

## Data point to workplace housing shortage in 2009

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With Las Vegas having more than 29,000 homes, town-houses and condos on the market, the Southern Nevada Home Builder's Association released a report last month that the region would have a shortage of workforce housing by 2009.

The report, drafted by Las Vegas consulting firm Applied Analysis, said it's possible because of the opening of resorts on the Strip in 2009 and 2010.

If that is true, it means people looking for bargains better buy homes in 2009 because strong demand will only increase housing prices.

"We think it is a matter of grave concern to the community," said Monica Caruso, spokeswoman for the homebuilders. "With the resorts opening, that is going to bring in tens of thousands of jobs, and our industry has to ratchet up to address workforce housing at the end of 2009. People are well served to get a roof over their head quickly. We are going to have no place to live, and people are going to have to double up and triple up."

The dire nature of what the report is predicting has prompted Las Vegas analyst, Restrepo Consulting, to announce that the firm and other analysts are reviewing the report to see if that scenario will unfold. Restrepo says the housing report will be referenced in a study it is doing on economic diversification for the Southern Nevada Regional Planning Coalition, which is composed of local government entities.

Restrepo said the firm has put together a consortium of national, regional and local consulting firms with extensive experience in evaluating housing markets across the country to look at the report. If the firm's findings are supported, they pose some interesting challenges for homebuilders and for recruiting workers to Southern Nevada. The message will be going out that Las Vegas has a housing shortage and that potentially means more expensive housing, it said.

"We have been asked by a number of our private-sector and public clients to evaluate the assumptions and methodologies in that report to see if it makes sense," Restrepo said. "We are trying to replicate the same conclusions. It has an effect on recruiting companies to Southern Nevada. We already have some challenges we are facing and if the message goes out, and if it is a true message, it is what it is, and we will support it completely. Our clients just want

us to make sure the report is valid so, if there is a housing shortage, we need to plan accordingly.”

Applied Analysis Principal Jeremy Aguero says his projections were based on the demand for employees, and he is confident in his report and has vetted the numbers. But he admits when it comes to analysts, reasonable minds can differ, he says.

“We feel comfortable with it,” Aguero said.

The homebuilders are confident in the report and stand by it, Caruso said. Applied Analysis is one of the top firms in the community and works for state and local governments.

Courtesy of In Business Las Vegas

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