



The San Antonio River Walk serves as the hub for restaurants, shops and downtown attractions.

Courtesy of the San Antonio Convention &

6. San Antonio, Texas

Stroll along San Antonio's River Walk and it's clear the city's economy is booming. The walkways feed into an expansive downtown district of restaurants, museums and boutiques adored by tourists and locals alike. While the city relies heavily on tourism to the Alamo and other area attractions, industries such as financial services, health care

and national defense have kept the unemployment rate fairly steady at 4%, one percentage point lower than the current national average.

San Antonio's cost of living, at 7% below the national average, makes it one of the more affordable retirement destinations. Groceries, for example, are an incredible 22% cheaper than other metropolitan areas, notes Bland. "For a city with more than 2.5 million people living in the metropolitan area, that's really unusual."

Continued development has kept housing prices in San Antonio 10% lower than the national average. The average sale price for an existing home was \$153,200 in 2007, according to the National Association of Realtors. Yet, despite the nationwide housing slump, home values here have increased 8% since 2006. Retirees will find the lower taxes an added relief, adds Peguero, like Florida and Texas doesn't tax income. The average state and local tax burden is 7.8%, almost two percentage points lower than the national average.