

**Preliminary Estimate of Return After Investment from Stadium Project - Net Present Value (NPV) in 2008-09 <sup>(1)</sup>**  
**49er Stadium Term Sheet**  
**Santa Clara, CA**

*NPV in 2008-09 <sup>(1)</sup>*

	<u>City of Santa Clara</u>		<u>Redevelopment Agency</u>		Note
	<u>One Team</u>	<u>Two Teams</u>	<u>One Team</u>	<u>Two Teams</u>	
<b>I. Return to City</b>					
Fixed Ground Rent	\$8 M	\$18 M	N/A	N/A	Reduced in first 10 yrs; then \$1 M/yr with 100k bumps every 10 years
Performance-Based Rent	\$18 M	\$15 M	N/A	N/A	Performance rent after credits discounted at 10%
Senior / Youth Program Fee	<u>\$3 M</u>	<u>\$3 M</u>	<u>N/A</u>	<u>N/A</u>	From \$0.35 Ticket Fee
Subtotal	\$29 M	\$36 M	N/A	N/A	
Repay Investment w / 2nd Team	N/A	\$21 M	N/A	N/A	Payback \$28 M upfront investment, forgive advance and pay back principal
Property Taxes	\$2 M	\$4 M	\$6 M	\$8 M	RDA: TI from stadium; City: pass thru-prop tax after 2026 from stadium
Sales Tax, VLF, TOT	\$20 M	\$26 M	N/A	N/A	Per CS&L with refinements by KMA and including impact of synergy with convention center; two team estimate assumes 2nd team in 6th year.
Total	\$51 M	\$87 M	\$6 M	\$8 M	
<b>II. Investment (excluding Garage)</b>	\$20 M	\$20 M	\$36 M	\$36 M	City Investment = relocate substation; RDA investment = (\$28 M bonds & cash + \$12 M Advance + \$1.7 M Dev Fees = \$42 M but NPV = \$36 M), Excludes CFD (Hotel Mello)
<b>III. Return After Investment (excluding Garage)</b>	<b>\$31 M</b>	<b>\$67 M</b>	<b>(\$30 M)</b>	<b>(\$28 M)</b>	
Investment in Garage (40% allocation)	N/A	N/A	\$15 M	\$15 M	NPV in 2008-09 of \$17 M allocable share of parking garage cost
<b>IV. Return After Investment (Including Garage)</b>	<b>\$31 M</b>	<b>\$67 M</b>	<b>(\$45 M)</b>	<b>(\$43 M)</b>	

Notes:

(1) Revenues and expenses over 40 year initial lease term are converted to present value in 2008-09 for comparison purposes using a discount rate of 6% except performance rent discounted at 10%. Revenues were inflated at 3% per year except property taxes and tax increment inflated at 2% per year. Revenues and expenses from one-time or periodic events (i.e. super bowl) or an incremental increase in development near the stadium are difficult to predict and have not been included in the analysis.

Sources: San Francisco 49ers, City of Santa Clara, KMA

Prepared by Keyser Marston Associates, Inc.

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