Net Worth Worksheet

Using the work sheet below, jot down the values of your assets and liabilities. When listing your assets, use the current market value. Then subtract your liabilities from your assets to arrive at your net worth.

Assets

Cash and Savings (savings accounts, money market funds, treasury bills) 1. ____

Taxable Investments (excluding retirement accounts)

Stocks and stock mutual funds _____

Bond and bond mutual funds _____

Stock options (if exercised today) ______

Value of privately owned business _____

Investment real estate ______

Cash value of life insurance policies _____

Other investments _____

Total taxable investments 2. ____

Retirement Accounts

IRAs _____

Employer Savings plans—401(k), 403(b) _____

Self-employed plans-Keogh, etc. _____

Annuities _____

Estimated value of company pension _____

Total retirement accounts 3. ____

Home and Personal Property

If you own a house, you can use the appraised value (found at www.hcad.org, the Harris County Appraisal District website and source of links for other county appraisal districts) as an estimate the current market value. If you own a car, you can use the trade-in value (go to www.edmunds.com) as an estimate of the current market value.

Home	______
Vacation home	_____
Cars, recreational vehicles	_____
Art, collectibles, jewelry and furnishings	_____
Other personal assets	_____
Total home and personal property	4. ____

Total Assets (add lines 1, 2, 3, and 4) 5.____

Liabilities

Mortgage debt (balance of mortgages and home-equity borrowings)	______
Car loans/lease	_____
Student loans	_____
Credit-card balances	_____
Other loans (401(k), installment, personal lines of credit etc.)	_____
Other debt	_____

Total Liabilities 6.____

Net Worth (subtract line 6 from line 5) 7.____

<u>The Millionaire Next Door</u> Wealth Test

Your annual household income (from all sources including realized capital gains but excluding income from inherited wealth) 8. ____

Your age (if both spouses work, average your ages) 9.____

Multiply your income by your age 10. ___

Divide line 10 by the number 10 to get the expected net worth for someone with your age and income 11. ___

Divide your net worth (line 7) by line 11 to get your final score. 12. ___

If you scored

2.0 or higher, you rank in the top 25% of wealth builders and are one of Stanley and Danko's PAWs (prodigious accumulators of wealth).

1 to 1.99, you rank in the top half of Americans in your wealth building prowess.

0.51 to 0.99, you're a below average generator of wealth

0.50 or lower, you are one of Stanley and Danko's UAWs (under accumulators of wealth)

Note. In class, you will be asked to reveal your wealth test score but not your income, assets, liabilities, or net worth.