

dakota insights

SPORTS INVESTING

A monthly look at sports through the lens of alternative investments

A P R I L 2 0 2 6

Two IPL transactions totaling over \$3.4B closed out one of the most competitive sale processes in cricket's history, several sports-focused funds launched or closed, and the NFL's flag football league arrived with institutional backers already in place

And in this month's In Focus, we take a step back from the marquee assets to examine what happens when the sports people play for fun become the ones investors take seriously.

New Vehicles, Big Targets

OneTeam Partners and **Entrust Global** teamed up for a \$250M fund focused on athlete rights and emerging sports businesses, and **Domain Capital Group** closed its **Domain Entertainment Fund II** at \$768M, which is primarily entertainment-focused with sports among the asset types in scope. Meanwhile, **Malcolm Jenkins** co-founded **Pleasant/Rock** alongside finance veteran **Brian K. Hinds Jr.**, targeting \$500M in investments by 2028 across sports-adjacent real estate, teams, and emerging leagues.

Elsewhere, **Working Capital Partners** raised a Series A to build an institutional capital platform for elite talent, and recently launched **Synergy Sports Capital** acquired operating rights to **LOVB Salt Lake**. Terms were not disclosed – a reminder, the firm told Dakota, that in emerging sports pricing is a judgment call, not a model.

Finally, **154 Partners**, a New York-based lower-middle-market PE firm co-founded by former **Blackstone** colleagues **Isaac Harrouche** and **Mike Berlin**, closed its debut fund at its \$400M hard cap – with **David Blitzer** joining as the third member of the investment committee. The firm targets founder- and family-built businesses across residential, business services, and sports and live events.

Cricket's Moment Has Arrived

The IPL delivered two of the biggest recent transactions. A US-based consortium led by **Kal Somani** acquired the **Rajasthan Royals** for \$1.63B, while the **Aditya Birla** group agreed to buy **Royal Challengers Bengaluru** for approximately \$1.8B – closing out a process that drew interest from **Avram Glazer**, **David Blitzer**, **Carlyle**, **Temasek**, and **Advent**. The depth of that buyer set matters as much as the price, with the Royal Challengers deal notably marking **Blackstone's** entry into the sports asset class.



Women's Football Draws Institutional Eyes

Two deals reinforced that women's club football is attracting structured, thesis-driven capital. **Sixth Street's Bay Collective** [acquired](#) a majority stake in **Sunderland Women's**, while **Mercury13** [purchased](#) a majority stake in Spanish top-flight side **FC Badalona Women** – the first multi-club group to enter the Spanish market – with **Nike** and **Fever** following as commercial partners.

5 MOVES THAT MATTERED

THE MOVE	WHO'S BEHIND IT	WHY IT MATTERS
Royal Challengers Bengaluru – ~\$1.8B acquisition	Aditya Birla consortium	Closes one of the most competitive IPL sale processes to date; deepens Indian conglomerate ownership in cricket's flagship league.
Rajasthan Royals – \$1.63B acquisition	Kal Somani -led US consortium	One of the largest US-led purchases of a non-North American sports franchise; adds to the IPL's growing institutional credibility.
WNBA's Connecticut Sun – acquisition , relocation to Houston 2027	Fertitta family	Resolves a prolonged ownership situation; lands the franchise in one of the country's largest sports markets.
Pleasant/Rock – launches targeting \$500M in sports-adjacent investments	Former NFL player Malcolm Jenkins and Brian K. Hinds Jr.	Former NFL safety turned investor brings together sports, real estate, and community development with a \$500M target and a pipeline already exceeding \$200M.
154 Partners – \$400M debut fund close	Isaac Harrouche, Mike Berlin, David Blitzer	Former Blackstone colleagues build a lower-middle-market platform with sports and live events as a core thesis; Blitzer joins the investment committee.

IN FOCUS

A closer look at the forces shaping sports capital

When Rec Sports Go Pro

I played pickleball in gym class in the late 1990s, before most people had heard of it – before, frankly, most people would hear of it for another two decades. We used a wiffle ball, the court was taped on the wooden floor of the gymnasium, and we treated the game about as seriously as the name sounded. That changed when we actually played. Our teacher was sixty years old, a former high-level athlete, and tough as nails. The kind of guy who did not lose gracefully or often. An artificial hip had slowed him down, but not enough – he took on all comers and won match after match, barely having to shuffle his feet as we scrambled to return his skillfully placed shots. Humiliating. Our all-region tennis player eventually got him, which felt like a moral victory for the rest of us.



It didn't occur to me, at any point during that class, that I was participating in the early innings of something that private equity would eventually find interesting.

Years later, I was something of a star in a small-town adult flag football league – Barry Sanders-level speed and elusiveness, I always thought, though nobody else ever brought it up. What I remember most clearly is getting poked in the eye hard enough to see the back of my own skull, on a Tuesday night, in a game that nobody was watching, for no money whatsoever. It was great. That was the whole point – it was just for fun, it was something to do, and the most sophisticated financial instrument involved was the \$40 entry fee.

I've been thinking about both of those experiences lately, because something has happened to the sports I grew up playing recreationally. The capital markets found them.

The Money Arrives

Pickleball is probably the most striking case, if only because the distance between “wiffle ball in a school gym in 1998” and “institutional investment vehicle” is so jarring to contemplate. **Major League Pickleball** launched in 2021, and the **Professional Pickleball Association** was already running a tour. By 2023 the two were locked in a [bidding war](#) for players, and they merged in 2024, raising \$75M from outside investors in the process. **Tom Dundon's Dundon Capital Partners** had already been quietly [assembling](#) a portfolio spanning paddles, registration platforms, and media properties across the sport.

The combined entity, now called the **United Pickleball Association**, [generated](#) over \$70M in revenue in 2025. The league runs 150 event days annually and has introduced an amateur bracket model that lets recreational players compete alongside pros for under \$200 – a structure that generated an estimated \$5M in additional revenue last year. Nearly 24.3 million Americans now play the sport, per the Sports & Fitness Industry Association, which has ranked pickleball the country's [fastest-growing sport](#) for five consecutive years.

Team-level profitability is still a work in progress – as of late 2025, the average MLP club was generating less than half a million dollars in revenue against expenses exceeding \$800,000, Huddle Up reported, and the league needed a \$10M [bridge loan](#) in early 2025 just to manage cash flow. But the capital keeps coming and the infrastructure keeps growing. My old gym teacher would have no idea what to make of any of this.

Flag Football's Missing Tier

My small-town flag football league was, I now understand, part of something much larger. Millions of adults have played organized flag football for years through rec leagues, church leagues, and the kind of Tuesday night games where somebody always gets poked in the eye. The **NFL** has been funding youth flag programs for more than three decades. What the sport was missing was a professional tier.

In December 2025, NFL owners voted through **32 Equity** to commit up to \$32M to launch a professional flag football league. In March, the league [announced](#) that **TMRW Sports** would build and operate it. The institutional investor list announced with the deal included **Silver Lake, Sixth Street, Bessemer Venture Partners, Ariel Investments, Blue Pool Capital, Dynasty Equity**, and **Arctos Partners**, alongside **Peyton Manning, Tom Brady, Joe Montana**, and a roster of current and former NFL players investing as both stakeholders and ambassadors.



The [participation numbers](#) that underpin the investment case are substantial: approximately 4.1 million young people play flag football in the US, up more than 50% since 2020. The sport will make its Olympic debut at the 2028 Los Angeles Games, which the league is explicitly timing its launch around. Flag football also has something the other sports in this piece don't: the NFL's brand doing the conversion work. Whether a Tuesday-night rec leaguer becomes a paying fan of the professional version is a question every nascent league has to answer. Flag football has a hundred-year-old parent organization helping it make the case.

Padel and the Affluent Early Stage

I'll be honest – I don't have a personal anecdote for padel. I have not played it. What I understand is that people who do play it tend to become immediately obsessed, and it is now showing up in American cities with enough indoor ceiling height and disposable income to support it.

The **Pro Padel League** was founded in 2023. It has grown to ten franchises across the US, Canada, and Mexico, and completed two significant capital raises in under a year: a \$10M seed round in March 2025 led by **Left Lane Capital**, and a [\\$15M Series A](#) this March led by Charlotte Hornets co-chairman **Rick Schnall**. Several franchises have been valued around \$10M, including the **Los Angeles Beat**, which [sold](#) for \$10M, and tennis player **Frances Tiafoe** led a [funding round](#) valuing the **New York Atlantics** at \$10M.

The **United States Padel Association** projects 20,000 courts and 15 million US players by 2030. The barrier to entry – indoor courts with glass walls require real estate and capital – is higher than pickleball, but the participation base skews affluent, which is not the worst profile for a sport trying to build a professional league from scratch.

TGL: The One That Started With the TV Deal

TGL is the outlier in this group, and worth acknowledging as such. Where pickleball, flag football, and padel built professional structures on top of existing recreational participation, TGL essentially did the opposite – it designed a league for a media context first and built outward from there. The underlying recreational behavior is real: tens of millions of people engage with golf through simulators and venues like Topgolf. But TGL wasn't created because simulator golfers were clamoring for a professional league. It was created because **Tiger Woods**, **Rory McIlroy**, and TMRW Sports CEO **Mike McCarley** saw a format that could work on primetime television.

It's worked, at least so far. TMRW Sports reached a nearly \$500M [valuation](#) before a single event was staged. TGL launched in January 2025 on ESPN, [averaging](#) around 513,000 viewers per match in its inaugural season and attracting a notably younger audience than traditional golf. Some franchises have since been [valued](#) in the \$90M–\$100M range, with several clubs finishing the second season cash-flow positive. A women's league is now forming, with early franchises selling for around \$20M. TMRW Sports now operates both TGL and the new flag football league, becoming a meaningful concentration of emerging-league infrastructure under one roof.



The Bigger Picture

What connects these four is not just growth. It's that they were all, until recently, outside the investable universe – organized around participation rather than spectatorship, sustained by enjoyment rather than media rights. The people playing them weren't thinking about media rights or franchise valuations. They were exercising, socializing, or quietly (and occasionally not so quietly) reliving their glory days. Nobody was building a cap table for my gym class pickleball game. Nobody was modeling exit multiples on flag football.

That's changed, and the change is real: the investors are serious, the leagues are being built in earnest, and the capital is not small. Whether the professional layer ultimately compounds the recreational one – turning players into fans, participants into ticket buyers – is the question each of these leagues is still in the process of answering.

In the meantime, I find myself thinking about the next big thing, and about my dodgeball career. I had a gift. I feel like there's still time.

CAPITAL ROSTER

*More than endorsements:
athletes shaping the business of sports*

Buying In

- **Angel Reese** joined the **Brisbane Bullets** ownership group in **Australia's WNBL**. Financial terms were not disclosed, though the timing – following a **Reebok** trip to Australia to launch her signature sneaker – suggests the business and the brand are being built in tandem.
- **Alexis Ohanian** paid \$20M for a franchise in **WTGL**, TMRW Sports' upcoming women's golf league, becoming the second team owner in a competition that doesn't have a first season yet. The purchase price already represents appreciation from initial franchise fees – a sign that either the format has genuine momentum, Ohanian is very good at getting ahead of a story, or both.
- The NFL's new flag football league counts **Serena Williams** and **Russell Wilson** among its athlete backers. For Williams it's another addition to one of the more deliberate sports investment portfolios in the business. Wilson, who has never met a motivational moment he couldn't narrate at full volume, is now backing a league that will give him plenty of new material.
- **Andy Murray** invested in **Manors Golf** alongside consumer VC fund **Redrice Ventures**. The round was £3M with plans for US expansion.



Building Something

Tracy McGrady's Ones Basketball League [relaunched](#) with a minority investment from **Next Gen Sports** – reported at \$5M to \$7M – after McGrady self-funded roughly \$5M through two years of unsuccessful fundraising, a holding period that would make most GPs uncomfortable. The relaunch features a city-based “Battle of the Cities” format, an ownership group including **Vince Carter** and **John Wall**, and a first tournament set for Orlando in May.

JPMorgan [launched](#) its Athlete Council, led by **Dwyane Wade** and featuring **Tom Brady**, **Sue Bird**, **A'ja Wilson**, **Alex Morgan**, **Megan Rapinoe**, and **Jalen Brunson**, to help athletes manage money from college through retirement.

BEYOND THE BIG LEAGUES

Where passion meets portfolio: investments in the sports you already play

Padel has now appeared in this section so many times it deserves its own masthead. Three more deals this month, spanning a league raise, a platform raise, and a court-access play – plus a couple of golf items, for the GPs in the room.

- The **Pro Padel League** [closed](#) a \$15M Series A led by Charlotte Hornets co-chairman and governor **Rick Schnall**, giving the nascent league institutional backing ahead of its next phase of growth.
- **Racquet 360**, a platform building out the racquet sports ecosystem in the US, [raised](#) \$9M from a mix of sports-focused private equity funds, family offices, and angel investors..
- **AO Ventures** made a follow-on [investment](#) in **Mindspring Padel**, which enables clubs and venue operators to build courts without significant upfront capital – a bet that removing the construction barrier unlocks a faster rollout than the market would otherwise support.
- **Five Iron Golf** [closed](#) a Series E led by Los Angeles-based **Coral Tree Partners**, backing the indoor golf and entertainment concept's continued expansion and technology investment.
- **Jack Nicklaus** joined forces with **TWG Global** to [acquire](#) the portfolio of businesses Nicklaus founded, regaining control of his name, image, and likeness, including the iconic Golden Bear logo.

ON DECK

Tracking the next moves in sports capital

- **NBA Europe** - Multiple \$1B bids have now been [submitted](#) for host city slots, moving the league from a concept that has been on this list for several months into something that looks like a live process. Worth watching which markets clear and at what price.



- **Parc des Princes** - The Paris mayor is reportedly aiming to [sell](#) the stadium to **PSG**, which would give the club full control of its home ground for the first time. A straightforward transaction on the surface, but the real estate and governance implications for the club are significant.
- **Mercedes / Alpine** - **Mercedes** is reportedly [eyeing](#) a 24% stake in the **Alpine F1** team, which would bring one of the sport's most storied constructors back into the ownership picture of a rival.
- **Sheffield Wednesday** - **David Storch's Arise Capital Partners** remains the preferred [bidder](#) for the club, which has been in administration since October and is headed to League One next season with a 15-point deduction already looming. EFL ratification is pending, with completion targeted before the summer transfer window.

Dakota Sports Investing is a monthly publication covering the intersection of private capital and sports.

Have a question or want to share a tip? Reach out at zdavis@dakota.com.

— *Zach Davis, Managing Editor*

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