

# HOME DOWNSIZING GUIDE

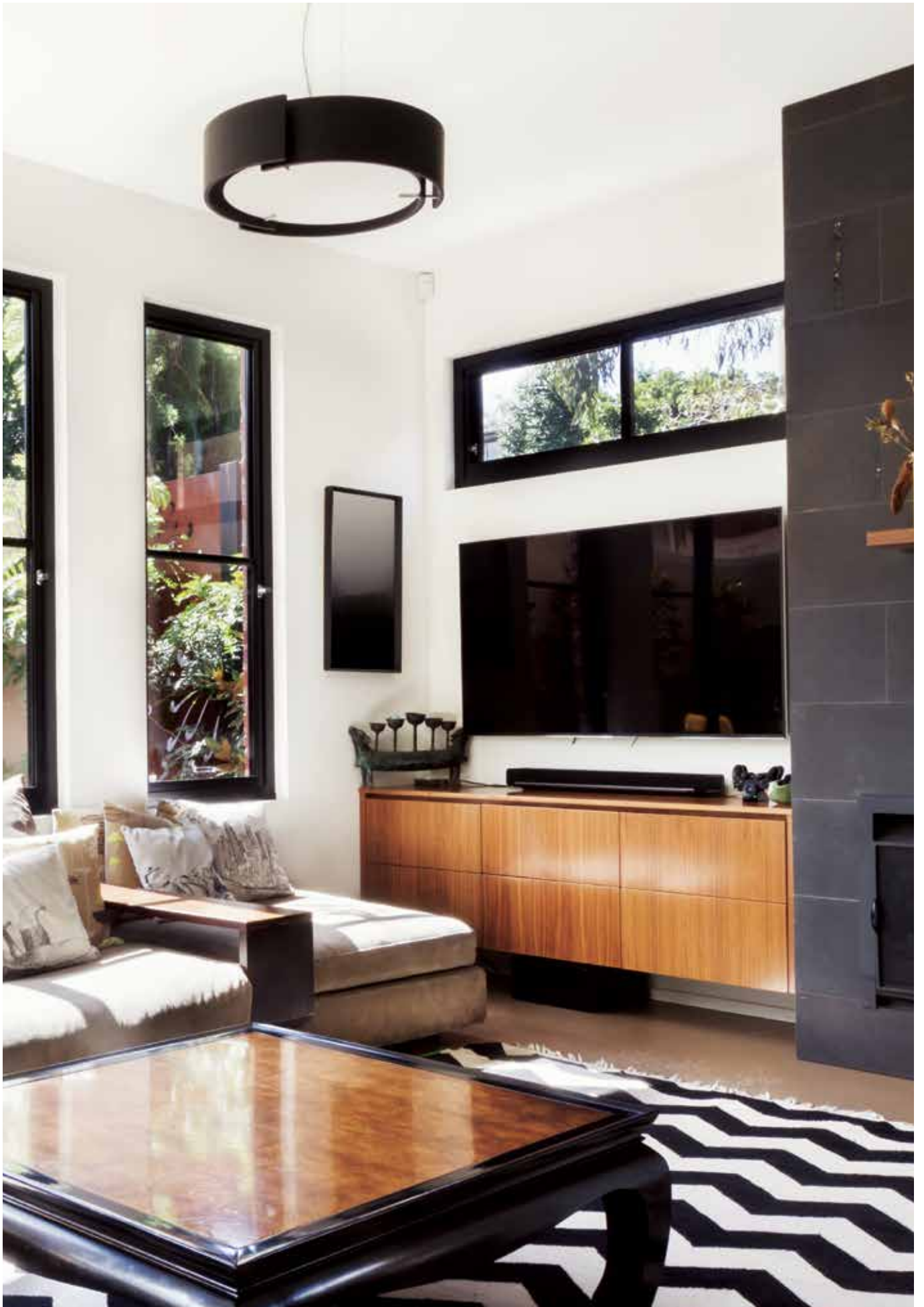


# It's time for a new plan

## Take the opportunity to reinvent your life

Before the kids came, perhaps without even realising it, you made a twenty-year plan. Buy a house in the suburbs, close to schools and transport, with a garden to raise your young family in. In what seems like a blink of an eye, twenty years has passed and your plan worked. Your children are on the path to adulthood, equipped with a safe and precious childhood. You did a great job. You worked hard, did the right thing by your children and you've built up a substantial asset.





# Another kind of **lifestyle**





As you sit in your large, beloved family home, you may be coming to the surprising realisation that the beautiful home you built and created as a safe haven for your family is, in fact, expensive and time consuming to maintain. Mowing the lawns, doing the edges, cleaning the pool, vacuuming the stairs, balancing on a ladder to clean out the gutters and cobwebs – all takes precious time and youthful energy. Are these the things you want to be doing – now? Wouldn't you rather be on the golf course or playing tennis? Wouldn't you rather be doing all the things you haven't done while you were busy raising your family?

Before the grandkids come along, this is your chance to take that asset that you have worked so hard for and use it to create another chapter in the book of your life. Perhaps this is the time to think about moving into a vertical community, to move closer to the city or the beach, consolidate, get your life back and upsize the quality of your life.

## **Of course, moving doesn't necessarily mean downsizing either.**

It can mean supersizing – buying multiple apartments off the plan and customising the layout to your specification. In Melbourne, at the Leopold development in Glen Iris, buyers ultimately consolidated the initial offering of 25 apartments down to 14 apartments.

This is an opportunity to reconnect with yourself and your partner – whether you had children or not. Take the leap, hit the reset button. That beautiful home you worked so hard for is a valuable asset that can be used to let you live another kind of lifestyle. If you downsize or supersize to the city or beach apartment, penthouse, terrace or sky house you can:

Liquidate some of the asset and put cash into superannuation, help adult children get a foot on the property ladder, or buy a property at the beach or in the inner city.

You can travel, close the front door and enjoy your holiday rather than being weighed down by cleaning the gutters and sweeping up leaves.

# Why make the change

## Freedom

Downsizing also means you can lock and leave. You don't have to worry about the house, gardens, security, neighbours or the dog.

You can go overseas. Spend the weekend down the South Coast or the Mornington Peninsula. Living your dreams. You can say, "let's go to Bali". Travel. You can sit on the balcony, drinking a cold chardonnay looking at the twinkling lights of the harbour; rather than listen to an army of leaf blowers on Sunday morning.

If there are any problems, they're passed on to the building manager or a maintenance manager or a concierge.





### **It's all about the lifestyle**

This move is about freedom and the chance of a lifestyle change. Imagine being twenty minutes from anywhere and everywhere? Shops. Restaurants. Theatres. Galleries. Sporting events. Swimming in the ocean. Golf courses. Concerts. Walks along the foreshore. Sea breezes. Botanical Gardens. Airports.

Some buildings feature five-star hotel-like amenities such as twenty metre pools or lap pools, saunas, wine rooms and cellars, steam and massage rooms, spas, great gymnasiums, children's play areas and communal meeting areas which are available for twenty four hours.

# Throw the keys at the concierge and fly to Bali



## Security

For many couples that are downsizing, security is not the most important thing, but it is one of the things that they do consider. Some people prefer modern design, security and a concierge, others lean more towards the style and character of a particular older-style building and don't care for concierge or security services that much. However, some people absolutely want security. They do want a concierge. They do want to lock it up and go away without worrying. They want to close their apartment door, throw the keys at the concierge, and fly to Bali for the weekend, or Hawaii.

## Car less – a healthier, agile lifestyle

When you buy in Potts Point, Elizabeth Bay, South Melbourne, Battery Point, Hobart or New Farm in Brisbane for example, you don't necessarily need your car. If you want to go to a restaurant or a bar, you can catch a ferry, city cat or walk. Traffic is not shrinking, it's growing. We aren't moving and exercising enough. Vertical living could make you healthier!







### **Less isolated**

For people who are living on their own, moving into a denser area can help overcome feelings of isolation. Life is at your doorstep and easy to fall into. Some First National Real Estate agents find that downsizers end up feeling far more connected to their new area than they ever did in their previous family home.



# Life is at your doorstep

## The market is changing

Buyer demand is causing developers to reconsider what they offer. For example, a premium capital city tower that was originally slated for 126 apartments was reduced to 72 apartments, based on changed buyer demand for combined apartments. Developers are also incorporating two level designs at ground level (for those who prefer the feeling of a townhouse) as well as on upper levels within towers; they're creating larger outdoor spaces too, and even creating beautiful rooftop common property entertaining areas.

# If you are thinking of making the **next move**

## Do your homework

It's important to do your homework and research before you make a move. There are good buildings and bad buildings; it's like good companies and bad companies, so that is a factor. At the end of the day, if you look at it through an objective eye, you will probably be paying more to upkeep a big house than what you will be paying in strata or body corporate fees on an annual basis. Fees can range from \$2,000 a quarter right up to \$10,000 a quarter, depending on the size of your apartment and its elevation (yes, it gets more expensive the higher you go).

If you are interested in a building, check the balance of the Owners' Corporation's sinking fund. Generally, the thing to keep in mind is the upkeep of the building. Older buildings will cost more to keep looking sharp, and if the Owners Corporation decides to paint the exterior, re-roof, or update a lift and common areas, that cost is likely to be shared by all owners.





### Things to consider when buying

- How many lifts are there? Two or more are better.
- Size of balcony – could you have a vertical garden? Is there enough space for a decent dining and sitting area?
- How private is it? Are you overlooked?
- What direction does it face? Does it get enough natural light? Aspect is critically important.
- What is the proportion in the building between owner-occupiers and tenants?
- How many car spaces are there and what are the visitor parking facilities?
- What is the current condition of the building?
- What is the sinking fund balance of the building?
- How are the common areas and gardens presented? Are they well maintained?
- Does the property have good access to public transport? Rail? Bus? Tram? Light rail? Ferry? Are shops within an easy walking distance?

### Know the division of responsibility

It's important to also understand how responsibilities are divided for maintaining an apartment between the apartment owner and Owners Corporation. With Strata Title, owners are usually only responsible for maintenance of the interior of their apartment and paying their own utility bills, plus adhering to a building's By-Laws. The Owners Corporation generally takes responsibility for maintenance of gardens, the roof, recreation facilities, plumbing, external maintenance and swimming pools etc.

# Live a simpler, easier lifestyle

## Lease before you buy

If the prospect of making a move seems too daunting right now, we recommend leasing in the area of your choice for six months. Within six months you'll develop a clear understanding of the area as well as what's important when it comes to choosing a location for the long-term.

## Making the move

It can be an emotional process leaving a lifetime of happy memories behind; we can be deeply emotionally attached to our possessions. Uncluttering, however, can be a chance to remember and renew, but it may require a change in perspective. Remember that moving into an apartment is not a process of fitting a whole house into an apartment; it's about downsizing to live a simpler and easier lifestyle.



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