11 WORST Mistakes for Your Retirement!

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1. **Moving to a town you haven't already lived in**
   It doesn't matter that you've vacationed there and loved it. Living in a city is different from vacationing there. Financial advisors shutter in horror over this mistake. They find a rather large percentage of those people who sell their home and buy in a new city then decide within a year or two to return. Which will produce a huge hit to your finances.

   To make sure you don't throw away a ton of your money, "move" there on a trial basis first. Rent for 6 months. Take the RV and live there for 6 months. Rent out your house back in your former city. Then, if you find it was a mistake — no harm no foul. If you really do love it, you'll be in position to make a more informed and confident home purchase in your new city.

2. **Not checking the tax implications of where you move (or should move)**
   In addition to lifestyle factors, you need to check all the tax implications of where you move. This is critical if you have a military or state government pension, as a number of states will tax those while others won't. Also check if they tax social security payments, interest income, dividends, etc. And look at sales taxes — not just the overall sales tax rate, but also whether they tax groceries. You may discover your current state is one of the greediest, and decide you'd be much better off to move. Here's a good overview.

3. **Not owning your "forever" home by the age of 80**
   Whether you buy or remodel, your forever home should be:
   - 1 floor with at least one entry without a step
   - Wheelchair-wide halls & doors (36"wide), with switches/plugs reachable from a wheelchair
   - Walk-in shower with grab bar & non-slip tiles
   - LED lights especially in high lights
   - Security monitoring system (or at least a camera at the front door to see who's there)
   - Convenient to grocery/pharmacy/walking trails, etc. whether or not you have a car. If you do not want to live in a city, you should live where there's taxi or bus service and close enough for grocery/pharmacy deliveries

4. **Thinking you will spend less when you retire**
   Your financial analyst (or most any website) will tell you to expect to spend about 60% of what you spent before retirement. They must be looking at post-retirement spending averaged over 15-25 years.

   Instead, many of us spend MORE the first few years of retirement. We have more free time and (usually) a bucket list of things we want to do and places we want to go. This is particularly bad financially, because spending more at the start of your retirement means a lot less money for much later in retirement — because that spent money isn't earning interest or dividends.

5. **Not setting up a regular exercise routine**

Other than some fortunate (and REALLY annoying!) people who love exercise, most of us hate it. But not doing it means you're just asking to spend decades injecting yourself with insulin, tethering yourself to an oxygen tank, being so weak you can't get up if you fall, and having to park a port-a-potty right by your bedside. You're also greatly increasing your chances of getting dementia and having others take control of your life.

Find SOMETHING that works for you. Get a Fitbit or similar device so you can't lie to yourself about how many steps you're actually taking in a day. Play sports — some of us who hate exercise love sports. Go dancing. Walk your dogs. Get a friend who will be *very* disappointed if you don't show each day for your planned walk. Here's some motivation tricks that actually work!

6. **Purchasing long-term care insurance without SERIOUS analysis**

This insurance sounds like a good investment in an easier future because it covers in-home help, unlike Medicare. If you plan to buy it, financial advisors recommend you purchase it when you're 53-54 years old, for the highest benefits for the premiums paid.

However… there's one huge problem with this insurance. Premiums typically stay the same or rise very minimally for the first few years, and then they skyrocket. So if you buy in your mid-50s, you may not be able to continue affording it in your mid-60s. The result? The insurance company gets a decade of $3K/year premiums from you and then you drop the insurance (now that rates are triple or more that amount) so they never have to pay out anything on it.

7. **Not setting up a social network**

Some people need a bigger social support network than others. If you need lots of alone time, don't fall for the self-help gurus who seem to think all seniors need to be with others 24/7. There is strong research to suggest as we age we want and need fewer social encounters than we needed in our youth. However, we do need SOME social networking.

Humans also seem to benefit from having at least some structure to their days. You could have one or two (or many!) good friends you want to check in with at a particular time each day. Or maybe every other day. Or once a week.

You can also find that structure through a volunteering "job" with regular hours. Or if you hate regular hours there are other types of volunteering. For example, if you are a retired business executive, you could volunteer for SCORE. You'd meet with others such as yourself once or twice a month, then accept those consulting appointments you want.

Once we look "old," we become almost invisible to most people we meet during the day. You'll be much happier if you have a group of people or a mission where you are not invisible.

8. Not protecting yourself from unwanted medical procedures

If you want all possible methods used to keep you alive, you need a medical power of attorney to so state. If you do NOT want many normally used methods (such as a breathing tube) used, you also need a medical power of attorney.

In the extreme emotion of a medical fight for your life, your family may make choices you do not want. Those choices can be very hard to overcome, once they are made. This is your chance to make very clear your wishes.

9-11. Not protecting yourself from accusations of incompetence

The last 3 items relate to this problem. It's shocking how many people, hospitals, and other institutions want to believe any senior is incompetent. This helps crooks and misguided do-gooders take actions to declare you legally incompetent. Yes, there are crooks trying to profit from seniors — by legally taking all your assets.

While most doctors, hospitals and judges are undoubtedly good and honorable people, there are some horrible examples (see the two links below) of payoffs going to those individuals from people who want to become your involuntary "guardians." Once you have a guardian, you have less legal rights than prisoners(!) and the guardianship is extremely hard to get removed.

To educate yourself as to the problem, watch this shocking (but somehow also funny) John Oliver report: https://www.youtube.com/watch?v=nG2pEffLEJo
Or (for a lot more detail on what can go wrong, read the truly shocking "How the Elderly Lose Their Rights" in the 10/9/17 *New Yorker* magazine:
https://www.newyorker.com/magazine/2017/10/09/how-the-elderly-lose-their-rights

9. Not having an elder-law attorney

Establish a relationship with an elder-law attorney no later than in your 60's. An easy way to do that is to have them draft a will for you and/or a healthcare power of attorney (Health-POA). You can also discuss with this attorney the steps to take if someone has filed and received an emergency guardianship of you.

In addition (assuming you have someone you really trust) you could have the attorney create a broader written durable POA establishing a guardian for you in the event you actually do become incompetent. This way the guardian is someone you choose, instead of an unknown appointed by the court.

With either type of POA, make sure you name two people, at least one a couple of decades younger than you. And whatever you do, don't name them jointly.

10. Making yourself an attractive target

Not having a will, with a named executor, makes you much more attractive a target to those who want to steal from seniors by getting themselves named your guardian. Don't assume you can stand up in court and convince the judge (who, in the guardianship court, is more likely to be a car dealer or farmer than an attorney) of your competence. In fact, if your would-be guardian applies for an "emergency" guardianship, you'll be lucky to ever get your day in court (with wide variations depending on local laws).

Not having a written durable POA also makes you a very attractive target.

Having cash that is easily accessible also makes you a huge target. As you get to 80 and beyond, at least consider switching your money to annuities with no cash surrender value. Those using the emergency guardianship scam want people with a few hundred thousand they can rapidly plunder through outrageous fees.

11. **Not protecting your independence from do-gooders**
Having your income automatically deposited and your monthly bills automatically paid will also make you less likely to be declared incompetent. Not paying your gas or electric bill for a month or two will convince many judges you are no longer competent. Undeposited checks will likely convince your church members or senior assistance visitors of the same.

Think this unlikely? Legally ANYONE can petition the court to have your independence taken away and handed to a guardian. The next door neighbor who hates you, the person who thinks all seniors should be in a home — literally anyone.

You don't get the same benefit of the doubt you would if you were younger. So a sudden vacation or stay in the hospital that causes past-due notices can become a much bigger problem.

12. **(BONUS TIP!)**
Protect yourself even more by subscribing to the free blog that helps you to protect your health, your money, your quality of life, and your freedom to make your own choices. SeniorDefender.NET.