

8,000 days of retirement challenge, part 3: The Big Decision Phase

Explore the options for your ideal housing situation

Source: 8,000 Days, the MIT AgeLab, Next360 Partners, LLC, and Hartford Funds, 2018

Two roads diverged in a wood, and I took the one that led to a place close to the grandkids in a warmer climate.

However you justify it, we've learned from our work with clients that the decision on where to live in retirement is a crucial one. It marks the second stage of retirement dubbed The Big Decision Phase, according to the MIT AgeLab's white paper published in collaboration with Hartford Funds, 8,000 Days. Not only is housing one of the biggest parts of your budget in retirement – the highest consumer expenditure for those 65 and up at 34%, according to the Bureau of Labor Statistics – it also has implications for access to the things that bring you joy, purpose and ease.

On the bright side, there are more choices for retirement housing today, including niche retirement communities for horse-riding fans, stargazers, artists and lifelong learners. The downside is that the sheer number of choices is often paralyzing. That, coupled with the fondness for the familiar, means that most of us just want to stay put. A majority of Americans age 50 and up polled by AARP in 2018 said they would prefer to stay in their current home as long as possible.

TINY HOME OR MULTIGENERATIONAL MANSION

If you are open to moving, there's the question of whether to downsize (you're tired of mowing the lawn) or upsize (living in a big multigenerational home looked so inviting in "Downton

Abbey"). You'll also want to make sure your home allows access to healthcare providers and other vital services.

While you're at it, better think about whether you could one day maneuver a walker through your entryway and other practical concerns.

THE VALUE OF VOLUNTEERING

The AgeLab has discovered in its research that the happiest retirees spend their free time giving back, whether it's tutoring children or volunteering for the National Park Service. This is another consideration in your housing strategy: Are you located near the people and organizations you'd like to help out? Living closer to the people and places that give you a sense of community can make a difference in your quality of life.

Housing is the highest consumer expenditure for those 65 and up.

Source: U.S. Bureau of Labor Statistics

THROWING YOU A LIFELINE

If you're wrestling with a big decision, we're here to help you thoughtfully analyze your options and offer an objective point of view.

Coming up next we have part four of this series, covering The Navigating Longevity Phase of retirement.