

NAME: \_\_\_\_\_



# Savings Goals

Use this worksheet to plan out your savings goals in relation to the income from your job.

## Section A: Background

Where do you live?

Chosen Profession

Annual Wage

Savings Goal(s) *choose one or more.*

Cost

There are different options to reach your savings goal!

**We will compare three different ways:** Taking out a loan, saving for the item, and a combination of the two.

## Section B: Taking Out a Loan

Loan Amount

Monthly Payment

How much of your paycheck will go to living costs?

How much of your paycheck is left after living costs and loan payments?

PV:

Interest rate:

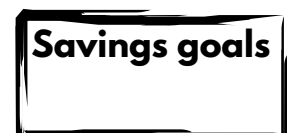
PMT:

Periods:

FV:

Frequency:

TVM: How many years does it take to pay off the loan?



## Section C: Saving For the Item

How much of your paycheck will go to living costs?

How much can you afford to save from your wage?

Time Period  
(Month, week or day)

per

What return can you expect on your savings?  
(Write down the *interest rate*.)

PV:

Interest rate:

PMT:

Periods:

FV:

Frequency:

TVM: How many years does it take to save enough money?

**Savings goals**

## Section D: Combination! Save, then borrow.

First, save for the down payment.

PV:

Interest rate:

PMT:

Periods:

FV:

Frequency:

TVM: How many years does it take to save for the down payment?

**Savings goals**

Next, borrow the rest.

PV:

Interest rate:

PMT:

Periods:

FV:

Frequency:

TVM: How many years does it take to pay off the loan?

**Savings goals**

## Section E: Thoughts and Reflections



After calculating the time to save and the cost of borrowing, which choice is the best option? Why do you think this is the best option?

Does it matter what your savings goal is, when determining whether to save, borrow, or some combination of the two?

Compare your results with a peer who had a different career. How are their results different? Does one take a longer or shorter period of time to reach their goal(s)?

Would it take someone who works as a grocery clerk a much longer time to reach long-term goals, like home ownership? Will they be able to reach this goal at all? Do you think this is fair?