

Expected Return Worksheet

PREPARED FOR:

DATE: / /

You'll Need:

- Morningstar's Instant X-Ray tool, available at www.morningstar.com/goto/30MinuteSolutions
- The current interest rates of your debt, whether credit card, mortgage-related, or student-loan related
- Current investment statements
- Most recent tax return

Prioritize Your Spending:

First Priority (tie): Debt with high interest rate relative to what your investments are apt to earn and interest is not deductible and/or you're paying private mortgage insurance.

First Priority (tie): 401(k) contributions that your employer is matching.

Second Priority: Debt with high interest rates relative to what your investments are apt to earn and interest is tax-deductible or debt with reasonable interest rates (4%-5%) and interest is not tax-deductible.

Third Priority (tie): Investments with reasonable expected rates of return (4%-5%) and that also enjoy tax-favored status (IRAs and 401(k)s).

Third Priority (tie): Debt with reasonable interest rates (4%-5%) and interest is tax-deductible.

Fourth Priority: Investments whose expected rates of return are in line with interest on debt and that enjoy no tax benefits.

CURRENT DEBTS

Debts:	Variable Rate	Deductible Intrst	PMI	Interest Rate (%)	Priority
Home loan	<input type="radio"/> Yes <input type="radio"/> No	<input type="radio"/> Yes <input type="radio"/> No	<input type="radio"/> Yes <input type="radio"/> No	<input type="text"/>	<input type="text"/>
Home equity loan/line of credit	<input type="radio"/> Yes <input type="radio"/> No	<input type="radio"/> Yes <input type="radio"/> No		<input type="text"/>	<input type="text"/>
Student loan	<input type="radio"/> Yes <input type="radio"/> No	<input type="radio"/> Yes <input type="radio"/> No		<input type="text"/>	<input type="text"/>
Auto loan				<input type="text"/>	<input type="text"/>
Credit card balance				<input type="text"/>	<input type="text"/>
Credit card balance				<input type="text"/>	<input type="text"/>
Credit card balance				<input type="text"/>	<input type="text"/>
Other debt	<input type="radio"/> Yes <input type="radio"/> No	<input type="radio"/> Yes <input type="radio"/> No	<input type="radio"/> Yes <input type="radio"/> No	<input type="text"/>	<input type="text"/>

CURRENT INVESTMENTS

Investments	Tax Benefits (check)	Matching Contributions	Expected Return (%)	Priority
Company retirement plan	<input type="radio"/> Yes <input type="radio"/> No	<input type="radio"/> Yes <input type="radio"/> No	<input type="text"/>	<input type="text"/>
IRA	<input type="radio"/> Yes <input type="radio"/> No		<input type="text"/>	<input type="text"/>
IRA	<input type="radio"/> Yes <input type="radio"/> No		<input type="text"/>	<input type="text"/>
College savings	<input type="radio"/> Yes <input type="radio"/> No		<input type="text"/>	<input type="text"/>
Taxable account			<input type="text"/>	<input type="text"/>
Checking/savings			<input type="text"/>	<input type="text"/>
Other savings/investments			<input type="text"/>	<input type="text"/>
Other savings/investments			<input type="text"/>	<input type="text"/>
Other savings/investments			<input type="text"/>	<input type="text"/>