

If you sit at enough Southfield kitchen tables with people in their sixties and seventies, you start to hear the same sentence in different voices:

"I just wish this house was paid off by now."

Not everyone says it, but enough do that it deserves a hard look. Especially in a city like Southfield, where housing, property taxes, and retirement security are tightly linked.

I work with a mix of longtime Southfield homeowners, Detroit transplants, and people building or buying in the suburbs for the first time. The pattern is clear. Whether someone is asking "Can I afford a 300k house on a 50k salary?" at 35, or "Can a 70 year old woman get a 30 year mortgage?" at 70, the question underneath is the same:

"How do I keep from being house-poor when I no longer work full time?"

Let's walk through what retirees here actually say about mortgage regret, what national and Michigan data suggest, and how to make better choices, whether you are 5 or 25 years from retirement.

Do most retirees have their home paid off?

Nationally, a growing share of people reach retirement with a mortgage balance. Different surveys land at slightly different numbers, but a few patterns are solid:

- Among homeowners age 65 and over, roughly 35 to 45 percent still carry a mortgage.
- That share has climbed sharply over the past two to three decades.
- The debt itself is larger, not just more common.

Southfield tracks closer to those national patterns than to the old ideal of "free and clear by 62." Local home values, especially in popular neighborhoods in Southfield like areas near 12 Mile, Lahser, and Evergreen, have climbed enough that many people traded up or refinanced during lower-rate years and extended their payoff date into their seventies.

So when people ask, "Do most retirees have their home paid off?" the honest answer is no. Many do not. The better question is whether the ones carrying a mortgage into retirement usually regret it.

My experience: regret is more about cash flow stress than about the fact of having a mortgage at all.

If a retiree has a modest payment, strong savings, and plenty of flexibility, they often see the mortgage as just another bill. When the payment chews up a third or more of monthly income, the tone changes, even if the interest rate is low.

What Southfield retirees actually regret

I keep informal notes when people talk about money regrets. Common themes show up when it comes to housing and mortgages.

Here are the ones I hear most often from Southfield and nearby retirees:

- "We bought more house than we needed, because we assumed our income would always go up."
- "We refinanced too many times and kept resetting the clock to 30 years."
- "We helped the kids with their houses but never made extra payments on ours."

- “We underestimated property taxes and insurance. Even if the mortgage disappeared, the house is not cheap to carry.”
- “We waited until our late fifties to get serious about paying it down.”

Notice what is missing. Very few retirees say “I shouldn’t have invested instead of paying extra on the mortgage.” They struggle more with not having given themselves options earlier. Some would still choose to keep a low-rate mortgage and extra savings, but they wish it had been a choice, not a necessity.

Are Southfield property taxes high, and why does that matter in retirement?

When people talk about paying off a house before retirement, they sometimes forget that the mortgage is only part of the carrying cost. Property taxes in particular shape how secure a retiree feels.

To the question “Are Southfield property taxes high?” the answer is: they are in the mid to higher range for Oakland County, but not the highest in Michigan.

A few important points:

- Michigan’s property tax structure is quirky. When you buy, your taxable value “uncaps” and can jump, then future increases are limited by inflation or 5 percent, whichever is lower, until the property transfers again.
- Within Michigan, some of the highest effective property tax rates are found in parts of Wayne, Oakland, and Washtenaw counties, especially in communities with strong school systems and more services.
- When people ask “Which counties in Michigan have the highest property taxes?” they are usually really asking whether downsizing to another county would significantly lower their annual bill. Often it does, but you need to compare not just the millage rate, but home values as well.

In practice, a retired Southfield couple with a long-held primary residence can sometimes have a surprisingly reasonable tax bill compared with buying a similar-priced house in another city today. That capped taxable value is valuable.

This is also why some clients ask, almost in a whisper, “How to not pay property tax in Michigan?” The short answer is you cannot simply opt out, but certain seniors can reduce or eliminate some of the burden.

Michigan offers:

- Principal residence exemptions (so you are not paying the higher non-homestead rate).
- Poverty exemptions and deferment programs in some cities for low-income seniors.
- State income-tax credits, including new or expanded senior credits. Questions like “Who is eligible for the \$6,000 senior tax credit?” depend on current law and income thresholds, which change. You need a current-year check with a tax professional or the state treasury website rather than relying on dated numbers.

The key point: even if your mortgage is paid off, you still “rent” your home from the tax authorities. A retiree who ignores property tax planning can feel just as squeezed as one who still owes the bank.

How big a mortgage fits a pre-retiree income?

When I talk to people in their 40s and 50s, the conversation often starts with affordability:

“Can I buy a house with a 90k salary?”

“Can I afford a house on a 40,000 salary?” “How much should my mortgage be if I make \$3,000 a month?”



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Lenders will happily qualify you for more than is comfortable if rates are low and your credit is strong. A conservative and retirement-friendly approach in Southfield is to stay closer to the lower end of standard rules of thumb.

If someone brings home 3,000 dollars a month after taxes and retirement contributions, a total housing payment (mortgage, property tax, insurance, and HOA if any) much over 1,000 to 1,200 dollars starts to leave less room for savings and inevitable surprises. With higher incomes, the percentages can stretch, but the idea is the same: leave margin so that when retirement hits, you have options.

People ask for neat formulas, but the better starting point is to picture your likely retirement income source by source, then work backward. A 50-year-old making 90,000 [Roof Installation Southfield Alexandria Home Solutions](#) a year today who will retire with a decent pension can probably carry a larger payment into retirement than a contractor with no pension whose income swings with the economy.

When someone asks, "Can I afford a 300k house on a 50k salary?" I ask three follow-ups before answering:

- How much other debt do you carry?
- How stable is your income?
- How close are you to your ideal retirement date?

With no debt, a strong credit score, and 20 years to go, it might be a stretch but manageable, especially if you keep property taxes modest. With student loans, car loans, and a 10-year runway to retirement, I get less enthusiastic.

Credit scores, loan terms, and late-life borrowing

Plenty of Southfield retirees and near-retirees underestimate how flexible lenders are on age. The law prohibits age discrimination. Banks care about your ability to repay, not your birth year.

So, to the blunt questions:

Can a 70 year old woman get a 30 year mortgage? Yes, if she qualifies on income, assets, debt levels, and credit. I have seen people in their seventies and even early eighties close on 30-year loans. The lender does not assume you will live 30 more years. They assume the property is collateral.

What credit score is needed for a home loan? Most conventional lenders prefer 620 and above, with better rates and terms as you climb into the 700s. FHA loans can allow lower scores, but with trade-offs in mortgage insurance costs. For someone eyeing retirement, paying attention to credit health in their 50s is not optional. It affects not only approvals but long-term affordability.

Older borrowers often look at a jumbo purchase and ask, "How much of a down payment do I need for a 1,000,000 house?" In many cases, you are looking at 20 percent, or 200,000 dollars, to avoid jumbo loan surcharges and extra costs, though specific programs and reserves can change that.

Then the next question hits: "What is the monthly payment on a 900000 mortgage?"

The exact figure depends on rate and term. As a rough illustration, at a 30-year fixed rate of around 7 percent, principal and interest on 900,000 is roughly in the 6,000 dollar per month range, before taxes and insurance. Even with a lower rate, say 5 percent, you are still looking in the 4,800 dollar per month ballpark. For a retiree, payments at that level are rarely comfortable unless their net worth is very high.

The lesson is not that high-value homes are always a mistake. It is that the combination of mortgage payment plus Michigan property taxes can eat retirement income faster than people expect. Owning a smaller place in a neighborhood that still fits your life is often the smarter play.

Building instead of buying: where retirees misjudge the numbers

Every so often, a couple in their late 50s or 60s will say, "We're thinking of building. We want something around 1,500 to 2,000 square feet, low maintenance, exactly the way we like it."

Then they ask, "How much money is required for a 1500 sq ft house?" It sounds like a simple question. In reality, the range is wide.

Recent Michigan building costs for a basic 1,500 square foot home can land anywhere from perhaps 180,000 to well over 300,000 dollars for construction alone, depending on finishes, complexity, and site conditions. That does not include land, site work, permits, and utility connections, which can be significant. In popular suburbs around Southfield, it is easy to end up well beyond 300,000 dollars for the package.

People also ask, "What style is best for a 1500 sq ft house?" From a retiree-friendly perspective, single-story ranch or bungalow plans with an open main living area, wide hallways, and minimal steps age better than complicated two-story layouts. If you think you may have mobility issues later, put the laundry and full bath on the main floor.

For 2,000 square feet, the practical question becomes, "How many bedrooms should a 2000 sq ft house have?" For empty nesters, three bedrooms is usually the sweet spot: a primary suite, a guest room, and a flex room that can serve as an office or care space if the need arises. Four cramped bedrooms often feel worse than three well-proportioned ones.

When cost overruns hit, the same regrets show up again and again. People skimp where they should not, and splurge where it barely affects long-term value. When you ask builders what is the most expensive part of building

a house, many will point to the structure and mechanical systems: foundation, framing, roofing, HVAC, electrical, and plumbing. Custom kitchens and elaborate bathrooms can rival those costs. Cutting corners here to squeeze in a fancier light fixture is a bad trade.

If you are wondering “What not to skimp on when building a house,” think structural integrity, insulation, weatherproofing, and the mechanicals you cannot see. The cheapest windows, thin insulation, and undersized HVAC look fine at move-in but punish you with higher operating costs and comfort issues for decades. Retirees, who spend more daytime hours at home, feel that more than anyone.

On the flip side, if you really want to avoid regret, pay attention to what devalues a house most. Poor workmanship, awkward floor plans, visible water damage, and obvious DIY shortcuts show up instantly in buyer reactions. Loud or very unusual finishes that suit a narrow taste can also drag value if you plan to sell later.

One more point that rarely gets said directly: “What should you not say to a builder?” Never tell a builder or contractor, “Price is no object,” or “We care way more about speed than quality.” It sets the wrong incentives. Be clear about your budget range and your standards. Ask exactly what is included, what is an allowance, and what happens when costs overrun.

Buying existing homes: from Detroit bargains to Michigan’s cheapest counties

At the other end of the spectrum from custom builds, some people look at astonishingly low advertised Detroit prices and ask, “Can I buy a house in Detroit for 1,000 dollars?”

Technically, yes, properties have changed hands at that price, especially tax-foreclosed homes or structures that are essentially shells. But the purchase price is the smallest part of the equation. Renovation costs, back taxes, legal issues, and time can dwarf the sticker bargain. For a retiree looking for stability, these deals are rarely wise unless you are deeply experienced in distressed real estate and have cash reserves to match.

A more realistic way retirees chase affordability is by asking, “Where’s the cheapest place to buy a house in Michigan?” and “What city in Michigan has the cheapest property taxes?” Smaller towns in parts of the Upper Peninsula and some inland counties offer both lower home prices and lower effective property taxes. The trade-off is access to medical care, social networks, and amenities. For a 30-year-old remote worker, that might be fine. For a 75-year-old who needs regular specialist care, it may not.

Southfield sits in the middle: not the cheapest, not the priciest, but very well located for health care, transportation, and community services. Many retirees ultimately decide that shaving a few hundred dollars a month off costs is not worth leaving doctors, friends, and family.

Neighborhood choices and lifestyle, not just numbers

When people ask “What are the popular neighborhoods in Southfield?” they are rarely asking as investors. They want to know where they will feel at home.

Areas near civic centers, parks, and synagogues or churches often appeal to retirees who want to stay active. Neighborhoods with sidewalks, relatively flat terrain, and quick access to main roads without being on top of them are practical factors that matter more in your seventies than in your thirties.

Seeing a massive estate in Bloomfield or along a lake, some people also wonder “Who owns the biggest mansion in Michigan?” It changes over time, and various business owners, sports figures, and heirs have held that unofficial

title. The better question for most retirees is how to keep their own much smaller home working for them financially and emotionally.

Chasing status properties rarely blends well with a modest, sustainable retirement. The Southfield retirees who look the most relaxed rarely have the flashiest addresses. They have homes that suit their real lives.

What near-retirees in Southfield can learn from current retirees

If you are ten years or less from the date you would like to retire, you are in the critical window. Choices now determine whether your future self says “I’m glad we did that,” or “I wish we had started sooner.”

Here is a concise checklist I walk through with many Southfield clients in that position:

- Map your likely retirement income, including Social Security, pensions, and any rental or business income, in today’s dollars.
- Compare that to your current total housing cost: mortgage, taxes, insurance, utilities, and upkeep, not just principal and interest.
- Decide whether you want the option to be mortgage-free by a certain age, then run payoff scenarios to see what extra payment would be required.
- Stress-test your plan using a higher property tax bill, higher insurance premiums, and a major repair in your first five retirement years.
- If the margins look thin, explore downsizing or relocating within Southfield or nearby while you are still working, when financing and moving are easier.

This is also the moment to be honest about whether you might spend part of retirement caring for parents, adult children, or grandchildren. That often affects how many bedrooms you need, how close you want to be to other family, and how big a yard you are willing to maintain.

Are there signs of house prices dropping in 2026 in Michigan?

People who feel priced out today often pin their hopes on a future correction. I hear variations of “Are there any signs of house prices dropping in 2026 in Michigan?” from younger buyers and older investors alike.

No honest person can guarantee the timing or size of price moves. What we can say is this:

- Michigan housing markets are heavily influenced by interest rates, local employment, and new construction.
- If rates stay higher, and more inventory continues to come on the market as older owners downsize or pass away, price growth could slow or flatten in certain areas.
- A significant, across-the-board drop large enough to transform affordability is less common unless accompanied by a broader economic downturn.

For retirees and near-retirees, it rarely pays to gamble your housing security on a hoped-for downturn. If moving or downsizing makes sense for your life today, plan based on what you know, not on a specific price prediction for 2026.

Who actually regrets not paying off their Southfield home sooner?

After years of listening to stories, I find that regret tends to cluster among three groups of retirees.

The first group are those whose mortgage payment plus taxes eat up more than a third of their fixed retirement income. They feel trapped. Making even modest extra payments in their 50s could have transformed their situation.

The second group took out cash-out refinances repeatedly when rates dropped, rolling short-term wants into long-term debt. They often say, "We used the house like an ATM." The line of credit felt painless in the moment. Decades later, it shows up as a lingering balance just when they would like to simplify.

The third group are those who could afford their payment but put off needed maintenance. By the time they hit retirement, they face a roof, windows, and mechanical systems all needing replacement. Even with a paid-off home, writing a 40,000 or 50,000 dollar check on a fixed income is painful. Had they kept up with capital improvements, they might have had a more valuable, more efficient home and fewer crises.

In contrast, retirees who do not regret carrying a mortgage usually have three things going for them: a right-sized home, a comfortable payment relative to income, and enough liquid savings that no single repair or medical issue can upend their life.

One final list is worth keeping in your back pocket. When I ask content Southfield retirees what they are most grateful they did about housing, they most often say:

- We chose a home that fit our actual life, not our peak fantasy.
- We kept our total housing cost well below what the bank said we could afford.
- We planned for taxes and insurance to keep rising, not for them to stay flat.
- We tackled major repairs while we were still working.
- We treated paying extra on the mortgage as a form of forced savings, not a chore.

Those choices do not make for flashy cocktail party stories. But when retirement comes, they beat bragging rights every time.

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