



NEWS RELEASE

Retirement Readiness Varies in America's 30 Largest Metropolitan Areas

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Minneapolis-St. Paul claims top ranking on New Retirement Mindscape 2010 City Pulse index;
Los Angeles metro ranks last

MINNEAPOLIS--(BUSINESS WIRE)-- Survey findings released today by Ameriprise Financial (NYSE:AMP) suggest that where you live may influence your readiness to retire. The **New Retirement Mindscape®2010 City Pulseindex** examined the 30 largest U.S. metropolitan areas to determine where consumers are the most prepared for and confident about retirement. Minneapolis-St. Paul claimed the top spot on the retirement readiness index, followed by Raleigh-Durham (#2) and Nashville (#3); Los Angeles (#30) ranked last with Indianapolis (#29) and Orlando (#28) rounding out the bottom three.

Metropolitan areas were scored based on responses to a national survey which measured consumers' likelihood to have determined the amount of money they need to save for retirement and their actual saving habits. The index also takes into account if people have planned for a variety of activities during retirement and expressed confidence about achieving their retirement goals.

"Our latest research allows us to take the pulse of each major metropolitan area to see where there is alignment – or significant discrepancies – in how people have planned for and feel about retirement," said Craig Brimhall, vice president of retirement wealth strategies at Ameriprise Financial. "In some cases, local economic conditions have had such a substantial impact on people that their levels of preparation and confidence appear a bit out of sync."

Preparation helped metro areas secure a top ranking, but emotions play an important role,

too

What is the biggest similarity between the top-ranked metro areas? Their residents make retirement planning a priority – and not just from a financial perspective. While it was a tight race for the top spot on this index, Minneapolis-St. Paul, edged out Raleigh-Durham in part because Twin Cities residents approach retirement with more confidence, suggesting higher levels of emotional preparation.

Minneapolis-St. Paul scored significantly higher than the national average on nearly every factor related to retirement readiness. An impressive 83% of survey respondents say they have set aside money for retirement, compared to a national average of 69%. This may help explain why nearly half (48%) of Twin Cities residents report feeling “on track” for retirement and a third (30%) say they are “very confident” in their financial future.

Raleigh-Durham does have a slight edge from one standpoint. In addition to being financially prepared, 80% of people surveyed say they’ve given a lot of thought to the activities they’d like to pursue during retirement.

A similar trend is seen among Nashville residents, who are among the most likely to have given serious thought to the activities they’d like to pursue during retirement. And while the area shows only average levels of financial preparation, half of those surveyed report that they feel “on track” for retirement.

Economy appears to be significant factor in lowest ranked metros

If retirement is a priority in the top three metropolitan areas, the opposite could be said for those at the bottom. Recent economic conditions could be to blame.

Findings suggest that, at least in Los Angeles, more immediate financial concerns may be taking precedence over retirement planning. In L.A., more than a third (36%) of those surveyed say they’ve experienced a career set-back or layoff in the past 18 months and 22% report that they are currently unemployed but planning to return to work. This may help explain why an astonishing 37% of its residents admit that they haven’t given much thought to preparing for retirement – and only 57% have set aside money.

The sentiment is similar in Indianapolis, where a third (31%) of retirees say the economy has impacted their retirement plans, compared to a quarter (25%) of retirees nationwide. Here, just 42% of those surveyed have set aside money into their own savings or investments, and only 60% of people associate emotions like “happiness” and “optimism” with retirement.

Meanwhile, a mere 20% of those surveyed in Orlando say they’ve determined the income needed in retirement and a full 30% claim they haven’t thought much about it. How are local residents making up the difference? Some are

deciding to return to work, as is the case for 5% of respondents – a rate more than two times the national average (2%). However, with a local unemployment rate above the national average, finding post-retirement jobs may be challenging.

Preparation and confidence appear misaligned in some major metros

Washington D.C. (#23) is an interesting example of misalignment between preparation and confidence. The metro ranked sixth on preparation factors alone, and 80% of its residents are setting aside money for retirement – second only to top-ranked Minneapolis-St. Paul. However, confidence is lagging dramatically in the nation’s capital. Forty percent of those surveyed express negative feelings when they think about retirement, and the metro area ranked second to last on confidence factors.

The story may be clearer in San Francisco (#12), which ranks fourth for preparation but 18th on confidence. The metro area has not been immune to the recession, which hit California especially hard. While employment figures for those surveyed are on par with the national average, other sources indicate a higher unemployment rate overall. Likewise, 36% of pre-retirees from this area say that they’re planning to postpone retirement due to economic factors, which is significantly higher than the national average (26%).

Similar discrepancies are noted in Detroit (#21), Tampa (#19) and St. Louis (#17), however in these metropolitan areas preparation lags significantly behind confidence. Whether people from these areas are overly confident or simply more resilient, it appears their emotions have made a faster recovery than the economy.

Overall rankings

Based on composite scores, the 30 metropolitan areas surveyed are ranked as follows:

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| 1. Minneapolis-St. Paul | 16. Phoenix |
| 2. Raleigh-Durham | 17. St. Louis |
| 3. Nashville | 18. Pittsburgh |
| 4. Sacramento-Stockton-Modesto | 19. Tampa-St. Petersburg |
| 5. Seattle-Tacoma | 20. Miami-Ft. Lauderdale |
| 6. San Diego | 21. Detroit |
| 7. Hartford-New Haven | 22. Philadelphia |
| 8. Denver | 23. Washington D.C. |
| 9. Baltimore | 24. Portland |
| 10. Boston | 25. Cleveland-Akron |
| 11. Dallas-Ft. Worth | 26. New York |
| 12. San Francisco-Oakland-San Jose | 27. Charlotte |
| 13. Chicago | 28. Orlando-Daytona Beach-Melbourne |
| 14. Houston | 29. Indianapolis |
| 15. Atlanta | 30. Los Angeles |

Additional highlights for each metropolitan area, including its individual preparation and confidence ranking, are available on the **Ameriprise newsroom**.

About the survey

The New Retirement Mindscape 2010 City Pulse index was created by Ameriprise Financial utilizing survey responses from 10,028 U.S. adults ages 40-75. The survey was commissioned by Ameriprise Financial, Inc. and conducted online by Harris Interactive from September 28 to October 11, 2010. The national average sample and the 30 U.S. metropolitan areas were each weighted independently to best represent each area. Propensity score weighting was also used to adjust for respondents' likelihood to be online.

About Harris Interactive

Harris Interactive is one of the world's leading custom market research firms, leveraging research, technology and business acumen to transform relevant insight into actionable foresight. Known widely for the Harris Poll and for pioneering innovative research methodologies, Harris offers expertise in a wide range of industries. For more information, visit harrisinteractive.com.

About Ameriprise Financial

Ameriprise Financial, Inc. is a diversified financial services company serving the comprehensive financial planning needs of the mass affluent and affluent. For more information, visit ameriprise.com.

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