MICHIGAN REVOCABLE FAMILY TRUST

Information

The [simple] Michigan Revocable Family Trust [the TRUST] is a legal instrument which is used to avoid probate while performing the management and disposition of an estate. When you make a TRUST, you are the Grantor. the initial Trustee and the initial Beneficiary.

The TRUST is an easy way for you to determine how your assets are managed during your lifetime and how they will be dispersed after your death.

All of your assets are simply transferred to the TRUST, and the assets continue to be managed by you, the Trustee, as before. [Most clients name themselves as initial Trustees].

You write instructions detailing how the trust is to be managed during your lifetime if you become incapacitated [avoiding the need for a guardian / conservator], and when you die - who gets

what. [Successor Trustees and Beneficiaries are set up in the TRUST].

Your TRUST can be altered, amended, or revoked by you whenever you want. In addition to avoiding probate, the disposition of a TRUST, unlike a Will, is not made public.

In Michigan, these assets will automatically pass <u>outside of probate court</u>:

- **Any assets owned jointly with someone else, such as a bank account or real estate.**
- **Anything with a named beneficiary attached to it, such as 401(k)s, IRAs, life insurance policies, or brokerage accounts.**
- **Any** vehicles valued under $60,000 **(and boats valued under $100,000) that will go to your spouse or children.**
- **Any businesses you own that have a transfer on death beneficiary designation.**
- **Any real estate that has a "remainder beneficiary" named in the deed.**

So, a married couple can use a TRUST to establish an estate plan, avoid probate and also avoid conservatorship proceedings. When your property is placed into a TRUST, you can control your assets and property using this single trust document.