



# Kogod Millennial Index Year 3 “Sneak Peak”

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# Millennials are ...



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- 80 million strong, currently the largest living generation in the U.S.
- Over half the workforce, and on their way to 75% by 2025
- The most diverse generation ever: 44% identifying as non-white
- Highly educated: 34% of those over 25 hold a Bachelor's degree
- Urban: 50% more likely to live in a city core than other generations
- Digital natives: expect work to be tech-enabled, efficient, transparent
- Financially strapped: 1980's-era wages, high living costs, student loans
- Growing up from carefree singletons to family-focused home owners

# Top factors for Millennials (3 years)

## 1. Availability of jobs ✓

- Unemployment low, but per capita job growth lagging '12-'16

## 2. Salary levels ✓

- DC 37% above national average and keeping pace with SF

## 3. Cost of Housing ✗

- 8<sup>th</sup> most expensive metro area, \$85K salary needed to buy

## 4. Ease of Commuting ✗

- 60% still driving to work, 2<sup>nd</sup> longest commutes in the country

# DC lost Millennials in 2016 (1<sup>st</sup> time)



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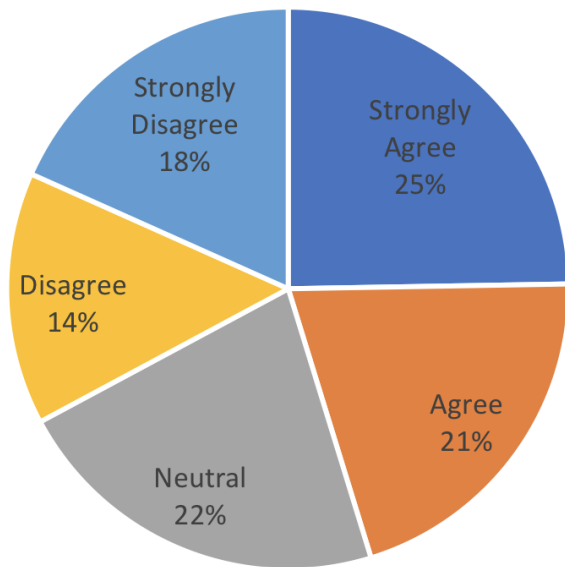
- *The Washington Region's Declining Economic Brand*
  - Stephen S. Fuller, July 2017 report

**“The quality-of-life offered by the Washington region has become increasingly less competitive with the nation’s other major metropolitan areas.”**

1. the regional economy has been slowing down since federal spending was cut in 2010
2. the region, which has absorbed an additional three-quarters of a million people since 2008, is increasingly unattractive with high costs, high housing prices and terrible traffic.

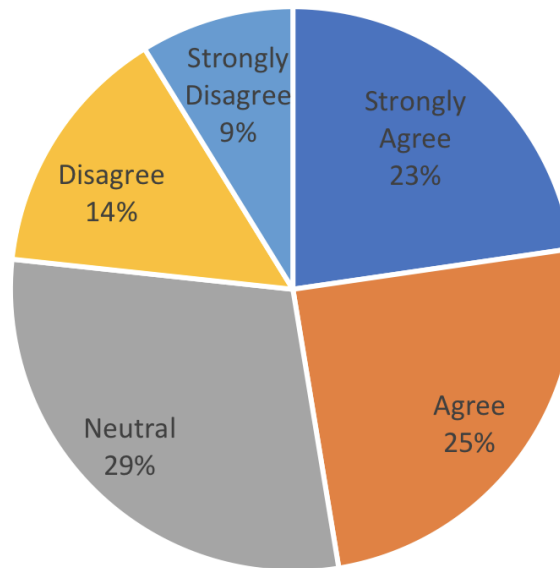
# Widespread financial frustration

I basically live paycheck to paycheck



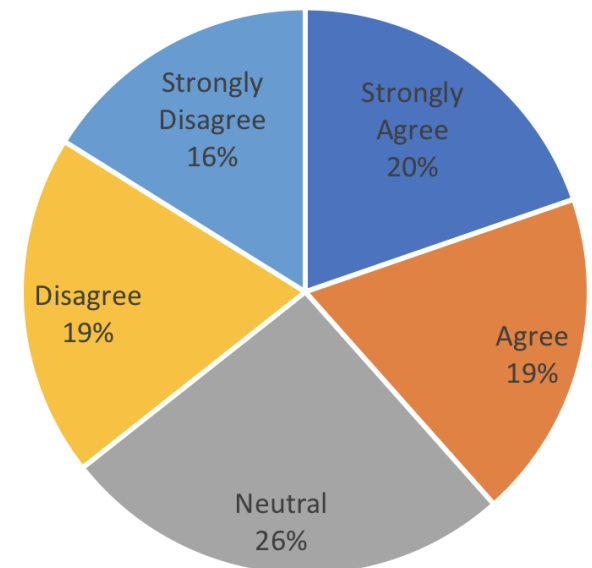
**46% Agree**

I work hard but I can't seem to get ahead financially



**48% Agree**

I don't love my job but I can't afford to quit

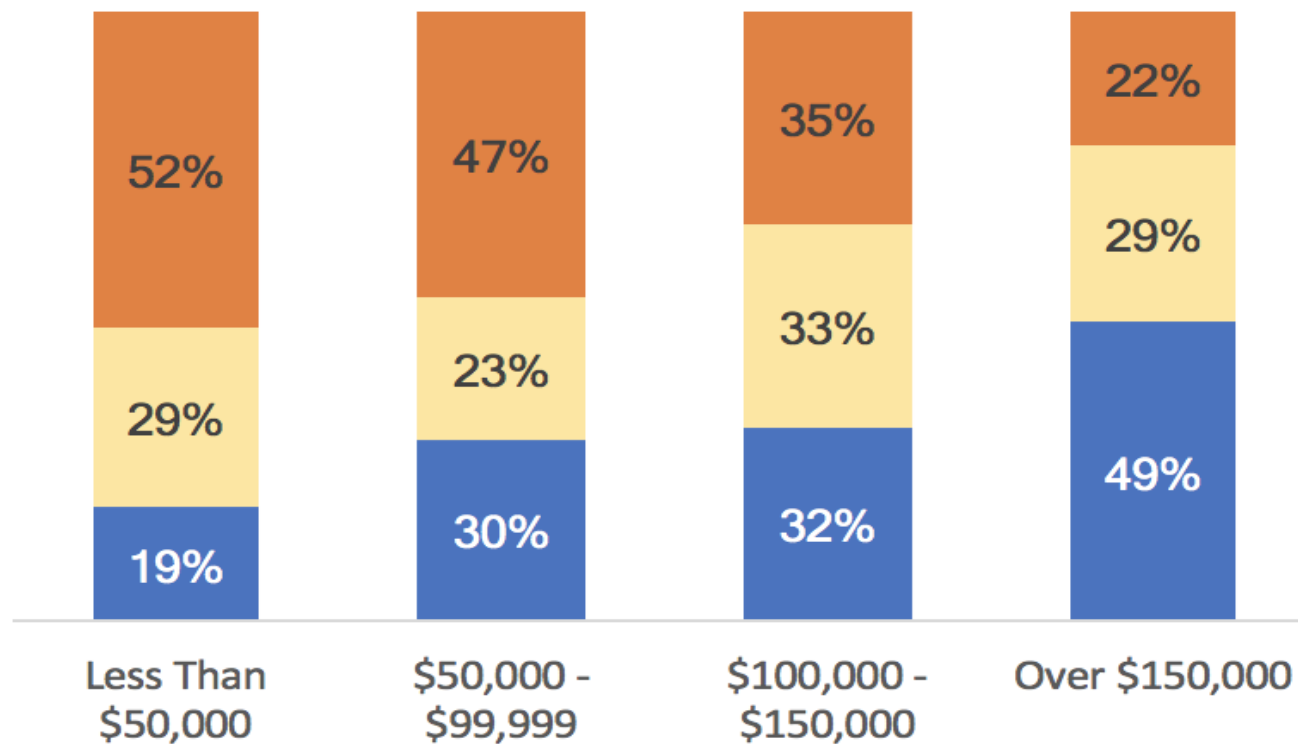


**39% Agree**

# Few feel they can afford a home

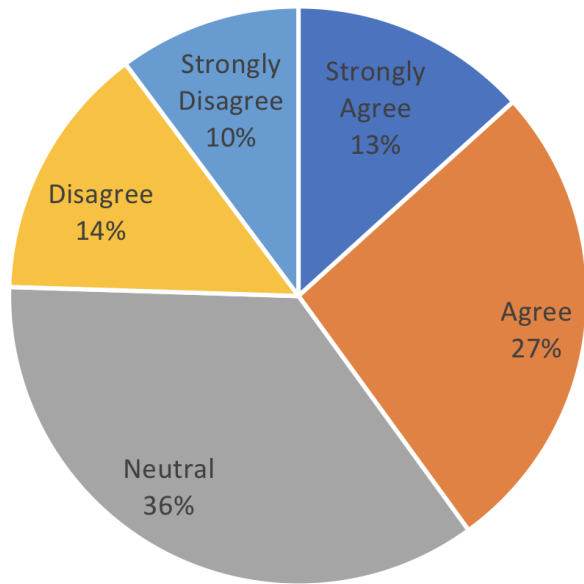
"I can afford to buy a home in the DC area"

■ Agree ■ Neutral ■ Disagree



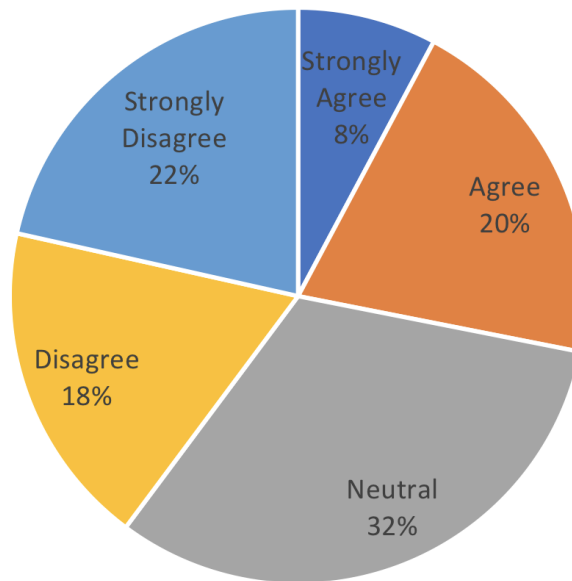
# Only 28% plan to stay here forever

DC is a manageable, highly livable mid-size city



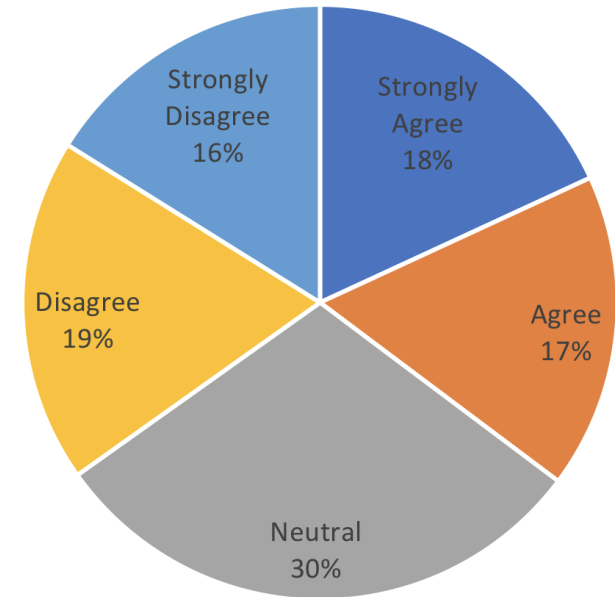
**40% Agree**

I love DC and plan to stay here forever



**28% Agree**

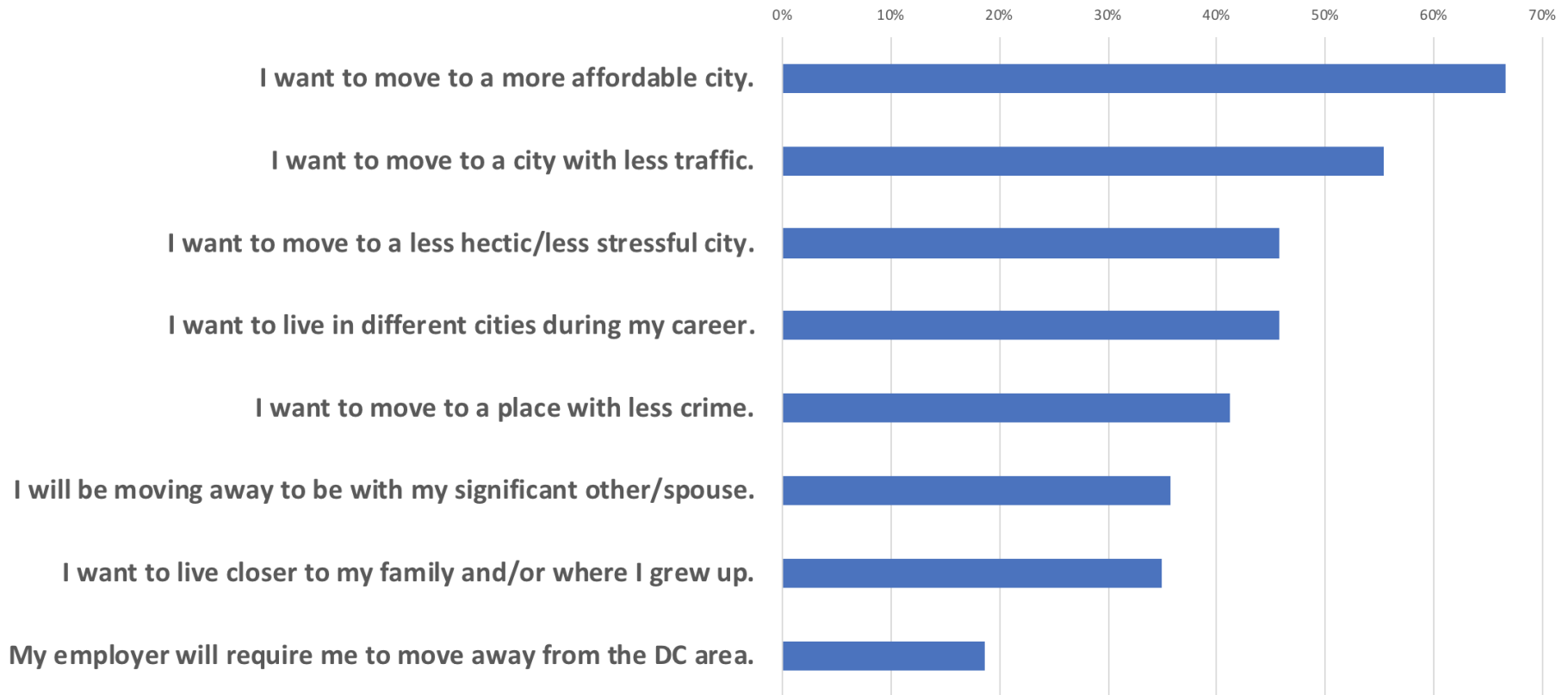
It's too stressful to stay in the DC area permanently



**35% Agree**

# 54% likely to move within 5 years

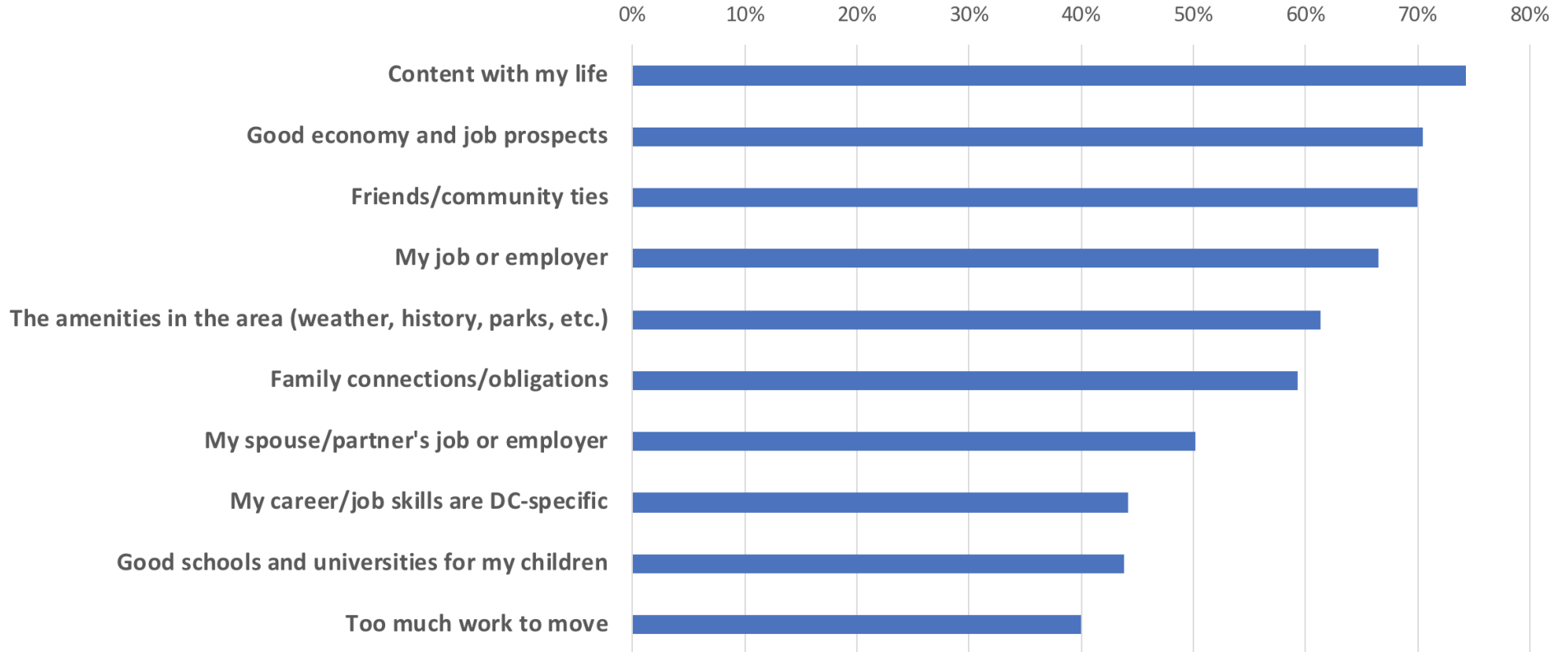
## Why Movers are Moving





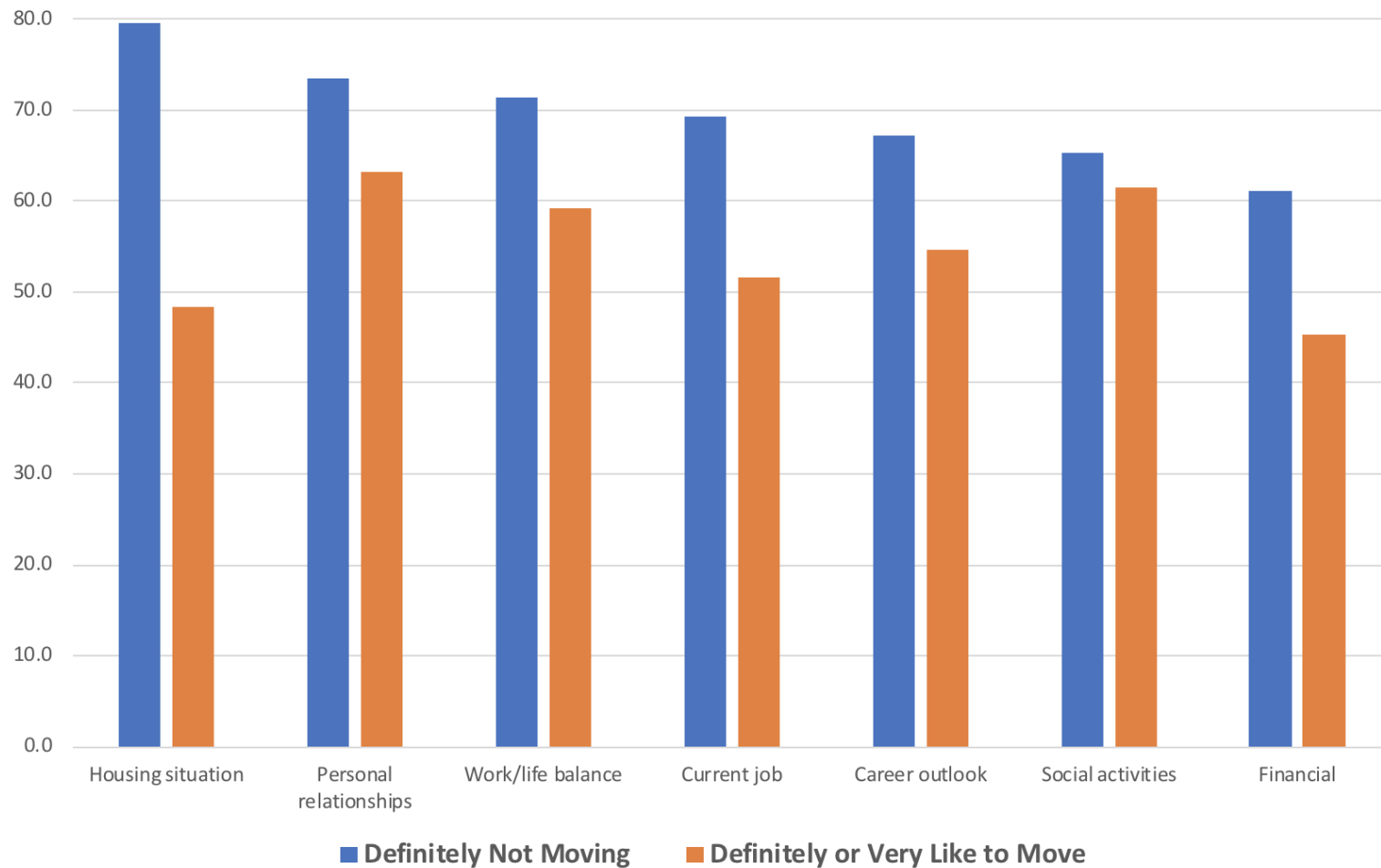
# Stayers have found their groove

## Why Millennials Stay



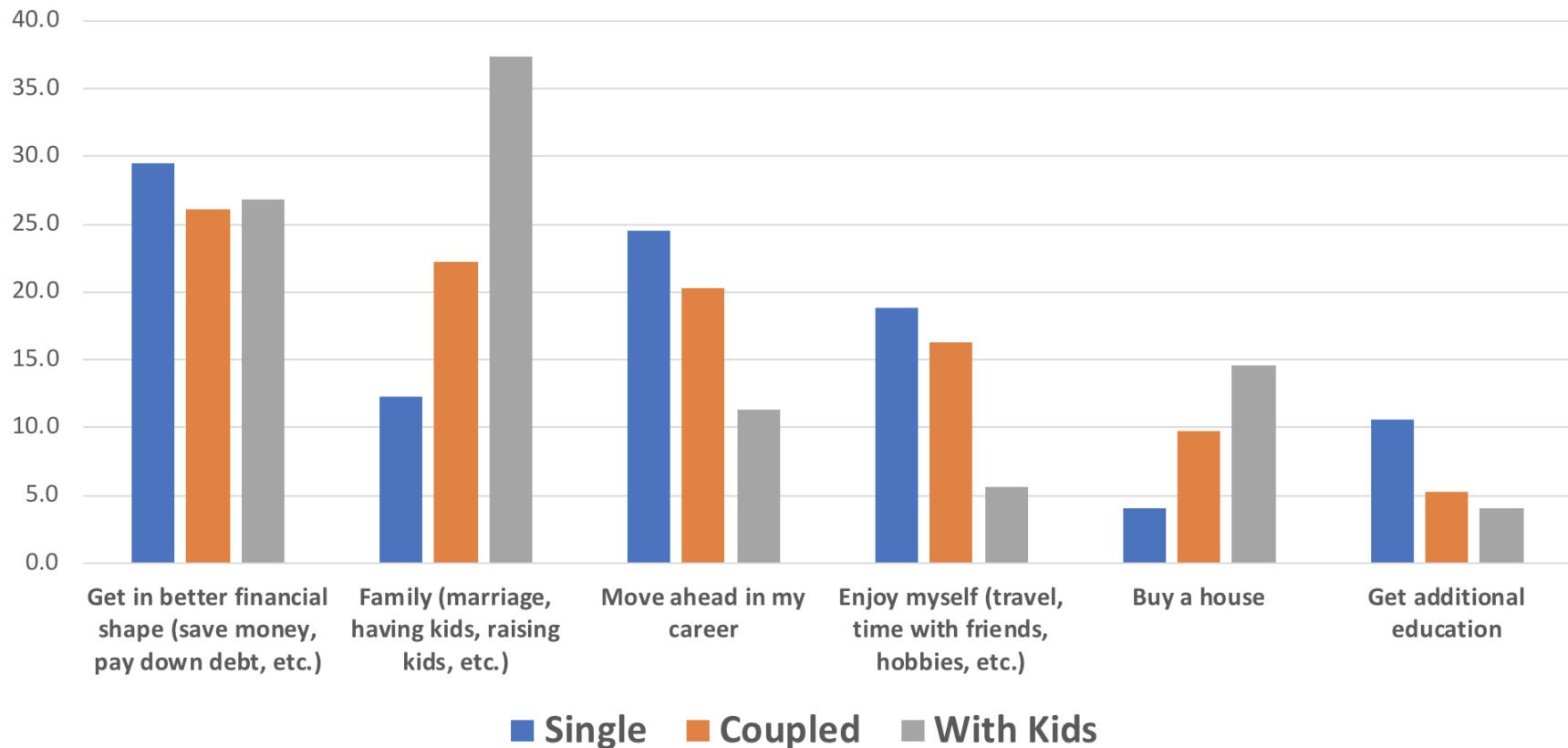
# Stayers more satisfied with DC life

## Satisfaction: Movers vs. Stayers



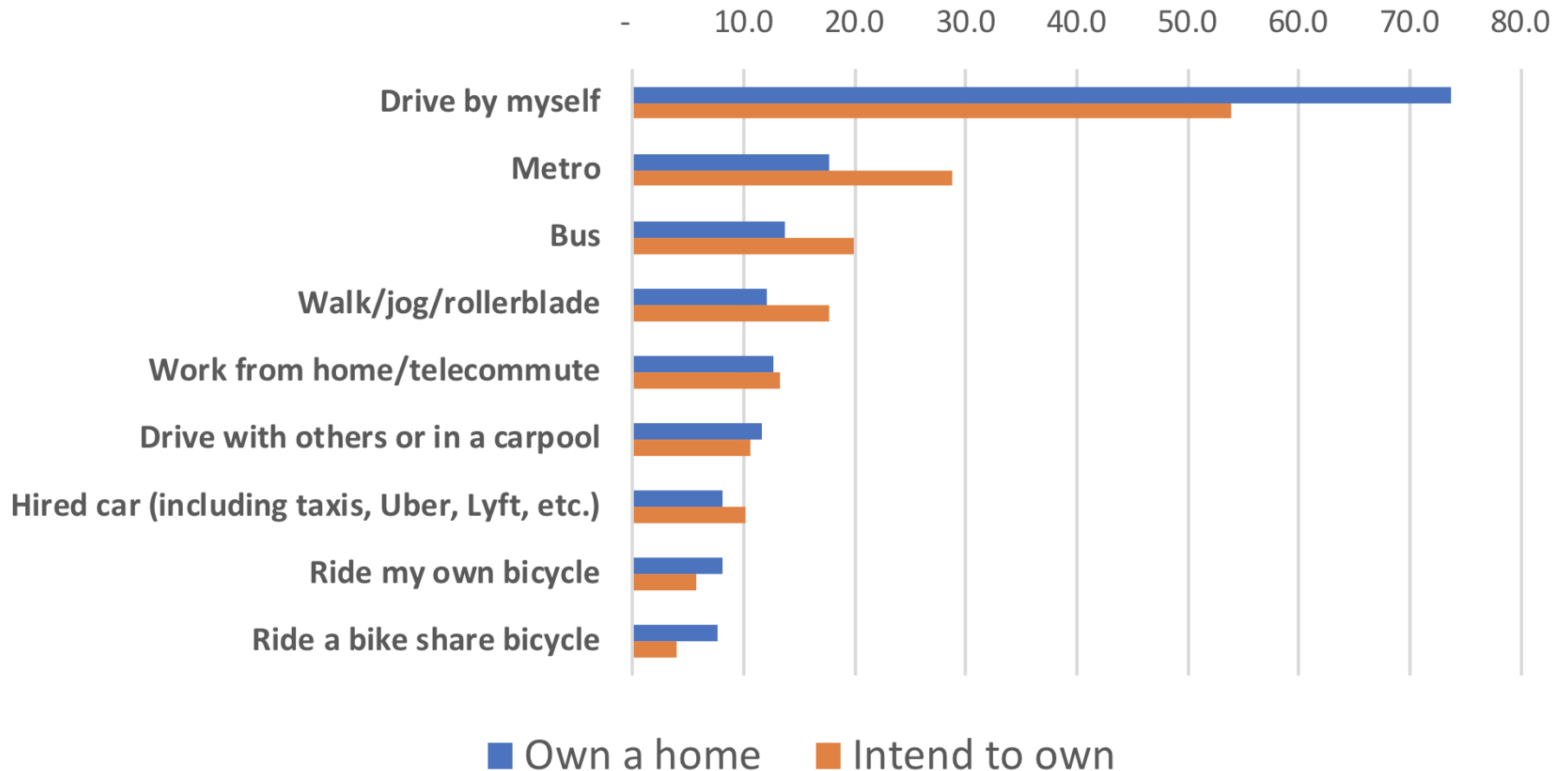
# Goals shift, but money is universal

## Top 3 - 5 Year Goal



# Watch out - more traffic coming

## Impact of Home Ownership on Commuting



# Final food for thought

- DC still strong on jobs and salaries, but high costs and worsening traffic are getting old
- DC is “Mr. Right Now” rather than “Mr. Right” for many
- Educated, adventurous, career-focused = willing to move
- Other cities are booming (DC declining in comparison)
- Millennials want to own homes, but question the value and/or don't like the tradeoffs (small, ugly, far away)
- Moving into a new life-stage: married, kids, mortgage (affordability and work/life balance > amenities)