



Photo by Jerry Henkel/Review-Journal

Vantage Pointe by Sun West Custom Homes. A sitting area overlooking the Las Vegas Valley is shown left. The Ridges home is featured in the 2009 Parade of Homes.

Parade of Homes features lower-priced luxury

By HUBBLE SMITH
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It may not be the best of times to show off luxury mansions in Las Vegas, considering the down housing market and an economic recession that has forced the wealthiest of the wealthy to reconsider where they're throwing their money.

During the 18 months of preparation for the 2009 Parade of Homes, the "perfect storm" swept through Las Vegas, destroying home values at every price segment and siphoning available credit, said Lisa Hester, executive producer of the tour.

"Who moved my cheese?" she said. "It's a different setting in Vegas. When you're in an economy like this, adjustments happen that have to happen."

After holding up well into early 2008, the high-end market hit the skids like the rest of the real estate market, said Kenneth Lowman, broker and owner of Luxury Homes of Las Vegas.

Prices have declined 25 percent to 45 percent, depending on the neighborhood, quality of construction, age and amenities, he said. He knows of a 13,000-square-foot home inside three gates that was originally listed for \$14 million and can now be bought for \$6.5 million.

It's not uncommon to see \$1 million price reductions in many luxury communities, he said.

Million-dollar mansions on the Parade of Homes are unattainable for most buyers, but they can be seen as sort of a "local stimulus package" for home design and decor in Las Vegas, Hester said.

People will see synthetic turf and ask how it's maintained. Custom lighting may catch their eye, or a particular stone pattern. One home has a kitchen with a glass floor, glass table and glass chairs sitting above the swimming pool.

"When people see these things and are inspired and motivated, they start digging in the couch for quarters to do some little remodel and we're starting to see a lot of things we talked about," Hester said.

The 2009 Parade of Homes, which showcases 12 homes in exclusive neighborhoods such as Red Rock Country Club, MacDonald Highlands and The Ridges, continues through Sunday and next weekend. Tickets are \$25 and can be purchased online at www.LVParadeofHomes.com.

One of the Parade homes, Marquis by Las Vegas-based Blue Heron, was featured as the New American Home at the 2009 International Builders Show in January.

Built on an infill parcel near Tomiyasu Lane and Sunset Road, the 9,000-square-foot home breaks away from the "vernacular architecture" seen in most master-planned communities in Las Vegas, said Tyler Jones, president of Blue Heron.

"We can't keep copying these other places and think we can have an identity," the native Las Vegas said.

The \$4.5 million Marquis home is a good example of the "green" building movement with its insulated concrete forms, tankless water heater, water-smart turf and photovoltaic system that produces more electricity than the home uses during certain periods of the day.

"We've got to think long term and what comes next, the zero carbon footprint," Jones said. "We've got to educate people about renewable energy. This isn't a fad. This is long term. The builders know it's real. They know the demand is there."

Realtor Rob Jenson said the contemporary look of the \$7.5 million Acero home by Stacy Slade at Red Rock Country Club is "almost industrial" in the use of concrete and gray tones. Floor-to-ceiling glass wraps around the upstairs game room and gives it the feel of a high-rise penthouse, he said.

"It's unbelievable. In spite of current market conditions, they continue to press the envelope," Jenson said.

The \$10 million River Runs Thru by Sunridge Builders at MacDonald Highlands features a babbling brook in the courtyard entrance and a three-story waterfall in the grand foyer.

Luxury home development stimulates the economy by providing hundreds of jobs for trade contractors, laborers and suppliers, said Dan Coletti, president of Sun West Custom Homes.

Lowman said several factors are causing luxury home prices to fall.

Buyers are often business owners and executives whose own businesses are feeling the pinch of the recession. Stock market declines took away much of their paper wealth and now limits their buying power, he said.

Lack of available jumbo financing is another factor. About 80 percent of luxury transactions are going to all-cash buyers.

"It's just not that easy to get financed anymore, for anybody," Lowman said.