

LEARNING MADE EASY



# Downsizing

for  
**dummies**<sup>®</sup>  
A Wiley Brand



Live larger  
with less

Leverage your assets  
for a richer life

Declutter your  
way to freedom

**Ralph R. Roberts**

Author of *Flipping Houses For Dummies*

**& Kathleen Roberts**

with Joe Kraynak and Kyle Roberts





# Downsizing

by Ralph R. Roberts

for  
**dummies**<sup>®</sup>  
A Wiley Brand

## Downsizing For Dummies®

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# Introduction

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**D**o you feel crowded by clutter? Are you a prisoner of your possessions? Has your pursuit of the American Dream become a nightmare, leaving you feeling disenchanted and deep in debt? Do you yearn for a simpler life with a healthier work-life balance — less toil and turmoil and more living? Have your children moved out, leaving you in a house that's far too big and with an emptiness you need to fill? Are you worried about leaving your loved ones with a big mess when you're no longer around to help clean it up? Are you having to downsize your parents, who should have scaled back years ago but kept putting it off until they can no longer do it themselves?

If you answered “yes” to any of those questions, you need to *downsize* (yourself or someone else) — shed possessions and perhaps move to a smaller home to make life less cluttered, more affordable, and more manageable; free your mind; and focus on what really matters at this stage in your life.

If you're like most people, you're dreading the prospect of downsizing. The process can be very stressful and overwhelming, but like most major life changes, it can open the door to new possibilities that you may never have imagined. In fact, it can be the first step on the path to a totally new life. Even so, it's no less a challenge, and you're probably thinking that you could really use some help right now — guidance from people who have been through the process and have firsthand experience.

Welcome to *Downsizing For Dummies*. We've been through the downsizing process several times, not only downsizing ourselves recently but also our parents and grandparents. We've observed and felt the emotional conflicts and pain of having to part with treasured possessions, leave the family home, and transition to a new lifestyle. We've done the hard work of researching locations, finding the perfect living situation for ourselves and our loved ones, building a new home (when we decided to downsize), sorting, packing, moving, and all the many tasks those processes entail. In this book, we share the collective wisdom we gained through our experience to make your downsizing journey as smooth and successful as possible.

# About This Book

*Downsizing For Dummies* is a guide to living a richer, fuller life with less stuff, lower bills, and fewer worries. It's a guide for envisioning and transitioning to a life with fewer possessions that's better suited to your current needs and desires. After all, downsizing isn't restricted to retirees who need to shed their possessions and move to a smaller home. Downsizing can benefit anyone. It's all about using your personal, professional, and financial assets most efficiently to live the life of your dreams, whether your dream life revolves around family, travel, leisure, adventure, comfort and security, work, or all of the above, regardless of your age.

In *Downsizing For Dummies*, we lead you step-by-step through the process, from deciding whether downsizing is right for you (or a loved one) to executing a successful move and transitioning to a new life. Along the way, we guide you through the process of envisioning your future lifestyle; choosing a location; getting other people to help; planning and managing your finances and your estate; digitizing photos and important documents; sorting, selling, giving away, and disposing of your possessions; and buying (or building) and selling a home. With this book and your own creativity, talent, intelligence, and energy, you'll be able to envision a richer, fuller, more manageable future and successfully transition yourself or your loved one to that new life.

We wrote this book so that you can approach it in either of two ways: You can flip to any chapter for a quick, stand-alone mini course on a specific downsizing topic, or you can read it from cover to cover. You may not need all the information and guidance that's packed into this book. For example, if you've already decided to downsize and have a clear vision of your future life, you can skip Chapters 2 and 3 and head directly to Chapter 4 to start crafting your downsizing plan and setting the stage for a successful transition. Likewise, if you've already engaged in estate planning with your attorney and financial advisor, you can skip Chapter 7. We don't want you to have to read any more than necessary — you have enough on your mind.

## Foolish Assumptions

Every book, article, screenplay, blog post, and other written document makes assumptions about the audience, the purpose for writing the piece, the scope of the material to be covered, and the appropriate tone. As we began to develop the concept for this book, we made the following foolish assumptions:

» **You're downsizing your personal possessions, not a business.** Downsizing is a hot topic both in families and for businesses. This book is not about

downsizing a business to reduce overhead. It's about downsizing a household to make it more affordable and manageable and free up resources to pursue other opportunities in life.

- » **You're not necessarily an older retired person.** Although most people seeking help with downsizing are older retirees (or their children), people of any age can benefit from downsizing, depending on their circumstances and the life they envision for themselves. For example, we know young children and teenagers who are in dire need of some downsizing in their bedrooms.
- » **You're committed to improving your life or the life of a loved one.** We assume that you're feeling some level of dissatisfaction with your life or the living situation of a loved one. It's just not working, and you need to do something about it. We wrote this book to help people overcome a major challenge in their life: a living situation that's no longer sustainable, perhaps because of financial strain, concerns about a loved one's safety and security, a strong desire for a different and better life, or some other reason.
- » **You're overwhelmed by the prospect of downsizing and don't know where to start.** The thought of downsizing can trigger the fight-flight-or-freeze response. Right now, we assume you feel like the proverbial deer in the headlights — frozen in place, unable to move, because downsizing seems so daunting. We've broken down the process for you and provided the guidance and assurance you need to tackle what can be an overwhelming task with confidence.

## Icons Used in This Book

Throughout this book, we've sprinkled icons in the margins to cue you in on different types of information that call out for your attention. Here are the icons you'll see and a brief description of each.



REMEMBER

We want you to remember everything you read in this book, but if you can't quite do that, remember the important points we flag with this icon.



TIP

Tips provide insider insight from behind the scenes. When you're looking for a better, faster, cheaper way to do something, check out the tips.



WARNING

"Whoa!" This icon appears when you need to be extra vigilant or seek professional help before moving forward.

# Beyond the Book

In addition to the priceless information and guidance you'll find in the pages of this book, you can access the *Downsizing For Dummies* Cheat Sheet online. Just go to [www.dummies.com](http://www.dummies.com), and enter "Downsizing For Dummies Cheat Sheet" in the search box.

The Cheat Sheet includes downsizing pros and cons, relocation factors to consider, seven ways to get a loved one on board with downsizing, guidance on how to budget for your post-downsizing lifestyle, and decluttering basics.

## Where to Go from Here

You should be walking to the cashier and handing them this book! But . . . after that, *Downsizing For Dummies* presents the guidance you need in the sequence that follows the downsizing process itself, starting with envisioning your future life (post downsizing) and wrapping up with executing the transition to that new life. However, you may take a different approach, or you may already be in the early stages of downsizing and finished with some of the required tasks, so feel free to skip around.

We recommend starting with Chapter 1, which covers the downsizing process in a nutshell. Reading this chapter first gives you the mental framework for understanding the rest of the topics and how they fit into a cohesive downsizing strategy.

If you're still on the fence about whether downsizing is right for you or a loved one, head to Chapter 2, where we help you make that determination. You may also want to check out Chapter 3 for inspiration, especially if you're having trouble envisioning and planning for the future. Chapters 4 and 5 can come in handy to ensure that you have a solid downsizing plan in place and many hands on deck to execute it before diving in.

Downsizing also involves getting a handle on your finances and becoming a master of using all your assets efficiently to finance your lifestyle. When you're ready to take control of your finances, check out the chapters in Part 2.

If you find yourself wondering, "What am I going to do with all this stuff?!" turn to Part 3, where we provide guidance on sorting your possessions, digitizing photos and documents, and selling, storing, giving away, and disposing of your belongings. Here's where you do all the heavy lifting.

If your downsizing dream involves living a nomadic existence, you can pretty much skip the chapters in Part 4, but if you need housing, you can find guidance here related to buying or building a home, selling your existing home, packing your belongings, and coordinating a successful move.

In Part 5, “The Part of Tens,” we provide some bonus material, including ten good reasons to downsize, ten tips for less stressful downsizing, ten ways to reduce your living expenses, and ten ways to supplement your income.

That’s all the direction we’re going to provide. Where you go from here is pretty much up to you, but we encourage you to dive in whatever starting point you choose. This is the rest of your life we’re talking about.



# 1

## **Getting Started with Downsizing**

## IN THIS PART . . .

Get a quick primer on downsizing, so you can begin to envision the possibilities and get a feel for what it involves, regardless of whether you're moving or downsizing in place.

Weigh the pros and cons of downsizing to find out whether it's the right choice for you or an aging relative and discover your *why* for downsizing, so you'll have a purpose in place to drive the process.

Paint the big picture of your downsized life — how you'll be living when you're free from all the stuff that has been tying you down and distracting you from what really matters in your life.

Devise your downsizing plan so all the pieces are in place to ensure success and clarify in your mind what needs to be done and how you're going to do it.

Recruit friends and family members to pitch in.

Arrange the professional assistance you need to ensure a smooth and successful process that's not too overwhelming for you.

## IN THIS CHAPTER

- » Answering the five key downsizing questions
- » Opening your eyes to new lifestyle opportunities
- » Laying the groundwork for successful downsizing
- » Optimizing the use of your existing assets
- » Letting go of everything that's weighing you down
- » Selling your current home and exploring new living arrangements

# Chapter 1

# Downsizing in a Nutshell

*Much of what we acquire in life isn't worth dragging into the next leg of our journey. Travel light. You will be better equipped to travel far.*

— GINA GREENLEE

**A**nytime you approach a new topic or task, it can seem overwhelming, especially in the case of something like downsizing, because there's not only so much you need to *know* but also so much you need to *do* and often so *little* time to do it. You need to figure out where you're going to live, how you're going to live for the next decade or two or three, and when you're going to make the transition. You need to get rid of a bunch of stuff, some of which you may be very emotionally attached to. You need a financial plan in place to be sure that your money lasts for as long as you do. You need to sell your home and buy or rent a new place. You need to keep all your loved ones posted. Downsizing gets complicated and overwhelming in a hurry.

To make downsizing less complex and burdensome, you can benefit from having a general understanding of the overall process — a conceptual framework on

which to hang all the details. In this chapter, we provide you with that framework. Think of it as the downsized version of *Downsizing For Dummies*. Here, we introduce you to the most important information and guidance you need to execute a successful downsizing mission and redirect you to chapters in the book where you can find additional coverage of each topic.

## Downsizing: Who, What, When, Where, and Why?

In a way, downsizing can be boiled down to answering five questions: *Who? What? When? Where?* and *Why?* Who's downsizing? What are you keeping and getting rid of? When are you planning to make the transition? Where are you going to live? and Why are you downsizing? Answer those five questions, and you'll have the clarity you need to move forward with conviction. If you struggle with any of those questions, maybe you're just not ready to downsize.

In this section, we provide guidance on how to answer each of these key questions.

### Who?

*Who's downsizing?* may be the most complicated of the five questions and the most difficult to answer, especially if more than one person is involved in the process. Answering this question involves identifying both the people doing the downsizing and the people being downsized. Often, these are the same people; for example, we downsized ourselves from a 7,000-square-foot home to a condo less than half that size. However, the people being downsized and those doing the downsizing can be different — for example, adult children downsizing their ailing parents from their family home to an assisted living facility. See Chapter 5 for more about getting others involved.

Answering the question of who's downsizing also may require a deeper dive into personalities and circumstances. If you're downsizing yourself or yourself and a partner, you need to explore who you are at this stage of your life, evaluate your current living situation, and consider your vision for the future. To find out whether you're a good candidate for downsizing, answer the following questions:

- » **Do I have a strong desire to stay where I am or am I willing to consider moving?** If you love where you're currently living, you may decide to downsize in place — reducing your possessions while remaining in your home. You may

also be able to convert a portion of your home into an independent living space for yourself and rent out the rest. On the other hand, if you're open to the idea of moving, why not check out your options?

- » **How long can I continue living here comfortably and safely?** Consider your finances and health and your desire to continue to maintain your current residence. Can you afford it in terms of money, time, and energy? Do you want to invest the effort in caring for a larger home than you currently need?
- » **Would downsizing help or hinder my ability to live a richer, fuller life?** Think about what you find enjoyable and fulfilling. Can you do more of it by downsizing or by staying where you are? For example, if you enjoy spending time with family but they rarely visit anymore, would you be able to spend more time with family if you moved closer to them or were freer to travel?
- » **By downsizing, what do I have to gain and lose?** Make a list of downsizing pros and cons. On one half of the page, write a list of everything that excites you about the prospect of downsizing. On the other half, write down everything that makes you reluctant to downsize or afraid of it. For example, will a smaller place mean having less yard for gardening? Will it mean having to leave friends and neighbors?
- » **Will you and your partner get along in closer quarters?** In a smaller living space, you may feel more cramped and have less privacy, which can strain a relationship. Then again, less space may encourage you to spend more time outside your home, which can enrich your relationship.

See Chapter 2 for additional guidance on deciding whether downsizing is right for you or a loved one.

The question *Who?* also applies to the people you want in your life. Some downsizers are drawn to family and old friends and colleagues, while others want to meet new people and develop fresh relationships. Some people value their solitude and would rather spend their time communing with nature or reading good books.

## What?

The question *What?* also applies to what you want out of your life. What do you value most — health, safety, security, travel, adventure, learning, relationships? What's on your bucket list? Your values, dreams, and desires serve as guideposts leading you in the direction you need to travel.

On a smaller scale, the question *What?* applies to what you're keeping and what you're getting rid of, along with the type of lifestyle and living arrangements you're considering. A house, apartment, condominium, RV, multigenerational

home, or over-55 community? Alone or with partner or a roommate or two or three?

## When?

*When?* is a key question. The best answer to this question for most people is *as soon as possible*, but we need to qualify that answer by advising you to plan carefully. Don't rush into downsizing, but don't put it off too long, because long delays can narrow your options. Some people kick the can down the road for so long that eventually they lose all control over the decision-making process. Family members or others outside the family must step in, in which case you have little to no control over the outcome.

In some cases, your decision of when to downsize is easy. It's linked to some other major life change, such as retirement, the death of a spouse, job loss, or divorce. You may suffer a reduction in income that forces your hand, and that's okay. Recognizing that you need to downsize to reduce your living expenses when you're struggling to keep up can help you steer clear of an even more devastating financial loss, such as foreclosure or bankruptcy.

## Where?

If moving is part of your downsizing plan, the question *Where?* becomes crucial, especially if part of the reason you're downsizing is to reduce your living expenses, to travel more, or to live somewhere you've always wanted to be.

To make a well-informed decision about where you want to move, consider the following factors:

- » Affordability
- » Climate
- » Surroundings
- » Proximity to family and friends
- » Cultural and social opportunities
- » Convenience
- » Safety (crime stats)
- » Job/career opportunities

See Chapter 3 for more about choosing a downsizing destination.

## Why?

Perhaps the most interesting question related to downsizing is *Why?* Here's a list of potential benefits of downsizing that may help you answer that question for yourself:

- » **Less stress.** Downsizing can alleviate a major source of stress: financial worry. It can also reduce stress in other ways; for example, living in an environment that's free of clutter can be much more relaxing and peaceful. In addition, you may find that you have more time and mental energy to commit to leisure and recreation.
- » **Less clutter.** Downsizing involves reducing your possessions and getting organized, which makes your remaining possessions easier to manage. You remove items that you no longer need from your life, which lightens your load and provides you with a greater sense of freedom.
- » **More time to focus on what matters to you.** If you're working to support a lifestyle that's not bringing you the satisfaction and fulfillment you desire, downsizing may help. When you're not trying to keep up with the Joneses, you may find that you have more time and money to spend on what you truly value, such as relationships, travel, reading, and other hobbies and interests.
- » **Improved health and fitness.** Less stress alone translates to improved health and fitness, but add to that the extra time, focus, and money you'll have to invest in meal prep and exercise, and you'll be well on your way to achieving your health and fitness goals.
- » **Enhanced creativity.** People tend to be more creative when they're relaxed and their minds aren't cluttered with never-ending to-do lists. Ridding yourself of possessions and scaling down your responsibilities gives your mind the freedom to be creative in all areas of your life — career/business, relationships, finances, spiritual development, recreation, and more.
- » **Less burden on loved ones.** Downsizing can alleviate the burden on loved ones who may worry about your health and safety and your ability to maintain a large home full of belongings. Also, by downsizing while you're still physically and mentally capable of doing it yourself, you leave your heirs with less clutter and fewer complications to deal with when you pass. This can be a huge stress reliever for you, too.



REMEMBER

While you're entertaining the question of *Why downsize?* you may also ask yourself, *Why not downsize?* What do you have to lose by downsizing, and how much does that matter to you? Some people have valid reasons to resist downsizing; for example, downsizing sometimes results in lost freedom and self-determination or having to accept the reality of your own physical or mental decline. Discussing

both the potential benefits and the drawbacks of downsizing is important for coming to terms with a major life change.

## Envisioning Your Future

Downsizing is a creative process — you're reinventing yourself. Every invention begins as a thought, or a mental image. Engage your imagination to envision your downsized future by answering the following questions:

- » How do you see yourself living for the next 5, 10, 15, or 20 years?
- » How do you look and feel physically, mentally, and emotionally?
- » Where are you living — in terms of both your geographical location and your living arrangements (for example, house, condo, apartment, RV, assisted living facility)?
- » What are you doing — traveling the world, taking a cruise, building a business, playing golf, binge-watching *Game of Thrones* (again)?
- » Who are you with — your life partner, family members, old friends, new friends, caregivers?



TIP

Create a *vision board* (collage) that reflects your future life in pictures and words. See Chapter 3 for more details about clarifying your downsizing vision.

## Navigating a Major Lifestyle Transition

Downsizing can mean anything from scaling back to choosing a completely different lifestyle. If you're merely shedding possessions and opting to live a simpler life, you can safely skip this section — you'll be living the same life on a smaller scale. However, if you're planning a major overhaul — for example, from fully employed to fully retired or from a settled life to a nomadic one — you may struggle with the transition. The ideal life you romanticized for years, and perhaps decades, may not meet your expectations. The reality can be very different from the fantasy — for better or worse. What's important is that you're prepared, mentally and emotionally, for the change.