

LAS VEGAS BUSINESS PRESS

Resort condo sales prices remain strong Single-family homes in valley sell for 88 percent less than average CityCenter condo

By Tony Illia

Southern Nevada's luxury high-rise condo market recorded average sale prices of nearly \$792 per square foot in January, reports **Restrepo Consulting Group**, a Las Vegas-based real estate research firm. MGM Mirage's \$7.8 billion CityCenter had the valley's highest-priced condos at \$1,492 per square foot. The 18.6 million square foot, mixed-use development is under construction on the Strip between Monte Carlo and Bellagio. A single-family home, by comparison, sells for around \$180 per square foot or 88 percent less than a CityCenter high-rise residence.

"The resort corridor has the heaviest concentration of luxury condos, accounting for 62.5 percent of the market, although the suburban areas of the valley have shown increased development activity," Restrepo Consulting Group principal **John Restrepo** said. "Approximately 47.5 percent of the suburban luxury condos are mid-rises, which are more compatible with the valley's lifestyle and income level. Land prices in the resort corridor remain high, and we are seeing a growing interest in suburban locations because of softening property prices."

There were 97 luxury condo projects in January, totaling 62,293 units in the Las Vegas Valley, with 21.6 percent of those developments having been canceled or suspended. There were 39 projects, combining for 4,341 units, actively selling in the suburbs, with another 5,982 units proposed for future development.

The suburbs now account for 20.1 percent of the valley's total luxury condo market. The resort corridor, however, still commands the lion's share of activity with such projects as the \$2.9 billion Fontainebleau at Las Vegas Boulevard and Riviera Avenue, which has 1,000 condo hotel units. There's also the \$3 billion Cosmopolitan at Harmon Avenue and Las Vegas Boulevard that contains 2,998-room condo, hotel and condo-hotel units.

"There were 2,156 completed and 8,506 actively selling condo-hotel units at the beginning of 2008," **Restrepo** said. "There were also 3,000 proposed units and 1,625 canceled and suspended condo-hotel units as of January."

PROJECTS

SR Construction recently completed Poggemeyer Design Group's \$3 million corporate headquarters inside Mountain View Professional Business Park at 6960 Smoke Ranch Road in Las Vegas. Dekker/Perich/Sabatini designed the two-story, 18,000-square-foot building.

SR Construction also completed the \$2 million neonatal intensive care unit inside St. Rose Dominican Hospital's Siena campus at 3001 St. Rose Parkway in Henderson. HMC served as the architect of record for the 5,000 square-foot project.

MILLION DOLLAR DEALS

HIC Trident LLC bought the 130,100-square-foot Trident Industrial Park at 2915 Losee Road in North Las Vegas for \$16.2 million, or \$124.51 per square foot, from Trident Industrial Park LLC. Grubb & Ellis' Al Barbagallo represented the seller.

South-Tech LLC bought the 2.52-acre, 27,327-square-foot Sunset & Annie Oakley Plaza at 3950 E. Sunset Road, Las Vegas, for \$7.3 million, or \$266 per square foot, from Shoshone Cattle and Land Development Co. NAI Horizon's Ron McMenemy represented the buyer, and Realty Executives Commercial's Mark Anthony Rua represented the seller.

Component West LLC bought 15,953 square feet of industrial space at 353 Pilot Road in Las Vegas for \$3.7 million, or \$232 per square foot, from Pima Properties LLC. Realty World's Matthew Feustel represented the buyer, and Grubb & Ellis' Xavier Wasiak represented the seller.

American Video Electronics signed a five-year, \$1.4 million for 27,500 square feet of industrial space at 3905 W. Diablo Drive in Las Vegas. Prudential CRES-IPG's Art Farmanali and Dean Willmore represented the lessor, Tanner Industries; First Commercial Realty's Yuri Rozental represented the tenant. The reported average rent equals 86 cents per square foot.

Alfred Angelo Bridal signed a seven-year, \$1 million lease for 4,600 square feet of retail space inside the Galleria Pavilion Shopping Center at 605 Mall Ring Circle, Suite 170, in Henderson. New Market Advisors' Bob Touma represented the tenant; Grubb & Ellis' Eric Berggren represented the lessor, Galleria Pavilion LLC. The reported average rent equals \$2.66 per square foot.

tonyillia@aol.com

303-5699