

Get Your Ducks in a Row!

Estate & Long-Term Care Planning News
from Carolina Family Estate Planning

March 2018

FAQ: What Happens to Debts Upon Death?

Most people will die with at least some debt to their name. The average total balance of debt for U.S. consumers in 2016 was \$61,554, according to credit bureau, Experian.

What happens to these debts when you die?

In short, debt incurred by you belongs to your estate. When you die with enough assets to cover your debts, your creditors will be paid first. After your creditors are paid, your beneficiaries will receive what is left over.

If there isn't enough to cover your debts, creditors may get some, but not all, of what they're owed. State law provides an order of priority for the order in which debts are to be settled if there are not enough assets to settle all of the debts. *Family members generally don't become legally responsible for a deceased loved one's debt, but many worry they might.*

Complicating Factors

There can be complex factors, though, depending on the type of debt incurred, where you live, and the value of your estate.

- Federal student loan debt is eligible for cancellation upon death, but private student loan companies typically won't offer the same benefit and

may go after a deceased borrower's estate for repayment.

- If your home is your only asset and other people still live in it, that asset must still be used to satisfy your debts—whether it's the mortgage or a large amount of credit card debt. The people who live there may have to assume the mortgage or sell the home to pay off your creditors.
- Debts incurred by you with co-signers or co-applicants can also result in those debts falling back onto someone else's lap (e.g., the other co-signers or co-applicants).
- If you are married and live in a community property state, then you might be responsible for debt of your spouse incurred during the marriage, even if it was only in your spouse's name.
- Some states, including North Carolina, take the marriage vow of “in sickness and in health” to heart and hold spouses responsible for each other's medical bills and medical debts.

How to Protect Beneficiaries

Here's the core message we share with our clients: ***Estate planning is not just about you or what you want to have happen when you die—it's also about protecting those you leave behind.***

An experienced estate planning and asset protection attorney can help you assess your and your beneficiaries' exposure to debts and creditors and help you develop a plan to provide as much asset protection as reasonably possible to you and your beneficiaries.

If you'd like to explore asset protection options for you and your loved ones, please call us at 919-694-4467.

Jackie Bedard, Author and Estate & Long-Term Care Planning Attorney



Carolina Family Estate Planning
51 Kilmayne Dr., Suite 203, Cary, NC 27511
919-694-4437 | CarolinaFEP.com
Facebook.com/CarolinaFEP

Practice Areas:

Wills • Living Trusts • Asset Protection Trusts
Powers of Attorney • Health Care Directives • Living Wills
Long-Term Care Planning • Medicaid Planning
Veteran's Aid & Attendance Benefits
Special Needs Planning • Children's Safeguard Planning
Probate & Estate Administration • Trust Administration

This publication is for general education purposes. It is not intended to be legal advice. This newsletter may be freely copied and distributed so long as it is copied in its entirety.



My Hometown: Charleston, South Carolina

This month, Attorney Kellie Corbett shares the charm of her hometown of Charleston, South Carolina in a new installment of our Hometown Series.

I've been living in North Carolina since 2013, but I still call Charleston, SC home. Charleston is a gorgeous coastal town that has been named our nation's No. 1 city for the past 5 years. Charleston is one of those rare places that truly has it all: national landmarks, fantastic restaurants, a vibrant cultural scene, and, of course, the friendliest faces.

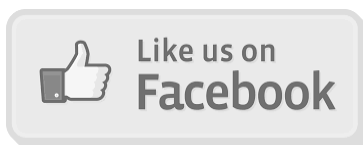
Historically, Charleston may be best known for hosting the opening shots of the Civil War at Fort Sumter on April 12, 1861. Fort Sumter eventually surrendered 34 hours later but it still stands today. Located in the sparkling Charleston Harbor, the military landmark is only accessible by boat. Once there, you'll take a guided tour of the grounds: a rite of passage for both elementary school Charlestonians and tourists alike.

Once you're back on the peninsula, head down to Rainbow Row for a stroll. If you've ever seen a picture of downtown Charleston, it may very well have been Rainbow Row, the longest cluster of Georgian row houses in the United States. These 13 historic homes, each with their own story, were restored and painted in bright pastels during the 1930s and 1940s. You can't miss them as you walk along East Bay Street.

After you've wandered the Battery, head to the heart of downtown to some of the nation's best restaurants. You're in for a real treat if you are visiting in early January or mid-September during Charleston Restaurant Week. Charleston boasts a full spectrum of cuisine, but you'll never go wrong with focusing on the traditional Southern food that is perfected here. For a true classic, try McCrady's, the oldest restaurant in the city where Charleston's leaders met during the Revolutionary War.

Art and cultural events are only ever a block of cobblestoned sidewalk away. The crown jewel of these events, though, is Piccolo Spoleto, a celebration of

For up to date information and announcements, remember to:



Southeastern artists with an impressive 700 events in 17 days. Plan your next trip to Charleston between May 25 and June 10 and you'll enjoy the best exhibitions and performances the city has to offer. In just one night, you'd be able to attend an Italian marionette show, an acrobatic performance, and a late-night jazz party at the Cistern Yard.



I'm incredibly lucky to call Charleston my hometown. Don't miss your opportunity to enjoy the city as well!

Kellie Corbett Attorney

THANK YOU

Thank You For Introducing Your Friends & Family to Our Office!

We're devoted to delivering first-class service to our clients. As a result, our valued clients, partners, and friends refer their family, friends and associates to us. We'd like to take a moment to thank the following:

- Apex Cary Moms' Facebook Page**
- Cary Senior Center**
- Trish Cook**, Cook Care Management
- Ashley Crane**, First Command Financial
- John Crick**
- Paul Delaney**, Capital Endurance Group
- Robert Feisee**, InSight Law
- Jeff & Dawn Fleetwood**
- Tom Gervase**, Coastal Federal Credit Union
- Cheryl Chapman Henderson, Esq.**
- John & Julie Kaderabek**
- Bob & Crystal Knight**
- John Lancaster**, Lancaster & Townsend, PC
- Shea Maliszewski**, Barringer Sasser, LLP
- John McAulay**, LPL Financial
- Al & Tammy McNeill**
- Gordon & Lee Powell**
- Jeff & Maurine Schuller**
- Maura Silverman**, Triangle Aphasia Project
- Alison Takacs**
- Matt Tyrlik**
- Robert Villareal**, Charles Schwab
- Lauren Watral**, Raleigh Geriatric Care Mgmt
- Rick White**, Patriot Wealth Management

Nala's Nook

Nalsworth Dogglethorp, III, Esq. here (a.k.a, Nala). My job is to bring you something fun or interesting each issue:

Spring Asparagus & Gruyere Tart

From Marthastewart.com

Ingredients:

- 5 1/2 oz (2 cups) Gruyere cheese, shredded
- 1 T olive oil
- 1 sheet frozen puff pastry
- 1 1/2 lbs medium or thick asparagus
- Salt & pepper

Directions:

- 1) Preheat oven to 400 degrees. On a floured surface, roll the puff pastry into a 16 by 10 inch rectangle. Trim uneven edges. Score with a knife 1 in from the edges to mark a rectangle. Pierce dough with fork inside the markings at 1/2 in intervals. Bake until golden, about 15 minutes.
- 2) Remove pastry shell from oven and sprinkle with Gruyere. Trim the bottoms of the asparagus spears to fit crosswise inside the tart shell; arrange in a single layer over Gruyere, alternating ends and tips. Brush with oil, and season with salt and pepper. Bake until spears are tender, 20 to 25 minutes.
- 3) Enjoy!

This Month in History:

March

- 1** Yellowstone becomes the first national park in the U.S. (1872)
- 3** Oh Say Can You See? *The Star Spangled Banner* becomes the National Anthem! (1931)
- 4** The Constitution of the United States of America goes into effect. (1789)
- 7** Pass Go and Collect that \$200! The board game Monopoly is invented. (1933)
- 10** The U.S. government issues paper money for the first time. (1862)
- 10** You know that cell phone in your pocket? It all started with the first ever telephone call placed by Alexander Graham Bell to his assistant in the next room! (1876)
- 17** The rubber band was invented! (1845)
- 31** The Eiffel Tower opens in Paris, France. (1889)

Planning for the 2nd Half of Life in these Political and Economic Times...

11 Threats to You, Your Family, and Your Assets

AT THIS SEMINAR, HERE'S SOME OF WHAT YOU WILL DISCOVER:

- How to avoid the common mistakes Baby Boomers make when planning for the second half of life.
- How to avoid having your life savings or retirement plans wiped out by the cost of care as you get older.
- Uncover the secret sources of paying for long-term care costs that may lie hidden in your retirement plan.
- Important differences between Estate Planning and Long-Term Care Planning and how they coordinate.
- How to care for yourself and your spouse and how to maximize the assets you leave to your children...plus how to protect their inheritance from divorce, less than trustworthy spouses, creditors, and similar.

Upcoming Free Seminars: *RSVP required*

Wednesday, March 28th at 3:30 pm

Wednesday, April 18th at 10am

Thursday, April 12th at 6:30 pm

Thursday, April 26th at 6:30pm

Register by phone: **919-694-4437** or online: **seminars.carolinafep.com**

Can't attend? Call us! Additional dates may be offered based upon demand. We'll keep you updated of future offerings or other resources to assist you.

CAROLINA FAMILY ESTATE PLANNING

51 Kilmayne Dr., Suite 203

Cary, NC 27511

Phone: 919-694-4437

www.CarolinaFEP.com

inside this issue

Page 1

What Happens to Debts On Death?

Page 2

Kellie's Hometown Corner:
Charleston, SC
Thank You

Page 3

Nala's Nook
Upcoming Seminars

Page 4

What's New at CFEP

What's New at Carolina Family Estate Planning?

We're Marching into Spring with Excitement!

Here's what's going on with the CFEP Team:

- Jackie and Dan recently joined a crew of fellow elder law attorneys in Barbados to relax and soak up some sun.
- Happy Anniversary! Client Services Assistant, Cheryl Karlos, celebrated her 1-year work anniversary with CFEP, and Client Services Assistant, Lorraine Davis celebrated her 7-year work anniversary with CFEP. Both play an integral part in helping us to provide a top-notch experience to our clients. Thank you, Cheryl and Lorraine!
- Congratulations to Client Welcome Specialist, Amanda (Sanders) Kieffer, who married long-time boyfriend Jeremy in a beautiful Wilmington ceremony surrounded by family and friends!
- Congratulations to Paralegal Keshonda Ruffin and her family who moved into their new home!
- CFEP is hiring! We're looking to add three more rock stars to our team:
 - ◇ Additional Client Welcome Specialist: <http://indeedhi.re/2FFqEfq>
 - ◇ Estate & Trust Administration Paralegal: <http://indeedhi.re/2FYyDTY>
 - ◇ Senior Estate Planning Attorney: <http://indeedhi.re/2IpsUoN>



Want to help your parents' group, church group, or community organization "get their ducks in a row"?
Contact us at newsletter@CarolinaFEP.com to start planning a special CFEP presentation.