



What Do Cars and Estate Plans Have In Common?

In the last 5 years have you:

- ◆ Moved or bought or sold a home
- ◆ Added to your family through birth, adoption or marriage
- ◆ Refinanced your mortgage
- ◆ Cornered the market in real estate
- ◆ Had a family member or loved one die
- ◆ Had a family member or loved one develop special needs or an addiction
- ◆ Opened, transferred or closed accounts
- ◆ Change employers, become self-employed, or retire
- ◆ Won the lottery

Each and every one of these circumstances, plus many others, has the potential to impact and upset your estate plan. (You *have* created an estate plan haven't you?)

Is there a way to avoid the potential problems created by changes and ensure that your plan works the way you want it to when you need it to? YES - the solution is to periodically update your plan. That means taking it out, dusting it off and looking at it. Think about your plan and how your current situation impacts it. When you created your plan you based it on a particular set of facts and circumstances, i.e., your life and assets at the time, your relationship with loved ones, and certain assumptions about the future.

Life changes are not the only things that affect your plan. Changes in your assets and changes in the law can impact your plan as well. Your review needs to include a review of your assets. Have you acquired new assets, new accounts, new property? Did you sell property? ***Did you refinance your mortgage?*** If you have a trust, these are all very important questions to know the answers to. Your trust will not work properly if all your assets are not in it. By "in it" I mean ownership has been transferred to the trust or the trust has been named as beneficiary of the account (life insurance and retirement accounts). If your plan doesn't include a trust, one may be appropriate now; particularly if you now own real estate.

Did you know that **on average people update their estate plans only every 20 years?** Think of all the changes in your life that can occur over any twenty-year period. A little preventative maintenance now can save you and your loved ones a bundle later, and I'm not talking about just money, but also time and aggravation.

I recommend that you take a look once a year. I have found that **most people will need to make fairly substantial changes to their plans every 3 to 5 years.** You can also expect significant changes in the law in any five year period. The impact of these changes on your plan should be discussed with your estate planning attorney. I recently created a new program to assist clients with keeping their plan up to date.

Your estate plan is like a car. It needs regular maintenance to keep it in tip top shape. With a little thought and tender loving care your plan should serve you well and work as you expect when you need it.

I recently created a new program to assist clients with keeping their plan up to date and much more to provide them and their loved ones with peace of mind. Call me about the **Vista Program** for more details.

If you have questions about planning for minor children, your estate, living trusts, estate planning or probate issues, feel free to call Heather Chubb at 916.635.6800.