

# 6 things you need to know about being an executor of your parent's estate

While anyone can be designated as an executor, the responsibility usually falls to the adult children of a parent who has passed away. Here's the scoop on what the job entails and how to do it well.

Edward Olkovich has a treasure trove of executor stories. "One lady wanted the contents of her house distributed to 72 people in Europe," he chuckles, "including a crystal ashtray. And I've seen family members argue about garage sales."

It's what drove the Toronto-based wills and estate lawyer to write [Executor Kung Fu](#), a book that looks at how to make the process of executing a person's will as straightforward as possible. He's found that the children of elderly parents—it's adult kids who usually become the executor of an estate, but well-meaning relatives and friends can take on the role, too—underestimate the work that's involved. Many think they can wing it, says Olkovich.

In reality, being an executor requires having frank conversations with your parents, regular discussions with family members, solid record-keeping skills, and strong attention to detail. "Sometimes people try to do this themselves," he says. "But you'd be surprised at how many problems people can run into."



Understanding an executor's role—what's involved, the responsibilities, and timelines—can help stave off any family or tax issues. So too can reaching out for expert help from an accountant, lawyer, or financial advisor. With those supports in place, you can ensure that you'll be executing your parents' wishes to the letter, while keeping the rest of your family happy.

Here are a few things to know about being an executor of your parents' estate.

## Start with communication

While discussing end of life wishes is tricky, especially if it's with a parent, if you've been named an executor you'll want to talk to your mom or dad about how they want their estate distributed and where their financial information is located, says Olkovich. "Where is the latest will? Where are the bank statements? Are you arranging the funeral?" are just some of the questions he says to ask.

Be careful about writing down your parents' wishes, such as who gets what, as that

information could be used to contest a will, he warns. You should take notes on where key documents are located, though, so you're not hunting through closets later on.

It's also important to communicate with your siblings or other beneficiaries of the estate, says Katharine Zhang, an associate with Welsh LLP in Calgary. But while you'll want to keep them in the loop for most things, you don't need to text or call them every time you reach out to the bank or the credit card company as that can slow things down. "Seek approval for certain things," she suggests, such as the sale of large items.

### **Protect your family's possessions**

Ideally, parents will have told their children what they're getting before they pass away, so that there are no arguments later on. Unfortunately, that doesn't always happen. As an executor, your job is to ensure your parents' wishes, which are stated in the will, are carried out. If you and your siblings don't see eye to eye, then you may need to protect your parents' assets, such as jewellery or cars, from being taken. "Families loot the place all the time," says Olkovich. "Sometimes it's not valuables—it's mom's recipe book. Emotional things are stress points."

Protecting assets also means taking care of them. Make sure a car or house is properly insured after a parent passes away and don't let a house depreciate in value by letting it fall into disrepair, says Zhang. Continue mowing the lawn and doing repairs even if no one's living in the house.

### **Consider probating the will**

A will may not need to be probated, particularly if there are few assets and no property left to beneficiaries, says Zhang. But if there is property you'll need to probate the will by going to court and having it certified. This involves paying probate taxes and getting a stamped version of the will indicating it's the official one. You don't want someone else coming with another document saying they have the will—it can happen! It's a critical step as it means you

can then legally sell any assets belonging to the deceased person, whether that's stock, a car, or a home.

### **Sell off assets**

Many estates include property that will need to be sold, with the proceeds being divided among the kids. As an executor, your job is to make sure a house or cottage is sold at a fair market price, so have a real estate agent assess the value of the property. This is especially important if one child wants to hang onto the cottage and buy it from their siblings—if you're trying to buy your half at too low of a price, or if a brother or sister wants to sell you their half at an inflated cost, then that could cause problems. Keep all records from real estate agents and appraisers in case someone argues the cost, says Zhang.

### **Make sure everyone gets paid**

As executor, you're responsible for paying out family members as well as creditors, usually within a year or 18 months, though that time period can be longer in complex situations, says Zhang. You'll have to pay any outstanding bills, loans, and taxes. You can also pay yourself a fee for overseeing the estate—it's usually around 5% of an estate's value—but it's a good idea to have that amount laid out in the will so that there are no surprises. Don't forget that this income is taxable, so you'll have to declare it on your tax return.

### **Only do it if you want to take on the responsibility**

If all of this seems like too much work—and being an executor is a job that can last weeks, months, or even years and can involve listing properties, itemizing possessions, meeting with lawyers, and doing taxes—then you can say no, even though it may be hard to do so to a parent. Dealing with a loved one's estate can be emotionally draining and it can be uncomfortable too—it may not be easy to manage family politics. As well, if an executor mishandles an estate, they can be taken to courts by the beneficiaries.

If you are too busy or don't want the responsibility, then get assistance from experts—you can hire a third-party corporate executor who can manage the process—or ask another family member for help. “Assess whether you're prepared to be an executor,” says Zhang.

Ultimately, the most important rule of being an executor is to “make responsible decisions,” notes Zhang, with Olkovich adding that there's no shame in doing the job with someone else. “It's a mistake,” he explains, “for the executor to do everything by themselves.

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