

Lease vs. Buy

Will the latest trend in Vegas real estate solve the empty-condo problem?

By Bonnie Siegler

WAITING FOR THE REAL estate black hole to come to an end before buying your dream home? There's a new trend to help: leasing options. "I've turned that lemon into a big glass of lemonade," says John Tippins, regional director for ST Residential. "We're able to give people the option to lease while the industry turns itself around, so everyone gets to live where they want to live, now." ST Residential has three rental options for those looking to lease during these unsettling economic times: One Las Vegas, Loft 5 and The Ogden. "It's difficult to secure a home loan, so we provide an alternative solution."

Realty One Group realtor Mahsheed Barghisavar agrees. "The majority of Las Vegas have been short-selling their homes, or been foreclosed, which has affected their credit scores," she says. "Ninety percent of those I deal with don't have good credit or the down payment needed to purchase. So it's been difficult for people to buy unless they have all cash. Leasing is a great option whether it's a home or a condo; I leased both today."

A lease price for a four-bedroom house is around \$1,200 per month, while mid-rise condos are between \$1,200 and \$1,400. "The high-rise condos are about \$2,000 a month, but high-rise leasing is very popular," he says. "As soon as a unit becomes available in Panorama Towers, I have calls on it immediately."

Agent Aaron Auxier, who leases in Veer Towers, Mandarin Oriental and Allure, says not to give all the credit to the state of the economy alone. "The recession has definitely contributed, but this trend might have happened anyway because people are living longer, especially the baby boomers," he says. "People are taking their time making decisions—what do I want, what do I need, what are the risks, what are the rewards? Leasing gives a person the chance to try out



One Las Vegas



One Las Vegas fire pit area

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a place and see a whole new lifestyle without taking a huge financial risk."

So is leasing a residence something that will fade quicker than the latest fashion trend? "I think it will be popular for the next few years, just because of the amount of inventory still left in Vegas," Barghisavar says. "But you have to remember, real estate is cyclical."