

News Release

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SEATTLE RESIDENTS CONFIDENT IN THE STATE OF THEIR PERSONAL FINANCES, BUT CONCERNED ABOUT INCREASING COST OF LIVING

New Charles Schwab survey examines local investor sentiment on economy and personal finances

Key findings:

- 70 percent of Seattle residents think their local economy is outperforming the national economy
- Nearly all (95 percent) survey respondents agree that Seattle is a global technology hub
- Nearly 60 percent consider themselves more financially savvy than tech savvy
- Seattleites believe it takes an average net worth of \$3 million to be “wealthy”
- Three quarters of Seattleites rate the area as one of the best cities in the U.S. for quality of life

SEATTLE, December 15, 2015 — Seattle residents are overwhelmingly confident in the state of their local economy and its future growth, according to a new survey by [Charles Schwab](#), one of the largest full-service investment firms in the country with seven branches in the Seattle metropolitan area.

The survey of 1,000 Seattle area residents found that 70 percent of Seattleites believe the local economy is performing better than the national economy and nearly all (95 percent) agree that Seattle is a global technology hub. Looking at the next 10 years, a significant number of survey respondents believe Seattle will be among the top three fastest growing U.S. cities (41 percent), will see a 15 percent population increase (72 percent), and will experience an economic boom due to the influx of new businesses (36 percent).

When asked to grade the Seattle metro area on a range of characteristics, residents gave the area high marks (an “A” or a “B” grade) for the following:

- A place for innovation (85 percent)
- A place for young professionals (80 percent)
- A places that fosters career growth (80 percent)
- A business-friendly environment for large companies (70 percent)
- A place for entrepreneurs (70 percent)

Residents have positive outlook on wealth, despite Seattle’s high cost of living

Most Seattleites are confident in their ability to manage their wealth and finances. In fact, a majority consider themselves more financially savvy (59 percent) than tech savvy (41 percent), with nearly three quarters (72 percent) of residents saying they are confident in their ability to meet their financial goals. While most (71 percent) claim they have a financial plan, only one quarter have it in writing.

“In this growing Seattle economy, it’s important for people to look ahead and plan for the future,” said Annie Liu, branch manager at the Charles Schwab branch in [Bellevue](#). “But it is hard to get started and stay on track without a written financial plan that is tailored to your specific goals and circumstances. In fact, our survey shows that Seattleites who have a written financial plan are eight times as likely to be very confident in their ability to reach their goals (41 percent) than those who do not have a financial plan at all (five percent).”

Although Seattleites are optimistic about the local economy, the state of their finances and the area's career opportunities, they are less pleased with the cost of living. More than three-quarters (76 percent) believe the cost of living in Seattle is unreasonable.

In fact, most believe that one of the biggest misconceptions among outsiders is that Seattle boasts a favorable cost of living. While 69 percent of residents believe outsiders see their city a place that offers a high quality of life at a reasonable cost, less than a third (31 percent) believe that's true.

Nearly half (45 percent) say that the city's high cost of living prevents them from achieving their financial goals and makes the city a difficult place to live for recent graduates (82 percent) and retirees (62 percent). The majority (80 percent) of residents also believe their cost of living will increase in 2016, while only 37 percent agree their salaries and savings will increase in tandem.

When it comes to building wealth, Seattleites are committed to both saving and investing (43 percent) and continuing to work, with 53 percent citing their wages as their main source of wealth. Additionally, one in five Seattleites receive equity as part of their compensation packages.

Most recipients (68 percent) see equity compensation from their employers as a significant source of wealth, yet less than half (45 percent) receive professional advice to manage that component of their finances. Of those who do not receive advice for this part of their compensation package, a majority cite a lack of confidence in managing their stock portfolios (60 percent).

"When used effectively, employer-issued equity can contribute to individual's long-term wealth creation. But our survey findings reflect what we see among clients—people need education and guidance about how equity compensation works and fits into their long-term financial plans," said Liu.

On average, Seattleites estimate it takes a higher net worth to be considered wealthy in Seattle (\$3 million) than in the U.S. (\$2.1 million).

Seattle's report card

Compared to other U.S. cities, the majority of residents rated Seattle as one of the best for:

- Its technology industry (90 percent)
- Quality of life (76 percent)
- Food and dining (72 percent), and arts and culture (67 percent).

At least seven out of 10 Seattle locals agreed:

- There are plenty of jobs in the Seattle area (80 percent)
- They feel good about property values in their neighborhood (71 percent)
- Their children can receive a good education in Seattle area public schools (70 percent)

Conversely, Seattle residents rate the city as one of the worst for commute times (70 percent) and an overwhelming majority agree (81 percent) it will get worse in 2016.

Additional survey findings are available here.

About the survey

The online survey was conducted by Koski Research from October 21 to November 3, 2015 among 1,009 Seattleites aged 21 to 75. The geographical area of the sample included counties in the Seattle-Tacoma-Bellevue Metropolitan Statistical Area. Quotas were set so that the sample is as demographically representative of the Seattle area as possible. The margin of error for the total survey sample is three percentage points.

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