

At What Age Should You Downsize?

The right age to downsize as a senior depends on your health, finances and many other unique factors. Some of the reasons seniors move into smaller homes include proximity to loved ones, ability to do maintenance, excess unused space and unrealized equity in a property. It may also depend on your ability to perform activities of daily living. Some older adults never move from their homes, and others choose to relocate to a smaller dwelling as soon as they enter retirement.

Why Do Seniors Downsize?

Downsizing can take many shapes, but for many seniors, it means moving from a home to a smaller property, such as a house with less square footage, an apartment or an independent living community. Downsizing has a financial aspect and a practical, everyday effect. Selling your home and moving into a cheaper place can free up money for your hobbies, traveling or other activities that you want to do in retirement. It also gives you money for medical and long-term care services that you may need. A newer, smaller home may mean fewer chores and easier movement, putting less stress on you physically and providing peace of mind to your loved ones.

Good Reasons to Downsize

Despite more than half of all adults saying that they want to age in place, seniors aged 65 and older make up a large market for smaller homes in the United States. That's because there are plenty of good health, financial, social and family reasons to move to a smaller house. You may want to downsize if you:

- Have housing costs that are unreasonably high, more than 50% of your income is considered a financial burden.
- Need the equity in your home to pay for health care, equipment or other supports.
- Have a lot of unused rooms and space in your home that you don't really need.
- Can't use all parts of your home due to accessibility issues.
- Aren't able to handle the maintenance for your property, which can cause devaluation.
- Are no longer tied to your community due to work or family.

Deciding on the right age to downsize can seem like a tricky balancing act with all the factors involved. It's normal to feel that you're making the move a bit too early or a bit too late, but you don't need to fully optimize your timing to benefit from your move. By understanding the true value of your property and knowing how much it will cost to get a place that meets your needs, you'll set yourself up for a great future.

Content in this material is for general information only and not intended to provide specific advice or recommendations for any individual.

This material was prepared by Caring.com