

Living in Silicon Valley May Drive You Deep Into Debt

Magnify Money recently took a look at which U.S. cities are becoming too expensive, even for those with salaries of \$100,000 per year. Its study examined average expenses for a family of three, and incorporated everything from taxes and 401k expenses to student loans and child-care costs.

Though Magnify Money says it “created a hypothetical, but fairly typical, couple with one child who earns a combined gross income of \$100,000 (or \$8,333 monthly),” its base student loan debt is \$222 across the board. This appears to assume one earner in the household; if your family has two salaries, expect some of the noted expenses to compound.

San Jose, California – the epicenter of Silicon Valley – is the worst offender on this list. The study says your six-figure salary would leave you \$454 in the hole, monthly.

It doesn't get much better in San Francisco, either. Though it's fashionable for many tech pros to live in the city and commute to Silicon Valley, you'd still be behind \$160 every month. Washington D.C., Bridgeport, Connecticut, and Boston, Massachusetts leave you in debt \$360, \$98, and \$31 per month, respectively.

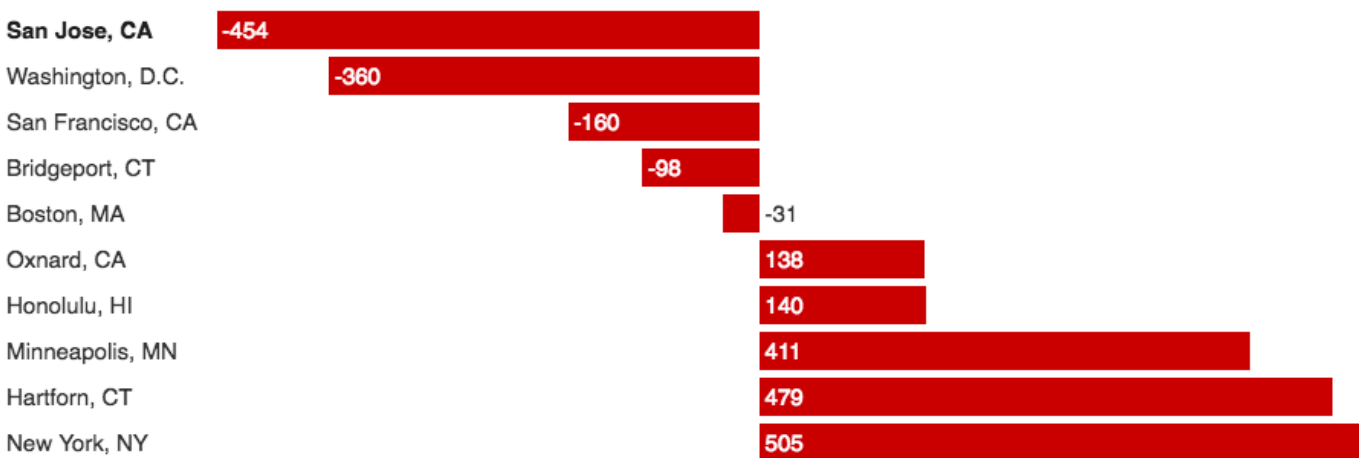
It's not all bad news, though. If you like commuting, we suggest finding a job in Los Angeles and commuting from Oxnard, where you'll be left with \$138 monthly after expenses. Love Connecticut? Hartford leaves six-figure earners with \$479 left over each month. If the buzz of a big city is your thing, New York will have your bank account \$505 better every 30 days.

Even Honolulu, Hawaii gives you \$140 pocket change each month.

When we compare Magnify Money's findings versus the Dice Salary Survey, things start looking up for your average tech professional. Silicon Valley's average salary is \$114,654 for tech pros, which leaves you with some funds left over if you stick to Magnify Money's expense breakdown. The only place the two top-ten lists converge negatively is Washington D.C.; tech pros there earn just shy of six figures, which exacerbates the potential negative balance on your credit cards.

We advocate for avoiding Silicon Valley, mostly due to studies suggesting a skewed cost of living. While it's still the epicenter of tech, studies show jobs at most of the area's tech companies last less than two years; so the headache and cost of relocation might just not be worth it.

Worst Metro Areas For a Six-Figure Salary



Source: [Magnify Money](#)



Region	June 2017	May 2018	June 2018	Percentage Point Change	
				1 month	12 months
San José–Sunnyvale MSA	3.4%	2.3%	3.0%	+ 0.7	- 0.4
San Francisco MD	3.0%	2.0%	2.6%	+ 0.6	- 0.4
California	4.8%	3.7%	4.5%	+ 0.8	- 0.3
United States	4.5%	3.6%	4.2%	+ 0.6	- 0.3

Sector — June 2018	San Jose MSA	San Francisco MD	Combined Region	Percentage Change (Combined Region)	
				1 month	12 months
Total Nonfarm	1,137,100	1,135,000	2,272,100	+ 0.4%	+ 2.3%
Construction	52,700	39,800	92,500	+ 2.2%	+ 3.6%
Manufacturing	173,700	39,400	213,100	+ 0.6%	+ 3.4%
Retail Trade	84,500	79,300	163,800	+ 0.2%	- 1.3%
Information	94,800	80,800	175,600	+ 3.8%	+ 7.6%
Professional & Business Services	235,700	285,300	521,000	+ 0.9%	+ 3.1%
Educational Services	49,900	27,900	77,800	- 1.9%	+ 6.1%
Health Care & Social Assistance	126,100	111,500	237,600	- 0.3%	+ 3.2%
Leisure & Hospitality	103,700	143,900	247,600	- 0.6%	+ 0.5%
Government	97,800	130,800	228,600	- 1.0%	+ 1.3%

NOTE: San José MSA (San José–Sunnyvale–Santa Clara Metropolitan Statistical Area) = Santa Clara and San Benito Counties
San Francisco MD (San Francisco–Redwood City–South San Francisco Metropolitan Division) = San Mateo and San Francisco Counties

Source: California Employment Development Department, LMID

Jurisdiction	Labor Force			Unemployment			Unemployment Rate		
	June 2017	June 2018	Change	June 2017	June 2018	Change	June 2017	June 2018	Change
• San Mateo County	450,400	449,900	- 0.1%	12,900	11,300	- 12.4%	2.9%	2.5%	- 0.4
• Santa Clara County	1,040,300	1,053,800	+ 1.3%	35,000	30,600	- 12.6%	3.4%	2.9%	- 0.5
Cupertino	30,000	30,400	+ 1.3%	1,000	900	- 10.0%	3.4%	3.0%	- 0.4
Los Altos	14,800	15,000	+ 1.4%	500	400	- 20.0%	3.2%	2.8%	- 0.4
Milpitas	41,500	42,000	+ 1.2%	1,500	1,300	- 13.3%	3.6%	3.0%	- 0.6
Mountain View	50,900	51,600	+ 1.4%	1,400	1,100	- 21.4%	2.7%	2.2%	- 0.5
Palo Alto	35,900	36,400	+ 1.4%	1,000	900	- 10.0%	2.8%	2.5%	- 0.3
Santa Clara	69,600	70,600	+ 1.4%	2,200	1,900	- 13.6%	3.1%	2.7%	- 0.4
Sunnyvale	87,500	88,600	+ 1.3%	2,600	2,200	- 15.4%	3.0%	2.5%	- 0.5
NOVA Region	780,600	784,500	+ 0.5%	23,100	20,000	- 13.4%	3.0%	2.5%	- 0.5

NOTE: NOVA Region consists of seven cities in Northern Santa Clara County and the entirety of San Mateo County

Source: California Employment Development Department, LMID

June 2018 Events			WARN SUMMARY	
Company	Location	# Affected	Events YTD [†] :	90
Aaron Brothers Art & Framing	Multiple locations	30	Individuals Affected YTD:	5,823
eBay	Brisbane	5	Individuals Previous YTD [‡] :	6,618
FAA San Bruno (Melody Toyota)	San Bruno	52		
Global Foundries	Santa Clara	87		
Hecny Transportation	Brisbane	2		
Intel Corp.	Santa Clara	65		
Kizan International	Brisbane	59		
Qualcomm	Santa Clara	100		
Ravenswood School District	East Palo Alto	74		
Space Systems Loral	Palo Alto	109		
Symantec Corp.	Mountain View	14		
Company unknown	Sunnyvale	40		
Total		637		

WARN SUMMARY

Events YTD[†]: 90
Individuals Affected YTD: 5,823
Individuals Previous YTD[‡]: 6,618

* **WARN: Worker Adjustment and Retraining Notification** (notice of mass layoff or closure)
† **YTD: Year to Date** (Program year: July 1–Present)
‡ **Previous YTD:** (Same date range as YTD, one year prior)

NOTE: Layoff data are preliminary and should be considered an estimate of monthly regional activity

Source: NOVA's internal Rapid Response database