

“Before entering the IDA program, I had never taken the time to really sit down and learn the financial part of running my business. Now I’ve learned to take care of myself and figure out what I can spare.”

–Pauline Davis
owner, Pauline’s Creations

why do assets matter?

People live life differently when they have assets to provide a cushion against hard times. Studies show that people who own assets worry less about day-to-day financial struggles and benefit from stronger community ties, greater household stability, and a more positive outlook on the future.

Public policies – like our tax system – have long supported asset development and wealth creation for people with high incomes; IDAs are one way to extend those same benefits to people with low and moderate incomes. ■

DC ranking for asset ownership
(in comparison with 50 states)*

Rank	Asset Measure
45	Households w/ Savings Accounts
49	Higher Education Degrees by Race
51	Asset Poverty
51	Households with Zero Net Worth
51	Two Years of College
51	Homeownership Rate

*2005 Assets and Opportunity Scorecard. Copyright 2006, CFED.

SO, HOW DO I GET STARTED?

You’ll find more information and IDA success stories on our Web site at www.caab.org. To speak to an IDA Counselor, request information by mail, or sign up for the next IDA orientation session (bring a friend or two!), call us at 202-419-1440.



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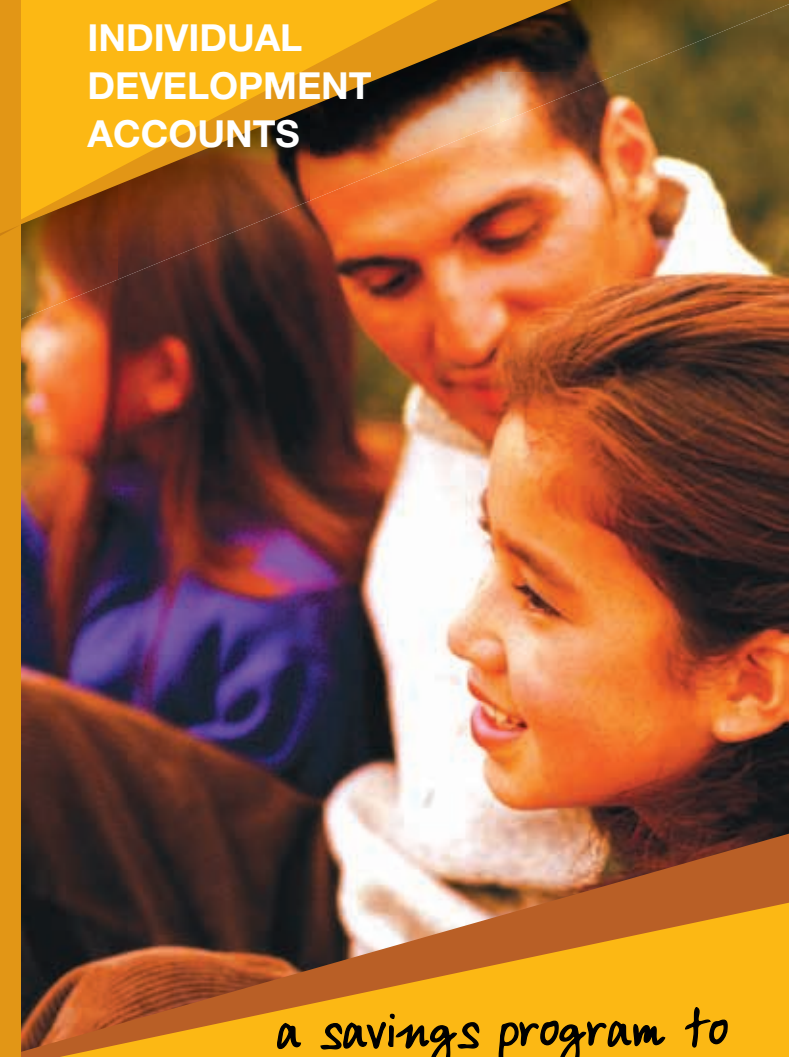
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Capital Area Asset Building Corporation creates opportunities for people of all incomes to improve their financial management skills, increase their savings and build wealth. We believe that a prosperous community is one in which everyone has incentives and opportunities to save for the future.

SAVINGS. FOR LIFE.

INDIVIDUAL DEVELOPMENT ACCOUNTS

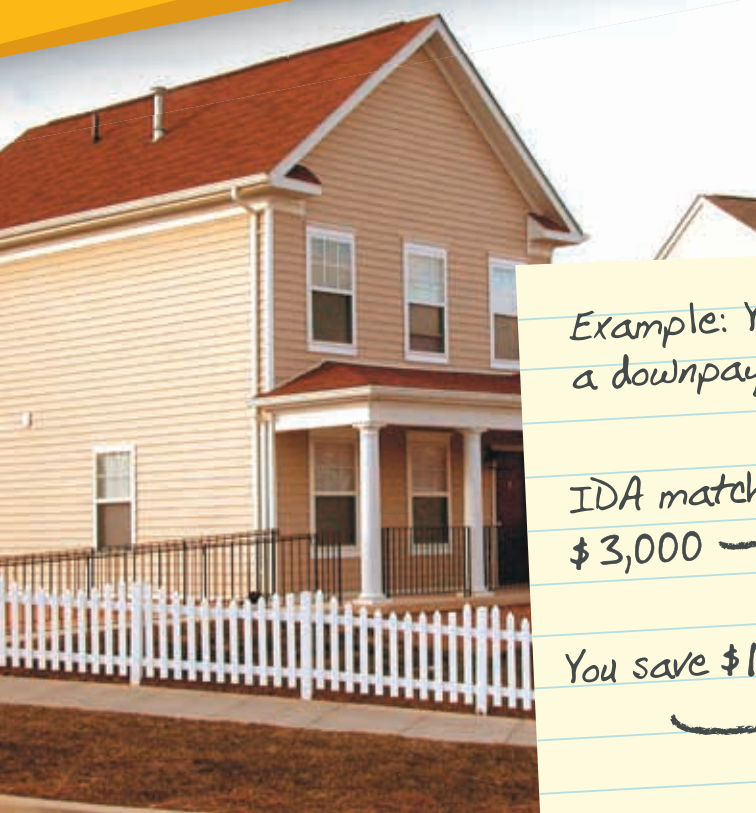


a savings program to help you live your dreams

HOW DO YOU PLAN TO REACH YOUR GOALS?

You have a dream. Maybe it's a home of your own. You can see it: the front door, kitchen, small garden in the back yard. Or maybe it's a business idea that you've been kicking around for a year or so. Whatever it is, it probably seems out of reach.

But others who have been where you are have made it happen – and you can, too. A savings account can help you cover the initial expenses, while financial education can help you prioritize and keep your focus. An Individual Development Account might provide the boost you've been waiting for.



what is an IDA?

Individual Development Accounts (IDAs) are matched savings accounts that are designed to encourage regular savings habits and investment in assets (like a home or education) that increase in value over time. Accountholders save a certain amount of their earnings each month for a defined period of time, usually two to three years. CAAB then matches these savings at a rate of \$3 of matching funds for every \$1 of personal savings.

The total of your personal savings and matching funds can be used to pay for expenses associated with buying a first home, attending college or vocational school, or starting or expanding a small business. ■

how does it work?

Accountholders agree to save a minimum amount of earnings each month. It might be \$30, depending on your goal. For each dollar saved, CAAB contributes three dollars. That \$30 amount then becomes \$120. The account also earns interest.

You receive a statement each month showing your contributions, interest earned, and the match, so you feel in control of your money.

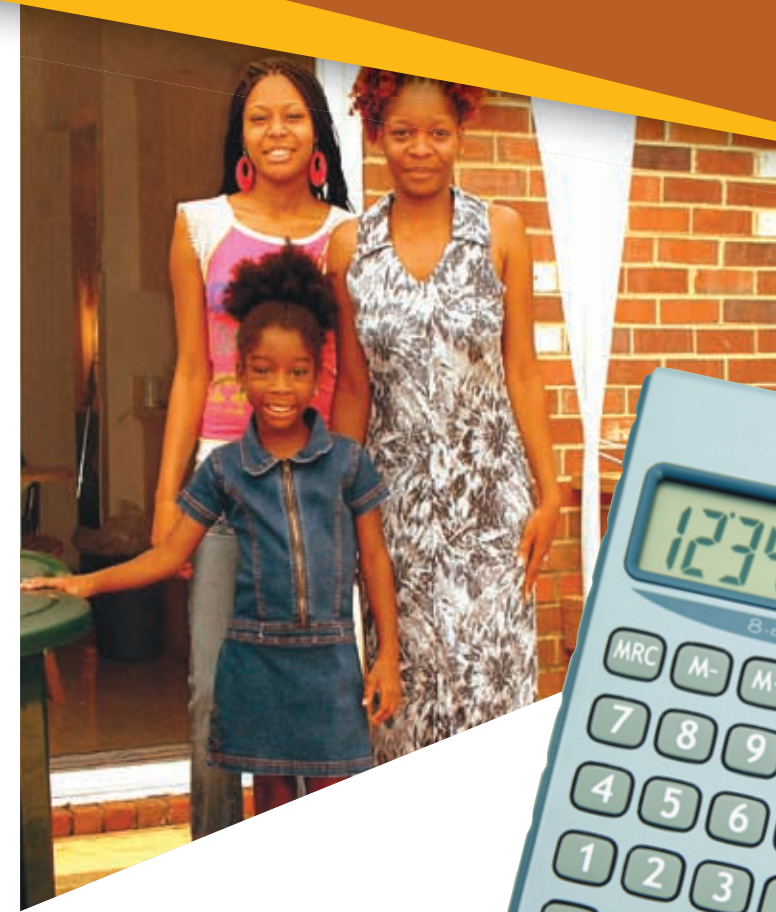
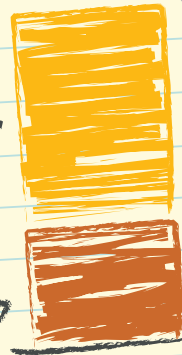
You must save for at least six months in your IDA, and CAAB will match your first \$1,000 of savings. With a match of \$3,000, that gives you \$4,000 to put toward your qualifying asset purchase.

Participating IDA savers must attend at least eight hours of money management training, and additional training related to their chosen asset, such as homebuyer education or small business classes.

Example: You're saving for a downpayment on a house

IDA matches \$3,000 →

You save \$1,000 →



The knowledge and skills you gain will help you use your savings wisely and protect your investment.

You must meet income and other requirements to qualify for the IDA program. Contact us for more information about current program rules. ■

“My daughters really love having our own home. They're very proud of me.”

—Darlene Goddard
first-time home owner

