

THE NATIONAL STUDY OF

MILLIONAIRES

The American Dream is Alive and Available



| The American Dream is Alive

America may be called the land of opportunity, but few Americans today really believe they have what it takes to become a millionaire.⁽¹⁾ They've fallen for the myth that in order to be wealthy, they need a big income or a rich family. But the National Study of Millionaires by Ramsey Solutions proves that these beliefs about how millionaires got their money are wrong. Flat wrong.

How did they hit the million-dollar mark? They did it through consistent investing, avoiding debt like the plague, and smart spending. No lottery tickets. No inheritances. No six-figure incomes.

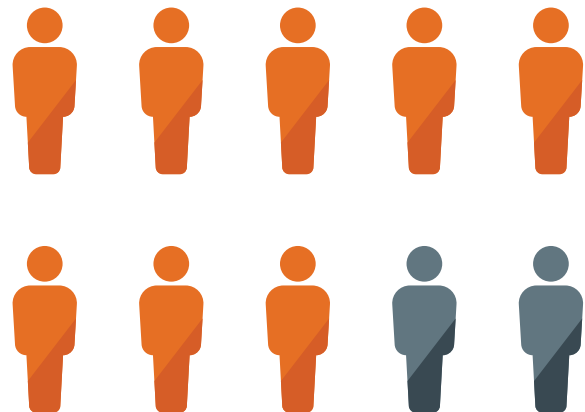
That's great news for Americans who've lost hope that they can ever build real wealth.

| How Millionaires Invest (and Spend)

According to the survey, eight out of 10 of millionaires invested in their company's 401(k) plan, and that simple step was a key to their financial success. Not only that, but three out of four of those surveyed invested outside of company plans. But they didn't risk their money on single-stock investments or "an opportunity they

**8 OUT OF 10
MILLIONAIRES**

INVESTED IN THEIR
COMPANY'S 401(K)



couldn't pass up." In fact, no millionaire in the study said single-stock investing was a big factor in their financial success. Single stocks didn't even make the top three list of factors for reaching their net worth.

The people in the study became millionaires by consistently saving over time. In fact, *they worked, saved and invested for an **average of 28 years** before hitting the million-dollar mark*, and most of them reached that milestone at age 49.

AVERAGE AMOUNT OF TIME

SPENT WORKING,
SAVING AND
INVESTING
BEFORE HITTING
THE \$1 MILLION
MARK



28 YEARS

Three out of four millionaires (75%) said that regular, consistent investing over a long period of time is the reason for their success. So, the story about the young computer genius who developed an app that earned millions overnight is the *exception*, not the *rule*.



“These numbers show that becoming a millionaire doesn’t happen overnight. It’s a marathon, not a sprint. By using the basic tools of saving and investing, you can make your money work for you to build wealth,” said Chris Hogan, #1 national best-selling author and financial expert.

Hogan’s newest book, *Everyday Millionaires: How Ordinary People Built Extraordinary Wealth—and How You Can Too*, is based on the National Study of Millionaires.

Even when millionaires don’t have to worry about money anymore, they’re still careful about their spending. Ninety-four percent of the people we studied said they live on less than they make, and nearly three-quarters of the millionaires have never carried a credit card balance in their lives! They also said they spend \$200 or less each month on restaurants. *And 93% of millionaires use coupons all or some of the time when shopping.* By staying out of debt and watching expenses, they’re able to build their bank accounts instead of trying to get out of a financial hole every month.

| Millionaires Are Made, Not Born

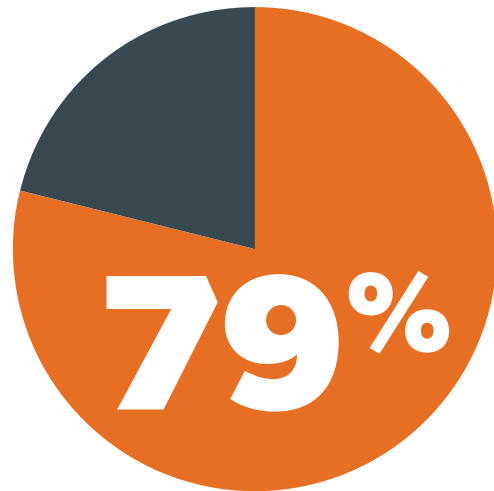
Despite what society might believe, only a small number of wealthy people inherited their money.

The overwhelming majority (79%) of millionaires in the U.S. did not receive *any inheritance at all* from their parents or other family members. While one in five millionaires (21%) received *some* inheritance, only 3% received an inheritance of \$1 million or more.



THE MAJORITY OF
MILLIONAIRES IN
THE UNITED STATES

**DID NOT
RECEIVE ANY
INHERITANCE**



In fact, the majority of millionaires didn't even grow up around a lot of money. According to the survey, *eight out of 10 millionaires come from families at or below middle-income level*. Only 2% of millionaires surveyed said they came from an upper-income family.

"These statistics are a great reminder that it doesn't matter where you come from. It matters where you're going. You can achieve big money goals even if you didn't grow up with a lot of money. You are in control of your financial future," Hogan responded.

Millionaires Don't Always Make Big Bucks

The next logical question is: *What kind of salaries do wealthy people make?* Not as much as you might think. The majority of millionaires in this survey didn't have high-level, high-salary jobs. In fact, only 15% of millionaires were in senior leadership roles, such as vice president or C-suite roles (CEO, CFO, COO, etc.). Ninety-three percent (93%) of millionaires said they got their wealth because they worked hard, not because they had big salaries.

THE TOP 5 CAREERS

FOR MILLIONAIRES



ENGINEER



ACCOUNTANT
(CPA)



TEACHER



MANAGEMENT



ATTORNEY

Only 31% averaged \$100,000 a year over the course of their career, and one-third never made six figures *in any single working year* of their career.

“I’ve talked to a lot of millionaires, and most of them have average jobs with average pay, like teachers or firefighters.

It just goes to show that how you spend and invest the money you make matters more than how much you actually bring home,” said Hogan.

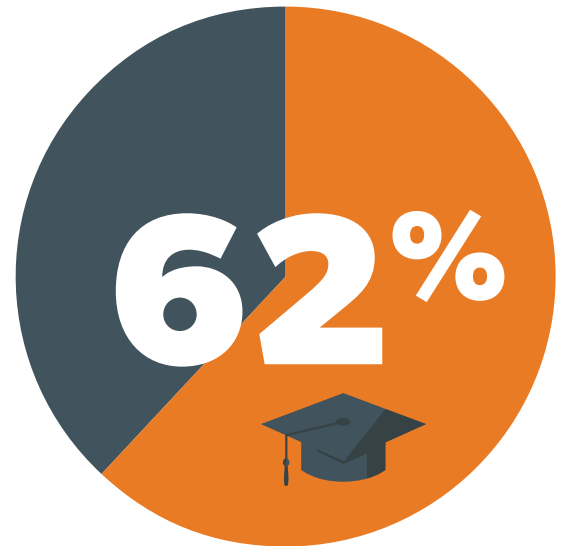
Millionaires Go to College, but Not to Elite Schools

The National Study of Millionaires showed that it’s the *degree itself that matters, not where the degree comes from*. Almost two-thirds of millionaires (62%) graduated from *public state schools*, while only 8% went to a prestigious private school. But the bulk of millionaires *did* get that piece of paper.

Eighty-eight percent (88%) of millionaires graduated from college, compared to 33% of the general population. And over half (52%) of the millionaires in the study earned a master's or doctoral degree, compared to 12% of the general population.⁽²⁾

ALMOST TWO-THIRDS
OF MILLIONAIRES
GRADUATED COLLEGE

**FROM PUBLIC
UNIVERSITIES
OR STATE
SCHOOLS**



“The fact that the average millionaire didn’t go to an elite school is great news for many Americans who can’t afford an expensive education. The state university or community college can provide a solid foundation for the future. You don’t need a prestigious diploma to win with money,” said Hogan.



| Perception Versus Reality

Overall, the National Study of Millionaires showed a dramatic difference between how Americans *think* wealthy people get their money and how they *actually* earn and spend their money.

“Anyone in America can build wealth. The only thing holding you back is you. Get out of debt. Save consistently. Keep your spending in check. Let time and compound interest do their magic. If you’re willing to work hard and keep the long-term goal in mind, you’ll reach the million-dollar milestone.”

— Chris Hogan



| About the Study

The National Study of Millionaires is a research study conducted by Ramsey Solutions with over 10,000 U.S. millionaires to gain an understanding of personal finance behaviors and attitudes that factored into their financial success. The nationally representative sample was fielded November 17, 2017, to January 31, 2018, using a third-party research panel and our Ramsey Solutions research panel.

| About Ramsey Solutions

Ramsey Solutions is committed to helping people regain control of their money, build wealth, grow their leadership skills, and enhance their lives through personal development. The company's success is defined by the number of people whose lives are changed by a message of hope. Through a variety of mediums, including live events, publishing, syndicated columns, and a nationally syndicated radio show, Ramsey Solutions uses commonsense education to empower people to win at life and with money. Millions of people have gone through *Financial Peace University* across the country, and Ramsey Solutions' world-class speakers have brought vision, inspiration, and encouragement to over a million more. Named among Nashville's best places to work 10 times, Ramsey Solutions employs more than 700 team members focused on and dedicated to doing work that matters.

| About Chris Hogan

Chris Hogan is a #1 national best-selling author, dynamic speaker and financial expert. For more than a decade, Hogan has served at Ramsey Solutions, spreading a message of hope to audiences across the country as a financial coach and Ramsey Personality. Hogan challenges and equips people to take control of their money and reach their financial goals, using his national TV appearances, The Chris Hogan Show and live events across the nation. You can follow Chris Hogan on Twitter and Instagram at @ChrisHogan360 and online at chrishogan360.com or facebook.com/chrishogan360.

