

Help Your Clients Clean Up Their Affairs with These Lists

Clients Need an Inventory of What They Own

Before you can help your clients get to where they want to go on their wealth journey, you need to understand where they are right now. Doing so involves inventorying their *assets* (everything they own) and keeping the information up to date so that it can be tracked, analyzed, and readjusted to remain on target.

The more information you have about a client's assets, the better you can understand their full financial picture and advise them about investments, debt management, taxes, and overall wealth strategy. A complete, up-to-date inventory of what a client owns also helps set realistic estate planning goals and can be useful to those who have to step in at the client's death or *incapacity* (when the client is unable to manage their affairs).

Many Americans Do Not Know Their Net Worth

Around half of Americans told Credit Karma that they do not know how to calculate their net worth.¹ The problem is worse for women (60 percent) than it is for men (41 percent) and varies by age, but it exposes the same underlying issue: A client needs to know how to measure their net worth to grow their net worth.²

Sixty-seven percent of respondents also told Credit Karma that they do not track their net worth, and nearly 20 percent said that they do not know what actions to take to increase their net worth.³ More than one in five believes that the term *net worth* applies only to the wealthy.⁴

Inventory and Estate Planning

A client who does not know how to calculate their net worth may not have a full grasp of their assets, a good handle on their finances, or a plan to address their current and future financial needs.

It is probably not a coincidence that the percentage of Americans who do not track their net worth is about the same as the percentage who do not have an estate plan—roughly two-thirds.⁵ Nearly one in four Americans do not even know how much they have saved for retirement.⁶

¹ *Americans Have a Net Worth Problem, and It's Not Positive*, Creditkarma (Apr. 17, 2023), <https://www.creditkarma.com/about/commentary/americans-have-a-net-worth-problem-and-its-not-positive>.

² *Id.*

³ *Id.*

⁴ *Id.*

⁵ Daniel de Visé, *Facing Mortality, More Americans Wrote Wills During the Pandemic. Now, They're Opting Out*, USA Today (Apr. 3, 2024), <https://www.usatoday.com/story/money/2024/04/03/fewer-americans-writing-a-will/73170465007>.

⁶ *State of Financial Preparedness in a Diverse America: New Evidence on Gaps, Opportunities and Challenges*, TIAA Inst., <https://www.tiaa.org/public/institute/publication/2024/financial-preparedness-in-a-diverse-america> (last visited Feb. 26, 2025).

To provide for their beneficiaries and fulfill other estate planning goals, such as charitable giving, a client needs to know how much they are worth—and therefore how much they have to give.

By understanding their current financial situation, clients can make informed decisions about how to manage assets during their lifetime and distribute them after their death. They can take steps now to grow and protect their wealth so that they have enough financial resources to achieve their legacy wishes by the time their estate plan takes effect.

Like financial planning, estate planning is an ongoing process that starts with knowing what a client owns. Compiling an inventory not only helps a client measure, grow, and distribute their wealth, but it also helps those—such as the estate executor, trustees, and agent under a power of attorney—who must step in at the client's incapacity or death.

The client might also need to use this list in situations outside of financial and estate planning, such as when handling insurance claims and recovery efforts after a natural disaster, temporary relocation for a job or travel, identity theft, and divorce or separation proceedings.

A comprehensive inventory of a client's assets should include the following information:

- **Types of assets and detailed descriptions.** Go beyond a simple list and include the following details for each asset:
 - **Bank accounts:** The last four digits of the account number, the full legal name of the financial institution, and whether it is a checking, savings, money market, CD account, etc. Note if the account is held jointly with another person and specify their name and relationship. List the named beneficiary for the account and any *contingent* (backup) beneficiaries, if the client has already filled out that paperwork.
 - **Investments:** Name of the brokerage firm or investment company, the last four digits of the account number for each investment, the types of investments (stocks, bonds, mutual funds, ETFs, retirement accounts, annuities, etc.), and supporting information such as the number of shares owned. Specify whether the account is held individually, jointly, or in a trust and list the primary and contingent beneficiaries for each account, if the client has already filled out that paperwork.
 - **Real estate:** Complete street address, the legal description of the property as recorded in the deed, lender name, loan number, mortgage details (principal balance, interest rate, and monthly payment), ownership type, and annual property taxes.
 - **Personal property:** Vehicles (make, model, VIN, and loan information), art, antiques, coins, stamps, jewelry, and other collectibles (including any appraisals, provenance information, or insurance information), and items such as musical instruments or electronics with significant value.
 - **Digital assets:** Online banking and investment accounts, online payment platforms (e.g., PayPal), cryptocurrency wallets, domain names, intellectual property, and online businesses. Include documentation that proves ownership of these assets, such as crypto wallet addresses and keys.

- **Acquisition date.** Documenting when a client acquired an asset can be helpful for tax purposes and tracking their wealth journey.
- **Present value.** An inventory is a snapshot in time and needs ongoing review and updates. Encourage your clients to work with you to maintain an up-to-date inventory. Use a professional appraiser for items such as antiques, art, jewelry, collectibles, memorabilia, and furniture.

Keep the List Secure and Accessible

The list should be stored securely and made accessible to the client and others who might need it (i.e., executors, trustees, and agents under a power of attorney).

Secure the inventory in a water- and fireproof home safe. Create backups that are digitally stored with other important documents on an encrypted cloud service or external hard drive kept in a separate, safe location. Use cloud services with features that allow you to share specific folders or files with trusted individuals, or provide those individuals with login information for the cloud service or physical drive.

Do Not Wait for a Crisis—Help Your Clients Prepare Now

Financial planning professionals are well suited to maximize intergenerational wealth for their clients through greater attention to estate planning.

With tax season in full swing, your clients are already focused on their finances. Now is the perfect time to discuss longer-term needs and ensure that they have a plan to grow and protect their assets. Your proactive approach to helping clients create and maintain an asset inventory can demonstrate your commitment to their long-term financial objectives, strengthen your relationships, and uncover new service opportunities. To discuss ways we can partner to help your clients accurately document their assets, give us a call.