

# From Heartbreak to Financial Health

## The Dos and Dont's after a Relationship Ends



The end of a relationship can bring emotional turmoil, and it often leads to significant financial challenges. It's essential not to let this situation throw you into financial chaos. Instead, by arming yourself with knowledge and a clear plan, you can avoid common pitfalls. Here are some essential dos and don'ts to help you regain your financial footing after a separation or divorce.

### ■ Do: Prioritise Your Well-being

Separations can be overwhelming, both emotionally and mentally. It's crucial to take care of your needs during this time. Seek help as needed, whether through counselling or financial/legal advice. Remember, taking the time to consider your decisions will be beneficial in the long run.

*Questions to Consider:*

- How are you taking care of your emotional and mental health?
- Have you spoken to a professional for guidance?

### ■ Do: Seek Professional Financial Advice

Navigating the financial landscape post-separation is complex. Both parties should seek sound, independent financial advice beyond legal counsel. While friends and family may have good intentions, their advice cannot replace that of an expert who understands the current financial climate.

*Action Steps:*

- Schedule a consultation with a financial advisor and
- Prepare any questions you have regarding your situation.

### ■ Do: Create a Comprehensive Budget

A change in relationship dynamics often leads to a shift in your lifestyle. Start by establishing a detailed budget that distinguishes between discretionary and mandatory expenses.

*Consider:*

- What are your essential monthly expenses?
- How can you adjust discretionary spending?

### ■ Do: Evaluate Your Housing Options

Often, the family home will need to be sold or refinanced. One partner may need to seek new accommodation. While renting can be a suitable short-term solution, many people aim to buy again eventually. Consult a financial expert to explore refinancing options or securing a loan for a home.



### ■ **Don't: Hold onto the House at All Costs**

While it may seem desirable to keep the family home, it's crucial to assess the financial implications realistically. The costs related to the mortgage and maintenance can be significant, and in some cases, starting anew may be a wiser choice.

*Reflection:*

*Is the emotional attachment to the house clouding your financial judgment?*

### ■ **Do: Approach Decisions Rationally**

Despite the emotional pain, it's important to sidestep making impulsive financial decisions. A skilled broker can navigate you through this challenging period and help provide clarity around your options. Avoiding choices rooted in anger or spite can save you significant money.

### ■ **Do: Review Your Credit Report**

Understanding your credit status is vital after a relationship breakdown. Checking your credit report is the first step to identifying any errors or incorrect entries related to your ex-partner. This will enable you to rectify any issues.

*Next Steps:*

*Obtain your credit report from agencies like Equifax and Illion, and dispute any inaccuracies you find.*

### ■ **Do: Compile a List of Creditors**

Create a comprehensive list of all your creditors, differentiating between secured and unsecured debts. Understanding your financial obligations will help you negotiate with your ex-partner regarding asset and debt division.

*Remember:*

*Not paying joint Creditors will damage both your Credit Report making it difficult for both of you to refinance debt or secure loans in the future.*

### ■ **Do: Separate Joint Accounts**

While it may be time-consuming, it's essential to disentangle joint accounts, including credit cards. Even in amicable separations, separating accounts helps prevent future financial complications.

### ■ **Don't: Indulge in Retail Therapy**

In uncertain times, it's tempting to seek comfort in shopping. However, now is not the time for unnecessary spending. Focus on securing your financial stability and resist the urge to splurge.

**For tailored advice and support regarding splitting loans and refinancing, don't hesitate to reach out for further assistance. Your financial future is worth the investment in time and care**



## **Your Lending Experts**

**Do it once. Do it right.**

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