



Start Your Journey Towards Financial Independence

A 7-STEP CHECKLIST

Today's young adults are coming of age in a very different economic landscape than their parents. In fact, currently fewer than half (45%) of young adults ages 18 to 24 say they are completely financially independent from their parents.¹

¹ "Parents, Young Adult Children and the Transition to Adulthood," Pew Research Center. April 2025.

Achieving financial independence is an important goal, but transitioning from being fully dependent on someone to complete independence can feel overwhelming. If you're unsure where to start, try these seven essential steps:



STEP 1: OPEN A CHECKING AND A SAVINGS ACCOUNT

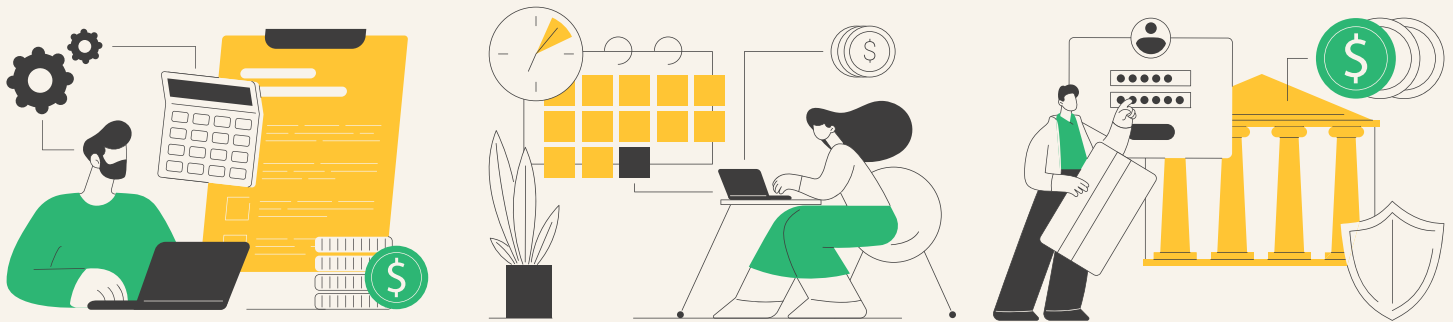
Whether it begins with your first paycheck or money received as a birthday gift, for example, opening both a checking and a savings account will likely be one of the first steps in your financial journey. These account types serve as the cornerstone to fostering

responsible spending and saving. When setting them up, take into consideration account features, functionalities, and risks such as fees, automatic payments, interest, and most importantly—avoiding fraud or over drafting.

STEP 2: TRACK YOUR EXPENSES AND SPENDING HABITS

As tedious as it may seem, tracking how you spend your money is necessary in understanding how much you will need to live independently. Try tracking your expenses for a couple of months to determine what you're spending on essential items (i.e., rent, food, utilities, etc.) versus non-essentials (i.e., entertainment, travel, gifts, etc.). Breaking it down will help you recognize spending habits you might not have previously noticed.

Taking time to go through your monthly statements line by line is one way to track your expenses. Many banks also offer tools that can help you easily organize and categorize spending within an account. If your bank does not offer these services, there are a number of mobile apps that can be used to make the process easier. Tracking living expenses and spending will ultimately give you the power to change any unhealthy patterns while also instilling mindfulness and a true grasp of the value of a dollar.



STEP 3: GET YOUR OWN INSURANCE

Insurance is an oftentimes overlooked essential expense. While some young adults can stay on their parent's health insurance until age 26, others will need to get their own sooner. Regardless, understanding the importance of not only health insurance, but car, renters, and homeowners insurance is a key component in gaining financial independence. Having these types of insurance not only protect you, but your financial future from any unforeseen events.

Choosing the right insurance can feel overwhelming but assessing your current needs—like medications and pre-existing health conditions—can help you find a suitable health insurance plan. Additionally, considering factors such as the type of car you drive, your driving record, and where you live will help you determine the costs of car, renters, and homeowners insurance. Regardless of how you decide to obtain insurance, considering the cost of all types is crucial when determining your essential payments once you're on your own.

STEP 4: CREATE A BUDGET

A natural next step to financial independence is to use the spending breakdowns from steps 2 and 3 to create a budget. This allows you to see how you measure up against your income. Adding up all of your expenses, including any expenses being paid by anyone supporting you (i.e., phone bill, streaming service, etc.), can give you an accurate idea of what it costs to maintain your desired lifestyle.

Sitting down to assess your spending habits will allow you to decide if you want to make adjustments to non-essential purchases or pick up a side job in order to fit your budget. Setting short-term goals, such as taking over the cost of your cell phone bill within the next three months, will help you stay focused on your ultimate goal: financial independence.



STEP 5: PAY YOURSELF FIRST

You should always prioritize saving before non-essential spending. In other words, pay yourself before determining your budget allowance for things like dining out. Paying yourself first means putting a set percentage of your income aside to build an emergency fund, save for future large purchases like a car or house, contribute the maximum amount to

a 401(k), or simply invest for the future. Don't forget about compound interest, which is when the money you earn from interest starts earning interest itself, making your savings grow faster over time. It's similar to a snowball effect that can turn even a small investment now into a much bigger one in the future.

STEP 6: ESTABLISH A GOOD CREDIT HISTORY

Credit is another important factor to consider—and one of the best ways to establish a credit history is to apply for a credit card. While a credit card offers many benefits, it's crucial to understand the importance of responsible spending since misuse can lead to personal debt. Start small by only using it for essential purchases like gas or groceries, and once you feel comfortable and understand you should only

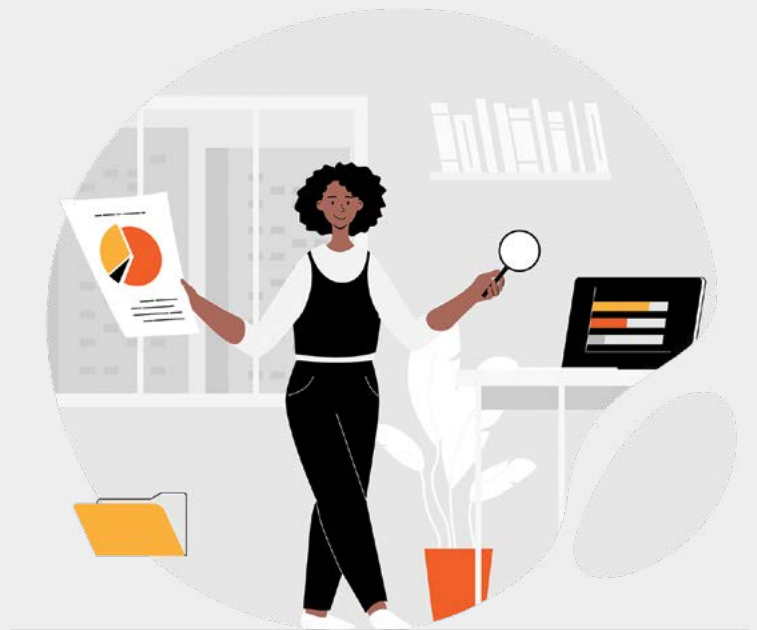
spend what you can afford, then you can start adding other purchases.

Learning to use credit cards responsibly can not only help you establish good credit but can also influence your ability to do other things like apply for loans to buy a car, a house, or fund your own small business.

STEP 7: HAVE A FINANCIAL PLAN AND STICK TO IT

Setting major life goals—like buying a new home, or planning a wedding is expected—and by using the skills you have learned in previous steps, you have the tools to achieve them. However, having a plan is one thing, adhering to it is another.

Being practical about what you can handle financially, setting realistic timelines, and clearly defining your goals is the most effective way to ensure you will stick to a plan. Revisiting your financial plan often with the help of an advisor can serve as an important reminder of what motivated you in the first place. Achieving one goal will only build confidence and push you to continue to make smart financial decisions.





**PROTECTION. RETIREMENT.
INVESTMENT. ESTATE.**

Trusted Guidance. Comprehensive Solutions.

Eagle Strategies LLC (Eagle) is an SEC-registered investment adviser. Registration with the SEC does not imply a certain level of skill or training. Eagle investment adviser representatives (IARs) act solely in their capacity as insurance agents of New York Life, its affiliates, or other unaffiliated insurance carriers when recommending insurance products and as registered representatives when recommending securities through NYLIFE Securities LLC (member FINRA/SIPC), an affiliated registered broker-dealer and licensed insurance agency. Eagle Strategies LLC and NYLIFE Securities LLC are New York Life Companies. Investment products are not guaranteed and may lose value. No tax or legal advice is provided by Eagle, its IARs or its affiliates.

ES.FinancialChecklist
SMRU 6671569 (Exp. 05.31.2029)

Eagle
Strategies
LLC