



# Breaking the ice on greener rinks

Ondrej Nepela Arena, home of  
HC Slovan Bratislava

Real estate investor Eric Assimakopoulos is on a mission to put something back into the game he loves in an ESG-friendly way

BY **ROBIN MARRIOTT**

**W**hy would a real estate magazine report on ice hockey? Seldom do arenas change hands between professional investment firms in big-ticket transactions – and for good reason. Often run under the ownership/partnership model of local authorities and clubs, ice hockey arenas are notoriously costly to maintain. They act like giant refrigerators, thus consuming large amounts of energy and are not deemed environmentally friendly with significant heat wastefulness. But this perception may be about to change if Eric Assimakopoulos has anything to do with it.

The founder and CEO of private European real estate firm, Revetas Capital, has for the past 30 years invested primarily in the hospitality, mixed-use, residential and logistics sectors from Germany, Poland and Belgium to Slovakia, the Czech Republic, Bulgaria, and Serbia.

Now, alongside his traditional real estate activities, he is working up a strategy to retrofit,

upgrade, modernise and build new hockey facilities across Europe that meet ESG targets. If successful, it will be a labour of love for the hockey-loving real estate professional, whose passion for the sport stretches way back to his youth in America.

Assimakopoulos fell in love with the sport while growing up in New York and played it well, helped by a strong physique. A moment that sticks out for him was the 1980 Olympic Winter Games when the US as host nation upset the form guide by beating four-time defending champion, the Soviet Union, in a game famously dubbed the Miracle on Ice. The US went on to win gold against Finland in the final.

## **REAL ESTATE CAREER**

Assimakopoulos went on to carve out a successful real estate career, starting out in the US.

He partnered with Morgan Stanley Real Estate Funds (MSREF) to form Metronexus, a technology-driven real estate investment fund and MSREF portfolio company. Under his leadership the fund acquired and devel-

oped over \$300 mln of property comprising 3 million ft<sup>2</sup> in the US & Europe.

In 2002, he led the acquisition of several major sale-and-leaseback transactions with the Belgian ministry of finance and Tenovis, a KKR portfolio company.

In time, real estate investing led him to move to Slovakia. He has spent the majority of the last 23 years in Europe orchestrating real estate deals all over Central & Eastern Europe. But he kept his 15-year association with hockey and was a major shareholder of professional Slovakian ice hockey club, HC Slovan Bratislava, from 2006 to 2015.

He was once asked to participate in sponsoring a charity match coached by legend Stan Mikita and organised by Peter Šťastný (Peter the Great), both Slovak ice hockey Hall of Famers.

He then got the chance to own HC Slovan Bratislava, who play at the 10,000-capacity, Ondrej Nepela Arena, a 1940s arena that under his watch was fully reconstructed in 2009 together with the city of Bratislava, adding two training surfaces during the major upgrade. The arena hosted the 75th IIHF



Eric Assimakopoulos in action with HC Slovan Bratislava

‘There’s a lack of investment into sporting facilities. I want to make an impact from a net zero position and do it within a sector that’s not being addressed’

World Championship in 2011. The venue has a training hall with two ice hockey areas and an underground carpark for 372 cars. A DoubleTree by Hilton hotel operates next to it. Under his stewardship, Slovan Bratislava won the national championship three times and remains the only team in the country to win back-to-back titles. Further raising the team’s profile, he helped organise several eye-catching events including exhibition matches against the likes of Stanley cup champions, Tampa Bay Lightning of the NHL in 2008. It was the first-ever NHL exhibition game in Slovakia, and therefore an historic event.

In 2011, the NY Rangers played Slovan Bratislava in a match billed as the NHL versus Europe in the newly reconstructed arena in Bratislava.

**CHARITY MATCHES**

Via the old boy hockey network and his connections with the professional game, Assimakopoulos played in legends games, including the first-ever game in Moscow’s Red Square and a Hockey Hall of Fame event in Toronto in 2008. He found himself touring

World’s biggest ice hockey arenas and teams – a quick guide

The largest ice hockey arena in the world is the 22,114-seater Bell Centre in Montreal, Canada, which is home to the famous Montreal Canadiens known as the Habs, who play in the NHL.

The record attendance for a hockey match anywhere in the world was a college game in 2010 when 109,000 fans turned out to watch the University of Michigan play Michigan State. But that was on an ice rink temporarily constructed in the middle of an American football field at Michigan Stadium. Most of the world’s largest actual hockey arenas are either in Canada or the US and hold just under 20,000 spectators.

In Europe, the biggest venue is the Lanxess Arena in Cologne, Germany, where Kölner Haie plays in the top German league. The arena bears the name of a Cologne-headquartered chemical group which recently agreed to sponsor the stadium, with a capacity to seat 18,500 hockey spectators, and more for concerts. It is also used for handball and Ultimate Fighting Championship (UFC) and is said to be among the top 10 most-used arenas in the world.

Showing that such arenas do sometimes attract third-party investors, in 2015 Chinese investment firm, Junson Capital, along with Korean JV partner, Mirae Asset Global Investments acquired the stadium for €440 mln. The deal included an adjacent complex containing car parking, training ground, and offices, some of which are used by the city of Cologne.

The Lanxess Arena is the largest hockey venue outside of North America. The second-largest ice hockey arena in Europe is the

O2 Arena in Prague, which can hold 17,360 and is home to HC Sparta Prague, as well as hosting concerts and other tournaments. It is owned by Bestsport Arena.

The third-biggest hockey stadium is the PostFinance-Arena in Bern, Switzerland, owned by Swiss Prime Site Group, which bought the arena in 2007 and expanded it to become a modern ice hockey stadium while also developing a five-storey office building that is leased to mail courier, Swiss Post. Ice hockey is a professional game in most European countries. Indeed, it is easier to list those without a professional league – Portugal being one of the few.

There are six recognised ice hockey superpowers – multiple winners Canada and Russia, who have 27 titles each, plus the Czech Republic, Finland, Sweden, and the US. In Sweden and Finland, where the game is huge, it appears that even towns of just 5,000 inhabitants have an ice hockey rink. In Finland, ice hockey is almost a religion. In May, the country co-hosted the Hockey World Championship with Latvia organised by the International Ice Hockey Federation (IIHF). The event was played at two arenas – the 13,455 capacity Nokia Arena in Tampere, Finland, and 573 km away at the Arena Riga in Latvia, which can accommodate 10,300. The popularity of the game in any given country can be linked to a variety of factors – from whether the NHL is available on TV and how many local players make it there, to the availability of qualified coaches, to how well the national team is doing in football, plus access to ice rinks to play on at grass roots and for the professional teams.



PostFinance-Arena in Bern, Switzerland

## Tech innovation: cracking the secrets of ice

In an article by Exploratorium.edu.com, it is said that at the start of each hockey season, arenas use an advanced refrigeration system which pumps brine water via pipes through a large slab of concrete – the ice slab.

When the ice slab is cold enough, layers of water are sprayed on top, which freeze as ice. The first few layers can be painted with team colours and adverts. These layers are then covered with up to 10 more layers of water ice. Apparently, once complete, it is still only one inch thick but strong enough to support a basketball court or concert stage on top of it.

New techniques have enabled people to even make ice rinks in the desert – anywhere really.

In one YouTube video, the narrator explains how an expert company is using specially designed plastic tubing that is rolled down flat onto a surface. The ice mats are filled with a special anti-freeze agent that appears pink in colour that will later be painted over as white.

According to the video, normal water would freeze solid and expand, which would split the tubes. So, they don't use water. Instead, they use glycol because it remains in liquid state even if chilled below zero degrees. In other words, it can become very cold with-

out becoming a solid.

A chiller machine then turns the temperature of the glycol well below zero. It is fed into the plastic pipes. Next, copious amounts of water are sprayed onto the pipes – in the region of 50,000 litres of water at 10 degrees which gradually gets frozen by the tubes into ice without any air bubbles. New layers of water are sprayed up to 30 times over to reach the desired thickness.

It turns out that ice that is made with hot water leads to smoother ice without bubbles. But hot water requires much energy to heat, then freeze it, hence leading to environmental issues.

Some tech solutions are being supplied by companies such as REALice that use unheated water to resurface ice rinks. This company claims to reduce an arena's natural gas usage by 79% and electricity consumption by 12% without sacrificing ice quality. The benefits the company claims to bring also show how high maintenance comes with ice rink management: they need dehumidifiers running many hours, you get rust on structural beams, the ice needs cleaning, you get condensation in the arena, a lot of water is used and wasted, and equipment doesn't always last a long time.

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across Canada playing in charity matches. He says: ‘It has been really exciting to support good charities and to support the legends because some of these guys didn't make the kind of money that the athletes make today on their own.’

### GREENER RINKS

He has the hockey bug. Now as an experienced real estate investor, he wants to put this and his passion for the sport to good use by creating more rinks with ESG credentials. ‘I always want to find ways that I can combine my passion for real estate together with my passion for sports. And if we can put together a strategy to build more energy-efficient ice rinks and rebuild others together with the EU and leading European hockey countries, that would be a pretty exciting achievement.’

But is the game growing in Europe?

‘It's a good question,’ says Assimakopoulos. ‘I know the ambitions and specifically I know the ambitions of the Slovak Ice Hockey Federation, which is run by legendary NHL player, Miroslav Šatan. They have announced a charter that they would like to develop additional rinks around the country.’ Slovakia has 77 indoor ice surfaces and 27 outdoor rinks, according to Statista.

Explains Assimakopoulos: ‘The ice is a really important component, and they cannot grow the sport with existing surfaces. What does that mean? It means that they need more ice surfaces in Slovakia, but it is not easy to do. ‘If they build new ice surfaces, they need to be – and should be – carbon-neutral or ener-



Lanxess Arena in Cologne, Germany

gy-efficient and have a low carbon footprint. And one of the ways you can achieve more ice surfaces is if you can build one next to an existing rink.

'For example, you can attach a practice rink next to an existing rink so that they can both benefit from using the same technology that you have for the big rink.

'If you look, for example, at our stadium where we had the World Championships, we built two surfaces next to the main arena that utilise the same infrastructure. So that's one way you can both add new surfaces and retrofit existing equipment to comply with the environmental part of ESG.'

Although advances in technology have brought new icing techniques (*see panel on tech innovation*), managing large-scale rinks remains a high-maintenance, high-cost business. But this will not put off Assimakopoulos: 'Our thinking process is as a real estate investor that focuses on ESG in building of-fices and shopping centres. There is a lack of investment into sporting facilities. I want to make an impact from a net zero position and do it within a sector that's not being addressed,' he says.

'Old rinks around Europe are very heavy on carbon. With ESG playing a more important role in sports, I believe there's a real opportunity to look at retrofitting, upgrading, modernising, and building new skating facilities that will meet the carbon-neutral standards that we're trying to achieve around the world.'

#### PUBLIC-PRIVATE PARTNERSHIPS

Will he concentrate on Slovakia, or could the strategy be pan-European? Pan-European, he says.

Explains Assimakopoulos: 'The strategy is to take my skills and real estate experience to work together with various countries, the leading ice hockey federations in those countries together with EU funds that the EU has allocated to invest into sports education and also into green initiatives via the Green Deal.'

He elaborates: 'I would say from my perspective, this is something that I believe in, that I believe should happen, it will happen. With our experience we can help make it happen because we're very passionate about real

## Are ice hockey arenas profitable?

In the year 2000, an article appeared in The Edge Magazine called 'Ice Rinks as Money Makers'. Private ice rink owner Tom Reges wrote: 'The only thing you really need to run an ice rink successfully (though not necessarily profitably) is lots of money. That money can come from wealthy investors, non-profit organisations, or taxpayers. Only rarely does it come from actual profits generated by operation of the rink. There are profitable rinks, but they are few and far between.'

According to the author, there is one common thread among profitable rinks: they have either low or no debt service. Wrote

Reges: 'If you question whether debt service is a key element in a successful ice rink, look at the financial problems facing many new rinks.'

'It doesn't matter whether they are privately owned or government owned. Debt service is a constant, unbending payment that cannot be avoided.'

He said there was a boom in new ice rinks in the US just like in the 2000s. The boom was followed by a bust. The result was empty ice rinks that got turned into indoor soccer facilities or warehouses or municipal centres. Now is the honeymoon period for new rinks.'

estate. We're passionate about our ESG initiatives, and we're passionate about sports.' The public-private finance approach will be geared towards ESG aims such as assisting sporting clubs to lower energy costs and influence fan behaviour to travel to games using environmentally friendly modes of transport.

And, he believes a financial return can be achieved. Energy-saving initiatives could be recuperated from the arena or the owner of the arena in some partnership form, which

might also benefit from subsidies guided by the EU. In 2020, a new rink in Finland claimed to be the world's first zero-energy ice hockey arena. The facility in Äänekoski generates excess energy used to heat a nearby school and swimming hall. It attracted green financing from MuniFin, one of the country's largest credit institutions.

Antti Virmanen, CEO at Proavera, a company behind the project, said in an article in 2000: 'I have a feeling that green energy will soon be used all over the country. Almost



Ondrej Nepela Arena in Bratislava, Slovakia

## A Finnish ice hockey fan in London

There is more than one real estate professional in Europe whose love for hockey has led to ownership involvement. Pertti Vanhanen, former co-global head of real estate at Aberdeen Standard Investments (now called Abrdn) and currently MD Europe of Cromwell Property Group, recently participated in a consortium to rescue Finnish club, Savonlinnan Pallokerho (SaPKo).

Founded in 1929, SaPKo plays its games at the 2,833 capacity Talvisalo rink and has plenty of heritage having once played in Finland's top-flight league, and its second-tier Mestis league. It has also won the Finnish cup three times.

However, the club has since fallen on hard times with Covid being the last straw, culminating in filing for bankruptcy in June 2022. A rescue consortium was put together of which former 1980s Rams player, Vanhanen, was a part of. Speaking to local press about his involvement with the Rams, he said: 'SaPKo's significance for Savonlinna is enor-



mous. You can understand how amazing SaPKo is when you're out there.' Apparently, Vanhanen's father used to take him to SaPKo games. 'Hockey and SaPKo have been a big

part of my life and will continue to be. I'm damn proud of it,' he said. As a kid he learned to skate on the ice of lake Kojjärvi in Toroppala. 'In the dark, we sometimes had to dig pucks out of the snow in the lights of passing cars.'

He is supporting the club from his home in London on SaPKo's finance and marketing committees where his career running property businesses will surely help. 'People need to be proud of SaPKo, both in good and bad moments. It's great to see in American university cities how game day is reflected in jerseys at the checkouts of shops, for example. The game is an event that unites people. Together we get the better of it and together we win. It's a big opportunity. This is one way we can put the S in ESG into action.

'Hopefully, the community, the business community and the city will understand that we are creating something positive and big from scratch.'

every time I'm on a hockey trip someone tugs at my sleeve and asks for advice, and I think that's a great thing.'

Revetas' Assimakopoulos agrees. 'The technology exists to reduce emissions. There's heat recapture whereby heat can be redistributed to other areas of the arena, for example. There's a lot of green ice technology that has been developed, and that's being implemented. But it's not something that I think people are generally aware of.

'Some new rinks I've seen have implemented some of this technology, and with LED lighting, for example. That said, there's a lot of things that we are using on a day-to-day basis that just hasn't been addressed in sports venues in a meaningful way yet.

'Also, it's about more than technology. It is also just awareness. Fans come to arenas and use plastic cups and spoons versus something that's recyclable. That's just education.'

### INITIAL MOVES

So, is Assimakopoulos already making moves?

'We have started some discussions including

**'With ESG playing a more important role in sports, I believe there's a real opportunity to look at upgrading and building new skating facilities that will meet carbon-neutral standards'**

with ice hockey federations that are focused on youth development and growing the passion for the sport,' he says.

'I think there's been very positive feedback. The challenge comes from admission costs and how you gain support from local government or local municipalities. There's some complexity. My starting point is to create a framework and to share that vision.

'Then you have to work with a team together with a federation, eventually down to munic-

ipalities to share the vision that enables us to develop a programme where there's a return and a benefit.'

He is prepared to be patient. 'I expect the strategy to materialise over some years. It's not something that happens overnight. It's something that we've been working a lot on already for years. And we'll take a couple more years before we have the right framework.

'It's like all things. It takes commitment, patience, and an undying focus. The work that Revetas Capital does in Central Europe has been over 20 years now. And it's still a challenge to educate people about the benefits of the market. So, I would say to you that it continues to be a full-time, long-term strategy and vision.'

He concludes: 'I've been committed to hockey for many years, and I've been looking for a way that I can be helpful. To the extent that the desire is there, I can assure you that our commitment will be there. And like all things, I'm not looking for a quick victory. This is something that's going to take time and we're going to take the time to help make it happen.' ■