

## Executive Summary

The Puerto Rico Survey of Consumer Finances (PRSCF) was carried out between December 2007 and April 2008. It collected detailed information on household income sources, household-specific patterns of asset ownership for both financial and non-financial assets, household indebtedness, and net worth. The survey and data are the result of a collaborative effort between the Center for a New Economy in Puerto Rico and the Federal Reserve Bank of New York to gain a deeper understanding of the financial status of households in Puerto Rico and to provide a rich data base for future analysis and academic research.

### *Some of the key findings are:*

- Average after-tax monthly income for all families reporting having any income in Puerto Rico during the time of the survey was 1,439 dollars a month (equivalent to 17,268 dollars on an annual basis).
- For all households, 62 percent of all income is derived from wage earnings and about 24 percent from retirement sources.
- Households that reported saving constituted approximately 43 percent of all Puerto Rico households. Among those households reporting any saving activity 64 percent save primarily for unexpected emergencies.
- Across all households in Puerto Rico in 2007 the average net worth was 67,193 dollars.
- Sixty percent of families in Puerto Rico hold some sort of financial assets.
- Savings and checking accounts contain approximately 44.7 percent of the total value of financial assets held by households with such assets.
- 45 percent of families have savings accounts and 29 percent have checking accounts.
- Approximately 9 percent of households reported having some unbanked cash.
- 38 percent of households reported not having a bank account of any kind.
- 86.25 percent of all non-financial household wealth across all households is concentrated in the value of the primary residence.
- 68.1 percent of all households reported owning the primary residence.
- Across all observations, the median value of all nonfinancial assets was 83,650 dollars. Across all households, residential values constitute 85.22 percent of the value of all assets.
- The median value of the primary residence for households that reported owning a primary residence was 90,831 dollars.
- 62.7 percent of all households reported having any debt. When segmented by the type of debt, 68 percent of the value of outstanding debt was incurred with the purpose of buying a residence or re-financing one.
- In Puerto Rico the educational attainment of the head of the household is positively associated to higher leverage ratios whereas in the United States leverage ratios decline with education.
- 23 percent of all families in Puerto Rico reported having any credit card outstanding balance. This was about 82 percent of all credit card holders.