

Michigan Executor's Burn Rate Log

Every month the estate carries the home, money flows out of the estate through taxes, insurance, and upkeep. Tracking these "holding costs" helps you see the true impact of waiting. Carrying costs can limit proceeds and distributable assets. Here is a log to help you calculate your monthly burn rate to determine the cost of holding real estate in probate.

1 List Your Expenses

Determine all of the expenses associated with the home. Examples include a mortgage, property taxes, utilities, insurance, maintenance or upkeep, and more.

2 Calculate The Monthly Rate

Expenses, like property taxes, may be listed as a yearly or six month expense. Total the yearly amount and divide by 12 to get a monthly rate.

Expense	Amount (\$)

3 Total Monthly Values

With monthly totals listed, calculate your burn rate by summing all of the monthly expenses. The burn rate represents your monthly costs to hold on to the probate home.

4 How to Use The Burn Rate

The burn rate can be used to around hold and sell decisions. Sometimes selling the traditional route is best. Other times, speed and reduce sales price may make more sense if the estate will have a high burn rate.