

Lifestyle Planning Strategies For Individuals Nearing Retirement

Canada faces record retirements from an aging workforce, with [more than 1 in 5](#) working-aged individuals approaching retirement.

If you plan to retire within the next ten years, consider rigorously planning your finances and bolstering your portfolio as your retirement date nears.

Establishing Your Retirement Landscape

The key to a stable retirement is to plan ahead. Explore these strategies outlined below as you prepare to welcome a new chapter in your life.

Determine Your Debt

The ideal debt level when nearing retirement is zero, but this is not possible for everyone. It is not uncommon to have some type of debt upon retirement, such as credit card debt or mortgage. Currently, [3 in 4 Canadians](#) live with debt.

In navigating your savings for retirement, your first step is to understand your debt. Here are the steps to take to figure out what you owe:

- Pull your credit file. Access it online for free from [Equifax or TransUnion](#).
- Record all corresponding interest rates for credit lines and loans.
- Prospect your payments for the next year, including interest rates.
- Prioritize debt repayment in your budget.

In paying your debt, choose the method that best fits your situation.

Snowball Method

- Pay off your debt in order of smallest to largest. When the smallest is fully paid, roll the payment you were making on that debt into the next-smallest debt owed. Continue until you have paid all your accounts.

Avalanche Method

- Start paying the loans with the highest interest rates first. When you have paid the highest loan in full, proceed to the next highest one, and so on, until you pay off all your debt.

Create a Comprehensive Budget

[Establishing a budget](#) guides you toward your retirement goals and helps determine how much you need.

- Record your income and monthly expenses down to the dime to start your budget.
- When nearing retirement, you want to prioritize saving over spending and paying off any outstanding debt.
- Create a budget and set a goal to have a feasible amount paid down each year until

