

The Benefits of a Revocable Living Trust over Probate.

Did you know a Revocable Living Trust could save your family tens of thousands of dollars?

This is not only true, but it will happen at a time when they'll need it the most. A Living Trust enables your loved ones to handle the transfer of family wealth without a costly, lengthy and complicated Probate. This includes the biggest and most important asset you may own, your home. While in some parts of the country, or even the state, it might seem a bit excessive to co

What is Probate?

Probate is the court administered process of distributing the assets of those who have passed on with only a Will, or in many cases, without a Will or a Trust. Beside the time it takes to go through a public, government designed bureaucracy, there is a cost to going through Probate which is based on the size of the deceased's estate. That cost is set by the state legislature and is based on a sliding scale.

What Will Probate Cost Me?

Here are a couple of examples. The cost of statutory attorneys' fees alone is \$7,000 for an estate valued at only \$200,000, and \$23,000 for an estate of \$1 million. Of course, for larger estates the fees continue to increase. While in some parts of the country, or even the state, it might seem a bit excessive to consider the costs of probate on a million dollar estate. But here in sunny Southern California, that's not so unusual, especially in Orange County. Merely owning a modest single family home in this part of the state, combined with a few other accumulated assets, your estate could readily reach a million dollars in value.

What Can I Do to Avoid Probate?

Now there's no need to panic, or to start saving your pennies to cover the thousands of dollars in Probate costs. There is another option. When prepared by an Attorney and properly funded, a getting a Revocable Living Trust enables your loved ones to avoid probate.

Will a Revocable Living Trust Help Me Avoid Probate?

Yes. A Revocable Living Trust, so-called "revocable" due to your ability to amend, alter, or even cancel the trust, bypasses the Probate process by providing an alternative method for transferring wealth to family. It doesn't go through the courts, but instead is administered privately by the trusted person (or persons) of your choosing. Typically, it is a trusted family member selected to handle that task.

What is the Real Benefit of a Revocable Living Trust?

Beyond the monetary savings and shortened time it takes to administer a Living Trust, the greatest benefit loved ones can reap from a Living Trust is knowing that someone cared enough to make their most difficult time in life just a little bit easier.

