

# Overview of Multiple Uses of Family Limited Partnerships

Multiple limited partnerships maximize your asset's safety. Even when the limited partnership is your best organizational choice, don't title all your assets to the same limited partnership. Segregate your assets. Use multiple limited partnerships. If one limited partnership has financial or legal problems, it won't jeopardize assets titled to the others.

Separate safe or no risk assets from liability-producing or at risk assets. For example, title surplus cash, stocks, bonds, and mutual funds within one limited partnership because they are no risk assets. They may decrease in value, but they won't create liabilities or creditor problems that would jeopardize these assets.

Title commercial properties in a separate limited partnership. They are at risk assets that can create liability. For example, a tenant who sues for negligent maintenance of the building has recourse against the assets held by that specific limited partnership. Why expose your no risk assets to this potential litigant? It is generally preferable to title investment real estate to limited liability companies. They are better liability insulators.