

Case Study



CLIENT: Gene and Beth A.

LOCATION: Concord, CA

OVERVIEW:

Gene and Beth moved to Concord in 1996 after receiving a job transfer. They are recently empty-nesters and have both retired from their corporate jobs within the last couple years. They originally had no intentions of moving out of the Bay Area after retirement, however, as the years have gone by they have seen an increase in traffic, congestion and cost of living in the Bay Area. With their home now having significant equity they decided to explore the option of retiring elsewhere.

OBJECTIVE:

Gene and Beth are looking to find an area to retire where they can continue their active lifestyle and live in a community which caters to active adults.

Concord Home Vitals:	3 bedroom, 2.5 bath, 1,454 sq ft
Current home value:	\$610,000
Outstanding mortgage balance:	\$226,000
Monthly housing costs:	\$2,070

SOLUTION:

Gene and Beth have family in Sacramento and often visit Reno, NV for leisure, so they were interested in looking at adult active communities within close proximity to both areas. They spent a couple of weekends looking at communities in Roseville and Lincoln, before deciding to put an offer on a property on a property in Lincoln.

Concord home list price:	\$610,000
Final sales price:	\$617,000
Net proceeds after loan payoff and costs of sale:	\$263,000

Lincoln Home Purchase Vitals:	2 bedroom, 2 bath, 1,704sq ft
Purchase price:	\$472,000
Down payment:	\$225,000 (47%)
Mortgage amount:	\$247,000
Monthly housing costs:	\$1,650 (principal, interest, taxes, insurance, HOA)

OUTCOME:

<i>Monthly housing cost savings:</i>	\$420
--------------------------------------	-------

Enough money from the proceeds of their sale to put 47% down on their next home AND put over \$38,000 in the bank