

Breaking Down U.S. Professional Athlete Contracts

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The New York Mets and Juan Soto have shaken up the baseball world with a jaw-dropping \$765 million deal over 15 years, averaging \$51 million per season. Baseball has seen its share of blockbuster contracts lately, but this one stands out as the biggest yet. Soto now holds the record for the largest total contract value in U.S. sports history, surpassing Shohei Ohtani's \$700 million agreement with the Dodgers just months ago. The new Soto-Mets deal is nearly double the value of all but one other contract across major American sports. Here are some of the most notable deals from the NFL, NBA, and MLB:

Player	League	Stated Contract Value	Average per Year
Juan Soto	MLB	\$765,000,000	\$51,000,000
Shohei Ohtani	MLB	\$700,000,000	\$70,000,000*
Patrick Mahomes	NFL	\$450,000,000	\$45,000,000
Mookie Betts	MLB	\$365,000,000	\$30,416,666*
Mike Trout	MLB	\$360,000,000	\$36,000,000
Jayson Tatum	NBA	\$315,000,000	\$63,000,000
Jaylen Brown	NBA	\$303,734,891	\$60,746,978
Joe Burrow	NFL	\$275,000,000	\$55,000,000
Trevor Lawrence	NFL	\$275,000,000	\$55,000,000
Scottie Barnes	NBA	\$225,000,000	\$45,000,000

*Ohtani and Betts have deferred portions of their contract which significantly alter their true average per year

A major factor in the total size of baseball contracts is their length, with deals commonly surpassing the 10-year mark, compared to NFL and NBA contracts generally falling in the 4–5-year range (with the rare exception of Patrick Mahomes' 10-year contract signed in 2020). MLB teams may feel more comfortable committing to these long-term deals for two reasons: baseball players tend to have longer careers than their NFL and NBA counterparts, and MLB operates without a salary cap, relying instead on a luxury tax system that penalizes teams for exceeding a payroll threshold.

One wrinkle with these lengthy deals is the time value of money – the concept that a dollar today is worth more than a dollar in the future because today's dollar can be invested and grow. When accounting for this and adjusting some of the largest contracts in U.S. sports for the time value of money, Juan Soto's deal still ranks as the highest contract value.

Player	League	Adjusted Contract Value
Juan Soto	MLB	\$443,276,874
Patrick Mahomes	NFL	\$379,007,779
Mike Trout	MLB	\$271,354,530
Jayson Tatum	NBA	\$248,260,451
Jaylen Brown	NBA	\$240,955,293
Shohei Ohtani	MLB	\$232,336,951
Joe Burrow	NFL	\$216,735,314
Trevor Lawrence	NFL	\$216,735,314
Mookie Betts	MLB	\$180,387,003
Scottie Barnes	NBA	\$177,328,894

Applying this to the player's average annual salary, Soto is nowhere near that of his highly paid peers. In fact, we see the NBA's Jayson Tatum, and his Boston Celtics teammate Jaylen Brown, both earn nearly \$50 million per year, dwarfing Soto's \$29.5 million per year:

Player	League	Adjusted Average per Year
Jayson Tatum	NBA	\$49,652,090
Jaylen Brown	NBA	\$48,191,059
Joe Burrow	NFL	\$43,347,063
Trevor Lawrence	NFL	\$43,347,063
Patrick Mahomes	NFL	\$37,900,778
Scottie Barnes	NBA	\$35,465,779
Juan Soto	MLB	\$29,551,792
Mike Trout	MLB	\$27,135,453
Shohei Ohtani	MLB	\$23,233,695
Mookie Betts	MLB	\$15,032,250

After factoring in the time value of money, NFL and NBA players reign supreme in per year salary, with MLB players falling to the bottom four slots out of the ten contracts sampled. This is largely due to their longer contract structure, and in the case of Ohtani and Betts, the significant impact of deferred compensation agreements that extend well beyond the life of their contracts.

While record-breaking deals like Juan Soto's redefine the upper limits of total contract value in U.S. professional sports, the blockbuster but shorter contracts of the NFL and NBA highlight the crucial role of the time value of money in maximizing players adjusted annual earnings. This demonstrates that contract size is not the sole indicator of financial success for professional athletes; rather, a nuanced understanding of contract structure and its long-term financial implications is equally critical.