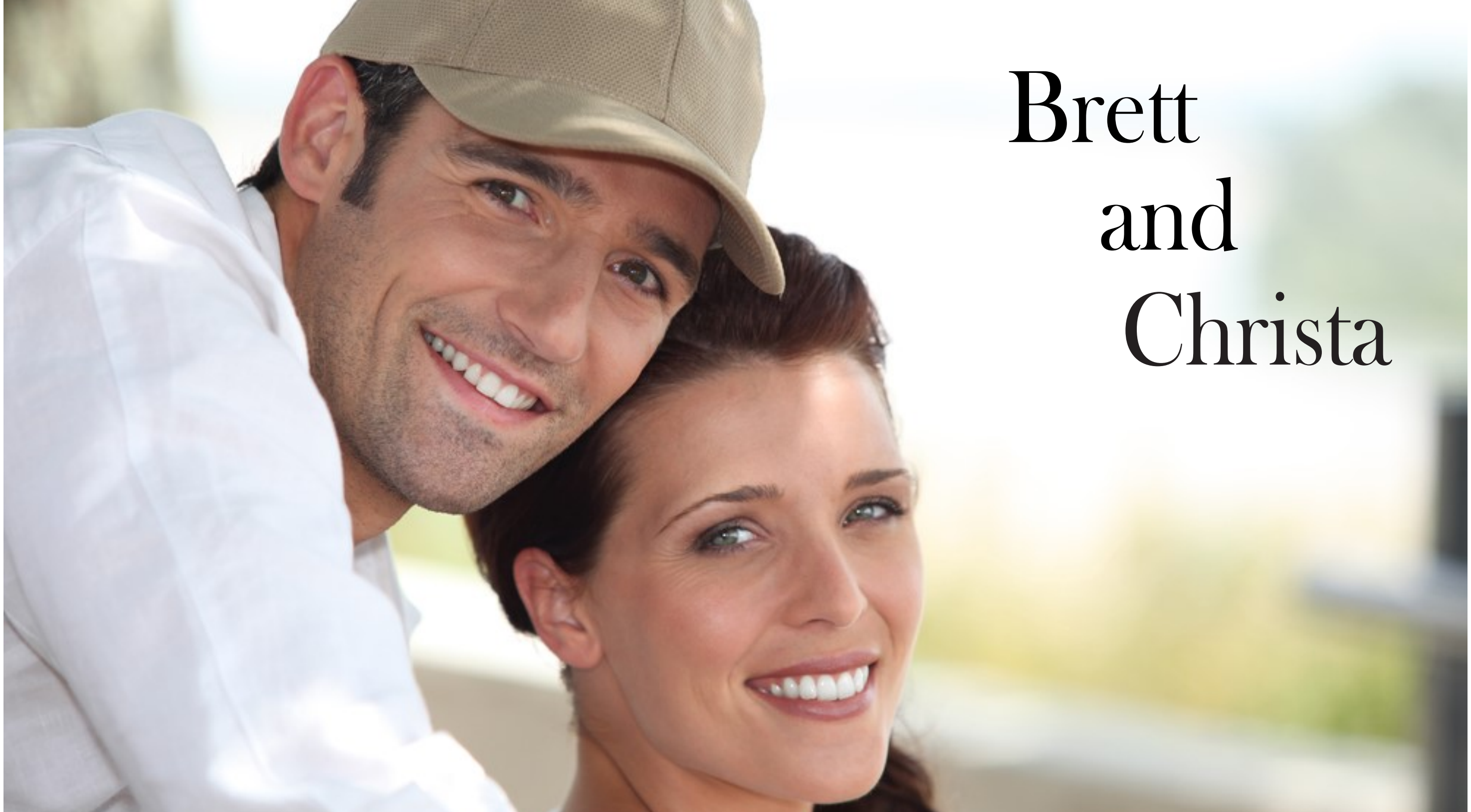

Brett and Christa

Top Concerns

LONG-TERM RETIREMENT PLANNING/CASH FLOW

Should we be contributing more to our 401(k)s?

What should we do first; pay down credit card debt or student loan debt?

Should we build an emergency fund first or save for a down payment on a house?

FINANCIAL QUESTIONS

Should we combine our accounts?

What can we do to budget and track our spending better?

HOME

Should we buy or rent?

Main Street Advisors, LLC

Brett and Christa are both in their early 30's. They've been together five years now and have started thinking about long-term plans. Christa works for a local architecture firm and is considering grad school. Brett works for the Dept. of MD Natural Resources. Both have retirement plans through work, but neither of them feel their 3% contribution is enough. They currently rent, but have managed to save a decent amount of money. Student loans and credit card debt are primary concerns for both of them. Brett has learned he will be inheriting about $230,000. This coupled with having a combined income of $120,000, Christa thinks it is time to get focused. Christa thinks speaking with a financial advisor is an important next step so they can address some of their pressing questions and get a good overview of their finances.

How MSA Helped

After a consultation with Brett and Christa, they decided MSA was the perfect fit. MSA built a financial plan (including budget) that aligned with their goals/needs and addressed their primary concerns. The following recommendations were provided:

- Eliminate all credit card debt first with any excess cash flow you can. Cut back on expenses to re-channel that money toward paying down the debt. Transfer high interest rate credit card balances to a card with a 0% rate. Begin utilizing Quicken or Mint.com to track spending and ensure you are following your budget. Do not combine accounts until you are married.
- Contribute 6% to your 401(k)s so you can take advantage of the company match. Automatically escalate your contribution percentage by at least 1% every year.
- Since the student loans are all Federal-based, consolidate them and then double down on principal payments.
- Begin funneling 50% of the money used to grow the savings account into an emergency fund. Buying makes more financial sense for you, but don't start saving for a down payment on a house until after debt has been paid off and emergency fund has been established (4-6 months of spending).

This client scenario is real, as are the strategies employed. However, the client's identity has been protected.