

## New shops coming to Crystals mall at CityCenter



Crystals at CityCenter on Wednesday, April 20, 2011.

The Shops at Crystals, the luxury Las Vegas mall that opened during the recession and has struggled for shoppers, will get a handful of new tenants this year.

Three stores are expected to open in August at the Strip property, management said Monday. They include Valentino, which sells shoes, handbags and accessories, including \$1,075 calfskin iPad cases; watch store Richard Mille, whose timepieces sell for hundreds of thousands of dollars; and luggage retailer Rimowa.

The shop Loro Piana, which sells cashmere, baby cashmere and other luxury Italian goods, will open in October, according to mall management. Additionally, watch store Tourbillon, a current tenant, will open in an expanded retail space in October.

Three other retailers — swimsuit store Eres, book shop Assouline and jeweler de Grisogono — closed this year. Altogether, the mall's occupancy rate is about 85 percent.

Crystals opened in December 2009 at the CityCenter development as the recession ripped through Las Vegas. Although its finances have improved, foot traffic is often light at the two-story, 500,000-square-foot shopping mall.

Crystals General Manager Farid Matraki declined to provide the mall's sales revenue, but he disputed the notion that Crystals is struggling, saying its business model is not based on foot traffic. Instead, it is "the quality of the customers" who visit and can afford the ultra-expensive shopping, he said.

Matraki said customers are not there to window shop. They know what they want — a \$100,000 bag, for instance — and leave Crystals after only an hour or two, he added.

"People that can afford to do that stuff don't have time to mingle around the mall for nine hours," he said.

With high-priced stores including Prada, Gucci and Louis Vuitton, Crystals had \$5.2 million in operating income last year. That compares with an operating loss of \$201,000 in 2011 and a loss of \$12.3 million in 2010, according to owner and manager MGM Resorts International.

MGM Resorts CEO Jim Murren said in February that prospective investors had contacted him about **buying the property**, and that the mall was designed to "ultimately" be sold.

"It could raise a tremendous amount of money for its owners down the road," Murren told analysts, according to a transcript of the Feb. 20 conference call. "We're not in negotiations today to sell it, but you have to believe that that's something we think about down the road."

He did not say how much money he thinks the mall could sell for.

Besides Crystals, CityCenter also features the Aria and Vdara hotels and the Veer Towers condo complex.

The 67-acre project is owned by MGM Resorts and a subsidiary of Dubai-owned holding company Dubai World, with both holding a 50 percent stake.