

Priced Out of the Bay

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Executive Summary

The San Francisco Bay Area has the highest cost of living in the country, and housing costs in particular are squeezing residents' budgets. This report draws on the same longitudinal, anonymized household data used in our [recent statewide analysis](#) to zoom in on the Bay Area specifically. We investigate which residents relocate, where they go, and how their finances and neighborhoods change afterward.

Affordability emerges as a central thread in these relocation¹ patterns. Residents who leave the Bay — whether for another state or elsewhere in California — consistently end up in cheaper neighborhoods and are more likely to become homeowners, though often in places with lower incomes, lower-quality schools, or greater exposure to climate risk. Meanwhile, the composition of the Bay Area's population is shifting, growing more racially diverse as pandemic-era out-migration is reversing.

Key Findings

- **Residents who leave the Bay Area encounter cheaper housing, but face other tradeoffs.** Those who leave the Bay, whether for other locations in California or out of state, see home values that are 50% lower and rents that are 33% lower, on average. But those neighborhoods have lower incomes, lower-performing schools, and greater climate vulnerability, on average.
- **Moving appears closely tied to homeownership.** Before moving, Bay Area movers are one-third less likely to own a home than their neighbors. But, a year after moving, their homeownership rates rise by 11–18% (3–5 percentage points). After five years, homeownership rates among those who leave the state rise 33% (9 percentage points).
- **People who leave the Bay Area tend to have lower credit scores and more student debt than their neighbors.** Movers left Bay *neighborhoods* that are average in terms of income, home values, and demographics, but *movers themselves* have credit scores 23 points lower than their neighbors and carry 2.3 times as much student debt (\$10,827 vs \$4,618).
- **Relocations are diversifying the Bay.** White residents are leaving the Bay Area on net, while residents of color — especially Asian/Pacific Islander households — are arriving on net or leaving in smaller numbers. This trend is most pronounced in Contra Costa and Solano counties.
- **Pandemic-era out-migration from the region's urban core is reversing.** San Francisco saw the most dramatic swing: after steep pandemic-era losses, the city has seen more arrivals than departures since mid-2024.

¹ We measure domestic migration only, not other components of population change like births, deaths, or international immigration.

Seeking affordability, but with tradeoffs

The San Francisco Bay Area² has the highest costs of living of any metropolitan area in the country. Gas costs 42% more than the national average.³ Groceries cost 10% more⁴ and utilities cost 68% more.⁵ But housing is by far the biggest cost for Bay Area residents. Nearly 40% (including nearly half of renters) spend more than 30% of their income on housing.⁶ Rents are twice as high as the national average.⁷ And the market for prospective homeowners is even more daunting. In early 2026, the median home in the Bay cost \$1.4 million, far exceeding the median home price in California (\$915,000), which is already more than twice the national average (\$425,000).⁸

Unsurprisingly, then, when people leave the Bay, they tend to move into communities with much lower home prices and monthly rents. **For those who left the Bay Area for another state between 2015 and 2019, the median home value in their new neighborhood was \$509,000, which is 57% (or \$687,000) lower than the median in their old neighborhood (\$1.2 million) (Figure 1).** For those leaving San Francisco specifically, median home values in their new neighborhood were \$916,000 lower than the nearly \$1.6 million they faced in San Francisco. Similarly, monthly rents were \$987 (or 38%) lower in their new out-of-state communities (Figure 2).

² We use the 9-county Bay Area definition: Alameda, Contra Costa, Marin, Napa, San Francisco, San Mateo, Santa Clara, Solano, and Sonoma.

³ [AAA 2026](#).

⁴ [Census Pulse Survey 2023](#).

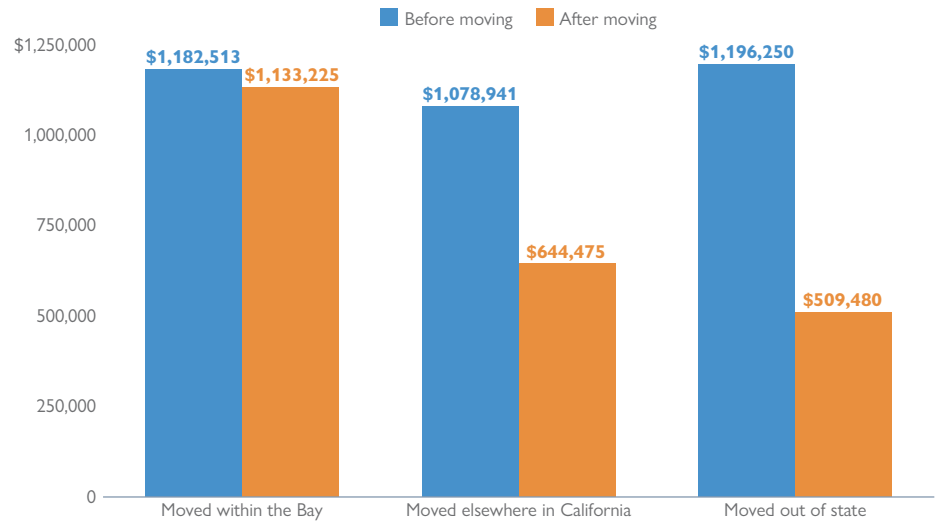
⁵ [Bureau of Labor Statistics 2026](#). Authors' analysis of SF metro and US city average prices 2016–24 for electricity and piped gas prices. Assumes electricity is two-thirds of the total utility bill.

⁶ [MTC 2026](#).

⁷ [Bureau of Economic Analysis 2026](#).

⁸ [California Association of Realtors 2026](#); [National Association of Realtors 2026](#). According to the [California Credit Dashboard](#), the average mortgage origination in the Bay over the past year averaged \$872,000, compared to a California average of \$678,000.

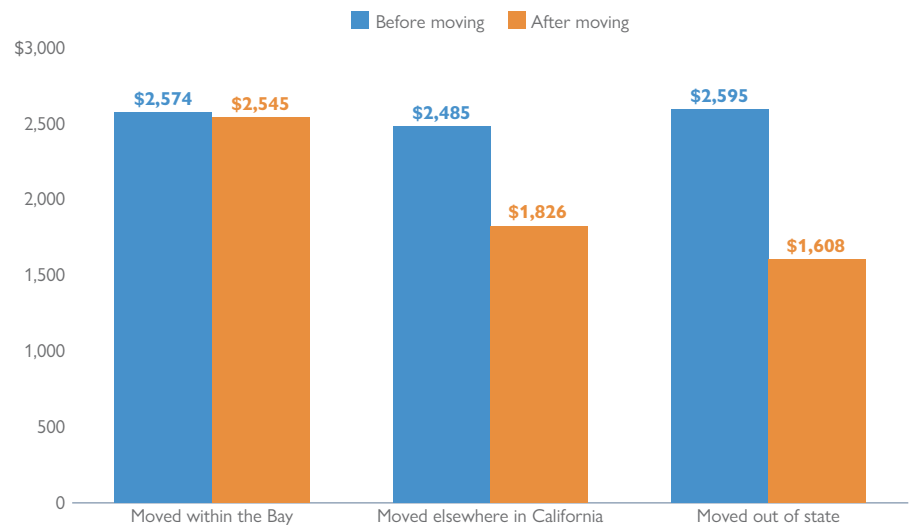
FIGURE 1. Bay Area movers relocate where homes are much cheaper



Home values are based on the neighborhood (Census tract) a person lived in just before/after moving. We use the 2019 and 2024 American Community Survey's 5-year estimates of self-reported home values. These data cover most of our study period but do not include recent changes in Bay Area real estate since 2024. Estimated differences in home values come from a regression specification that controls for individual and move and time effects as well as a quartic of the person's age. The "before moving" period refers to the quarter just before a person moved, while the "after moving" period refers to the quarter immediately after a person moved. The sample consists of individuals in the UC-CCP who moved within or from the Bay Area between 2015 and 2019. The data are inflated to 2025 Q4 dollars..

Source: California Policy Lab analysis of UC Consumer Credit Panel (UC-CCP) and American Community Survey data

FIGURE 2. Rents are lower in movers' new neighborhoods



Median rents are based on the neighborhood (Census tract) a person lived in just before/after moving. Estimated differences in monthly rents come from a regression specification that controls for individual and move and time effects as well as a quartic of the person's age. The "before moving" period refers to the quarter just before a person moved, while the "after moving" period refers to the quarter immediately after a person moved. The sample consists of individuals in the UC-CCP who moved within or from the Bay Area between 2015 and 2019. The data are inflated to 2025 Q4 dollars.

Source: California Policy Lab analysis of UC Consumer Credit Panel (UC-CCP) and American Community Survey data

Housing was also more affordable for those who left the Bay for another part of California. For these movers, home values were \$434,000 (40%) lower in their new California neighborhoods than in their former communities in the Bay, while rents were \$659 (27%) lower. By contrast, those who moved within the Bay Area faced largely similar housing costs in their new neighborhoods.

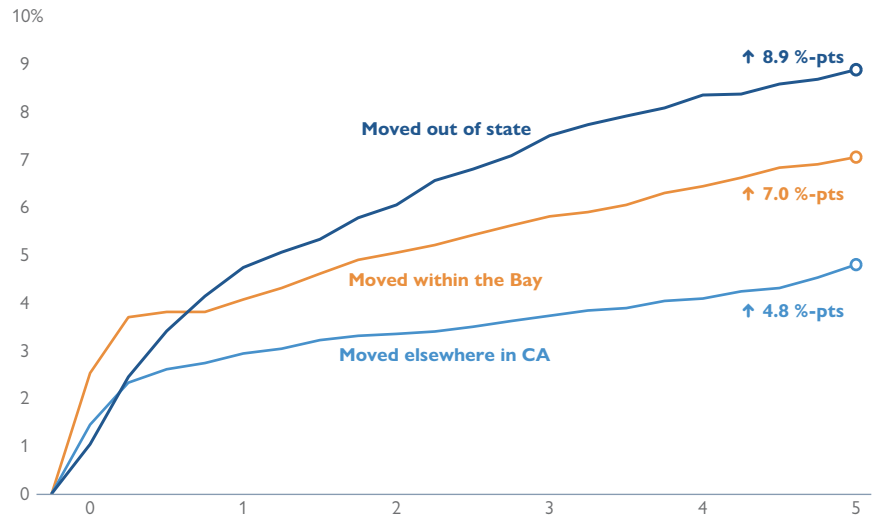
Many Bay Area movers appear to relocate with homeownership in mind. One year after leaving the Bay for another state, former residents are 15% (4 percentage points) more likely to be homeowners (Figure 3).⁹ **After five years, those out-of-state movers are nearly 33% (9 percentage points) more likely to be homeowners than they were before they left the Bay.** Homeownership seems to be more accessible in these new places: former Bay Area residents who leave California arrive in places where their neighbors are about 8% more likely to own their own homes than their former neighbors in the Bay.

Even those who move within the Bay are about 15% (4 percentage points) more likely to own their own homes just one year after moving — despite the fact that home values are only modestly lower in their new neighborhoods (Figure 1). That pattern suggests homeownership motivates at least some Bay Area residents to relocate across neighborhoods in search of availability, more space, other amenities (like schools), or, perhaps, slightly lower prices.

⁹ Our measure of homeownership is a probabilistic estimate that accounts for whether the person has an open mortgage or home-related loan or line of credit over the last 20 years; whether the person lives in a multi-unit dwelling; and the baseline rate of homeownership among that person's age group in that person's PUMS area. Our measure systematically underestimates the rate of homeownership but is reliable in spotting trends, as we do here.

FIGURE 3. **Bay Area movers are more likely to become homeowners**

Percentage-point change in homeownership in the years after moving



The data show the changes in the rates at which people own their own homes, relative to just before they moved, by year since (or before) moving. Estimated changes in homeownership come from a regression specification that controls for individual and move and time effects as well as a quartic of the person's age. Just before relocating, about 27% of movers of each type were identified as homeowners. This measure of homeownership, which is derived from observed characteristics in the credit data, underestimates the share who own homes but is reliable in identifying trends (% change). The sample consists of individuals in the UC-CCP who moved within or out of the Bay Area between 2015 and 2019.

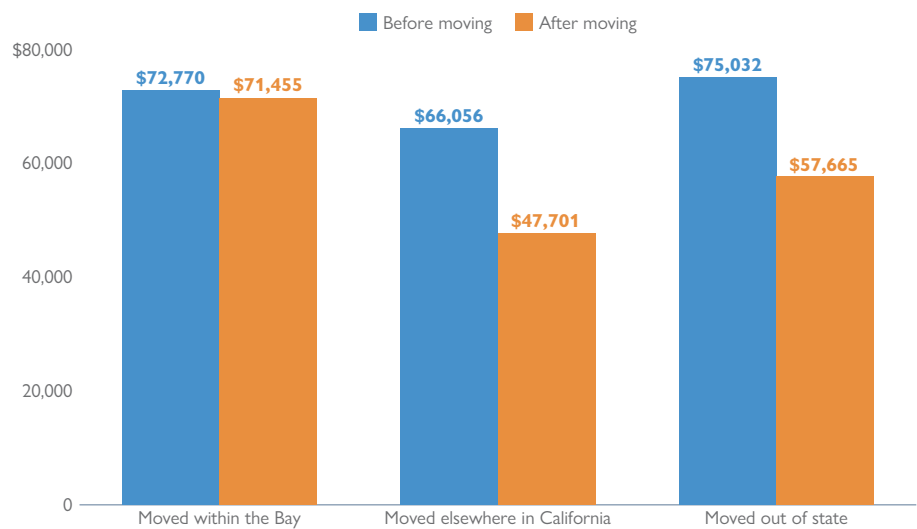
Source: California Policy Lab analysis of UC Consumer Credit Panel (UC-CCP) data

These trends echo the reality facing many Californians, not just those living in the Bay Area. The state's high cost of housing relative to other parts of the country means that people who leave California — and particularly its coastal metropolitan areas — generally land in more affordable neighborhoods out of state.

Of course, affordability can come with tradeoffs. Bay Area families who leave for cheaper neighborhoods may find they are less desirable in other ways. Some of these amenities — like natural beauty or cultural and entertainment offerings — are hard to measure. But some measurable characteristics include income, school quality, and climate vulnerability.

Earning less money may be one price movers pay when they leave the Bay, especially for workers that cannot retain their Bay Area job and work remotely. The median income in California is about one-fifth higher than the national average, meaning that out-movers from the Bay and California generally encounter cheaper housing but also lower earnings. **Former Bay Area residents who leave the state arrive in places where their neighbors have annual incomes that are 23% (or \$17,300) lower compared to their old Bay Area neighbors (Figure 4).** Some lucky few may be able to keep their high Bay Area incomes while working fully remote from elsewhere in the country, but these opportunities are not common.¹⁰

FIGURE 4. Bay Area movers arrive in places with lower incomes



The data show neighborhood (Census tract) per-capita incomes. Estimated differences in income come from a regression specification that controls for individual and move and time effects as well as a quartic of the person's age. The "before moving" period refers to the quarter just before a person moved, while the "after moving" period refers to the quarter immediately after a person moved. The sample consists of individuals in the UC-CCP who moved within or from the Bay Area between 2015 and 2019.

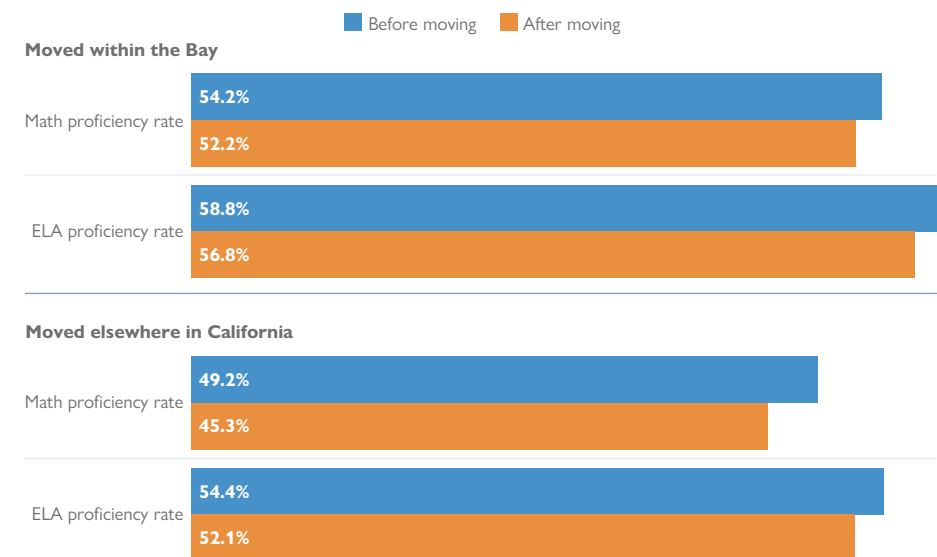
Source: California Policy Lab analysis of UC Consumer Credit Panel (UC-CCP) and American Community Survey data

¹⁰ [LAO 2026](#), showing only 9% of workers (in California and nationally) do their work fully remote.

School quality is another important consideration when families relocate. While school quality is difficult to compare across states, it is clear that Bay Area families who leave for other parts of California face worse performing schools, on average. **Former Bay Area residents’ new local elementary schools have lower proficiency rates on California’s standardized tests in math and reading (ELA).** Specifically, 4–8% (2–4 percentage points) fewer students are proficient in math and ELA than at their old neighborhood’s school (Figure 5). Gaps in school quality might partially explain why these neighborhoods have cheaper housing.

FIGURE 5. Bay Area movers encounter lower-quality schools

Proficiency rate in Math and English Language Arts for elementary schools in movers’ source and destination neighborhoods



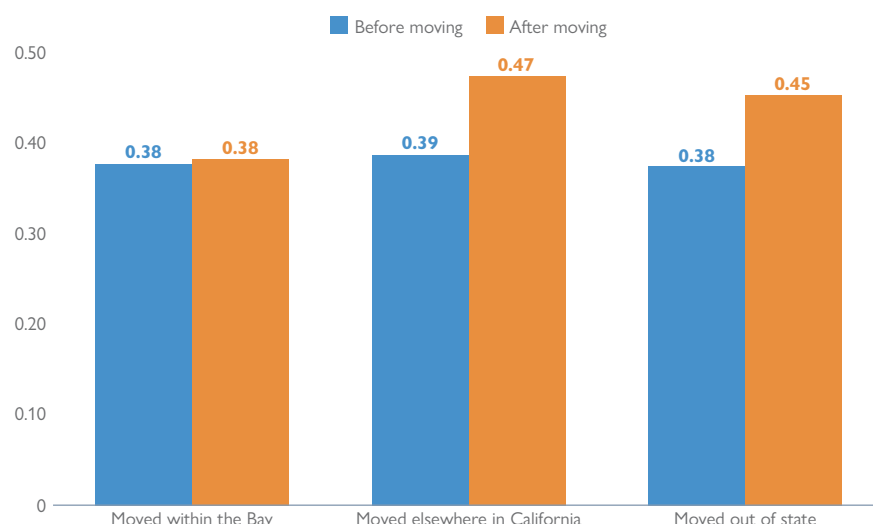
The data report the share of local elementary students who achieve a “proficient” achievement level or better on California state standardized tests. We assign individuals to local elementary schools based on their Census block and attendance boundary data. Estimated differences in home values come from a regression specification that controls for individual and move and time effects as well as a quartic of the person’s age. The “before moving” period refers to the quarter just before a person moved, while the “after moving” period refers to the quarter immediately after a person moved. The sample consists of individuals in the UC-CCP who moved within the Bay Area or from the Bay Area to another location in California between 2015 and 2019.

Source: California Policy Lab analysis of University of California Consumer Credit Panel (UC-CCP) and Education Data Center data

Destination communities outside the Bay are also more vulnerable to climate change and natural disasters. Movers relocate to neighborhoods with higher overall vulnerability on the US Climate Vulnerability Index, a composite measure that captures not only exposure to extreme weather and disasters (e.g., wildfires, flooding, heat waves) but also underlying social, economic, and infrastructure vulnerabilities (e.g., lack of access to healthcare, aging transportation and water systems). **In-state movers increase their climate vulnerability by 8 percentile points and out-of-state movers increase by 7 percentile points (Figure 6).** These changes are reflective of the fact that the Bay Area scores lower on the US Climate Vulnerability Index compared to the rest of California and the country, in particular the southern and southeastern portions of the country where many Bay exiters choose to move. Increased climate vulnerability is another tradeoff that movers face when seeking lower costs of living outside the Bay.

FIGURE 6. People leaving the Bay Area move to places more susceptible to climate change

US Climate Vulnerability Index percentile in movers' source and destination neighborhoods



Susceptibility to climate change is measured in terms of the US Climate Vulnerability Index (CVI). The CVI summarizes a neighborhood's (Census tract's) social, economic, and infrastructure factors that shape its ability to respond to climate change. The CVI ranges from 0 to 1. Estimated differences in CVI come from a regression specification that controls for individual and move and time effects as well as a quartic of the person's age. The "before moving" period refers to the quarter just before a person moved, while the "after moving" period refers to the quarter immediately after a person moved. The sample consists of individuals in the UC-CCP who moved within or from the Bay Area between 2015 and 2019.

Source: California Policy Lab analysis of UC Consumer Credit Panel (UC-CCP) and Climate Vulnerability Index data

Who leaves the Bay?

Given the Bay Area’s high costs of living, one might expect that those leaving come predominantly from its least affluent neighborhoods. That is not what we observe. Instead, those who left the region since 2014 came, on average, from neighborhoods that resemble the typical Bay Area community: their neighborhoods had mostly average income levels, home prices, and demographics (Table 1). Simply put, the average mover lived in a pretty average Bay Area neighborhood — neither more or less affluent than the norm.

TABLE 1. Bay Area stayers and leavers come from similar neighborhoods
Average characteristics of the neighborhoods of Bay Area leavers and stayers

	BAY AREA LEAVERS' NEIGHBORHOODS	BAY AREA STAYERS' NEIGHBORHOODS	DIFFERENCE	PERCENT DIFFERENCE (%)
Per-capita income	\$73,321	\$70,145	+\$3,176	+5
White population (%)	41	39	+2.3-pts	+6
Median home value	\$1,170,765	\$1,148,727	+\$22,038	+2
Median rent	\$2,573	\$2,553	+\$20	+1
Homeowner (%)	54	58%	-4.2-pts	-7
Median age (yrs)	39	40	-0.8 yrs	-2

The data come from comparing the neighborhood (Census tract) characteristics of the average person leaving the Bay Area and the average person staying in the region. The sample consists of people in the UC-CCP who resided in the Bay Area between 2014 and 2025. Per-capita income, home values, and rents are inflated to 2025 Q4 dollars.

Source: California Policy Lab analysis of UC Consumer Credit Panel (UC-CCP) and American Community Survey data

However, looking within neighborhoods, we see that movers who left the Bay were in worse financial shape than their neighbors (Table 2). **Bay Area leavers had credit scores that were 23 points lower than their neighbors, on average, and carried more than twice as much student debt at the time they left (\$10,827 vs \$4,618).** They were also about one-third less likely to own their own homes. This resembles a similar pattern statewide. In both cases, looking locally at the Bay and statewide, we see that movers on average tend to be financially secure — with relatively high credit scores and low debt levels — but are in worse shape than their neighbors. Both these findings and the homeownership results above support a hypothesis that many people leaving the Bay want to own homes, cannot afford to buy in the Bay, but have the financial capacity to buy elsewhere in California or another state, either immediately or within a few years.

TABLE 2. People leaving the Bay are in worse financial shape than their neighbors
Average characteristics of Bay Area leavers and stayers from the same neighborhoods

	BAY AREA LEAVERS' NEIGHBORHOODS	BAY AREA STAYERS' NEIGHBORHOODS	DIFFERENCE	PERCENT DIFFERENCE (%)
Credit score	692	715	-23 pts	-6%
Student debt	\$10,827	\$4,618	+\$6,209	+134%
Auto debt	\$4,866	\$4,457	+\$409	+9%
% of credit card limits used	31%	25%	+5.3 %-pts	+21%
Homeowner?	25%	37%	-11.6 %-pts	-32%
Age	41	48	-7.4 yrs	-15%

The data come from comparing the average characteristics of people from the same neighborhood (Census tract) who leave the Bay Area and people who stay. We re-weight these differences by the number of leavers from each neighborhood so that the reported data reflect the characteristics of the average leaver. The sample consists of people in the UC-CCP between 2014 and 2025 who resided in a Bay Area neighborhood with at least one out-of-state mover and one non-mover in a given quarter. Student and auto debt levels are inflated to 2025 Q4 dollars.

Source: California Policy Lab analysis of UC Consumer Credit Panel (UC-CCP) data

Demographically, the Bay Area is becoming more racially diverse as a result of relocations (Table 3).¹¹ White residents are leaving the Bay on net, and other racial groups — especially Asian and Pacific Islander residents — are arriving on net, or at least leaving in fewer numbers. **This is especially true in Contra Costa and Solano Counties, where the share of the population who are residents of color has increased by 8-9 percentage points, due to relocations since 2014.** Against a backdrop of mostly net out-migration from the Bay, Solano County has seen a sizable net in-migration of Hispanic residents and all counties except San Francisco have seen net in-migration of Asian and Pacific Islander residents.

TABLE 3. Relocations are making the Bay Area more racially diverse

Net migration as a % of county population (2014–25)

COUNTY	WHITE	HISPANIC	BLACK	ASIAN/ PACIFIC ISLANDER	AMERICAN INDIAN/ ALASKA NATIVE	MULTIRACIAL/ OTHER	CHANGE IN POPULATION SHARE FOR PEOPLE OF COLOR
Alameda	-5.9	-2.4	-1.6	+0.9	-0.1	-0.5	+2.3
Contra Costa	-6.6	+0.4	-0.4	+2.5	-0.1	-0.2	+8.9
Marin	-5.9	-1.5	-0.2	+0.6	-0.0	-0.0	+4.7
Napa	-4.9	-1.0	-0.0	+0.4	-0.0	-0.0	+4.2
San Francisco	-6.1	-1.2	-0.8	-3.1	-0.0	-0.3	+0.6
San Mateo	-6.8	-4.3	-0.7	+1.9	-0.0	-0.3	+3.5
Santa Clara	-8.0	-3.9	-0.6	+0.2	-0.1	-0.4	+3.2
Solano	-4.0	+2.8	-0.0	+1.3	-0.1	-0.1	+7.8
Sonoma	-2.4	+0.3	-0.3	+0.3	-0.1	-0.0	+2.6

Race/ethnicity is estimated using BISG (RAND 2009). For the first six columns, the numerator is net migration for that racial/ethnic group over the period and the denominator is the average county population for whom we observe estimated race/ethnicity over the period. The last column is the sum of all non-White groups minus the White group.

Source: California Policy Lab analysis of UC Consumer Credit Panel (UC-CCP) data

¹¹ In describing racial and ethnic identity, we are limited to the categories that are provided to us in the UC-CCP, which uses the Bayesian Improved Surname and Geography methodology (RAND 2009) to estimate the likelihood that each person is one of six mutually exclusive racial/ethnic categories: Hispanic, and non-Hispanic White, Black, Asian/Pacific Islander, American Indian or Alaska Native, and Multiracial/other races.

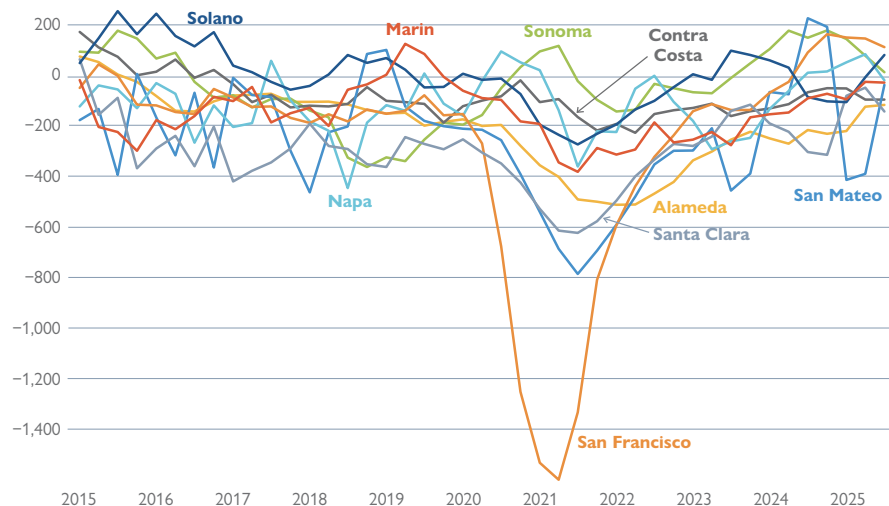
Where are people leaving from?

Since 2014, more people left than arrived in every Bay Area county save one. Solano County — by most measures the most affordable Bay county — was the only exception. [Figure 7](#) compares net migration from each county controlling for their different populations. The most notable feature is the intensive out-migration during the COVID pandemic from the largest counties, especially San Francisco, but also San Mateo, Santa Clara, and Alameda. In contrast, Napa and Sonoma Counties saw net in-migration during the early pandemic. ([Appendix Table 1](#) shows net migration to/from the Bay Area region as a whole.)

More recently, most counties have trended towards more incomers. **San Francisco's turnaround is perhaps most dramatic: after substantial out-migration during the pandemic, the trend reversed sharply.** Since mid-2024, more people have been arriving in San Francisco than exiting, perhaps due to the artificial intelligence boom or more return-to-office mandates. San Francisco in-movers tend to be older than 25, without kids, White and Asian/Pacific Islander, and not “low-income.”¹²

FIGURE 7. Bay Area counties experienced net outmigration, especially during the pandemic

Quarterly net migration to/from Bay Area counties per 100k residents, 2015–25



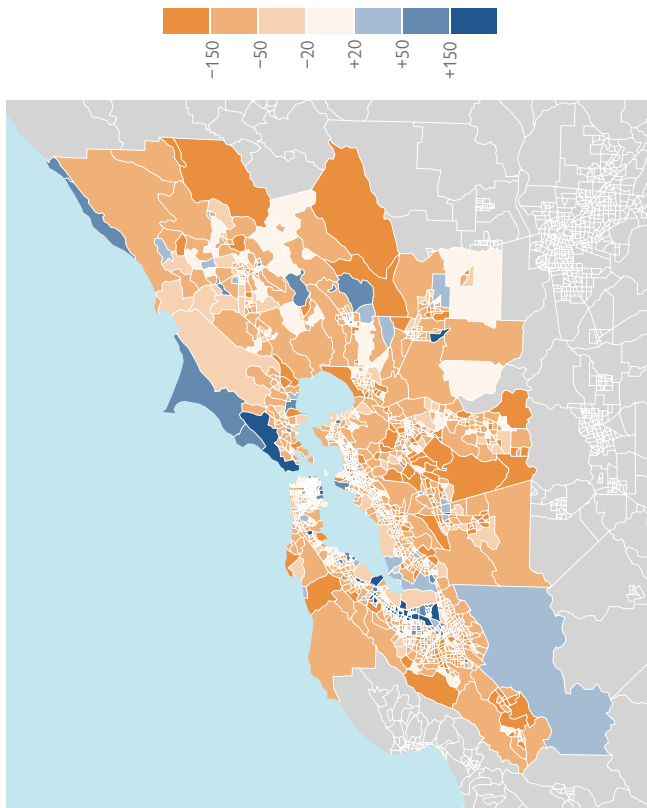
All figures reflect 4-quarter averages (ending with the indicated quarter) to smooth seasonal fluctuations. A move is defined as having a different county in the next quarter. Domestic migration only.

Source: California Policy Lab analysis of University of California Consumer Credit Panel (UC-CCP) data

¹² We do not directly observe income in the credit data. Instead, we proxy for “low income” if the person meets two of three criteria: has less than a 10% chance of being a homeowner ([see note 8](#)); has a credit score under 620; and has a credit limit of less than \$5,000 alongside credit utilization over 50%. Most of those identified as “low income” using this measure meet the first two criteria, which may inadvertently capture some young people who have a blemished credit history but do not have low incomes. Using this method, approximately 23% of people in our data are identified as “low income.”

Figures 8A and 8B show net migration to/from the Bay at the tract level since 2014. The left panel (Panel A) shows net migration per 100,000 residents, while the right panel (Panel B) focuses just on movers who we define as “low income.” Blue represents net in-migration while orange represents net out-migration, with darker colors signifying more intense trends. In Panel A, many of the blue-colored tracts are urban tracts with new housing developments, which accounts in many cases for the net in-migration. In contrast, many of the darker orange-colored tracts are in suburban areas that did not see as much new housing. Across California, average household sizes have declined 6.4% since 2015,¹³ so the overall trend is that exiting households are replaced with smaller households on average (vacancy rates were declining slightly over this time period).

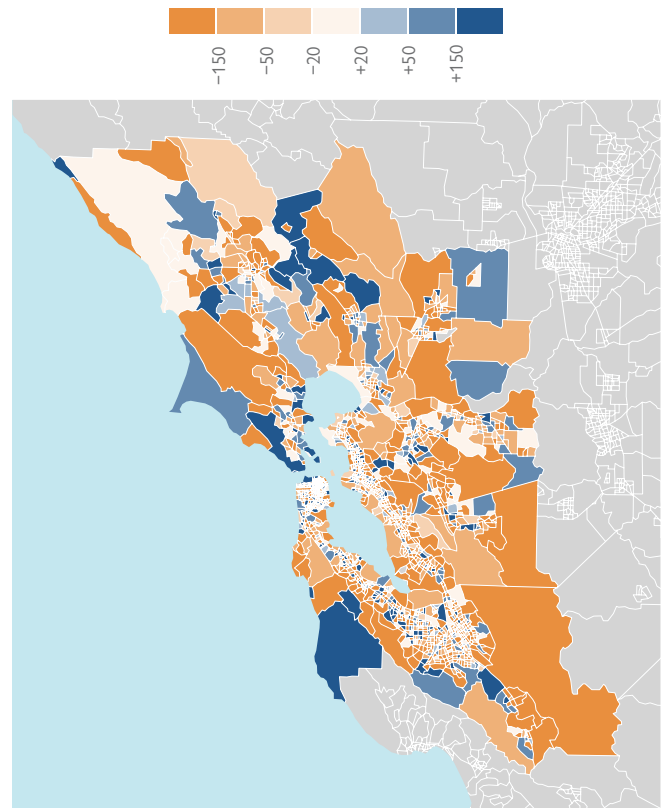
FIGURE 8A. **From where do people leave the Bay?**
Annual net migration per 10k (2014–25)



Movers are defined as those moving to/from Bay Area tracts to/from domestic locations outside the Bay.

Source: California Policy Lab analysis of University of California Consumer Credit Panel (UC-CCP) data

FIGURE 8B. **From where do “low-income” people leave the Bay?**
Annual net migration per 10k “low-income” residents (2014–25)



Movers are defined as “low-income” residents moving to/from Bay Area tracts to/from domestic locations outside the Bay. We proxy for “low income” if the person meets two of three criteria: is highly unlikely to be a homeowner based on what we observe in the credit data; has a credit score under 620; and has a credit limit of less than \$5,000 alongside credit utilization over 50%.

Source: California Policy Lab analysis of University of California Consumer Credit Panel (UC-CCP) data

¹³ CPL analysis of Department of Finance Tables E-5 and E-8, showing the average household size declined 6.4% between 2015 and 2025.

In Panel B, “low-income” migration tends to be more intensive (i.e., darker colors) in both directions. There appear to be distinct migration patterns for “low-income” residents, including in the urban cores like San Francisco (Figure 9), downtown San Jose/Santa Clara (Figure 10), and the flats of the inner East Bay (Richmond to Fremont). Because of the way we define “low income” (see note 11), some of these patterns may be reflective of migration by young people who are not well established financially but who do not necessarily have low earnings.

FIGURE 9A. Net migration from the Bay (San Francisco)

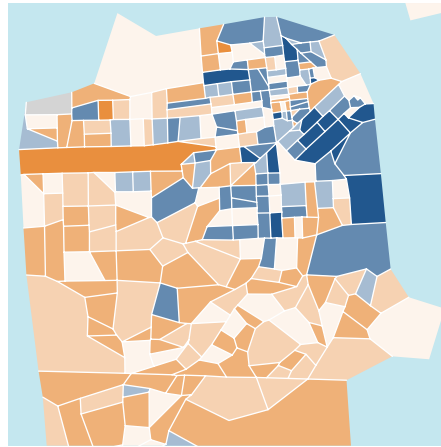


FIGURE 9B. Net "low-income" migration from the Bay (San Francisco)

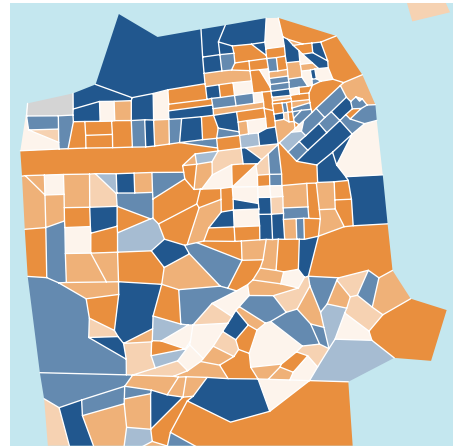


FIGURE 10A. Net migration from the Bay (San Jose)

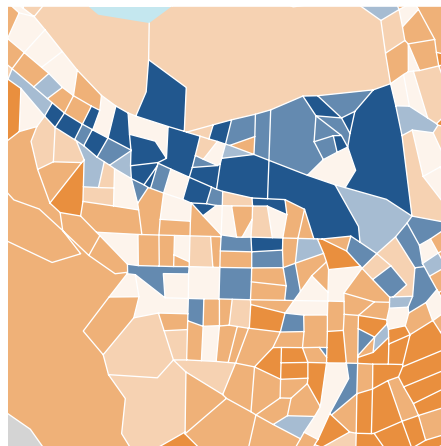
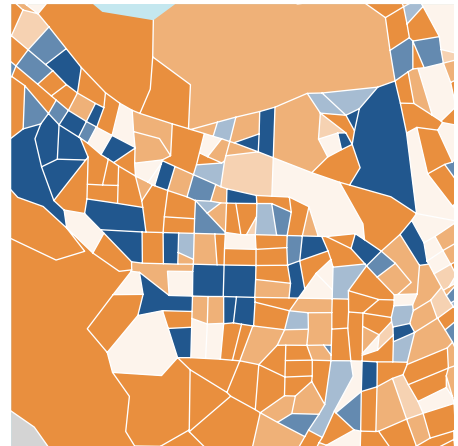


FIGURE 10B. Net "low-income" migration from the Bay (San Jose)



Most of the Bay’s largest cities lost “low-income” residents on net over the past dozen years (Table 4). In general, “low-income” residents left bayside East Bay cities in greater shares than they did from cities in the inland East Bay, the Peninsula, or the North Bay. Importantly, many of these cities also saw net out-migration of higher-income populations, sometimes in even greater numbers. Because of this, in some cities, the *share* of “low-income” residents increased even while the *number* of “low-income” residents decreased.

TABLE 4. Most of the Bay’s 25 most populous cities lost “low-income” residents on net

Net migration of “low-income” residents from 2014–25 as a percentage of city population

CITY	%	CITY	%
Hayward	-4.6	Berkeley	-1.3
Richmond	-3.1	Vacaville	-1.3
Livermore	-2.8	San Ramon	-1.2
San Jose	-2.7	Mountain View	-1.1
Redwood City	-2.6	San Francisco	-1.0
Milpitas	-2.3	Antioch	-0.5
Santa Rosa	-2.2	South San Francisco	-0.5
Fremont	-2.2	Concord	-0.5
Daly City	-1.6	Sunnyvale	-0.4
San Leandro	-1.5	Pittsburg	+0.0
Oakland	-1.5	Fairfield	+0.1
San Mateo	-1.5	Vallejo	+1.6
Santa Clara	-1.4		

Note: Movers are defined as “low-income” residents moving to/from the 25 most populous Bay Area cities. We proxy for “low income” if the person meets two of three criteria: is highly unlikely to be a homeowner based on what we observe in the credit data; has a credit score under 620; and has a credit limit of less than \$5,000 alongside credit utilization over 50%. Many of these localities lost as many or more higher-income residents, so the *share* of low-income residents in a city may have increased even if the *number* decreased.

Source: California Policy Lab analysis of UC Consumer Credit Panel (UC-CCP) data

Where are people moving to?

We turn now to the destinations of Bay Area residents who choose to move. Out of every 20 Bay Area movers, 11 stay within the same county, 4 move to another county within the Bay Area, 3 leave the state, and the remainder move elsewhere in California (Table 5). **The share of Bay movers leaving the state has increased steadily over time, from 13% in 2014 to 16% in 2025.**

TABLE 5. Destinations of Bay Area movers (2014–25)

SHARE MOVING TO...	%
the same county	54
another Bay Area county	19
another state	15
the Central Valley	6
the Los Angeles region	4
elsewhere in CA	3

A mover is defined as a Bay Area resident whose Census tract changes between two quarters.

Source: California Policy Lab analysis of UC Consumer Credit Panel (UC-CCP) data

Six percent of movers relocate to the Central Valley¹⁴ and another 4% move to the Los Angeles region.¹⁵ Movers from Solano County are nearly twice as likely to end up in the Central Valley as movers from other Bay counties. Movers from Sonoma County are 25% more likely to leave California than movers from other Bay counties.

The Bay Area continues to be an attractive locale for young people. Over the study period, more than 50,000 young people (ages 18–25) moved to the Bay on net. But when young people leave the Bay, they are more likely to leave the state now than in the past. **In 2014, 14% of young Bay Area movers left the state, but that share increased to 23% by 2025.**

The vast majority (75%) of “low-income” movers stay in the Bay Area. Those who do leave the Bay are more likely to move to the Central Valley (8% vs 5%) and less likely to move out of state (12% vs 15%) than are higher-income movers.

14 We define the Central Valley as encompassing 3 economic regions: San Joaquin Valley, Greater Sacramento, and Northern Sacramento Valley. These three regions include the following counties: Butte, Colusa, El Dorado, Fresno, Glenn, Kern, Kings, Madera, Merced, Placer, Sacramento, San Joaquin, Shasta, Stanislaus, Sutter, Tehama, Tulare, Yolo, and Yuba.

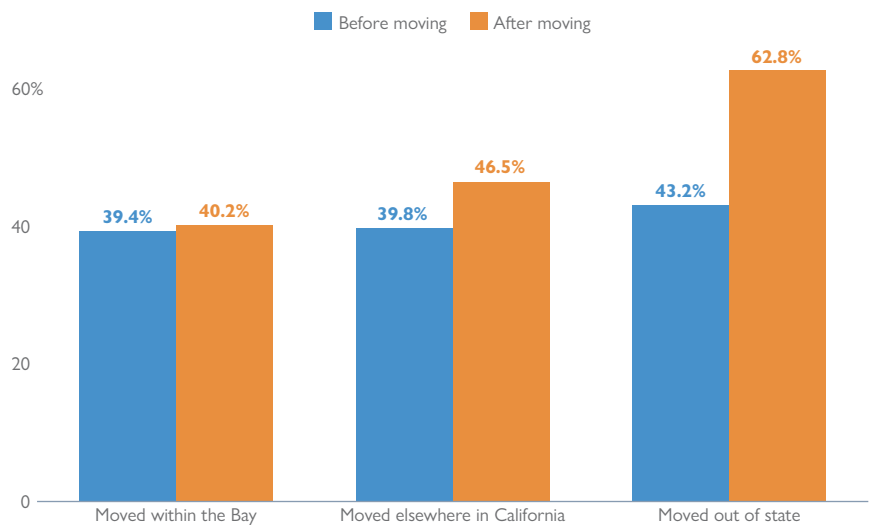
15 We use the 5-county definition for the Los Angeles region: Los Angeles, Orange, Riverside, San Bernardino, and Ventura.

Move destinations also differ by race. White and American Indian/Alaska Native movers are more likely to leave the state than other groups. Black, Hispanic, and American Indian/Alaska Native movers are more likely to move to the Central Valley. And Asian/Pacific Islander movers are more likely to move within the Bay.

The racial composition of destination neighborhoods differ substantially from those movers left, particularly for those who exit the state. **Former Bay Area residents who leave California tend to arrive in neighborhoods whose residents are 45% more likely to be White** (63% vs 43%; [Figure 11](#)). Those who relocate within California also arrive in neighborhoods with more White residents.

FIGURE 11. **Movers' new neighborhoods have more White residents**

Non-Hispanic White share of neighborhood residents



The data show the share of neighborhood (Census tract) residents who identify as non-Hispanic White. Estimated differences in White resident share come from a regression specification that controls for individual and move and time effects as well as a quartic of the person's age. The "before moving" period refers to the quarter just before a person moved, while the "after moving" period refers to the quarter immediately after a person moved. The sample consists of individuals in the UC-CCP who moved within or from the Bay Area between 2015 and 2019.

Source: California Policy Lab analysis of UC Consumer Credit Panel (UC-CCP) and American Community Survey data

Conclusion

The Bay Area's high cost of living, particularly in housing, is a likely factor driving recent relocation trends. Residents who leave the region typically secure more affordable housing, though they may trade off lower incomes and other neighborhood amenities, such as school quality or environmental safety. Out-movers leave from a wide variety of communities, which reflect the Bay on average, but movers usually exhibit greater financial vulnerability than their neighbors, such as higher debt and lower credit scores. Within a few years of moving, they are much more likely to own a home.

Beyond economic factors, the Bay Area is experiencing a notable demographic evolution, marked by increasing racial diversity as migration flows shift. Although the COVID-19 pandemic triggered substantial exits from urban hubs like San Francisco, recent data points to a stabilization, or even a resurgence, as people gravitate back toward those same areas.

Acknowledgments

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About the Data: The [University of California Consumer Credit Panel](#) (UC-CCP) is a dataset of anonymized consumer credit information, created for the purpose of studying consumer financial well-being and identifying trends among California households related to credit, debt, income, and mobility, including through the [California Credit Dashboard](#). The data are currently in use for dozens of projects that inform research on a variety of topics including economic mobility, health and financial well-being, the impact of student debt, California's housing challenges, and more.

Appendix

APPENDIX TABLE 1. Arrivals and departures from the Bay Area

Average annual domestic migration to/from the Bay Area, 2014-25

COUNTY	EXITS	ENTRANCES	NET MIGRATION	NET AS % OF POPULATION
Alameda	68,300	56,600	-11,700	-0.88%
Contra Costa	40,500	30,900	-9,700	-1.03%
Marin	9,000	7,400	-1,600	-0.77%
Napa	4,700	4,100	-600	-0.57%
San Francisco	41,300	40,800	-500	-0.07%
San Mateo	28,300	24,000	-4,400	-0.68%
Santa Clara	81,100	70,400	-10,700	-0.67%
Solano	19,000	15,700	-3,300	-0.93%
Sonoma	17,500	14,600	-2,900	-0.71%
Bay Area total	309,600	264,400	-45,200	-0.72%

Counts moves to/from outside the Bay Area for each county. Domestic migration only. Population denominator is an average of the observed population in our data source over the period.

Source: California Policy Lab analysis of UC Consumer Credit Panel (UC-CCP) data