INCLUDES BONUS ONLINE CONTENT: DETAILS INSIDE

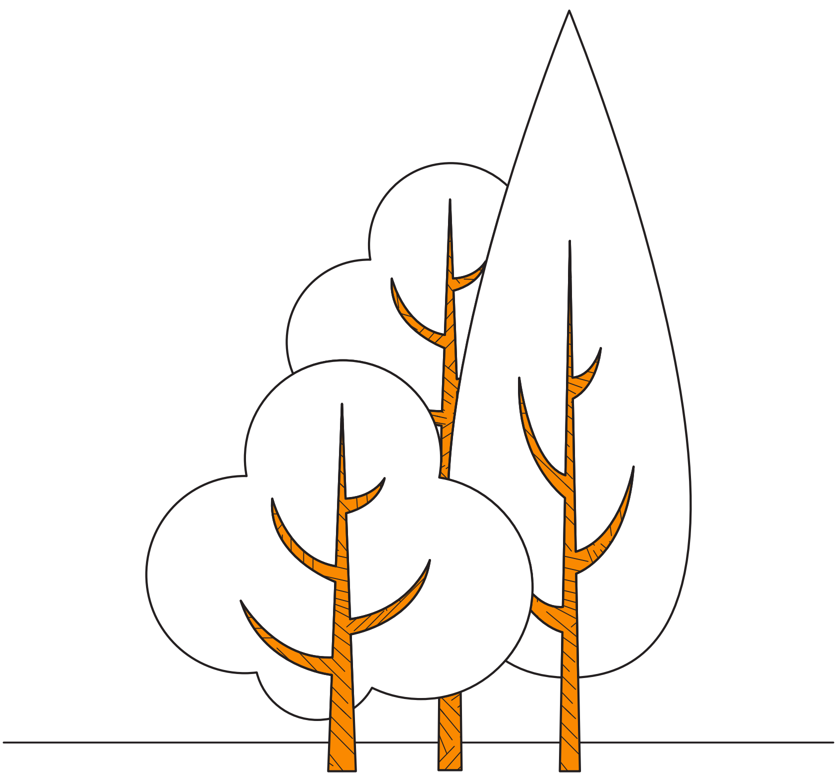
SUDDENLY SINGLE

7 SMARTER STEPS TO DESIGN THE LIFE YOU WANT AND DISCOVER THE KEY TO SAFE INVESTING

CHRISTINE WILLIAMS

CHAPTER 1

RISING AFTER A SETBACK



When you're newly separated and life's upside down, it's hard to imagine how you'll ever manage to start again. On top of the emotional turmoil you're going through as your relationship splinters apart, you're often faced with real doozies of decisions to make. The roof over your head is usually the first casualty, but it's a bitter pill to swallow when it's taken so long to build your networks, find a fulfilling job nearby and settle your kids into the perfect local school.

Separation threatens that very existence, but how can you manage to keep a hold on the area when you're now living on one income, with half the equity you once had available? Even if your divorce settlement left you with a lump sum payment, it probably won't be enough to pay your mortgage – not to mention all those other previously shared expenses for maintenance, repairs and insurances.

Staying in the same place isn't financially sustainable and you know it.

A PLACE (OF SOMEONE ELSE'S) TO CALL HOME...

Once you've come to terms with the reality of putting your home of the past decade on the market, it's time to look at your other residential options and make a solid plan. Giving yourself permission to rent is the first step.

Most of us are so hooked on the Great Australian Dream that we struggle with the idea of living anywhere less than our own home. There's an enormous sense of pride attached to living in your own home and it can become part of your identity. But when you're dealing with the here and now, your family's fundamental needs come first.

This major decision – selling your home and then renting within the same area – creates a huge emotional barrier to work through, but it will help you on a number of levels. You'll be able to minimise any extra disruptions to your family, by pulling them away from everything that's familiar. And in all likelihood, it was probably hard enough to buy into your current area on two incomes, let alone one. Your finances will only stretch so far now – and that's more pressure than you need. All the responsibilities for maintaining where you live will now be in someone else's hands, while you settle down and get used to the new normal.

If you're reading this part thinking that you've done really well from your financial settlement and you'll have no worries meeting your financial obligations, by all means stay where you are. The harsh reality is that most people will really be struggling after a separation and what hurts even more is stretching themselves to stay in the family home. It doesn't do anyone any favours.

I know, because I was forced to make the same decision myself when my own marriage broke down. The family home had to be sold in my case, as there were no alternatives. I was left with $15,000 in my hand, once school fees and debt were cleared, not to mention the enormous responsibility of caring – and providing a home – for my two beautiful girls (who were teenagers at the time).

As someone who'd lived such an itinerant life as a small child, there was no way I ever thought I'd switch back to renting after living in my own home, but that's exactly what I did to rein in my finances post divorce. It meant I could keep my girls in familiar territory: the same schools, keep working nearby and not lose my strong social and community ties. It was one of the best decisions I ever made. It was in no way made lightly (nor was it easy), but it really saved my bacon and was the right thing for the girls' stability.

NO FALSE MOVES

After you've sold your home, packed everything up and moved elsewhere, it's time to take a breather. Give yourself a period of time – at least six months, if not more – to get your life back on track. If you're able to, take a break away and free yourself from any unnecessary stress. This is no time to make decisions about your settlement money. Put it into a high interest bearing bank account for now and walk away. The first step is not to rush out and buy yourself a new car or make huge financial decisions. This money has to last and your job is to make it grow.

You'll need your blinkers on.

Well meaning family and friends will have all kinds of advice for you, great people they'd like to put you in touch with or investments they think you should make. File these ideas away, but don't act on any of them until you're ready. In fact, you don't even need to have these conversations and it pays to nip them in the bud before they go any further. There will no doubt be enough going on in your life right now, than to give anything else head space.

Switch off the phone, don't answer emails – retreat if you need to bring yourself back from that desperate place you've been. Find a great counsellor and talk through what's been going on, get help for your kids, relaunch yourself as a family. This time is all about you guys – try to make it fun. The best thing I ever did after my divorce was to keep my children's friends and education path stable by staying in the same area. We did take little holidays along the way, but the main focus was keeping them at the same schools.

One of the main things I'd advise against as a parent during divorce is to not overcompensate. This isn't a road I'd recommend going down, not just for the financial ramifications, but it's not healthy for anyone and can add to stress between the divorced parties. It's not something that happened to me personally – I had so many other financial commitments, there was no money for spending on the big things – but I've seen it around me and watched the unhappy consequences play out.

During this initial settling-in period, you may feel at times that you can't actually do it – but you can. Everything is topsy turvy when you go from being in a co-dependent financial relationship to *Suddenly Single*. Tapping into your own inner knowledge is essential for the newly single person and becoming true to your own feelings helps you to move forward.

Start by knowing what fills you up and what drains you. Work, family and friends really fill me up. I love socialising and I used to love getting out on the netball court, but now a fast walk and chat with a great friend will suffice. On the flipside, spending time with negative people drains me. I've had friendships that I've moved on from at a certain time when they've become too hard. My friendships have to be on an even keel for me to persist with them. I don't cope well with greed or pettiness, both of which grate against my generous nature.

I'm a crab and if I get overwhelmed I go back into my shell. I'll clean and declutter the house or find myself in a place where I'm able to write a to-do list and move forward again (in fact, being a to-do list person is really another way of describing a goal-oriented person, which is me through and through!). I always have to be organised and know the next step. I like to tick things off as they happen, otherwise I get overwhelmed.

What helps you feel the same way?

I guess we're lucky these days to have so many options available to us for self-care, from therapy to massage, acupuncture, yoga, the gym… whatever takes your fancy. Find whatever it is that helps you discover your centre and go for it. The more you do to look after yourself, the better for your long term decision making. If we're not looking after ourselves, who will? It comes back to that old adage of putting the oxygen mask on yourself in case of emergency (just as you would do when you're in an aeroplane).

HOW TO OVERCOME THE TOP 3 FINANCIAL FEARS AFTER DIVORCE

The paperwork is signed, finances divided and you're about to start again – welcome to life post divorce. It's incredibly stressful, especially when there are children involved. There are often many decisions to be made of huge significance and the pressure can be immense. People experience overwhelming financial fears at this time, but with the right steps they can get back on their feet and start again.

1. I will run out of money

Meeting the expenses associated with divorce can make your bank account feel as though it's travelling in one direction only. Instead of watching your savings whittle away, take charge immediately with a budget. It doesn't have to be something you follow forever, but during this particular period of time you will know what's due to come in, go out and what might look at hanging around a while – money that can be funnelled off into savings.

2. I don't have enough superannuation

Even with divorce looming over you, a less than ideal super balance is a problem for many Australians and unfortunately more common for women. It's time to see a financial planner and talk about boosting your retirement savings. Strategic steps will get you back on track and give you something to work towards. While building superannuation is one step to consider, retirement planning is also something well and truly covered by residential property investment. Your investment property can be purchased inside or outside super, depending on your age and stage of life, along with your individual financial circumstances.

3. **I was taken to the cleaners**

While this may well seem to be the case, it's time to move forward. The worst *has* happened, but all the hopes, dreams and opportunities you once enjoyed will be there for you again. Take a break – even just a weekend away if you can't afford more time off – and commit to renewal. A change in attitude can be just the thing to get your life moving again.

ASK THE PROFESSIONALS

Once you've taken a breather, you'll start to recognise your old self coming back again – or even see a new, stronger version emerging (who you happen to like very much, thank you!). This is *exactly* the state you need to be in to start making decisions about your settlement money. It wasn't something you needed to face early on, when the psychological impacts of disbanding your family were still too strong. You should be congratulated for holding back until the time was right.

With your main aim now to provide a secure lifestyle for yourself and your children, there's a lot of research ahead. Don't waste time with amateurs. Find the best people in their industry to provide you with advice and don't get stuck listening to anyone who talks outside of their expertise. I can see how it happens, because even solicitors and accountants give their twenty cents worth when they're asked – but regulations brought in on July 1 2016 mean they're not allowed to make comment, or give personal opinions as advice regarding property.

A basic rule of thumb regarding professional advisers is as follows:

- Accountants are numbers and taxation advisers
- Solicitors are legal advisers
- Financial planners help manage personal finance

So be wary. Listen out for the words "In my opinion" – and then stop listening! Because these comments can range from opinions about the areas you're looking to invest, or the property type you eventually end up buying. This is not their business and goes way beyond their professional service or consultation. Also ask yourself what someone is trying to say – be aware of what their agenda may be and what they're trying to sell.

The only people qualified to give advice on property investment are accredited professionals such as myself. Property Investment Association of Australia Inc (PIAA) accredited advisers support the client's best interests through a property investment strategy, using risk profiles, factual claims and suitable investment solutions. The truth is that when you're finding the right adviser, the easiest way to think of it is in medical terms: there are GPs and then there are specialists. When you're dealing with wealth building, you need to see specialists. If you pay peanuts, you get monkeys.

Now, it's also quite common for your legal professional to have a network of their own recommended advisers – financial planners, bankers etc, but you still need to be wary. I recommend having a conversation, but don't allow yourself to be led by their advice. Find someone else first and compare what you've been told. You don't want to be led up the garden path just when you're starting to get back on track.

It's essential to find someone who'll do what's best for you, rather than for them. They may "always do it this way" or know "exactly what you need to do". But unless you really feel as though they're listening and have your best interests at heart, you need to walk away. There will be many investment options available to you, from entering the share market (directly, or through managed funds) to property (both commercial and residential), putting money into your superannuation fund or simply leaving your money in the bank. Figure out where you are financially and what you want to achieve. What can you afford to do and what's the best way to catch up on that shortfall, in the amount of time you have available? It's really no different whether you have young children, teenagers or adult children – it's about what *you* can achieve.

GETTING BACK ON THE PROPERTY LADDER – RENTVESTING

My first residential real estate purchase came from the need to be financially secure. Initially I chose to start investing in property as a case of sticking with what I knew best. From my experience buying and selling my old family home, I knew that property made money and I equated it with the ability to make a profit. Of course, now I know that getting back into the property market as a 'rentvestor' (someone who owns a rental property whilst living elsewhere) was one of the the best wealth building strategies within Australia, but at the time it was just something that made sense. It's now a financial strategy we see more and more of – I guess I was ahead of the curve!

And while it can still seem strange to rent *from* someone, while you rent *to* someone else, think about what it helps you to achieve:

- You get to live, work and play in your suburb of choice, while acquiring assets elsewhere (but at a much lower cost)
- If you get your investment strategy right in the first place, you end up with a property that will give you a good return on investment, strong capital growth and a decent rental yield (which is easily achievable with the right property portfolio professional)
- Your investment helps you make the money you need to live the lifestyle you want
- You head towards retirement with capital firmly in place
- Over time, as you develop a diversified portfolio, investing interstate could also help strengthen your asset base
- The tax rebates you get as an investor will help with the mortgage payments by providing a cash flow bonus

And how did I afford to invest? In the end, it was a simple matter of doing the maths. I set myself a goal and worked out how much I could regularly afford to put into an investment each week – you'd be surprised how much four coffees a week can buy you! The same tactics will help you too. Start small, then a little bit becomes normal and gets you into property. It's a way of making sure you don't let money manage you, but you manage it. Pay yourself first – every time. You won't regret it.

Now I was able to borrow money, because I was working and in the position to service a bank loan. If you're a parent that hasn't worked, you need to be producing an income in order to get a loan. Find a good mortgage broker and work out a longer term goal. This will most likely involve getting back into the workforce and creating a savings history. The money that you put aside can then be used as a deposit on a residential rental property when you're finally able to buy.

As we go through this book, I'll walk you through the best strategies to start your property portfolio and discover *The Key To Safe Investing*. It's not as simple as buying the next house that comes on to the market: it has to fit your strategy and long term aims. Then you'll have to decide whether to invest equity or cash (if you still maintain your own property elsewhere) and how much you can afford to pay. But we're getting slightly ahead of ourselves. It's time to reflect on what we've discovered during this chapter and the first steps to take when you become *Suddenly Single*. We've made the all-important decision to grow our wealth through property – everything else can wait for now.

CHAPTER 1 **STEPS**

1. Give yourself permission to rent. Staying in the family home can be detrimental to your financial security. It's time to seek other residential options that will keep you living within the same geographical location.

2. After you've sold your home and moved, take a break and let your family find the new normal.

3. No false moves! Give yourself a period of time – at least six months – in which you stand back and don't make any major decisions. Discover what helps you tap into your centre and do more of it.

4. When you feel yourself getting stronger, seek professional advisers and start sifting through what they say to you. Listen out for facts, rather than opinions and steer away from anyone giving advice from outside their field.

5. Find people who have your best interests at heart, rather than those who always do things one way or another. Unless you feel as though they're really listening, you need to walk away.

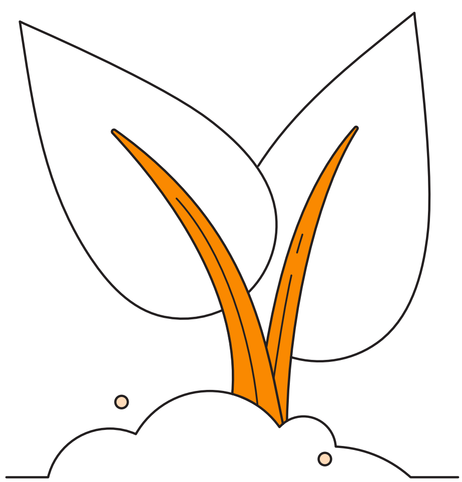
6. Familiarise yourself with all the investment options for you, from shares to property and superannuation. What can you afford to do and what's the best way to catch up?

7. Discover how an investment strategy such as 'rentvesting' can work for you – renting and living in one area, while you purchase property in a less expensive area and rent it out to someone else, growing your wealth and building your asset base at the same time.

8. Set yourself a savings goals and work out how much you could regularly put towards an investment (cutting out your takeaway coffees makes a great start!). If you're not working, look at ways to boost your income and investigate re-entry into employment.

9. Create a savings history and start putting aside money that can be used as a deposit on a residential property when you're in the position to buy.

10. When you're ready to invest, don't buy the first house that comes on the market. Your long term aims have to be considered and will dictate what, where and when you buy.



WE WILL DONATE 10% OF THE BOOK SALE TO OUR CHARITY OF CHOICE, **SHARE THE DIGNITY**

START OVER AND MAKE MONEY ON YOUR OWN TERMS WITH YOUR CORE VALUES AND AUTHENTIC SELF INTACT

When Christine Williams found herself *Suddenly Single*, she was determined her children wouldn't experience a lifetime of struggle. Instead, she made a decision that transformed her future and that of the clients she works with today – Christine started to invest in property.

She'd always known real estate made money – it was something she'd learned from buying and selling her own home. As her portfolio grew and she realised the many gains to be made by multi-property investing, Christine knew she'd found her financial sweet spot.

Over 30 years later and an incredible track record of success for both herself and her clients, Christine shares her secrets in this no-nonsense guide to wealth creation.

> *Suddenly Single brings to the table an open and honest discussion about property investing that is refreshing.*
>
> – **Heidi Armstrong**, Money to Love

Smarter Property Investing principal Christine Williams helps Australian wealth creators to build prosperity through residential real estate portfolios.

A highly successful Property Portfolio Specialist, Christine holds in-demand seminars throughout Melbourne and appears regularly on the Bendigo Bank list of inhouse speakers.

As one of a handful to hold Property Investment Association of Australia (PIAA) accreditation, Christine joins the industry elite. She is a licensed real estate agent (Victoria, NSW and QLD) with accounting and mortgage broking qualifications.

ISBN 978-0-6480926-0-5
9 780648 092605

Book design and publishing by **Graphics Unlimited** – graphicsunlimited.com.au