LeBron Watch 2006 marches on. How long of an extension will he sign with the Cavaliers? We could know for sure as soon as tomorrow, when LeBron is officially able to put pen to paper. For now, here's all the latest. If you take a look at all the evidence available to us, the outcome seems likely.

Three years, forty three million dollars.

From all indications, this appears to be the figures on the contract extension that LeBron James will sign with the Cavaliers some time between tomorrow and July 19th, when he leaves for Las Vegas to start training with the rest of teammates on Team USA.

We all know the timeline by now. Saturday afternoon, after a week of silence, LeBron issued a statement through his publicist. It read like this:

"I am very excited and happy to be re-signing with the Cavaliers. Staying in Cleveland ... provides me with the unique opportunity to continue to play in front of my family, friends and fans. I look forward to working toward bringing a championship to our great fans and the city of Cleveland."

At the time, we all just figured LeBron would take the maximim amount of money available to him, which was gladly offered by Cavaliers owner Dan Gilbert. A five year extension worth eighty million dollars that would keep King James in Cleveland through 2012.

Fast forward to late Sunday night. ESPN blowhard Screamin A. Smith, citing "excellent league sources" released a story on ESPN.com that

LeBron would not take the full five year extension, and would instead sign just a four year extension with an "opt out" after year three. While Screamin A. was technically incorrect (the fourth year appears to actually be a player option), the nexus of that initial story appears to be correct. The Akron Beacon Journal's Brian Windhorst, one of the finest beat writers this town has seen in my view, is reporting this morning that "several NBA officials confirmed James and Rose broached this topic with the Cavs during initial contract talks".

And really, if you think about it, this is the best move for James here. It kills me to say that, as no one lives and dies with this team more than I do. I strongly feel that championsnhip rings for LeBron are a matter of when, not if ... and I believe this kid was hand delivered from the gods to end our pain and suffering as fans in this town.

But let's take a look at the facts.

LeBron has much to gain by signing a three year as opposed to a five year extension ... and not alot to lose. Assuming he signs the three year extension with a fourth year player option that is being rumored, here's how his salary structure will look. Note that these are approximate numbers.

2006-2007: Will earn 5.8 million in final year of rookie deal

2007-2008: Will earn 13 million (25% of team salary cap as a "max player") in first year of contract extension.

2008-2009: Will earn 14.3 million (10% raise from previous year) in second year of contract extension.

2009-2010: Will earn 15.7 million (10% raise from previous year) in third year of contract extension.

Summer of 2010: Has a player option for the 2010-2011 season at 17.3 million dollars. Can refuse the option and become an unrestricted free agent.

The player option being bandied about still guarantees him the 17.3 million for 2010-2011 (if he wants it), but by not taking the full extension offered by the team,

LeBron is passing on 19 million dollars in guaranteed money in the following year, the 2011-2012 season.

But think about it. Barring some sort of horrific dehabilitating injury, LeBron would still get max money from someone, even if he were to blow out a knee in 2010. And the timing of the summer of 2010 to achieve his freedom is significant on a number of counts. He will have been in the league seven years. Which means, as a max player, he will be able to command 30% of the cap as opposed to the 25% a player with less than seven years in the league would be eligible for. This could put him in line for a bigger max deal in 2010, especially if the league (and the basketball related income that helps establish the cap and max contracts) prospers like many feel it will between now and then.

Also, that is when his Nike contract expires. I would imagine the deal may be a hair more lucrative if LeBron was playing in Brooklyn. Lastly, that is when the contracts of Larry Hughes and Zydrunas Ilgauskas expire here. LeBron is on record as saying winning a title is all that matters to him, and the three year extension gives him a chance to assess his odds of doing it here in 2010 as a 25 year old, as opposed to in 2012 as a 27 year old. And if he's still unsure heading into the 2010-2011 season? Take the 17.3 million dollar player option and give yourself another year to decide.

I can't believe I didn't see this possibility coming. Either did any of the literally hundreds of people I talk Cavs basketball with via e-mail, the phone, and on message forums. And it appears some of the other star player in James same position didn't even see this as an option. ESPN.com is reporting this morning that Carmelo Anthony, inspired by James, is thinking of doing the same thing.

It turns out this has happened before, which I didn't realize until stumbling across it online last night. Tim Duncan did the same thing in 2003, passing on a seven year extension, taking just three as he was unclear as to the Spurs direction. Then they built a new arena, and won a championship in the last year of his deal. Duncan then gladly reupped for essentially life in San Antonio.

While I would be lying if I said I wasn't slighty disappointed, this is far from the doom and gloom scenario Cavs fans are sure to turn this into. Even if James has signed the full five year extension, if he didn't like the direction the team was going once 2010 came around, he could have easily forced his way out via trade ... as many star players have done in this league.

Also, and despite what the national media will tell you, LeBron likes it here. I truly feel he is determined to be the one to end the curse in this city, replacing Jim Brown as the greatest sports hero in the history of Cleveland. The chances are very likely that this team not only contends for, but wins a title in the next four seasons, and that it will be a no-brainer that LBJ will want to stay here and win more of them in this town.

And the fact that we will still be able to pay him more than anyone else, even when he potentially becomes unrestricted ... that's never a bad trump card to hold.

The bottom line here is, this is the right move for James. His only real risk is sustaining a bad injury, and potentially forfeiting the 19 million in guaranteed money for the 2011-2012 season that he will likely leave on the table. He becomes seven years in the league at that point (and eligible for a bigger max contract) , and it also coincides with the expiration of his Nike deal and the contracts of the Cavs other two big name players.

I think you'll see Carmelo Anthony follow suit, and possibly Dwayne Wade and Chris Bosh as well. So will other star players in future years. LeBron may have slightly revolutionized how players look at max contracts, especially if the league continues to prosper each year at these same levels. Which could have a huge effect on the next collective bargaining agreement. Could we see a "LeBron Exception" added to the "Bird Exception"?

But in the end, this changes little for the Cavaliers chances of retaining LeBron in the long term. It will still depend on the teams success, and the ability of GM Danny Ferry to surround him with the pieces to bring this town and team a championship.