

Hot Spot: Arizona Cities Rank High as Retirement Destinations

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As Arizona's housing market tanked in recent years and the jobless rate climbed, one group of residents in the state may have benefited from the tough economic times - retirees.

Falling home values have made it easier for some to move here for their retirement - and when you're already retired, the unemployment rate generally isn't a big concern.

A new study from Portfolio.com, a Phoenix Business Journal sister publication, finds that Arizona has two of the top three retirement destinations in the country, though they're probably not the cities most would guess.

Prescott and Lake Havasu City follow Bradenton-Sarasota, Fla., at the top of the list. The remaining seven cities in the top 10 are all in Florida. Phoenix still ranks pretty high on the list, too, at No. 19 out of 157 nationwide. Among cities with populations of 1 million or more, Phoenix jumps to No. 3 behind Tampa-St. Petersburg, Fla., and Miami-Fort Lauderdale.

With national debates raging over taxes, health care and social security, retirement has never been a hotter topic. The first wave of baby boomers - men and women born between 1946 and 1964 - will reach retirement age next year. More than 3 million Americans will turn 65 in 2011, the largest group to become eligible for Social Security in a single year.

Most of these prospective retirees are expected to remain in their current homes. Only 4 percent of the nation's 36.8 million senior citizens (age 65 or older) moved to new residences in 2008, the most recent year analyzed by the U.S. Census Bureau. But that's still a significant number: nearly 1.5 million seniors searching for the ideal place to spend their golden years.



A good number of those retirees will make their way to Arizona, joining the likes of David Porter and his wife, Carol. The couple sold their Michigan mortgage company in 2006 and made a permanent move into what had been their second home, in North Scottsdale.

David Porter was surprised to see Prescott and Lake Havasu City so high on the list. "Both of those cities are missing a lot of the big-city amenities that attracted us to the Phoenix area", he said.

The Porters run a travel website, www.theroamingboomers.com, focusing on Arizona as a luxury travel destination catering to the growing number of baby boomers.

Having lived most of his life in Michigan, Porter said there still are a lot of misconceptions about Arizona. "They all think it's 115 degrees here all the time. It was my perception before I visited," he said. "A lot of Midwesterners retire to Florida, but we didn't like the bugs and the humidity. We felt like it's a healthier culture here."

Robert Keats, president of Phoenix wealth management firm Keats, Connell, and Associates, has helped a long list of Canadians retire to Arizona. "No matter how bright the sunshine or how low the cost of living, Canadians would not be flocking to Arizona unless the state offered additional amenities and attractions - and it does, in spades," he said.

Keats cited all the professional sports teams and major annual sporting events as big attractions, along with some of the most diverse hiking, walking and biking trails in the country.

He also said Arizona's real estate crash has been a plus for many retirees looking to move here. "The real estate crash and the value of the Canadian dollar staying on par with the U.S. dollar have dramatically reduced the cost of a winter vacation, retiring in Arizona or purchasing property in the state," Keats said.

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