

Downsizing for Retirement: A Guide to Getting Started – 4 of 5

By David Houck QB Atomic Realty

Downsizing in preparation for retirement is a big step. It takes planning, effort, time—and often, money. If you’ve made the decision to move and downsize, the next question is: where do you begin?

The downsizing process isn’t simple, but it is a process and it is manageable. In fact, there are professionals whose entire careers are built around helping others navigate this exact transition.

Step One: Be Realistic

Start by taking an honest inventory of your home. Identify what’s essential—items you use regularly or truly love. If something hasn’t been used in a year or more, ask yourself if it could be given to family or friends, donated, or simply discarded.

Step Two: Plan with Purpose

There are several important factors to consider as you plan your move:

Location: Do you want to stay in your current area, or explore a new one?

Home Style: Would a single-level home be more practical than one with stairs? How many bedrooms do you need? Is a garage or workshop space important to you?

Space Requirements: Measure the furniture you plan to keep, and write down the dimensions. This will help you determine what will fit comfortably in your new home.

Housing Costs: Research the cost of living in your desired area. Websites like Zillow and Realtor.com are great places to start. At Atomic Realty, we can also connect you with trustworthy Realtors anywhere in the country.

Family Communication: Keep your loved ones informed, especially if they grew up in your current home.

Sacrifices: Consider what you're willing to let go of. Will you be giving up a hobby room, garage space, or other features?

Time & Budget: Be honest about how much time and money you can devote to the process. We recommend beginning your downsizing journey 6 to 12 months before your planned move.

A Word About HOAs

If you're considering a move to a neighborhood, condo, townhome, or retirement community, be aware that a homeowners association (HOA) may come with monthly fees and certain restrictions. Make sure you understand these commitments before signing on.

Renting vs. Selling

Some retirees think about renting out their old home as a source of income. Unless you plan to remain local, Atomic Realty generally advises against it. Here's why:

Property management companies can be expensive.

Maintenance costs add up—especially since all repairs will likely be handled at full retail prices.

Many property managers only address problems when absolutely necessary. Over time, this could leave your property in poor condition and lower its value.

If you're considering this option, carefully calculate your potential net income and weigh the long-term pros and cons.

David Houck, the Qualifying Broker at Atomic Realty, brings over 40 years of experience in real estate. He holds a Bachelor of Science in Mathematics and Physics, as well as a Juris Doctorate. David also volunteers with the New Mexico Association of Realtors Forms Committee, where he helps develop clear and effective forms that serve and protect the public.