

I'm 50 years old and have \$400K in savings. Is that enough to retire stress-free?

150-character max – I'm 50 years old with \$400K in savings, but I've heard the magic number for retirement is \$1.26 million. Will I be okay?

120-character max – I'm 50 years old with \$400K in savings: do I have enough to retire?

50-character max – I'm 50 years old with \$400K: can I retire yet?

As millions of working Americans race to save enough for retirement, you may wonder how you're doing compared to the rest of the crowd.

Consider Sam, who at 50 has \$400K saved and was aiming for a clean \$1 million in retirement. Now, she's read that most Americans are reaching for \$1.26M as their "magic number" for retiring comfortably, at least according to a 2025 study by Northwestern Mutual (1).

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Being behind her peers can be a frightening prospect at 50. What if she's the only one left working well into her 60s?

But in truth, Sam is actually ahead of the curve, not behind it.

As of the fourth quarter of 2024, the average 401(k) balance among savers aged 50 to 54 was \$199,900, according to Fidelity Investments (2). Averages, however, can be heavily affected by outliers. More recent data suggests that Gen Xers as a whole, which includes Sam, have a median 401(k) balance of \$217,500 (3).

This means Sam and her \$400K are pacing ahead of her peers, but she's behind the \$1.26M nest egg many Americans think they'll need to retire.

Even so, there's still 13 years left before Social Security kicks in. The real question is what Sam needs to do to get there with her money, and what you can do if you're even further behind.

Figure out how far your finances can go

Once you have \$400K in the bank, it can be easy to rest on your heels a bit, but it's important to break down what it actually means for retirement.

Financial experts have long advocated using the 4% rule, which has you withdrawing 4% of your savings balance in your first year of retirement and then adjusting subsequent withdrawals for inflation (3). At its core, the rule is meant to ensure you have enough funds, coupled with Social Security, to last another 30 years after retiring.

If we apply this percentage, a \$400,000 nest egg allows for \$16,000 initially. That figure will then increase modestly year to year to account for inflation. Then, at 63, you can start taking Social Security.

Let's imagine you're looking at \$24,852 a year in Social Security benefits like the typical retired worker today (4), plus \$16,000 a year from your savings for a total of \$40,852. This is one of the reasons many retirees need to consider downsizing or lifestyle adjustments as they head into their golden years.

So, is \$41K plus or minus inflation adjustments enough for you to retire without stress?

It depends on the type of retirement you want.

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Calculate your retirement costs

The first thing to do is figure out how much you'll spend while retired.

The total average expenditures for Americans 65 or over was \$61,432 in 2024, according to the U.S. Bureau of Labor Statistics (5). Limiting yourself to just \$40,852 could therefore leave you with a shortfall — unless you intend to live frugally and have minimal needs and expenses. To hit a total of about \$61K, Sam would need to have \$914,500 by the time she retires, assuming she also relies on Social Security.

With this in mind, it's probably a good idea to estimate your annual expenses.

There are two big factors you'll want to account for.

First up, taxes. Unless you have your savings in a Roth IRA or 401(k), your withdrawals will be subject to taxes, not to mention your Social Security benefits — at least in most cases.

Second, health care. In 2025, the typical 65-year-old could expect to spend \$172,500 on health care and medical expenses throughout retirement, according to Fidelity (6). In 2026, the standard monthly cost for Medicare Part B alone is \$202.90 (7).

Accounting for these costs as part of your expenses is a key part of finding your own magic number.

Find ways to bolster your income

In addition to paring back costs where you can, it's also important to find ways to grow your retirement fund. After all, you don't need to be employed to keep your next egg ticking along.

You could consider investing in an array of retirement accounts, which can offer a variety of tax benefits, too. For example, investing in a gold IRA may be an option to help you preserve your nest egg against market shocks while leveraging tax-deferred growth.

Gold, long regarded as a safe-haven asset, has experienced a remarkable surge over the past year. The yellow metal's price has jumped over 80%, potentially highlighting growing investor demand (8).

If you're looking to test your mettle, [Priority Gold](<https://moneywise.com/c/1/463/2022?placement=3>) is an industry leader in precious metals, offering physical delivery of gold and silver.

They also offer the ability to roll an existing IRA into a gold IRA, Priority Gold — 100% free — as well as free shipping and free storage for up to five years. Qualifying purchases can also receive [up to \$10,000 in free silver](<https://moneywise.com/c/1/463/2022?placement=4>).

To learn more about how Priority Gold can help you reduce inflation's impact on your nest egg, you can also download their [free 2026 gold investor bundle](<https://moneywise.com/c/1/463/2022?placement=5>) to see if it's the right investment for you. Just keep in mind that gold is often best as just one part of a well-diversified portfolio.

Search out other sources of income

Your personal retirement savings may not be the only income you have access to once your career has ended. You may be eligible for a pension through your former employer, or get rental income from a property you own.

And don't forget Social Security. Even if the Social Security fund runs out — as is currently projected for late 2032 (9) — employer payroll taxes still fund the vast majority of benefits. So, it's likely the program wouldn't disappear altogether.

The typical retired worker today collects about \$2,071 a month in Social Security, but you can get an estimate of your anticipated retirement benefit by creating an account on SSA.gov.

Ultimately, you may run the numbers and determine that you're on track for a stress-free retirement with \$400,000 in savings. Or, you may decide that it'll take a larger savings balance than that to enjoy the lifestyle you want.

The good news is that if you're 50 years old, you may easily have another decade and a half of earning years ahead of you. And being 50 means that you're eligible to make catch-up contributions to an IRA or 401(k). So if, after crunching the numbers, you feel that \$400,000 won't be enough to buy you a comfortable retirement, you have plenty of time to boost your nest egg accordingly.

There are a few low-risk ways to save more efficiently and bulk up your savings if you feel behind on your goal.

Grow your rainy day fund

Given health care can be such a lofty cost during retirement, it's important to have easily accessible funds should an emergency happen. One way to prepare is by setting aside money in a high-yield account earning a solid return.

The [Wealthfront Cash Account](<https://moneywise.com/c/1/419/1819?placement=6>) can be a great place to grow your emergency funds, offering both competitive interest rates and easy access to your cash when you need it.

Wealthfront's Cash Account currently offers a base variable APY of 3.30%, and new clients can get a 0.75% boost during their first three months on up to \$150,000 for [a total APY of 4.05%](<https://moneywise.com/c/1/419/1819?placement=7>). That's more than 10 times the national deposit savings rate, according to the FDIC's February 2026 report (10).

If you hit the \$150K cap for the first three months, that's also pretty close to the \$172,500 more Americans will need for healthcare for the duration of their golden years.

With no minimum balances or account fees, as well as 24/7 withdrawals and free domestic wire transfers, your funds remain accessible at all times. Plus, Wealthfront Cash Account [balances of up to \$8 million are insured](<https://moneywise.com/c/1/419/1819?placement=8>) by the FDIC through program banks.

Make investing a part of your daily routine

Once you have your retirement accounts in order and an emergency fund established, you may want to look for growth opportunities for part of your savings.

After all, when you turn investing into a habit rather than a chore, you can help make the process seamless and smooth. Even better, there are reliable platforms that take the legwork out of investing — by doing it on your behalf in the background.

Just as little acorns grow into mighty oaks, [small investments with Acorns](<https://moneywise.com/c/1/8/648?placement=9>) can become a lifestyle upgrade in retirement.

Acorns is an automated investing and saving app that lets you save and invest while you spend. When you make a purchase on your credit or debit card, Acorns will automatically round up the price to the nearest dollar and put the remaining spare

change into a smart investment portfolio. This way, even the most essential spending translates to money saved.

[Sign up now and you can get a \$20 bonus investment](<https://moneywise.com/c/1/8/648?placement=10>). This is an easy way to grow your wealth without even thinking about it, even after you retire.

Feeling overwhelmed? Find an advisor

Figuring out whether you have enough money saved for retirement can be challenging. There's plenty to consider — from predictable expenses like rent, to unpredictable ones like those which could arise from a medical emergency.

Whether you're looking for help drawing up a monthly budget or trying to increase the value of your nest egg, consider reaching out to a qualified professional who specializes in retirement planning to help you make the most of every dollar.

[Advisor.com](<https://moneywise.com/c/1/410/1777?placement=11>) connects you with participating unaffiliated third-party registered investment advisors (RIAs) through its matching tool.

From their database of thousands, you can find a pre-screened financial advisor you can trust. You can then [set up a free, no-obligation consultation](<https://moneywise.com/c/1/410/1777?placement=12>) to see if they're the right fit for you.

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Article sources

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[Northwestern Mutual \(1\)](#); [Fidelity \(2\)](#), [\(3\)](#), [\(6\)](#); [Citizens Bank \(3\)](#); [Social Security Association \(4\)](#); [Bureau of Labor Statistics via Federal Reserve Bank of St. Louis \(5\)](#); [U.S. Centers for Medicare](#)

& Medicaid Services ([7](#)); APMEX ([8](#)); The Committee for a Responsible Federal Budget ([9](#));
FDIC ([10](#))