

News Release

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**DENVER RESIDENTS DEFINE WEALTH IN VERY DIFFERENT WAYS
ACCORDING TO NEW RESEARCH FROM CHARLES SCHWAB
Locals say it takes \$2 million to be considered wealthy in the Mile High City**

DENVER, August 8, 2017 — When Denver residents think about wealth, they are split about what it means, according to new research from Charles Schwab, with some describing wealth as a specific sum of money and others describing it more as a state of mind.

The top five definitions of wealth among 500 Denverites are:

1. Having a lot of money (29 percent)
2. Enjoying life's experiences (23 percent)
3. Being able to afford anything they want (23 percent)
4. Living stress-free and having peace of mind (22 percent)
5. Financial security and stability (13 percent)

When asked how much money is required to be considered “wealthy” in Denver, local area residents say it’s an average of \$2 million, or more than 25 times the actual median net worth of U.S. households according to the U.S. Census Bureau.¹

And for many Denverites, that feels out of reach. While 38 percent of those surveyed say they are already millionaires or believe they can reach that level, the majority (62 percent) say they don’t have any hope.

When asked to compare two opposing ideas of wealth at a more personal level, Denver residents lean into things that money can’t buy:

- Fifty-seven percent say wealth is about having gratitude vs. having money (43 percent)
- Sixty-two percent equate wealth with having good physical health vs. having lots of money (38 percent)
- Seventy-nine percent believe wealth is about spending time with family now vs. leaving an inheritance for them (21 percent)

“Wealth is often thought of as an unattainable sum of money, but that sentiment is outdated,” said Brad Bartick, CFP®, branch manager at Charles Schwab’s [downtown Denver branch](#). “We believe people should think about wealth as the money they have now, whether that’s a lot or a little, and what matters is that you pay attention to it. Being engaged, even when you’re just getting started, is the only way to build wealth over time to reach your personal goals.”

Modern Wealth Index: Denverites mirror Americans overall

To help track how well Americans across the wealth spectrum are planning, managing and engaging with their wealth, Schwab developed the Modern Wealth Index. The Index, which is grounded in Schwab's Investing Principles, assesses Americans across four factors: 1) goal setting and financial planning, 2) saving and investing, 3) staying on track and 4) confidence in reaching financial goals.

On a scale of 1-100, Denver residents received a Modern Wealth Index score of 49, in line with the average national score. Among the four factors of the Index, Denverites score highest when it comes to confidence in reaching their goals, while the actions it takes to stay on track—such as checking account balances and rebalancing investments—was the largest drag on their overall index score.

	Denver Average	National Average
Modern Wealth Index score	49	49
Goal setting and financial planning	42	43
Saving and investing	52	52
Staying on track	24	24
Confidence in reaching financial goals	68	64

Overall and sub-factors scores are each on a scale of 1-100.

“With an average score of 49, Denver locals mirror average Americans overall, but there’s still plenty of room for improvement,” said Bartick. “In fact, when we dig into that score a bit, we find that while confidence among Denver residents is extremely strong, they are lagging when it comes to setting goals and having a plan.”

According to Schwab’s survey, just 23 percent of Denverites say they have a financial plan in writing.

“Our findings show financial planning is a critical factor,” said Bartick. “Those who put pen to paper with written financial plans are more confident, more engaged with their wealth and demonstrate more positive saving and investing behaviors, so that’s where Denver area residents should focus most.”

One area Denver residents are ahead of the country overall is debt management. According to the survey, more than half (52 percent) of Denver residents say they make all their loan payments on time or have no loans, compared to 43 percent of Americans nationwide.

Local economy seen as a bright spot

Denverites are optimistic about the local economy, with more than half (58 percent) saying the Denver economy is in better shape than the U.S. economy. Locals say Denver is one of the hottest areas in the country for career opportunities (57 percent) and the technology industry (53 percent). Survey respondents also cite the following favorable aspects of living in Denver:

- Seventy-four percent say Denver is among the best areas of the country for its quality of life
- Fifty-nine percent rate the area as one of the best for food and dining
- Fifty-eight say the area boasts one of the top arts and culture scenes

Denverites are least pleased with the area’s cost of living, with more than half (53 percent) saying it’s one of the worst in the country. In fact, 51 percent say living in Denver hurts their ability to reach their financial goals.

About the survey and Modern Wealth Index methodology

The Modern Wealth Index, developed in partnership with Koski Research and the Schwab Center for Financial Research, is based on Schwab’s Investing Principles and composed of 60 financial behaviors and attitudes – each assigned a varying amount of points depending on their importance. The Index broadly assesses Americans across four factors: 1) goal setting and financial planning, 2) saving and investing, 3) staying on track, and 4) confidence in reaching financial goals. Based on the total number of points received, respondents were indexed on a 1-100 scale for each of the four factors and an overall score.

The online survey was conducted by Koski Research from April 12 to April 20, 2017, among 1,000 Americans nationwide and 500 Denver area residents, aged 21 to 75. The geographical area of the sample is defined by the Denver-Aurora-Lakewood Metropolitan Statistical Area Metropolitan Statistical Area. Quotas were set so that the sample is as demographically representative as possible. The margin of error for the total survey sample is three percentage points.

About Charles Schwab

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¹ Smith, Adam, R. Chenevert, J. Eggleston. Improvements to Measuring Net Worth of Households: 2013. Current Population Reports P70BR-143. U.S. Census Bureau, Washington, DC. 2017.

Disclosures

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