

How to complete a Personal Financial Statement

Bank-ready personal financial statement with itemized assets, liabilities and net worth calculation.

What this form is for

Lenders require a personal financial statement when you apply for a business loan, line of credit, or personal guarantee. This document gives the bank a complete snapshot of everything you own and owe so they can assess your creditworthiness and ability to repay.

Before you start

- Recent statements for all bank accounts, investment accounts, retirement accounts, and life insurance policies showing current cash and surrender values.
- Current loan statements or payoff balances for your mortgage, auto loans, credit cards, student loans, and any other debts.
- Recent property tax assessments or appraisals for real estate you own, including your primary residence and investment properties.
- Titles or recent valuations for vehicles, boats, and other significant personal property.
- Documentation of any business ownership interests with estimated current market value, and details of any notes receivable or money owed to you.

Step-by-step

1. Select your governing state at the top of the form since some states have specific disclosure requirements and exemptions that affect how assets are classified.
2. Fill in your personal identification section with full legal name, home address, Social Security number, phone number, and email.
3. Itemize all cash and liquid assets including checking accounts, savings accounts, money market funds, and certificates of deposit with the institution name and current balance for each.
4. List investments and retirement accounts separately noting the account type, where held, and current market value. Include stocks, bonds, mutual funds, IRAs, and 401k plans.
5. Record all real estate you own with the property address, current market value, outstanding mortgage balance, and equity position.
6. Detail personal property like automobiles, recreational vehicles, jewelry, collectibles, and furnishings with descriptions and fair market values.
7. Add up all asset sections to reach your total assets figure, then verify the subtotals and grand total are accurate.

8. List all liabilities starting with real estate mortgages, then installment debts like auto loans, credit card balances with creditor names and account numbers, and any notes payable or other obligations.

9. Total all liabilities, then subtract total liabilities from total assets to calculate your net worth, which appears at the bottom of the statement.

10. Sign and date the form certifying that all information is true, complete, and accurate to the best of your knowledge.

What lenders look for

- Banks focus heavily on liquidity and debt-to-asset ratios, so be honest about credit card balances and installment debt because they will verify everything through credit reports and title searches.

- Overvaluing assets like cars or real estate is a common red flag that damages credibility, so use conservative third-party valuations like Kelley Blue Book or recent tax assessments rather than wishful estimates.

- Include contingent liabilities like co-signed loans or pending lawsuits since lenders will discover them during due diligence and failing to disclose creates immediate trust issues.