

Estate Planning and My Home

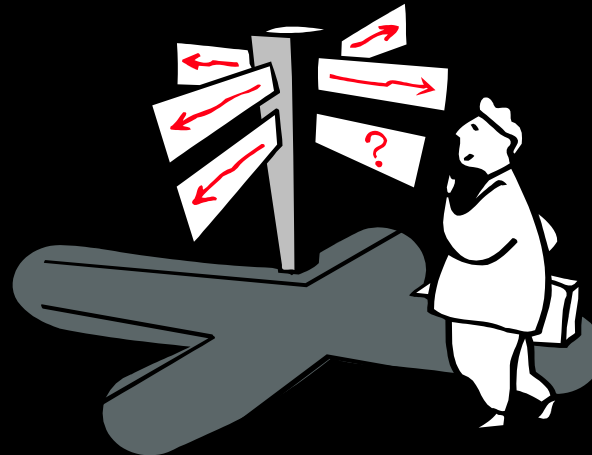
MAROTTA & KRISTIANSEN, ESQS.



ATTORNEYS AT LAW

My Main Objective

- Live where I am right now
- Qualify for Enhanced Star – Real Estate tax discount
- Keep my house away from creditors
- Not worry about who will get the house after I am gone
- Keep it simple



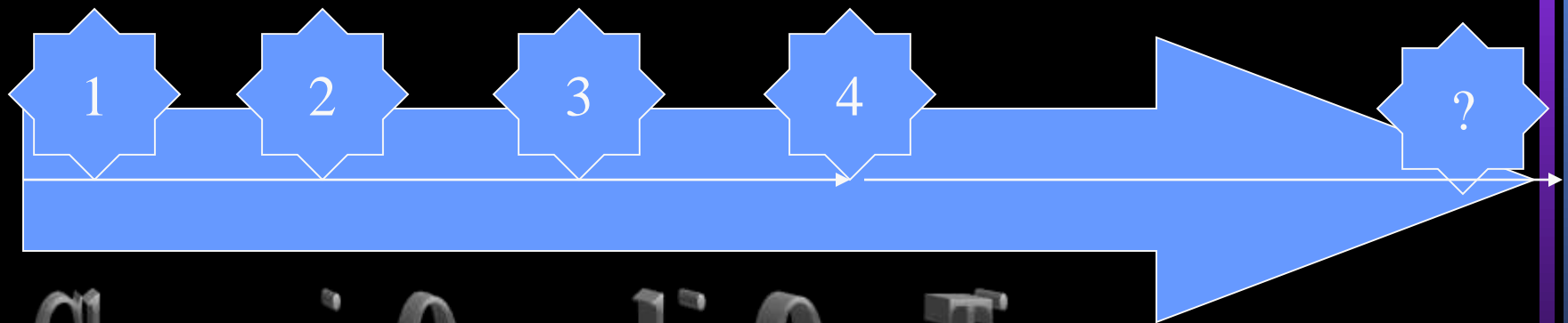
My Requirements



- This is the last place I am going to live
- I don't want to worry about losing the house if I get sick

Real Estate Transfers

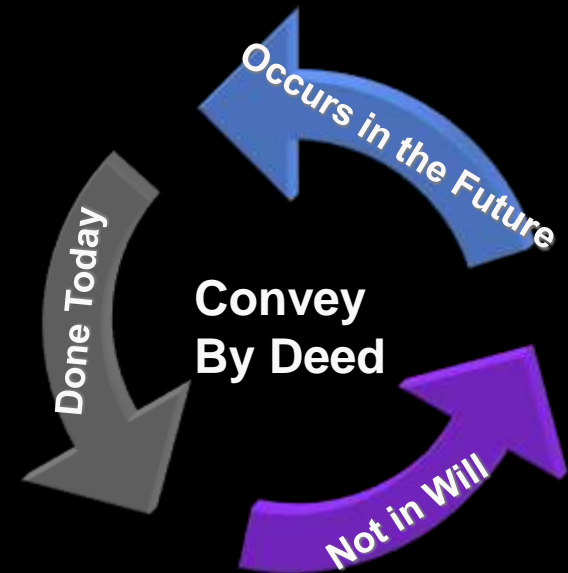
- Most people think of real estate transfers as complete changes of ownership.
- The law sees real estate transfers as changes in status of ownership over time (1, 2, 3, 4).
- The date you pass away is in the future and unknown (?).



Changes in Ownership Over Time

I Convey A Future Interest to a Loved One and...

- ❖ The transaction takes place today, but
- ❖ The effective date is in the future.
- ❖ I only transfer the right to own my house after I pass away.
- ❖ The value of a transfer like this is small compared to a sale, therefore the gift value is smaller.



...I Retain a Life Estate

- I still own the house.
- It only passes to my loved one when I am gone.
- Automatically.
- It's done by real estate deed conveyance, not through my Last Will & Testament, reducing the likelihood of probate.



Next Steps

- Closing is done just like a sale.
- All “sellers” and “purchasers” must be present.
- Can be done at your home.
- Money usually not involved, but could be.
- Deed gets recorded like all other deeds in the County.

Questions?

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