

Best Cities to Start a Small Business

From *LendEDU*

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March 28, 2018

[Durham, New Hampshire ranked #260 making it one of the best places in the country to start a small business]

For anyone striving to start their own business there are many factors to consider before going ahead and starting.

One of these is finding a location for your office. Whether you are working from home or looking for office space, it isn't easy to start the process, so we decided to help you get the ball rolling.

Many people base this decision off of personal preference, but we prefer to look at actual data. At LendEDU, we decided to rank the top 500 cities to start a small business in the United States based on their receptiveness to new businesses.

Cities were ranked based on the following criteria (see the methodology section for a more detailed breakdown):

1. **Population Score (20 points maximum)**
2. **Income Score (40 points maximum)**
3. **Expense Score (40 points maximum)**

Methodology

In order to calculate the ranking compiled in the list above, we reviewed thousands of cities across the United States using Onboard Informatics. To be included in this report, a city's population needed to exceed 5,000.

After the cutoff, calculations were carried out using several metrics to determine the overall score of each city evaluated. Here is a detailed breakdown of these metrics along with their sub-metrics:

Population Score (20 point maximum)

- Daytime Population Score – The difference in the normal population and the population that is present during standard working day hours (10 point maximum)

(over)

- Population Growth Score – Forecasted population growth over the next five years (10 point maximum)

Income Score (40 point maximum)

- Disposable Income Score – The average disposable income available to residents (20 point maximum)
- Income Growth Score – Forecasted income growth over the next five years (20 point maximum)

Expenses Score (40 point maximum)

- Property Tax Score – Property tax rates (8 point maximum)
- Sales Tax Score – Sales tax rate (8 point maximum)
- Utilities Score – Average cost of utilities (8 point maximum)
- Burglary Score – Rate of burglaries compared to the national average (8 point maximum)
- Property Crime Score – Rate of property crimes compared to the national average (8 point maximum)

Each metric was ranked against its respective field and scored on its point scale. Finally, we summed the metric scores together, leading to the final small business score for each city. This score was used to rank the cities that give owners the best chance to reduce the need for small business loans and to thrive in general.

Notes from article.

Durham ranked 16.31 for population, 32 for income, and 21.12 for expenses.

Other municipalities from New Hampshire:

Bedford – ranked 118

Exeter – ranked 241

Salem – ranked 265