

APNewsBreak: Buyer Will Extend Closing Date for Revel Casino

Written by Administrator

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The [Florida](#) developer in line to buy Atlantic City's former Revel Casino Hotel says he's willing to wait a while to get the deal done.

An attorney for Glenn Straub told The Associated Press late Sunday the developer has agreed to extend the closing date for his \$95.4 million purchase of Revel. Attorney Stuart Moskowitz said Straub is willing to wait until outstanding issues in the case are resolved, including appeals from former business tenants and a utility supplier, or until the end of February.

The deadline for Straub and his Polo North Country Club Inc. to complete his purchase was supposed to be Monday, and he had threatened to walk away from the deal if it was delayed. But a federal judge has delayed the sale at least until after a 3 p.m. hearing Monday on the appeals.

Straub's deadline extension makes it more likely the sale will happen.

"The parties are currently obligated to enter into a sale with no clear understanding as to exactly what is being sold," Moskowitz wrote in a court filing late Sunday night. "It is essentially an amorphous, pot-luck transaction. Polo North cannot and should not be expected to close on a sale when it has no idea what it is purchasing."

In court papers, Straub said he is not willing to do the deal any later than Feb. 28.

Monday's hearing has the potential to resolve the most contentious issues standing in the way of Revel's sale; it could clear the way for the sale to close relatively soon. Or it could further muddy already cloudy waters that have delayed the sale for months.

The so-called "amenity tenants" argue they were operating successfully, and should have the right to have their leases honored by a new buyer of Revel. IDEA Boardwalk, a company consisting of tenants including HQ and several celebrity restaurants at the former casino, says its \$16 million investment will be wiped out if Straub is allowed to buy the casino free and clear

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of its leases.

And ACR Energy is threatening to cut off electricity, heat, air conditioning and water to the building if its debts are not paid. They intended to pull the plug last Thursday, but agreed to keep the power flowing at least until Wednesday when a bankruptcy court judge will consider the issue.

"Should ACR take such actions, Polo North cannot substitute another power company or negotiate with ACR in time to avoid potential pipe bursting, flooding, interior destruction and decay, to the point where the cost for renovations just to overcome the damage from the power cutoff could make owning the building untenable," Moskowitz wrote.

Straub is the lone remaining bidder from a bankruptcy court auction of Revel last fall. He was the runner-up, but became the chosen bidder after the winner, Canadian firm Brookfield Asset Management, scrapped its \$110 million deal to buy the casino, citing a dispute over the power plant debt.

In obtaining preliminary approval last week to own a casino in [New Jersey](#), the Hard Rock chain said it has been interested in Revel and has had talks with Straub about some level of involvement in it. But CEO James Allen would not go into detail about what was discussed with Straub.

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