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DC May Be the Most Affordable City in the U.S. – for a Specific Type of Person [Chart]

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Be careful reading reports about how affordable it is to live in Washington, D.C. It's arguably the most expensive place to live in the U.S., with some of the highest prices for goods and services – and the spending power of a dollar in D.C. is weaker than it is in any U.S. state. Nevertheless, a new report ranked the District as the most affordable American city for single professionals.

The conclusion came from a report published last week by the **Citizens Budget Commission** in New York. The group put together a "Location Affordability Index," which is based on U.S. Census data. The index factors in how much a person makes and the percent of that individual's income that goes to housing and transportation costs. Out of the 22 cities that the CBC looked at in its report, D.C. appeared ranked No. 1 for single professionals and No. 2 for low-income families.

The first result is *more* believable than the latter, based on the finding that single professionals spend 29 percent of their income in D.C. on housing and transportation. Single professionals have fewer family commitments and more disposable income. Since D.C. professionals make more than people in other parts of the U.S., it makes sense that they would have more money left over, particularly if their housing choices are smaller and cost less than those where families live.

However, people who live in D.C. pay more than other Americans for things like health care and food, which aren't considered in the index used to determine the CBC's rankings.

Moreover, as Robert Samuels at *The Washington Post* points out, the singles in this study made about twice the per capita income for the area – about \$65,000 per year. So yes, it's believable that this population might find D.C. to be relatively affordable.

Likewise, for families making above-average incomes, D.C. might have it better than those in other cities. The CBC asserts that they spend 43 percent of their incomes on housing and transportation. There's an elephant in this statistical room as well, though; D.C. has some of the highest childcare costs in the U.S., and those costs are going to be significant for any family with working parents.

So if you happen to be one of the single professionals who appear to have an excellent life in this report, we congratulate you. You probably live in the right city. Affordability can be determined by a *lot* of factors beyond housing and transportation costs, though, and whether you're married, single, with children or without them, living in D.C. is probably more expensive to live in than these rankings suggest.



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