



Hoping to Retire Early? DON'T! Even if You Can

Description

Retiring early is the goal of everyone. Even when you were young, one day you knew you'd be ready to retire and be able to do what you want, when you want. [But can you?](#)

As the years tick by, and that day seems closer, you begin to ask yourself whether you can retire early. Wouldn't that be great? We've all heard the FIRE acronym: Financial Independence; Retire Early.

But there are a number of problems with early retirement, and it's the reason you should ask yourself some hard questions before taking the plunge. After all, while it can be easy to jump into retirement, it can be incredibly hard to jump back out. So, before you retire, ask yourself these three questions.

Can you live frugally?

I'm sure you already have a goal in mind for how much you need to have before you retire. But is that number reasonable? In fact, did you decide that number when you were 30 and making \$45,000 a year? Because now, you're more likely making even double that. You've become used to a lifestyle that perhaps you simply can't keep up when you retire.

So, before you retire, take a hard look at what you *really* think you'll want to spend on a regular basis. You'll need to be able to create a paycheck similar to the one you have now, combining your pension and savings — all of it. And once that money's gone, it's gone. So, make sure you have a realistic goal that means you won't have to retire poor after living large.

Why are you retiring?

Sure, we all plan to start up a hobby, travel the world, volunteer for charities. However, that can only take up so much time. Is it really that you just want to stop working? Digging even deeper, is it perhaps that you just don't want to work at the job you have now?

Instead of retiring all together, maybe it's time for a career change. See if your savings can support the

cost of perhaps starting up consulting, freelance projects, or a side gig of sewing sweaters for dogs. The world is your oyster! Once you're set up, then maybe it's time to leave that old life behind and start a new one. While it's far more freeing than the job you had before, you'll still have money coming in.

Can you handle curve balls?

It's nice to imagine that in the future, everything will be shiny and new. But life doesn't always work out that way. Anything can happen that suddenly affects your finances. Those numbers you worked so meticulously on suddenly make no sense at all.

Instead, all of these points mean you should be working towards the goal of financial independence, not the goal to retire. At what point do you think you'll be emotionally, mentally, and even physically unable to work the way you are now? When that point comes, where will all your money be coming from? And what can you do to make sure you can continue to bring in money, even after 20 years of retirement?

To meet this goal, it's important to meet with a financial advisor and come up with some options to invest in your future. By purchasing shares in steady stocks, you can bring in cash, even decades after you retire. Bank stocks are a great option, as each Big Six Bank has over a hundred years of steady growth and dividends that have grown year over year, sometimes even during severe economic downturns.

If you're looking for a great bank option, that will even give you strong dividend income during retirement, right now, **Canadian Imperial Bank of Commerce** is an excellent choice. It has the highest dividend income, is a [bargain](#) share price, and has plenty of room to grow. Today's investors can lock in a 6.41% dividend yield. You can even use that income to put aside travel money. After all, just because you aren't going to retire today doesn't mean you can't have fun!

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