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BUSINESS

Firm agrees to set minimum bid in Fortune Valley casino auction

By **Andy Vuong**
The Denver Post

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Luna Entertainment, the owner of the Red Dolly Casino in Black Hawk, has reached an agreement to become the "stalking-horse" bidder for Fortune Valley Hotel & Casino in Central City.

Indianapolis-based Centaur, the parent company of Fortune Valley, put the casino up for sale last year and filed for bankruptcy in March.

Novi, Mich.-based Luna requires approval from a bankruptcy court in Delaware to become the stalking-horse bidder.

A stalking-horse bidder is the company picked by a bankrupt entity to submit the initial bid on an asset. Such bidders prevent low-ball offers.

If approved, Luna's bid would set the bar for a potential auction.

Multiple parties have expressed interest in bidding on the casino, said Matt Sodl, managing director for Innovation Capital, which is handling the sale for Centaur.

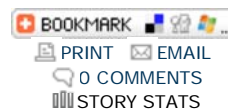
"It's a great property," Sodl said. "We do believe we're going to have an auction."

Sodl wouldn't disclose the amount of Luna's bid.

The auction is tentatively scheduled for Aug. 23, pending court approvals.

Fortune Valley is Central City's largest casino, featuring more than 700 slot machines, 15 table games and 118 hotel rooms.

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