

the ESSENTIAL SCOOP

SEMI-ANNUAL NEWSLETTER FROM YOUR ESSENTIAL WEALTH GROUP TEAM

Hello Summer!

WHAT'S INSIDE

Summer office hours - 2

Upcoming events - 2

Planning for cottage
succession - 3 & 4

Recipe corner - 5

Welcome to the spring/summer edition of our semi-annual newsletter. As a reminder, we publish this formal communication twice a year, but also post regular updates on our social media accounts and website which we have linked below:

 facebook.com/essentialwealthgroup

 twitter.com/essentialwg

 www.essentialwealthgroup.com

We hope you enjoy this issue and always welcome your feedback and any suggestions for topics you would like us to include in the future.

SUMMER OFFICE HOURS

As in the past, we will be shortening our office hours during the months of July and August. Summer office hours will be as follows:



9:00 AM - Mondays - Thursdays
4:00 PM

9:00 AM - Fridays
1:00 PM

UPCOMING EVENTS

Annual HollisWealth Waterloo Branch Charitable Golf Tournament

**WED
AUG 15**



Breakfast, 18 holes of golf with a cart and a delicious dinner. Everyone will go home with their own Tee Gift. Entry is limited to the first 144 golfers - reserve your spot today!

Hosted at:



In support of:



**SAT, JUNE 9
&
SUN, JUNE 10**

St's Peter & Paul Orthodox Church
527 Bridgeport Rd E Kitchener
DOORS OPEN AT NOON!



KWGreekFest

HOW TO PLAN FOR COTTAGE SUCCESSION



With spring in full force many Canadians have already opened up their cottages for the summer months ahead. While it can serve as a great vacation residence or weekend escape, the family cottage can be the subject of debate especially when discussing options for transferring ownership to the next generation. Selling a cottage to a stranger or third party is fairly straightforward, but handing down your property to family members requires

considerable planning to avoid future complications. There are tax implications certainly, but typically more far-reaching and significant are the emotional and personal impacts on your family. Planning ahead is extremely important and including the interested parties in the discussion can help avoid disputes and misunderstandings that can lead to permanent rifts between family members.

Consider these issues:

1. Emotional attachment & desire for ownership

Some vacation homes have been owned for generations and hold cherished memories with a deep significance to the family legacy, while others may be recent purchases or are not used by everyone so emotional ties are not a concern. It is also possible that some family members have no interest in owning a share of the cottage but you may still wish to include them, potentially via a cash legacy or other means to ensure equal distribution of the estate.



2. Affordability

Even if family members wish to take on ownership of the cottage, they may not be able to afford it. Like any property, upkeep costs and rising property taxes can turn this gift into more of a burden than a blessing. This is often the main source of family disputes. Stipulation of responsibilities and expense sharing should be clearly agreed upon, otherwise family members with fewer financial resources may expect those with greater resources to pay more. Additionally, family members who use the property less often may also expect to do less work despite equal ownership interests. Scheduling visits and issues of guest access should also be addressed as part of the overall plan.

3. Tax implications

When vacation homes increase in value, owners have to take into consideration capital gains tax. Excluding the tax-free rollover to a spouse, significant capital gains may be payable on the transfer of property either during your lifetime or at death. Another aspect to consider are probate fees, which in Ontario are about 1.5% of the property value (e.g. \$15,000 on a \$1 million cottage). Both of these costs unless otherwise provided for (e.g. with a life insurance policy) are payable from the owner's estate. It is important to estimate what this final bill will look like and determine how it will be paid for, especially if some family members are to receive ownership as a bequest and the residue of the estate will be left to others. This is because, in such a situation, the family members who do not receive ownership of the cottage, may have their inheritance unfairly reduced by the tax implications of the property transfer. Another potential outcome if proper planning is not done, is the lack of liquid assets available to pay the terminal tax bill which could result in a forced sale of the cottage to cover expenses.

4. Family law - equalization of family property

It should be noted that family members spouse's may become entitled to ownership rights of the property in the event of marriage breakdown. Equalization of assets refers the fact that on marriage breakdown, the spouse whose net family property is the lesser of the two net family properties is entitled to one-half the difference between them. Different rules apply to gifts received before marriage vs. gifts received during marriage, but special planning and the inclusion of clauses and domestic contracts can prevent undesirable outcomes from arising during such a situation.



RECIPE CORNER

Vegan "Tuna" Salad

This year our team participated in the 10th Annual KW Cleanse from The Doctors at True Wellness. While some people hear "cleanse" and think starvation and strange juice combinations, the KW Cleanse was designed to promote clean living and strives to build awareness about the power of food and lifestyle with an emphasis on environmental toxins and their implications on our health. One of our favourite recipes we walked away with was this vegan "tuna" salad courtesy of Relish Cooking Studio.

Ingredients:

- 1 can (14 oz) chickpeas
- 1/4 cup diced red onion
- 1/4 cup diced celery
- 1/4 cup diced dill pickles
- 1 tsp capers, loosely chopped
- 3 tbsp tahini
- 1 tsp Dijon mustard
- 1 tbsp maple syrup
- Salt & pepper to taste



Method:

- Dressing: In a small bowl, mix together tahini, mustard and maple syrup, set aside.
- Tuna salad: In a medium bowl, mash rinsed & drained chickpeas with a fork, leaving clumps & a few whole. Add onions, celery, pickles & capers.
- Pour over dressing and toss to mix well. Will keep 4-5 days refrigerated.

Did you know

The World Health Organization puts out an annual list of the top 12 sprayed foods with the highest chemical content. While organic foods grown without chemical sprays & insecticides are preferable, buy what your budget allows & focus on buying organic produce from the "Dirty Dozen" list below when possible.

The Dirty Dozen:

- Strawberries
- Spinach
- Nectarines
- Apples
- Peaches
- Pears
- Cherries
- Grapes
- Celery
- Tomatoes
- Sweet bell peppers
- Potatoes

The Clean 15:

- Sweet corn
- Avocados
- Pineapples
- Cabbage
- Onions
- Sweet peas
- Papayas
- Asparagus
- Mangoes
- Eggplant
- Honeydew
- Kiwi
- Cantaloupe
- Cauliflower
- Broccoli



With you, every step.™

^WHollisWealth®
Invested in you.

(519) 746-8448

TEAM.TRASIAS@ESSENTIALWEALTHGROUP.COM

WWW.ESSENTIALWEALTHGROUP.COM

Nicky Trasias, CERTIFIED FINANCIAL PLANNER®
Investment Advisor, HollisWealth®, a division of Industrial Alliance Securities Inc.
Insurance Advisor, Hollis Insurance Inc.

This information has been prepared by Nicky Trasias who is an Investment & Insurance Advisor for HollisWealth® and does not necessarily reflect the opinion of HollisWealth. HollisWealth® is a division of Industrial Alliance Securities Inc., a member of the Canadian Investor Protection Fund and the Investment Industry Regulatory Organization of Canada. The information contained in this newsletter comes from sources we believe reliable, but we cannot guarantee its accuracy or reliability. The opinions expressed are based on an analysis and interpretation dating from the date of publication and are subject to change without notice. Furthermore, they do not constitute an offer or solicitation to buy or sell any of the securities mentioned. The information contained herein may not apply to all types of investors. The Investment Advisor can open accounts only in the provinces in which they are registered. Essential Wealth Group is a personal trade name of Nicky Trasias. For more information about HollisWealth, please consult the official website at www.holliswealth.com.

Insurance products provided through Hollis Insurance Inc.