

EPISODE 1683

FT: So Money episode 1683, Ask Farnoosh.

[INTRODUCTION]

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ANNOUNCER: You're listening to So Money with award-winning money guru, Farnoosh Torabi. Each day, you get a 30-minute dose of financial inspiration from the world's top business minds, authors, influencers, and from Farnoosh herself. Looking for ways to save on gas or double your double coupons? Sorry, you're in the wrong place. Seeking profound ways to live a richer, happier life? Welcome to So Money.

[EPISODE]

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FT: Welcome to So Money, everybody. I'm Farnoosh Torabi. As I'm sitting here recording this, thinking, how am I going to open this Friday's show? What's top of mind right now? I must say, June is a roller coaster. If you are a parent, solidarity, if you have a small child or an elementary or even whatever, they haven't left the nest yet. There are so many things going on in the month of June, from projects, to field trips, to plays.

Last night, we just attended the school play at our kids' school. It was amazing. They did the Seussical musical. It's fantastic. The kids did an incredible job. Congrats to everybody. But let me tell you, I'm exhausted. I haven't been able to go to all of the things. There was a field day event that I passed on. Honestly, I've been to them once in the past. This is when the kids go and they get on teams, and they compete, and they do tug-of-wars, as in potato sacks. It's really fun to watch. But I have two kids in two separate grades and they were doing this during two separate times on a weekday.

I'm sorry, but I can't take time out of my job, even though the school is quick drive from here to watch my kids do relays and eat watermelon in under the heat. So, I sent my husband. All this to say, this is going on in the background of trying to run a business and getting in all my proteins, which I'm not. That's the headline there. I understand that as a woman in her 40s, it's really important to strength bills and get those proteins in. I have some friends who are committed and they are consuming 125, 130 grams of protein on a daily basis, to which I say, if you have been able to do this consistently and successfully, guess what? You're a perfect candidate for investing, because investing actually is a lot easier than finding the protein.

All you have to do with investing is decide that I'm going to invest, hook up your checking account or savings account to an investment platform, commit to like \$10 a day. Finding \$10 a day, by the way, so much easier than finding 130 grams of protein. If you can do that, you can also get rich. I'm just saying. Yeah, June is a lot. Personally, a lot. Professionally, too. I have a lot going on that I'm excited about. If you've been following me on LinkedIn and social media, and of course, listening to this podcast, you know that currently I am opening enrollment for my mentorship program.

This is a four-month opportunity for anyone in the audience who is trying to build a personal brand wants to learn from me, because you like how I have designed my business to have different revenue streams, different projects going on from the podcast to the book. Maybe you're curious about all my media opportunities and how I get them.

You want to get behind the scenes of how I run Farnoosh Inc. Go to farnooshbts.com. Seats are filling up. I'm pleased to say within just the first week of this announcement that enrollment has reopened. I've gotten a lot of interest. This is going to be my last offering in 2024, because it's a four-month program. We're going to start in August and we'll wrap in November right before the holidays. It's a great time to hang out with me too.

There's so much activity usually in Q3 and Q4. Speaking opportunities. Brand deals. A lot of media requests around the holiday seasons as a member, as a mentee with me. I'll be able to share all those experiences with you. We get very candid in the program. I talk numbers. I give scripts. I introduce you to people that can help you achieve your own professional goals. Farnooshbts.com. I limit this group to no more than a dozen people at a time, because I want to

be able to provide mentees with as much access to me. Everyone who enrolls included in their membership gets one-on-one time with me as well.

Reflecting on this week's episodes in case you missed any of them. I highly encourage you to go back and start with Monday's episode where we sat down with Holly Trantham, author of the new book *Beyond Getting By*. Holly works at The Financial Diet, a wonderful resource for financial literacy and empowerment and her new book *Beyond Getting By*, shares how we can all build a more sustainable and wealth generating plan that aligns with our values and nobody else's. How to define your own budget philosophy? How to stave off burnout by valuing your personal life with as much care as your career? How to figure out the true worth of your time. These are some of the things that we touched on in our conversation on Monday.

I had the chance to sit down with Lily Womble. Lily is the founder of Date Brazen, and she's got a new book out called, *Thank You, More Please*. Feminist guy to breaking dumb dating rules and finding love, because dating can be really weird, right, and hard given all the economic standards and expectations we've been raised with. So, we go into this, of course, during our conversation. Because I want you to be able to experience this book, I have purchased 10 of them and I'm going to send them to 10 of you.

All you have to do to enter to win is listen to that episode and leave your thoughts from that episode in the Apple podcast review section. We already have one review that came in this week. I'm going to announce that winner and let you know how to get in touch to get that book, but I'm going to keep doing this until all the books are gone. So, you have a lot of time to listen to that episode. That's episode 1681. It's called, Feminist Dating Rules with Lily Womble, author of *Thank You, More Please*.

Listen, leave a review, and then listen to the Friday episode where I'll be highlighting the reviews and letting you know how to follow up and get your free copy. Let's do that right now. Let's go to the review section. We've got already one review. Sometimes there's a delay. So, if you left a review this week and I haven't – and I don't see it, it may just be a matter of time.

SoInspired45, left review on Tuesday saying, "I love this show and Farnush's take generally on finances and being the breadwinner for her family. Listening to the episode with Lily Womble

puts into perspective how far women have come in the last 50 years from being able to have a bank account to being able to take the financial reins. Looking forward to seeing how much further my daughter's generation can go.”

All right, my friend, SoInspired45. Thank you so much for participating, leaving the review. You're going to love Lily's book. Your daughter's going to love Lily's book. Just email me Farnoosh@somoneypodcast.com. Let me know you left this review. Leave me your best mailing address and I will get a copy out to you. You can also DM me on Instagram @farnooshtorabi with the same information. I'm easy to find there.

Wait, we have one other review that just came in. I'm just looking at it now. I don't want to skip this person. I want to get the book to them as soon as possible. Shalma, who wrote. Loving the Feminist Perspective. Farnoosh is just the best. As a fellow Persian woman, I am infinitely thankful for her work and presence. I also love her book, *A Healthy State of Panic*. This review is specifically for the feminist dating episode of the show. Farnoosh facilitates awesome discussions, especially about women, power, and financial independence. I'm very excited to learn more from the author's book.

All right, so Shalma. Same thing as I told, SoInspired. Email me your address or DM me on Instagram, your address, and I'll be getting you a copy. Too sweet. I don't know if I mentioned this yet, but we have just released a way for all of you to access this podcast without commercials. You know what's funny is that I thought that so many of you would love this option.

I think a lot of you will, but there are a few of you out there who have told me, “I actually like hearing you read off the ads.” So, that's you. Maybe this offers not interesting, but if you'd like to access So Money without commercials, without interruptions, you can become a member of my So Money members club. This perk comes with everyone's membership, but the So money members club membership is so much more. It's access to me and our community on the go.

Just last night before I went to bed, I was typing an answer to somebody's question in our chat group about how to create more financial equality in her partnership. Her partner makes more. She makes less. She's been out of the workforce for a little bit, raising their kid, and is going back into the workforce. Just not sure how to navigate the money stuff. So, I brain dumped a ton

into the group and gave her hopefully a lot to think about, but this is the beauty of the group. You don't have to wait till Friday to ask me a question. You get me on the go.

Every month I also present a deep dive on a financial topic. This month we're talking about alternative investments from crypto to real estate, art, Broadway. A lot of these things I've had experience with every month too. There is a live office hour you can walk in on zoom, ask me whatever you want. Everything's recorded in archived and we're having so much fun. That's the best part. So, if you want more access to me, if you like the podcast, you will love the So Money members club. Go to somoneymembers.com. Again, everyone who joins gets access to this podcast without ads.

All right, let's hit the mailbag. We have questions to speak about what to do and I have so much money and I don't have anything interesting to say for. I don't want to buy a house. I don't want to buy a car. I don't want to get married. It's a good problem, I suppose. I'm going to help our friend Layla in the audience narrow it down. Then we have Brian in the audience, wondering, should I craft a prenup with my beloved? She's got \$98,000 in student loans, not to mention \$15,000 in credit card debt.

Then another friend in the audience, Vincent was recently laid off as an auditor. He had a gut feeling it was not a good job, but he ignored it. Now he's back searching for a new job and has a little PTSD is not sure who to trust anymore. Is the next employer going to be a good fit? I've got some advice. All right, but let's start with our friend Layla. The short and sweet of her question is, what do I save for Farnoosh? I have a lot of money. Let's go into the details.

Just to say Farnoosh, I'm in a bit of an unusual financial situation and I would love to get your take. I'm 25. I make great money. I save about 70% of my income between retirement, a robo-advised account. I've got cash savings. I max out my retirement options. I've got a cash cushion to cover about one and a half years' worth of expenses. I know probably too much, but it makes me feel safe. I don't have any big financial dreams besides travel.

I save \$1,000 a month into my travel account and it has been growing at a faster rate than I can use it. But unlike many, I don't have a dream to own a home or retire early. What should I be saving for and how should I be saving it? Should I be investing everything saved for my pay-

check each month? Should I continue to pile up the cash until I decide to do something with it or buy something with it? I would love any suggestions that you have for me at this point.

All right, Layla. By the way, Layla is 25. You don't have to have everything figured out. Your 20s are really just, we call it like an accumulation decade and so are your 30s to some extent. But this is the time of your life to explore, to be curious, to try things, to fail. Your savings and investing regimen is, I've never heard of this. It's pretty outstanding. I'm actually really curious to know where you live, how you live, what are you spending your money on, like what are you eating? How are you getting to work?

What are your day-to-day expenses? Because to be able to save 70% of your income, the only person that I've known who's been able to do this in their 20s or the type of person who's been able to do this, consultants who get a lot of their expenses paid for through their jobs, whether that's their lodging, their food, their travel. So, they can save 70%. These were the OGs of the fire movement, if you recall. These men typically who worked in consulting, engineering consulting, tech consulting, and literally 70 to 80% of their lives were funded, because of their transient lifestyles working for clients. They were on the clock for their clients all the time, so literally everything was expensive.

If that's you, cool. If not, what are you doing? I want to know. Just out of my own curiosity, I think that's really fascinating. But I'm going to say you don't have to have all your big financial dreams figured out at 25. I would, however, take what you've got in savings at one and a half years' worth of cash savings. I might move maybe seven to eight months of that into investments, because you don't need a year's worth of cash or a year and a half's worth of cash, because you're 25. You're relatively more employable. It shouldn't take you more than a year to find a job. But I'm going to help you out. I'm going to give you some suggestions, some things to ruminate, think about.

This isn't a should list. This is just, if you don't want to buy a house, you don't want to follow the "traditional financial path" which is a lot of us. Here's some alternative ways to spend and invest your money meaningfully. One is experiences, which you're already doing. Travel, that's a big one exploring new cultures, gaining unique experiences. You might during one of these trips

have an epiphany about where else to spend your money. Maybe you do fall over the particular region of the world and like, I want to have a home here or I want to live here.

I've recently learned of couples who are just nomads. They travel from one place to the next. They usually go to three to four places a year, stay there for three to four months at a time. In some of these cases, they might have a home there, or they just Airbnb it, or do short-term rentals. If your job allows for that and you really like to travel, that might be a really fun way to experience life. Other experiences can include hobbies and interests. Maybe you become really passionate about surfing, or tennis. Maybe you decide to buy season tickets to the ballet. These are amazing ways to use money meaningfully.

Again, meaningfully because it aligns with your interests, your values, what brings you joy and you are in a hugely privileged spot. I'm saying this because you have told me that money is really no problem for you. You have done this incredible job of saving a majority of your money and now you want to use it to enjoy, because what is it for, right? Why do we save money? Why do we invest? Of course, we want to save and invest for our future, but there's also the life that we're living today. If you don't have debt and you don't have obligations besides yourself, goodness, the list is long of all the things that you can do.

I want to move on and talk about philanthropy as well. Charitable donations, volunteer work. Like experiences contributing to causes and donating is another way to use your money to create more happiness in your life. You'll be creating happiness in other people's lives, of course, and that's the primary reason we do donate, but not for nothing. It also makes us feel really good about what we just did. Helping people feels good. If you want more of that feeling in your life, philanthropy is a great way to go about it.

Along those lines, there are community projects you can invest in. You can support friends and family. Be careful there though, right? If you're going to help loved ones in need, you want to make sure you're communicating everything properly. If you expect to be repaid, then there should be a basic agreement.

Then last, I would just say, think about your own professional growth and personal growth, being 25-years-old. When I was 25, I had a little bit of a quarter-life crisis, or a big one actually. It's all

in the book, *A Healthy State of Panic*. At that time in my life, I think I could have really benefited from some career coaching, some hardcore mentoring. I had a lot of people in my life that were helpful and thoughtful, and I could tap for advice, but having maybe invested in a consistent partner to help me understand how to navigate my career and think long-term. It all worked out. I'm not regretting anything. But I definitely think that at that time in my life, this is something that I probably didn't even know I could have really used.

Knowing now, I want to tell you that if you are interested in growing your career, or pivoting, or starting a business, don't try to go it alone. You are somebody who has resources. You can invest in coaching and mentorship. If you can, I would. That's the one would, should. This goes beyond our professional lives. It's also in our financial lives. If you want to invest in working with a financial planner, an accountant, a money therapist, do it. These relationships, and they're not all created equal, but the good ones can go very far and can provide great ROI.

In conclusion, Layla, Layla I want to be you and I grow up, okay? That's the truth. Keep me posted. Congrats on everything, and I guess have fun responsibly, but enjoy the fruits of your financial labor.

All right. Next up is Brian, who is wondering whether or not he should arrange for a prenup. He's like, "I'm not looking for marriage advice, Farnoosh, but what is your approach to debt ownership when a couple is married, or thinking about getting married?" For background, his girlfriend has almost \$100,000 in student loans. Additionally, \$15,000 in credit card debt. They're expecting to be engaged soon, and it's been awkward, because his family is giving him a little bit of pressure saying, "Look, if you marry this woman, you might want to get a prenup, because her debt's going to be your debt."

My friend Brian really prides himself in that he's never been in debt, except he has a mortgage, and so, he's really nervous. He's worked really hard to be financially responsible, not to say that getting into debt is financially irresponsible. I mean, college is expensive. But he doesn't want to break his streak. He says, "I want to be my girlfriend's ally. I want to advocate for her, but I also – I want to do the right thing financially." What is my advice?

Okay, Brian. I hear that you're frustrated. I completely understand it. I think it's healthy that you are getting ahead of things. You're not even engaged yet, and you're starting to think about what your options are. Here's what I just want to say out of the gate. Try not to involve the parents. It's just going to make things more complicated. Thanks for coming to me, because I think I'm a better, frankly, for this reason, because I'm not in it. I'm not your mom. I'm not your dad. I don't have a stake in the game. I just want to come to you and your partner with some concrete ideas that also are accurate, because what your parents told you about her debt becoming your debt.

I mean, look, you're getting married one day, and in essence, what's yours is mine. Legally, there are some boundaries. When you go into a relationship, a marriage with your own debt, be that a credit card balance, a medical bill, a student loan balance, and it just has your name on it and you get divorced, that debt will only still have your name on it. In most cases, it will depend on your state.

First step, Brian, is to check your state's law, however you're planning to live. You can't entirely predict this, but it's a really good start. The divorce process, specific rules and requirements will depend on the jurisdiction where you're living and how long each of you has lived there. In many states, the laws say that debt acquired before marriage remains the responsibility of that borrower who borrowed the money. But a prenup can definitely provide some clarity. It can provide added protection. We have done an episode entirely on prenups. I will link that in our show notes for you.

We spoke to one of the top divorce attorneys in the country. He's a Harvard grad. He wrote a book about prenups. Prenups make a lot of sense for married couples. If you're already married, you can get a post-nup, if you didn't get a prenup, which essentially lays out how you want things to play out in the event of a divorce that your state wouldn't necessarily already allow. That's why it's very important to first check your state's laws. Then if there's anything in that state jurisdiction that you're not happy with, that makes you feel uncomfortable, or there's a gray area, you want to put something in writing in a prenup that solidifies exactly how you and your partner want things to unfold in the event of a divorce, okay?

I think at this point, you're not even engaged. It's not the time to do it. Having said all this, I want to also understand what your girlfriend's plans are. "We haven't really talked." You haven't really

talked about the steps that she's already taken to help pay down this debt, or what her plan is. Does she have a plan? If she doesn't, then that's where I think you can start having a conversation with her and talking about, "Well, hey, let's talk to your lender. Let's find out what some alternative solutions are. Maybe if there's multiple pieces of debt, we can consolidate. Is there a way to bring in more money over the next couple of years to exclusively pay down the principle of this balance?"

Step number one, I said go look at your state laws. But I think step number one is really just to have a good conversation with your girlfriend, which I know can be uncomfortable, but this is going to be multiple conversations. This isn't just a one and done. Maybe you decide like, conversation number one, we're just going to look at the facts around this loan. What's the interest rate? What's the principle? What's the term? Who's the lender? What are our options?

Meeting number two, maybe it's more of an emotional conversation. I did a whole episode on super communications. One thing I learned is that when you go into money conversations, which can be very layered and complex and people get upset, is that you decide from the get go what kind of a conversation we are having. Is it going to be a tactical problem-solving conversation, or is it going to be a, we're going to vent a little bit? We're going to air out some of our grievances. I think you have some grievances and she probably does, too. She's probably not feeling great about having this debt and carrying it into her relationship. Give yourself space and appropriate time for that a conversation. Allow yourselves for that. Maybe that's the first or second conversation you have about your student loans.

Here's what I'm basically getting at is that you want to pace yourself through this journey and deal with all of the pieces of it. I would say that between now and the next few months together, not involving the parents, talk about what you want to do. What's feasible? What's the plan? I think where you're getting nervous is that you feel like, there's just no plan, because you just haven't had the conversation and maybe you don't even know what your options are. You got to go do some work on that front.

Then as you're getting engaged, you can look into your state's law about divorce and what happens to one person's debt in the event of a divorce. In most cases, it remains that person's sole responsibility. A prenup can have many other advantages as well. It's not just a piece of paper to

determine how the debt gets resolved in a relationship, but all other sorts of financial matters. If you are somebody who is really protective of your finances, going into a relationship with the concern that there may be a divorce later, you can write a prenup to make sure that your finances, to some extent, remain intact.

I would especially urge you to look into prenups if you have your own business, you're going in with a lot of assets that you want to protect. Maybe it's a home, it's a rental home, a stock portfolio. This is where the prenup can get creative. First step, have a conversation, multiple conversations with your partner, look into your state laws, and try not to get the parents involved, because here's a really good piece of advice I saw the other day on the internet. If you want to do the wrong thing, ask everybody. I'm not saying that's you. Unnecessarily, Brian. But you know there are people like, I can think of several in my life who come to me with their problems. I'm like, "I'm not the best person to answer this question. Why are you coming to me?"

You spend a lot of your time just asking a lot of questions to a lot of people. Then you're at best, still in the same place as you were when you started. At worst, you're even more confused. Keep this question to yourself, your partner. You can talk to a financial expert, educator. I'm happy to help you. And a lawyer, once you get to the prenup stage. Good luck, my friend. Thanks for your question.

Finally, we're going to help out our friend Vincent, who emailed me and said, "Farnoosh, I was recently laid off from my job as an auditor. I had a gut feeling this last job just wasn't right for me and I ignored it. Now I'm going on interviews. What red flags should I look out for when shopping for my new role? I've been on a few interviews and the vibes have been off."

All right, Vincent. Thanks for your question. Well, firstly, the fact you're getting interviews is great. It's a really weird white collar job market out there. I just got a text from a friend who runs his own business. He does a lot of B2B work in the field of leadership. He's a keynote speaker and he has books. He's writing me and he's like, "Is it just me, or is it really quiet out there?" He said, "I'm usually used to getting three to five sales calls a week. Now, I'm lucky if I get one a week." I said, "Sir, you are not alone on that." It is a very uneven job market.

I looked up auditors and accountants and your category is doing very well and is predicted to do pretty well above average, and you are still in demand. That's a good thing. You're going to have some options, which clearly, you have already entertained a few interviews. I say, Vincent, trust your gut. Rule number one, especially at this stage in your career, you've been through at least one or two jobs, you know what it's like. Your instincts, as we know, are based on our experiences. Sometimes they're subconscious. When your instincts rise to the surface and nudge you, it's usually because it's telling you, "Hey, we've been here before." Or, "Hey, look out for this person," because they're showing signs similar to an experience that we had that you might have even forgotten about, but your instincts do not forget. Trust your instincts.

We've had several conversations on So Money with employment experts, people who've worked in HR, who've told us the behind the scenes of how they operate and things to look out for, because sometimes they don't do the best job. Basically, you want to hear some job search red flags. You know I love a red flag, because red flags are shortcuts to walking away in many cases. That's sometimes what you have to do. That walking away is progress, because you're getting closer to the right job.

The first step is just do your homework online before you get into the interview. You can research negative company reviews. You can talk to others who have worked there. This is an opportunity to really use your LinkedIn to find people who have worked there, or not maybe even current people, but people who have this company on their resume. Just DM them, or email them and say, "Hey, I'm looking to work here. I noticed you were there for two years, or eight years, or six days. What's the deal, yo? What do I need to know? What do you wish you had known about working there that you would tell a prospective employee?" This will require some investigative work.

If you get those red flags early on, I mean, I would still do the interview, but you go in with a lot of good context, right? That can help to inform the questions that you ask while you're on the interview. Some questions, good questions everybody can ask employers is to ask about the culture, which will help you understand the general atmosphere of the company, and if it actually aligns with your values. If they say, "We expect everybody to be in their seats physically in the office five days a week," and you're not into that. That's a red flag. You want to ask about the team that you're going to be working with. And what are the dynamics? "Can you give a little bit of insight into whether it's a collaborative environment?"

Then I would ask about how the company invests in their employees' growth, whether that's through professional development, career advancement, or just creating opportunities for them within the company, creating new roles, promoting from within. I would just think about, what is a great work experience for you? What are the elements that you don't want to have re-replicated in this new job? Go in with that lens and ask those kinds of questions that can steer you to answers that would give you a better sense of whether this is the right fit for you.

Again, because your field is in demand, I would feel really confident asking these questions in a nice way, in a thoughtful way. But to not shy from these kinds of questions, because maybe you worry, "Well, if they think I have too many questions, or there's a hundred people behind me that are eligible for this job, and they can just brush me off." Honestly, if they do, because you're being a thoughtful question asker during an interview, that's a red flag. Be you during the interview and see what happens.

That's our show, everybody. Thanks so much for tuning in this Friday. As a reminder, applications are open for Farnoosh BTS. You can go to farnooshbts.com to learn more about working with me and my mentorship program. I'll see you back here on Monday, and I hope your weekend is so money.

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