

EXECUTOR CHECKLIST AND FAQ

FREQUENTLY ASKED QUESTIONS

1. **Question:** What do I do with all of my decedent's outstanding bills?

Answer: Please send your attorney a copy of any statements or bills received. Your attorney will help you determine which items are valid and which items may be set aside. Many installment loans, service contracts and credit card accounts are covered by credit life insurance, which pays off the account balance upon the death of a customer.

2. **Question:** Do I have to pay the property tax, insurance, mortgage, etc. on my decedent's house(s)?

Answer: No. **You are never personally responsible for any of the decedent's debt.** If the estate holds any cash, you are allowed to use the cash to pay any fees or costs related to keeping a house including the mortgage or insurance. If the estate does not have enough cash, you may wish to consider selling the home. If you determine the Estate does not have enough money to continue mortgage payments, or you otherwise wish to sell a home, please contact counsel to begin the process of doing so.

3. **Question:** Can I take over a mortgage belonging to my decedent?

Answer: Yes. Under federal law, a lender cannot foreclose on a home which changes hands due to someone's passing. However, payments on the mortgage must be current. If the mortgage is not current, then a lender may still foreclose on such loans.

4. **Question:** The Estate does not have enough money to pay for a mortgage/car but I also do not want the home/car sold. Can I make the loan payments from my personal funds?

Answer: Yes. Assuming you have been appointed by the Court, any payments you have made on behalf of the estate from your personal funds will be considered a loan to the estate. However, you must keep clear records and show receipts for any such payments to receive the reimbursement.

5. **Question:** There are a lot of small personal items belonging to the estate. What is the proper way to distribute or dispose of them?

Answer: Where there is a Will, the executor would follow the distribution of the Will. If there is no Will, the executor typically has three options:

- (1) Keep the items and ultimately transfer ownership of the items to the beneficiaries
- (2) Sell the items and deposit the proceeds from the sale into the estate account
- (3) Gift or donate the items to a third party. However, before doing so, the executor must obtain written consent from all beneficiaries and heirs to prevent future disputes.

6. **Question:** The Estate has a rental property. What are my obligations as executor to the tenants?

Answer: You, as executor, will have the same obligations to uphold the lease as the decedent had. If there is an ongoing lease, you should continue receiving payments and deposit the rent into the estate's account. You also have the ability to re-lease the property if any lease should terminate prior to the close of the probate. Please contact your attorney as issues arise with the rental property.

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ITEMS WHICH CAN BE ACCOMPLISHED BEFORE YOU ARE APPOINTED

- Send Notifications of Passing
 - Social Security Administration
 - DMV
 - Medicare (if applicable)
 - Credit Card Companies
 - Credit Reporting Agencies
 - Utilities and other Service Providers
 - Landlord (if applicable)
 - Tenants (if applicable)
 - Post Office (cancel subscriptions, phone and utility services)
- Gather Information
 - Locate Important Papers (business agreements, bank books, securities certificates, deeds, wills, recent income tax forms, vehicle registration, trust documents.)Bills and Invoices
 - Death Certificate
 - Bank Accounts and Safe Deposit Boxes
 - Life Insurance, Homeowner and Health Insurance Policies

ITEMS TO BE ACCOMPLISHED AFTER YOU ARE APPOINTED

- Open a bank account under the Estate's EIN. (Our firm will provide the EIN to you.)
 - All deposits and withdrawals must be individually itemized and the institution must be FDIC insured.
- Complete Inventory. Work with our firm to provide the Court with a description of the assets and debts of the estate along with the valuation of the item if different from what was previously provided.
 - Copies of all relevant bank statements upon closing the accounts.
 - If there are stock portfolios involved:
 - Final statement
 - Request stock brokerage (such as Ameritrade) provide the "cost basis" for decedent's portfolio
 - Real property (land and houses) owned by the decedent
 - Personal property owned by decedent
 - If decedent owned a car, provide if possible, a copy of the registration.
 - Value and nature of partnerships or interests in business
 - Value of Notes, Bonds, or Securities.
 - Value of Mortgage on real property
 - Other potential debts the estate may have such as medical debts, utilities, and other statements received by decedent requesting payment (Provide statements and addresses where available.)
 - Inform our firm each time additional property is discovered.

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- Change ownership of any stock portfolio into the Estate's name/account.
 - If sale of stock is necessary to preserve value, please call or email our office.
- Obtain appraisals of all real or personal property as necessary. If value uncertain or you do not wish to obtain an appraisal, please contact counsel regarding determination.
- Determine whether any property will be sold as a part of administration. For example, to pay off a mortgage or to take advantage of a high market price. Contact counsel if you decide to sell.
- Place all liquid assets into the Estate's bank account.
- Determine whether insurance is necessary for valuable items, real property, and vehicles. Discuss with counsel if you determine insurance is necessary.
- Schedule and have filed decedent's Final Income Tax Return (IRS Form 1040)
- Schedule and have filed a Federal Estate Tax Return form 706
- If advised to do so by counsel, Schedule and File estate's income tax return 1041
- Work with attorney to provide an accounting to the court for all costs paid from the accounts, fees reimbursed, and amounts to be distributed to beneficiaries.

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SAMPLE INVENTORY			
TYPE OF PROPERTY	GROSS ASSET VALUE	ENCUMBRANCE	NET VALUE OF ESTATE'S INTEREST
A. <u>REAL PROPERTY</u>	\$150,000	\$50,000 Mortgage	\$100,000
1. 1234 Property Street Las Vegas, NV 89148 Parcel # 333-23-343243			
B. <u>PERSONAL PROPERTY (CASH AND DEPOSITS LIST)</u>			
a. Bank of America Savings Account Ending in 1234	\$10,425.49	\$0	\$10,425.49
b. Bank of America Checking Account Ending in 5678	\$34,502.67	\$0	\$34,502.67
C. <u>PERSONAL PROPERTY (NOTES, BONDS, SECURITIES)</u>			
a. Ford Stocks-5,075 Shares	\$138,699.75	\$0	\$138,664.75
b. Promissory Note from Lois Lane	\$10,143.47	\$0	\$10,143.47
c. Metlife 2014 Quarterly Dividends Account Ending in 5555	\$44.45	\$0	\$44.45
d. TD Ameritrade Account Ending 5678	\$20,736.57	\$0	\$20,736.57
e. Gotham National Life Insurance Co Contract #12345678	\$1,586.92	\$0	\$1586.92
f. Four (4) \$100 EE Treasury Savings Bonds	\$886.72	\$0	\$886.72
D. <u>VEHICLES</u>			
a. Chevrolet Impala VIN 2AB123456WIN	\$3,571	\$1000 Car Loan Ending in 12345	\$2,571
E. <u>MISC PERSONAL PROPERTY</u>			
a. Clothing and various small furniture items	\$100	\$0	\$100