

How trading down can be a step up

Carefully considered downsizing can make for a healthier and wealthier retirement, says **Hugh Wilson**

It's certainly not a decision anybody takes lightly, but studies suggest that downsizing at retirement is a decision many of us do make.

Recent research led by James Banks of the Institute for Fiscal Studies found that most people who relocate at middle and older ages move into smaller properties with fewer rooms.

Moving out of a much-loved family home can be a wrench, of course. This is a space filled with memories and possessions built up over years or decades. It is familiar and comfortable.

But it's not necessarily practical. When you reach retirement age, you might discover that much of that space can be unnecessary and some of it largely unused.

Moving into a smaller property can have considerable advantages, especially if you choose your new home well.

"It can be financially and physically prudent to downsize for most people who have retired," says Jonathan Davis, managing director of Jonathan Davis Wealth Management.

"From a non-financial point of view, a home, as one gets older, may become difficult to manage, especially if it has been a large family home. So selling it and moving to a smaller home makes the upkeep more manageable, as well as the running costs smaller."

Put simply, a smaller property – especially one built and designed to a high standard – means less cleaning and less maintenance,

'It was sensible to move somewhere catering more for our needs'

Derek and Tricia Edwards are moving into Durrants Village, in Horsham, West Sussex, run by Renaissance Villages.

"Our current home overlooks a lake with plenty of wildlife and while we enjoy it we realise that we are not getting any younger," says Derek. "We knew it would be sensible to downsize to somewhere that caters more for our needs, which has good facilities nearby and adequate security. We had heard such good reports about [Renaissance Village's] Bramshott Place that we decided to look at the latest Renaissance Village being built near Horsham."

Durrants Village is set in 30 acres of private parkland, and will feature a clubhouse with a bar, restaurant, pool, gym,



Homely: a Durrants Village living room

library, games and meeting room. There will also be a medical centre with a nurse and visiting doctor, and a prescription delivery service. The development will be run

and maintained by an on-site village manager.

The Edwards have chosen a three-bedroom house on the outskirts of the village, overlooking open countryside.

"We have two good sized bedrooms and a bathroom upstairs – there is a study downstairs which can be converted into a bedroom if one of us can no longer manage the stairs," says Tricia. "The village is gated and there is a call system connecting all properties to the village manager's office."

The couple are looking forward to making new friends and being with people of a similar age, too. Says Tricia: "While we do some entertaining, it might also be nice to meet other residents in the restaurant or bar at the clubhouse."

For more information on Renaissance Villages, visit renaissancevillages.co.uk or call 020 8781 6111

leaving you more time to spend on the things you enjoy. The same is true of the garden.

A smaller outside space, well planned and lovingly tended, can bring immense pleasure, without any of the back-breaking toil that large gardens often need.

The decision to downsize can require a change of perspective as much as a consideration of practicalities. Retiring and moving to a smaller property may feel like the

end of one phase of life, but it also marks the beginning of another.

Downsizing stands out as a positive psychological choice, a decision to maintain or even enhance independence and focus on living life to the full. Retirement years can be some of the happiest and most fulfilling of all, if you make the most of them.

And that means having the resources you need. Happily, sensible downsizing can greatly

reduce or even eliminate one of the major anxieties of your younger years. "Trading down releases value that has built up – often tax-free – over the years," says Davis.

"It releases funds for a more comfortable retirement, funds which can produce an income for a superior standard of living and, for example, higher spending on non-essentials.

"Trading down locks in some of those gains," he continues, "which is

often a good idea in the investing world. Of course, with the rising cost of living some of the funds may be needed for essentials. But the list of cost reductions [from downsizing] is large – often lower council tax, heating, lighting, maintenance and insurance."

At the same time, a well-chosen retirement property can nullify the sort of common anxieties many people typically experience as they get older.

For example, all of specialist developer Renaissance Villages' properties (the company runs four age-exclusive villages) offer enhanced privacy and security in a friendly village community.

Owners also enjoy the peace of mind that comes from knowing dedicated staff members are always on hand to help should they need it.

And while many busy, sociable people fear the isolation that retirement can bring, private, age-exclusive village life brings with it a host of social and recreational opportunities.

All Renaissance Villages' luxury cottages and apartments are centred on an on-site clubhouse with a range of country club-style facilities and plenty of easy ways to socialise, relax or get active.

In other words, downsizing at – or even before – retirement should never be viewed as a negative step. Done carefully, it can provide the means and environment to make the years ahead comfortable, relaxed and, most importantly, as happy as they can possibly be.