

# *Real Estate & Sports*

**Glenn R. Mueller, Ph.D.**

*Professor*

*University of Denver*

Franklin L. Burns School of Real Estate

& Construction Management

&

*Real Estate Investment Strategist*

**Black Creek Group**

**glenn.mueller@du.edu**

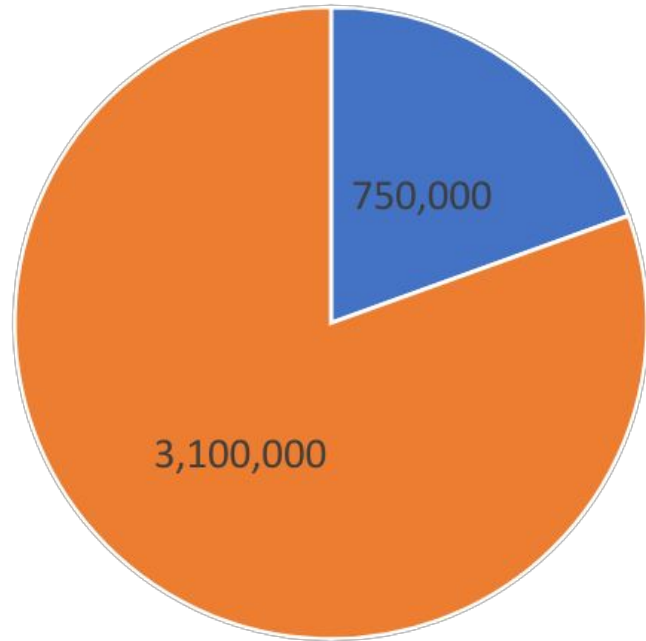


UNIVERSITY of  
DENVER

DANIELS COLLEGE OF BUSINESS  
Franklin L. Burns School of Real  
Estate & Construction Management

# Sports Team Benefits

St Lewis Fan Attendance



■ Outside 19% ■ Home Fans 81%

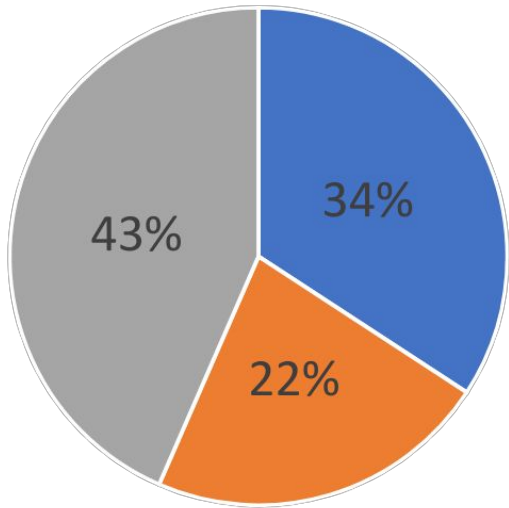
## Out of Town Fan Expenditures

transport	1%	\$	109
food & Bev	51%	\$	3,712
Lodging	40%	\$	2,947
Ent&retail sales	7%	\$	546
<b>Total</b>		<b>\$</b>	<b>7,314</b>

Local Fan Travel	17%	\$	1,545
Local Fan F&B	83%	\$	7,724
<b>Total</b>		<b>\$</b>	<b>9,269</b>

# Sports Team Benefits

Kansas City Revenue



- Direct Team \$81m
- Team Services \$53m
- Non Game \$103m

Team employs 40 people  
 40x3 nights for visiting team  
 transport

food & Bev  
 Lodging  
 Ent&retail sales

transport	7%	\$	24,000
food & Bev	60%	\$	194,000
Lodging	22%	\$	71,000
Ent&retail sales	10%	\$	33,000
<b>TOTAL</b>		<b>\$</b>	<b>322,000</b>

# Sports Team Benefits

## Denver Rockies First Year Numbers

Metro Per Capita attendance 1.06  
 Transport  
 Bus 10% 170  
 Auto 90% 1,483 2.5 people per car  
 Parking - 50% stadium / 50% private

Concessions Revenue \$12 million stadium 10%  
 team 25%  
 concessionaire 65%  
 100 Luxury Box rent \$25,000/Yr team 40%  
 stadium 60%

Advertising \$ 750,000  
 TV Radio Cable  
 National \$ 11,161,000  
 Local \$ 5,000,000

REVENUE SOURCES		
Ticket		18%
Stadium		27%
Visiting Team		1%
Outer Fan		12%
Local Fan		15%
Media		27%

Employment	
Team	50
Stadium FT	30
Stadium PT	540
Outside	180
<b>Total Employment</b>	<b>800</b>

# Sports Team Benefits

## Denver Real Estate Effects

LoDo – was run down – homeless – dangerous – old warehouses near rail yard

Ballpark got people walking around

Population grew            1994 = 3,470            2014 – 9,829

Real Estate Values grew 33% higher than Denver Metro Area

Denver - Coors Field Construction added \$250 million to economy

MSP Target Field boosted local revenues \$169 million in 1<sup>st</sup> year

St Louis Cardinals boosted local revenues \$344 million in first year

LoDo was warehouse that was converting to office use

Walk from work to game a key attraction (football stadium too far away)

Ballpark shifted some use to retail in first decade

Millennials moving to downtown spurred apartment building 2010-2017

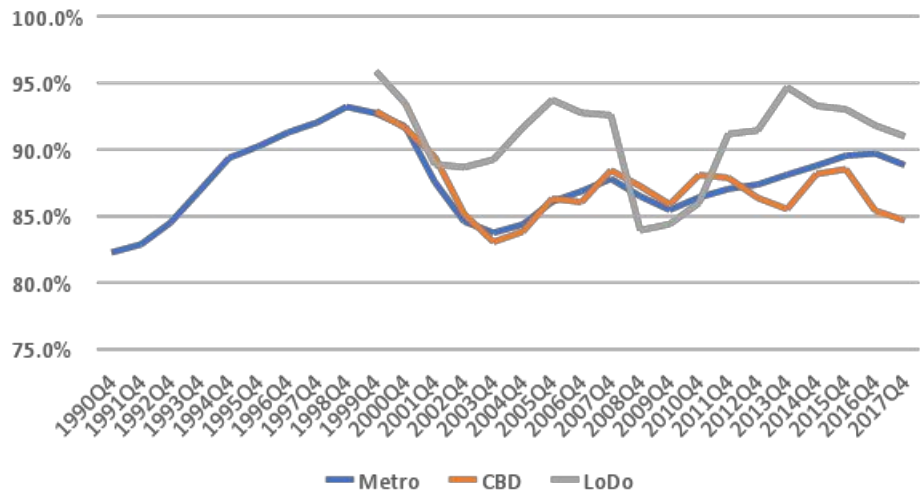
Light Rail helped – but not really close

# Home Values and Rents Are Higher Around Most Major League Parks

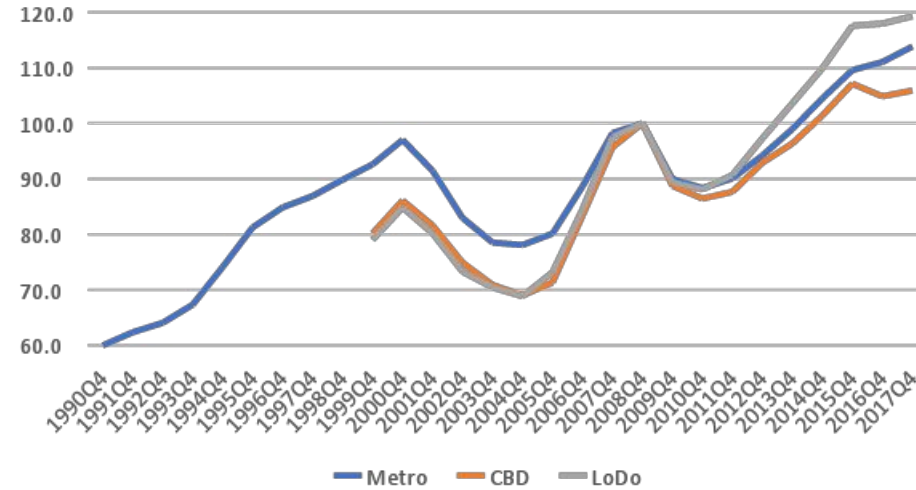


# Sports Team Benefits

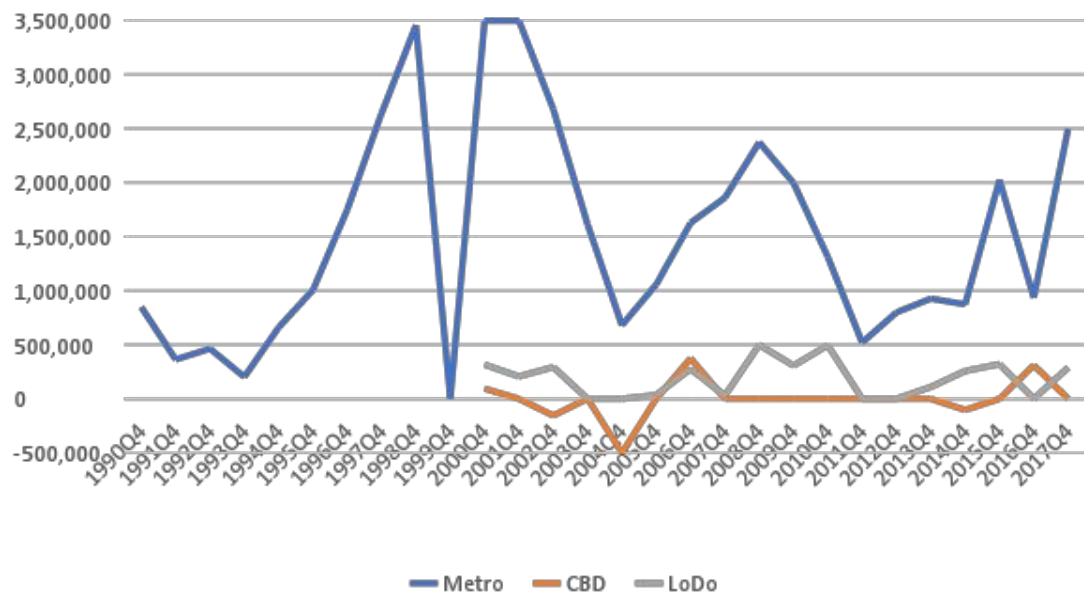
Office Occupancy



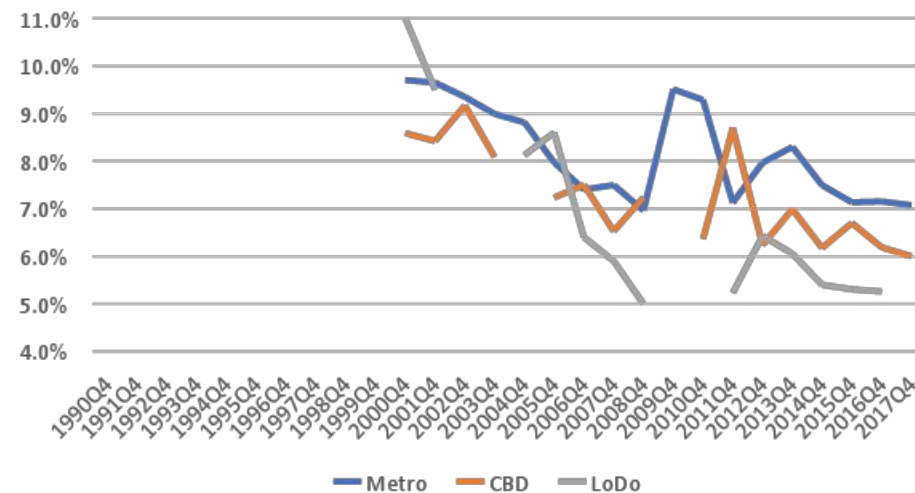
Office Rent Index



Office Completions

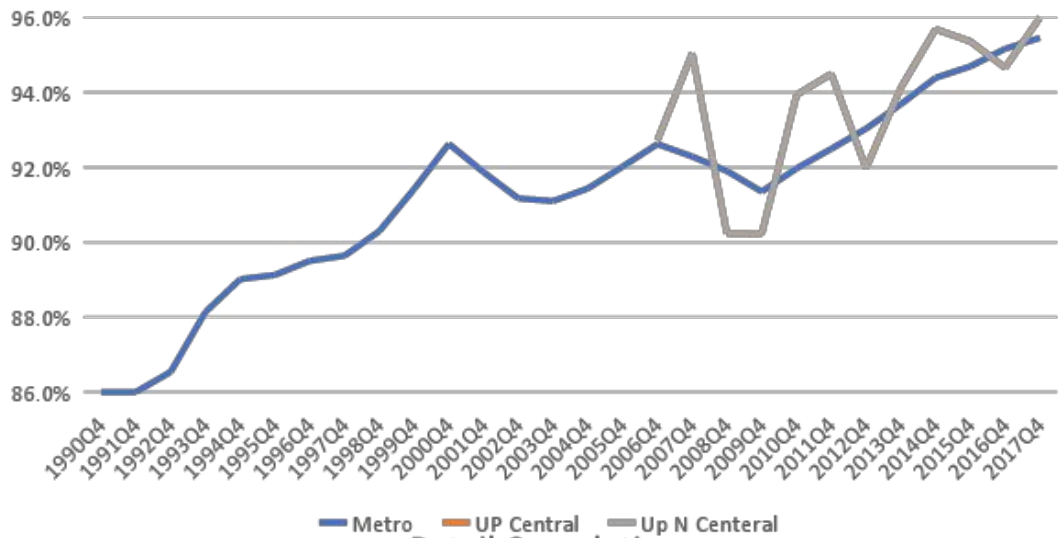


Office Cap Rates

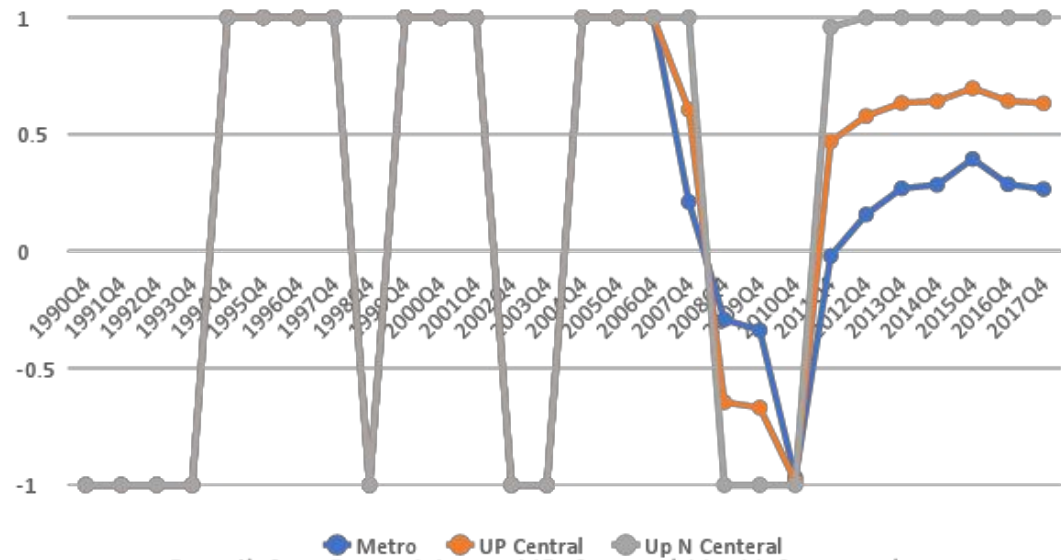


# Sports Team Benefits

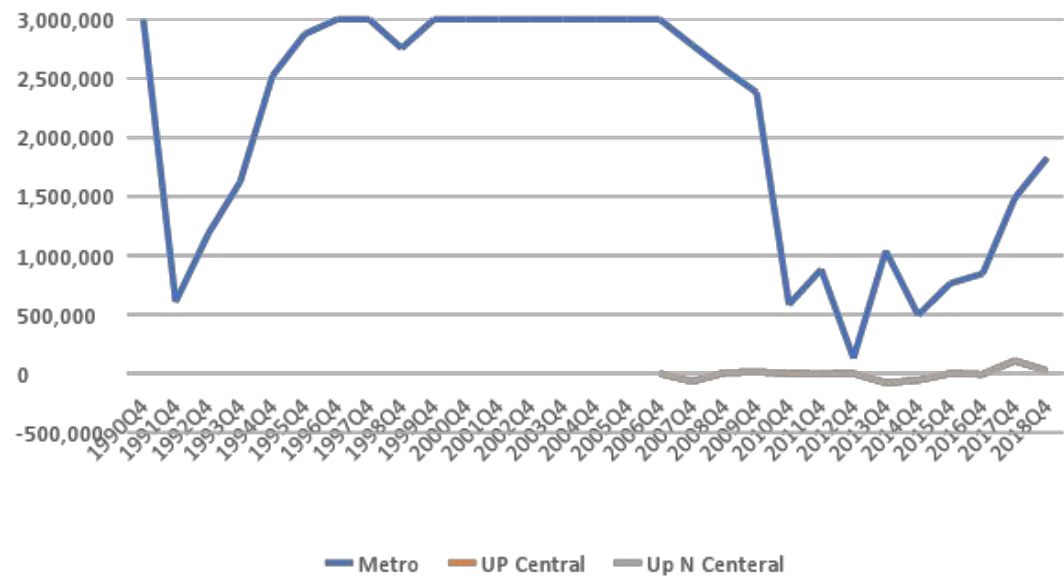
Retail Occupancy



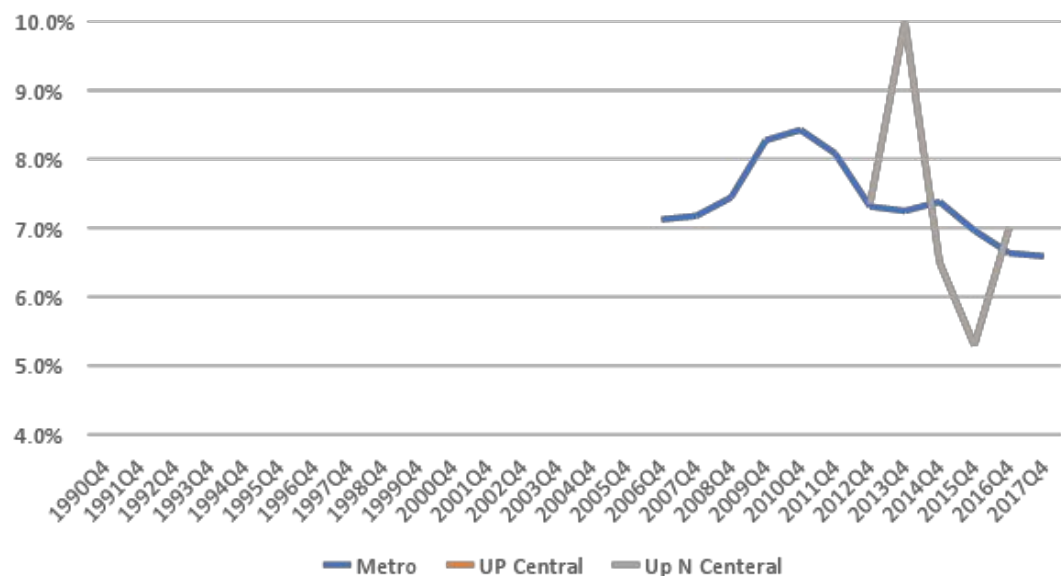
Retail Rent Growth



Retail Completions



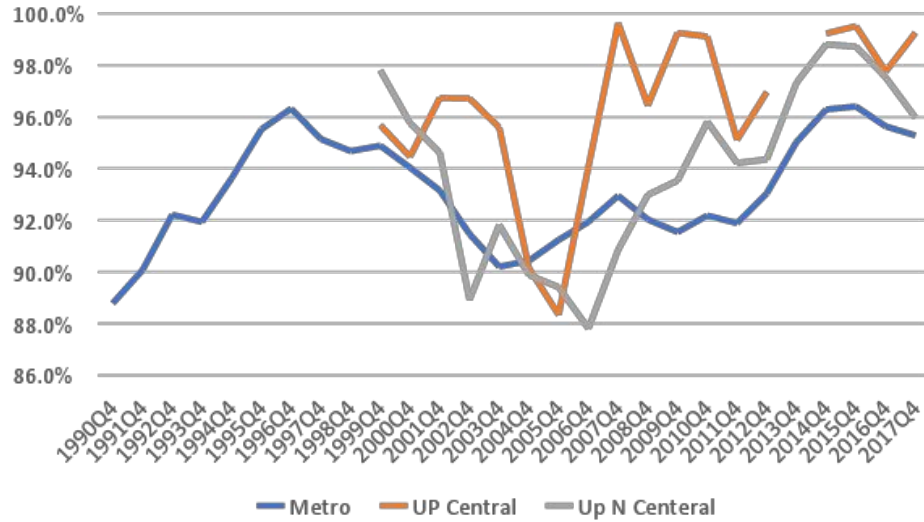
Retail Cap Rates



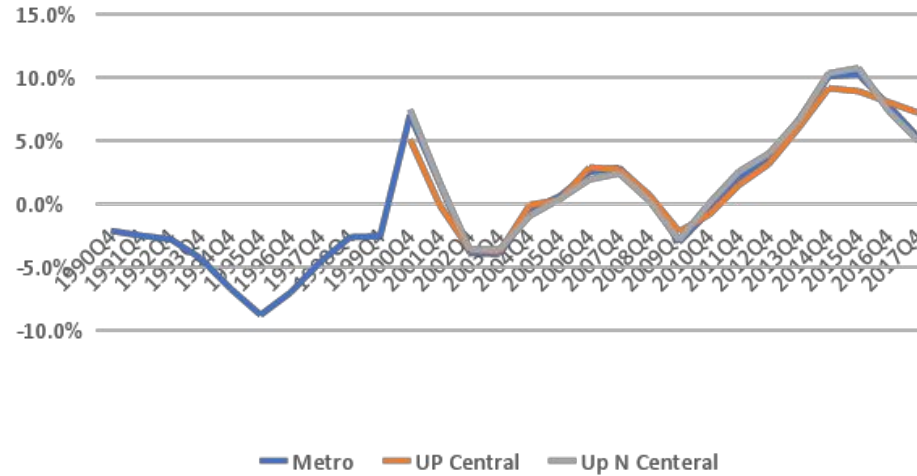


# Sports Team Benefits

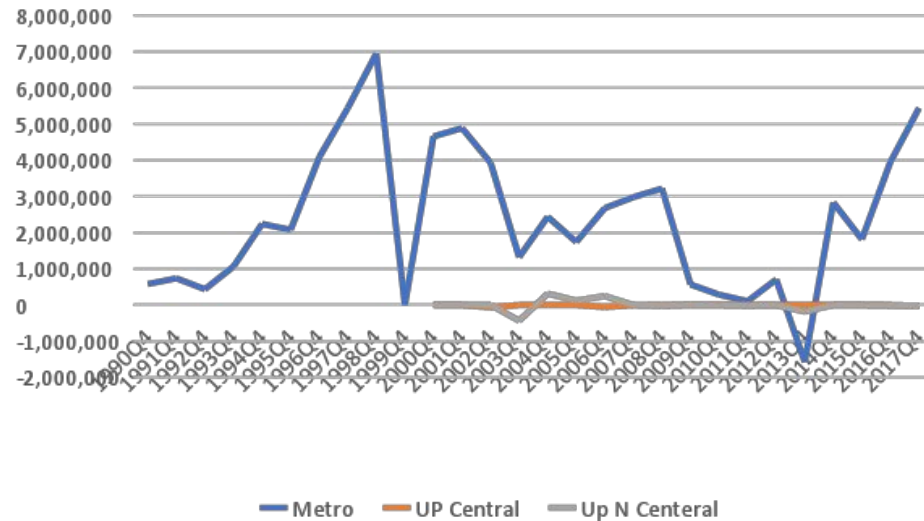
## Industrial Occupancy



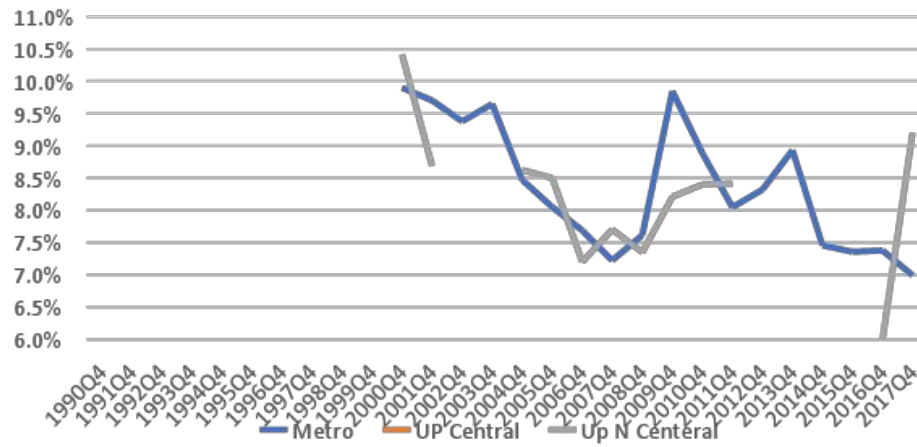
## Industrial Rent Growth



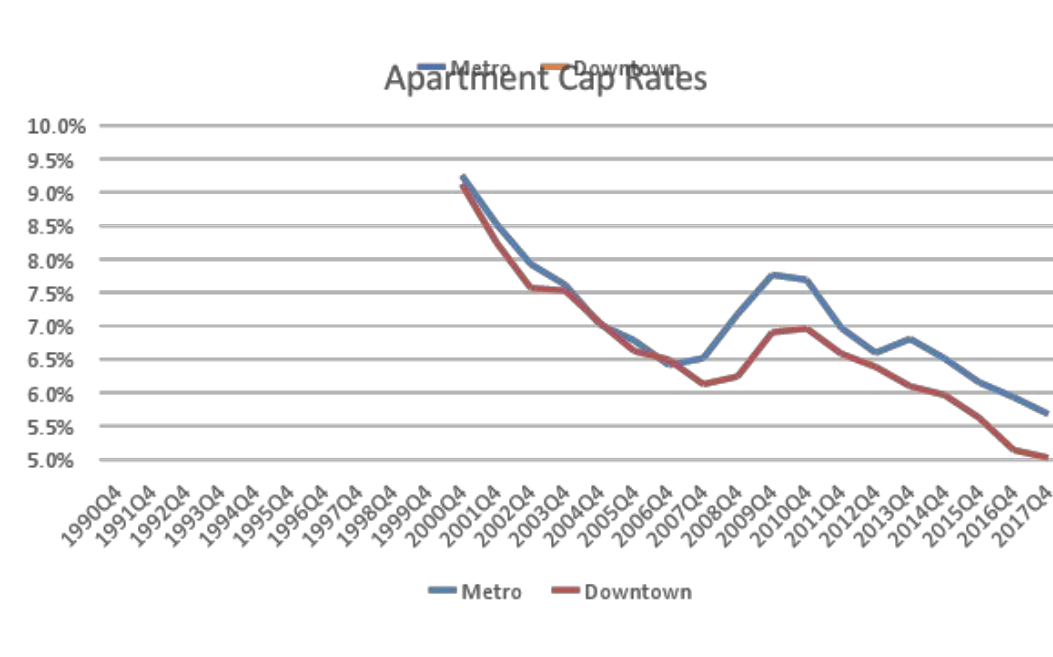
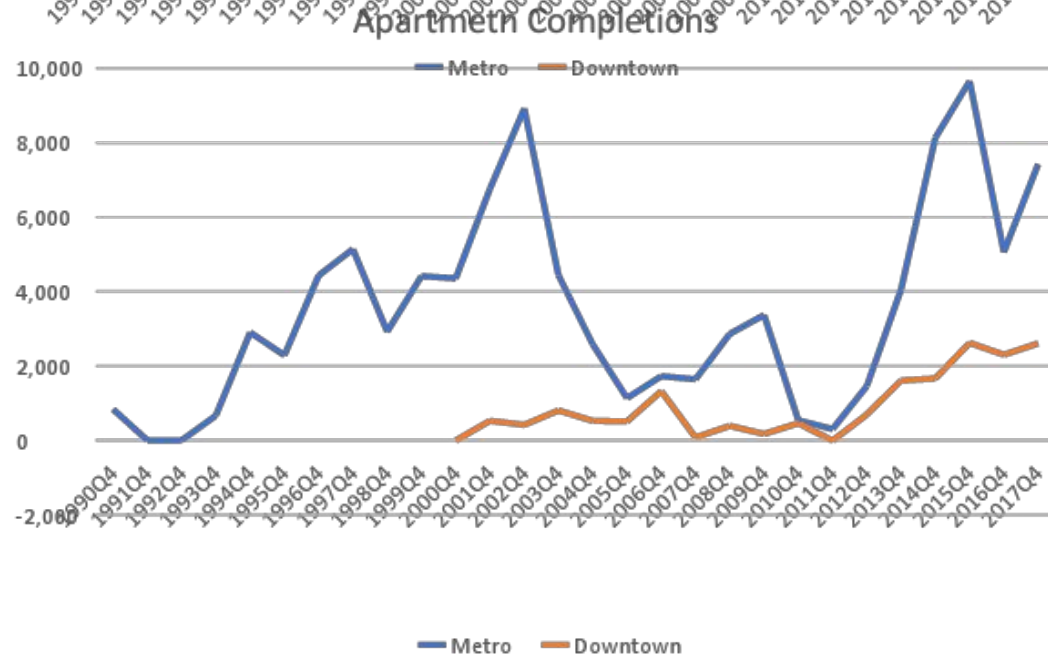
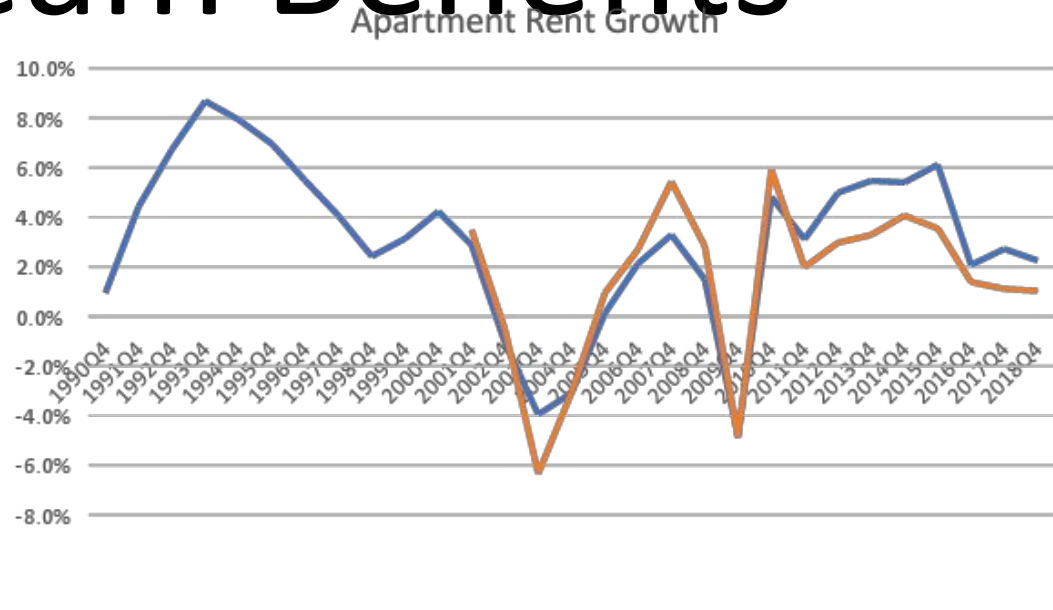
## Industrial Completions



## Industrial Cap Rates



# Sports Team Benefits



# Sports Team Benefits

QUESTIONS?