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## Third of Six Citycenter Towers Tops Out

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LAS VEGAS-The Mandarin Oriental is the latest of six towers to top out at the \$11.2-billion, 19 million-sf Citycenter development on the Las Vegas Strip. Rising on 67 acres between the Bellagio and Monte Carlo resorts, the massive endeavor by MGM Mirage and Dubai World has been under construction since 2006 and is scheduled to open all at once in approximately 14 months.

Each of the towers was designed by a different architect. The 47-story Mandarin Oriental, designed by Kohn Pederson Fox, is a 400-room hotel topped by approximately 227 luxury condominiums. Approximately 93% of the condominiums have been sold, generating \$656 million in sales, according to Citycenter.

Last month, steel workers laid the final piece of steel for the Aria Resort & Casino, the anchor property with 4,000 rooms in two 61-story towers designed by Pelli Clarke Pelli. In June, workers placed the last piece of structural steel for the Vdara, a 57-story, 1,500-unit condo hotel designed by Rafael Vinoly.

The two towers still on the rise are the Harmon Hotel, Spa & Residences, a 49-story designed by Foster & Partners with 207 condominiums above 400 hotel rooms, and Veer Towers, two 37-story towers designed by Helmut Jahn that appear to lean in opposing directions. The towers house 674 condominiums.

All told, the development includes more than 7,400 hotel and condominium units plus the Crystals, a 500,000-square-foot retail and entertainment district, a resident Cirque du Soleil show celebrating the legacy of Elvis Presley and its own monorail to move people around the site.

The cost to develop Citycenter is more than \$11.2 billion. In its first quarter report, MGM Mirage pegged the net project budget at \$8.5 billion—after an expected \$2.7 billion in residential sales. As of August, 54% or 1,421 of the 2,700 condominiums had been sold for \$1.75 billion.

The gross project budget includes \$9.2 billion for construction costs (including capitalized interest), \$1.7 billion for the land, \$200 million for pre-opening expenses and \$100 million of “intangible assets.” As of August, 54% or 1,421 of the 2,700 condominiums had been sold for \$1.75 billion.

Earlier this month, MGM Mirage said it has closed on \$1.8 billion of the \$3 billion in financing it wants to help complete the project and has received an additional \$500 million in commitments, leaving \$700 million of financing that is expected to be had through a syndication process that got underway last week. The financing would be rounded out with \$2 billion in additional contributions split evenly between MGM Mirage and Dubai World.

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