINS  
LANDSCAPE ARCHITECTS

TIMOTHY HAAHS & ASSOC.,  
PARKING GARAGE  
CONSULTANT

LIGHTING DESIGN  
COLLABRATIVE  
LIGHTING DESIGN



# Mount Airy Resort & Casino

DESIGN

NORTHEAST AQUATIC DESIGN  
POOL CONSULTANT

WTS INTERNATIONAL  
SPA DESIGN CONSULTANT

HSA ENGINEERS  
SITE UTILITIES

ZIPF ASSOCIATES  
ELEVATOR CONSULTANTS

RICCA NEWMARK  
FOOD & BEVERAGE / LAUNDRY  
DESIGN

PREVIEW GROUP  
CODE ANALYSIS

ACENTECH  
ACOUSTICS & SOUND

INTERNATIONAL ELECTRONIC  
PROTECTION LTD.  
SECURITY SERVEILLANCE

PACIFICOM MULTIMEDIA  
GRAPHICS & ANIMATION

GEO-SCIENCE ENGINEERING  
CO.  
SITE GEOTECH & TESTING

COST OF WISCONSIN  
THEMING

HANSCOMB FAITHFUL and  
GOULD  
COST ESTIMATING



hemmler + camayd architects





# Mount Airy Resort & Casino

DESIGN

Lobby Rendering



# Mount Airy Resort & Casino

DESIGN



Casino Gaming Floor

# Mount Airy Resort & Casino

DESIGN



Night Club

# Mount Airy Resort & Casino

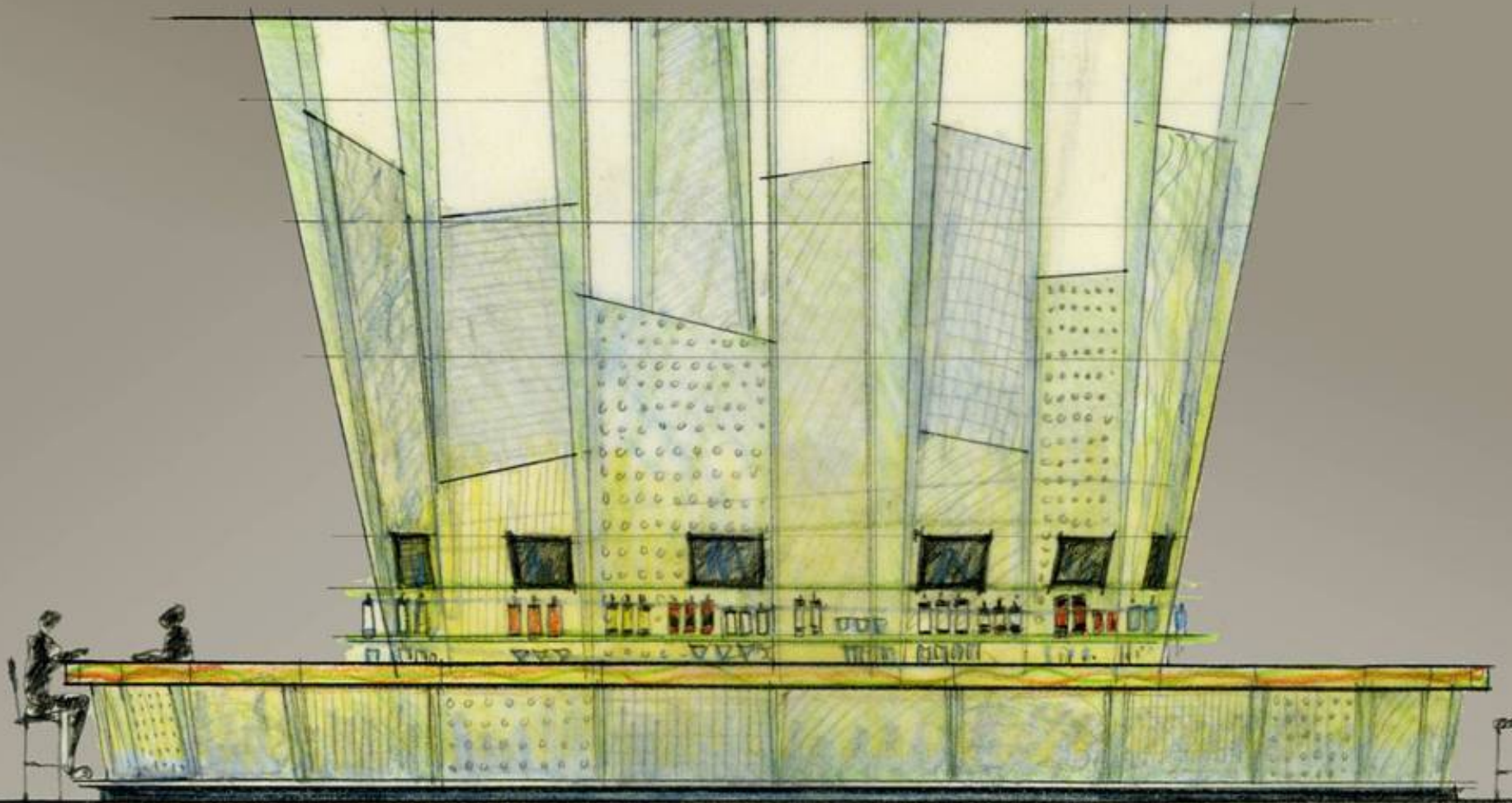
DESIGN



Italian Restaurant

# Mount Airy Resort & Casino

DESIGN



Featured Center Bar

# Mount Airy Resort & Casino

DESIGN



Casino Gaming Floor

# Mount Airy Resort & Casino

W A L K T H R O U G H



# Mount Airy Resort & Casino

DESIGN



Hotel Pool

**PARKING GARAGE**  
1094 Spaces  
Opening Fall 2008

TO E.M.S.

**2500 SLOTS CASINO  
RESTAURANTS & LOUNGE**  
Opening Fall 2007

**196 ROOM  
RESORT HOTEL**  
Opening Fall 2007

Pool & Spa

Porte  
Cochere







**PARKING GARAGE**  
1094 Spaces  
Opening Fall 2008

**STORAGE COMPLEX**

TO E.M.S.

**CASINO ADDITION**  
500 SLOTS  
Opening Fall 2008

**2500 SLOTS CASINO**  
RESTAURANTS & LOUNGE  
Opening Fall 2007

**196 ROOM**  
**RESORT HOTEL**  
Opening Fall 2007

**Pool & Spa**  
**Pool & Spa Expansion**

**Porte**  
**Cochere**

**204 ROOM RESORT HOTEL EXPANSION**  
Opening Fall 2008



STORAGE COMPLEX

PARKING GARAGE  
1094 Spaces  
Opening Fall 2008

PARKING GARAGE  
EXPANSION  
Future

SHOPPING BRIDGE  
Opening Fall 2008

TO E.M.S.

CASINO, RESTAURANTS,  
and CONFERENCE CENTER  
Future

CASINO ADDITION  
500 SLOTS  
Opening Fall 2008

SHOPPING VILLAGE  
Future

ARENA  
Future

2500 SLOTS CASINO  
RESTAURANTS & LOUNGE  
Opening Fall 2007

196 ROOM  
RESORT HOTEL  
Opening Fall 2007

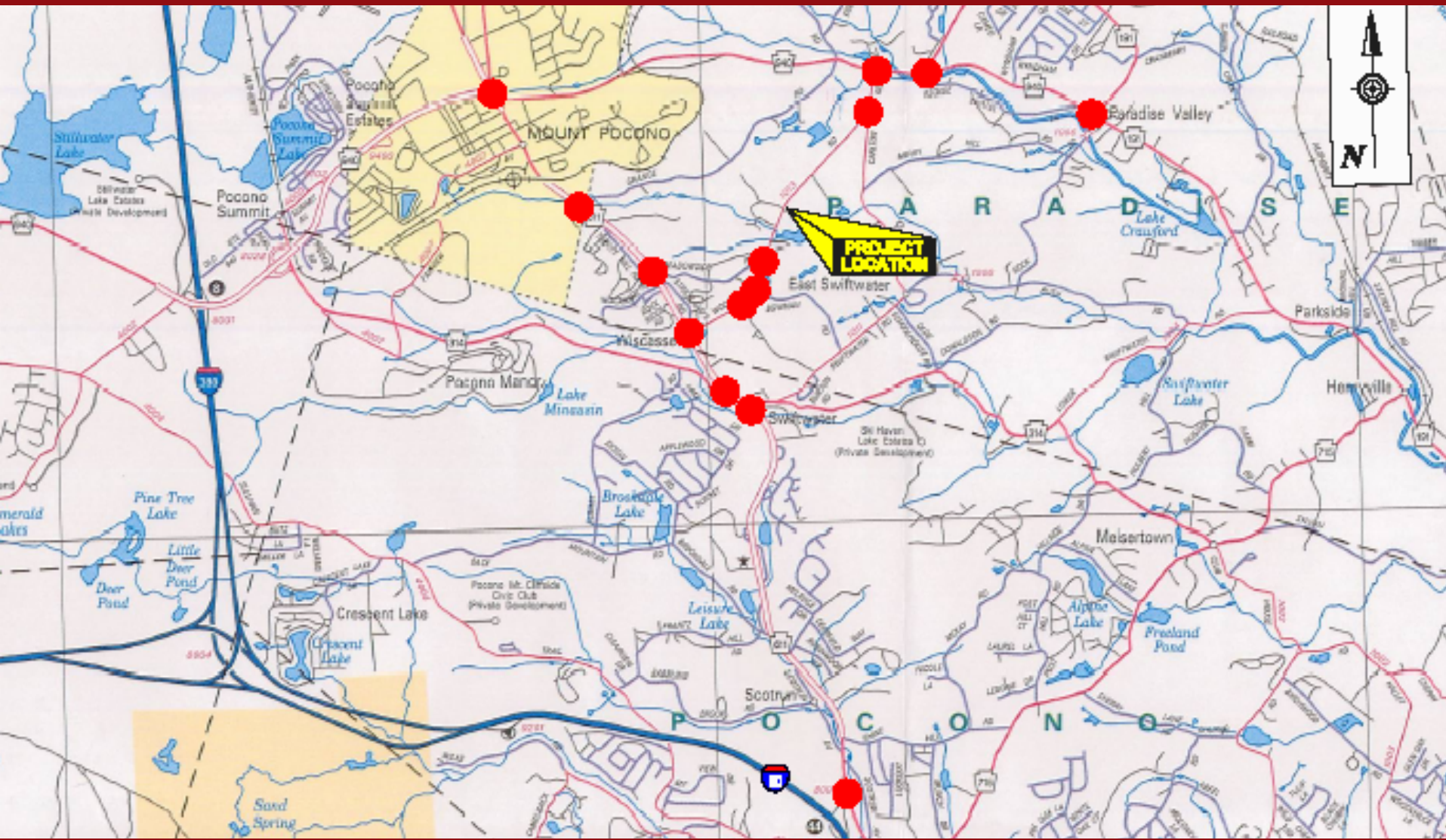
Pool & Spa  
Pool & Spa Expansion

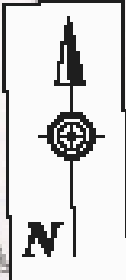
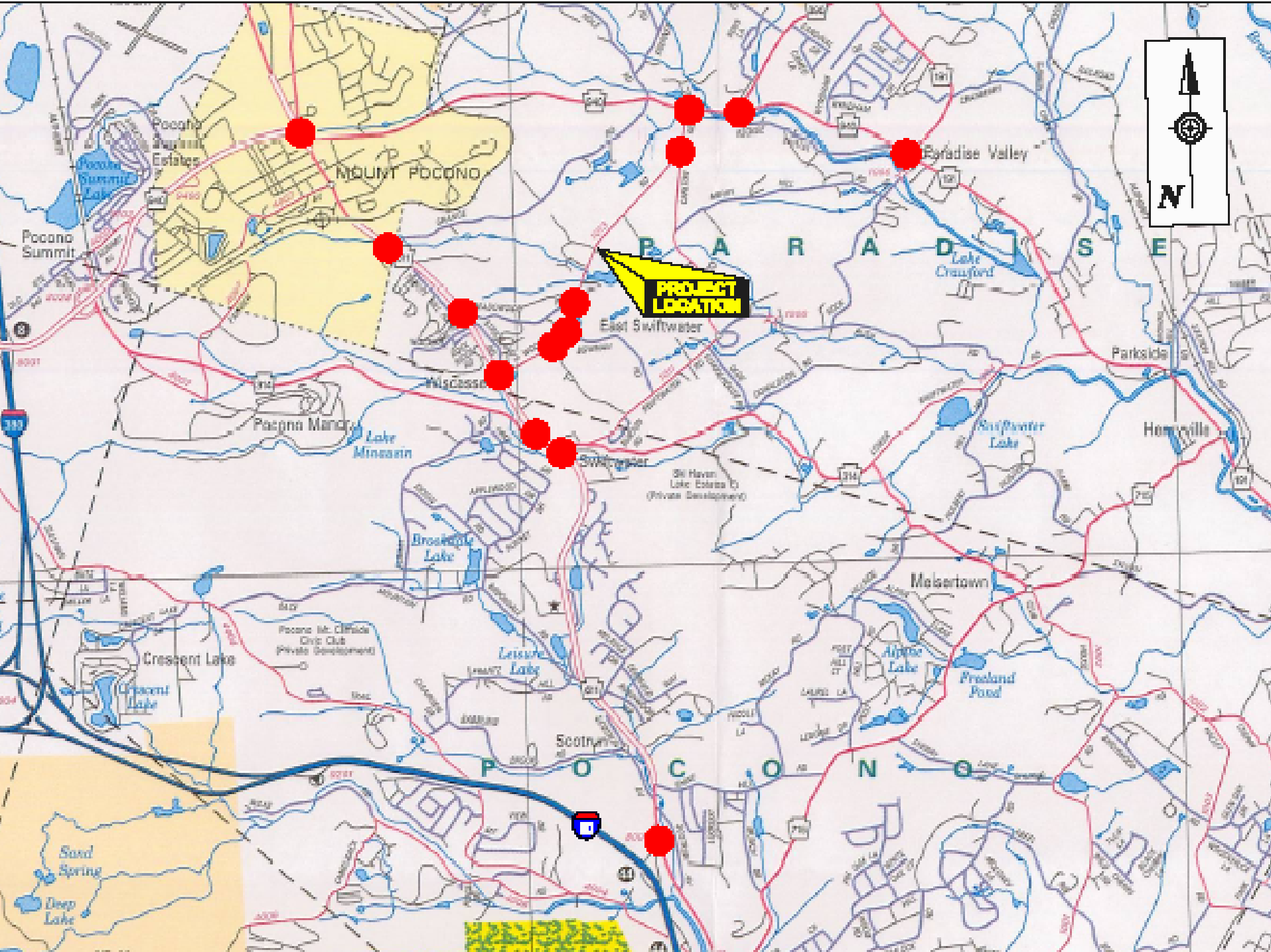
Porte  
Cochere

204 ROOM RESORT HOTEL EXPANSION  
Opening Fall 2008

# Mount Airy Resort & Casino

INTERSECTIONS INCLUDED IN PIS





**PROJECT  
LOCATION**

POCONO

P A R A D I S E

P O C O N O

Pocahontas Estates

Paradise Valley

Pocahontas Summit

East Swiftwater

Lake Crawford

Pocahontas Manor

Lake Minnow

Parkside

Homeville

Crescent Lake

Pocahontas Mt. Club  
Div. Club  
(Private Development)

Brookside Lake

Leisure Lake

St. Haven Lake  
Columbia C.  
(Private Development)

Melertown

Alpine Lake

Freeland Pond



Sand Spring

Deep Lake



# Mount Airy Resort & Casino

## T R A F F I C

- Woodland Road improvements and utility infrastructure at cost of \$7.35 million
- Off-site intersection improvements/mitigation
  - ✓ Route 611 and Woodland Road
  - ✓ Route 940 and Carlton Road
  - ✓ Route 611 and Route 314 (Eastern Leg)
  - ✓ Route 611 and Route 314 (Western Leg)
  - ✓ Route 611 and I-80
  - ✓ Route 611, Route 940 and Route 196 (5 points)



# Mount Airy Resort & Casino

CONSTRUCTION

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CONSTRUCTION



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CONSTRUCTION





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CONSTRUCTION



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CONSTRUCTION



# Mount Airy Resort & Casino

MASTER PLAN

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MASTER PLAN





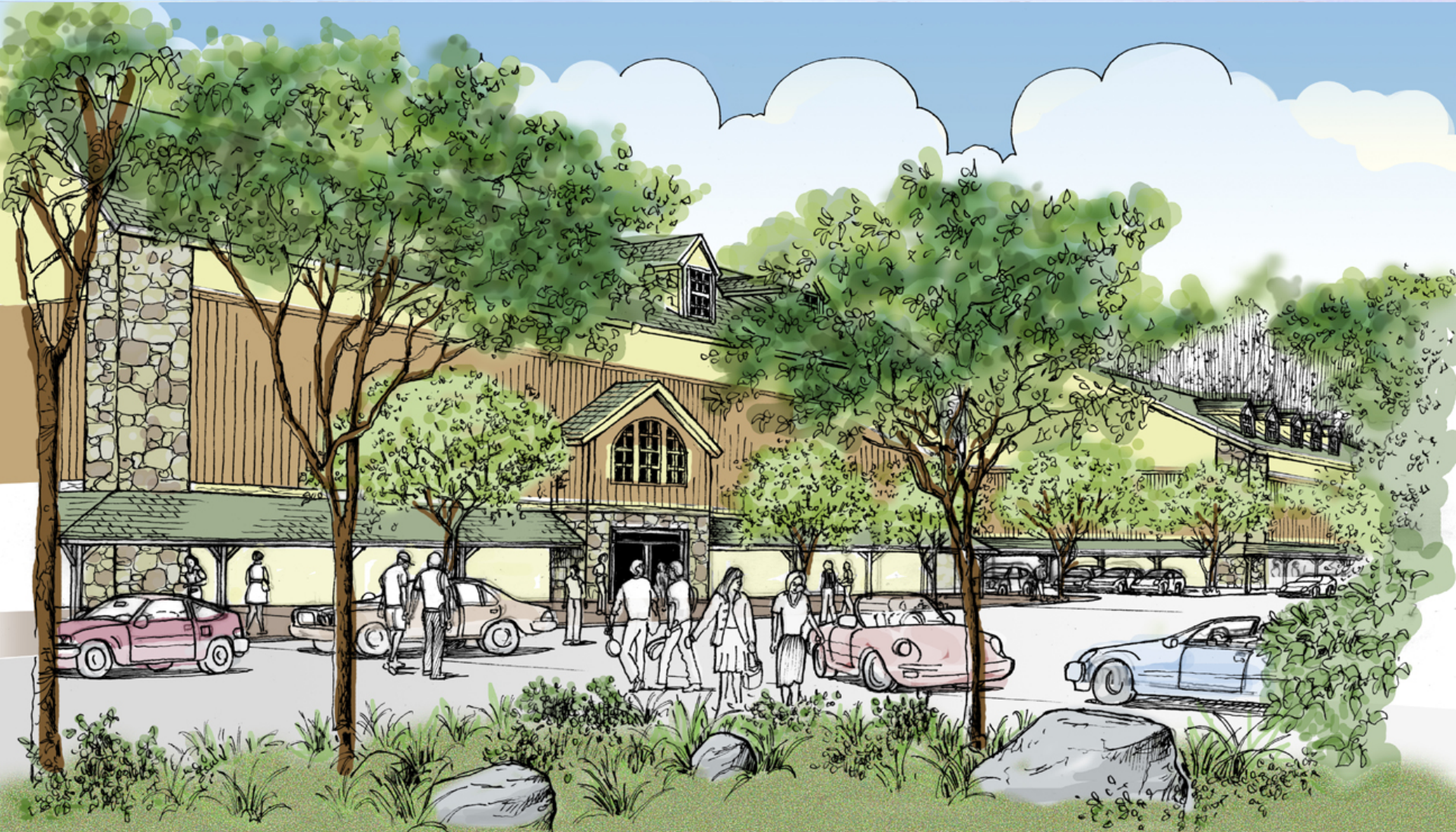
# Mount Airy Resort & Casino

MASTER PLAN



# Mount Airy Resort & Casino

MASTER PLAN



# Mount Airy Resort & Casino

CONSTRUCTION/DESIGN

# HRG

**Herbert, Rowland & Grubic, Inc.**  
**Engineering & Related Services**

- Traffic
- Sewer
- Water

# Mount Airy Resort & Casino

## OPERATIONS



- Reminiscent of grand hotels of the past
- Design creates a real “Wow” factor



# Mount Airy Resort & Casino

## OPERATIONS



- Feel of a destination resort
- Sense of elegance, sophistication, and place

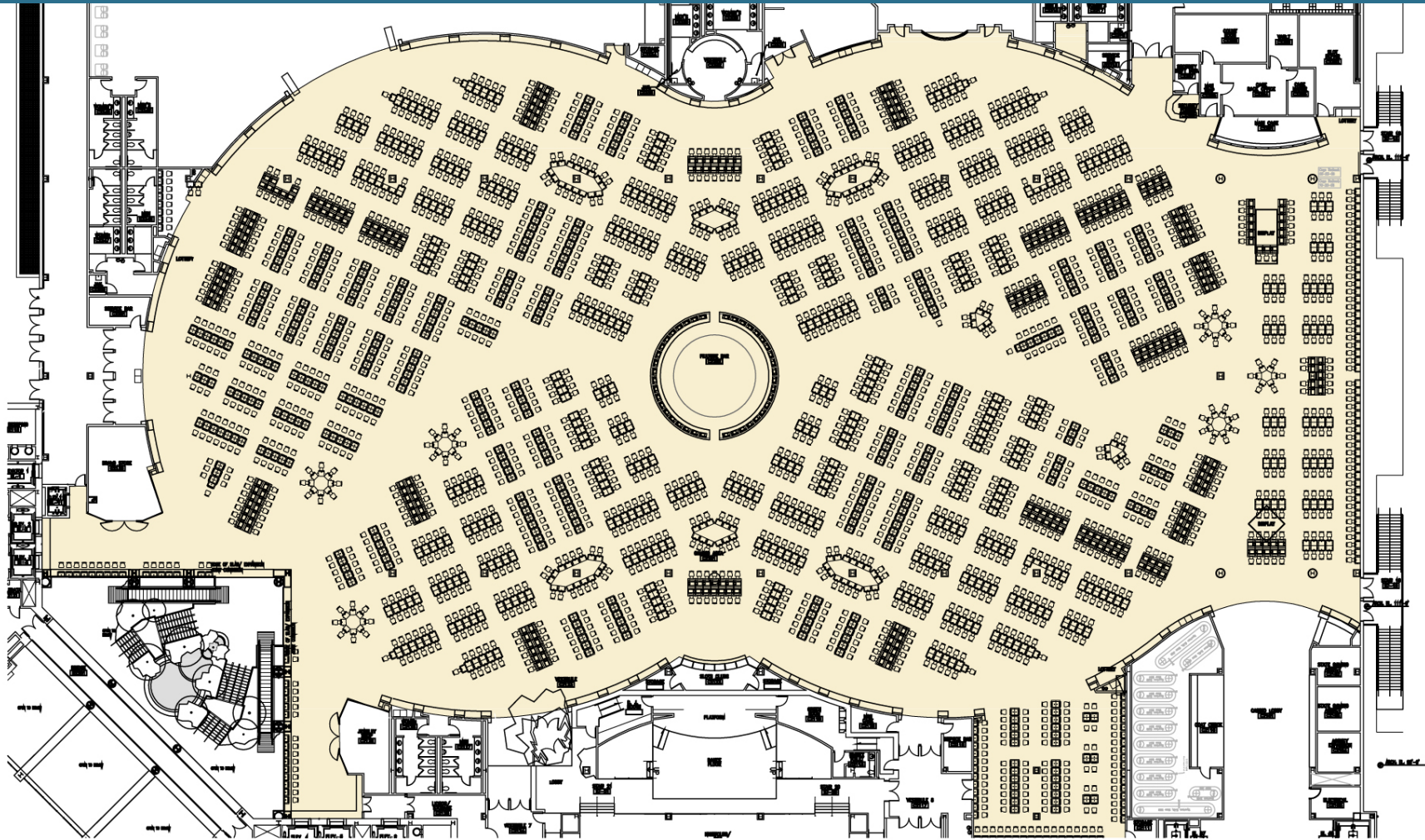
# Mount Airy Resort & Casino

OPERATIONS



# Mount Airy Resort & Casino

## OPERATIONS



MOUNT AIRY RESORT & CASINO

PARADISE TOWNSHIP, PA

2500 SLOT MACHINE LAYOUT

GAMING AREA: 70,885 SF / 2,500 MACHINES = 28.27 SF/MACHINE  
(SHADED)

CAYUGA GAMING CONSULTANTS/ I G T

NO SCALE

# Mount Airy Resort & Casino

OPERATIONS

70,000 sq. ft. divided by 2,500 slot machines

equals

***28 sq. ft. per slot machine***



# Mount Airy Resort & Casino

NEW PERSONNEL

## James J. McCarthy

*Chief Financial Officer*

- Former Vice President of Casino & Hotel Finance at Trump Marina Hotel for more than 15 years

## Jules Sieburgh

*Director of Information Technology*

- Served as Senior Vice President of Information Technology for Kerzner International Bahamas which owns and manages the Atlantis, a 2,317-room resort and casino, as well as other properties on Paradise Island

# Mount Airy Resort & Casino

## STAFFING PLANS

- Preliminary internal controls have been developed and submitted
- Staffing plans already in development
- Will create quality jobs, with high wages and excellent benefits

# Mount Airy Resort & Casino

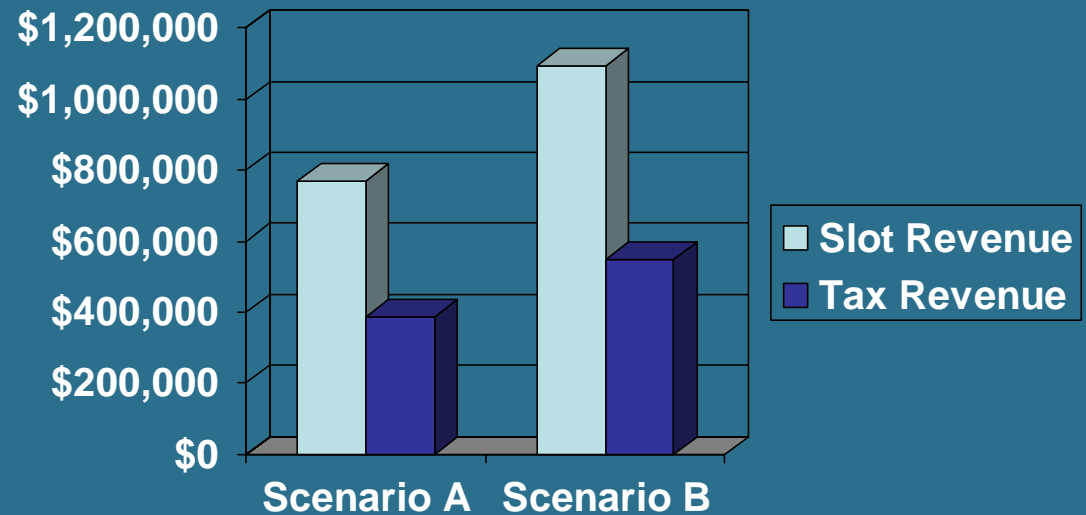
## PROBLEM GAMBLING

- Will train personnel to identify problem gamblers, address the issue
- Will report to the PGCB self-excluded persons who attempt to re-enter casino
- Will implement the American Gaming Associations guidelines
- Will work with new PGCB department on problem gaming
- Our responsibility to assure our programs actually work

# Mount Airy Resort & Casino

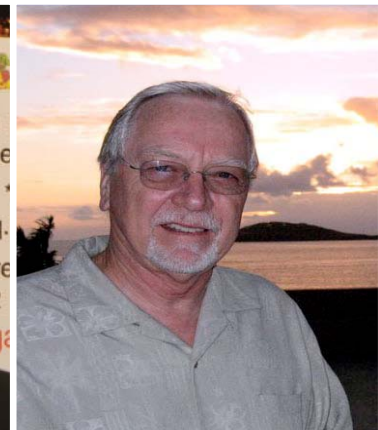
## REVENUE PROJECTIONS

- PGCB Financial Suitability Task Force Drive-Time Analysis
- Mount Airy results in an additional \$161.4 million in tax revenues in Year 5



# Mount Airy Resort & Casino

DIVERSITY



- A diverse team of employees and consultants

# Mount Airy Resort & Casino

D I V E R S I T Y

- Diversity Plan Objectives:
  1. Promote non-discrimination and respect for diversity in every aspect of our business
  2. Promote the recruitment, hiring, advancement and retention of culturally diverse workforce, vendor enrollment, and request our suppliers do the same
  3. Provide equal employment opportunity in our business practices and require the assurance of similar diversity practices of those with whom we contract in obtaining goods and services

# Mount Airy Resort & Casino

COMMUNITY

- Actively engaged in diversity outreach efforts in the community
- Hosted vendor and career forum for local businesses and employees



# Mount Airy Resort & Casino

EDUCATION AND TRAINING

- Working with state agencies to focus on unemployed and under employed
- Lodging success program



**Monroe  
County  
Technical  
Institute**



# Mount Airy Resort & Casino

EDUCATION AND TRAINING

- Training agreement with Northampton Community College, East Stroudsburg University, and Penn State



# Mount Airy Resort & Casino

DIVERSITY

- Emphasis on MBEs, WBEs, DBEs
- Roughly 10 percent of vendor contracts to date have gone to WBEs, MBEs, and DBEs

**LP Ciminelli**



# Mount Airy Resort & Casino

[Home](#) [About Us](#) [What's New](#) [Mt. Airy Project](#) [Foundation](#) [Diversity](#) [Career Opportunities](#) [Contact Us](#)

**Vendor State Certification:**

**State in which Certified:**

**Initiated Date:**

**Expiration Date:**

**Certification Number:**

**Are you a Minority Business Enterprise, (MBE)**

Yes  No

**If yes, please provide your certification number and expiration date here:**

**Are you a Woman Business Enterprise (WBE)**

Yes  No

**If yes, please provide your certification number and expiration date here:**

**Are you a Disadvantaged Business Enterprise (DBE)**

Yes  No

**If yes, please provide your certification number and expiration date here:**

**Have you applied for vendor certification with the Pa. Gaming**

# Mount Airy Resort & Casino

WORKFORCE HOUSING AND TRANSPORTATION

- Met with Pocono Healthy Communities Alliance on development of workforce housing, medical clinic
- Working to address transportation issues for employees



**Monroe  
County  
Transportation  
Authority**

*Mount Airy*  
FOUNDATION



- Childhood development
- Community development
- Diversity
- Education

# Mount Airy Resort & Casino

FINANCIAL PROJECTIONS



- Gaming consultant for 20 years
- Experience throughout United States
- Experience with emerging markets and mature markets
- Service lines: market research, feasibility studies, detailed financial analysis, business/development planning, land use consulting, appraisals

# Mount Airy Resort & Casino

## FINANCIAL PROJECTIONS

- Assessed gaming demand for Mount Airy
- Analyzed a variety of factors, including:
  - ✓ Population
  - ✓ Income
  - ✓ Quantity of casinos
  - ✓ Proximity and convenience of casinos
  - ✓ Quality and amenities offered
  - ✓ Entertainment alternatives

# Mount Airy Resort & Casino

FINANCIAL PROJECTIONS

## Surrounding Market Areas





# Mount Airy Resort & Casino

FINANCIAL PROJECTIONS

## Competitive Market



# Mount Airy Resort & Casino

## FINANCIAL PROJECTIONS

### Methodology:

1. Quantify gaming potential
2. Estimate share to be captured

### Primary Market:

8 counties with 1.1 million adults  
Capture \$155 million gaming revenue

### Secondary market:

37 counties with 14.4 million adults  
Capture \$140 million gaming revenue

# Mount Airy Resort & Casino

FINANCIAL PROJECTIONS

## Casino Facilities:

### Phase I:

3,000 Slot machines

4 Restaurants

200 Hotel rooms

### Phase II:

Up to 2,000 more slot machines

3 Restaurants

200 more hotel rooms

Conference center

Arena

# Mount Airy Resort & Casino

## FINANCIAL PROJECTIONS

### Projected Gaming Revenues:

|                      | <u>Year 3</u>     |
|----------------------|-------------------|
| Primary Market       | \$155,000,000     |
| Secondary Market     | 140,000,000       |
| Hotel                | <u>19,000,000</u> |
| Total Gaming Revenue | \$314,000,000     |
| Patrons              | 5,212,000         |
| Average Win/Patron   | \$60.25           |
| Taxes & Fees         | \$154,000,000     |

# Mount Airy Resort & Casino

FINANCIAL PROJECTIONS

## Analysis of Spectrum Gaming Report

- Without methodology, revenue projections impossible to evaluate
- Ignores ramp-up of revenues for a new casino in an emerging market
- Assumptions as to Mt. Airy space and facilities are incorrect
- Casino floor laid out by professionals and meet requirements
- Potential for unlimited parking on site

# Mount Airy Resort & Casino

## PROJECT OVERVIEW

- 
- This is a REAL project
  - Environmentally sound
  - Best site in the state
  - Experienced development and operations team