



5 Things No One Tells You About Early Retirement

Description

Ah, early retirement. Sounds glorious, doesn't it? Waking up whenever you want. Living off passive income, perhaps travelling around the country, heck, the world. Aside from figuring out how much money you need to retire early, as well as filling all those empty hours, what could possibly go wrong with an early exit from the demands of work?

Well, there are a *few* things no one talks about, things you discover once you retire early. Like these:

1. It's hard to make new friends

The older you get, the harder it is to make long-lasting friends. But it's even harder when you're retired and everyone else is working.

For one, by retiring, you remove the one place where friends are commonly made: the office. Even if you work from home, you're typically still in contact with your coworkers. Take the workplace out of the equation, and you might find it difficult to meet new people.

Not only that, but it might be hard for you to find a retirement "buddy," someone who's your age and who, like you, has retired early. This is especially true if your friends are working and you're not: you might be able to golf at ten o'clock in the morning, but you'll be golfing alone if your closest friends still work nine-to-fives.

2. People will misunderstand you

Look, I understand why you're retiring early. You might work a job that's burning you out, and early retirement allows you to recharge. You might also see yourself as obtaining "financial independence," that is, being in a position where you can live without a personal income.

Don't expect everyone to understand your decision to retire early. In fact, you might feel criticized by your closest friends and family. At some point, you'll be looked down upon as lazy, reclusive, or as

someone who isn't "contributing to society." In short, people will misunderstand your intentions, and you'll often find yourself explaining over and over, often to the same people, why you're doing what you're doing.

But don't let that stop you from retiring early. You're not doing it for them. You're doing it for *you*. If they misunderstand you, that's fine, they'll get over it eventually. Who knows — your happiness might inspire them to take an early retirement.

3. Market corrections are scary

Market corrections are always scary. But they're especially frightening when you depend on your portfolio's earning in early retirement.

Of course, not every early retiree depends on stocks for their retirement income. Many early retirees are earning passive income from other business ventures, such as blogs or real estate. But, for those who generate income from investment portfolios, all it takes is one market correction, heaven forbid a bear market, to feel vulnerable.

My suggestion: create as many passive income streams as you can before you retire. Even something small, like advertising income from your website, will help you feel less stressed if your investments earn less than you expected.

4. Early retirement is an adjustment

If you're retiring early, you've most likely spent the last decade or so working non-stop to generate enough retirement income. Once you quit your job, you'll likely experience a few months of, "well, what do I do now?"

Trust me: it happens to almost every early retiree. Just as inertia makes your body go forward, even when your car has slammed to a stop, your mind will feel restless, even when your body is at rest.

Give it some time: it may take half a year or more to settle down into a new rhythm. Your mind will adjust to the slower pace, even if at first it resists your days of leisure.

5. You won't *actually* retire early

Contrary to what you might think, many early retirees never stop working. They may not work the same job for the rest of their lives. Or they may experience times when they're not earning income. But most early retirees will have a job of some kind, whether it's a freelance gig of their own doing, or a part-time job selling vegetables at the local farmers market.

That's the beauty of early retirement. When you've saved enough to quit your nine-to-five, you have the freedom to choose work you actually like doing. No longer restricted by paycheques and employee benefits, you can move around, working jobs you never thought you'd work, learning new skills, possibly even starting a small business of your own.

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