

Financial Planning & Investment Management with Paul Stierhoff, CFP[®]

Planning for Age 100. Will You Be Ready?

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Clients are often amused at the suggestion to plan for a life expectancy of age 100. More recently, I have even upped the ante to age 110. The typical response is: “I will never last that long.” My question then becomes: “But what if you do?” Do you want to take the chance that you will run out of money?

Average life expectancy has increased. I have had a number of clients in recent years pass the century mark. I have many currently in their 80’s and 90’s who are still going strong.

When considering your own financial plan you need to keep the potential for a long life in mind. This ‘extended life’ investment plan should allocate for the possibility of higher healthcare expenses as healthcare costs are likely to increase later in life. While it is possible that you will go quickly at a point that you are still relatively independent, there is also a strong possibility that you will need help.

Ask yourself: How do you visualize those later years in your mind? Do you see yourself at home, with family or with health care aids coming in to help you out? Maybe you see yourself in the continuing care retirement community, where health care services are available as needed. Maybe you are OK with the idea of going into a Medicaid facility.

Whatever your vision, understand that you will need to plan for those potential contingencies and the potential expenses. You also need to consider the extent to which you want to avoid being a burden on your family.

I often counsel clients to consider lifestyle options while they are still in good health because if you wait too long, a decision may need to be made in a rush, thus limiting your options as a result of a decision made in haste.

Planning for 100 involves the lifestyle and investment approaches you take into your younger years. It involves the investment allocation and income stream you take into retirement. It involves considering the lifestyle choices you make for later in life. The investment strategy and lifestyle decisions you make today will have an impact on your ability to make it to 100 or beyond comfortably.

Plan for 100, don’t leave it up to chance.

Paul Stierhoff, CFP[®] has committed himself to meeting the financial planning and investment management needs of his clients for more than 30 years. If you have questions or would like to find out more information on this topic, or any other investment or financial planning related topic contact Paul at (855) 212-935-0955 or email at pstierhoff@granite-springs.com.

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