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# The 7 Time-Bombs

## of Wills, Trusts & Estate Plans

*and how to prepare your family for this un-timely mine field*

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### 7. The State will take my property if I don't do a Will and Trust...

This statement is a scare tactic. It is a dud except in one situation. If you have no will and no family, meaning no heirs, no cousins, no nephews, no one in the family then without making a will there is no one to receive your property. So in that case and that case only your property will go to the state.

At Legacy Legal, one of our core values is that we are trustworthy. We say what we do and we do what we say. We are not in business to mislead and we live by our values and our philosophies.

### 6. I have a Will. I don't need a Trust...

**BOOM!** -- This is a major time-bomb and a very common belief. This belief lies at the heart of some of the key differences between a will and trust. A will and trust both are used to plan out who will receive your property, when they will receive it and how they will receive it after you are gone. With a will, however, there is a court supervised process called probate that will take place before the beneficiaries will be allowed to receive property. The probate process is public, it takes time, usually a minimum of a year, and it can be costly. The state has a pre-determined fee schedule on how much attorneys get paid and how much the person who represents your estate receives. In addition, attorneys can receive additional compensation for their review and assistance in handling certain types of matters such as the sale of real property.

An additional time-bomb of wills is that they provide no tax planning.

By contrast, a living trust allows for the distribution of what you own for much less cost and much less time. Complexity of course always will have an impact on these basic rules.



## 5. If I do a Will and Trust, I never have to do it again...

**KA BOOM!!** -- This time-bomb destroys wealth and rips apart families. It is a very serious perception perpetuated by the idea that a will and trust is only for when a person leaves this planet. So most people stick the plan on a shelf collecting dust and forget about it. It is no wonder then that when a parent gets older or passes away that uncertainty arises about why the plan was done, deep seated anger, jealousy and other emotional conflicts appear leaving families in ruins and wealth wasted.

Statistics show that 80% of people spend their inheritance within two years and 70% of those people spend it within two years. Families and heirs lack the financial skills and education and simply are not prepared to receive wealth.

## 4. A Will and Trust is all I need...

**BOOM-BOOM!** -- Unfortunately, today's world of rules and regulations has made just having a will and trust a time-bomb. Banks and financial institutions like to see other documents such as powers of attorney for financial matters and a trustee's certificate.

Good estate planning requires:

- ✓ A power of attorney for financial matters
- ✓ A power of attorney for health care
- ✓ A will
- ✓ A revocable living trust
- ✓ A trustee's certificate
- ✓ A community property agreement, if applicable.
- ✓ A deed transferring real property into the trust
- ✓ A bill of sale
- ✓ A nice binder for all the documents
- ✓ At Legacy Legal we do all of these things & a whole lot more



### 3. I can just get the forms online and do them myself...

KA BOOM-KA BOOM!! -- This is a double time-bomb. *If the first one doesn't get you the second will.*

The *first time-bomb* relates to the do-it-yourself kits. These kits are a time-bomb because the companies that sell them want you to think you can create a plan that has been put together safely and securely. This idea would be like having information on how to perform surgery and then doing the surgery on yourself. *YIKES!*

The *second time-bomb* is when the plan actually has to be implemented. Many times the forms created in these do-it-yourself kits are contradictory, insufficient, vague and ambiguous leaving the people who are left to carry out the plan with very little direction.

This of course leads right to the attorney's office, the one place that you wanted to avoid in the first place. Except, now because of all of the potential uncertainties and fighting the cost to fix the problem is much higher than had the work been done right in the first place.

### 2. I don't have much money so I don't need an estate plan...

BOOM-BOOM-BOOM! -- The amount of money you have really doesn't matter. A will and trust are an expression of your values, your beliefs and your ideas and can be used as a compass guiding your family today and into the future.

Guiding family members on what it means to receive money, how to think about it and how to use it. Making sure that the people receiving your property are ready for it is an essential part of the estate planning process.

In California, if you own a home, regardless of your other assets, absent some unusual situation you will go through probate if you do not have a trust.

Building a plan for the future requires action today and that doesn't depend on how much you own.

... and the **#1** Time-Bomb of Wills, Trusts & Estate Plans is ...



# 1. I don't need to worry about doing a Will and Trust right now, I can wait till later...

**THE NUCLEAR TIMB-BOMB!!** -- There is no early warning system for life.

Sudden, unexpected, unknown, surprising. These are some of the words to describe when a person departs this earth without warning. No voice from above saying you have 5 minutes until the gates of the park close so start making your final plans.

*A story of a husband, wife and their two children on a vacation in Cancun. Husband was in good shape, a good swimmer, so no one expected anything to go wrong. But it did. Because of a strong current and undertow, husband was unable to free himself of its grasp, leaving his wife and two children behind. A man in his fifties gets a brain tumor and is gone in less than a year... A woman age 52 has a heart attack. She is gone... Unfortunately, All of us have stories or know of someone who has a story like these.*

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At **Legacy Legal**, one of our core values is that we are trustworthy. We say what we do and we do what we say. We are not in business to mislead and we live by our values and our philosophies. Our team of experts will have a conversation with you about your personal and unique family situation and together we come to a mutual decision as to what is appropriate and important for YOU.

*You See...* We believe there is a better way to prepare for you and your families future. We believe that an estate plan should not sit on a shelf collecting dust, but rather it should be used as a set of principles guiding the family in the present and their journey into the future.

We are committed to your success & we truly care about you and the long term relationship we will create. We continue to work with you as your life changes to make sure the plans you prepare will work... because we have the knowledge, the experience, the tools and the skills to make sure that your plans are done safely and securely.

**At Legacy Legal, we believe that doing an estate plan is not an end but a beginning.**

A beginning of creating opportunity for family to unite around a common vision and make sure their wealth can last for generations.

Call Us **TODAY** for your Personal Consultation  
*and let's start preparing for the future – Together!*

