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The Best Places To Retire In 2017



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With the aging of the Baby Boomers, around four million Americans are retiring each year and several times that number are thinking about it. Retirement often means living on less income, but it also presents the chance to relocate to an area with lower costs or one that better suits your retirement plans---whether they involve recreation, culture, education, volunteering, being closer to family or even working part time.

To help out, Forbes presents The 25 Best Places To Retire In 2017. It's our annual effort to offer a wide view of attractive, affordable choices across the United States.

Our picks this year are located in 20 states and across all four continental time zones. The list, which includes big and small cities, skews a bit toward warm or moderate climates, following research suggesting retirees tend to favor toastier weather when they move. Florida, Arizona, Texas and Georgia each boast two of our choices. But hardier climates have their advocates, especially since such places often fare better on the Milken Institute Best Cities For Successful Aging, which rates communities on how well they meet needs in a variety of areas, including health care, transportation, and community engagement. Our 2017 list, which considers Milken rankings as one of many metrics, includes picks in Colorado, Maine, North Dakota and Pennsylvania.

BREVARD, NC

*One Of Forbes' Best Places
To Retire In 2017*



To develop our list, we sifted through information on 550 communities in all 50 states (yes, even Alaska). We strove to find places that provide what we think is the best retirement value---meaning costs, including housing costs and taxes, play a big role in our choices. But we also look at access to medical care; quality of life indicators (including crime and air quality); and factors which can make for a healthy and fulfilling retirement, including opportunities for volunteering and exercise.

(If lifestyle is paramount, and costs no concern, we recommend you consult Forbes' recommendations for [Great Places To Follow Your Passions In Retirement](#) and [The Best Places To Retire Without A Car.](#))

In part because of the emphasis we place on economic factors, there's a fair amount of churn on our annual best places list; 16 on the 2017 list didn't make it in 2016 and 10 have never made our best list before. Still, Fargo, N.D. made the list for the seventh year in a row, while Athens, Ga., Lincoln, Neb., and San Marcos, Tex, are all making an appearance for the third year in a row.

if you don't want to work, since it tends to support rising home prices, which will matter should you ever sell your home. So we take into account both unemployment rates, as compiled by the U.S. Bureau of Labor Statistics, and future economic growth prospects as gauged by a Milken Institute study of 401 metro areas. With the national unemployment rate a low 4.5%, only three places on the list are above 5.0%: Ocean Pines, Md., Wenatchee, Wash., and The Villages, Fla.

While you may work for just a few years after retirement, you'll have to pay the bills a lot longer, which is why costs loom even larger in our analysis. In addition to considering how overall living costs compare with the national average, we look at home prices and the tax climate for retirees, including whether Social Security benefits are taxed at the state level and whether a state has an estate or inheritance tax. Indeed, high living and tax expenses are a big reason so few locations in pricey areas like the Northeast and California make our annual list.

Home prices come from a number of sources, including periodic reports of the National Association of Realtors and data on the websites zillow.com, trulia.com and bestplaces.net. According to the Realtors, the median home price nationally is \$228,400. The average for the 25 on our list: only \$183,000. That includes nine places at or below \$160,000: Bella Vista, Ark. (\$160,000); Bethlehem, Pa. (\$152,000); Clemson, S.C. (\$129,000); Green Valley, Ariz. (\$157,000); Jefferson City, Mo. (\$138,000); Lincoln (\$156,000); Maryville, Tenn. (\$154,000); Port Charlotte, Fla. (\$150,000) and Savannah, Ga. (\$118,000).

Cost of living is expressed as an index, with 100 the national average. So a place with a COL of 98 is 2% below the national average. We generally use COL data from bestplaces.net.

Our bias is toward places with indexes no higher than 108, but it's not an absolute requirement. Only two places on the list top that, at 111: The Villages, and Wenatchee, a list newcomer. At the low end, four places have indexes below 90: Bella Vista (87), Maryville (87), San Marcos (87) and Savannah (86).

Our evaluation of a state's tax climate for retirees is based on the fact that what is low tax for retirees isn't always the same as for working-age folks. Nine states don't have a broad-based state income tax—Alaska, Florida, Nevada, New Hampshire, South Dakota, Tennessee, Texas, Washington and Wyoming. But such states tend to make up for that with other, higher, taxes, most notably, higher sales and real estate levies, which can hit seniors harder.



A number of states give special breaks to retirees, or conversely, provide no such benefits. Thirteen states apply their state income tax to Social Security benefits: Colorado, Connecticut, Kansas, Minnesota, Missouri, Montana, Nebraska, New Mexico, North Dakota, Rhode Island, Utah, Vermont and West Virginia. But besides the nine states without a state income tax, [14 other states](#) provide breaks to state income taxation of pension benefits to all retirees, regardless of their income: Alabama, Arkansas, Delaware, Georgia, Hawaii, Illinois, Iowa, Kentucky, Louisiana, Michigan, Mississippi, New York, Pennsylvania and South Carolina.

For those worried about passing on their wealth, 18 states plus the District of Columbia have state-level [estate or inheritance taxes](#): Connecticut, Delaware, Hawaii, Kentucky, Illinois, Iowa, Maryland, Massachusetts, Minnesota, Nebraska, Maine, New Jersey, New York, Oregon, Pennsylvania, Rhode Island, Vermont and Washington.

Since physical security is also important, we look at rates of violent crime (murder, rape, robbery and aggravated assault) for cities and their surrounding metro areas, as reported by the Federal Bureau of Investigation or, in some instances, www.neighborhoodscout.com. This has the effect of ruling out many big cities with rates far above the national average (373 violent crimes a year for every 100,000 of population).

the Environmental Protection Agency, as well as the general weather, although that is a little more subjective.

To round out our community assessments, we seek out data that reflect on attributes that encourage an active retirement. One is walkability—the ability to do shopping and perform errands by walking, but not too far—as measured by walkscore.com. Frankly, little of the U.S. outside of relatively dangerous big cities is conducive to this. But we judge a number of towns on our list to be at least somewhat walkable, including Athens, Bethlehem, Clemson, Fargo, Harrisonburg, Va.; Iowa City, Ia., Lewiston, Me. and Wenatchee.



Another metric is bikeability, although available data from walkscore.com and Bicycling Magazine is less comprehensive. Cities on the list that fare well include Boise, Id., Colorado Springs, Colo., Fargo, Iowa City, Lawrence, Kan., and Lincoln.

Another element we look at is volunteerism. Studies have shown that volunteers—those who perform unpaid activities for organizations—are more likely to have better health, as measured by life span, mobility and mental health. We use data compiled by the Corporation for National and Community Service and displayed at

Marcos.

Clearly, a single list can't embrace every individual's tastes and requirements, such as being close to family, which surveys show is [right up there with cost when retirees decide where to live](#). Also, we don't statistically factor in cultural attributes and scenic beauty. But to make the final cut on our list, places generally must have something going for them besides the numbers.

We admit to a slight preference for college towns, which usually translates into increased cultural and learning opportunities. There are nine on our list of 25: Athens (University of Georgia), Bethlehem (Lehigh, Moravian), Boise (Boise State), Clemson, (Clemson), Harrisonburg (James Madison), Iowa City (University of Iowa), Lawrence (University of Kansas), Lincoln (University of Nebraska), and San Marcos (Texas State).

Appealing outdoor environments--especially mountains or water, or both--can be found around a dozen of our list members: Bella Vista, Boise, Brevard, Clemson, Colorado Springs, Lewiston, Maryville, Ocean Pines, Port Charlotte, San Marcos, Savannah and Wenatchee.

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