My Divorce Solution

The Divorce Clarity Guide

What to Know Before You Decide

10 MISTAKES · 10 INSIGHTS · 10 STEPS

A practical, no-pressure guide to
understanding your financial reality

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A NOTE BEFORE YOU BEGIN

Divorce is emotional. The decisions are financial.

Most people are asked to make life-changing choices without fully understanding what they own, what they owe, and what their future will actually cost.

They negotiate under pressure, accept numbers they haven't verified, and sign agreements that look reasonable in the moment — but carry consequences that last far longer.

This guide is designed to change that. Not by telling you what to decide, but by giving you the clarity to decide for yourself. It's built from ten years of preparing people financially for divorce — the mistakes we've watched cost people the most, the insights that repeat across thousands of cases, and the practical steps that put you back in control of your own picture.

> *Because when you understand your financial reality, you stop reacting and start choosing.*

Karen Chellew & Catherine Shanahan

CO-FOUNDERS, MY DIVORCE SOLUTION

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PART ONE

10 Mistakes That Cost People The Most

Drawn from the most common patterns we see in cases before clients come to us. Recognizing them now—before you're in the middle of a settlement —is the single most valuable thing this guide can offer.

01

Starting the legal process before understanding your finances

Many people hire an attorney first and begin negotiations without a clear financial baseline. This often leads to higher legal fees, reactive decision-making, and missed opportunities to structure a smarter outcome. Financial clarity should come before legal strategy — not after.

02

Relying on assumptions instead of verified numbers

Without verified balances, valuations, and documentation, decisions are built on incomplete or inaccurate information. That gap can significantly shift your outcome.

03

Agreeing to settlements you don't fully understand

It's common to agree to terms that feel fair in the moment but carry long-term financial consequences. If you don't fully understand how assets, support, and tax implications affect your future, you aren't truly making an informed decision — you're making a pressured one.

04

Overlooking long-term impact — retirement, taxes, cash flow

Divorce isn't just about dividing assets today. It's about how those decisions affect your financial life for decades. Retirement accounts, tax liabilities, and ongoing cash flow are often the most consequential details — and the most frequently overlooked.

05

Letting urgency drive decisions

Divorce creates pressure — emotional, legal, and sometimes financial. But rushing decisions leads to avoidable mistakes.

The Reality: *You don't need to decide quickly. You need to decide correctly.*

06

Taking advice from people who don't know your finances

Friends and family mean well. But their advice is based on their experience — not your financial reality. What worked in someone else's situation may not apply to yours, especially when assets, income, and obligations differ significantly.

07

Not identifying all assets and debts

Incomplete financial discovery is one ofthe most costly mistakes in divorce. Missing accounts, undervalued assets, or overlooked liabilities can shift the entire outcome of a settlement. You cannot divide what hasn't been fully identified.

08

Ignoring the cost of running two households

One household becoming two changes everything. Housing, utilities, insurance, and daily expenses all increase. Without understanding this shift, agreements may look workable on paper — and fall apart in real life.

09

Focusing on "winning" instead of financial stability

Divorce is not a competition. It's a financial restructuring. Prioritizing emotional wins over practical stability can feel satisfying in the short term and create significant problems over time.

10

Avoiding questions out of fear or discomfort

Many people hesitate to ask questions because they're afraid of the answers. But avoiding questions delays clarity — and clarity is what protects you. The right questions lead to better decisions. Unanswered ones lead to regret.

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PART TWO

10 Insights from 10 years of Experience

What we know now that changes how we think about every case. Not observations — patterns, repeated across thousands of families, in every state, at every level of financial complexity.

01

Clarity reduces conflict.

When both sides understand the numbers, negotiations stay grounded in facts instead of assumptions. This lowers emotional escalation and makes it easier to reach agreements that actually hold up.

02

Preparation shortens the process.

The more organized and informed you are at the start, the less time is spent in back- and-forth discovery. Preparation removes friction — and friction is what drives up costs.

03

Most mistakes happen early.

Decisions made in the first phase— before full financial understanding — tend to carry the biggest long-term consequences. Getting clarity early has a disproportionate impact on everything that follows.

04

Financial discovery is where control begins.

Control doesn't come from reacting in negotiations. It comes from knowing your full financial picture before those conversations start. Discovery is not a formality. It's the foundation of every decision that follows.

05

Amicable does not mean financially informed.

Many couples aim to keep things friendly, which matters. But friendliness without financial clarity can still lead to uneven or unsustainable agreements. Being cooperative and being informed are not the same thing.

06 **Emotions can cloud financial judgment.**

Fear, guilt, anger, and urgency all influence decisions in ways that aren't always obvious in the moment. Recognizing this creates space to slow down — and separate emotional reactions from financial choices.

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07 **Small details can have large financial impact.**

A missed account, an incorrect valuation date, or an overlooked tax implication can materially change your outcome. Precision matters more than most people expect — until they see what they missed.

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08 **Transparency changes negotiations.**

When information is clear and shared, it reduces suspicion and defensiveness. Transparency supports more productive conversations — and better agreements on both sides.

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09 **The right information creates better outcomes.**

Not all information is equally useful. Focusing on what's verified and relevant — assets, debts, income, expenses, and projections — leads to smarter, more durable decisions.

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10 **You don't need to rush. You need to understand.**

Pressure to move quickly is common. But speed without understanding increases risk. Taking the time to get clear almost always saves time and money later.

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PART THREE

10 Steps Toward Financial Clarity

A practical framework you can use before your first attorney meeting. Work through these at your own pace —and check them off as you go. Following these steps will help you be better prepared before making any decisions.

☐ **STEP 1 · List all known assets and accounts.**

Start with a comprehensive inventory: bank accounts, retirement plans, investments, real estate, business interests, and personal property. Write down what you know today — even if it feels incomplete.

☐ **STEP 2 · Identify all debts and obligations.**

Document mortgages, credit cards, loans, lines of credit, and any personal or business liabilities. Include balances, interest rates, and whose name each debt is in.

☐ **STEP 3 · Understand your current monthly expenses.**

Capture what it actually costs to run your household today—housing, utilities, food, insurance, childcare, transportation, and discretionary spending. The actual numbers, not guesses.

☐ **STEP 4 · Estimate future living costs.**

Project what your expenses will look like post-divorce. Consider housing changes separate insurance, and the real cost of two households. What looks affordable in a settlement may not hold up in practice.,

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☐ **STEP 5 · Gather your financial documents.**

Collect statements, tax returns, paystubs, account summaries, and property records. Organized documentation eliminates opportunities for dispute and reduces unnecessary legal back-and- forth.

☐ **STEP 6 · Clarify all income sources — yours and your spouse's.**

Identify every source of income: salary, bonuses, commissions, business income, rental income, benefits. Understand what's stable and what's variable.

☐ **STEP 7 · Identify unknowns and gaps.**

Note what you don't yet know—account details you're missing, assets that need valuation, or areas where information is incomplete. This becomes your discovery checklist.

☐ **STEP 8 · Ask questions — even the uncomfortable ones.**

Clarity requires direct questions about finances, documentation, and assumptions. Discomfort is normal. Unanswered questions are costly.

☐ **STEP 9 · Model potential settlement scenarios.**

Look at different ways assets and debts could be divided. Understand how each option affects your cash flow, tax position, and long-term financial stability — before you agree to anything.

☐ **STEP 10 · Get structured financial guidance before legal decisions.**

Follow a proven process that organizes your data, analyzes your options, and presents clear scenarios so you can make informed choices before negotiations begin — not after agreements are signed.

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A FINAL WORD

You do not need to have all the answers today.

But you do need to know what questions to ask — and what information actually matters. That's what this guide is for. Not to tell you what to decide, but to make sure that when you do decide, you understand what you're choosing.

Start with clarity.

The **MDS Financial Portrait™** gives you a verified, organized, decision-ready view of your finances — built before you negotiate, so you're working from facts instead of assumptions. Take the free Divorce Financial Assessment to understand where you stand and what you may be missing.

TAKE THE FREE ASSESSMENT →