

3RD LOCAL MAN IS SEEKING MAGIC

ALLEN SCHWALB, A FILM AND SPORTS FINANCIER, HAS EMERGED AS A POTENTIAL PURCHASER.
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An Orlando businessman who has financed dozens of films and owned stakes in two Arena Football League teams said Friday he is putting together an offer to buy the Orlando Magic.

Allen Schwalb, 63, joins a growing number of potential purchasers -- as many as 19 -- interested in the local NBA franchise, which was put on the block last month.

He is the third Central Floridian to come forward. David Siegel, a time-share developer, already has given the Magic financial details about himself and two potential partners. Earlier this week, Anthony Nicholson, an Altamonte Springs developer, described himself as a backup buyer who might lead a group of out-of-town developers.

Schwalb said he hopes to present a formal proposal to the Magic in the next week. The franchise could fetch between \$165 million and \$200 million.

Schwalb said he had spoken with team President Bob Vander Weide and Senior Vice President Pat Williams about buying the team. Vander Weide's response was "favorable," he said.

Williams confirmed he had spoken with Schwalb.

Schwalb, who has lived in Orlando for more than 30 years, is considering a number of ways to purchase the team. Options include lining up partners from his contacts in the film and sports industries and have that group, which would include Schwalb, purchase the team outright.

He said another deal would involve a public stock offering for a percentage of the team, or a combination of stock and debt -- similar to a loan -- to purchase the team.

"I have four different ways of going about doing it," Schwalb said. "I will take the path of least resistance."

He said he wants the team to stay in Orlando.

"That is part of what is motivating me, to see if I can put a group together to keep the team here," he said.

Schwalb manages Star Partners, a film-financing group that raised more than \$250 million in 15 years to produce and distribute films, including *A Fish Called Wanda*, *The Right Stuff* and *Rain Man*.

He also owns Professional Sports Investments Inc., which acts as a broker for sports teams and helps owners raise capital.

Schwalb was previously a minority owner in the Orlando Predators, the local arena-league team, before he sold his interest in the late 1990s. He also owned the Charlotte Rage AFL team before selling that for \$850,000 -- about three times what he paid for it.

Asked what he thought his odds were of buying the Magic, Schwalb estimated his chances at "50/50, probably."

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Abstract (Document Summary)

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