



LIED INSTITUTE FOR
REAL ESTATE STUDIES
LEE BUSINESS SCHOOL

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David J. Kappos
Under Secretary of Commerce for Intellectual Property and
Director of the U.S. Patent and Trademark Office
P.O. Box 1450
Alexandria, VA 22313-1450

Dear Under Secretary Kappos:

I wish to add my strong support for consideration of Las Vegas, Nevada, as the ideal location for a new U.S. Patent and Trademark Office.

Las Vegas has been, and continues to be, a city with an entrepreneurial and innovative business attitude and environment. As a major partner with government and business, the University of Nevada, Las Vegas (UNLV) provides a trained workforce in many areas including law, engineering, science, and business.

The community offers many advantages in terms of taxes and cost of living. The overall state-local tax burden at 7.5 percent is the second lowest among all states. Alaska's is the lowest. Las Vegas' cost of living index is about 101 (national = 100). Among 325 urban areas in the United States, Las Vegas with a population 1.9 million is ranked 77th on the cost of living. The McCarran International Airport is centrally located and is within a 30-minute drive to any point in the city, including the central business district and the local, state, and federal government locations. There are many direct, or with convenient connection, flights from Las Vegas to almost any large city in the world. Perhaps, one of the most significant advantages of Las Vegas is its real estate market, both commercial and residential.

Currently, with about a 24 percent overall office space vacancy rate, Las Vegas offers about 10 million square feet of available vacant professional office space at an annual average per square foot price of \$22. The national average is about \$40. Office space is available almost in every part of the city. The downtown area, the central business district, has about 120,000 square feet of vacant office space. Almost one million square feet of vacant office space is available within a five-minute driving time to the airport.

Lied Institute for Real Estate Studies
Lee Business School
University of Nevada, Las Vegas
4505 S. Maryland Pkwy • Box 456025
Las Vegas, NV 89154-6025
Main 702-895-4492 • Fax 895-4650

The housing market in Las Vegas, for both buying and renting, is also amongst the most affordable in the nation. The affordability index, the median income to median home price ratio, is 1.9 in Las Vegas, 3.1 in the western region, and 2.7 nationwide. The rent-versus-buy ratio, at 6, is the lowest in the nation. A ratio of 15 is the “decision point.” At a median house price of \$122,000, price per square foot is about \$67. House prices are at 1998 levels. The median house price of existing homes in 160 metropolitan areas in the United States is \$170,000. That of the western region is \$206,000. Currently, there are more than 50,000 vacant homes in Las Vegas. More than 51 percent of the homes for sale are vacant.

In terms of rentals, there are a significant number of single-family homes, apartments, and condominiums available for rent. The apartment vacancy rate is about 12 percent. The condominium vacancy rate is more than 8 percent. Single-family homes rent for about \$0.72 per square foot, and apartments and condominiums rent for about \$0.85 per square foot.

The Las Vegas real estate market for working and living is, perhaps, one of the most affordable, if not the most affordable, among the nation’s metropolitan areas.

Best regards,

Nasser Daneshvary, Ph.D.
Professor of Economics and Beam Research Fellow
Director of Lied Institute for Real Estate Studies
Lee Business School
University of Nevada, Las Vegas
4505 S. Maryland Parkway

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