



# GRAND SIERRA RESORT

by Allan Anderson



The Grand Sierra Resort is located just east of Downtown Reno, Nevada. The hotel has 1,995 rooms and suites as well as 10 restaurants, and a casino with 115,000 square feet of space. The hotel also has a shopping center, wedding chapel, pool, convention center, 50-lane bowling alley, driving range and a KOA site.

The property opened in 1978 as the MGM Grand, the worlds largest casino at the time, with a 26-story, 1,015 room hotel on a 145 acre site. The construction cost \$130 million. On June 3, 1978 Donn Arden's "Hello Hollywood Hello" debuted. An expansion in 1981 increased the rooms to 2,001. In 1986 the property along with the MGM Grand in Las Vegas were sold to Bally Gaming Corporation and both resorts were re-branded as Bally's. In early 1992, Harveys Lake Tahoe entered a bidding war with Hilton Hotels Corporation over the right to buy the resort. Harveys announced an agreement on a \$70 million deal, only to see Hilton up the ante to \$73 million and assumption of Bally's debt. Several weeks later, after considering even higher bids, a federal bankruptcy court settled the matter by approving Hilton's final \$83 million offer. The hotel was later acquired by Harrah's Entertainment in the 2005 acquisition of Caesars Entertainment.

On May 11, 2005 Caesars Entertainment announced an agreement to sell the Reno Hilton to Grand Sierra Resort Corp. for \$150 million dollars. On June 23, 2006 the sale was completed and the name of the property was changed to The Grand Sierra Resort.

The Grand Sierra Resort in Reno is currently undergoing an extensive renovation plan to transform the 145 acres into the finest luxury resort imaginable. The master plan includes eleven floors of luxurious condominium hotel units – three of which will be designed and operated by Nikki Beach Hotel, a new partnership recently announced. The remaining condominium hotel floors are under the design of Dodd Mitchell and will be under operation of The Summit at Grand Sierra. Other renovations include nightclubs, innovative restaurants and renovation of the largest casino in northern Nevada. Additionally, a new look and feel for all of the guest rooms, construction of the nation's largest

indoor water park, a new luxury spa and a significant expansion of our retail space will create a new destination for northern Nevada.

This bold new blend of luxury with the surrounding adventures of Reno, America's Adventure Place promises to be one of the nation's most imaginative and spectacular resorts.

As of January 2007, Grand Sierra Resort has made the following changes:

In January 2007, Grand Sierra Resort and Casino announced a partnership with Nikki Beach, one of the world's leading lifestyle and entertainment brands identified with the international jet set and the celebrity crowd, to open a variety of Nikki Beach designed, branded, and managed hotel facilities and entertainment venues at the Grand Sierra property. Initial plans call for a five star Nikki Beach Hotel to occupy the top three floors of the Grand Sierra Resort Hotel property (a hotel within a hotel), a Nikki Beach Club at poolside, and multiple nightclub entertainment venues in the current Grand Sierra facility.

Grand Sierra Resort recently signed a contract with Charlie Palmer to renovate and operate GSR's current Steak House. Construction is expected to begin within the next 60 days and will feature Charlie Palmer Steak and a new concept, Charlie Palmer Fish.

Grand Sierra Resort is transforming suites on the upper eleven floors of the current tower into luxury condominium hotel residences featuring sensual leather and suede upholstered furniture, flat-panel TVs, Kenmore elite microwave and mini refrigerator, coffeemaker, contemporary art accents, walnut cabinetry & luxurious marble and granite surfaces in the bath/spa.

One of the most intriguing aspects of hotel-condominium ownership is the hassle-free lifestyle. The buyer owns a beautiful furnished and insured unit that they may stay in for up to 28 nights per year. The rest of the time, units are rented through a rental management program administered by the Grand Sierra Resort's professional management company or a property manager of the owner's choice. All condominium-hotel units are marketed

as The Summit Hotel at Grand Sierra Resort. The nightly rental revenue is applied to reducing the owner's share of operation costs, which include hotel operating expenses like reservations, maintenance, cleaning and marketing fees.

Amenities available to hotel-condominium owners and guests staying in the 27-story tower include lobby wine bar and lounge, several dining and nightclub options, 24-hour room service, valet parking, concierge, entertainment ranging from showroom headliners to cinema, mini-golf, and thrill rides plus Northern Nevada's largest casino.

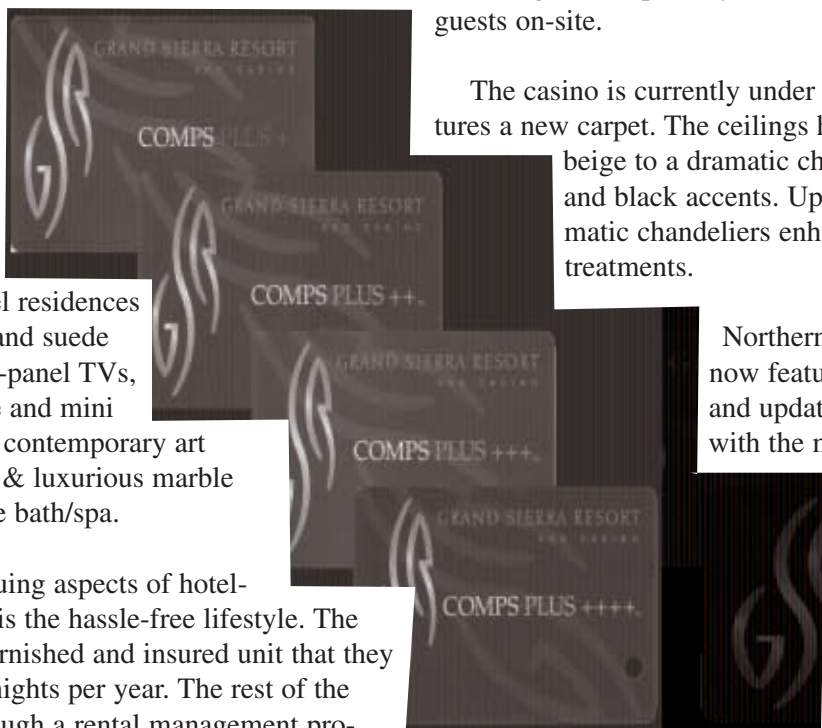
Dolce Enoteca e Ristorante, serving classic and innovative Italian cuisine in a chic Southern California-style ambiance, opened October 2006.

Grand Sierra Resort Health Clinic is Reno's first hotel-based urgent and primary care clinic for employees and guests on-site.

The casino is currently under construction and now features a new carpet. The ceilings have been repainted from beige to a dramatic chocolate brown with beige and black accents. Updated fixtures and dramatic chandeliers enhance the ceiling treatments.

Northern Nevada's largest casino now features the latest slot games and updated table games along with the most generous Player's Club.

Currently, there are 525 penny or multi-denomination games, 175 quarter games and 200 one dollar and above games. 35% of the casino floor is poker machines with a goal of 50% by April 2007. Grand Sierra Resort games include those from major manufactures such as IGT, Bally's, Konami,



Aristocrat and Williams. There are also slot games with prizes such as a car or motorcycle – starting at just a penny! Many of our new games include a new ticket-in, ticket-out system with improved pay tables and more progressives.

Among other casino renovations, table games will have a newer sleek look including newly designed layouts in the Grand Sierra Resort color schemes, new player tracking system that has real-time, accurate player tracking for blackjack players and also a system that comes with an option allowing Grand Sierra Resort to set up a random bonus jackpot for anyone playing with their Comps Plus+ card. New table games are currently being explored and will be unveiled as the casino reaches completion of being remodeled.

Reno's largest Race and Sports Book is now a stand alone book with more wagering options and higher payouts and also offers a free promotional card.

The Grand Sierra Resort Poker Room now offers more locals promotions, more daily tournaments, higher limit games and an additional Pot of Gold Poker Tournament in December.

Comps Plus+ is the player's card that allows players to receive comps plus so much more! Plus, players can swipe their cards daily at the Cavalcade of Cash and Prizes Machine for entries into free slot tournaments, an entry into the weekly cash drawing of \$15,000 along with other prizes including gaming bonuses, hotel upgrades, dining credits, concert tickets and more. To make things even better for GSR guests, we've added a point-of-sale option to the Comps Plus+ card that can be used for comps at restaurants, gift shops and more on property in a quick and easy fashion.

Rebranding of Grand Sierra Resort from the Reno Hilton includes dramatic exterior lighting and new internal and external signage. The outdoor marquee has been



updated to include the newest, most innovative design and structure to ensure dramatic and eye-catching images. It is the largest LED display ever built in our region and will be unique to the GSR property.

Grand Sierra Resort's Health Club and Spa now features facials, massages and updated fitness equipment.

Grand Sierra Cinema opened December 2006 with two screens and averages four movies per day, seven days a week. All shows are \$3 per person.

The Fun Quest arcade and family fun center has been renovated and includes new games, an updated laser tag game, bumper cars and a nine hole miniature golf course. A new climbing structure, Spider Mountain, is under construction for our younger guests.



Grand Sierra Resort Magazine (a quarterly publication) has released its first edition and anticipates the second edition to be released in late March.

Ongoing retraining in service standards for all of the staff on a continuing basis conducted by the GSR in-house training staff.

### Things to look forward to:

Construction plans include the nation's largest indoor water park creating fun for the family during all of Reno's four seasons. Construction to begin summer of 2007.

A large 80,000 sq. ft. spa and fitness center and upscale boutique retail opening in 2009. Also planned is a spectacular water show designed as the most spectacular attraction of its kind in the U.S.A.

Two full-residential condominium towers.

Northern Nevada's largest existing meeting and exhibition space being revitalized to better serve groups of 10 to 4,000.

Expanded celebrity entertainment in the Grand Theatre.

Grand Sierra Resort is a proud member of Summit Hotels and Resorts, a prestigious brand of Preferred Hotel Group. For more information, please visit: [www.grandsierraresort.com](http://www.grandsierraresort.com)