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Peebles Buys Land for \$1.6B Non-Gaming Resort

By Brian K. Miller

LAS VEGAS-Developer R. Donohue Peebles of Coral Gables, FL has acquired 13 acres here approved for a 4.5-million-sf non-gaming resort that Peebles estimates will cost \$1.6 billion to develop and have a retail value of \$2.5 billion. The property is located east of the Wynn Las Vegas Golf Course on Paradise Road, one-half mile off the Las Vegas Strip. It currently holds the Las Palmas apartment complex.

The development plan calls for four 55-story towers housing an 800-suite luxury hotel, 1,000 luxury condos, an infinity-edge pool 400 feet above the Strip, a 40,000-sf destination spa, a restaurant run by an acclaimed chef, and exclusive retail shops. The first tower, slated for completion in 2009, would house the hotel, spa, shops, restaurant and pool on the first 50 floors. The top 15 floors of the



project rendering

first tower would house super luxury residences. The architectural firm Arquitectonica is the lead designer.

Using a loan from Credit Suisse, Peebles acquired the site last week for \$65 million or \$5 million per acre. The seller was SNIP Las Palmas LP, which according to county records includes Southern Nevada Income Properties, Continental American Properties Ltd., ConAm Partners 88D, and DJE Financial Corp.

David Atwell of locally based Resort Properties of America, who did not broker the acquisition but is working with Peebles on other aspects of the project, says the below-market price--some estimates put the current value of near-Strip land at \$10 million an acre--is the result of Peebles tying up the property more than a year ago. "At that time, it was probably the going rate or a little under," he tells GlobeSt.com.

Peebles is the founder and CEO of Peebles Corp., the country's largest African American-owned real estate development company. His portfolio includes hotels and residential and commercial properties. Peebles says the project would be the first Las Vegas hotel--and the largest real estate project in the country--to be developed and owned by an African American.

Peebles could not immediately be reached Thursday morning for comment. In explaining his strategy in a prepared statement, Peebles says more than 50% of travelers visit Las Vegas for reasons other than gambling and that Paradise Road "is becoming the spot for the sophisticated Las Vegas traveler."

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