

What documents are included in a typical estate plan?

- **Trust:** provides a set of instructions for holding your assets while you are living and for distributing assets after your death.
- **Will:** nominates an Executor, if one is needed, nominates guardian(s) for any minor children.
- **Durable Power of Attorney:** appoints an agent to act on your behalf with respect to any non-trust assets.
- **Advance Healthcare Directive:** appoints an agent to make healthcare decisions for you if you can no longer do so yourself.



HERA provides estate planning services on a sliding scale basis.

For additional information or to request assistance, please contact us at inquiries@heraca.org or (510) 271-8443 ext. 300

PROTECTING ALL PEOPLE FROM DISCRIMINATION AND ECONOMIC ABUSES, ESPECIALLY IN THE REALM OF HOUSING

We explain your options and rights.

We help you defend your rights and fight abusive practices through advocacy.

We teach you how to build a safe financial future for you and your family.

HERA

housing and
economic
rights advocates

P.O. Box 29435 Oakland, CA 94604

Phone: 510-271-8443 ext. 300

Fax: 510-868-4521

E-mail: inquiries@heraca.org

www.heraca.org

Estate Planning Basics

HERA

housing and
economic
rights advocates

*Estate Planning, a new service provided by
Housing & Economic Rights Advocates*

Passing on your home starts with a plan

Have you wondered who will take care of your home and finances when you no longer can?

Have you ever thought of what should happen with your house and your other assets after your death?

You can create a **plan** to maximize the benefits that you can pass on to your loved ones.

What is an Estate Plan?

An estate plan is essentially a set of instructions to help ensure that your wishes are followed during your life and after death.

The goal of an estate plan is to prepare for an uncertain future to ensure that:

- Your assets are organized,
- Taxes and other expenses are minimized,
- Your assets are distributed as you wish, and
- You retain privacy and control

Why create an Estate Plan?

There are two main benefits:

- 1) **Managing** assets during incapacity; and
- 2) **Disposing** of assets at death



Estate Planning Myths

- Only rich people need estate plans
- Only old people need estate plans
- Only people with kids need estate plans

False! The truth is that *everyone* can benefit from planning for the future! It never hurts to be prepared.

What do you need to know to create an Estate Plan?

- ♦ **What** you have (your assets or "estate")
- ♦ **Who** should manage your assets if you can no longer act
- ♦ **Who** you want to benefit upon your death

How are assets transferred at death?

There are three ways: non-probate transfers, probate proceedings and estate plans.

Non-probate transfers

Non-probate transfers happen *automatically* at death.

- Property titled in Joint Tenancy
- Accounts with a beneficiary designation
 - Payable-on-death (POD) bank account
 - Transfer on death (TOD) security account
- Retirement assets (401(k), IRAs, etc.)
- Life insurance proceeds

Pros: simple, quick, and effective in some situations.

Cons: can have unexpected consequences

HERA is a not-for-profit legal services organization dedicated to economic justice. For additional information or to request assistance, please contact us at inquiries@heraca.org or (510) 271-8443 ext. 300

What is Probate?

Probate is a legal proceeding that happens when a person dies:

- ♦ With assets but **without a will** ("intestate"), or
- ♦ With assets that will be distributed according to the terms of a **will** ("testate")

What happens in a probate proceeding?

-If there is a will, the court decides if the will is valid.

-A personal representative is appointed by the court.

-The personal representative's job is to:

- **gather and inventory** the Decedent's assets
- **notify creditors** of the Decedent's death and pay off any claims
- **prepare an accounting** of the estate
- **distribute funds** to the beneficiaries named in the will, or heirs (next-of-kin) if there is no will.

What are the down sides to Probate?

Probate is a long and slow process, it is expensive, it's a public proceeding, there is a default plan of distribution, and most importantly there is **lack of control**.

