



***Questions to Ask
Yourself before
Deciding to
Retire?***



1. What sort of lifestyle do I want ?

In order to figure out how much money you need to retire, consider what sort of lifestyle you want in retirement.

Do you plan to live more economically than you live now? Or, do you want to travel, enjoy the arts, take up new hobbies or engage in other activities that will raise your cost of living?

Figuring out the life you want to live in retirement will affect how much you spend in retirement and what sort of income stream you need!



2. Where will I live in retirement?

One of the most important decisions you have to make in retirement is where you will live?

So, it's important to consider whether you can continue to afford to live in your current home or should move into a smaller, more affordable house. Also, figure out whether your home will be suitable for you later in life when you might face more physical challenges. Understand that your housing needs might change throughout retirement as you age.



3. How long will I live?

You can't know exactly how long you will live, but you need to have an estimate to figure out how many years you'll need to cover expenses in retirement.

The average life expectancy in India is 71 years (In future it may increase approximately to 80 + years).

"You won't have a problem if you live less, but if you live longer than you expect and run out of assets, that's a huge problem,". A financial planner can help create a plan to ensure you won't run out of money if you live longer than expected.



4. *What will my retirement expenses be?*

Most people can expect to spend about 85 paise in retirement for every Rs.1 spent before retirement. However, factors such as your health or the lifestyle you want in retirement can cause that ratio to go up or down. For example, if you're not in good health, you could end up spending more in retirement.

Nonetheless, this rule of thumb is a good starting point to estimate your expenses if you're still several years away from retirement and need to boost your retirement savings. But to get a better estimate, consider using an online calculator or meeting with a financial planner.



5. What are my retirement income source?

“There are many paths to a comfortable retirement,” You need to plan adequate sources of income during your retirement years to ensure a carefree retirement. “Even if your investment portfolio is not large enough to support your retirement needs, for example, you may find that you have other assets – a business, or real estate – that can contribute.”



6. Will I have enough money to cover my expenses?

Less than half of investors say they or their spouse have tried to calculate how much money they will need to live comfortably in retirement. You need to start by figuring out how much money you need to cover your estimated monthly expenses, and then look at whether the income sources you'll have in retirement will be enough to cover those expenses.



7. Should I work longer?

Some people continue to work in retirement to keep their minds active and to stay engaged. Others work out of necessity.

The fact is “even one or two extra years of work during your peak earning years may have a significant effect on your quality of life in retirement,”. Working longer can reduce the amount you need to withdraw from retirement funds.



8. What impact will tax & inflation have on my retirement portfolio?

Taxes don't disappear when you stop working. In fact, your tax bill can take a big bite out of your retirement income.

You need to consult your financial planner to plan your retirement funds in an inflation & tax efficient manner.

Another step you need to take to make sure your savings/investments will last through retirement is to structure your portfolio to outpace inflation. If your investments don't grow at a fast enough paces, your nest egg might not be big enough to keep up with rising costs.



9. *How much debt do I have?*

It almost goes without saying that the more debt you carry into retirement, the more money you'll need to pay off what you owe, leaving you with less money to cover retirement expenses and do things you enjoy. So when you're deciding when to retire, figure out how long it will take to pay off your debt. A financial planner can help.

You should pay off any high-interest rate debt that isn't tax-deductible first, such as credit card debt. If you have good credit, refinance any high-interest debt that's tax-deductible, such as a mortgage, to get the lowest rate possible. Or, pay off your mortgage before retirement if you can afford to do so to eliminate a major monthly expense in retirement.



10. How much will my healthcare cost?

Medical expenses will occur for sure in retirement days but Medicare isn't free. Hence, we need to plan for our medical needs and expenses through proper health care plans and sufficient financial planning.



11. Will my children required financial assistance?

If you have adult children who are relying on you financially, you need to factor that in your retirement plans.

“Sometimes, people start off with just helping a little, and then the kids come back for ‘just a bit more,’ and that cycle only stops once the retirees are broke.



12. Do i want to leave my children an inheritance/Legacy planning?

If you want to leave your children an inheritance, consider this when figuring out which assets you'll have to fund your retirement and how much you want left to pass on. Any assets you want your children to have should be excluded from your calculations when projecting your retirement income.

You might have to adjust your retirement plans – perhaps work longer or live a more frugal lifestyle in retirement – to have money left over for your kids. Or, you might have to leave less to your children so you can have a comfortable retirement.



13. What will I do to fill my day?

Before you retire, you need to ask what you will do every day to fill the time that your job used to take up.

He recommended trying to plot what you would do in the morning, at noon and at night for an entire month. Create a calendar of sorts, and write the activities that you see yourself doing.

“The goal is to fill it up with what you want to do, just like work filled it up with what you had to do,”. “If this seems too daunting, maybe you’re not quite ready to retire.”



Carefree Retirement solution is Ahmedabad's first specialized financial planner for retirement planning. Our goal is to provide you best possible solutions to create wealth on retirement and at the same time to make the post retirement transition as smooth and as enjoyable as possible. We work dedicatedly to ensure that your family can maintain an optimum lifestyle in this high inflationary environment and also meet regular financial goals as and when they come; without affecting most important financial goal of retirement planning.

Chetan Upadhyay is a brain-child behind this venture. He is a certified financial planner and possess masters degree in commerce. He is in this field since march 2005 and in these past 14 years, he has witnessed an urgent need of robust financial planning for each and every citizen of India for their own retirement. He fears that in few decades India will be standing at the edge of being considered as an old age country without financial support for their citizen.

Contact us

**Financial planning,
Retirement Planning,
Portfolio Management.**

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