

20 Tips For Establishing Multiple Revenue Streams In Retirement



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In the absence of a steady full-time paycheck, creating multiple income streams during retirement can ensure financial security and stability. Whether you're approaching retirement age or just looking ahead, it's important to understand your options and plan accordingly.

To help, 20 [Forbes Finance Council](#) members share practical tips to help retirees diversify their income sources. From investing in dividend-paying stocks to doing part-time consulting work, these strategies can set you up for a comfortable and sustainable retirement.

1. Ladder Annuities

Try laddering annuities. If, for example, you purchase three-, five-, and seven-year annuities instead of a single contract, you will have multiple streams of income. Not only does this ensure multiple income streams, but it guarantees that you will receive a paycheck every month, from each annuity, for the rest of your life—no matter how long you live. Plus, it's tax-deferred! - [Sheryl J. Moore, Wink, Inc.](#)

2. Invest In Commercial Real Estate

Investing in commercial real estate can create passive income for retirees. For example, grocery-anchored retail centers have a reputation for producing steady distributions while maintaining resilience during economic recessions. Additionally, accessing investments through Regulation A offerings, which have lower investment minimums, may be preferential for those managing a fixed income. - [Azure Erickson, Ignite Investments](#)

3. Create Partnerships With Peer Companies

Maintain a consultative mindset in the late stages of your career. Connect with peer companies or leaders and use your knowledge to assist them in building their practice. This can lead to income generation through consulting and partnering with vendors that you can refer to in a consulting relationship. You may even be able to collect and offer clients aggregated data from your consulting projects. - [Jamie Ellis, Katz, Sapper & Miller](#)

Best High-Yield Savings Accounts Of 2024

By **Kevin Payne** Contributor

BETA

Best 5% Interest Savings Accounts of 2024

By **Cassidy Horton** Contributor

4. Diversify Your Investments

One effective tip to establish multiple income streams during retirement is to diversify your investments. Allocate funds across various asset classes such as dividend-paying stocks, bonds, real estate and annuities. This diversification not only spreads risk but also ensures a steady flow of income from different sources, enhancing financial stability throughout retirement.

- [Thomas Hartmann, Funded Unicorn GmbH](#)

5. Turn Assets Into Income Generators

Turn your assets into income generators. Explore dividend-paying stocks for a steady stream of payouts, or consider turnkey rental properties—these offer potential rental income with less management hassle. This allows you to leverage your existing portfolio for a smoother transition into retirement with continued financial security. - [Frankie DiAntonio, Lexington Capital Holdings](#)

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6. Create A Smart Savings Strategy

Create a savings strategy that accumulates dollars in a variety of account types. If your income precludes you from deducting an IRA contribution, process a non-deductible contribution. If permitted, contribute to a Roth IRA in addition to your other savings. Be proactive in your account accumulation, and when circumstances or income change, evaluate what doors open for new savings options. - [Brian Niksa, Capstone Financial Advisors, Inc.](#)

7. Plan And Save With Discipline

Achieving multiple income streams during retirement requires proper planning, saving and discipline. Utilize the power of compounding. Diversify your savings: A portion should go to a dividend-focused index fund, a portion to income-producing real estate (as a hedge against inflation and the pending debt crisis), a portion to a bond index fund and the remaining to a savings account that pays interest. - [Paul Daneshrad, StarPoint Properties](#)

8. Focus On Tax-Advantaged Accounts

A tip is to focus on tax-advantaged accounts for withdrawals, invest in tax-efficient assets like municipal bonds, and weigh passive income options like rental properties with depreciation benefits. All of these not only create income streams but also do so in a tax-efficient manner! - [Rory O'Hara, Ausperity Private Wealth](#)

9. Engage In Part-Time Consulting Or Freelancing

Engaging in part-time work, freelancing or consulting within your area of expertise during retirement allows you to stay professionally active, leverage existing skills, maintain social connections and continue personal growth. It provides a supplemental income source to support your financial needs and desired lifestyle throughout retirement. - [JD Morris, RHC 21 LLC \(a SPE Fund\)](#) with family of Special Purpose Entities (SPE or SPV)

10. Prioritize Diversification

To establish multiple income streams during retirement, focus on diversification. Allocate no more than 10% of your funds to any single asset to minimize risk. Invest in non-correlating asset classes to ensure stability and protect against market volatility. Diversification helps secure a steady and reliable income throughout retirement. - [Chris Seveney, 7e investments](#)

11. Utilize Your Skills By Teaching And Training

Outside of the usual retirement plans, pensions and retirement accounts, people can establish other income streams by utilizing something they have—their skills. Consider doing some consulting work. Maybe teach and train with online courses or workshops. Use your skills to create fun part-time work. - [Bob Chitrathorn, Wealth Planning By Bob Chitrathorn of Simplified Wealth Management](#)

12. Start With Guaranteed Sources Of Income

When building a retirement income plan, first focus on meeting essential ongoing expenses with guaranteed income sources such as social security, pensions and annuities. Next, consider diversifying into dividend-paying stocks, real estate, bonds and alternative investments to meet spending needs. - [Ryan Loynd, BrightGuide Financial](#)

13. Monetize Your Hobbies

Turning hobbies into revenue may be fun and profitable. If you write well, consider self-publishing ebooks or creating an ad-generating blog. Sell your handmade goods on Etsy. Farmers' markets allow gardeners to sell their crops. By using hobbies, you can diversify your income and keep busy in retirement, improving your quality of life. - [Neil Anders, Trusted Rate, Inc.](#)

14. Make Investments With Trusted People

Make investments with people you trust and know well. I have a colleague who has invested hundreds of thousands of dollars in restaurants. He

invests through a trusted, honest and competent restaurant operator. He would invest a modest amount in each restaurant. My colleague is experiencing a 15 to 20% return on investment and a reliable source of cash flow going forward. - [E. Martin Davidoff, Prager Metis CPAs, LLC](#)

15. Lean Into Comfortable And Reliable Sources

At retirement, managing multiple revenue streams can be challenging due to age-related factors. By the time you retire, you should have identified your top three to five investment portfolios that provide the highest returns. Focus on these comfortable and reliable sources. Prioritize tax-free income through Roth IRAs, which can significantly enhance your financial stability and reduce tax burden. - [Manoj Kumar Vandanapu](#), Investment Bank

16. Complement Diverse Investments With Passive Income

To establish multiple income streams during retirement, diversify your investment across stocks, bonds, real estate and dividend-paying funds. Complement these with passive income sources such as rental properties, annuities and royalties from intellectual property. - [Dr. Adesuwa Edokpolor, Seolahm Consulting Limited](#)

17. Create A Balanced Portfolio To Mitigate Risks

Allocating your assets across various investment vehicles such as stocks, bonds, mutual funds and real estate can help you create a balanced and diversified portfolio that generates multiple streams of income. It not only mitigates risks but also ensures a steady flow of returns. Considering investments in dividend-paying stocks or InvITs or REITs can significantly enhance your portfolio. - [Pankaj Vasani, Cube Highways InvIT](#)

18. Try To Minimize Taxes

As part of a solid retirement income plan, different income streams can be coordinated so as to maximize cash flow and minimize taxes. Different income sources can be subject to different rates of taxation. Some are subject to income tax, some are subject to capital gains tax and some can be tax-free. Having the right mix of all three can result in the best outcome. -

[Ronald Gelok, Ronald Gelok & Associates](#)

19. Invest In Rental Properties Or A REIT

I, personally, am an advocate of investing in real estate. This could mean buying rental properties or investing in a real estate investment trust (REIT). Rental properties can provide a steady income each month, while a REIT allows you to invest in real estate without the need to physically own the property. Either way, you're putting your money to work and creating an additional income stream. - [Jeorgia Brown, The Budgetnista](#)

20. Maintain An Active Income By Mentoring Or Coaching

Outside of typical passive income sources such as rental real estate, bonds, and debt mutual funds, one should also focus on having an active income source from mentoring or coaching the next generation using the expertise and experience you have gathered. It is a very rewarding experience to give back to society and earn an income by doing that. - [Sachith Sebastian, BeyondTeq Ventures](#)

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