



Cities

## America's Best Cities For Young Professionals

Francesca Levy, 06.17.10, 7:00 PM ET

University valedictorians, overachievers and would-be entrepreneurs across the country graduated this month into a bleak economic landscape. Faced with 9.5% national unemployment, even the most ambitious young people are thinking carefully about how to find their best shot at success.

Our advice? Consider moving to [Houston](#), Texas, [Washington, D.C.](#), or [Minneapolis](#), Minn. These three cities top Forbes' fourth-annual list of best cities for young professionals--places where ambitious college grads can get a strong start on a high-powered career.

**In Pictures: America's Best Cities For Young Professionals**

**Video: Jobs Women M.B.A.s Pursue**

These metros boast affordability, good job prospects and larger-than-average incomes. And they're already home to some of the country's biggest companies and alumni from the prestigious schools--a recipe that offers well-educated graduates a best shot at upward mobility.

### Behind the Numbers

To find out where young professionals have the best chances, we started by looking at all of the [Metropolitan Statistical Areas](#) across the U.S. Then we eliminated cities with fewer than 1 million people, and cities where Moody's Economy.com predicts job growth will be negative over the next year.

Since job prospects are so important to young professionals, next we ranked each city based on its current unemployment rate. Then we looked at what those people who have jobs actually earn, ranking all metros based on the average salary of college graduates, using data from Payscale.com. We also wanted to focus on places where those just starting out could stretch their salary the farthest, so we factored in the cost of living index from Moody's Economy.com. To measure the diversity of high-profile employment options, we ranked each metro based on how many of the 200 largest U.S. public companies call that city home.

Finally, in order to get an idea of where America's most promising young people are already living, we looked at where recent grads from six different elite universities have chosen to settle. We counted how many members of the Class of 2000 at Princeton University, Harvard University, Stanford University, Duke University, Rice University, and Northwestern University are currently living in each city. The presence of well-educated students from around the country points to both a concentration of talent, and a strong network of career-minded young people.

When ties appeared in our final ranking, we broke them based on which city had a higher average salary for college graduates.

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### The Lone Star Shines

There are good prospects for ambitious young professionals across the country, but Texas dominates our list, boasting three of the top 10 spots. Because of its business-friendly environment and abundance of oil money, 14 of the country's largest companies (as measured by market capitalization) are based in our No. 1 city, [Houston](#). Only New York, N.Y., which ranks No. 4 on our list, boasts more big employers. Houston also shines thanks to high average incomes and a concentration of grads from elite colleges--and not just from local Rice University, but from across the country.

No. 6 city [Dallas](#), where the technology and energy sectors boost the local economy, promises a healthy \$63,000 median salary for college graduates. [Austin](#), Texas, the seat of state government and a major recipient of government spending, makes the list at number 10. The city's 7% unemployment rate is well below the national average. Texans in these cities have reason to feel more confident about their prospects than in metros that were harder hit by the housing crisis.

"In Austin and Dallas job security concerns are probably less than in other places," says James P. Gaines, research economist at the Real Estate Center at Texas A&M University. "That's mainly because of the belief that the economy in Texas is not as subject to major implosion that maybe some other areas are susceptible to."

### Regional Champs

On the East Coast opportunities await in our nation's capital. Thanks to its huge government presence, second-ranked city Washington D.C. is flush with jobs, and boasts the lowest unemployment rate of the cities we ranked, at just 5.9%. D.C.'s high cost of living is largely offset by generous paychecks--the city boasts the third-best average income for college graduates.

In the Northeast big cities benefit from access to so many great colleges and high-paying jobs. But high barriers to entry make it tougher for those young people to succeed: Fourth-ranked [New York City](#) and fifth-ranked [Boston](#), Mass., were hurt in the rankings by their high costs of living.

The Twin Cities offer best career prospects in the Midwest. Our third best-ranked metro for young professionals, Minneapolis-St. Paul has a low unemployment rate, a cost of living just below the national average, and a robust business environment. Local employers include heavyweights like Travelers Co., US Bancorp and Medtronic.

Economically diverse [Atlanta](#), Ga., is a hungry young professional's best bet in the South, where beverage giant Coca Cola Co. buoys local jobs. "Hotlanta" came in at No. 9 on our list.

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In the mountain states, eighth-ranked [Denver](#), Colo. boasts an unemployment rate below the national average, and a job market that's expected to keep growing. And on the West Coast [Seattle](#), Wash. comes in seventh, winning points for its strong income and employment prospects.

It's worth remembering that even though these cities rank well against other large urban areas, that doesn't mean starting a career there will be easy. Atlanta, our No. 9 city, might be a better place to start out than Orlando, Fla., or Las Vegas, Nev., but unemployment there is still at nearly 10%.

It's a tough time to be starting a career anywhere. But with a solid education, perseverance and a little luck, young people will get a head start in one of these cities.

*Additional reporting by Laura Keen.*

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