

# Preserving Wealth, Empowering Legacy

## How a Family Office Can Help Transfer Generational Wealth

For high-net-worth individuals and families, passing down wealth is more than a financial goal — it's a legacy. But with that legacy comes complexity. Estate tax implications, asset management, philanthropic goals and family dynamics all require careful orchestration.

That's where a family office comes in. It's not just for billionaires; it's an increasingly popular structure for affluent families looking to protect and grow their wealth across generations. Let's take a closer look at how a family office operates and how it can support your estate planning goals.

### What is a family office?

A family office is a private advisory firm that serves one (single-family office) or a few (multi-family office) ultra-high-net-worth families. It offers a centralized way to manage all aspects of a family's financial and personal affairs, including investment and estate tax planning, estate administration, philanthropy, and even day-to-day tasks such as travel arrangements.

The goal is to unify financial strategy with family values to ensure a smooth transfer of wealth while minimizing conflict and financial erosion.

### How can a family office benefit estate planning?

One of the most powerful benefits of forming a family office is its ability to streamline estate planning. Families with significant assets often deal with multiple advisors — CPAs, estate tax attorneys and wealth managers — all operating in silos. This fragmentation can lead to inefficiencies, missed opportunities and increased costs.

A family office breaks down these silos. By coordinating across all professionals, the family office can build and maintain estate planning goals that evolve with your family and the law.

Here's how:

**Continuity and communication.** Family offices foster continuity by establishing a centralized strategy. This is especially critical when multiple generations are involved. Instead of relying on a patchwork of outside experts, the family office team works together under one roof (or closely partnered structure), helping to ensure that everyone is aligned on long-term goals.

**Advanced tax strategies.** Wealth transfer is often complicated by gift and estate taxes. A family office can work closely with your CPA to employ sophisticated strategies such as grantor-retained annuity trusts (GRATs) and charitable remainder trusts (CRTs) to reduce tax exposure while honoring your intent.

**Trust administration.** Many estate plans rely on the strategic use of trusts. A family office can handle the administration and coordination of multiple trusts, ensuring they remain compliant and effective. This is particularly valuable when trusts are complex, span multiple jurisdictions, or require coordination with beneficiaries and trustees.

**Education and governance.** Successfully transferring wealth takes more than legal documents — it requires educating the next generation. Family offices often provide education programs to help younger family members understand financial stewardship, tax basics and the responsibilities of managing inherited wealth.

Some family offices also assist in creating family charters or governance structures, which articulate the family's values and decision-making framework. These tools can help reduce future disputes and foster family unity.

### **Is a family office right for you?**

While a traditional family office is often most cost-effective for families with \$100 million or more in assets, many modern solutions—such as multi-family offices or virtual family offices—offer similar services at a lower income threshold (often starting around \$20 million in net worth).

Even if you're not ready to build a full family office, you can benefit from adopting the principles behind one: coordinated advice, long-term planning and values-based wealth management. Contact your estate planning advisor for more information on a family office.