

Sports Menagerie Corp
401 Deacon Boulevard
Winston-Salem, NC 27105

June 6, 2008

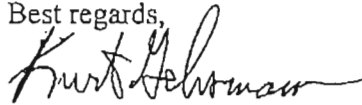
City of Winston-Salem
Derwick Paige, Deputy City Manager
101 N. Main Street
Winston-Salem, NC 27101

Re: Incentives Agreement – Reimbursement Request No. 7

Dear Mr. Paige:

In connection with the Incentives Agreement between the City of Winston-Salem and Brookstown Development Partners, LLC, Sports Menagerie Corp and Sports Menagerie LLC, please find attached a summary of costs incurred in connection with the construction of the baseball stadium. The net costs available for reimbursement are \$6,842,681.19. We respectfully request reimbursement in accordance with the Incentives Agreement in the amount of \$1,000,000. We would appreciate your prompt attention to this request and are prepared to answer any questions you have.

Best regards,



Kurt Gehsmann
Chief Financial Officer

Attachments

CC Billy Prim
Joe Bellissimo

Phone: 336-759-2233 ~ Fax: 336-759-2042

| PHASE I | | | | |
|-----------------------------|---|---|---------------------|-----------------|
| Acquired Properties: | | | | |
| Ref. | Address / Description | Tax Block-Lot | Closing Date | Amount |
| 1 | 109 Green Street | 0098-202B | 12/27/2006 | \$ 551,849.00 |
| 2 | West First Street | 0103-115B | 9/11/2006 | 70,967.50 |
| 3 | 911 West First Street | 0103-117B | 1/25/2007 | 128,119.00 |
| 4 | 1.2652 Acres N. Green St. | 0103-121 | 12/22/2005 | 499,728.63 |
| 5 | 150 N. Broad Street | 0635-102, 103 & 104 | 2/8/2007 | 914,709.00 |
| 6 | 143 S. Green Street | 0635-106 | 2/16/2007 | 103,644.00 |
| 7 | 145 S. Green Street | 0635-107 | 12/21/2006 | 107,099.00 |
| 8 | 140 S. Broad Street | 0635-201, 202 & 206A | 3/22/2007 | 682,092.00 |
| 9 | 137 S. Green Street | 0635-203 | 9/11/2006 | 101,249.50 |
| 10 | 141 S Green Street | 0635-204 | 6/1/2007 | 65,659.00 |
| 11 | 914 Watkins Street | 0636-102 | 6/1/2007 | 74,307.00 |
| 12 | 928 Watkins Street | 0636-106 & 107 | 4/16/2007 | 78,878.00 |
| 13 | 152 S. Green Street | 0636-108 | 12/20/2006 | 154,644.00 |
| 14 | 138 S. Green Street | 0636-3, 0636-103 | 2/28/2007 | 160,449.00 |
| 15 | 142 S. Green Street | 0636-4, 0636-104 | 12/21/2006 | 62,416.00 |
| 16 | 181 Granville Drive | 0636-7A | 6/1/2007 | 44,039.00 |
| 17 | 169 Granville Drive | 0637-000C | 9/11/2006 | 92,597.50 |
| 18 | 120 S. Green Street | 0637-011P | 3/26/2007 | 38,093.50 |
| 19 | 904 West First Street | 0637-102/103 | 12/1/2006 | 319,096.00 |
| 20 | 130 Green Street | 0637-104, 0637-2W | 7/23/2007 | 220,008.90 |
| 21 | 937 and 942 Watkins Street | 0637-106C, 107B, 0636-7B | 2/27/2007 | 264,986.00 |
| 22 | 919 and 923 Watkin Street | 0637-108 & 109 | 12/20/2006 | 87,279.00 |
| 23 | 163 Granville Drive | 0637-112 | 1/12/2007 | 92,681.00 |
| 24 | .05 Acre, Granville Drive | 0637-113 | 12/21/2006 | 17,020.00 |
| 25 | 915 Watkins Street | 0637-115 | 1/12/2007 | 76,469.00 |
| 26 | 913 Watkins Street | 0637-116 | 12/29/2006 | 54,849.00 |
| 27 | 916-920 West First Street | 0637-119, 202, 201B | 4/4/2007 | 531,299.00 |
| 28 | 908 West First Street | 0637-505B | 6/15/2007 | 212,999.00 |
| 29 | 115 Fayette Street / 912 W. First Street | 0637-506B, 0103-013 | 4/12/2007 | 275,191.00 |
| 30 | 110, 112, 118 S. Green Street | 0637-6S, 0637-117, 0637-118, 0637-10P, 0637-5S, 0637-114, 0637-2B, 0637-1B | 3/23/2007 | 640,402.00 |
| 31 | 162 Granville Drive | 0639-102 | 9/11/2006 | 60,152.50 |
| 32 | Granville Drive | 0639-103 | 9/11/2006 | 159,895.00 |
| 33 | 126 S. Green Street / 166 Granville Drive | 0639-104, 0639-106, 0637-105 | 2/27/2007 | 130,438.00 |
| 34 | 170 Granville Drive | 0639-105, 121 & 122 | 2/27/2007 | 108,960.00 |
| 35 | 1015 Watkins Street | 0639-118 | 3/20/2007 | 324,099.00 |
| 36 | West 2nd Street and Granville Drive | 0639-6B & 101 | 12/21/2006 | 65,688.00 |
| 37/37A | Glen Hart Properties | 0639-8B/113, 0637-106B/107C, 0636-105, 0639-023A, 0639-023B, 0639-108, 0639- 109, 0639-110/111, 0639-112, 0639-114, | 4/13/2007, 6/01/07 | 657,820.01 |
| 38 | 1018 Watkins Street | 0640-019 | 1/12/2007 | 144,034.00 |
| 39 | .04 Acre, Watkins Street | 0640-104B | 2/8/2007 | 9,459.00 |
| 40 | 1022 Watkins Street | 0640-105B | 6/1/2007 | 49,444.00 |
| 41 | 1000 Granville Drive | 0640-5, 0640-6 | 1/12/2007 | 81,871.00 |
| 42 | .09 Acre, Beaumont Street | 0659-111 | 1/24/2007 | 44,039.00 |
| | | | Subtotal | \$ 8,558,720.04 |
| 43 | City of Winston-Salem | 0637-Lots 1-12, 0639-Lots 2-5, 0639-007, 0639-115, 0639-116A/B, 0637-110A/B, 0637- 111, 0637-013W, 0637-009P | 12/28/2007 | \$ 227,790.51 |
| | | | Subtotal | \$ 8,786,510.55 |

| Other Costs: | | | |
|----------------------------------|---|------------------------------------|-------------------------|
| Vendor | Description | | |
| Regions Commercial Loan | Interest on Loan - see schedule | | 550,123.43 |
| Daniel Professional Group | Tax & Accounting Fees | | 25,778.00 |
| Winston-Salem Journal | Rezoning | | 3,275.72 |
| The Hartford | Insurance | | 10,390.00 |
| Various | Relocation Expenses | | 12,080.12 |
| Samet | Ballpark Construction Mgt | | 780,404.00 |
| CJMW | Ballpark Architecture/Design | | 478,312.13 |
| Womble Carlyle | Contract Draft/Review | | 75,519.70 |
| Allman Spry | Real Estate Advisor | | 11,146.50 |
| Public Relations - Various | Public Relations | | 48,065.14 |
| Alvarez & Marsal Taxand, LLC | Tax & Financial Advisor | | 14,403.00 |
| Stimmel Associates, Pa | Engineering | | 64,247.09 |
| Piedmont Industrial Services | Environmental Services | | 22,413.00 |
| John Davenport Engineering, Inc. | Engineering | | 16,070.00 |
| ECS Carolinas, LLP | Environmental Services | | 27,005.00 |
| Edward Hess | Real Estate Advisor | | 50,000.00 |
| Hatch Little & Bunn, LLC | Site development/land planning costs | | 60,000.00 |
| Urban Design Associates | Site development/land planning costs | | 27,269.00 |
| Grubb Properties, Inc. | Site development/land planning costs | | 20,000.00 |
| | | Subtotal | \$ 2,296,501.83 |
| Samet | Ballpark Construction Mgt | | 4,555,495.33 |
| CJMW | Ballpark Architecture/Design | | 1,063,278.74 |
| Primo Properties | Development and Construction Consultant | | 116,669.00 |
| Food Service Resources | Catering/Concession Design Consultant | | 24,225.74 |
| | | Subtotal | \$ 8,056,170.64 |
| | | Total Costs | \$ 16,842,681.19 |
| | | <i>Reimbursements:</i> | |
| | | 11/30/2007 | (5,000,000.00) |
| | | 1/11/2008 | (1,000,000.00) |
| | | 2/1/2008 | (1,000,000.00) |
| | | 3/1/2008 | (1,000,000.00) |
| | | 4/1/2008 | (1,000,000.00) |
| | | 5/1/2008 | (1,000,000.00) |
| | | Net Costs For Reimbursement | \$ 6,842,681.19 |