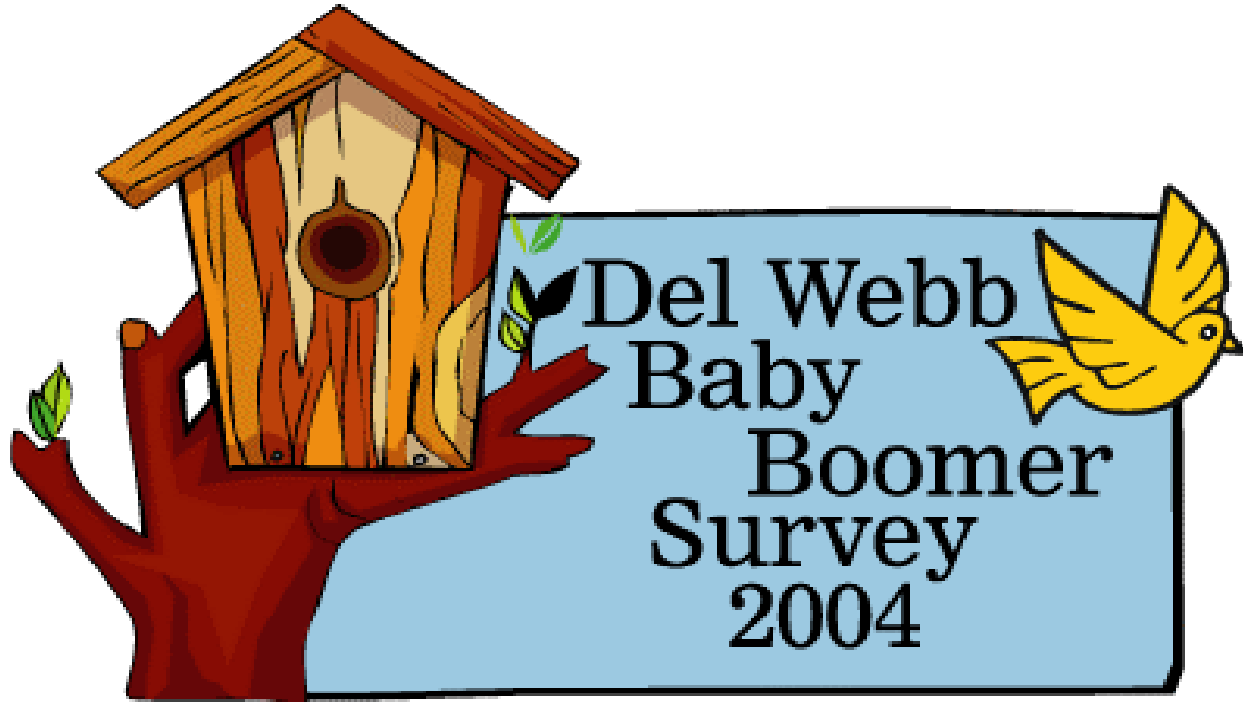


Empty Nester Syndrome

When the Kids Go Away Will Boomers Play?

A Detailed Report



Background and Objectives

This year, Del Webb's annual Baby Boomer Survey not only looks at retirement issues, but also reveals how the nation's aging Boomers feel about becoming Empty Nesters, the time period when children leave home for good. Del Webb was especially interested in the Empty Nester Syndrome because of a growing number of buyers at its active adult communities who are Baby Boomers and who are still working. Results were also compared to older Americans.

Questions on the following topics were included in the survey:

- Empty Nesting Syndrome: Parenthood, Boomerang Children, Grandchildren,**
- Sandwich Generation**
- Housing : Active Adult Communities, Moving**
- Health and Fitness**
- Retirement - Finances**

Del Webb is a brand of Pulte Homes, Inc. Pulte Homes, (www.pulte.com) based in Bloomfield Hills, Michigan, has operations in 44 markets across the U.S. Under its Del Webb (www.delwebb.com) brand, the Company is the nation's leading builder of active adult communities for people age 55 and older.

Research Methodology

- **This research was conducted via the Internet between April 29 and May 3, 2004.**
- **Harris Interactive was commissioned to do the study which was sent via email invitations to a national sample of 40-70 year olds, inviting them to participate in the online survey.**
 - **The sample was drawn from the Harris Poll Online (HPOL).**
 - **Qualified respondents consisted of 40-70 year old U.S. residents.**
 - **A total of 1,174 respondents were fully qualified and participated in the study.**

According to Harris Interactive, with probability samples of this size, one could say with 95 percent certainty that the results have a statistical precision for the overall sample of ± 3 percentage points.

Empty Nesting Syndrome

Baby Boomers who are or will soon become empty nesters view the empty nesting experience in a positive light. In general, they are emotionally prepared once it comes time for their children to leave home. In addition, being an empty nester provides Baby Boomers with more time to pursue their own interests.

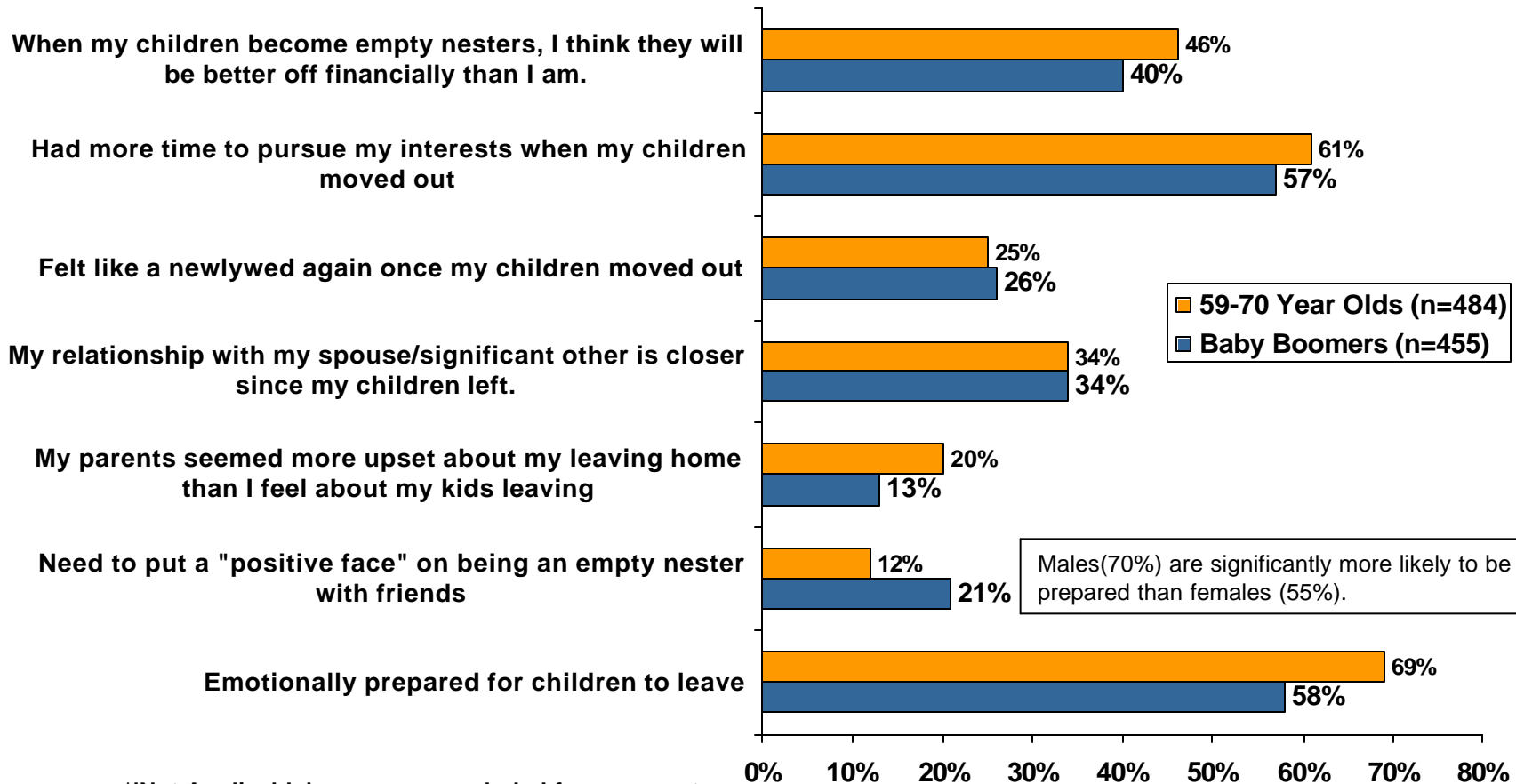
While many empty nest Baby Boomers do miss taking vacations with their children, very few miss other aspects such as helping their children with homework. They like to spend their newfound free time focusing on becoming debt free, wellness/health, relaxing, traveling, and enjoying hobbies.

Empty Nesting Syndrome

Emotions About Being/Becoming an Empty Nester

In general, Baby Boomers view empty nesting in a positive light. Nearly three-fifths of Baby Boomers are emotionally prepared for their children to leave and feel as if they will have more time to pursue their own interests as an empty nester.

Percent Who Agree or Strongly Agree



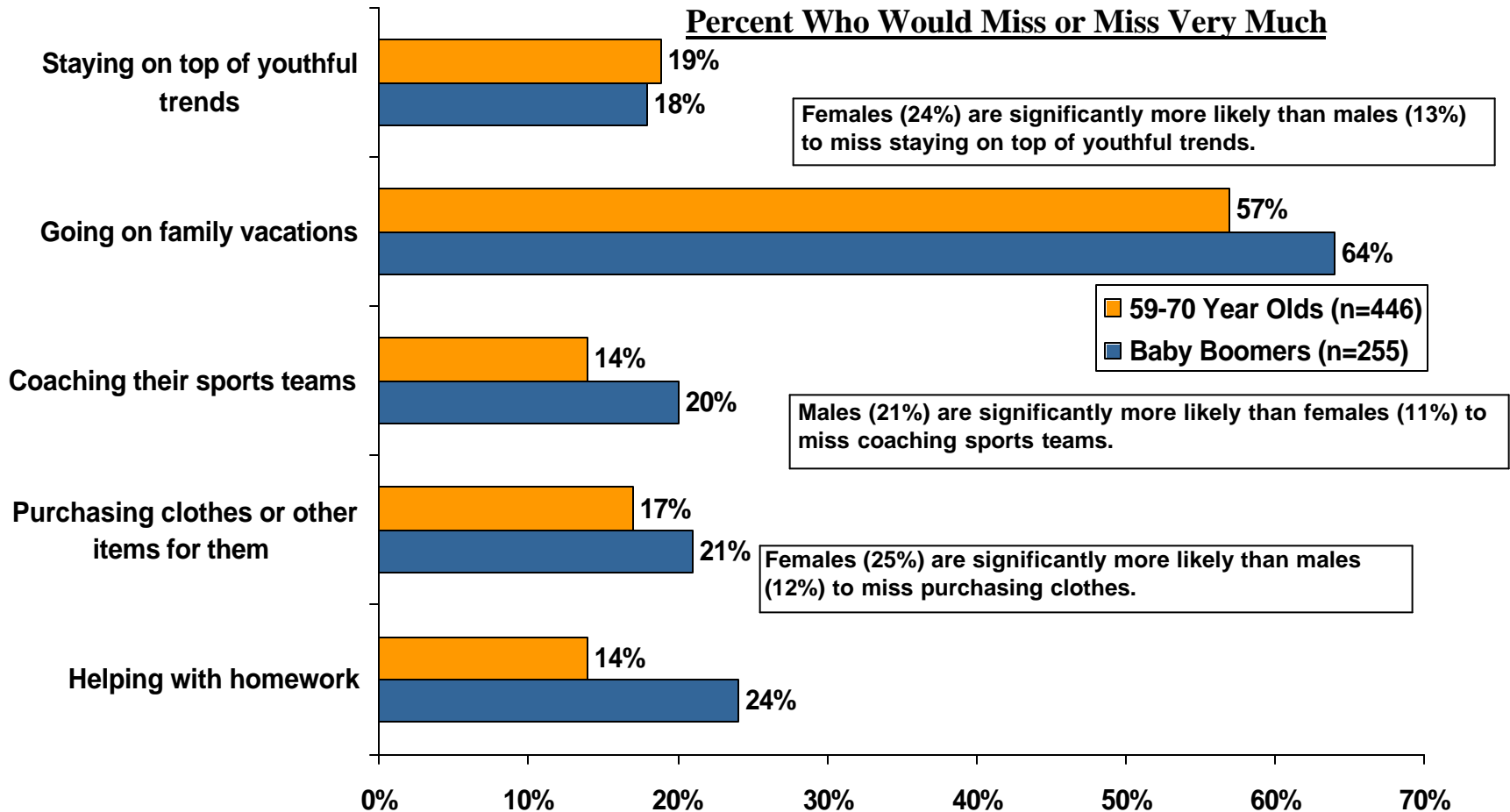
Males(70%) are significantly more likely to be emotionally prepared than females (55%).

*'Not Applicable' responses excluded from percentages

Empty Nesting Syndrome

Things That are Missed When Children Leave

Baby Boomers are most likely to miss going on family vacations with their children. Only about one-fifth to one-fourth of Baby Boomers are likely to miss keeping up with youthful trends, coaching their children's sports team, purchasing clothes for their children, and helping with homework.



Empty Nesting Syndrome

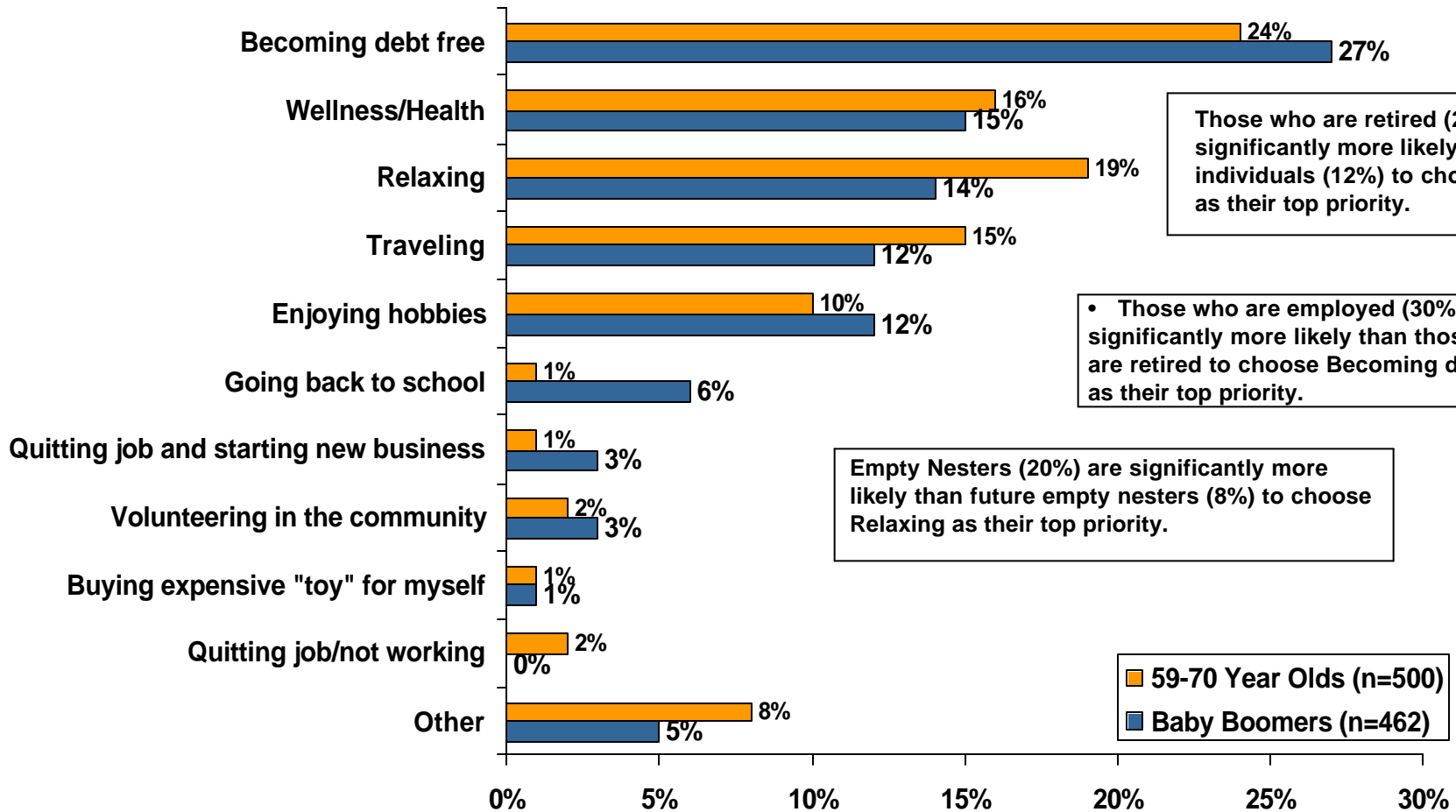
Changes in Emotions Upon Becoming an Empty Nester

- **Baby Boomers who have been empty nesters for a long period of time are not as happy as baby boomers with a shorter tenure as an empty nester.**
 - 0-5 years since children left: 27% feel happier since children left
 - 6-10 years: 11%
 - 11+ years: 5%
- **Male baby boomers (29%) are significantly more likely than female baby boomers (18%) to indicate they are/will be happier once their children leave.**
- **Younger, females, future empty nesters, and those without grandchildren are significantly more likely to be lonely/anticipate that they will be lonely once their children leave.**
 - 40-45 year olds: 50%; 59-70 year olds: 30% are more lonely since children left
 - Female: 42%; Male: 29%
 - Future Empty Nester: 50%; Current Empty Nester: 31%
 - No Grandchildren: 46%; Have Grandchildren: 29%
- **Younger individuals, females, those without grandchildren, and those who did not move after retirement are significantly more likely to feel worried/anticipate that they will feel worried once their children leave.**
 - 40-45 year olds: 47%; 59-70 year olds: 27% are more worried since their children left
 - Female: 39%; Male: 24%
 - No Grandchildren: 39%; Have Grandchildren: 26%
 - Did Not Move After Retirement: 32%; Moved: 12%

Empty Nesting Syndrome

Top Priority When Children Moved Out

Becoming debt free, wellness/health, relaxing, traveling and enjoying hobbies are the top priorities of Baby Boomers upon becoming empty nesters.



Those who are retired (21%) are significantly more likely than employed individuals (12%) to choose Traveling as their top priority.

- Those who are employed (30%) are significantly more likely than those who are retired to choose Becoming debt free as their top priority.

Empty Nesters (20%) are significantly more likely than future empty nesters (8%) to choose Relaxing as their top priority.

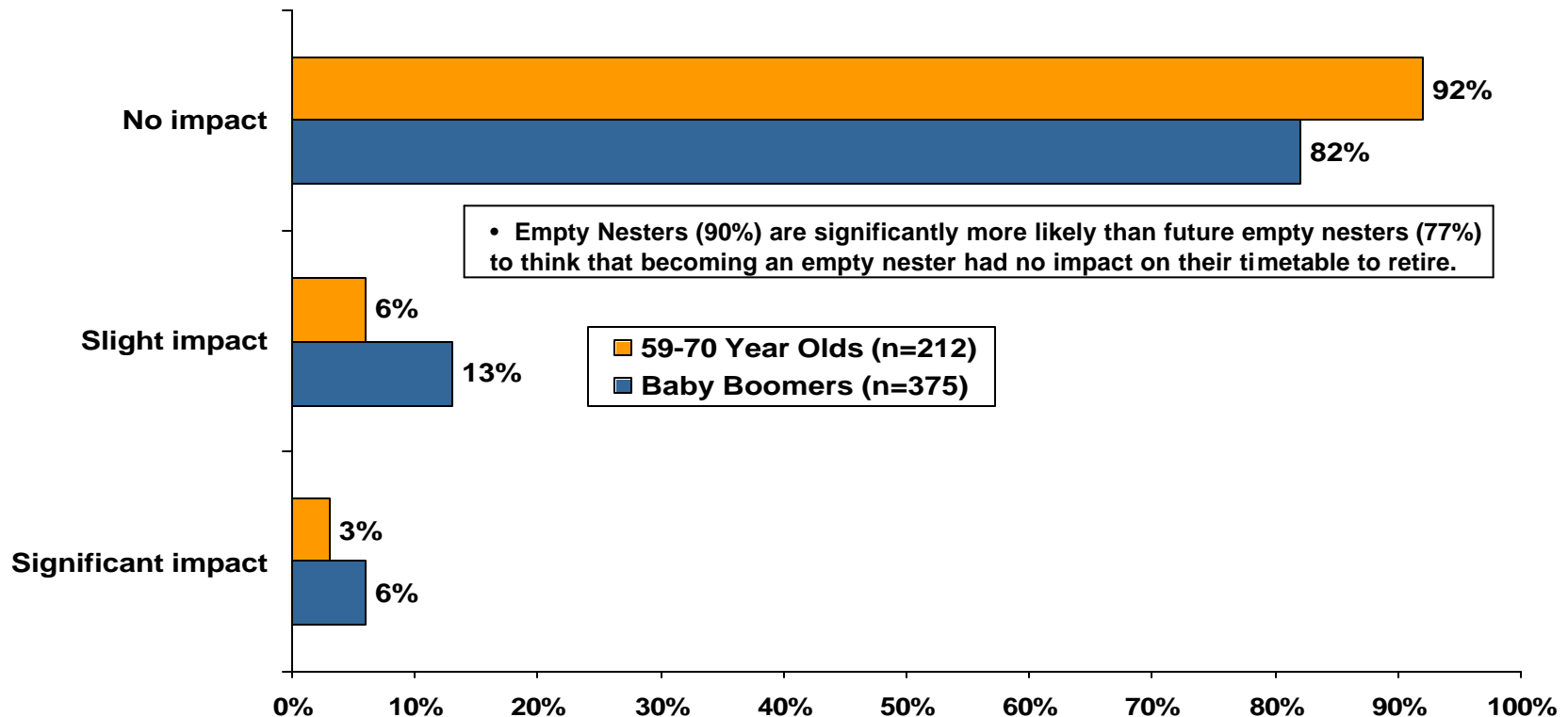
■ 59-70 Year Olds (n=500)
■ Baby Boomers (n=462)

Empty Nesting Syndrome

Impact of Becoming an Empty Nester on Timetable to Retire

Baby Boomers do not think that their status as an empty nester will have an impact on their timetable to retire.

What impact did/will becoming an empty nester have on your timetable to retire?



Parenthood

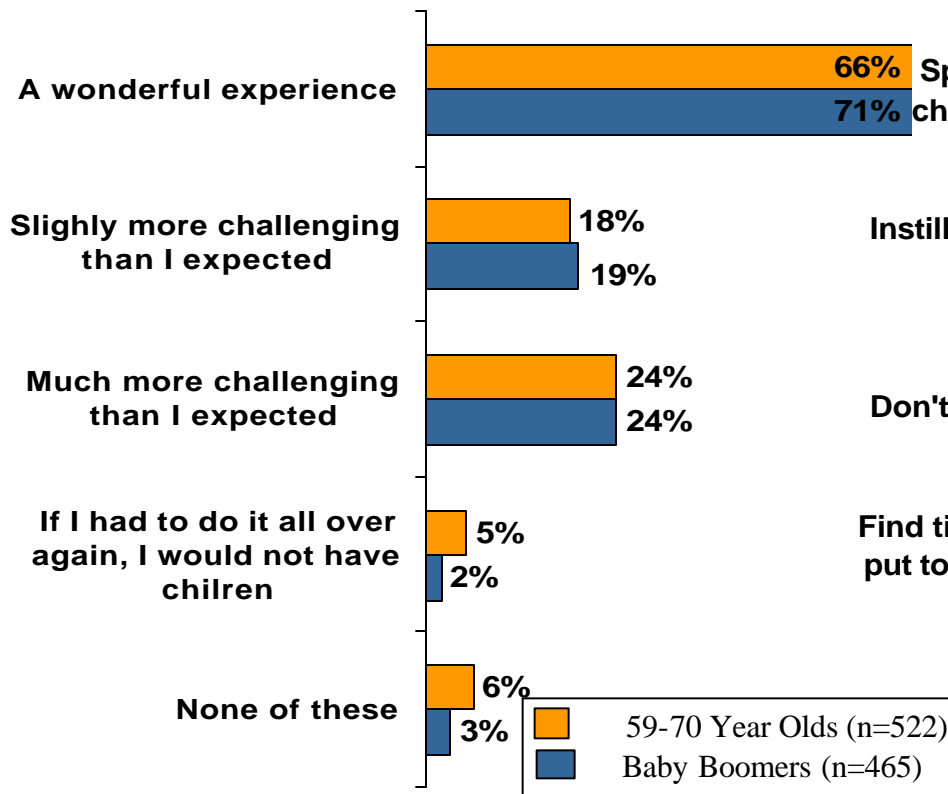
Baby Boomers view parenthood in a positive light. The majority of Baby Boomers believe that being a parent was a positive experience and feel that they were positive role models for their children. In addition, they want to provide for their financially secure adult children by leaving them an inheritance rather than leaving their money to a charitable organization.

Parenthood

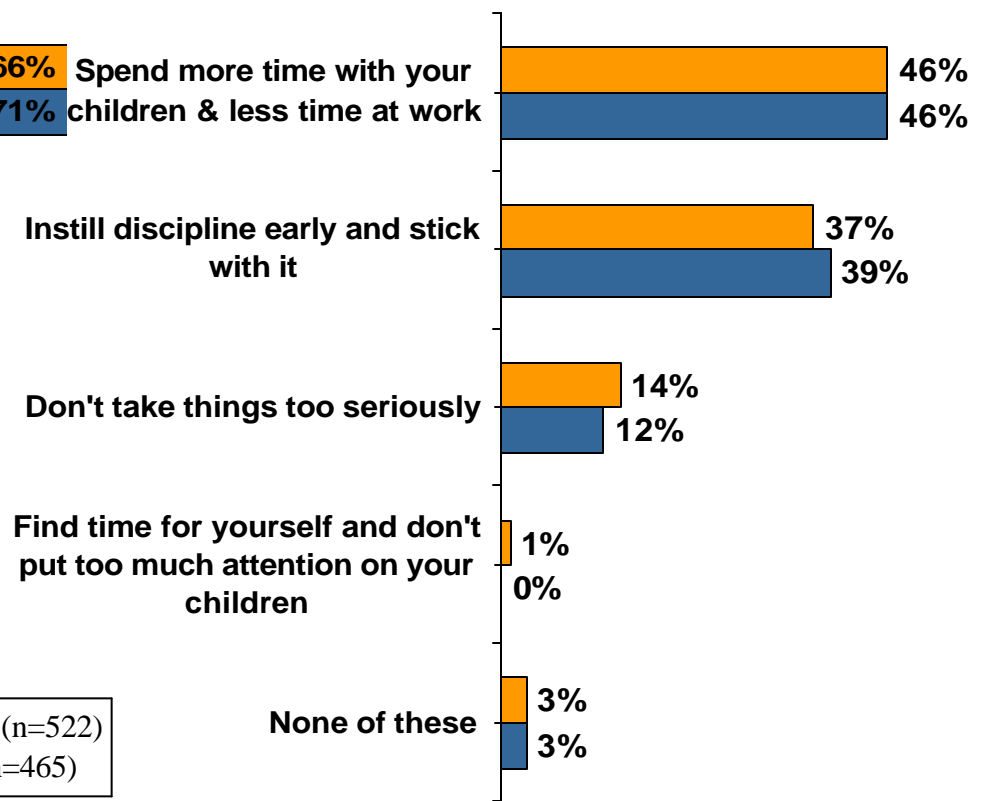
Opinions of Parenthood and Advice For Future Parents

Roughly seven out of ten (71%) Baby Boomers believe that parenthood was a wonderful experience. They would advise future parents to spend more time with their children (46%) and instill discipline early (39%).

Which of the following best describes your opinion of parenthood?

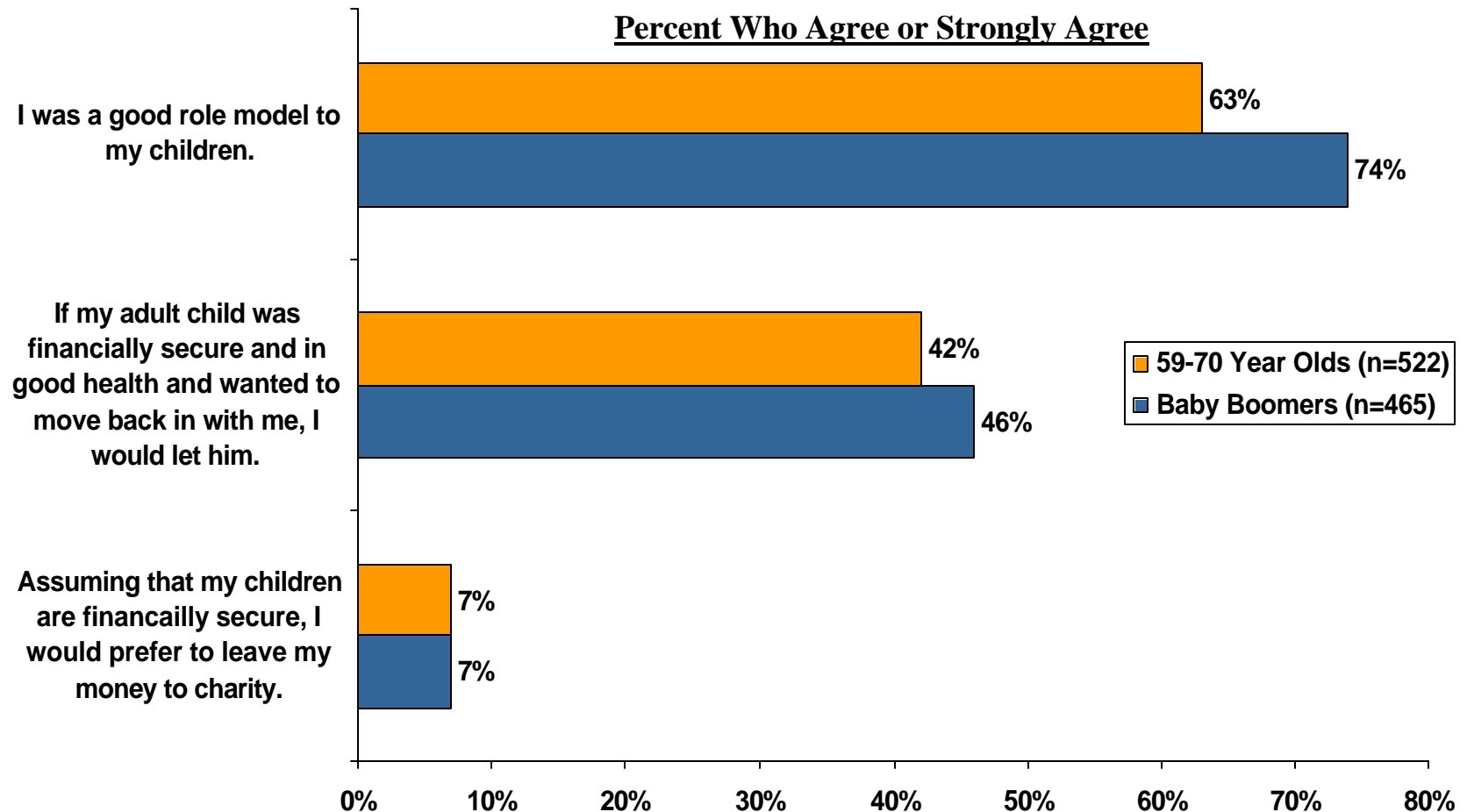


What is the one piece of advice you would give to future parents?



Parenthood

Roughly three-fourths (74%) of Baby Boomers believe that they were good role models for their children. They want to continue to provide for their adult children – 46% would allow their financially secure children to move back in with them. The majority of Baby Boomers (79%) would prefer to leave their money to their financially secure children than to a charitable organization.



Children & Parents – Moving In

Children & Parents – When Adult Children or Parents Move Back In

Two-fifths (40%) of Baby Boomers either anticipate that their adult children will move back in with them or have their adult children already living with them. In comparison, three out of ten (30%) Baby Boomers either anticipate that their parents/in-laws will move in with them or have their parents/in-laws already living with them.

Fewer than one-third (28%) of Baby Boomers would charge rent to their adult children. A significantly higher percentage (40%) of those aged 59-70 would charge rent to their children. In comparison, both groups would be less likely to charge rent to their parents/in-laws.

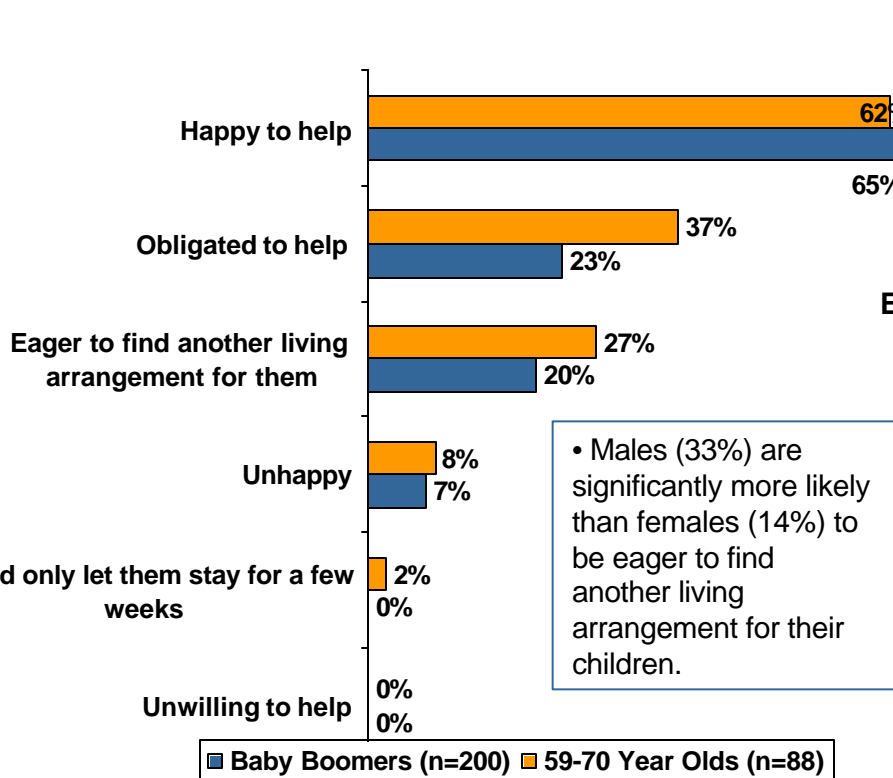
More than three-fifths of both Baby Boomers (65%) would be happy to help if their adult children needed to move in with them. In comparison, fewer Baby Boomers (51%) and a slightly higher percentage of those aged 59-70 (70%) would be happy to help their parents/in-laws in this same situation.

Children & Parents – Moving In

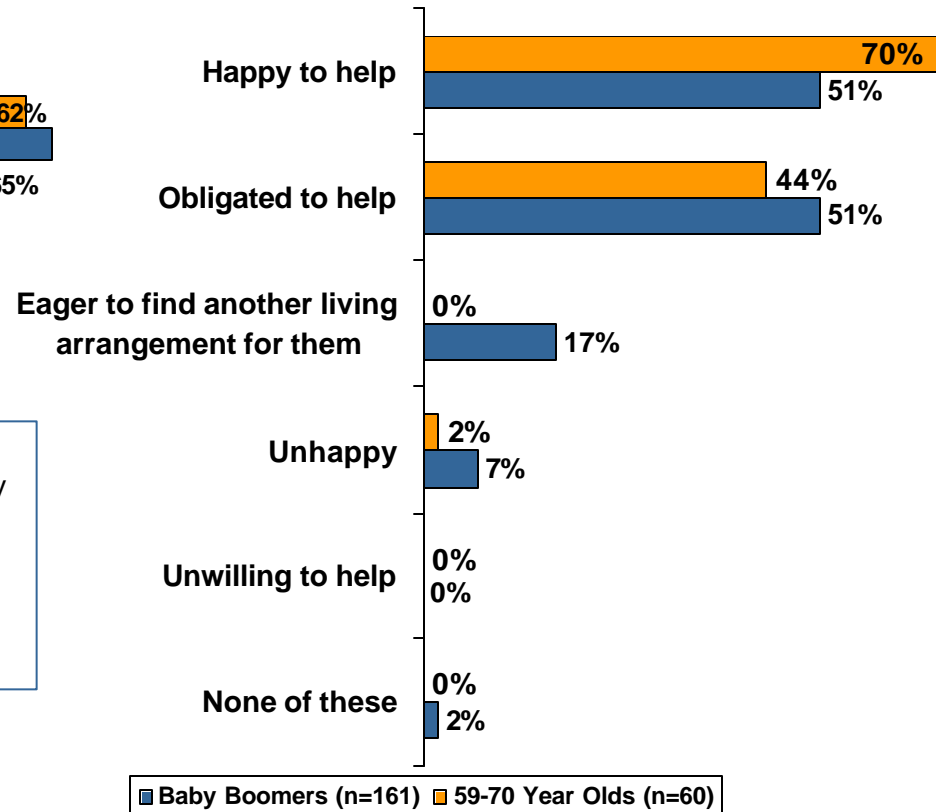
Feelings About Children & Parents Moving In

More than three-fifths of both Baby Boomers (65%) and those aged 59-70 (62%) would be happy to help if their adult children needed to move in with them. In comparison, fewer Baby Boomers (51%) and a slightly higher percentage of those aged 59-70 (70%) would be happy to help their parents/in-laws in this situation.

Feelings about adult children moving in



Feelings about parents/in-laws moving in



Grandchildren

The majority of Baby Boomers look forward to having grandchildren. However, their feelings are mixed about baby-sitting their grandchildren for an extended period of time. While 38% would be happy to baby-sit for more than 2 weeks, 28% would be unhappy. Of those who would be unhappy, the majority would be honest about their feelings with their children.

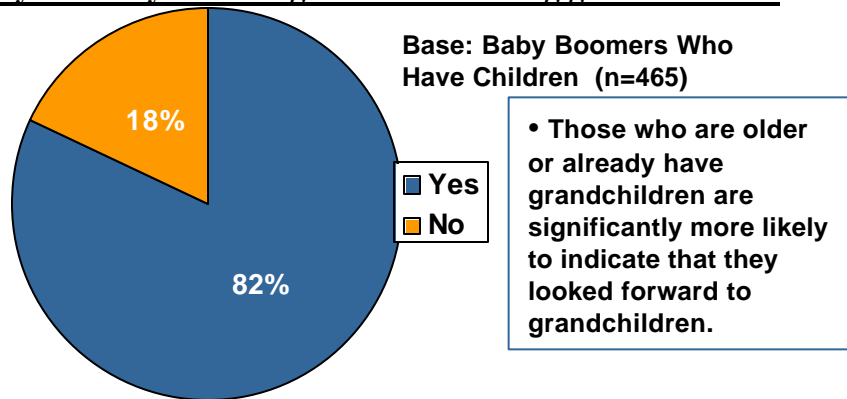
In terms of celebrity baby-sitters, roughly one-half of Baby Boomers with grandchildren would feel comfortable having Barbara Bush baby-sit their grandchildren. The majority would not feel comfortable having either of the Clintons, Martha Stewart, or Teresa Kerry watching their grandchildren.

Grandchildren

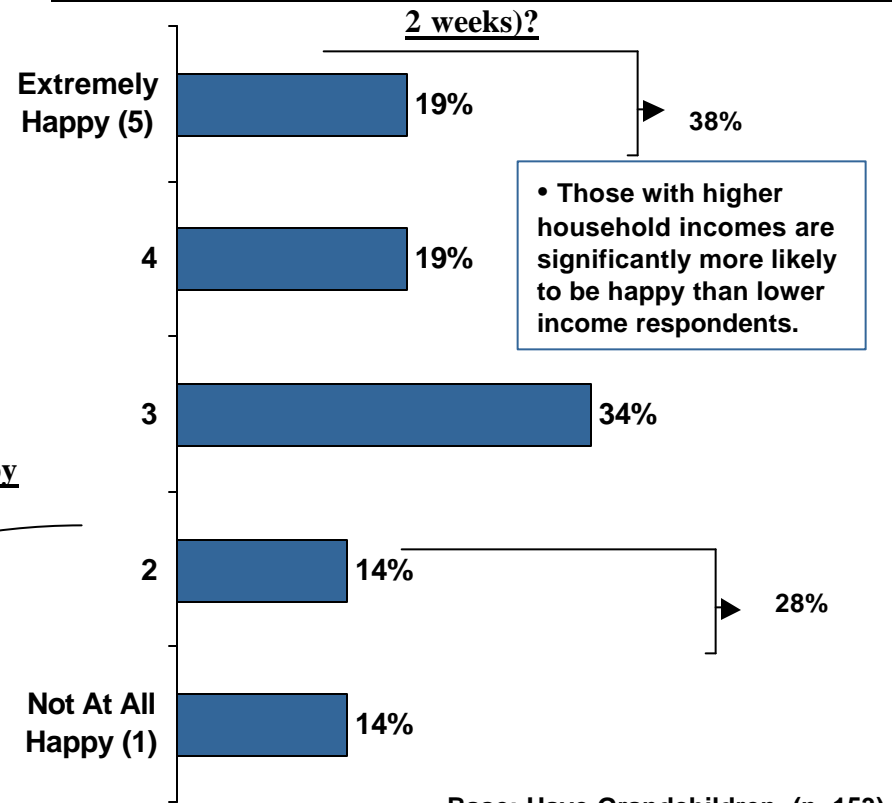
Feelings About Having and Babysitting for Grandchildren

The majority of Baby Boomers (82%) look forward to having grandchildren. When it comes to baby-sitting for grandchildren for an extended period of time, Baby Boomers are slightly more likely to be happy (38%) than unhappy (28%) with the situation. Of those who would be unhappy with the situation, the majority (92%) would be honest about their feelings with their children.

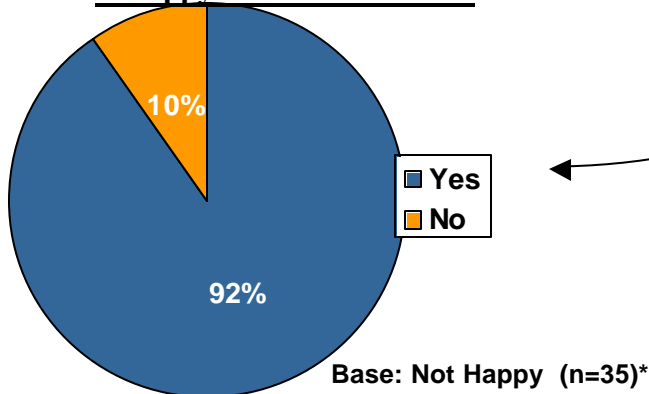
Are you/were you looking forward to having grandchildren?



How would you feel if your children asked you to baby-sit your grandchildren for an extended length of time (more than 2 weeks)?



Would you let your children know that you were unhappy with the situation?



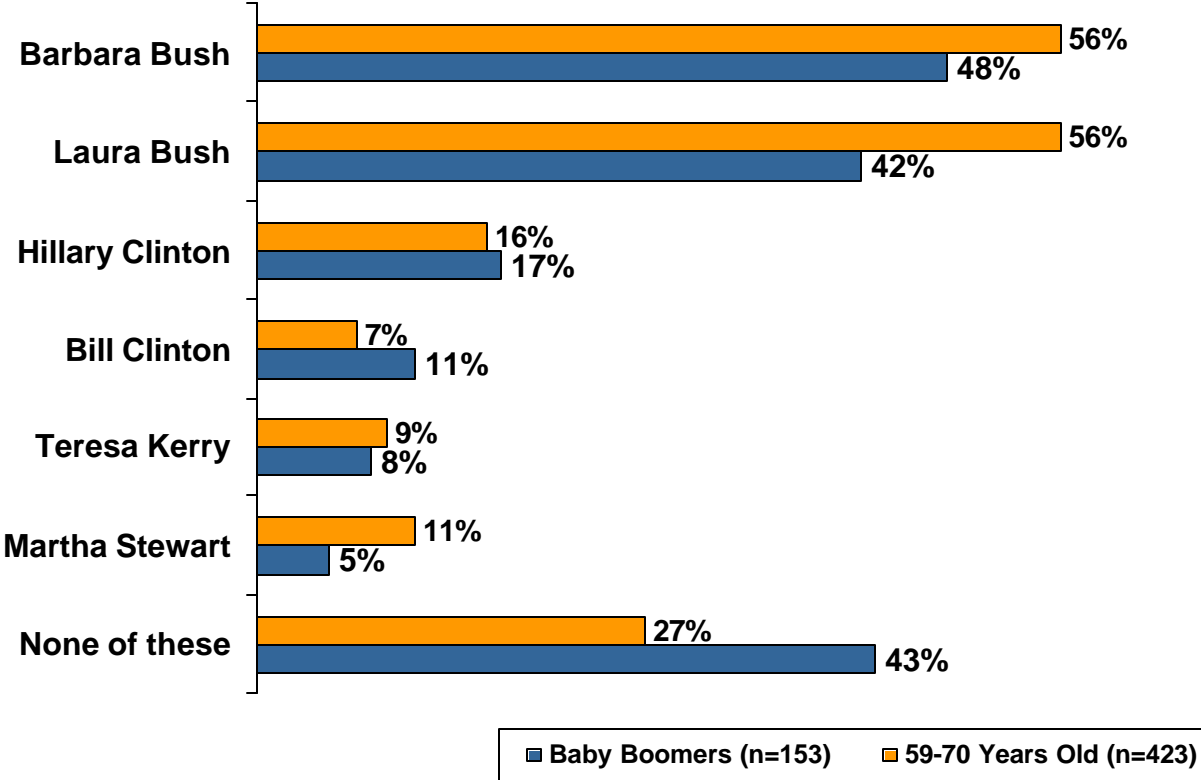
If Not Happy

* Please note small Base

Grandchildren Celebrity Baby-sitters

Nearly one-half of Baby Boomers with grandchildren would feel comfortable letting Barbara Bush or Laura Bush baby-sit their grandchildren. The majority would not feel comfortable having either of the Clintons, Martha Stewart, or Teresa Kerry watching their grandchildren.

Who would you feel comfortable letting baby-sit your grandchildren?



Housing – Active Adult Communities

Just over one-fourth (26%) of Baby Boomers would consider purchasing a home in an age-qualified active adult community – roughly equal to the percentage of those (24%) who would not consider this purchase. Roughly one-half (51%) are not sure whether or not they would make this purchase.

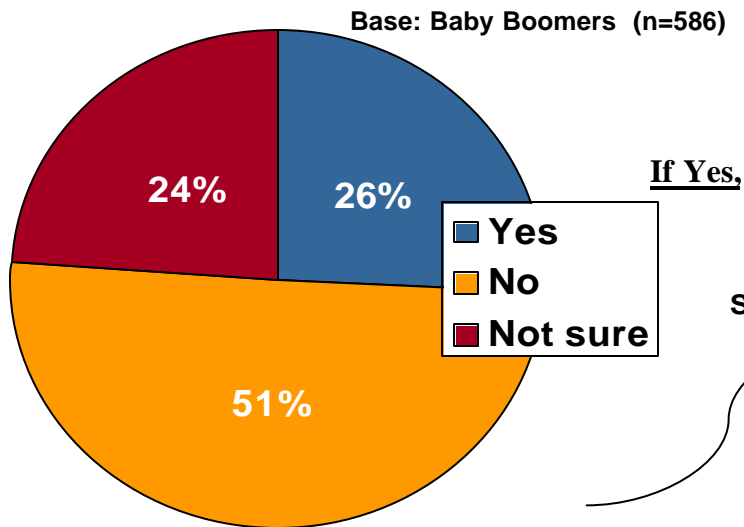
Of those Baby Boomers who would consider purchasing a home in an age-qualified active adult community, most would look for a community with security and high-tech features, social activities, and fitness programs. In addition, Baby Boomers would be most interested in a community in an urban location close to shopping, restaurants, and cultural opportunities or a community that maximizes local natural benefits.

Active Adult Communities

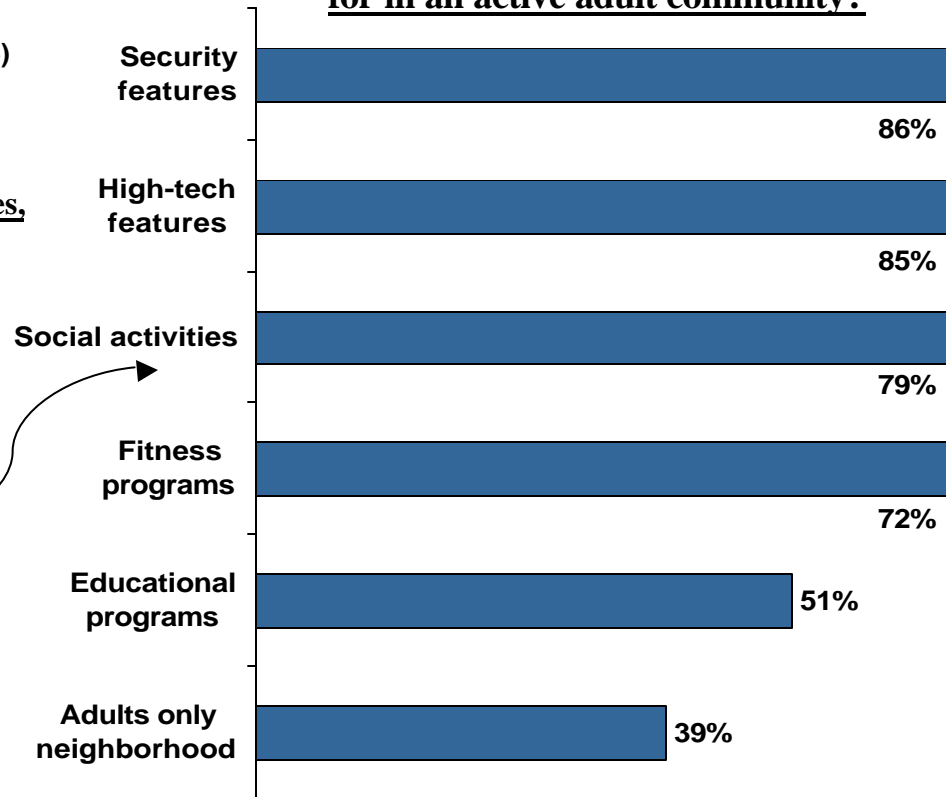
Features Desired in an Active Adult Community

Just over one-fourth of Baby Boomers would consider purchasing a home in an age-qualified active adult community. Those who would make this purchase would look for security and high-tech features, social activities, and fitness programs.

Consider buying a home in an age-qualified active adult community



Which of the following features would you look for in an active adult community?

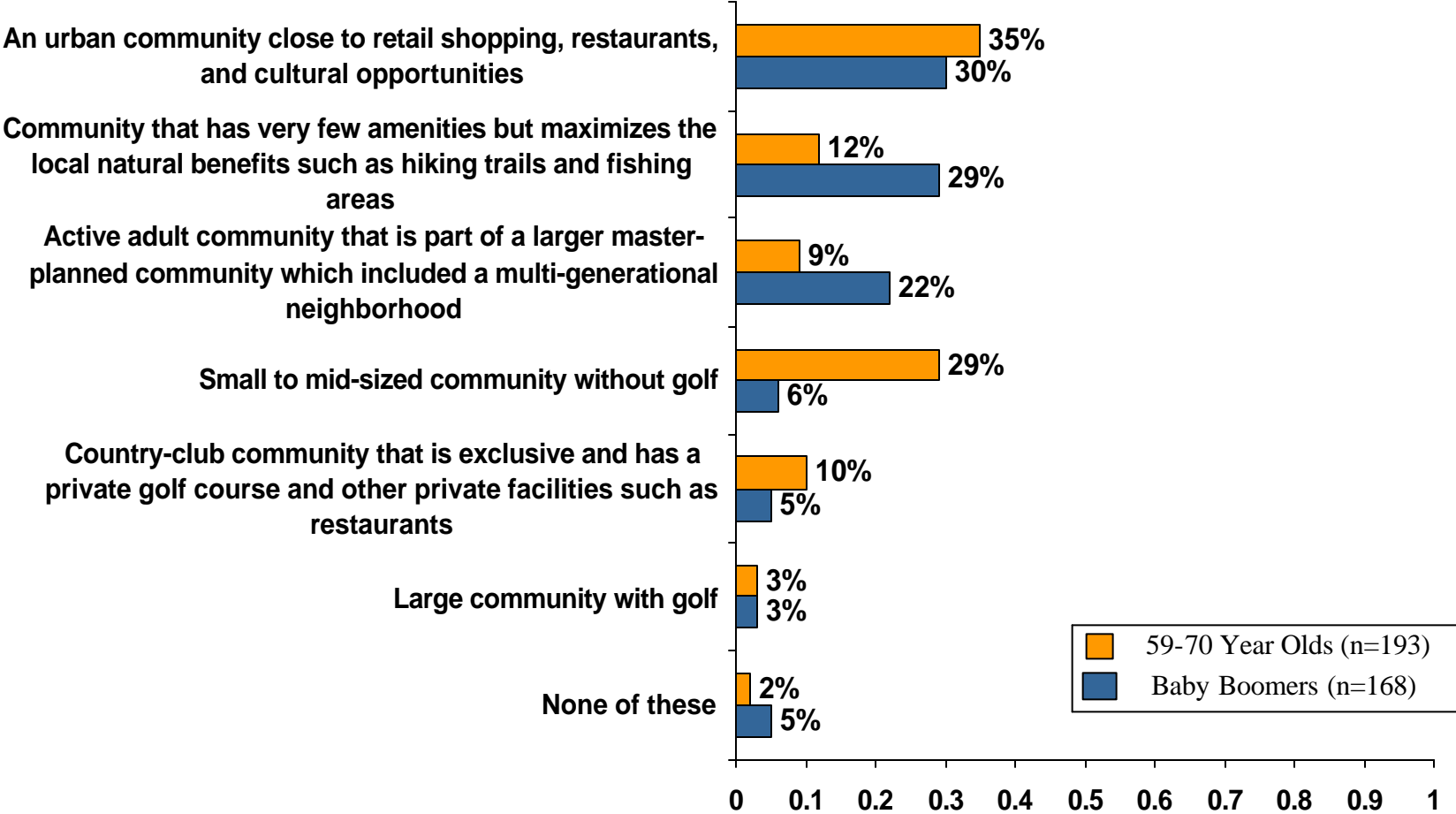


Base: Baby Boomers Who Would Consider Moving into an Active Adult Community (n=168)

Active Adult Communities

Types of Active Adult Communities Preferred

Baby Boomers who would consider purchasing a home in an age-qualified active adult community would prefer a community in an urban location close to shopping, restaurants, and cultural opportunities or a community that maximizes local natural benefits.



Housing – Moving at Retirement or When Children Leave Home

Over one-third (36%) of Baby Boomers will move/did move once becoming an empty nester.

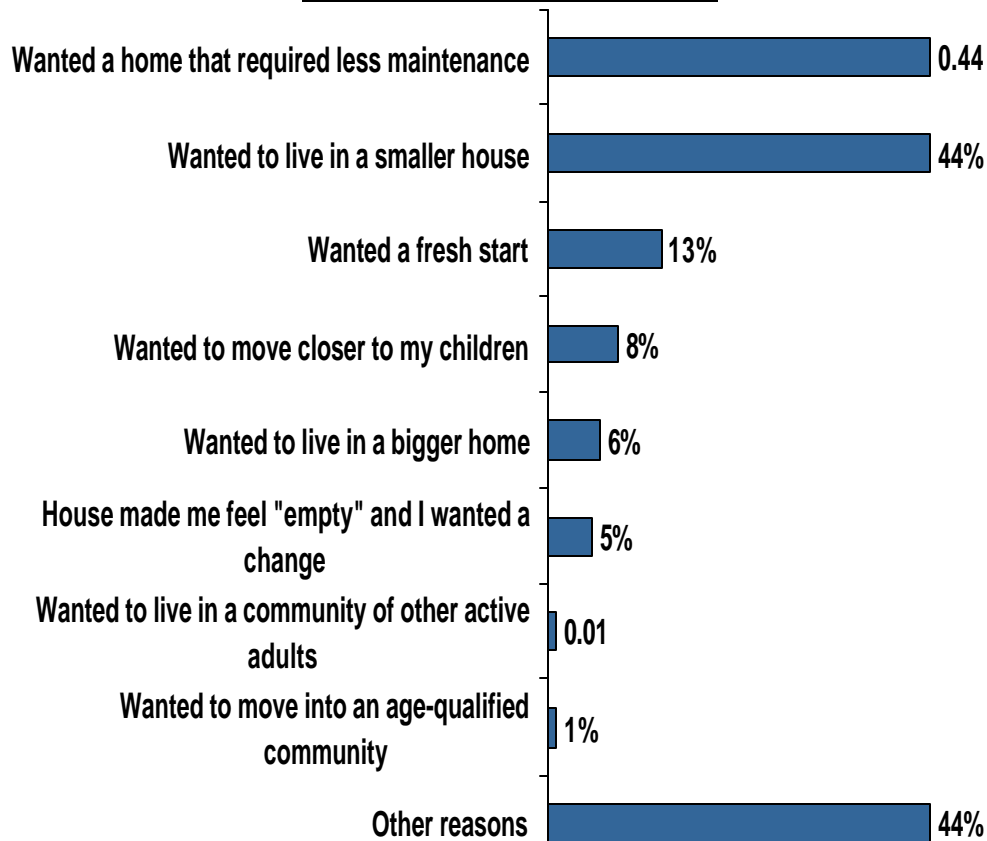
Of Baby Boomers who moved/will consider moving once becoming an empty nester, roughly one-third (36%) will move more than three hours away. In general, Baby Boomers do not think that moving more than three hours away will be difficult. Those who moved/ will consider moving look for a home with beautiful living area and a big kitchen.

Empty Nesters

Reasons for Moving and Desired Features in New Home

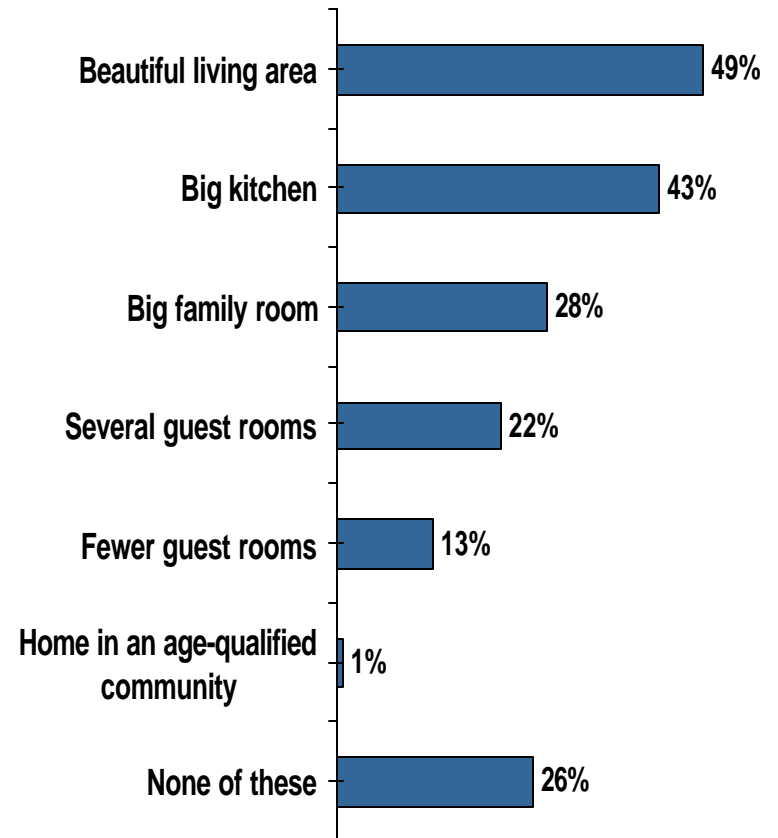
Baby Boomers who moved or would consider moving cite wanting a smaller home (44%) and one that requires less maintenance (44%) as their top reasons for moving. Baby Boomers would look for a beautiful living area (49%) and a big kitchen (43%) in their new home.

Main Reasons for Moving



Base: Did/Would Consider Moving (n=158)

Features Desired in a New Home



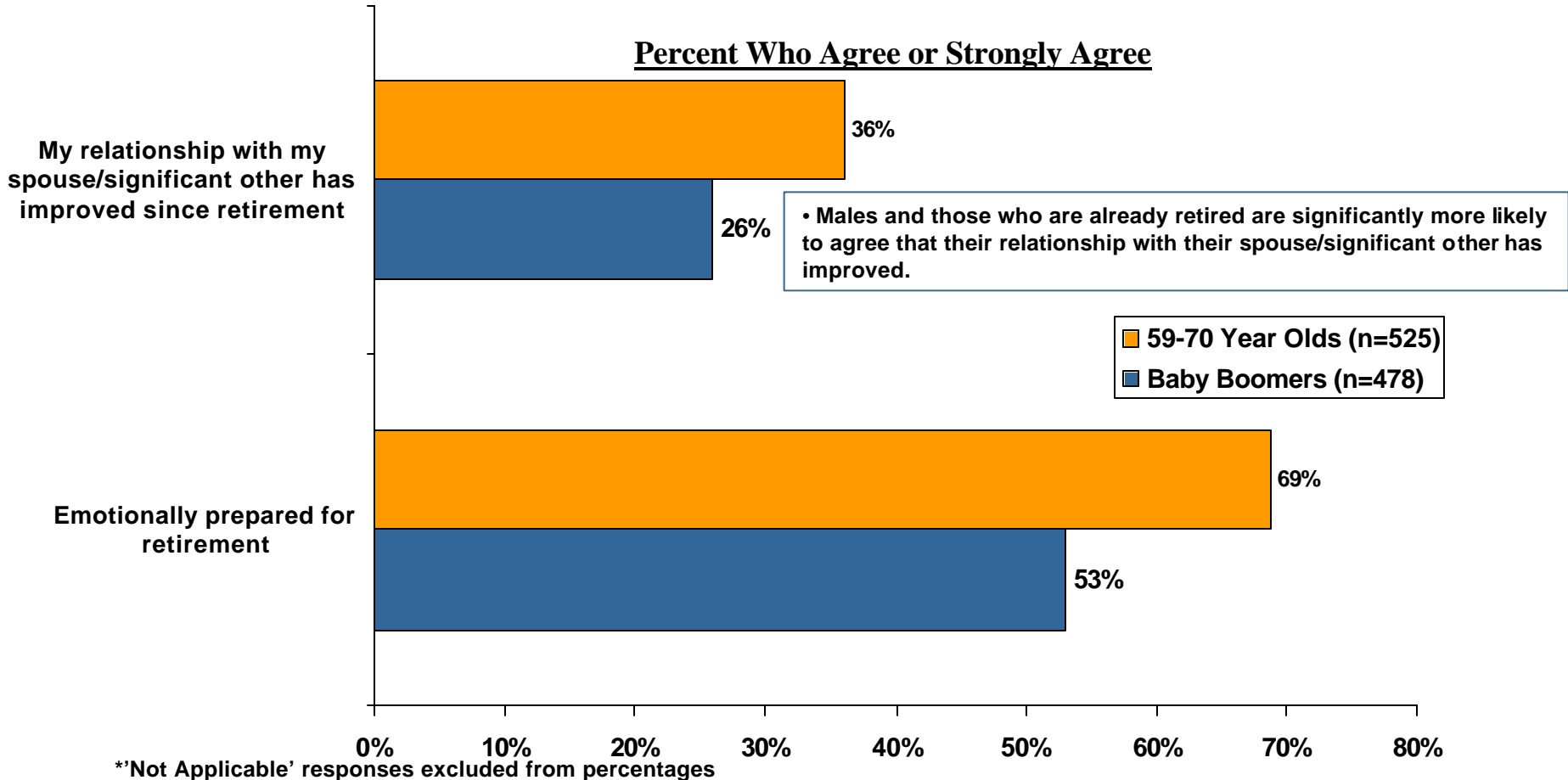
Retirement

In general, Baby Boomers have a positive view of retirement. They view retirement as a time in which they will be happy and free to be themselves. They plan to spend their retirement on wellness/health, traveling, relaxing, becoming debt free, and enjoying hobbies. In addition, they are emotionally prepared for retirement. Roughly one-fourth of Baby Boomers believe that their relationship with their spouse/significant other has/will improve after retirement.

Retirement

Emotions About Retirement

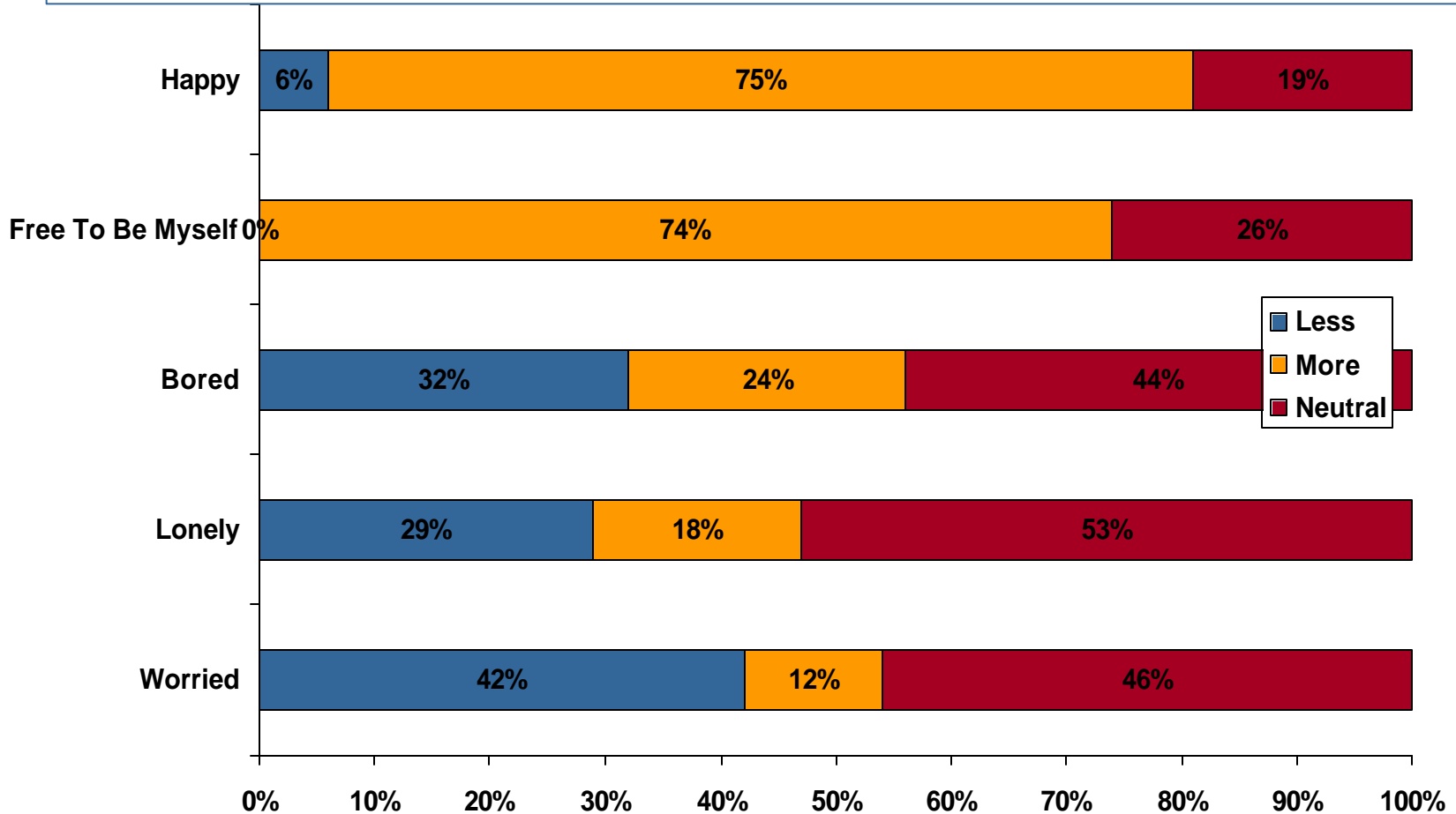
In general, both Baby Boomers and their older peers are/were emotionally prepared for retirement. However, 59-70 year olds are more likely to be emotionally prepared for retirement than Baby Boomers. Roughly one-fourth (26%) of Baby Boomers believe that their relationship with their spouse/significant other has/will improve after retirement.



Retirement

Changes in Emotions Upon Retirement

Baby Boomers have a positive view of retirement. They view retirement as a time in which they will be more happy and free to be themselves.

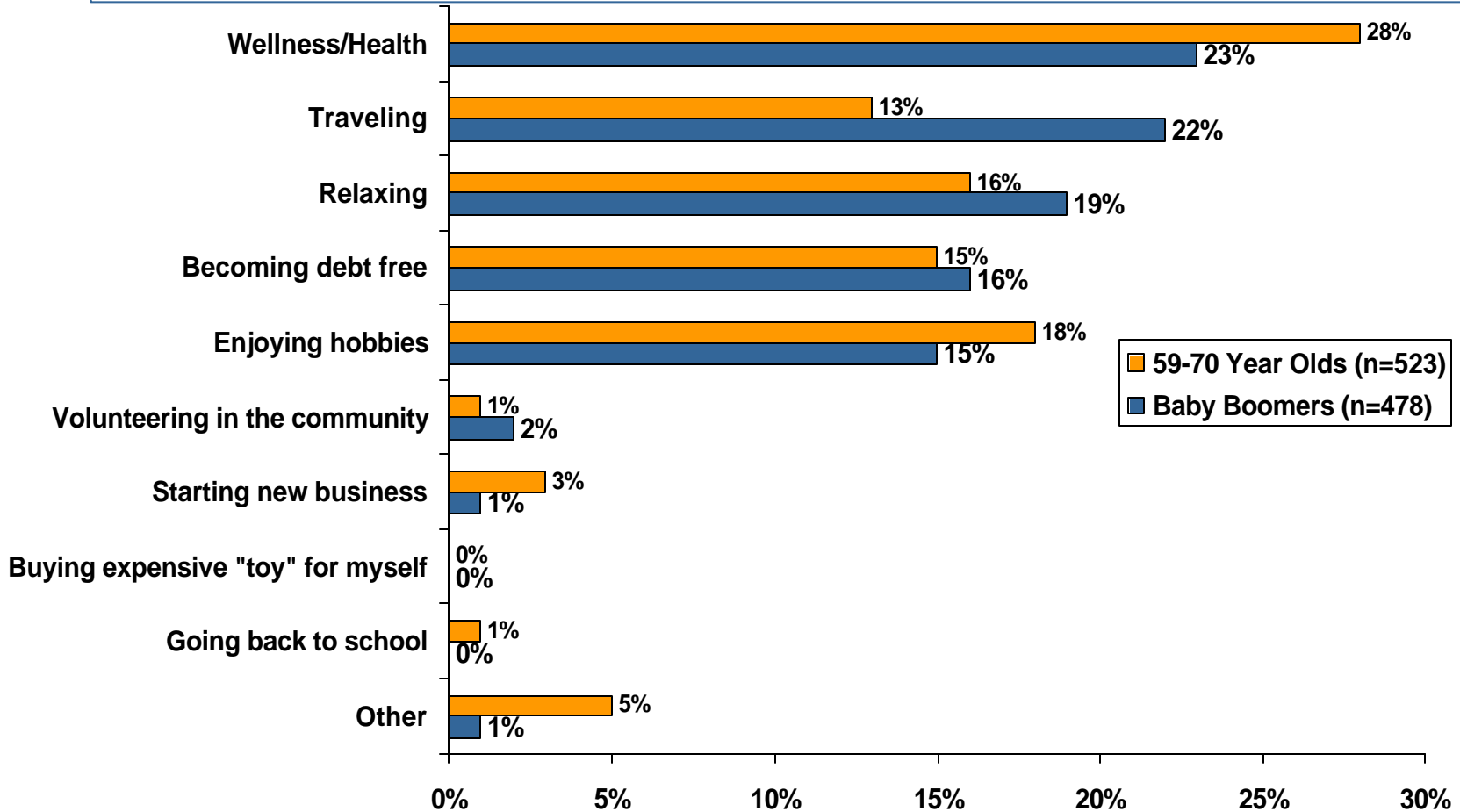


Base: Baby Boomers (n=478)

Retirement

Top Priorities When Retiring

Wellness/health, traveling, relaxing, becoming debt free, and enjoying hobbies are the top priorities of Baby Boomers once they enter retirement.

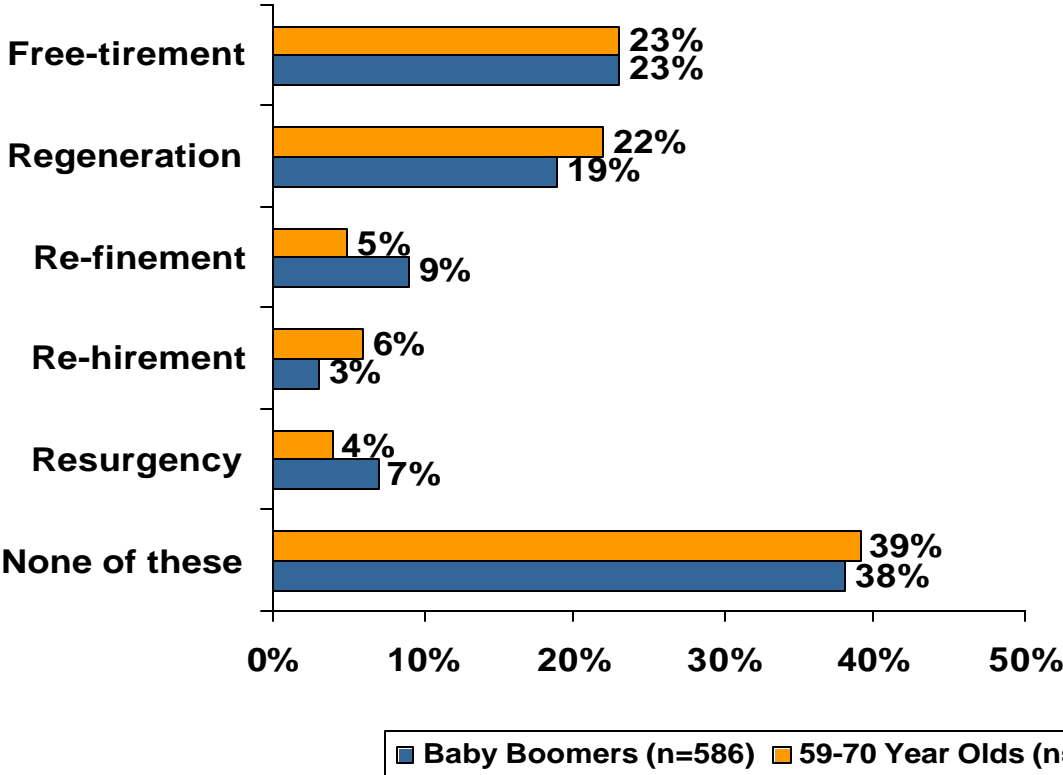


Retirement

Views About Retirement

Roughly one-fourth of Baby Boomers think that the words ‘Free-tirement’ (23%) and ‘Regeneration’ (21%) describe their views on retirement.

Which word do you think best describes your views on retirement?



Retirement Versus Empty Nesters

Emotions Baby Boomer Experience

- **When compared with retirement, baby boomers are more likely to think that their relationship with their spouse/significant other will improve upon becoming an empty nester.**
 - Improvement in relationship upon becoming an empty nester: 34%
 - Improvement in relationship upon retirement: 26%
- **Aside from the marital relationship, boomers generally view retirement in a more positive light than becoming an empty nester.**
 - Three-fourths (75%) of baby boomers will be happier upon retirement – significantly higher than the percentage of baby boomers (23%) who will be happier upon becoming an empty nester.
 - Roughly three-fourths (74%) of baby boomers will feel more free to be themselves upon retirement. Again, this is significantly higher (57%) than those that will feel more free to be themselves once they become an empty nester.

Health and Fitness

Over two-fifths of Baby Boomers think that “looking young” is important. However, about three-fourths (74%) would not consider having a tummy tuck, plastic surgery, liposuction, Botox, or a hair transplant to enhance their looks. Females and those who are employed are significantly more likely to think that looking young is important. They are also more likely to consider surgical methods to enhance their looks. Baby Boomers are more likely to engage in traditional exercise programs such as walking, swimming, and weight lifting and less likely to try less traditional exercise such as Pilates, Tai Chi, or Salsa Dancing.

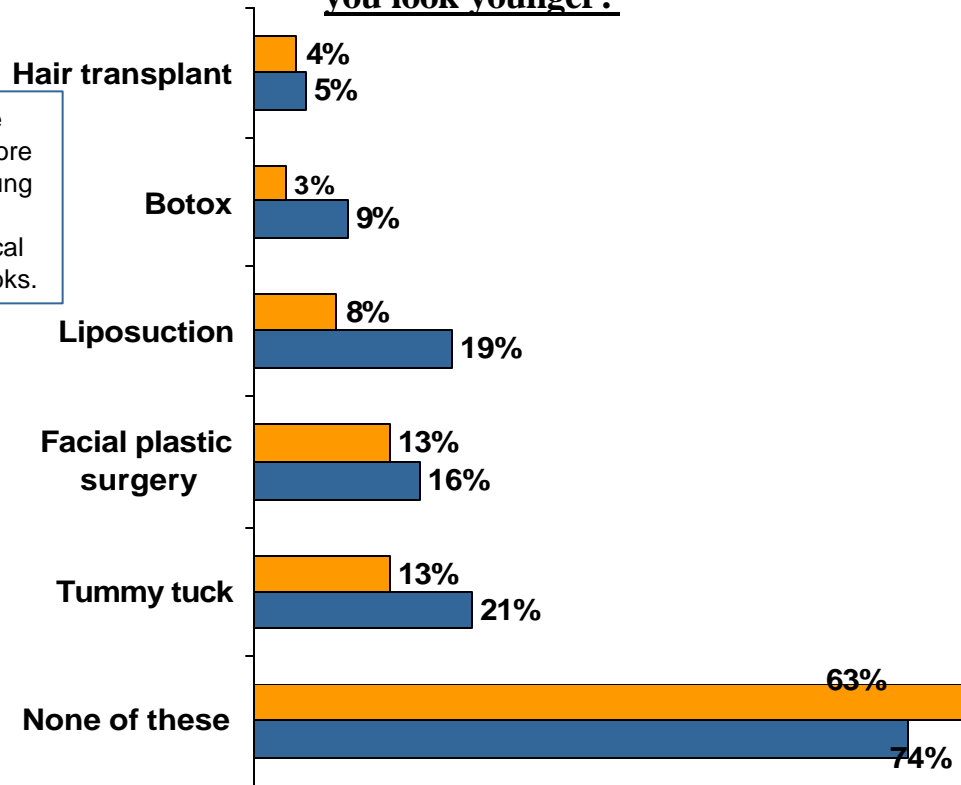
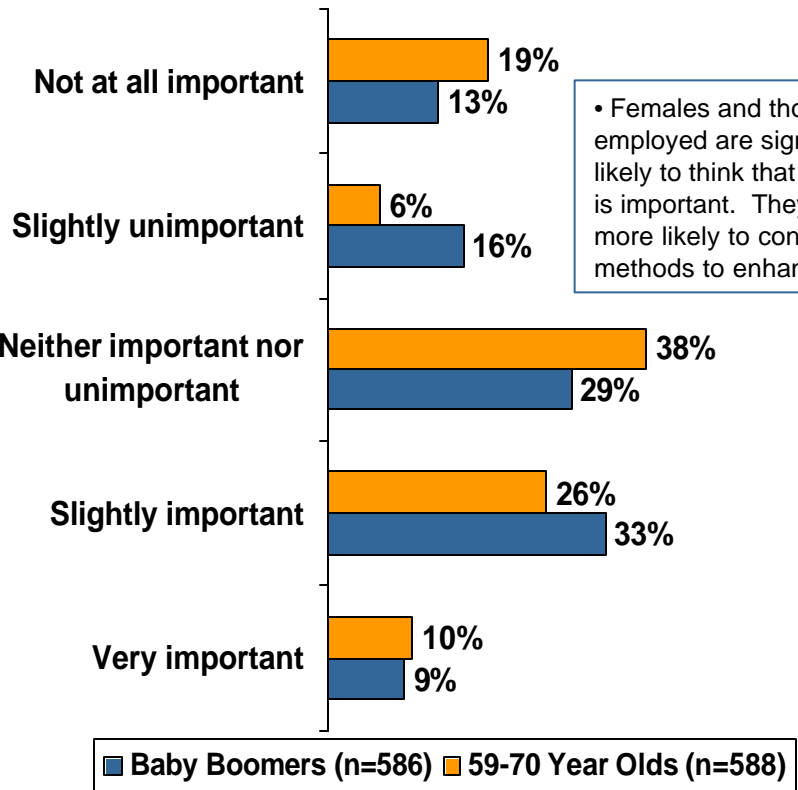
Health and Fitness

Looking Young

Over two-fifths of Baby Boomers think that “looking young” is important. However, about three-fourths (74%) would not consider having a tummy tuck, plastic surgery, liposuction, Botox, or a hair transplant to enhance their looks.

How important is looking young to you?

Which would you consider to make you look younger?

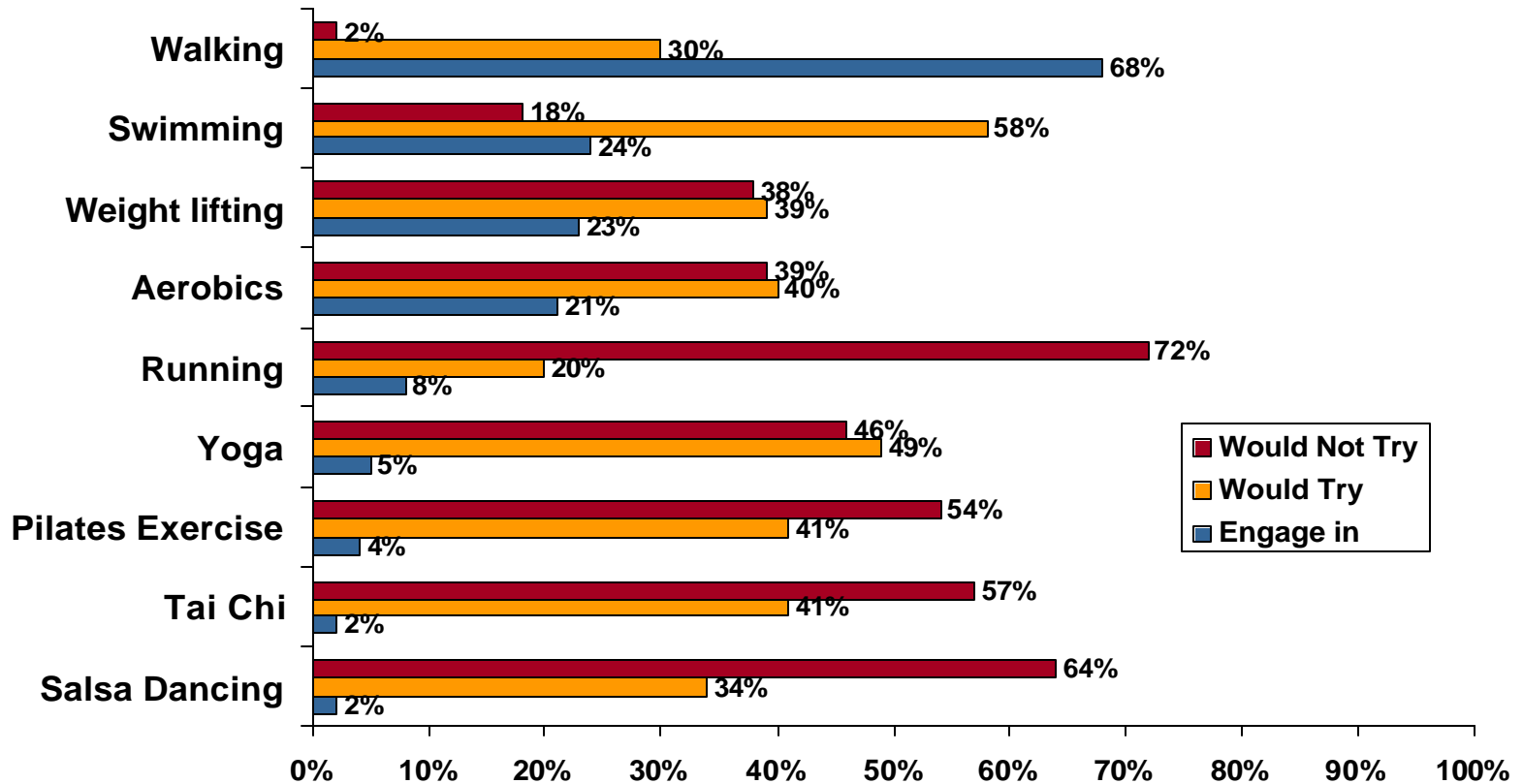


Health and Fitness

Exercise

Baby Boomers are more likely to engage in traditional exercise programs such as walking, swimming, and weight lifting and less likely to try less traditional exercise such as Pilates, Tai Chi, or Salsa Dancing.

Which of these exercise programs do you currently engage in, or would you be most likely to try?



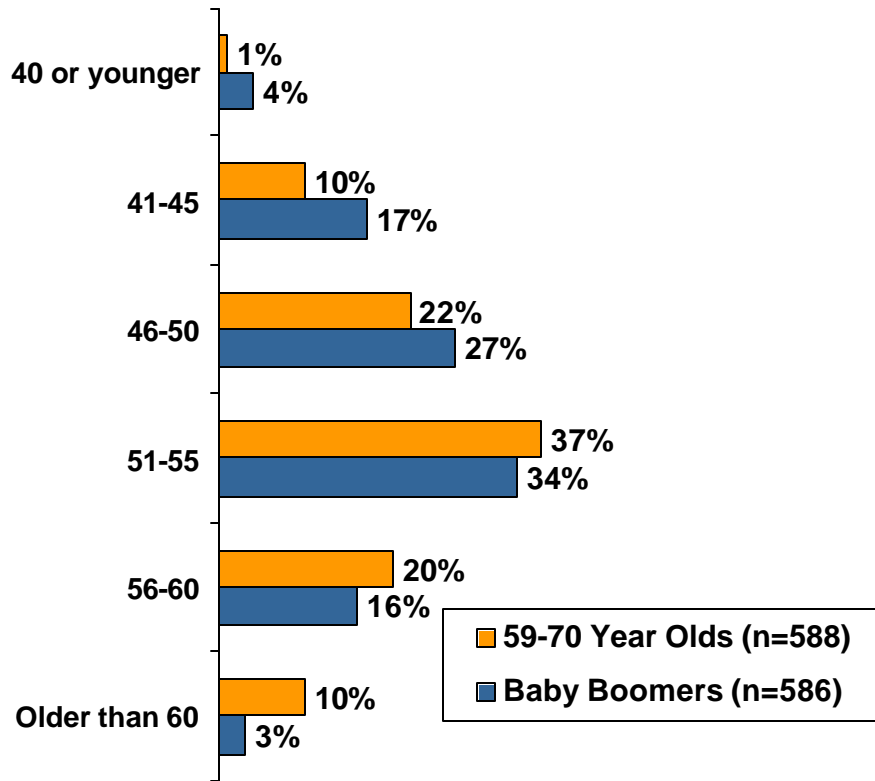
Base: Baby Boomers (n=586)

Health and Fitness

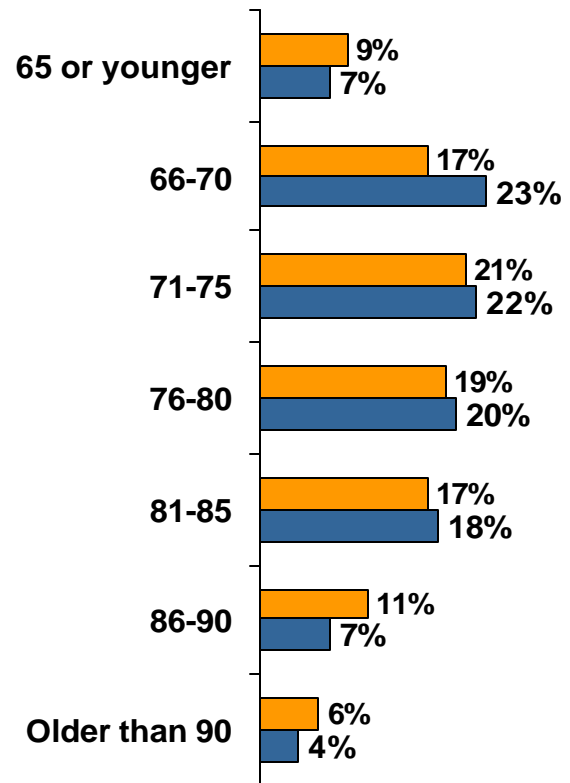
Middle Age and Old Age

Baby Boomers are somewhat split on what they consider to be middle age and old age. The majority believe that middle age spans the years from 46-55 (61%). In terms of old age, roughly one-fifth of Baby Boomers select each of the age spans from 66-70, 71-75, 76-80, and 81-85.

What age do you consider to be “middle aged”?



What age do you consider to be “old age”?



Finances

More than one-third (36%) of Baby Boomers and nearly one-half (47%) of those aged 59-70 think that they will have enough money to live comfortably once they retire. It is of some concern that two-fifths of Baby Boomers (40%) are not sure if they will have enough money to live comfortably. Further, one-fourth of both Baby Boomers (25%) and those aged 59-70 (23%) do not think they will have enough money.

Baby Boomers and those aged 59-70 did not save a large amount of money for their children's education. Only 10% of Boomers and 14% of those aged 59-70 saved \$30K or more. More than one-third (36%) of Baby Boomers and 45% of those aged 59-70 did not save any money for their children's education. Furthermore, raising their children did not result in debt. Roughly one-third of Baby Boomers and nearly three-fifths of those aged 59-70 did not have any debt associated with their children when they left the family home. Of those who had debt, the amount of debt was relatively minor – 43% of Baby Boomers and 30% of those aged 59-70 had less than \$10K in debt.

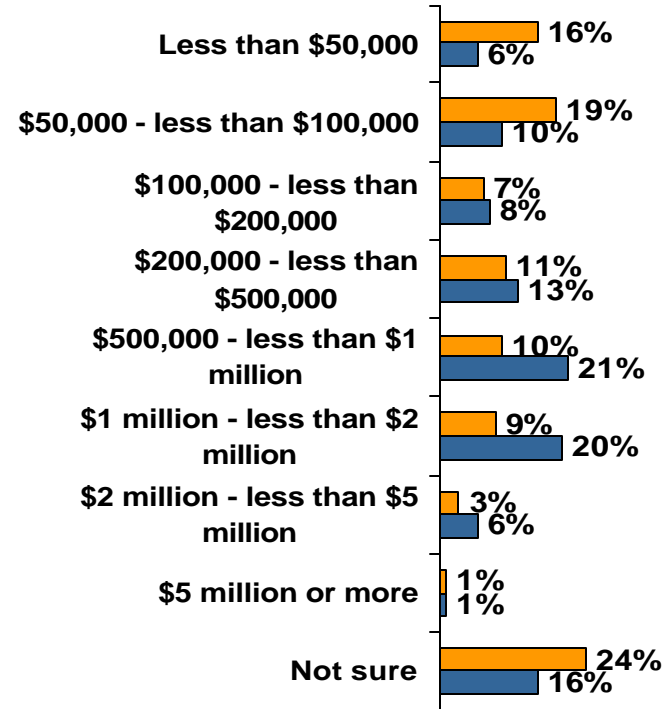
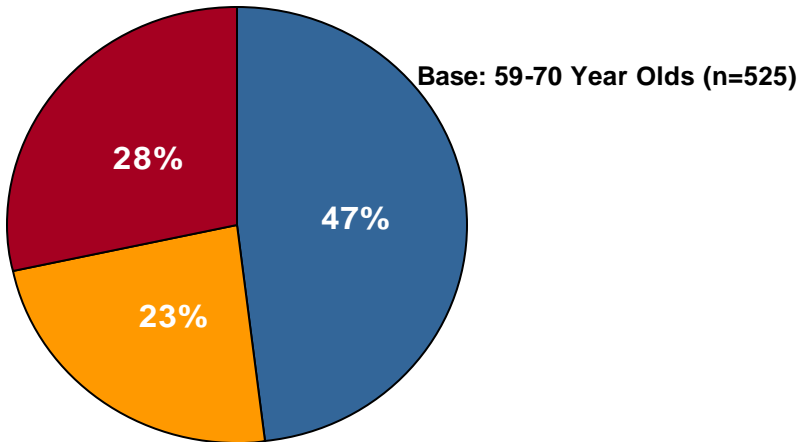
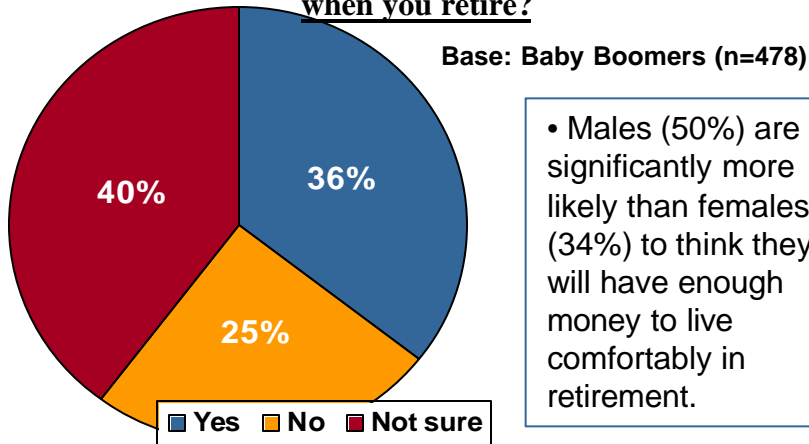
The majority of Baby Boomers claim that their disposable income has either increased (67%) or remained the same (35%) since their children left the family home. Those aged 59-70 (57%) are slightly less likely to claim their disposable income has increased. Those with an increase in disposable income are most likely to invest or save it, spend it on travel, or spend it on home renovation.

Finances During Retirement

More than one-third (36%) of Baby Boomers and nearly one-half (47%) of those aged 59-70 think that they will have enough money to live comfortably once they retire. It is of some concern that two-fifths of Baby Boomers (40%) are not sure if they will have enough money to live comfortably. Further, one-fourth of both Baby Boomers (25%) and those aged 59-70 (23%) do not think they will have enough money.

Did you/do you think you will have enough money to live comfortably when you retire?

How much money do you think is necessary in order to live comfortably when you retire?



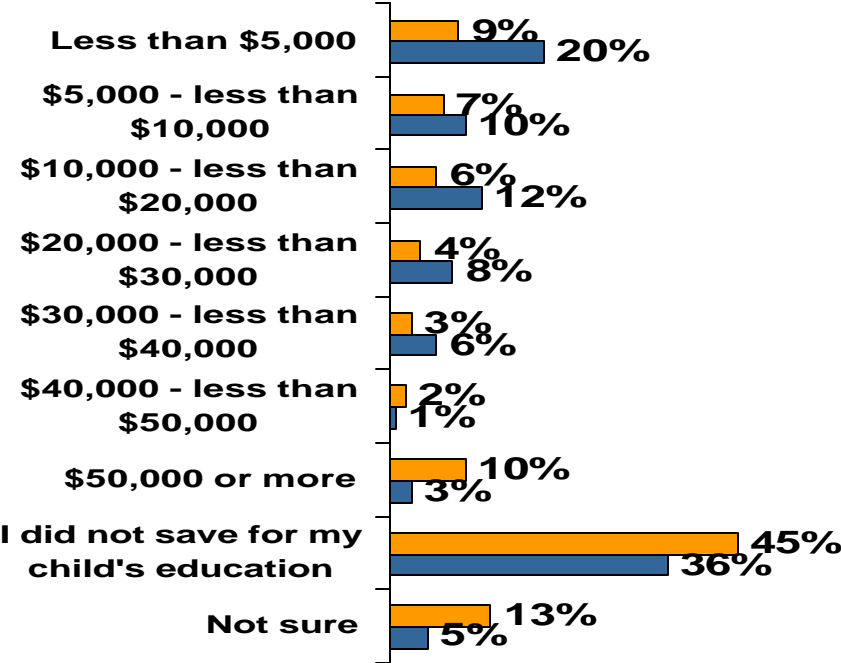
■ Baby Boomers (n=478) ■ 59-70 Year Olds (n=525)

Finances

Money Spent on Children's Education

The majority of both Boomers and those aged 59-70 did not save a large amount of money for their children's education. Only 10% of Baby Boomers and 14% of those aged 59-70 saved \$30K or more. More than one-third (36%) of Baby Boomers and 45% of those aged 59-70 did not save any money for their children's education.

On average, how much money did you save for your children's education?



■ Baby Boomers (n=465) ■ 59-70 Year Olds (n=522)

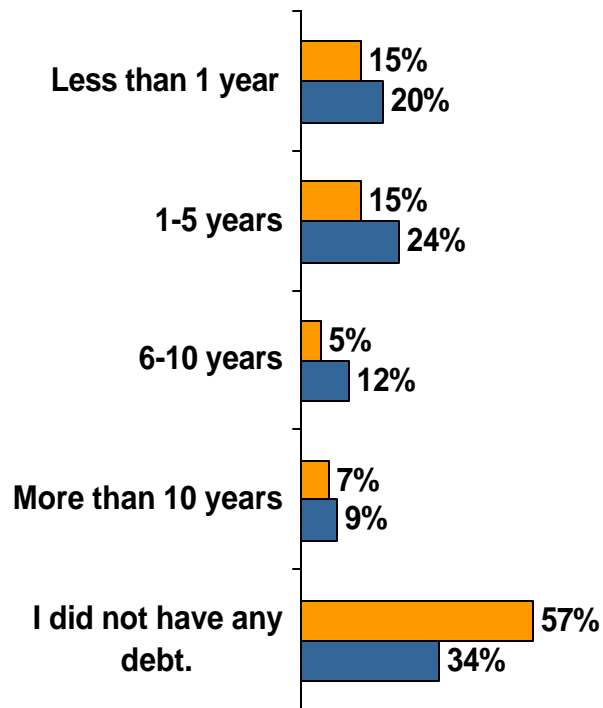
'Decline to answer' responses excluded from percentages

Finances

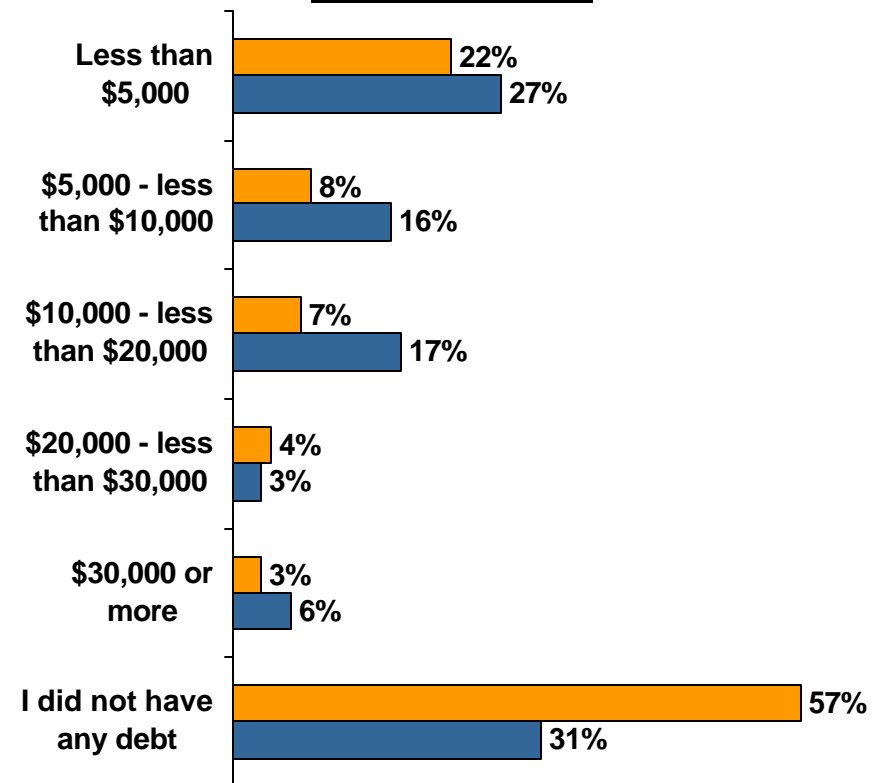
Debt Associated with Children

Roughly one-third (34%) of Baby Boomers and nearly three-fifths (57%) of those aged 59-70 did not have any debt associated with their children when they left home. Of those who had debt, the amount of debt was relatively minor – roughly two-fifths (43%) of Baby Boomers and 30% of those aged 59-70 had less than \$10K in debt.

How long did it/will it take you to pay off the debt associated with your children after they moved out of the family home?



On average, how much debt per child did you have when they left your home?



■ Baby Boomers (n=255) ■ 59-70 Year Olds (n=446)

Finances

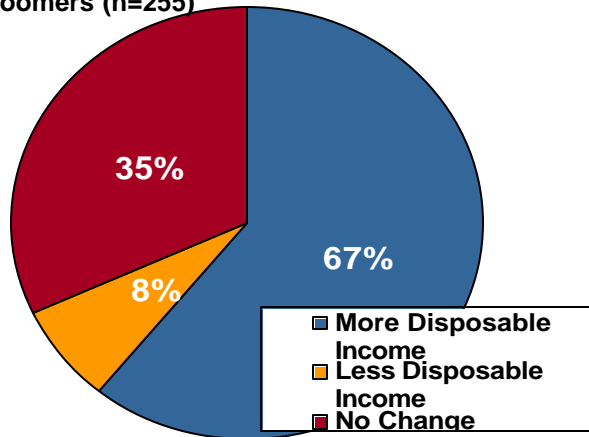
Disposable Income When Children Leave

The majority of Baby Boomers who are empty nesters claim that their disposable income has either increased (67%) or remained the same (35%) since their children left the family home. Those aged 59-70 (57%) are slightly less likely to claim their disposable income has increased. Those with an increase in disposable income are most likely to invest or save it spend it on travel or spend it on home renovation .

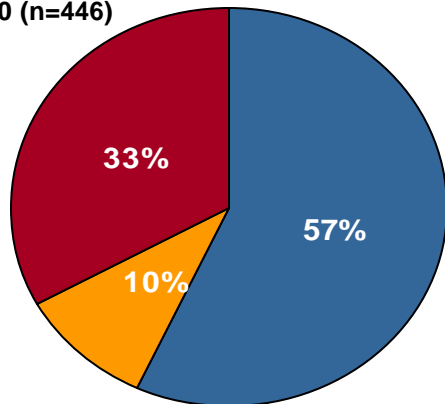
Since your children moved out, has the amount of disposable income that you have changed?

What do you plan on doing with your additional disposable income?

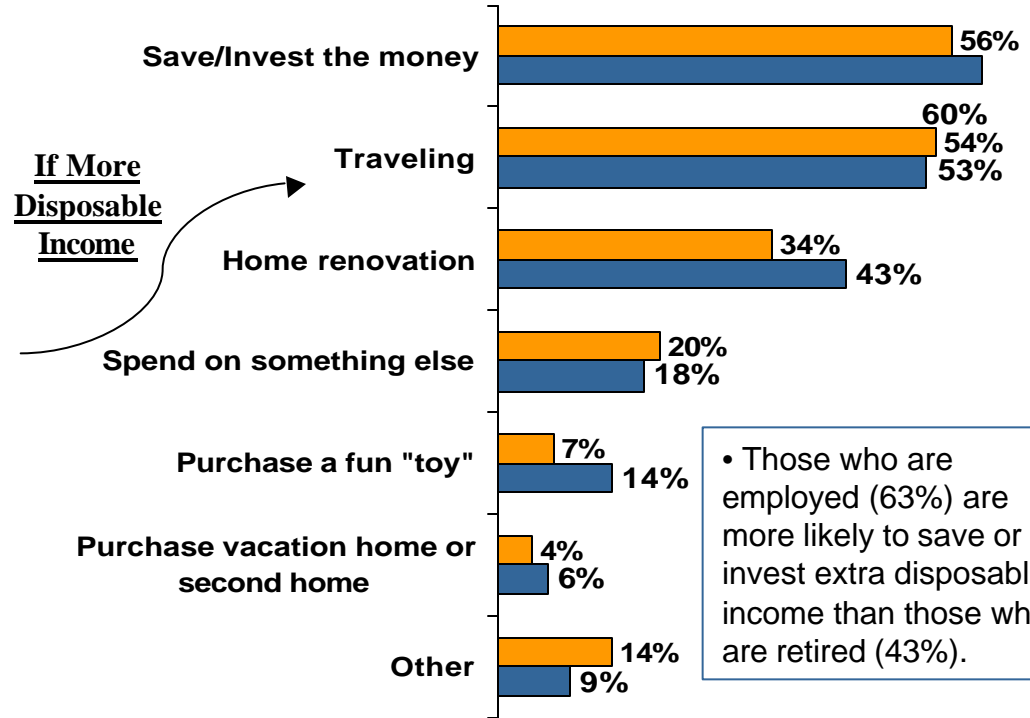
Base: Baby Boomers (n=255)



Base: Aged 59-70 (n=446)



If More Disposable Income



• Those who are employed (63%) are more likely to save or invest extra disposable income than those who are retired (43%).

■ Baby Boomers (n=136) ■ 59-70 Year Olds (n=275)

Finances

Luxury Items

Both Boomers and those aged 59-70 would be most likely to purchase an RV or a high-definition television if they had the extra money. Baby Boomers (18%) would be more likely to purchase a sports car than those aged 59-70 (7%)

Assuming that you could afford any of the following, which one item would you purchase?

