Tania Newman’s Net Worth Information

As we go through Tania’s information, let’s figure out whether the item is an asset or a liability. Then we will put all the information together into a net worth statement.

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| **Asset (A) or****Liability (L)** | **Information** |
|  | Tania has $1,041 in a checking account. |
|  | She has $43 in cash. |
|  | Her pension fund statement shows a value of $19,834. |
|  | Tania has $231 in a Pay Pal account from selling items on eBay.  |
|  | She has a car with a market value of $4,000.  |
|  | Her home furnishings are worth around $1,000.  |
|  | Tania has an electric bill and a water bill that has not yet been paid. Together, they total $218.  |
|  | Tania has an unpaid $30 medical co-payment. |
|  | She has a balance of $5,611 on a credit card.  |
|  | Tania has a balance of $611 on a department store charge card.  |
|  | Tania owes $4,500 on a car loan. |
|  | Her jewelry would bring about $45 if sold at the pawn shop.  |
|  | Her auto insurance is due. The premium is $400.  |
|  | Tania borrowed $1,000 from parents to make a down payment on a car and has not yet paid them back.  |
|  | Her 401(k) statement shows its balance is $1,500. |

**Where to Find Net Worth Information**

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| **Type of Assets** | **Where is the Information?** |
| Monetary assets |  |
| Cash | Count the cash you find in your wallet, in drawers, hidden under sofa cushions, etc. |
| Checking account | Look at the balance in your check book, not the “available balance” online at the bank. |
| Savings account | Find the balance online at the bank minus any withdrawals you made in the last couple of days. |
| Money market mutual fund | Use the balance online at the mutual fund minus any withdrawals you made in the last couple of days. |
| Financial assets |  |
| CDs | A conservative estimate is the amount of money you invested into the CD. |
| Savings bonds | Savings bonds are purchased at a fixed lower price and redeemed at a fixed higher price. You can make a conservative estimate of the lower price. Or you can figure out what percentage of the time is left until the bond can be redeemed. For example, if you have waited ¼ of the time to redemption, then the value can be estimated as the lower price plus (¼ of the difference between the higher price and the lower price). |
| Bonds | Use the most recent price you can find online for your particular bond. It may be difficult to find the price of your bond especially if it is not traded often. Your first source of information will be the online services provided by your broker. If you cannot find a price and you do not plan to sell the bond, then assume its value is $1,000. |
| Stocks | The most recently traded price can be found online. Your online broker has quotes but so do the online *Wall Street Journal* and Yahoo Finance. |
| Mutual funds | You are looking for the mutual fund’s net asset value (NAV). The NAV is set once every evening after trading. You can find the NAV online at your mutual fund’s site. You can also find the information at the online *Wall Street Journal* and Yahoo Finance. |
| Exchange traded funds (ETFs) | The most recently traded price can be found online. Your online broker has quotes but so do the online *Wall Street Journal* and Yahoo Finance. |
| Personal property | Assume most everything you own can be sold for around 20% of what you paid for it. Clothes are basically worthless. |
| Vehicles | Use <http://www.kbb.com/whats-my-car-worth/> as a source of information. |
| Retirement plans | You should get a statement from your retirement plan every quarter or every six months. Use the value from the most recent statement. |
| Real estate | What you paid for your house is NOT a good estimate, especially since the housing bubble burst. If you had your house appraised within the last two years, use that value. If not, you might check for the asking prices for houses around you and knock off 3% to 5%. |

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| **Type of Debt** | **Where is the Information?** |
| Bills | You get either paper or electronic statements with the amount owed. If you have already deducted the due balance from your checkbook, the bill is considered paid. |
| Credit Card Balances | You get either paper or electronic statements with the amount owed.  |
| Loans and Mortgages | If you received a table (called an amortization table) with your loan, you can check it to see how much you owe. Otherwise, call the lender (bank, credit union, etc.) |