

Revel Sale Resurrected; \$82M Price Agreed on for Ex-Casino

Written by Administrator

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A [Florida](#) developer agreed to buy Atlantic City's former Revel Casino Hotel for \$82 million on Tuesday, a week after a bankruptcy judge declared his former deal to buy it at a higher price dead.

Glenn Straub's new contract gives him a discount from the \$95.4 million his Polo North Country Club would have had to pay under the deal killed by the judge last week at the request of the casino's owner, Revel AC. But Judge Gloria Burns never entered a final order terminating the sale, giving both parties time for last-ditch negotiations.

Straub's lawyer, Stuart Moskowitz, said the deal will close by March 31 and Straub plans to have at least part of what he envisions primarily as a recreational complex open by summer. Straub is uncertain whether a casino will be part of the mix.

"Polo North is working diligently with its team to finalize an operational plan for the property to be successful, not just 'business as normal,' as was done in the past," he said in a statement.

The plans include a \$50 million-plus expansion of the exterior as well as a more accessible hotel lobby and a large medical-health spa and facility at another \$50 million-plus.

But two major problems that scuttled previous proposed sales remain unresolved: whether Straub will be forced to accept former business tenants that operated at Revel before it shut down on Sept. 2 and the millions of dollars in debt relating to the casino's costly power plant, its only source of electricity, heat and air conditioning. ACR Energy Partners has threatened to cut off service without assurances its bills will be paid.

Moskowitz said that at the new sale price Straub is prepared to deal with whatever the courts decide regarding the former tenants. He previously cited uncertainty over whether he would be forced to honor their leases as the reason he missed a Feb. 9 deadline to close on the proposed \$95.4 million sale.

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The \$82 million sale marks another stunning turn in the tortured history of Revel, which had inked and lost two previous deals to sell it since it shut down. Straub last summer made an initial bid that set a floor for the bankruptcy court auction, at which it was outbid by Toronto-based Brookfield Asset Management.

Brookfield bid \$110 million but bailed out of the deal in November because of the dispute over the power plant debt.

With Brookfield out of the way, Straub's \$95.4 million bid was the lone remaining offer for Revel, and both sides proceeded with that plan until Straub missed the Feb. 9 deadline to close.

Revel said Tuesday that Straub had turned over the full \$82 million purchase price in cash and that it would move "promptly" to seek approval of the deal from the bankruptcy court.

The new property doesn't have a name, but it won't be called Revel.

The resort cost \$2.4 billion to build, went bankrupt twice and closed after little more than two years of operation without ever having turned a profit.

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