

RETIREMENT

The Smart Way to Retire: 13 Habits to Steal From the Wealthy

Check out these practical strategies that anyone, not just the rich, can adopt to get closer to achieving their retirement dreams.



You've likely heard stories of people born rich or stumbling into a windfall. Although that makes for great stories, many wealthy retirees started with just a small stash and grew it over time with smart money moves. The best part? You don't need a fat wallet to steal their tricks.

Whether you have \$10,000, \$100,000, or well over a million, these 13 habits to steal from the wealthy can set you up for a long and happy retirement.

Here's how to put each one into action, with tips and examples inspired by wealthy retirees' playbooks.

1. They pay themselves first (and automate it)

One of the most common habits of the wealthy is paying themselves first. But this only works by setting aside a portion of your income to be allocated to savings or investments before spending that money on anything else.

As of year-end 2025, 61% of Vanguard plans that permitted employee-elective deferrals had adopted automatic enrollment. Larger plans were more likely to implement automatic enrollment, with 79% using the design, a record high, according to Vanguard's *Previewing How America Saves, 2026* (PDF). Among auto-savers, 13% to 16% have higher balances.

Paying yourself first ensures you're building wealth over time.

2. They keep their money moving

Wealthy retirees grow every dollar. Invest cash in stocks, ETFs, or high-yield savings (up to 4.21% APY per Bankrate), instead of letting it sit.

The current top high-yield savings account rates range from about 3.85% to 4.20% APY, depending on the institution, balance and qualifiers, direct deposits or limited balances.

Don't let cash sit in low- or no-interest accounts. Letting your cash sit idle means it loses value to inflation, which currently sits at 3.3%, on average. Even \$1,000 invested in a high-interest account can grow significantly.

3. They live below their means

In *The Billion Dollar Secret*, Rafael Badziag writes about how most billionaires view money as something to invest, rather than something to spend. Although fast cars and big houses are the perception, spending less than you earn, avoiding lifestyle creep, and saving the difference for retirement is a strategy that keeps wealth accumulation on track.

The Employee Benefit Research Institute (EBRI) *Spending in Retirement Survey* shows that retirees who overspend early struggle later. Many wealthy individuals will aim to live on 70% to 80% of their income, saving the rest.

4. They ditch costly debt

The wealthy avoid high-interest debt, such as credit cards, by paying balances in full each month. Credit card interest rates are averaging 21% to 23% or higher in 2026. Interest payments drain wealth and can create a never-ending cycle of debt.

Last year, Talker Research conducted a survey commissioned by National Debt Relief. It found that 72% of older Americans have accumulated debt, with more than half feeling overwhelmed and fearing they'll never pay it off.

If you're up to your neck in debt, prioritize paying off high-interest balances first using the debt avalanche method. It works.

5. They're securing a powerful, worry-free financial tomorrow

Create a roadmap for retirement, including savings goals, expected living expenses and investment strategies. Plan too for unexpected expenses, such as emergency medical or long-term care costs.

The 2026 EBRI/Greenwald Retirement Confidence Survey (PDF) shows that individuals with a retirement plan are more than twice as likely to feel confident they have enough money to live comfortably in retirement, while only 32% of workers without a retirement plan feel the same.

6. They meet regularly with a financial adviser

Three steps to a secure tomorrow: Consult a professional to refine your retirement strategy, optimize investments and avoid any pitfalls. Advisers can catch blind spots. The 2025 Trends in Retirement Planning survey by the Financial Planning Association (FPA) shows that retirees who meet with a financial adviser have 15% higher savings on average than those who don't.

NYSUT NOTE: Ready to find the financial adviser who fits your lifestyle? The NYSUT Member Benefits Corporation–endorsed [Financial Counseling Program](#) from Stacey Braun Associates can help you plan for a secure retirement, no matter where you're starting. Asset allocation, debt management and estate planning are all part of the full service plan for members.

7. They stick to a budget

Following a spending plan to control expenses and preserve savings in retirement just makes sense. That's why the wealthy do it. Having a budget ensures the longevity of funds. One example is using the 60/30/10 rule (60% needs, 30% wants, 10% savings and debt) and adjusting post-retirement for a fixed income.

Jake Falcon, CRPC and CEO at Falcon Wealth Advisors, points out that wealthy retirees don't just budget — they align spending with their values. "Whether it's travel, philanthropy or family experiences, wealthy retirees prioritize what brings joy and meaning."

He says that he often encourages clients to embrace “guilt-free spending” once essentials and savings goals are met. "This mindset helps retirees enjoy their money without anxiety."

8. Wealthy individuals invest early and often

Start investing in your 20s or 30s and contribute regularly to leverage compound interest. The secret to compound interest is less about the amount that's saved and more about the amount of time it is invested.

A \$5,000 investment at age 25 can grow to \$70,000 by age 65 at 7% annual returns. Invest what you can early on and increase your contribution with raises or with additional income as it becomes available.

9. They prioritize assets over liabilities

The wealthy regularly focus on acquiring wealth-building assets, such as stocks and real estate, over debts, such as car loans and mortgages.

Assets generate income, whereas liabilities drain it. The annual Wealth Report for 2026 by Knight Frank notes that wealthy retirees typically hold 70% or more of their wealth in assets such as real estate, equities and private investments.

Jake Falcon emphasizes this point. "From unused vehicles to rental properties, wealthy retirees often sell assets that no longer serve them. This isn't just financial — it's emotional." As Falcon has said many times, 'Don't confuse selling the item with selling the memory.' Simplifying frees up time, reduces stress and improves financial clarity."

10. The wealthy make their money work for them

Use passive income, such as dividends, rentals, or automated investments to grow wealth without constant effort. Passive income ensures financial freedom.

According to 2024 IRS data reported by Yahoo Finance (which remains applicable in 2026), the average millionaire has seven income streams, including dividend income from stocks, rental income from real estate, capital gains from selling assets that have appreciated and interest from savings, bonds, or lending activities.

Consider Mark Zuckerberg. His annual salary is just \$1, but the vast majority of his roughly \$230 billion net worth comes from his Meta shares. (Zuckerberg has intentionally kept his base pay at \$1 for over a decade, with no bonuses.)

11. They have financial knowledge

Financial knowledge reduces the chance of making costly mistakes. Learning about investments, taxes and retirement accounts help you make informed decisions that are vital to a strong financial tomorrow.

Yet, according to the Schrodgers 2025 U.S. Retirement Survey, (still the most recent data in 2026), nearly one-third of investors (31%) don't know how their retirement money is invested. This unfamiliarity highlights ongoing gaps in awareness about 403(b)s and similar accounts.

12. They often review and adjust

Reassess your financial plan at least yearly to adapt to market changes, expenses or recent shifts in your long-term goals. This approach, done proactively, can lead to better decision-making and improved financial outcomes over time.

13. They take educated risks

Wealthy individuals typically invest in diversified, calculated opportunities, such as stocks and real estate, rather than limiting themselves to “safe” options such as bonds. They diversify their portfolio with index funds or consult with an adviser for risk tolerance.

Falcon agrees that diversification is key. "Before retirement, many wealthy individuals trim concentrated positions — especially employer stock— and simplify their portfolios. Holding 30% to 60% of your net worth in one stock is risky. Diversification reduces volatility and aligns the portfolio with income needs rather than growth speculation."

Set yourself up for success

Even if you don't have a substantial inheritance, millions in the bank or 15,000 shares in Apple (worth about \$4.11 million today), you can still make smart money moves to set yourself up for retirement success.

Stealing habits from wealthy retirees such as paying yourself first, ditching costly debt and keeping your money moving can help you build a secure nest egg, whether you're starting with a little or a lot. Start small, stay consistent and watch your retirement fund grow. Your future self will thank you.

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