



Where \$100k in Retirement Will Last the Longest

This will give you a sense of just how much you should really be saving

Making sure you have enough money saved for retirement is one of the top concerns for those of us not independently wealthy. In a perfect world, we will figure out how much we need to live on by calculating our monthly and yearly retirement expenses, factoring in inflation, and computing any additional income like Social Security.

But it's calculating future expenses that can be such a challenge, because there are so many unknowns – health care costs and living expenses chief among the unknowns.

Thankfully, GOBankingRates performed a study that helps compare the cost of living in every state and calculates exactly how long you can expect to live off of \$100,000. The results will likely surprise you. Maybe even worry you.

Retiring with \$100,000

The study considered “the average total expenditures for people 65 and over and the cost of living index in each state to come up with the ranking.”

Your \$100,000 will last the longest in the state of Mississippi, where you can expect to live off \$100,000 for 946 days (about 2 ½ years).

But before you yell “wait, I expect to live much longer than 2 ½ years” consider this: the national average is 780 days – about 2 years and 1 month. Yikes.

It's Cheaper in the South and Midwest

Many of the states where \$100,000 will last the longest are in the South and in the Midwest as those states generally offer a lower cost of living relative to the coasts. But here are how many days that your \$100,000 in retirement dollars will last:

- Mississippi at 946 days
- Oklahoma at 901 days
- Michigan at 897 days
- Arkansas at 896 days
- Alabama at 896 days
- Missouri at 895 days
- Tennessee at 890 days
- Kansas at 889 days
- Georgia at 877 days
- Texas at 872 days

While it makes sense that moving to a cheaper state is one way to make your retirement dollars last longer, the fact is that no matter how frugal you might be in retirement, \$100,000 will not let you survive for very long.

Nonetheless, you should figure out how much it costs to live in the state you want to call your retirement

home. So, let's examine the top 10 most expensive states, as outlined in the survey.

The Coasts are Expensive

High housing costs and taxes are the two primary reasons that states like Hawaii, California and New York top the list as the most expensive states to retire.

In fact, the average expenditure for these 10 states will be at least 12% higher than the national average (which is about \$48,000) and for Hawaii the average expenditure is a whopping 44% higher (\$85,000 versus \$48,000).

Here is the list:

- Hawaii at 428 days
- California at 563 days
- New York at 592 days
- Alaska at 605 days
- Oregon at 605 days
- Maryland at 607 days
- Massachusetts at 621 days
- Connecticut at 623 days
- Rhode Island at 648 days
- New Jersey at 668 days

Retire When I'm 76? In my 80s?

If you come away with any useful retirement tidbit, it's that \$100,000 in retirement savings won't give you a lot of time in any state.

And with the average life expectancy in the U.S. at 78.69 years, \$100,000 in retirement means you can only retire when you're 76. Worse, if you're like most, you expect to live longer than "average" so that \$100k retirement account pushes your retirement age into your 80s.

Hopefully these results give you an idea of not only how much you need to save for retirement, but spur you to examine your retirement nest egg today.

Talk to your financial advisor and make sure you're on the path to the retirement you want.