



Overview of Estate Planning Paths

Features	Wills Path	Beneficiary/TOD Path	Revocable Trust Path
Main Goal(s)	Avoid property passing “intestate” (i.e. “default” rules of the State) after death	Pass some assets after death directly to persons without probate process	Avoid probate process and pass assets in a more private manner
Main Documents to Implement	<ul style="list-style-type: none"> • Last Will & Testament (“Will”) – The Will states who should receive your assets after your death and who should be in charge of administering your estate. • Possibly a tangible personal property memorandum, which lets you give household and person items to certain people 	<ul style="list-style-type: none"> • Will – It is always a good idea to have a Will in case you forget to name a beneficiary on an asset • Beneficiaries named on forms provided by your account providers and plan administrators • Transfer on Death (“TOD”) Deed (“TOD Deed”) - Transfers real estate to a beneficiary upon owner’s death • TOD designations can now be made for many assets (e.g. vehicles, business interests, inheritances, etc.) 	<ul style="list-style-type: none"> • Will – This is called a “pourover will” to add assets to trust. • Revocable Trust Agreement – States who will receive your property after your death • Certificate of Trust • Assignment of Personal Property to the trust • Quitclaim Deed for real estate to the trust
Pros	<ul style="list-style-type: none"> • Familiar to most people • You choose who you will receive your assets after your death versus having to follow the intestate rules • You choose who will be in charge of handling your estate after your death 	<ul style="list-style-type: none"> • Assets with a designated beneficiary pass outside of your probate estate • Easier for beneficiaries to deal with after your death • Less costly than submitting a Will to probate • Assets can usually pass more quickly than via probate 	<ul style="list-style-type: none"> • If all assets are placed in the trust during your lifetime or immediately at your death, no probate estate will be needed. • Easy to administer for beneficiaries • Can be changed or revoked by you at anytime before your death • The trust can be private because it does not need to be submitted to the court unless a dispute arises.
Cons	<ul style="list-style-type: none"> • Must update your Will as your situation or goals change • Most times, a probate of the Will is needed after your death, which adds time and costs for your beneficiaries • Lack of privacy if probate is needed of Will 	<ul style="list-style-type: none"> • May still need to submit the Will to probate if not all assets are designated as TOD • Administrative work to properly designate your beneficiaries and keep them up to date • Can leave a void of funds to pay final expenses 	<ul style="list-style-type: none"> • Cost to create the trust is greater than the Wills path • Must be funded during your lifetime or automatically at death in order to avoid a probate process