

A GUIDE TO ....

# PROPERTY TRUST WILLS

Morecambe Bay Wills and Estates

Proud to be recognised at the **British Wills & Probate Awards**:

**Practitioner of the Year "One to Watch"** (National) – Winner 2023

**Customer Service Champions** (National) – Highly Commended 2023

**Will Writing Firm of the Year** (Regional) – Winner 2021, Highly Commended 2022, Finalists 2023

**Will Writing Sole Practitioner of the Year** (National) – Winner 2021



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## WHAT IS A PROPERTY PROTECTION TRUST?

A property protection trust (PPT) clause in a Will is designed to help protect the inheritance of your children and in some cases can also help to protect your property from an assessment for long term care fees.

The share of the family home belonging to the first person to die passes into a trust, protecting it for the future.

This type of trust is also known as a life interest trust – that means that the survivor can benefit from the share of the house in the trust during their lifetime and on their death the trust fund passes to others, usually children of the family.

Property Trusts can also be used to provide a "Right to Occupy" for your partner.



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## WHY DO I NEED A PPT?

Your home is normally your main asset.

If you want to ensure that your share passes ultimately to your children, you should be aware of the risks created by passing it your partner when you die.

**If your partner remarries ....**

Their existing Will would be invalid and without making another Will, your home could pass directly to the new spouse, bypassing your children.

**If your partner needs long term care ...**

The home can be included in any financial assessment. If they own the whole home, it may be used to pay care fees, leaving no asset to pass to your children.

### WHAT OUR CLIENTS SAY:

I always felt in safe hands and when the process was completed I felt a sense of relief which I hadn't quite expected. I'm reassured that my children's inheritance and future is now protected.

## HOW MUCH DOES IT COST?

A pair of standard Wills for a couple is £350. A PPT clause requires more paperwork and drafting, and in some cases a "severance if tenancy" which means a Property Trust Will for a couple is £600, inclusive of VAT. A single Property Trust Will is £350.

5% from every invoice is donated to our local chosen charities.

The trust will need to be registered after death by a solicitor who would normally charge around £500



## HOW DOES IT WORK?

Both of you make a Will leaving your share of your property into a PPT on death.

You need to own your share as a "Tenant in Common", rather than a "Joint Tenant". We advise you on this and prepare any required paperwork as part of our service.

The Property Trust is set up after death and now owns your share of the home. Your partner can live in there, or move/downsize if needed, until the trust ends (normally when the second partner dies). At that point your children inherit your share, but it has been protected against remarriage or care home fees while your partner is still around.

We have a more detailed explanation of this type of Will. Ask us to send it to you for free, or we can discuss it at your appointment.