

Have You Had The Cottage Talk?

Many positive memories are made at the lake each summer as family comes together to have fun and bond at the family cottage. But amidst the joviality, s'mores, and summer fun, one question doesn't get asked:

"Hey kids, when your father and I die, would you still want to keep the cottage?"

Understandably, not a topic for the campfire. But tragically, it is frequently not a topic of conversation for families, period. That means, numerous cottage owning families have not had an intentional conversation around what to do with the family cottage. Ironically, this is often an attempt to avoid friction. It is not a simple or easy conversation to have. However, families who do not plan collaboratively around their family cottage are setting themselves up for some far more serious challenges and tougher conversations in the future. While estate discussions don't feel like they align with summer fun at the lake, it's important that you make this summer the start of these conversations.

As we all know, the family cottage is often the one asset in your family that comes with emotions attached. It's hard to get emotionally attached to other assets like an RRSP! But a cottage is not just a physical asset. It is an experience. And it represents family values and shared family experience. So it is no wonder if you want your children to be able to have the cottage after your passing, and then pass it along to their kids and so on and so forth. The cottage represents the essence of family legacy.

As a first generation cottage owner. I can certainly vouch for the level of emotion our cottage holds for my wife, Jenny, and I. Our children all avow that their best childhood memories were created at the cottage. This is where we grew up together into the family we are today. Why wouldn't our children want these experiences for their children? And, of course, they do want these experiences of shared adventures and family time. But it would be a mistake to assume that our children also want the cottage.

Issues with the cottage and estate are not limited to first generation cottage owners though. If you are sitting in a multi-generational cottage reading this, you likely have a different perspective on how to handle the cottage, but this comes along with its own set of challenges. Now you are looking at how to handle the passing of the cottage with 1st, 2nd, and 3rd cousins all connected to this cottage. As time passes and families grow, the complexities can multiply.

Time and again we hear stories about estate settlements that have gone sideways, and all too often, the issue at the center of these disputes is none other than the family cottage. Why? Because it is the one asset that everyone in the family has some kind of emotional connection to. And it may be the one asset that most represents mom and dad, and their love. Why are you not talking about this now? Probably your answer would be a variation on fear. How would you finish this sentence? "We are afraid of having an open and honest talk with our children about the sensitive issue of death and our estate because..." "

Don't let fear get in the way of love. This summer, make the time to have this courageous discussion with your family. Put the question out there, "When your father and I die, would you still want to keep the cottage?"

What might you hear?

- No, we are all living in other parts of Canada/USA now, and only make it back for one week a summer so we just don't see it being practical for us.
- Yes, but we could never afford the taxes, maintenance, and upkeep of this place, so without some significant financial help it wouldn't work.
- I would like to buy it if my siblings don't see themselves wanting to use it? Is this possible? How would I pay for it?
- Mom and dad, we love coming here, but frankly this is not our passion. We get it that it is yours, but it is not ours.

- It would be nice, but with all of us having children, we just can't see making it work into the next generation, so to avoid the potential fights, we would suggest you sell it.
- I would love it but how is that going to work with my siblings? How could we share?

Listen carefully, and remember that listening means receiving. You want people's honest thoughts and feelings. Make sure everyone has a chance to speak, and takes notes! Then, I would suggest you share these notes with everyone later in the fall and ask people to weigh in on this again with any new thoughts or perspectives they may have. Once you feel you have heard from everyone and have a strong direction to follow, let your family know how you would like to proceed and then seek the necessary legal help to make sure this is all well documented.

Ideally, this is a conversation that will be ongoing. Circumstances change. People in a family move. They marry. They divorce. They have children. They have health events. When the cottage conversation is ongoing, it incorporates all the wonderful movement of life. The more you have the conversation, the easier it will get and the more clarity you will create with your family. In the O'Connor family, we are still in the midst of enjoying our cottage with our young adult children. We do not know what the future will bring. But we have a plan in place now based on the conversations we have had with our children, and we know as circumstances change, the conversations change, and our plans will change. In the meantime, we continue with the important family business of creating memories at the cottage, memories that now include the cottage talks we have.

Have a great summer!

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