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Austin, San Jose and Washington are the best places for young adults



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More than 1.8 million U.S. students [will be picking up bachelor's degrees this May](#) and moving on to the next phase of their lives.

Where should they focus their job hunts?

The ideal options, according to a new study by The Business Journals, are Austin, San Jose and Washington. They're the metropolitan areas that offer the best chance for young adults to establish themselves in post-recessionary America.

2013 RANKINGS OF BEST PLACES FOR YOUNG ADULTS

- [Top-to-bottom rankings of all 102 major markets](#)
- [Slideshow of the top 25 markets](#)
- [Explanation of how the ratings were done](#)
- [June 2011 rankings of best markets for young adults](#)

Austin holds first place in the rankings of the nation's 102 major markets. (The study defines a major market as any metro with a population above 500,000.)

Rapid expansion is the reason why Austin has become the ultimate land of opportunity for men and women in their 20s and early 30s. Texas' capital region leads the country in both population growth (3.1 percent per year) and private-sector job growth (1.5 percent annually since 2007).

The two runners-up, San Jose and Washington, feature high income levels and well-educated workforces. No market has a bigger percentage of young adults with incomes above \$150,000 than San Jose, and none can surpass Washington's percentage of 18- to 34-year-olds who hold bachelor's degrees.

The next two slots in the rankings of best places for young adults are occupied by No. 4 Boston and No. 5 Houston. Rounding out the top 10 are Durham, N.C.; Oklahoma City; Des Moines, Iowa; Denver and Raleigh.

The Business Journals analyzed the latest federal statistics for all 102 markets, searching for qualities that would appeal to workers in their 20s and early 30s. The study's 10-part formula gives the highest scores to markets with strong growth rates, moderate costs of living, and substantial pools of young adults who are college-educated and employed.

[Click here \(or on the image to the upper right\) to see a slideshow](#) of the 25 best places for young adults. And [click here for the top-to-bottom standings](#).

The following list shows the top-rated markets in each of the 10 statistical categories.

The first five indicators deal with each area's growth rate and potential. The next four factors assess conditions for young adults. The final category focuses on a key component of the cost of living. (Details about these categories [can be found in the methodology](#).)

- **Population growth:** Austin, 3.1 percent per year
- **Long-term private-sector employment growth:** Austin, 1.5 percent per year
- **Short-term private-sector employment growth:** Austin, 4.6 percent per year
- **Per capita income:** Bridgeport-Stamford, Conn., \$78,504
- **Long-term income growth:** McAllen-Edinburg, Texas, 4.0 percent per year
- **Share of all residents who are between the ages of 18 and 34:** Provo, Utah, 32.9 percent
- **Annual unemployment rate for workers between the ages of 16 and 34 (lowest):** Madison, Wis., 8.1 percent
- **Share of householders under the age of 45 with household incomes of \$150,000 or more:** San Jose, 25.5 percent

- **Share of people between the ages of 18 and 34 who hold bachelor's degrees:** Washington, 38.6 percent
- **Median rent (lowest):** McAllen-Edinburg, Texas, \$456 per month

The Business Journals have also divided this year's rankings along regional lines, with Washington, Austin, Des Moines and San Jose emerging as the leaders.

Below are the five best markets for young adults within the nation's four regions. Each metro is followed by its U.S. rank in parentheses.

East

1. Washington (3)
2. Boston (4)
3. New York City (13)
4. Baltimore (23)
5. Pittsburgh (26)

South

1. Austin (1)
2. Houston (5)
3. Durham, N.C. (6)
4. Oklahoma City (7)
5. Raleigh (10)

Midwest

1. Des Moines, Iowa (8)
2. Madison, Wis. (11)
3. Omaha (17)
4. Columbus (20)
5. Minneapolis-St. Paul (21)

West

1. San Jose (2)
2. Denver (9)
3. San Francisco-Oakland (12)
4. Seattle (14)
5. Salt Lake City (16)

The least desirable market for young adults, according to The Business Journals study, is Cape Coral-Fort Myers, Fla. It has been losing jobs at the pace of 2.5 percent per year since 2007, and only 18.3 percent of its residents are between the ages of 18 and 34.

Also in the bottom five, counting up from 101st place, are the Sunbelt markets of Modesto and Riverside-San Bernardino, Calif., and Bradenton-Sarasota and Palm Bay-Melbourne, Fla.

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