

# Growing Wealth 101

## What are Assets?

Assets are things of financial value. Even in small amounts, assets can have important impacts. Here are some examples:

- Savings Account
- College Education
- Home Ownership
- Investments

## The Asset Path: First Steps

### 1 OPEN A SAVINGS ACCOUNT

Deposit a little every month or set up automatic deposits. (Even \$1/month is a start!)

<https://myfinanciallifema.org/topic/budgeting-saving>

### 2 VISIT A FREE TAX PREP SITE

Get your full tax refund and start saving or investing.

<https://www.masscap.org/freetaxprep>

### 3 FIND OUT YOUR CREDIT SCORE

Learn how to improve your score if needed.

<https://myfinanciallifema.org/topic/credit-debt>

## Asset growth can help with...

**BETTER HEALTH**  
for children, families, and communities.

### CHILDREN THRIVE

Saving for a child's higher education is associated with better college enrollment and completion. The benefits are greatest for Black students<sup>1</sup> and students from low-income families.<sup>2</sup> Saving for college also helps close racial gaps in college participation.<sup>3</sup>

### HOUSING SECURITY

Afford housing costs such as rent, moving expenses, or a down payment for purchasing a home.

### LIVE SECURELY IN OLD AGE

Plan for retirement.

### MANAGE EMERGENCIES

Assets help families stay afloat after losing a job or having a health emergency. Small savings can help too. Families in the two lower thirds of the income distribution benefit from emergency savings, even though they own significantly smaller dollar amounts than the top third.<sup>4</sup>

### START A BUSINESS

Reduce the need to take on debt or mortgage a home when starting a business for yourself or your children.

### STRENGTHEN COMMUNITY CONNECTIONS

Strong communities can advocate for better conditions and foster opportunities for all.

## Assets Should Be For Everyone

- Years of discrimination and biased policies have led to the average white family owning 8 to 10x the wealth of Latinx and Black families.<sup>5</sup>
- We can work together to make sure that asset building opportunities are available for everyone. Visit [MyFinancialLifeMA.org](https://myfinanciallifema.org) and [EqualPayMA.com](https://equalpayma.com) for more information.

**Assets can help you, your family, and your community thrive.**

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2. Elliott W., III, Song H., Nam I. (2013). Small-dollar children's savings accounts and children's college outcomes by income level. *Children and Youth Services Review* 35(3): 560-571.  
3. Elliott W., III, Nam I. (2012). Direct effects of assets and savings on the college progress of black young adults. *Educational Evaluation and Policy Analysis* 34(1): 89-108.  
4. McKernan S., Ratcliffe C., Vinopal K. (2009). *Do Assets Help Families Cope with Adverse Events?* Washington, D.C.: The Urban Institute. [www.urban.org/publications/411994.html](http://www.urban.org/publications/411994.html).  
5. Dettling L. J., Hsu J. W., Jacobs L., Moore K. B., Thompson J. P. (2017). Recent trends in wealth-holding by race and ethnicity: Evidence from the Survey of Consumer Finances. *FEDS Notes*. <https://doi.org/10.17016/2380-7172.2083>.

