



Financial Proposal

Year	Guaranteed Net Annual Revenue To DTA	% Fee to DTA	Estimated Annual Advertising Revenue	Estimated Net Annual Revenue to DTA
1	\$110,000	55%	\$270,000	\$148,000
2	\$115,000	55%	\$275,000	\$151,250
3	\$120,000	55%	\$285,000	\$156,750
4	\$125,000	55%	\$315,000	\$173,250
5	\$125,000	55%	\$346,500	\$190,575
Total	\$595,000	55%	\$1,491,500	\$820,325

- The above chart illustrates minimum guarantees and estimated revenues on an annual basis.
- Houck will pay DTA the annual guaranteed amount or % of gross revenue whichever is greater.
- Payments are made to DTA monthly. Guarantee amount due is calculated annually.
- Houck will pay annual guarantee in equal payments rather than one time up front payment.
- Houck is confident that revenue will be at or near estimated annual gross revenue based on Houck's past performance in the market and Houck's Duluth market growth strategy.
- Percentage payment shall be based on the amount billed less agency commissions, not the amount paid to Houck. In the event there is a legally filed bankruptcy both parties will relinquish the amount.
- Revenue amounts and projections are based on being able to place advertising on 63 DTA buses as stated in the RFP.
- In the event of a natural disaster, labor strike, civil unrest, acts of terror, acts of God, economic recession lasting 2 consecutive quarters, or any other event that Houck or DTA has no control over that would negatively affect the performance of Houck's duties under the contract, certain terms or conditions of the contract affected by any of the listed events may be renegotiated or temporarily changed to provide relief to either part.