

Your Guide To Downsizing Your Home to Enrich Your Life



Downsizing with Deb Deschamps

How to plan and implement your downsizing adventure to make it a positive and rewarding experience

TABLE OF CONTENTS:

- How do you know it's the right decision?
- Your new place
- Your timing
- Taking stock
- Sort and label
- Financial planning
- who's on your team
- Preparing your home for sale
- movers and packing
- Conclusion

How do you know?

How will you know when it's time for a transition? How do you know if downsizing is the right move?

1. Money. Are you dreading the next oil tank fill? The tax bill? Hazard insurance? Electric?

Do you have equity in your current home? Do you currently have a mortgage? Many folks have paid off their homes years ago and have re-financed to get cash out for current necessities. (That in itself, may be a sign.) Others have many thousands of dollars in equity in their home, but still live like paupers. Or, are you "house poor" and can't do many of the things you'd love to do because of the expense of owning your home?

2. Are there rooms in your home you don't use except for storage?
3. Do you dream of doing things you aren't able to do for fear of leaving your home empty?
4. Are there loved ones out of the area that you wish you could see more of?

THE most important part:

The most important part of this discovery is quality of life. Does downsizing your home downsize your social network? Does the total cost of downsizing vs. staying in your current home make sense? Will downsizing enhance routines and activities you enjoy? How long are you likely to live in this new space? (Which may bring the “aging-in-place” scenario into the picture.) Does this move put me closer to people I want to be near?

Assuming it's the right decision, let's go to work on your Transition Plan.

Your New Place

Possibilities:

A condominium

An apartment rental

A manufactured home within a mobile home park

A 55 and over housing development

A duplex bought with a family member or friend

An “Aging in Place” retirement community.

An assisted living facility

Put an addition on another family home as an “in-law” suite

Do I sell first, rent, and then purchase a home? Do I purchase a home before selling my current home? What's the best way?

This will largely be determined by your financial ability and what you owe on your current home. If you own your home free and clear, you may want to use the equity in it to purchase your next home. Many people would find owning two homes stressful, and financially taxing even if there's no mortgage. Others would prefer the ability to get moved and settled into their new place before putting their current home on the market.

What if my home sells, but I haven't found my next home yet? We'll list your current home with the disclosure built into the listing that your sale is contingent upon you finding a home your happy with. Technically, we call this: “Subject to seller finding suitable housing.”

Plan what you'll need in a home for the next five to ten years. One-level living? In what area of your home do you spend the most time? How much entertaining do you plan to do? Overnight guests? Needing in-home care of any kind? Do you have pets needing specific indoor or outdoor spaces? How important is the size of your kitchen? Do you need more than one bathroom? Transportation? Urban with nearby shopping? Or rural for the enjoyment of walks in nature? Do you need to pay attention to the availability of a wide range of health care?

If you're thinking of retirement communities, think about what lifestyle benefits you're looking for, and how active you'll want to be. Some people prefer to be in the mix of the population. However, some people find the services and benefits that retirement communities offer to be very easy and stress-free living with very low or no maintenance. If a retirement community is on your radar, consider the concept of “aging in place”. This goes back to the question of how long you anticipate living in your new home. Is it something that you can transition into more care as you might need it in the future?

Use the downsizing financial worksheet included in this booklet. Consider future maintenance expense (if any), current and possible future taxes and insurance expense, snow removal/landscaping. How about a car? If you're relocating to a place with great public transportation, you may not need a vehicle.



Timing:

“The confused mind takes no action”.

Don't rush – but don't procrastinate either. Many seniors wish they'd started earlier when they were in better health and/or had more energy. Like most projects, downsizing and moving can take longer than you anticipate. Allow yourself ample time especially for sorting and labeling. Start with a single room and a single drawer. The interesting thing I've seen repeatedly is that as tough as it is to start, it takes on an almost joyous momentum of its own once the “clearing out” process begins. Clutter is unhealthy. It feels good to eliminate it.

Also on the subject of timing: Will your home require repairs or other work before listing? If it does, and if you're planning to do any pre-listing repairs, factor that in to your time table as well.

Spring is a great time to market and sell a home, but marketing to buyers in the winter means marketing to serious, motivated buyers who may be in a position to pay more for your home because of their circumstances. But if you do decide to wait until warm weather, winter could be a great time to spend de-cluttering and cleaning out to be ready in the spring.

Random Tip: If you'll have a mortgage when you buy your new home, get a 15-year mortgage with a fixed rate. If you're saving \$500 a month from downsizing and can apply that each month to your mortgage at a 4% interest rate, you could pay a \$200,000 mortgage in full in less than 11 years – and save about \$25,000 in interest.



Taking Stock

.... in your belongings.

Begin with rooms or spaces you use the least, such as the garage, the basement or the attic.

What do you feel you must keep?

What do you know you can live without?

What can be replaced?

Keep a separate sheet for each room. But make one master sheet with a list of every room in the house.

You'll feel a sense of accomplishment as you check off each room you've finished.

Designate an area or a room where you'll collect items that will be sold, donated, gifted or trashed.

Sort and Label

You'll need Color-coded dots, Large permanent markers, cardboard boxes, see-through bins, large and small plastic garbage bags.

For many people, this is where some of the excitement begins to build. A sense of weight being lifted, as the material "stuff" of years and years is let go of, so with it goes a feeling of down, being anchored, held stuck in place - feelings that had never even been recognized or acknowledged.

For others, this isn't the case. It can bring about feelings of sadness or remorse to see the accumulation of so many years – in some cases, 20, 30, 40 years and more! become just something that needs to be gotten rid of.

To help with this, take photos of those things you can't or won't take, and a photo album created. Sometimes a chronology can be created as to when it was obtained, where it came from etc., and referred back to as many times as is desired.

I've known many downsizing seniors to find this very helpful.

Categories:

KEEP: Items you need or use regularly and know you'll have space for

SELL: Craigslist, Amazon marketplace, eBay, and Facebook marketplace are all on-line venues you can use. Ask your Realtor for names of estate sale companies, have a garage sale.

GIFT: Items you'd like to give to family members or friends

TRASH: Items that are broken or worthless, including papers that can be shredded

STORE: Items that you don't use regularly, but that you want to keep

Your Financial Planning

How much will this downsizing process cost? These forms will help you to identify your current expenses and at least to an extent, anticipate your future expenses – to be sure that this is a move that makes sense economically, as well as emotionally. Also, see preparing your home for sale.

In addition to calculating the comparisons between your current home ownership and your future homeownership, you'll want to know the cost of selling, the expense of a moving company, costs of selling your home including attorney fees and commission fees, etc. With the sale of your home, you'll want to have a "net sheet" that shows you the breakdown of expenses.

Current Monthly Home Ownership Expenses	
Description	Monthly Amount
All Utilities Average Monthly Cost	\$
Housing Cost (Mortgage, Rent, etc.)	\$
Private Mortgage Insurance (PMI)	\$
Home Maintenance Expenses	\$
Monthly Insurance Expense (Property, Renter's)	\$
Property Taxes (Monthly)	\$
Average Monthly Home Repairs	\$
Pest Control	\$
Lawn and Outdoor Maintenance	\$
HOA Fees	\$
Lawn Sprinkler System	\$
Swimming Pool	\$
	\$
	\$
	\$
	\$
	\$
Total Home Ownership Expenses (All Above)	\$

Expected (After Downsizing) Monthly Expenses Worksheet B

Expected Monthly Home Ownership Expenses	
Description	Monthly Amount
All Utilities Average Monthly Cost	\$
Housing Cost (Mortgage, Rent, etc.)	\$
Private Mortgage Insurance (PMI)	\$
Home Maintenance Expenses	\$
Monthly Insurance Expense (Property, Renter's)	\$
Property Taxes (Monthly)	\$
Average Monthly Home Repairs	\$
Pest Control	\$
Lawn and Outdoor Maintenance	\$
HOA Fees	\$
Lawn Sprinkler System	\$
Swimming Pool	\$
	\$
	\$
	\$
	\$
	\$
Total Expected Ownership Expenses (All Above)	\$

Your Team

What's in a "Team"?

We have a list of vendors that allows us to provide "concierge service" as part of your transition plan. If you decide to have Downsizing with Deschamps help in a consultative approach, you'll have the benefit of someone partnering with you in every step of every aspect of your move. Getting estimates for movers, scheduling and overseeing contractors and repairs, helping to organize estate sales, etc.

Realtor

Stager

CPA

Financial planner

Attorney

Estate sale company

Contractors

Cleaners

Landscapers

Preparing your Home for the Market

When you meet with your Realtor, take a walk through the home to create a “big list”. This would be a wish list of all the ideal things that could be done. Then sit down with your agent to choose those items that are the most important to the sale of your home, and then from that list you can select the items that you are willing to do. You’ll need to pay your vendors, but most likely your agent will help you with coordinating the repairs and staging services at no additional cost.

Curb appeal is critical, and you don’t have to spend a fortune to give your home a facelift.

Kitchens and bathrooms can be a turn on or a turn off. A complete remodel usually is not necessary and may not be a wise use of funds. Anything you can do to update on a budget in these rooms can make a significant difference. Replace an old appliance, changing an old toilet or upgrading the counter tops can be affordable and do make a big difference.

De-clutter and then de-clutter some more. Make your home décor as lean and clean as a model home. In fact, taking a walk through a few model homes could give you some simple staging ideas that you can implement easily in your own home.

Remove wallpaper and brighten up -especially dark rooms – with a lighter colored paint. A neutral palette is best to allow the buyers’ imaginations to run free.

Fix obvious defects: broken tile, torn screens, cracked driveway, etc. Buyers may feel these minor flaws are hiding bigger issues, or they may ask for significant discounts for repairs that won’t actually cost you much to do.

Clean or replace carpet and remember to keep the color neutral. If your carpet is bad and there are hardwood floors underneath, you may be able to get away with stripping the carpet and cleaning up the wood floors. Even if they aren’t perfect, the buyer may prefer it to dirty carpet.



Movers and Packing

Selecting a mover: Get written estimates from several moving companies. Once you decide on one, sign a contract that includes a specific price. Ask plenty of questions and be certain you understand about the amount of insurance they'll provide on your possessions.

Reserve the move date.

Once you've taken stock, sorted and labeled, it's time to let the packing begin. Let your family or moving professionals pack your belongings. When you allow movers to pack your belongings, it can give you peace of mind - moving companies insure the contents of the boxes in case of damage. Be sure each box is labeled with the room where it belongs and a general list of what's inside. Example: KITCHEN: SILVERWARE AND UTENSILS

Random tip: Photograph your valuables so that you have a record of their condition before the move. Keep smaller valuables with your personal items and either carry them with you, or place them in a safe deposit box during the move.

Use the attached form for your potential movers.

Potential Movers:

1. Name: _____
Address: _____
Phone: _____
Email: _____
Estimate: _____
Deposit Required Y_____N_____

2. Name: _____
Address: _____
Phone: _____
Email: _____
Estimate: _____
Deposit Required Y_____N_____

3. Name: _____
Address: _____
Phone: _____
Email: _____
Estimate: _____
Deposit Required Y_____N_____

4. Name: _____
Address: _____
Phone: _____
Email: _____
Estimate: _____
Deposit Required Y_____N_____

Final Choice: Name: _____
Phone: _____
Date of Move: _____
Deposit Paid: _____

Conclusion

I believe that our industry devotes more attention toward encouraging and guiding first-time buyers, and those “moving up” to larger homes than it does in effectively addressing the needs of those seeking to “right size” or downsize their home-related lifestyle.

The lack of focus on this pronounced North American downsizing trend, influenced by the maturation of Baby Boomers has created an unmet need in our industry and in our culture.

For this reason, I’m pleased to make on-going assistance available to those in our community contemplating such an important move, ensuring that such a move is “by design” , done with dignity. Empowering, with quality of life as the most important focus, resulting in an enriched lifestyle.

Is NOW the time to take that step to downsize, to explore the opportunities?

Contact me at 413-530-8356 today to arrange your private consultation.

Thank you for your kind attention,

Warmly,

Deborah Deschamps, Realtor

Deschamps Realty Team, IncReal Living Realty Professionals

deb@deschampsrealtyteam.com

Deschampsrealtyteam.com

INTERESTING FACTS:

In 1900 avg life exp was 47. Today it's 78 and if you make it to 65 you can expect to live 19 more years.

For the first time in history, long life isn't a rarity. If you're 50, you have half of your life ahead of you.

Over half the people born today will live to be 100.

By 2030, people age 65 and over will number over 71 million and comprise nearly 20 percent of the population.

The fastest growing age group is people 85 and over

By 2040, people age 60 and over will outnumber children for the first time in the history of the world.



413-530-8356

deb@deschampsrealtyteam.com
