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CLAIRE KERR; BRUCE LARSON



Many Older Americans Decide They Don't Need to Own a House

Rising property taxes, insurance and home-repair costs are prompting some to consider renting

BY CLARE ANSBERRY

Claire Kerr wanted to downsize from her five-bedroom, four-bathroom house after her children were grown. Rather than buy something smaller, the 64-year-old marketing manager at 7-Eleven decided she was tired of maintenance and repairs. So she sold her house and rented a two-bedroom home with a front porch and attached garage.

"I'm at a different stage in life," says Kerr, who lives in Dogwood Commons, a rental community for people 55 and older in the Dayton, Ohio, area. "I have no interest in yardwork and home improvements."

A growing share of people in the second half of life, many of them longtime homeowners, are choosing to rent instead of own.

1

While homeownership climbs with age, the fastest-growing group of renters is those 55 and older, according to 2023 Census Bureau data compiled by the National Investment Center for Seniors Housing & Care. The share of renters 65 and older rose 30% in the past decade, according to a recent study by Point2Homes, a residence-rental platform.

More people are asking themselves, “Do I really need to own a house at this stage of my life?” says Ryan Frederick, author of the book “Right Place, Right Time,” which helps people plan where to live, especially as they live longer, healthier lives and have more options.

Their children are grown. The house is too big. Pipes leak. Weeding never ends. Many, newly single, can’t easily take care of the house on their own, or don’t want to and would rather take a trip without arranging for someone to cut the grass.

Then, there’s the financial side. Soaring taxes, rising insurance and home-repair costs are pricing some people out of their homes. Property taxes tend to go up every year and in some affluent areas residents can be hit with unexpected doubledigit increases.

One and not done

Renting also provides optionality. People can leave if the neighborhood is too loud or busy—or not busy enough. They can follow their children wherever they end up. They might buy again.

Darrow Kirkpatrick and his wife, Caroline, sold their four-bedroom house in Tennessee more than a decade ago and moved to Santa Fe, N.M., to be closer to their son. They rented a two-bedroom house.

“We wanted to make sure we wanted to be there before we put a lot of money in a house,” says Darrow, 65, an outdoorsman and author who retired as an engineer at 50 and started a retirement blog.

Renting worked for several years. He loved not doing repairs and the couple felt free to travel. But housing prices began climbing and their landlord, initially attentive, wasn’t taking care of the property. The couple decided in 2020 to buy again, while they could still afford to do so, to gain more stability.

A generation ago, choices were largely binary: Older adults lived in their family home or in senior living, with meals and services provided. Now, options include luxury apartments, single-family rental homes and patio homes in age-restricted communities with walking trails and dog parks.

Bruce and Patty Larson enjoyed their Carrollton, Texas, home for 40 years but were exploring the next step. They considered updating their current home, but that still meant maintenance, which neither wanted.

They didn’t want to move into an apartment and had no interest in a life plan community, which can have high entry fees. They saw new single-level villas with attached garages, front porches and back patios catering to those 55 and older being built nearby.

“We said let’s do it,” says Bruce, 80, a retired architect. They moved last year to Avenida Carrollton, a development of rental villas and apartments. He misses his workshop. Patty, 77 a retired judge, misses her garden. Neither miss the upkeep. Both are glad they downsized on their own so their adult daughters don’t have to deal with it.

HVAC headaches

More than 60% of those moving into 55-plus rental communities, like the Larsons, are coming from homes they sold, says Caroline Clapp, senior principal at the National Investment Center for Seniors Housing & Care.

Janet Webb, 76, lived in her three-bedroom house in Carrollton for 20 years. She loved it, but it needed work. The sprinkler system leaked. The foundation had a crack. The appliances and HVAC systems were old.

“I was just so tired of dealing with that,” says Webb, who retired after a 50-year career in general administration. She sold her house for \$399,900, invested the equity and moved last year into a 55 plus community near her old neighborhood. Rent of \$3,200, including pest control, trash and water, is more than double her monthly mortgage, (2)

insurance and tax costs. But she says she might as well enjoy spending more to live carefree. Her daughter, an only child, doesn't have to worry about getting rid of the house and dealing with that headache, says Webb. "People are aging differently," says Jane Arthur Roslovic, CEO of Treplus Communities, which has five properties with more than 550 units in Ohio for those 55 and older, including Dogwood Commons, where Kerr lives. Monthly rents average between \$2,100 and \$2,700 depending on size.

Kerr says her costs largely even out annually and she doesn't have to worry about unexpected expenses like replacing a roof. Another plus is that her wealth is no longer tied up in one asset: her house. *Note*

Still, renting is an adjustment. There are emotional connections to a home and a sense of achievement. But she has no regrets. "I've been there. Done that. Loved it," says Kerr. "I want more freedom."

Claire Kerr, above, sold her home and moved into a two-bedroom rental. Patty and Bruce Larson, right, downsized last year and say they don't miss the upkeep.

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