

Planning To Invest In A Senior Home? Keep The Following In Mind

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Are you planning to invest in a senior home? It is important to take into account all factors involved while investing in a senior home



Senior living homes are becoming popular because they provide a safe and secure stay, along with social engagement and access to healthcare. If you are considering moving into a senior living home post-retirement, keep the following in mind. Senior living makes sense as many families have children who are overseas or in different cities than their parents.

Consider Whether You Can Afford It: Senior living homes are more expensive than normal homes due to the additional facilities provided. Plus the costs of maintenance and living are also higher.

“Senior living homes would cost more in terms of maintenance and living expenses even if one has bought a property in such a community due to various facilities that they extend like canteen facilities, medical, activities, services to inmates, etc. Hence one should consider moving to such a facility only if one is financially well funded,” says Suresh Sadagopan, founder and principal of Ladder7 Financial Advisories, a financial planning firm. It is recommended that you choose a home that costs less than you can afford.

“One should invest in senior citizen homes close to retirement after ideally checking it out by staying on rent for about a year. This way they will know if it is good for them or not. If good they can go for it after a year,” says Sadagopan.

Independent Or Assisted Living: There are broadly two types of senior living- independent living and assisted living. Independent living is for senior citizens with an active lifestyle and assisted living is for those who are not very active, so there is personal care and assistance with daily activities. How fit you are and the stage of life you are in will help you decide what to choose.

Buy Or Rent: Premium senior living properties can be very expensive. It blocks a large chunk of money. Renting is another option. If one rent, one can also shift if they do not find the services satisfactory.

“While evaluating senior living do consider if you need to buy a property in such a community or if it is possible to pay monthly rent and get good quality accommodation. Many times renting may be a better option,” says Shalini Dhawan, co-founder, Plan Ahead Wealth Advisors, a Sebi-registered investment advisor. For example, if you are seeking a senior living home in Pune and find an appropriate one on monthly rent, you may not need to sell your existing home in Mumbai or any other metro.

Before you make a choice, visit multiple facilities at different times during the day. Observe residents and staff or talk to them if possible. Also, familiarise yourself with all the rules and guidelines of the place.