



Living Your Retirement Now



THE
LUXUS
GROUP

RETIREMENT

Our parents spent their working years looking forward to retirement. That little bit of bliss at the end of the journey where they could live the life of leisure they'd always dreamed of. It was their chance to cash in on years of hard work and reap the benefits (vacation and travel) that they so deserved.

Today, the concept of retirement is changing'. No longer do people treat it as a finite end to a lifetime of work. For many it's just the start of something different. It seems that the hard line between career and retirement is fading away. Today, retirement from one career often means the beginning of another, perhaps focusing on philanthropy, or for-pleasure (as opposed to for-profit) efforts. After all, with so many charities and not-for-profits in need of help, there's no shortage of volunteer opportunities available for those willing to donate their time and efforts in retirement'. But, today people have already begun making forward-thinking choices about changing speeds or directions before they transition into a "full" retirement.

As retirement is changing, people are changing with it. After all, if our retirement expectations are moving away from being a time when we don't work, shouldn't our expectations of our career move away from being strictly about work? The new philosophy is that you don't have to wait until you're retired to start doing the things you've always dreamed of. Instead, you can start living your retirement today.



INTEGRATING WORK AND PLAY

Preparation for old age should begin not later than one's teens. A life which is empty of purpose until 65 will not suddenly become filled on retirement. –Dwight L. Moody"

There are a lot of merits to integrating the expectations you have about your retirement into your career. Instead of leaving all your big adventures to be enjoyed post-retirement you can start building them into your life today. Additionally, there are a number of things that can go awry when all of your hopes and dreams, those big trips you've been waiting your whole life to take, are put off until after you hit some golden age.

So, what are the some of the benefits of living the life you've always dreamed of today instead of waiting until retirement? And, perhaps more importantly, can these expectations be balanced with current pre-retirement resources (like time and money)?



THINKING FAMILY FIRST

A man should never neglect his family for business. –Walt Disney"

The concept of life away from the office isn't always the main draw of retirement for people these days. Instead, it's the notion that they're dawning on a time in their lives when they'll be able to spend more time with family and loved ones. Much of the work we do over the course of our life comes with the expectation that we're creating a space where we can build stronger bonds and lasting memories with sons, daughters, and grandchildren. However, *when* we build those bonds is important.

Some of the best opportunities to strengthen your relationship with your family are built during the early years of a child's development. The first two years are incredibly formative, and the following decades are ideal for creating lifelong memories.^v In fact, more than 8 out of 10 adults aged 55+ say that they still reminisce with their families about vacations from years ago.^{vi}

There's a small window of time where everyone from grandma and grandpa down to the grandchildren are of an age where they can actively enjoy the types of experiences we dream of having. A vacation abroad with the whole family screams fun, but expectations around who can participate can be challenging. Ideally, we look for a window of time where our kids get to experience and discover new things, and grandparents get to relax and relish their time with their grown children and grandchildren.

Taking the time to recognize what your family goals are and coming up with ways to support these goals during your career can prevent you from having to make the kinds of one-or-the-other decisions that most people believe are required. Building activities and vacations around these goals is a huge first step in breaking that division between career and retirement.



THINK YOU'RE TOO BUSY?

It's not enough to be busy; so are the ants. The question is: what are we busy about? - Thoreau^{vii}

Many business owners and professionals thrive off of the excitement, pressures, and interactions of their job. In some cases, it seems like there just isn't enough time in the year to pull away from the work. But studies done by the US Travel Association have shown that "workers who take time off are more productive, have higher morale and are less likely to mentally 'check out' on the job. They also report less stress and burnout."^{viii}

But, while it's important to give yourself time to recharge and stay mentally fresh, today's technology also makes it easy to stay connected to the pulse of your business. Video conferencing, remote access, and cloud computing all make productivity possible no matter where you are. Communication technologies make activities like travel much easier, allowing you to stay connected to your career while experiencing many of the freedoms that previously only retirement could offer.

There are also options that make the process of planning and booking time away much simpler. Today's full-service travel agencies manage the more tedious tasks of finding a reasonably priced flight with a minimal amount of layovers, locating a reputable hotel that you'll be comfortable in, and sourcing the worthwhile attractions or sights to see while you're in the area. In fact, with today's technology and service options, time is mostly on your side.

HEALTH AND WELLNESS

Use your health, even to the point of wearing it out. That is what it is for. Spend all you have before you die; do not outlive yourself. - George Bernard Shaw^{ix}

Activities like travel can have amazing health benefits. New sights, smells, and sounds work to keep your brain active while reducing potential mental health issues like Alzheimer's^x. As an aspect of our everyday lives that we often take for granted, any activity that can keep our health and wellbeing optimized is both good for today and for tomorrow.

What's more, the health we enjoy today isn't guaranteed in our future. A 2009 survey by Stats Canada found that, of Canadians aged 55+ who had fully retired, a quarter of them reported poor health or a disability was the main factor in deciding to leave work^{xi}.

With this in mind, enjoying retirement today becomes even more beneficial. Vacation and travel can extend our healthy years, while additionally giving us a better perspective on the world around us; a perspective that we can bring back to the office in order to improve our ideas, approach, and aptitude for learning.

Additionally, by taking time for ourselves and spending time with our families before retirement, while we're still healthy, we can ensure we have the energy to have the kinds of experiences we've always imagined.

DON'T WAIT

Don't wait! The time will never be just right. - Napoleon Hill^{xii}

It's a common occurrence. We wait until we're faced with realities before we react to them. We don't start hitting the gym until the pants start feeling tight; think about the necessity of a will until someone close to us passes away, or how the realities of our retirement until our 60s creep onto the horizon. But why wait? Why not start crossing off those bucket list items while we have our health, our family, and our jobs?

Since vacations are an excellent way of capitalizing on many of the benefits of living your retirement today^{xiii}, let's look at the options those interested in traveling can explore.

Travel Model Options | *The Elements of Travel*



ON THE LEFT SIDE of the spectrum are disposable vacation experiences. These are vacation options that provide no equity, but also require no responsibility of ownership.

Hotels - short-term accommodation, typically double occupancy with in-room amenities and traditional hotel services. Hotels are typically limited on size and can be expensive.

Vacation Rentals - fully furnished property, typically booked online, short-term availability. Options are endless but consistency can be an issue.

Timeshares - broadly defined as the right to use a property (e.g., beach or ski resort) for a specific period of time each year. Opportunity for trade and exchange exist but can be cumbersome and resale very difficult.

ON THE RIGHT SIDE of the spectrum are vacation models that place high value on equity, focusing more on the benefits and characteristics of ownership.

Fractional Ownership - Fractional ownership provides consumers with the opportunity to buy partial ownership in a property (typically at a luxury level) in popular resort areas. Consumers are often tied to only one property. There is a feeling of ownership with this opportunity, and this option may be more financially possible than full ownership. Often un-used time is placed into a rental program situation, which can compromise the integrity of the home and the owner's ability to maintain that personal second-home appeal.

Private Co-Ownership - The private co-ownership model provides a small group of investors with equity in a portfolio of luxury properties around the world. Through this portfolio, investors gain exclusive access to numerous destinations for their personal vacation usage. Ownership is hassle-free, and consistent standards are maintained among the portfolio properties.

Sole Ownership - Sole ownership, also commonly referred to as second-home ownership, provides consumers with full equity and a complete sense of ownership. You have full control over the choice of the destination, property, amenities, and furnishings. While some may feel limited to one destination, most buyers who choose this option enjoy the guaranteed opportunity to visit their second home any time they like. Common drawbacks include a feeling of obligation to visit that home for every vacation experience and the fact that costs are paid year-round regardless of usage.



WHAT'S BEST FOR YOU?

The most important decision to make is whatever is best for you. Each of the vacation options listed above have their pros and their cons. Each of the equity options would appeal to people with different priorities. All of them, however, are areas of opportunity where individuals or families can start expanding the horizons of their career driven lives and make room for experiences and memories beyond their static every day routine.

Luxury hotels like the Fairmont and the Four Seasons can provide an incredible experience with high detailed service at every interaction. Everything from check in to check out can be left in the hands of someone else. All that you have to worry about is arriving and enjoying your vacation. The upside is the service detailed experience, but the money spent is a pure expense with no equity or hint of investment involved.

Private co-ownership models, such as Luxus Vacation Properties, give individuals a level of flexibility and equity, without the kind of responsibility that comes with sole ownership of a vacation property. Owners will have access to a wide selection of properties year after year, allowing them to plan vacations around the world with their families as they grow. Owners are treated to five-star concierge service when arranging their vacations, but also get to enjoy a feeling of privacy while vacationing at a “home away from home.”

Second home ownership in desirable locations, like Palm Springs or Phoenix, is a great option for individuals who have found a travel destination they enjoy and want to return to year after year. While you won't get any flexibility in destination, you get complete flexibility in use. No black-out dates or peak times that will drive prices up or keep you from visiting. Additionally, second home ownership also provides you with full equity in your home. The disadvantage is the maintenance and responsibility that comes along with a far-off property that sits empty for large portions of the year.

While retirement may continue to shift, those savvy career minded investors will continue to seek out new ways to enjoy themselves at every stage of their career. From one's prime earning years to life after 55, smart investors design their lives in a way where leisure doesn't wait and career doesn't suffer.

THE LUXUS GROUP

Established in 2007, The Luxus Group is a professional property management company and real estate private equity group which connects lifestyle benefits with financial rewards. Under its flagship division, Luxus Vacation Properties, Luxus offers Owners access to over 65 vacation destinations around the world through two separate vacation home partnerships: The Premiere Collection and The Elite Collection. Owners can also access Lifetime Experiences by Luxus, offering once-in-a-lifetime vacation packages to some of the world's most exclusive events and desirable destinations. With a strong management team in place, The Luxus Group is developing other products that will address additional lifestyle and financial needs, and which will be consistent with the same guiding principles and values of Luxus Vacation Properties.

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