

5 Ways for Retirees to Save on Travel

Try these creative ways to pay for vacations in retirement.

Retirees have many affordable options for travel that younger people don't.

Traveling when you're young isn't always easy. If you have kids at home, your opportunities for travel may be limited to school breaks. And even then, school breaks are often monopolized by school sporting events and activities.

When you work a full-time job, it can be hard to take a vacation, let alone travel anywhere meaningful. You might have 20 personal or vacation days, but you'll need to save some for sick days and activities with your kids. Even then, it can be difficult to plan travel around everyone else's schedule.

When you're a retiree, on the other hand, all of these problems fade away. Since you're no longer limited by parenthood or your work schedule, you can theoretically travel at any time and to any place. That is, of course, if you have the money to do so. Most of the time, a lack of funds is the only thing standing between retirees and their travel dreams. The good news is, there are plenty of ways for retirees to affordably travel if they are flexible and adventurous enough. Here's how to save on travel when you're retired:

1. Swap houses with someone else. If you want a place to stay without spending a dime, consider a house swap instead of a traditional hotel or motel route. With a house exchange, you'll place your dwelling on a website like HomeExchange.com with the goal of finding someone who wants to switch. Most exchanges last a few weeks or months, giving each party a taste of the other's home environment. "Even if you don't think you live in a desirable location you just might be surprised," says Jamie Pomeroy, a financial planner for Financial Gusto in Minnesota. "Someone, somewhere would probably love to come stay in your home and experience your environment."

2. Rent a condo, then rent out your home. If you're traveling for any length of time, skipping the traditional hotel experience can save you money. By renting a condo or small home with a kitchen and cooking utensils, you can make some of your meals at home and spend less on food. Perhaps you could also make money on your home while you travel by renting out your home while you're gone. "Rather than sitting unoccupied while you are abroad, your home will generate rental income to offset the cost of your travel," says Benjamin Brandt, a financial advisor for Retirement Starts Today in Bismarck, North Dakota.

3. Pursue credit card rewards. These days just about every business in the travel industry has a rewards program, including hotels, airlines, rental cars and even chain restaurants. "Choose your favorite airline, your favorite hotel chain and your favorite rental car service, and sign up for their rewards programs," says Grant Bledsoe, a financial planner at Three Oaks Capital Management in Lake Oswego, Oregon. "If you use them every time you travel, you'll eventually earn discounts and even free travel."

Also make sure to explore travel rewards cards and cash back cards if you are debt-free and have a plan to stay that way. The best travel credit cards can help you earn free travel with your favorite hotel chains and airlines. "However, do your research first before going out and signing up for the first one that looks like a good deal," says Clint Haynes, a financial planner at NextGen Wealth in Kansas City. "And, most importantly, make sure you pay it off every month."

4. Pick up a housesitting gig. Websites like TrustedHousesitters.com connect travelers with homeowners looking for someone trustworthy enough to watch their house and maybe even their pets. If you're a retiree willing and able to travel to new places, you can see how this might look. If your idea of travel is slightly flexible, you might be able to score free lodging and earn some cash with this strategy. You'll have to be willing to work some, but not too much. Best of all, you can throw any money you earn back into your long-term travel budget. "As always, be sure to check out the details, but this seems to be a very cost-efficient way to go," says Charles Scott, a financial planner at Pelleton Capital Management in Scottsdale, Arizona. If you score a gig in an awesome spot, you can stay for free and live like a local, too.

5. See if you qualify for discounts. Retirees have many discounts available to them including senior discounts, AARP rates and AAA memberships. There may also be special discounts for military members. "As an Armed Forces retiree, my wife has made many opportunities available to us," says Tom Diem, a financial advisor at Diem Wealth Management in Fort Wayne, Indiana. Some resorts allow bookings for up to three rooms as long as an eligible Armed Forces member is part of the group. That's good to know if you're traveling with others or bringing family along for part of your itinerary.

If you're a retiree who loves to travel, it's crucial to find ways to stretch your dollars as far as they can go. Fortunately, there are plenty of ways for retirees to save if they're flexible and willing to consider creative travel strategies. The world awaits, but you'll definitely see more of it if you're savvy with your vacation funds along the way.

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