

ROUND TWO

General Facts Questions & Answers

1. Who are we playing as in the negotiation? Lawyer? Chairperson? Or do each of us take a different role?

A: Please see Round Two General Facts, Page 1, Paragraph 1, Sentence 1.

2. Under the San Antonio section, paragraph 3: Are the individual revenue numbers listed supposed to add up to \$220M in gross revenue per season? Or are there additional revenue numbers not included in the general facts for San Antonio?

A: Please see Round Two General Facts, Page 4, Paragraphs 3 and 4: \$220 million is the gross revenue for the San Antonio option and if you add all the numbers under this section you achieve \$230.8 million net revenue. \$10.8 are the costs associated with the stadium. Paragraph 4 specifically addresses why this number is lower than in LA. (Please note that question 4 below addresses a change to this section of \$600,000 from per event to per year).

3. Under the San Antonio section, paragraph 5: The facts state that the average luxury suite would hold a value of \$200K per season (\$44M total per season with 220 luxury suites). However, the facts in paragraph 3 state that the luxury suites will generate \$100M. How do you solve this discrepancy in the numbers?

A: CLARIFICATION—regarding Round Two General Facts, Paragraphs 3 and 5:

(Par. 3) “Based on the agreed upon numbers, ticket sales will generate \$125 million, of which luxury suite seats will generate \$100 million of that total ticket revenue . . .”

(Par. 5) “The main concerns Wilf has with a move to San Antonio are the cost of living is significantly lower in Texas, and Wilf would not be able to charge nearly as much for individual, season, or club level tickets, and the value of each luxury box would only reach an estimated average price of \$200,000 per season.”

The discrepancy is purposeful. The point is to show that a move to any city is based upon projected revenues and can fluctuate. Paragraph 5 specifically addresses why it is that Wilf and the Vikings’ franchise may charge less on ticket prices. It equals out to about a \$25,454 difference per suite, per game.

4. Concessions revenue/contract price for San Antonio, Texas: \$600,000 per year or per event? (THIS WAS ORIGINALLY A CONFIDENTIAL QUESTION, BUT IT APPLIES IN THE GENERAL FACTS AND IS LISTED INCORRECTLY IN THE GENERAL FACTS).

A: CLARIFICATION: \$600,000 per “YEAR” for the City of San Antonio, Texas. Change the “per event” on Page 4, Paragraph 3 to “per year.”

5. Is it the supposition [belief] that the bonds referred to under the Farmer's Field Building Costs are going to be paid back every five years, 10 years, etc. subject to the interest that has accrued during that time?"

A: Yes. The interest is 2% simple interest (not compounded). You can assume that bond payments will be made at the maturity date of each set of bonds and that all interest payments for that bond will also be made at the maturity date.

6. On pg 4 of the general facts it says the Vikings would be able to sell luxury suites through an exclusive leasing agreement with San Antonio. Is this only for the luxury suites or is this for the entire stadium? Thus, Vikings would have complete control, which is different than LA where it explicitly says there is no exclusive licensing arrangement?

A: Correct, there is an exclusive licensing agreement with San Antonio.