

How to Get a Home That Cuts Energy Costs

WHERE *to* RETIRE

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A photograph of a smiling man and woman in a scenic outdoor setting, likely a retirement destination. The man is in the foreground, smiling broadly, and the woman is behind him, also smiling. They are surrounded by lush greenery and a clear blue sky.

Orlando

Franklin

North Carolina mountain retreat yields gems and other treasures retirees enjoy

By Jim Kerr

In a deep valley running between two major ridgelines in southwestern North Carolina, the historic town of Franklin has always offered a sheltering climate to newcomers, and long ago it earned a reputation as “gem capital of the world” for its ample mineral deposits. But only in the past few years has this diamond in the rough emerged as a sparkling refuge for retirees looking for natural beauty and new opportunities.

The Cherokee people knew a good thing when, centuries before Europeans arrived, they set up as many as 10 villages here in what has

become known as the Little Tennessee Valley. It was a natural thoroughfare through the mountains and a fertile place protected on the east and west by the Cowee and Nantahala ranges of the Appalachians. Summers were warmer and winters milder than higher elevations, with minimal snowfall and average January temperatures in the 40s.

While it was land-starved eastern Carolina farmers who first pushed into the valley starting around 1819, new settlers these days are coming from both colder climates far to the north and warmer environs to the south. Many Florida residents come here seeking geographical diversity and elbow room.

“We missed the seasonal changes and got tired of Christmas shopping in our shorts,” says John O’Connor, a former New York City Port Authority police officer who had first moved to Venice, FL, with his wife, Fran. “We had vacationed

here in Franklin, as well as in other western North Carolina towns, and we picked Franklin for its size, friendly people and weather.”

The O’Connors felt comfortable with Franklin, an easy-paced town. It belies a Wild West history characterized by several small land rushes fueled by farming, fur trapping and, in the 1870s, mineral prospecting.

The gem that prospectors discovered here was corundum, a hard mineral often used as an industrial abrasive. When found with certain color-adding trace elements, however, it’s commonly known as the gems ruby and sapphire. Tiffany and the American Mining Co. leased thousands of acres in the area.

When the leases expired more than 100 years later, many landowners converted mines into private enterprises that today draw hordes of rock hounds who sift through buckets of dirt searching for treasure. ➤



FRANKLIN, NORTH CAROLINA

Population: 3,600 year-round residents in town and about 33,000 in Macon County. About 60,000 seasonal residents are in the county June to November.

Location: Franklin is in southwestern North Carolina in the foothills of the Great Smoky Mountains. It's in the Little Tennessee River Valley between two mountain ranges. Asheville, NC, is 65 miles northeast and Greenville, SC, is 105 miles southeast. Atlanta, GA, is 136 miles southwest and Raleigh, NC, is 316 miles east.

Climate: High Low

January 55 27

July 85 66

Average relative humidity: 70%

Rain: 53 inches annually

Snow: 7 inches annually

Cost of living: Below average

Average housing costs: Of 658 houses, manufactured homes, condos and townhomes sold in the Franklin area in 2005, the average sales price was \$157,904. Of 473 parcels of land sold, ranging from half an acre to hundreds of acres, the average sales price was \$98,545. Lots with mountain views can cost \$100,000 and up, and new homes with mountain views can run above \$400,000.

Sales tax: 7%

Sales tax exemptions: Prescription drugs

State income tax: For married couples filing jointly, the rate starts at 6% on taxable income up to \$21,250 and graduates to \$14,537.50 plus 8.25% on income above \$200,000. For single filers, the rate begins at 6% on taxable income up to \$12,750 and goes up to a \$8,722.50 plus 8.25% of taxable income above \$120,000.

Income tax exemptions: Social Security benefits are exempt. Up to \$2,000 of private retirement benefits, distributions from IRAs (up to the amount reported for federal income taxes) or up to \$4,000 of government pensions may be exempt; the total of such deductions may not exceed \$4,000 per person. Some federal, state and local pensions may qualify for full exemption.

Estate tax: It applies to taxable estates above \$2 million.

Property tax: \$0.32 per \$100 of assessed value in the town of Franklin and \$0.37 per \$100 assessed value in the county. Property is assessed at 100% of market value. Both city and county taxes

are levied on property within the city limits. Yearly tax on a \$158,000 home in town would be about \$1,090 and on a home in the county about \$585.

Homestead exemption: North Carolina residents 65 and older with combined incomes of \$19,700 or less are exempt from the first \$20,000, or 50%, of assessed value, whichever is greater. The home must be a permanent place of residence.

Religion: The area has more than 100 places of worship for various faiths.

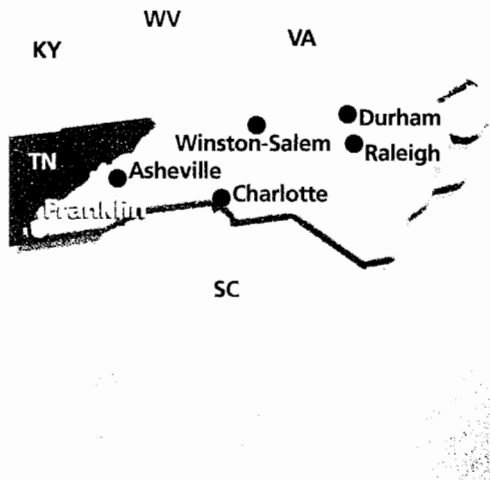
Education: Southwestern Community College has facilities on two sites in Macon County, with a new \$4.9 million Macon Center scheduled to open this year. Adult-education courses are available, and continuing-education courses for seniors are free. Western Carolina University, a four-year liberal arts college that is part of the University of North Carolina system, is located about 25 miles away in Cullowhee.

Transportation: Several major highways intersect here, providing easy access into South Carolina, Georgia and Tennessee. The closest regional airport is Asheville, about 76 miles away, and Hartsfield-Jackson Atlanta International Airport is 141 miles southwest.

Health care: Franklin's Angel Medical Center, a large multipurpose facility in the heart of town, provides inpatient services, including surgical, obstetrical, coronary and intensive care. It also has comprehensive outpatient services and diagnostic equipment including a new \$2 million MRI scanner. Memorial Mission Hospital in Asheville is a little more than an hour away by car, but Angel Medical Center has emergency helicopter service.

Housing: Homes range from simple mountain cabins and manufactured homes to older houses in town, elegant wooded retreats in gated golf communities and retirement communities. Prices vary widely. A two- or three-bedroom manufactured home in town starts at \$90,000. Most houses in town are at least 20 years old. Recently a 30-year-old two-bedroom, two-bath stone house in town was listed at \$150,000, and a 25-year-old three-bedroom, two-bath house on 1.13 acres in town was listed at \$175,000. There are in-town fixer-uppers and lots in gated communities. At **The Sanctuary Communities**, (866) 449-4465, an exclusive gated development, mountain-view lots start at \$125,000 and go up to the

\$400,000s. A two-bedroom, two-and-a-half bath waterfall house with a large deck and fireplace was listed for \$449,000. The same developers are planning a 22-acre community of mountain-style cottages, duplexes and apartments with 1930s flair within a 10-minute walk of downtown Franklin. **Mountaintop**, (866) 524-1187, another new gated



community eight miles from Franklin, has estate-sized parcels with mountain views at 3,300-foot elevation starting at \$46,000 per acre. There is one assisted-living facility, **Grandview Manor Care Center**, (877) 919-4257. More than 230 registered agents at many real estate offices in Franklin can provide an overview of what's available; these include Prudential Markham Bankston McGaha, (800) 261-3432, and Coldwell Banker, (800) 522-2997.

Lodging: Franklin and the surrounding area offer a wide range of cabins, cottages, home rentals, motels and half a dozen bed-and-breakfast inns. The Oak Hill Country Inn, a bed-and-breakfast lodging five minutes from downtown, has four elegant rooms at \$100 a night and a two-bedroom cottage at \$130 a night, including breakfast, (828) 349-9194. Snow Hill Inn, a bed-and-breakfast seven miles from downtown, has rooms from \$95 to \$131 a night, including breakfast, (800) 598-8136. The Franklin Terrace has nine rooms in town from \$65 to \$75 a night, (800) 633-2431. The Hampton Inn Franklin is \$89 to \$99 a night, (828) 369-0600.

Information: Franklin Area Chamber of Commerce (Where to Retire magazine), 425 Porter St., Franklin, NC 28734, (888) 592-2663, (828) 524-3161 or www.franklin-chamber.com. ➔