

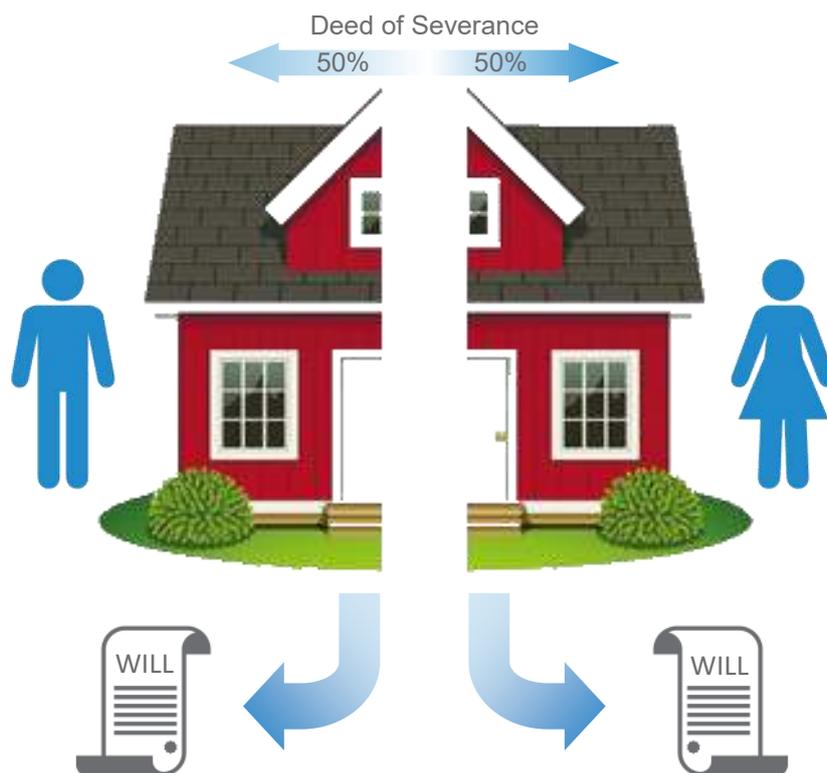


Protecting the Family Home

Firstly we need to look at how your property is owned. The majority of people who buy a property with another person have the ownership arranged as “Joint Owners” legally this is known as “Joint Tenants”. This may seem the correct way as you probably have a Joint Mortgage, but for many people this is not the answer for Care Cost issues, Inheritance Tax liabilities, Creditors, Bankruptcy and even remarriage of the surviving spouse.

If you own your home “Jointly” the property automatically passes to the survivor outside your Will, meaning you have no say if your spouse remarries (as marriage voids an existing will) or changes their Will after your death. By severing the tenancy on the property and changing the ownership to “Tenants In Common” so you both now own 50% each means you can now legally direct who is to benefit from your share of the property.

By setting up mirror Wills, and each transferring their share of the property to a Trust and allowing the surviving spouse lifetime usage of your share and upon their death your share goes to your chosen beneficiaries, usually children, grandchildren etc.



- ◆ On first death, the deceased's share of the property is passed into their Trust
- ◆ The surviving spouse/partner continues to live in the property and is still able to move home if they choose to do so.
- ◆ In the event that the survivor enters care, the survivor only owns a half share of a property. The CRAG Regulations confirms that the value of a half share of a house is effectively NIL for the purposes of assessment for Care.





Lasting Power of Attorneys

A lasting power of attorney (LPA) is a way of giving someone you trust, your attorney, the legal authority to make decisions on your behalf if you lose the mental capacity to do so in the future, or if you no longer want to make decisions for yourself.

Anyone over the age of 18 can set up their Lasting Power of Attorney, even if you are in good health by setting up a Lasting Power of Attorney you are making sure the people you want to make decisions for you are nominated should you lose Capacity through accident or illness.

Do not assume that your spouse or partner will be able to deal with your bank account and pensions, and make decisions about your healthcare, if you lose the ability to do so. This is not the case, without an LPA, they won't have the authority.

There are two types of LPA that covers decisions about your financial affairs, or your health and welfare.



Property & Finance



Health & Welfare

LPA for health & welfare decisions

This covers health and care decisions and can only be used once you have lost mental capacity. An attorney can generally make decisions about things such as:

- where you should live
- your medical care
- what you should eat
- who you should have contact with
- what social activities you like doing

You can also give special permission and advice to your attorney to make decisions about life-saving treatment.

LPA for financial decisions

This covers financial decisions and can be used while you still have mental capacity or you can state that you only want it to come into force if you lose capacity. And used for:

- buying and selling property
- paying the mortgage
- investing money
- paying bills
- arranging repairs to property

You can restrict the types of decisions your attorney can make, or let them make all decisions on your behalf.

The Essential Home Owners Package includes all of the following:

2 x Property Protection Trust Wills



2 x Property & Finance LPA's



2 x Health & Welfare LPA's



1 x Deed of Severance

