

Summary of Estimated Silver Spring Music Venue Project Financials

Information and Assumptions	
Current (FY11) Assessed Value of the Land	\$4,163,500
County Share of Capital Improvements	\$7,200,000
State Share of Capital Improvements	\$4,000,000
Estimated Assessed Value after Capital Improvements ¹	\$9,000,000
Equipment Installed at Tenant's Cost (Personal Property)	\$2,000,000
Estimated Real Property Tax Rate (per \$100 AV)	\$1.209
Estimated Personal Property Tax Rate (per \$100 AV)	\$2.741
Estimated Number of New Jobs in Montgomery County	30
Estimated Average Annual Salary of the New Jobs	\$45,000
Tenant's Annual Lease Payment to the County	\$100,641
Capital Cost (over 20 Years)	
Amount Financed	\$11,200,000
Estimated Interest Rate	4.5%
Term (Years)	20
Total Cost over 20 Years	\$17,220,256
Principal	\$11,200,000
Interest	\$6,020,256
ANNUAL Carrying Cost (Average Annual Interest Cost)	\$301,013
<i>State Share of Carrying Cost (rounded)</i>	<i>\$107,505</i>
<i>County Share of Carrying Cost (rounded)</i>	<i>\$193,508</i>
Revenues (Annual)	
STATE TAXES	
State Annual Income Tax ²	\$123,495
State Retail Sales & Use Tax ²	\$760,280
State Real Property Tax ²	\$24,500
State Alcoholic Beverages Taxes ²	\$11,251
State Tax Revenues	\$919,527
COUNTY TAXES	
County Real Property Tax (net of tax credits, avg for 20 years)	\$99,480
County Personal Property Taxes	\$54,820
County Income Tax	\$26,199
County Fuel-Energy Tax	\$7,735
County - Other Revenues	\$12,769
County Tax Revenues	\$201,004
OTHER COUNTY REVENUES/COST AVOIDANCE	
Tenant Fit-out	\$188,786
Tenant-Paid Maintenance	\$186,870
Tenant-Paid Utilities	\$211,048
Major Systems Replacement Reserve Fund	\$125,000
Celebrate Silver Spring Payment	\$30,000
County Use of Facility (Free of Charge)	\$48,367
Community Use of Facility (Discounted Charge)	\$132,060
Complimentary Tickets	\$28,214
County - Tenant's Annual Lease Payment	\$100,641
Other County Revenues	\$1,050,984
ANNUAL Revenues	\$2,171,515
Net Effect on Annual State Revenues (Taxes LESS Carrying Cost)	\$812,022
Net Effect on Annual County Tax Revenues (Taxes LESS Carrying Cost)	\$7,495
Net Effect on Annual State and County Revenues (Revenues LESS Carrying Cost)	\$1,870,502
State Rate of Return on Investment (MIRR) - (All Revenues)	10.7%
County Rate of Return on Investment (MIRR) - (TAXES ONLY)	-0.4%
County Rate of Return on Investment (MIRR) - (All Revenues)	8.2%
Combined State and County Rate of Return on Investment (MIRR)	9.7%

¹ Only 25% of the Current (FY11) Land amount will be used.

² State revenues (except for alcoholic beverages taxes) used are RAM outputs (Maryland Tourism) for the Direct and Indirect impact of the original project at this site.

Note: County Revenues per the Economic Development Fund Fiscal Impact Model, except:

- (a) Personal Property Taxes based on current tax rate and Live Nation's equipment cost
- (b) Real Property Taxes are net of Arts & Entertainment District, Enterprise Zone and Parking Lot District Tax Credits for which the property may be eligible.