

NAME: _____

DATE: _____

Calculating Your Net Worth (1/3)

Directions

Use the information below to fill out a consumer equity form for each family, and answer the questions. A person's net worth can be a useful tool to measure one's financial progress from year to year. An individual's net worth is a grand total of all assets (things of value that you own) minus your liabilities (debts). It is important to understand that a person's income does not alone determine their wealth.

Family A

Occupation: Nurse and Sales

Income: \$105,000 combined

Property: Owns a house appraised at \$224,000 with a mortgage balance of \$202,000

Two vehicles: New truck with blue book value of \$32,000; owes \$35,000

Used SUV with a retail value of \$17,500; owes \$14,500

Emergency Fund: \$1,000

Retirement: \$35,000

Credit Card Debt: \$13,000

Antiques: \$5,000

Checking Account: \$2,500

Family B

Occupation: Teacher

Income: \$45,000

Property: Owns a house appraised at \$139,000 with a mortgage balance of \$85,000

One vehicle: Used sedan with retail value of \$9,500

Emergency Fund: \$5,000

Retirement: \$22,000

Electronics: \$3,500

Checking Account: \$650

- ① Family A's income is more than twice that of Family B, yet Family B has more equity. How do you account for the difference?

- ② What advice would you give to Family A to improve their financial situation?

Calculating Your Net Worth (2/3)

Family A

Consumer Equity Sheet

ITEM / DESCRIBE	VALUE	-	DEBT	=	EQUITY
Real Estate _____	_____		_____		_____
Real Estate _____	_____		_____		_____
Car _____	_____		_____		_____
Car _____	_____		_____		_____
Cash on Hand	_____		_____		_____
Checking Account	_____		_____		_____
Checking Account	_____		_____		_____
Savings Account	_____		_____		_____
Savings Account	_____		_____		_____
Money Market Account	_____		_____		_____
Mutual Funds	_____		_____		_____
Retirement Plan	_____		_____		_____
Cash Value (Insurance)	_____		_____		_____
Household Items	_____		_____		_____
Jewelry	_____		_____		_____
Antiques	_____		_____		_____
Boat	_____		_____		_____
Unsecured Debt (Neg)	_____		_____		_____
Credit Card Debt (Neg)	_____		_____		_____
Other _____	_____		_____		_____
Other _____	_____		_____		_____
Other _____	_____		_____		_____
TOTAL	_____		_____		_____

Calculating Your Net Worth (3/3)

Family B

Consumer Equity Sheet

ITEM / DESCRIBE	VALUE	-	DEBT	=	EQUITY
Real Estate _____	_____		_____		_____
Real Estate _____	_____		_____		_____
Car _____	_____		_____		_____
Car _____	_____		_____		_____
Cash on Hand	_____		_____		_____
Checking Account	_____		_____		_____
Checking Account	_____		_____		_____
Savings Account	_____		_____		_____
Savings Account	_____		_____		_____
Money Market Account	_____		_____		_____
Mutual Funds	_____		_____		_____
Retirement Plan	_____		_____		_____
Cash Value (Insurance)	_____		_____		_____
Household Items	_____		_____		_____
Jewelry	_____		_____		_____
Antiques	_____		_____		_____
Boat	_____		_____		_____
Unsecured Debt (Neg)	_____		_____		_____
Credit Card Debt (Neg)	_____		_____		_____
Other _____	_____		_____		_____
Other _____	_____		_____		_____
Other _____	_____		_____		_____
TOTAL	_____		_____		_____