

Independent Trust Company & Unique Assets

Clients don't buy products or services, they buy solutions and results. A solution we provide that sets our firm apart is our coverage of Unique Assets. Independent Trust clients typically own stocks, bonds and other *liquid* investments, but also *illiquid* investments (a vacation property, a share of the family business, oil wells, a collection of antique cars, etc). Many firms decline to include these types of Unique Assets in trusts because they can be complicated to assess but here at Independent Trust Company, we pride ourselves in ensuring our clients' trusts include every solution they need to deliver a result that cares for families as the document intended.

For example, consider a vacation home that has been in the family for years. Multiple branches of the family use it but if the patriarch or matriarch cannot (or prefers not to) manage the property, there are certain issues they may arise such as:

- Who is responsible for paying the bills?
- Who is responsible for refereeing disputes (say if multiple families want to use the house at the same time)?
- Who pays for necessary repairs (something made more complicated if not everyone has equal abilities to pay)?
- If capital is needed, what is fair? If some family members live nearby and others far away, does this impact what contributions are required?

In this scenario, Independent Trust Company could step in to support the management of the vacation home with the following:

- The development of a governance plan for the property
- Paying the bills.
- Periodic inspection of the property
- Leasing services if the family wants to rent out the place when it would otherwise be unused
- Supervision of contractors
- Management of the sale of the asset
- Preparation of financial statements
- Valuation of the property periodically (for insurance, estate planning etc.)

The management of Unique Assets is time consuming and can be difficult so it's common to want someone else to be responsible. If you have something that falls in the Unique Asset category that you would like to be a part of a trust, let's start the important work of the establishing the valuation now. We have worked with Unique Assets for over 20 years and understand the complication they bring to estate planning. Bringing them to us to review not only saves you money with accountants who would be assessing the value right now but since we will have to review it before it can become a part of a trust, it saves time and money to review and properly assess the asset now. This also allows the asset can be incorporated into Agent for Trustee services and, ultimately, be in place after the grantor passes.

Some of our most in-demand unique asset offerings include:

Real Estate

- paying property taxes and insurance
- conducting annual inspections
- leasing services (collect rents etc.)
- supervising contractors (lawn service etc.)
- obtaining independent valuations

Life Insurance

- reviewing policies
- remediating policies
- making premium payments
- sending Crummey notices

Loans & Notes

- processing payment notices
- tracking principal and income
- verifying collateral
- following-up on delinquencies

Minerals, Oil & Gas

- negotiating leases and releases
- reviewing/approving division orders

Closely-Held Businesses

- collecting relevant ownership documents
- monitoring underlying investments
- processing distributions
- reviewing Authorization for Expenditure requests
- auditing royalty accounting reports

Intellectual Property

- coordinating with Paying Agent
- confirming receipt of royalty payments
- reviewing transactions for accuracy
- researching and resolving discrepancies

Tangible Assets & Collectibles

- documenting ownership
- conducting periodic inspection
- arranging for insurance
- obtaining independent valuations

The Independent Trust Company is ready to discuss your Unique Asset and the ways we can support its inclusion in your family's legacy for years to come. Please contact us to begin the process.