

FLAG LUXURY PROPERTIES LLC
 Form 3
 August 23, 2006

FORM 3 UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

OMB APPROVAL

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INITIAL STATEMENT OF BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934,
 Section 17(a) of the Public Utility Holding Company Act of 1935 or Section
 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person * Â Flag Luxury Riv LLC (Last) (First) (Middle) 650 MADISON AVENUE (Street) NEW YORK, Â NY Â 10022 (City) (State) (Zip)	2. Date of Event Requiring Statement (Month/Day/Year) 08/08/2006	3. Issuer Name and Ticker or Trading Symbol RIVIERA HOLDINGS CORP [RIV]	4. Relationship of Reporting Person(s) to Issuer (Check all applicable) <input type="checkbox"/> Director <input checked="" type="checkbox"/> 10% Owner <input type="checkbox"/> Officer <input type="checkbox"/> Other (give title below) (specify below)	5. If Amendment, Date Original Filed(Month/Day/Year) 6. Individual or Joint/Group Filing(Check Applicable Line) <input type="checkbox"/> Form filed by One Reporting Person <input checked="" type="checkbox"/> Form filed by More than One Reporting Person
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Table I - Non-Derivative Securities Beneficially Owned

1. Title of Security (Instr. 4)	2. Amount of Securities Beneficially Owned (Instr. 4)	3. Ownership Form: Direct (D) or Indirect (I) (Instr. 5)	4. Nature of Indirect Beneficial Ownership (Instr. 5)
Common Stock	418,294	I	See footnotes <u>(1)</u> <u>(2)</u> <u>(3)</u>
Common Stock	418,294	I	See footnotes <u>(4)</u>
Common Stock	627,442	I	See footnotes <u>(5)</u> <u>(6)</u> <u>(7)</u>
Common Stock	123,200 <u>(8)</u>	D	Â
Common Stock	627,441	I	See footnote <u>(9)</u>
Common Stock	75,300	I	See footnote <u>(10)</u>

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

SEC 1473 (7-02)

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Table II - Derivative Securities Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

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1. Title of Derivative Security (Instr. 4)	2. Date Exercisable and Expiration Date (Month/Day/Year)	3. Title and Amount of Securities Underlying Derivative Security (Instr. 4)	4. Conversion or Exercise Price of Derivative Security	5. Ownership Form of Derivative Security: Direct (D) or Indirect (I) (Instr. 5)	6. Nature of Indirect Beneficial Ownership (Instr. 5)
	Date Exercisable	Expiration Date	Title	Amount or Number of Shares	

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Flag Luxury Riv LLC 650 MADISON AVENUE NEW YORK, NY 10022	^	^ X	^	^
FLAG LUXURY PROPERTIES LLC 650 MADISON AVENUE NEW YORK, NY 10022	^	^ X	^	^
MJX Flag Associates LLC 650 MADISON AVENUE NEW YORK, NY 10022	^	^ X	^	^
Flag Leisure Group 650 MADISON AVENUE NEW YORK, NY 10022	^	^ X	^	^
Sillerman Real Estate Ventures LLC 650 MADISON AVENUE NEW YORK, NY 10022	^	^ X	^	^
LMN 134 Family CO LLC 134 E 80TH STREET NEW YORK, NY 10021	^	^ X	^	^
Sillerman Robert 650 MADISON AVENUE NEW YORK, NY 10022	^	^ X	^	^
Kanavos Paul 650 MADISON AVENUE NEW YORK, NY 10022	^	^ X	^	^

Signatures

/s/ Paul Kanavos (President, Flag Luxury Riv, LLC)	08/17/2006
__Signature of Reporting Person	Date
/s/ Paul Kanavos (President, Flag Luxury Properties, LLC)	08/17/2006
__Signature of Reporting Person	Date
/s/ Robert Sillerman (Member, MJX Flag Associates, LLC)	08/17/2006

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__Signature of Reporting Person	Date
/s/ Paul Kanavos (President, Flag Leisure Group, LLC)	08/17/2006
__Signature of Reporting Person	Date
/s/ Robert Sillerman (Member, Sillerman Real Estate Ventures, LLC)	08/17/2006
__Signature of Reporting Person	Date
/s/ Mitchell Nelson (Managing Member, LMN 134 Family Company LLC)	08/17/2006
__Signature of Reporting Person	Date
/s/ Robert Sillerman	08/17/2006
__Signature of Reporting Person	Date
/s/ Paul Kanavos	08/17/2006
__Signature of Reporting Person	Date

Explanation of Responses:

* If the form is filed by more than one reporting person, *see* Instruction 5(b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

(1) This is a joint filing by Flag Luxury Riv, LLC ("FLR"); Flag Luxury Properties, LLC ("FLP"); MJX Flag Associates, LLC ("MJX"); Flag Leisure Group, LLC ("FLG"); Sillerman Real Estate Ventures, LLC ("SREV"); LMN 134 Family Company LLC ("LMN134"); Robert Sillerman; Paul Kanavos (collectively, the "Reporting Persons"). (continued in footnote 2)

(2) (continued from footnote 1) FLR directly owns 418,294 shares of Common Stock, par value \$0.001 per share (the "Common Stock"), of Riviera Holdings Corp., a Nevada corporation. FLP, as a member of FLR with a 100% equity interest in FLR, may be deemed to have beneficial ownership of the foregoing shares of Common Stock. MJX, as a member of FLP with an approximate 36% equity interest in FLP, may also be deemed to have beneficial ownership of the foregoing shares of Common Stock. FLG, as the managing member of FLP with an approximate 6.4% equity interest in FLP, may also be deemed to have beneficial ownership of the foregoing shares of Common Stock. SREV, as a member of FLG with a 50% equity interest in FLG and substantially all of the equity of MJX, may also be deemed to have beneficial ownership of the foregoing shares of Common Stock. (continued in footnote 3)

(3) (continued from footnote 2) LMN134, with an ownership interest in MJX and an ultimate interest of approximately 0.61% in FLP, may also be deemed to have beneficial ownership of the foregoing shares of Common Stock. Robert Sillerman, as the sole member of SREV and President of MJX and with an ultimate interest of approximately 36% in FLP, may also be deemed to have beneficial ownership of the foregoing shares of Common Stock. Paul Kanavos, as President of FLR, FLP, and FLG, and with an ultimate interest of approximately 36.61% in FLP, may also be deemed to have beneficial ownership of the foregoing shares of Common Stock.

(4) RH1, LLC ("RH1") directly owns 418,294 shares of Common Stock. ONIROT Living Trust dated 06/20/2000 ("ONIROT"), as the sole member of RH1, may also be deemed to have beneficial ownership of the foregoing shares of Common Stock. Brett Torino, as the sole Trustee of ONIROT, may also be deemed to have beneficial ownership of the foregoing shares of Common Stock.

(5) Rivacq LLC ("Rivacq") directly owns 627,442 shares of Common Stock. SOF U.S. Hotel Co-Invest Holdings, L.L.C. ("SOF Co-Invest"), as the sole member of Rivacq, may also be deemed to have beneficial ownership of the foregoing shares of Common Stock. Each of SOF-VII US Hotel Holdings, L.L.C. ("SOF VII") and I-1/I-2 U.S. Holdings, L.L.C. ("Hotel Fund"), as the sole members of SOF Co-Invest, may also be deemed to have beneficial ownership of the foregoing shares of Common Stock. (continued in footnote 6)

(6) (continued from footnote 5) Each of Starwood Global Opportunity Fund VII-A L.P., Starwood Global Opportunity Fund VII-B, L.P., Starwood U.S. Opportunity Fund VII-D, L.P., and Starwood U.S. Opportunity Fund VII-D-2, L.P. (the "Opportunity Funds"), as the sole members of SOF VII, may also be deemed to have beneficial ownership of the foregoing shares of Common Stock. Each of Starwood Capital Hospitality Fund I-1, L.P. and Starwood Capital Hospitality Fund I-2, L.P. (the "Hospitality Funds"), (continued in footnote 7)

(7) (continued from footnote 6) as the sole members of the Hotel Fund, may be deemed to have beneficial ownership of the foregoing shares of Common Stock. SOF VII Management, L.L.C. ("SOF VII Management"), as the general partner of each of the Opportunity Funds, may also be deemed to have beneficial ownership of the foregoing shares of Common Stock. SCG Hotel Management, L.L.C. ("Hotel Management"), as the general partner of each of the Hospitality Funds, may also be deemed to have beneficial ownership of the foregoing shares of Common Stock. Starwood Capital Group Global, L.L.C. ("SCGG"), as the managing member of SOF VII Management and Hotel Management, may also be deemed to have beneficial ownership of the foregoing shares of Common Stock. Barry S. Sternlicht, as the Chairman and CEO of SCGG and CEO of SOF VII and Hotel Fund, may also be deemed to have beneficial

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ownership of the foregoing shares of Common Stock.

- (8) Barry S. Sternlicht also directly holds 123,200 shares of Common Stock.

High Desert Gaming, LLC ("HDG") directly owns 627,441 shares of Common Stock. LAMB Partners, as a member of HDG with an approximate 74% equity interest in HDG, may also be deemed to have beneficial ownership of the foregoing shares of Common Stock.

- (9) LAMB Investors, Inc. ("Lamb Investors") as a partner in LAMB Partners, may also be deemed to have beneficial ownership of the foregoing shares. LAMB, LLC ("LAMB") as the managing partner of LAMB Partners and holder of substantially all of the equity of LAMB Investors, may also be deemed to have beneficial ownership of the foregoing shares of Common Stock. Greg Carlin, as a manager of HDG, may also be deemed to have beneficial ownership of the foregoing shares of Common Stock. Neil Bluhm, as a manager of HDG and as managing member of LAMB, may also be deemed to have beneficial ownership of the foregoing shares of Common Stock.

ISLE Investors, LLC ("ISLE") directly holds 75,300 shares of Common Stock. Accordingly, Greg Carlin, as the manager of ISLE, may also be deemed to have beneficial ownership of the foregoing shares of Common Stock. ISLE is the designated filer. The Reporting

- (10) Persons are filing this joint Form 3 because they may be regarded as a group. However, each Reporting Person disclaims beneficial ownership of the shares owned by the other Reporting Persons and disclaims membership in a group, and this filing shall not constitute an acknowledgement that the Reporting Persons constitute a group.

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Remarks:

This Form 3 is being filed in conjunction with the following Form 3s filed on an even date by: (i) RH1, ONIROT and Brett Torino; (ii) Rivacq, SOF Co-Invest, SOF VII, Hotel Fund, the Hospitality Funds; (iii) SOF VII Management, Hotel Management, SCGG, and Barry S. St LAMB Partners, LAMB, LAMB Investors, ISLE Investors, Neil Bluhm and Greg Carlin.

Exhibits:

99.1 - Joint Filer Information

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, See Instruction 6 for procedure.

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