The World's Longest Racetrack Will Be for Wealthy Racers

John Morris is building more than 15 miles of private raceway just 45 minutes from the Vegas Strip.

By Josh Dean, Bloomberg Businessweek

Almost everything outside the window of John Morris's helicopter is his or will be his soon. When the semiretired internet entrepreneur bought the original Spring Mountain Motorsports Ranch in 2004, here in the desert town of Pahrump, Nev., it was a 2.2-mile racetrack with a couple of spectator tents and porta-potties. The gate to the place wasn't much more than a swiveling lead pipe.

"I thought it'd be fun to own a racetrack," says Morris, 69, angling his red, black, and white Robinson R44 helicopter toward a large parcel of desert scrub that he says he'll soon lease from the U.S. Bureau of Land Management. Last year, Morris paid an undisclosed sum for a 150-acre chunk on the track's west side; once he has the bureau's piece, the Spring Mountain Motor Resort & Country Club—his ever-growing automobile playland—will total 900 acres, with the world's longest track as its centerpiece.

Currently, the longest track is Germany's Nürburgring, the legendary 13.1-mile circuit in Nürburg, near the Belgian border, which includes sections of public road and isn't open for racing most of the year. When he's finished, Morris will have at least 15 miles of private track just 45 minutes from the Las Vegas Strip. He claims that Pahrump, population 36,441, is the "fastest-growing town in the U.S. for its size" (a January tourism office press release only commits to Pahrump being "a sleepy desert town on the rise") and that the property was a great deal. He paid \$5 million for it, including 3 acres that front Route 160, the main road from Las Vegas to Death Valley, which annually handles an average of 1.7 million tourists.

Morris says he initially wanted to buy a place where his friends and family could drive fast—in everything from street cars to Porsches and Ferraris to exotic Radicals—and have fun, but the more people came to visit, the more it was clear that other wealthy thrill-seekers were looking for this kind of oasis, too. Even if the idea wasn't to start a business, Spring Mountain is one now, with 126 employees and \$30 million in annual revenue from race-instruction schools, the membership fees of aspiring Lewis Hamiltons, and track rentals by manufacturers for testing. Which is why Morris is now in the middle of a transformation that will turn Spring Mountain into a destination resort with a community of luxury homes on 200 trackside lots, a hotel, restaurants, theaters, a car wash, a coffee shop, a water treatment plant, and probably many other things he hasn't thought of yet. "It was also an investment," Morris explains. By the end of 2017 or early 2018, he says, he'll also have a 6-mile, off-road desert course for trucks and ATVs, a

track for high-performance go-karts, and a zip line to the resort's main clubhouse with a 160-foot drop.

For visitors who don't want to race or zip, there's stand-up paddleboarding on the 18 million-gallon lake Morris built in 2014, as well as an indoor shooting range. "The idea was to have a complete destination," he says, so members won't have to leave for anything. Two of his wealthiest members even talked Morris into building a 6,000-foot straight on the new track to accommodate their jets. "It can double as a drag strip," he says, one he and members may use to attempt land-speed records. "We'll end up with our own city, and we can do whatever the hell we want." He pulls the helicopter up and over power lines and guides it toward a small U.S. Forest Service ranger station on the current Bureau of Land Management parcel.

Morris has the dyed-brown hair and joie de vivre of a man sitting atop a fortune. A serial investor, he sold his last and most successful business, Advanced Access, then the country's largest provider of web services to the real estate industry, for \$30 million in 2006. He was ready to have some fun and made the deal with Dominion Enterprises on two conditions: He wanted all cash and the assurance "that I will never hear from you again," he says. He got his wishes.

Semiretirement suits him. Morris has a thirtysomething girlfriend he met at a yoga class in Las Vegas. In addition to his home at the track, he spends time in Hawaii and Newport Beach, Calif., and flies to Honduras for stem cell treatments that are controversial and unproven, but which he proselytizes about nonetheless to anyone with an ailment. Meanwhile, his hobbies have escalated. Once an excellent golfer, he says, he quit playing after he fell in love with racing his modified Dodge Viper. Later he blew up his old golf trophies with Tannerite, a material used to make exploding targets for shooting ranges. Golf seemed "too slow," he says.

These days, Morris would rather floor his Italian-made Wolf race car 180 miles per hour or fly one of his water-powered jet packs around the lake. The body of water is visible in its entirety from the helicopter, as is the palm-tree-shaded island in the middle that breaks up the wake from the jet packs, which he rents to members and visitors. Morris briefly owned a jet pack manufacturer, too. "Have you seen the video of me from the news?" he asks. Morris is referring to a 2011 segment in which he takes off from a dock, accidentally hits the pack's kill switch, and immediately face-plants into the harbor live on San Diego morning TV. The clip, "Fox 5 News Jetpack EPIC FAIL!," has more than 3 million views on YouTube.

The changes to Spring Mountain started small. In 2007, Morris added the clubhouse, a pool, and 140 member garages. After he tired of staying in a run-down local motel, he built a small apartment, racquetball court, and helicopter hangar. Once members saw his apartment, they clamored for a place to sleep, so Morris built 42 condos, including one for himself. He wound up spending so much time at Spring Mountain that, two years ago, he built himself a 5,000-square-foot house. It has a basement garage for his race cars, a

pool, a second hangar, a wine cellar, and a rooftop helipad with a fireman's pole. "I climb up more than I slide down," he says.

The helipad, where the helicopter ride ends, offers an excellent view of all 6.1 miles of existing track as well as the two new parcels of land. Morris points out where 3 miles' worth of track will soon be under construction, possibly starting in February. Most days, that portion will serve as its own distinct track, just as the existing 6.1 miles is typically divided up into three or four that can be run independently, allowing the facility to host multiple driving schools and still keep a section or two open for the 300 club members. (In total, there are 53 track configurations: <u>http://tinyurl.com/y7x2jdw6</u>). On rare days when Morris or his track manager decides to run all segments concurrently, Spring Mountain is already the longest track in the Americas and the third-longest in the world. The club is home to Corvette's driving school, and last fall, General Motors opened a Cadillac performance academy on the grounds.

Members pay \$45,000 to join and \$5,000 a year in dues, but they rarely stop there. From Morris's on-site showroom, "they buy a \$250,000 Wolf, then a \$500,000 lot" for a private home, he says, adding that one member bought eight cars and a lot on his first day of membership. Most enthusiasts, 33 percent, are from California; 20 percent live in Nevada; 10 percent are Canadians. One guy flies in from Australia for all of the track's race weekends. There will be 10 this year.

Spring Mountain's most famous member (that we know of—there are celebrities who've succeeded in remaining anonymous) was Oliver Prinz von Anholt, a son of Zsa Zsa Gabor's who died in a motorcycle accident in Los Angeles in December. Jeffrey Cheng, 53, a private equity investor from Newport Beach, Calif., who races a Wolf, says: "Spring Mountain is an adult Disneyland. We race cars, we go off-roading, we shoot big guns, we jet pack, we play with remote-control boats and cars, we fly drones, we fly planes, we fly helicopters. When you want a great dinner and some nightlife, you're only a 40-minute drive from Las Vegas. Who can beat that?" Alain Derzie, a laparoscopic and general surgeon who lives in Manhattan and drives a Radical, made his first pilgrimage to Spring Mountain in 2004 to attend Corvette's driving school. He became a member in 2012. "When John says he's going to do something, he does it," says Derzie, 48. "He said, 'I'm gonna build a lake.' I said, 'What?' He built a lake. Every year there's something new."

At this point, the only thing holding up the latest expansion is a mandatory waiting period for public comments, which Morris expects to wrap up soon. Local officials declined to comment on the plans, though Arlette Ledbetter, the town's tourism director, says, "This project is extremely important to the Pahrump economy, and we look forward to working with John Morris and his team." Morris gazes out on the sprawling scrub. "I want to incorporate our own city two years from now," he says. People keep suggesting Morrisville, in jest, but he has a better idea. "We're looking at Race Town, Nevada."