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## **\$47M Buys Two Acres at Sahara and the Strip**

By [Brian K. Miller](#)



Holy Cow Casino in 2001

LAS VEGAS-The former Holy Cow casino property, one of the smallest casino sites on the Las Vegas Strip at just two acres, changed hands last month for \$47 million. The seller, San Francisco-based Rinkai America Inc., acquired the corner property in 1996 for \$13 million.

The property occupies the northeast corner of Las Vegas Boulevard and Sahara Avenue. Diagonally across the intersection is land MGM recently acquired for a multibillion-dollar integrated casino resort in partnership with Kerzner International. Across Sahara is the Sahara Hotel & Casino, for which new owners SBE Entertainment Group LLC and Stockbridge Real Estate Funds are planning a major renovation. Across Las Vegas Boulevard and up two blocks is the Stratosphere, the Strip's northernmost casino.

The Holy Cow casino, which contained a microbrewery and a cafe, shut down in 2003. More recently, it was slated for an Ivana Trump-branded condominium tower that never materialized. The seller retained brokers Michael Parks and John Knott with CB Richard Ellis' Global Gaming Group in Las Vegas to sell the property.

The new owner is Aspen Highlands Holdings, a Colorado-licensed LLC controlled by Steven Johnson. The low-key investor-developer from Scottsdale, AZ has bought and sold several Strip parcels, some of which have ended up anchored by Walgreen's drug stores. "We're comfortable with Strip development moving north beyond Sahara [Avenue]," Johnson tells GlobeSt.com, declining to

comment on whether the site would hold another Walgreens, a casino or something else entirely.

Local broker David Atwell, a specialist in large Strip resort properties who has worked with the likes of Steve Wynn, Sheldon Adelson and Bob Stupak, tells GlobeSt.com that Holy Cow may be the tiniest casino site on the Strip. Then again, he adds that success is as much linked to the developer as the property.

"It's a very, very tight site for a casino; I can't think of a smaller one, actually, but Strip land is getting scarce," says Atwell, whose resume includes handling the 1998 sale of the Dunes Hotel & Country Club, now the Bellagio and Monte Carlo resorts, and, most recently, initiating the \$1.2-billion sale of the New Frontier Hotel & Casino to El-Ad Properties. "Maximizing entitlements to make whatever the deal is make sense is getting harder and harder, but some entrepreneurs have the guts and vision to take a try at it. Obviously, this Johnson fellow has some vision."

It may be small for a casino site, but Johnson is making hay with a much smaller non-casino parcel further up the Strip. In April 2003, Johnson and James Peterson of Albuquerque paid \$32.5 million for a 0.64-acre former restaurant site between the Venetian and its under-construction second phase, the Palazzo casino-resort. The site is now slated to hold a high-rise mixed-use building that will be anchored by a Walgreens drug store. Above the Walgreens will be another level of retail, then several levels of commercial space for Las Vegas Sands Corp., and then a few dozen levels of condos. Johnson says the building will be nearly as tall as the 50-story Palazzo, which is slated to open in December.

Technically Johnson and Peterson will own the ground and first two levels of the building. Above that, Johnson says he has leased six stories of air rights to Las Vegas Sands Corp. and, above that, sold them the air rights for the condos. Johnson did not discuss the financial details of the deal. "We're comfortable with the investment" he says.

Given his seeming success with less than two-thirds of an acre, his new two-acre site may not seem as tiny to Johnson as it does to Atwell. Then again, it wouldn't take but a single partnership for the developable area to triple in size. The contiguous parcels north and west of Holy Cow, totaling 4.32 acres, are all owned by Chetak Development Corp. Operations on the properties include a motel, a wedding chapel and, between Johnson's property and Paradise Road, a shopping center.

Johnson isn't ready to reveal his plans just yet, but he clearly has an idea, one that is in the process of being put down on paper, or a hard drive. "We're actively in design now," he says.