



## Ask the Experts: Living trust handles home bequest

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How to leave assets to children is one of a parent's big dilemmas. Here with some "Ask the Experts" advice is estate planning attorney Lynn Dean.

**Q: Other than a \$285,000 home, my sister has no assets besides her checking/savings accounts (with her only child as a co-signer). Does she need a living trust to avoid probate?**

**Lynn Dean:** Your sister either needs to create a living trust (and retitle her house in the trust's name), or she can add her daughter to the house deed as a joint owner.

on the title of their home and the child files bankruptcy, gets in an accident or gets sued by creditors, the parent's home is at risk.

For most people, a living trust is a better choice to avoid the lengthy and costly probate process. A trust leaves the home's ownership with the parent, until the parent passes away. Once the parent is gone, the home's title passes directly to the child. It does not matter how much the house is worth or the amount of the mortgage.

If there is no living trust, the house will have to go through a probate process.

**Q: My father made a change to his living trust to make me the sole beneficiary of his house. Do I need to let anybody know about this change? Once he dies, how do I change the house title into my name?**

**Lynn Dean:** If your father changed his trust and made a specific gift of his home to you, it was his decision to make. It is not your responsibility to tell anyone.

It would be better for you if he let your siblings know now, but he is not required to do so. When your father passes away, everyone will receive a copy of the trust and can read his wishes in black and white.

Once your father is gone, the trustee has the responsibility to transfer the house to your name. The homeownership transfer is done by a quitclaim deed, or gift deed, from your father's trust to you.

There is usually a period of four months after a person dies when no action can be taken because the heirs and beneficiaries are allowed time to "contest" the trust. If no one contests the trust, the assets are then distributed by the trustee.