

Retirement rethink: Will your superannuation fund your retirement?

Did you know that if you wanted to retire on an annual income of \$30,000 you will need approximately one million dollars* invested to generate that income? How is your super looking now? More like a quail's egg than a nest egg?

If your retirement strategy depends on the superannuation guarantee and topping it up with the maximum allowable contributions in the later stages of your working career, it could be time for a rethink!

Life expectancy research now shows that a person may live 25+ years beyond their retirement age of 60 - 65 years. In 2008 the average superannuation payout for women was \$37,000 and for men \$110,000. Frightening figures when you think that once your super has run out, the current Age Pension for a single person is less than \$17,000 per year.

Given that you may still have dependent children on your hands when you retire (yes many of our cherubs aren't leaving home until their late 20's and early 30's and many couples are also choosing to have children later in life), you might need to reassess your retirement income needs!

The current economic wake up call and the above considerations should be enough to send us all back to our personal drawing boards to rethink our retirement investment options. For most of us, this needs to be addressed as a short, medium or long term strategy depending on where you are in your working career right now.

Start the ball rolling now to becoming 'retirement savvy' and educate yourself on your retirement options. No one else will be preparing a rescue plan for you.

As part of your retirement rescue plan, now is the perfect time to look at property strategies. Property has been a proven medium to long term investment for many Australians. Interest rates are at the lowest we've seen for many years and property prices are predicted to rise again. It is now certainly worth considering property investment as a viable component of your retirement strategy.

Before making decisions we encourage you to call the office to discuss how we can help you incorporate a property portfolio into your retirement resuscitation plan.

* \$1,000,000 invested at 3% pa net return.

