

# Exercises for Chapter 7

## 7.1: Exploring the Financial Impact of Divorce.

Dividing the family finances when a couple divorces can be much more complicated and stressful than people often realize, even if you and your spouse can be cooperative and civil. It takes a lot of time and detailed work to separate your financial lives. This exercise encourages you to detail your family finances and think more about what effect divorce will have.

**A. EMPLOYMENT DETAILS.** List employment details for yourself and your spouse.

Your Employer:		Your Job Title:	
Your Gross Annual Income:		Your Gross Monthly Income:	
Your Net Monthly Income:		Your Other Income (pensions, rents, child support, second job, etc.):	
Spouse's Employer:		Spouse's Job Title:	
Spouse's Gross Annual Income:		Spouse's Gross Monthly Income:	
Spouse's Net Monthly Income:		Spouse's Other Income (pensions, rents, child support, second job, etc.):	

**B. FINANCIAL ASSETS.** List property and automobiles and fill in the information requested.

Real Property (homes, land, etc.):
Property #1 (list):
Address:
Date of Purchase:
Purchase Price:
Down Payment:
Source of Down Payment:
Owing Balance on First Mortgage:
Owing Balance on Second Mortgage:
Current Appraisal Value:
Monthly Payment:
Title Held By:
Equity:
Lot Description (Must have this for legal paperwork.):
Property #2 (list):
Address:
Date of Purchase:
Purchase Price:
Down Payment:
Source of Down Payment:

Owing Balance on First Mortgage:
Owing Balance on Second Mortgage:
Current Appraisal Value:
Monthly Payment:
Title Held By:
Equity:
Lot Description (Must have this for legal paperwork.):
Do you have property that you will inherit? Value?
Do you have timeshare property? Value?
Automobiles, Recreational Vehicles, etc.
Vehicle #1
Year:
Model and Make:
Title Held By:
Balance Owed:
Monthly Payment:
Current Bluebook Value:
Equity:
Present Possession:
Vehicle #2
Year:
Model and Make:
Title Held By:
Balance Owed:
Monthly Payment:
Current Bluebook Value:
Equity:
Present Possession:
Vehicle #3
Year:
Model and Make:
Title Held By:
Balance Owed:

Monthly Payment:
Current Bluebook Value:
Equity:
Present Possession:

**C. PERSONAL PROPERTY.** List your valuable personal property items (e.g., jewelry, computer), their financial worth, and any money you may owe on that item.

PERSONAL PROPERTY	
ITEM: WORTH: BALANCE OWING:	ITEM: WORTH: BALANCE OWING:
ITEM: WORTH: BALANCE OWING:	ITEM: WORTH: BALANCE OWING:
ITEM: WORTH: BALANCE OWING:	ITEM: WORTH: BALANCE OWING:
ITEM: WORTH: BALANCE OWING:	ITEM: WORTH: BALANCE OWING:
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ITEM: WORTH: BALANCE OWING:	ITEM: WORTH: BALANCE OWING:

**D. FINANCIAL ACCOUNTS.** List your (and your spouse's) financial accounts, including checking, savings, retirement, stocks, etc.

CHECKING ACCOUNT AMOUNT:	SAVINGS ACCOUNT AMOUNT:
PENSION #1 WORTH:	PENSION #2 WORTH:
401K #1 WORTH:	401K #2 WORTH:
STOCK 1: CURRENT VALUE:	STOCK 2: CURRENT VALUE:

CEMETERY PLOTS:	
LIFE INSURANCE PLAN #1 PREMIUM: BENEFICIARY: AMOUNT:	LIFE INSURANCE PLAN #2 PREMIUM: BENEFICIARY: AMOUNT:
ARE YOU EXPECTING A TAX REFUND THIS YEAR? HOW MUCH?	
IRA #1: AMOUNT:	IRA #2: AMOUNT:

**E. BUSINESS INTERESTS.** List any personal business interests you and your spouse have and their value.

Business Interest #1:	Value:
Business Interest #2:	Value:

**E. DEBTS AND OBLIGATIONS.** List current debts and other financial obligations you and your spouse have and record the information requested about them.

Name of Debt:	Incurred for:	Balance Owning:	Monthly Payment:	In Whose Name:

**F. ANTICIPATED MONTHLY EXPENSES AFTER THE DIVORCE.** Do

some financial planning about how you will meet your monthly financial expenses if you divorce. Estimate the amount for each expense (if it applies to your situation). Then add up the expenses. Finally, try to estimate your anticipated monthly income. Then compare your expenses to your income.

MONTHLY EXPENSES	ESTIMATED \$	COMMENTS
Mortgage/Rent		
Property Tax		
House/Rental Insurance		
Food/Household Supplies		
Utilities		
Clothing		
Uninsured Medical Expenses		
Uninsured Dental Expenses		
Child Care		
Health Insurance Premiums		
Education Expenses		
Automobile Loan Payment		
Automobile Gas, Maintenance, Insurance		
Donations to Church and other Charities		
Entertainment funds		
Misc. for Children:		
Other: Retirement Savings (401k, employer pension plan, IRA)		
Other:		
Other:		
<b>TOTAL EXPENSES:</b>		
MONTHLY INCOME		
Employment		
Interest income		
Support payments from spouse		
Other income:		
Other income:		
<b>TOTAL INCOME:</b>		
<b>DIFFERENCE (INCOME–EXPENSES):</b>		