

Women Turn to Alternative Housing to Meet Retirement Needs

By Lisa Scherzer

FIVE YEARS AGO, Bonnie Jackson, now 64, was given a one-two punch of bad news: Not only had she been laid off from her contracting job at Motorola, but she was also diagnosed with Parkinson's disease. Facing retirement without the extra income and the prospect of sky-high medical bills left Jackson, a divorcee and mother of two grown children, reeling. That was until she contacted a housing coordinator at the Interfaith Housing Center, a local advocate for affordable housing in Chicago's suburbs and member of [National Shared Housing Resources](#).

Interfaith now helps Jackson find tenants for the two unused bedrooms in her three-story Evanston, Ill., home. Since 2002, Jackson has hosted three to four renters a year, each of whom pays \$500 a month for a room and the use of the kitchen, laundry, TV and a place in her garage for their bikes. (She can arrange for her tenants to pay a little less if they run errands for her or help her change light bulbs or open bottles.) Some stay a month; others stay a year or more. So far, the arrangement has worked. "I think I'll continue to do this for as long as I can. It pays the mortgage and provides active conversation," she says. "I've developed real friendships with a couple of people now."

Driven by simple demographics, financial hardship and a little loneliness, Jackson is one of a growing number of single, retirement-age women who are turning to somewhat alternative living arrangements. Unfortunately, most of these women have few other choices. The fact is that women tend to live longer than men, typically earn less than men and have less money available in a 401(k) plan or in Social Security benefits because of time taken off to raise children.

Those factors add up to a pretty scary retirement scenario: Women need more, but have much less. Sharon Rich, a fee-only Boston-area financial planner who focuses on women and families, says women must assume that at some point they'll be single, and plan accordingly.

Bag Lady Syndrome

A 2006 Census Bureau found that 7.4 million women aged 65 and older live alone, compared with 2.7 million men. Those figures are up since 1990 when 6.9 million women were found to be living alone compared with 1.9 million men. Even scarier: In 2005, the Census found that 12% of women age 65 and older were living in poverty, a sizable chunk more than the 7% of men in the same group.

"I basically say single women are going to be bag ladies, except their bags will be suitcases with wheels," says Nancy Dailey, a sociologist and author of "When Baby Boom Women Retire." (Dailey, by the way, considers herself a realist, not a pessimist, when it comes to this topic.)

Minimizing living expenses while maximizing disposable income is the key to surviving a solo retirement, says Dailey. However, that's easier said than done when you're on a fixed income, used to living in a nice home, and perhaps not as healthy as you once were. "It's amazing. They spend most of their senior life overcoming a lack of preparation and bad financial decisions," says Dailey.

Patsy Acers, founder of the appropriately named Bag Lady Financial Services in Oklahoma City, says she has several retired and single female clients who have taken librarian assistant jobs, teaching jobs and various menial jobs to supplement their income. Others turn to family. "I've had clients in their 60s who are retired and who returned home to live with their parents," says Acers. "Some moved in with their children to take care of their grandchildren, especially if their child is divorced."

For those who don't have the option to move in with the kids or take part-time jobs, living with other people has become an increasingly promising option. Some, like Jackson, are renting out spare rooms in their homes, while others are organizing their own co-housing communities geared specifically for older women.

Roommate Needed

After 25 years working in Silicon Valley, Marianne Kilkenny, who's in her late 50s and divorced with no children, decided she wanted to live the latter part of her life amongst neighbors and friends not in a nursing home where her parents spent their final years.

So Kilkenny moved to Asheville, N.C., with the goal of finding a so-called intentional community a neighborhood of friends and people (mostly women) that she shared things in common with. But instead of joining an existing community, the self-described maverick set up her own, buying two houses in a three-house enclave. Now, she lives in one house, rents her second property to two other single women, and has a friend living next door.

"It's like being married to four different people," says Kilkenny, who helped organize the "Women Living in Community" [conference](#) in Asheville in July. "You drive into your driveway and there's someone there. It's huge for me. I can walk out on my porch and say 'Morning, Bobbie, want a cup of coffee?' There's camaraderie."

Shared or co-housing may conjure up notions of assigned chores and yours-and-mine boxes of cereal. But that's not the way Kilkenny and others forming these communities envision it.

Kilkenny is modeling her mini-community after the Beguines, a group of women that lived together in towns across Europe during the 12th to 14th centuries. The Beguines, who decided neither to marry nor join the convent, lived communally, had a spiritual commonality, took care of each other and willed their homes to one another. While there's no particular religious bent to Kilkenny's project, "we are looking at modeling ourselves as a newer version of that," she says.

The concept is picking up some steam. There are currently three co-housing communities specifically geared toward seniors in the U.S.: Glacier Circle in Davis, Calif.; ElderSpirit in Abingdon, Va.; and Silver Sage in Boulder, Colo. At least six more are under construction, says Diana Leafe Christian, the [author](#) of two books about living in intentional communities. Christian, who lives in a multigenerational community focused on sustainable living called Earthaven Ecovillage in Black Mountain, N.C., says women more so than men are increasingly choosing to live together for reasons of companionship, financial savings and mutual support.

Collective Costs, Communal Savings

An obvious advantage of a communal lifestyle is the savings one gets by pooling resources. Buying a house in a co-housing community may not be cheaper than buying one in a traditional neighborhood because each member owns their own home. But since there's shared use of resources and appliances (say, a lawn mower, exercise area or car), monthly expenses are lower. In this kind of setup, Christian says, there's a common house that has a kitchen, meeting space, laundry facilities and other amenities. "The dinners you eat a few times a week there are cheaper than going out to dinner and cheaper than what you can do on your own because of economies of scale," she says.

Of course, finding a new home in a new community is a serious undertaking. Christian, 61, is currently co-writing, with Joan Medlicott, a guide for single older women who want to live together (Medlicott is the author of a series of books about aging women who share a house titled "The Covington Ladies"). The hope is that the book will answer the big and not-so-big questions that come with having housemates: Do I live with friends, or with others I don't know, or a combination of both? Do we have equal ownership in the house? Can I have a pet? Who gets the biggest bedroom? What if I don't want to share my dishes with someone else?

"This is typical stuff for people living in intentional communities," she says. "But retired women never had to think about this stuff before. There could be all kinds of conflicts with well-meaning potential housemates."

Women should have clear, straightforward agreements written down, with privacy considerations included, advises Christian. "Think about it in advance and be flexible enough to change it later once you have experience," she says. "So living in community with others is a self-teaching organism. You see what works and what doesn't."