

A Homeowner's Guide to Estate Planning in Idaho

Whether you've just purchased a new house, recently moved to Idaho, or already have a home you want to protect, estate planning is an important part of caring for your home. Here are a few questions to consider:

1. Does your home title match your estate plan?

If you already have a comprehensive estate plan, it's important to make sure that your home is titled properly to achieve your estate planning goals. For example, if you own a home with your brother titled as "Joint Tenants with Right of Survivorship," your brother will inherit half of your home automatically, even if your will leaves "everything to my only child Pam." If your estate plan includes a Revocable Living Trust, confirm that all of your real estate is titled in the name of the trust.

2. Do you want to avoid probate?

In Idaho, all real property is required to go through probate unless it is held in a trust. Probate is a judicial proceeding in which a judge supervises the disposition of a person's assets after they pass. Although probate may be right for some people, it has a lot of downsides: probate can be time consuming and costly; your heirs have to find and hire an attorney to handle probate; probate is a public proceeding and anyone can access information about your assets by petitioning the court; probate increases the likelihood that an estate will be contested; and, most importantly, it's simply a hassle at an already difficult time for your heirs. A customized estate plan that includes a Revocable Living Trust allows you to pass your home to your beneficiaries without going through probate.

3. Do you own real estate in more than one state?

If you own real estate in more than one state, it is especially important to create an estate plan that addresses how your real estate will be distributed after you pass. Without an estate plan, your heirs will have to hire an attorney and go through probate in every state in which you hold real estate. Not only is this a hassle, it can be very costly (for starters, you have to hire a separate attorney in each state), especially in states such as California. By creating a Revocable Living Trust and transferring all your real estate, wherever it is located, into your

trust, you ensure your estate is not probated in multiple states, and that it is distributed in an expeditious and cost-effective way.

4. Will your loved ones be able to stay in your house if you pass unexpectedly?

Unless you were fortunate enough to pay cash for your home, chances are you have a large monthly mortgage expense. To protect your loved ones, it's a good idea to verify the extent of your life insurance coverage, or consider taking out a policy if you don't already have one. Should you die before paying off the mortgage, a life insurance policy that allows your family to pay off the mortgage can make it possible for your family to stay in the home.

5. Do you have any rental properties?

If you own rental properties, you should consider whether to set up a Limited Liability Company (LLC) as the owner of the rental properties. If you own your property as an individual and someone files a lawsuit against you, your personal assets are at stake. However, if you create an LLC, then the only assets at stake are those owned by the LLC. In other words, your rental property is the only asset at stake and not your personal finances. When you set up an LLC, keep in mind that you have to observe corporate formalities – such as having an operating agreement in place and setting up a separate bank account for the LLC – for these protections to apply. Note that if you have a mortgage on your rental property, you should consult with your bank before transferring ownership from yourself to an LLC.

Estate planning can be intimidating, but it's an important part of taking care of your home. At Shaila Buckley Law, we make the process simple and easy to understand. We take the time to understand your needs and wishes, explain your estate planning options in understandable terms, and use our legal expertise to help you put together a comprehensive estate plan that works for you and your family.

Give us a call at **(208) 995-9224** to schedule your initial consultation today or visit our website to learn more ShailaBuckleyLaw.com.