

Time for a Wake-Up Call: Estate Planning for New Parents

As a new parent (and that was fun to type for the first time), we all know we should have a will, power of attorney, insurance, and maybe even a trust in place for our children. But between work, diapers, and endless rounds of "Baby Shark," these are all easy to put off until tomorrow.

Here's the thing: procrastination is the enemy. Newsflash: you don't need to be a millionaire to need estate planning. That house you love? Your 401(k) plan? Those are assets, and without a plan, they might not end up where you want. A recent study showed a shocking 32% of adults still don't have a will. ¹

If I've learned anything in my first few months as a parent it is that life is messy (and I am not just talking about the color, velocity and consistency of fluids that my young son is expelling from his body). I've also learned that I have a new array of worries: What happens if something unexpected happens? Who will take care of my son if something happens to Maria and I? Who will manage his finances? These are questions I certainly don't want my loved ones scrambling to answer in a crisis and I know that you feel the same way.

Here's the good news: estate planning isn't a one-time thing you have to conquer Mount Everest to achieve. Think of it like car maintenance – essential, but not glamorous. Here's what I'm doing as a new Dad.

- **Get Those Ducks in a Row:** Will, healthcare proxy, power of attorney, and yes, even a trust (because let's face it, life insurance payouts can be a windfall, and I want that money going straight to my family, not lost in legal limbo).
- **Life Insurance:** Look, I'm young – but locking in a good rate now with a term life policy is a no-brainer. A good term-life policy shouldn't break the bank but should provide enough coverage to protect your family.
- **Beneficiaries:** It is important to update when life changes happen. For me, everything goes to my wife, but with a trust, it can flow seamlessly to our son (and any future children) if something happens to both of us.
- **Open Communication:** Estate planning conversations can be awkward, but they're crucial. Don't make your family guess your wishes during a difficult time. Think of it as a gift – the gift of clarity and security.

Here's the kicker: some advisors even recommend pre-nups (especially if you have significant assets). It might sound intense, but trust me, it can save a ton of heartache down the line.

Recently, I had a prospect who struggled with the estate planning conversation. He put it off and then passed away suddenly. Now, his estate will take years to close and the tax bill will eat up most of the liquidity he had saved. The morale of the story is that it can happen to all of us. Delaying important conversations doesn't make them go away. It just makes things more difficult for your family.

Parents, it is time to stop the excuses. Our families deserve our protection, and estate planning is the key. It doesn't have to take all day – pick a quiet evening, grab a glass of wine, and have a conversation with your partner. Even a basic plan is better than no plan at all.

Don't wait for tragedy to strike. Schedule a consultation with us. A conversation to get things started can be the best investment you make for your family's future. Remember parents we can do hard things, and this is one of the most important.

¹Source: Caring.com 2024 Wills and Estate Planning Study

<https://www.caring.com/caregivers/estate-planning/wills-survey/2022-survey/>