

BEDROOM COMMUNITIES: Dam bypass opens doors

Nevada developers race to make land deals in Arizona

Developer Leonard Mardian has several small projects in Las Vegas, but his company can't match the resources of those developers who successfully bid for mass quantities of vacant land in the Las Vegas Valley.

With only limited, highly priced land available in Clark County, Mardian set his sights across the state border in Mohave County, Ariz., where he is embarking on his first master-planned community.

It's not in Las Vegas, but Mardian figures it will be close enough as soon as the Hoover Dam bypass is built.

Mardian's community will be about 26 miles south of the dam. Currently, it would take motorists more than an hour to make the trip from Las Vegas.

Real estate experts estimate that the new bypass, scheduled to open in 2008, will knock 30 minutes off the commute and literally pave the way to a new Las Vegas bedroom community. Instead of winding their way for 3 miles over the dam, drivers will take a straight shot across the Colorado River.

"We have a lot of faith in the investments we've made," said Mardian, who works alongside his daughter and wife. "We don't have any partners; when we go out and make purchases, it depends on timing."

The timing is seemingly ideal, according to Dennis Smith, president of Home Builders Research in Las Vegas.

Just a few years ago, desert land just east of the dam appeared to be a risky investment for residential developers. The commute from Las Vegas to Kingman, Ariz., for working families is at least an hour.

Because of the location, land goes for less than \$50,000 an acre. In contrast, the dwindling supply of developable property in the Las Vegas Valley sells for between \$300,000 and \$600,000 an acre.

The price difference, coupled with the new bypass, has Las Vegas developers scrambling to land deals with property owners in Arizona.



Construction of the Hoover Dam bypass, expected to be completed by 2008, can be seen in an aerial photo taken Wednesday.

Developers are purchasing land in Arizona in hopes the shorter commute will attract residents who work in Las Vegas.

Photo by [Jeff Scheid](#).



Graphic by [Mike Johnson](#).

Smith believes the stretch between the dam and Kingman will someday be blanketed with the kind of master-planned communities that have become the norm in Clark County.

"I think at this point it would be very easy to suggest that Kingman will be a bedroom community, but it's not going to be overnight. It's going to take some time," Smith said.

Mardian's plans for his Ranch at White Hills are similar to what Clark County looked like 40 years ago, providing a lifestyle that he and Smith believe some residents crave.

Mardian's community will include 2-acre to 4-acre lots designated as equestrian estates, where people can house their horses on their property.

He figures with land costs so inexpensive, he will be able to provide truly affordable housing.

"We're looking at the guy in Green Valley who wants to pay \$30,000 to \$40,000 less than they are now," said Mardian, who will begin developing his community shortly before the bypass is finished.

Smith has no doubt that the area will attract Las Vegas homeowners whose rural lifestyle is constantly threatened by growth and residents tired of hectic city life. A 45-minute commute to work might seem more palatable on a traffic-free highway through the scenic desert rather than spending that time crawling along Interstate 15.

"It's for those who want bigger lots and open spaces and more of the country-type living," Smith said. "There is a lot of people who will fit into that category as you get more dense, crowded, traffic, lines ... they're going to want those open spaces."

With plentiful vacant, inexpensive land and a healthier water supply, Mardian's 35,000-acre-community won't be without neighbors. Several sources in Las Vegas and Kingman say Rhodes Ranch developer Jim Rhodes has invested and intends to build a golf course community.

Woodside Homes bought land south of Mardian's property last summer and plans to build "a few hundred homes," according to a representative of the company who asked not to be identified.

For as little as \$100,000, the company would offer homes that would fetch \$300,000 in Green Valley, the source said.

"When the bypass bridge is built, we view that as an affordable alternative for a Las Vegas commuter market," he said.

Three developers confirmed Rhodes bought at least 2,500 acres near Mardian's property. All asked not to be identified.

Bill Marion, a spokesman for Rhodes Homes, acknowledged Rhodes is interested in Arizona land. But Marion declined to confirm any deals.

Mike Horner, who has significant landholdings east of Kingman, said he has had several conversations with Rhodes but that they could not come to terms.



Road construction on the Hoover Dam bypass on the Arizona side on Wednesday shows the view looking north toward Las Vegas. With the Hoover Dam bypass scheduled to open in 2008, some Las Vegas developers are buying land in Arizona to build bedroom communities. The bypass should cut the commute time by about 30 minutes, real estate experts predict.

Photo by [Jeff Scheid](#).

Rhodes has also tried to buy land from John Lingenfelter, a retired doctor who is trying to develop a master-planned community north of Kingman, according to Kingman City Councilman Tom Carter. Carter, who works for Lingenfelter, said property purchase discussions between the doctor and Rhodes have also failed.

Developer Fred Eldean confirmed more than 3,000 acres he owns south of Kingman is in escrow to a partnership he said plans a residential development. Eldean, however, said he has signed a confidentiality agreement that prohibits him from disclosing the purchasers and other particulars of the sale, which he said should close in January.

Las Vegas developers began looking toward Arizona about two years ago, shortly after the Hoover Dam bypass plans were announced, said Wade Cunningham, who works with the real estate group Arizona Land Advisors.

"Las Vegas has grown so quickly that developable land is difficult to find in that area anymore," Cunningham said. "Developers are looking outside the Las Vegas area and into Arizona, where they're finding lower property costs."

Cunningham said Arizona has traditionally been attractive to retirees, but younger families might be drawn to the state if more job opportunities arise. Wal-Mart, for example, just reached an agreement with the city of Kingman to open a distribution center. Wal-Mart intends to hire 500 employees.

"It has primarily been retirement community growth, but with new jobs and opportunities, you'll see younger people and families moving in," Cunningham said.

Mohave County Sheriff Tom Sheahan said he is concerned about rapid growth affecting his department. The sheriff's office is barely able to keep up with current growth, let alone the growth that would be associated with master-planned communities, he said.

Review-Journal writer Dave Hawkins contributed to this report.

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