

JOHNSON, GASINK & BAXTER, LLP

TWO THINGS CERTAIN®

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KNOW THINE ATTORNEY

By Jeremy C. Johnson

Recently, I have had two new client experiences that prompted me to write this article. I have altered the identifying features of these clients to protect their identities; however, the important lessons/issues illustrated by these instances remain intact.

Client One -Home Sweet Home In Jeopardy

Bob came in for an initial estate planning consultation with his financial advisor. During the meeting I discovered that just one year ago Bob had a Last Will and Testament created by another local attorney, who is a general practitioner. Bob's financial advisor then prompted a further revelation, telling me that this attorney created a deed for Bob's primary residence, transferring joint ownership interest in the real property to Bob's daughter, Cindy. This was done as an 'inexpensive' probate avoidance strategy, as recommended by the general practitioner. Unfortunately, Cindy had a divorce subsequent to the deed transfer and the property shows up on her balance sheet during the divorce proceedings. Further, Cindy and her ex-husband had a business that failed, incurring a massive amount of personal debt. The creditor put a lien on Bob's house for \$100,000. Bob is now in the process of negotiating a settlement of that debt so that he can have the lien removed from his primary residence. He has been living under the very real and ever present fear of foreclosure because he followed the 'estate planning' advice of this general practice attorney. We are now in the process of helping Bob correct his estate plan.

Client Two - Attorney's Fees: the world is not enough

After meeting with the attorneys of another local estate & trust law firm immediately after her husband's death, Mildred was referred to me by one of my existing clients; who herself had fallen victim to the same situation, by the same law firm. Mildred told me that she had a 'high pressure' meeting in which the attorneys of this other firm informed her that she had to hire them to settle her husband's affairs due to the complication and difficulty Mildred would be faced with in administering her husband's trust. They

quoted her a legal fee of \$58,000 for their services. Fortunately, Mildred had the presence of mind to tell them she needed to think about the situation before she would sign the engagement letter they presented. She provided me with her husband's trust and asset information. Upon a quick review, it was apparent that Mildred needed only minimal legal assistance with regard to her husband's estate/trust and she was delighted to engage us to provide her with that legal help at a mere fraction of the cost of what was quoted to her at the other law firm.

In both of these cases, the clients had horrible experiences directly attributable to their respective attorney(s). Bob's situation was the result of a general practitioner giving poor estate planning advice. Mildred was almost taken advantage of by a profiteering law firm. The ultimate lesson is that you should know thine attorney. You should create a long term relationship with an attorney/law firm you trust. This trust must be cultivated over time. You should have confidence in your attorney's competency and skill in addition to faith that he/she will treat you honestly and fairly with regards to legal fees.



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About the Author:

Jeremy Johnson is an experienced problem solver who helps individuals and businesses achieve and protect their goals of prosperity, stability and growth through appropriate planning. Jeremy takes great pride in making sure that his work for clients is always reliable, correct, and on time.

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