[In Part 1,](#) I shared several ideas for ambitious Millennials who seek to make retirement in their mid-fifties a reality. Those who take the initiative to retire early, especially close to a decade before Social Security and Medicare benefits eligibility, are going to need to think and behave differently than the masses when it comes to saving and debt management.

Live at home longer or find a roommate.

The share of young adults living at home has been on the rise since the Great Recession. According to the FactTank at Pew Research Center which deep dives into U.S. census data, as of 2016 15% of 25-35-year-old Millennials were living at home with their parents. Nearly double the share of the Silent Generation who lived at home in 1964. The median stay is three years and likely due to limited professional prospects coupled with burdensome student-debt obligations. By the way, I support younger generations temporarily returning to the nest to play financial catch-up (not a popular opinion shared by partner Lance Roberts!) as long as they can contribute to their parents? households whether it?s financial or in sharing of household responsibilities. Specific financial targets and timeframes should be established during this period; ambitious savings and debt reduction targets should be outlined in a budget and periodically reviewed by young-adult children and parents to showcase progress. Young adults who are back in their old bedrooms or take in a roommate to reduce overhead or fixed expenses, shouldn?t feel ashamed or a failure to take a step back to move forward as long as the intention is to catch-up financially and parents witness the efforts. The Millennials I counsel who have returned to parents? residences are instructed to provide evidence of their ongoing commitment to improvement. For example, a young lady who moved back home in 2015 due to $52,000 in credit card and student loan debt she couldn?t get ahead of, provided a simple, monthly financial excel sheet to her parents, relevant proof of her commitment to be debt free. Today, she is down to her last $2,000 in student loan debt, has $4,000 in emergency savings and has been able to contribute 6% annually to her company retirement plan over the last couple of years. This young professional is now engaged and will live at home until her wedding in 2019. And speaking of weddings?

Get married.

Wait. What? Yes, marriage can be a financially beneficial step. Cohabitation or living together? Not so much. In a study from the Journal of Financial Planning ? The Financial Implications of Cohabitation Among Young Adults, authors Sonya Britt-Lutter, Ph.D., CFP•, Cassandra Dorius, Ph.D., and Derick Lawson, CFP• discover that co-habiters have lower net worth and financial asset accumulation than married respondents. Intuitively, this makes sense although the researchers do a formidable job obtaining data to prove their thesis. Marital and co-habitation relationships up to the age of 30 were used to study net worth, financial assets and non-financial asset accumulation. Those with the highest net worth were married. People who never co-habitated possessed $16,340 more wealth than married couples who had co-habitated in the past and $18,265 greater wealth than married people who lived together with others two times or more. So, get married. Most important, marry someone who believes in fiscal responsibility and shares a similar money script. Couples with similar money scripts grow or destroy their net worth at an exponential rate. I don?t require academic or empirical backup to make the statement. I possess close to 3 decades of face-to-face meetings with couples to review their money habits and provide financial planning guidance. Couples that share similar philosophies about debt, savings and investing are a synergy to wealth creation or they?re the death of it. It doesn?t matter if both are strong wage earners or if one remains home to care for children. In other words, household income isn?t as relevant a factor; the highest and best use of the net income or the utilization of household dollars, whatever level they are, is critical. **Those who can allocate *(or in some cases, misallocate)* funds and mutually agree on the flow of their funds are likely to stick together through thick and thin, rich or poor.** Not to be morose, but it?s to the point where I can predict with respectable accuracy who is going to meet their forever marital obligations. I?m not a relationship expert by any stretch of the imagination. However, I do know that financial stress in a marriage can be toxic to its health. The question is ? how do you define stress? I understand couples who experience financial distress are more likely to part ways. However, two people together aligned as profligate spenders or passionate savers, in my experience, tend to stick it out. According to Brad T. Klontz, Psy.D., CFP• & Sonya L. Britt, Ph.D., CFP•, money scripts as coined by Brad and Ted Klontz, are the core beliefs about money that drive ongoing behavior. Money scripts are unconscious beliefs about money formed in childhood, passed down from generations. Marriage can be a catalyst to early retirement even if one party decides to work a couple of years longer to accelerate savings or maintain company healthcare insurance benefits.

Adhere to stringent debt guardrails.

Millennials should follow strict guidelines when It comes to debt control. At Clarity and Real Investment Advice, we have created debt control guardrails to help those looking to aspire to an early retirement. Excessive debt and limited ability to buffer against financial emergencies will limit the ability to take on riskier but rewarding long-term ventures like career change and entrepreneurial endeavors. A couple of our guardrails are as follows: *Mortgage debt:?Primary residence mortgage = 2X gross salary.* Recently, an article for a national financial newspaper quoted an expert who said that purchasing a house is a good idea for Millennials looking to retire at 56. I was a bit dismayed by this guidance as a primary residence isn?t as much an investment as it is an expense. A house may be an anchor to mobility (go where the jobs are), and when taxes, insurance and upkeep are considered, it can turn an American Dream into a cash flow nightmare. I?m not anti-house, I?m anti-house **poor**. Ostensibly, I created the above guardrail so potential homebuyers can focus unemotionally on how much mortgage debt to consider as not to place a future milestone like retirement in jeopardy. *Student loan debt: ?Limit to one year?s worth of total expense - tuition, room & board, expenses.* Student loan debt has been a formidable obstacle for Millennials. The Center for Retirement Research in June 2018 report - ?Do Young Adults with Student Loan Debt Save Less for Retirement?? outlines how student loan debt has nearly tripled in real terms between 2005 and 2017. Using the NLS97 a dataset with information on borrowing by young workers for education, the regression analysis by the authors shows that 401(k) participation does not vary much among young workers with or without student loans or the size of the loans. However, the study does conclude that college graduates with outstanding student loan debts accumulate 50 percent less overall retirement wealth by the age of 30. The presence of a student loan materially impacts retirement saving which is why I created the student loan debt guardrail 6 years ago. The objective is to limit student loan debt to one year?s worth of total tuition, room, board and other expenses. No matter what. I don?t care how you take it, either. All in one year or spread over four (or five). Sticking with the rule will force you to consider cost-effective solutions such as two years at a community college first for the basics (which is what my daughter decided and now has been accepted at University of Texas? Cockrell School of Engineering), working a year to save while living at home, or to aggressively apply for scholarships. Millennials should remain flexible when it comes to thoughts of retiring early. Regardless of good intentions and efforts, life has a way of altering plans as I recently shared my personal challenges with RIA readers in an imperfect retirement plan. My strong fiscal habits proved beneficial in the face of divorce, career change, lawsuit and illness which made me grateful I?ve walked most of the steps I?ve shared with you here and in Part 1. I wish an early retirement for the Millennials who strive for it. Frankly, I?m not confident yet remain positive. I hope these tenets serve you as well as they?ve served me.