

Our Golden Opportunity

Transfer of Wealth Research

Following the Great Depression and World War II, the United States entered a golden age of business growth and personal prosperity. Americans have created, invested and multiplied unprecedented private wealth. Over the next 50 years, this capital—a conservative estimate of \$53 trillion—will change hands. Most will certainly go to heirs (and taxes), but a portion may be preserved as your legacy for the future of Ottawa County.

This research estimates the portion of wealth transfer likely to happen in our state and community. Retaining a slice of that wealth for philanthropy as it transfers generations is a historic opportunity for strengthening Ottawa County. That's why the Community Foundation is working to secure planned gifts and bequests for the Community Fund, an endowment that will ensure a stronger future for Ottawa County, forever.

Michigan Transfer of Wealth

Using conservative analysis, economists estimated the current net worth of Michigan residents to be \$848.35 billion (\$198,000 per household). Over the next ten years, \$140.62 billion (\$34,000 per household) is expected to pass from one generation to the next. Over the next 50 years, \$972.24 billion (\$225,000 per household) of wealth is expected to transfer to heirs.

Ottawa County Transfer of Wealth

Today, the current net worth of Ottawa County is estimated at \$20.87 billion. During the coming decade, \$3.03 billion is expected to transfer from one generation to the next. Over the next 50 years, the estimated transfer of wealth for Ottawa County is \$24.65 billion.

In the next ten years, if just five percent of this transfer could be invested at the Community Foundation in an endowed Community Fund, nearly \$151.43 million would be gained. Figuring a five percent grant payout, an estimated \$7.57 million could be available annually to improve the quality of life in our community and secure our future.

Comprehensive Report is Available

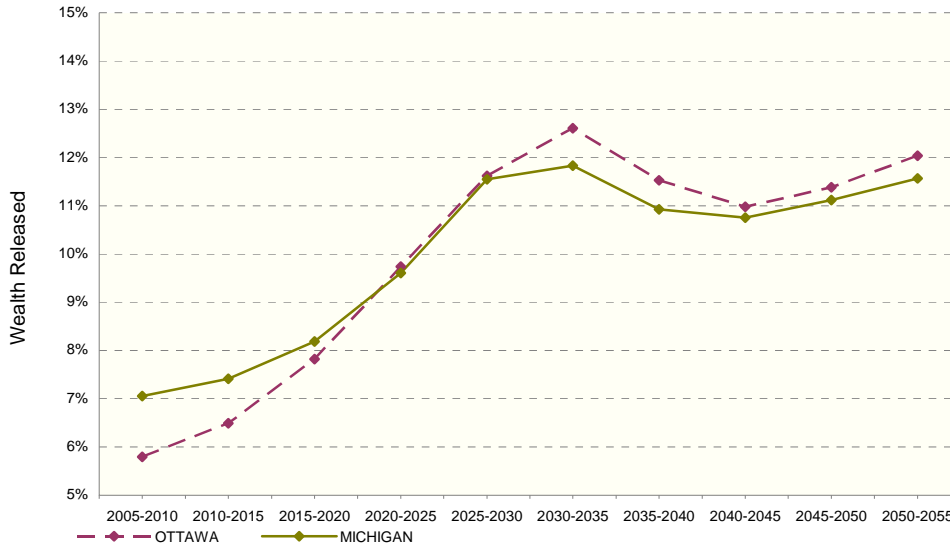
A complete report of Michigan's wealth transfer opportunity includes background, analysis, methodology and county comparisons. Please contact the Community Foundation or Council of Michigan Foundations for more information.



Transfer of Wealth	Ottawa County	State of Michigan
2005 to 2015	\$ 3.03 billion	\$ 140.62 billion
2005 to 2055	\$ 24.65 billion	\$ 972.24 billion

Transfer of Wealth Research *continued*

Transfer of Wealth: A Likely Scenario



“Our communities will experience a once-in-a-lifetime opportunity in the next several decades as significant wealth is transferred from one generation to the next. We want to reach out and ask everyone to be a part of securing our future.”

*Don Macke
RUPRI Center for Rural Entrepreneurship*

RUPRI Center for Rural Entrepreneurship research estimates the percent of county and state wealth transferring from one generation to the next in the coming 50 years.

Wealth Drivers

Many factors have a significant impact on projections for the transfer of wealth in each community.

- Current net worth creates a starting point for future wealth creation.
- Demographics, such as employment, education, age and population changes, play central roles in current and future wealth.
- Community economic performance and individual business ownerships contribute to wealth generation.
- Customs and general spending behaviors impact future spending and saving habits.

On average, net worth increases with age. In the United States, net worth rises from a modest \$74,000 for families 35 and younger (head of household age) to more than \$800,000 as families reach their mid-50s into early 60s. Then net worth begins to decline as earning power drops and assets are used in retirement and for health care.

