

PRESERVING THE FAMILY COTTAGE*

(*Do it now to avoid ruining future holiday gatherings)

Wisconsin is a state that has many family cottages and/or family owned hunting lands. While these are great family gathering places and often hold fond memories for all family members, they can be a source of family discontent and discord if provisions are not made to deal with these properties when an owner passes away. This is especially the case when the property has been in the family for decades and the value of the property has increased over those years.

Typically, such a property might already have been inherited from a prior generation. At some point the current owner(s) may want to transfer the property to the next generation. Such a situation requires an analysis of how the transfer can be made, to whom it should be made, and who would be able to pay for the continued upkeep and expenses associated with the property.

Failure to deal with any of these points, or additional issues (e.g., whether restrictions should be placed on future transfers of the property or on the rental of or access by non-family members to the property) can cause family disagreements that will ruin any future holiday gatherings.

We have worked with families in these situations. We have developed procedures to deal with these problems and have had families successfully navigate the issues which are present when dealing with these properties. Practical considerations, such as those referenced above, as well as tax consequences need to be fully and clearly explained to all who participate -- and this includes the spouses of those to whom the transfer will be made.

If you have questions in this area, or are contemplating such a transfer, feel free to call us to discuss your particular desires.