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Real Estate

America's Most Educated Small Towns

Jacqueline Detwiler, 01.05.09, 12:01 AM ET

For decades, most people's idea of the American small town likely resembled something out of *Little House on the Prairie*: crumbling farmhouses and one-room schools. By November's election, with all the talk of Main Street, it was easy to forgive anyone for associating the American small town with rural locales, modest incomes and Joe Six-Packs.

Whether or not that's true, the best-educated small towns contain just the opposite. Almost all are suburbs near major universities or research centers, and the jobs--from IT in Silicon Valley to government work in [McLean, Va.](#)--are anything but blue collar.

In Depth: America's Most Educated Small Towns

Take the most-educated small town on our list, [Bethesda, Md.](#) The city hosts the National Institutes of Health, National Library of Medicine and the Nuclear Regulatory Commission, as well as the corporate headquarters of Marriott, Lockheed Martin and COMSAT. Bethesda also boasts the highest percentage of residents with advanced degrees in the country, with 51.5% of residents over 25 who have master's degrees or Ph.D.'s.

"Of my friends who are not employed at the NIH, almost all of them have a master's degree," says Laura Thomas, Ph.D., a postdoctoral fellow at the National Institutes of Health and a Bethesda resident. "It's almost like the entire town is the campus of a top-tier research institution."

[Wellesley, Mass.](#), which ranks second, sets the paradigm for many of the other towns in the top 10. It's home to one of the top colleges in the U.S., Wellesley College, and is close to a major metropolitan area known for its culture and high property values. The remaining top five--[Palo Alto, Calif.](#), [McLean, Va.](#), and [Los Altos, Calif.](#)--post similar profiles. All three are close to a larger city and are within commuting distance of a university or major research institution.

Towns ranking 11th to 20th were also close to universities, which tended to be larger, like [State College, Pa.](#), at No. 15, which is near Pennsylvania State University, and [Blacksburg, Va.](#), at No. 14, which is near Virginia Tech. Plush suburbs, like [Cupertino, Calif.](#), and [Brookline, Mass.](#), also figured prominently in the second half of the list.

Behind the Numbers

To determine America's most-educated small towns, we used data from the U.S. Census 2005-2007 American Community Survey, which polled more than 2,500 regions with 20,000 to 65,000 residents about their educational attainment. The number of graduate degrees--including master's degrees, Ph.D.'s, professional degrees, bachelor's degrees and associate degrees--were each divided by the population of the town over age 25 and then weighted to give a final average for each location. High school diplomas were excluded from our analysis since it's safe to assume that most residents with bachelor's degrees also have high school degrees.

Because college graduates make about \$22,000 more per year than those who stopped after high school, and people with graduate degrees bring home an additional \$37,000 to \$57,000 per year, highly educated residents are the ones who boost the property values and median incomes in the towns in which they live.

The average median property value of the five most educated towns was around \$900,000, well above the national average. And all five of the towns are distinctly missing the unemployment rates and impoverished school districts that characterize many other small towns.

Cudahy, Calif., the place that ranked as the least-educated small town in the U.S., has an unemployment rate of 6%, with

nearly 20.7% of residents surviving at or below the poverty line. Compare that to [Palo Alto](#), our highest-ranking town in California, whose unemployment rate is only 3.8%, with only 3.3% of residents living at or below the poverty line.

A More Enriched Life

The highly educated also tend to be involved with arts and politics, bringing more lectures, bookstores and restaurants to their hometowns.

Downtown Bethesda alone boasts nearly 200 restaurants for a population of 56,842, and a recent Yellow Pages search of Brookline, Mass., revealed 24 bookstores, ranging from travel specialists like Globe Corner to used, rare and out-of-print shop Albatross Books.

If you liked this story, read:

Palo Alto, Calif., is serious about providing arts and entertainment opportunities for its highly educated residents. The city's Arts, Parks and Recreation department organizes several community theaters, an annual film festival and an art center that hosts exhibitions and classes for children.

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So how does a town like Cudahy turn things around? Unfortunately, the answer is much more difficult than it sounds.

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It seems filling a Joe Six-Pack town with Joe Ph.D.'s--and thus boosting educational prospects for children, not to mention property values--involves opening a university or major research center to employ them.

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