

The View from Washington, D.C.:

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

April 2015

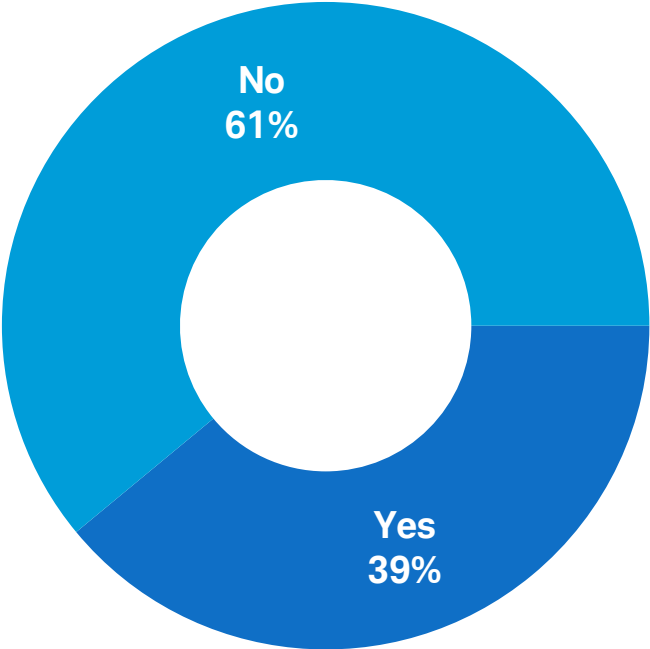
Methodology

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 February 18th – March 1st, 2015.
Who	<ul style="list-style-type: none">▪ 1,000 Washington, D.C. aged 21-75 completed the study.▪ The sample was drawn from online sample sources.▪ The geographical area of the sample included all the Maryland, Virginia, and D.C. counties in the Washington, D.C. Metropolitan Statistical Area (MSA). Quotas were set to be representative of the Washington, D.C. area by gender and age. The margin of error for the total survey sample is three percentage points.▪ Note: Unless noted otherwise Washington, D.C. and the D.C. Area refer to the Washington, D.C. area as defined above and Washingtonians refers to the residents of this area.

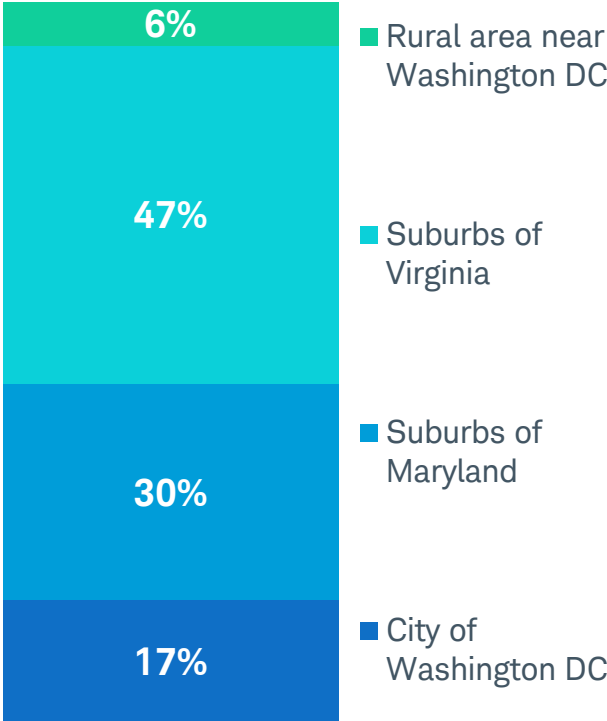
Life in the Washington, D.C. Metro Area

Four in 10 Washingtonians are lifers; most live in the suburbs

Lived in Washington, D.C. for Entire Life All Washingtonians



Current Residence All Washingtonians

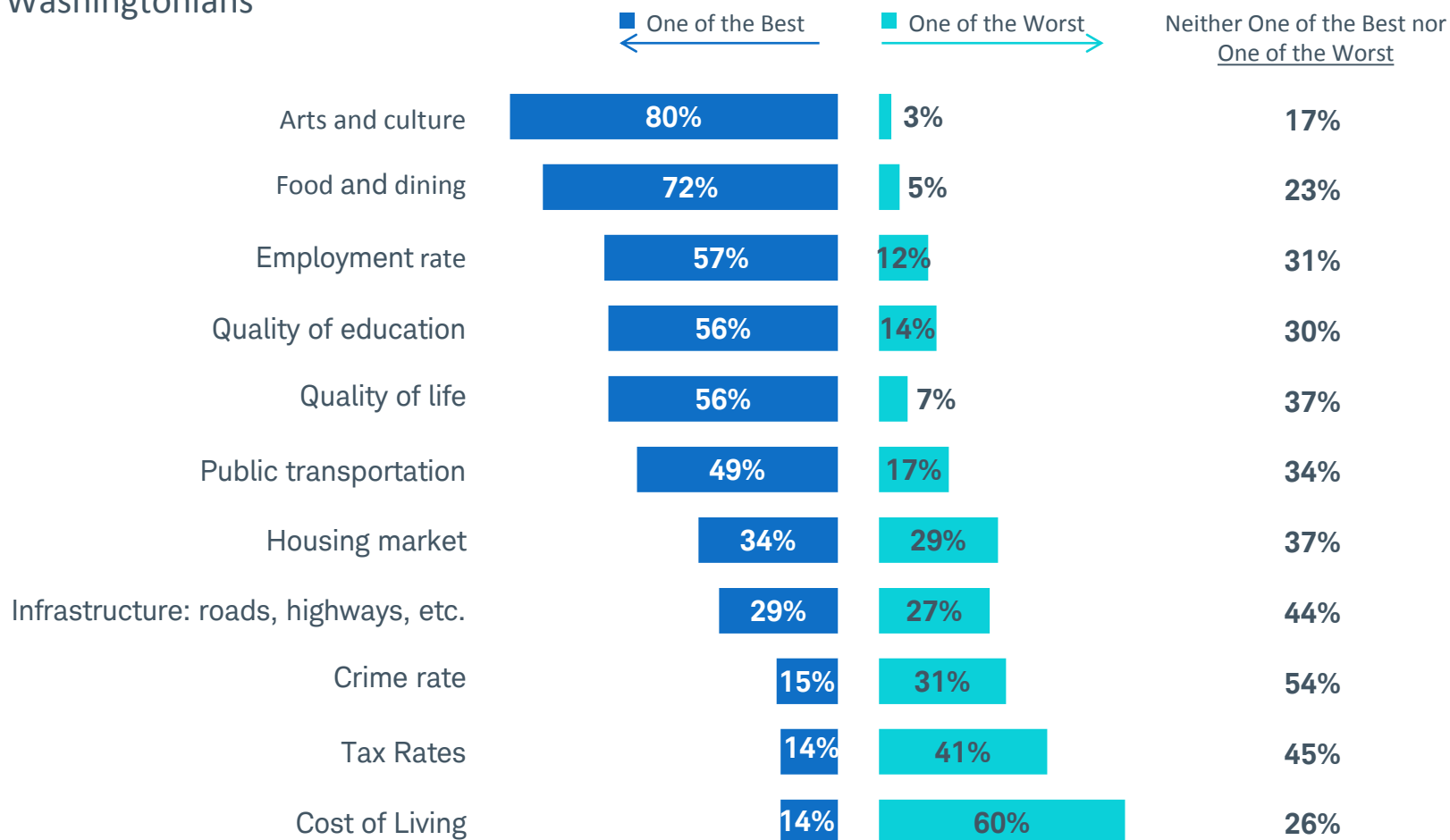


Q1 Have you lived in the Washington, D.C. area all your life? (Do not count time you may have been away at school or in the armed services.) (Base: All Washington, D.C. = 1,000)
Q2 Would you describe the area where you live as...? (Base: All Washington, D.C. = 1,000)

Washingtonians consider the D.C. metro area one of the best for the arts and dining, but one of the worst for cost of living

How Washington, D.C. compares to other U.S. Metropolitan Areas

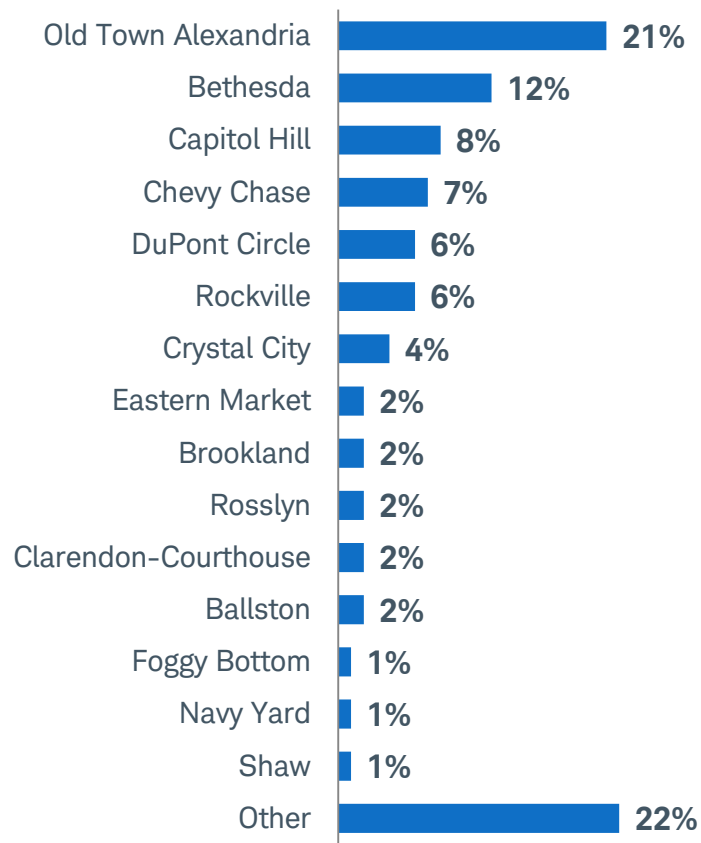
All Washingtonians



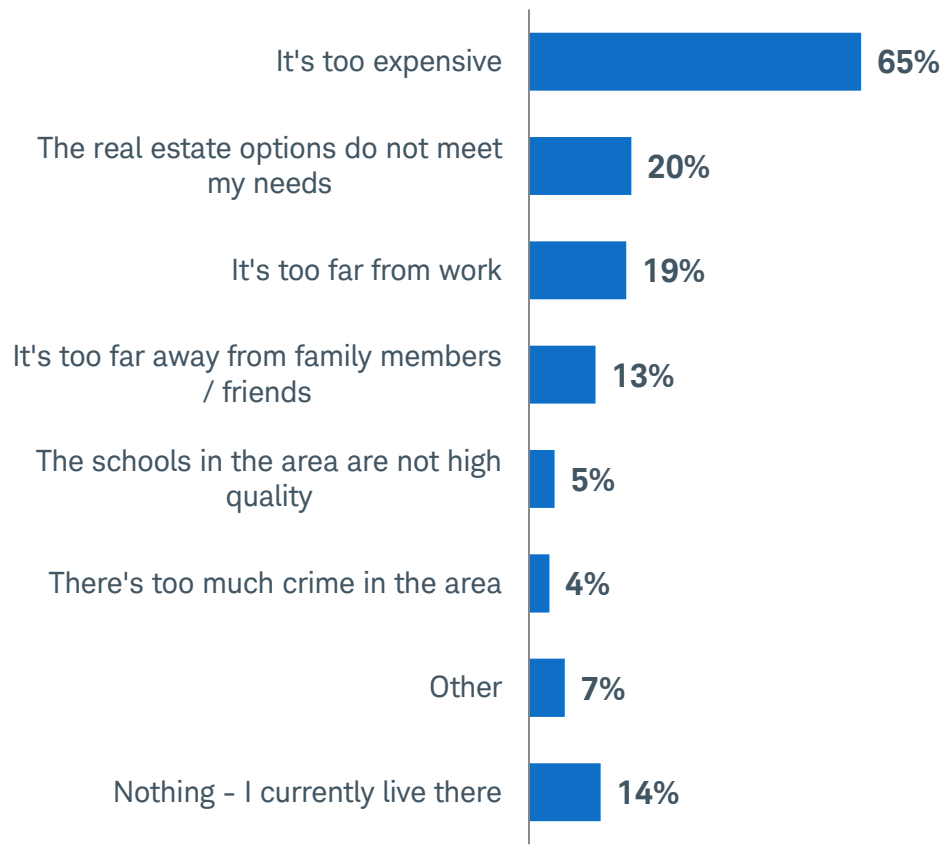
Q5 When you think about the top large metropolitan areas in the U.S., how do you think the Washington, D.C. area compares on each of the issues listed below? For each characteristic please indicate whether you think Washington, D.C. is “One of the Best” metropolitan areas or whether it is “One of the Worst”. (Base: All Washington, D.C.=1,000)

Nearly one in four Washingtonians prefer to live in Old Town Alexandria, but cost is a prohibitive barrier

Preferred Neighborhood of Residence All Washingtonians



Barriers to Living in Preferred Neighborhood: All Washingtonians

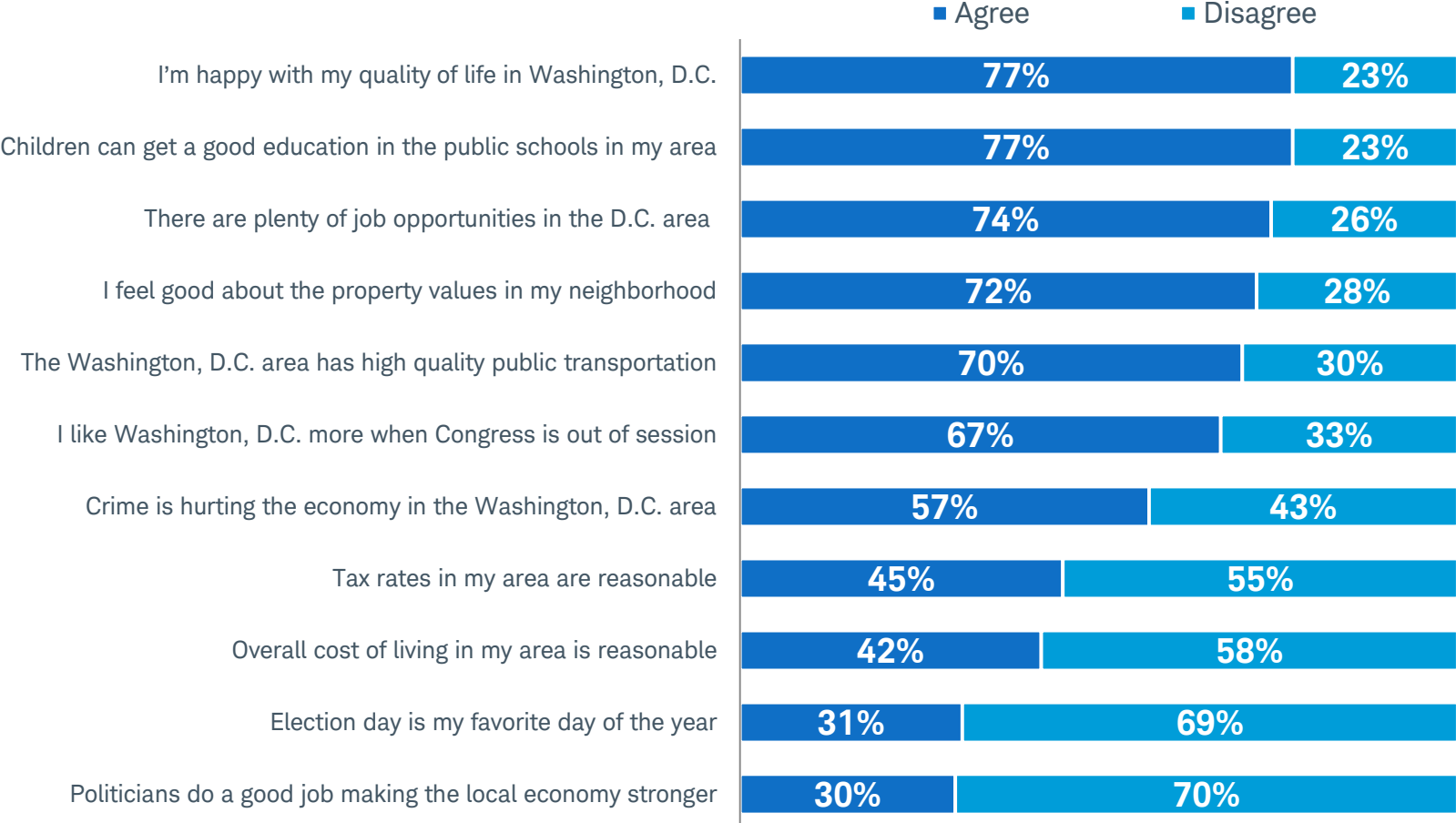


Q8 If money were no object, where in the Washington, D.C. area would you like to live? (Base: All Washington, D.C.=1,000)

Q9 What is preventing you from living in (preferred place)? (Base: All Washington, D.C.=1,000)

Washingtonians are happy with their quality of life, public schools and job opportunities, but think politicians could do more for local economy

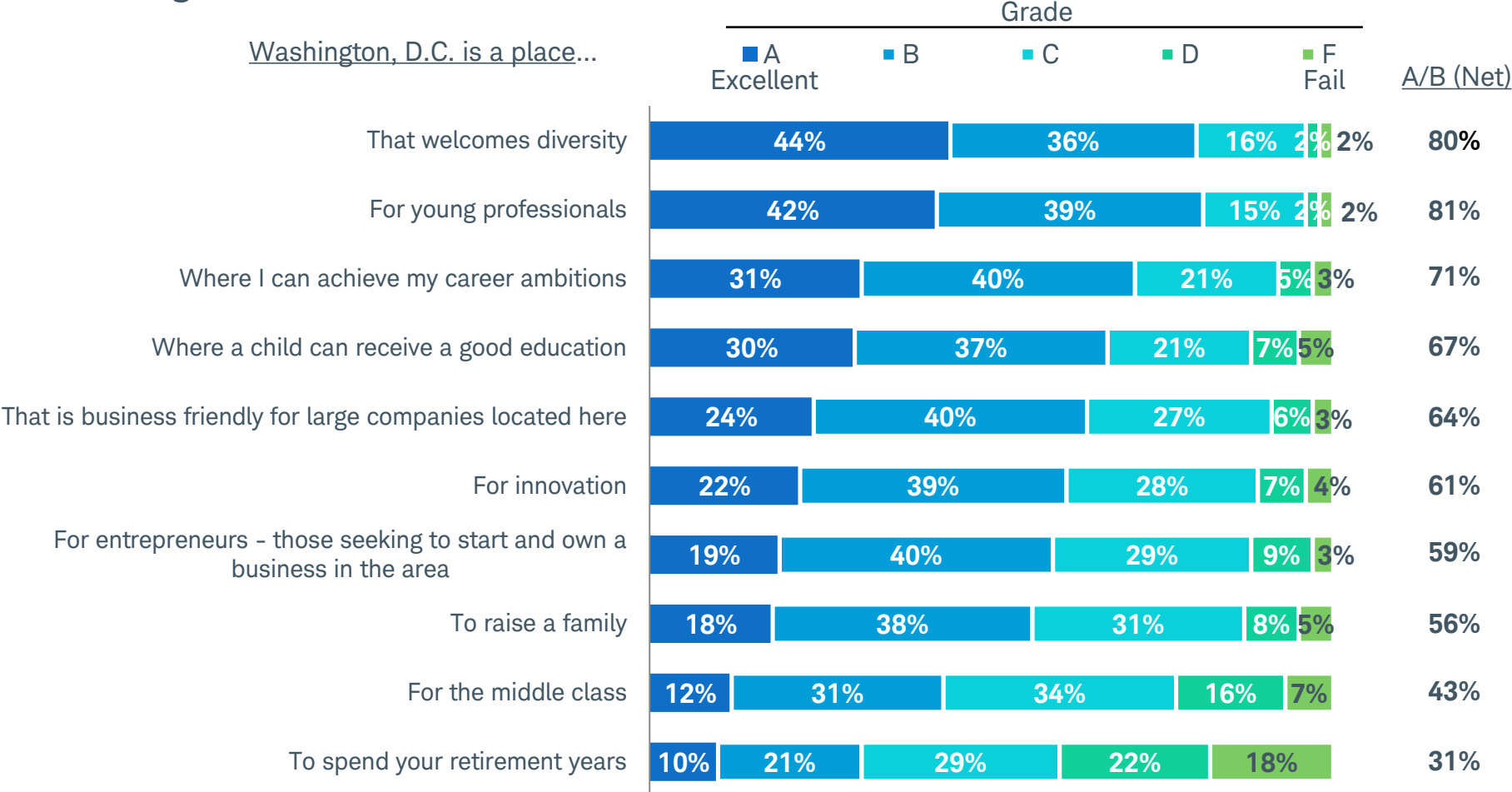
Agreement with Statements About Washington, D.C. All Washingtonians



Q13 Please indicate your level of agreement or disagreement with each of the statements below. (Base: All Washington, D.C. = 1,000)

Residents give the D.C. area high marks for diversity and young professionals, but see it as less appealing for retirees and the middle class

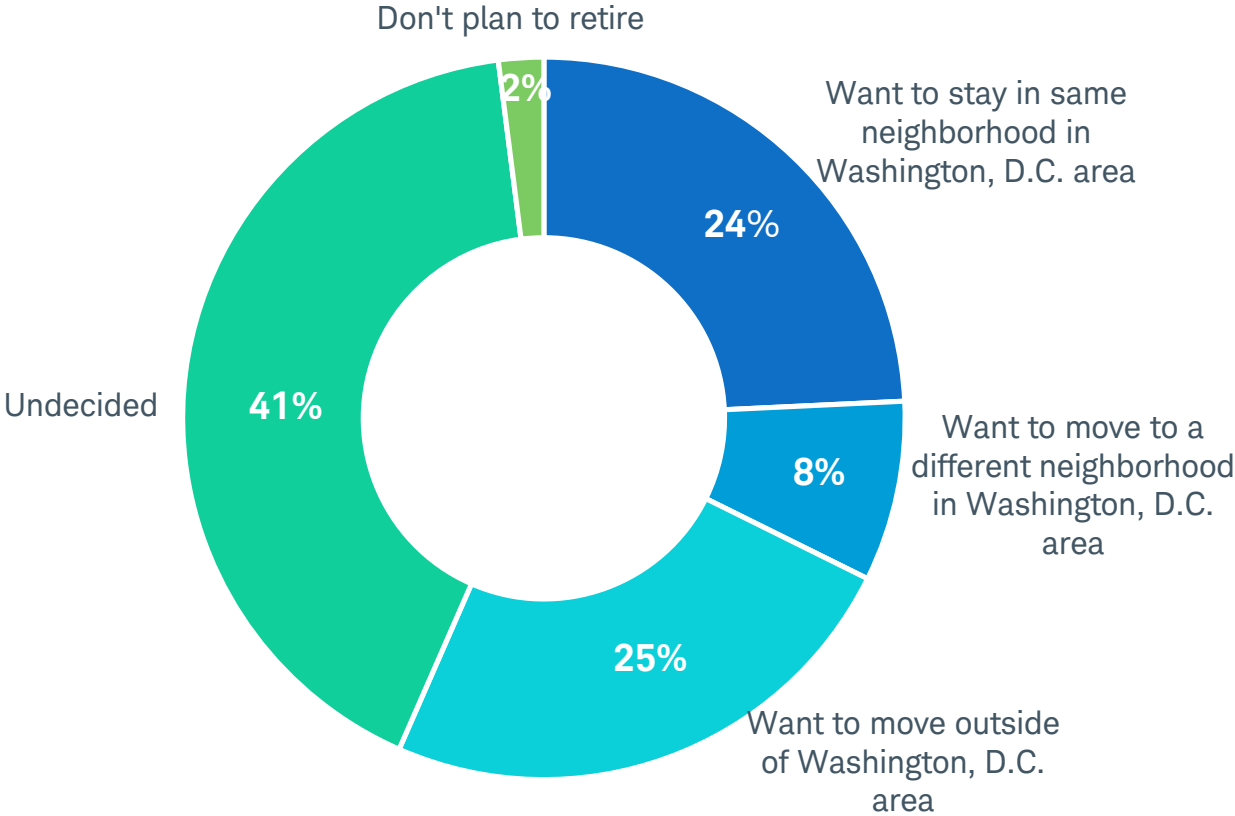
How Washington, D.C. is graded All Washingtonians



Q16 How would you grade the greater Washington, D.C. area on each of the following? (Base: All Washington, D.C. = 1,000)

One-quarter of employed Washingtonians plan to leave the area when they retire, though many are undecided

Planned Retirement Residence Among employed Washingtonians

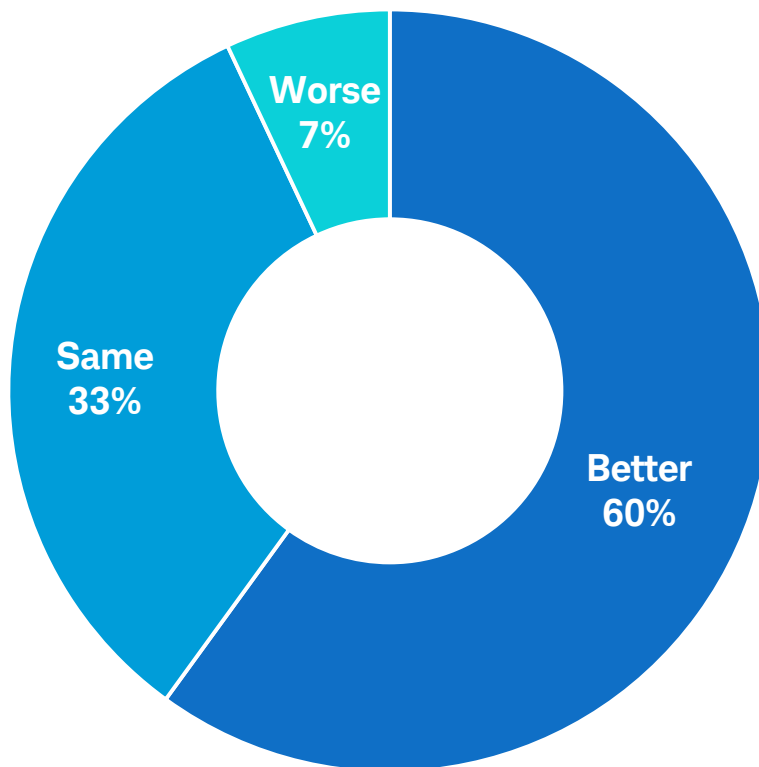


Q3 When you think about retirement, what are your plans for where you will live? (Base: Employed Washington, D.C. = 668)

The Washington, D.C. Metro Area Economy

Six in 10 Washingtonians say the D.C. metro area economy is better than the U.S. economy

Washington, D.C. Economy Comparison to U.S. Economy All Washingtonians

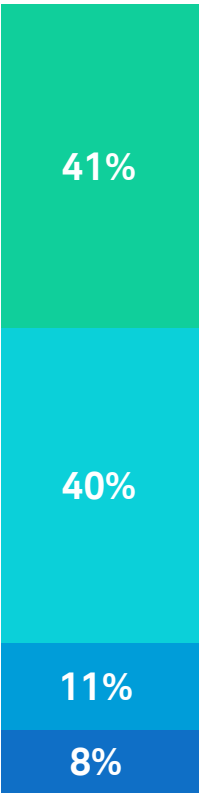


Q7 If you were to compare the economy of the Washington, D.C. area to the economy of the United States overall, would you say Washington, D.C.'s economy is... (Base: All Washington, D.C. = 1,000)

Washingtonians' confidence about the economy is highest closest to home

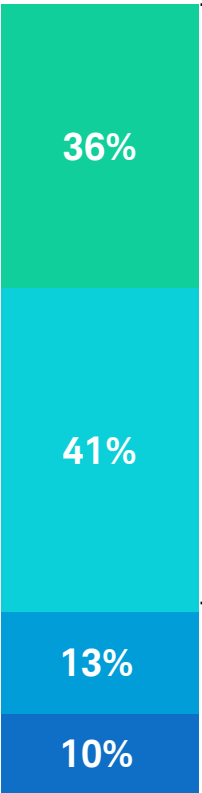
View of the economy:

In Your Neighborhood
All Washingtonians



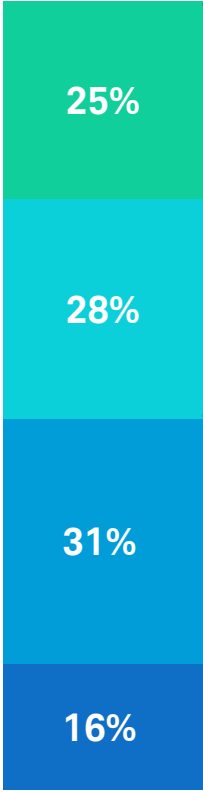
Becoming more prosperous/
staying the same
(NET) = 81%

In Washington, D.C.
All Washingtonians



Becoming more prosperous/
staying the same
(NET) = 77%

In the United States
All Washingtonians



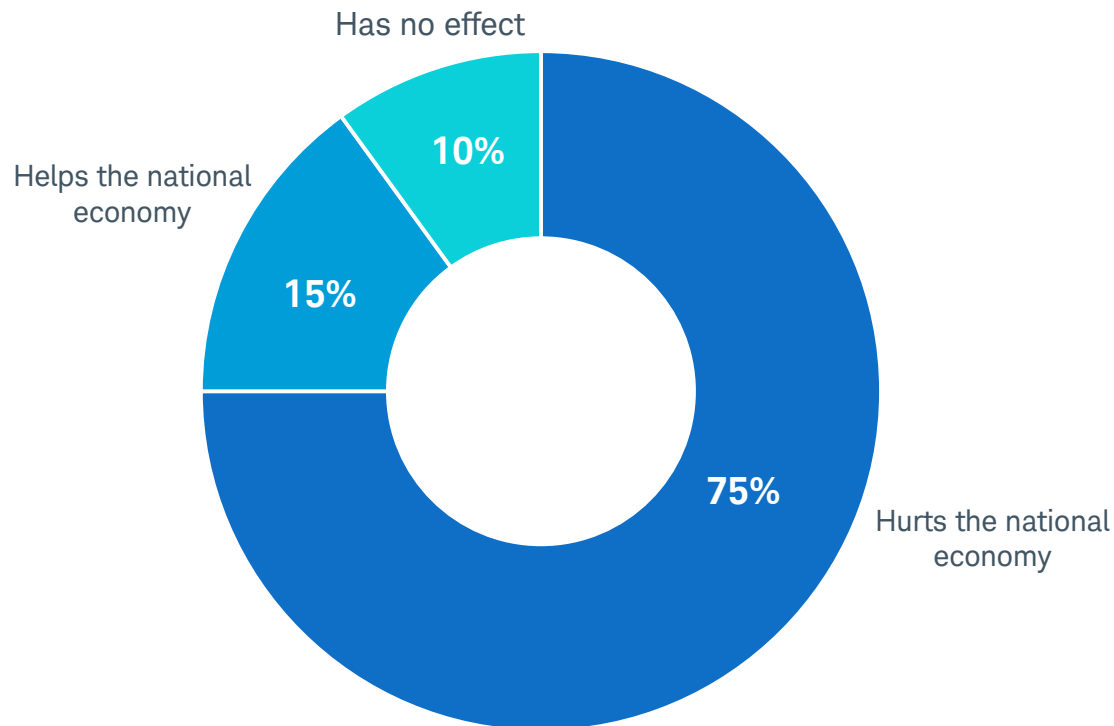
Becoming more prosperous/
staying the same
(NET) = 53%

- Becoming more prosperous
- Staying about the same
- Becoming less prosperous
- Cannot say

Q6 How do you view the economy... a. In the specific area or neighborhood where you live , b. in the Washington, D.C. area, c. in the United States? (Base: All Washington, D.C.=1,000)

Three in four feel that political gridlock in Washington ultimately hurts the national economy

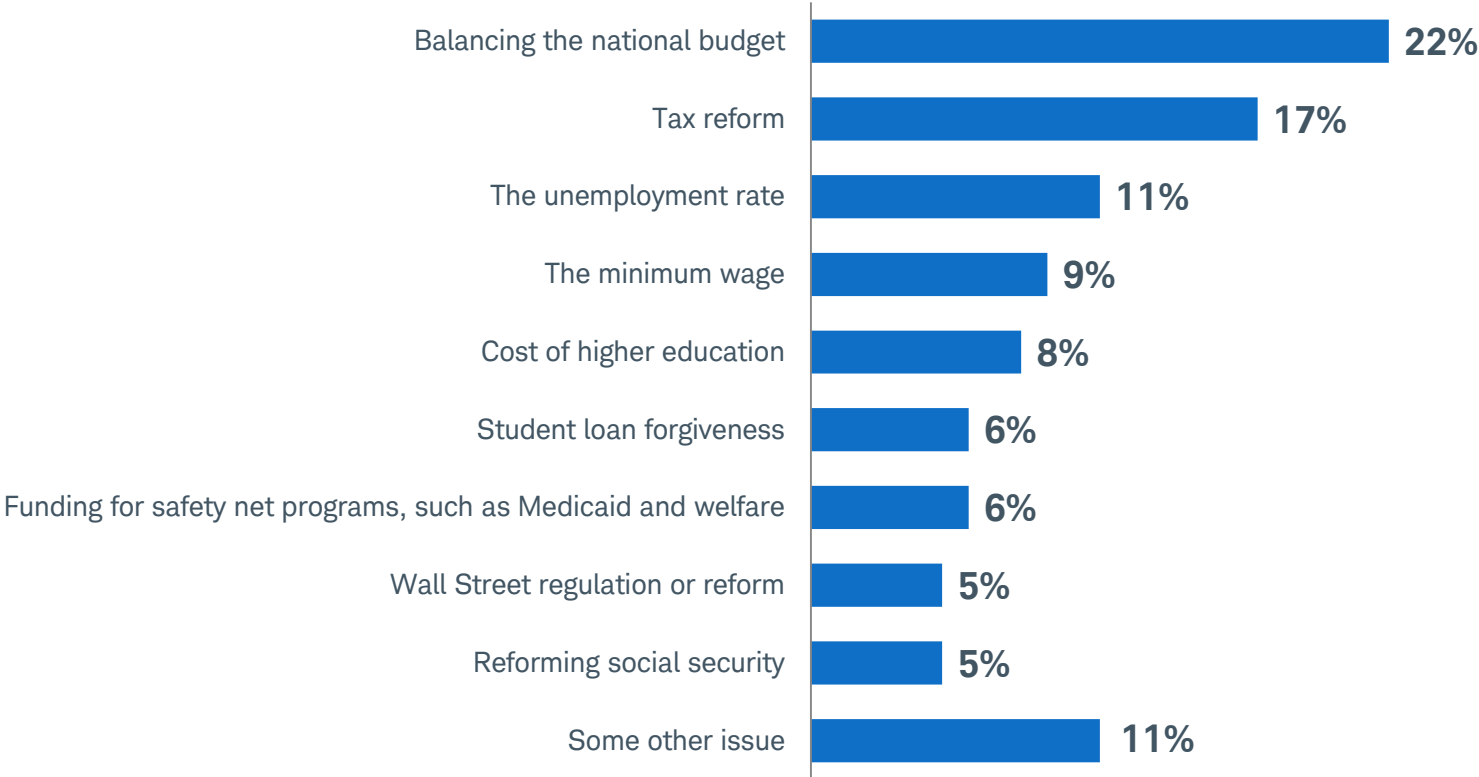
Impact of Political Gridlock on National Economy All Washingtonians



Q11 Political gridlock in national government ultimately ... (Base: All Washington, D.C. = 1,000)

Washingtonians believe national government leaders should focus on balancing the budget and tax reform above other issues

Biggest Priority for National Government Leaders All Washingtonians

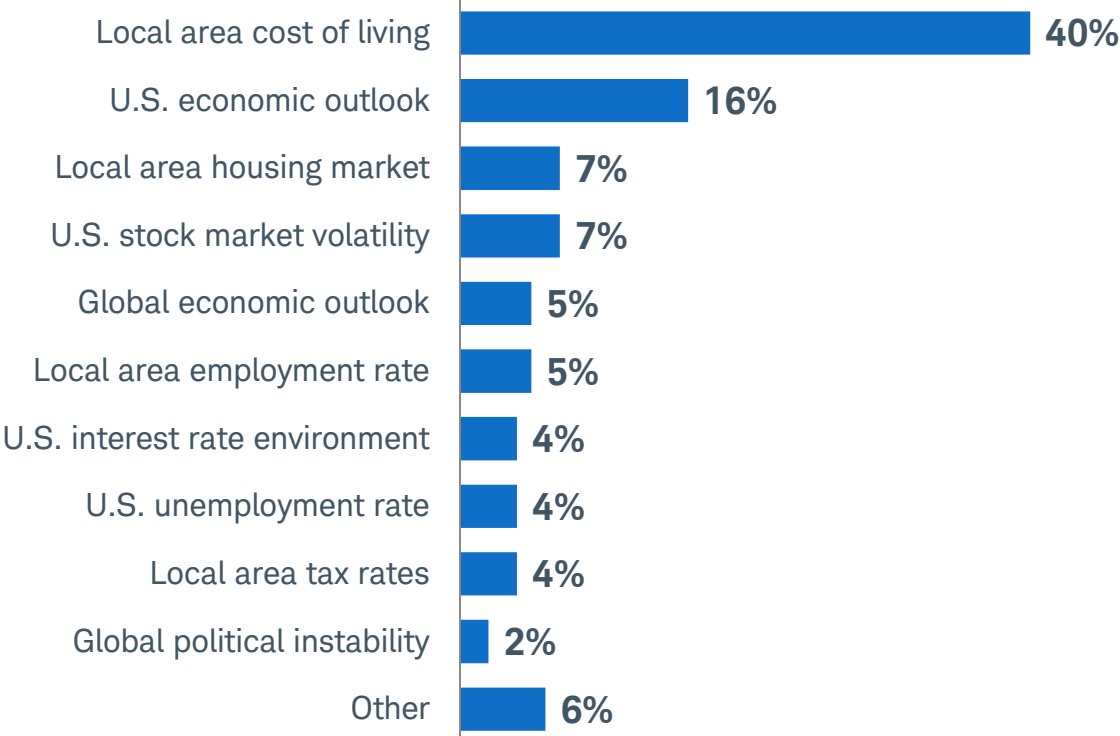


Q12 If you had to choose, which of the following is the **one topic** or issue that national government leaders should be making the biggest priority? (Base: All Washington, D.C. = 1,000)

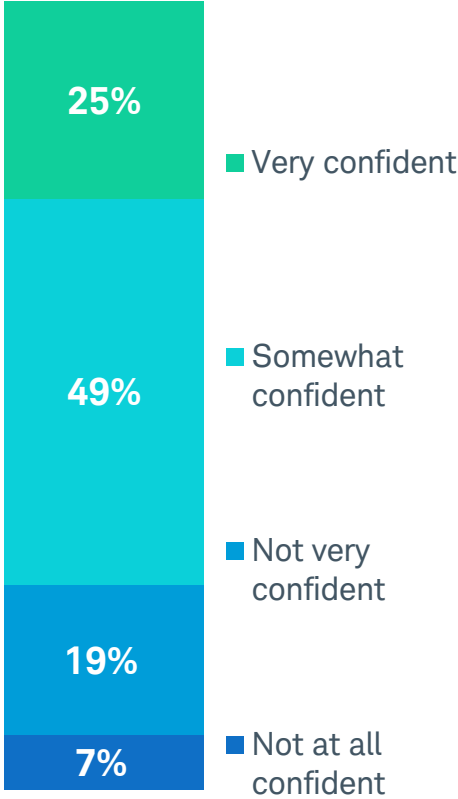
Personal Finances in the Washington, D.C. Metro Area

Washingtonians by far say local cost of living has the greatest impact on personal finance decisions, but a majority remain confident that they'll achieve their goals

Impact on Making Personal Financial Decisions
All Washingtonians



Confidence in Ability to Achieve Financial Goals
All Washingtonians

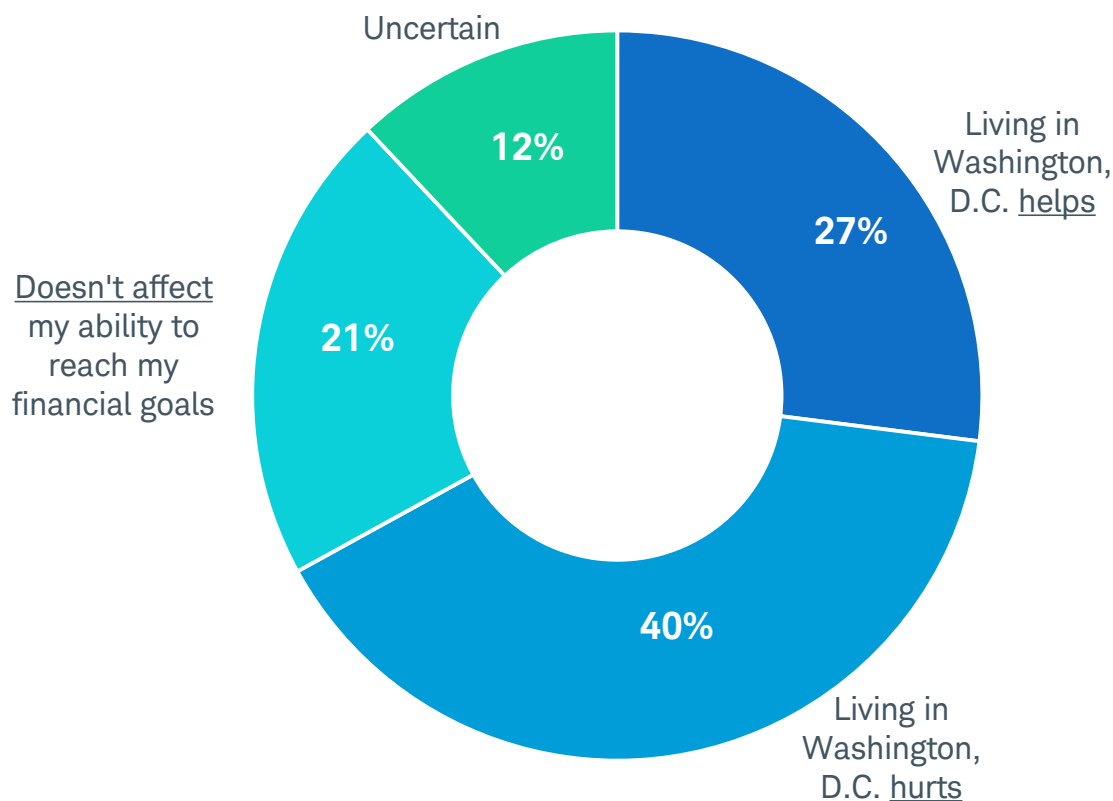


Q10 Which of the following factors or events have the greatest impact on how you make your personal financial decisions? (Base: All Washington, D.C. = 1,000)

Q20 How confident do you feel that you will be able to reach your financial goals? (Base: All Washington, D.C. = 1,000)

40 percent of Washingtonians say living in the D.C. area hurts their ability to achieve their financial goals

Effect of Living in Washington, D.C. on Reaching Financial Goals All Washingtonians

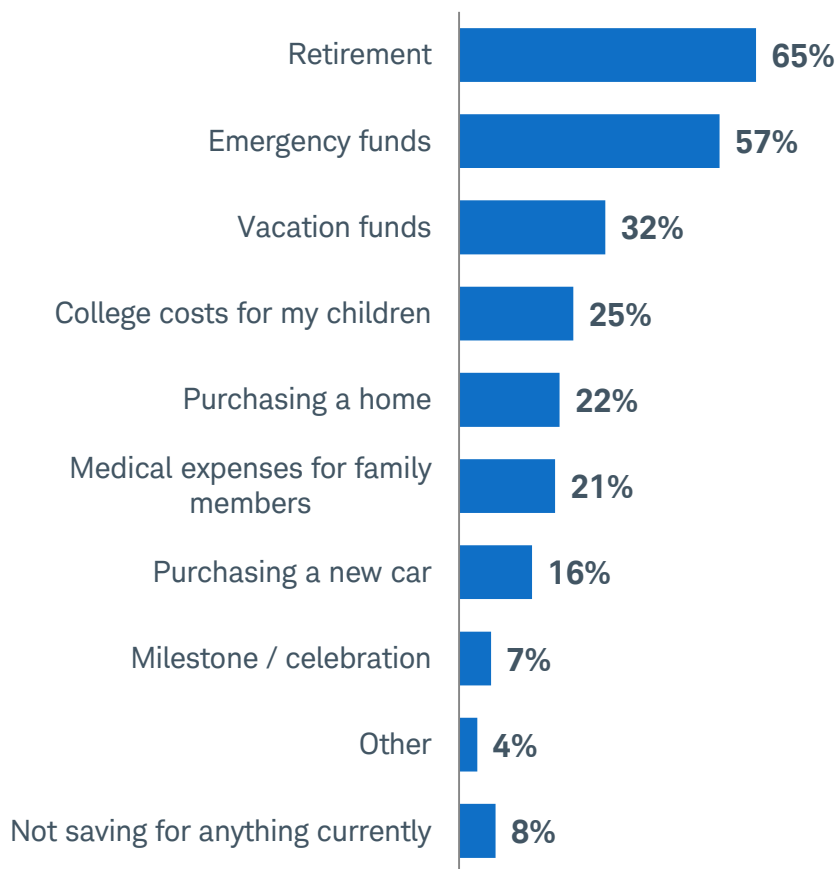


Q21 Would you say that living in Washington, D.C. helps or hurts your ability to reach your financial goals? (Base: All Washington, D.C. = 1,000)

Washingtonians prioritize saving for retirement and emergency funds, though cost of living and debt often stifle saving

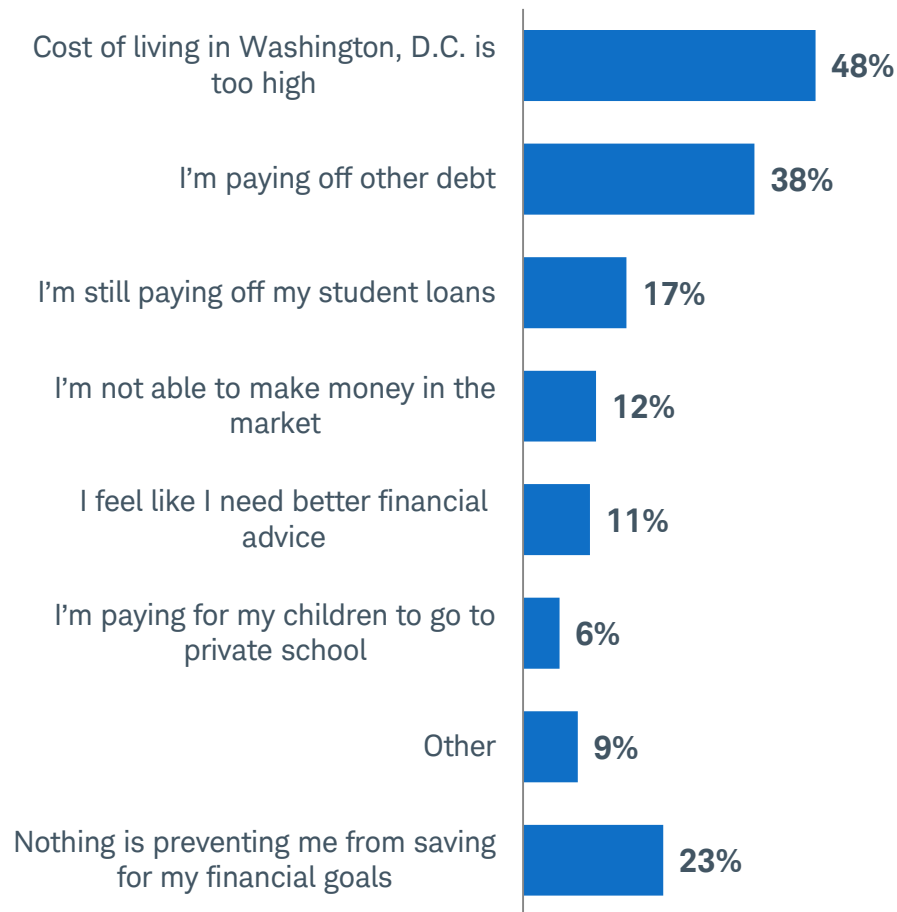
Top Three Savings Priorities

All Washingtonians



Obstacles Preventing Saving

All Washingtonians



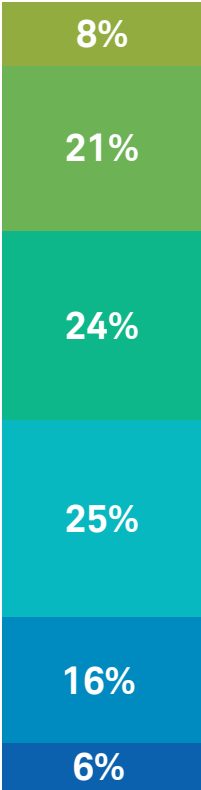
Q26 Which of the following are your top three savings priorities? (Base: All Washington, D.C. = 1,000)

Q27 Which of the following obstacles prevent you from saving for your financial goals? (Base: All Washington, D.C. = 1,000)

On average, Washingtonians feel that a net worth of \$270K makes a person comfortable, while it takes \$1.25M to be wealthy

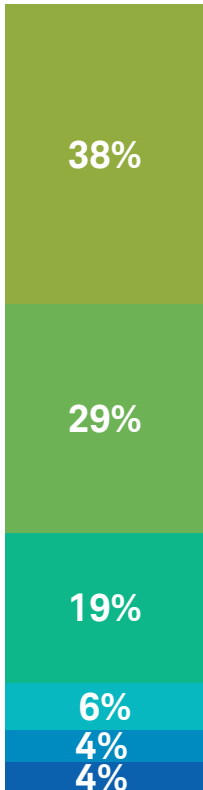
Net Worth to be Financially Comfortable All Washingtonians

Median = \$270K



Net Worth to be Wealthy All Washingtonians

Median = \$1.25M

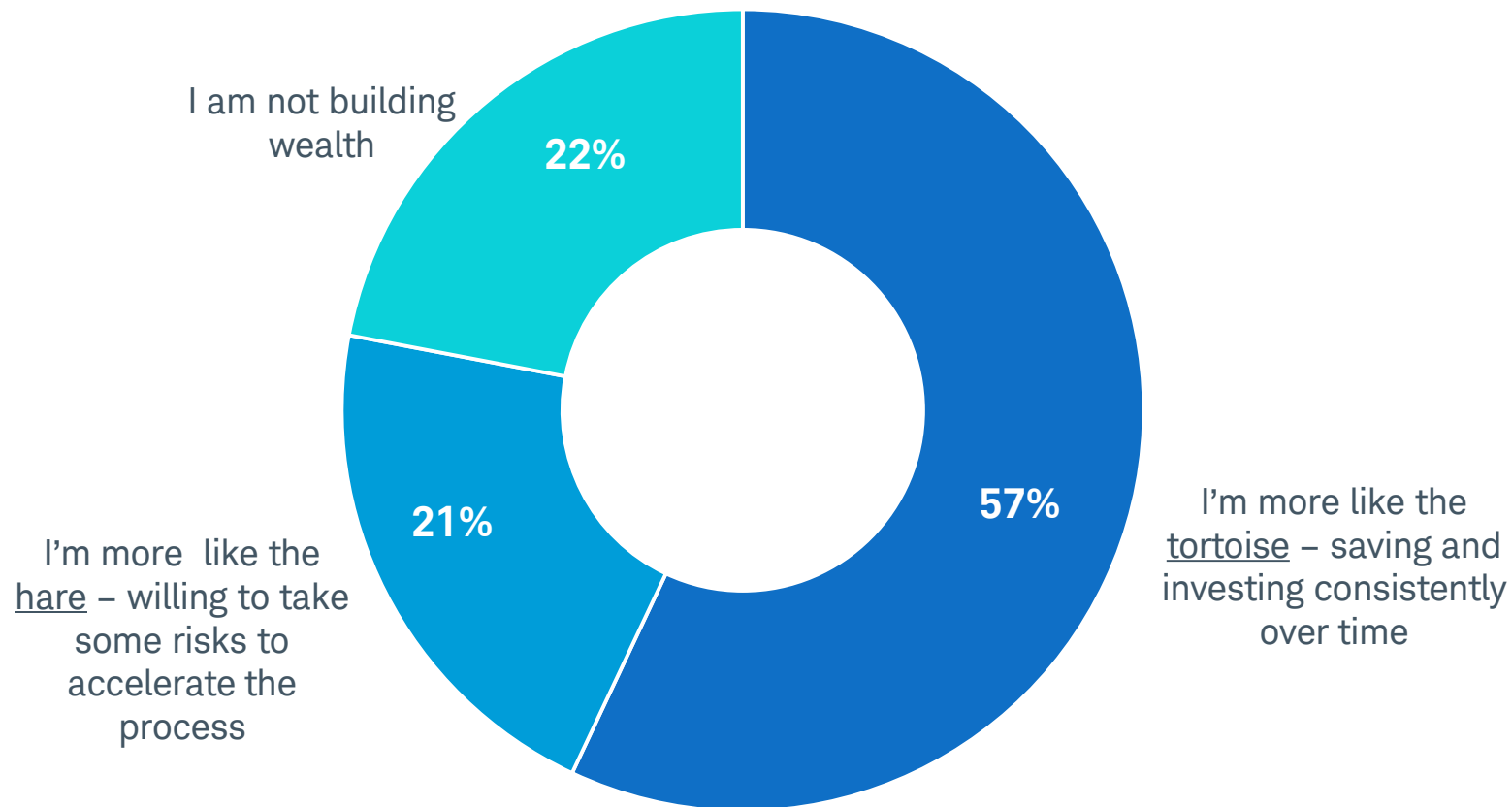


- \$2.5M +
- \$750K to <\$2.5M
- \$250K to <\$750K
- \$100K to <\$250K
- <\$100K
- Prefer not to say

Q17 At what level of personal net worth would you say a person in the Washington, D.C. area could be considered financially comfortable?
 Q18 At what level of personal net worth would you say a person in the Washington, D.C. area could be considered wealthy? (Base: All Washington, D.C.=1,000)

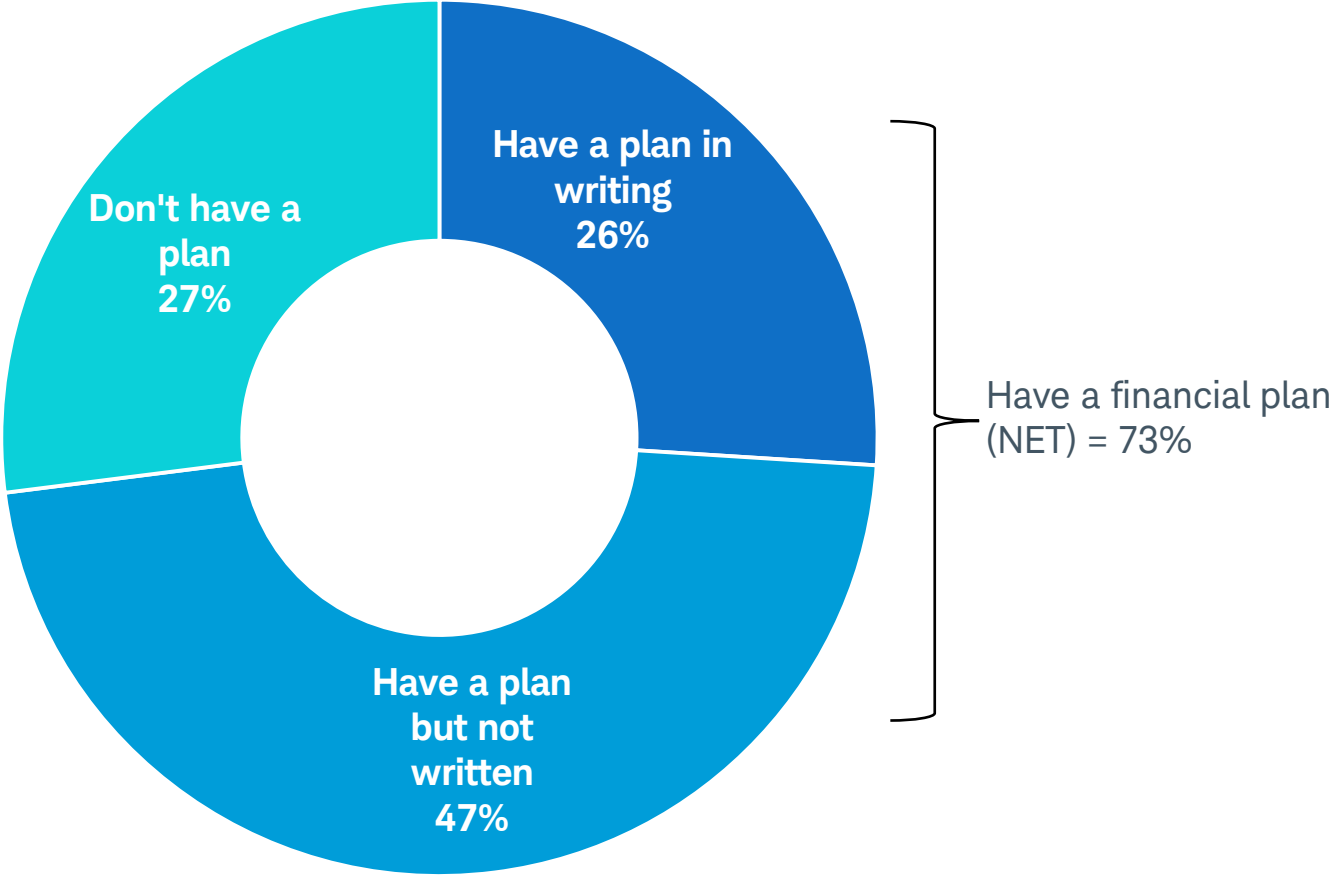
The majority of Washingtonians are like the tortoise: building wealth slowly and steadily

Approach to Building Wealth All Washingtonians



Only 26 percent of Washingtonians have a written financial plan, and nearly a third do not have a plan at all

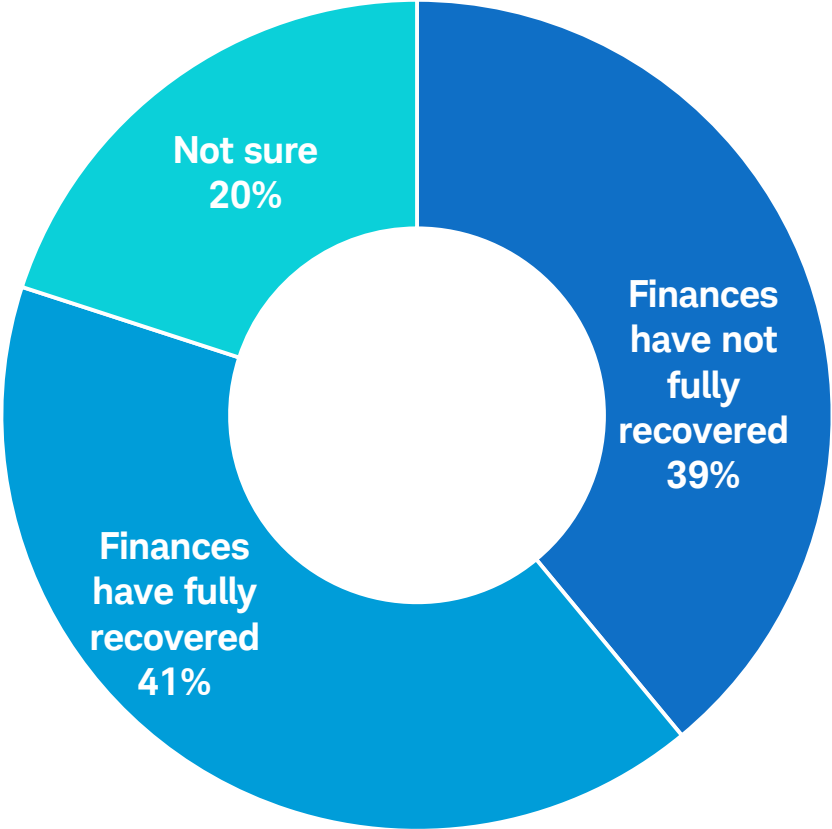
Financial Planning
All Washingtonians



Q23 Do you currently have a financial plan? (Base: All Washington, D.C. = 1,000)

Washingtonians are split on whether their finances have fully recovered from the 2008 financial crisis

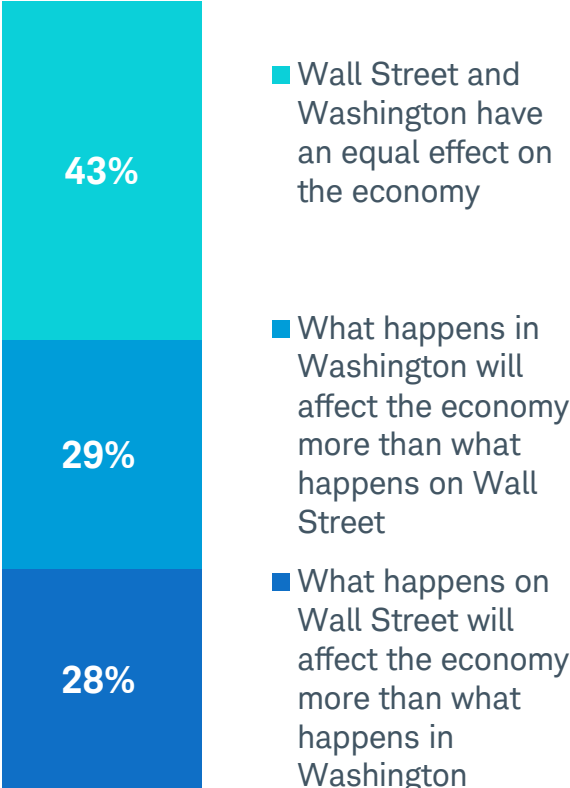
Effect of 2008 Financial Crisis on Finances
All Washingtonians



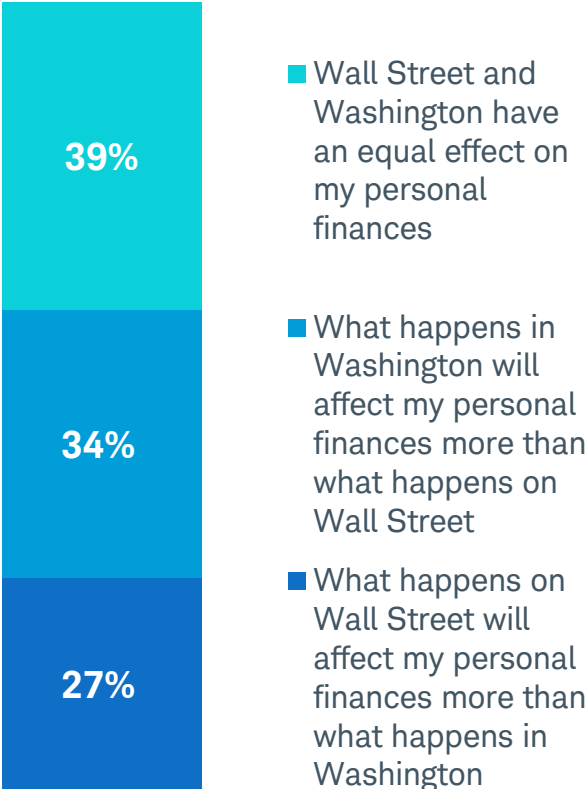
Q22 Which of the following statements best reflects your current financial situation? (Base: All Washington, D.C. = 1,000)

Washingtonians are split on whether Wall Street or Washington has the bigger impact on the economy and their personal finances

Impact on Economy All Washingtonians



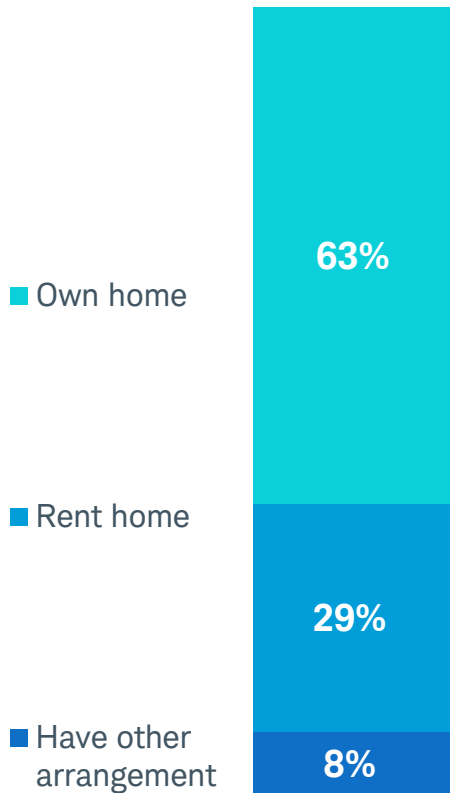
Impact on Personal Finances All Washingtonians



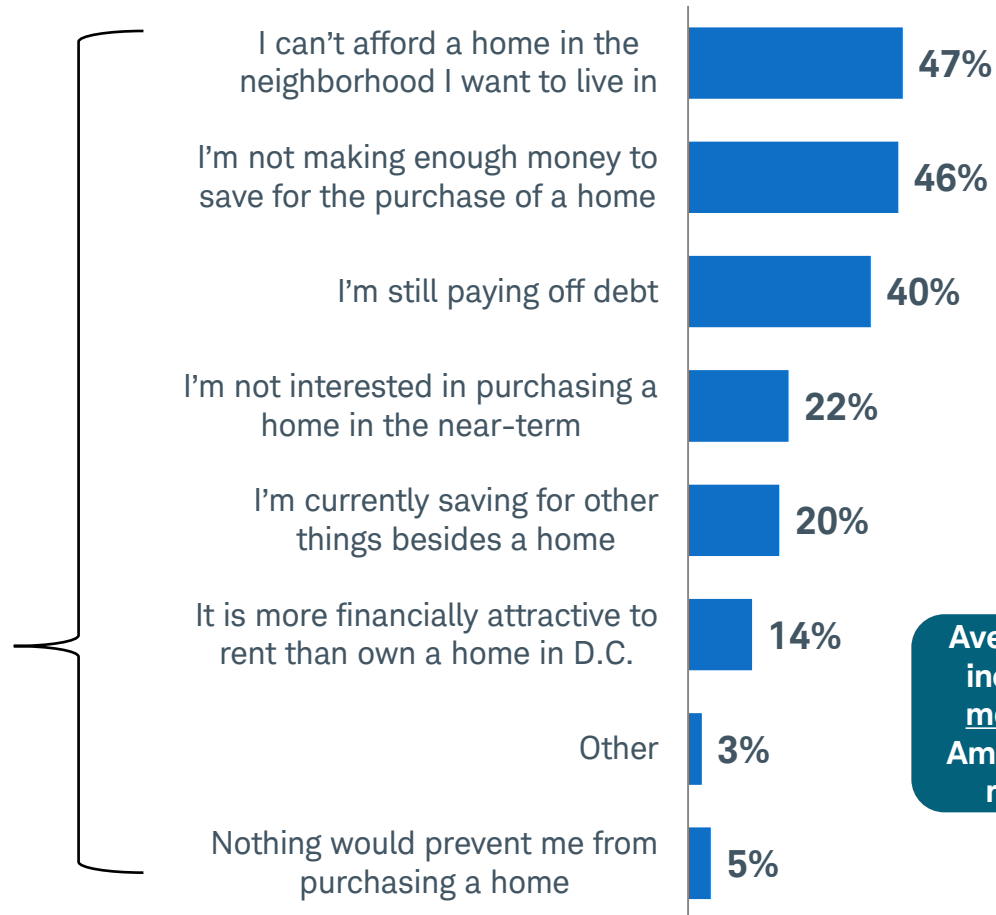
Q14/Q15 Which of the following statements do you agree with most? (Base: All Washington, D.C.=1,000)

Nearly two-thirds of Washingtonians own their homes; main barriers to ownership are affordability of homes and inability to save

Home ownership All Washingtonians



Factors preventing home ownership All Washingtonians



Median D.C. Area income is \$78,000

Average percent of income spent on mortgage or rent Among owners and renters = 30%

Q28 Do you currently... (Base: All Washington, D.C.=1,000)
 Q29 Which of the following would prevent you from purchasing a home? (Base: Those who own or rent = 881)
 Q36 Which of the following best describes your household income in 2013, before taxes? Base: All Washington, D.C.=1,000)
 Q30 Approximately what percentage of your income do you spend on your mortgage or your rent? (Base: Those who own or rent = 923)

Survey Demographics

Demographics

	All Washington, D.C. (n=1,000)
Gender*	
Male	50%
Female	50%
Generation	
Millennials (21-33)	28%
Gen X (34-49)	28%
Boomers (50-68)	36%
Matures (Over 68)	8%
Mean age	46.4
Children	
<u>Have children (Net)</u>	<u>60%</u>
Under age 18	24%
Over age 18	31%
Both over and under age 18	5%
No children	40%
Racial Background	
White/Caucasian	72%
African American/Black	14%
Asian	10%
Hispanic or Latino	4%
Other	3%
Prefer not to answer	2%

	All Washington, D.C. (n=1,000)
Employment Status	
<u>Employed (Net)</u>	<u>67%</u>
Full-time	54%
Part-time	13%
Unemployed, looking for work	6%
Homemaker or student, not looking for work	10%
Retired, semi-retired	17%
Political Orientation	
Republican	21%
Democrat	40%
Independent	27%
None of these	7%
Prefer not to say	5%

Demographics

	All Washington, D.C. (n=1,000)
2013 Household Income	
<\$25K	8%
\$25K to \$49.9K	12%
\$50K to \$74.9K	17%
\$75K to \$99.9K	17%
\$100K or more	37%
Prefer not to answer	9%
Median	\$78,100

	All Washington, D.C. (n=1,000)
Total Assets	
<\$25K	23%
\$25K to \$99.9K	17%
\$100K to \$249.9K	10%
\$250K to \$499.9K	12%
\$500K or more	21%
Prefer not to answer	17%
Median	\$100,000

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