

AVERAGE  
RETIREMENT AGE

Men  
**65**

Women  
**63**

GOLDEN YEARS  
(IN RETIREMENT)

**17 to 20  
years**

SUGGESTED RETIREMENT INCOME  
REPLACEMENT RATIO

**70% – 90%  
of salary**

**Are you ready to retire? Americans are living longer than ever before, a trend that has been steadily rising.**

Our life expectancy is now almost 80 years.<sup>1</sup> Even though the average retirement age has also increased over the years — men (65) and women (63)<sup>2</sup> — it still leaves nearly two decades of income needed after you stop working. When a person retires at the age of 65, there is a good chance they can expect to live 17 to 20 more years!<sup>1</sup> That's a lot of golden years!

**Are you saving enough today to fund tomorrow?**

What about having enough money to retire? Some experts have estimated you'll need as much as **\$1 million** to retire comfortably.

How much you need to save for retirement is dependent upon the lifestyle you live now and how you want to live in the future.

You may need to save enough to replace 70%-90% of your current salary for twenty years.

Where will you be? Let's start with your current lifestyle and then look at your future lifestyle, a.k.a. retirement. Below are some questions to ask yourself to help gauge what your needs might be in retirement.

**Current lifestyle**

- How do you like to spend your time (i.e., hobbies, vacations, dining out), etc.?
- What are your spending habits?
- How much debt do you have?
- What type of savings accounts do you have other than a retirement account?
- How much are you contributing to your 401(k) plan?
- How many years until you plan to retire?

**Future lifestyle a.k.a. retirement**

- Will your spending habits be the same in retirement?
- How will you spend your time in retirement?
- Do you plan to be debt-free, including your mortgage?
- What will be your main source of income in retirement?
- Do you plan to work beyond retirement age?

## Your future self will thank you

### Saving today can make a huge difference when you retire.

Even a 1% increase in your 401(k) savings can mean a lot over time. A hypothetical 10% savings rate, over 30 years instead of 9% in contributions from a \$50,000 annual salary can result in \$285,600 of retirement savings instead of \$257,100. That's a \$28,500 difference.<sup>3</sup>

So, review your current and future lifestyles and ask yourself, what will change when you retire? Will you continue your hobbies? What proactive steps can you take today to help live comfortably and confidently throughout your golden years?

ANNUAL SALARY:

**\$50,000**

9% SAVING RATE:

**\$257,100**

10% SAVING RATE:

**\$285,600**

1% MORE IS ONLY  
\$20 PER PAYCHECK  
(twice a month)

BUT  
**\$28,500**  
at retirement

<sup>1</sup> U.S. Department of Health and Human Services. "[Vital Statistics Rapid Release](#)" CDC.gov, February 2021

<sup>2</sup> Matthew S. Rutledge, "[What Explains the Widening Gap in Retirement Ages by Education?](#)" Center for Retirement Research (CRR), May 2018

<sup>3</sup> Approximation based on a 1% increase in contribution. The sample calculation assumes continued employment for the 30 years leading up to retirement. Nominal investment growth rate is assumed to be 7%, inflation is assumed to be 3%, and the real rate of return 4%. All accumulated retirement savings amounts are shown in current dollars. Your own plan account may earn more or less than this example, and income taxes will be due when you withdraw from your account. Investing in this manner does not ensure a profit or guarantee against loss in declining markets. [Investing involves risk, including the risk of loss](#)

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