



# News Release

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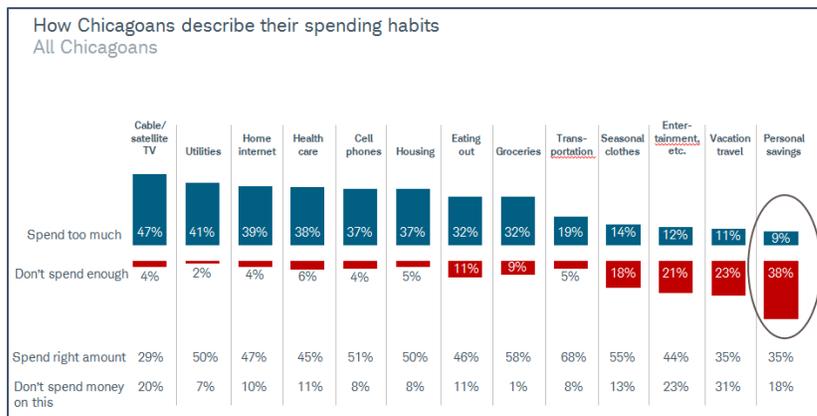
**OVER HALF OF CHICAGOANS RANK THEIR CITY AMONG THE WORST IN THE U.S. FOR THE COST OF LIVING**  
 Third annual Charles Schwab survey examines local attitudes on economy and personal finances

**CHICAGO, September 21, 2016** — The local cost of living is a drag on many Chicago residents, according to the third annual [survey](#) by Charles Schwab, one of the largest full-service investment firms in the country with 13 branches in the Chicago metropolitan area. Of 1,000 Chicago area residents surveyed, over half (55 percent) say the Windy City is one of the worst areas in the country when it comes to cost of living.

In fact, more than twice as many (43 percent) say that living in Chicago hurts their ability to reach their financial goals compared to those who say it helps (16 percent). Forty-seven percent cite keeping up with monthly expenses as their biggest source of stress.

When asked to put a dollar amount on the cost of living, Chicagoans say it takes an average net worth of \$640,000 to feel “financially comfortable,” and \$2.6 million to be considered “wealthy.”

Despite this high bar, Schwab’s survey reveals that less than a quarter of Chicagoans are currently saving and investing to build wealth (23 percent). Instead, 23 percent are focused on living frugally and saving, while 19 percent are trying to earn as much income as possible to build their wealth. And only 23 percent have a written financial plan.



While retirement is survey respondents’ top savings priority, Chicagoans saved about half as much for retirement in 2015 as they planned, according to the survey. On average, they saved \$4,200 last year, compared to a goal of \$8,100. Those who work with a financial advisor fared slightly better, saving \$7,300 against their goal of \$10,400. Beyond, retirement, just 22 percent of Chicagoans say they saved at least an additional \$1,000; 40 percent say they didn’t put away any additional savings.

“In places like Chicago where the cost of living can be challenging, it’s crucial for people to stay focused on factors they can control to help manage their wealth and stay on track toward their goals,” says [Andy Saeger](#), CFP®, a Charles Schwab senior financial consultant at the firm’s branch in [Naperville](#). “That means striking the right balance of saving and investing according to a long-term financial plan designed to meet your goals.”

Schwab’s Saeger notes that proper planning can improve an individual’s financial confidence. According to the survey, 70 percent of those who have a written plan report feeling confident about reaching their financial goals, compared to just 40 percent who don’t have a financial plan.

## Chicago's job market and business scene seen as bright spots

Despite concerns about the cost of living, Chicagoans see reasons to be optimistic about their city as well. Nearly 60 percent say there are plenty of job opportunities in the Chicago area, and 85 percent of Chicagoans see their city as a global business hub. When asked to grade the Chicago area across a range of factors, survey respondents gave the region an "A" or a "B" letter grade for the following:

- As a place for young professionals (65 percent)
- As a business-friendly environment for large companies (61 percent)
- As a place for innovation (60 percent)
- As a place for career growth (59 percent)
- As a place for entrepreneurs (54 percent)

When considering the local economy overall, about half (51 percent) of Chicagoans believe it's in comparable shape to the U.S. economy, and 14 percent think it's better. But a majority (73 percent) says local politicians could be doing more to make the local economy stronger. Survey respondents cite a several reasons for their concerns:

- 88 percent say crime is hurting the Chicago economy
- 84 percent believe Chicago needs to invest in infrastructure
- 84 percent say government debt is hurting local economic growth
- 78 percent say local tax rates are unreasonable

### About the survey

The online survey was conducted by Koski Research from July 25 to August 1, 2016 among 1,000 Chicagoans aged 21 to 75. The geographical area of the sample included all the Illinois counties in the Chicago Metropolitan Statistical Area. Quotas were set based on population statistics for Cook County, counties contiguous to Cook County and counties not contiguous to Cook County. The margin of error for the total survey sample is three percentage points.

### About Charles Schwab

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