

Dream Homes for Retiring Boomers



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In this brave new world, seniors are healthier, more active, and more independent than any past generation, and the housing market is expanding to meet their needs. In 1995, 33 percent of homes in America were occupied by individuals who were 55 and over. Between 1998 and 2010, the population in the over-55 age group is expected to increase by more than 5 million people, making this group a formidable market source.

Housing in today's world comes in all shapes, sizes, heights and configurations: single family homes, rental apartments, condominiums, cooperatives, homeowner, property owner and planned unit development communities governed by associations, master associations, manufactured housing parks, and any combination of these.

Today, based on best estimates, there are approximately 215,000 community associations in the United States, with 18 million housing units and approximately 42 million residents. Most of the housing development today is in the form of some kind of community association, to provide infrastructure and relieve the financial burden on municipal authorities.

In 1995, the U.S. Department of Commerce and U.S. Department of Housing and Urban Development [American Housing Survey for the United States in 1995](#) (Washington, D.C., GPO, 1997) showed 33% of the homes in America occupied by individuals who are 55 and over. Between the years 1998 and 2010, the population in the 55+ age group is expected to increase by more than five million people, according to the U. S. Census Bureau.

Once a phenomenon in Florida, Arizona, Texas, California and Nevada, today, an estimated 215,000 community associations, with more than

18 million units, exist in every part of the country, and, a growing number of seniors have chosen to remain in their homes and familiar surroundings, rather than moving to traditional retirement destinations.

In the 1960's, consumers looked for "the house." In the '70's, the subdivision and the master plan were important. In the 1980's and 1990's, lifestyle was the commodity. And now, in the 21st Century, "community" is coming into its own, once again, with a significant impact upon the types of housing stock, facilities and amenities, and locations which are being offered in the new housing developments. As you read on, you will find more in-depth coverage of over 55 housing, assisted living facilities and continuing care retirement communities options.

While researching the evolution of the phenomenon which will be Baby Boomer Retirement, I made some interesting findings. An estimated 70% of Americans today quit working full-time before they are 65 years old. Following initial retirement, individuals over the age of 55 are moving to second careers, pursuing interests which they developed as hobbies, or as home-based industry. With changes in the Social Security Laws, the age of retirement with full benefits has been extended to 67, and may be further extended

down the line. With the advent of telecommuting, and the vigorous development and improvement of technology, home-based businesses are expected to increase exponentially in the next five years, particularly among the newly-retired population. According to an AARP study, only a fifth of the Boomers expect to move to a new geographic area when they retire, and only one-third expect to scale back their lifestyles. In a survey conducted in May and June, 2002, AARP found that 34% of individuals over the age of 45 who were surveyed said they intended to continue working part time because they were interested in the work, or wanted something to do. 19% said they would continue to work for the money. 10% said they would start a new business, and 6% said they would work full time at a new job. AARP found that as many as 85% of the Baby Boomers expect to continue working or begin new careers or start businesses after the traditional retirement age.

Post-retirement Boomers are being called "Zoomers," a term defined as a Baby Boomer who sees retirement as the fast lane to a more energetic, new stage in life characterized by healthy living, a high level of physical activity, a quest for further education, and who possesses technological and financial savvy. The Yuppie Elderly are better educated and enjoy better health than any prior generation of retirees.

But, all is not peaches and cream in the community association realm. The market must provide housing for families in which both parents work, and deal with a trend toward deferring having children until the parents are in their thirties and forties. While we are looking at a brave new world of seniors who are healthier, and more active and independent than any generations have ever been in our history, and we are also focusing on the new world of broken family structure and economic struggle that is increasingly taking its toll on the previously comfortable middle class and baby boomers as they age. Aging in place is a phenomenon which is not relegated solely to traditional retirement communities.

In my studies, I discovered a very disturbing fact. Many people who reach retirement age today did not or were not able to financially plan for retirement, because of inadequate income, catastrophic illness or death of a spouse, lack of

professional assistance and advice, and so on, or have outlived their savings.

With the failure of seniors to plan financially for their independence has come the rise of the Sandwich Generation. These may be individuals in their 40's and 50's who are still caring for their own children, and are now in the position of having to care for their aging or infirm parent or parents, who reside with them. Then there are the old caring for the older. People are living quite a bit longer now. In one case, the mother, who is 103 years old, has moved in with her 66 year old daughter and daughter's husband. Instead of focusing on her own time, money management and health issues, the daughter is now sharing her resources with her mother. And the strains and struggles, both emotional and physical, are immensely stressful to those who are entering their own retirement years.

Regardless of your prior experience as a home buyer or property owner, there are actions you should take as you consider purchasing a home in a mandatory membership community association:

1. Obtain a copy of the Documents, including the Rules and Regulations, and read them carefully. You are looking for any restrictions which impact upon the type of lifestyle you are seeking. You are looking for parking limitations, pet restrictions, guest occupancy rules, and the like.

2. Get help from an attorney who specializes in community association law. You are entering into a legal contract for the purchase, and should be advised on the meaning and impact of the small print. Also, the attorney can review your responsibilities, as well as your rights, as an owner in the community and a member of the Association. Who maintains your home? What happens if you are flooded by a leak from the unit upstairs?

3. Get a copy of the annual association budget, and ask whether there are reserves for future repairs. Then, get your accountant to look at the records, so you have a better idea of the fiscal health of the community. You may want to seek advice from a financial planner to help you plan your long-term strategy and ensure that the community and home you have chosen are a financially sensible choice.

4. And, think about whether you would like to stay in this home well into your retirement years, and get advice on whether the dwelling is able, or can be retrofitted in the future, to support grab bars or to be accessible to a wheelchair, and how you will get to the second floor, and so on.

5. Finally, talk to the neighbors and

look for smiling, welcoming residents.

Despite the fun the press will have with “bad news” about condomaniacs, most people love their community associations today. A little homework, and a little reading, will make that experience even more positive and fulfilling.

Ellen Hirsch de Haan, a shareholder in the Firm's Largo office, specializes in the practice of Community Association Law, representing condominium, cooperative, timeshare and homeowner associations. Ms. de Haan received her Masters Degree in Education from the University of Massachusetts at Amherst and completed her law studies at the University of Miami School of Law. Ms. de Haan has lectured extensively, not only throughout Florida, but also nationally and internationally at conferences, professional meetings, and colleges and universities.

