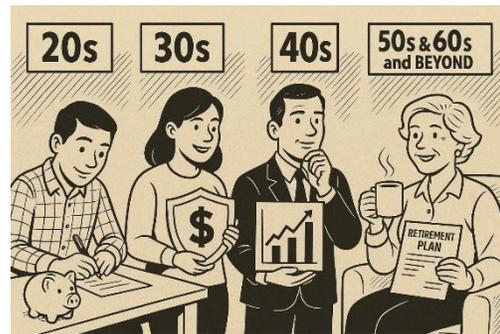


Financial Planning Throughout The Decades

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Sophisticated Simplicity[®]



Most people don't start thinking about a financial plan until life becomes more complicated. Maybe you've built up savings, bought a home, or just realized you don't want to handle it all on your own. Often, that's the point where people try to figure out how to turn what they've worked hard for into a plan that supports their goals.

The truth is, financial planning matters at every stage of life. It's especially important as you get older and your wealth grows, but starting early makes everything easier down the line. You might not need a detailed plan right after college, but every decade offers opportunities to set yourself up for success.

Build a Foundation

In your 20s, it's all about building good habits. Create a budget so you know where your money is going. Start an emergency fund with a few months of living expenses in a savings account you can access easily. Even if you can only contribute a little, begin investing, whether it's through a Roth IRA or your employer's 401(k). Pay off high-interest debt as quickly as possible, and work on building strong credit by paying bills on time and keeping balances low. Don't forget the basics like health and renters insurance, and consider disability coverage too.

Grow and Protect

When you hit your 30s, the focus shifts to growth and protection. Increase your retirement contributions, aim to max out your 401(k) or IRA if you can. If you have dependents, life and disability insurance become essential. For those with kids or planning for them, a 529 college savings plan can help you prepare for education costs. It's also a good time to create a will, even if your assets are modest. Look at your debt and consider refinancing where it makes sense. And don't overlook investing in yourself, advanced training or education can increase your earning potential.

Optimize and Plan Ahead

By your 40s, you're likely in your peak earning years, and this is when optimizing your plan really matters. Max out your retirement contributions, review your investment mix, and make sure your portfolio is aligned with your long-term goals. Revisit college savings plans, think about long-term care needs, and make sure your insurance coverage, home, life, disability, and even umbrella liability, is where it should be. Updating your estate plan, including powers of attorney and beneficiary designations, is important now, too.

Prepare for Retirement

Your 50s are all about the final push before retirement. Take advantage of catch-up contributions, estimate what you'll need, and start planning in detail. Downsizing your home or paying off remaining debts could make sense at this stage. Review your investments and consider a more conservative allocation if needed. And start building a strategy for retirement that factors in taxes and healthcare costs.

Preserve and Enjoy Sophisticated Simplicity®

Once you reach your 60s and beyond, the focus shifts to protecting what you've built and enjoying the life you planned for. Create a withdrawal strategy that's sustainable for the long term. Think carefully about when to claim Social Security, plan for required minimum distributions, and review your Medicare options. Simplifying your finances, like consolidating accounts and automating income, can make things easier. And finally, make sure your estate plan reflects your wishes and legacy goals.

The earlier you start, the smoother every stage feels. A financial plan isn't something you set and forget; it's a living roadmap that adapts as life changes. Your destination stays the same, but there are many ways to get there. Our approach is rooted in Sophisticated Simplicity®. Planning ahead at CapWealth means giving yourself more options, more confidence, and more peace of mind along the way.