

Downsizing,

when is the right time?

You know, it's not as hard as you think.



The downsizing journey might seem overwhelming and daunting, but it doesn't have to be. Like every journey, it starts with one step at a time. One of the most important parts of the journey is timing ie. you choose when to start and then you get to direct traffic. Often the decision may come too late, such as an event that forces the decision when you aren't prepared. So, when is the right time? Well, when you are ready and fit enough to manage the step as a couple or single and of course, with support.

Having had many years of involvement with communities such as Edenlife, one of the most often heard remarks by residents, when asked whether they had any regrets after having moved to a gated community, the answer most often is "we regret not having made the decision sooner". "This new phase of our life is mostly about lifestyle and experiences, material things have become less important", is also almost always quoted.

So just what is downsizing and what are the benefits?

Downsizing from a home that has become too large for our needs can give us a new lease on life. Where a large property was once the ideal choice when our children were growing up, it's now become a burden on our everyday lifestyle and responsibilities.

Luckily, there are excellent options around dealing with an oversized, empty space you find you no longer need and there are numerous benefits that come with it.

For example, housing options like Edenlife Communities, who offer affordable homes for those looking for a modern, fully equipped home, without the sacrifice on amenities. Downsizing doesn't mean you have to compromise. Here are a few important factors to consider and what you can expect once you've made the decision to downsize.

Time to get rid of that mortgage

Downsizing can remove the stress of having to keep up mortgage payments later in life. Eventually, keeping up with these payments, as well as rising council rates and power, can eat into other spending options and affect the lifestyle you desire and deserve. In selling your family home and freeing up the equity, you'll be able to afford a new, lower priced home in a fantastic community that you still own outright. Best of all, your money will not be eaten up paying council and water rates.



Freeing you up from around-the-home maintenance

Another benefit of buying a smaller home is that there is no significant maintenance to undertake. Hanging onto a larger space comes with more responsibility to clean and keep up with routine repairs.

If you are still working, as many baby boomers are, the upkeep of the house can cut into time for your other pursuits. Homes within Edenlife Communities have been designed and built to specifically and substantially reduce the need for ongoing significant and timely maintenance. With an onsite team that looks after all community facilities, common areas, front home gardens and the retic, you can concentrate on choosing what you want to do, not what you have to do.

The savings gap

As we reach the age of 65, another barrier to a comfortable future can loom in the form of a savings shortfall. We are the generation who came late to saving and to compulsory superannuation.

Our equity is in our homes.

Although average superannuation savings for most Australians is on the increase, for many, personal circumstances have meant that expected savings targets have not been met or have been used for unexpected events (ie. COVID-19 in 2020). Even for those who have saved for retirement, your savings may not cover your needs. Average life expectancy now stretches into the 80's and that is very likely to increase.

So, here is a solution...access your home equity.

Getting equity back

Many older Australians have their equity tied up in the family home. Downsizing is a way of freeing up that money. It allows you to ensure you have enough to live on comfortably, giving you security for the years ahead. You can also use some of those funds to buy the new car and caravan that you have been dreaming about.

According to the Australian Housing and Urban Research Institute, older Australians are rapidly choosing to downsize and with the federal government keen to free up housing stock owned by older Australians, incentives will allow older generations to deposit \$300,000 from the sale of the main residence into a superannuation fund. Not only will this relieve financial burdens, it will also allow younger buyers a way into the market that has been impacted by a housing shortage both for purchase and rental.

Sell those surplus items

Of course, we all have many treasured items that we have accumulated over a lifetime of experiences. Many of those treasures will make their way into your new home and some into your kids' or extended family's homes. Either way, downsizing gives us the opportunity to re-evaluate what we really need and those items no longer required. You can make some extra cash through sales on eBay and Gumtree. You can even put this earned cash towards brand new furniture to suit your brand new home.



A new lifestyle to look forward to

Downsizing can also be a step in the right direction for shifting your focus back to your own sense of self, your time to enjoy. It gives you the ability to figure out what you really want to do in the later years of your life.

According to data released by Social Services Minister Amanda Rishworth on 7 September 2022, more than 8,000 Australian pensioners downsized last year and took advantage of the opportunity to top up their superannuation fund.

Edenlife Communities allows for an independent lifestyle within a welcoming environment living in a community of like-minded residents. While some residents are still within the workforce, some are semi-retired, while others are permanently retired. But as neighbours, you'll be able to enjoy living in the vicinity of those from your own generation, within a protected and security community.

With exclusive access to a wide range of resort style community facilities along with a broad range of community activities at Edenlife, you'll have your own wonderful life, no matter what happens outside the front gate.

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