

Retirement is a major decision, influenced by your unique financial and emotional factors. Discuss your plans and seek advice with your financial advisor, your spouse, your family, and your trusted friends. Retiring is a process, and while there are many factors to consider when retiring, often two are considered the most important. What do you want to do when you retire, and can you afford to retire?

What do you want to do when you retire? Have some ideas and make some plans. Plans can change but start with some ideas of what you think retirement may look like and cost. Generally, once people know where they are going, they can envision themselves there and can start the process of letting go and get excited about the future.

Can you afford to retire? Estimate and think about what you believe your monthly budget will be? Consider any savings, pensions, social security and other retirement vehicles you may have. Is money from selling your home part of the money you will have to work with? If it is at no cost of obligation Atomic Realty can help you estimate what your current home is worth.

Are you retiring after or before medicare and social security are available to you? Factor this into your budgeting process.

Often retired people spend the same money or even more than when they were working due to having more time to socialize, travel, and recreate. What are the costs of doing the things you would like to do?

Many people plan on moving when they retire but before you get started, determine why you're moving and selling your home. Understand your personal motivation for moving and weigh the pros and cons so that you feel comfortable with the decision. Examples being:

Perhaps you no longer want to maintain such a large residence,

Perhaps you want to travel: Living in an RV is not cost free either.

Perhaps you want to rent, leaving maintenance to the landlord.

Perhaps you want to move to a retirement community to be with people of similar age and interests.

Perhaps you want a larger residence so you can easily host your extended family and friends,

Perhaps you want to be closer to family,

Perhaps you want to reduce your expenses.

Perhaps you have experienced the loss of a spouse, In this instance watch for the stepped up value article later in the series.

Perhaps you had an unexpected financial crisis.

Perhaps you want to pull the money out of your home and use it for other things, such as gifts.

Sometimes a move is necessary because of your rapidly declining health.

Always consider the tax consequences of your retirement.

Again, understand your personal motivation for moving and weigh the pros and cons so that you feel comfortable.

If you would like to see a reprint of this column or any past column please go to the AtomicRealty.net webpage and look under the FAQ tab.

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