



SeekingAlpha^α Stock Market Opinion & Analysis

[Login](#) [Register](#)

NEW! [Hedge Fund Jobs](#) | [Get Email Alerts](#) | [Submit Article](#) | [Wall Street Breakfast](#) | [Jim Cramer](#) | [Latest Transcripts](#) | [Interviews](#)

Tracinda in Talks with MGM Mirage to Buy Bellagio, CityCenter

Posted on May 22nd, 2007 with stocks: [MGM](#)

Billionaire investor Kirk Kerkorian's Tracinda Corp. is initiating talks with MGM Mirage to buy its Bellagio Hotel and Casino and CityCenter properties. Speculation that the whole company is for sale sent its shares up 17% in AH trading Monday. Kerkorian owns 56% of Las Vegas-based MGM Mirage. According to a regulatory filing, Tracinda is investigating strategic alternatives for that investment that could include "financial restructuring transactions involving all or a substantial portion of the remainder of the company." "This will put them in play," said Innovation Capital analyst Matt Sodl. "It's a very aggressive move." Kerkorian's proposal "stinks of an inside deal," according to Hayground Cove Asset Management president Jason Ader. "He is trying to cherry-pick the best assets and growth from the public company." CityCenter is a \$7.4 billion complex of hotels and condos that MGM is building on 66 acres. MGM already owns 10 casinos and 760 acres on the Las Vegas Strip. Casino companies' cash flow has made them attractive buyout candidates, and Las Vegas real estate prices are soaring. Last week, New Frontier Hotel & Casino sold to Israeli billionaire Yitzhak Tshuva for almost \$35 million an acre. MGM is holding its annual meeting Tuesday.

Sources: [Wall Street Journal](#), [MarketWatch](#), [Bloomberg](#), [TheStreet.com](#)

Commentary: [Kerkorian Sells Off 25% of His GM Stake In Exchange for MGM Mirage](#) • [A Closer Look at Casino Stocks](#) • [MGM Delivers Earnings In Spades](#)

Stocks/ETFs to watch: MGM Mirage ([MGM](#)). **Competitors:** Harrah's Entertainment Inc. ([HET](#)), Las Vegas Sands Corp. ([LVS](#)), Trump Entertainment Resorts Inc. ([TRMP](#)). **ETFs:** Claymore/Sabrient Insider ([NFO](#))

Seeking Alpha's news briefs are combined into a pre-market summary called [Wall Street Breakfast](#). [Get Wall Street Breakfast by email](#) -- it's free and takes only seconds to sign up.


[Free Seeking Alpha Email Alerts](#)




Receive articles on MGM Mirage (MGM), sent right to your inbox.

[Click to Receive Email Alerts](#)

Subscribe with a Reader (RSS) 

 [Email this article](#)

 [Print this article](#)

Related:

More [Judith Levy](#)

Read more on the symbols [MGM](#)

Read more on the themes [Leisure and Gambling stocks](#), [News Briefs](#)

By this author:

[GE Sells Plastics Unit to Sabic for \\$11.6 Billion](#)

[Glaxo's Shares Fall on NEJM Report of Avandia Risk](#)

[Atlas Energy to Acquire DTE's Antrim Shale Gas E&P Properties](#)

[Hologic Acquiring Cytoc for \\$6.2 Billion](#)

Popular Sections

[Wall Street Breakfast](#)

[Jim Cramer](#)

[Today's Market](#)

[Housing](#)

[Conference Call Transcripts](#)

[Ethanol Stocks](#)
