The Greater MSP Region: A Leader in Affordability

Greater MSP has a lower cost of living than many of the top-30 U.S. metros

- **78%**
  - Overall, Greater MSP’s cost of living is 78% of the average total composite for top-30 U.S. metros.

- **74%**
  - Greater MSP’s relative housing costs are 74% of the average for the top-30 U.S. metros, tied with Houston and Dallas.

That raises the question of why managers love Minnesota. Affordability has got to be one factor: Minnesota regularly ranks high on lists that measure income relative to the local cost of living.

*Bloomberg, 2018*

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**INFLATION:** Prices are stable in Greater MSP, and inflation trails the U.S. average

The most recent Price Parity Index, the Bureau of Economic Analysis’ measure of relative goods & service prices across the U.S., ranks Greater MSP 15th highest among major U.S. metros.

*Source: U.S. Bureau of Economic Analysis, Regional Price Parity, 2015*

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**MAJOR EXPENSES**

Practically speaking, housing and transportation account for the majority of household spending among those in major U.S. metros. How does Greater MSP stack up against our peers?

On average, Greater MSP residents spend the lowest percentage of their income on housing plus transportation among peer regions:

- Austin: 52%
- Charlotte: 52%
- Portland: 52%
- Atlanta: 52%
- Chicago: 51%
- Dallas: 49%
- Pittsburgh: 49%
- Seattle: 49%
- San Francisco: 48%
- Boston: 47%
- Denver: 47%
- **Greater MSP: 45%**

According to the Center for Housing Policy, low-income families can rent a home and commute to work more affordably in Minneapolis-Saint Paul than in all but one other major metro area.

*The Atlantic, 2015*

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In 2017, Greater MSP’s Consumer Price Index was 239.239, lower than the U.S. average


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