



Kogod Millennial Index

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Millennials are important

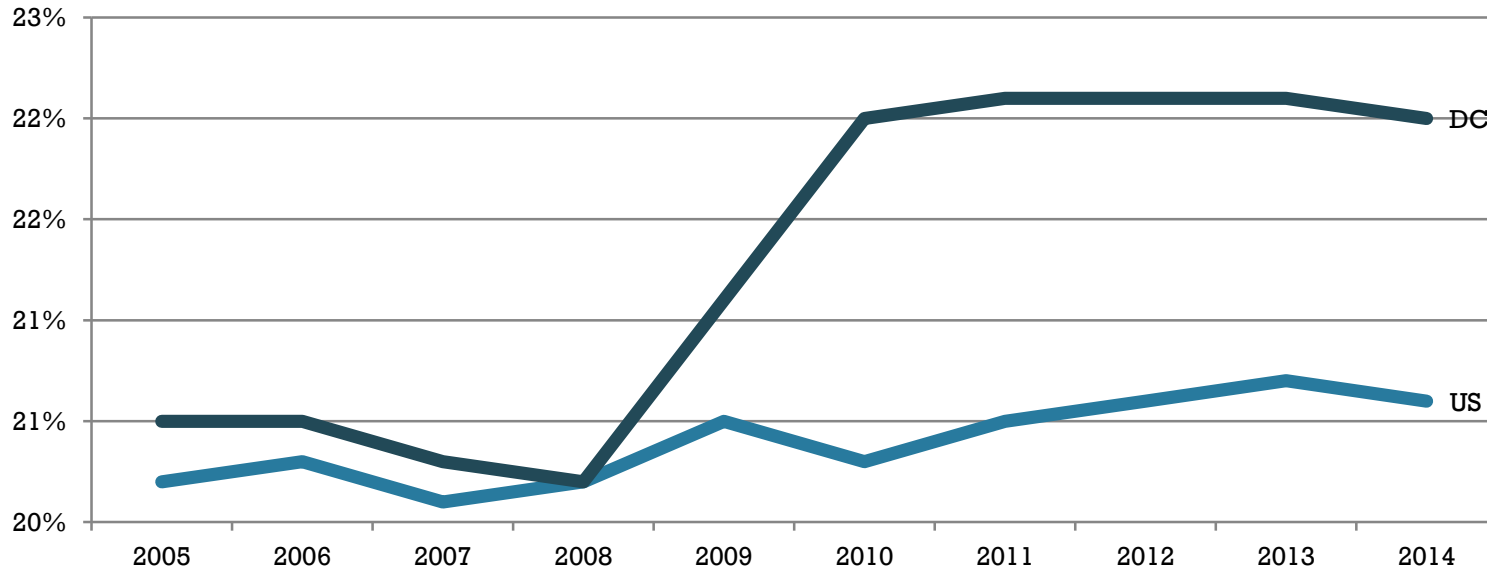


- Millennials (b. 1981-1999) are 16-35 today
- Already the biggest chunk of the workforce, with more on the way
- Future managers, leaders, business owners, heads of households
- Highly educated workers drive regional economic growth
- Influence and earning power will be on the rise for the next 30 years

Millennials like the DC area

- Coolest city, 2014 (Forbes); Best city for 20-somethings, 2015 (Greatist); Most walkable city, 2014 (GWU)
- DC has more than its fair share

Millennials Within The Population



2015 Kogod Millennial Index

125%

- The greater DC area is 25% more attractive to Millennials than an average US location
- Based on 31 factors evaluated against national averages and weighted by how important they are to Millennials when choosing a place to live and work

Winners – where DC shines

Important to Millennials; DC at or above average

- **Availability of jobs**
 - #1 most important factor to Millennials
 - DC area on par with national average
- **Salary levels**
 - #4 most important factor
 - DC area 28% above national average
- **Amenities**
 - Ease of travel to other cities
 - Number of museums, attractions, things to do
 - Ability to walk / bike / take public transit

Job factors
account for
38% of what
matters to
Millennials

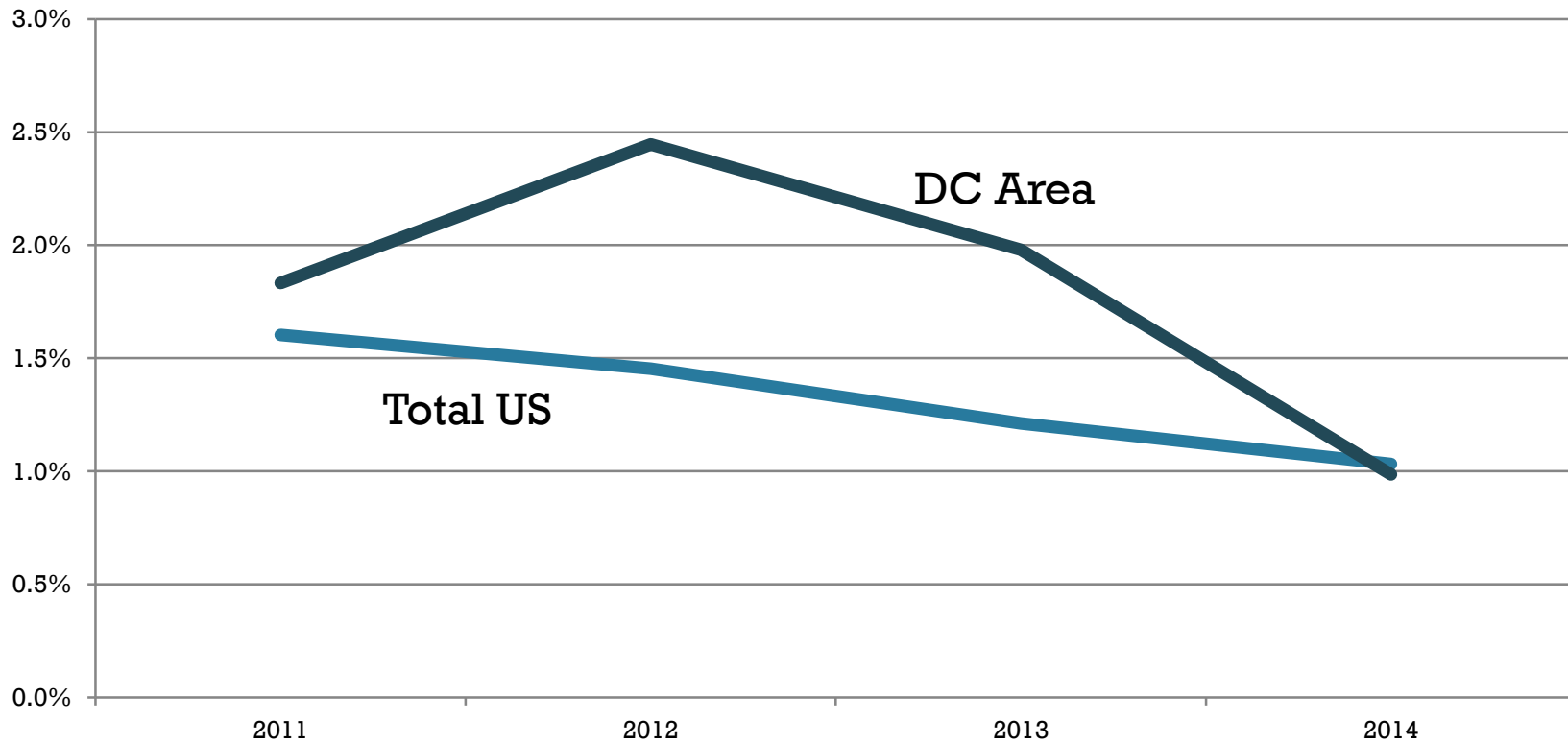
Wows – great extras

Less important to Millennials; DC at or above average

- All of the People factors:
 - Diverse population; international population
 - Number of people of similar age and education
 - Number of social clubs, sports leagues, activities
 - Number of volunteer opportunities
- 3/5 of the long term Career factors:
 - Number of medium and large employers
 - Number of colleges, universities, grad programs
 - Amount of entrepreneurial and start-up resources
- 2/6 Affordability factors:
 - Availability of apartments
 - Ease of living without a car

The love affair between DC and Millennials may be cooling

Millennial Population Growth



Why?

What's changed?

- DC area falling short on 5 of the 9 most important factors to Millennials
 - #2 – Cost of housing, score: 53/100
 - #3 – Crime rate: 52/100
 - #5 – Ease of commuting: 69/100
 - #6 – Cost of goods and services: 72/100
 - #9 – Job market growth: 85/100
- Rapid population growth = more congestion, higher prices, move to higher crime areas
- Other cities' economies are improving, raising the bar for “average” across the US

Affordability

- ◆ 28% of Millennials ranked Affordability as their #1 priority when choosing where to live and work
- ◆ DC is more expensive for a family of 4 than everywhere but NY, SF and Boston (suburbs are just as bad)
- ◆ Only 16% of Millennials in the DC area can afford to live alone (27% nationally)
- ◆ Only 9% of Millennials cited “this is an affordable place to live” as a reason to live in the DC area



Quotes about Housing Prices

“

impossible

ridiculous

atrocious

outrageous

unaffordable

horrific

freaking expensive

“

high

very high

extremely high

sky high

too high

insanely high

Commuting

- ◆ Millennials want to walk/bike/transit to work – #12 out of 31 factors
- ◆ Reality: Millennials are driving to work*
 - ◆ 59% drive alone
 - ◆ 20% take Metro
 - ◆ 19% walk/jog/rollerblade
 - ◆ 13% work from home/telecommute
 - ◆ 13% take a bus
- ◆ 46% of Millennials mentioned traffic, commute, Metro or the bus when asked about the worst part of living in DC

* respondents answering they commute this way “always” or “often” so totals add to more than 100%



Quotes about Getting to Work

Traffic

“

horrible

terrible

horrendous

bad

awful

nightmare

miserable

Metro

“

unreliable

underfunded

abysmal

terrible

death trap

worst in the world

Crime

- ◆ The DC area has 2x the violent crime per capita as the national average
- ◆ 10% of Millennials cited crime when asked the worst part of living in DC
- ◆ High cost of housing and bad traffic is forcing Millennials to live in less costly higher crime areas



The DC Dilemma: Millennials can no longer have it all

Affordable and safe locations are far from downtown, leading to long, arduous commutes



“The rent prices are atrocious and most of the (semi) affordable places to live have high crime rates.”

Will they stay or will they go?



- 48% of Millennials are at least somewhat likely to move over the next five years
- Those more likely to stay:
 - Older Millennials (30-34)
 - Grew up in this area
 - See the DC area as a good place to raise kids
 - Pay less than \$600/month in student loan payments

Millennials who can see a path to affording a home and raising kids in the DC area will most likely stay

Keeping Millennials in DC



- **MAINTAIN** strong job market – abundant jobs, high salaries, professional positions, career path/growth
- **IMPROVE** ability to buy a home – wider choices, entry level finishes, company or government incentives, student loan payment subsidies
- **DECREASE** annoyance of getting to work – better Metro, more telecommuting options, flextime hours, improved traffic flow
- **LOWER** crime