

How “Shopping Around” for An Estate Plan Could Leave Your Family With an Expensive, Unintended Mess

By Milan Hanson, Personal Family Lawyer®

Maybe you’ve heard that before investing in a professional service you should “get three estimates.” While often this is wise advice, it’s actually a bad idea when it comes to estate planning. This article explains why and how you can ensure you get the most efficient and affordable plan possible for your family without shopping estate planning lawyers the way you may think.

Let’s begin with why “getting three estimates” for an estate plan doesn’t work to actually get you what you want.

First and foremost, this recommendation assumes that you should be shopping for an estate plan based on cost and that you understand exactly what you are shopping for and how to evaluate those estimates.

Shopping for an estate plan based on getting the lowest cost plan possible is the fastest path to leaving your family with an empty set of documents (maybe in a beautiful binder, but not worth the paper they are written on) that won’t actually work for your family when they need it.

Unfortunately, we see the negative effects of cheap estate planning when family members come to us during a time of grief with that fancy binder that sat on the shelf for years sending out signals of false security, full of out of date estate planning documents and find themselves stuck in Court or conflict, even though that’s exactly what their loved one thought they had paid someone to handle for them.

An Illustrative Story For You About a \$3,000 Plan That Didn’t Work By Alexis Neely, America’s Personal Family Lawyer®

When I was in law school, my father-in-law died. He had spent \$3,000 to work with a law firm down in Florida to create estate planning documents that he was told would keep us out of Court and out of conflict with his ex-wife when he died or if he became incapacitated.

He got a nice thick set of documents, a fancy binder, and peace of mind. He put the binder on his shelf, never looked at it again and never heard from his lawyer again. He died thinking it was all handled.

You can imagine our surprise then when after his death, we were stuck dealing with the probate court and his ex-wife. The exact things my father-in-law had spent good money to

protect us from having to deal with.

It turns out that his fancy set of documents had never been updated, so they were out of date. And his assets weren't even titled in the name of his estate plan.

I thought for sure, this must have been malpractice. But after going to work at one of the best law firms in the Country, and then surveying hundreds of other lawyers just to confirm, I found out that this was not malpractice at all.

This was common practice.

Lawyers everywhere were putting in place form documents that they know won't work when their clients' families need them, not because they are bad people or bad lawyers, but because that's how they were trained.

Form documents, no updating of the documents or regular communication with the clients once the plan was done, no inventory of the assets to ensure that all assets could be found after the death or incapacity of a loved one, not ensuring that assets were titled properly to make sure the plan even worked.

On top of that, I later discovered that the plans lawyers were putting in place for families with minor kids at home had huge holes that left the kids at risk of being taken out of the home and into protective custody while the Will and named guardians were located.

Even at the best law firm in the Country, which I worked at for three years after law school.

When I left to start my own law firm, I made a commitment to create something truly meaningful for my clients, plans that would actually work when their families needed it and provide not only true peace of mind, but a process that would support my clients to not just plan for death, but to become better parents, better business owners, and better community citizens during life, as well.

Now Personal Family Lawyer® members across the globe are being trained the right way to plan for families and be there for your loved ones when you can't be.

Here's 5 reasons why shopping for the cheapest estate plan is likely to leave you with a plan that won't work for your family ... and will leave them with a big mess instead.

1. The least expensive plan isn't worth the paper it's written on once you've left the attorney's office -- your life changes, the law changes, and your assets change over time; your plan needs to keep up with those changes.

And, the truth of the matter is that a lawyer can't afford to provide anything more than documents that won't get updated when you only pay a few hundred dollars for a plan. The business model simply doesn't work.

2. That's why ... cheap estate plans are often sold by financial professionals who want to get their hands on your money, not do right by your family -- an attorney who has built a practice to actually serve your family in their best interests cannot make a living selling \$399 plans; only insurance and financial professionals getting paid commissions to sell your families annuities and life insurance products they don't need can make a living selling cheap documents. Buyer beware!
3. Forms and documents won't be there for your family when you can't be -- you want to leave your loved one's a relationship with a trusted advisor who you have built relationship with during your lifetime and who has met them and they already trust.
4. You get what you pay for and it's your family that pays the price -- as you read in the story in the callout box, my colleague's father in law died after paying \$3,000 for an estate plan (not cheap) so that his family wouldn't have to deal with the probate court or his ex-wife after his death, and yet that's exactly what happened when he died -- his family was in court and dealing with his ex-wife. Why?

Because the law firm was a traditional forms and documents firm that put in place plans, but didn't make sure assets were owned in the right way or the plan stayed up to date over time. You might think that's malpractice, but it's not. It's common practice and it leaves your family at risk if and when something happens to you!

5. An estate plan isn't a set it and forget it kind of thing, it needs to stay up to date with changes in your life, the law and your assets.

There's currently more than [x \$billion] in unclaimed property held by our state. It typically gets there when someone dies or becomes incapacitated and their family loses track of it because it wasn't tracked well during life. And that's just one way your family loses out if you've shopped around for the cheapest estate plan rather than getting in place a plan that actually works for the people you love.

If what you want is the false security of a cheap estate plan, go online and do it yourself. Chances are, you haven't done that because you know that's risky business and you love your family too much for that.

Well, it's the same way when you are shopping around town for the cheapest plan possible. Because you love your family, you don't actually want the cheap plan, you want the plan that's going to work for your the people you love, when they need it.

In my next article, I'll share with you 5 questions you can ask when hiring a lawyer to prepare an estate plan for the people you love.

In the meantime, if you already have an estate plan in place and you are concerned you may have gotten a cheap plan that won't actually serve your family when they need it most, contact us for a plan review. You can either have us do it for you, or you save some money by doing it yourself with our guidance and then come in to discuss what you discovered along the way.

Contact us at 541.776.3405 to schedule OR email Milan@southernoregonlaw.com to get on our calendar. We begin our planning process with a Family Wealth Planning Session, during which you'll become more financially organized than you ever have been before and you'll finally be in a place to make informed, educated choices about the right plan for your family based on the things that really matter, instead of just shopping around by price.