

Unit 21 at Veer Towers, where prices are about half what they were in 2007.

Strip Views

HIGH-RISE LUXURY LIVING ON THE STRIP USED TO MEAN EQUALLY STRATOSPHERIC PRICES, BUT—IN AN UPSIDE TO THE DOWN ECONOMY—THAT’S NOT TRUE ANYMORE. BY ANDY WANG

Locals often say that the biggest misconception about Vegas among friends who haven't visited is that we all live on the Strip. Considering current prices there, perhaps that's something to consider.

"Today's the best day to buy at Mandarin Oriental Las Vegas," says Tony Dennis, executive vice president of the CityCenter Residential Division (*citycenter.com*), "because we've priced it very fairly and priced it to sell, and in some cases leave buyers' money on the table."

Finished condos atop Mandarin Oriental have been selling this year for no more than \$800 per square foot, and unfinished "gray shell" units have sold out in the \$450-per-square-foot range. If those prices aren't enticing

enough, buyers have also recently received incentives such as closing costs and up to 18 months of fees and taxes paid by the developer.

Compare that to the preconstruction numbers in the frothy days of 2007, when the plan called for finished units with an average price of more than \$1,600 per square foot—a plan that seemed reasonable when all 225 condos were under contract within 14 days.

After the market melted down while the building was being completed, CityCenter offered buyers a 30 percent discount as an incentive to close rather than walk away from their deposits. By early 2010, Mandarin

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Panorama Towers was the poster child for the Vegas real estate collapse, but now it's bustling with activity.

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Oriental had closed on 65 units averaging \$1,200 per square foot, leaving the building with 160 units to sell a second time.

The latest prices, down about another 30 percent from 2010, have put Mandarin Oriental in a prime position, with 80 units sold this year (as of press time). “We’ve worked to find pricing that’s in line with where we think the market’s at,” says Dennis. “We’ve found an equilibrium.”

Mandarin Oriental condos remaining include two Penthouse Collection units priced at \$3.495 million each, or about \$850 per square foot. Two-bedroom residences of 2,500 to 2,900 square feet are selling in the \$2 million range. “It’s an exclusive environment where the homeowner has the run of the whole building,” Dennis says. Owners get to enjoy the privacy of their own home and residents-only amenity spaces, as well as hotel perks like room service, housekeeping, and a spa.

Also at CityCenter is Veer Towers, which, as

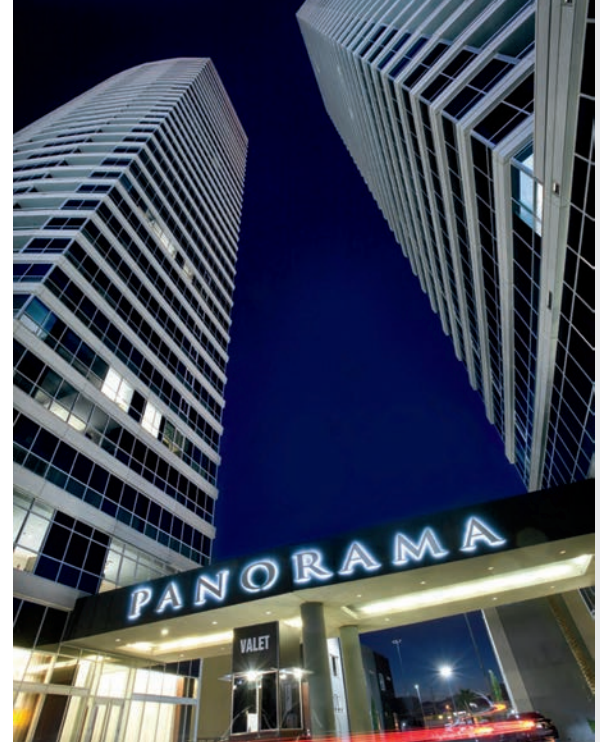
“I see families, kids, older couples, younger couples—a pretty happy cross-section.”

—JONATHAN SHECTER

of November, had sold close to 100 units since Pordes Residential relaunched the building’s sales in February (*pordesresidential.com*). As at Mandarin, prices have been reduced to about half what they were in 2007, with units now starting at \$260,000 for approximately 600 square feet. Local agent Shari Sanderson of Award Realty and *lasvegascondomania.com* has found many buyers for CityCenter homes since the recent price decreases. She closed more than 70 deals there in the first three quarters of the year, including more than 30 at Mandarin Oriental in one frenzied month.

“Californians are coming in droves,” she says. “They’re getting away from the tax structure there.” Sanderson has also sold units to buyers from around the world. Not surprisingly, Strip living is suited to the kind of owners who can afford multiple homes. One of her clients is Linda Tatum, a real estate broker and “luxurious lifestyle consultant” who has designed the interiors of other Mandarin Oriental units and spends much of her time living on the residential ship known as *The World*.

Yes, living on or around the Strip can mean having interesting neighbors. Jonathan Shecter, director of programming for Wynn Las Vegas’s nightclubs, resides in Panorama Towers (*lasvegascondomania.com*), the high-rise complex west of



CityCenter on Dean Martin Drive that has been the longtime home of World Series of Poker stars like David Williams and Antonio Esfandiari. Shecter has seen the dramatic rise, fall, and re-birth of Vegas real estate firsthand. He recalls buying his 1,200-square-foot two-bedroom in 2006 at a friends-and-family preconstruction price of \$520,000.

“In January 2008, a comparable unit was going for \$725,000 on the day I moved in,” he says. “I thought, This is amazing.” He customized his unit, installed bamboo floors, put in high-tech audio-video equipment, and then the market crashed. “The value went from \$725,000 to \$225,000 in one year.”

Neighbors walked away from their homes. The development became a mess of foreclosures, short sales, and owners desperately looking for renters. “Panorama became a microcosm of the Las Vegas real estate disaster,” Shecter says, “every bad story you could ever hear.” But the complex had a lot going for it, including a balcony for every unit, gyms, pools, solid security, and convenient parking. Shecter plays racquetball in his building and can go from his bed to his Wynn Las Vegas office in 15 minutes. And then there’s his view.

“You see this wide swath of activity, a lot of cars, airplanes, helicopters, birds, people, casinos, lights,” he says. “It’s what I like to call the human ocean. And when it’s July 4 or New Year’s Eve, when there are fireworks, it’s even better.”

With the economy improving, prices for comparable two-bedroom residences at Panorama Towers are now in the \$400,000-to-\$500,000 range. “I’m almost at sea level,” Shecter says.

The new demographic breakdown has him feeling upbeat, too. “I see way more normal people here,” he says. “I see families, kids, older couples, younger couples. You see a pretty happy cross-section.” **V**

A master bedroom at Mandarin Oriental.



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