Withdraw prudently. To give your money a good chance of lasting as long as you will, consider limiting annual withdrawals to a reasonable percentage when you retire. Then adjust for the rate of inflation. This may give your nest egg a better chance of lasting 30 years or longer.

Protect against long-term care costs. Being ill for a long period can be a big financial burden. With healthcare costs tending to rise faster than overall inflation, it can be worthwhile to investigate long-term care insurance. It can protect your assets and spare your loved ones from having to be your full-time caregivers.

Annuitize some money. To create a lifetime stream of income, you may wish to consider purchasing a fixed annuity with some of your savings. Calculate your fixed monthly costs. Subtract your Social Security benefits. Then, purchase an annuity to cover the difference. Use the rest of your savings to pay for more discretionary and variable items.[2]

[2] Fixed annuities are long-term investment vehicles designed for retirement purposes. Guarantees are based on the claims paying ability of the issuing company. Gains from tax-deferred investments are taxable as ordinary income upon withdrawal. Withdrawals made prior to age 59 are subject to a 10% IRS penalty tax and surrender charges may apply.

Source: www.cdc.gov/nchs/data/hus/hus07.pdf#027

Wherever your retirement goals take you, we can help you get there.

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