

LEASE SUMMARY

BASICS

TEAM: Texas RANGERS

Team Owner: Bob R. Simpson

Team Website

FACILITY: Globe Life Park

Facility Website

Year Built: 1994

Ownership: Arlington Sports Facilities Development Authority, Inc.

TYPE OF FINANCING:

“Financing for the stadium came from \$135 million in bonds sold by the Arlington Sports Facilities Development Authority, and the remaining balance was provided by the sale and lease of luxury suites and seat options, loans guaranteed by the team, a concessions contract with Sportservice, and city street funds. Debt service on the bonds is financed through a \$3.5 million annual rental payment by the team and a 0.5% local Arlington sales tax that was approved in 1991.” *Appendix I, Sports Facility Reports*, Vol. 18, available at <https://law.marquette.edu/assets/sports-law/MLB.Antonio.72617.pdf>.

TITLE OF AGREEMENT: Lease Agreement

Lessor: Arlington Sports Facilities Development Authority, Inc.

Lessee: Rangers Ballpark, Inc.

TERM:

The Lease shall commence on June 23, 1992 and shall terminate “on the earlier of (i) the thirtieth (30th) anniversary of the Operational Date . . . or (ii) the fortieth (40th) anniversary of the Commencement Date.” Section 1.2, page 1.

PAYMENTS/EXPENSES

RENT:

Initial Period: The Lessee shall pay \$1.00 annually as fixed rental during the Initial Period. Section 2.1, page 6.

Base Rental: Effective on the Operational Date, the Lessee shall pay \$1.66,666.67 on the first day of each month, totaling \$2 M per year throughout the remainder of the Term. Section 2.2, page 6.

Additional Rent: Effective on the Operational Date, the Lessee shall pay \$125 K of Additional Rent on the first day of each month, totaling \$1.5 M per year throughout the remainder of the Term. Section 2.3, page 7.

OPERATING EXPENSES:

Admissions Surcharge: “Lessee agrees to cause the Club, from and after the Commencement Date, to collect, on behalf of Lessor, the Admissions Surcharge on all paid admission tickets to major league baseball games of the Club and Major League Baseball special games held at the Ballpark.” Section 2.5, page 7.

Utilities: “After the Commencement Date, Lessee shall pay all bills for utilities furnished to the Leased Premises, including, but not limited to, bills for water, electricity, gas, telephone and sewage.” Section 3.6, page 11.

CAPITAL IMPROVEMENTS:

“Lessee shall have the right, at its option and in its sole discretion . . . to develop portions of the Leased Premises and to erect buildings and other improvements on the Leased Premises for any lawful uses and purposes, as long as such development does not unreasonably interfere with the development of the Facilities pursuant to the Master Agreement and this Lease.” Section 4.1, page 11.

MAINTENANCE**MAINTENANCE:**

“Lessee and Lessor shall keep all permanent improvements or buildings that from time to time may be on the Leased Premises in a reasonably good state of repair. . . . Lessee’s obligations for maintenance . . . shall be satisfied by (i) performing or causing to be performed such maintenance activities, and (ii) paying the expenses of such maintenance activities to the extent such expenses exceed the portion of the Admissions Surcharge.” Section 5.3, page 14.

OPERATIONAL STANDARDS FOR LESSEE:

“The Leased Premises shall be operated in a reasonable and sound businesslike manner. Lessee shall . . . have full control of the operation of the Leased Premises, including, without limitation, the Facilities and the Improvements.” Section 5.4, page 15.

RETENTION**NON-RELOCATION/RETENTION CLAUSE:**

“[T]he ‘Texas Rangers Baseball Club’, as a member club of the League, or its successor or successors, [shall] play all of its regular season home baseball games at the Ballpark for the period commencing on the Operational Date and continuing until the payment in full or defeasance of the Obligations.” Section 5.5, page 15.