

# Kiplinger's

MONEY  
SMART  
LIVING

PERSONAL FINANCE

## 10 Great Places to Retire

Big and small, north and south, coast to coast, our dream retirement spots offer something for everyone. p.26

Carlsbad, Calif., north of San Diego, combines plenty of culture with a spectacular seaside setting.

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# Pick Your Dream Place to

# RETIRE

We came up with 10 great spots from coast to coast so you can choose the one with the features you value most. **BY SANDRA BLOCK**

**MAYBE YOU LIKE THE IDEA OF RETIRING TO A TOWN WHERE YOU'LL NEVER WIELD A SNOW SHOVEL** again. Or trading your pricey home in a high-tax area for a more affordable city. Or ditching the suburban cul-de-sac for an urban neighborhood. // Our dream retirement places run the gamut: big and small, north and south, mountains and seashore, coast to coast. They all rank high on access to health care—a must for a retirement destination. Some are affordable, with a cost of living that's at or below the national average (shown as 100). Others are more expensive, but with an attractive location and amenities for retirees who have deeper pockets. We also evaluate cities based on climate, walkability, housing costs compared with the national median (\$200,000), tax-friendliness, culture and entertainment, and access to outdoor activities. Icons show at a glance whether the city has the features that are important to you.



## Sarasota, Fla.

**POPULATION:** 53,326  
**COST OF LIVING:** 104  
**MEDIAN HOME PRICE:** \$218,000  
**COOL FEATURE:** The Ringling estate's museums and 66-acre Bayfront Gardens

**L**ORRAINE AND BOB Massaro vacationed all over the state of Florida before deciding to retire to Sarasota. Six years after settling into their new home, they are still finding new activities, such as attending a show at the Sarasota Opera and taking an art class at the Ringling College of Art and Design.

Life in this small city moves a bit more slowly than in St. Petersburg and Tampa, both of which are about an hour's drive away. But Sarasota offers plenty of amenities, such as the many restaurants and 130-plus stores in the island shopping center of St. Armands Circle, as well as access to the Sarasota Memorial Health Care system, which is one of the largest public health systems in Florida.

Located along the Gulf of Mexico, Sarasota has miles of white-sand beaches, including Siesta Beach and Lido Beach. Homes a few miles inland tend to be newer and more affordable than homes along the waterfront, which start at about

\$500,000. Nature lovers will find lush landscapes and subtropical wildlife at the local parks, as well as at Celery Fields (an erstwhile celery farm now known for its birds and wetlands) and the Marie Selby Botanical Gardens.

Sarasota also has a lively and diverse arts scene, which includes a ballet company and an 80-member orchestra. The Van Wezel Performing Arts Hall hosts Broadway shows, comedy acts and concerts throughout the year. Residents can choose among an array of music offerings, from jazz clubs to bluegrass jams, and browse art galleries as well as the Sarasota Museum of Art and the Marietta

Museum of Art & Whimsy.

Florida is one of the most tax-friendly states in the country for retirees. There's no state income tax, estate tax or inheritance tax. Permanent residents are entitled to a homestead exemption of up to \$50,000. Seniors may qualify for an additional exemption.



## Charlotte, N.C.

**POPULATION:** 792,862  
**COST OF LIVING:** 96  
**MEDIAN HOME PRICE:** \$193,000  
**COOL FEATURE:** Nascar Hall of Fame

**T**HE LARGEST CITY ON our list has seen steady population growth in recent years—and for good reason. Charlotte has an affordable cost of living and a mild climate year-round, with an average of more than 200 days of sunshine a year. It is home to Carolinas Health-Care System and Novant Health, and more than two dozen art museums and galleries. Downtown, amid the banking and financial offices that keep the local economy humming, locals can browse the 7th Street Public Market for produce, meats and other goods, or grab a bite at local favorite Alexander Michael's Restaurant & Tavern.

While active-adult communities abound in Charlotte's suburbs, retirees who prefer an urban lifestyle often head to Charlotte's lively Center City, including the historic South End neighborhood. The bus

### HOW WE RATE THE CITIES

**Climate:** Moderate to warm temperatures; lots of sun or little or no snow.

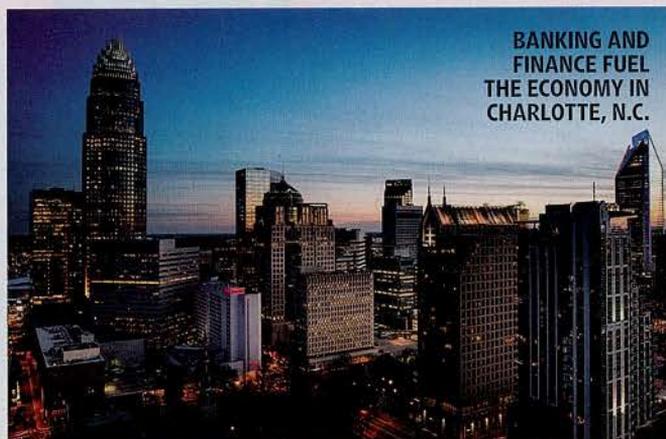
**Housing affordability:** Median home prices near or below national median.

**Tax-friendliness:** Most retirement benefits are tax-free.

**Walkability:** Residents can do most errands without a car.

**Cultural amenities:** Art galleries, theater, restaurants, concerts.

**Outdoor activities:** Easy access to hiking and biking trails, beaches or ski slopes.



SOURCES: U.S. Climate Data, Clear Capital, Kiplinger Retiree Tax Map, WalkScore.com, Council for Community and Economic Research.

and light-rail systems make for easy access to everything from shops and restaurants to museums and sports venues.

Center City has single-family homes, condos and apartments. In the South End alone, more than 2,000 new housing units have recently been completed or are under construction. Homes within Center City generally cost between \$250,000 and \$300,000.

Taxes are another reason the Tar Heel State appeals to retirees. North Carolina exempts Social Security benefits from income taxes, and homeowners 65 and older may qualify for a homestead exemption.



## Winchester, Va.

**POPULATION:** 27,543

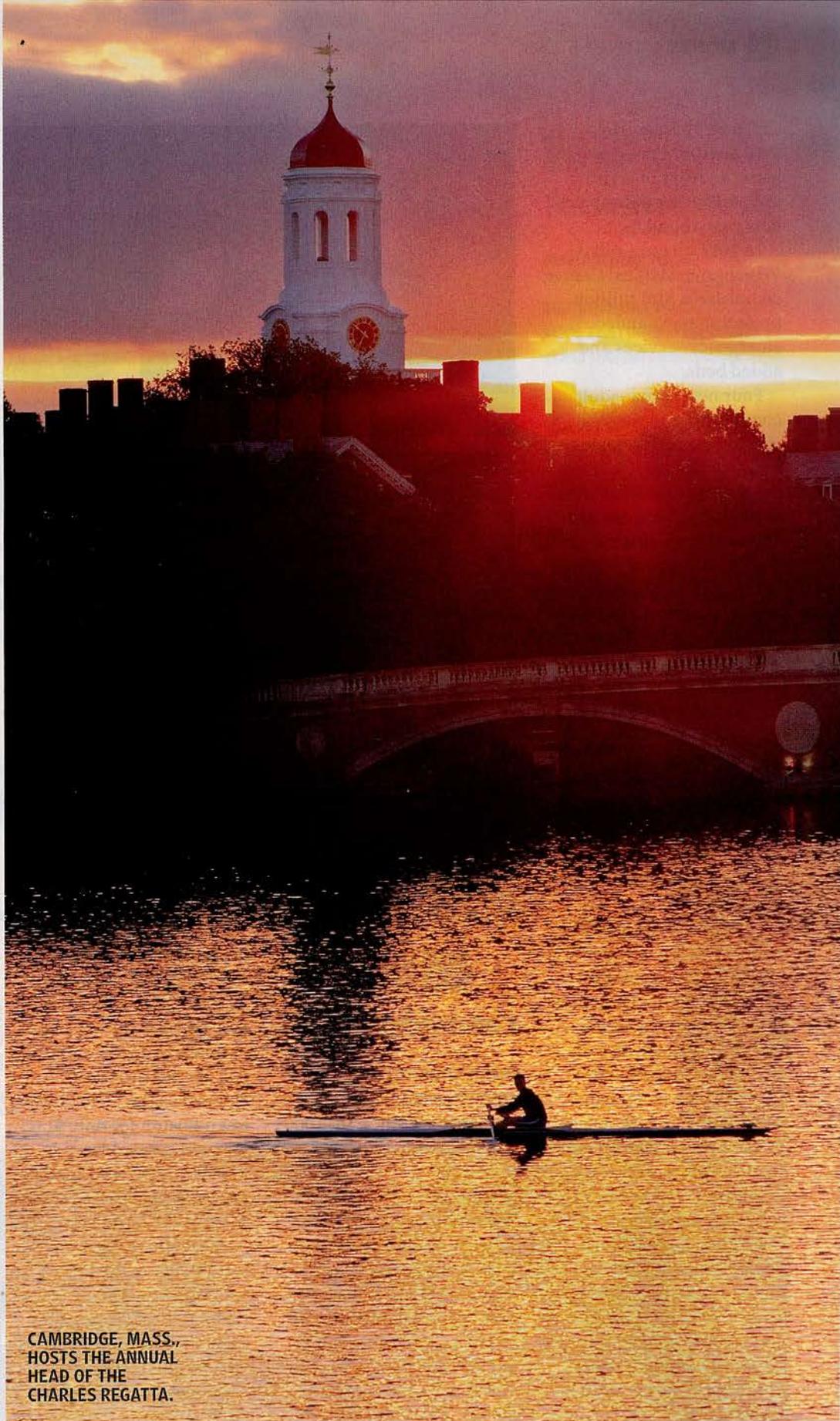
**COST OF LIVING:** 100

**MEDIAN HOME PRICE:** \$192,000

**COOL FEATURE:** The Beaux Arts-style Handley Library

**T**HIS CITY, FOUNDED in 1744 and surveyed by George Washington, appeals to retirees who love its small-town Southern charm and big-city amenities.

Old Town Winchester, the city's recently renovated pedestrian mall, features more than 30 restaurants and bars, serving up everything from sushi to Jamaican cuisine (try the sweet Negril Sunrise coffee at Lloyd's). On Saturdays from May through October, the Old Town Farmers Market offers produce and baked goods from area farms.



**CAMBRIDGE, MASS., HOSTS THE ANNUAL HEAD OF THE CHARLES REGATTA.**

One nearby farm, Holy Cow Delivery, provides home delivery of organic milk and other dairy products year-round.

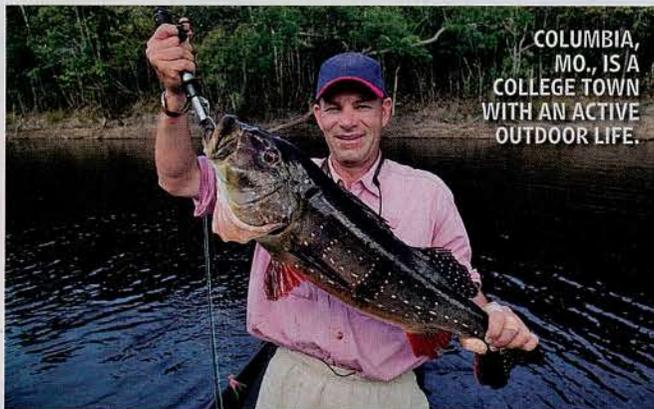
In 2012, the top-rated Winchester Medical Center completed a \$161 million project that expanded emergency services and added beds.

Four new active-adult communities in the Winchester area offer homes and apartments at just under \$300,000 to \$500,000 or more. Retirees can also find one-level, single-family homes ranging from \$150,000 to \$250,000. Condominiums start at about \$125,000. The city is walkable only for retirees who live near downtown.

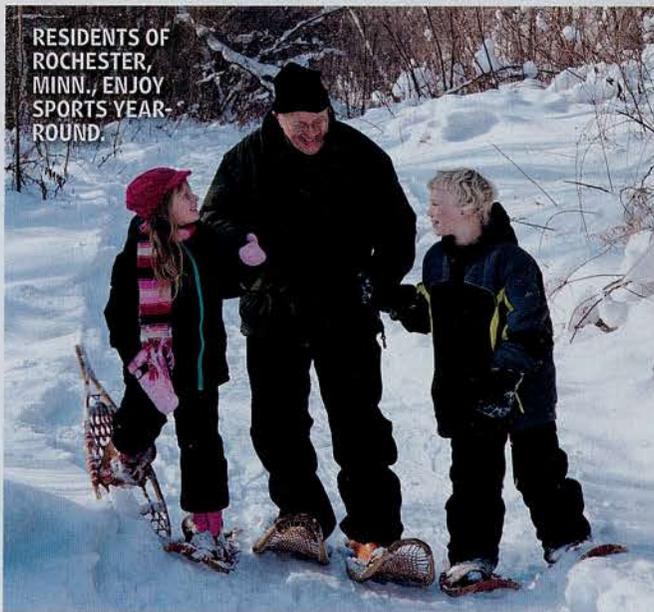
Located 75 miles from Washington, D.C., Winchester experiences all four seasons, but winters aren't as fierce as they are farther north. Every April, residents of all ages turn out for the Shenandoah Apple Blossom Festival, an 88-year-old celebration of the area's apple-growing heritage.

The area surrounding Winchester is a playground for outdoor enthusiasts. Residents can kayak and fish in the Shenandoah River or hike in Shenandoah National Park. Local farms feature days for you to pick your own produce, including strawberries, apples and pumpkins.

Virginia doesn't tax Social Security benefits. It has no estate tax or inheritance tax. Seniors age 65 and older who meet income limits can deduct up to \$12,000 each from state income taxes.



COLUMBIA, MO., IS A COLLEGE TOWN WITH AN ACTIVE OUTDOOR LIFE.



RESIDENTS OF ROCHESTER, MINN., ENJOY SPORTS YEAR-ROUND.



## Cambridge, Mass.

**POPULATION:** 107,289  
**COST OF LIVING:** 140 (Boston)  
**MEDIAN HOME PRICE:** \$643,000  
**COOL FEATURE:** Harvard Square

**O**NE WAY TO REMAIN intellectually agile in retirement is to spend time with really smart people. And it's hard to find a city that has a higher collective IQ than Cambridge, home to Harvard and the Massachusetts Institute of Technology. There's no excuse

for boredom: On any day of the week, you can attend a lecture, a museum exhibit or a concert. If you run out of things to do in Cambridge, you can take the subway (known as the T) to downtown Boston for only \$1.05 if you're 65 or older.

The Cambridge/Boston metropolitan area offers some of the best health care in the country. Massachusetts General, the largest teaching hospital for Harvard Medical School, has specialists in more than 60 areas of health care.

Cambridge is one of the country's most walkable

communities, and residents can accomplish most errands on foot. The city's crime rate is below the median for the U.S. and for Massachusetts.

Other than frigid winters, the biggest drawback is the cost of living. Massachusetts doesn't tax Social Security benefits and most government pensions, but other income is taxed at a flat rate of 5.2%. An influx of downsizing retirees who want to live near their alma maters has pushed up home prices in the Cambridge area, says Sara Rosenfeld, a real estate agent with Coldwell Banker. The median home price in the Boston-Cambridge-Quincy metro area is well above the national median, and within the Cambridge area, many condos are priced at \$600,000 or more.

On the plus side, the property taxes in Cambridge are among the lowest in Massachusetts. Tax revenues from MIT, Harvard and other colleges and universities enable the city to offer lower residential rates than surrounding cities.



## Columbia, Mo.

**POPULATION:** 115,276  
**COST OF LIVING:** 94  
**MEDIAN HOME PRICE:** \$112,000  
**COOL FEATURE:** Art in the Park, held each June

**C**OLUMBIA, MO., HAS three institutions of higher learning within its boundaries: the flagship University of Missouri;