

dakota insights

SPORTS INVESTING

A monthly look at sports through the lens of alternative investments

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Sports franchises have spent years shedding their reputation as trophy assets – and this month's In Focus takes a close look at a recently published Dakota research report that puts numbers on how far that shift has gone.

The month's deal flow made the case in real time. **Arctos** closed a 10% stake in the **Cleveland Browns** at a \$9B valuation; **Michele Kang** added **Olympique Lyonnais** to a cross-border platform that already spans Washington, London, and Seattle; and the **NHL** granted the **Friedkin family** exclusive rights to pursue a Texas expansion franchise – a \$3.5B all-in commitment that sets a new benchmark for what league entry costs.

Ownership & Franchise Transactions

- **Silver Lake's Egon Durban** is leading a group – which also includes **Endeavor's Ari Emanuel** and **Mark Shapiro** – [acquiring](#) a 25% stake in the **Las Vegas Raiders** at a \$9.9B valuation, marking Silver Lake's first direct NFL team investment after years of sports-adjacent activity.
- **Arctos** continued its methodical accumulation of franchise positions, [buying](#) a 10% stake in the **Cleveland Browns** at a reported \$9B valuation – roughly 40% above Forbes' most recent estimate of the franchise's value.
- In hockey, the **NHL** [granted](#) the **Friedkin family** rights to explore a Texas expansion franchise, with Houston and Austin as the target markets. The total commitment – expansion fee plus new arena construction – is estimated at \$3.5B, a materially higher threshold than previous expansion fees of \$500M for Vegas and \$650M for Seattle.
- The **Professional Women's Hockey League (PWHL)** [announced](#) its first outside investments, from **Kilmer Sports Ventures** and **Ilitch Companies**, a notable governance milestone for a league that launched under central ownership just two years ago.
- **Blue Owl Capital** is reportedly in advanced talks to [acquire](#) a minority stake in the NBA's **Cleveland Cavaliers** through its **Dyal HomeCourt Partners** fund, which already holds positions in the **Atlanta Hawks**, **Sacramento Kings**, and **Minnesota Timberwolves**. The expected stake of 5% to 10% would be based on a valuation of \$4.86B.

European Football

- **Michele Kang** – already the owner of the **Washington Spirit**, **London City Lionesses**, and **OL Reign** – took [control](#) of **Olympique Lyonnais**, adding one of France's most storied clubs to what is becoming one of the more ambitious cross-border ownership platforms in women's and men's football.



- In Spain, **885 Capital** assumed full control of **CD Leganés**, **buying out Blue Crow Sports'** 84.2% stake in a deal valuing the club at around €100M.
- **Eight Sports Capital** **announced** in early June that it had signed a sale and purchase agreement to acquire a 24.99% stake in **Tottenham's** parent company **ENIC** from the trustee of **Daniel Levy's** family trust. ENIC promptly denied it, stating the club was unaware of any such sale. The dispute remains unresolved. Separately, the **Lewis family** – Tottenham's controlling owners – **injected** a further £100 million into the club, on top of £100 million added in October.
- The **Glazer family** is separately **studying** a partial sale of their **Manchester United** stake, adding another potential liquidity event to an already active European ownership market.

New Platforms & Capital Vehicles

- **Juggernaut Capital Partners** **launched Juggernaut Diversified Sports** in partnership with **Gareth Bale**, targeting control equity investments across domestic sports teams, international football clubs, women's sports, and consumer-facing sports businesses. The platform draws on JCP's existing sports-adjacent portfolio – including **3Step Sports** and **KemperSports** – while Bale contributes global market access and deal sourcing.
- The **University of Utah** and **Otro Capital** **finalized Crimson Brand Partners**, a structured minority-stake athletics venture expected to infuse up to \$500M into the university's athletics operations. The new entity will manage commercial operations including ticketing, sponsorships, and digital media.
- **Arctos Sports** **partnered** with **Magellan Development Group** and **RVX Ventures** on a \$288M joint venture to develop a hotel, apartment, and entertainment complex adjacent to the **University of Tennessee's** Neyland Stadium.

5 MOVES THAT MATTERED

THE MOVE	WHO'S BEHIND IT	WHY IT MATTERS
Las Vegas Raiders – 25% stake	Silver Lake (Egon Durban), Ari Emanuel, Mark Shapiro	Silver Lake's first direct NFL team investment; adds Endeavor's leadership to an ownership group with serious media and entertainment infrastructure behind it.
Cleveland Browns – 10% stake (\$9B valuation)	Arctos Partners	Arctos continues building its diversified institutional sports portfolio; the \$9B valuation lands roughly 40% above Forbes' most recent estimate.
Olympique Lyonnais – control acquisition	Michele Kang	Kang adds a Ligue 1 club to a cross-border platform already spanning Washington, London, and Seattle.
NHL Texas expansion – term sheet	Friedkin family (Pursuit Sports)	A \$3.5B all-in commitment for the league's 33rd franchise, more than five times the Vegas expansion fee from 2017; sets a new benchmark for what NHL expansion costs.
Crimson Brand Partners – Utah/Otro Capital	Otro Capital, University of Utah Foundation	Up to \$500M into a purpose-built commercial subsidiary managing ticketing, sponsorships, and digital media across 19 sports programs.



IN FOCUS

A closer look at the forces shaping sports capital

Sports as an Institutional Asset Class

The trophy-asset era of sports ownership had a quieter ending than most people expected. No single announcement retired it – just a steady accumulation of data that made the old framing increasingly hard to sustain. According to Dakota’s recently published [Institutionalization of Sports report](#), the **Ross-Arctos Sports Franchise Index** generated 16.0% annualized returns over the trailing ten years through Q1 2026, with historical analyses showing low correlation to equities, fixed income, private equity, private credit, real estate, and infrastructure. For LPs building long-duration portfolios and hunting for differentiated exposure, that’s a profile worth taking seriously.

The report covers the NFL, NBA, MLB, and English Premier League – 112 franchises representing approximately \$514B in combined value. But the headline number is less useful to an institutional allocator than understanding what’s behind it.

What Makes the Asset Class Work.

Three structural characteristics compound franchise value in ways that don’t map cleanly onto other private-market categories.

Media rights inflation is the engine. League-wide broadcast deals are negotiated centrally, revenue-shared, and locked in for multi-year terms. The NFL’s current media package runs through 2033; the NBA’s \$76B renewal runs through the 2035–36 season. Eighty of the top 100 US broadcasts in 2024 were sporting events – a share that has held even as the broader linear television ecosystem has deteriorated. The shift toward streaming has broadened the bidder universe rather than shrinking it, with Amazon, Apple, Netflix, and YouTube now participating alongside traditional broadcasters, pushing renewal values higher in the process.

Scarcity does the rest of the work on valuation. The NFL has not added a team since the Houston Texans began play in 2002. The NBA has been at 30 teams since 2004. MLB last expanded in 1998. Recent sale comparables have reflected the math of fixed supply meeting growing demand – the franchise sale ceiling has more than quadrupled since 2018, from the **Panthers’** \$2.3B to the **Lakers’** \$10B in 2025, with six of the eight largest sports franchise sales in history closing since 2022.

Global audience expansion adds a third tailwind. Sports content remains the only mass-audience programming consistently watched live in the streaming era, and league-level international expansion – the NBA in China and India, the NFL in the UK, Germany, and Mexico – is generating additional fan-revenue growth that compounds with domestic media economics. Digital revenue through fan data, direct-to-consumer products, sports betting, and creator activations has moved from novelty to a meaningful component of franchise economics.

The principal trade-off remains illiquidity. NFL rules require a six-year minimum hold period; institutional minority investors hold no economic voting rights; and the secondary market, while developing, is still thin. For LPs with long horizons and a genuine need for diversification, the report frames sports less as a speculative bet and more as a long-duration scarcity instrument with operating leverage to media and live-events economics.



The Access Problem Is Being Solved

Institutional interest in sports ran ahead of available access points for most of the past decade. That gap has narrowed materially. The NFL's August 2024 decision to permit private equity investment – seven approved firms, a 10% per-team cap, a 75% owner-approval threshold – was the most consequential structural shift in the asset class in years. Multiple deals closed in the first 18 months: **Bills/Arctos**, **Dolphins/Ares**, **Chargers/Arctos**, **Browns/Arctos**, **Patriots/Sixth Street**. The report projects 8 to 12 additional NFL minority-stake transactions over the next 18 months as approved firms deploy initial allocations.

KKR's February 2026 acquisition of **Arctos Partners** for \$1.4B sits at the center of the report's argument. Arctos holds positions in 15 of the institutional sports franchises in the report's coverage – roughly half the institutional market. KKR's perpetual and long-dated capital base, now 53% of its \$759B AUM post-transaction, is purpose-built to hold minority positions across the multi-decade hold periods league rules effectively require. The world's largest alternative asset managers are no longer circling sports from a distance; they are building around it.

Thirty of 112 franchises across the four leagues now carry some form of institutional capital. The NBA leads with half its teams carrying institutional stakes. The NFL, historically the most resistant, now has five.

What the Fundraising Landscape Looks Like

The LP opportunity set reflects how far the market has come. The report identifies nine active fundraises currently in market, spanning strategies that would have been difficult to access simultaneously even three years ago. **Apollo Sports Capital** is targeting \$5B to \$6B through a permanent-capital structure focused on sports credit and hybrid financing. Arctos is marketing Fund III alongside a dedicated American Football Fund. **Ares Management's** Sports, Media & Entertainment Finance Fund II targets \$2B. **Ariel Investments' Project Level** focuses on women's sports with a \$250M first close already secured. **Harbinger Sports Partners**, which closed its Fund I at \$450M in April 2026, pursues minority investments in blue-chip NFL, NBA, and MLB franchises on 7 to 10 year exit horizons.

The investor base committing to these vehicles has broadened alongside the opportunity set. Family offices and UHNW individuals remain the dominant source of direct sports ownership capital. Pensions and endowments are moving from curiosity to commitment – **OPERF's** \$150M re-up into Arctos Fund III, approved in April, is a recent example. Insurance balance sheets, through platforms such as Apollo's Athene and KKR's **Global Atlantic**, are drawn to the long-duration profile. Wealth platforms, through **Arctos Capital Markets** and distribution via **iCapital** and **CAIS**, are opening the category to financial advisors and qualified investors who previously had no direct path in.

The report's closing caution is worth noting: as more capital chases a fixed pool of franchise interests, entry multiples are rising. The platforms most likely to source the best deals will be the ones with distribution advantages, co-investment relationships, and media-rights expertise – not simply the ones with the largest checks.



CAPITAL ROSTER

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

Buying In

- **Travis Kelce** [acquired](#) a minority stake in the **Cleveland Guardians**, joining **LeBron James**, **Giannis Antetokounmpo**, **Cade Cunningham**, and **Patrick Mahomes** among active athletes with MLB ownership positions. The Guardians are valued at around \$1.7B.
- **Angel Reese** [joined](#) the **Brisbane Bullets** ownership group in Australia's WNBL. The timing coincided with a **Reebok** trip to Australia to launch her signature sneaker, suggesting the business and the brand are being built in tandem.
- **Thibaut Courtois** made two moves in quick succession through **NXTPLAY**, the investment platform he co-founded – [acquiring](#) a stake in Spanish club **CD Extremadura** and separately [investing](#) in **KRC Genk**, the Belgian club where he began his professional career.
- **Pau Gasol**, through his investment vehicle **Gasol16 Ventures**, [submitted](#) a €55M proposal to manage and develop the commercial rights of Spain's top-flight women's football league, **Liga F**.



Building Something

- **Champ** – a \$500M fund structured as a joint venture between **L Catterton** and **Patricof Co** – [made](#) its debut investment, putting nearly \$50M into activewear brand **Rhoback**. More than 250 athletes committed over \$50M of their own capital to the fund, including **Kevin Durant**, **Dak Prescott**, **Joe Burrow**, **Mike Trout**, **Tyrese Haliburton**, **Ja'Marr Chase**, **Bobby Witt Jr.**, **Cameron Brink**, **Azzi Fudd**, **Cooper Flagg**, and **Livvy Dunne**.
- **Kinexx Modular Construction**, a Chicago-based company building factory-manufactured homes on narrow urban infill lots, [launched](#) a public crowdfunding raise with a roster of athlete backers including **Jameis Winston**, **Cam Jordan**, **De'Aaron Fox**, **Justin Fields**, **Darren Waller**, and more than fifteen additional current and former professionals. The raise targets expansion to 25,000 vacant lots across eight urban markets, with investments open starting at \$500.
- The **WTGL** [added](#) a group of athlete investors through **Trybe Ventures**, the league's lead investment vehicle co-founded by **Alex Morgan**. New additions include **Aryna Sabalenka**, **Diana Taurasi**, **Breanna Stewart**, **Hilary Knight**, **Nneka Ogwumike**, **Napheesa Collier**, and **Gabriela Jaquez**, joining Morgan, **Mia Hamm**, and **Abby Wambach**.
- **Crux Football** [launched](#) its Player Investor Collective, enabling former female athletes to invest in European women's soccer clubs, with **Julie Foudy**, **Abby Wambach**, and **Leslie Osborne Lewis** among the first cohort.



When the Deal Falls Apart

- **Sergio Ramos'** proposed €440M takeover of **Sevilla FC** collapsed after his consortium returned with a revised offer cutting the valuation to €220M – a dramatically different set of terms from the letter of intent signed just weeks earlier.

BEYOND THE BIG LEAGUES

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

Racquet sports consolidated, snowboarders found a new majority owner, and a former NFL quarterback quietly bought the youth infrastructure behind the league his old employer just turned into a primetime product.

Deals to Know:

- **Eli Manning's** private equity firm **acquired RCX Sports**, the company that manages official youth leagues on behalf of the NFL (NFL Flag), NBA (Jr. NBA & Jr. WNBA), MLS (MLS GO), MLB (Pitch, Hit & Run), and NHL (NHL Street). The acquisition lands one month after the NFL's professional flag football league launched with a roster of institutional investors and NFL player-ambassadors.
- **Selkirk Sport**, the pickleball equipment and apparel brand backed by **Bluestone Equity Partners**, **acquired Bread & Butter Pickleball**, a design-forward paddle brand targeting a distinct consumer segment. The deal expands Selkirk's portfolio and accelerates international expansion. Financial terms were not disclosed.
- **SportAI**, the Oslo-based AI-powered racquet sports analysis platform, **acquired Padelytics**, which converts padel court video footage into performance insights. The two companies represent the most prominent AI teams operating in racquet sports; Padelytics' co-founder will transition to chief product and technology officer at the combined entity.
- The **Milwaukee Brewers** and **Ryan Sanders Baseball** **joined** the **Athletes Unlimited Softball League** as strategic investors, with Brewers chairman **Mark Attanasio** leading the group alongside **Nolan Ryan**, **Reid Ryan**, and **Don Sanders**. The Brewers become the first MLB club to invest directly in the AUSL, building on a broader MLB strategic partnership with the league announced in 2025.
- **League One Volleyball** **announced** a Miami expansion franchise for its third season, bringing the league to ten teams across two conferences. Ownership and roster details were not disclosed.
- The **X Games League** **bolstered** its franchise structure with the acquisition of its Los Angeles and Park City franchises in an eight-figure deal, adding stability to two of the circuit's most prominent markets.
- The **Big3**, the professional 3-on-3 basketball league founded by **Ice Cube** and **Jeff Kwatinetz**, **announced** plans to become the first publicly traded professional sports league in the US through a SPAC combination with **Graf Global Corp**, targeting a \$290M pre-money valuation and a potential NYSE or Nasdaq listing.



Trendlines to Watch:

The youth sports infrastructure story is getting more structured. Manning's RCX acquisition and the AUSL's MLB backing both point to the same thing – established sports institutions are no longer just watching participation categories grow, they're buying into the pipelines that organize them.

ON DECK

Tracking the next moves in sports capital

- **LIV Golf capital raise:** LIV Golf is **seeking** up to \$350M in outside capital. The raise has been anticipated for some time – franchise stake sales were flagged as early as February – but a pitch deck's emergence suggests the process is now active rather than theoretical.
- **Glazers/Manchester United:** Members of the Glazer family are **studying** a partial stake sale in Manchester United. No terms or timeline have been disclosed, but the family's interest in liquidity has been a recurring theme for several years.
- **PIF/Newcastle/Arctos:** Saudi Arabia's **Public Investment Fund**, which controls **Newcastle United**, **held talks** with Arctos Partners over a potential investment in the club. No deal has been announced, but the combination of PIF's sovereign backing and Arctos' institutional infrastructure would be a notable pairing in the Premier League context.
- **NHL Texas expansion:** The Friedkin family has six months to determine whether Houston or Austin is the right market for the NHL's 33rd franchise. The \$3.5B all-in **commitment** is already set – the geography is the remaining question.

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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