

Los Angeles Developer Makes Offer for Shuttered Revel Casino

Written by Administrator

Tuesday, 03 March 2015 21:14 -

A Los Angeles developer involved in numerous projects there has made an 11th hour bid to buy Atlantic City's former Revel Casino Hotel.

Izek Shomof has submitted a letter of interest to Revel AC, offering to buy the casino for \$80 million. He is reviving the former Rialto Theater in South Pasadena, as well as the former Sears building in downtown Los Angeles.

A bankruptcy court judge is to rule Wednesday on a proposed sale of Revel to [Florida](#) developer Glenn Straub for \$82 million.

Shomof's offer was first reported by The Philadelphia Inquirer. It was tucked away in a bankruptcy court filing made Monday night by business tenants of the former casino objecting to the proposed sale to Straub's Polo North Country Club.

Shomof's partner, Leo Pustilnikov, told the newspaper he supports letting business tenants at Revel continue to operate in a re-opened casino. The tenants' opposition has been a key obstacle to two previous sale offers that fell through.

Revel did not immediately respond to a request for comment Tuesday, and Shomof could not be reached for comment.

Straub's lawyer, Stuart Moskowitz, said it is hard to take the offer seriously, particularly given the intractable opposition of Revel's sole utility supplier to any deal that doesn't guarantee its bill get paid.

"He has filed nothing, has posted no bond, has not guaranteed he will buy it, and there is no reason to believe he can make a deal with (ACR Energy Partners) when no one else was able to," he said.

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Revel, which cost \$2.4 billion to build, closed in September after little more than two years of operation, during which it never turned a profit.

Wednesday's hearing will mark the third time U.S. Bankruptcy Judge Gloria Burns will rule on whether to sell the casino.

A deal approved last fall fell apart when Toronto-based Brookfield Asset Management scrapped its \$110 million purchase when it could not reach a deal concerning debt from the power plant's construction. Straub's backup bid of \$95.4 million died when he missed a Feb. 9 deadline to close on it, due to lingering uncertainty over the legal rights of the former business tenants, who want to continue to operate in a re-opened casino.

ACR Energy wants the judge to take the sale process out of Revel's hands and appoint a trustee to liquidate the property.

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