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Franklin Savings Bank provides six money tips for college graduates

August 03, 2018 - Northern New England

Franklin, NH Last year, more than 70% of college graduates began their career owing more than \$37,000 in student loans. This is a staggering statistic that has become more of a reality. Considering the additional living expenses our next generation of workers will incur following graduation, new college graduates should consider focusing on their financial future now instead of waiting. Franklin Savings Bank offers six smart financial decisions college graduates should consider in an effort to position themselves for financial success as they embark on their next phase in life.

“The habits new graduates develop right now will have a big impact on their financial future,” said Joseph Thornton, SVP, retail banking officer. “Living expenses add up quickly once you are on your own, and many young adults who did not plan ahead are delaying major life milestones, such as getting married or purchasing their first home due to their financial situation. However, the good news is that you can have a bright financial future if you think strategically about money as soon as you begin your new job.”

FSB recommends these financial tips to assist college graduates with positioning themselves for financial success:

- Live within your means. Supporting yourself can be expensive and you can quickly find yourself struggling financially if you do not take the time to create a budget. Calculate the amount of money you're taking home after taxes, then figure out how much money you can afford to spend each month while setting aside some funds towards your savings. Be sure to account for recurring expenses, such as student loans, monthly rent, utilities, groceries and car loans.
- Pay bills on time. Missed payments can hurt your credit history for up to seven years and can affect your ability to obtain loans, the interest rates you pay, as well as your ability to get a job or rent a place. Consider setting up automatic payments for reoccurring expenses like car loans, rent and cell phone bills by utilizing bill pay, which is available by most banks through their online banking service. In addition, you can contact creditors and lenders to request an alternative due date from the one provided by default, i.e. switching from the first of the month to the 15th.
- Avoid incurring too much debt. It's important to understand the responsibilities and benefits of credit. Shop around for a card that meets your needs and spend only what you can afford to pay back. Credit is a good tool, but only if you use it responsibly.

- Plan for retirement. It may seem odd since you are just beginning your career, however, now is the best time to start planning for your retirement. Contribute to retirement accounts, such as an employer sponsored 401K, especially if there is a company match. If possible, try to set aside enough from your pay to qualify for your company's full match; it's free money that can add up over time. Automatic retirement contributions can quickly become part of your financial lifestyle without having to think about it.
- Prepare for emergencies. Hardships can occur at any time. Start an emergency fund and do your best to set aside the equivalent of three to six months' worth of living expenses. Start saving immediately, no matter how small the amount. Make saving a part of your lifestyle with automatic payroll deductions or automatic transfers from your checking account to savings. It's also a good practice to put your yearly tax refund toward savings instead of an impulse purchase that isn't necessary.
- Receive assistance from your bank. Many banks offer personalized financial checkups to help you identify and meet financial goals. You can also take advantage of their free electronic banking tools, such as online banking and mobile banking, to assist you with checking account balances, pay bills, deposit checks, transfer funds between accounts, monitor transaction history and track your budget.

New England Real Estate Journal - 17 Accord Park Drive #207, Norwell MA 02061 - (781) 878-4540