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## Monthly Report — March 2007 Issue 67

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## Stadium Reaches Historic One Million Visitor Mark

More than one million people have visited The University of Phoenix Stadium after only six months of operation.

By the end of Jan., 1,050,000 people had been in the stadium either as patrons or as visitors during public tours. The stadium has hosted 101 events representing 126 event-days since opened Aug. 1.

The highest attended events so far have been both the Tostitos Fiesta Bowl played between Boise State and University of Oklahoma on Jan. 1 and the BCS National Championship game played Jan. 8 be-



High profile sold-out events like the Tostitos Fiesta Bowl (above) have set the pace for the stadium to be one of the busiest in the country.

tween University of Florida and Ohio State. Both games saw more than 73,000 patrons attending.

Other notable events include a season of sold-out Arizona Cardinals games and the highest attended soccer game ever in Arizona with a gate of 62,642.

The highest traffic month was Aug. with more than 320,000 visitors. That month contained the building's Public Grand Opening Tours, the Men's Luxury Toy Expo, the Sanderson Ford AMP Tour, the Arizona Cardinals pre-season games and several other corporate events.

The original forecast was to host 100 events for the first year of operation, a goal that has been reached in half the time. This puts the stadium on track to be one of the busiest NFL-standard stadiums in the country.



Besides sporting events, concerts and expositions, the stadium has hosted a variety of corporate events such as this one held on the Club Level.

## International Sportsmen's Expo is State's Largest

The 7th annual International Sportsmen's Exposition (ISE) moved to the University of Phoenix Stadium for the first time Mar. 9-11.

The show, billed as Arizona's largest sportsmen's show, featured 400 exhibitors. Exhibits included fishing, hunting and outdoor destinations from around the world. Prominent were a number of local vendors selling outdoor products and services.

The event was distinctively a family affair with a giant youth fair, contests for all ages, and interactive displays. Intersperse throughout the three-day show were more than 100 seminars on everything from fly-casting to dog training.

Celebrity appearances included fly-fishing legend Dave Whitlock and survival expert, outdoor educator and author Greg Davenport.

Some of the unique displays at the



Expo visitors were able to attend a large variety of seminars on hunting, fishing and other outdoor-related activities.

show were:

- Sporting-dog arena demonstrations;
- a giant fly-casting pond;
- fly-fishing how-to center;
- youth outdoor sports fair;
- giant Bass-o-Rama aquarium demo tank filled with live fish;
- elk-calling and distance fly-casting competitions;
- an actual floatplane in a camp setting;
- two helicopters;
- a flight simulator.

## Westside Motorcycle Expo Combines Show and Concerts

What do you get when you combine a huge expanse of vendors with an extensive concert lineup?

You'd get the innovative format debuted by the the Westside Motorcycle Expo held Mar. 30– Apr. 1 at the University of Phoenix Stadium.

The new show featured 300,000 square feet of exhibitors with concerts running every night.

The expo featured:

- Extreme motocross performers;
- Motorcycle performance installation areas;
- Equipment and product give-a-ways;
- Racing simulators;
- A "Best of Show" motorcycle contest;
- The Nitro Girls

The concert line-up included:

- Miss Crazy;
- Nick Sterling;
- Judge Jackson;
- Buckcherry;
- Cadillac Tramps;
- Army of Anyone;
- and Inhale.

## Classic Carriages Show Mar. 14-18

The very first Classic Carriages show held at the stadium Mar. 14-18 was designed to be a "family-friendly car auction."

This atmosphere was highlighted with special attractions such as the "Ladies Desert Oasis" and "FamilyZONE" being held in conjunction to the main attraction – loads of collectible cars.

The show wrapped up the auctions with the top sale being \$135,000 for a 2006 Superformance Hi-Tech



*The Classic Carriages show took advantage of a number of spaces in and around the stadium including the main floor (above) as well as the Pat Tillman Plaza, the stadium concourses and parking lots.*

GT40 MKII. The highest bid was \$800,000 for what was to be the first 2007 Koenigsegg CCX offered in the United States. However, bidding on the Koenigsegg did not meet reserve.

On the block at the Classic Carriages auction were a vast variety of cars including Corvettes, Cobras, GTOs, Mustangs, Jaguars and Mercedes-Benz models.

## Arizona's House Beautiful-The Desert Living Show

Arizona House Beautiful is another show premiering in the University of Phoenix Stadium this year and it brought more than 700 exhibits to the venue Mar. 2-4.

This show featured home improvement and decorating displays, designer tips, creative ideas, unique products and face-to-face contact with industry leaders.

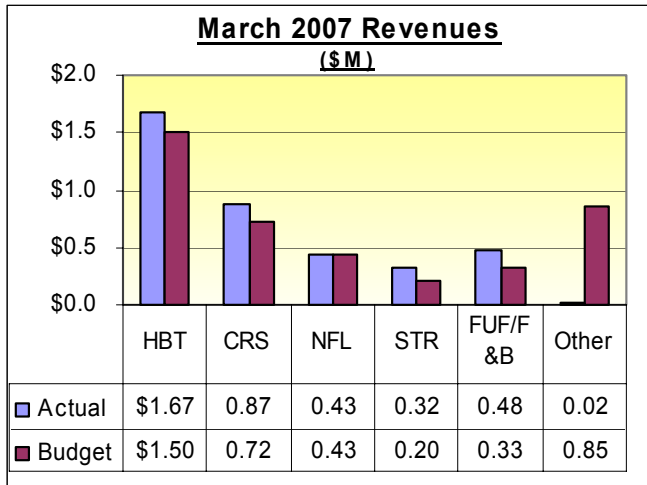
Special features included live music, entertainment, designer rooms, a live auction, landscape displays, seminars and how to demonstrations.



*One of the 700 vendors at the Arizona House Beautiful show setting up her exhibit prior to opening on Mar. 2.*

**Financial Overview**

**Sources** – The following chart provides our monthly revenue results for March 2007 which represents transaction activity from January 2007:



The Authority's **total revenues** for the current month were back on track with the exception of the Other category. We are waiting for the Fiesta Bowl to remit the ticket use fee and the facility use fees from the two bowl games – this accounted for the performance of this category for the month. All of the other revenue categories performed better than our budget expectations. The individual revenue components and their performance are detailed as follows:

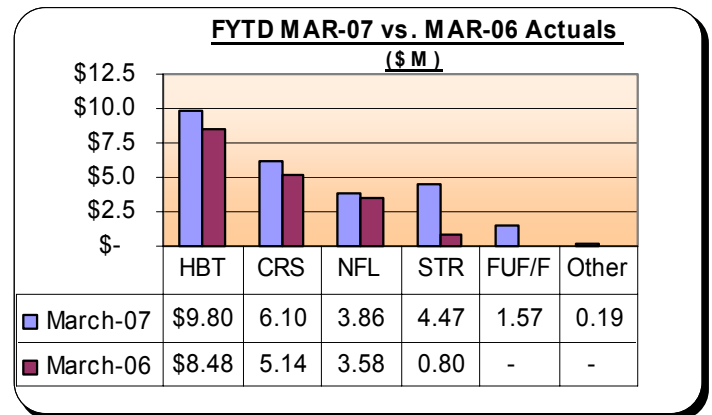
- The combined **tourism revenues** (hotel bed tax and car rental surcharge) posted **\$2.54 million** in revenues – \$317.9k, 14.3%, above forecast. The **hotel bed tax**, regained its momentum after a short stumble last month and came in 172k, 11.5%, ahead of budget. The **car rental surcharge** also got back on track and outdid its forecast by \$146k, 20.2%.
- The **NFL income tax** is determined by the Arizona Department of Revenue prior to the start of each fiscal year. This was on-budget at \$429k for the month.
- **Sales tax recapture** revenues for the month of March posted another positive performance with \$323.9k in total revenues -- \$122.7k, 61.0%, above budget. Although the past several months have been significantly above forecast we are still \$109k, 2.4%, behind our fiscal year-to-date forecast.

- **Facility use fees and concession revenues** were \$482k which were \$154k, 46.9%, ahead of budget. We have now, on a year-to-date basis, surpassed our budget expectations by a total of \$147k, 10.3%.

**Other revenues** include the Arizona Cardinals' rent of \$20.8k and future revenues from the Fiesta Bowl and Glendale for marketing purposes. This is the category that the ticket use fee and facility use fees from the Fiesta Bowl are categorized to for reporting purposes.

**Sources – Comparing Fiscal Years 2007 and 2006**

– The next chart provides a fiscal year-to-date comparison between March 2007 and March 2006:



Through the first nine months of this fiscal year our revenues continue to be strong as compared to the prior fiscal year. Total FYTD March 2007 revenues were \$26.0 million vs. \$18.0 million for the prior year – an increase of \$8.0 million, 44.4%. All revenue categories have contributed to this positive performance – a good sign indicating strength across the board.

**Senior Bond Debt Service** – The Authority will pay an estimated \$13.7 million in senior bond debt service during fiscal year 2007 -- \$11.7 million for the 2003A bonds and \$2.0 million for the 2005A bonds. Approximately 60% of the total amount will be sourced from our tourism revenues. The balance will come from the facility revenues – the pledged portion only. This split is based on statutory language that limits the debt service from tourism revenues to the equivalent of no more than \$165.5 million of the bond principal which is \$275.0 million.

**Tourism** – During fiscal year 2007 the Authority will provide \$5.1 million to the Arizona Office of Tourism for use in the promotion and marketing of Maricopa County. This amount is increased by five percent annually.

**Cactus League** – The Cactus League will receive another \$3.0 million in the current fiscal year. Of this amount \$2.46 million will be used for subordinate bond debt service payments, \$0.5 million for funding the required bond reserve account and the balance is earmarked for spring training baseball renovation projects in the cities of Tempe and Scottsdale.

**Youth and Amateur Sports** -- \$1.5 million will be distributed into this fund this fiscal year. This annual distribution grows by \$100,000 each year. The Authority will also fully fund the \$100k annual increment to the existing \$1.3 million youth and amateur sports reserve fund.

**Authority Operations** – The Authority's operating budget has grown significantly for fiscal year 2007 with the opening of the new stadium and the requirements of operating the building and all its scheduled events. The total approved operating budget is \$21.9 million which is comprised of the Authority's operations at \$1.1 million, Global Spectrum's operations at \$11.7 million and one-time capital expenditures for stadium furniture, fixtures and equipment, tenant improvements, extravaganza seating and the final contribution to the stadium construction project totaling \$9.1 million.

Approved by:



Ted A. Ferris  
President/CEO