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Show Me the Money! Top 100 U.S. Cities with the Highest Income Growth Rates

RISMEDIA, October 14, 2010--Portfolio.com, a national business news site for small and mid-sized business (SMB) executives, revealed its latest U.S. Uncovered study, ranking U.S. cities with the highest income growth. The study, which looked at the nation's top 100 metropolitan areas, analyzed 25 years of federal income data to calculate how income level growth compares across the nation. El Paso, Texas, ranks in first place, with a 147 percent increase in income levels over the past 20 years.

The study used a 25-part formula to analyze the consistency and strength of per capita income (PCI) growth in each market. The formula compared each area's growth rates against the U.S. averages for 25 different time spans, yielding an overall score for income growth. All 25 spans ended in 2009, ranging in length from 25 years (1984-2009) to a single year (2008-2009).

"It's refreshing to see that the cities with the best opportunities for income growth go beyond the major metros," said J. Jennings Moss, editor of Portfolio.com. "When you consider the current high rate of unemployment in this country, our study suggests that people may want to explore job opportunities or start businesses in smaller cities, like Baton Rouge and Oklahoma City, where income growth is higher and the economy has been relatively stable in comparison to other parts of the U.S."

El Paso, which ranks as the 99th lowest per capita income of \$28,638, holds first place in 13 of the 25 time spans, including a 147 percent increase in income levels between 1989 and 2009, and two percent during the recessionary period of 2008 to 2009. Meanwhile, Bridgeport-Stamford, Connecticut, which had the highest PCI in 2009 (\$73,720), ranks 33 in the income growth index.

Cities with the Highest Income Growth

El Paso, Texas
Baton Rouge, La.
Baltimore, Md.
Virginia Beach-Norfolk, Va.
New Orleans, La.
Pittsburgh, Pa.
Oklahoma City, Okla.
Little Rock, Ark.
Jackson, Miss. Honolulu, Hawaii

Most cities in the top 10 have around one million or fewer inhabitants, except for Baltimore, Md. (#3) and Pittsburgh, Pa. (#6), which both have populations of more than two million. Jackson, Miss. (#9) is the metro with the lowest population at 540,866 on the top 10 listing. Rounding out the top 10 are Baton Rouge, La. (#2); Virginia Beach-Norfolk, Va. (#4); New Orleans (#5); Oklahoma City, Okla. (#7); Little Rock, Ark. (#8); and Honolulu, Hawaii (#10).

"Most people are interested in knowing what cities have the highest per capita income, but that doesn't always reflect the areas with the most available opportunities," said G. Scott Thomas, a nationally-recognized demographer who participated in the analyses for Portfolio.com. "The highest income growth rankings are designed to give the people an alternative view on what constitutes a flourishing economy and maybe even the chance for a fresh start."

Larger metros were not ranked high on the list. New York City, the area with the nation's highest population, ranks at #35; Los Angeles at #54; and Chicago at #73. The bottom three cities, Raleigh, N.C. at #98, Detroit at #99 and Atlanta at #100, have been hurt badly by declining real estate prices and the erosion of the manufacturing industry, which has contributed to declining income growth rates.