



3 Tips for Every New Homeowner

Congratulations on the purchase of your new home! Whether this is your first home or you are upgrading or downsizing from your current home, the purchase of a home is a big event in your life. When major life events occur, it is important that you have a plan in place to ensure that you are properly prepared for the future. Below are a few things to consider now that you finally have the keys to your new home.

1. Update Your Address

Now that you are in your new home, it is very important that you update your address with the appropriate entities. Your local United States Postal Office has a form you can fill out. If you cannot make it into the post office, you can also update this information on their [website](#). This will assist them in forwarding your mail to you.

To ensure that you do not miss any important tax notices or refunds, you will also want to update your address information with the Internal Revenue Service using [Form 8822](#), as well as with your local state tax agency.

2. Make Sure That Your House Title Coordinates with Your Estate Plan

While it is still fresh in your mind, take a look at your new deed to determine how your new home is titled. Ideally, you had a discussion with an estate planning professional prior to purchasing the new property to determine how you would like to own your new property, whether in your name individually, jointly with a spouse, or in the name of your trust. It is important to review your current estate plan after the purchase of the home to ensure that it aligns with your estate planning goals.

For example, if your plan had a specific instruction to give your prior property to someone, and the instruction references the address of your prior home, you will want to ensure that you update this provision once you no longer own the previous property to avoid confusion down the line. On the other hand, if this is your first home and your estate plan includes a trust to avoid probate, you will need to ensure that your home is titled in the name of the trust and not in your name individually. Alternatively, you could have a transfer-on-death (TOD) deed or Lady Bird deed prepared to add the trust as a beneficiary to the home if your state recognizes these tools. Additionally, if you would ultimately like your property to be distributed to a specific individual or held in trust for the benefit of your loved ones (for example, your minor children), you will want to ensure that provisions are added to accomplish this.

3. Check Your Life Insurance Coverage and Beneficiary Designations

Unless you were fortunate enough to pay cash for your new home, chances are you now have a monthly mortgage expense. In order to protect your loved ones, it would be prudent to prepare for the possibility of dying before you pay off your mortgage. You may want to consider whether you have enough life insurance to pay off the balance of the mortgage. This is especially important

if you have a surviving spouse or children who will likely continue to reside in the home to ensure that they have sufficient funds to alleviate one of the largest monthly expenses they will probably have. Life insurance can provide valuable funds during what is usually an emotionally—and sometimes financially—difficult time.

When you buy a new home, it is a great opportunity to double check your beneficiary designations. Life changes happen so quickly that sometimes updating beneficiary designations can be overlooked. If your designations do not align with the rest of your estate plan, you may end up inadvertently disinheriting a family member, having a large sum of money fall directly into the hands of an individual (for example, a young adult or minor child) without any guidelines, or having your hard-earned money and property go to someone you no longer want to benefit from your life insurance.

Lastly, now that you have a home and homeowner's insurance, call your insurance agent to make sure that you are getting all of the discounts to which you are entitled. Many insurance companies will offer discounts when you bundle services. If you already have car insurance through a carrier and use the same company for your homeowner's insurance, you may be entitled to a better rate than if you obtained the policies at separate carriers. In addition, homeowners often get discounts that renters do not.

We Are Here to Help

Buying a new home is a big step, and we are here to help you plan to protect both your loved ones and your new investment. Schedule your in-person or zoom appointment at www.callaslegal.com

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