

**A QUICK LOOK AT U.S. HOUSEHOLDS AND THEIR ASSETS**

Source: *Asset Building and Low-Income Families*, edited by Signe-Mary McKernan and Michael Sherraden, Urban Institute Press, 2008. Unless otherwise indicated, all statistics are for 2004.

Most common financial assets in the United States: checking and savings accounts

Percentage of all families with a checking or savings account: 91

Percentage of families in bottom-fifth income ranking with a checking or savings account: 76

Median dollars in these accounts, all families: 3,800

Median dollars in these accounts, bottom-fifth families: 600

Most valuable financial asset in the United States: a retirement account

Percentage of all families with a retirement account: 50

Percentage of bottom-fifth families with a retirement account: 10

Median dollars in these accounts, all families: 35,200

Median dollars in these accounts, bottom-fifth families: 5,000

Most common nonfinancial asset in the United States: a car

Percentage of all families with a car: 86

Percentage of bottom-fifth families with a car: 65

Most valuable nonfinancial asset in the United States: a home (any kind of dwelling)

Percentage of all families that own a home: 69

Percentage of bottom-fifth families that own a home: 40

Median dollar value of home, all families: 160,000

Median dollar value of home, bottom-fifth families: 70,000

Median total debt, in dollars, held by homeowners: 95,800

Median total debt, in dollars, held by home renters: 7,800

Percentage of all families with debt greater than 40% of income: 12

Percentage of bottom-fifth families with debt greater than 40% of income: 27

Median net worth, in dollars, of bottom-fifth families: 7,500

Median net worth, in dollars, of middle-fifth families: 71,600

Median net worth, in dollars, of top-fifth families: 617,600

Growth in median net worth of bottom-fifth families, 1992–2004: 44% (\$2,300)

Growth in median net worth of top-fifth families, 1992–2004: 94% (\$298,500)

Percentage of asset-poor families<sup>1</sup> in 1984 still so in 1994: more than 60

Percentage of income-poor families in 1984 still so in 1994: 42

Total assets of families in lowest income quintile compared to middle fifth's: 1:9

Total assets of families in lowest income quintile compared to top fifth's: 1:48

Average assets, in dollars, of families headed by one adult: 83,400

Average assets, in dollars, of families with married or cohabitating adults: 265,800

Percentage of bottom-fifth dads whose sons remain in bottom fifth when they grow up: 42

Percentage of top-fifth dads whose sons fell to the bottom fifth: 5

Percentage of bottom-fifth sons who reached the top fifth: 5

Federal tax breaks, in dollars, subsidizing assets (fiscal 2008 estimate): 407 billion

Percentage of subsidies going to top-fifth families (fiscal 2005): nearly 90

Percentage of subsidies going to bottom three-fifth families (fiscal 2005): less than 3

Potential way to include low-income families in savings incentives: replace tax deductions (e.g., for mortgage interest) with refundable tax credits

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<sup>1</sup> A family is asset poor if it does not have enough to live on for three months at the federal income poverty level.