

When “We” Becomes “Me”: Financial Planning After Loss or Divorce

Speakers: Eric Fuhrman, Patti Brennan

What happens when “we” suddenly becomes “me”? In this episode, Patti Brennan and Chief Planning Officer Eric Fuhrman sit down to discuss one of life’s most difficult transitions — becoming *suddenly single*. Whether through loss or divorce, this chapter brings both emotional and practical challenges that can feel overwhelming. Patti and Eric talk about the “fog of trauma,” the importance of giving yourself grace, and the steps to take now, soon, and later. From understanding hidden financial costs to navigating Social Security, grief, and identity shifts, this episode offers compassionate guidance for anyone facing life after partnership — and reassurance that you don’t have to walk through it alone.

Patti:

Hi everybody, welcome to the Patti Brennan show. Whether you have \$20, \$20 million, or \$200 million, this show is for those of you who want to protect, grow, and use your assets to live your very best lives.

Today's podcast is part of the Ask Patti Brennan series, and what we're finding is that a lot of people are going to our website and clicking on our new Vitality Hub and seeing all of the resources we have. I will tell you that that is phase one of it. I'm really excited about what's going to come in 2026.

Also, I want to introduce you, or reintroduce you, to our Chief Planning Officer, Eric Fuhrman. Eric and I are going to do this together and answer many of the questions that we've been getting about the one handout we have called "Suddenly Single: Navigating Life's Transitions with Confidence and Care." Whether it's a death or a divorce, whatever the reason might be, there are emotional and practical implications, and we're going to talk about both today. Welcome to the show, Eric.

Eric:

Well, Patti, thank you for having me on the show with you again. It's always great to be in the podcast studio with you, and I just love the opportunity and really the platform that we have here to kind of share our ideas and hopefully provide value to all the people out there where they might encounter a topic like this or be thinking about it. Hopefully this is a benefit for those individuals.

Patti:

Yeah, and I love the questions that we got. Eric, why don't you highlight some of the stats?

Eric:

So I think this podcast is great because it's really kind of a composition of all these different questions, and it just worked beautifully into this podcast that we have here today. But I think there are really three driving forces out there behind this "suddenly single" concept that we're going to talk about.

Really, the first one—this comes from the American Bar Association—the rate of gray divorce, meaning divorce after the age of 50, has surged by 36%. So many people are finding themselves on their own at a later stage in life.

I think the other one is just natural life expectancy statistics. We all know that women tend to live longer than men, but that gap in life expectancy is actually widening. It's widened by a year in just the last decade, which a year doesn't sound like much, but that's pretty profound in terms of the implications. So you have a lot of situations where eventually there is a widow or widower.

And I think the other thing is just the population itself is aging. We have the Baby Boomers, so there's a huge cohort of the population that is just kind of reaching that stage where, just numerically speaking, a greater and greater number of people may find themselves in this circumstance. Which is why I think it's so important today to hopefully highlight that aspect of life and how you prepare.

Patti:

Yeah, and it's really interesting. We just had a meeting with our client advisory board, and one of the things that we heard over and over again is that they know they can count on us in their most vulnerable moments. Why don't you highlight what you learned about the impact of divorce and widowhood?

Eric:

Yeah, so I think I just look back to the practical experience, the situations and those moments that we've shared with clients, and certainly you have over your career. But I think in an event like that, obviously there is so much raw emotion. Whether it's divorce or we're talking about a death, a loss of a spouse, that is probably among the most stress-inducing situations a person can be in—for different reasons. There's a different set of emotions, obviously, with both of those.

But I think our role when somebody's coming into that is—I think, Patti, the best thing that we can offer here today is really just practical experience. Any individual will go through this maybe once in their life, but we see it as advisors all the time. And it's a very stressful situation for different reasons. But we have to remember, if it's a loss of a spouse or divorce, that is probably among the most stressful things that somebody is going to go through.

And I think when we think about that, it's really best to kind of compartmentalize that situation based on segments of time. And I think the most important thing at the beginning of some event

like that is really to give somebody space, to show empathy, to create a warm and safe environment, and just let them know that while things have changed, it is not the time to be solving all the problems—

Patti:

Trying to get all the answers and getting all this stuff done immediately, right away.

Eric:

So I think this leads in great to one of our first listener questions here, which is: when something like this happens—let's say in the case of losing a spouse—what are the most critical first steps that widows often miss in those early weeks? So there's this concept that we've talked about called the fog of trauma.

Patti:

Yeah, we've seen it. It's like people are just putting one foot in front of the other. And the most important thing that I try to convey to them is there's no rush. Think about it in terms of three different time sections, right? Segments.

Now, soon, or later. There are some things for now—be around your family, process what's just happened. It's a lot. Give yourself a break.

Soon, there may be some practical things that have to get done. For example, required minimum distribution paperwork before the end of the year. That's stuff that a good financial advisor is going to take care of for you, especially us. We kind of know the things that have to get done and the implications for the surviving spouse.

The later stuff are the big decisions. Most people are not in a position to be making those decisions, and there is no rush to do so. So let's remember the fog of trauma. Now is the time right away. Nothing really has to get done overnight. Process it. Give yourself a break and be around the people that you love most.

Eric:

Yeah, and I think that's such a great point. When I think about the "now," usually we're among the first people to know when a situation like this happens because obviously it has financial implications. But I think, to your point, the "now" is really about communicating the importance of family and loved ones and being around with the other people that are likely grieving as well.

And really the "soon" and the "later"—I feel like that's kind of where we eventually come in to provide guidance. And I think the most important thing is that someone's identity, their sense of self, has dramatically been altered when an event like that happens. And I think the "soon" and "later" part is where we can provide value and clarity and help them kind of re-envision—not to say that the grief will ever go away or get better, that's always going to be difficult—but to help them re-envision a new sense of purpose and what their life is like going forward.

Patti:

Helping them to lift that fog. What does my life look like? They're thinking about this new

identity. From a practical perspective, what does each day look like? What did my spouse do that I didn't even realize they did? These are the things that are important to recognize and allow for. And again, give yourself—I just say to all these people—give yourself some grace. Grace is an important thing. It's okay. You may have lost the Mr. and Mrs. part of your identity. That's okay. You're enough.

Eric:

Beautifully said.

Patti:

Thank you.

Eric:

So I think in terms of the next question that the listeners have—and this is very common, this is more on the divorce side of things—the question here is: I'm going through a gray divorce at 58. My spouse and I own our home outright, and I really want to keep it. This is a great question. What are the hidden costs that I should be concerned about as I go into making this decision?

And I think there are kind of two types of costs, so maybe you can kind of elaborate on the explicit ones that are kind of easy to identify.

Patti:

Yeah, exactly. Anybody can look at this and say, "Okay, well, are you going to have to refinance? What are the utility costs? The property taxes? How much does it cost to maintain this home over a period of time?" That's the explicit—that's the low-hanging fruit, the easy things to understand. It's the hidden costs that this reader is asking about that's really important. Eric, why don't you share that?

Eric:

Yeah, so I think the costs that reside out of view, below the surface there—those are a little bit harder to kind of ascertain. But I believe the tax code can offer a little guidance here, or just a practical way for anybody to kind of think about what the hidden cost of homeownership is.

So for example, if you're a real estate investor buying residential property or commercial property, the IRS allows people to depreciate that asset because there is a useful life. Now, it doesn't mean that the house just crumbles into a pile of rubble after a certain time, but it does have to be maintained with the passage of time. You need new siding and roof and other things like that that will wear out and go bad.

So I think you can kind of use the IRS rules to kind of gauge the hidden cost, or at least budget for them, when you think about it. So for example, a residential property can be depreciated over 27 and a half years. Now, we should do some study on the origin of why it's 27 and a half and not 28—who knows? That's interesting to me anyway. But if you think about what that means mathematically, it means they're saying that the value of the property is declining by about 3.6% per year.

Okay, so just think about it. If I owned a \$600,000 home and I wanted to use the IRS guidance, I'd essentially budget for something on the order of \$12,000 to \$18,000 a year.

Patti:

And as we've found, and most people who are listening today will know, it tends to come in bigger chunks.

Eric:

Unfortunately, it does, which is why I think it's important to budget. It might be five years before something goes wrong, but when it goes wrong, it's big time. It's a big check. But I think thinking about the hidden cost is just remembering the wear and tear on the home. And I think 2% to 3% is a pretty good number where you'd be well served just to use that as a basic guideline.

Patti:

That's a really good tip. I think the other thing, Eric, that we want to keep in mind are the emotional attachments that people have to their primary residence. So true. Especially with divorce, a lot of times the couple has raised their children there. The kids might not want them to sell the property. They don't want to lose those memories if the house is sold. So one person may be wanting to hold on to the house, and it may not be as practical for them to do so.

We have to recognize that this can happen over time. It's not a decision that has to be made immediately at the signing of the divorce decree. Give it some time. Get some understanding of the financial situation. As I've mentioned many times, divorce is one of the biggest wealth destroyers there is.

Eric:

Oh, for sure. Yep, absolutely. I know we worry sometimes about the economic environment and the bear market, but those things pale in comparison to what divorce can do.

So just transitioning here a little bit, kind of going back to being the person helping the individual here work through this very emotional and visceral situation—so as a financial advisor, we kind of wear a lot of hats. But when we're working with people that are suddenly single, how do we know when they really need to be referred to somebody that might have more practical and professional experience to deal with grief, such as a counselor?

So I would say, what are some of the common signs or attributes that we might look for that say, "Okay, I think unfortunately there's somebody here that maybe needs a little bit more help to kind of get them through this difficult period"?

Patti:

I think it's important—I mean, it's really important for us to have empathy and compassion. We also have to recognize our boundaries. There are times—you think about this reaction to stress—it's fight, flight, or freeze. And the signs of those, or the ones that can be damaging, are when people are not able to make decisions, they're not able to process the information. And everybody's going to be different.

Again, give yourself some grace. Everybody's different. So let's recognize that. And there's no set time limit when people have to be ready to move forward.

Eric:

Right, so the fog of trauma is different for everyone.

Patti:

100%. There's no time limit, there's no expectations. The situation is different. Sometimes there's a long illness, sometimes it's sudden. Sometimes when it comes to divorce, you kind of knew that the marriage was on the rocks. Sometimes it's a surprise. What was the catalyst? What happened can impact that fog that a person might feel.

Eric:

So the context matters.

Patti:

100%. Yeah, absolutely. And I think it's okay and important for us to recognize that they might need more than what we're qualified to provide. And that's okay. That is okay. We were talking at lunch with a bunch of people, and they were saying, "Yeah, I have a therapist. It's the best decision I ever made." And for many people, it is.

Eric:

And I think too, especially in a situation like this, I think really our role is we can't solve and help with every situation, but I think recognizing certain attributes—what are some things that kind of tell you, "Okay, what can I do to be an advocate?" And really help this person through.

And I think, to your point, there's certain abilities to conduct just basic things and get through it. And then ultimately, when we think about those stages—the "soon," the "now," and the "later"—to me, exiting the fog of trauma is really about kind of re-establishing that sense of value, that sense of purpose, that identity. And I think if we see over time that there is not an ability to kind of emerge from that, to me that's kind of a key indicator that, "Hey, let's dig down a little bit deeper here. How can I help?" Maybe there might be a need there for something.

Patti:

We have to be careful. Communication is so important. We have to be careful that we're not "should-ing" on people, making them feel shamed for not being over it already. It's okay. What can we do to help? We love you unconditionally. We're here. It's hard. It's really hard to go through something like this—number one stressor, right?

So here's been our experience. Take it for what it's worth. Let us know what we can do to help more.

Eric:

Yeah, absolutely. So another question here that came in from a reader just related to this, which is: let's say somebody does lose a spouse, and this ties into Social Security. So let's say they have

lost a spouse, but now they're actually looking at getting remarried. So how does that remarriage potentially affect certain benefits like Social Security?

They're really looking for guidance here on a general level, because Social Security can be complicated, about what factors into that decision. If you've lost someone and then you're thinking about getting remarried, how does that impact Social Security benefits?

Patti:

You are the guru when it comes to Social Security. So there's basically three answers to this. Why don't you explain to the listeners what those answers are as it relates to remarrying after the loss of a spouse and getting those widow or widower benefits?

Eric:

I'll do the best I can. And unfortunately, I don't have the option to phone a friend if I don't know. But no, I think the answers here are—there are kind of three pathways, but within those pathways there could be additional pathways. And again, it depends on the context here.

But I think really the main two is: if you have experienced a loss of a spouse and then you get remarried before 60, you're not eligible for survivor benefits unless that marriage then ends by divorce or annulment. But there are always benefits payable in the event that you are taking care of somebody in the house, like a child or a dependent who's under the age of 16.

There is a unique set of rules if you get remarried between 50 and 59 and you have a disability—kind of beyond the scope of this show in terms of what we're covering.

So really, before 60, not eligible if you remarry. If you remarry after 60, then you are eligible for survivor benefits based on either the deceased spouse or the new individual that you've remarried. And usually Social Security will always just pay the highest benefit.

Patti:

So let me be clear. If you remarry after age 60, they look at the deceased spouse benefit and your new spouse, and you get the greater of the two, even though that person is still alive. And that's considered also a survivor benefit?

Eric:

Yep. Yeah, you get to pick one or the other there. So you're based on the records of either one of those.

Patti:

Perfect.

Eric:

Of course, Social Security is very unique based on conditions. But that's kind of a general guidance in terms of kind of two pathways which are contingent based on age and so forth.

Patti:

So that is what we refer to as the re-partnering blind spot. Understand the implications before you tie that second knot.

Eric:

Well said. Thank you. That's beautifully worded.

So next question here, and this kind of really rounds out the content for today. But I think this is a great way to kind of pull everything together, which is: when you think about the "suddenly single" idea, which is usually a result of divorce or the loss of a spouse, what's the biggest difference in how, let's say, we as advisors would approach planning for a divorce client versus somebody that's a widow? And are there kind of unique challenges to each? I think it's a beautiful way to wrap it up.

Patti:

So here's the deal. First of all, again, we talked about the differences and the context. With a divorce, there's anger and conflict and resentment coming from the divorce. With a loss of a spouse, there is grief and loss. I would submit that even with a divorce, there's also grief and loss, because in many cases this was your partner, your friend. You raised children together. There is a significant loss that needs to be acknowledged and recognized in divorce as well.

Eric:

Yeah, so I think the common element there is that both situations involve a significant amount of emotional stress, obviously for different reasons and different emotions. So I guess that's what makes them similar in that regard.

Patti:

And to recognize that, I think, is important. It's a terrible period of time, a vulnerable period in a person's life, no matter what.

Eric:

Right. Okay, but I do think when you think about the financial angle, in terms of recognizing the new reality and then how do we plan to make decisions for the future, they couldn't be more different in my mind. And when I kind of think about that, in the case of the death, the balance sheet, the resources that one has accumulated, more or less stay intact. If anything, that might be enhanced if there's insurance benefits that would pay out. Usually pensions and so forth have a spousal continuation option if that was chosen.

Patti:

You know, there is a loss of cash flow from Social Security. If you're both getting Social Security, you get the higher of the two. So that is a consideration. But the balance sheet considerations are really important, because with divorce, as we know, you're splitting the assets. So you talk about a bear market? Talk about a bear market. That's a loss of could be 50%, 60%. And how do you restart after that?

Eric:

Yeah, so I think the divorce situation is definitely more challenging from a financial standpoint, just because the resources have been divided. And when you think about it, if you're married, you share the housing cost. And now there are two separate housing costs, which for most people, housing is a huge component of just your daily standard of living in terms of what it costs.

So I think the divorce tends to be more challenging, and really that is where it requires, potentially, maybe more difficult decisions and conversations around kind of realignment of what the future may and may not look like.

Patti:

You know, Eric, as you well know, when we meet with clients, I say to them, "We don't want to be the first people you call, or even the third. But if someone gets a diagnosis, let us know, because there are things that we can do often behind the scenes."

And that is true in the year of death also. There are income tax considerations. You're still able to file jointly. You get that benefit for the year in the year of death. There could be distributions that have to be made, things of that nature. So from a practical perspective, a good financial advisor is going to be all over it. And that's important.

So just to kind of wrap this up, we've talked about the gravity and the emotional impact of becoming suddenly single, as well as the practical considerations. That's what these checklists do. How do you navigate those transitions?

So if you'd like to get these checklists, it's called "Suddenly Single: Navigating Life's Transitions with Confidence and Care." Send me an email. I'm an open book. I'm happy to share whatever we have. That's why we do this. I can't thank you enough for joining us today. Eric Fuhrman, Chief Planning Officer, your commentary is phenomenal. Thank you so much for being with us today.

Eric:

Thank you, Patti. I really enjoyed it.

Patti:

All righty, and I hope you all have a wonderful day. And I hope that this is something that you don't experience for a really long time. Take care now. Bye-bye.