**Ghostwritten Article |   
Where is Your Best Place to Retire? – LPL**

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# Where is Your Best Place to Retire?

The best place to retire in the United States is in dispute. There’s no formal debate, but a review of reliable publications showed surveys have named different states and cities as the “best” place to retire. For instance:

* **Iowa** was #1 in a best places to retire survey cited by *Yahoo! Money*.1
* **Fort Myers, Florida** was #1 in the ranking from *U.S. News & World Report.*2
* **Athens, Georgia** was the first name on a list of 25 places that are all the best, according to *Forbes*.3
* **Catalina Foothills, Arizona** topped *Money.com’s* list of eight equally best places to retire.4

In 2019, *Kiplinger* offered a list of the 50 best places to retire. There was one in each state.5

It begs the question, doesn’t it? How can there be so many ‘best’ places to retire? The answer is it all depends on the criteria used to make the determination. If you plan to move and start life in a new place during retirement, there are a variety of factors to consider. Some are general, like cost of living, state tax rates, and healthcare services. Others are personal, like livability or proximity to children and grandchildren.

Here are a few of the issues to consider when deciding where you’ll spend retirement:

**Cost of living**. Affordability is an important consideration. The cost of living – the amount needed to pay for basic expenses like housing, transportation, groceries, and healthcare, varies significantly from state to state and city to city. According to a study by *GoBankingRates.com*, those four items cost retirees in Hawaii about $118,000 a year, on average. In Mississippi, they cost about $53,000 a year, on average.6

**Home prices**. While cost-of-living calculations often include housing costs, some focus on renting rather than buying. If you plan to buy a home, then it will be important to learn about the average housing costs in the regions you’re considering. In September 2019, the *U.S. Census Bureau* reported the median home price in the United States was $299,400.7

**Taxes**. There is a lot to think about when it comes to taxes. *Kiplinger* determines the most and least tax-friendly states for “a hypothetical retired couple with a mixture of income from Social Security, an IRA, a private pension, interest and dividends, and capital gains. We also gave them a $400,000 home (with a small mortgage) and $10,000 in deductible medical expenses.”8

The publication evaluates state income tax, taxation of Social Security benefits, retirement income tax-exemptions, property taxes, and sales taxes. You may want to consider these as well.8

**Fiscal soundness**. Fiscal policy is the way a government balances taxes and spending, which can affect economic conditions in a city or state. A government that spends profligately will need to raise revenue and that could lead to higher taxes. Similarly, a government that restricts taxation may have little room to innovate and govern. A 2018 *Pew Research* report described the types of steps some states are taking to evaluate and adjust fiscal policies.9

**Livability**. It’s a catch-all category that speaks to quality of life. For instance, how does the crime rate compare to other places? Can you get around without a car? Is it easy to walk or bike around town? Are there opportunities to take advantage of continuing education? What types of cultural events and entertainment are available?

If your list of potential retirement spots includes places you have not visited before, make sure you travel to them more than once. If possible, live in the community for a few weeks or months.

**Availability of healthcare**. If your list of possible retirement locales is comprised primarily of cities, healthcare services may be readily available to you. If your preference is for more remote locations, it will be important to investigate the availability of healthcare services.

One of the criteria that informed *Kiplinger’s* ‘10 Great Places to Retire for Your Health,’ was the availability of a hospital with a five-star rating from the Centers for Medicare and Medicaid Services. In rural areas, you may need to consider physicians per capita.10, 11

**Work prospects**. A lot of people would like to continue working in retirement. They may begin a new career, start a business, offer mentoring, or take on a part-time job. If a working retirement is a priority, you may want to research which cities have the highest percentage of workers age 65 and older, and where the growth of 65 and older workers is fastest. A 2019 *CNBC* article ‘Here are the cities with the biggest share of 65-and-older workers,’ offered some insights such as the top 10 cities, where these workers have a significant share of the workforce, five Texas cities are listed.12

**Weather**. If you hate the cold, South Dakota will never be the best place for you to retire. Similarly, if you hate heat, Arizona may not be the most desirable choice.

The bottom line is the best place for you to retire is the place that meets your criteria. *Money.com* explained it pretty well:5

“What makes a great place to retire? It’s a trick question, of course – there are as many answers as there are retirees. Some love to golf in the sun, while others feel most invigorated by winter sports. For every history buff, there’s a modern art enthusiast, an adventurer for every homebody.”

The first step in finding your ‘best’ place to retire is to know yourself and your spouse and what will be important to you in retirement. If you would like to discuss the financial aspects of retirement, give us a call. We’d be happy to talk with you.

Sources:

1 <https://money.yahoo.com/best-states-retirement-211142233.html>

2 <https://realestate.usnews.com/places/rankings/best-places-to-retire>

3 <https://www.forbes.com/best-places-to-retire/#486930521af5>

4 <https://money.com/best-places-retire-now/>

5 https://www.kiplinger.com/slideshow/retirement/T047-S001-50-best-places-to-retire-in-the-u-s-2019/index.html

6 <https://www.gobankingrates.com/retirement/planning/comfortable-retirement-cost-state/>

7 <https://www.census.gov/construction/nrs/pdf/uspricemon.pdf>

8 <https://www.kiplinger.com/slideshow/retirement/T037-S001-10-most-tax-friendly-states-for-retirees-2019/index.html>

9 <https://www.pewtrusts.org/en/research-and-analysis/articles/2018/12/17/states-strengthened-fiscal-policies-in-2018>

10 <https://www.kiplinger.com/slideshow/retirement/T006-S002-great-places-to-retire-for-your-health/index.html>

11 <https://www.aamc.org/news-insights/press-releases/new-findings-confirm-predictions-physician-shortage>

12 <https://www.cnbc.com/2019/06/27/here-are-the-cities-with-the-biggest-share-of-65-and-older-workers.html>

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