

Appendix 5.4 to Sports Facility Reports, Volume 2, Number 2
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NATIONAL HOCKEY LEAGUE

Note: Information compiled from Forbes Magazine (franchise values), Sports Business Daily, RSV Fax, RSV, Sports Industry Update, Sports Business Journal, and other sources published on or before August 6, 2001.

Team	Principal Owner		Recent Purchase Price (\$/Mil)	Current Value (\$/Mil)
Atlanta Thrashers	Time Warner, Inc.		\$80 (1997)	\$138
Arena	ETA	COST (millions)	%'s Publicly Financed	FACILITY FINANCING
Philips Arena	1999	\$213.5	81%	The facility is being financed through \$149.5 M in taxable revenue bonds that will be paid back through stadium revenues; \$62 M for public infrastructure costs, which will be repaid with a new 3% car rental tax; and \$20 M for the remaining infrastructure costs from Time Warner. In addition, Philips Electronics signed a 20-year, \$180 million deal for the naming rights.

Team	Principal Owner		Recent Purchase Price (\$/Mil)	Current Value (\$/Mil)
Boston Bruins	Jeremy Jacobs			\$217
Arena	ETA	COST (millions)	%'s Publicly Financed	FACILITY FINANCING
FleetCenter	1995	\$160	0%	Privately financed. Fleet Bank paid \$30 for 15-year naming rights deal.

Team	Principal Owner	Recent Purchase Price (\$/Mil)	Current Value (\$/Mil)
Buffalo Sabres	John Rigas	\$ 95.6 in cash and	\$97

			debt assumption for 50% stake (1998)	
Arena	ETA	COST (millions)	%’s Publicly Financed	FACILITY FINANCING
Marine Midland Arena	1996	\$122.5	44%	The Arena was financed through a state loan (20%), County bonds backed by ticket surcharge (16%), City bonds (8%), and private bank loans (56%). The Marine Midland Bank paid \$15 M for 20-year naming rights in 1996.

Team	Principal Owner		Recent Purchase Price (\$/Mil)	Current Value (\$/Mil)
Calgary Flames	Harley Hotchkiss			\$82
Arena	ETA	COST (millions)	%’s Publicly Financed	FACILITY FINANCING
Canadian Airlines Saddledome	1983	C\$176	100%	Paid for by the City and Province of Alberta. Canadian Airlines paid C\$10 M for 20-year naming rights in 1996.

UPDATE

In June 2001, the Calgary City Council agreed to take on \$1.3 M in capital expenses for the Saddledome. The amount is one-third of the annual capital cost. Alberta agreed to a new lottery game to help defray some of the costs for the building and the team. A ticket surcharge will fund the remaining third of the capital expense.

Team	Principal Owner		Recent Purchase Price (\$/Mil)	Current Value (\$/Mil)
Carolina Hurricanes	Peter Karmonos Jr.		\$47.5 (1994)	\$79
Arena	ETA	COST (millions)	%’s Publicly Financed	FACILITY FINANCING
Entertainment & Sports Arena	1999	\$160	87%	The Hurricanes will share the arena with North Carolina State University. The arena was financed by a \$22 M contribution from NC State, \$75.2 M from Wake County and the City of Raleigh, and \$18 M plus infrastructure costs from the state.

Team	Principal Owner		Recent Purchase Price (\$/Mil)	Current Value (\$/Mil)
Chicago Blackhawks	William Wirtz			\$197
Arena	ETA	COST (millions)	%’s Publicly Financed	FACILITY FINANCING
United Center	1994	\$150	7%	Joint Venture between Bulls and NHL Blackhawks. Financed jointly with City and private corporations.

Team	Principal Owner		Recent Purchase Price (\$/Mil)	Current Value (\$/Mil)
Colorado Avalanche	Stan Kroenke		\$404 (93% along with Nuggets & Pepsi Center)	\$198
Arena	ETA	COST (millions)	%’s Publicly Financed	FACILITY FINANCING
Pepsi Center	1999	\$164.5	3%	Financed mostly through private loans. Also received \$15 M from Liberty Media and \$4.5 M in infrastructure, \$2.25 M for construction sales tax rebates and \$2.1 M annually for property tax exemptions. Pepsi pays \$68 M for naming rights.

Team	Principal Owner		Recent Purchase Price (\$/Mil)	Current Value (\$/Mil)
Columbus Blue Jackets	Nationwide Insurance		\$80 (1997)	NA
Arena	ETA	COST (millions)	%’s Publicly Financed	FACILITY FINANCING
Nationwide Arena	2000	\$150	0%	Nationwide Insurance is contributing 90% of the costs and Dispatch Printing Co. is paying 10%. Nationwide acquired the naming rights as part of providing financing for the arena.

Team	Principal Owner		Recent Purchase Price (\$/Mil)	Current Value (\$/Mil)
Dallas Stars	Thomas O. Hicks		\$34 (1994)	\$182
Arena	ETA	COST	%’s	FACILITY FINANCING

		(millions)	Publicly Financed	
American Airlines Center	2001	\$300	42%	The City is paying \$125 M (capped) and the Mavericks and Stars are paying the remaining amount. The funds to repay the public portion of the financing are coming from a 5% car rental tax, 2% hotel tax, and \$3.4 M per year lease for 30 years. In addition, American Airlines is paying \$195 M for the 30-year naming rights.

UPDATE

The American Airlines Center will open in July, two months earlier than planned. The new arena is expected to come in \$100 M over budget with a final estimate of \$420 M. NBA Mavericks owner Mark Cuban and Stars owner Tom Hicks will share the extra cost. Most of the extra cost came from stadium upgrades including wiring for interactive devices, improved signage, and expansion by 100,000 square feet.

Team	Principal Owner		Recent Purchase Price (\$/Mil)	Current Value (\$/Mil)
Detroit Red Wings	Michael Illitch			\$218
Arena	ETA	COST (millions)	%’s Publicly Financed	FACILITY FINANCING
Joe Louis Arena	1979	\$57	100%	Publicly funded.

Team	Principal Owner		Recent Purchase Price (\$/Mil)	Current Value (\$/Mil)
Edmonton Oilers	James Hole		\$70 (U.S.: 1998)	\$77
Arena	ETA	COST (millions)	%’s Publicly Financed	FACILITY FINANCING
Skyreach Center	1974	C\$68	N/A	1994 Renovation cost C\$14 M.

UPDATE

The Oilers and the City of Edmonton are upgrading the Skyreach Centre. The team will spend \$1.1 M to build 11 new luxury suites for which they already have leases. The leases range from CAN\$42,000 to CAN\$125,000 per year. Other improvements will include new seating, a new scoreboard, structural repairs and general upgrades. The city will loan the Oilers CAN\$8.6 M needed for the project.

Team	Principal Owner		Recent Purchase Price (\$/Mil)	Current Value (\$/Mil)
Florida Panthers	H. Wayne Huizenga		\$50 (1992)	\$147
Arena	ETA	COST (millions)	%’s Publicly Financed	FACILITY FINANCING
National Car Rental Center	1998	\$212	87%	\$185 M publicly funded. The team funded the remainder. National Car Rental paid \$22 million over 10 years for the naming rights.

Team	Principal Owner		Recent Purchase Price (\$/Mil)	Current Value (\$/Mil)
Los Angeles Kings	Philip Anschutz, Edward Roski		\$113.25 (1995)	\$160
Arena	ETA	COST (millions)	%’s Publicly Financed	FACILITY FINANCING
Staples Center	1999	\$375	73%	The city provided \$38.5 M in bonds and \$20 M in Los Angeles Convention Center reserves. This money will eventually be repaid through arena revenues. An additional \$12 M in tax incremental financing was also provided by the city’s Community Redevelopment Agency. The Clippers, Kings, and Lakers will share the arena. Staples paid \$100 M for naming rights for 20 years.

Team	Principal Owner		Recent Purchase Price (\$/Mil)	Current Value (\$/Mil)
Mighty Ducks of Anaheim	Walt Disney Company		\$50 (1992)	\$116
Arena	ETA	COST (millions)	%’s Publicly Financed	FACILITY FINANCING
Arrowhead Pond	1993	\$120	100%	Public.

Team	Principal Owner		Recent Purchase Price (\$/Mil)	Current Value (\$/Mil)
Minnesota Wild	Robert Naegele Jr.		\$80 (1997)	NA

Arena	ETA	COST (millions)	%’s Publicly Financed	FACILITY FINANCING
Xcel Arena	2000	\$130	100%	The state will issue a \$65 M interest free loan with the city financing the remaining \$65 M. Team payments and the imposition of a half-cent sales tax in the City of St. Paul will repay the loans. \$17 M of the state loan will be forgiven in exchange for the right of Minnesota high school tournaments to be held at the facility.

Team	Principal Owner	Recent Purchase Price (\$/Mil)	Current Value (\$/Mil)	
Montreal Canadiens	Molson Companies Ltd.		\$191	
Arena	ETA	COST (millions)	%’s Publicly Financed	FACILITY FINANCING
Molson Centre	1996	C\$230	0%	Full cost assumed by the Molson Co. Ltd.

Team	Principal Owner	Recent Purchase Price (\$/Mil)	Current Value (\$/Mil)	
Nashville Predators	Craig L. Leipold	\$80 (1997)	\$129	
Arena	ETA	COST (millions)	%’s Publicly Financed	FACILITY FINANCING
Gaylord Entertainment Center	1997	\$144	100%	General obligation bonds issued by the City of Nashville.

Team	Principal Owner	Recent Purchase Price (\$/Mil)	Current Value (\$/Mil)	
New Jersey Devils	YankeeNets	\$176 (>50% 2000)	\$163	
Arena	ETA	COST (millions)	%’s Publicly Financed	FACILITY FINANCING
Continental Airlines Arena	1981	\$85	100%	Arena part of larger sports complex that houses a football stadium and hours racetrack. Publicly funded by bond issued by the New Jersey sports authority. Debt paid off by revenue generated from racetrack.

UPDATE

YankeeNets, owners of the NBA Nets and the NHL Devils, have reached an agreement with city officials for a new \$335 M, 18,500-seat arena. The facility is scheduled to open in downtown Newark in 2004. The agreement requires YankeeNets to invest \$115 M as well as manage construction and cover any cost overruns. The state will rebate up to \$190 M over 30 years in sales tax revenues generated by an arena district resulting in a three-cent sales tax increase. An additional \$50 M will come from Newark and Essex counties. The teams have agreed to sign a 30-year lease. The development plan calls for \$100 M in privately financed restaurants, commercial space, and a hotel.

Team	Principal Owner		Recent Purchase Price (\$/Mil)	Current Value (\$/Mil)
New York Islanders	Charles Wang & Sanjay Kumar		\$187.5 (2000)	\$139
Arena	ETA	COST (millions)	%’s Publicly Financed	FACILITY FINANCING
Nassau Veterans Coliseum	1972	\$31.3	100%	Funded through tax-exempt bond issue.

Team	Principal Owner		Recent Purchase Price (\$/Mil)	Current Value (\$/Mil)
New York Rangers	Cablevision Systems		\$650 (team, NBA's Knicks, Facility, MSG Network: 1997)	\$263
Arena	ETA	COST (millions)	%’s Publicly Financed	FACILITY FINANCING
Madison Square Garden	1968	\$43	100%	\$200 million renovation in 1990.

Team	Principal Owner		Recent Purchase Price (\$/Mil)	Current Value (\$/Mil)
Ottawa Senators	Rod Bryden		\$50 (US: 1991)	\$84
Arena	ETA	COST (millions)	%’s Publicly Financed	FACILITY FINANCING

Corel Centre	1996	C\$200	21%	A provincial government loan and Canadian federal government grant cover 21%. The rest is through private bank consortium loans, subordinated loans and suite sales and fees.
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Team	Principal Owner		Recent Purchase Price (\$/Mil)	Current Value (\$/Mil)
Philadelphia Flyers	Comcast			\$240
Arena	ETA	COST (millions)	%’s Publicly Financed	FACILITY FINANCING
First Union Corporation Center	1996	\$206	11%	Private loans and contribution from Spectacor. The City and State also made contributions for the infrastructure. CoreStates paid \$40 M for 29 year naming rights. First Union acquired naming rights through a merger with Corestates in 1997.

Team	Principal Owner		Recent Purchase Price (\$/Mil)	Current Value (\$/Mil)
Phoenix Coyotes	Steve Ellman		\$90 (2000)	\$86
Arena	ETA	COST (millions)	%’s Publicly Financed	FACILITY FINANCING
America West Arena	1992	\$90	39%	The city of Phoenix contributed \$35 M with \$28 M going to construct the arena and \$7 m for the land. The Phoenix Suns contributed \$55 M. The city has a 30-year commitment from the suns and receives \$500,00 per year (with annual 3% increase) and 40% of revenue from luxury boxes and advertising.

UPDATE

The City of Glendale will contribute \$180 M toward construction of a new arena for the Coyotes up front. Originally the city planned to buy the arena after it opened for \$180 M. Team owner Steve Ellman agreed to pick up arena cost overruns and to repay the city for its investment if the commercial property surrounding the arena does not generate enough money to repay the city.

Team	Principal Owner	Recent Purchase Price (\$/Mil)	Current Value (\$/Mil)
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Pittsburgh Penguins	Mario Lemieux		@ \$85 (1999)	\$132
Arena	ETA	COST (millions)	%’s Publicly Financed	FACILITY FINANCING
Mellon Arena	1961	\$22	N/A	Paid for by City, County, and Edgar J. Kaufman.

UPDATE

A yearlong study commissioned by the Penguins revealed it would cost “as much or more” to renovate Mellon Arena as it would to build a new arena. However, renovating the building would leave the team without a place to play for two years. The cost of a new arena is estimated at \$200 – 220 M. A partnership led by Mario Lemieux paid \$8 M for six acres of commercial property adjacent to Mellon Arena for future development.

Team	Principal Owner		Recent Purchase Price (\$/Mil)	Current Value (\$/Mil)
San Jose Sharks	George and Gordon Gund		\$50 (1990)	\$141
Arena	ETA	COST (millions)	%’s Publicly Financed	FACILITY FINANCING
San Jose Arena	1993	\$170	82%	Financed through City bonds and private equity.

Team	Principal Owner		Recent Purchase Price (\$/Mil)	Current Value (\$/Mil)
St. Louis Blues	William & Nancy Laurie		\$100 (1999)	\$136
Arena	ETA	COST (millions)	%’s Publicly Financed	FACILITY FINANCING
Kiel Center	1994	\$160	15%	The City contributed \$24.5 M for site preparation and garages; 20 Corporations provided \$37.5 M cash and guaranteed \$98 M in construction loans.

Team	Principal Owner		Recent Purchase Price (\$/Mil)	Current Value (\$/Mil)
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Tampa Bay Lightning	William Davidson		\$117 (includes Ice Palace: 1998)	\$107
Arena	ETA	COST (millions)	%’s Publicly Financed	FACILITY FINANCING
Ice Palace	1996	\$139	62%	New stadium construction and infrastructure costs were paid by a combination of team money (\$53 M) and public money (\$86 M).
UPDATE				
<p>The team announced plans to expand its XO Club next season, adding up to 600 seats to the 421 existing. The seats currently sell for \$4,000 a year, however, with the new additions, fans can expect the seats to rise to \$5,000 next season. The 1.3M project will be complete by this fall.</p>				

Team	Principal Owner		Recent Purchase Price (\$/Mil)	Current Value (\$/Mil)
Toronto Maple Leafs	Steve Stavro			\$203
Arena	ETA	COST (millions)	%’s Publicly Financed	FACILITY FINANCING
Air Canada Centre	1999	C\$250-265	0%	Privately financed.

Team	Principal Owner		Recent Purchase Price (\$/Mil)	Current Value (\$/Mil)
Vancouver Canucks	John McCaw			\$100
Arena	ETA	COST (millions)	%’s Publicly Financed	FACILITY FINANCING
General Motors Place	1995	C\$160	0%	Privately financed. General Motors Canada paid \$18.5 M for 20-year naming rights in 1995.

Team	Principal Owner		Recent Purchase Price (\$/Mil)	Current Value (\$/Mil)
Washington Capitals	Ted Leonsis		\$85 (also minority share of Wizards / 2000)	\$134

Arena	ETA	COST (millions)	%'s Publicly Financed	FACILITY FINANCING
MCI Center	1997	\$260	23%	Private loans financed the building, with the District of Columbia providing \$60 M for the infrastructure. In addition, MCI purchased naming rights to the arena for an undisclosed amount.