ATLANTIC CITY - Wall Street ratings firm Standard & Poor's is taking a cautious view of casino developer Revel Atlantic City LLC and its ability to pay off the debt for its mammoth gaming complex.

S&P gave Revel a B- corporate credit rating, including a "negative outlook." S&P's rating Thursday followed news this week that Revel is seeking

$1.15 billion in new financing to complete the half-built project and will buy out New York investment bank Morgan Stanley's majority interest in the casino.

In a press release, S&P expressed concern that Revel's cash flow from casino operations may not be enough to pay the debt. S&P also questioned whether Revel will succeed in its plan to generate much of its business from overnight guests and convention groups instead of relying more heavily on Atlantic City's traditional daytripper customer base.

"The negative rating outlook reflects our belief that the company will be challenged to generate the substantial level of cash flow necessary to accommodate its debt service obligations," the release said.

S&P estimates Revel will rake in $615 million in total net revenue and $165 million in gross operating profit in its first full year of operation. Revel is shooting for a grand opening in mid-2012. S&P noted that Revel is planning to scale back the number of hotel rooms and restaurants to reduce construction costs.

As first reported in Thursday's editions of The Press of Atlantic City, Revel will open with just 1,100 rooms instead of the 1,900 that its hotel tower was originally designed to accommodate. The casino has the ability to bring more rooms online as demand grows, Revel chief executive officer Kevin DeSanctis said.

Revel is seeking three loans as part of its proposed funding package. S&P assigned a B+ rating to the largest of those loans, for $700 million. It did not rate the two smaller loans of $295 million and $150 million.

The $700 million loan is for a first-lien position, putting those lenders at the head of the line as the casino's principal mortgage holder. S&P said the first-lien lenders would have a "very high" probability of recovering their investment through bankruptcy proceedings or a debt restructuring if Revel defaults on the loan.

Banks and other investors are expected to take a few weeks to decide whether they want to be part of Revel's financing. DeSanctis said he was pleased with the initial reaction during a meeting Tuesday in New York between Revel and a group of bankers.

"It went very well. We had an excellent turnout," he said. "They came in and listened to the overview of the transaction by management. They asked their questions and now they'll go back to their firms and decide whether they like it."

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