

Heir-Search Firms Help to Keep It in the Family

Companies Track Down Lost Beneficiaries On Behalf of Estates

Rachel Emma Silverman

Harvey E. Morse recently visited a man in an Iowa trailer park to give him a very important message: The man's brother had died in Germany and left him over a half-million dollars. If the heir signed a contract, Mr. Morse would help recover the money, while taking a percentage of the bounty for his services.

The man was incredulous – thinking it may have been a joke or a scam, or that he would somehow lose his trailer home in the process.

But Mr. Morse wasn't kidding or trying to bilk the man. Instead, such encounters are par for the course for his Daytona Beach, Fla., business, Harvey E. Morse PA (www.probate.com), a family firm that has been around since 1939. The company specializes in locating missing heirs who may be unaware that they are entitled to money from an estate.

In many cases, the firm is contacted by estate lawyers, executors or trust companies when a person either dies without a will or names a beneficiary in a will or trust document who can't be located. That generally happens when people don't update their wills for many years and heirs move, marry, divorce or change their names. Sometimes the firm will initiate searches on its own by scouring probate records for cases where there is no will or there don't appear to be known heirs.

Estates with missing heirs don't happen very frequently —“The average attorney may only get three or four types or these cases in their life-time,” estimates Mr. Morse—but such cases have kept the business alive four generations. There are a handful of other players, including Blake & Blake Genealogists in Braintree, Mass.; International Genealogical Search Inc. in Seattle; and American Research Bureau in Salt Lake City.

Heir search firms have been criticized for taking hefty fees or for contacting potential heirs directly after initiating searches on their own. Mr. Morse says his firm's fees are in line with what attorneys charge when handling contingency cases and that heirs don't owe the firm money unless they actually receive their inheritance.

Mr. Morse and his staff of more than a dozen researchers and genealogists scour courthouses, libraries and other sources across the world for birth, death, adoption, marriage, divorce and census records to find missing heirs—and to definitely prove that they are related to the deceased. Sometimes finding a missing heir only takes a few days. But complex international cases, with little information to go by,

can take several years. (About a quarter of the company's cases involve overseas searches.) In rare cases, the heir can't be found and the money or assets typically go to the state government.

The firm doesn't do searches on behalf of people who think they may be missing heirs, or by families hoping to seek out deadbeat debtors. One of the hardest parts, Mr. Morse acknowledges, is that some heirs at first think he is a scam artist. “We help people recover funds that they would otherwise not be able to receive and not know existed,” he says.

The work has gotten easier with the advent of the Internet, but missing heirs still need original documents to prove their claims in court. “the Internet has helped, but it does not replace the old-fashioned research of going to a courthouse” to get documents, says Mr. Morse. Concerns about privacy and identity theft, however, have made such documents tougher to obtain without an official court order.

Depending on the case, the company charges its clients in one of two ways. It will either bill the estate by the hour, or work on contingency—meaning that, if the missing heir agrees, the company will pay legal fees to prove the individual's claim to the estate for a cut of the heir's inheritance, if recovered. (The percentage ranges from 5% to about a third of the windfall, based on the complexity of the case, said the company.)

Several years ago, Mike Goschka received a letter stating that he was likely eligible for an inheritance from a distant relative that he had never even heard of. “Every once in a while you hear about this happening, but I never would dream of it happening to me,” says Mr. Goschka, of Brant, Mich., and a former state senator. He agreed to a contract with Harvey Morse to give the firm a cut if the company did the legwork to procure the inheritance.

“One day, just like magic, a check came in the mail” for about \$5,000, says Mr. Goschka. “Had they not contacted me, I would have never known that I was eligible for such an amount of money coming my way.”

Harry McConnell, a Daytona Beach, Fla., estate lawyer and litigator, has worked with Mr. Morse's firm several times to help clients' estates track down missing relatives. “I might eventually be able to track the person down,” he says, but it would be expensive to bill a client to do so. Working with search experts ends up being faster and more economical for his clients, he says.

In one case, a client's brother had an adopted son who had never even met his adoptive uncle. “He was a laughing heir,” says Mr. McConnell, referring to someone who receives an inheritance but doesn't have emotional ties to the person who died. If the estate didn't hire a search firm, “this person would never have known he was left something from his uncle.”

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