



Real Estate

Best Cities For Recent College Grads

Andrew Egan 06.26.08, 7:20 PM ET

The Class of 2008 would be smart to head to Texas.

Houston, Dallas and Austin nabbed the top three spots on our list of best cities for recent college grads. Spurred by low costs of living and booming energy and tech industries, these metro areas have a lot to offer new professionals seeking a home.

This includes high starting salaries. At \$44,100, Houston's average starting salary for those with bachelor's degrees is the second-highest in the nation, behind only San Francisco, No. 10 on our list. The average starting salary in Dallas is \$41,000; in Austin it's \$38,700.

"Their economy is generally booming, but especially because of oil and gas," says Al Lee, quantitative analysis director for salary information Web site Payscale.com of Houston. "That pulls up the overall pay scale."

In Depth: Best Cities For Recent College Grads

Atlanta, Seattle, Charlotte, N.C., and Denver also made the list.

Behind the Numbers

To compile the list, we looked at the country's 40 largest metro areas and examined average starting salaries with information from Payscale.com; cost of living from the Council for Community and Economic Research; percent of adult population with college degrees and percent of population in their 20s from the U.S. Census's 2006 American Communities Survey; and expected 2008 job-growth figures from the Bureau of Labor Statistics. We double-weighted the starting-salary and job-growth figures.

These factors are important. With the average college graduate leaving school with nearly \$19,000 in debt, a city's economic situation should be a pretty big factor in deciding where to move.

Washington, D.C., No. 9 on our list, has some of the nation's highest costs of living, but the high starting salaries and job growth offset that.

Salt Lake City offers decent starting salaries and enviable job growth, but its low population of 20-somethings keeps it out of the top 10. Cleveland, on the other hand, could offer free gas to entice new residents and it probably wouldn't make a difference. The city offers below-average starting salaries to new college grads and negative job growth.

Of course, cities are driven by character, as well as by intangibles such as family-friendliness and climate, which are not considered in our methodology, though they should be for individual deliberation.

Where would you suggest recent college grads head? Weigh in. Post your thoughts in the Reader Comment section below.

"We tell students to look at a city's fit," says Jackie Hing, a career counselor at Rice University. "In general, industry is going to limit your options."

If you're looking to avoid dipping below the Mason-Dixon, your options are more limited. The South takes up six spots on our

Related Stories

Cities With The Worst Pain At The Pump

Best Places To Get Ahead

list. And it might take some time to discover whether a person finds stifling heat and sweet tea agreeable.

"You want two to three years for a first professional job," Hing says. "That's a reasonable time to spend to get know what a city and a job are all about."

Despite where a graduate ends up, the key, Hing says, is to not feel trapped or limited. "[Recent grads are] really trying to develop the whole package of who they are as professionals," Hing says. "And try not to end up seeing themselves in a narrow fashion."

In Depth: Best Cities For Recent College Grads