

The “Daily Plan-It™”

ESTATE & BUSINESS LAW GROUP, P.C.

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Economy’s Cold Reality Has Turned Cemetery Plots into ‘Hot Properties’

We’ve noticed a really unusual real estate trend lately as clients look for ways to increase cash reserves by selling off long-held properties.

They’re not selling vacation cabins or those condos they bought as investments. Frankly, the residential real estate market has not recovered enough for anyone to make decent money doing that.

Instead, some clients are raising quick cash by selling off their family burial plots.

A Really Grave Decision

According to a recent article in the Wall Street Journal, “Selling the Family Plot” (<http://digg.com/u1DU4w>), cemetery and funeral property web sites are reporting a burgeoning marketplace for the sale of burial plots. As the recent economic meltdown got worse, people started liquidating these assets to make ends meet – or simply to make a profit.

For instance: A couple bought a double plot in 1990 for \$1,500. Today, a cemetery might sell the same plot for \$4,500. If the couple unloads those plots on the secondary market, they could raise as much as \$2,800.

That might be enough motivation for cash-strapped clients to decide that heaven can wait, if they can get back money they can use to pay bills now. As an advisor, this is one possible strategy to suggest whenever a client lets you know he needs to raise some quick cash.

Many plots have been held by families for decades and can be sold for a great deal more than what was originally paid. The WSJ article said that plots sell quickest and cost the most in places where people tend to retire – such as Florida, Arizona, Texas and Southern California.

Some sellers have been known to offer previously occupied plots that are near or next to the resting places of celebrities. The crypt above Marilyn Monroe went up for auction on Aug. 14 and resulted in a final bid of \$4.6 million, though the offer, from Japan, was later rescinded.

Existing Tenants

Is it too late to take advantage of this strategy if the family owns a multi-plot property that was partially used? In most instances, the family can still move those remains to another single burial location and then be free to sell the larger family plot.

Warn clients that this isn’t as easy as posting a Craigslist ad or putting a “for sale” sign on the plot. They need to check with the cemetery to find out what the rules are.

Most cemeteries allow owners to sell plots on the secondary market, but sometimes they will buy the plots back themselves. Many cemetery operators reported their buybacks increased exponentially over the last year.

Flipping ‘Plot-perties’

On the other hand, now could be a great time for investors to buy burial plots for future sale and profit. With so many plots coming onto the market, sellers may be more willing to negotiate on price.

Buyers need to ask what’s included in the price. Some properties include burial costs and headstones, while others are just the plot itself.

As always, I hope this article has helped you and your clients. If you have any concerns or would like to talk about a specific case, please contact our office.

Workshop Schedule

The Truth about Estate Planning

Usually Tuesday nights, 7:00 pm
(Please call for current dates)



IRA Preservation Planning

Learn how to properly protect your IRAs and what the IRA Preservation Trust can do!

(Please call for current dates)

On February 8, 2006, President Bush signed into law the Deficit Reduction Act of 2005 (DRA 2005), which included the most sweeping changes to [Medicaid](#) laws ever enacted.

Medicaid Planning Workshop

The new Medicaid laws and some of the planning options that are still available, even in light of these sweeping changes.

Usually Tuesday nights, 7:00 pm

(Please call for current dates)

Registration: Contact Mary Lang at (847) 367-4460

<http://eblawgroup.com>

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We invite you also to direct your clients to
http://eblawgroup.com/FAQ_medicaid.htm
for more information on Medicaid Planning.