
Joint ownership

Posted by tomas - 2007/02/01 01:34

I have a client that has property titled as joint owners with her son. The son got into a car accident and is uninsured. Is the joint property held with mom subject to son's creditor claims?

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Re:Joint ownership

Posted by Norm - 2007/02/03 00:07

I believe it is. Creditors of a joint owner can make a claim against the entire joint property even if the joint owner did not contribute any of the property. This is one of the major pitfalls of having jointly owned property.

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Re:Joint ownership

Posted by bigdaddy - 2007/03/30 19:17

Actually it depends on how it is deeded. They may have only a partial claim that cannot be exercised until the property is sold and the bank is made whole. So, under such a circumstance you can own a property for 40 years and there is little they can do. And even if they did, they have to make sure they are going to get something. Creditors collect in priority and the mortgaging bank is always first in line.

Post edited by: bigdaddy, at: 2007/03/30 19:19

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Re:Joint ownership

Posted by Brian - 2008/04/05 06:40

what about UGMA (uniform gifts to minors act)? can creditors go after money for a child?

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Re:Joint ownership

Posted by Jacob - 2008/04/05 16:44

UGMA accounts are usually only in the name of the minor, with the name of the parent as the legal custodian. For claims purposes, creditors cant go after them.....but check your local state law for other conditions.

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