

Housing Choices for the Later Years: Introduction

It's easy to become a creature of habit. Once you find something that works, it takes a lot of effort to make a change. This is especially true for housing. If you are accustomed to the old home place, you may find it hard to think about "pulling up roots" and starting over again in a new home. But a home that works well in the middle years may not be the best choice for the later years—unless you do some careful planning. Now is the time to think about new housing choices—before an emergency or crisis forces a hasty decision.

Your Place in the Sun

Start with the **big question**: what kind of community do you want to live in? Decisions about the actual housing structure will come later. The type of community that is best for you is a personal decision, based on your special needs and interests. Carefully consider the importance of each item on the list on page 2. (Each person involved in the housing decision can complete this list on a separate sheet of paper, then work together to fill it in.)

Now analyze the list. Select five items that are most important to you. Put a star by those. Are most of the starred items available in your present community? If so, staying where you are may be a wise choice. If not, you may need to consider a new community.

You and your partner may disagree on where you would like to spend your later years, but sharing the final decision is very important. Consider what the best housing plan would be for each of you if the other died.

Visit the communities that interest you most before making a final decision about moving or staying. Vacation in these communities. Try to visit each community at several different times of the year. Subscribe to local papers of the community before you visit. This will help you get the "feel" of the place. Get to know some local residents and find out what they think of the community. While you are visiting, attend church or other community meetings and try out some of the recreational activities. Use the Community Assessment Checklist at the end of this publication to analyze communities.

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What matters to me?	Very important	Somewhat important	Not important
1. People who count most in my life nearby (to visit, exchange help, or provide support as needed)	_____	_____	_____
2. Community that fits my lifestyle (rural solitude, city bustle, churches, cultural events, recreational activities, senior citizen center, new experiences)	_____	_____	_____
3. Climate that is right for me (warm winters, changing Iowa seasons)	_____	_____	_____
4. Medical services nearby (doctors, dentists, clinics, hospitals, ambulance, respite care)	_____	_____	_____
5. Services that enable older people to live in their own homes (home nursing, home-delivered meals, congregate meals, grocery delivery, chore services, homemaker services, home health aides, transportation, telephone reassurance calls)	_____	_____	_____
6. Affordable living costs (food, medical services, taxes, transportation, utilities, other goods and services)	_____	_____	_____
7. Merchants in tune with needs of older adults (home delivery, service calls, discounts for senior citizens, consumer protection for fraudulent home repair schemes)	_____	_____	_____
8. Opportunities for employment and/or volunteer work (part-time jobs, new careers, teaching adult education classes, foster grandparents, library or school aides)	_____	_____	_____
9. Strong police and fire protection	_____	_____	_____

Housing for Life Stages

Most people continue to stay in the same home during the later years. But don't assume that where you live now will automatically be the best place for you to live in the future. Begin by analyzing your present home to see if there is a "good fit" between your interests and abilities and the responsibilities required by your dwelling. For example, can you handle the yard work and snow removal in your current home? Consider any changes in the compatibility between you and your housing as you age. If your health declines, will you be able to live comfortably where you are?

As you age, you are likely to go through a series of three life stages. These life stages are identified below. Although not everyone goes through all stages, you can better plan your future housing if you imagine yourself at each stage.

Stage 1—Living on Your Own

If you want the freedom to travel, to pursue your own interests, to "call your own shots" with little interference, there is nothing like living in your own separate household. You may enjoy doing maintenance and yardwork, or you may prefer to pay someone else to handle these chores. The key factor is that you don't feel tied down by these housing responsibilities.

Stage 2—Sharing Housing Services

If you are looking for relief from the responsibilities of managing your own home (financial or otherwise) or are finding it lonely in your present location, you may like living in a retirement community, boarding home, elder cottage, accessory apartment, or in a house shared with others. Although you can enjoy the benefits of sharing housing services with other people who live nearby, in most cases you still have your own private living unit and can come and go as you please.

Stage 3—Getting Nursing Care

If your needs for personal or medical care are a daily concern, you may wish to consider a group living situation with round-the-clock assistance. A move to a nursing home does not mean giving up all freedom. Even though you may have physical limitations, a good nursing home will encourage you to plan your own daily schedule and will provide many activities to appeal to your special needs and interests.

Housing choices that are appropriate for each stage are identified in the diagram across the bottom of pages 4, 5, and 6. Notice that the level of housing services needed increases with each successive stage. A brief description of each housing type follows. If any of these options interests you, try to find out if they are available in your chosen community. If not, you may need to consider other housing choices or a new community. (Publications that describe the housing options for each of the three life stages in greater detail are available at your local extension office. Ask for publications: *Housing Choices for the Later Years: Stage 1* (Pm-1227a); *Housing Choices for the Later Years: Stage 2* (Pm-1227b); and *Housing Choices for the Later Years: Stage 3* (Pm-1227c).

**Single-family Home**

This self-contained structure does not share walls or yard with other housing units. The family usually develops strong psychological ties to home.

- The home is an investment, but it may be difficult to get cash out of it when needed.
- Property taxes and mortgage interest are deductible from income taxes.
- Maintenance and repair expenses are unpredictable.
- Owner has privacy and freedom to use home to suit own preferences.
- Home represents stability and putting down roots in community.

**Condominium or Cooperative**

Condo residents own separate units in apartment buildings or townhouse complexes. In cooperatives, each household owns a share of the entire building. Fees are assessed to maintain common areas in both coops and condos. Coops are more common in large cities, retirement communities, and time-shared vacation complexes.

- Property taxes and mortgage interest are deductible from income taxes.
- Residents furnish interiors to their tastes.
- Management establishes rules for residents.
- Moving out of coop may be difficult if other stockholders veto sale.

**Mobile/Manufactured Home**

The factory-built home is usually installed on a permanent site in a mobile home park. It is usually owned, but also may be rented.

- Home purchase usually includes furnishings and equipment.
- Mobile/manufactured homes are usually less expensive than conventional homes.
- Home expenses include mortgage payments plus park rental.
- Management establishes park rules.
- It is sometimes difficult to find park space.
- High winds can be dangerous. Homes need approved tie-downs and parks should have tornado shelters.

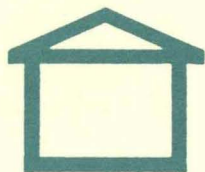
**Apartment**

This self-contained living unit is within a multi-unit structure.

- Landlord is responsible for repairs and maintenance.
- Renter expenses are usually more predictable than homeowner expenses.
- Special services such as laundry facilities, swimming pools, and recreation rooms may be provided.

Housing for Life Stages**Stage 1: Living on Your Own**

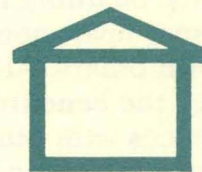
Single-family home



Condominium or cooperative



Mobile/
manufactured home



Apartment



Government-assisted housing

Fewer housing services ←

More Things to Consider

Study your financial situation and possible tax implications before considering a housing move. If you sell your principal residence after the age of 55, you are allowed up to \$125,000 profit free of capital gains tax. A move might be appropriate if you plan to move after you retire and if you can find suitable housing at a lower cost. And in addition, it frees up your money for living expenses, travel, or investments.

There are two points to remember in regard to this tax break. You can take the \$125,000 exemption only once in your lifetime. Before you marry or remarry, this one-time tax exemption should be considered carefully. If you marry someone who has already taken the tax exemption, marriage nullifies your right to take the exemption. The IRS considers a married couple as one person. So you may want to sell your home before you marry.

Be sure that your housing fits your needs. If you are not happy with "your fit," there are several options available:

- **Adapt** your present home to increase its convenience, comfort, and safety.
- **Add** special services, such as yard care or home maintenance assistance, to ease your housing responsibilities.
- **Move** to housing with the features you need.

Thoroughly investigate the community support services that may be available. Even if you need constant medical supervision some day, it may be possible to obtain this assistance at home with visiting nurses or homemaker home health aides. Similarly, meal responsibilities could be reduced if congregate meals or home-delivered meals are available. These community support services may postpone or altogether eliminate the need to move to a nursing facility.

Use the Community Assessment Checklist on the next two pages to analyze the support services available in the community you are considering for a future home.

Accessory Apartment

A single-family home is remodeled to include a permanently attached apartment. The apartment usually has a separate entrance, but is connected to the rest of the home by an interior door.

- Accessory apartments allow both independent living and trading of services with family members.
- Remodeling may be expensive, but it is usually cheaper to maintain two households under one roof than to operate two separate housing units.
- Many communities must change zoning regulations before these units can be installed in single-family neighborhoods.

Shared Housing

Two or more unrelated people share this dwelling. Each usually has a separate bedroom, but share common living areas with other residents. Two basic types of shared housing are: (1) group homes administered by a sponsoring agency, and (2) match-up programs in which people with rooms to spare share with others needing space.

- Housing tasks and costs are shared.
- Sharing provides security and companionship.
- Dividing duties may be difficult; sponsoring agency may mediate disputes.
- Close living with others may be difficult; private space to "get away" is important.

Living with Family

The older person moves into the home of a family member. The older resident usually has a separate bedroom, but shares living space with other family members.

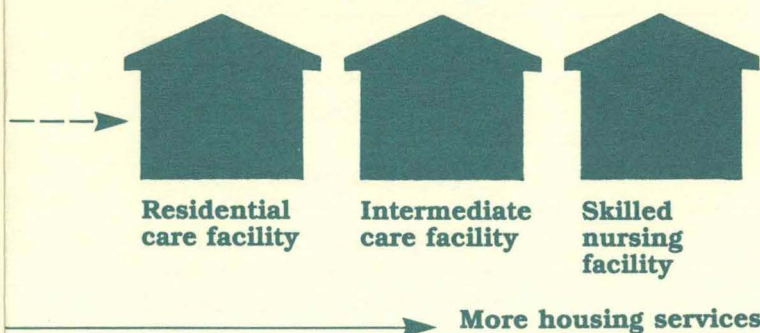
- Housing tasks and costs are shared.
- Residents have less privacy than those in elder cottages or accessory apartments.
- There may be disagreements about privacy and household routines.
- This living arrangement may be more acceptable if the community provides adult day care or respite care, which allows families to take a break.

Nursing Home

Nursing care is provided in this multi-unit residence. In Iowa, three levels of care are available. A facility may be designated as a residential care facility (RCF), intermediate care facility (ICF), or skilled nursing facility (SNF). RCF provides supervision of daily tasks such as dressing, bathing, and meals. ICF offers a higher level of care for those needing assistance with daily tasks. SNF provides round-the-clock nursing supervision. Some homes combine two levels of care. Nursing care may or may not be included in a retirement community.

- Nursing homes may be very expensive; costs may or may not be covered by Medicare and Medicaid.
- The level of care provided is determined by individual needs.
- Residents may feel a loss of privacy.
- Little space is available for furniture or personal possessions, especially if residents share rooms.
- Nursing homes may be the best way to get the personal or medical assistance residents need.
- Some nursing facilities are in poor condition or poorly staffed; check inspection reports carefully; talk with families who have had members in a facility.

Stage 3: Getting Nursing Care



More Things to Consider

Study your financial situation and possible tax implications before considering a housing move. If you sell your principal residence after the age of 55, you are allowed up to \$125,000 profit free of capital gains tax. A move might be appropriate if you plan to move after you retire and if you can find suitable housing at a lower cost. And in addition, it frees up your money for living expenses, travel, or investments.

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Community Assessment Checklist

If you are thinking about a move, write to the Chamber of Commerce in the new area for information. Also, subscribe to the local newspaper. Use this information to size up the new community. Fill out a separate form for each community being considered.

	Importance	Availability	Other
	L = low M = medium H = high	Write "no," "maybe," or "yes"	Note \$ costs, special considerations

Social Environment

Close to family			
Close to friends			
Familiar surroundings (rural quiet or city bustle)			
New experiences			
Climate			
Living costs			

Health Services

Hospital			
Doctors			
Dentists			
Optometrists/audiologists			
Visiting nurses			
Homemaker health aides			
Ambulance			
Counseling			
Nursing homes			

Shopping Services

Senior citizen discounts			
Drug store delivery			
Grocery store delivery			
Restaurants nearby			
Beauty and barber shops			

	Importance	Availability	Other
	L = low M = medium H = high	Write "no," "maybe," or "yes"	Note \$ costs, special considerations

Social Activities

Cultural activities			
Social and recreation opportunities			
Senior citizens club			
Church of choice			
Educational opportunities			
Employment opportunities			
Volunteer programs			

Support Services

Buildings and streets accessible for disabled			
Adult day care or respite care			
Home chore services			
Police and fire protection			
Visiting or telephone reassurance program			
Home-delivered meals			
Congregate meals			
Public transportation			
Cabs			
Walking distance convenient to stores			
Other			



and justice for all

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