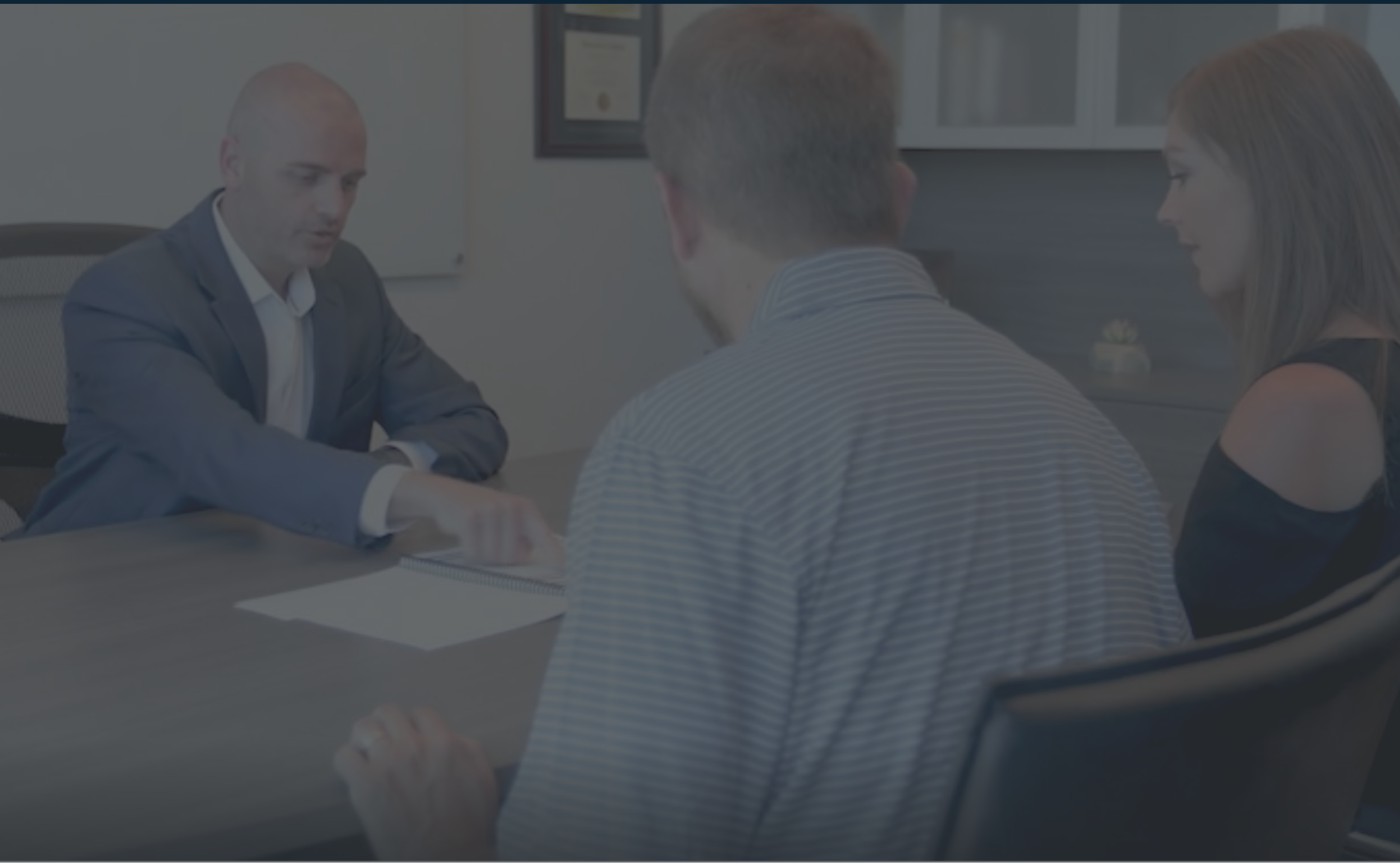
Where Do You Stand?

Income, Net Worth, and Housing Figures



This report shows income, net worth, and housing data for both the United States and the San Diego region. This presentation is possible from data sourced from the U.S. Census Bureau, MIT's Living Wage, the U.S. Federal Reserve, and others.

While we cannot guarantee its accuracy, we strive to only use the most recent and trustworthy data possible. And, of course, this report does not constitute as financial advice. Please view the Disclosure page for more information.

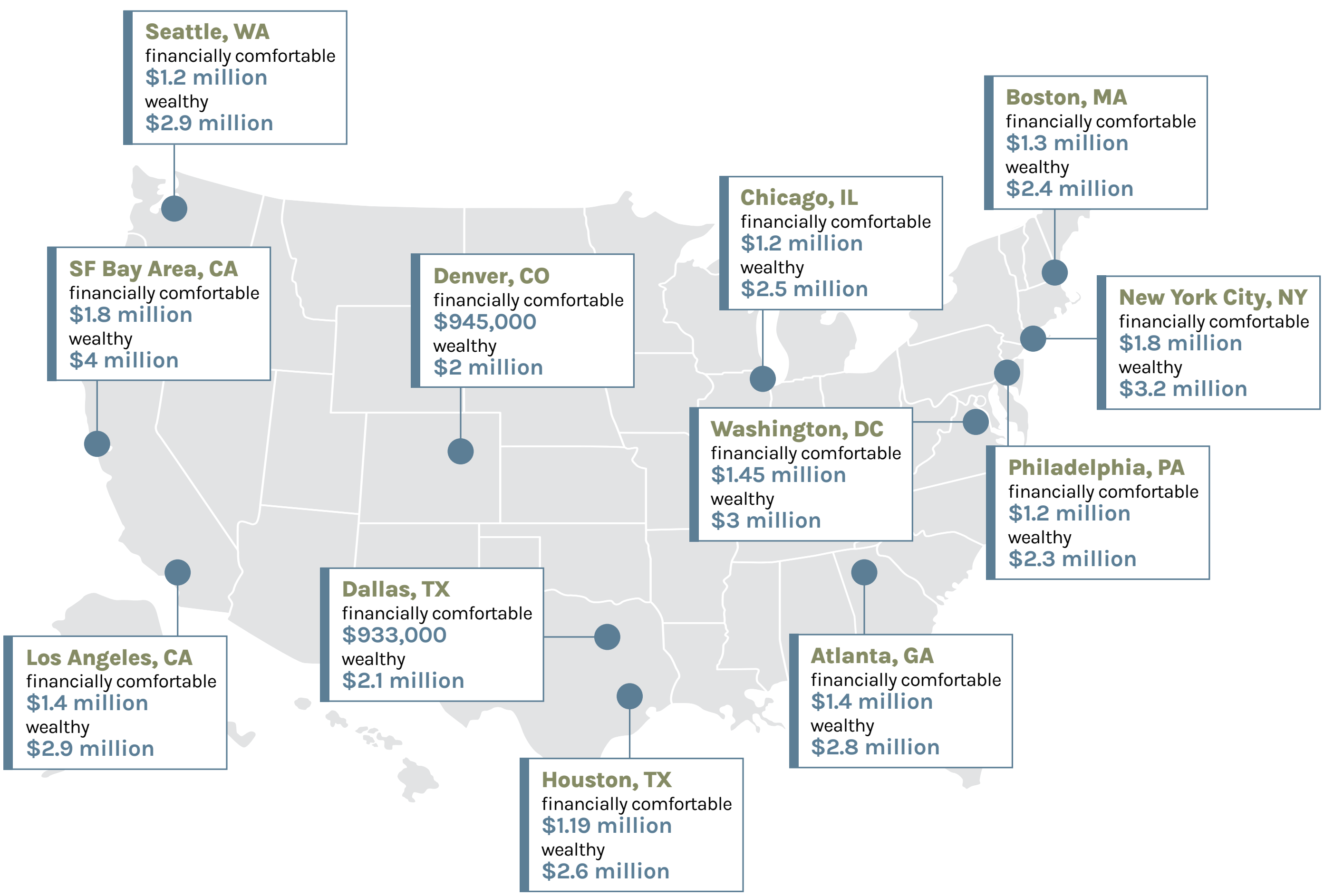
Why Compare

The Importance of a Written Financial Plan

Planning for the future requires that you understand your net worth and income level. In fact, this is typically the first step in creating a financial plan. While these are simple figures to calculate, they are arguably the most important when creating a financial plan. Comparing your income and net worth to others within your age range and station can also be very useful when evaluating your financial health, as income and spending levels differ greatly based on age and location.

Keep in mind, though, that every household's financial goals and resources differ greatly. Evaluating where you stand among your peers only takes you so far. Of the hundreds of financial plans we here at Bull Oak Capital have created for our clients, none have been identical. Each individual has their own unique set of goals. Furthermore, the financial resources available to each person, including their cost of living situation (determined by their city and sometimes their neighborhood), demands a customized financial plan. Without this, the individual is flying blind and risking their future.

> According to a recent Schwab study, what it takes to be financially comfortable and wealthy differs greatly depending upon which city you live in.



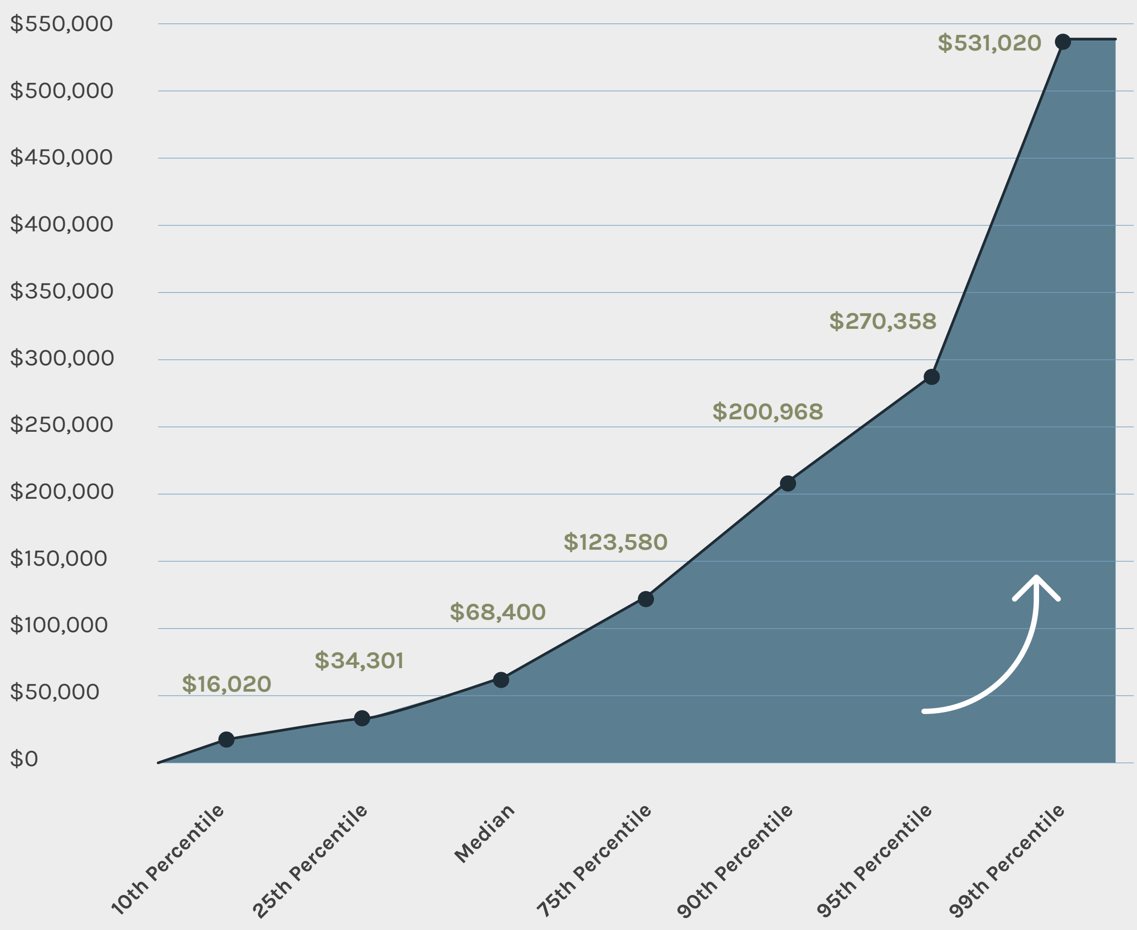
Source: Charles Schwab 2019 Modern Wealth Index

National Income Levels

There is considerable evidence that individuals who receive professional financial advice are more financially healthy than those who do not. Households who consult financial advisors tend to be wealthier, higher income, more educated, and more financially literate than their peers who forgo advice. Thus, if you are seeking true financial independence, it is critical that you work with a professional to create a comprehensive financial plan. Household income and net worth levels change over time, especially as individuals go through their prime-earning years and later when they enter retirement. Financially successful individuals plan for these changes and establish a plan early in life.

United States Median Household Income Percentiles

2020 - U.S. Household Income Brackets



> Unsurprisingly, income levels in the United States have an exponential quality as we move up the percentile levels, highlighting the strength of the upper class and the shrinking middle class.

Median Household Income by Major US City

%
Percentage above or below median household income of the United States

While the median income for the United States is $65,712, **San Diego's median income level is $83,985**. This marks San Diego as having the 6th highest income level for major cities in the US.

A comparative analysis between the median household income both nationally and in San Diego highlights the importance of focusing locally when viewing income statistics.

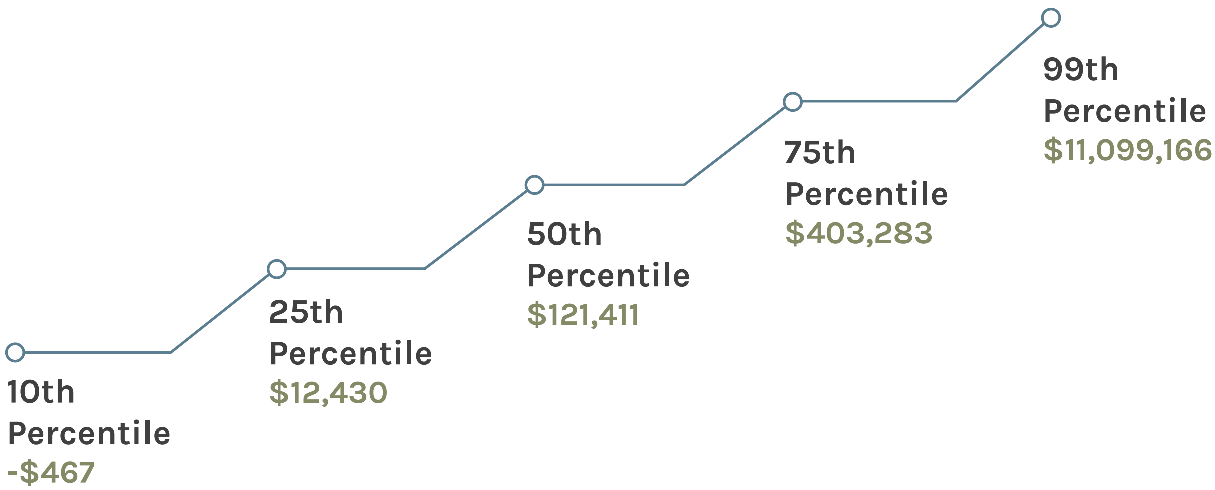
Note: Data are limited to the household population and exclude the population living in institutions, college dormitories, and other group quarters.

Nº	City	Median Household Income	%
1	San Francisco	$114.7k	+74.5
2	Washington, D.C.	$105.7k	+60.8
3	Boston	$94.4k	+43.7
4	Seattle	$94.0k	+43.1
5	Denver	$85.7k	+30.3
6	**San Diego**	**$83.9k**	**+27.8**
7	Minneapolis	$83.7k	+27.8
8	Baltimore	$83.2k	+26.6
9	New York	$83.2k	+26.6
10	Portland	$78.4k	+19.4
11	Los Angeles	$77.8k	+18.4
12	Chicago	$75.4k	+14.7
13	Philadelphia	$74.5k	+13.4
14	Dallas	$72.3k	+10
15	Atlanta	$71.7k	+9.2
16	Riverside	$71k	+8
17	Houston	$69.2k	+5.3
18	Phoenix	$67.9k	+3.3
19	St. Louis	$66.4k	+1.1
20	Charlotte	$66.4k	+1
0	**United States**	**$65.7k**	0
21	Detroit	$63.5k	-3.4
22	San Antonio	$62.4k	-5.1
23	Orlando	$61.9k	-5.8
24	Miami	$60.1k	-8.5
25	Tampa	$57.9k	-11.9

Source: US Census 2020 Household Income

National Net Worth Levels

National Median Net Worth Averages

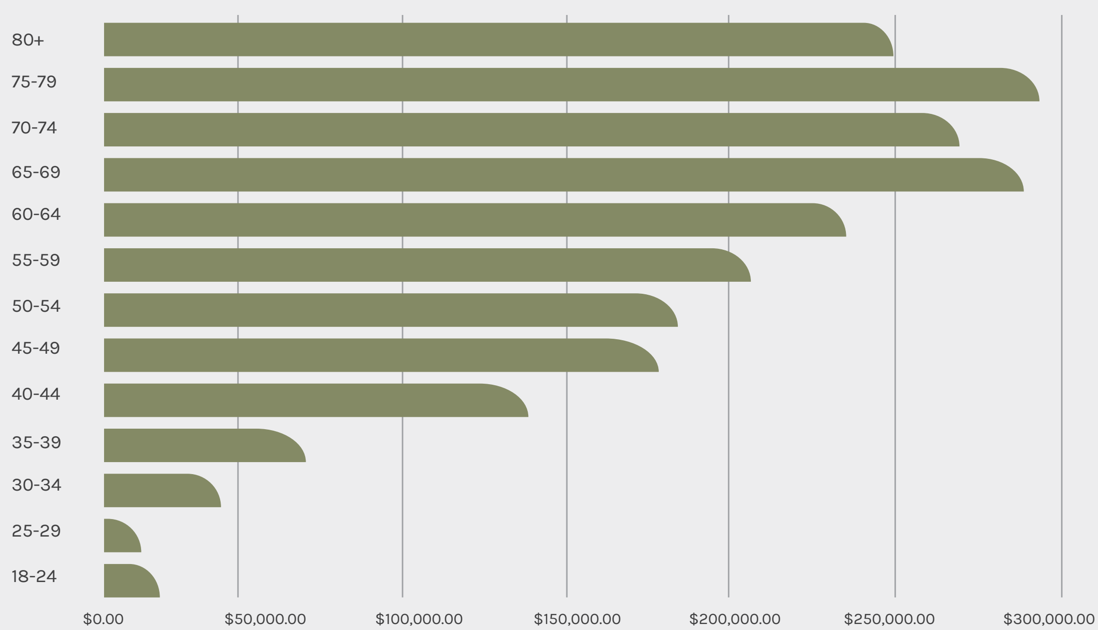


Source: 2020 Federal Reserve Survey of Consumer Finances

> Note: Net worth is the difference between families' gross assets and their liabilities. These figures include home equity amounts.

Net Worth Based on Age

Median Net Worth in the U.S. 2020



Source: United States Net Worth by Age Calculator

When conducting a comparative assessment of your net worth to others, it is important to look at the national net worth median figures. There are a number of factors that play into assessing your net worth against the national median. Foremost among these is considering where you live. This is important because net worth figures in areas with a high cost of living will likely be much higher than the national median. This makes sense, given the higher income requirements to live in certain areas like San Diego.

The importance of focusing locally is highlighted by the relationship between net worth and property ownership. The national median net worth for households of all ages that do not own a house is substantially lower than households that do own a house. Home ownership is clearly a crucial component of assessing one's net worth. However, local variations in the housing market can result in significant deviations from the national average. In other words, a household that owns a home in San Diego will likely have a substantially larger net worth than a family that owns a home in Detroit. Because of this, it is always important to focus on regional net worth figures to gain a clear understanding of where you stand.

Why Compare Net Worth By Age?

> It is tempting to compare one's net worth to the national average, despite one's age. It is a natural tendency that is often unsuitable. This is because households headed by older individuals have been accumulating assets for a longer period. Additionally, these individuals are likely married with dual incomes and have more job experience, which demands higher wages.
>
> Wealth accumulation tends to increase at a faster rate beginning at the age of 40 when individuals approach their prime earning years. As such, there is a natural skew towards wealth being held by older individuals. Therefore, it is best to compare relative wealth within peer groups.

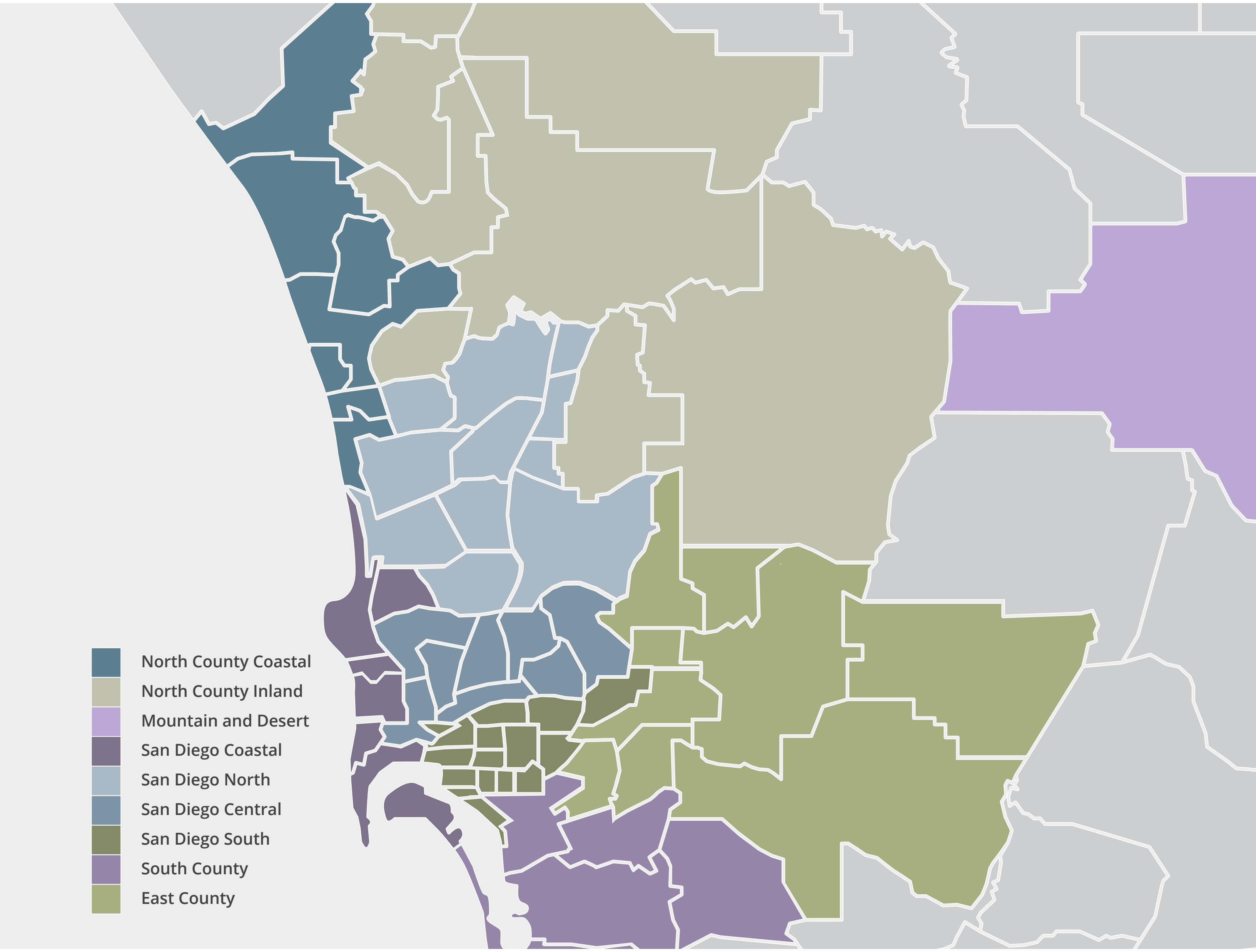


San Diego Income and Housing

Unsurprisingly, San Diego is one of the most expensive cities to live in. The cost of living in America's Finest City is 46.1% above the U.S. average. According to MIT, the required annual income before taxes for a family of 2 adults and 2 children needed to meet all expenses in San Diego is $88,139. This figure varies greatly based on location.

Buying a house in San Diego is no easy feat either. The median home price in San Diego County is $672,750. The income needed to purchase a home of this price is estimated to be $123,299. This is 47% higher than San Diego's median household income of $83,985!

**We are aware of the constantly fluctuating nature of the San Diego County housing market. These incomes and median home prices reflect the most recent data from the 2020 San Diego Union Tribune Almanac and US Census.*

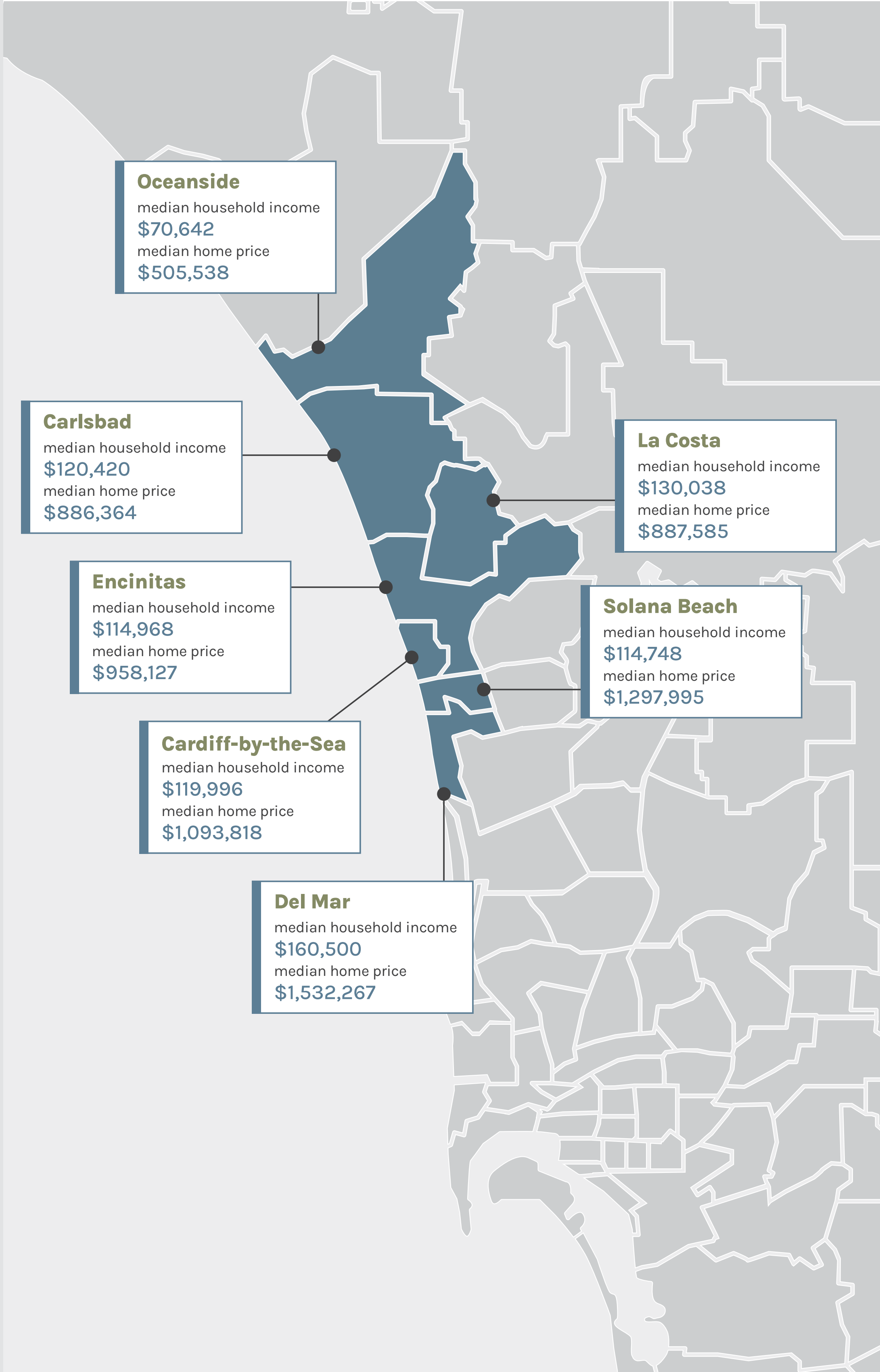


North County Coastal

San Diego, CA

Average Household Income:
$118,759

Average Home Price:
$1,023,099

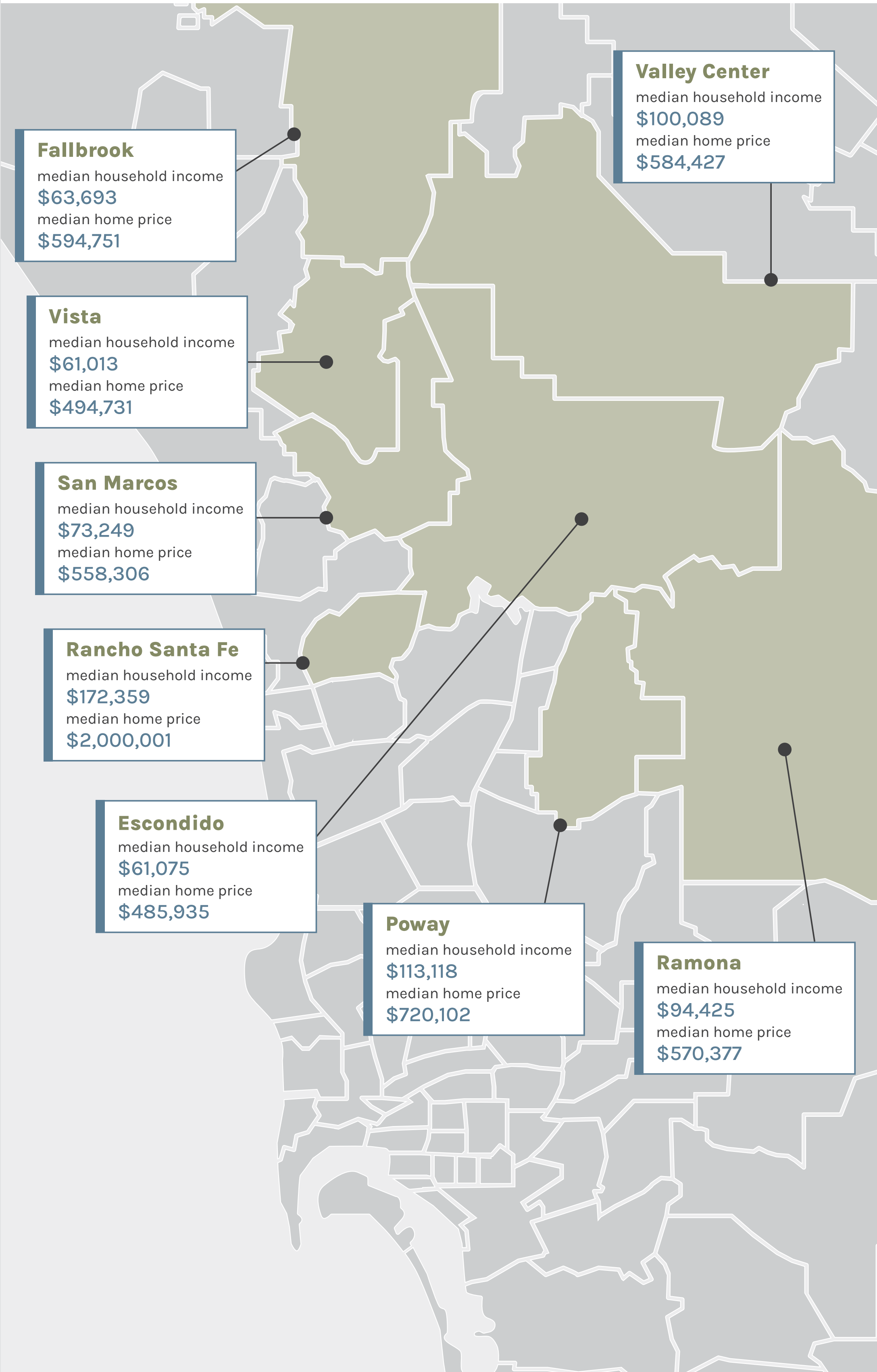


North County Inland

San Diego, CA

Average Household Income:
$92,377

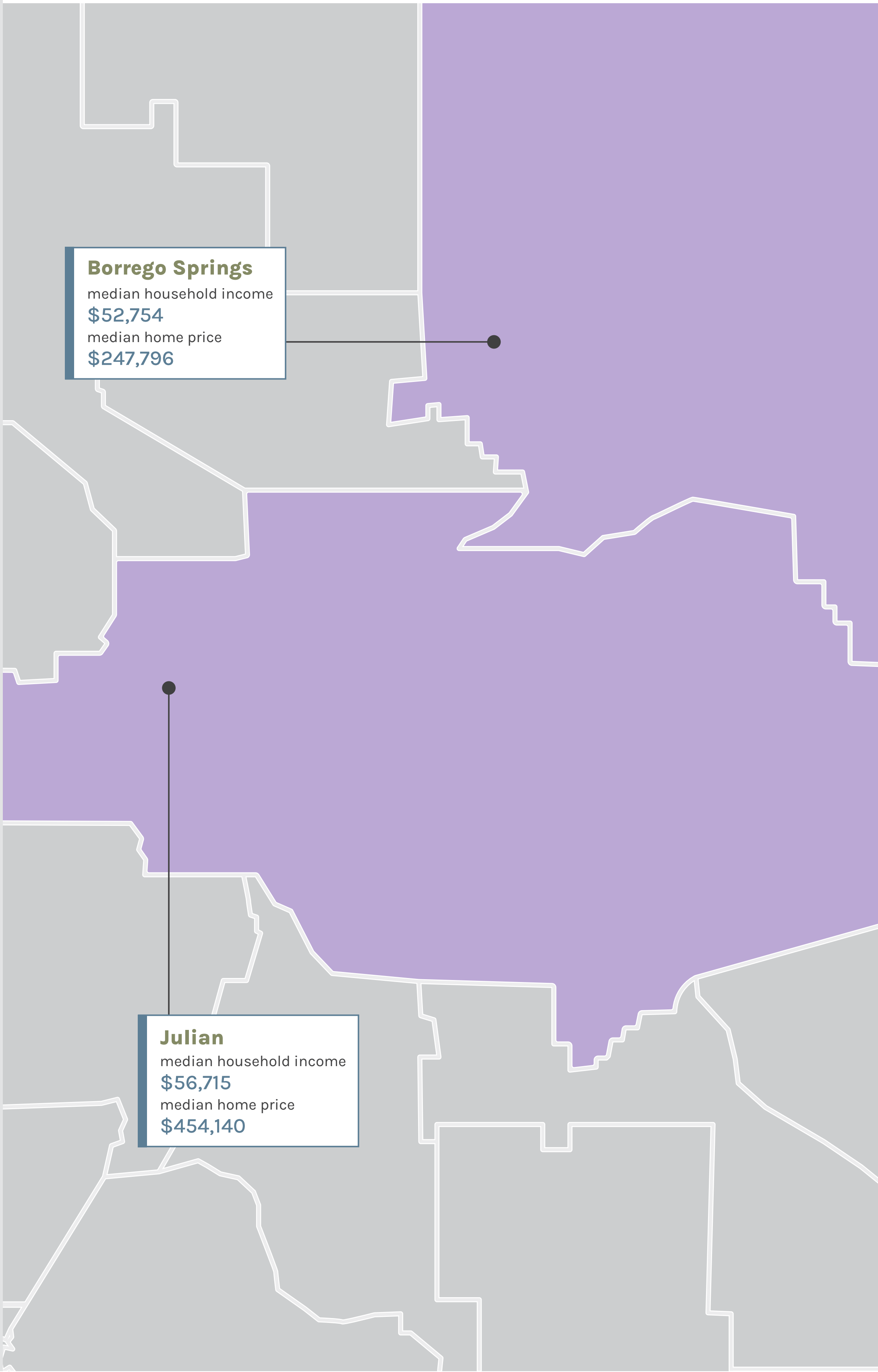
Average Home Price:
$751,078



Mountain & Desert
San Diego, CA

Average Household Income:
$54,734

Average Home Price:
$350,968

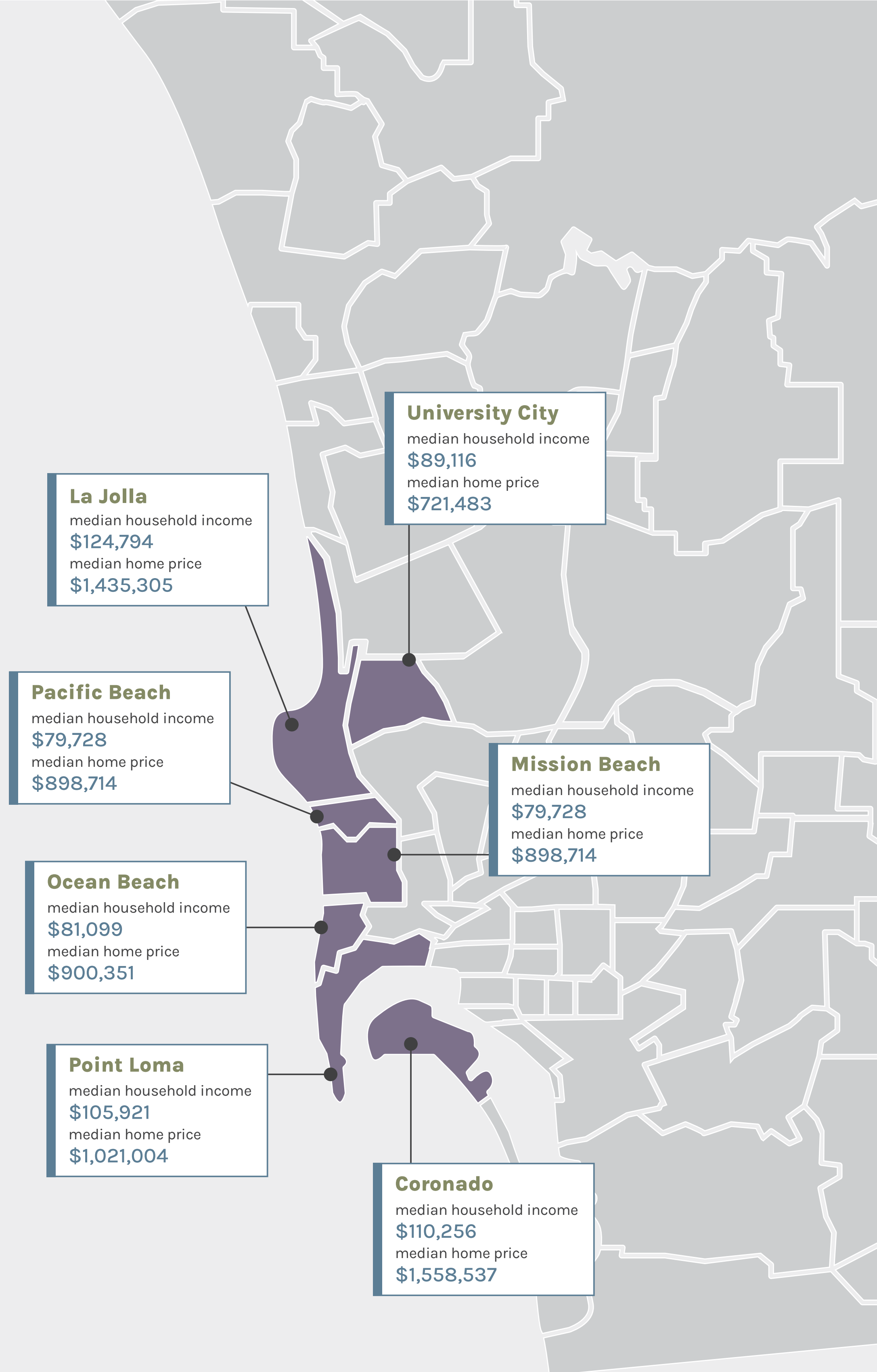


San Diego Coastal

San Diego, CA

Average Household Income:
$95,806

Average Home Price:
$1,062,015

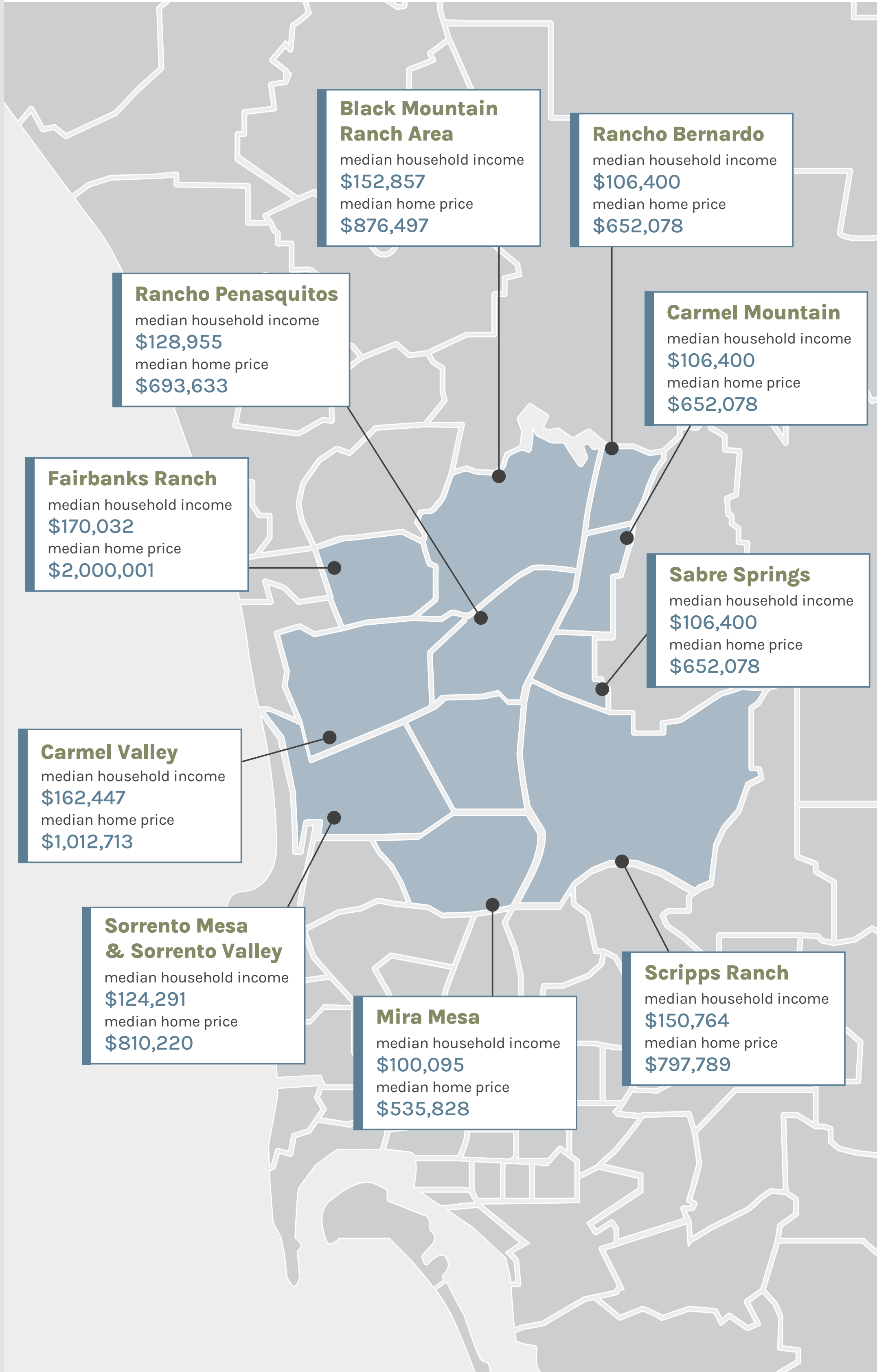


San Diego North

San Diego, CA

Average Household Income:
$136,980

Average Home Price:
$922,344

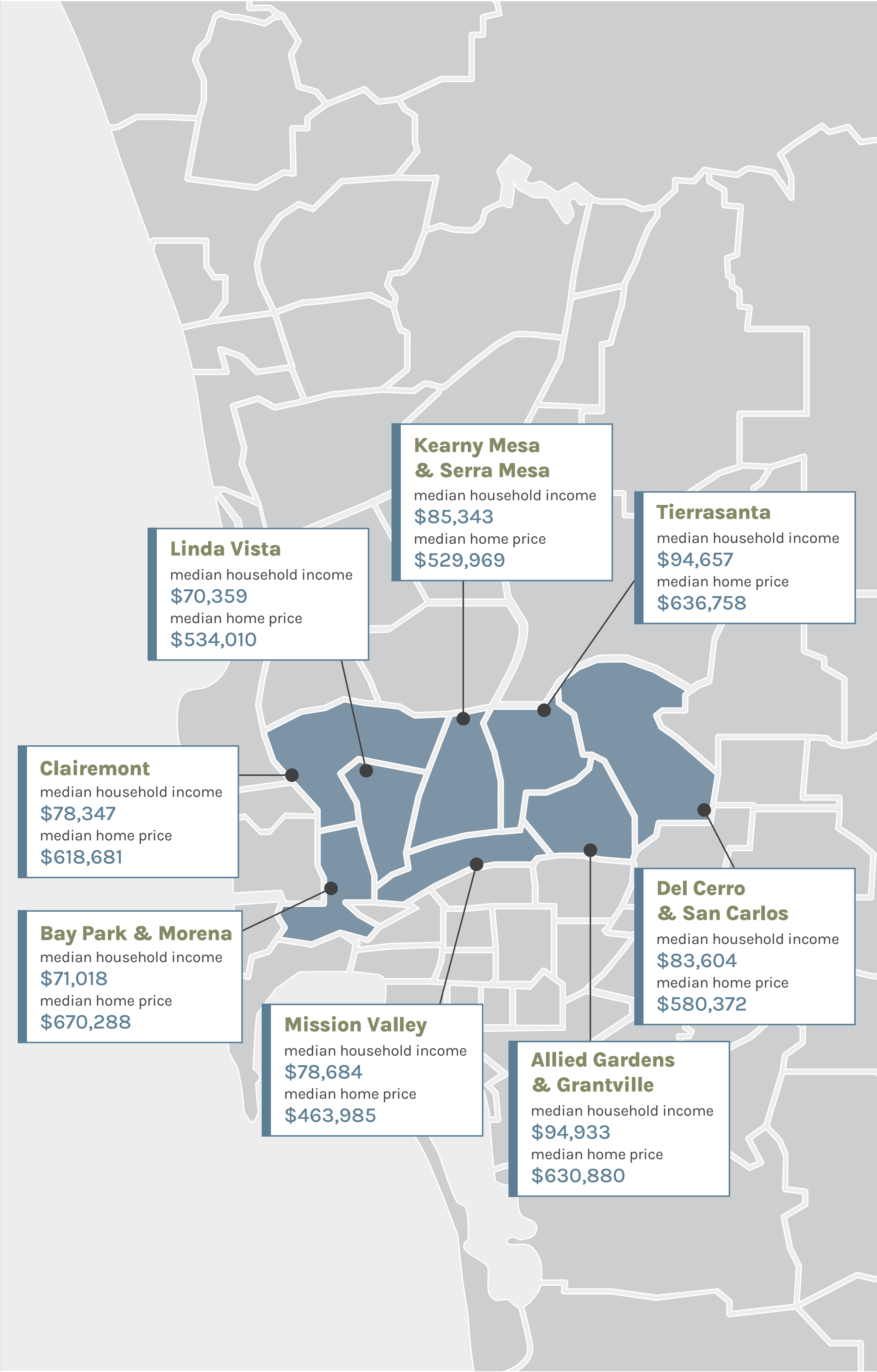


San Diego Central

San Diego, CA

Average Household Income:
$82,118

Average Home Price:
$583,117

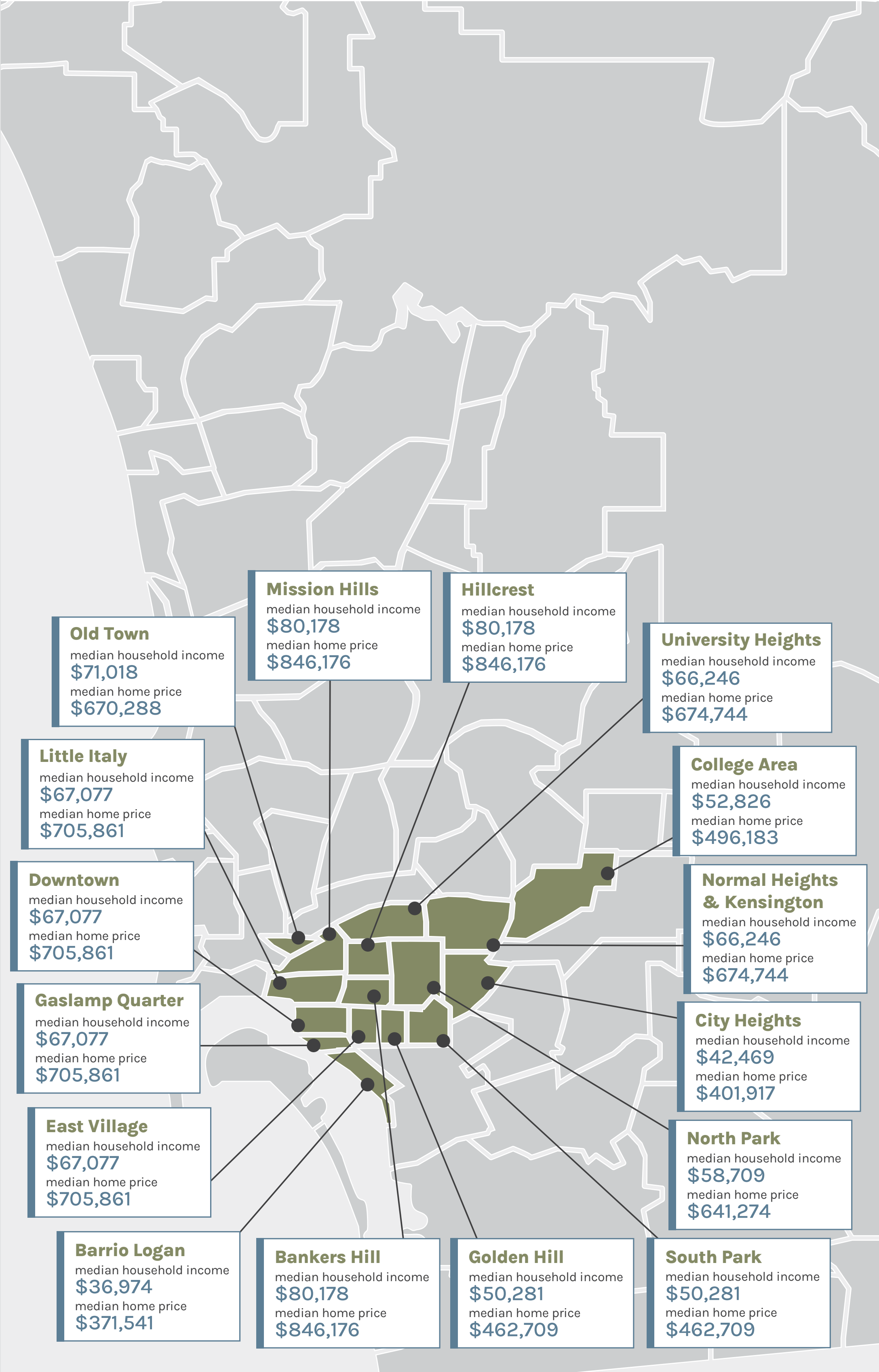


San Diego South

San Diego, CA

Average Household Income:
$61,109

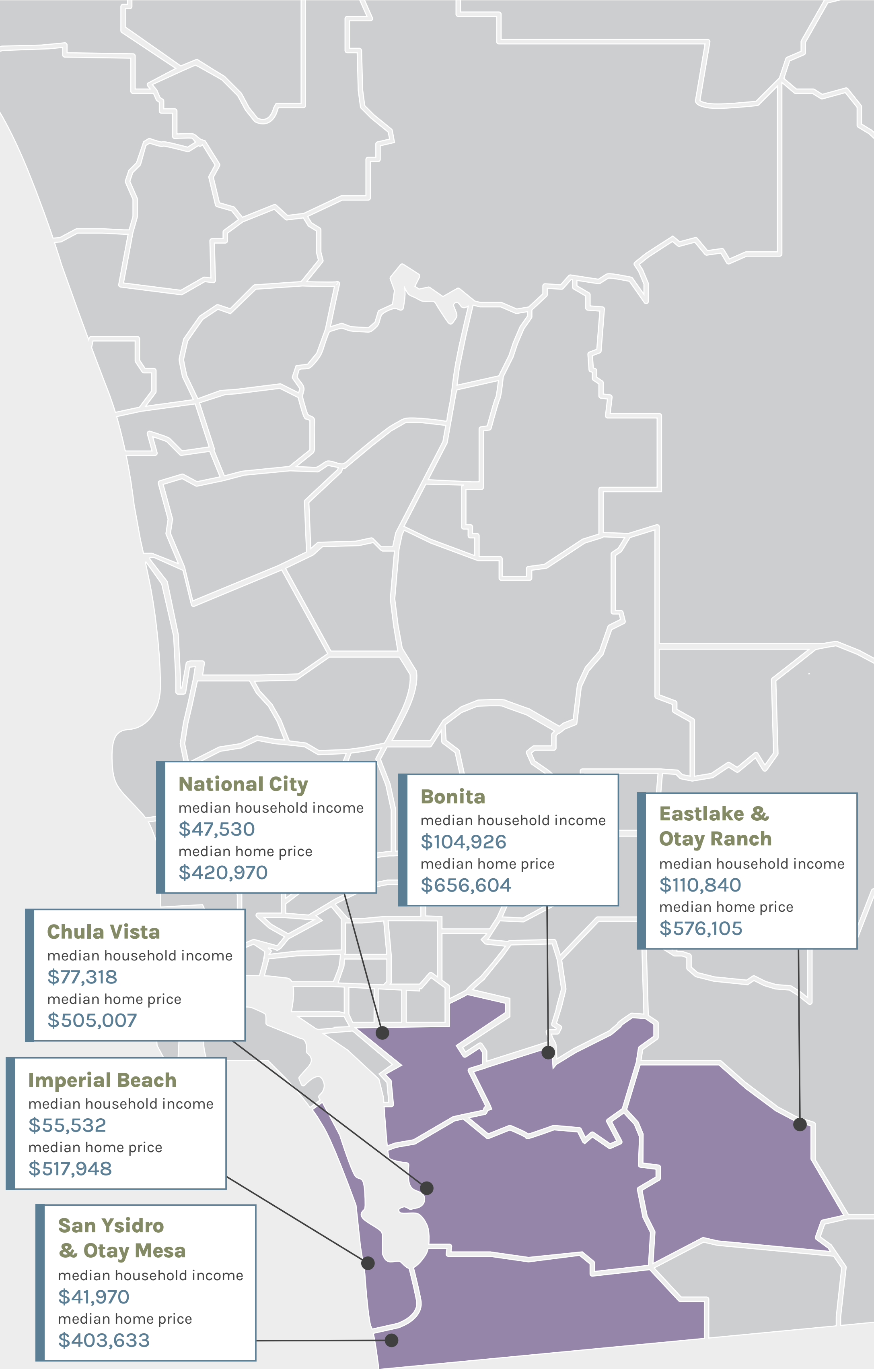
Average Home Price:
$617,419



South County
San Diego, CA

Average Household Income:
$73,019

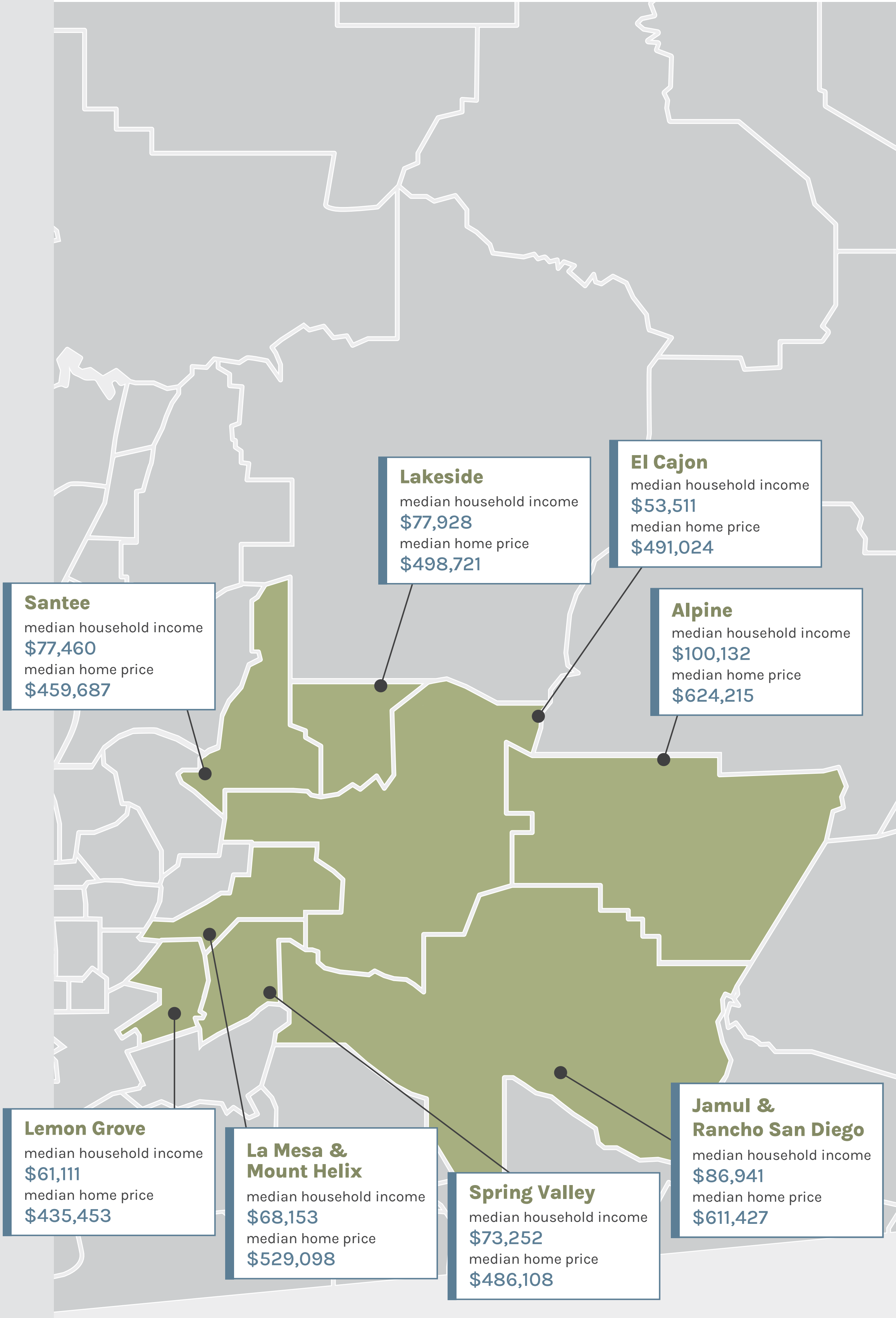
Average Home Price:
$513,377



East County
San Diego, CA

Average Household Income:
$75,812

Average Home Price:
$516,966



Conclusion

Establishing a comprehensive plan creates the basis for making sound financial decisions that lay the groundwork for long-term financial security.

To begin the process of creating an actionable plan to achieve your financial goal, schedule a complimentary introductory meeting with Bull Oak Capital.

CLICK HERE TO SCHEDULE A MEETING TODAY

(858) 999-3550 info@bulloakcapital.com

Sources

01 Charles Schwab 2019 Modern Wealth Index

02 Rand Corporation, Do Financial Advisers Influence Savings Behavior?

03 United States Household Income Brackets Percentiles

04 US Census 2020 Household Income

05 2020 Federal Reserve Survey of Consumer Finances

06 United States Net Worth by Age Calculator

07 Don't Quit Your Day Job Research

08 San Diego Union-Tribune Almanac

09 MIT Living Wage Calculator

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(858) 999-3550 | info@bulloakcapital.com