

Five enabling conditions, and one precondition, must be in place for any household to build sustainable wealth

HOUSEHOLDS NEED EACH ONE IN PLACE AT THE RIGHT TIME TO BUILD WEALTH.

PRECONDITION: Financial Stability

Short-term financial stability is typically characterized by having routinely positive cash flow; low or no harmful debt; an ability to build financial cushions; and access to quality public and workplace benefits that provide protection against extraordinary shocks.

FIRST: Amass Investable Sums of Money

1 INVESTABLE SUMS OF MONEY

Money, beyond what is needed to meet short-term needs, that can be used for investments and asset purchases.

NEXT: Purchase Asset or Make Investment

2 AFFORDABLE ASSETS TO PURCHASE

Access to investment options, such as real estate, post-secondary education, and financial assets, that are affordable, high-quality, and that meet people's needs.

3 CONSUMER-FRIENDLY FINANCING OPTIONS

For larger investments, many families need access to safe and affordable financing to supplement their investable money and this often requires a good credit score.

4 INFORMATION AND CONFIDENCE TO NAVIGATE WEALTH-BUILDING DECISIONS

Access to the knowledge and skills needed to confidently navigate the asset purchasing process. People must be able to see themselves as investors to engage in these processes.

FINALLY: Maintain Wealth

5 WEALTH PROTECTION

After purchasing and building up wealth-creating assets, people must have the ability to maintain and protect their wealth from loss.