

Retirement Planning 101 - Downsizing

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In June we completed the move of our Brattleboro Office from Main Street to Linden Street. Shortly thereafter, my wife and I moved from our home in Dummerston, where we have lived since 1977, to a house on North Street in Brattleboro. I can now simply walk across the Common to get to work.



Moves are stressful and you need to prepare well in advance. If you have a partner, in all probability one of you likes to shed and one likes to hoard. So be prepared for a higher energy level in your relationship. I know of only one couple where both like to “collect”, even the daily newspapers. Every few years a dumpster would show up in their driveway and that seemed to be their way of accommodating their storage needs. Not this year. Now that they are retired and the nest is empty, they have added an addition to their otherwise spacious home.

Although I don't plan on retiring for a number of years, both my wife and I wanted a less complicated life with less commuting, gardening and lawn mowing. Hence the move. In the process I have discovered a big hole in the retirement planning that I do. I do not focus on downsizing. Based on my experience, it is a multi-year process and we should incorporate it in our Retirement Planning. When Wake Robin calls and says you now have two weeks to decide whether to move to their assisted living facility, you need to prepare months, if not years, in advance.

Some of the things you need to do are very uncomplicated but perhaps stressful nonetheless. Decision-making is stressful. First, you start with the garage. All that scrap wood, well, the pieces are too short for Renew, a local non-profit that recycles building material. The scrap metal...what were you thinking? The skis? You don't ski with bear trap bindings any more.

You don't need to save every birthday card, except perhaps to prove to the Court in the post-move divorce proceedings that your spouse at one point actually liked you. Consider having your personal property appraised. Even take pictures and start the process of identifying who gets what. Johnny gets the lowboy. Susan gets the pewter. And consult with them. You may find out that Johnny wants the pewter and Susan hates her brother. It can be a difficult process.

Visualize what your next home will look like and decide which furniture will probably stay, what goes to the children, and what you can donate. Even go so far as contacting the local non-profit to make sure the property is suitable.



Be prepared for revelations. At our new headquarters on Linden Street there is an oil painting over the fireplace. It was a wedding present from a close friend that was prominently displayed wherever my wife and I lived since our marriage in 1968. It's been banished from our new home. I had no idea that my wife hated it.

Downsizing and the Future

The Baby Boomers are coming. And they are talking about downsizing. Downsizing will only pick up speed and its impact will affect us in both predictable and unpredictable ways.



Certainly our investment managers will need to increase their focus on its effect on the securities we select. It has and will continue to influence the housing market. Lower square footage and better design will be the key factors in home selection. There will also be economic and social considerations that will show up in different ways. As others have pointed out, the generation that watched “Friends”, rather than “Leave it to Beaver” is much less inclined to live in the suburbs. They will also factor in the environmental impact of their home selection. “Going Green” will not only mean environmentally friendly building material and energy saving designs, it will mean condos, duplexes, half-plexes, and high rises.

Witold Rybczynski, in his article titled “Forget the Solar Panels and the Rain Barrels - If You Want to



go Green, Leave the Suburbs for the City”, (The Atlantic, October 2009) poses that green or sustainable architecture for a detached house is less “sustainable” than a reasonably well built multi-family dwelling, and that a redesigned older building on an urban site is greener than any new building on a newly-developed site.

Downsizing and Downtowns

It will be interesting to observe the impact of downsizing on our downtowns. Will they experience revitalization or will they lose out to “gated communities”? I suspect that some will and some won’t and much will depend on our willingness to address the problems facing our downtowns. It is interesting to observe Brattleboro. Changes are evident that perhaps reflect a positive trend: a Victorian converted to three condos, second and third floors on Main Street buildings that are now private residences. Subtle changes. For example, Hospice has decided to open up a second retail space to sell donated furniture. For those of us that are familiar with “Experienced Goods”, the

thrift shop located at the Transportation Center, we eagerly await the opening of the furniture store on Elliot Street. Hospice understands that when we get ready for retirement, we may be inclined to earmark some of our furniture to help a local non-profit. The Hospice Furniture store offers low cost alternatives to rental centers offering questionable terms to those most in need.

Invest in the Co-op



The Brattleboro Food Co-op is at the center of a major redevelopment of the downtown. In 1987, the Co-op moved into a failed shopping center. The current

location is in a section of town that can be politely described as vehicle unfriendly, not on the outskirts where you would expect.

Several years ago they were offered a sweetheart deal to move to a vehicle friendly shopping center near the current Hannafords. Shopping centers are the downtowns of suburbia. The Co-op shareholders said no. They are now rebuilding on their present lot, choosing the downtown of dense housing and patrons who walk to shop. This is a major project that includes 3,000 to 3,500 additional square feet of retail space and 19-23 apartments, the majority of which will be efficiency or 1-bedroom units. The Co-op is doing this in partnership with Windham Housing Trust and Housing Vermont.

The Co-op is looking for investors for this \$8.7 million project. They are offering three to five year loans with interest rates as high as 4%. If you are interested, contact us, or contact Bruce Boardman, the Co-op’s Financial Manager, at 254-2252, or Alex Gyori, General Manager, at 257-0236 (X101).

Witold Rybczynski concludes that being truly green means returning to the type of building that characterized the first half of the 20th century. I think of this as I walk the dog and delight in my new home, chosen because I was attracted to old neighborhoods.



The irony is that perhaps by returning to the past, I may have been going towards the future.