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## Paulson Said to Buy 875 Acres of Land in Las Vegas Area

By Prashant Gopal and Kelly Bit - Aug 8, 2012

Paulson & Co., the hedge fund run by billionaire [John Paulson](#), purchased more than 875 acres of land in a resort community in the Las Vegas area, a bet on a housing recovery in the region as the supply of homes shrinks.

The \$17 million purchase at [Lake Las Vegas](#) in Henderson, [Nevada](#), was made through the Paulson Real Estate Recovery Fund, which seeks to build houses on raw land and resell the properties to homebuilders, said a person with knowledge of the deal. The fund bought the majority of what remains undeveloped at the 3,600-acre (1,456-hectare) site, said the person, who asked not to be named because the details were private.

The deal was among the largest land purchases in the area in at least three years, according to Greg Gross, director of the Nevada region for Metrostudy, a Houston-based firm that tracks new construction. The Las Vegas area has fewer than 13,000 vacant lots for homebuilding, a small portion of which are for sale, he said. Inventories of available properties also have declined in the past year as foreclosures in Nevada slid.

“Paulson & Co. was prompted to invest heavily in the Las Vegas market because the supply of new housing is rapidly receding and few new projects are being planned in the Henderson area,” Gross said.

[Armel Leslie](#), a spokesman for New York-based Paulson & Co., declined to comment.

### Home Inventory

At the end of July, there were 16,944 single-family homes listed for sale in the Las Vegas area, a 25 percent decline from a year earlier, the Greater Las Vegas Association of Realtors said today. The median price of a single-family property was \$133,000, up 9 percent from July 2011.

Foreclosures in Nevada plunged in the past year after the state passed a law making it a crime to wrongfully seize a property from a delinquent borrower. In the Las Vegas area, the number of homes

with foreclosure filings fell 61 percent in the first half of 2012 from a year earlier, according to [Irvine](#), California-based data provider RealtyTrac Inc.

The master developer of Lake Las Vegas filed for bankruptcy in 2008, saying it had debt of as much as \$1 billion and \$500 million in assets. It won approval of an exit plan in 2010 that raised money for creditors, in part with plans to sue the company's former investors, including billionaire brothers Sid and Lee Bass.

## Hotels, Casino

The master-planned community, about 17 miles (27 kilometers) from the [Las Vegas Strip](#), is centered around a 320-acre man-made lake. It has two hotels, a casino, a golf course, stores and restaurants, and 1,800 townhomes and condominiums, said Robyn Yates, broker and owner of Windermere Prestige Properties at Lake Las Vegas. Paulson purchased land on the north shore of the lake that was known as Rainbow Canyon, she said.

“What it means is that somebody with a lot of money believes in the community,” Yates said.

John Paulson, who became a billionaire in 2007 by betting against the U.S. subprime mortgage market, has in the past few years been buying real estate directly or through his funds. His holdings include properties in Nevada, [Colorado](#), [Arizona](#), [California](#), Florida and [Hawaii](#).

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