

## Expert Advice for Avoiding Common Pitfalls of Divorce



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**W**hen divorce is imminent, expert help can ensure the best possible outcome. Obtaining advice and guidance from a Certified Divorce Financial Analyst® can assist in navigating the often overwhelming divorce process.

With years of experience working with clients in our Divorce Financial Planning practice, we have seen the best, the worst and everything in between in divorces. By sharing our knowledge and resources with anyone contemplating or navigating divorce, we aim to help people avoid common mistakes and suffering the consequences. As most people do not research or study divorce unless it becomes a part of their reality, we have made it our job to provide relevant information to help clients feel empowered and gain clarity throughout the process.

Here we address some of the most common questions regarding divorce.

### Q: Where do I start?

**A:** First, assemble your team. This includes legal representation, a trusted financial advisor with divorce financial planning experience and a therapist. Choose these experts carefully and make sure they are a good fit for you and your situation.

Find out if you need a litigator or collaborative attorney or if you can use a mediator. There are different ways to divorce, depending on your situation. Whoever you choose should match your and your ex's personalities and the level of animosity or cooperation between the two of you.

Work with a financial advisor to set a "divorce budget" that includes expected legal costs. This will help you stay focused on the big picture and allow you to see the process as more of a business transaction.

At the very beginning, you should both meet with a therapist to set communication ground rules concerning children. The therapist will advise you about what you can and cannot discuss around them and how to talk about each other to the children.

Have your team members provide an action plan, timeline, expected costs and address a few "what if" questions as well. You will work better together if you set expectations upfront. Changes often occur during the process, but starting on the same page and communicating are keys to success.

### Q: What kind of information will I need?

**A:** Gather your financial records from the past three years, including anything with a dollar sign attached: bank statements, brokerage statements, pay stubs, tax returns, insurance policies, retirement plan (401K) statements, property titles and valuations if available, mortgage statements, and any other information about anything you owe or own together or separately.

### Q: What general advice can you offer?

**A:** Divorce is a marathon, not a sprint. Build a strong support team and grab those cups of water along the way. Listen to your team and rely on their expertise rather than the opinions of friends and family. Count on your paid experts for advice and look to your friends and family for love and emotional support.

Work with your financial advisor to set your financial settlement goals at the beginning of the process and ensure you have an action plan in place. This includes deciding exactly what you want or need in terms of support or assets. Proceeds from a home sale are very different from rights to half of a pension plan or retirement account, even if the dollar amounts are the same. Work with your advisor to create a few "what if" scenarios based on long-term projections so you are prepared during any negotiations to counter an offer. Do this ahead of time when you are calm and thinking clearly, not in the midst of a highly charged meeting when you might be forced to make decisions under duress or without the chance to determine the real value of what is being proposed.

California is a no-fault, community property state. That means it's not illegal to be a cheater or nasty person. This also means you most likely won't get that day in court where the judge says your spouse is rotten and therefore you get everything. Instead, focus your energy on creating financial security for the future and getting through the process with your mental and physical well-being intact. That's the definition of the "winner."

Finally, know there is light at the end of the tunnel! Rely on your legal and financial experts and take care of yourself physically and emotionally during the process. You will emerge stronger, wiser, more confident and ready to begin the next phase of your life.

*For more information, contact FMB Wealth Management at 805.446.4494 or visit [FMBWealth.com](http://FMBWealth.com).*