



Easiest and Hardest Metros to Build an Emergency Fund

Kansas City the Easiest, San Jose the Hardest

NEW YORK – May 10, 2018 – Kansas City is the easiest of the top 50 metro areas to achieve an adequate six-month emergency savings fund, according to a new Bankrate.com report. Taking into account local average costs for necessary living expenses – things like mortgage payments, groceries, energy bills, credit card payments, various insurances, taxes and more – as well as median after-tax household income, the typical Kansas City-area family of four can theoretically save up to \$12,191 of its \$51,078 take-home pay. This equates to roughly 63% of the \$19,443 needed to cover these expenses for six months in case of emergency. Click here for more information:

<https://www.bankrate.com/banking/savings/best-worst-cities-for-building-emergency-fund-savings/>

Top 10 Cities:

Rank	MSA	Annual Savings Potential	Average Six-Month Emergency Fund Goal	Percentage Achieved
1	Kansas City, MO-KS	\$12,191	\$19,443	63%
2	Cincinnati, OH-KY-IN	\$11,231	\$19,897	56%
3	Memphis, TN-MS-AR	\$9,348	\$16,638	56%
4	Columbus, OH	\$10,431	\$20,255	51%
5	St. Louis, MO-IL	\$10,054	\$19,570	51%
6	Baltimore-Columbia-Towson, MD	\$13,127	\$25,584	51%
7	Pittsburgh, PA	\$8,894	\$18,485	48%
8	Indianapolis-Carmel-Anderson, IN	\$8,789	\$18,561	47%
9	Raleigh, NC	\$10,675	\$23,822	45%
10	Oklahoma City, OK	\$7,787	\$18,203	43%

San Jose on the other hand, is the hardest metropolitan area to save for emergencies. Even with the highest after-tax income of any of the 50 most populated metros (\$85,455), a household spending the average amount on expenses would come up \$49,228 short of simply breaking even.

In order to start building the average recommended \$67,342 six-month emergency fund in San Jose, Bankrate.com analyst Taylor Tepper says median-income households there, as well as in other tough-to-save places like Boston, New York City, Miami, San Diego, San Francisco and Los Angeles (44-49 on the list), need to decide where they can spend less than the average.

“There's a reason millions of Americans struggle to save; the numbers for average folks in a lot of cities simply don't add up. While the economy continues to expand after the Great Recession, wages are simply rising too slowly to keep pace with living costs. Those struggling to save need to figure out where they can cut back so they're able to sock away six months' worth of essential expenses. For most people, that's housing. It also means looking at your career from a different perspective. Financial security and a large income are not the same thing.”

Bottom 10 Cities:

Rank	MSA	Annual Savings Potential	Average Six-Month Emergency Fund Goal	Percentage Achieved
41	Las Vegas-Henderson-Paradise, NV	(\$1,337)	\$23,902	(6%)
42	Riverside-San Bernardino-Ontario, CA	(\$1,796)	\$25,670	(7%)
43	Portland-Vancouver-Hillsboro, OR-WA	(\$2,321)	\$27,708	(8%)
44	Boston-Cambridge-Newton, MA-NH	(\$7,787)	\$35,326	(22%)
45	New York-Newark-Jersey City, NY-NJ-PA	(\$13,013)	\$34,231	(38%)
46	Miami-Fort Lauderdale-West Palm Beach, FL	(\$11,565)	\$26,666	(43%)
47	San Diego-Carlsbad, CA	(\$18,648)	\$37,862	(49%)

48	San Francisco- Oakland- Hayward, CA	(\$33,440)	\$51,648	(65%)
49	Los Angeles- Long Beach- Anaheim, CA	(\$27,729)	\$39,947	(69%)
50	San Jose- Sunnyvale-Santa Clara, CA	(\$49,228)	\$67,342	(73%)

Sources:

The Council for Community and Economic Research, ATTOM Data Solutions, Insure.com, Federal Highway Administration, Experian, Economic Policy Institute, Henry J Kaiser Family Foundation, Bureau of Labor Statistics, U.S. Census Bureau/Census Reporter, Bankrate.com Mortgage Calculator

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