

Below is a **client-facing report** you can present on behalf of InVestra. It is written in a professional, advisory tone suitable for high-net-worth (HNW) clients and centers on the strategic necessity of Certified Divorce Financial Analysts (CDFAs) in complex divorce planning.

InVestra Client Advisory Report

The Critical Role of a Cdfa in High-Net-Worth Divorce Planning

Executive Summary

For families with a net worth of **\$3 million or more**, divorce is not simply a legal process—it is a **multi-dimensional financial restructuring event**. It often represents the **largest financial transaction of a client's lifetime** ([Institute DFA](#)).

At this level of complexity, traditional advisory models—legal counsel, CPA support, and standard financial planning—are **necessary but insufficient**. Without specialized divorce financial expertise, clients face:

- Irreversible tax inefficiencies
- Misvaluation or inequitable division of complex assets
- Long-term lifestyle degradation
- Poorly structured settlements that erode wealth over time

A **Certified Divorce Financial Analyst (CDFA®)** is specifically trained to bridge these gaps, providing **data-driven, forward-looking financial analysis** that materially improves outcomes.

According to a study published by the U.S. Government Accountability Office, women's household income fell by an average of 41% following a divorce. Add to this statistic that 56% of women report deferring to their spouse on financial planning and investment decisions, so **it's unsurprising that many women find themselves financially worse off following a divorce.**

Why a Cdfa Is Essential for \$3M+ Net Worth Families

1. Divorce Is a High-Stakes Financial Event

Divorce involves the division of:

- Investment portfolios
 - Retirement plans and pensions
 - Business ownership interests
 - Real estate holdings
 - Deferred compensation and stock options
 - A CDFA specializes in analyzing these components and modeling their **short- and long-term financial impact** ([Institute DFA](#)).
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2. Settlement Decisions Are Not Equal in Value

Two settlements that appear “equal” on paper can have dramatically different outcomes due to:

- Tax consequences
- Liquidity differences
- Growth potential
- Risk exposure

CDFAs provide **scenario-based modeling** to illustrate how each option affects future net worth, cash flow, and retirement security ([Institute DFA](#)).

3. Tax Complexity Can Destroy Value

High-net-worth divorces often involve:

- Capital gains exposure
- RSUs, non-qualified deferred compensation, PSUs, etc.
- Qualified vs. non-qualified assets
- Real estate transfers
- Private Equity, REITs, Credit, Venture Capital, Annuities & Crypto currency
- Alimony and support structuring

- Business ownership
- Advanced Estate Planning techniques – difficult to unwind

Without expert modeling, clients may unknowingly accept settlements that create **hidden tax liabilities or missed tax advantages**.

4. Emotional Decision-Making Requires Objective Financial Guidance

Divorce is emotionally charged. Clients frequently:

- Overvalue the marital home
- Undervalue retirement assets
- Prioritize short-term wins over long-term security

CDFAs provide **objective, data-backed guidance**, helping clients make rational decisions aligned with their financial future.

5. Early Engagement Prevents Costly Mistakes

Engaging a CDFA **before or early in the divorce process** can:

- Identify financial risks in advance
 - Improve negotiation positioning
 - Prevent irreversible settlement errors ([EP Wealth Advisors](#))
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The CDFA Advantage: What They Actually Do

A CDFA is not just a planner—they are a **specialist in divorce financial strategy**, trained to:

- Analyze asset division scenarios
- Model post-divorce cash flow and lifestyle sustainability
- Evaluate pension and retirement plan distribution
- Assess tax implications of settlement options
- Support attorneys with financial evidence and projections

- Build forward-looking financial plans post-divorce

Their work integrates **financial planning, tax strategy, and legal context** into one cohesive framework ([Institute DFA](#)).

Why Traditional Advisory Teams Fall Short Without a CDFA

“When it comes to divorce professionals, the CDFA® is the only party whose role is not transactional. They are there to give you information for a transaction with your spouse only. They do not stay with you post-divorce. They are not there to help you make the wisest financial decisions. It is not the role of the attorneys, CPAs or other experts in your case - not because they are not good at what they do - it is just not their role. They’re only role is to be your advocate and provide information within the letter of the law.” shares Stephanie Vokral, CFP®, CDFA®, AIF®.

Role	Limitation in Divorce Context
Attorney	Focused on legal outcomes, not long-term financial optimization
CPA	Retrospective tax reporting, not forward-looking settlement modeling
Investment Advisor	Portfolio management, but not divorce-specific structuring
Business Valuation Expert	Provides valuation, not strategic division guidance

A CDFA serves as the **central financial strategist**, ensuring all disciplines align toward the client's long-term financial success.

InVestra's Integrated Divorce Advisory Capability

InVestra is uniquely positioned to deliver **institutional-quality divorce planning for high-net-worth families** through a fully integrated team:

1. Certified Divorce Financial Analysts (CDFAs) on Staff

- Specialized expertise in divorce financial modeling

- Deep experience in complex asset division
 - Collaboration with legal counsel to strengthen negotiation outcomes
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2. Certified Financial Planners (CFP®)

- Holistic financial planning pre- and post-divorce
 - Investment strategy and portfolio restructuring
 - Retirement and cash flow planning
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3. Certified Exit Planning Advisors (CEPA®)

For clients with business ownership:

- Strategic exit planning triggered by divorce
 - Business valuation alignment with personal financial goals
 - Tax-efficient liquidity strategies
 - Succession and transition planning
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4. Integrated Advisory Model

InVestra delivers:

- Pre-divorce financial diagnostics
- Settlement scenario modeling
- Tax-aware structuring strategies
- **Post-divorce wealth optimization**

This coordinated approach ensures **no financial blind spots**.

Special Considerations for Business Owners

Divorce involving privately held businesses introduces additional complexity:

- Illiquid assets

- Disputes over valuation
- Forced sale or buyout scenarios
- Income vs. asset valuation conflicts

Through CEPA® expertise, InVestra helps clients:

- Preserve enterprise value
 - Structure equitable buyouts
 - Align divorce outcomes with long-term exit strategy
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Special Considerations for Gray Divorce – PEW Research says 50+ is “gray divorce – divorce in this age group has tripled since the 1990s

Why It’s Especially Challenging After 50–55+:

Retirement Savings & Income Streams - You have fewer years left to rebuild savings, fewer earning years; pension/401(k)/IRA splitting is more consequential.

Social Security & Spousal Benefits - If married ≥ 10 years, you may be eligible for benefits based on ex’s earnings. Deciding when to claim matters especially if your own earnings history is modest.

Alimony / Spousal Support - With wage disparities (common when one spouse stayed out of workforce or worked part-time), one spouse may need long-term or more substantial support.

Division of Assets - By this age, couples often own more: home equity, investments, pensions, deferred compensation, etc. Untangling who gets what is more complex.

Healthcare & Insurance Costs - Older adults face higher medical expenses; losing shared health coverage can be a big hit. Planning for insurance post-divorce (including Medicare timing) is crucial.

Lower Margin for Error - Because there are fewer working years, less time for investments to grow, fewer options for course correction.

Questions to Ask If You’re Considering Gray Divorce:

What does my projected income look like for retirement as a single person vs. what I planned for as a couple?

What is my entitlement (or my partner's) under Social Security, pension, or spousal benefits?

How much will health care cost if I'm no longer on a shared policy?

Can I realistically return to work (or work more) if needed? Do I have the skills or desire to do so?

How will divorce impact any pension benefits my spouse has already elected?

The Cost of Not Engaging a CDFA - Average HNW divorce can be upwards of \$100,000 or more per party

Failure to include a CDFA in HNW divorce planning can result in:

- Mispriced or misunderstood asset divisions
- Avoidable tax exposure
- Reduced long-term wealth
- Increased legal costs due to inefficient negotiations
- Post-divorce financial instability

In contrast, a CDFA often **pays for itself many times over** by preventing costly mistakes and optimizing settlement outcomes ([EP Wealth Advisors](#)).

Conclusion

For families with **\$3M+ in net worth**, divorce is not merely a legal separation—it is a **critical financial inflection point**.

Engaging a CDFA is not optional; it is **essential to protecting and preserving wealth**.

Why InVestra

InVestra stands apart by offering:

- Dedicated **CDFA expertise**
- Integrated **CFP-led financial planning**
- Advanced **CEPA-driven business exit strategy**
- A coordinated, client-first approach

This combination ensures that clients emerge from divorce with:

- Clarity
 - Control
 - Confidence in their financial future
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Next Steps

We recommend engaging InVestra's divorce planning team **as early as possible** in the process to:

- Establish a clear financial baseline
- Identify risks and opportunities
- Develop a strategic roadmap for optimal outcomes