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Phoenix Coyotes Owner Moyes Will Sell Bankrupt Team to NHL

By Joel Rosenblatt - October 27, 2009 00:01 EDT

Oct. 27 (Bloomberg) -- Phoenix Coyotes owner [Jerry Moyes](#) agreed to sell the bankrupt team to the National Hockey League for \$140 million.

[Thomas J. Salerno](#), a lawyer for the team, said terms of the sale were agreed to yesterday and will be submitted to a bankruptcy judge for approval. Litigation between Moyes and the NHL over “a lot of issues” remains, Salerno said.

“This team is burning through cash,” Salerno said in a phone interview. “Every week you let it go you burn more cash and everyone is just being realistic that things need to be resolved.”

The sale was agreed to during a hearing break yesterday and must be submitted to U.S. Bankruptcy Judge [Redfield T. Baum](#) in Phoenix for approval, Salerno said. Baum in September rejected a proposed sale that would have paid all creditors in full except Moyes and [Wayne Gretzky](#), the former All-Star who was the Coyotes’ coach and a part owner.

Gretzky hasn’t expressed his opinion of the terms reached yesterday, Salerno said. Nothing in yesterday’s hearing or the agreement dealt with the question of whether the Coyotes will remain in Arizona, he said.

Tom Allen, a lawyer representing unsecured creditors in the bankruptcy case, said the pending sale provides for immediate payment to team vendors. Baum said he may approve the sale as early as tomorrow, Allen said. The parties hope to close the sale Nov. 2, Allen said.

The Coyotes, which moved to Phoenix in 1995, filed for bankruptcy protection under Chapter 11 in May.

NHL spokesman [Frank Brown](#) didn’t immediately return a call seeking comment after regular business hours yesterday.

The case is In re Dewey Ranch Hockey LLC, 09-09488, U.S. Bankruptcy Court, District of Arizona (Phoenix).

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