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Emerging Leagues: The Next Sports Investing Frontier

Last year, the Los Angeles Lakers became the first professional sports team to sell a controlling stake at a franchise valuation of \$10 billion. Reporting on proposals for a Las Vegas-based NBA expansion team suggests that potential buyers expect to pay eleven figures.¹ A remarkable appreciation in franchise values in recent years has highlighted that sports investments—long stigmatized as vanity-driven—can be a compelling asset class even for a purely return-focused investor.

Family offices and ultra-high-net-worth individuals have taken notice. In April 2026, at Day Pitney's annual Palm Beach Family Office Forum, 58% of attendees reported that they or their clients were allocating capital to sports investments or to media adjacent businesses in real estate, tech or data. But notably, many families find that the most interesting opportunities are not in the traditional leagues. Instead, they are embracing lesser-known emerging sports.

Why emerging leagues?

Newcomers to sports investing are often surprised to discover just how niche the professional leagues have become. Even sports like pickleball and padel—which are nowhere to be found in the Olympics or in college sports—now have pro leagues. Why would a savvy investor be drawn to these seemingly obscure sports?

For one thing, racquet sports are growing in popularity at a remarkable rate. Since 2020, padel has doubled to around 30 million players globally, while pickleball has exploded from roughly 4 million to 24 million participants.²

But from a broader lens, investors see in emerging sports an opportunity to earn a high multiple on a comparatively modest investment. For a diversified family office, sky-high valuations tend to make the traditional leagues a poor match. Emerging leagues can offer a more appealing entry point, and—similar to a successful direct venture investment—early investors in winning leagues can expect outsized returns.

A strategic advantage of emerging leagues is flexibility to react to the evolving preferences of younger fans. With no legacy rulebook, a new league can tailor its design to capitalize on the "sportainment" trend: younger fans' preference for faster-paced action, shorter game durations, and for the integration of music and other attention-grabbing elements beyond the on-field play.

Families often perceive from personal experience that sports consumption habits are changing rapidly across the generations, but new leagues offer the potential to bridge the gap. For example, the Grass League and the TGL and the WTGL is modernizing golf, the former with city-based teams competing on par-3 courses at night under stadium lights, and the latter with simulator golf. This may create a cross-generational bonding opportunity between older fans of traditional golf and a younger generation attracted by a more contemporary, entertainment-first product.

One of the most striking features of emerging leagues is the elevation of women's sports. 46 billion minutes of women's sports were consumed in the United States in 2025.³ After nearly three decades as a media afterthought, the WNBA in May 2026 finalized an 11-year, \$3.1 billion TV deal with partners like Disney, NBC, and Amazon, featuring annual revenue of \$281 million—a more than sixfold increase from its previous contracts.⁴ The price to buy an expansion National Women's Soccer League (NWSL) franchise has risen from single-digit millions in 2021 to \$205 million in May 2026.⁵ Women's sports sponsorship is growing 50% faster than men's major leagues,⁶ and 86% of sponsors in a 2024 survey said their investment in women's sports met or exceeded expectations.⁷

In light of that growth, it is unsurprising that investors are looking at opportunities in emerging leagues, such as the Professional Women's Hockey League (PWHL). The PWHL is owned by The Walter Group. It launched in 2023 in six cities. The PWHL will feature 12 teams in its upcoming fourth season. The third season, with eight teams, attracted over a million in-person fans and featured 77% season over season growth in live YouTube viewership.⁸ The league also launched a national TV deal with Scripps Sports.

Emerging leagues offer an additional opportunity to capitalize on growing consumer spending on fitness. Having recently sold a controlling stake at a reported 600 million euro valuation, Hyrox—which packages running and functional fitness into standardized, global competitions—illustrates the power of a model in which the customer is also the athlete. New professional leagues may be able to incorporate similar participatory elements.

Key business considerations

When assessing opportunities, families should heavily scrutinize a league's media distribution model and corporate governance structure. For example, is a network paying the league a rights fee to televise the content? Or is the league paying the network for airtime? Is the league streaming games on YouTube to maximize discoverability? What is the plan for monetization? Is the league planning to have a domestic only or a larger, more global footprint? On the governance side, does the league own all teams and player contracts? (This is increasingly common.) Or is it a traditional franchise model with individually owned teams?

Potential investors should examine the target market for the sport and assess the extent to which it will plausibly appeal to the most sought-after demographics. How likely is it that the sport will attract younger and/or wealthier fans who have the capacity to spend significantly on the league's offerings? Will these demographics be attractive to advertisers? What about geographic scope? If the league is starting in the United States, how plausible is global expansion?

Families should also consider whether adjacent real estate investments would be a good fit, either as a substitute or complement to a direct investment in a league or team. Adjacent real estate development can enhance the value of a primary investment in a league or team, creating year-round revenue generation opportunities outside of the league's season. In the major professional leagues, this is now the expectation. For example, The Battery Atlanta, a sports and entertainment complex adjacent to the Braves' Truist Park, has excelled as a year-round destination for dining, shopping, living, and events—including on days with no baseball game. Another example is Fenway Park – where The MGM Music Hall at Fenway was built in 2022 as a modern live-performance venue located within the iconic ballpark's footprint in Boston. And InterMiami CF is building a campus around its stadium footprint that will have dining, entertainment, commercial and residential space and hotel facilities, all on one campus. League facilities are no longer viewed as a gameday value proposition, but a year-round revenue opportunity. For emerging leagues, where the commercial viability of the league itself has yet to be proven, adjacent real estate opportunities can be especially sensible as a value hedge. In leagues operating on the franchise model, real estate investments can be of particular strategic interest because proceeds are not subject to revenue sharing with the rest of the league.

SailGP, which aims to be the Formula 1 of sailing, is creating adjacent opportunities both on and off the water. The SailGP Adrenaline Yachts Program, managed in partnership with a global superyacht service agency, sells official spectator viewing flags, granting a limited number of superyachts legal permission to anchor directly on the perimeter of the racecourse—thereby creating floating, front-row corporate suites.⁹ On land, SailGP has been integral to substantial marina developments in cities like Valencia, Spain.¹⁰

Critical legal components

As exciting as the sports landscape may be, investments in unproven leagues are inherently risky. (Look no further than LIV Golf's recent Chapter 11 bankruptcy filing.) However, some risks can be mitigated through careful attention to the legal elements of the deal. Critical considerations include the league's rules, most favored nation (MFN) clauses, and tax structuring.

When considering an investment in an emerging league, team owners should scrutinize the league's rules for fairness. Is the timing and structure of potential additional capital contributions clearly specified? Does the league have the power to mete out penalties on team owners, such as the NBA recently imposed on the Los Angeles Clippers? What rights will the investor have in the event of a dispute? If league rules are drafted poorly, owners risk litigation, losing individual revenue opportunities, or surrendering too much power to the league. Specifically, team owners should closely scrutinize and negotiate any provisions relating to the sharing of revenue, the mechanics of exclusive sponsorships at the team and league level, and the structure for resolving potential disputes or conflicts among specific brands or sponsor categories.

For investors coming in at the league's early stages, an MFN provision provides critical protection by allowing an early investor to have their negotiated provisions enhanced if later investors secure better terms. For instance, if later investors receive additional benefits in terms of team marketing subsidies from the league, or other financial concessions or incentives, a well-drafted MFN provision would allow the early investor to enjoy those same benefits secured by the later investor. Important emphasis must be given to structuring clauses that guard against the possibility of a subsequent investor negotiating better terms, to the detriment of the early investor.

For families with a diversified array of investments, tax structuring is more important than ever, and is often the starting point in the analysis of the team structure. Owners should spend considerable time with their legal advisors and accountants to ensure that the team structure as well as the jurisdiction of the corporate structure is designed with the ultimate tax impact of the owner at the front and center of the analysis. For example, in the sports context, potential carryover losses could be favorable to the owner's/family's overall tax position. But circumstances will vary, and counsel should ensure that the structuring of a sports investment dovetails with the family's broader tax planning.

An array of possibilities

Investment opportunities in sports are substantially more diverse than the obvious play of pursuing a franchise in a traditional league. Through strategies like leaning into the rise of women's sports or focusing on real estate opportunities adjacent to arenas, families can titrate their exposure to fit their broader investment goals. Diligence of emerging leagues can be an ideal opportunity to engage a family's next generation, given that younger family members are often in the league's target audience. Subject to careful evaluation of the business and legal considerations, this asset class is increasingly earning a place in the portfolios of leading family offices, and the current window of opportunity for first movers may be uniquely compelling.

¹ <https://bleacherreport.com/articles/25499787-new-nba-rumors-expansion-timeline-franchise-values-las-vegas-seattle>

² <https://racketbusiness.com/p/the-great-racket-sports-race-why-tennis-faces-its-biggest-challenge-yet>

³ <https://www.nielsen.com/news-center/2026/nielsen-46-billion-minutes-of-womens-sports-were-consumed-in-2025/>

⁴ <https://justwomenssports.com/reads/wnba-media-rights-deal-3-billion-2026/>

⁵ <https://www.nytimes.com/athletic/7507059/2026/08/12/nwsl-relocation-expansion-business-cost/>

⁶ <https://www.weforum.org/stories/equity-diversity-and-inclusion/women-s-sports-growth-is-a-win-for-investors-brands-and-the-planet/>

⁷ <https://www.womenssportstrust.com/new-brand-decision-maker-research-from-the-womens-sport-trust-reveals-womens-sport-sponsorship-set-for-continued-growth/>

⁸ <https://www.wsj.com/business/media/l-catterton-led-consortium-to-buy-majority-stake-in-hyrox-894e2611>

⁹ <https://bwayachting.com/bwa-yachting-expands-partnership-with-sailgp-adrenaline-yachts-program-for-season-five/>

¹⁰ <https://www.superyachttimes.com/yacht-news/sailgp-names-marina-port-valencia-as-future-race-venue;>
<https://www.superyachttimes.com/yacht-news/marina-port-valencia-completes-marina-city-development>

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