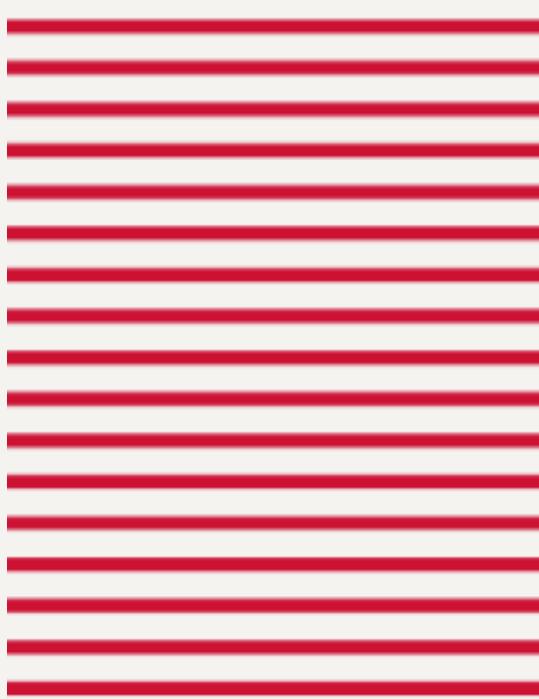




REAL ESTATE AND SEPARATION

**WHAT YOU NEED TO KNOW FOR
A SMOOTHER TRANSACTION**



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Divorce impacts many parts of life, and one of the biggest and most emotional is your home. Whether you're thinking of keeping the house, selling it, or buying something new, these decisions can each carry a heavy emotional and financial weight.

You're not alone if this feels overwhelming. That's why this guide exists: to help you make thoughtful choices with less stress and more support.



Why Real Estate Becomes More Complicated in Separation

The family home isn't just a building. It's where you've created memories, built routines, and maybe even raised your children. Letting go or figuring out what's next can be deeply emotional.

At the same time, your home is likely one of your largest financial assets. How it's dealt with in a separation will affect both your immediate stability and your long-term financial well-being.

This is where a calm, clear process really matters.

Three Common Watch-Outs During Divorce and Real Estate Decisions



1. Selling the House? Proceeds May Be Delayed Without a Separation Agreement

Many people are surprised to learn that even if their home is sold, they may not get immediate access to the proceeds. Why?

Because until a formal separation agreement (a legal document outlining how assets and support are divided) is in place, the real estate lawyer doesn't know how the money is to be divided. Even if you and your spouse are on good terms, the lawyer is legally obligated to hold the funds in trust until the agreement is clear.

- Not all couples decide to divide the proceeds of the house equally, and one spouse may be receiving more than half of the net proceeds. The separation agreement spells everything out so there is no confusion.

Without this clarity, your money could be tied up for months, or even longer, in higher conflict situations.

A neutral mediator can help both spouses work toward a timely agreement that allows for the release of funds and reduces delays and misunderstandings.

2. Buying Too Soon Can Backfire

You may be eager to start fresh, especially if you've been pre-approved for a mortgage. But here's the catch: many lenders will not release the mortgage funds without a signed separation agreement in place.

Imagine finding your dream home, making a firm offer, only to learn that financing can't go through because your separation isn't legally finalized. This is more common than you might think.

A trained divorce mediator can help you sort through the timing of legal agreements and financial plans, so you don't hit a roadblock at such a vulnerable time.

3. Keeping the House? Make Sure It's Affordable

You may feel strongly about staying in the home, for your children's sake, for emotional continuity, or just because you love it. But keeping the home isn't just about qualifying for a mortgage; it's about being able to manage the full cost of ownership including:

- Property taxes
- Utilities
- Repairs and maintenance
- Insurance
- Unexpected expenses

Sometimes people realize that even though they can keep the home, they may not want to. Or that moving on brings more peace than holding on. In mediation, you'll be guided through a budget and honest conversations about whether staying makes sense for your future, financially and emotionally.



Ask yourself, "What will life feel like in six months if I choose this option?" Your future self deserves stability and ease.

Moving Forward with Support

Buying or selling a home is never easy (and even more so during a separation). But with the right people in your corner, it doesn't have to be chaotic or painful.

Find professionals who understand both the legal and emotional layers of this transition:

- A compassionate realtor
- An experienced real estate lawyer
- A skilled divorce mediator trained in both finances and conflict resolution

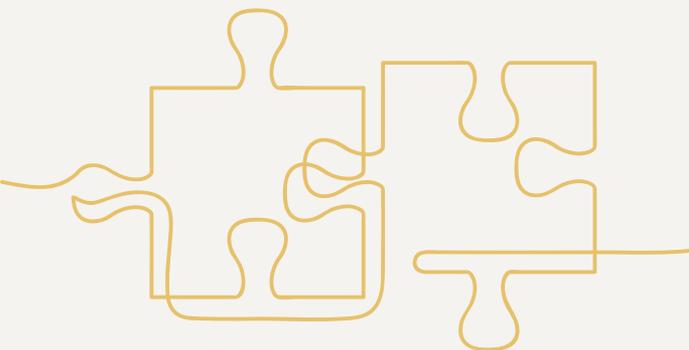
These three allies can help you feel empowered, not overwhelmed.

The Early Days of Separation— What Comes Next



You've just had one of the hardest conversations of your life. Whether it was expected or came out of the blue, separation brings a wave of emotion: uncertainty, sadness, fear, even relief. In the midst of all this, you might be wondering: **what now?**

First, take a breath. You don't have to figure everything out today. This guide is here to walk with you through the first few steps of separation. We won't solve everything at once, but we'll help you feel more grounded and informed as you begin.



1 Pause and Catch Your Breath

There's no rule that says a decision to separate means someone has to move out immediately or that every issue needs to be resolved in one conversation. This is a huge life change. Give yourself permission to slow down.

You're allowed time to process. Just because things are uncertain doesn't mean you have to rush.

2 Delay Big Decisions (For Now)

It's tempting to want to sort everything out quickly; who stays in the house, the plan for the children, what the future looks like. But right now, your emotions are running high. Try to avoid making big decisions until you've had time to gather information and support.

This is a season for listening, learning, and steadying yourself. There will be many more conversations ahead, and not all of them require a lawyer right away.

3 Understand What Needs to Be Worked Out

Separation usually means working through three main areas:

- Division of assets and debts
- Parenting arrangements (if children are involved)
- Child and/or spousal support

These items eventually become part of a legal document called a separation agreement. The paperwork itself is the easy part. It's the conversations, decisions, and emotions that take the real work. But don't worry, you don't have to do it alone.



Know Your Options (You Have More Than One)

This stage can feel overwhelming, especially when everyone has an opinion about what you “should” do.

Here’s a gentle breakdown of the main paths:

A

Traditional Court Process

This used to be the go-to path: each person hires a lawyer and prepares for court. If there are serious safety concerns, this may still be necessary. But, be aware that court is often expensive, adversarial, and emotionally draining. Many people come out of it financially depleted and emotionally worn down.



B

Collaborative Law

In this process, both spouses hire lawyers and commit to resolving matters outside of court through structured meetings. It can be a good fit if there’s a power imbalance or difficulty communicating. However, it can be expensive and time-consuming, especially if no resolution is reached.

C

Divorce Mediation

This approach involves both parties working with one neutral mediator, who helps guide you through all aspects of separation, from finances to parenting. A good mediator has a structured, supportive process that helps you move forward thoughtfully and efficiently.

Benefits of mediation:

- More affordable and efficient
- Emotionally safer, especially with kids involved
- Allows both voices to be heard
- Encourages cooperation and reduces stress

Even if you hit a bump, you can consult lawyers strategically, without defaulting to full legal battles.



D

Doing It Yourself (DIY)

If there are no children and minimal assets, this might work for some. But most people underestimate how emotional and complex separation can be. When things like pensions, RRSPs, real estate, or parenting are involved, it's often too much to handle alone. A neutral professional helps ensure you're not missing anything that could cause problems down the road. Because of the financial and legal complexity involved, generic online templates or AI-generated agreements are often insufficient and may not be accepted by lenders.

You're Not Alone

Separation can feel isolating, but you don't have to walk this path by yourself. You may not have chosen the situation, but you can choose how you move through it.

This time is about building a foundation for the next chapter of your life; one step, one conversation, one decision at a time. With the right support, handling real estate during divorce becomes a step-by-step process that protects both your finances and your peace of mind.

Essential Steps for Handling Real Estate During Divorce



Dividing property during a divorce can be complex, especially when real estate is involved. Following these steps can help ensure a smoother transition.

STEP 1: WORK THROUGH KEY DECISIONS

Choosing mediation can provide structure and guidance as you navigate property, support, and parenting decisions. In this stage, you and your spouse will discuss:

- **Asset division:** Who keeps what, including the matrimonial home
- **Support obligations:** Spousal and child support considerations
- **Parenting arrangements:** The plan that describes how parents will care for and make decisions about their children.

Part of these discussions often involves deciding who will retain the matrimonial home and whether an equalization payment is needed to balance assets.

STEP 2: SEEK MORTGAGE PRE-APPROVAL

Once you've reached verbal consensus on asset division and support numbers in mediation, speak with a mortgage professional to determine if you qualify to:

- Take over the existing mortgage, and/or
- Add funds to the mortgage for any equalization payment.

- **Support payments matter:** Spousal or child support can affect your mortgage qualification, so those amounts need to be discussed first.
- **If there are two properties,** each spouse should seek their own pre-approval to determine if they can individually retain a property.

STEP 3: OBTAIN YOUR SEPARATION AGREEMENT

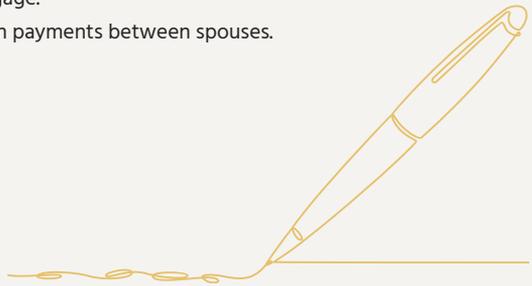
After obtaining pre-approval:

- The mediator will coordinate how you can obtain your separation agreement.
- This legal document is drafted by a lawyer and outlines all agreed-upon terms.
- It's strongly recommended that both parties seek independent legal advice before signing to ensure the agreement is fair and legally binding.

STEP 4: FINALIZE MORTGAGE AND TITLE CHANGES

With your signed separation agreement:

- Return to your mortgage professional to finalize financing.
- A real estate lawyer will assist in:
 - Changing the title of the property.
 - Executing the new mortgage.
 - Handling any equalization payments between spouses.



Why Following the Steps Matters

If you skip steps or rush the process, you may:

- Sign a legal agreement without qualifying for the mortgage.
- Attempt to purchase a new home without access to expected funds.
- Face delays, added stress, and unexpected financial strain.

Work with professionals in mediation, real estate, and mortgage financing who understand the unique nuances of separation and divorce to protect your interests and reduce complications.

CONTACT INFORMATION



866-755-FAIR (3247)



FairwayDivorce.com

