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## Crucial Money Moves to Make in Your 30s

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### PRIORITIZE YOUR EMERGENCY FUND BECAUSE LIFE HAPPENS

- Reduce stress by saving 3 to 6 months of expenses in a savings account or money market.
- Use BankRate.com to find the best interest rates.



### HONE YOUR BUDGET, BUT PAY YOURSELF FIRST

- Save 20% of your income, spend no more than 50% on 'needs' and 30% on 'wants.'



### SAVE FOR RETIREMENT

- Contribute at least enough to get your 401(k) company match and use any auto-increase features, if available. Increase your contributions after bonuses and raises as well.
- Given your lengthy time horizon, stay stock-heavy. Use target date funds if you're not comfortable picking specific 401(k) funds.
- Your 401(k) is for retirement. Don't take out hardship withdrawals or loans.
- Switching jobs? Don't cash out! Roll an old 401(k) over to an IRA or your new 401(k).
- Consider saving in a Roth 401(k) and/or Roth IRA as well (these accounts grow tax free).



### MONITOR (AND IMPROVE) YOUR CREDIT

- Spot credit report errors at AnnualCreditReport.com. Check your credit score at a site like Creditkarma.com or through your credit card company.
- Use less than 10% (and no more than 30%) of your available credit every month
- Pay bills on time and in-full every month, otherwise you're paying unnecessary interest.
- To help prevent identity theft, freeze and unfreeze your credit as needed at all three credit bureaus: Experian, Equifax, and TransUnion. Freeze your kids' credit as well.



### VIEW A HOUSE AS AN EXPENSE, NOT AN INVESTMENT

- Put 20% down to avoid PMI (private mortgage insurance), keep payment below 20% of gross income.
- Watch for opportunities to save interest by refinancing (but don't extend the term!).



### SAVE FOR KIDS' COLLEGE (BUT SAVE FOR RETIREMENT FIRST!)

- 529 plans are a tax-advantaged way to save, some can be funded with credit card rewards.
- Learn more at [SavingForCollege.com](https://SavingForCollege.com) and [NerdWallet.com](https://NerdWallet.com).



### REVIEW INSURANCE NEEDS

- Understand your employer/group benefits such as life insurance and disability (but don't assume they will always be there!)
- Supplement if needed with individual policies. Term insurance has no cash value but is cost-effective for temporary needs such as minor children or debt payoff.



### PROTECT YOUR LEGACY

- All adults should have a will and Power of Attorney (POA) for healthcare and finances.
- Designate beneficiaries on retirement accounts and non-retirement accounts since these supersede a will.