

REAL ESTATE

Las Vegas real estate gaining global reach

GLVAR's Global Business Committee works to educate local Realtors

BY JEFFREY MEEHAN
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International homebuyers are a growing part of Las Vegas' luxury home and high-rise market, along with other product types, experts say. Many in the industry are ready to welcome these newcomers and work diligently to bring them to the Las Vegas market.

Gordon Miles, chief operating officer and president of Berkshire Hathaway HomeServices Nevada Properties, said some of the biggest things to attract international buyers is to educate your team, communicating with the buyers and gaining access to them.

Access is a large point with Berkshire Hathaway. That company partnered with Juwai.com — a China-based international property portal — earlier this year to syndicate all its residential listings to an audience of about 2 million. Similar portals on the market include ListHub Global.

According to Juwai.com, the U.S. is the No. 1 destination for the site's potential property buyers.

At a metropolitan area, Las Vegas came in at No. 9 for most viewed in 2016, which was slightly down from 2015, when the city was No. 6 most viewed. The most viewed city in 2016 was Los Angeles, followed by New York City and Seattle.

Berkshire also prepares its agents by offering education. Miles said the company offers courses for agents to become a Certified International Property Specialist, which eventually leads to a designation through the National Association of Realtors.

The program prepares agents to handle transactions with foreign buyers and foreign monies, along with other related items.

The number of agents that hold the designation across the U.S., however, is more than 3,500. That's with more than 1 million real estate agents currently part of the NAR.

Tamara Tyrbouslu, co-founder and chair of the Greater Las Vegas Association of Realtors' Global Business



Ivan Sher
Shapiro & Sher Group,
Berkshire Hathaway
HomeServices



Gordon Miles
COO/president of Berkshire
Hathaway HomeServices
Nevada Properties



Kamran Zand
Luxury Estate International

Committee, has been working on creating awareness and educating local real estate agents since the early 2000s on international clientele.

Tyrbouslu is also an instructor for CIPS certification courses offered through the GLVAR.

There are benefits to being certified.

The income level for CIPS designees can reach over \$100,000 annually, where the typical real estate agent could expect to clear \$39,000 on an annual basis, Tyrbouslu said.

Tyrbouslu said that real estate is a local industry, but agents can still work to attract foreign buyers and sellers.

"It's just a different marketplace, and so it's great if agents can be an expert in their local market but have a global reach," Tyrbouslu said.

GLVAR's Global Business Committee works to educate local Realtors on international affairs, but it also is looking to attract foreign investment.

Earlier this year the GLVAR participated in MPIM, the world's leading property market in Cannes, France, where the association came to attract interest in Las Vegas. The association showed off its offerings to the roughly 23,000 attendees in March.

Many of the attendees are direct foreign investors such as architects, designers and similar organizations, Tyrbouslu said.

Next year, the association is planning a similar trip to Greece.

There are also events happening on the local level.

On June 26 and 27, the committee will put on a summit called Your Passport to Global Success, at which attendees will be offered education sessions and learn about what the city has to offer as investment op-

portunities.

Tyrbouslu said the event will consist of about 60 percent to 70 percent local Realtors and the other 30 percent will come from outside the marketplace.

An important part of attracting foreign buyers is creating good connections.

133
\$1 million home sales in 2017 through May 26

106
year-ago sales

11
\$3 million home sales in 2017 through May 26

14
year-ago sales

29
High-rise \$1 million sales through May 26

21
year-ago sales

"If I take the time to create the relationship with these people, in these markets, that have relationships outside of Las Vegas, outside of the United States, and I bring them to my local sphere, that's a large part of how we create and how we bring in the international buyers," said Ivan Sher principal of Shapiro & Sher Group, which specializes in the luxury market.

Sher used an example of creating relationships with brokers outside

the U.S.

"Unless we create those relationships, they're not going to come here," he said.

Beyond getting foreign buyers in the door, there are other things to learn.

Sher said it's important to make foreign buyers aware that you understand their culture and walking them through the process of how things work in the U.S.

In the past, Sher said he's seen other Realtors stumble, when they picked up an international client though they didn't understand how to work with them.

International buyers come from many parts of the world.

Kamran Zand of Luxury Estates International said he mostly sees clientele from Asia, followed by Canada. Zand said he is also seeing an influx of buyers from Mexico City.

Zand said he uses different outlets to attract foreign buyers — one of them being Caimeiju.com — which targets the Asian community.

The Asian buyer is something Zand sees growing in the future.

"I see it growing dramatically," he said. "For the Las Vegas market, I think there's things that are attracting them, especially with the new Resorts World, and more Asian-themed casinos are drawing them out."

One area foreign buyers are interested in is luxury product, according to Miles.

The luxury market, in general, saw increases in 2017 over 2016 — in both high-rise and single-family home product.

From the beginning of 2017 to roughly the end of May, there were 133 single-family homes sold with a value of more than \$1 million — that was more than the 106 homes that sold in the same period in 2016, a 25 percent increase.

Single-family homes that sold at \$3 million or more dropped slightly from the start of 2017 to the end of May. There were 11 homes in that price bracket sold in that period, compared to 14 during the same time in 2016.

High-rise product sold for more than \$1 million also saw a jump through the end of May from the beginning of the year, selling 29 units in that time, compared to 21 units during the same time last year.

REAL ESTATE BRIEFS

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positive outcome going forward.

"I think it's going to take some time to lease out all that inventory," Gordon said. "In the longer run, we expect to see many of those spaces fill up, but there could be some near-term softness in the vacancy rate as developers and landlords attract tenants to that new product."

On another positive note, Gordon said the valley now has some newer

big box space available for local tenants to expand or companies to move into from other areas in the Southwest.

BLACKSTONE SNAPS UP THREE LAS VEGAS APARTMENTS

Blackstone Group, a global investment firm, acquired three multifamily properties in Las Vegas totaling \$170 million, or about \$302 a square foot, CoStar.com reported in early June.

"Las Vegas is one of the last metros

to recover; rental growth is strong and is expected to outperform the majority of other markets in the country for the next five years," said Douglas Schuster, executive managing director with ARA Newmark, who represented the seller, Nevada West Development LLC.

Blackstone picked up 972 units across several parts of the valley with its recent purchase.

The new portfolio consists of the 324-unit Dream Apartment Homes at 1005 Wigwam Parkway in Henderson,

the 310-unit SW Apartment Homes at 6355 S. Durango Drive and the 338-unit Union Apartment Homes at 4450 S. Hualapai Way.

The properties are 91 percent occupied, according to CoStar.com.

The average vacancy rate in Las Vegas was 3.2 percent as of the fourth quarter of 2016 according to a report by Colliers International Las Vegas. That number was down from the fourth quarter of 2015, when vacancy sat at 4.2 percent.