



Transcript -

Episode 4: - Alternative Housing Options for Affordable Retirement

Intro: 0:00

Today we're diving into a topic that's crucial for anyone planning their retirement: housing. Now, as we all know, housing is one of the largest expenses most people face, and it doesn't get any easier in retirement. But the good news is that there are plenty of alternative housing options out there that can make retirement not only more affordable, but also more enjoyable. In today's episode, we're going to explore some of these options from tiny homes to mobile homes, co-housing communities and more. We'll look at the pros and cons of each, share some real-life examples and help you start thinking about what kind of housing might be right for your retirement. Whether you're already considering a move or just starting to think about the future, this episode is packed with information that can help you make a smart, informed decision. S

o grab a cup of coffee, settle in and let's get started.

Welcome to Low Income Rich Life, the podcast that helps you prepare for a secure and fulfilling retirement, even on a limited income. I'm your host, Kevin Bass. Each week, we'll explore practical tips and strategies for getting out of debt, lowering expenses, living a simpler life and finding true contentment, whether you're nearing retirement or just starting to plan. Join me as we navigate the journey to a brighter future. Let's discover together how to make the most of our golden years without breaking the bank.

When it comes to retirement, housing is a big deal. In fact, for most people, it's their largest expense, and managing this cost is key to living comfortably on a limited income. That's why it's so important to think carefully about your housing options before you retire. Let's talk about why affordable housing matters so much in retirement. When you're living on a fixed income, whether it's from Social Security, pensions or savings money can be tight. Every dollar counts, and finding ways to reduce your housing costs can make a big difference in your financial security and your peace of mind. Lowering your housing expenses means more money in your pocket for other essential needs like groceries, medications and even the little things that bring joy to your day-to-day life, and it also gives you a cushion to handle the unexpected, because, let's face it, life can throw curveballs. Joy to your day-to-day life. And it also gives you a cushion to handle the unexpected, because, let's face it, life can throw curveballs, whether it's a medical bill or a sudden home repair. But it's not just about the numbers. The place you call home plays a huge role in your overall well-being. It's where you'll spend most of your time, especially as you get older, so finding a housing solution that's both affordable and comfortable is crucial for your physical and mental health. Here's the thing: Finding affordable housing in retirement might require thinking outside the box.

Think Outside The Box: 2:32

It's not always about sticking with the traditional route. Sometimes the best option might be downsizing, embracing the minimalist lifestyle of a tiny home, or finding community and support in a co-housing setup. There's no one-size-fits-all answer, but by exploring different options you can find the one that's right for you. Let's start with one of the most talked about trends in affordable living today: tiny homes. You've probably seen them featured on TV shows or in articles, and for good reason.

Tiny Homes: 3:01

Tiny homes offer a unique combination of affordability, simplicity and freedom that can be very appealing, especially in retirement. So what exactly is a tiny home? Well, as the name suggests, tiny homes are small, often ranging from around 100 to 500 square feet. They're designed to maximize every inch of space, providing all the essentials you need in a compact, efficient package. For many retirees, the appeal of a tiny home lies in its simplicity: Fewer things to worry about, less space to maintain and lower utility bills. But let's break it down a bit further.

Pros: 3:35

What are the pros and cons of a tiny home? Well, pros. One of the biggest advantages of living in a tiny home is the cost. Tiny homes are significantly cheaper to build or buy compared to traditional homes in most cases, and because they're so small, your

ongoing expenses, like utilities and maintenance, are also much lower. This can free up a lot of your budget for other important things like travel, hobbies or saving for future needs. Another pro is the lifestyle. Living in a tiny home encourages a minimalist mindset, which can be incredibly freeing. You're less tied down by possessions and more focused on experiences and relationships. Plus, many tiny homes are built with sustainability in mind, using eco-friendly materials and designs that reduce your environmental footprint. And, of course, if there's pros, there has to be cons.

Cons: 4:20

Tiny homes aren't for everyone. The biggest downside is the limited space. If you're someone who enjoys having lots of room to spread out, entertain guests or store lots of belongings, then a tiny home might feel too restrictive. There's also the issue of zoning laws. Some areas have strict regulations about where tiny homes can be placed, if they can be placed at all. So it's important to do your homework before making the move, and while tiny homes can be a great solution for some, they may not be as practical if you have mobility issues or require certain medical equipment that needs more space. Now, tiny homes aren't just something I've read about. I've actually built one myself.

I Built A Tiny Home: 4:58

My wife and I decided to take the plunge into tiny home living as part of our own journey towards financial freedom. We wanted a place that was entirely ours, with no mortgage hanging over our heads. So we set out to build a modest home that would suit our needs perfectly. But here's the thing: we didn't jump straight into the tiny home. To make it all possible without taking on debt. We first lived in a used mobile home that we paid cash for. It wasn't glamorous, but it was a crucial step in our plan. Living in that mobile home allowed us to save money, avoid mortgage payments and eventually build our tiny home with no debt. I'll share more details about that experience in a future episode, but for now, I can tell you that building and living in a tiny home has been one of the most liberating decisions we've made.

Real Life Examples: 5:44

It's not just about the financial savings. It's about the lifestyle shift that comes with it. Living more intentionally, with fewer distractions and focusing on what truly matters to us. And we're not alone.

There are plenty of retirees out there who have successfully made the switch to tiny home living. For instance, there's a story of a couple who downsized from a three-bedroom house to a 300-square-foot tiny home on wheels. They found that the lower cost of living allowed them to retire early and spend more time traveling and

enjoying life. Or consider the retiree who built a tiny home on her son's property. This gave her independence while staying close to family, and it significantly reduced her living expenses. Stories like these show that, with some planning and a willingness to adapt, tiny home living can be a viable and rewarding option for retirement. So is a tiny home right for you? It all depends on your lifestyle needs and willingness to embrace a simpler way of living. But if you're intrigued by the idea of lowering your expenses and living more intentionally, a tiny home could be worth considering.

Next up, we'll explore another affordable housing option: mobile homes. Stay with us.

Join Our Facebook Group: 6:45

Hey there, listeners, are you looking for a supportive community where you can learn more about preparing for retirement on a low income? If so, I've got just the place for you. I'd love for you to join our Facebook group,

<https://facebook.com/groups/lowincomerichlife>

It's a space where we share practical tips, resources and experiences to help each other navigate the challenges of retirement planning on a budget. Whether you're just starting to think about retirement or you're well on your way, our group is filled with folks just like you, all working towards the same goal: a secure and fulfilling retirement without breaking the bank.

To join, simply head over to <https://lowincomerichlife.com/jointhegroup>.

I can't wait to see you there and hear your story.

Mobile Homes: 7:41

Now that we've talked about tiny homes, let's move on to another popular and affordable housing option: mobile homes. Mobile homes have been a go-to choice for many retirees looking to downsize or live more economically, and they offer a level of flexibility that traditional homes often don't.

So what exactly is a mobile home? Unlike tiny homes, which are typically custom-built, mobile homes are prefabricated structures that are manufactured off-site and then transported to a location. They're usually placed in mobile home parks or on private land, and they can be a very cost-effective way to own a home. Let's look at the pros and cons.

Pros: 8:18

One of the biggest advantages of mobile homes is affordability. Compared to traditional homes, mobile homes are much less expensive to purchase, and you can often find used mobile homes at even lower prices. This makes them an attractive option if you're

trying to stretch your retirement savings as far as possible. Another benefit is the flexibility they offer. Mobile homes can be placed in a variety of locations, including designated mobile home parks that often cater specifically to retirees. These communities can provide a built-in social network and amenities like clubhouses, pools and activities, all of which can enhance your retirement lifestyle. Living in a mobile home also allows you to keep your living expenses low. Property taxes, insurance and utility costs are generally lower than those associated with traditional homes. Plus, if you own the land your mobile home is on, you're free from the recurring expense of lot rent, which further reduces your monthly costs.

Cons: 9:11

However, mobile homes aren't without their downsides. One major consideration is depreciation. Unlike traditional homes, which often appreciate in value, mobile homes tend to depreciate over time. This means they might not be the best option if you're looking at your home as an investment. Another factor to consider is the cost of lot rent. If you don't own the land, lot rent can vary widely depending on the location and amenities offered by the mobile home park. Over time, this cost can add up and it's important to factor it into your long-term budget. And while mobile homes can offer a comfortable living situation, they may not provide the same level of durability as a traditional home. Weather conditions such as strong winds or storms can pose a greater risk, especially in areas prone to severe weather or tornadoes. It's crucial to ensure that your mobile home is properly anchored and that you have adequate insurance coverage.

Yes, I've Lived In a Mobile Home Too! 10:00

Now, speaking from personal experience, I've actually lived in a used mobile home myself. My wife and I purchased it with cash and, while it wasn't the most glamorous option, it played a crucial role in our journey to financial freedom. By living in that mobile home, we were able to save money, avoid mortgage payments and eventually build our tiny home with no debt. Living in a mobile home taught us a lot about the importance of budgeting, prioritizing our financial goals and making the most of what we had. It wasn't always easy, but it was a key step in allowing us to live mortgage-free, and it's an option I'd recommend considering if you're looking for a way to reduce your housing costs and save for the future. Before making a decision, it's important to do your research, look into the cost of mobile homes in your area, consider the pros and cons and think about whether a mobile home fits into your long-term retirement plan. It's also worth visiting some mobile home communities to get a feel for the lifestyle and see if it aligns with what you're looking for.

Co-Housing: 10:54

Next, we're going to explore another intriguing option: co-housing communities where you can find both affordability and a sense of community. Now that we've explored tiny homes and mobile homes, let's dive into another alternative housing option that's gaining popularity among retirees co-housing communities. Gaining popularity among retirees co-housing communities. If you're looking for a living situation that offers both affordability and a built-in social network, co-housing might be the perfect fit for you. So what exactly is co-housing?

Co-Housing Explained: 11:22

Co-housing is simply a type of intentional community where residents have their own private homes or apartments but share common spaces and resources like kitchens, gardens and recreational areas. These communities are often designed to encourage interaction and collaboration among neighbors, fostering a strong sense of community. For retirees, co-housing offers several appealing benefits. First, it's typically more affordable than living alone in a traditional home because you're sharing costs for things like maintenance, utilities and amenities. This shared approach to living can significantly reduce your monthly expenses, making it easier to stretch your retirement savings. Another major advantage of co-housing is the social aspect. As we get older, it's common to feel more isolated, especially if you're living alone. Co-housing communities are designed to combat that isolation by promoting regular social interaction and mutual support among residents. Whether it's sharing meals, working on projects together or just having neighbors close by, co-housing can provide a sense of belonging that's incredibly valuable in retirement.

Retirement Communities: 12:25

Now let's talk about retirement communities. While they're different from co-housing in some ways, they share many of the same benefits. Communities. While they're different from co-housing in some ways, they share many of the same benefits. Retirement communities, also known as senior living communities, are residential developments specifically designed for older adults. They often include a range of housing options, from independent living to assisted living and even nursing care, all within the same community. One of the biggest draws of retirement communities is the convenience. Many of these communities offer a variety of services and amenities, such as meal plans, housekeeping, transportation and health care, all of which can make day-to-day living much easier. And, just like with co-housing, the social aspect is a major plus. Retirement communities are built to encourage interaction, with plenty of activities and events to keep you engaged and connected with your neighbors.

Pros: 13:14

So once again, let's look at the pros and cons. Both co-housing and retirement communities offer a supportive and social environment that can enhance your quality of life in retirement. The sense of community can be incredibly comforting, especially if you're moving away from family or longtime friends. Additionally, sharing resources and responsibilities can lead to significant cost savings, making these options more affordable than living alone. Another pro is the peace of mind that comes with living in a community designed for older adults, whether it's the availability of health care services or simply knowing that help is nearby if you need it.

Cons: 13:48

Co-housing and retirement communities can offer a level of security that's hard to find in other housing options. On the flip side, however, there are some potential downsides to consider. For one, you might have less privacy in a co-housing setup compared to living in your own standalone home. Shared spaces mean more interaction with neighbors, which is great for socializing, but might not be ideal if you value your solitude. Retirement communities can also come with higher costs, especially if you're opting for a more upscale development with lots of amenities. It's important to carefully review the fees and contracts before committing, to make sure the community fits within your budget.

Check Them Out: 14:23

If you're intrigued by the idea of co-housing or retirement communities, it's worth taking the time to visit some in person. Talk to current residents, tour the facilities and get a feel for the community atmosphere. Think about what's most important to you, whether it's affordability, social interaction or access to services, and weigh the pros and cons based on your personal preferences and needs. There are countless stories of retirees who have found happiness and fulfillment in co-housing and retirement communities.

For example, one retiree I know joined a co-housing community where everyone shares responsibilities, from cooking meals to maintaining the garden. She loves the sense of camaraderie and the fact that she never feels alone, even though she's technically living independently. And then you have couples who move into a retirement community that offers a continuum of care. Perhaps they start in an independent living apartment but have the peace of mind knowing that as their needs change, they can transition to assisted living or nursing care without leaving the community they've probably come to love. Co-housing and retirement communities offer a unique blend of affordability, support and social engagement that can make a big difference in your retirement years.

If you're someone who values community and shared living, these options might be worth exploring.

Downsizing: 15:36

As we continue our discussion on affordable housing options in retirement, let's take a closer look at downsizing and some other low-cost alternatives that can help you stretch your retirement savings even further. Downsizing is a strategy that many retirees turn to when looking to reduce their living expenses. The idea is simple: by moving into a smaller, less expensive home, you can lower your monthly housing costs, free up equity from your current home and simplify your life. For many, downsizing is a practical and effective way to make their retirement savings last longer. But downsizing isn't just about reducing costs. It's also about embracing a lifestyle that's more focused on what truly matters. With less space to maintain, fewer belongings to worry about and lower utility bills, downsizing can free up both time and money, allowing you to focus on experiences and relationships rather than material possessions. In addition to downsizing, there are several other low-cost housing options that might be worth considering, especially if you're open to thinking outside the box, which, if you're trying to retire on a low income, sometimes you have to do.

RV Living: 16:41

Number one RV living. For those who love to travel, living in an RV can be an exciting and cost-effective way to retire. An RV allows you to take your home on the road, giving you the freedom to explore new places while keeping your housing costs low. Of course, this lifestyle comes with its own sets of challenges, like the need for regular maintenance and the limitations of living in a small space. But for the adventurous retiree RV living can offer an unparalleled sense of freedom.

House Sharing: 17:07

Number two house sharing. Another option is house sharing, where you live with others, either by renting out a room in someone else's home or sharing a larger home with other retirees. House sharing can significantly reduce your living expenses while also providing companionship and a built-in support network. This arrangement works well for those who enjoy social interaction and are looking for a more communal living experience. Number three moving to a more affordable location. If you're open to relocating, moving to a more affordable area can be a great way to reduce your housing costs, whether it's moving to a different state, a rural area or even another country, there are plenty of places where the cost of living is lower than in major cities. This can be an especially good option if you're looking to make your retirement savings go further while enjoying a new environment. Coming in at number four is accessory dwelling units. For

those who want to stay close to family, building a small place on a relative's property could be a cost-effective solution. A small independent living space, kind of like an in-law suite, can allow you to maintain your independence while living near your loved ones, which can be particularly reassuring as you age when thinking about downsizing or exploring any of these alternative housing options.

More Choices for Alternative Housing: 18:21

It's important to consider your long-term needs and lifestyle preferences. What works well for someone else might not be the best fit for you. So take the time to weigh the pros and cons of each option. Think about factors like mobility, access to health care, social connections and how much space you truly need to live comfortably. So here's a couple of quick real-life examples. One couple I know sold their large suburban home and moved into a cozy condo in a smaller town. The move allowed them to eliminate their mortgage and significantly lower their monthly expenses. With the extra savings, they've been able to travel more and enjoy their retirement without the financial stress they would have had if they'd stayed in their big home. Another retiree decided to sell her home and live full-time in an RV. She now spends her days exploring national parks and going back and forth, visiting family across the country. While the lifestyle isn't for everyone, she loves the freedom and adventure that RV living provides, and she's managed to keep her living expenses very low in the process.

Conclusion: 19:20

So downsizing and exploring alternative housing options can be powerful strategies for making your retirement more affordable and enjoyable, whether you're looking to cut costs, simplify your life or embrace a new adventure. There are plenty of options to choose from. The key is to think creatively and find a solution that aligns with your goals and lifestyle. As we wrap up today's episode, I hope you've found some inspiration and ideas for making your retirement housing more affordable. Remember, there's no one-size-fits-all solution, but by considering all your options and thinking outside the box, you can find a living situation that's both comfortable and financially sustainable.

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Remember, a truly rich life is not about how you spend your money, but how you spend your time.

I'm Kevin Bass, wishing you a prosperous and joyful retirement journey.

Stay well and stay inspired.