



Be well-advised.

Cottage Trusts



Keep it in the family.

GENERATIONS

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Cottage Trusts

Don and Brenda own a cottage that has been in the family for many years. They want to make sure that it remains in the family for future generations by leaving it to their two children, currently in their 20s. Although the children spent their childhood summers at the cottage, neither is particularly interested in going there now. But mom and dad are certain that one or both children will eventually want the cottage, and they are looking for a way to pass on their most important asset.

Our Solution

Don and Brenda establish a trust in their wills for their cottage. After both have died, the trust will last for a maximum of 21 years. A trustee would be responsible for maintenance and upkeep of the cottage using funds deposited in the trust, and for making decisions about its use. This strategy has multiple benefits for the children. It allows them to use the cottage, if desired, but relieves them of direct responsibility for maintenance, upkeep and operation. It also gives them time to plan their own solution for the cottage, rather than having one imposed on them by their parents. And the trust gives their parents peace of mind.

If you want to know more about cottage trusts and how they can help keep your cottage in the family, contact me today or visit www.assante.com.

What is a cottage trust?

- A trust established through a person's will that offers opportunities to keep the cottage in the family.

How can it be used?

- To maintain the option of transferring the cottage to the next generation.
- To let the children use the cottage for a specified period of time, yet relieve them of financial and personal responsibility for its maintenance, upkeep and operation.
- To set out what will ultimately happen to the cottage if the children are unable to reach an agreement.

Who uses them?

- People concerned about preserving the family cottage for the next generation.