

How to plan for your Retirement



Start saving now to build up your retirement funds to fully enjoy your golden years.

6 months worth of income emergency fund for retirement to anticipate possible expenses

Save up for years so you can make **70-90%** of your old salary annually

Pay off your debts and avoid acquiring more



28.6% Bankruptcy filers of people aged 55 and older in 2011

The bigger the interest rate is, the more you should pay your debt first.

28/36 RULE

- 28% of pre-tax household income should go to servicing home debt;
- 36% should go to all your debt.

Spend less than what you earn

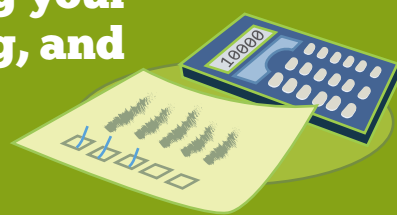


Plan to **save around 8x** of your final income by retirement

Starting in your 20's, try to set aside **10-15%** of your income for retirement savings



Start managing your assets, nest egg, and investments



401(k)

retirement savings plan sponsored by an employer in which you can save and invest from your paycheck before taxes are taken out

Individual Retirement Account (IRA)

an investment used to earn funds for retirement savings up to a maximum amount that could be tax deductible depending on your income

10%

percentage of your income you should save every year for your 401(k) or IRA account

Start planning for long term care

Median Annual Rates as of 2013:

7 in 10 Americans will need Long term care once they reach 65 years old and above. It's important to have a plan for the costs of your future needs.



Homemaker services:
\$41,756



Home Health Aide:
\$44,479



Adult Day Health Care:
\$16,900



Assisted Living Facility
\$41,400



Semi-Private Nursing Home:
\$75,405



Private Nursing Home:
\$83,950

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