

Savings in American Households

A Collection of Facts and Statistics

*Prepared by the Asset Building Program
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Highlights

- In 2009 the **personal savings rate** reached some of the highest levels seen in years in the early part of the year, before dropping significantly as the year has worn on: 4.6% in January, 3.6% in February 2009, 3.7% in March 2009, 4.7% in April. It reached a high in May, at 6.2%, then dipped to 4.6% in June, 4.0% in July, 2.8% in August, and 3.3% in September².
- 93.9% of American families have some **form of savings**, in transaction accounts, CDs, savings bonds, bonds, stocks, pooled investment funds, retirement accounts, cash value life insurance, and other managed assets¹.
Table 5.
- But, the **median savings** for families declines significantly for families in the lowest income quintiles; families earning \$12,300 (lowest income quintile) have only \$1,700 in total savings and just \$800 in transaction accounts (liquid assets) to weather emergencies¹. *Table 6.*
- **Savings is correlated with income level**⁴. *Table 10.* Moreover, LMI unbanked individuals save less frequently and save less than their LMI underbanked counterparts⁹. *Table 17.*

General Statistics

Savings

- **The lowest income quintile (median income \$12,300) has a median of \$1,700 held in all forms of financial assets**, compared to the highest tenth of families (median income of \$206,900) with a median of \$404,500 in financial assets¹. *Table 6.*
- **The three lowest income quintiles, with median incomes of \$12,300, \$28,800, and \$47,300 have an average of \$800, \$1,600, and \$2,700 held in financial transaction accounts, respectively.** The two lowest income quintiles

hold \$18,000 in certificates of deposit and the third lowest holds just \$17,000 in certificates of deposit¹. *Table 6.*

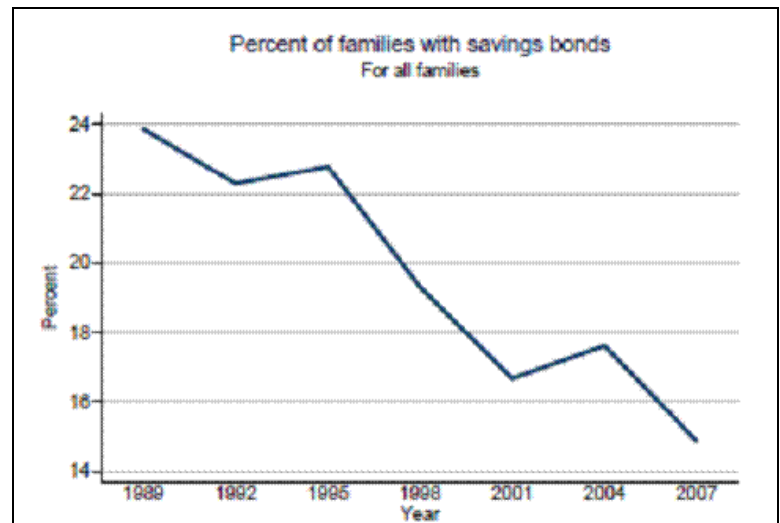
Asset Holdings

- The SCF shows that the **most common financial assets held by families are transaction accounts** (92%), followed by retirement accounts (53%) and life insurance (23%)¹. *Table 1.*
- Transaction accounts are the most common financial asset, but they rank 4th among the share of value of families' total financial assets¹. *Table 2.*
- **Most of the value of families' financial assets is held in retirement accounts** (34.6%), stocks (17.9%), and pooled investment funds (15.9%). The share of holdings in retirement accounts has increased 13.1% since 1989¹. *Table 2*
- CDs comprise 4.1% of the value of families' financial assets and **savings bonds just 0.4%**, despite being held by 16.1% and 14.9% of families, respectively¹.

Table 2.

Percent of Families with Savings Bonds.

Year	All Families
<i>Level (percent)</i>	
1989	23.9
1992	22.3
1995	22.8
1996	19.3
2001	16.7
2004	17.6
2007	14.9
<i>Three-year change (percentage points)</i>	
1992	-1.6
1995	0.5
1996	-3.5
2001	-2.6
2004	0.9
2007	-2.7



Source: 2007 Survey of Consumer Finances, 2007 Chartbook, Savings Bonds Table.

- 20.9% of families in the lowest income quintile (median income is \$12,300) have **no financial assets whatsoever**¹. *Tables 3 and 5.* 20.4% of families in the

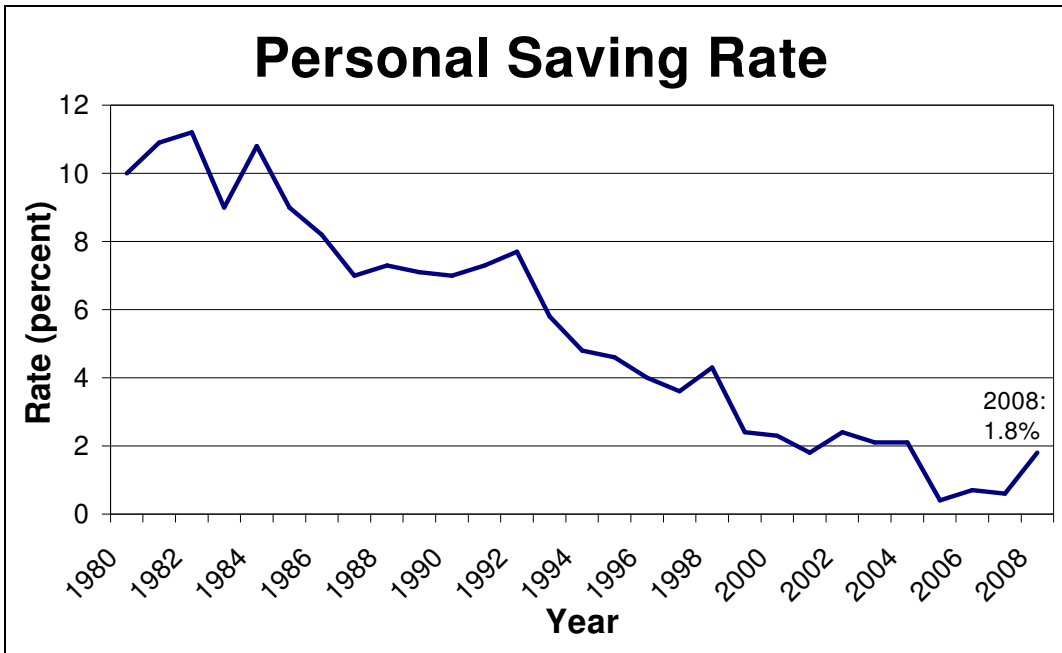
lowest net worth quarter (median net worth is \$1,200) have **no financial assets** whatsoever¹. *Tables 4 and 5.*

Transaction Accounts

- Overall, only 7.9% of all families in the 2007 SCF sample lack a transaction account (i.e. are unbanked). *Table 5.*
- 7.4 % of families whose head of household “works for someone else” **do not have transaction accounts**¹. *Table 5.*
- ¼ of families in the lowest income quintile (earning a median income of \$12,300) are unbanked, while 1/10 of families in the second lowest income quintile (with a median income of \$28,800) are unbanked¹. *Table 5.*
- 23.6% of families in the lowest net worth quarter of net worth, where median net worth is \$1,200, lack a transaction account. The lack of a transaction account moreover persists among the 6.4% of families in the second lowest quarter of net worth where median net worth is substantially higher, at \$54,200¹. *Table 5.*

Personal Savings Rate

- The personal savings rate rose to 4.6% in January 2009, dipped to 3.6% in February, and rose to 3.7% in March 2009 and 4.7% in April. It reached a high in May, at 6.2%. While it decreased again (to 4.6% in June, 4.0% in July, 2.8% in August, and 3.3% in September), in 2009, Americans’ personal savings rate reached levels not seen in over a decade, having saved less than 1% of their disposable income in 2005, 2006, and 2007.²



Source: U.S. Department of Commerce, Bureau of Economic Analysis (2009); personal savings rate is a calculation of personal savings as a percentage of Disposable Personal Income (DPI), where: Personal income Less: Personal current taxes Equals: Disposable personal income (DPI) Less: Personal outlays Equals: personal saving

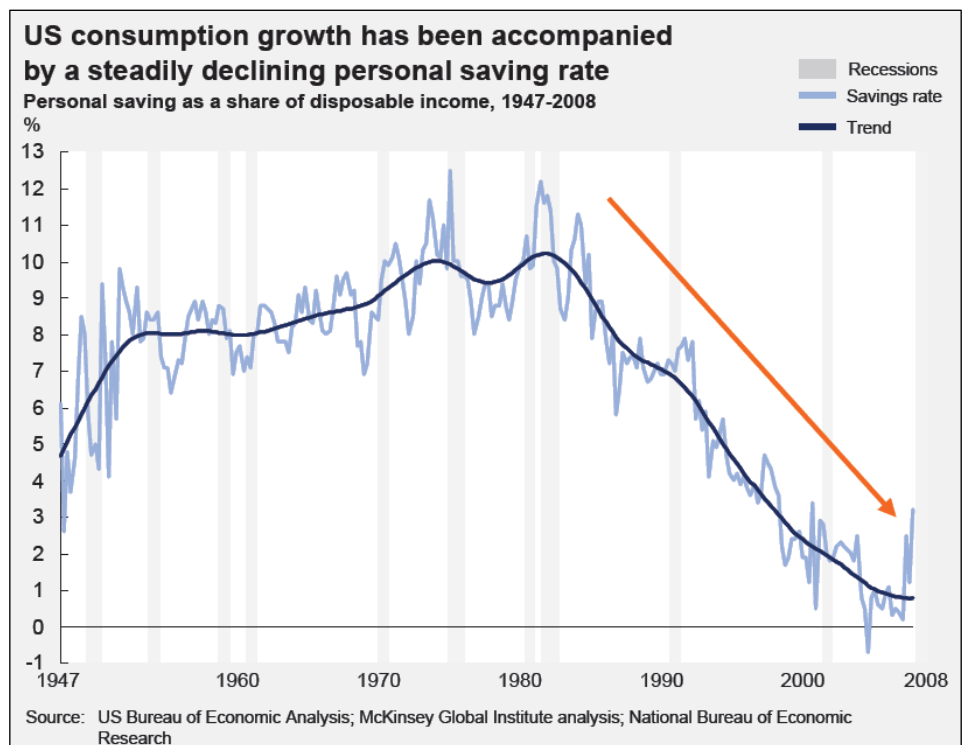
- Over the past 60 years, the personal saving rate has closely followed the consumption growth of US households. As Americans' disposable income has declined since the 1980s, so has the personal savings rate³.

Emergency Savings

Consumer Federation of America

- Low-income

households' perceived emergency savings needs are \$1,500 but spend \$2,000 annually on emergency needs. However, less than 1/3 of households have a savings account, less than 3/10 have emergency savings of at least \$500, and the median amount of those with a check and/or savings account is \$600⁴.



- Moderate-income households' perceived emergency savings needs are \$3,000 but spend \$2,000 annually on emergency needs⁶. However, less than ½ of households have a savings account, less than ½ have emergency savings of at least \$500, and the median amount of those with a check and/or savings account is \$1,500.
- In a November 2005 survey found that **lower incomes were more likely to have no or low emergency savings of less than \$500**⁵. *Table 8.*

2007 SCF

- Families' desired amount of savings for precautionary purposes increases with income, but as a percentage of income, decreases for higher levels of income. As people get wealthier, they spend a smaller share of their income on emergency savings⁶. *Table 7.*

Attitudes towards savings

2007 SCF

- 56.5% of families reported having saved in the preceding year (unchanged from 2004)².
- In the last year, 6% of respondents reported that their spending usually exceeds income, 16% said their income and spending were about the same. An amazing 77.9% of families reported saving, with 42.2% saying that they saved regularly². *Table 9.*
- **Families' most important motivations for saving** were retirement (33.9%), liquidity/emergencies (32%), and purchases (10%)². *Table 10.*

CFSI Underbanked Study (2008)

- While not directly comparable, a CFSI study (2008) found **underbanked adults' most important motivations for saving** were for emergencies (70%), retirement (65%), and sending children to college (49%)⁷. *Table 10.*

Detroit Area Household Financial Services Study (2005)

- Barr (2008) finds that the **most important motivations for saving among LMI households** are "to feel financially secure" (78.2%) and emergency and medical costs (69.9%). Retirement was households' 6th priority (48.2%) of 9 choices offered to respondents. *Tables 10 and 13.*

Pew Research Center (2007)

- Nationally representative survey of adults representing 2,000 households conducted between October 19 and November 9, 2006 assessed Americans' savings habits⁸.
- **Saving is correlated with income level**, people's habits and attitudes about saving and spending, and age/life cycle: Older Americans (65+) are much more likely to say they save and invest enough (p. 1)⁸. *Table 10*.
- **People who describe themselves as savers tend to have lower incomes, but those who say they actually do save enough tend to have higher incomes and college educations, and they're likely to be older than the rest of the population**^{8,9} (p. 7). *Table 11*.

Unbanked and Underbanked

2007 SCF

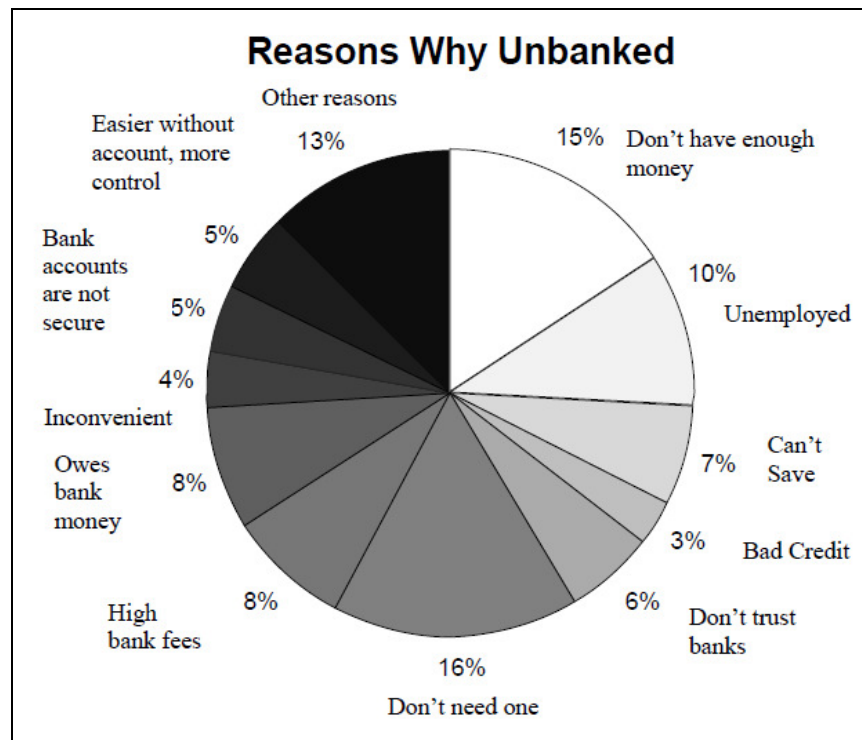
- Among families without checking accounts, the **most commonly cited reason for families' not having a checking account is "do not like dealing with banks" (25.2%)**, followed by "do not write enough checks to make it worthwhile" (18.7%), and excessive service charges (12.3%)¹. *Table 12*.

Detroit Area Household Financial Services Study (2005)

- Interviews with 1,003 people from a stratified random sample of the Detroit metro area; oversamples individuals from the **LMI strata**; median household income of \$24,146¹⁰.
- Compared to LMI banked individuals, **LMI unbanked individuals save less frequently**: 67.2% of the unbanked compared to 37.3% of banked individuals did not save in the past year. However, 32.8% of unbanked and 62.7% of banked individuals saved in the past year¹¹. *Table 13*.
- Compared to LMI banked individuals, **LMI unbanked individuals save less on average**: the unbanked have a median of \$300 in savings versus the unbanked with \$1,000¹². *Table 13*.
- Unbanked individuals rely **on physical asset-based saving** at a higher rate than banked individuals (15.3% versus 3.6%)¹¹. *Table 13*.

- 53.2% of the unbanked have **no savings (account or physical asset-based)**, versus 19.3% of banked individuals¹¹. *Table 13.*
- Among individuals who saved in the past year, 14.9% of the banked and 10.8% of the unbanked had a **savings horizon of MORE than 10 years**¹¹. *Table 17.*
- **75.3% of households overwithhold to save** (77.1% of banked versus 69.5% of the unbanked)^{10, 11}. *Table 13.*
- A separate study using the same data finds that given an average tax refund of \$1,700, on average, tax filers are willing to forego \$45 in interest payments to force themselves to save¹¹.
- Among unbanked: 83% cash checks at banks, 31% at check cashers, 56% at grocery or liquor stores¹⁰.

Unbanked Stated Reasons Why Unbanked



Source: Barr (2004).

Payday Lending

- According to Detroit Areas Household Financial Services study, 4.4% of respondents had looked into getting a payday lending loan of \$100 or more in the past 3 years, with 90% of respondents requesting or applying for the loan¹².

Center for Responsible Lending (2006, 2007, 2009)

- The Center for Responsible Lending reports that of 19 million borrowers each year, 12 million are trapped in a cycle of 5 or more payday loan transactions per year¹³.
- 60 percent of payday loans go to borrowers with 12 or more transactions per year¹⁴
- **The typical borrower pays \$793 for a \$325 loan¹⁵.**
- **Predatory payday lending costs American families \$4.2 billion/year in fees alone.**

Center for American Progress (2007)

- According to the Center for American Progress, **payday loan borrowers face higher credit constraints than non-borrowers**: 33% of payday loan borrower had applied for and were denied any type of loan in the past 5 years, compared with only 10% of non borrowers¹⁶. *See table 14.*
- **Non-borrowers carry more debt than borrowers (median of \$28,910 compared to \$10,200)**, but non-borrowers have higher median assets (\$201,000 versus \$4,550) and are more likely to be homeowners than borrowers¹⁷.

APPENDIX

Table 1. Share of families with financial assets, distributed by type of asset, 2007 Survey of Consumer Finances (Percent).

Type of financial asset	2004	2007
Transaction accounts	91.3	92.1
Certificates of deposit	12.7	16.1
Savings bonds	17.6	14.9
Bonds		
Stocks	20.7	17.9
Pooled investment funds (excluding money market funds)	15.0	11.4
Retirement accounts	49.7	52.6
Cash value life insurance	24.2	23.0
Other managed assets	7.3	5.8
Other	10.0	9.3
Any Financial Assets	93.8	93.9

Source: 2007 Survey of Consumer Finances.

Table 2. Value of financial assets of all families, distributed by type of asset, 2007 Survey of Consumer Finances (Percent).

Type of financial asset	2004	2007
Transaction accounts	13.2	11.0
Certificates of deposit	3.7	4.1
Savings bonds	0.5	0.4
Bonds	5.3	4.2
Stocks	17.6	17.9
Pooled investment funds (excluding money market funds)	14.7	15.9
Retirement accounts	32.0	34.6
Cash value life insurance	3.0	3.2
Other managed assets	8.0	6.5
Other	2.1	2.1
Total	100	100
Financial assets as share of total assets	35.7	33.9

Source: 2007 Survey of Consumer Finances, [Tables Based on the Internal Data](#), Table 5.

Table 3. Family Income, by percentile of income, 2007 Survey of Consumer Finances (Dollars).

Percentile of Income	Median dollar equivalent
Less than 20	\$12,300
20-39.9	28,800
40-59.9	47,300
60-79.9	75,100
80-89.9	114,000
90-100	206,900

Source: 2007 Survey of Consumer Finances.

Table 4. Family Net Worth, by percentile of net worth, 2007 Survey of Consumer Finances (Dollars).

Percentile of Net Worth	Median dollar equivalent
Less than 25	\$1,200
25-49.9	54,200
50-74.9	219,800
75-89.9	571,400
90-100	1,890,700

Source: 2007 Survey of Consumer Finances.

Table 5. Family holdings of financial assets, by selected characteristics of families and type of asset, 2007 Survey of Consumer Finances (Percent).

Family characteristic	Transaction accounts	Certificates of deposit	Savings bonds	Bonds	Stocks	Pooled investment funds	Retirement accounts	Cash value life insurance	Other managed assets	Other	Any financial asset
Percentage of families holding asset											
All families	92.1	16.1	14.9	1.6	17.9	11.4	52.6	23.0	5.8	9.3	93.9
<i>Percentile of income</i>											
Less than 20	74.9	9.4	3.6	*	5.5	3.4	10.7	12.8	2.7	6.6	79.1
20–39.9	90.1	12.7	8.5	*	7.8	4.6	35.6	16.4	4.7	8.8	93.2
40–59.9	96.4	15.4	15.2	*	14.0	7.1	55.2	21.6	5.3	10.2	97.2
60–79.9	99.3	19.3	20.9	1.4	23.2	14.6	73.3	29.4	5.7	8.4	99.7
80–89.9	100.0	19.9	26.2	1.8	30.5	18.9	86.7	30.6	7.6	9.8	100.0
90–100	100.0	27.7	26.1	8.9	47.5	35.5	89.6	38.9	13.6	15.3	100.0
<i>Race or ethnicity of respondent</i>											
White non-Hispanic	95.5	19.4	17.8	2.1	21.4	13.7	58.2	25.3	7.3	9.7	96.8
Nonwhite or Hispanic	83.9	8.2	7.8	.4	9.4	5.8	39.1	17.6	2.3	8.3	86.7
<i>Current work status of head</i>											
Working for someone else	92.6	13.2	17.0	.9	17.8	10.4	62.1	20.3	3.7	9.2	94.1
Self-employed	96.9	15.0	15.9	4.2	24.3	21.4	55.3	32.1	6.9	14.8	98.0
Retired	91.6	25.7	10.2	2.3	16.4	11.3	34.2	27.3	11.2	7.0	93.7
Other not working	78.6	5.6	10.7	*	12.8	2.4	22.6	14.5	*	10.6	81.4
<i>Housing status</i>											
Owner	97.3	20.0	18.2	2.2	22.4	15.0	63.3	28.9	7.5	9.4	98.4
Renter or other	80.8	7.7	7.5	.4	8.1	3.5	29.2	10.1	2.1	9.1	84.0
<i>Percentile of net worth</i>											
Less than 25	76.4	2.5	4.7	*	4.3	*	19.1	7.8	*	7.4	79.6
25–49.9	93.6	9.9	12.3	*	10.2	3.6	48.1	19.7	1.9	8.8	96.4
50–74.9	98.6	19.3	17.5	*	17.3	10.5	62.9	28.5	6.2	8.8	99.5
75–89.9	100.0	32.6	25.9	*	31.6	22.5	77.4	32.1	11.2	9.4	100.0
90–100	100.0	33.0	23.3	11.8	52.3	42.5	84.6	41.9	20.3	16.6	100.0

Source: 2007 Survey of Consumer Finances, [Tables Based on the Internal Data](#), Table 6 07; * Ten or fewer observations; excludes breakdown by Age of Head of Household, Family Structure, Education of Head, Current Occupation of Head, Region of Country, and Urbanicity.

Table 6. Family holdings of financial assets, by selected characteristics of families and type of asset, 2007 Survey of Consumer Finances (Thousands of Dollars).

Family characteristic	Transaction accounts	Certificates of deposit	Savings bonds	Bonds	Stocks	Pooled investment funds	Retirement accounts	Cash value life insurance	Other managed assets	Other	Any financial asset
Median value of holdings for families holding asset (thousands of 2007 dollars)											
All families	4.0	20.0	1.0	80.0	17.0	56.0	45.0	8.0	70.0	6.0	28.8
<i>Percentile of income</i>											
Less than 20	.8	18.0	.5	*	3.8	30.0	6.5	2.5	100.0	1.5	1.7
20–39.9	1.6	18.0	1.0	*	10.0	30.0	12.0	5.0	86.0	3.0	7.0
40–59.9	2.7	17.0	.7	*	5.5	37.5	23.9	5.2	59.0	4.0	18.6
60–79.9	6.0	11.0	1.0	19.0	14.0	35.0	48.0	10.0	52.0	10.0	58.3
80–89.9	12.9	20.0	2.0	81.0	15.0	46.0	85.0	9.0	30.0	10.0	129.9
90–100	36.7	42.0	2.5	250.0	75.0	180.0	200.0	28.1	90.0	45.0	404.5
<i>Race or ethnicity of respondent</i>											
White non-Hispanic	5.1	20.0	1.0	95.9	19.0	64.0	52.7	9.0	70.0	10.0	44.3
Nonwhite or Hispanic	2.0	10.0	1.0	23.1	8.0	30.0	25.4	5.0	30.0	3.0	9.0
<i>Current work status of head</i>											
Working for someone else	3.8	10.0	1.0	46.8	10.5	42.0	40.0	7.5	27.2	5.0	28.5
Self-employed	9.9	25.0	1.0	150.0	60.0	80.0	91.0	24.0	80.0	16.0	54.1
Retired	4.0	30.0	2.5	79.5	28.7	78.2	48.0	5.5	100.0	10.0	29.7
Other not working	1.0	15.0	2.0	*	6.3	50.0	20.8	2.2	*	3.0	3.7
<i>Housing status</i>											
Owner	6.2	20.0	1.0	100.0	20.0	60.0	57.0	10.0	70.0	10.0	54.3
Renter or other	1.2	10.0	.7	15.0	5.5	40.0	10.0	2.0	54.0	1.8	3.8
<i>Percentile of net worth</i>											
Less than 25	.7	2.0	.5	*	1.1	*	3.2	1.2	*	1.2	1.4
25–49.9	2.0	7.0	.7	*	3.0	9.0	15.0	3.0	13.8	3.0	13.2
50–74.9	6.1	15.0	1.2	*	6.0	25.0	48.6	6.5	50.0	10.0	59.6
75–89.9	15.5	25.0	2.0	*	20.0	50.0	117.0	15.0	80.0	20.0	215.0
90–100	46.5	50.0	3.5	150.0	125.0	264.0	314.0	30.0	180.0	50.0	773.0

Source: 2007 Survey of Consumer Finances, [Tables Based on the Internal Data](#), Table 6 07; * Ten or fewer observations; excludes breakdown by Age of Head of Household, Family Structure, Education of Head, Current Occupation of Head, Region of Country, and Urbanicity.

Table 7. Individuals' estimated amount of savings needed for emergencies and unexpected contingencies, by percentile of income, 2007 Survey of Consumer Finances (Percent).

Family Characteristic	Median of desired precautionary saving (2007 dollars)*	Median of ratio of desired amount to usual income (%)
All families	5,000	9.2
<i>Percentile of Income</i>		
0-19.9	2,000	14.0
20-39.9	3,000	9.7
40-59.9	5,000	9.4
60-79.9	5,000	7.6
80-89.9	10,000	8.1
90-100	20,000	8.8

Source: Bucks et al. (2009), pp. A10; *About how much do you think you (and your family) need to have in savings for emergencies and other unexpected things that may come up?

Table 8. Households With No or Low Emergency Savings Less than \$500 (Percent).

Income Group	Proportion of Households
Less than \$25,000	64
\$25,000 to \$50,000	38
\$50,000 or more	17

Source: Brobeck (2008).

Table 9. Families' Typical Savings Habits, by response, 2007 Survey of Consumer Finances (Percent).

Savings Habits	Proportion of families
Spending usually exceeds income	6.0%
Spending and income are about the same	16.1
Save left over income	35.7
Save regularly	42.2
Total	100

Source: Bucks et al. (2009), pp. A9; respondents were asked: "Which of the following statements comes closest to describing your saving habits?"

Table 10. Families' Motivations for Saving, by response, 2007 Survey of Consumer Finances, the CFSI Underbanked Consumer Study, and the Detroit Area Financial Services Study, by motivation (Percent).

Motivations for Saving	2007 Survey of Consumer Finances	2008 CFSI Underbanked Study	Detroit Area Financial Services Study
Retirement	33.9	65	48.2
Liquidity (emergencies, possible unemployment or illness, need for ready money)	32	70	N/A
Purchases	10	N/A	N/A
Education	8.4	49	N/A
For the family	5.5	N/A	N/A
Buying own home	4.2	38	N/A
When asked for a reason, reported do not save	3.3	N/A	N/A
Investments	1.6	N/A	N/A
No particular	1.1	N/A	N/A
Purchasing a new car	N/A	34	N/A
To feel financially secure	N/A	N/A	78.2
Emergency/medical costs	N/A	N/A	69.9
Unanticipated job loss	N/A	N/A	50.9
Special events	N/A	N/A	52.8
Home improvements	N/A	N/A	49.3
Furniture/appliances	N/A	N/A	33.5
Education/training	N/A	N/A	39.5
Invest in business	N/A	N/A	16.4
Total	100	N/A	N/A

Source: Bucks et al. (2009), pp. A10; CFSI (2008); Barr (2008); **note that the studies are not directly comparable** because they survey different populations (SCF oversamples the wealthy, the CFSI study surveys underbanked only and the Detroit Area Financial Services Study surveys LMI households in the Detroit metropolitan area), response categories are not equivalent, and the statistics are reported differently (the CFSI and Detroit Area Financial Services studies report the percentage of families who selected a given response whereas the SCF reports the distribution of responses).

Table 11. Percentage of people who save, by demographic characteristics (Percent).

Demographic	Self Described Savers*	Percentage that save enough^
All Adults	36	32
<i>Family Income</i>		
\$100K+	29	39
\$50K-\$99K	32	34
\$30K-\$49K	36	22
Under \$30K	43	28
<i>Age</i>		
18-29	29	26
30-49	37	26
50-64	40	36
65+	39	50
<i>Education</i>		
College grad	34	41
Some college	33	28
HS grad or less	39	29
<i>Gender</i>		
Men	30	30
Women	42	34
<i>Race</i>		
White	39	35
Black	36	21
Hispanic	24	27

Source: Pew Research Center (2007); *self-described savers are those who “always look for ways to save money,” are “always aware of how much money they’re spending,” and watch the amount of money they spend “very closely”; ^On the whole, would you say you are saving and investing as much money as you should, or do you feel you should probably be saving and investing more?.

Table 12. Distribution of reasons cited by respondents for their families' not having a checking account, by reason, 2004–2007 surveys (Percent).

Reason	2004	2007
Do not like dealing with banks	22.6	25.2
Do not write enough checks to make it worthwhile	27.9	18.7
Service charges are too high	11.6	12.3
Do not have enough money	14.4	10.4
Do not need/want an account	5.2	8.9
Minimum balance is too high	5.6	7.6
Credit problems	2.4	6.6
Other	2.4	5.6
Cannot manage or balance a checking account	6.8	3.9
No bank has convenient hours or location	1.1	0.8
Total	100	100

Source: 2007 Survey of Consumer Finances, [Tables Based on the Internal Data](#), Checking Box.

Table 13. Savings Habits of LMI Households in the Detroit Metropolitan Area.

	All	Banked	Unbanked
<i>Savings Horizon</i>			
This year	47.6	47.8	46.3
Next year	33.9	33.7	34.8
In 5 years	17.4	17.9	14.9
In 10 years	7.3	7.3	7.1
In >10 years	14.2	14.9	10.8
Face major expense for which unable to save			
	37.0	36.7	37.7
Feel in deep financial trouble			
	18.4	14.6	28.0
Saving is not "worth it"			
Agree	16.4	16.6	16.4
Disagree	83.4	83.3	83.6
Hard to save b/c money goes to necessities			
Agree	85.1	81.7	93.5
Disagree	14.6	17.9	6.5
Hard to save b/c hard to resist spending			
Agree	64.9	61.3	73.8
Disagree	34.6	38.3	25.6
<i>Frequency of saving</i>			
Contribute in past year	54.1	62.7	32.8
More than once a month	10.4	12.8	4.5
Every month	9.2	23.2	9.4
Most months	4.0	4.0	4.0
About half of months	3.7	4.6	1.7
A few months	5.5	6.3	3.7
Once or twice	11.3	12.0	9.5
Never	45.9	37.3	67.2
<i>Amount saved</i>			
Mean amount	\$2,474	\$2,825	\$949
Median amount	\$1,000	(\$1,000)	(\$300)
<i>Method of saving</i>			
Account-based*	37.1	45.9	15.3
Physical asset-based^	6.9	3.6	15.3
Both	27.0	31.3	16.3
No savings	29.0	19.3	53.2

<i>Asset Holdings</i>			
Savings account	49.2	67.8	0.0
Retirement Savings	48.2	51.1	34.9
Life insurance	30.3	35.7	16.9
Money market funds	17.0	22.9	2.4
Jewelry, electronics	15.3	14.9	16.5
Car	73.0	79.6	56.5
Home	45.4	53.4	25.7
<i>Reasons to save</i>			
To feel financially secure	78.2	79.1	74.3
Emergency/medical costs	69.9	68.7	75.8
Unanticipated job loss	50.9	48.1	64.3
Special events	52.8	49.3	69.2
Home improvements	49.3	49.1	50.3
Furniture/appliances	33.5	30.7	46.9
Education/training	39.4	37.0	51.3
Invest in business	16.4	16.0	18.5
Retirement	48.2	51.1	34.9
Over-withhold to save	75.3	77.1	69.5
Save some/all of tax refund	50.2	53.2	40.1
Agree account helps/would help respondent save	(blank)	81.5	67.4

Source: Barr (2008); *account-based savings includes: IRAs, annuities, or pension/retirement accounts through an employer, money market funds, savings or treasury bonds, CDs, mutual funds, stocks or bonds, other tax-advantaged savings plan, bank account, safe deposit box, cash value in a life insurance policy, over-withholding taxes, giving money to others/holding onto others' money, loaning money to friends, lottery savings, social security, and money loaded onto a debit-card; ^physical asset-based savings includes: real estate other than primary residence, business or farm income, money orders or uncashed checks, jewelry, gold, appliances, or electronics, cash kept at home, antiques or collectibles, rent payments, fur coats, and computers.

Table 14. Characteristics of families using payday loans, 2007 Survey of Consumer Finances (Percent).

	Borrowers	Non-borrowers
<i>Age</i>		
Median Age	39	50
Mean Age	49	49
<i>Race</i>		
Share white	62%	78%
Share nonwhite	38%	22%
<i>Education</i>		
No high school diploma	15%	14%
High school diploma or GED	39%	33%
Some college but no degree	27%	18%
College degree	19%	36%
<i>Income</i>		
Mean income	\$32,614	\$85,473
Median income	\$30,892	\$48,397
<i>Assets</i>		
Mean assets	\$73,309	\$639,467
Median assets	\$4,550	\$201,000
<i>Debt</i>		
Mean debt level	\$45,019	\$98,878
Median debt level	\$10,200	\$28,910
<i>Saver status</i>		
Share savers	27%	48%
<i>Homeownership Status</i>		
Share renters	59%	31%
Share homeowners	41%	69%
<i>Borrowing history</i>		
Share who had applied for any type of loan within the past 5 years and were denied	33%	10%
<i>Delinquency history</i>		
Share who had been delinquent on any type of loan	14%	5%

Source: Logan (2009).

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