

NJ approves MGM land sale at Borgata site - BusinessWeek

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By WAYNE PARRY

ATLANTIC CITY, N.J.

New Jersey casino regulators on Thursday approved the \$73 million sale of land underneath the Borgata Hotel Casino & Spa as part of MGM Resorts International's exit from the nation's second-largest gambling market.

The state Casino

Control Commission approved the sale of 11.3 acres to Vornado Realty Trust and Geysler Holdings, through their newly formed company New Jersey GL LLC.

It's part of the casino company's forced exit from Atlantic City over its ties to the daughter of a reputed Chinese mob boss.

MGM Resorts is selling its half-interest in the Borgata itself following an ultimatum from New Jersey casino regulators that it sell its 50 percent stake in Atlantic City's top casino, or cut ties with Pansy Ho, its partner in a casino in the Chinese enclave of Macau.

Ho's father, Stanley, has long been accused of ties to organized crime, which he denies. MGM Resorts chose to keep its relationship with Ho and walk away from the Borgata.

Linda Kassekert, chairwoman of the casino commission, said the sale needed to be approved to enable MGM Resorts to leave Atlantic City under the agreement it reached with the commission in March.

The company revealed this week that it had received an offer of \$250 million for its interest in the hotel. MGM Resorts would not identify the potential buyer.

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Boyd Gaming, MGM Resorts' partner in the Borgata, has the right of first refusal on any sale of MGM Resorts' half of the casino.

"MGM has formally presented us with the offer; we have just begun the process of considering it," Boyd spokesman David Strow said Thursday.

Boyd has 30 days to decide whether to exercise its right to buy MGM Resorts' half of the Borgata.

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