

Income vs. Wealth

Income ...

Earned from a **job/** employment

Regular & immediate
(ie. you get a paycheck every 2 weeks)

Ends when the **job ends**

Correlates with education (ie. the higher your education level, the higher your income potential.)

A **key ingredient** for building wealth

Converts into wealth through good **money management skills**

Defined by **class**: Lower, Middle, Upper

Your **#1 job** is to earn an income.

Wealth...

Built by transforming income into the ownership of things that **hold or increase their value over time.**

Not immediate or regular. Takes **years to build!**

The **sum of the values** of all of the things you own.

Also called **"net worth"**.

Specific financial literacy concepts, terms, skills, and strategies apply.

Correlates with **good money management skills.**

Provides **long term** financial security and stability.

Your **#2 job** is to use a portion of your income to build wealth.

