6 COSTLY MISTAKES TO AVOID BEFORE YOU RETIRE

The final years before retirement are some of the most important in your financial life.
Here are the pitfalls we see most often, and how to avoid them:

1 Ignoring how your investments should change as you approach retirement

The closer you get to retirement, the more the definition of “risk” changes. Early on, you were fighting inflation. Now, you’re protecting what you’ve built while still managing inflation in the medium and long-term. Many pre-retirees either stay too aggressive or swing too conservative. The key is to glide toward your destination with purpose and clarity.

2 Chasing a “magic number” instead of building a flexible plan

Everyone talks about their retirement “number” – that big target they hope will mean financial freedom. But life rarely sticks to a script. Markets move. Goals shift. Healthcare surprises happen. What matters most is an adaptable plan that can absorb change and still keep you on course.

3 Forgetting about tax flexibility

If all your savings sit inside pre-tax accounts, you could face a hefty tax bill later. Every dollar you withdraw becomes taxable income, limiting your choices when opportunities or surprises arise. Diversifying how you save (Roth, brokerage, or trust accounts) can unlock flexibility and reduce future tax pressure.

4 Letting the “retire by” date drive every decision

Retire by 60.” “Quit by 65.” We hear it all the time. But when we dig deeper, most people care more about what they want life to look like than when they stop working. Do you want more travel? More giving? More time with family? Align your plan with those priorities, not just a date on the calendar.

5 Retiring without a sense of purpose

We often meet people who are excited to stop working, until they actually stop working. Then the question becomes, “Now what?” Retirement isn’t just the end of a career, it’s the start of something new. Think of it as a chance to design a life rich in meaning, connection, and joy.

6 Assuming you and your spouse see retirement the same way

Retirement can be a major adjustment for both of you. Have you talked about what you each hope it looks like? The rhythm of daily life, how time will be spent, what matters most? Honest conversations now can make the transition smoother later.

Ready to plan your next chapter with confidence?

At Petra, we help clients turn uncertainty into clarity by coordinating your financial life alongside purpose into one cohesive plan for life after work.

PETRA FINANCIAL ADVISORS

petra@petrafinancial.com 719-636-9000