

How do I save for a wedding, a house and a family—all at the same time?

Saving for major life events in the future is one thing, but how do you prepare financially when you have several milestones happening at the same time? Our guest this week, a 32-year-old woman based in Chicago, is currently planning her wedding, but also wants to buy a home and start a family in the near future. To help her prepare financially, host Stefanie O'Connell Rodriguez talks to personal finance expert Sahireny's Pierce about how to prioritize financial goals and create systems that support those priorities.

Marina: It almost felt like it was something we were supposed to do. You know you were living together, you're getting engaged, at some point you'll be getting married. Well, of course you're going to buy a home, because that's what people do when they're at that stage in their life.

Stefanie O'Connell Rodriguez: This is Money Confidential, a podcast from Real Simple about our money stories, struggles and secrets. I'm your host, Stefanie O'Connell Rodriguez. And today our guest is a Chicago-based 32-year-old we're calling Tessa—not her real name.

Tessa is in the process of planning her wedding—but she also wants to buy a home and start a family in the near future. That's three very costly major life events all happening at the same time. So the question becomes, how do you prioritize your spending and savings when everything feels like a priority?

Tessa: I'm getting sticker shock every five seconds. It's crazy. But it's like, yep we already have a date. It's three months away, here's all our money.

It's really scary for me as somebody who has always been a saver. I finished paying off all of my college debt. I made a lot of sacrifices in my twenties. I lived in really crappy apartments just so that I could just have kind of like a cushion.

And now it's like, okay, we want to buy a house which is going to be pretty much all of my savings. And then we'll probably recoup a tiny bit of money from our wedding, but that's like a huge chunk of change that's going out the door. So I'm nervous when I see all of my savings, basically like depleting.

And I feel really nervous about what that means in terms of our future stability even just being able to have that down payment and then having not that much leftover

Stefanie O'Connell Rodriguez: Balancing a wedding and a home down payment is a textbook example of competing financial priorities, and it's one many young couples navigate. [Zillow reports](#) the average age of first-time homebuyers at 33, while [The Knot](#) reports ages 33 for men and 31 for women as the average age of marriage. And while weddings certainly don't have to

cost anywhere near the same amount as a home down payment, the reality is, as of 2019, the average wedding cost \$33,900.

Can you talk me through how you are separating that money right now?

Tessa: So we have a joint account. We just were contributing like a third of our salaries to our joint account before, because that was covering rent and other expenses and things. Now we've started to take 60% of our checks and put it towards that. And that's kind of been like our slush fund for all of our wedding things.

And then my personal savings is not being touched and that's where I'm keeping all of my like, house money.

It's kind of like, I'm trying to guard that bigger savings account and just be like, don't touch it. Try to get by and leave that alone so that we can use that for a down payment.

It's just super defeating because I feel like we've saved compared to people that we know, and other people our age, I feel like they would look at my bank account and be like, "yo girl, you're rich," but I'm like, "yeah, but I'm not at all."

We could have enough to buy a house and have our wedding, but then there won't be that extra savings for any kind of emergency or anything like that.

Stefanie O'Connell Rodriguez: Given your really disciplined and thoughtful behaviors and the fact that you're on the same page with your partner, you could have enough in these accounts in a relatively short period of time.

It just sounds like the period of time in which you want to have enough is sooner.

Tessa: Yeah. And I do wonder if part of this is letting go of the internal timeline. Probably 'cause we want to start a family pretty much right away. We've been together for 12 years already. So we're like, we're getting married to start a family. And I was like, I can't have a baby in this one-bedroom apartment. So I think it's definitely internal pressure, but we're also just like sick of where we're living.

Stefanie O'Connell Rodriguez: I'm wondering if there is some kind of middle ground. Maybe it's not staying where you are, but it's also not necessarily buying the house you want to live in for the next 20 years.

Tessa: I have grown up with the mentality ingrained in me that, like, I'm paying somebody else's mortgage renting and basically throwing my money into the garbage. And I just feel like in that case, why don't I just buy an apartment and it's the same cost going out that I actually own it.

Stefanie O'Connell Rodriguez: I think a lot of this is challenging this idea that it's staying where you are and being unhappy with it while you're trying to move on to this next stage versus feeling like you're moving into the biggest purchase of your life before you really feel confident and I'm wondering if more than the numbers and the planning, this is more getting in touch with what what's going to bring you a sense of comfort, a sense of security, a sense of joy, a sense of like delineation between your premarried life and your married life and doing that in partnership with your fiancé.

Tessa: Yeah. I mean, you saying that's striking a chord with me because I feel like I've always put budgeting first above my comfort and happiness to be really honest with you. And I feel like I've always just been like, no, it doesn't make sense. Like instead of getting an apartment that's, you know, a thousand dollars more a month, I'm like, no, I'll just deal with it and make it work because financially, that's the better decision. But to your point, it's not bringing me happiness and I'm just settling because I want to be more responsible with my money, but I'm not really being responsible with my joy.

Stefanie O'Connell Rodriguez: So often we think about money, talk through optimizing the bottom line for dollars and cents. But what this is really about is optimizing for the greatest value based on what brings joy to your life and what your priorities are.

Do you feel like your partner struggles with this too?

Tessa: Oh, no. He thinks money grows on trees. He's made me grow a lot too. And I will spend money on things like vacations and things that that I know bring me happiness, but I've gotten into this rut with like my living situation where I'm just like, I'm just going to settle, because in the end, I'll end up in a place that I love and it'll be worth it, but maybe I should rethink that and kind of try to figure out what's a better scenario for now.

I don't even need like a gigantic house. Like I just want a place where you know I have a lot of family that comes over and stays over a lot in my one bedroom apartment. Just like an extra space for people that are coming a space for a baby, hopefully. And like a little backyard. I'm not like asking for a lot, but right now it's, you basically have to have a million dollars for a shack. So...

Stefanie O'Connell Rodriguez: Do you do Zillow shop?

Tessa: Oh yeah. All day. Every day.

I just keep toggling back and forth between like, an apartment or this house. Maybe we should go see it. Maybe we shouldn't go see it. Cause we're probably not going to buy it. It's like torturing myself pretty much every day. And then I see things and I'm like, okay, this is probably affordable.

And then I go down to where you can put in like how much you're going to put for your down payment and all that. And then I'm like, oh God, this is just so much money.

And do I really want to not be able to have that cushion and go on trips and not think twice about them? And then I just kind of get discouraged and I like get off.

And there's nothing that I've ever walked into and been like, this is worth this much money.

In this area, things are overpriced, and now they're even more overpriced. And I walk in and I'm like, if this was my dream home, maybe you could be like, "Okay, it's worth it. I love this", but hey, I'm not really looking for my dream home. I'm probably not going to be there forever, and I'm just like, this isn't worth this.

I look around and I'm like how did these people have this much money? How did this many people have this much money? What am I doing wrong?

Stefanie O'Connell Rodriguez: After the break we'll talk to personal finance expert Sahireny Pierce about what competing financial priorities mean, not just for our decision making, but for our balance sheets as well.

Sahireny Pierce: It was very difficult. When my husband and I got together. My parents were going through a divorce due to the '08 recession. They were not doing good financially.

My husband's family, they were going through a lot of difficult situations with health and financial situations as well. And all of these fears really made me open up to my partner about our debt.

Stefanie O'Connell Rodriguez: That's Sahireny Pierce, founder of Poised Finance Lifestyle and mother of two based in San Diego, California. She and her husband paid off \$99,000 of debt within a five-year period, while living in California and raising a family, which is a lot to take on at once. So I asked Sahireny how she and her husband overcame the financial hurdles they had seen in their own families?

Sahireny Pierce: So we started prioritizing, making sure that we started our marriage on a clean slate, talking about the financial issues and not letting that be something that breaks us apart because we're already such a strong couple.

We don't want money to be within the main reasons why we'd break up or divorce.

So just having that conversation really allowed us to prioritize paying off our student loans before we actually ventured off into getting married and saying I do.

Stefanie O'Connell Rodriguez: So you mentioned this word prioritizing, which is really the theme of this week's episode, but it's also a theme that's come up over and over again. It's rare that somebody is working on one financial goal at a time. So how did you think about prioritizing. And what did that actually look like when it came to your budget?

Sahireny Pierce: Honestly, when I try to prioritize paying off our student loans and planning for our wedding, the numbers just didn't add up. We always talked about, you know, just make more money, but there's a limit to that, because there's only so many hours in the day. I was already trying to get certified to get a raise. My husband was doing a side hustle from the career path he's already in and we were already maxed out. So we had to create some systems in place to better prioritize what we wanted out of life. And especially with our money that we were making.

We were working so hard for it. You might as well prioritize it and maximize it at the same time. And what we realized was that it's very difficult to try to do everything at the exact same time. We had to give ourselves some grace and some time.

So when it came to prioritizing our big goals, we kind of spread them out. And instead of getting married in 12 months, right when we got engaged, we pushed it out a few months because we were like, we can't do it all.

So by creating a system that allowed us to maximize our budget, maximize the money that we were making and really put a purpose towards it saying—okay, the main money that you're making for your side hustle, we're going to push that towards paying off our student loans.

When it comes to our budget and the regular income that we are bringing in, let's see where we can make adjustments so that we can prioritize pushing that money towards our other goal of paying for our wedding. And it just made it very clear on the 15th, that money is going towards paying off debt. And then on the 30th, we're pushing money toward our savings account for our long-term goal, which was our wedding.

And when we were doing our budget, we realized that you know, a San Diego wedding is very pricey. And in order to do both, we had to make modifications. So we actually moved the wedding to Vegas. I made modifications when it came to type of wedding dress I was getting, the type of food we were doing, the type of events we wanted to do during the wedding to make it fun. And it made it more realistic for us.

Then when we pushed it out, it also gave us some grace where we weren't overwhelmed. And I feel like that's such a hard thing because when you think about our society and especially millennials, we feel like we're already behind, like we're starting behind the start line and we allow society to tell us, oh, you have to graduate college. You have to get married, you have to buy a house. You have to have kids.

And it just becomes so much that some people, they just quit. And I understand that because it's too much at the exact same time. So one thing that I learned when we were paying off all of that debt and prioritizing our wedding is that you need to set less large goals and start creating some smaller goals to help you not burn out completely while you're trying to achieve that large goal, because this accomplishing a whole bunch of large goals really is the recipe for burnout.

Stefanie O'Connell Rodriguez: What's really hard with a lot of folks I've spoken to is that all the money goes into one account, maybe two accounts. But it's not separated by goals.

Sahireny Pierce: And I think just visually seeing that for me personally, it just keeps me in line of where I'm going. It kind of motivates me. And a lot of times I see a lot of people, a lot of my family members and friends who are doing side hustles and the money's just disappearing. Like, they'll go out to eat, they'll go to a baseball game and it just flies out the door because life does happen. And so for us to better manage our finances and the hard work that we were doing towards our side hustles, we needed to prioritize it, to help us accomplish one goal. Because again, we're not trying to do side hustles forever. They're here to help us propel towards paying off debt or saving for a wedding or building up an emergency fund. And after that, we need to build a system that's more sustainable. Managing what we do have, making sure that we are building and growing in our career fields so that we can grow sustainably over time, not overnight. When you separate the money and you have purpose for every single dollar and every single job that you're doing, you start feeling differently about your money. You're like, no, I know that this money that I'm working for us to help me build my emergency fund.

Once I build my emergency fund, let's say, for example, I don't have to go this hard and give up every single weekend to build up my emergency fund. I can now focus on spending time with my family, picking up a hobby.

And I know that the short term goals, they come up, but we need to make sure that we're being more realistic of how many short-term goals we can accomplish in one year so that we can still accomplish those long-term goals as well.

Stefanie O'Connell Rodriguez: To facilitate her financial organization, Sahireny developed a system she calls the high five banking method.

Sahireny's Pierce: So the high-five banking method is simply a way to organize your finances with purpose. Two checking accounts and three savings accounts. The first checking account is for your bills because hey, we all have bills. We need to make sure that we're prioritizing them and paying them off on time.

The second checking account is going to be for your lifestyle, even though we all want to pretend that we don't have a lifestyle, we all have one. So we need to embrace it and make sure that we're giving yourself a realistic budget so we can enjoy doing the things that we love to do.

And then there's three savings accounts, one savings account for your emergency fund, because we all need an emergency fund. One savings account for your long-term goals and one for your short term goals.

Now, what I do want to say is that when you're first starting off, a lot of people feel overwhelmed when they don't have enough money to fund all five accounts.

You need to start where you're at. That's the same when it comes to your emergency fund, the same when it comes to your debt free-journey, the same for almost anything in life. So the first three accounts that you want to make sure that you have—Because again, we all have bills, we all have a lifestyle and we all need an emergency fund.

The other two accounts, you can build upon them as you start getting more money and doing side hustles and then start prioritizing how you want to accomplish those goals.

So the short-term goals is really prioritize between goals that are going to accomplish that you want to accomplish between one to 12 months. And the long-term goal is something you want to accomplish between over a year and five years. I know that that seems like a really long time, but sometimes when it comes to some goals that we want to accomplish, it takes a little bit longer and we don't need to feel guilty about it.

We just need to be like, okay, I know we're working towards this goal. Sometimes you need to pause on a goal, but you want to make sure that you're still funding it and reminding yourself, this is something I want to work towards. This is why I'm sacrificing over here so I can continue achieving this goal over here.

Stefanie O'Connell Rodriguez: Now in this week's listener's story, one of her bigger short-term goals is to buy a house, which she wants to do as soon as possible, but she's also having her wedding in the next few months and she wants to have a family almost immediately. So those are all like, really big goals.

And we talked a lot about this idea of extending the timeline to relieve some of the pressure around some of these things. And the great news is she has great financial habits. So what I think a lot of this is about is kind of letting go of that internal pressure and that internal timeline.

Sahireny's Pierce: Everyone is trying to do everything right. When they graduate college, trying to pay off debt, trying to get married, trying to have kids, trying to buy a house, trying to buy an electric car. Like the list goes on and on.

And they're stacking right on top of each other, like rolling goals that are on top of each other, literally. And I feel like a lot of times we have to step back and realize, am I just copying what society or what everyone else is doing?

So what are we going to do? Everyone's jumping off the cliff. We're going to jump too, and instead of just thinking about, is this what I want to do? Do I want to jump off the cliff right now?

What do I have to do to make sure that I'm getting into this situation correctly and that I can maintain it because a lot of times people jump into situations, they can't maintain, they just wanted the accomplishment of saying, oh, I had a house though.

I was married. I did have have kids. But did you keep the house? Is your marriage still on the right path? Are you raising your children? You know, it's a lot more work to actually maintain something. It feels a lot more exciting when you achieve the goal of buying the house, getting married, having kids, but how are you managing all of it together at the same time? Because if it all comes crashing down, what do you have at the end of the day?

Sahireny's Pierce: One thing that I realized after I got married, we had our first daughter and then like a few months later, I got pregnant with my second child and it just felt like, oh my gosh.

Imagine if we would have bought a condo and it was like a three bedroom. It wouldn't have been big enough. And now that my kids are like in their terrible twos and threes, they're like literally vandalizing the house. Like we painted the house and they went with them with a what was it, a crayon and a pen and started marking up the walls.

And I know it's part of the process of having kids, but it's just funny thinking about your investment kind of getting destroyed while you're sitting there watching it happen. You're like, is this really happening to me? So sometimes we wait for a reason. **There's a reason why we have to pause and see what life enfolds for us, because we're thinking one thing and our life might end up being a completely different thing.**

Stefanie O'Connell Rodriguez: Yeah, I really liked that you bring that up too, because I think there's not enough emphasis on the value of flexibility, especially at this time where if you're kind of still in your career, you don't know where that might take you, you don't know how many kids you're going to have. You don't know so many of these things.

Sahireny's Pierce: And there's so many things that I realized even renting an apartment versus renting a condo. And I see what I want and what I don't want. You start seeing what storage space is a big deal for me, you know, making sure that I'm in a community where the school system is good. When I first moved and I had my baby, I lived really far from my mom and I didn't realize that I needed help, especially when the second baby came in and you know, life started to hit me. You don't realize what you're missing until you're dealing with it.

And then you're like, wow, I kind of feel like kind of regret living this far or regret having such a small home and the regrets start to come up. You start realizing what you actually want. And a lot of times people buy these condos and buy these places within two or three years it's not fitting the situation that they're actually in.

Stefanie O'Connell Rodriguez: When you start your career so much winds up being about getting the things in place that you need to build security. You're just on a hamster wheel trying

to get some savings and an emergency fund and pay down debt, and feel like you're not drowning so you can pay your bills and not worry.

And then as that starts to get put into place you get into the trap of the “shoulds”—I'm this age, or I am married or I am a parent, so I should have X, Y, and Z. And you get to a point where you haven't even stopped to think like, what do I actually want?

Sahirenys Pierce: I think it's really important to create a system for yourself that is flexible. That is realistic. And that has a timeframe that doesn't make you feel like you're living a concrete, copycat life. This way that you can take the risks necessary to make different choices.

You can build up an emergency fund and then build up that financial confidence to start a business, to pursue your passion, to start a family and not feel guilty about it. A lot of times we think that just because we're not 40 and have are the exact same amount of money saved in our 401k that we're failing.

And that is not the reality. We have to realize that we are individuals and that we need to have flexibility and be cautious with where we're giving our time. And I think that's really important just making sure that we're valuing what we're actually doing and seeing that the goals that we are trying to reach, that they're actually attainable for us.

It doesn't matter what they're saying online. You're 20. You should be doing this. You're 30. You should be doing that. What do we actually want to accomplish? And if that changes along the route, okay. It changes. That's the fun part about life. Make it fun.

Don't feel like it has to be one way or the other. You have choices. And the more you practice choice-making, decision-making, the better you're going to feel and the happier you're going to feel along the route as well.

Stefanie O'Connell Rodriguez: So how do you save for a house, a wedding and a family all at the same time? The truth is, there are limits to what we're able to accomplish financially at any given time, and that's okay. We can extend our timelines to relieve the pressure and give ourselves the space and grace we need to focus on what we can accomplish.

To figure out what that is, try breaking down big financial goals into smaller steps and creating systems, like Sahirenys' high five banking method that allow you to see and track your progress toward different goals in different accounts.

Depending on what your priorities are and the urgency you have around each goal, you can designate different accounts and even different income streams for different purposes—adjusting your systems and strategy as your goals or your circumstances change so that whatever method you're using supports the future you're working toward, without burning you out in the moment.

Stefanie O'Connell Rodriguez: This has been Money Confidential from Real Simple. If, like Tessa, you have a money story or question to share, you can send me an email at money dot confidential at real simple dot com. You can also leave us a voicemail at (929) 352-4106.

Come back next week when we'll be talking with a 39 year old mother from Georgia about what it means to build and provide generational wealth for her family

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