

Life Letter *mature*

Take a retirement test drive

If you were to paint a picture of your retirement, what would it look like? Who do you know who is retired and what is their retirement like? What do you like about their retirement and what don't you like? Your answers to these questions will help with your retirement picture.

Many people believe that their retirement will be lots of traveling, golf, fishing, and perhaps living in an exotic location. The reality is, some of these retirement dreams require substantial financial resources. Others take up only so much time in the day. What do you plan to do with the rest of your time?

Most people wouldn't buy a vehicle without test driving it first and in many cases they would only have it for a few years. Doesn't it make sense to test drive something that can probably last for decades?

What is a retirement test drive? It will mean different things to different people. A test drive may include some or all of the following:

Take some time - consider taking a week, two weeks, a month, or more and live like the retired person you want to be. Now, taking a four week Mediterranean cruise is a vacation, not a retirement test drive. Hobbies may fill some of your day, but realistically most hobbies can't be done full-time.

Home downsizing - many retirees move into smaller living spaces to make housekeeping more manageable. Consider renting a smaller home for a few months. This may be more realistic than selling your home, buying a smaller one and finding out you weren't ready

for that kind of change yet.

Adjust finances - while taking your retirement test drive, budget for just the amount you expect your retirement income to be. It wouldn't be realistic to live on your full salary if your retirement income will be a reduced amount. You will have to make some assumptions about what expenses you will and will not have in retirement. This should give you an insight into what you can and cannot afford in retirement.

Park a vehicle - as you are no doubt aware, a vehicle can represent quite a financial drain. By adjusting your transportation activities or using alternatives, you can determine if you can save money by using perhaps only one vehicle per couple. This can have an environmental impact as well.

While there are some activities you would like to do more of in retirement and perhaps some new ones you would like to try, a retirement test drive can tell you if they will actually be part of your retirement picture. Remember, your retirement picture can always be repainted.

*Want help with your retirement planning?
Call today!*

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