

# In A.C., rumblings of new casino financed by Morgan Stanley

Atlantic City, New Jersey (AP) – A new player may be getting into the game in Atlantic City.

Investment bank Morgan Stanley has agreed to buy a vacant, 20-acre oceanfront parcel and is shopping for a casino company to develop what would be the 13th casino here. Spokesman Mark Lake said Friday the Wall Street firm had reached an agreement to buy the site on the famed Boardwalk, but he wouldn't give details.

„We're not the developer, we're not the operator. We're the financial sponsor, if we get it," said Lake.

The property is owned by North Beach Holdings, a limited liability corporation whose principals include New Hope, Pa., real estate developer Thomas Scannapieco. He declined comment on the deal Friday.

„I know a number of potential buyers have been kicking the tires at that site," said Michael Pollock, managing director of Spectrum Gaming Group, a casino consulting company. „It offers several compelling attributes: number one is a pretty big footprint, in a town where they're not too many buildable sites under one ownership."

The Philadelphia Inquirer reported in Friday's newspapers that Hard Rock International of Orlando, Fla., would operate a \$1 billion casino hotel on the site, but neither Scannapieco nor Hard Rock spokesman John Gogarty would confirm that.

„As a rule, we don't comment on pending or prospective deals," said John Gogarty.

Daniel Heneghan, a spokesman for the New Jersey Casino Control Commission, said no license applications have been made with regard to the project.

„We haven't received any filings from anyone interested in developing a casino on that site,“ he said.

Mayor Robert Levy had no comment on the deal, spokesman Chip Forth said.

The site, which is adjacent to Showboat Casino-Hotel, was once eyed for development by MGM Mirage before the company joined with Boyd Gaming Corp. to build the Borgata Hotel Casino & Spa in 2003.

The Borgata has helped rejuvenate Atlantic City since its debut, drawing younger gamblers and triggering a wave of new retail and casino development.

Morgan Stanley owns nearly 15 percent of Trump Entertainment Resorts Inc., which operates three Atlantic City casinos. Asked if the company would be in competition with itself by underwriting a new competitor, Lake declined comment.