

THORNBURY & FINCH  
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# Before & After: What a Real Estate Plan Changes

*One Michigan family, two very different outcomes*

A plain-language guide from the desk of Thornbury & Finch

**AN ILLUSTRATIVE SCENARIO · The family below is a composite created for education. It does not describe real clients, and no outcome is promised.**

## Meet the Harrisons

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Tom and Elaine Harrison, both 68, live in Royal Oak. They own their home outright, a cottage near Traverse City, two IRAs, a joint brokerage account, and Tom's half of a small machine shop he owns with his brother. Two adult children; one lives out of state. Their 'estate plan' is a pair of wills from 1998 and whatever the account paperwork says. This guide walks the same family through the same two events, first without a real plan, then with one.

## Before: the plan from 1998

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### Event one: Tom has a stroke

Nobody holds financial power of attorney, so Elaine cannot refinance, sell, or even speak to some institutions about accounts in Tom's name. She petitions the probate court for a conservatorship: filings, a hearing, annual accountings to the court, all while managing his care. There is no patient advocate designation, so when doctors need decisions and the family disagrees, there is no named voice. The machine shop has no succession terms, so Tom's incapacity freezes decisions the brothers used to make over coffee.

### Event two: Tom passes two years later

The 1998 will sends everything through probate: the house, the cottage (a second proceeding would have been needed had it been out of state), his share of the brokerage account, and his business interest. The estate stays open through the creditor window and beyond; the cottage cannot be used or sold in the meantime; the family's affairs become a public court file. The IRA, at least, passes cleanly, because a beneficiary form from 2003 happened to name Elaine. Total elapsed time, roughly a year. Legal and court costs come out of the estate, and the out-of-state daughter flies back twice for court dates.

## After: the same family, replanned at 66

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Two years earlier, the Harrisons had spent a handful of meetings building an actual plan: a revocable living trust (funded: house, cottage, brokerage), a Lady Bird deed backstop considered for the home, durable powers of attorney for each of them, patient advocate designations, refreshed IRA beneficiaries, and a buy-sell agreement for the machine shop funded with an inexpensive term policy.

### Event one: the stroke

Elaine acts the same afternoon under the power of attorney. The successor trustee provisions keep every trust asset manageable without any court involvement. The patient advocate designation makes the medical chain of

command unambiguous. The buy-sell agreement gives the brothers a written playbook.

### Event two: two years later

Nothing the family owns goes through probate. The trust distributes on its own schedule, privately. The buy-sell converts Tom's business interest to cash for Elaine at a price the brothers set while everyone was healthy. The cottage passes inside the trust with a plan for shared family use. The out-of-state daughter never books a flight for a courtroom. The family's total spend on the plan was a fraction of what the 'before' version cost in fees, delay, and stress, and every figure above is the point of the comparison rather than a promise: outcomes vary with facts.

## The differences, side by side

Moment	Before (1998 wills)	After (funded plan)
Incapacity	Court conservatorship, no medical voice	POA + patient advocate act immediately
The home & cottage	Probate, frozen during administration	Pass inside the trust, no court
The business	No terms; decisions freeze	Buy-sell converts to cash at a set price
Privacy	Public court file	Private administration
Timeline	Roughly a year in court process	Weeks, on the family's schedule

The lesson is not that trusts are magic. It is that documents, titling, and beneficiary forms have to agree with each other, and that the cheapest time to fix them is while nothing is wrong.

*This guide is educational and general in nature. It is not legal advice, and reading it does not create an attorney-client relationship. Michigan figures and thresholds change over time; confirm current amounts before acting. Prepared by Thornbury & Finch, a demonstration property of Href Creative ([hrefcreative.com](http://hrefcreative.com)).*