

charles
SCHWAB

The View from Chicago:

1,000 residents share their perspectives
on the local economy, managing wealth
and life in Chicagoland

September 2015

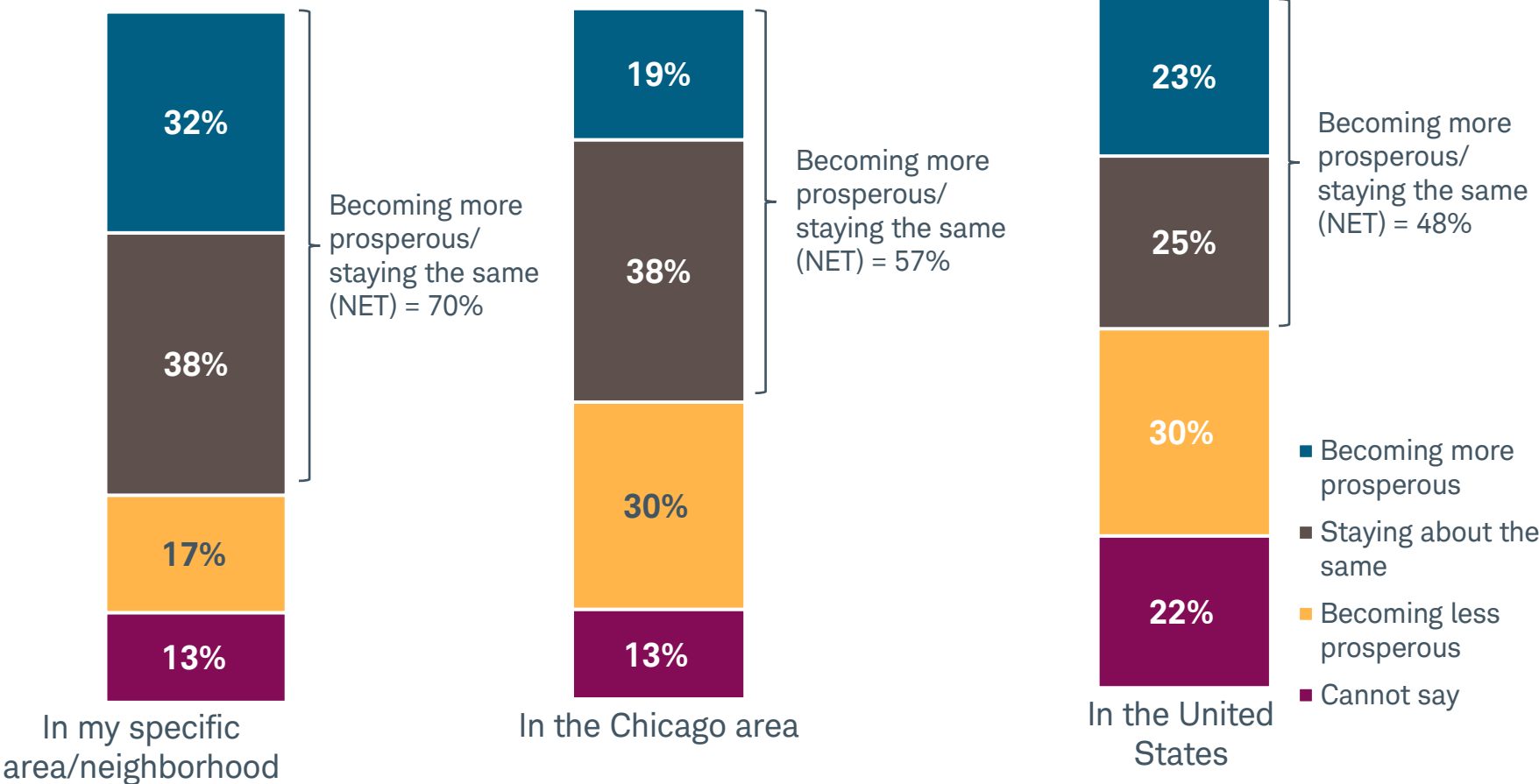
Methodology

What	<ul style="list-style-type: none">▪ An online study among a sample of the general public was conducted by Koski Research.▪ Koski Research is neither affiliated with, nor employed by, Charles Schwab & Co., Inc.
When	<ul style="list-style-type: none">▪ The study was fielded July 21 – July 31, 2015
Who	<ul style="list-style-type: none">▪ 1,002 Chicagoans aged 21-75 completed the study.▪ The sample was drawn from online sample sources.▪ The geographical area of the sample included all the Illinois counties in the Chicago Metropolitan Statistical Area (MSA). Quotas were set based on population statistics for Cook County, counties contiguous to Cook County and counties not contiguous to Cook County.▪ Note: Unless noted otherwise Chicago and Chicagoans refer to the Chicago area as defined above and the residents of this area.

The Chicago Economy

Only 1 in 5 say Chicago's economy is becoming more prosperous

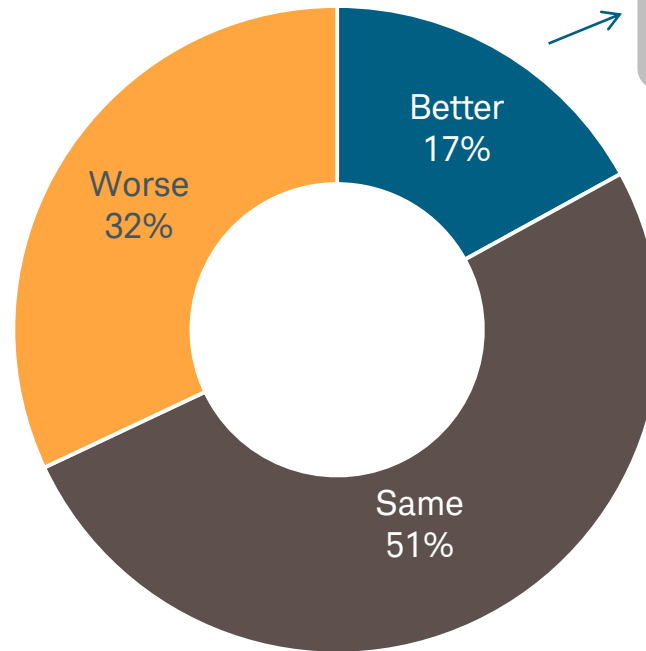
View of the economy All Chicagoans



Q7 How do you view the economy in each of the following areas? (Base: All Chicagoans=1,002)

About half of Chicagoans think Chicago's economy is performing the same as the US economy overall; nearly a third think it's worse

Chicago economy compared to US economy overall All Chicagoans



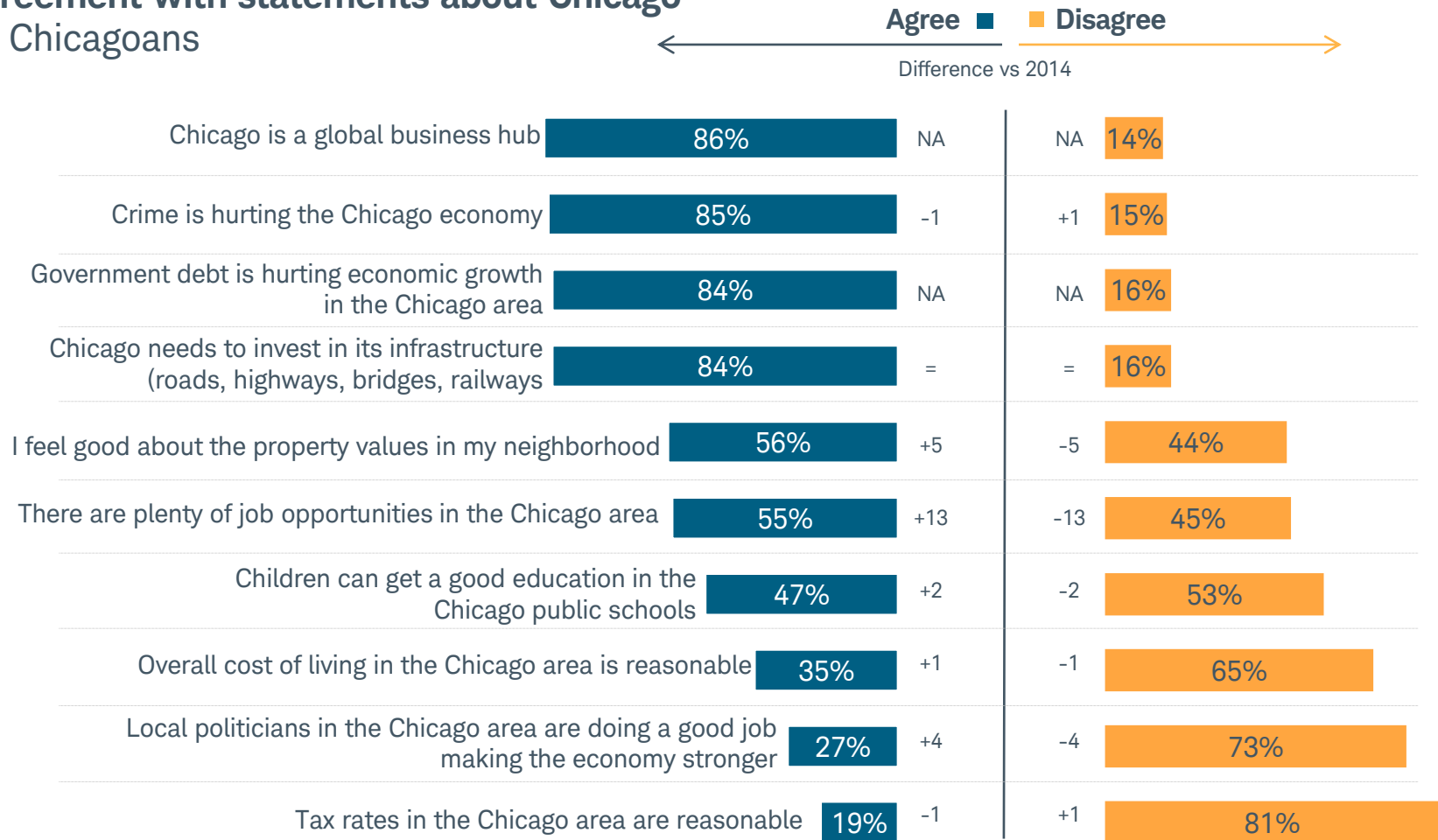
Especially among:

- Younger (23% among Millennials vs. Gen X 17%, Boomers 13%, and Matures 9%)

	2015 vs 2014
Better	+4
About the same	-3
Worse	-1

Chicagoans view their city as a global business hub, and see improvements in the job and housing markets compared to 2014; crime seen as hurting local economy

Agreement with statements about Chicago All Chicagoans

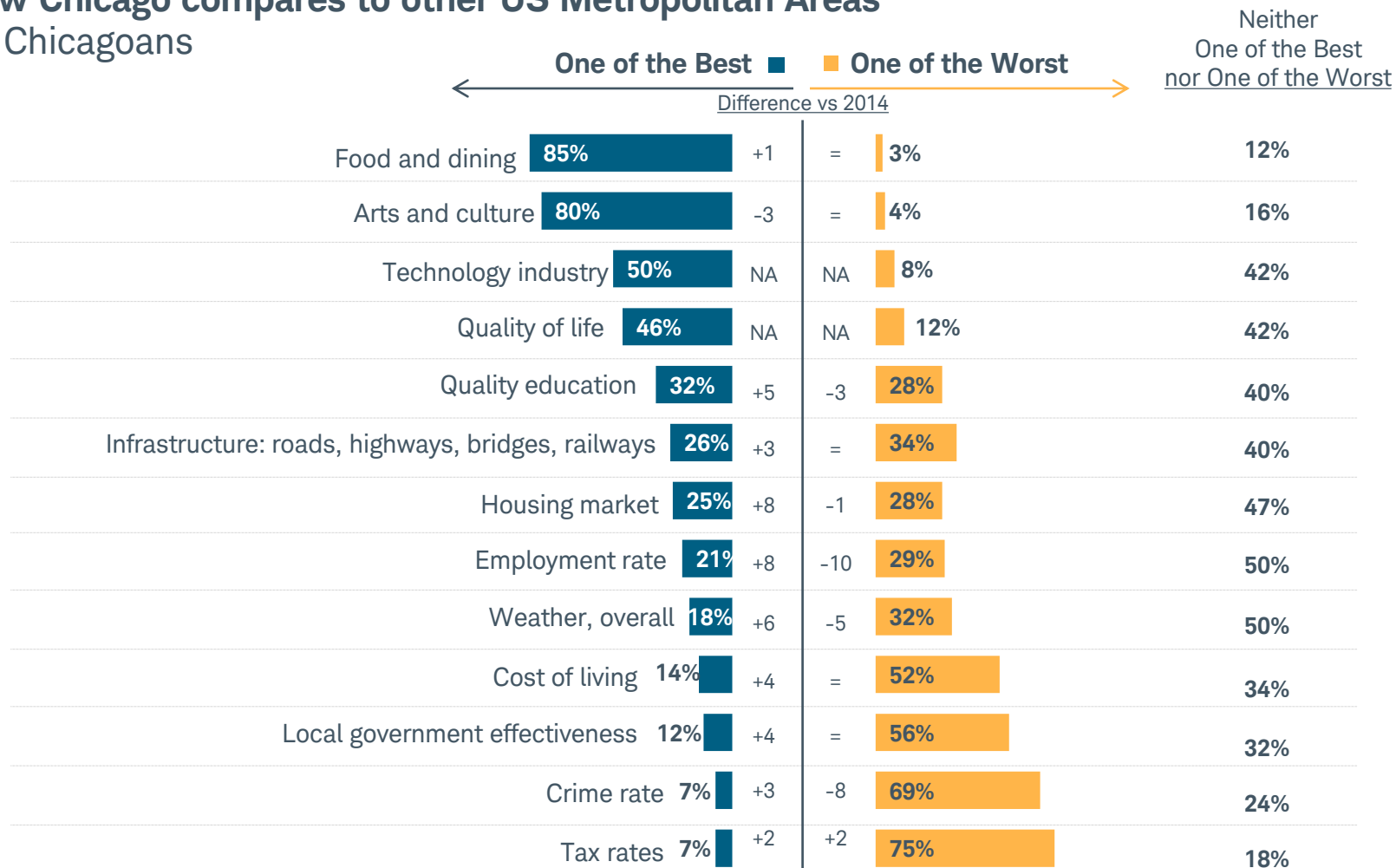


Q11 Please indicate your level of agreement or disagreement with each of the statements below. (Base: All Chicagoans = 1,002)

Chicagoans view their city as one of best for dining, the arts, and tech, but one of the worst for taxes, crime and cost of living

How Chicago compares to other US Metropolitan Areas

All Chicagoans



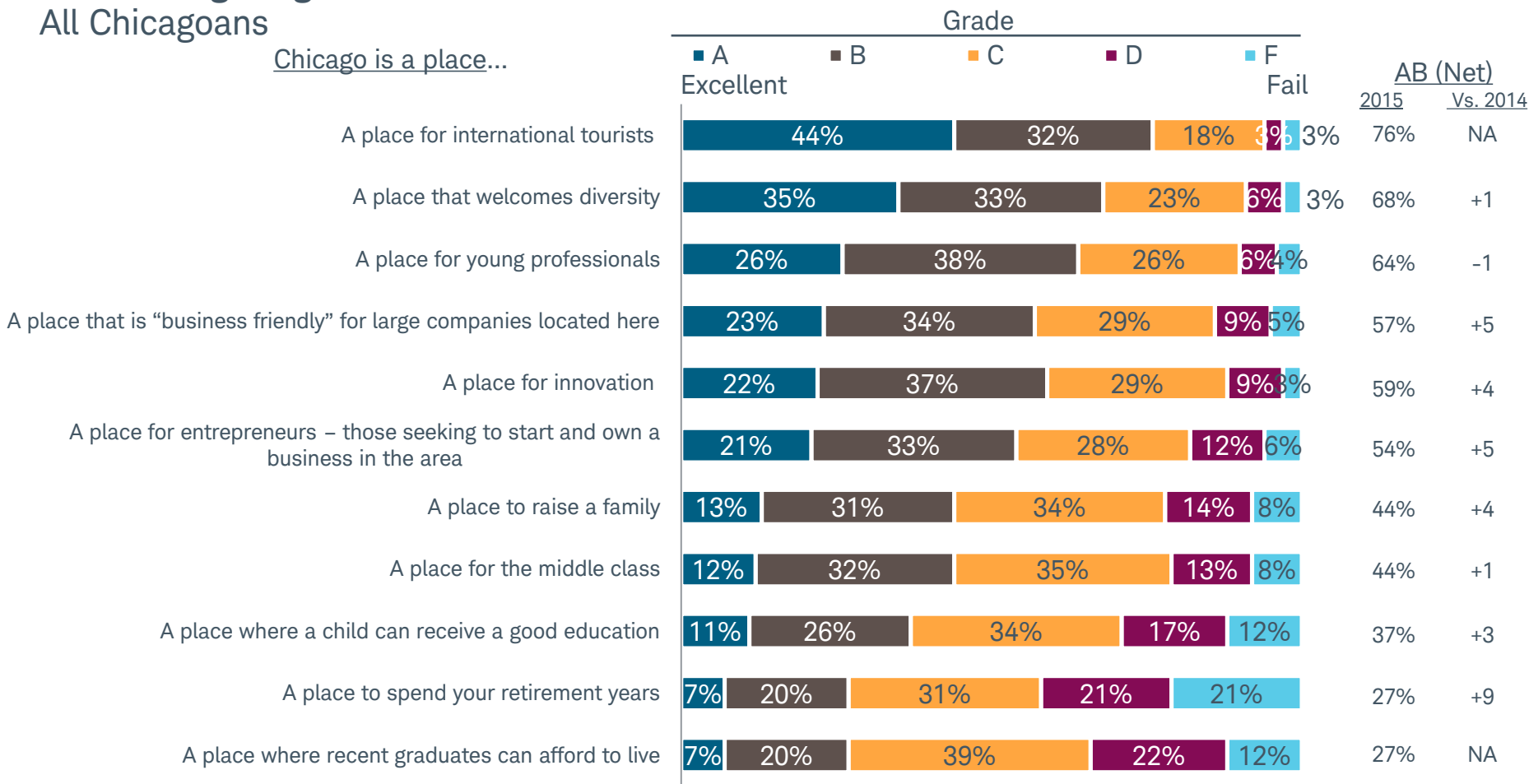
Q6 When you think about the top large metropolitan areas in the U.S., how do you think the Chicago area compares on each of the issues listed below? For each characteristic please indicate whether you think Chicago is “One of the Best” metropolitan areas or whether it is “One of the Worst”. (Base: All Chicagoans=1,002)

Chicago gets high marks as a place for international tourism, welcoming diversity and young professionals

How Chicago is graded

All Chicagoans

Chicago is a place...

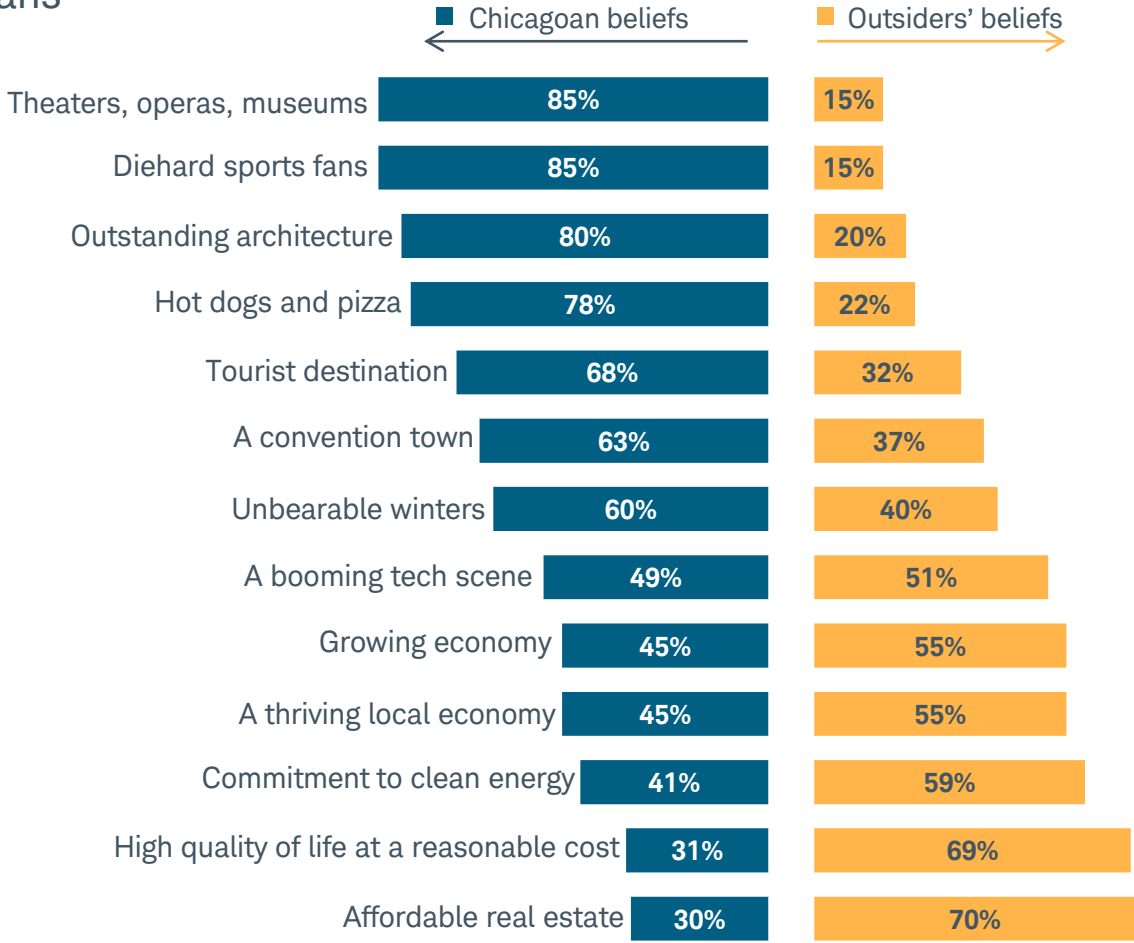


Q12 How would you grade the greater Chicago area on each of the following? (Base: All Chicagoans = 1,002)

Chicagoans know their city for its culture and diehard sports fans, but say outsiders incorrectly believe it offers reasonable cost of living and real estate

Characteristics of Chicago Believed by Chicagoans or Out of Towners

All Chicagoans

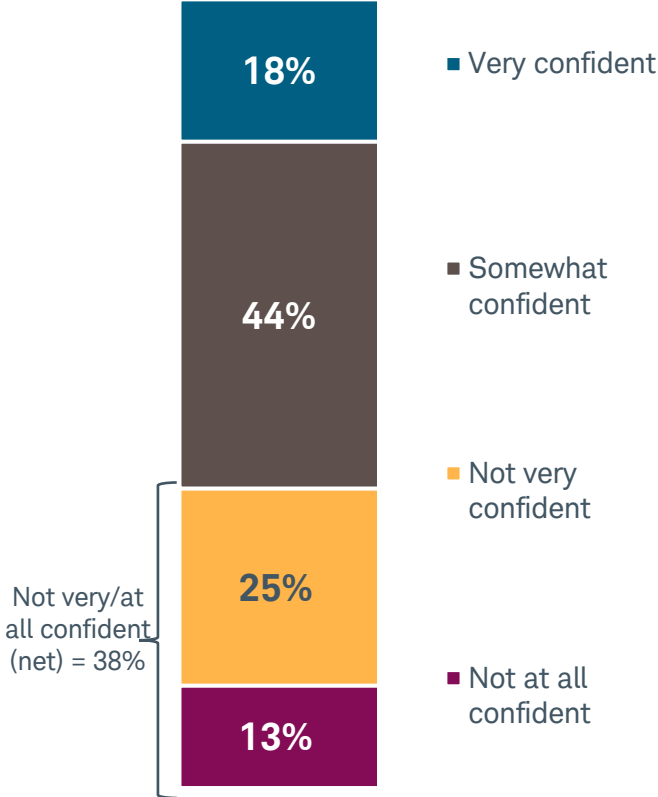


Q31 The Chicago area is well known for a variety of different reasons. Which of the following would you characterize as local facts, and which would you characterize as outsiders' perspectives (i.e., images people in other parts of the country have of the Chicago area)? If you are not sure, please choose the choice that most describes your opinion. (Base: All Chicagoans=1,0002)

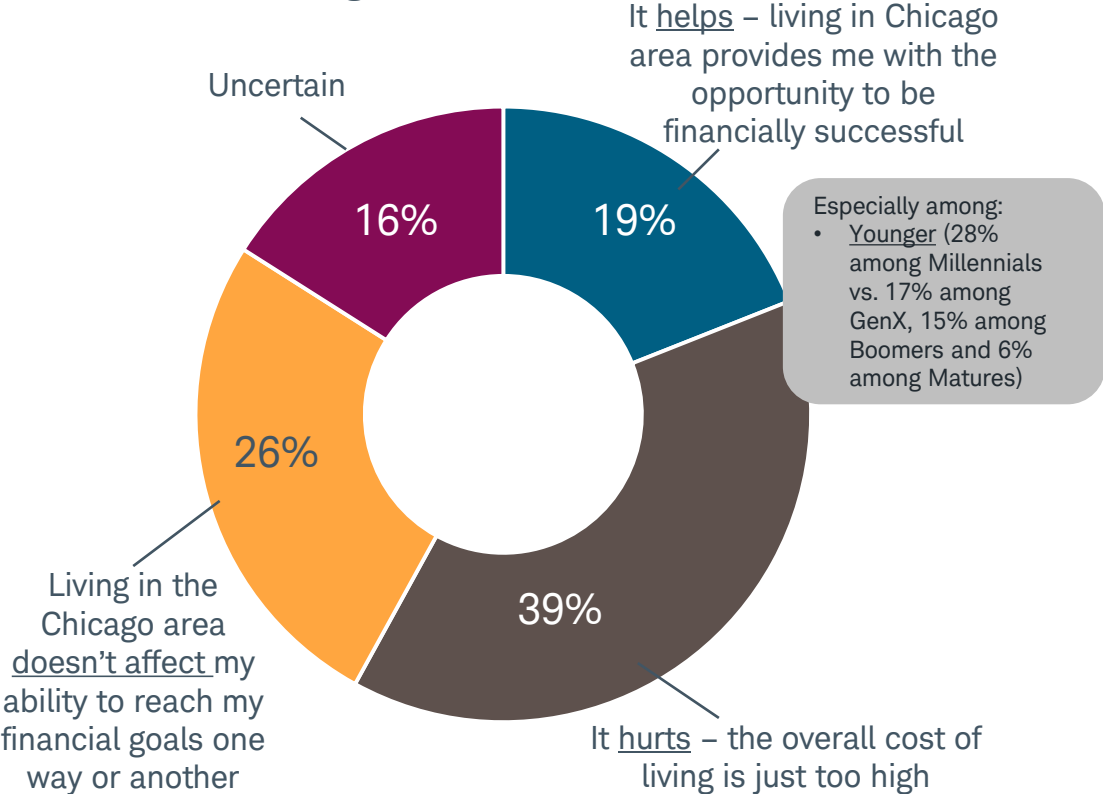
Personal Finances in Chicago

More than a third of Chicagoans are not confident they will achieve their financial goals, and many believe living in Chicago hurts finances more than helps

Confidence in ability to achieve financial goals
All Chicagoans



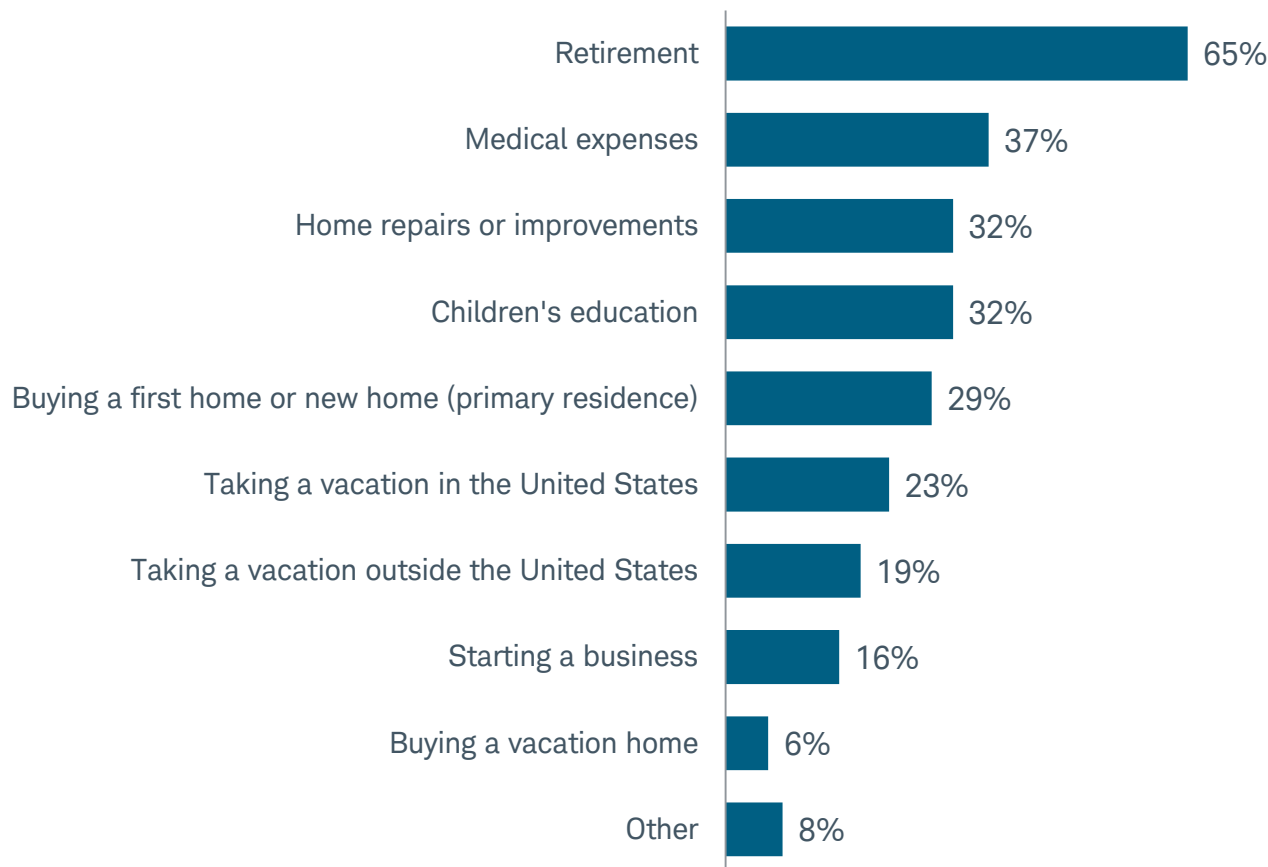
Effect of living in Chicago on ability to reach financial goals
All Chicagoans



Q18 How confident do you feel that you will be able to reach your main financial goals?
Q19 Would you say that living in Chicago helps or hurts your ability to reach your financial goals? (Base: All Chicagoans = 1,002)

Retirement is, by far, Chicagoans' most important savings priority, followed by medical expenses, home repairs and children's education

Top Three Savings Priorities All Chicagoans



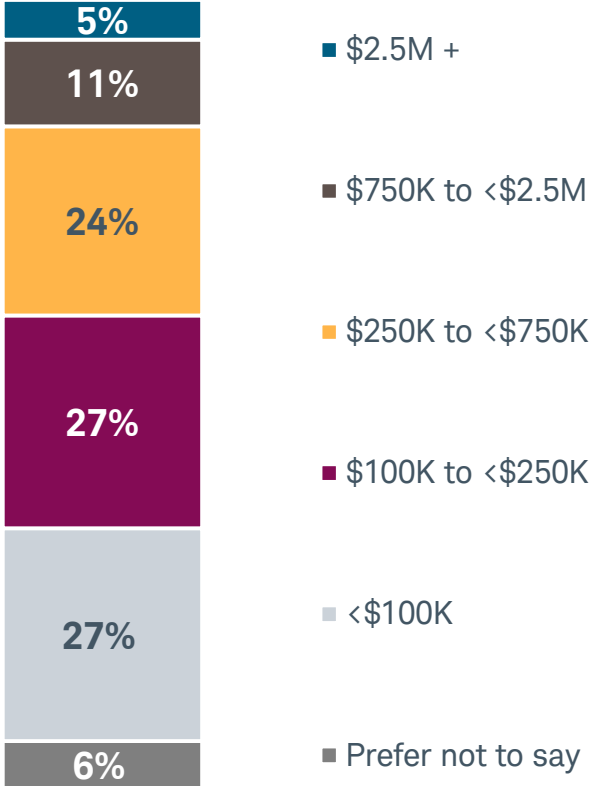
- Older Chicagoans more often than younger are saving for retirement, medical expenses and home repairs.
- Younger more often than older are saving for children's education and buying a home.
- See Focus On Section for specific details.

According to Chicagoans, a net worth of \$660K and annual net income of \$187K is needed to be financially comfortable

Net worth that would make a person financially comfortable

All Chicagoans

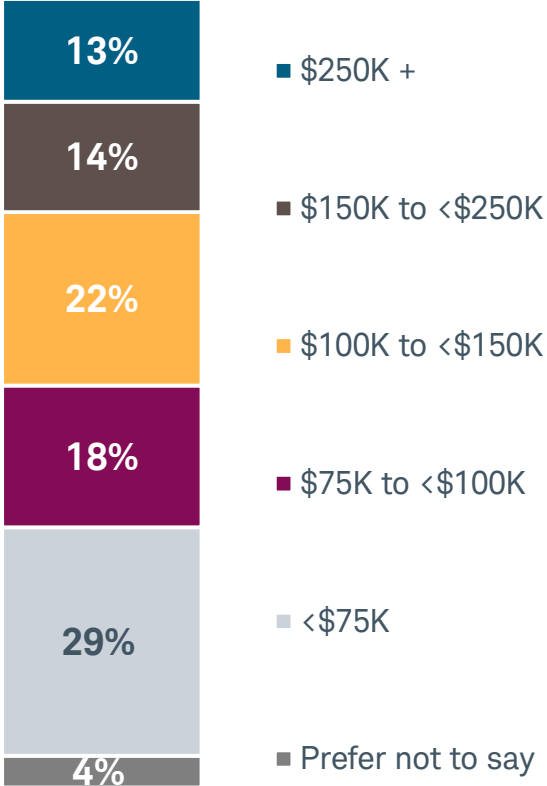
Average = \$660K



Net income that would make a person financially comfortable

All Chicagoans

Average = \$187.1K



Q13 At what level of personal net worth would you say a person in the Chicago area could be considered financially comfortable?

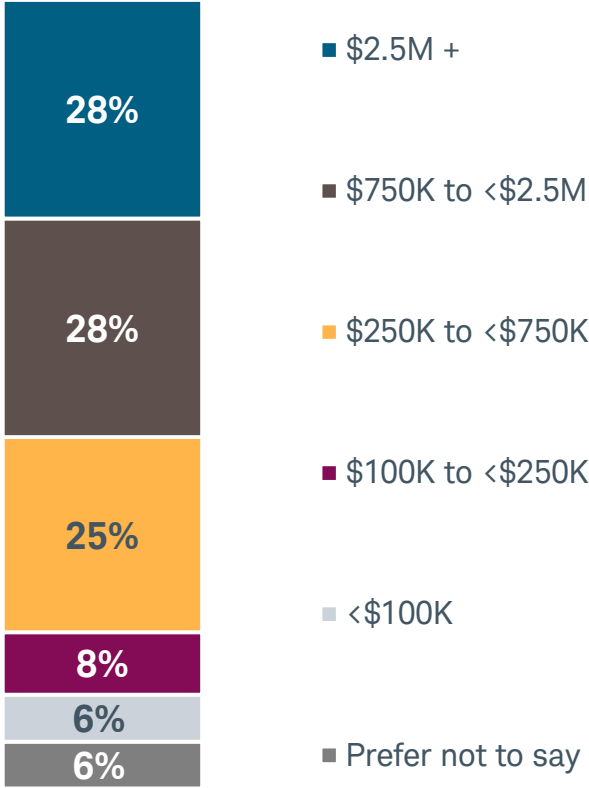
Q15 At what level of **net income** (personal annual salary) would you say a person in the Chicago area could be considered **financially comfortable**? (Base: All Chicagoans=1,002)

But to be wealthy in Chicago, you need a net worth of \$2.5M and annual net income of \$725K

Net worth that would make a person wealthy

All Chicagoans

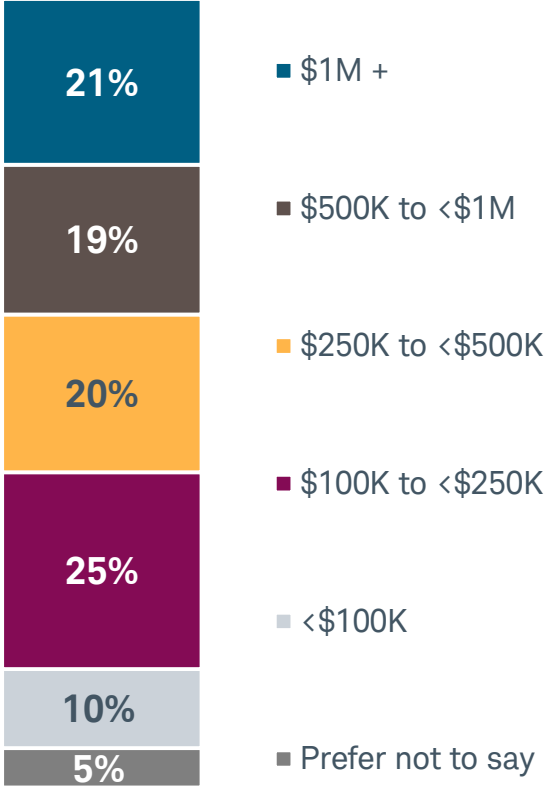
Average = \$2.5M



Net income that would make a person wealthy

All Chicagoans

Average = \$724.6K

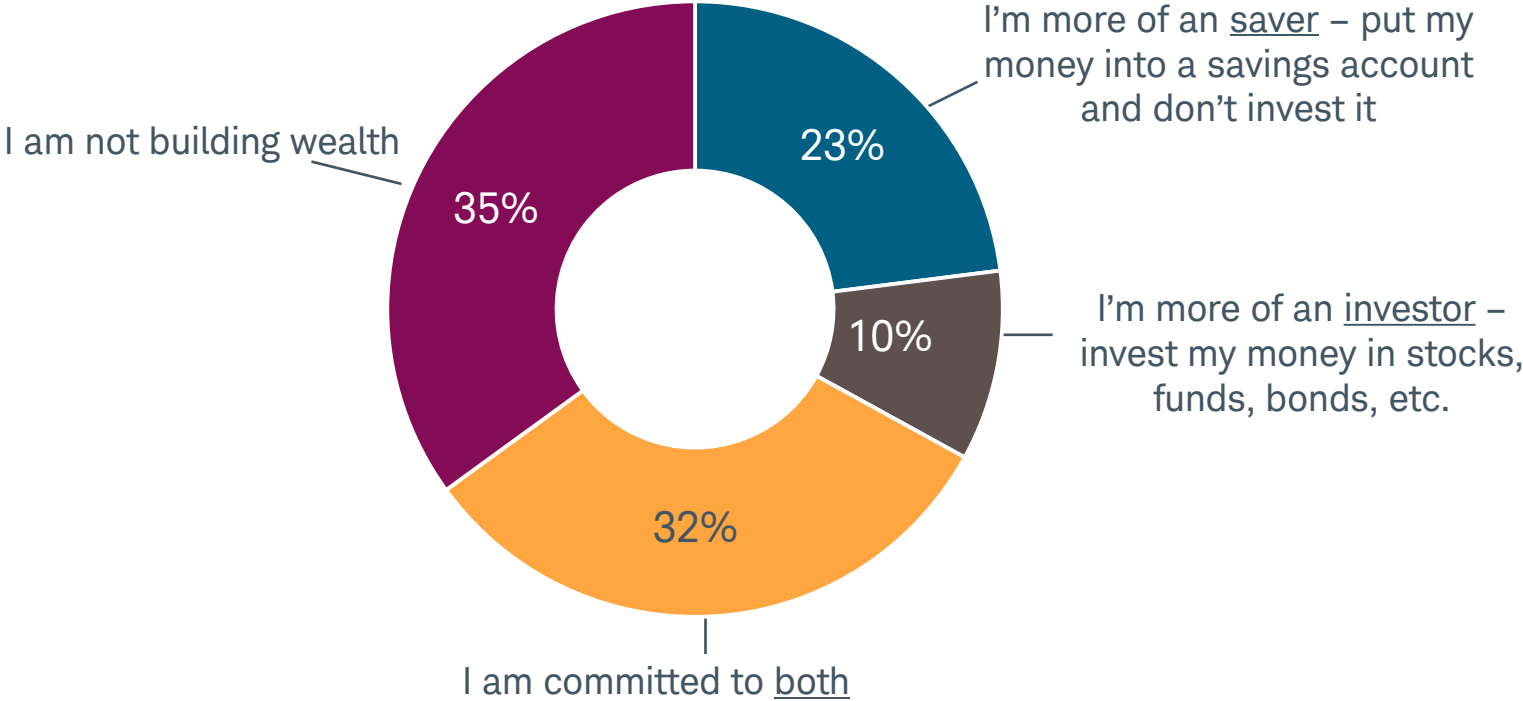


Q14 At what level of personal net worth would you say a person in the Chicago area could be considered wealthy?

Q16 At what level of net income (personal annual salary) would you say a person in the Chicago area could be considered wealthy? (Base: All Chicagoans=1,002)

Less than a third of Chicagoans are currently saving and investing, and more than a third are not building wealth

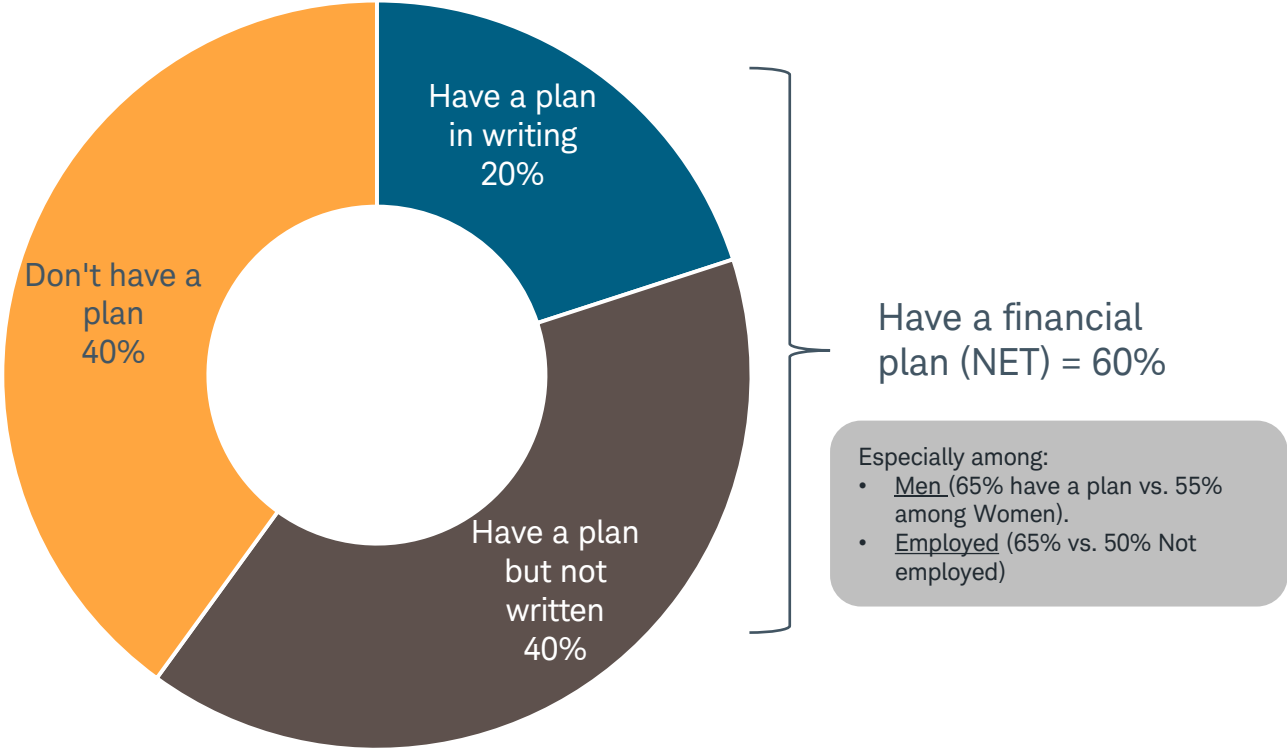
Approach to building wealth All Chicagoans



Q17 How would you describe your approach to building wealth? (Base: All Chicagoans = 1,002)

Only one in five Chicagoans has a financial plan in writing

Have a financial plan
All Chicagoans

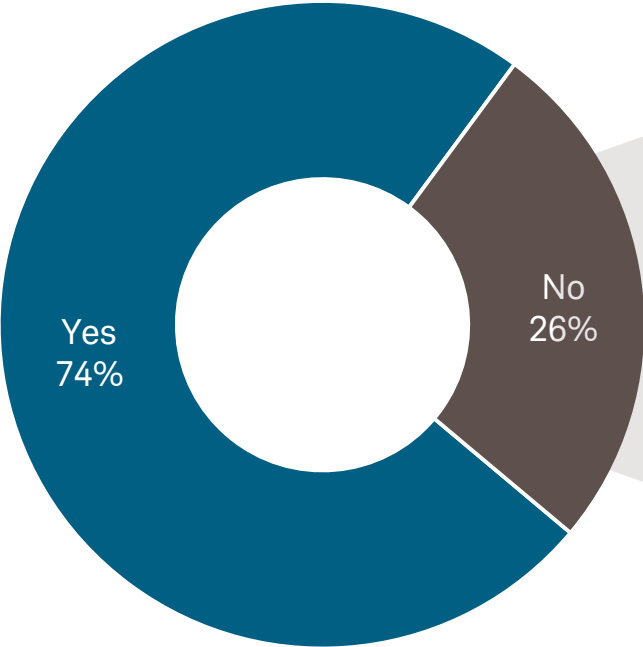


Q23 Do you currently have a financial plan? (Base: All Chicagoans = 1,002)

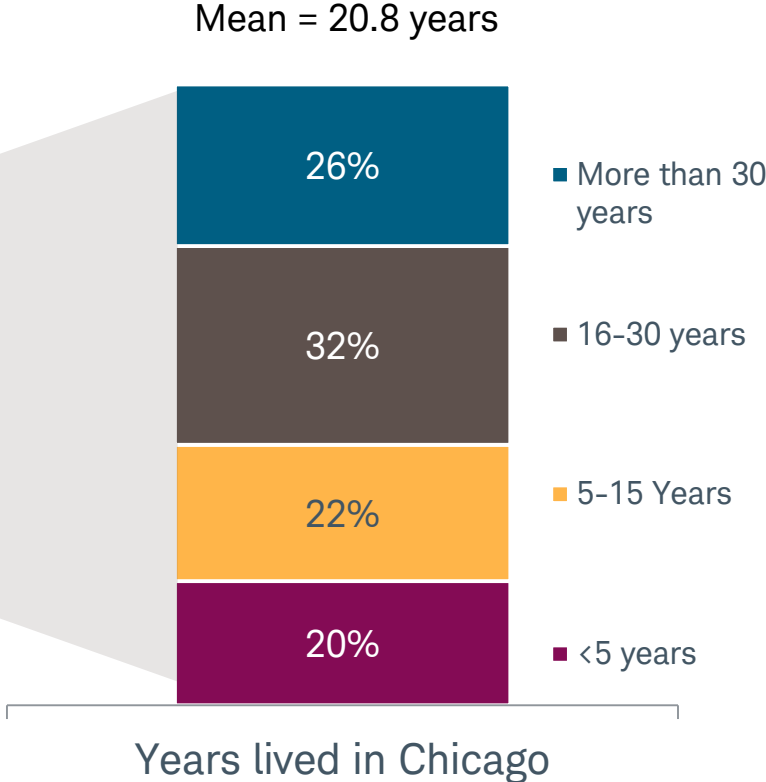
Life in Chicagoland

Most Chicagoans are lifelong residents; newcomers have lived in Chicago for more than 20 years

Lived in Chicago for whole life
All Chicagoans



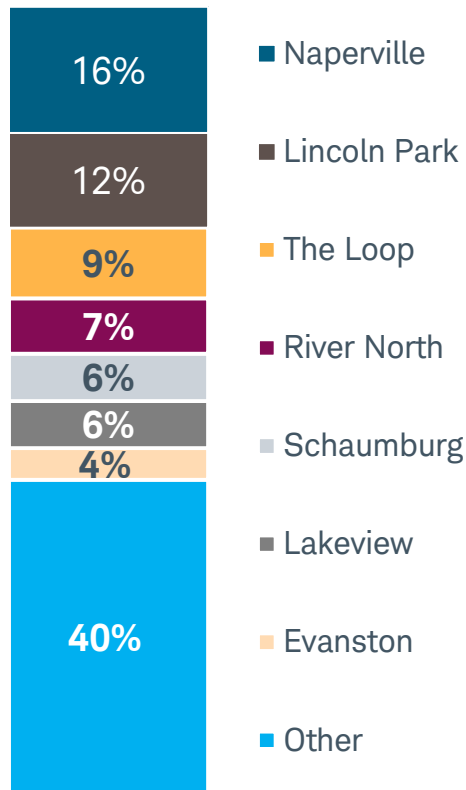
How long lived in Chicago
Among those not living in Chicago for whole life



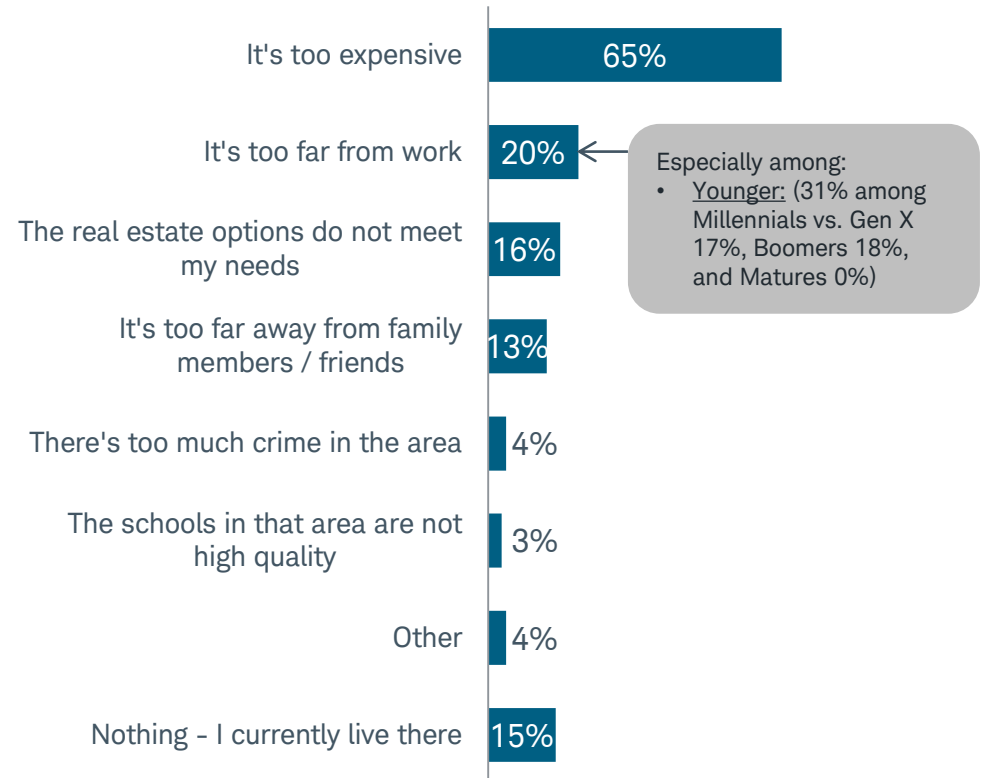
Q1 Have you lived in the Chicago area all your life? (Do not count time you may have been away at school or in the armed services.) (Base: All Chicagoans = 1,002)
 Q2 How many years have you lived in the Chicago area? (Base: Those not living in Chicago their whole lives = 257)

Naperville and Lincoln Park are the most desired areas to live in, but most say their preferred neighborhood is too expensive

Area of Chicago Would Like to Live (if Money Were No Object)
All Chicagoans



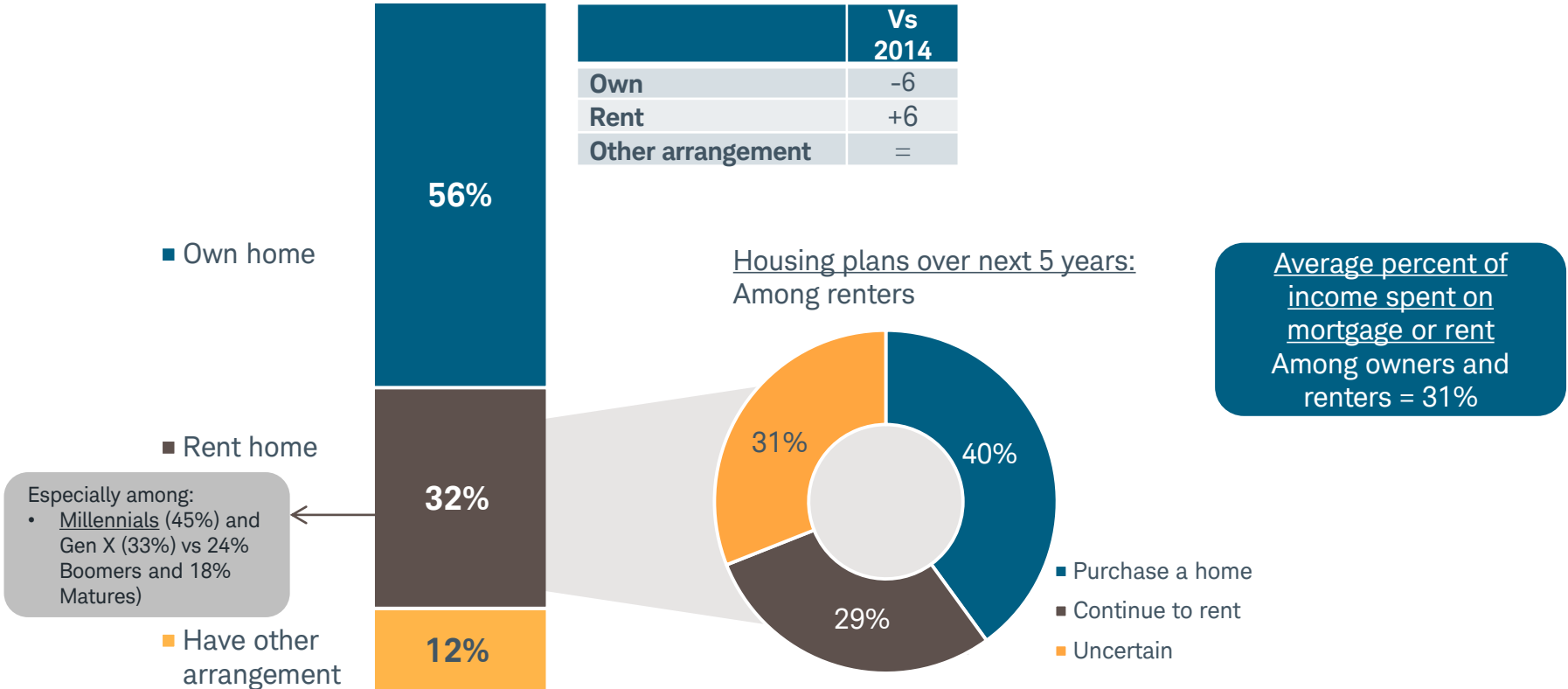
Reasons Not Living in Preferred Chicago Area
All Chicagoans



Q9 If money were no object, where in the Chicago area would you like to live?
Q10 What is preventing you from living in [RESPONSE FROM Q9]? (Base: All Chicagoans=1,002)

More than half of Chicagoans own their homes; two in five renters plan to purchase a home in the next 5 years

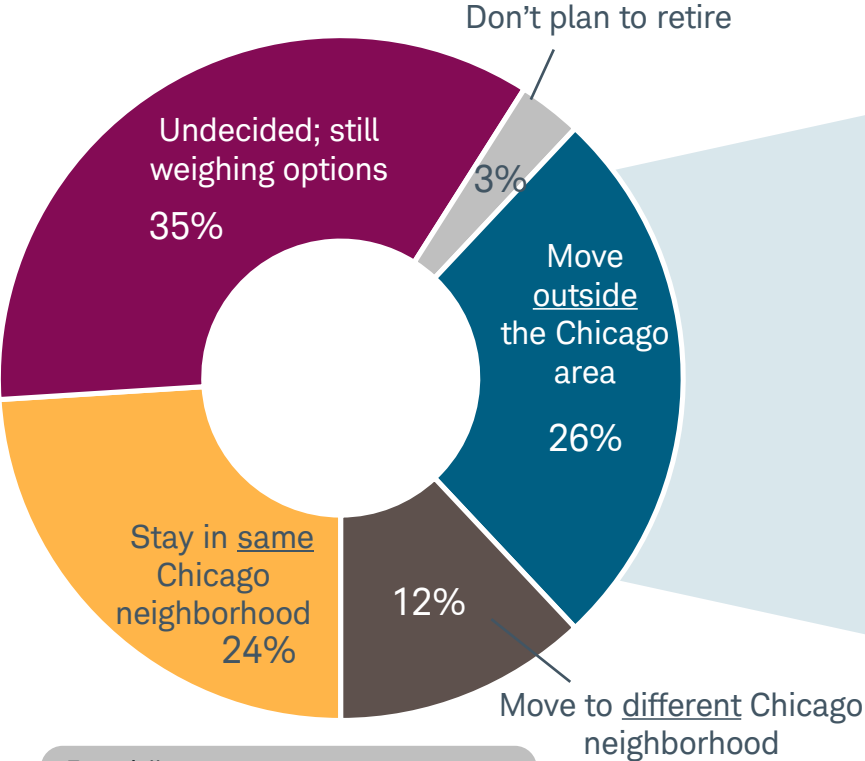
Home ownership All Chicagoans



Q25 Do you currently... (Base: All Chicagoans=1,002)
 Q25 Approximately what percentage of your income do you spend on your mortgage or your rent? (Base: Those who own or rent = 882)
 Q27 What are your housing plans over the next 5 years or so? (Base: Those who rent = 319)

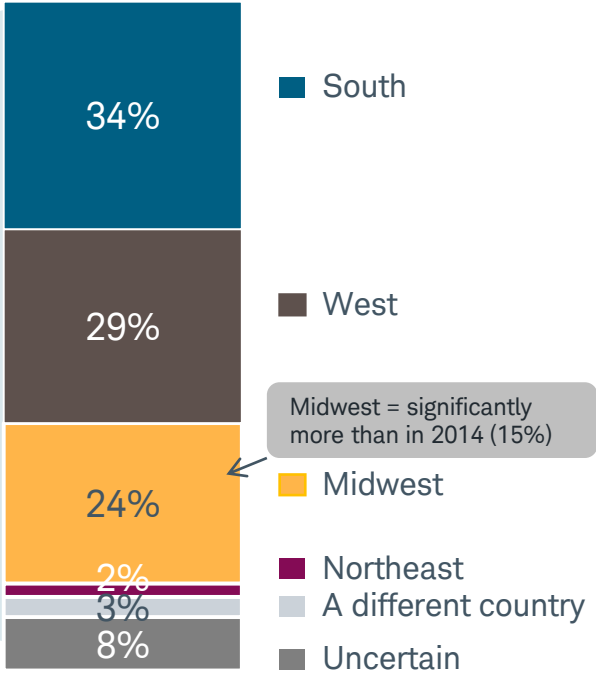
One in five employed Chicagoans plans to move out of the Chicago area in retirement – most will head South or West

Where plan to live in retirement
Among employed Chicagoans



Especially among:
 • Younger (21% among Millennials vs. Gen X 9%, and Boomers 6%; Matures base size too low for analysis)

Where expect to live in retirement years
Among those planning to live in a different area



Q4 When you think about retirement, what are your plans for where you will live? (Base: Employed Chicagoans = 627)
 Q5 Please indicate where you expect to be living for most of your retirement years? If not sure, a guess is fine. (Base: Plan to live in different area = 161)

Survey Demographics

Demographics

	All Chicagoans	
	2015 (n=1002)	2014 (n=1000)
Gender*		
Male	50%	50%
Female	50%	50%
Generation		
Millennials (21-33)	26%	27%
Gen X (34-49)	31%	31%
Boomers (50-68)	37%	36%
Matures (Over 68)	6%	6%
Mean age	46	45
Location*		
Cook County	60%	60%
Contiguous to Cook County	33%	33%
Non-contiguous to Cook County	6%	7%
City of Chicago	31%	30%
Education		
High school grad or less	18%	16%
Trade or technical school	4%	4%
Some college	27%	27%
College grad	37%	37%
Post grad	13%	15%
Prefer not to answer	1%	1%

	All Chicagoans	
	2015 (n=1002)	2014 (n=1000)
Marital Status		
<u>Married/living with partner (Net)</u>	<u>54%</u>	<u>56%</u>
Married	45%	49%
Living with partner	9%	7%
Single	30%	29%
Separated, divorced, widowed	15%	14%
Prefer not to answer	1%	1%
Children		
<u>Have children (Net)</u>	<u>58%</u>	<u>57%</u>
Under age 18	25%	25%
Over age 18	26%	27%
Both over and under age 18	7%	5%
No children	42%	43%
Racial Background		
White/Caucasian	70%	74%
African American/Black	19%	15%
Asian	6%	6%
Other	6%	3%
Prefer not to answer	2%	2%
Hispanic/Latino Background		
Yes	9%	10%
No	91%	90%

Demographics

	All Chicagoans	
	2015 (n=1002)	2014 (n=1000)
Employment Status		
Employed (Net)	63%	64%
Full-time	50%	48%
Part-time	13%	16%
Unemployed, looking for work	12%	10%
Homemaker or student, not looking for work	9%	9%
Retired, semi-retired	16%	17%
Industry Working in (among employed)		
Education or health	18%	19%
Professional or business services	17%	18%
Financial services	8%	5%
Manufacturing	7%	10%
Information services	7%	7%
Transportation or utilities	4%	4%
Government	5%	3%
Construction	4%	5%
Leisure or hospitality	4%	4%
Farming, mining or logging	0%	1%
Other	26%	24%

	All Chicagoans	
	2015 (n=1002)	2014 (n=1000)
Household Income		
<\$25K	14%	13%
\$25K to \$49.9K	23%	23%
\$50K to \$74.9K	23%	22%
\$75K to \$99.9K	15%	14%
\$100K or more	16%	23%
Prefer not to answer	9%	5%
Mean	\$68.5K	\$76.3K
Total Assets		
<\$25K	31%	29%
\$25K to \$99.9K	20%	19%
\$100K to \$249.9K	11%	12%
\$250K to \$499.9K	10%	10%
\$500K or more	8%	13%
Prefer not to answer	20%	16%
Mean	\$217.1K	\$301.3K

Disclosures

The Charles Schwab Corporation provides a full range of securities brokerage, banking, money management and financial advisory services through its operating subsidiaries. Its broker-dealer subsidiary, Charles Schwab & Co., Inc. (“Schwab”), member SIPC, offers investment services and products. Its banking subsidiary, Charles Schwab Bank (member FDIC and an equal housing lender), provides deposit and lending services.

Brokerage Products: Not FDIC Insured · No Bank Guarantee · May Lose Value.

(0915-6010)