

A **BIG** obstacle to aging gracefully is your home

By Mark Rusnak

Sooner or later, we have to face the challenges of aging. And one of the biggest obstacles to growing old gracefully is our home. Whether it's too many steps, too much maintenance or too far from medical attention or family, most seniors face a move in their latter years.

And like everything else in life, there's a right and wrong way to make this important decision. Seniors contemplating a move, or sons and daughters responsible for this decision, should consider several factors.

As we age, we demand specialists for our health. Our housing needs are no different. In 1997 the real estate industry founded the Senior Advantage Real Estate Council,

which developed a curriculum focused on the needs of buyers and sellers over the age of 50.

Agents interested in understanding senior needs and successfully completing the specialized curriculum earn the designation seniors real estate specialist (SRES). These specialists are taught to:

- Understand that a seniors' home is not purely a financial investment, but the sacred place where they raised their family, created lasting memories and formed community ties
- Know the tax and estate planning issues facing a mature market
- Help seniors buy rental property, obtain a reverse mortgage, or move to a senior community.
- Assess seniors' living situation and how it fits into their overall plan.
- Be a resource for options and reliable referrals.

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- Recognize opportunities to reduce out-of-pocket expenses, gain cash, or create or defer income streams to help Seniors stay independent or finance some ongoing assistance.
- Appreciate and understand senior needs.
- Ask the right questions and grasp the specific situation.

Timing the market

Often times, a senior move happens quickly due to a lifestyle change, medical reasons or the death of the spouse. However, if the move is planned during good times to a smaller, more convenient home, seniors should seek advice on the housing market to maximize their profit.

Today, the Hampton Roads market for sellers is phenomenal, with homes bringing in far more than their assessed values. This allows seniors to take advantage of their home's equity for special needs.

The bad egg: Seniors selling and buying homes are exposed to a tremendous pool of professional real estate agents who have their best interest at heart. They are also exposed to the bad eggs and bad companies that thrive on seniors, who they view as weak and vulnerable. These same types are prevalent in other businesses that come

in contact with seniors at challenging times in their lives.

Make sure you know with whom you're doing business. Do some research, check credentials and get to know the person who will be handling one of the biggest moves of your life.

Capital gains: Changes in the capital gains tax law means seniors do not have to buy a larger, more expensive home or do extensive renovations to a less costly home to avoid a hefty tax bill on their home sale profits. Today, couples who have lived in their homes for at least two years can move down and exclude up to \$500,000 in home sale profits -- \$250,000 for singles -- without having to buy another home.

Whether a senior move comes by choice or unforeseen circumstances, they should get to know beforehand the person who will move them into the next stage of their lives with dignity and some extra cash. In fact, it is advisable that this step be taken as part of your estate planning.

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