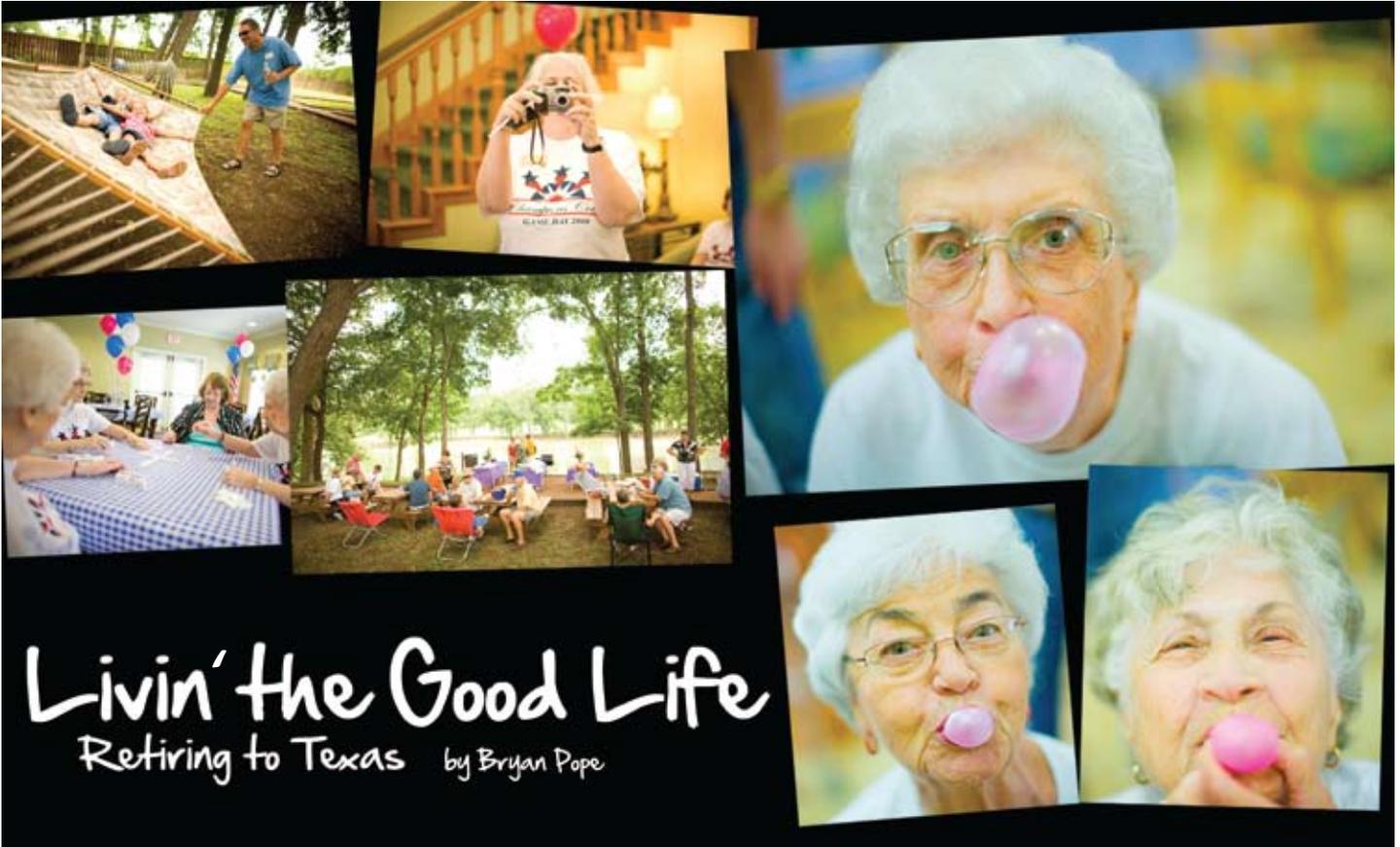


A Reprint from *Tierra Grande*

Living the Good Life

Retiring to Texas by Bryan Pope

George and Marcia Schaller of Iowa knew what they wanted in a retirement haven. They wanted to escape the Hawkeye State's harsh winters. They wanted to live in a rural area with plenty of wide open spaces but still have access to medical facilities and cultural venues.

Nestled along the Guadalupe River just an hour's drive from San Antonio, the Hill Country town of Ingram had everything the Schallers were looking for. The area's burgeoning arts community (which includes two art galleries — not bad for a town of just over 1,700) sweetened the deal for pen-and-ink artist George and photographer Marcia.

Since their move, the Schallers have developed a close network of friends, many of whom, like themselves, moved to Texas to retire.

"Once we started getting to know other people, we were surprised to learn that many of them were also from out of state," Marcia said.

As the Schallers discovered, they are part of an ever-growing number of people who are coming to Texas to enjoy their retirement.

According to recent census-based research by Thomas, Warren + Associates of Phoenix and North Carolina-based National Active Retirement Association (NARA), Texas attracted 26,636 out-of-state (migrant) retirees age 65 and older in 2005, putting it neck and neck with Arizona, which attracted 27,140. If migrants age 55 to 64 (a retirement age bracket that is becoming increasingly common) are included, Texas' number more than doubles. And only one out of five of those are native Texans coming home to retire.

Longtime favorite Florida held onto its number-one status but showed signs of losing ground. The Sunshine State

drawn 16.7 percent (68,163) of the nation's 65-plus migrants in 2005, down from 19.1 percent in 2000.

"Texas has an incredibly favorable tax structure, and I think that's part of its appeal," said NARA Director Dan Owens. "Plus it has a moderate cost of living and a great climate."

Certain regions of Texas have also gone virtually unnoticed by the rest of the country, a quality that attracted Ron and Ann Olson of upstate New York. The Olsons discovered South Padre Island about ten years ago while researching retirement locations, and they were taken by the beautiful white beaches and relative lack of people.

"We wanted to be close to the water and where there weren't a lot of people," Ron said. "Florida was awfully crowded and expensive; so was California."

After a year of splitting their time between Texas and New York, they made a permanent move to Laguna Vista, a community on the Laguna Madre about ten miles from the island.

Still, ask retirees the number one deciding factor when it comes to selecting a retirement destination and chances are you will get a one-word answer: family.

"People tend to move toward family members, especially children and grandchildren," said Charles Longino, author of *Retirement Migration in America*.

Such is the case with Ginny Smith and Jo Rikard, two residents of Champions Cove, a retirement community in Duncanville, a Dallas suburb.

An Illinois native, Smith lived in Mississippi and Louisiana before settling down in Duncanville to be near her daughter and grandchildren, who live in nearby Desoto, and her son, who lives in Houston. Rikard and her husband moved from New York to Champions Cove to be within a few miles of

their daughter, who drives them to medical appointments and handles their grocery shopping.

Owens said state governments often do not pay attention to the number of retirement-age people moving in even though they bring massive wealth. In 2005, the total income of 65-plus migrants in Texas was nearly \$732.5 million.

"They're investing in the coast and in college towns, said Owens. "They're the hidden economic engine of real estate in my opinion. You always hear the old stereotype of 'they're going to negatively impact our health care system, or they're going to cost us money or not spend any money.'"

You never hear about aging boomers investing in second homes and bringing their substantial incomes to a state, Owens said.

Becky Dempsey, deputy assistant commissioner for the Texas Department of Agriculture's (TDA) Rural Economic Development division, said this stereotype is far from accurate, at least in Texas.

"They pay more in taxes than they use in services," she said, pointing out that retiree households spend an average of \$36,000 a year in their communities and pay an average of \$3,000 in state and local taxes. A retiree household is equal to 3.7 factory jobs.

Baby boomer retirees — a healthy, affluent and active population that is retiring as young as age 55 — bring even more to the table economically. One in five boomers relocates upon retirement, and, nationally, well educated boomers have an annual spending power of \$2.3 trillion.

That spending power may increase significantly over the next few years as boomers receive large inheritances from parents who were part of the last generation of true savers. Owens said that by 2015 an estimated \$340 billion in inheritance money will have been exchanged.

"These boomers will suddenly have more money than they ever dreamed. And more money means more options. This means big business for towns," he said.

To draw retirees to Texas, TDA has designed a program to help Texas communities market themselves as desirable retirement spots. Established in 2006, the Go Texan Certified Retirement Community Program promotes certified communities online (www.retireintexas.org) and in print materials distributed by the state.

The program is funded entirely by the fees communities pay when applying for certification. The application includes an assessment that identifies community features important to retirees, such as cultural activities, transportation and medical facilities.

Rick Rhodes, assistant commissioner for TDA's Rural Economic Development division, said retirees are intelligent decision-makers who do their homework. That is where the Go Texan website comes in handy.

"Retirees can look up certified communities and answer a lot of their questions," he said. "We make it easy for them to do their research."

Fifteen communities had been certified as of July 2008, but, with many others currently seeking certification, Dempsey has high hopes for Texas.

"I'd like to see at least 20 certified communities by the end of the year, and 100 by 2010," she said. "Retirees are vibrant, productive people, and we want them here." ♣

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Most Popular States Among Retirees Age 65 and Older, 2005			
	Number of 65-Plus Migrants	Total 65-Plus Migrant Income	Total 65-Plus Population
Florida	68,163	\$1.9 billion	2.9 million
Arizona	27,140	\$746 million	735,397
Texas	26,636	\$732.5 million	2.1 million
California	20,192	\$645 million	3.7 million
Georgia	15,601	\$408.6 million	811,503

Source: Thomas, Warren + Associates, NARA

THE TAKEAWAY

Texas attracted nearly as many out-of-state retirees in 2005 as Arizona, the country's second-favorite retirement destination. The Texas Department of Agriculture has instituted a program to help communities market themselves to retirees, who spend an average of \$36,000 annually in their chosen retirement locales.

How to Go Texan

Certified Go Texan communities have the Texas Department of Agriculture's marketing resources at their disposal. Certification is good for five years. To apply:

1. Designate a board to serve as the community's official sponsor and resource team.
2. Complete the application form and "desirability assessment," which identifies a community's strengths and weaknesses in areas such as affordable housing, personal safety, transportation and availability of health care services and cultural activities.
3. Submit application, assessment and application fee (\$5,000 or 25 cents per resident, whichever is greater) to the Texas Department of Agriculture's Rural Economic Development Division.

For more information on the program, visit www.retireintexas.org.





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Tierra Grande (ISSN 1070-0234) is published quarterly by the Real Estate Center at Texas A&M University, College Station, Texas 77843-2115. Subscriptions are free to Texas real estate licensees. Other subscribers, \$20 per year. Views expressed are those of the authors and do not imply endorsement by the Real Estate Center, Mays Business School or Texas A&M University. The Texas A&M University System serves people of all ages, regardless of socioeconomic level, race, color, sex, religion, disability or national origin. Photography/Illustrations: JP Beato III, p. 1; Courtesy of GO TEXAN Certified Retirement Community Program, p. 2.