

Highlights of the Minnesota Multi-Purpose Stadium Development and Use Agreements

Overall Financing of the new Multi-Purpose stadium

- Total cost of stadium - \$975 million
- State of Minnesota/City of Minneapolis - \$498 million – appropriation bonds
 - State of Minnesota - \$348 million
 - City of Minneapolis - \$150 million
- Minnesota Vikings - \$477 million
 - NFL– \$150 million loan; \$50 million grant
 - Team - \$177 million equity and/or borrowing
 - SBL's - \$100 million

Stadium Builder's License – Exhibit M-1 Development Agreement

- Gross amount of Stadium Builder License (SBL) program - \$125 million; \$25 million used for sales costs and interest free financing over three years; \$100 million net
 - Recent SBL programs in other states
 - San Francisco 49ers: \$403 million
 - NY Giants: \$400 million
 - NY Jets: \$400 million
 - Dallas Cowboys: \$500 million
- Stadium Builder License percentage of seating – 75%
- Framework
 - Average price of seat licenses - \$2,500 (\$830 per year for 3 years)
 - Highest priced license less than \$10,000
 - Lowest priced license less than \$1,000
 - Finance Opportunities:
 - Interest free financing available over three years (2014; 2015; 2016)
 - After three years additional financing with interest available for five more years
 - Seat licenses are an investment that can be sold by owner

MSFA Revenue Sources

- Vikings to pay Use Fee (rent) - \$8.5 million per year; fee will increase 3% annually
- Vikings to pay \$1.5 million annually for capital enhancements; amount to increase 3% annually
- Vikings to pay all game day expenses
- Revenue for all Authority event days
- Revenue from rental of all club/event spaces for non-team event days

- Tour revenue
- Communications revenue, split with team
- Advertising revenue
- Concessions for Authority event days

Vikings Revenue Sources

- Naming rights
- Advertising
- Sponsorships
- Concessions for Vikings events
- Ticket sales for Vikings events
- Communications revenue, split with Authority

Stadium Design and Construction (SDC) Group

- Group responsible for design and building construction – 2 members of MSFA; 2 members of Vikings
- After Guaranteed Maximum Price (GMP) is set, SDC only approves changes in minimum design standards

Minimum Design Standards

- Agreed upon standards that will be designed/built into new stadium

Construction Management

- Authority as Stadium Developer: Administration; contract negotiation; reporting; competitive bidding; budget control and value engineering; payments; contract legal administration; punch list; warrantee; transportation plan; permits
- At GMP Mortenson becomes construction manager (CM) at risk
- Contingency will be used for potential cost overruns
 - Mortenson contingency : \$25 million
 - Owner's contingency: \$37.5 million
- Mortenson has been putting out early bid packages to get pricing for GMP
- Pricing is coming back higher than budget and value engineering was done
- Vikings have put forward a privately financed contingency advance of \$13.1 million to include team priorities in the building. This advance can be repaid as contingency dollars are released and money is available

Due Diligence

- Required financial due diligence as project cost: \$158,000
- Vikings will reimburse the Authority for additional due diligence related to New Jersey lawsuit: \$219,000

Project Schedule

- October – GMP
- November 1st -Team financing closes
- Mid-November - Ground breaking
- Mid -November - State bond sale

Agreement Term

- 30 years
- Opportunity for four (4) consecutive five-year renewals

International Games

- Three in first 15 years; three in second 15 years (any games played in years prior to 2016 opening count against three in first 15 years)

Affordable Tickets

- Team will make available a minimum of 3,250 “affordable tickets” for each game at the stadium. These tickets will cost no more than 80% of the average price for a single game ticket in the lowest-priced seating section in the stadium

Major League Soccer

- Vikings have five-year right of first refusal to bring in a professional Major League Soccer team
- Team will pay capital improvements and rent based on market conditions