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## How to Handle the Family Home Downsizing Dilemma

Downsizing can be an especially healthy decision for seniors. A smaller house, less to tend, lighter finances, and easier navigation are big incentives for an aging adult. However, the home left behind can be a source of tremendous angst. Read on as we explore the key options available to seniors in the midst of a downsize.

### **Gather Some Data**

You might not realize it yet, but one of the biggest determining factors in your decision will be the local housing market. It will influence a sale, rental, or inheritance, so you'll need to get more familiar with similar homes for sale. With that in mind, do some exploring. Research online listings, learn what prices homes are fetching, and pay special attention to houses similar to your own.

### **What's My House Worth?**

It's not unusual for market prices to change significantly over the course of time, and if you purchased your home a while back, chances are you could use fresh numbers. You can get a [quick estimate](#) for a ballpark idea, and your real estate agent can also help. Certain legal decisions will require a more concrete figure, in which case you would want to [hire an appraiser](#) (hiring a home appraiser usually [costs \\$300 - \\$400](#)). The appraiser will look at your home and make comparisons to similar homes in your area for the final figure. A house might or might not sell for the appraisal value. An appraiser who is familiar with the local market is your best choice since that will help inform the final figure.

### **To Sell, or Not to Sell?**

Selling your old home has obvious financial advantages. You can put the funds from the sale toward your next home, sock them away for the future, or put them toward other financial goals. However, sometimes homeowners decide to keep the house. In this case, you can either rent it out or give it to a family member.

If you elect to sell, you then need to determine whether to put the house on the market [before or after](#) moving. And as Quicken explains, there are pros and cons to both options. Obviously, waiting can be more expensive. You still need to pay the utilities, taxes, and so forth, but it allows you to move at your own pace. If you can afford to wait, it also allows you to [stage the home](#) well for buyers. You can pick and choose the pieces that show your home in the best light, and create a less personal, yet welcoming, atmosphere. You can always bring in someone to help in this department if you're unsure, but keep in mind that professional home stagers could easily cost you between [\\$450 and \\$1,744](#), so it might be best to handle it yourself.

### **Become a Landlord**

Some homeowners choose to rent their houses instead of selling them. You'll also want to verify the fair market [rental rates](#) will be sufficient to cover your expenses. Several factors can influence how much you can charge for rent, such as the number of bedrooms and available storage. In the right circumstances, like if you're pretty handy and live close by, Consumer Commentary points out [becoming a landlord](#) can be a terrific source of passive income.

### **The Next Generation**

Many parents would like to see their kids take on the old homestead. For instance, you might like to gift all or part of your home to someone while you're still alive. Block Advisors explains there are several ways to [transfer your property](#) to family members, and each has its own legal ramifications. You might need to pay gift tax depending on the amount of value transferred, which would be based on the home's fair market value. Other options include things like leaving it to family in your will or selling it to them outright. If you're leaning this direction, discussing your particulars with an estate planning attorney is your best bet.

Determining what to do with your house can be challenging. Selling, renting, and giving it to relatives are all good choices. Do some research so you have solid information to work with, and you're sure to find the answer that's right for you.