

Fact Sheet No 15

Do you need to sell or rent part of your home to pay for your care?

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Probably not: some individuals and their families have been panicked into selling their home following a stay in hospital. They may have been told; “Well we can’t keep this bed for you now you don’t need acute care; you will have to go home”. Then they may have been told by Social Services that because they are not eligible for help from the Council and they don’t have enough available cash to meet the care home fees then “You will have to sell your home”. For many people this is the wrong advice for one or more of the following reasons.

The additional costs of care may be affordable without any need to sell your home

For more detailed explanation of this see Fact Sheet No 10 “What will your care cost?” and Fact Sheet No 12 “ How can you afford to pay for your care?”

This is particularly likely to be the case if you do not need to go into a care home (as most people don’t) but can find all your care need adequately met in your own home with some adaptations or in an Extra Care scheme.

If you need some of the value locked up in your home to buy a care fees insurance policy (Fact Sheet 13) or to buy other financial products that will pay you an annual income (Ask for an introduction to a specialist Financial Advisor who can advise you on these) there are other ways of releasing this value without having to sell your home:

- Equity Release Products. (Although these do normally require sale of the property upon your death.)
- The My Care My Home Care Property Bond: this can also release cash without you (or your family after your death) ever having to sell the property.

Also the Care Property Bond enables the home to earn rent tax free when you are no longer living in it and this money repays the capital taken out to provide your care. So your family can inherit your property debt free even after it has funded all your care.

If your property is of relatively high value

You may wish to consider letting it and using the rent to enable you to rent an Extra Care apartment or even to pay your care home fees. My Care My Home can give you further information on this: see Chargeable Service No 7 “Preparing an initial report on your property to identify the cost of adaptations to facilitate you receiving care at home; the potential for subletting part of your home; indicative rental and sales values”.