



Chris Griswold, P.C.
A Business Transactions Firm

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- International Council of Shopping Centers
- Commercial Real Estate Council of Oklahoma City
- Urban Land Institute
- Oklahoma Renewable Energy Council
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Links & Resources

Commercial Real Estate Council of OKC
www.crecokc.com
International Council of Shopping Centers
www.icsc.org
Urban Land Institute
www.uli.com
Oklahoma Renewable Energy Council
www.ocgi.okstate.edu.orec

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Message from Chris....

I know things are crazy right now in light of the current economic conditions we're facing. If you're like me, you get a little scared about your financial future from time to time. However, there are certain things we all can do to protect our families, ourselves and our assets. The best of these is the creation of a living, revocable trust. Among other good things, this vehicle minimizes or, in certain circumstances, even eliminates estate (i.e., inheritance) taxes. Even if you currently have a living, revocable trust in place, valuations on your assets are rapidly changing which, in turn, impacts the inter-workings of your trust so take a quick look below.

How Trusts Save Your Estate Money

Put simply, we all have an expiration date. If that time comes and you don't have a trust in place (unless your net worth falls below a certain threshold amount), someone is going to figure up what you're worth, take out 35%-70% of that amount for state and federal taxes, and give the rest to your family. As a commercial real estate attorney who regularly creates and deals with trusts within the context of a wide range of transactional stereotypes, I'm here to say it really doesn't take that much time to put a trust together – a few e-mails and phone calls take care of the brunt of the work. In any event, I want you to take away three, basic things about living, revocable trusts:

First, every year the Federal Government and the State of Oklahoma set threshold amounts called "estate tax exemptions." These change every year and any estate worth more than these set amounts is taxed at the rates set forth above (i.e., the 35%-70%). Depending on whether you create a simple or more complex trust, your estate can be created to distribute your net worth in such a way so that these threshold amounts are not exceeded, thus, saving your estate from sizable taxation.

Second, if you already have a trust in place, keep in mind that stock prices, property valuations, and other commodity indexes are rapidly fluctuating. Right now, these values might be down. In a year or two, they will probably go up. Either way, in times like these where there is sharp volatility in the marketplace, make sure your trust is structured in such a way so that these market changes don't ultimately wind up costing you a third to two-thirds of what you're worth.

Third, in addition to just the tax dollars saved, creating a trust will ensure the *automatic transfer* of your assets to your family in the way which you intended – without the further cost, expense and uncertainty that accompanies the typical probate of a Will. True, setting up a trust is more involved and expensive than merely setting up a Will. However, a Will needs to be probated and administered upon your death at a price tag which will far exceed the price of creating your living, revocable trust. Furthermore, you have to *hope* that the probate judge will do as you directed in your Will versus *knowing* that things will go the way you directed as you set forth in your trust. Last of all, how long will that probate last? Who knows. Food for thought.

What My Clients Are Saying....

"We have worked with Chris Griswold in negotiating all aspects of our lease agreements and highly recommend his work. He has always been diligent, thorough, quick and effective. Additionally, he has a keen understanding of the truly critical aspects of leases and how best to address them."

Darren Ford

Owner & Developer of JOBO Properties, L.L.C. / Oklahoma City, Oklahoma