

charles
SCHWAB

The View from Chicago:

1,000 residents share their perspectives
on life in Chicagoland, the local economy
and personal finances

September 2014

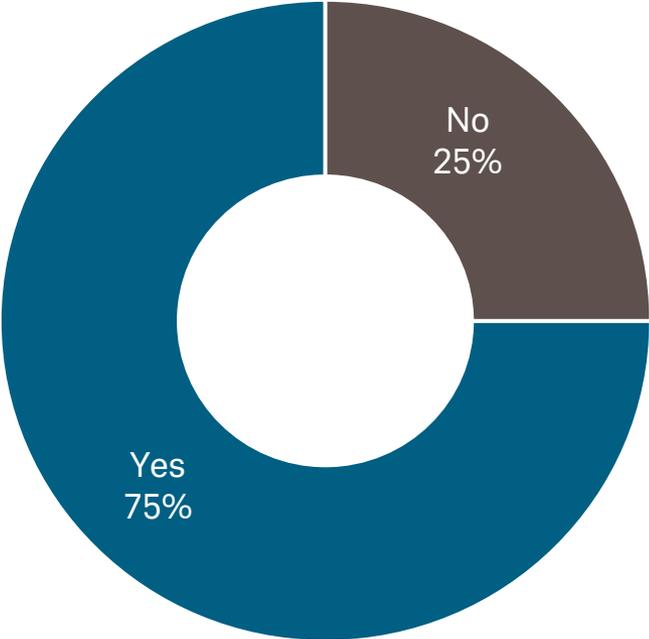
Methodology

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 7 – July 16, 2014
Who	<ul style="list-style-type: none">▪ 1,000 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.

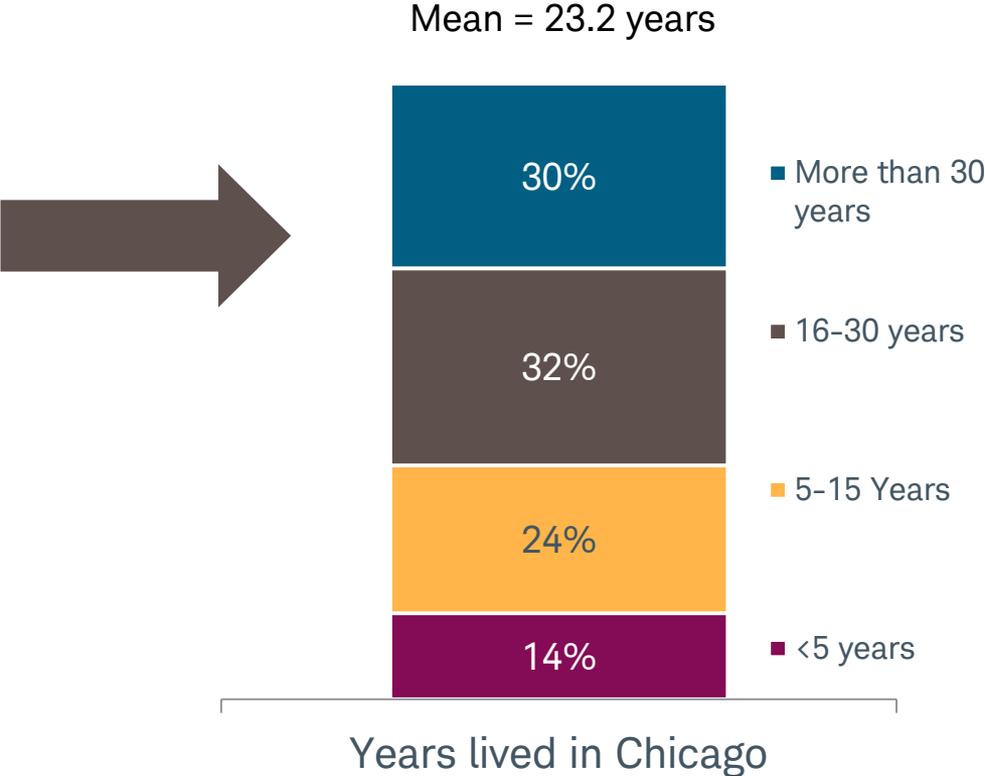
Life in Chicagoland

Most Chicagoans are lifers; newcomers have lived in Chicago for 23 years

Lived in Chicago since birth
All Chicagoans



How long lived in Chicago
Among those not living in Chicago since birth

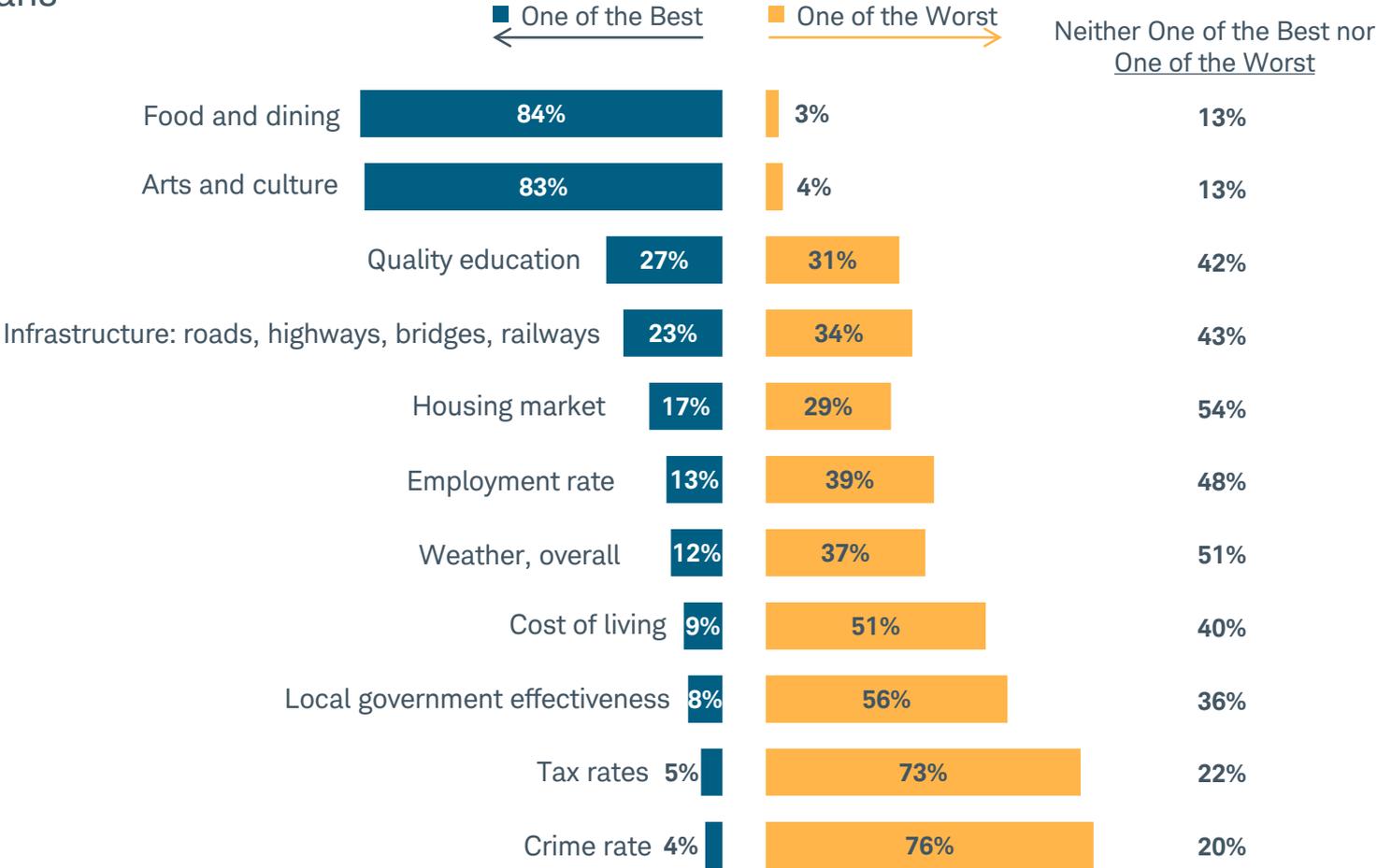


Q1 Have you lived in the Chicago area all your life? (Do not count time you may have been away at school or in the armed services.) (Base: All Chicagoans = 1,000)
Q2 How many years have you lived in the Chicago area? (Base: Those not living in Chicago their whole lives = 250)

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

How Chicago compares to other U.S. Metropolitan Areas

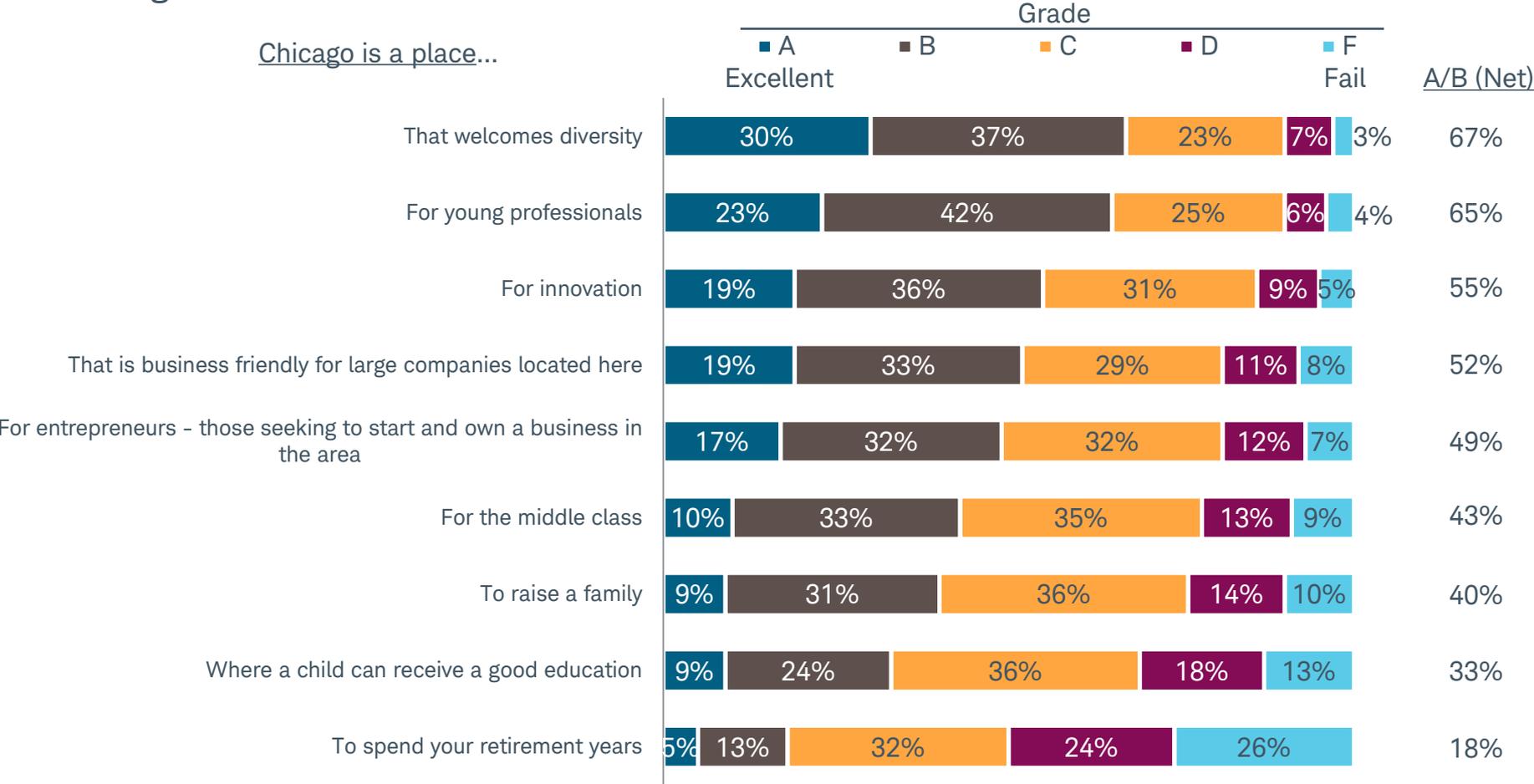
All Chicagoans



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=1,000)

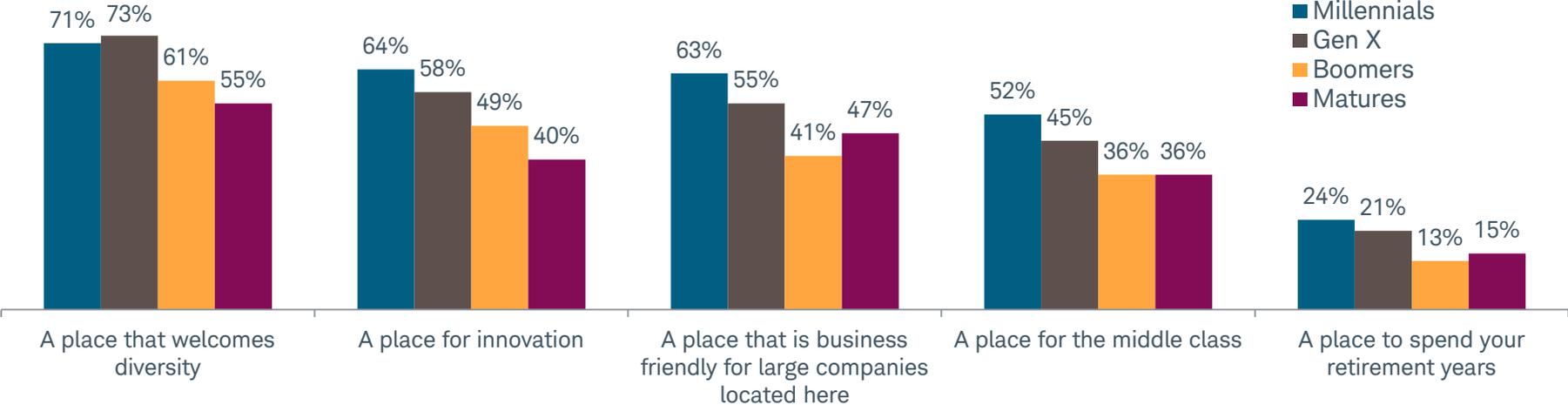
Chicago scores high marks for diversity and business, but suffers lower grades as a place for families, education and retirement

How Chicago is graded All Chicagoans



Q12 How would you grade the greater Chicago area on each of the following? (Base: All Chicagoans = 1,000)

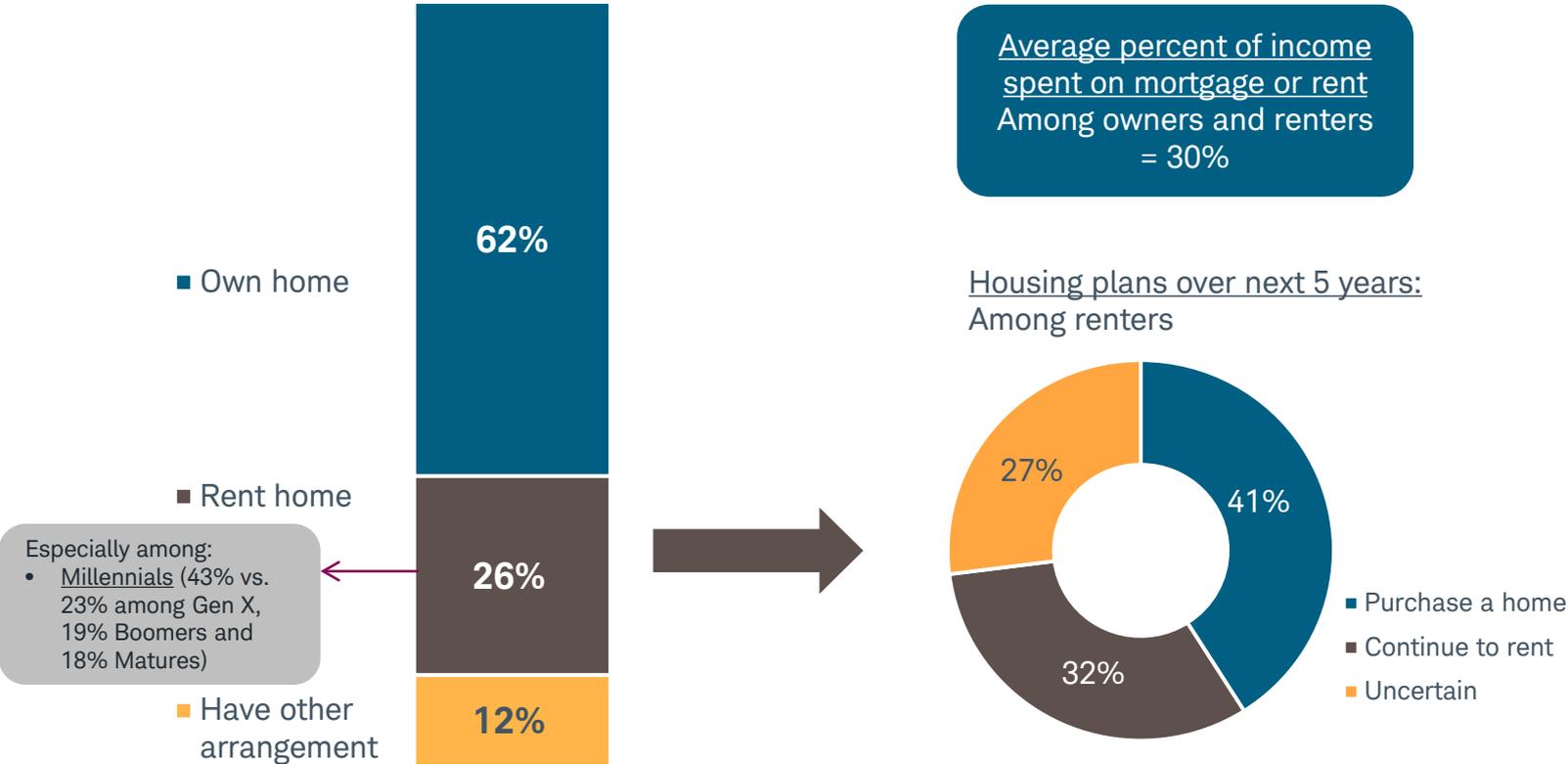
However, younger people are the most bullish on Chicago



Q12 How would you grade the greater Chicago area on each of the following? (Base: All Chicagoans = 1,000)

Three out of five Chicagoans own their homes, while 40 percent of renters plan to buy in the next five years

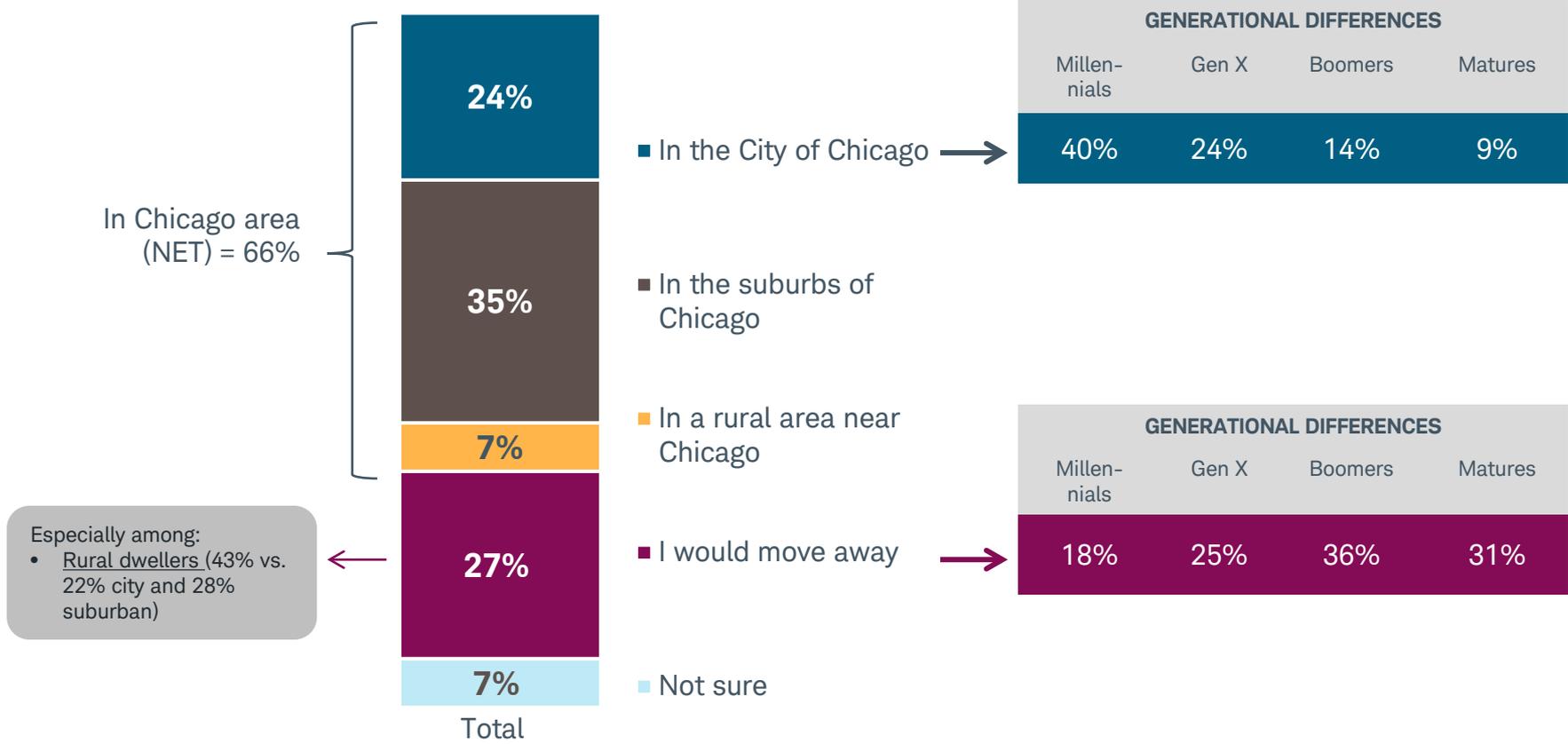
Home ownership All Chicagoans



Q24 Do you currently... (Base: All Chicagoans=1,000)
 Q25 Approximately what percentage of your income do you spend on your mortgage or your rent? (Base: Those who own or rent = 881)
 Q26 What are your housing plans over the next 5 years or so? (Base: Those who rent = 265)

If money were no object, the highest percentage of people would live in Chicago's suburbs

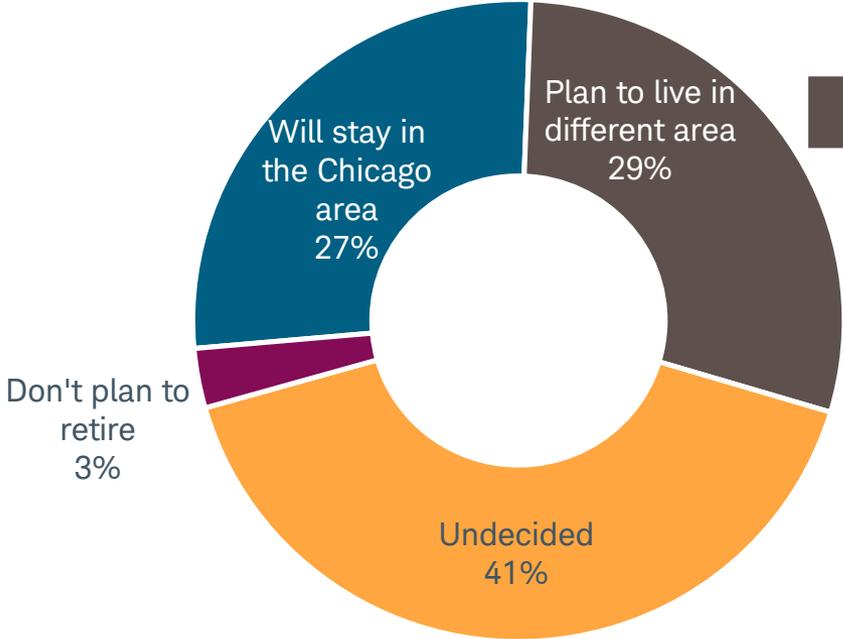
If money were no object, preferred place to live:
All Chicagoans



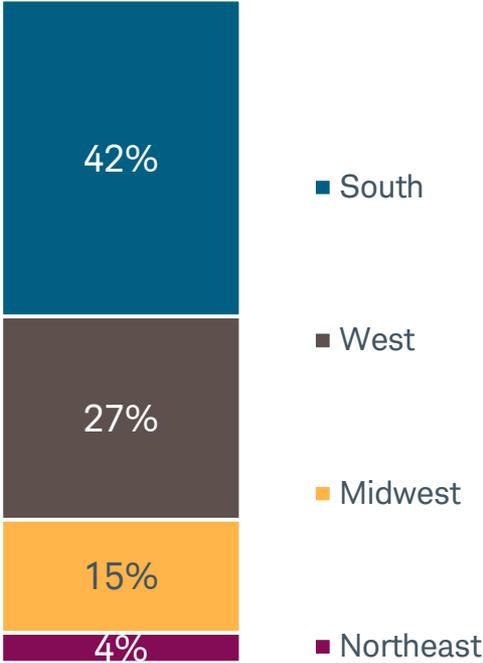
Q5 If money were no object, where would you prefer to live? (Base: All Chicagoans=1,000)

Three in 10 employed Chicagoans plan to leave the area when they retire

Where plan to live in retirement Among employed Chicagoans



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

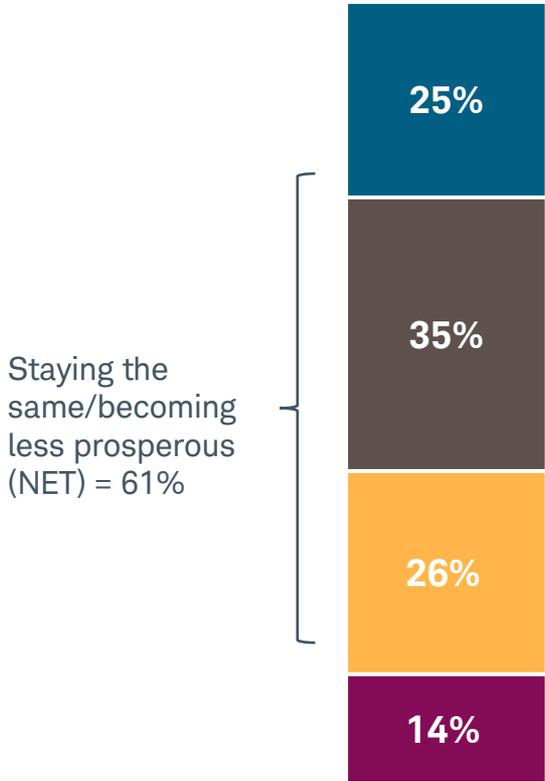


Q13 When you think about retirement, what are your plans for where you will live? (Base: Employed Chicagoans = 640)
Q14 Please indicate where you expect to be living for most of your retirement years? If not sure, a guess is fine. (Base: Plan to live in different area = 187)

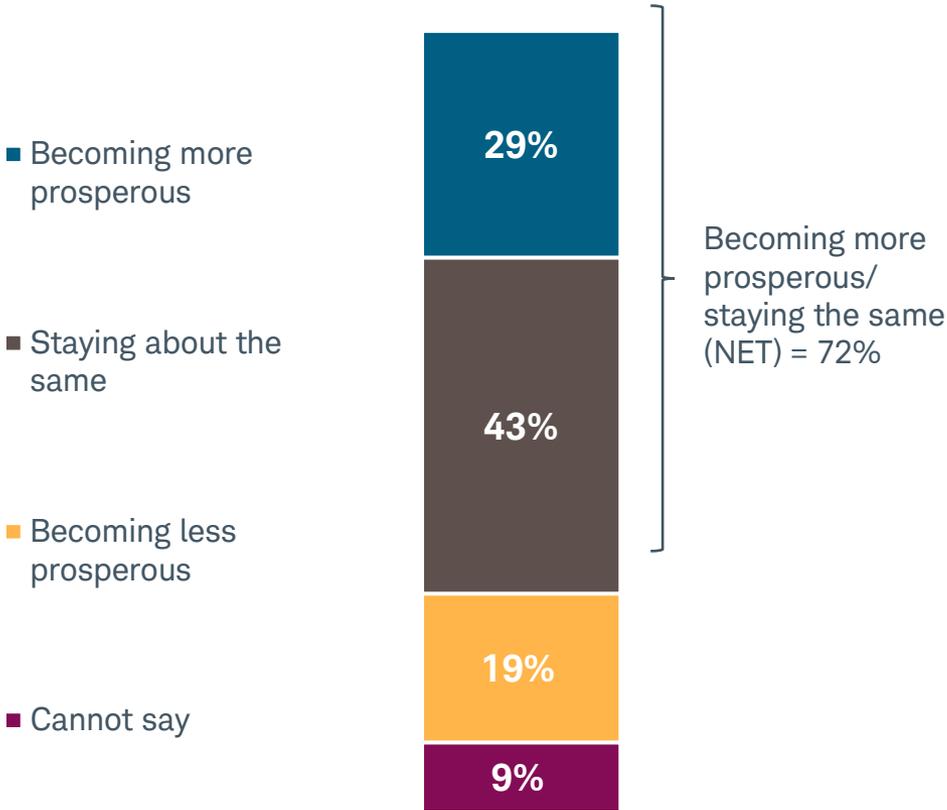
The Chicago Economy

Six in 10 say Chicago's economy is getting worse or staying the same, but there's more optimism about their own neighborhoods

View of the economy:
In the greater Chicago area
 All Chicagoans



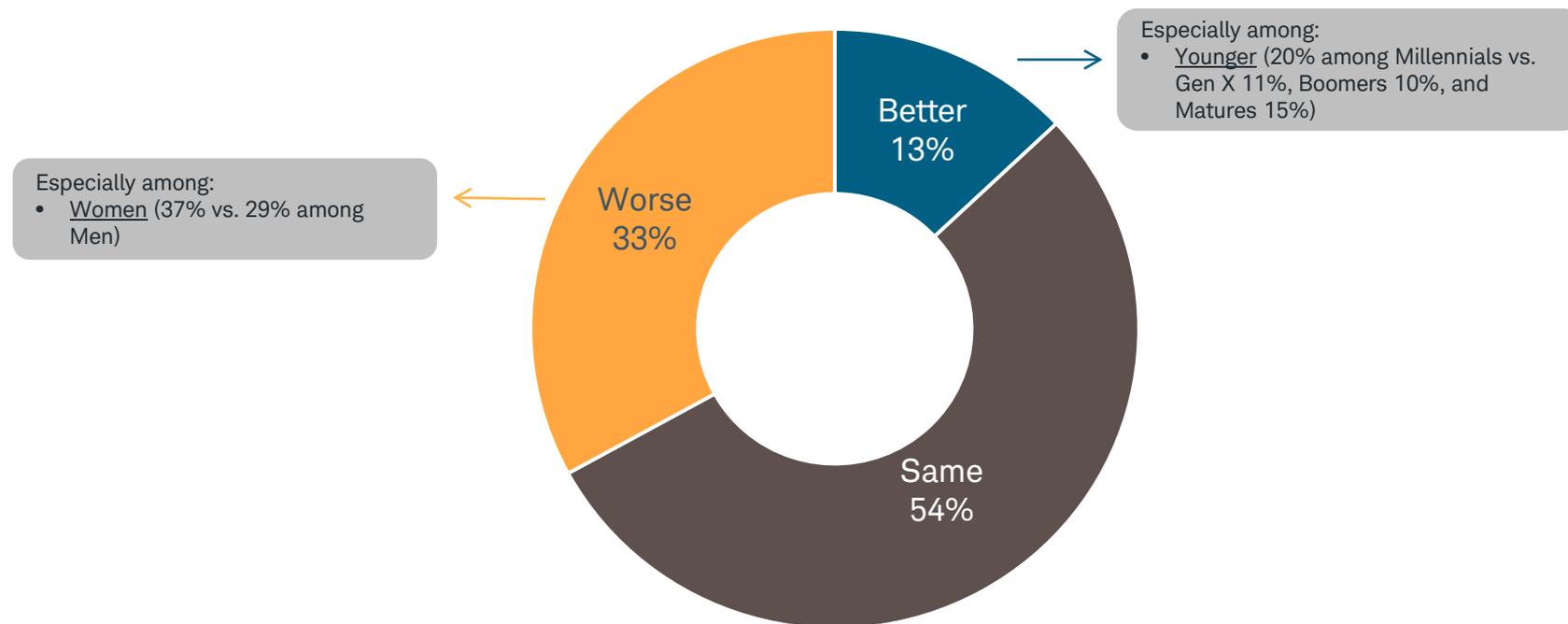
In your neighborhood
 All Chicagoans



Q8 How do you view the economy... a. In the greater Chicago area? b. In the specific area or neighborhood where you live? (Base: All Chicagoans=1,000)

A third of Chicagoans believe the local economy is worse than the U.S. economy

Chicago economy compared to US economy overall All Chicagoans

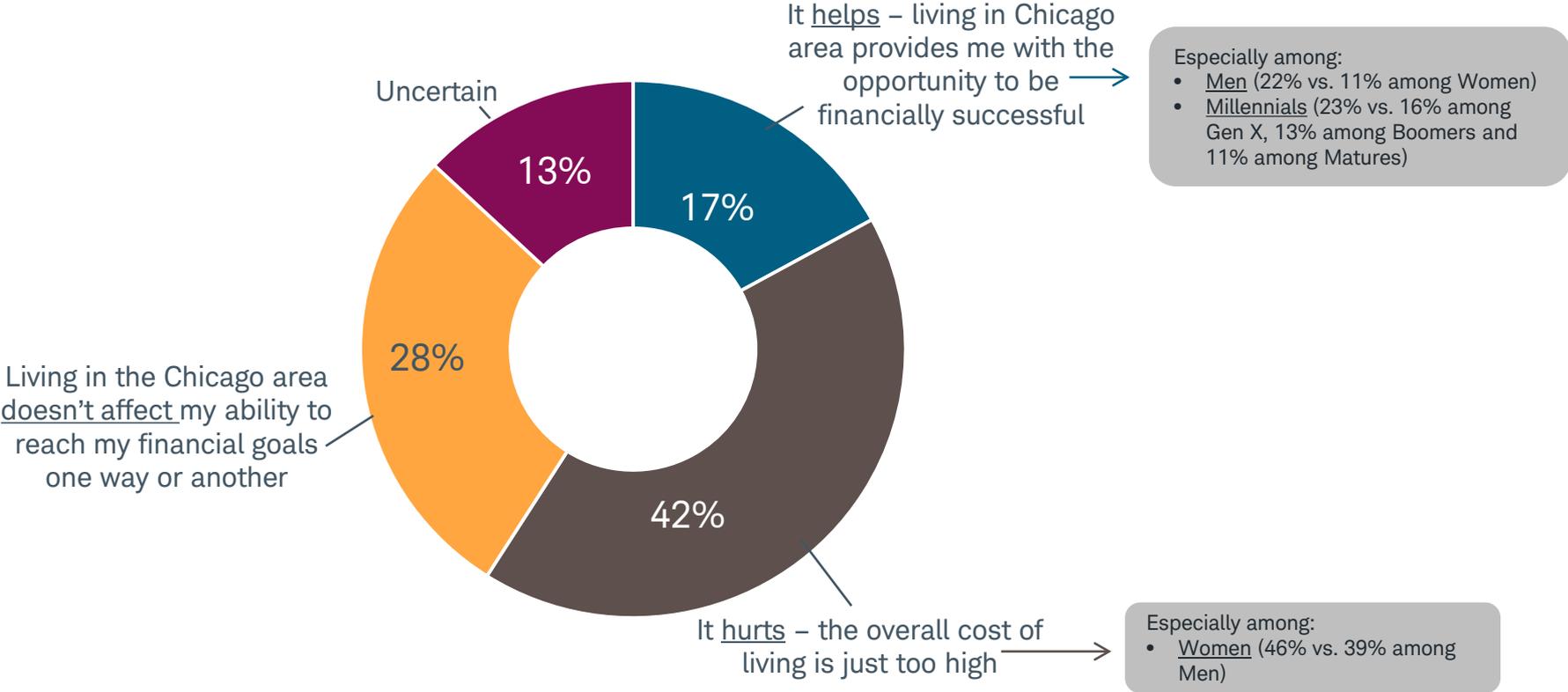


Q7 If you were to compare the economy of the Chicago area to the economy of the United States overall, would you say Chicago's economy is... (Base: All Chicagoans = 1,000)

Forty percent say living in Chicago hurts their ability to achieve their financial goals

Effect of living in Chicago on ability to reach financial goals

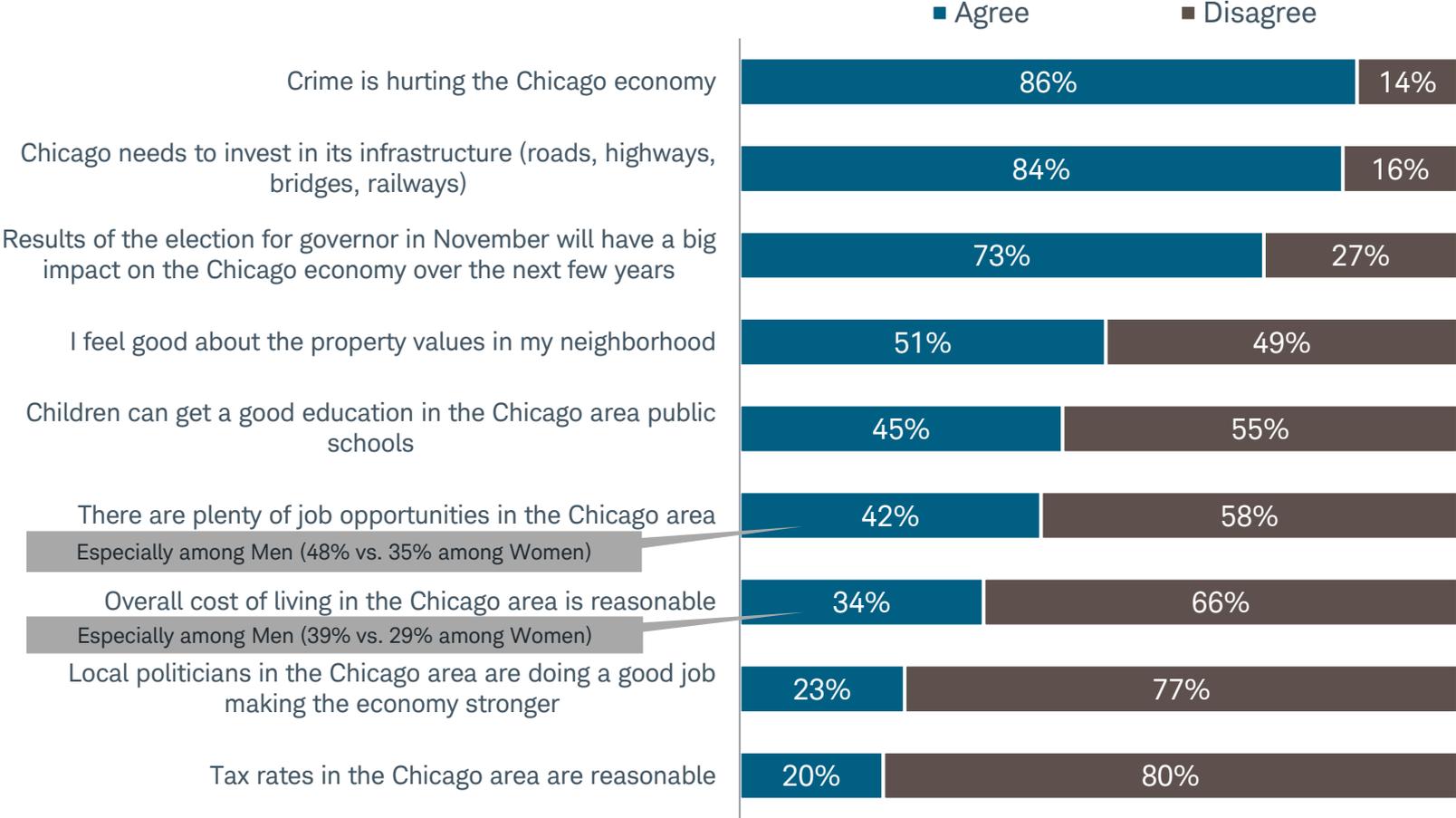
All Chicagoans



Q19 Would you say that living in Chicago helps or hurts your ability to reach your financial goals? (Base: All Chicagoans = 1,000)

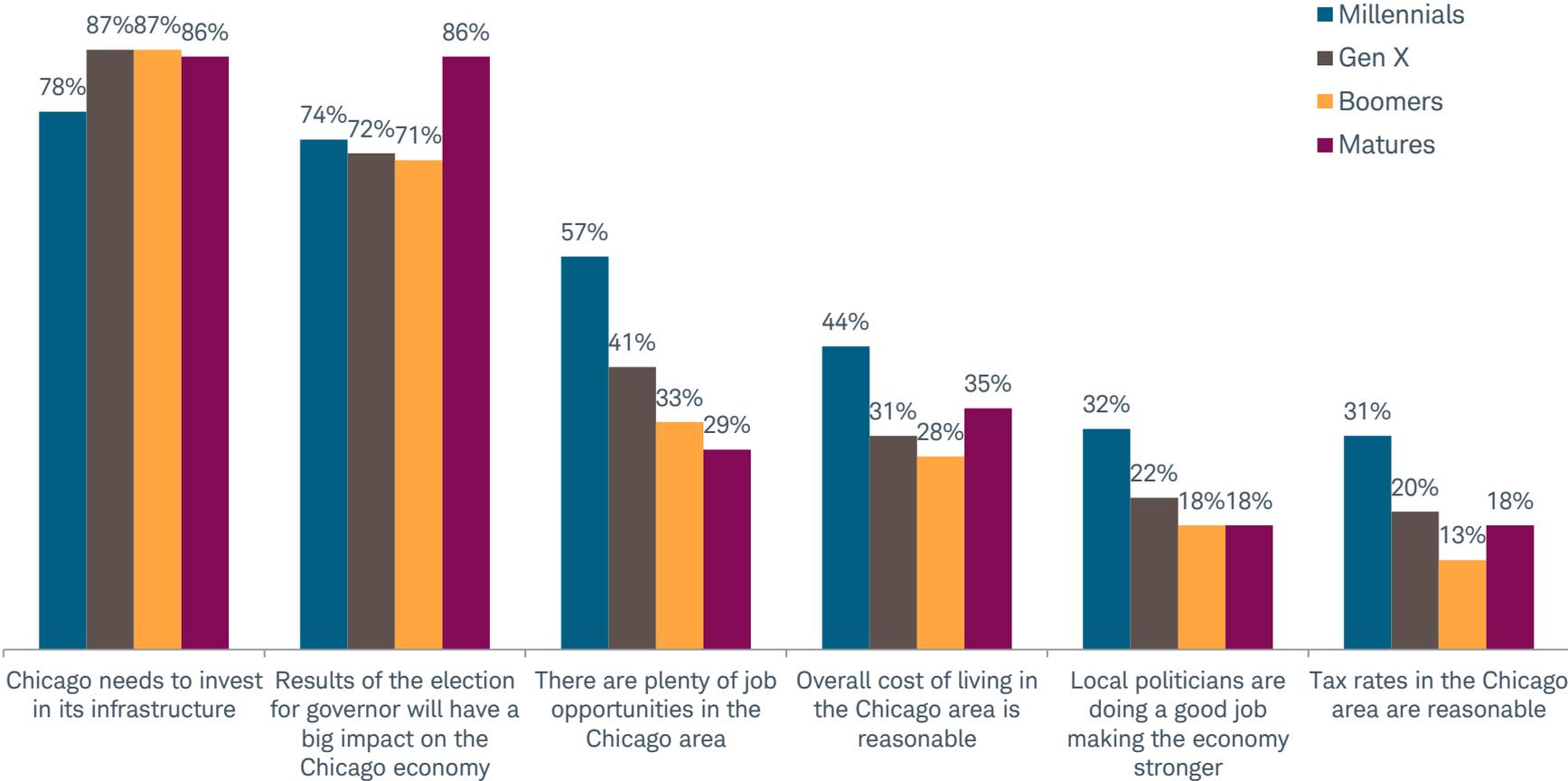
Chicagoans say crime is hurting the economy, infrastructure should be a priority, November election will be important to economic recovery

Agreement with statements about Chicago All Chicagoans



Q10 Please indicate your level of agreement or disagreement with each of the statements below. (Base: All Chicagoans = 1,000)

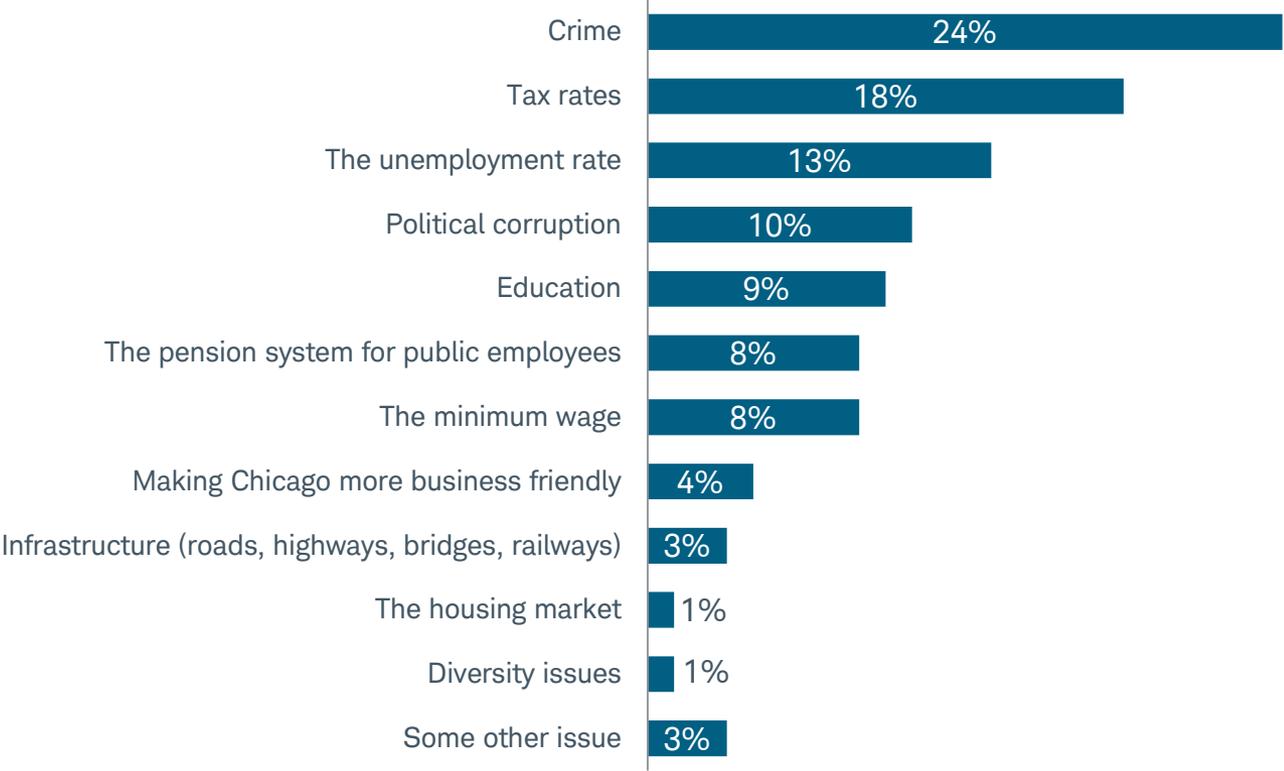
Millennials express more optimism in multiple areas including jobs, cost of living, and effectiveness of local politicians



Q10 Please indicate your level of agreement or disagreement with each of the statements below. (Base: All Chicagoans = 1,000)

Crime and tax rates are seen as the biggest issues for the next Illinois Governor

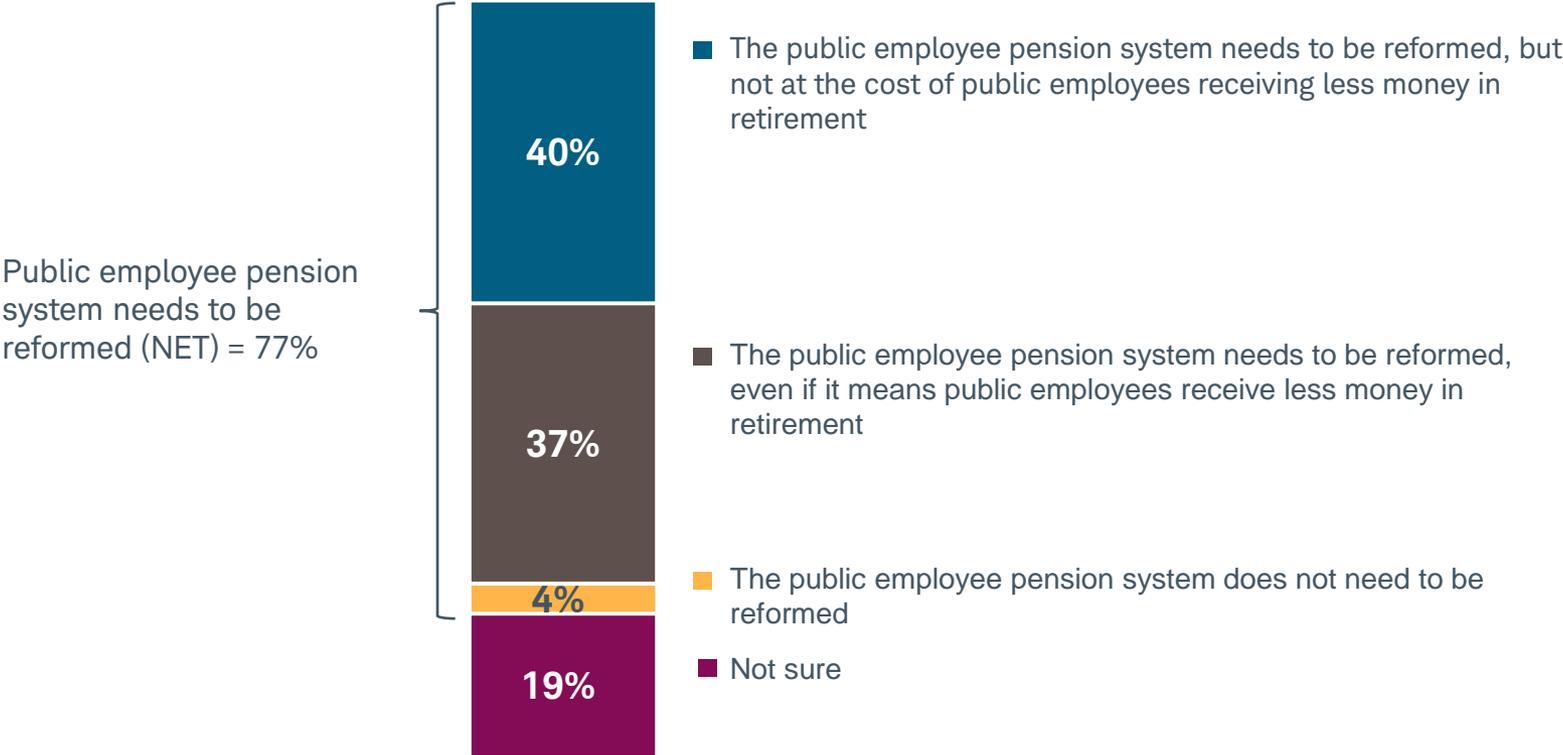
Biggest priority for next Illinois Governor All Chicagoans



Q9 If you had to choose, which of the following is the **one topic** or issue that the candidate for Governor of Illinois should be making the biggest priority? (Base: All Chicagoans = 1,000)

Chicagoans support pension reform, but are divided on how to make it happen

Whether/how local public employee pension system should be reformed All Chicagoans

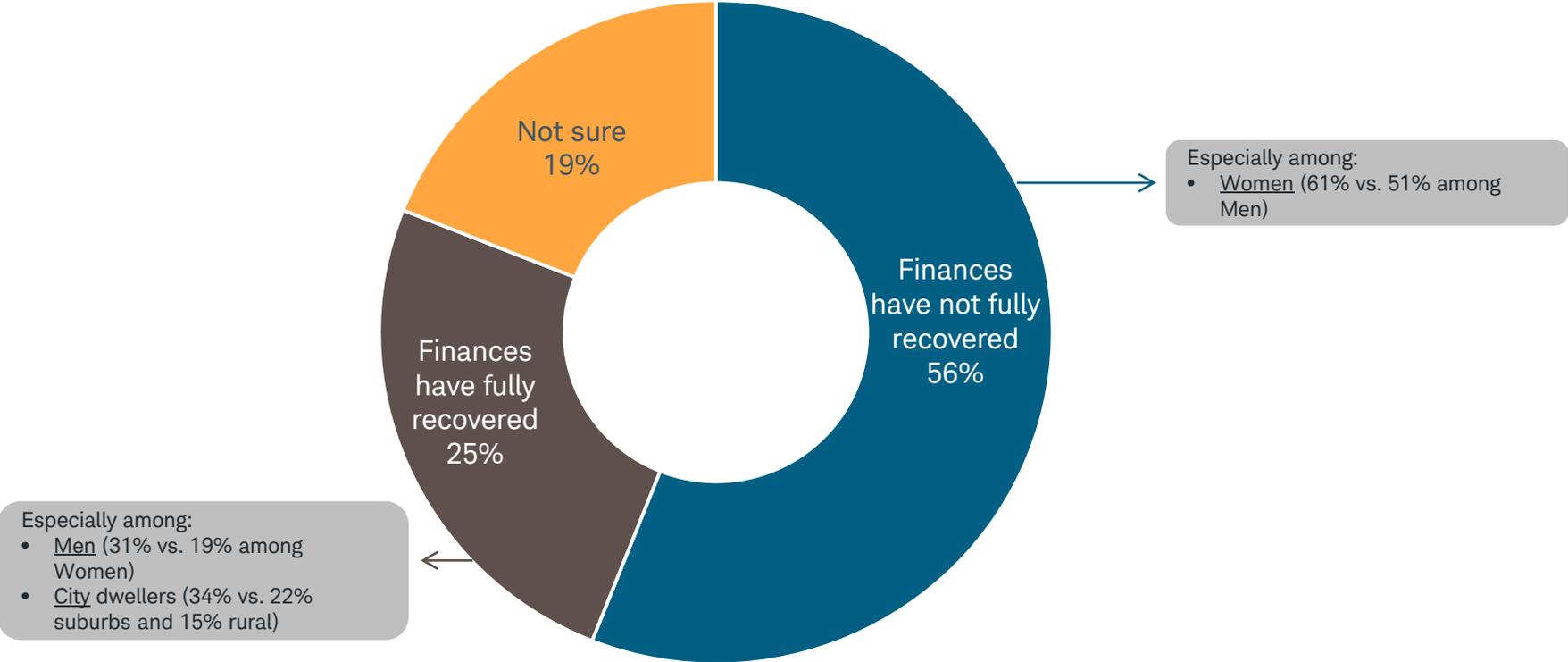


Q11 Which of the following best describes how you would reform the local public employee pension system? (Base: All Chicagoans=1,000)

Personal Finances in Chicago

The majority of Chicagoans say their finances have not fully recovered from the 2008 financial crisis

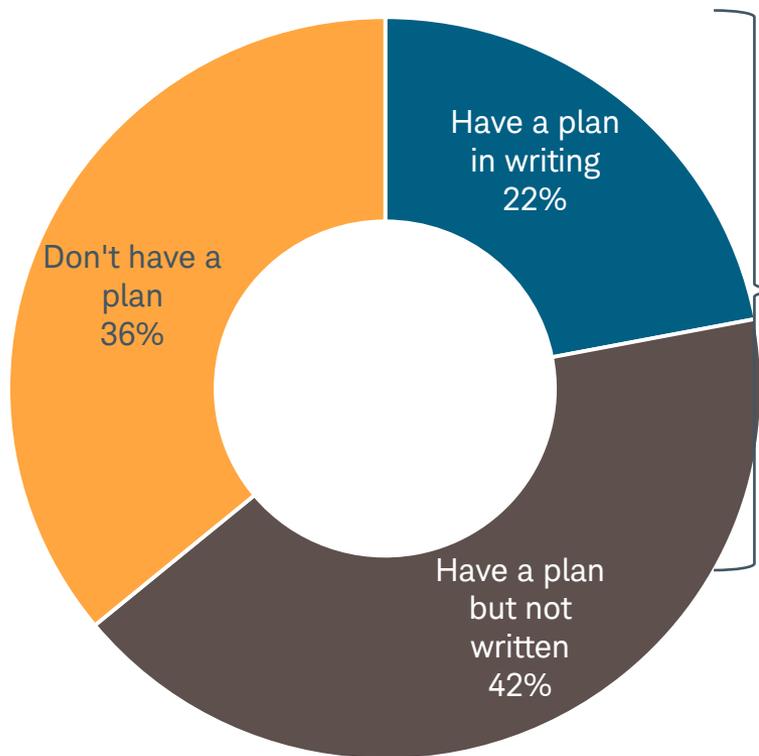
Effect of 2008 financial crisis on financial situation All Chicagoans



Q19a Which of the following statements best reflects your current financial situation? (Base: All Chicagoans = 1,000)

Just 22 percent of Chicagoans have a written financial plan, and many lack confidence they will reach their financial goals

Have a financial plan All Chicagoans

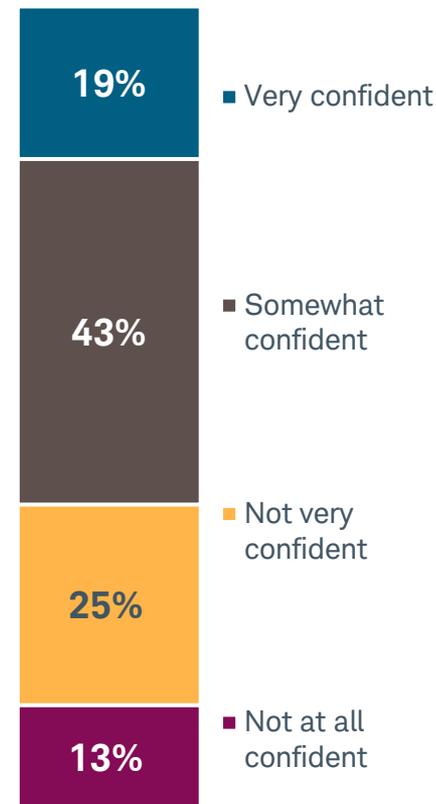


Have a financial plan (NET) = 64%

Especially among:

- Millennials (71% have a plan vs. 62% among Gen X, 60% among Boomers and 64% among Matures).
 - Most Millennials report their plan is not written.
- Employed (69% vs. 55% Not employed)

Confidence in ability to achieve financial goals All Chicagoans

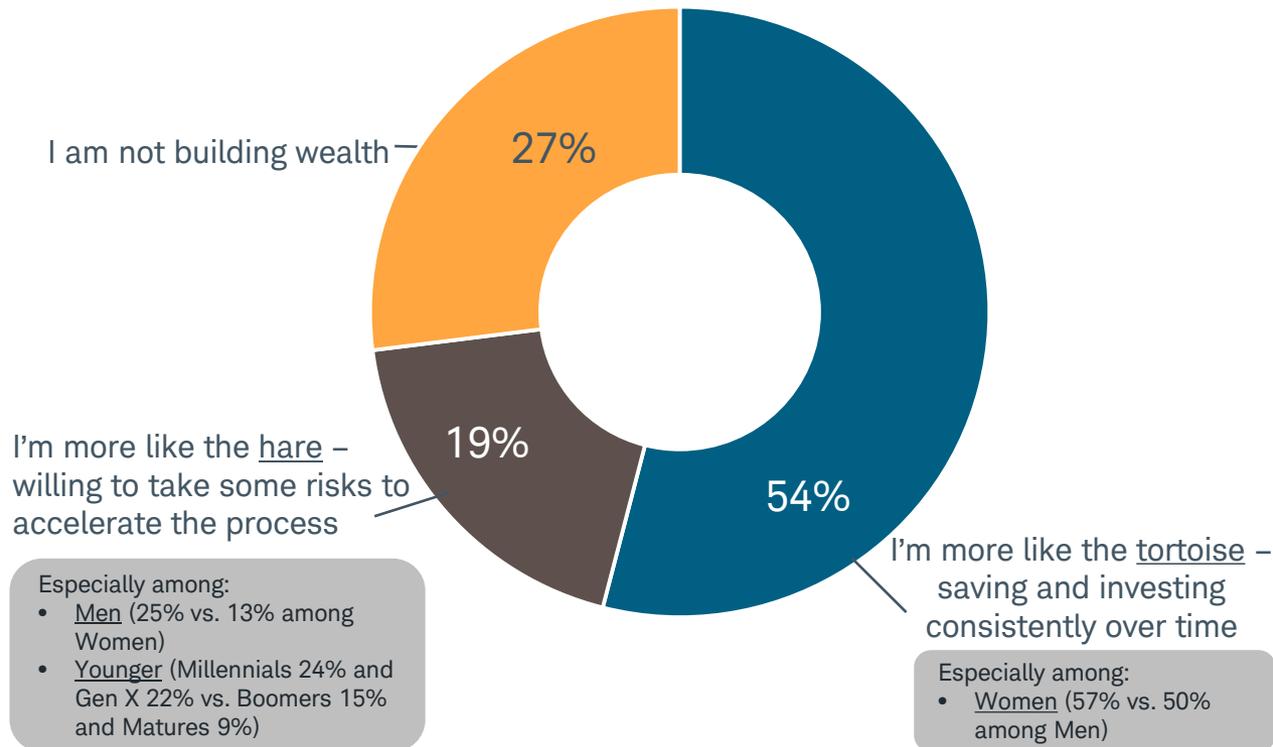


Q22 Do you currently have a financial plan? (Base: All Chicagoans = 1,000)

Q18 How confident do you feel that you will be able to reach your main financial goals? (Base: All Chicagoans = 1,000)

The majority of Chicagoans are like the tortoise: building wealth slowly and steadily

Approach to building wealth All Chicagoans

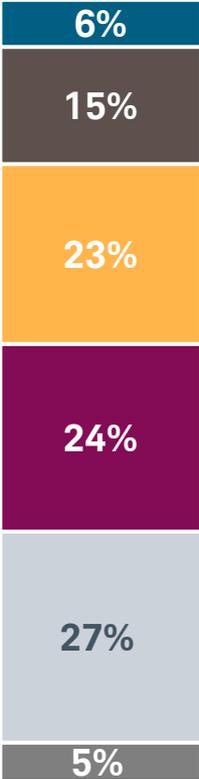


Chicagoans say a net worth of \$700K is comfortable, but it takes \$2.7M to be wealthy

Net worth that would make a person financially comfortable

All Chicagoans

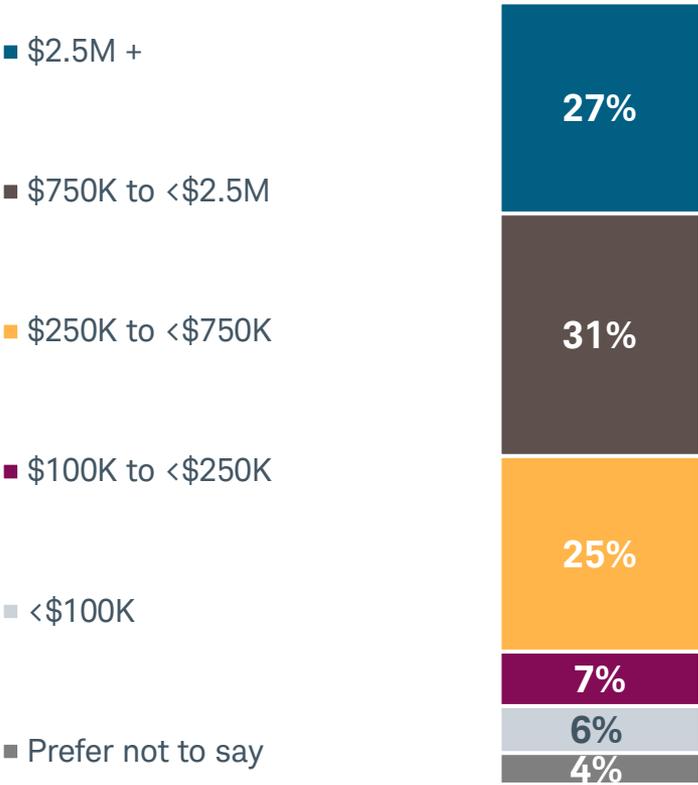
Average = \$700K



Net worth that would make a person wealthy

All Chicagoans

Average = \$2.7M



Q15 At what level of personal net worth would you say a person in the Chicago area could be considered financially comfortable?

Q16 At what level of personal net worth would you say a person in the Chicago area could be considered wealthy? (Base: All Chicagoans=1,000)

Chicagoans spend more money at locally owned businesses

Amount spent each month in:
- Locally owned Chicago businesses
 All Chicagoans

Average = \$820



- Larger national chain stores
 All Chicagoans

Average = \$650



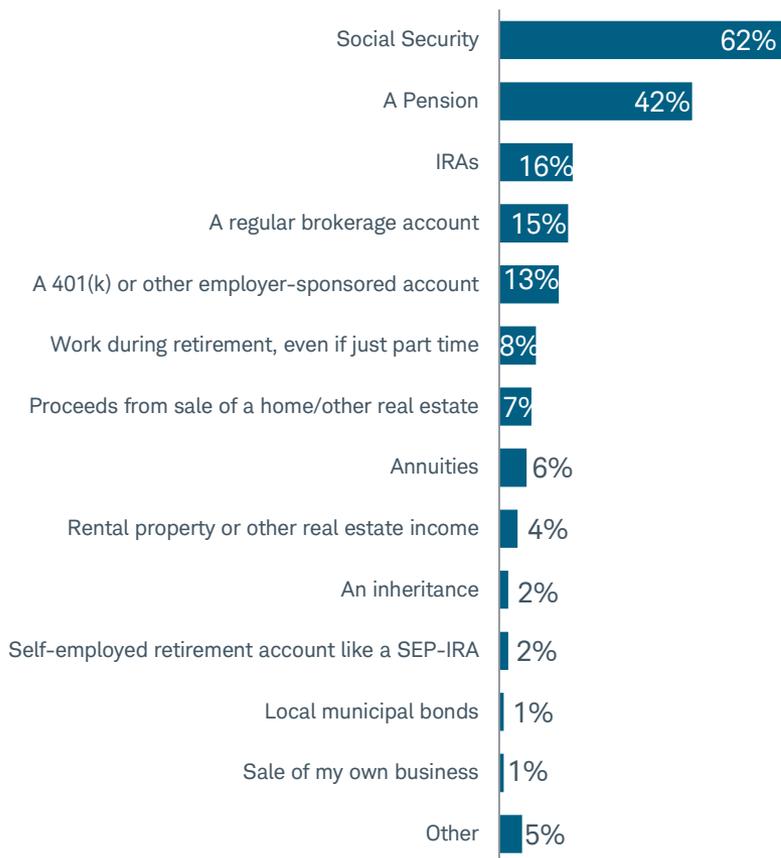
- \$1,000 +
- \$500 to \$999
- \$250 to \$499
- <\$250
- Prefer not to say

Q20 How much would you say you spend each month at locally-owned Chicago businesses (retail stores, restaurants and grocery stores)? Your best estimate is fine?
 Q21 How much would you say you spend each month at larger national chain stores (not based in Chicago) or online sites? Your best estimate is fine. (Base: All Chicagoans=1,000)

Retired Chicagoans rely on Social Security and pensions; those not yet retired will have a greater reliance on 401(k)s

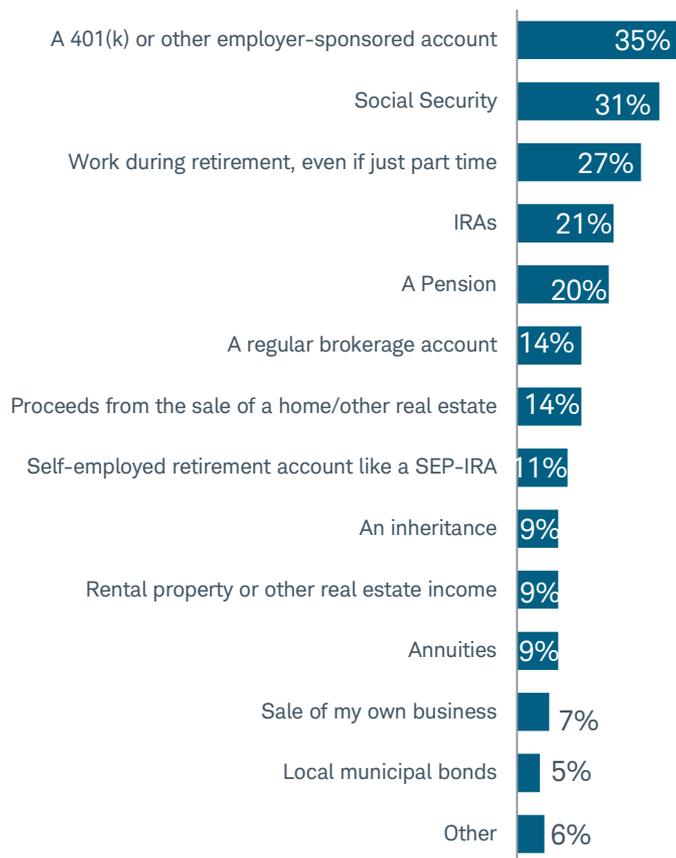
Sources rely on a lot for income during retirement

Among retired Chicagoans



Sources will rely on a lot for income when retired

Among Chicagoans not currently retired



Haven't thought about retirement yet = 10%

Q23 (IF RETIRED) What are the sources you are relying on for income during retirement? (Base: Those currently retired = 173)

Q23 (IF NOT RETIRED) Thinking ahead to the future, what are the sources you plan to rely on for income when you are no longer working? (Base: Those not currently retired = 827)

Survey Demographics

Demographics

	All Chicagoans (n=1,000)
Gender*	
Male	50%
Female	50%
Generation	
Millennials (21-33)	27%
Gen X (34-49)	31%
Boomers (50-68)	36%
Matures (Over 68)	6%
Mean age	45
Location*	
Cook County	60%
Contiguous to Cook County	33%
Non-contiguous to Cook County	7%
City of Chicago	30%
Education	
High school grad or less	16%
Trade or technical school	4%
Some college	27%
College grad	37%
Post grad	15%
Prefer not to answer	1%

	All Chicagoans (n=1,000)
Marital Status	
<u>Married/living with partner (Net)</u>	<u>56%</u>
Married	49%
Living with partner	7%
Single	29%
Separated, divorced, widowed	14%
Prefer not to answer	1%
Children	
<u>Have children (Net)</u>	<u>57%</u>
Under age 18	25%
Over age 18	27%
Both over and under age 18	5%
No children	43%
Racial Background	
White/Caucasian	74%
African American/Black	15%
Asian	6%
Other	3%
Prefer not to answer	2%
Hispanic/Latino Background	
Yes	10%
No	90%

Demographics

	All Chicagoans (n=1,000)
Employment Status	
<u>Employed</u> (Net)	64%
Full-time	48%
Part-time	16%
Unemployed, looking for work	10%
Homemaker or student, not looking for work	9%
Retired, semi-retired	17%
Industry Working in (among employed)	
Education or health	19%
Professional or business services	18%
Manufacturing	10%
Information services	7%
Financial services	5%
Construction	5%
Transportation or utilities	4%
Leisure or hospitality	4%
Government	3%
Farming, mining or logging	1%
Other	24%

	All Chicagoans (n=1,000)
2013 Household Income	
<\$25K	13%
\$25K to \$44.9K	23%
\$50K to \$74.9K	22%
\$75K to \$99.9K	14%
\$100K or more	23%
Prefer not to answer	5%
Mean	\$76.3K
Total Assets	
<\$25K	29%
\$25K to \$99.9K	19%
\$100K to \$249.9K	12%
\$250K to \$499.9K	10%
\$500K or more	13%
Prefer not to answer	16%
Mean	\$301.3K

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