



Do You Have Enough Money to Retire? Take This 3-Step Quiz to Find Out

Description

Retirement life follows a pattern. There's higher spending at the start, modest expenditure in the middle, and higher spending again in the last phase because of medical expenses and healthcare costs.

If you were to retire, do you have enough money? The following three-step quiz should measure your readiness.

Do you have an assessment of your retirement expenses?

You can't accurately compute for retirement expenses. However, you should at least have an idea of your spending during the sunset years. Your retirement budget should align with the kind of lifestyle you can afford. When mapping out a plan, make sure it's realistic and doable.

Have you determined your retirement income?

After assessing your expenses, determine your retirement income and estimate how much of your working income you'll need to replace. The higher your current income, the lower is the percentage you may need to replace when you stop working.

The CPP, for instance, aims to replace only one-third of the average worker's lifetime earnings. Combined with the OAS, the total monthly average payment for 2020 is \$1,293.12. Will you be in a delicate situation by relying solely on the CPP and OAS?

Do you have other sources of retirement income?

Investing in a [top retirement stock](#) like **Enbridge** ([TSX:ENB](#))([NYSE:ENB](#)) is advisable. The company is the operator of one of the most diversified pipeline systems in North America.

Enbridge has approximately 27,564 kilometers of active crude pipeline across North America, including active pipes in Canada and the U.S. that stretches 13,681 and 13,883 kilometers, respectively. Enbridge has been operating a complex crude oil and liquids transportation system for years.

Aside from its wide moat, Enbridge is a cash cow. The key financial metrics are a sight to behold. Here is a snapshot, all in five-year annualized figures – revenue growth of 2.28%, EPS growth rate of 22.63%, and dividend growth rate of 11.10%.

Enbridge has been through several financial storms, yet it was able to increase dividends for 24 straight years. In total, the company has a 64-year dividend history. Currently, the dividend yield is 5.87%.

If you're in catch up mode, you can still [create a significant passive income](#) to supplement your CPP and OAS. An investment in **PROREIT** ([TSX:PRV.UN](#)), for example, will double in eight-and-half years.

The market capitalization of this real estate investment trust (REIT) is far too little in comparison to Enbridge, but it yields an incredible 8.49%. The rental properties of PROREIT are mostly in the primary and secondary markets of Québec, Atlantic Canada, and Ontario.

PROREIT generates stable cash flow from its diversified real estate portfolio – retail (40%), mixed-use (26%), industrial (21%), and office 13%.

This REIT had a stellar 2018, posting record revenue of \$40.9 million and a net income of \$18.8 million. Its growth since 2013 has been rapid, with leasable space growing by 56%.

With a strong portfolio featuring quality properties and tenants, this top-ranked **TSX Venture 50** stock moved to the bigger TSX stage last May 2019.

Retirement exit ahead

If your answer to the three questions is yes, you're ready to take the retirement exit. Otherwise, make retirement planning your top priority, whether you're far or close to retirement. Also, It's never too late to boost your retirement income with Enbridge and PROREIT.

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2. TSX:ENB (Enbridge Inc.)
3. TSX:PRV.UN (Pro Real Estate Investment Trust)

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