

What is a Revocable Family Trust in Michigan?

A revocable family trust (also known as a *revocable living trust*) is a legal document created by a person (called the grantor or settlor) to manage their assets during their lifetime and distribute them after death. It is called revocable because it can be changed or canceled at any time while the grantor is alive and mentally competent.

Key Features:

- **Revocable:** The grantor can modify, update, or revoke the trust at any time.
- **Avoids probate:** Assets placed in the trust do not go through the probate court process, which can save time and money for beneficiaries.
- **Privacy:** Unlike a will, a trust is not made public.
- **Lifetime and after-death management:** The grantor can serve as the trustee during their lifetime. When the grantor becomes incapacitated or passes away, a successor trustee takes over to manage and distribute the assets.
- **Family planning:** Often used to provide for family members hence the term family trust.

What can be included in the trust?

- **Real estate (homes, land)**
- **Bank accounts**
- **Investments**
- **Businesses**
- **Personal valuables**

Why is it useful in Michigan?

- **Avoids Michigan's probate court system.**
- **Speeds up asset distribution to heirs.**
- **Can include plans for minor children or beneficiaries with special needs.**
- **Provides a clear plan in the event of the grantor's incapacity.**