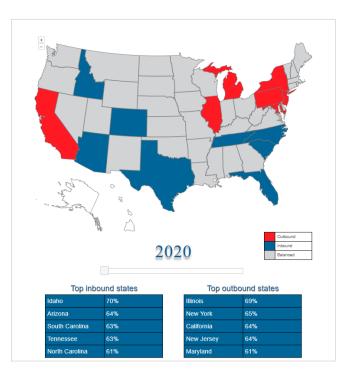


Where are Americans Moving?

Americans Are Leaving the Northeast and Midwest in Favor of the Warmer Southeast and Southwest

Typical Moving Patterns, Volume in Atypical Year

Despite the 2020 pandemic, this year Americans are following similar moving trends as prior years. Millions of Americans are moving either to start a new job or to move home. Whether you're looking to move or not, it can help to know where Americans are moving. The following historical U.S. migration study details the states with the most outbound and inbound <u>cross</u> <u>country moves</u>.





Key Takeaways from the 2020 Migration Report

- People are fleeing California for Texas and Idaho
- Illinois, New York, and New Jersey are the three states with the most outbound moves.
- The top five inbound states in 2020 are Idaho, Arizona, Tennessee, South Carolina, and North Carolina, with Tennessee overtaking South Carolina from the 2019 results.
- Florida, Texas, and Colorado round out the top eight states for inbound moves.
- Despite pandemic, people continued to move at rates comparable to 2019

Northeastern States Take Lead in Outbound Migration

Northeastern states make up four out of the seven states with the most outbound moves, and none of them make the top eight for inbound moves.New York led the way, followed by New Jersey and Maryland. But California edged out Maryland for fourth place on the outbound list.

Pennsylvania and Michigan also made the list, and both states have made the top 10 fairly consistently for the past few years.

Maryland has made the list for outbound moves since 2015, and it has ranked between second and fifth places. In 2020, it took fifth place.

People may be leaving the Northeast for a few reasons:

- 1. Harsh winters, since temperatures and snow can be intense in the region.
- 2. Job availability is another factor since many companies are avoiding the region: <u>https://www.marketwatch.com/story/3-reasons-so-many-people-are-getting-the-hell-out-of-the-northeast-2018-10-20</u>
- 3. The Northeast is also home to many cities with a high cost of living, making housing affordability challenging, especially as people lose their jobs.

Southern States: Sunbelt Migration Trend Continues

States in the south consistently rank well in the list of inbound moves. On average, states throughout the southeast, south and southwest continue to see their populations grow as more individuals relocate there than leave the region.

Arizona and South Carolina have been in the top five inbound states since 2015. Meanwhile, North Carolina and Tennessee have always been on the list but reached the top five in 2016. While Tennessee usually sat in fifth place or so, it is now in third place for inbound moves.

Florida and Texas have also been in the top 12 since the first report in 2015. Each year, both states rose through the ranks. Now, Florida is in sixth place, and Texas is one point behind in seventh place.

While Georgia was in the top eight for the first few years, it has fallen out of the top eight since 2018. Still, the south continues to dominate the inbound list. Even as Americans move to different states, southern sunbelt states will probably stay on the list for many years.

Americans move to the south for several reasons, most of which are in sync with the trend of migration out of the Midwest and North East.:



- 1. States in the south have experienced job growth due to companies relocating to or opening branches in the area. While the pandemic has changed things, there are still plenty of jobs in the south.
- 2. Southern states like Texas, Florida, and Tennessee don't have a state income tax. Arizona and the Carolinas have a state income tax, but rates are relatively low, not surpassing seven percent. <u>https://www.businessinsider.com/personal-finance/stateswith-no-income-tax-map</u>
- 3. Of course, the warmer weather is a draw for many people. Some states may have hot summers, but the mild winter is worth it for some.
- 4. For those seeking to avoid congested areas, the south offers a lot of open space and opportunity to live more rurally, but with access to common conveniences. This may have been particularly important in 2020 as individuals sought their own "space" and avoid congested cities.

Midwestern states: Second to North East in Outbound Migration

States in the Midwest tend to rank on the outbound list along with Northeastern states. Michigan has made the top 10 since the 2015 study. It has steadily climbed to the top five, taking fourth place in 2020.

Illinois has also been in the top 10 consistently over the past few years. However, it only comes in ninth place for outbound moves in the 2020 list. The state sits at around 30 to 35% of individuals migrating out of the state throughout the years.

While Minnesota has made the list of outbound states before, it didn't rank in the top nine in 2020. No other Midwestern states had made either list since 2015 when Ohio came in second place for most outbound moves.

The Midwest can have harsh winters like the Northeast, but there are probably other reasons for the rankings:

- 1. It can be hard to find jobs in Michigan, especially after the decline of the auto industry. <u>https://www.detroitnews.com/story/business/autos/2020/03/31/automakers-give-inkling-sales-collapse-ahead/111511870/</u>
- 2. Public policy is one reason to blame for people leaving Illinois. Residents have moved to pursue a higher quality of living in other states. <u>https://www.illinoispolicy.org/reports/still-leaving-illinois-an-exodus-of-people-and-money/</u>

Western states Still a Draw for Inbound Moves With Some Exceptions

In general, people are consistently moving to Western states. Idaho has made the top 10 each year since 2015. Colorado has been in the top 10 or close to it for each of those years. Most years, Idaho has come out on top for the most inbound moves, and 2020 is no exception. The state has consistently reached about 65 percentage points for inbound moves.

Colorado has slowly risen in the list over time, and it recently hit eighth place, a few points behind Texas. The state has averaged about 55 percentage points, even as other states have changed ranks.



Nevada, Oregon, and Washington have made the top inbound list in years past, but they didn't make the cut for 2020.

Of all Western states, only California has consistently ranked in the top 10 for outbound moves since 2015. The percentage has fluctuated over time, but enough people continue to leave to make it stand out. California's high cost of living could be the reason for so many outbound moves, along with a lack of affordable housing in some cities (San Francisco, for example, has an approximate 30+% of outbound versus inbound movers).

Here are a few reasons for the moving patterns in the west:

- 1. Idaho is one of the fastest-growing states in the US, and it's relatively affordable. https://www.eastidahonews.com/2020/09/why-people-are-moving-to-idaho-falls-likenever-before/
- 2. A slower pace in Idaho has also made it an attractive place for many people to live.

Top Moving To and From MSA (Metropolitan Statistical Area) Areas

Top MSA Destination Cities (Moving To) Top MSA Origin Cities (Moving From)

1. Phoenix-Mesa. AZ 2. Houston, TX

- 3. Dallas, TX
- 4. Atlanta. GA
- 5. Denver, CO

- 1. New York, NY
- 2. Anaheim, CA
- 3. San Diego, CA
- 4. Chicago, IL 5. Riverside, CA

Not surprisingly Phoenix ranks in the number one position for top inbound destination. Phoenix has held on to the number one spot for four out of the last five years. It was only in 2018 that

With Texas' warm climate and low taxes it's not surprising that three of the top ten MSA destinations are in Texas.

Our Methodology

Houston nudged past Phoenix.

For this report, we reviewed data for household moves in and out of the states. We focused on states with a high proportion of inbound or outbound moves, and we set an absolute value of 400 or greater. By setting that value, we took out smaller states that may have had fewer moves but a larger proportion, skewing the data.

*www.wallethub.com/edu/states-with-the-highest-and-lowest-property-taxes/11585

