

The Prince of Probate's
Maryland Playbook

Guidance for Executors & Personal Representatives



FRED DORSEY

freddorsey.com



FORWARD TO ATTORNEYS AND PROSPECTIVE CLIENTS

Selling probate, estate or trust real estate has its own unique sets of challenges and can be daunting for those who are unfamiliar with the process. With Fred Dorsey, we believe we should do everything in our power to make things easier for our clients, and we do it. This is why we have put together this simple, yet comprehensive guide.

There are other books and references available, but none are clear and to the point. Many of us barely have time to keep up with our own lives, let alone read hundreds of pages on a topic we hope to deal with only once in our lifetime.

We think you will find this booklet useful, informative, and most importantly, fast to read and comprehend. Should you have additional questions, feel free to contact us at 301.842.7156 or fred@freddorsey.com, we are here for you.

These pages do not attempt to define the many types of trusts, nor do they offer legal advice. They provide general information for the trustee and their representatives who anticipate the sale of real property. Frequently, real property comprises the majority of an individual's estate. Whether it is the family home or investment property.

The Sale of real property through probate should be managed to the maximum benefit of their heirs, protecting the interests of the heirs and their descendants.

Maryland Probate Code contains specific instructions to both buyers and sellers.

***IF YOU HAVE ANY QUESTIONS ABOUT PERSONAL OR FAMILY TRUST.**

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WHY CHOOSE FRED DORSEY?

Selling probate, estate or trust real estate is not a job for your **average realtor**.

Most real estate agents are accustomed to selling a property through a residential sale and do not understand the complexities that go into selling probate, trust, or conservatorship. It requires special disclosures, listing agreements, a unique marketing strategy and diligent attention to probate law.

With Fred Dorsey, we have the knowledge to help protect you and your interests, We are extremely familiar with the court protocols and have excellent relationships with court personnel, probate attorneys, probate paralegals and administrators.

Working with Fred Dorsey has quite a few benefits too. Below are a few highlights:

MARKETING

Fred Dorsey uses the latest in technology to ensure your property gets the exposure it deserves, creating buyer competition, and maximizing the sales price.

*Private network of hundreds of qualified investors and first time buyers.

*Private network of over 20,000 real estate agents for direct email marketing.

*Property Enhancement Team ready to help with moving of personal belongings, gardening, and everything else, we have it all.

*Tiered Staging Platform - from furnishings most important room in the house (living room, master bedroom) to full staging of every room, to luxury staging, complete with exotic cars and the finest furniture and original artwork.

*Certified with over 20 Banks for Broker Price Opinions (BPO's). ensuring your property is priced just right for maximum sale value.

*Tiered Technology Platform from outstanding pictures to virtual walk in tours and drone/photography.

*Members of multiple MLS services (not just one), all viable social media outlets, and a company website that's turning heads:

fred@freddorsey.com

*Flyers, open-house invitations, Broker caravans and other forms of publication done with the utmost care in high end magazine quality print.

TRANSACTION HANDLING

Fred Dorsey has the experience and skills you need for a smooth escrow and assertive negotiation.

- Over 100+ escrow (sales) Closed
- Over 14 years of experience in all types of residential and commercial
- Highly skilled in producing favorable escrow terms and in depth knowledge of every type of contract used by professional realtors.

POST-TRANSACTION CARE

Fred Dorsey has a network of professionals to help you with anything after escrow closed should you need a referral.

- Movers, utility transferring, accountants, lawyers, 1031 exchange experts, etc.
- Fred Dorsey can also provide you with the options from our own private network of professionals.

** Most importantly, with Fred Dorsey, we understand that while we do what we do on a daily basis, this might be a once-in-a-lifetime experience for you. We treat you with the respect and understanding you deserve, and always strive to earn your business.

WHAT ARE PROBATE, TRUST AND CONSERVATORSHIP SALES?



While each of these types are different in its own right, all include some form of estate administration. Estate administration allows the sale of real estate and personal property owned by a person who is incapable of managing his or her own financial affairs. This can include someone who cannot meet his or her own basic needs, (food, clothing, shelter, medical care), a minor or child (under 18 years old), or someone who is deceased.

PROBATE SALE

A court administered process that distributes a deceased person's estate/assets according to their will. If there is no will, then the assets are distributed usually to that person closest of kin. This includes immediate spouse, children, siblings, or other relatives. Probate is the only way to transfer real property from the deceased to their heirs if a trust was not set up prior to their death.

TRUST SALE

It is the sale of a property that is held by a trust. The original trustee is either under a conservatorship due to an inability to handle his or her affairs, or the original trustee is deceased. The assigned trustee of the property is directed to sell the property and to hold the proceeds from the sale in a trust account for beneficiaries.

CONSERVATORSHIP SALE

(In Maryland) It is regulated by Probate Code and conducted in probate court. There is one fundamental difference between a conservatorship and probate sale. In probate, the property owner is deceased. However, in a conservatorship, the property owner is often alive and might even be living in the home for sale. The conservator acts as a fiduciary, selling the property on the owners behalf. The owner is usually someone who is incapable of meeting his or her own basic needs. The sale may be necessary to provide additional funds to help support those needs which includes caregiving, medical bills, allowances, and other expenses.

Now that we understand the distinction between these three types of sales, let's discuss the process that takes place, and the types of people involved in a little more depth.

This will give you a better understanding of what to expect.

WHY WOULD SOMEONE NEED TO SELL A PROBATE, TRUST, OR CONSERVATORSHIP PROPERTY?

There are many reasons. The most common include:

- To pay for bequests, debts, family allowances, administration expenses, taxes, or care of the property owner;
- The will of the deceased demands that the property is to be sold;
- The property is a financial drain on the rest of the estate;
- The nature of the estate requires it because the property cannot be easily divided between more than one person;
- Dissension (disagreement that leads to discord) among the heirs.

WHAT IS A FIDUCIARY AND WHAT ARE HIS OR HER DUTIES?

A fiduciary is a personal representative who administers the sale of a property. Usually, the court will appoint fiduciary.

A fiduciary is either:

- An executor named in a will to administer the estate (files all necessary legal documents, handle finances, etc.)
- An executor appointed by the court when there is no will, the will names no one as executor, or when the executor is unwilling to serve;
- A conservator, such as a family member or a paid professional, appointed by the court to care for a person or his/her estate;
- A guardian for a minor (under 18); or
- A trustee - someone who is named in a trust document to manage the sale of the property and distribute any income from the sale.

The duties and responsibilities of a fiduciary include taking inventory of all assets and paying debts in a way that protects the best interest of all the heirs of the deceased (beneficiaries).



THE TWO TYPES OF PROBATE SALES

SALES WITHOUT COURT CONFIRMATION

If the fiduciary has been granted full administrative powers under the Independent Administration of Estate Act (IAEA), or the property is held in a non-court supervised trust, court confirmation is seldom required. The timeline of sales like these closely resemble that of a typical real estate transaction.

However, the executor is exempt from disclosure (the requirement to document any known defects of the real property to potential buyers), which is not a characteristic of a typical sale.

All heirs must be notified of the sale in writing and have 15 days to contest the sale(object). Some trusts allow for 45 days. If an objection occurs, and it cannot be overturned by the fiduciary or attorney, the sale would then go to the court for conformation.

SALES REQUIRING COURT CONFIRMATION

The Probate Court requires appraisal of the property and must approve the buyer's purchase offer. The goal of the court proceedings is to protect and promote the interests of all beneficiaries. They take much longer to complete than standard sales due to the court process.

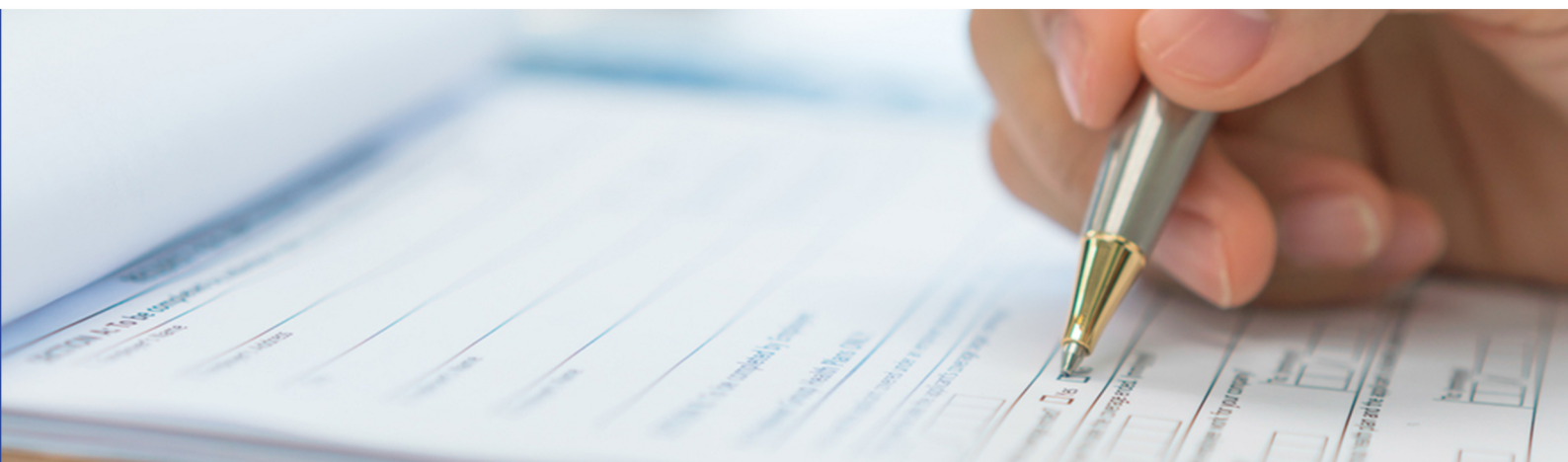
The representative of the estate may grant an exclusive right to sell the property to a real estate broker for a period of not to exceed 90 days, if the court permits it.

When a probate property goes on the active market (listed on the MLS and other forms of advertising), buyers can begin to make offers on the property. When an offer is made , it must be no less than 90% of the property's appraised value. When offer is accepted, the representative (Realtor or other legal representative) will petition the court to confirm the sale. However, there is still an opportunity for another interested party to buy the property during a hearing that is set by the court. Depending on the calendar, the court will set a date for a hearing between 20 and 40 days after the petition (for conformation of the original offer) has been submitted. All interested persons or parties may bid at the time of the hearing. A good realtor knows this and will continue to market the property after the original offer has been confirmed to hopefully receive a higher offer at the hearing.

WHAT TO DO IF YOU NEED TO OPEN AN ESTATE IN MARYLAND

The following is a partial list of items you will be required to furnish to open an estate in Maryland:

- Decedent's Last Will and Testament
- Death Certificate
- Funeral Contract/Bill
- Approximate value of assets in the decedent's name alone
- Title to decedent's automobiles and/or other motor vehicles
- Names and addresses of persons interested in the estate
- Regular Estate Forms - forms available on the web site - (see website)
- Small Estate Forms - forms available on the web site - (see website)
- Any applicable filing fee



In order to determine which forms and requirements apply to your situation, it is preferred that you speak to a probate deputy prior to arrival.

For more information, please call the New Proceedings Division in the county of residence of the decedent. So that we can provide faster service, it is recommended that you make an appointment to open an estate.

REGULAR ESTATE Property of the decedent subject to administration in Maryland is established to have a value in excess of \$50,000 (in excess of \$100,000 if spouse is sole heir). For persons dying prior to October 1, 2012, a Regular Estate consists of assets with a gross value in excess of \$30,000 (or \$50,000 if the sole heir or legatee is the surviving spouse).

SMALL ESTATE Property of the decedent subject to administration in Maryland is established to have a value of \$50,000 or less (\$100,000 or less if the spouse is the sole heir). For persons dying prior to October 1, 2012, the Small Estate limit is \$30,000 or less (or \$50,000 or less if the sole heir or legatee is the surviving spouse).

Guidance for Executors & Personal Representatives



The following is a checklist of steps to be followed during probate in Maryland.

This is meant as a general guide to the probate process in Maryland.

1

File the will with the Register of Wills in the county where the decedent lived. It is possible that the Will had been filed previously with the county when it was completed by the decedent.

2

File a petition for probate, and associated forms, with the court in the county where the Will was filed.

3

Determine the assets, value, and location of all assets of the decedent. They could include getting professional appraisals.

4

Transfer assets, as needed, into a proper estate bank account.

5

Locate the decedent's heirs and creditors.

6

Obtain a bond for the estate unless this was excused by the testator in a Will or excused by all interested persons.

7

Provide public notice (newspaper listing) of the estate and the six month period when valid claims against the estate will be considered.

8

Within three months to prepare and deliver a detailed inventory, an appraisal of assets, and an information report to all interested persons.

9 Prepare and file decedent's federal and state income tax returns, estate income tax returns, inheritance and estate tax returns.

Prepare interim accounts and a final account, send it to all interested persons for receipts, disbursements and distributions of estate assets.

10

11 Prepare all court petitions so that all fees can be paid.

Respond to demands by creditors and interested parties, whether they were included in the Will or not.

12

13 Distribute estate assets and close the estate by filing a Certificate of Compliance.

COMMONLY ASKED QUESTIONS

With Fred Dorsey, I love to answer any questions you may have about probate, trust, or conservatorship sales.

Here are some of the most common questions we get as professionals.



Are repairs necessary before listing a probate property?

No. Maryland probate properties are sold “as-is”. If you make repairs, you may unintentionally conceal a defect in the condition of the property. Even a coat of paint can cover up a major problem. Buyers should be allowed to see the property in its present state to have a good understanding of the expenses they might incur while fixing the property. Because buyers must do all of their inspections upfront, concealed defects could be perceived as unfair and cause problems after the sale.



What should I do to prepare the property for sale?

It’s best to remove all personal possessions, clean out any trash, and clear out the yard and entry way. You may want to hire a professional cleaning crew to deep-clean the property. Conducting an inventory of the property for sale and preparing a comprehensive property profile are advised. At Terra Firma, we make it easy and can help you with each step of this process.



How can I choose the best list price?

The best way is to get a Market Value Analysis (MVA) Broker Price Opinion (BPO). With Fred Dorsey, I can do this with surgical precision. An MVA or BPO includes selling prices of similar properties in the area, as well as in depth information about those properties. This consists of, but is not limited to, price per square foot, number of days property was on the market before it was sold, and the condition of the property. As a Realtor I take in all of this information as well as market intangibles to determine a price that is appropriate for the market and will attract the greatest number of qualified buyers.



Once a property is listed, how will it be marketed?

Fred Dorsey pursues a number of strategies to expose your property to prospective buyers. Placing for sale signs on the property, internet and print advertising, direct mail, open houses, and personal networks of buyers and agents. We will conduct showings for interested buyers and their agents, answer questions about the property, and promote the property continuously in order to secure the highest and best offer. Feel free to ask us for more detail about our marketing plan and how different marketing strategies work better for certain types of properties.

COMMONLY ASKED QUESTIONS



Do I have to pay up front for marketing and advertising costs?

Yes, you only pay administrative fee.



Is the paperwork different from a traditional real estate sale?

Yes. In a majority of real estate transactions, the seller is required to disclose all known information about the property, including unpermitted construction, physical defects, pest or water damage, etc. However, in a probate, trust, or conservatorship sale, the seller may have never lived in Maryland. In Maryland, the Greater Capital Area Association of Realtors (GCAAR) has standardized forms for listing agreements, purchase contracts, and disclosure specific to probate transactions.



Should I use the same agent who helped me sell my own house?

Of course, you can use whomever you like. However, it is important to remember that probate real estate sales are complicated legal matters. Most real estate agents lack the experience or are not well-versed in the probate process. It makes sense to choose a Realtor who specializes in probate, trust and conservatorship real estate. That Realtor should understand the intricacies of pricing, marketing and presenting such properties. Your agent should be able to explain the process and use it to represent your best interests throughout the transaction.



There is so much jargon and unfamiliar terms with these types of sales . How do I learn it all?

For this question, we have provided a comprehensive glossary of terms below.

Glossary of Terms from <https://www.mdcourts.gov/orphanscourt/glossary>

Disclaimer: The intent of this glossary is to provide the layperson with a general understanding of terms commonly used in Probate Law. The definitions within this document are not comprehensive and are not intended to serve as a substitute for independent research of the law.

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REAL MARYLAND FAMILIES. REAL RESULTS.

Navigating a Maryland Estate Doesn't Have to Be a Burden.

When you are entrusted with the sale of a probate, trust, or conservatorship property, you aren't just selling real estate—you are managing a complex legal asset under the scrutiny of the Maryland Register of Wills. Most real estate transactions are simple; estate sales are anything but.

In this comprehensive guide, Fred Dorsey—a specialist with over 15 years of experience and 100+ closed estate transactions—breaks down the specific steps required to protect the interests of heirs and fulfill your fiduciary duties.

Inside, you will discover:

- The Maryland Roadmap: A clear distinction between Regular and Small Estates and the timelines that govern them.
- Strategic Valuation: How to use Certified Broker Price Opinions (BPOs) to ensure the property is priced with surgical precision for court approval.
- Maximum Exposure: How to leverage a private network of 20,000 agents and qualified investors to drive buyer competition.
- The "As-Is" Advantage: Why avoiding unnecessary repairs protects the estate from liability and saves valuable time. "We believe we should do everything in our power to make things easier for our clients—and we do it."

Whether you are an attorney seeking a reliable partner to handle property logistics or an executor navigating the process for the first time, this book is your essential roadmap to a successful, high-value closing.

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PROBATE & ESTATE SOLUTIONIST BROKER

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The logo for Dorsey's International Realty features the word "DORSEY'S" in a bold, serif font, with a small globe icon integrated into the letter "O". Below "DORSEY'S" is the phrase "INTERNATIONAL REALTY" in a smaller, all-caps, sans-serif font.

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