

Time Value of Money

The cost of delayed investment

SAMPLE

Frequency of Contributions

Monthly



All Investment payments assumed to occur at the beginning of the period.

Investment Return

8.00%

Assumption

	Valid Ages 20-65		Valid Ages 20-65		Valid Ages 20-65	
	Person A		Person B		Person C	
Contributions begin at age	23		32		43	
Contributions end at age	32		65		65	
Total Annual Contributions	\$5,000		\$5,000		\$16,110	
Age	Total Annual Contribution To Account	Year End Account Balance	Total Annual Contribution To Account	Year End Account Balance	Total Annual Contribution To Account	Year End Account Balance
20	\$0	\$0	\$0	\$0	\$0	\$0
21	\$0	\$0	\$0	\$0	\$0	\$0
22	\$0	\$0	\$0	\$0	\$0	\$0
23	\$5,000	\$5,222	\$0	\$0	\$0	\$0
24	\$5,000	\$10,878	\$0	\$0	\$0	\$0
25	\$5,000	\$17,002	\$0	\$0	\$0	\$0
26	\$5,000	\$23,636	\$0	\$0	\$0	\$0
27	\$5,000	\$30,819	\$0	\$0	\$0	\$0
28	\$5,000	\$38,600	\$0	\$0	\$0	\$0
29	\$5,000	\$47,025	\$0	\$0	\$0	\$0
30	\$5,000	\$56,150	\$0	\$0	\$0	\$0
31	\$5,000	\$66,033	\$0	\$0	\$0	\$0
32	\$5,000	\$76,736	\$5,000	\$5,222	\$0	\$0
33	\$0	\$83,105	\$5,000	\$10,878	\$0	\$0
34	\$0	\$90,002	\$5,000	\$17,002	\$0	\$0
35	\$0	\$97,473	\$5,000	\$23,636	\$0	\$0
36	\$0	\$105,563	\$5,000	\$30,819	\$0	\$0
37	\$0	\$114,324	\$5,000	\$38,600	\$0	\$0
38	\$0	\$123,813	\$5,000	\$47,025	\$0	\$0
39	\$0	\$134,090	\$5,000	\$56,150	\$0	\$0
40	\$0	\$145,219	\$5,000	\$66,033	\$0	\$0
41	\$0	\$157,272	\$5,000	\$76,736	\$0	\$0
42	\$0	\$170,326	\$5,000	\$88,327	\$0	\$0
43	\$0	\$184,463	\$5,000	\$100,880	\$16,110	\$16,825
44	\$0	\$199,773	\$5,000	\$114,475	\$16,110	\$35,047
45	\$0	\$216,354	\$5,000	\$129,198	\$16,110	\$54,782
46	\$0	\$234,311	\$5,000	\$145,144	\$16,110	\$76,154
47	\$0	\$253,759	\$5,000	\$162,413	\$16,110	\$99,301
48	\$0	\$274,821	\$5,000	\$181,115	\$16,110	\$124,368
49	\$0	\$297,631	\$5,000	\$201,369	\$16,110	\$151,516
50	\$0	\$322,334	\$5,000	\$223,305	\$16,110	\$180,917
51	\$0	\$349,088	\$5,000	\$247,061	\$16,110	\$212,759
52	\$0	\$378,062	\$5,000	\$272,789	\$16,110	\$247,243
53	\$0	\$409,441	\$5,000	\$300,653	\$16,110	\$284,589
54	\$0	\$443,424	\$5,000	\$330,829	\$16,110	\$325,036
55	\$0	\$480,228	\$5,000	\$363,510	\$16,110	\$368,839
56	\$0	\$520,087	\$5,000	\$398,903	\$16,110	\$416,278
57	\$0	\$563,254	\$5,000	\$437,234	\$16,110	\$467,654
58	\$0	\$610,003	\$5,000	\$478,746	\$16,110	\$523,295
59	\$0	\$660,633	\$5,000	\$523,703	\$16,110	\$583,554
60	\$0	\$715,465	\$5,000	\$572,393	\$16,110	\$648,814
61	\$0	\$774,849	\$5,000	\$625,123	\$16,110	\$719,491
62	\$0	\$839,161	\$5,000	\$682,230	\$16,110	\$796,033
63	\$0	\$908,811	\$5,000	\$744,077	\$16,110	\$878,929
64	\$0	\$984,242	\$5,000	\$811,057	\$16,110	\$968,705
65	\$0	\$1,065,933	\$5,000	\$883,596	\$16,110	\$1,065,933
Total Investment	\$50,000		\$170,000		\$370,531	