



Finances and the Single Woman
SUPER POWERS

Even after becoming established in life and career, single women may face some tough issues, personally and financially. Here are some potential challenges and steps on how to handle them.

Brought to
you by



No one breezes through life without the occasional and sometimes unexpected personal and financial bumps. For single women in their prime earning years, this is the time to hone your money skills and build up your financial super powers! But single women may face some tough issues, personally and financially. Here are some career women, potential challenges, and how some experts suggest handling them.

Move It? The financial and emotional aspects of moving homes

Nira, 57

- Single mom with a teenage son,
- Poured everything into home ownership but now thinks she should cash out to take advantage of high real estate prices,
- However, the responsibility of caring for her aged father and not wanting to have her teenage son move schools keeps her in the city.

Nira's first dilemma: Should I stay or should I go?

Home prices in the Toronto and Vancouver areas — and increasingly in other urban centres — have surged, and the housing market has become increasingly out-of-reach. The housing affordability problem is amplified for a single person. Unless they have a high-paying job, many singles are forced to rent and may not have the opportunity to build equity by owning a home. And if they can buy a home, they may need to take on a bigger mortgage than they want or can afford. Often buyers may also be forced to find a home located farther from the urban centre for affordability and then take on longer commutes to work.

Nira worked hard and poured every penny into paying off her mortgage as quickly as she could, even accumulating other debt to do it. With rising home prices, she's considering upending her retirement plans, pocketing the equity and moving up north for a less expensive house. She'll either work from home or endure the commute when necessary. Financially, it

makes sense, but emotionally it's a little more complicated. She hates the thought of disrupting her son's life, forcing him to move schools. She also wonders about her dad, 79, who's still on his own and lives in the city but is increasingly dependent on her. Should she ask him to sell his house and move up north too?



Laima Alberings,
Tax and Estate Planner, TD Wealth says:

- No one wants a mortgage to be overly burdensome and to become house rich but cash poor. Work out what you can reasonably afford to pay month-by-month and don't buy a home you can afford but that limits your ability to pay for other expenses, and Nira should keep this in mind when, or if, she decides to downsize.
- Increasingly, it's common for parents to help their adult children get into the housing market. Nira's father could transfer money to her through a documented loan, which will protect the funds — if she should have creditors — which may be better than giving it to her as a straight gift. Nira and her father may want to consider this if he is selling his home in the near future, because he may have extra cash for Nira or his grandson.

Nira's second dilemma: What do I do with all this guilt?

Many Canadian women are caring both for their children and their aging parents at the same time. While no statistics exist on just single women, 32 per cent of Canadian women between 45 and 64 are 'sandwiched,' compared with 25 per cent of men at same age.¹

Nira visits her father at least three-times a week, doing his laundry, shopping, and light house-keeping; she feels responsible for his happiness. Nira's father is growing despondent as he ages and his abilities decline. She feels guilty she can't improve his outlook, and she is resenting the time she

devotes out of her busy life and away from her son. How can Nira deal with her emotional dilemma?



Gary Drenfeld,
Social Worker and author of *Raising Kids without Raising Cane*, says:

- People like Nira need to set their own personal boundaries with their aging relatives over the extent and type of care they will deliver.
- People need to draw the line on how 'in-depth' their care will be: for instance, some women may not be comfortable with personal hygiene issues.
- Feeling guilty about the level of care you provide only increases stress and women have to learn to network with their family to share duties and learn when to pay for professional care services.
- If you're struggling with guilt, feeling burdened, or feeling responsible for requests you can't meet, speaking with a counselor can help manage those feelings.

Single Mom, Super Mom

Zeldia, 41

- Manages a fast-paced team in the internet marketing industry,
- Divorced, single mom, with daughter Heather, 11,
- Ambition is to rise through the ranks and take on more responsibility in the company, but unsure she can do so without sacrificing time with her daughter,
- She wants to cut back on daycare costs and stop throwing money at every problem she comes up against: she recently bought a new dishwasher instead of trying to fix the old one because 'she just didn't have the time.'

Zeldia's first dilemma: How do I balance home and work?

One of the toughest jobs in life is to raise a child and raising one on your own can be even tougher. Many women feel stretched and exhausted from trying to pursue a career alongside the pressure of being a 'good' mom.

Zeldia was married in her late 20s, but after five years the marriage was over. She was left with the joy of her life — her three-year-old daughter Heather — but also lawyer's bills, depleted savings and an over-sized mortgage. Her job is intensely satisfying with great pay but is also extremely demanding. Her phone never stops buzzing. She feels like she's letting down her team when she can't spend 10 hours at the office every day to do what she needs to do, but guilty when she is not with her daughter. She has had to cancel family time with Heather twice for work emergencies and now Heather is starting to misbehave.



Ann Douglas,
author of several child-rearing books, the latest
being, *Parenting through the Storm*, says:

- Worrying over not meeting job and her personal expectations can lead to health problems which, again, makes the situation more difficult.
- Women often try and live up to unrealistic expectations of what a mom can do lest they be judged negatively. Douglas quotes one study that says that between 2 and 12 per cent of parents suffer a parental burnout.
- Zeldia should look for signs that this overload is taking a toll on her life: lack of sleep, being withdrawn or harsh with her child or even just plain grumpy all the time. It may mean that trying to do everything is impacting her and her kid's lives. Time to reach out to your friends, family, doctor and your employer to see how you can take some pressure off yourself.
- Zeldia should develop a support system: siblings, friends, other single

parents can organize a childcare swap to keep each other covered.

- Douglas adds that single moms are role models for their kids for good or bad reasons: being the type of parent that is grumpy from lack of sleep all the time and has no time for fun isn't an example your impressionable children should observe.

Zeldia's second dilemma: How do I cope with all this stress?

While work and life stress is not limited to women, studies have shown that more women report stress than men.² This may be because women are stretched to not only hold down demanding careers, but also commit themselves to traditional 'supermom' roles at home. Single moms often face a 'no-win' situation: finding daycare to pull a 12-hour days at work is highly improbable or desirable on a regular basis.

Zeldia is having trouble sleeping, and an eye twitch that won't subside, but she thought she was keeping on top of things as a single mom until her and her daughter, got the flu. Zeldia wasn't able to meet a deadline at work, despite trying to work from home through her fever. She also forgot to buy supplies for Heather's school project. Zeldia was mad at herself for not delivering at work and home, and, for good measure, her daughter vomited in Zeldia's bed. Zeldia cleaned Heather up, washed the sheets, and put Heather in her own bed, then she made a promise to herself to find more balance in their lives.



Dr. Scott Gledhill,
Senior Medical Consultant at Medcan, a
preventive health and wellness clinic based in
Toronto says:

The health toll of stress can be amplified by a lack of sleep, anxiety, or even depression. This will inevitably impact your life, both the home and work. While women may have trouble controlling the source of their stress, there are strategies to help minimize the physiological damage that stress causes:

- **Exercise and nutrition:** Five minutes of aerobic exercise can begin

to stimulate anti-anxiety effects. Gledhill suggests making time to exercise three or four times a week, optimally for 40-60 minutes. "Exercise is the single most effective and safe intervention for reducing anxiety and depression," says Gledhill. Stress often leads to poor nutritional choices, further aggravating the problem. Remember to eat well and avoid 'quick-fix stress relievers,' carbohydrates, sugar, fast food or alcohol that can make your dilemma worse.

- **Better sleep:** Poor sleep amplifies the symptoms of stress and interferes with your coping mechanisms and decision-making skills. Make your bedroom a sleep sanctuary and black out windows, ensure that it is quiet, and get a comfortable mattress and pillow. Keeping a regular sleep routine and avoiding caffeine in the afternoon is also crucial.
- **Talk it out:** Expressing what's bothering you to a friend or a therapist can help to dissipate your stress.
- **Stress reduction techniques:** Meditation can reduce physiologic manifestations of stress. It may help Zeldia to quiet her mind, and allow for better sleep quality.
- **Have fun:** Engaging in activities that bring you joy is a great stress reliever. Laughter is often the best medicine.

The Love (and Half The Money) is Gone

Jennifer, 39

- Separated,
- After the breakup, she put the brakes on any planning in her life,
- Has a good income but has no idea about her financial circumstances.

Jennifer's dilemma: How can I rebuild my wealth?

The breakup of a relationship is often traumatic. The aftermath may leave the newly divorced in financial trouble, or worse, as one half of their wealth may have disappeared. Women may feel anxiety over money problems or fear difficulties from family, and worry about how their children will cope.

Newly separated, Jennifer's finances were suffering as she had no idea whether she could support her current lifestyle, what her net worth was or which investments would be appropriate. Jennifer has always found it difficult to ask for help, but now she thinks her future may be at stake and desperately needs advice.



Zeljka Walker,
Walker Investment and Insurance Advisor, and
Certified Divorce Financial Analyst, TD Wealth
says:

- Jennifer has to take her time to grieve the relationship but shouldn't let other priorities like finances slide.
- If she needs help moving on, she should get a support system composed of friends, relatives and professionals in place to help.
- Jennifer should gather her financial statements. She should realize that suddenly she is in a different financial position so she should take stock of what she owns, what she owes, what her cash flow is and whether her investments and insurance policies are still appropriate. She should consult with a financial professional to help get a better understanding of her financial circumstances.
- Develop a budget: Jennifer should learn what she can afford now and what she can't.
- Jennifer should establish her own credit history and get her own credit card (if needed) and pay down her debts.
- She should make a plan for the future: this empowers people to think beyond the immediate problems and get on with life.

Make Your Future a Reality with Planning

Abbie, 32

- Single – no partner,
- Starting own business and thinking about buying a condo,
- Burdened by loans and numerous financial obligations.

Abbie's dilemma: How to be single and still live the dream?

Abbie is on her way. Having stayed too long in her parents' place (she thinks), and after working numerous gigs with the city as an environmental safety specialist, she has set up her own one-woman consulting company, and is thinking of buying a condo or a home downtown. She's still paying off her \$11,000 student loan and contributes to her RSP, but not as much as she would like to. Still, she thinks retirement is so far away she can't even imagine it. Starting her own company scares and thrills her at the same time — she needed another loan to get it started — but she loves being independent. What concerns her is that she wants a family but not necessarily a marriage. She wants to get her company rolling first, so she's considering freezing her eggs but was shocked at what fertility treatments and procedures cost. Loans, debt, mortgages, future children, retirement, it's hard for her to see if she is making the right priorities with her money.



Laima Alberings,
Tax and Estate Planner, TD Wealth says:

- All these financial moves and decisions have to be connected to her ultimate financial goals, which in Abbie's case, may mean paying down debt, getting into the real estate market, saving for retirement, and whatever other personal goals she has, such as fertility treatments like freezing her eggs.
- Ensuring her business plan for her consultancy is in synch with her personal financial plan, should also be a priority.
- Start with a budget to determine how much money is coming in, what expenses have to be paid (loans, savings, living expenses) and what her discretionary spending will be (entertainment, price of her car).
- It's smart to push as much money as you can into retirement saving at any age, but also budget some personal expenses — like vacations — as long they fit your budget.
- There are numerous pressures and demanding priorities everyone feels

as they move through life. Forming a plan, regularly checking that you are sticking to your plan, and consulting a financial professional, are some ways to help you sort out your financial priorities.

In Part 3, Still Super After All These Years, we talk about older women and coping with 'grey divorce', widowhood, and how to ensure they don't outlive their savings.

— **Don Sutton, MoneyTalk Life**

¹Cara Williams, The Sandwich Generation, Statistics Canada, Sept. 2004, accessed May 30, 2017, www.statcan.gc.ca/pub/75-001-x/10904/7033-eng.htm.

²Roskum, Isabelle et al. *Established Parents: Development and Preliminary Validation of the Parental Burnout Inventory*. *Frontiers in Psychology*. Feb 9, 2017. journal.frontiersin.org/article/10.3389/fpsyg.2017.00163/full#h9. Accessed August 15, 2017

DISCLAIMER: The information contained herein has been provided by TD Wealth and is for information purposes only. The information has been drawn from sources believed to be reliable. Graphs and charts are used for illustrative purposes only and do not reflect future values or future performance of any investment. The information does not provide financial, legal, tax, or investment advice. Particular investment, trading, or tax strategies should be evaluated relative to each individual's objectives and risk tolerance. TD Wealth, The Toronto-Dominion Bank and its affiliates and related entities are not liable for any errors or omissions in the information or for any loss or damage suffered. TD Wealth represents the products and services offered by TD Waterhouse Canada Inc. (Member – Canadian Investor Protection Fund), TD Waterhouse Private Investment Counsel Inc., TD Wealth Private Banking (offered by The Toronto-Dominion Bank) and TD Wealth Private Trust (offered by The Canada Trust Company). All trademarks are properties of their respective owners.

©The TD logo and other trade-marks are the property of The Toronto-Dominion Bank.

**Brought to
you by**

