

North Las Vegas condo project facing delays

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New Zealand developer Kayne Nelson has hit some snags in the progress of CL3 Lofts near Cheyenne Avenue and Clayton Street in North Las Vegas.

The project broke ground a year ago and was scheduled to finish in August.

Part of the problem is the complexity of the project, a mix of office, warehouse and residential space that has never been built in North Las Vegas, Nelson said. There's no existing code for all three uses. Additionally, they've had to anticipate changes in the International Building Code.

Most of the work so far involves soil remediation by Alpha Engineers and American Clay. Grading of the 5.3-acre parcel is finished and the soil has been treated with hydrogen injections to make it "rock hard," Nelson said.

He paid about \$430,000 an acre for the land.

CL3 Lofts is planned for 44 units, including a café, priced from \$600,000, or mid-\$300 a square foot.

Broker Kevin Buckley of First Commercial Real Estate said condo office "gray shell" is selling for \$240 to \$260 a square foot in Las Vegas without improvements such as air conditioning or a bathroom. Tenant improvements will run \$50 to \$80 a square foot, he said.

Nelson said he's been so concerned about delivering the product on time and on budget that he wouldn't take purchase contracts until final approval of construction contracts. Typical end users might be architects, engineers, real estate professionals, dot-com startups and companies that do shipping and receiving, he said.

"We used to build office warehouse (in New Zealand) and people would come up and say, 'What's the possibility for residential?' We held out for so long, but the demand was too strong," Nelson said.

"They're in a 2,100-square-foot unit from 9 to 5 and when you're finished at the end of the day, you don't go back to a 1,000-square-foot apartment, you still have 2,100 square feet. It's something you can use 24 hours a day."

Kalb Co. is the general contractor and Ariel L. Valli is the architect of record. The project is fully funded for \$21 million by Community Bank and Small Business Administration financing is available to buyers with 10 percent down payment.

SOUTH STRIP: A 22.5-acre parcel on Las Vegas Boulevard and Pyle Avenue is on the market for \$53.4 million, or about \$2.4 million an acre.

Keith Spencer of CB Richard Ellis said the site is approved for H-1 zoning with potential for hotel-casino, high-rise condominium, time share or mixed-use development. It's part of the south Strip area that has an estimated \$8 billion worth of development, including South Point, the Grandview time share and a future Station Casinos project.

FAST CLOSING: Ken Lowman of Luxury Homes of Las Vegas said he closed escrow on a \$1.35 million condo at Turnberry Place in two business days, his fastest closing ever.

He said it usually takes 30 to 45 days to close escrow, which requires a preliminary title report, obtaining the seller's loan payoff amount, processing the buyer's loan, paying off taxes and association dues and getting escrow documents signed and notarized.

Lowman said the buyers were leaving the country on vacation in two days and wanted to ensure escrow was closed before they left. The seller owned the Turnberry condo as a second home.

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