



## **Cosmopolitan of Las Vegas to open mid-December**

April 7, 2010

By OSKAR GARCIA (AP)

LAS VEGAS — The last major new casino-resort likely to open on the struggling Las Vegas Strip for at least a few years will debut in mid-December, with roughly one-third of its rooms delayed to next July, its CEO said.

Even before the \$3.9 billion Cosmopolitan of Las Vegas plays its first hand, executives and analysts say it must draw new customers who feel it is a must-see reason to visit Sin City.

Competition is already fierce for the visitors who are still coming; 36.4 million came in 2009. The city's roughly 149,000 hotel rooms fetched 22 percent less per night last year compared with 2008, and January rates fell 4.9 percent this year compared with 2009.

Cosmopolitan CEO John Unwin said the hotel's amenities, including 13 restaurants, a spa, nightclub, 150,000 square feet of meeting and convention space and retail stores, would open in mid-December with the casino and the bulk of its 2,995 rooms. The resort is going for approachable elegance, Unwin said, with all the offerings of larger resorts presented on 8.7 acres, meaning shorter distances between the Cosmopolitan's features compared with other hotels.

"I think this really changes how a major casino-resort in Las Vegas is set up," Unwin told The Associated Press. "It's still big, but it's not 15 minutes in terms of getting around the casino."

Unwin, a former general manager for the 85-acre Caesars Palace who began leading the Cosmopolitan in October, told the AP that its decision to phase in about 1,000 rooms a few months after the casino opens has been in place about one year, to give more time to move furniture and finish interior work.

He said the resort's construction is fully funded and plans are firm to have all of Cosmopolitan's rooms open by July.

"It wouldn't make sense for us not to open the balance of the rooms financially," Unwin said. "Unless we don't think we're going to get our fair share, and we believe we're going to get our fair share plus."

Project owner Deutsche Bank paid about \$1 billion for the half-finished development in August 2008, after New York developer Ian Bruce Eichner and his company, 3700 Associates LLC, entered foreclosure.

Deutsche Bank ultimately decided to finish and open the Cosmopolitan, and redesigned the casino floor to make it extend right to the Las Vegas Strip, putting slot machines closer to sidewalk pedestrians than its neighbors do.

The project is between the Bellagio hotel-casino and the mammoth new CityCenter, the joint venture of MGM Mirage and the Dubai government's investment arm that opened four months ago.

The competitive threat is clear, especially when even the 67-acre CityCenter hasn't yet emerged as a key reason to visit Las Vegas, according to Randy Fine, a former Harrah's Entertainment Inc. vice president who now runs a casino marketing and consulting firm, The Fine Point Group.

"There's nothing that I've heard about (Cosmopolitan) that makes me say, 'I've got to go see it,'" Fine said. "I don't know that there's this theme park-esque, I've-got-to-go-to-see-this demand stimulator."

Bellagio generated that kind of buzz with its fountains, while others built success with creative new attractions and environments.

But Unwin said his resort meets that challenge with large outdoor terraces on its guest rooms — uncommon in Las Vegas — that offer spectacular views of the Strip and Bellagio's fountains, a sprawling pool complex large enough to host outdoor concerts and sporting events, and a three-story bar that overlooks the front of the casino.

Unwin said the Cosmopolitan's restaurants and stores would be new to Las Vegas and not outlets found in every major city.

The hotel expects to hire about 3,600 workers.

Unwin said he is in talks with outside hoteliers, airlines, other casinos outside Las Vegas and other companies about partnerships that could attract customers, but no deals have been signed.

Deutsche Bank spokesman John Gallagher declined to comment specifically about the bank's long-term plans for the project but said it was confident that it invested in a high-quality property.

"Like any prudent investor, Deutsche Bank will continue to evaluate all opportunities," Gallagher said.

The German bank filed an application with Nevada regulators for a gambling license to operate the resort.

While the Cosmopolitan is Deutsche Bank's first casino, it is not the first bank to try its hand at casino development. Investment bank Morgan Stanley last week scrapped plans to build a \$2.6 billion development in Atlantic City, while others have been jockeying for ownership of other Atlantic City properties.

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