

protecting Family Wealth



Focus on Home Protection Will Trusts

- Does the thought of your estate passing to someone other than your children through re-marriage worry you?
- Does the possibility of your home having to be sold to pay for care fees concern you?
- Does the thought of leaving a drastically reduced portion of your hard earned estate to your children upset you?

If you have answered 'Yes' to any of the above then read on to find out more about Home Protection Will Trusts.

Who is a Home Protection Will Trust suitable for?

- Couples (who are both in good mental health) who are concerned that one of them may need long term care at some point in the future.
- Couples on their second marriages who wish to protect the first spouse's share for his or her children, or other preferred beneficiaries.
- Young couples, to ensure that the first spouse's share passes to his or her chosen beneficiaries in the event of premature death and the subsequent remarriage of the surviving spouse.

What is a Home Protection Will Trust?

A Home Protection Will Trust has specific provisions allowing the joint owner the right to occupy their share of the family home for as long as they want to or until their death. On death their share will then pass to their chosen beneficiaries.

If properly drafted, it can allow the surviving spouse/partner to sell the house and downsize to a new home. This will release some capital to be invested for the surviving spouse/partner enabling them to receive the investment income and still own half of their new home. An election can also be made to end the life interest if the spouse or partner remarries or enters into a civil partnership, at which point the share in the house would then pass to the chosen beneficiaries named in the Will.

It is important to note that the whole of the property cannot be protected only the share of the first to die is held in trust.

What do I need to do?

- **UPDATE YOUR TITLE DEEDS** - You need to adjust the way that you jointly own the property so that it doesn't automatically pass outright to the surviving co-owner (this known as owning property as '**Joint Tenants**').

You must sever the joint tenancy in your home so that you each own your own identifiable share in the property. This is known as owning the property jointly as '**Tenants in Common**' and will involve a simple application to the Land Registry.

- **UPDATE YOUR WILL** – You must each make a Will setting out that your respective shares in the property should be held in trust but also give the survivor a right to reside so as to ensure his or her continued occupation of the home.

For individual advice and assistance contact our Wills, Probate and Trusts Team to find out how we can help.

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