Task Assignment #2 -- Sample Format

(For this example only - save $5,000,000)

Start saving at age 25

		Investment Return of 10%		Investment Return of 12%	
Age	Income	Savings/Year	Percent of Income	Savings/Year	Percent of Income
25	$200,000	$11,297	5.6%	$6,518	3.3%
35	$225,000	$11,297	5.0%	$6,518	2.9%
45	$300,000	$11,297	3.8%	$6,518	2.2%
55	$350,000	$11,297	3.2%	$6,518	1.9%

$ x FVAF 40yrs 10% = $5,000,000

Start saving at age 35

		Investment Return of 10%		Investment Return of 12%	
Age	Income	Savings/Year	Percent of Income	Savings/Year	Percent of Income
35	$225,000				
45	$300,000				
55	$350,000				

$ x FVAF 30yrs 10% = $5,000,000

Start saving at age 45

		Investment Return of 10%		Investment Return of 12%	
Age	Income	Savings/Year	Percent of Income	Savings/Year	Percent of Income
45	$300,000				
55	$350,000				

Start saving at age 55

		Investment Return of 10%		Investment Return of 12%	
Age	Income	Savings/Year	Percent of Income	Savings/Year	Percent of Income
55	$350,000				

$$\frac{11{,}297}{200{,}000} = 5.6\%$$

$ x FVAF 40yrs 10% = $5,000,000

$ x 442.58 = $5,000,000

$$\$ = \frac{5{,}000{,}000}{442.58}$$

$ = 11,297