PROPERTY CODE

TITLE 4. ACTIONS AND REMEDIES

CHAPTER 29. FORCED SALE OF OWNER'S INTEREST IN CERTAIN REAL PROPERTY AS REIMBURSEMENT FOR PROPERTY TAXES PAID BY CO-OWNER ON OWNER'S BEHALF

Sec. 29.001. APPLICATION OF CHAPTER. This chapter applies only to real property that is not exempt from forced sale under the constitution or laws of this state and is:

(1) received by a person as a result of the death of another person:

(A) by inheritance;

(B) under a will;

(C) by a joint tenancy with a right of survivorship; or

(D) by any other survivorship agreement in which the interest of the decedent passes to a surviving beneficiary other than an agreement between spouses for community property with a right of survivorship; or

(2) owned in part by a nonprofit organization that is exempt from federal income tax under Section 501(a), Internal Revenue Code of 1986, and its subsequent amendments, by being listed as an exempt organization under Section 501(c)(3), Internal Revenue Code of 1986, and its subsequent amendments, that:

(A) has been incorporated in this state for at least one year;

(B) has a corporate purpose to develop affordable housing that is stated in the articles of incorporation or charter;

(C) has at least one-fourth of its board of directors residing in the county in which the property is located; and

(D) engages primarily in the building, repair, rental, or sale of housing for low-income individuals or families.

Added by Acts 1995, 74th Leg., ch. 981, Sec. 1, eff. Aug. 28, 1995. Amended by Acts 2001, 77th Leg., ch. 891, Sec. 1, eff. Sept. 1, 2001.

Sec. 29.002. PETITION FOR FORCED SALE. (a) A person, including a nonprofit organization, that owns an undivided interest in real property to which this chapter applies may file in the district court in a county in which the property is located a petition for a court order to require another owner of an undivided interest in that property to sell the other owner's interest in the property to the person if:

(1) the person has paid the other owner's share of ad valorem taxes imposed on the property for any three years in a five-year period or, in the case of a nonprofit organization, has paid the other owner's share of ad valorem taxes imposed on the property for any two years in a three-year period; and

(2) the other owner has not reimbursed the person for more than half of the total amount paid by the person for the taxes on the owner's behalf.

(b) The petition must contain:

(1) a description of the property;

(2) the name of each known owner of the property;

(3) the interest held by each known owner of the property;

(4) the total amount paid by the petitioner for the defendant's share of ad valorem taxes imposed on the property; and

(5) if applicable, the amount paid by the defendant to the petitioner to reimburse the petitioner for paying the defendant's share of ad valorem taxes imposed on the property.

Added by Acts 1995, 74th Leg., ch. 981, Sec. 1, eff. Aug. 28, 1995. Amended by Acts 2001, 77th Leg., ch. 891, Sec. 1, eff. Sept. 1, 2001.

Sec. 29.003. HEARING ON PETITION FOR FORCED SALE. At a hearing on a petition filed under Section 29.002, the petitioner must prove by clear and convincing evidence that:

(1) the petitioner has paid the defendant's share of ad valorem taxes imposed on the property that is the subject of the petition for any three years in a five-year period or, in the case of a nonprofit organization, the petitioner has paid the defendant's share of ad valorem taxes imposed on the property that

is the subject of the petition for any two years in a three-year period;

(2) before the date on which the petition was filed the petitioner made a demand that the defendant reimburse the petitioner for the amount of the defendant's share of ad valorem taxes imposed on the property paid by the petitioner; and

(3) the defendant has not reimbursed the petitioner more than half of the amount of money the petitioner paid on the defendant's behalf for the defendant's share of ad valorem taxes imposed on the property.

Added by Acts 1995, 74th Leg., ch. 981, Sec. 1, eff. Aug. 28, 1995. Amended by Acts 2001, 77th Leg., ch. 891, Sec. 1, eff. Sept. 1, 2001.

Sec. 29.0035. DEMAND TO UNKNOWN DEFENDANT. If the address or identity of the defendant is unknown, the demand of the petitioner for reimbursement from the defendant required by Section 29.003(2) may be met by publication in a newspaper in the county in which the property is located once each week for four consecutive weeks, with the final publication occurring not later than the 30th day before the date on which the petition is filed. The publication must contain the demand for reimbursement and:

(1) a general description of the property involved;

(2) the legal description of the property according to the survey of the property, including the number of the lot and block or any other plat description that may be of record if the property is located in a municipality;

(3) the county in which the property is located;

(4) the interest of the defendant; and

(5) the name and address of the petitioner.

Added by Acts 2001, 77th Leg., ch. 891, Sec. 2, eff. Sept. 1, 2001.

Sec. 29.004. COURT-ORDERED SALE. On completion of the hearing on a petition filed under Section 29.002, if the court is satisfied that the petitioner has made the requisite proof under Section 29.003, the court shall enter an order that divests the defendant's interest in the real property that is the subject of the

petition and that orders the petitioner to pay to the defendant an amount computed by subtracting the outstanding amount of money the defendant owes to the petitioner for payment of the defendant's share of ad valorem taxes imposed on the property from the fair market value of the defendant's interest in the property as determined by an independent appraiser appointed by the court. The court's order may also direct the defendant to execute and deliver to the petitioner a deed that conveys to the petitioner the defendant's interest in the property.

Added by Acts 1995, 74th Leg., ch. 981, Sec. 1, eff. Aug. 28, 1995.