

Creating an Emergency Fund



How much money do I need in an emergency fund?

Most emergency funds typically include 3 to 6 months of expenses, depending on your financial situation and risk tolerance. A smaller emergency fund of \$1,000 (or 1 month of expenses) should suffice until the high interest debts are paid in full.

Where should I keep my emergency fund?

If you currently have cash on hand for 3 to 6 months of expenses, move it into a safe, secure account that you can easily liquidate. If you're working towards building your emergency fund, start by setting aside a certain dollar amount each month and make it a part of your monthly budget.



What's the purpose of an emergency fund?

The purpose of this fund is to create a net of financial stability and reduce your worry, anxiety and stress levels that can result from the unexpected. Once an adequate emergency fund is created and/or replenished, you can start tackling other financial goals and you will be well on your way to building wealth!



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