

Creating a Revocable Living Trust is like buying a high-end safe: it only works if you actually put your valuables inside. In Michigan, "funding" your trust means changing the legal ownership of your assets from your name (e.g., *John Doe*) to the name of your trust (e.g., *John Doe, Trustee of the Doe Family Trust*).

Here is a checklist of common assets and how they are typically handled in Michigan.

1. Real Estate (The "Big One")

This is the most critical asset to move because real estate always triggers probate in Michigan if it's in a deceased person's name alone.

- **Primary Residence: Requires a new deed (usually a Quitclaim or Warranty Deed) recorded with the County Register of Deeds.**
- **Vacation Homes/Cottages: Especially important if the property is in another state (like a Florida condo), to avoid "ancillary probate" in that second state.**
- **Vacant Land/Mineral Rights: Often overlooked, but these also require a deed or assignment to the trust.**
- **Important: Contact your homeowner's insurance agent to let them know the trust is now the owner so they can list it as an "additional insured."**

2. Bank & Financial Accounts

Most "liquid" assets should be retitled to ensure your Successor Trustee can pay your final bills without a court order.

- **Checking & Savings: Visit the bank to retitle the account. Most Michigan banks will ask for a "Certificate of Trust" (a short summary of the trust) rather than the full 50-page document.**
- **Certificates of Deposit (CDs): Ask your bank if retitling will trigger an early withdrawal penalty. Often, it's better to wait until the CD matures to move it.**
- **Non-Retirement Investment Accounts: Brokerage accounts (stocks, bonds, mutual funds) should be retitled.**

3. Tangible Personal Property (The "Stuff")

Items like furniture, clothing, and jewelry don't have titles, but they still need to be "in" the trust.

- **General Assignment:** Your attorney should provide a document called a "General Assignment of Tangible Personal Property." This legally "pours" your miscellaneous belongings into the trust.
- **High-Value Collectibles:** For expensive art, coin collections, or antiques, you may want to list them specifically on a "Schedule A" attached to your trust.

4. Business Interests

If you own a small business or an LLC, your ownership interest should be assigned to the trust.

- **LLCs:** You sign an "Assignment of Membership Interest."
- **Corporations:** Stock certificates should be reissued in the name of the trust.
- **Note:** Check your operating agreement or buy-sell agreement first to ensure there aren't restrictions on transferring shares.

5. Assets Where You Name the Trust as Beneficiary

Some assets stay in your name while you're alive, but "land" in the trust the moment you pass away.

- **Life Insurance:** Usually, you name the Trust as the Primary Beneficiary. This ensures the payout is managed by your Trustee for your heirs.
- **Retirement Accounts (IRAs/401ks):** Caution! Do not "retitle" these to your trust while alive, as it triggers a massive tax bill. Instead, you update the Beneficiary Designation. (Note: Most spouses name each other as primary and the Trust as secondary).

What usually stays OUTSIDE the trust?

- **Vehicles:** In Michigan, you can usually transfer a car at the Secretary of State relatively easily after a death without probate (if the total value of vehicles is under a certain threshold, currently \$100,000). Retitling a car to a trust can sometimes complicate insurance or future sales.

- **Small Day-to-Day Checking Accounts: Some people keep a small "household" account in their own name for convenience, knowing the "Pour-Over Will" will catch it later if needed.**

Next Step

Would you like me to explain how a "Pour-Over Will" acts as a safety net for any assets you might forget to put in the trust?