

## AW Weekly: Estate Planning – Avoiding Probate

We all want the confidence that comes with knowing our loved ones are taken care of, but there is one word in the world of estate planning that can turn a smooth transition into a long and expensive headache: **Probate**.

### What is Probate, anyway?

Probate is the court-supervised legal review your assets go through after you pass away. The court validates your will, identifies your assets, and ensures debts are paid before your family receives what's left.

While it sounds organized, it's often:

- **Slow:** it can take months (or even years) to wrap up
- **Costly:** legal fees and court costs can eat into your legacy
- **Public:** your private financial life becomes a matter of public record

### How to Skip the Probate Headache

The good news is that you don't have to leave it up to the courts and probate can be avoidable. Here are three simple ways to help your assets bypass probate and go directly to your family:

1. **Name Your Beneficiaries:** this is the easier win. For accounts like your 401(k), IRA or life insurance, naming a beneficiary creates a direct contract so the money goes straight to your heirs not the courts
2. **Use “Transfer on Death” (TOD):** add a “transfer on death” designation to your accounts which allows you to keep the assets in your control while you're living but hands them over immediately upon death
3. **Consider a Living/Revocable Trust:** a trust is like a bucket for your assets. Because the trust owns the assets, there is nothing for the probate court to process. Everything stays private and moves to your heirs

### The Bottom Line

Estate planning isn't just for the ultra-wealthy, it's for anyone who wants to make a difficult time a little easier for their family. Taking an hour this week to check your beneficiary designations could save your loved ones a year of legal hurdles later.

***Have any questions about how your specific accounts are set up or interested in setting up a living trust? We're here to help!***