



Olive Grove  
Financial Advice



# Alternatives to Selling Your Home When Entering Aged Care



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Hi there,

I'm Bill from Olive Grove Financial Advice. I understand the transition to aged care is a difficult time and getting support at this stage would be a welcome relief. Every day I see the stress that navigating the aged care system causes families, and I am passionate about supporting your family through this journey.

I have prepared this guide to help you understand your options regarding the family home when entering aged care, so that you can make informed financial decisions with confidence.

If you would like to chat further, I would be happy to have a more in-depth chat about keeping vs. selling your home, including accommodation payment strategies, Centrelink/DVA implications, and investment options that balance income generation with pension entitlements and care cost reduction.

I look forward to meeting you,

*Bill*



## Bill Savellis

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# Your Home & Aged Care Assessments

## How Your Home is Treated in the Care Contribution Test

When determining your aged care entitlements, you will need to undergo an assessment. Your assets, including your home, is included in the care contribution assessment unless an 'eligible person' remains living there.

The value of your home is capped for care contribution purposes when it's included in your aged care assessment. This is different to your Age Pension assessment.

Including your home in the assessment will increase the value of your assets, potentially leading to higher contributions for your - or your loved one's - accommodation payments and care fees.

## When Is My Home Exempt?

Your home is exempt from the care contribution if any of these people continue to live there:

- Your spouse or partner
- A dependent child
- A carer who has lived there for at least 2 years and is eligible for government income support
- A close relative who has lived there for at least 5 years and is eligible for income support

If your home qualifies for exemption, this protection continues indefinitely while the eligible person remains living there.





## Common Alternatives to Selling Your Home

Every person's situation when transitioning to aged care is unique, with different financial resources, family support systems, health needs, and emotional attachments to consider. Below are common alternatives to selling your home that many people explore when moving into aged care.

However, before making any decision, it's crucial to seek personalised financial and legal advice that takes into account your specific circumstances, goals, and values to ensure you understand all options available to you and their implications for both your immediate care needs and long-term financial security.

- Renting your home may be considered in order to generate ongoing income to offset aged care costs while maintaining ownership.
- Reverse mortgages allow you to access your home's equity without selling by borrowing against its value. Benefits include preserving ownership, avoiding immediate capital gains tax, and the option to return home.
- Family arrangements include having relatives live in the home (potentially qualifying for care contribution exemption), family members purchasing the property while granting you life interest, or establishing formal loan agreements.





## Making a Decision

### Financial Implications of Keeping vs Selling

Your choice depends on your individual circumstances, including your potential rental income, emotional attachment to the home, and family considerations. It is important to seek advice on your personal circumstances so you can understand the most suitable option for you or your loved one.

#### Keeping Your Home

- Your assessable assets are capped for the home value
- You may be able to rent the property to generate income
- After 2 years in care, your home becomes fully assessable for pension purposes (though still capped for aged care)
- You maintain a valuable asset that may appreciate over time
- You preserve the option to return home if circumstances change

#### Selling Your Home

- The full proceeds become assessable assets (no cap applies)
- May increase your accommodation payment and care contribution fees
- Provides liquid funds to pay accommodation deposit upfront rather than DAP payments
- Eliminates ongoing property expenses (maintenance, rates, insurance)
- May affect pension entitlements when proceeds of the sale are counted as a financial asset





## What's Next?

Request a chat  
with Bill



Whether you're seeking aged care financial advice or help dealing with Centrelink, we're here to support you.

Our service is end-to-end. We work with Centrelink, aged care facilities and any other professionals to put our clients plan in place.

Our structured and disciplined approach to providing advice is designed to simplify your life. We do the hard work so our clients can make informed financial decisions without the stress.

**Prior to accessing most aged care services you will require an assessment of your care needs.**

MyAgedCare can put you in contact with your local ACAT. You can call them on 1800 200 422 or visit [www.myagedcare.gov.au](http://www.myagedcare.gov.au) for more information.



FIND OUT MORE HERE



# Olive Grove Financial Advice

Helping You Navigate Your Financial Journey  
Through Every Stage of Later Life

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