



CNBC - Power Lunch

Wealth reporter Robert Frank discusses findings from the PBIG HNW spotlight

December 17, 2013 1:39:50 PM

WTI CRUDE 97.17 -0.31 **BRENT CRUDE** 108.51 -0.50 **NATURAL GAS** 4.283 +0.004 **12:39 PM CENTRAL**

BIZ BRIEFS
TOP APPS OF 2013

- USA Today: 'Candy Crush Saga' is top Apple app download of 2013; has over 500M downloads since its launch
- 'YouTube,' 'Temple Run 2' in top 3

INSIDE WEALTH
ROBERT FRANK
CNBC WEALTH EDITOR

NASDAQ
2.88 -0.07%
4,026.63

12:40 PM CENTRAL

INSIDE WEALTH
RISE OF FAMILY BANKS

- 50% of people with \$5M+ in investible assets have given money to extended family
- 80% have given money to adult children
- 39% gave money to grandchildren
- \$313,200: Avg. amount given over past 5 yrs.

SOURCE: METRILL, LYNCH, AGE WAVE

MARKET PULSE
NASDAQ WINNERS

- AVAGO TECHNOLOGIES (AVGO) 53.30 ▲ 6.39%
- SEAGATE (STX) 53.41 ▲ 4.04%
- TESLA MOTORS (TSLA) 153.18 ▲ 3.55%
- NUANCE COMM. (NUAN) 14.66 ▲ 3.31%
- WESTERN DIGITAL (WDC) 83.98 ▲ 2.84%

WTI CRUDE 97.19 -0.29 **BRENT CRUDE** 108.48 -0.33 **RBOB GAS** 2.6403 -0.0034

CF Industries (CF) 100@230.01 ▲ 3.38 **Boeing (BA)** 100@135.80 ▲ 1.18 **Praxair (PRX)** 100@100.70 ▼ 0.90 **Micron Tech. (MU)** 500@22.91 ▲ 0.14 **Bed Bath & Beyond (BBBY)** 200@76.84 ▲ 0.03 **Microsoft (MSFT)** 100@30.00 ▲ 0.05

Transcript:

Up next in "Street Signs..." If you need cash to buy a Harley or take a cruise, Robert Frank has the answer. Go to your rich uncle. Millionaires are becoming the bank for their kids and extended family. Robert has more. Robert, this is very I guess not surprising, but some of the amounts are amazing. Millionaires are contributing so much to their families right now they're being called the family bank. Nearly half of those with investible assets of 5 million or more have given money to their extended family. More than 80% have given financial support to their adult children and 39% to their grandkids. The average amount, get this, given over the past five years, is \$313,000. Now the money comes with a few strings attached, of course. Three quarters of millionaires would stop giving if the money is not used wisely and more than a third would stop if the money was not appreciated. This could be hurting some families in the end. When you are a family bank create codependency where family deadbeats come to rely on the money and millionaires rely on control. The key to successful family banking is setting clear terms, conditions and timelines. When Tyler savings and loan opens for business only for this period and for this purpose. And are most of these, do we have a distinction whether these are quote, gifts were loans or outright gifts and it can get blurry fast? In a family situation most even if they are loans in the beginning turn into gifts. This is financial support. These are the unsung heroes supporting so many. Especially when young people can't find work this is the only support they get. They give them a loan but forgive the loan.