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Speaker 1

Welcome, my name is Andrew Baron and this is, Well... It Depends! The podcast where I present the pros and cons of different financial decisions so that you, the audience, feel better informed when you are confronted with these decisions in your own life. In this episode, I ask the question, should I keep the home in a divorce? But before we begin a short disclaimer, this is being recorded on March 1st, 2023.

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Please note that the information provided in this podcast is strictly for informational purposes only and is not to be considered investment, tax or legal advice. It is important to discuss your situation with a professional before making any financial decisions as to strategies discussed may not be suitable for you specifically. Getting into it, should I keep the house in a divorce?

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Well... It Depends! Divorce is never easy and it can be especially challenging when it comes to dividing up property. For many couples, the family home is the biggest asset that they own. It can be also a source of emotional attachment and security. So what are the pros and cons of keeping the home in a divorce, and how does that affect the average American?

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Let's start with the pros. First, keeping the home can provide stability and continuity for the children. While moving may be a traumatic experience, especially if they have to change schools or leave their childhood friends behind. If one parent can keep the home, it can help maintain a sense of normalcy and routine for the children. Second, the home may be a good investment in the long run.

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Real estate generally appreciates over time, so keeping the home may be a wise financial decision. If you do sell the home in the future, you may be able to realize a significant gain. Finally, keeping the home

can provide a sense of security and familiarity for the spouse who keeps it. Going through a divorce is often a time of great upheaval and uncertainty.

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Keeping the family home can provide a sense of continuity and stability during this difficult time. Now, let's consider the cons of keeping the home. First, it may be a financial burden. A mortgage, property taxes and maintenance costs can add up quickly. If you're not able to afford the home on your own, you may be forced to sell it eventually anyway.

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Second, keeping the home can be emotionally challenging. It may be a constant reminder of the past in a relationship that has failed. If you're not ready to move on emotionally, keeping the home may be difficult. Finally, keeping home can limit your options for the future. If you're tied to a mortgage or home that is no longer suitable for your needs, you may miss out on opportunities to relocate, downsize, or even upgrade to a new home that better fits your lifestyle.

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If you're considering keeping the home, here are some questions to ask yourself. Can I afford the home on my own? Do I have the emotional resilience to stay in the home? Is the home a good investment for the future? Are there any other options that may be better suited to my needs? To recap pros of keeping the home include providing stability and continuity for the children.

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The potential for long term investment gains and a sense of security and familiarity for the spouse that keeps the home. Cons include the financial burden of the mortgage, property taxes and maintenance costs, as well as emotional challenges and limited options for the future. Ultimately, the decision to keep the home in a divorce depends on your individual situation. Emotional needs and plans for the future.

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Consider consulting with a financial advisor, a lawyer, and a therapist to help you make the best decision for your individual situation. So to answer the question, should I keep the home in a divorce? Well... It Depends!

Speaker 1: Andrew Baron, CFP®, EA