

Real Estate

Top Towns For Empty Nesters

Rebecca Ruiz 04.03.08, 6:00 PM ET

In 1982, Linda Curry and her husband bought a 3,800-square-foot home in Decatur, a comfortable town outside of Atlanta. They spent 25 years raising their three children in the house.

And then one day they decided to leave it all behind.

"The ink wasn't dry on my son's high school diploma before we sold the family house out from under them," says the 55-year-old Curry, about the ease of their decision.

In Pictures: Top Towns For Empty Nesters

The house held important memories, but Curry and her husband Haywood, 66, were eager to downsize. They looked to downtown Decatur, just a mile away from their old home, and found an upscale condo project called the Artisan. For \$739,000--\$11,000 less than the sale price of their home--they purchased a 2,400-square-foot condo and began another chapter in their lives.

The Currys belong to a difficult-to-track, niche demographic: baby boomer parents who move when their last child leaves the nest. Compared with the percentage of people in their 20s who move each year--which is between 25% and 30%--the percentage of older Americans who move annually is quite small at 4% or 5%. Still, some experts see this empty nester trend as a significant break from the habits of past senior populations.

Prime Perks

They may be on the cusp of retirement, but this set isn't looking for a place to live out their golden years. Instead, they want a manageable home closer to the city (and their jobs) which they can use as a base for weekend traveling or just exploring the cultural amenities of downtown--something they've rarely done since their late 20s.

"What gets to be attractive [at that age] are things like a lively neighborhood you can walk around in," says John McIlwain, a senior resident fellow in housing at the Urban Land Institute, a non-profit organization who has studied this demographic. "The cafes, quality food markets as well as interesting boutiques and stores are all strong attractors."

Curry, who works as a real estate lawyer and lives above restaurants and retail stores, calls it "easy living." This lifestyle, at least according to the National Association of Home Builders, a trade association that recently released a report on empty nester housing trends, means a shift toward one-level homes, reduced maintenance, and down-sizing without sacrificing comfort.

While these perks are easily found in most cities, adults particularly between the ages of 55 and 64 are gravitating to cities like Las Vegas, Portland, Ore., Denver and Austin, Texas. William H. Frey, a demographer at the Brookings Institution, has analyzed this trend and found that "economically dynamic" areas like the Sun Belt have become very attractive to empty nesters.

In locations like Las Vegas and Austin the job market is strong and overall population growth is solid. Between 1990 and 2005 the population of 55- to 64-year-olds increased 156% in Las Vegas and 128% in Austin.

Frey, who conducted this research, says that about 50% of population increases in this demographic can be attributed to aging in place, or simply residents getting older. While migration gains account for only 2% to 5% of demographic increases at the state level, it constitutes a large portion at the metro level. If the trend continues, Frey expects to see the rise of "yuppie senior" populations.

Moving On

Though Karen Keup and her husband Brad are younger empty nesters at 43 and 45, respectively, they will become part of the trend Frey foresees if they remain in a newly purchased condo in downtown Austin through retirement.

Karen, a hairdresser, and Brad, a development engineer at Dell, purchased their 3,500-square-foot home in an Austin suburb 10 years ago. A typical southwestern limestone ranch house, it has four bedrooms and three and a half baths. They sold it in 2007. The great amenities were mostly for the couple's two sons (now 16 and 17): a better school district, a big backyard and streets to ride bikes.

Their new condo is just 1,200 square feet, but the location is close to the hike and bike trail, the airport and best of all, cuts Brad's commute significantly.

"We still feel young and vivacious," Karen says. They'll have to wait until late 2009 when the condo is finished to begin exploring downtown Austin. In the meantime they are renting a townhouse. "[We'll] have more time to have fun, that's the bottom line."

While it may seem counter-intuitive that a city with 90,000 college students would also become a hot spot for empty nesters, Mayor Will Wynn says the outdoor amenities, cultural offerings like the ballet and museums and the city's walkability are huge draws for the older residents.

The story is similar in cities like Phoenix and Orlando, Fla., where empty nesters can golf, attend cultural events and shop and dine in high-end areas. A recent survey of 150 Coldwell Banker agents provided more anecdotal evidence that older adults seek out these experiences: 51% of the agents said their empty nester clients were most interested in being close to local recreation, culture and activities.

The fact that some are downsizing or moving back to the city is an important change, according to Robert Bruegmann, an architectural historian at the University of Illinois at Chicago.

"During the '60s and '70s people would stay in their houses or go to retirement communities," he says, noting that baby boomers were the first suburban generation. "This is a rearrangement of the old patterns."

Linda Curry's parents are an example: They remain in the house they built when she was 2. But for Curry, convenience won out over sentimentality.

"There seems like a lot more freedom to do what we want," she says. "We don't have to worry about dinner."