

# The Impacts of Heirs' Property on Homeowners in North Texas



## AUTHORS

**Heather K. Way**  
Clinical Professor, The University of Texas School of Law

**Noah J. Durst**  
Associate Professor, Michigan State University

## ACKNOWLEDGEMENTS

---

### AUTHORS

**Heather K. Way**

Clinical Professor, The University of Texas School of Law

**Noah J. Durst**

Associate Professor, Michigan State University

The authors thank the following government officials for their help with this project:

**Patricia Nixon** and **Elizabeth Sarles**, Dallas Central Appraisal District  
**Donna Perlick**, Tarrant Appraisal District.

### AFN EDITORS

**Amanda Arizola**, North Texas Program Officer

**Karama Neal**, Strategic Project Director – Heirs' Property

**Annika Little**, Managing Director

Special thanks to the following graduate students at The University of Texas at Austin and Michigan State University for their research contributions to this project:

**Vergi Agustini**, University of Texas at Austin

**Angelica Louise Gacis**, Michigan State University

**Nathaniel Morgan**, University of Texas at Austin

**Nelly Smith**, University of Texas at Austin

### SPONSORS

# JPMorganChase



Long overlooked and frequently misunderstood, heirs' property has emerged as a critical issue in the ongoing battle for land justice in the United States. Thanks to media coverage and research, we now have a better understanding of how heirs' property is one of the most unstable forms of property ownership and how legal systems have facilitated the loss of family land, exacerbating our nation's racial and ethnic wealth gaps.

This brief broadens and deepens our knowledge about heirs' property by focusing on heirs' property among homeowners in urban centers—an area that has not received as much attention. The brief presents the results from an in-depth study on heirs' property among homeowners in Dallas and Tarrant Counties, which include the cities of Dallas, Fort Worth, and Arlington. The two counties are home to a large, highly diverse population, with a combined population of 4.7 million residents, including 936,000 African American residents and 1.7 million Hispanic residents.<sup>1</sup>

The brief shines light on:

- The scale of heirs' property among single-family residences in Dallas and Tarrant counties,
- The disparate concentration of heirs' property in the two counties' historically Black and Latino neighborhoods, and
- The heightened vulnerability of heirs' properties to property tax delinquency and foreclosure.

The brief closes with recommendations for North Texas grant makers, policymakers, and local organizations to help protect the intergenerational transfer of wealth and housing stability of family members who inherit their homes.

## BACKGROUND ON HEIRS' PROPERTY

**Heirs' property is created in residential properties when a homeowner dies and more than one family member inherits the home (the "heirs"). One or more of the heirs or their family members may end up residing in the home, or the home may sit vacant or be leased to a third party. With each generation that a home is passed down in this fashion, the ownership becomes more fractionated, with an increasing number of family members holding a decreasing ownership interest in the home. If the home passes down without an estate planning legal tool, such as a probated will or transfer on death deed, the heirs will also end up without a deed or other legal paper trail establishing their ownership interests, creating what's known as a clouded title.**

**Both the fractionated and clouded title associated with heirs' property generate a host of challenges for the heirs, depriving them of the full benefit of homeownership. These challenges include the inability to secure financing for home repairs or tap into the home's value, along with heightened vulnerability to predatory and coercive sales. Heirs' property also affects communities as, over time, the properties slip into disrepair and abandonment. These challenges are described further in the AFN brief [Heirs' Property: Acting to Preserve Wealth](#).**

## SUMMARY OF KEY FINDINGS

### Finding #1: More than 10,000 single-family homes in Tarrant and Dallas Counties are heirs' properties, with a collective value of at least \$2.2 billion.<sup>2</sup>

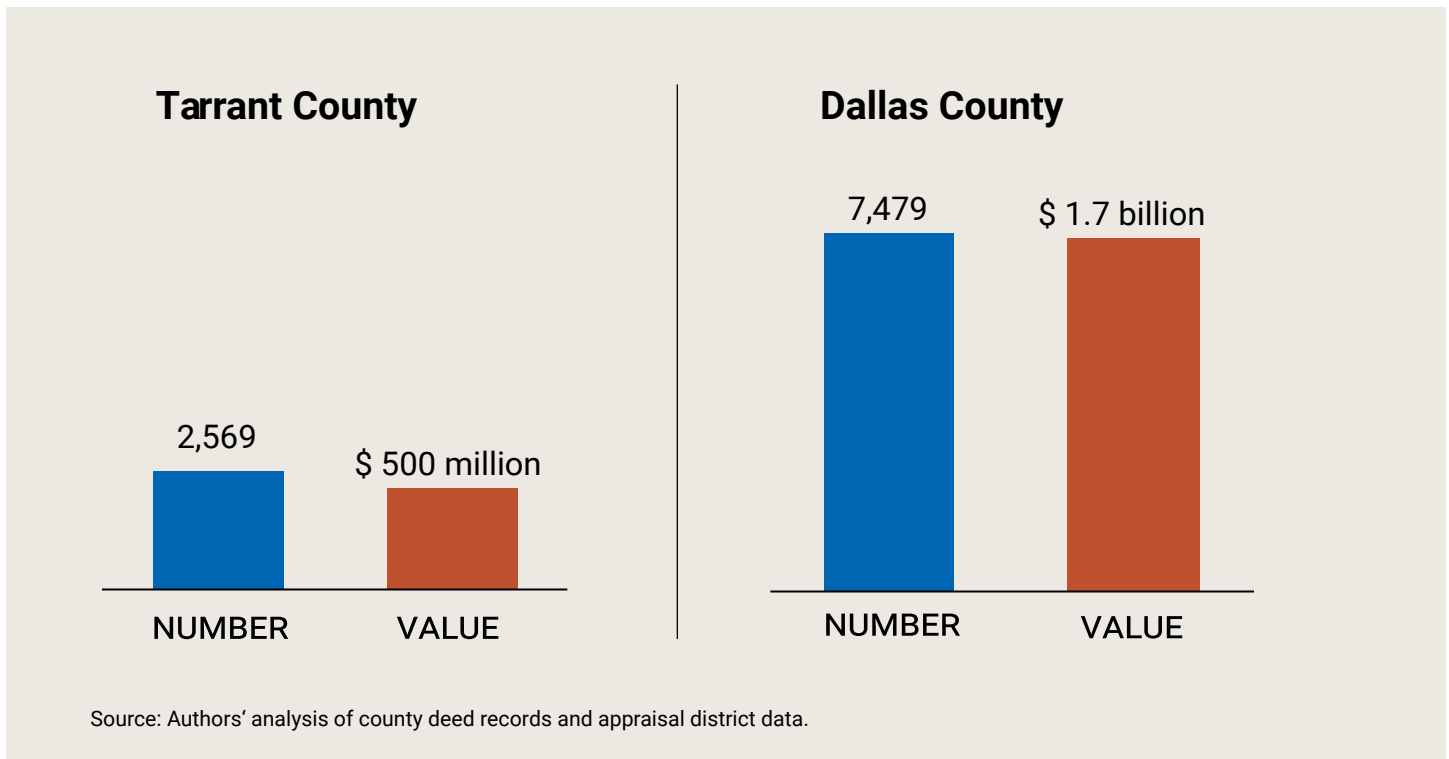
■ Tarrant and Dallas Counties contain a significant number of heirs' properties: Close to 1 out of 100 (0.9%) single-family properties in the two counties combined are heirs' properties.

■ In Dallas County, at least 1.3% of single-family residential properties are heirs' properties, with 76% of the homes likely owner-occupied.<sup>3</sup>

■ In Tarrant County, at least 0.5% of single-family residential properties are heirs' properties, with 67% of the homes likely owner-occupied.

Of the 10,048 single-family homes in the two counties identified as heirs' properties, the ownership status of at least 6,323 is clouded, with no filings in the deed records indicating the heirs' ownership interest.<sup>4</sup> The legal paper trail for the remaining heirs' properties ranges from more informal proof of ownership filings such as affidavits of heirship and unprobated wills, which can generate clouded title issues, to more formalized filings such as probated wills.

**Figure 1. Number and Value of Heirs' Properties in Tarrant and Dallas Counties**



## **Finding #2: Residential heirs' properties are heavily concentrated in neighborhoods with a high share of Black and Latino homeowners.**

Although residential heirs' properties are dispersed across both Dallas and Tarrant Counties, they are heavily concentrated in certain neighborhoods, with 43% of residential heirs' properties located in just 10% of the counties' census tracts. In the 10 neighborhoods with the highest concentration of heirs' properties, 7 to 10 of every 100 homes are heirs' properties.

Neighborhoods with the highest concentration of heirs' property have, overall, a far higher share of Black and Latino homeowners, as well as higher poverty rates, lower housing values, and older homes, as depicted in Table 1. In Dallas, Council District 4 has the highest concentration of heirs' properties, followed by District 8. In Fort Worth, Council District 8 has the highest concentration, followed by District 11. See Map A4 in Appendix A.



**Table 1. Characteristics of Tarrant and Dallas County Neighborhoods by Concentration of Residential Heirs' Properties<sup>5</sup>**

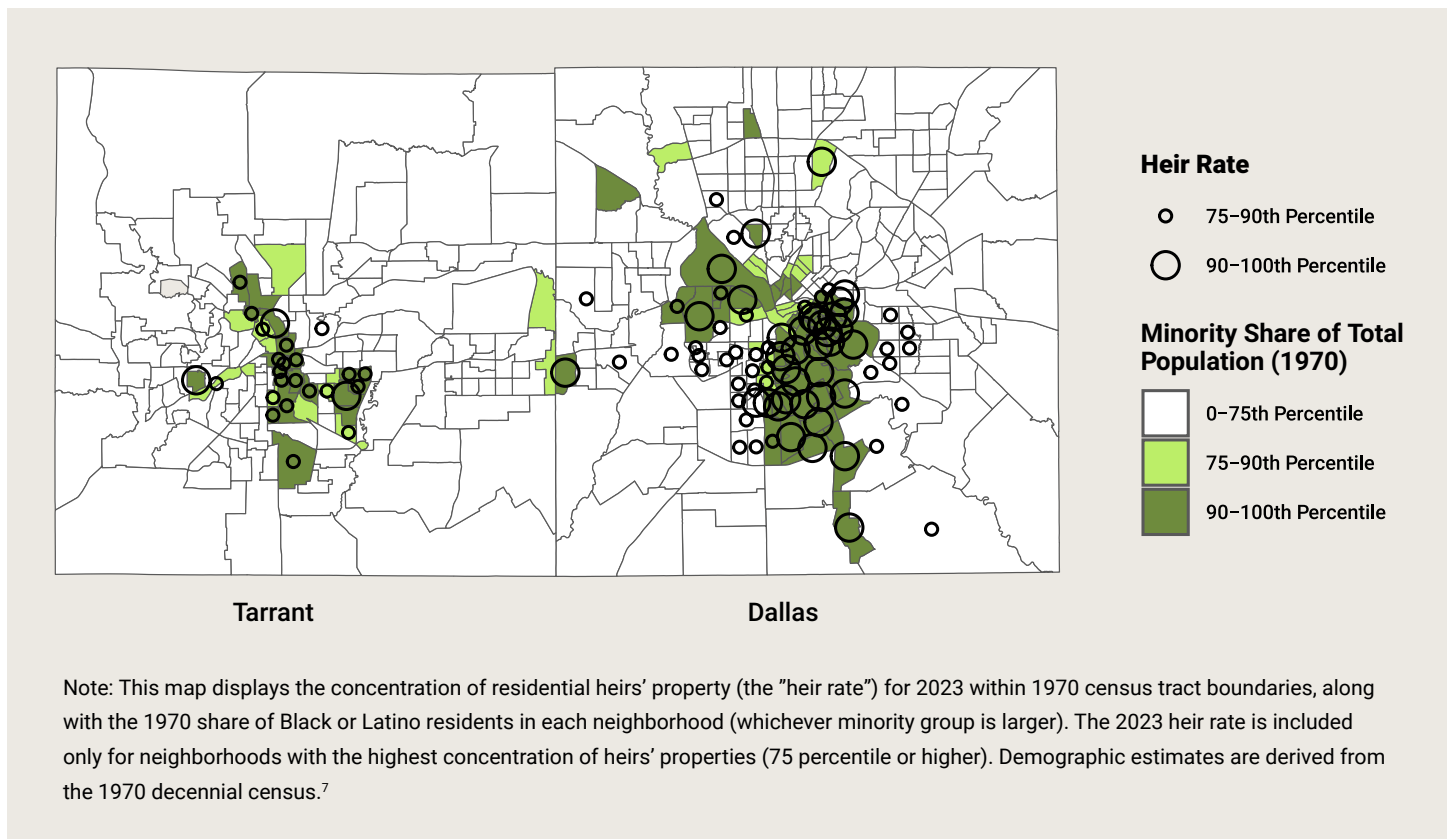
	1st Quartile Heir Rate .0-.1%	2nd Quartile Heir Rate .1-.5%	3rd Quartile Heir Rate .5-1.1%	4th Quartile Heir Rate 1.1-10.5%	Top 10% Heir Rate 2.0% - 10.5%
<b>Share of All Heirs' Properties</b>	<b>1%</b>	<b>10%</b>	<b>22%</b>	<b>66%</b>	<b>43%</b>
<b>Median Housing Value</b>	<b>\$349,161</b>	<b>\$338,048</b>	<b>\$222,357</b>	<b>\$144,073</b>	<b>\$117,007</b>
<b>Poverty Rate</b>	<b>8%</b>	<b>9%</b>	<b>13%</b>	<b>20%</b>	<b>26%</b>
<b>Homeownership Rate</b>	<b>58%</b>	<b>67%</b>	<b>59%</b>	<b>55%</b>	<b>52%</b>
<b>Percent Homeowners 65 and Older</b>	<b>11%</b>	<b>13%</b>	<b>13%</b>	<b>11%</b>	<b>12%</b>
<b>Percent Non-Hispanic Black Homeowners</b>	<b>10%</b>	<b>12%</b>	<b>13%</b>	<b>23%</b>	<b>42%</b>
<b>Percent Latino/Hispanic Homeowners</b>	<b>13%</b>	<b>17%</b>	<b>31%</b>	<b>49%</b>	<b>43%</b>
<b>Housing Vacancy Rate</b>	<b>7%</b>	<b>6%</b>	<b>8%</b>	<b>8%</b>	<b>9%</b>
<b>Median Household Income</b>	<b>\$129,766</b>	<b>\$118,756</b>	<b>\$87,592</b>	<b>\$62,234</b>	<b>\$53,204</b>
<b>Median Year Built</b>	<b>1994</b>	<b>1985</b>	<b>1973</b>	<b>1964</b>	<b>1964</b>
<b>Property Tax Foreclosure Rate</b>	<b>.04%</b>	<b>.01%</b>	<b>.04%</b>	<b>.20%</b>	<b>.35%</b>

Note: The data presented are the averages for the census tracts within each quartile or decile. Tract-level demographic and socioeconomic data are derived from 2017–2021 5-Year Estimates from the American Community Survey. The property tax foreclosure rate is calculated at the census tract level by the authors using data from the Tarrant County District Attorney's Office (2019–2022 foreclosures) and Dallas County Sheriff's Department (April 2021–December 2022 foreclosures).

The location of residential heirs' properties is heavily linked to the historical residential segregation of residents in the two counties. Overall, neighborhoods with the highest concentration of Black or Latino residents in 1970 are the same neighborhoods with the highest concentration of heirs' properties today. And the share of Black residents in a neighborhood in 1970 is the strongest predictor of a neighborhood's heirs' property rate today—

more so than any of the other neighborhood characteristics from 1970 examined in the study (including median age of the dwelling units, share of older adults, poverty rate, and median housing values). Map 1, along with Maps A.1 and A.2 in the appendix, display this relationship between the historic racial and ethnic makeup of a neighborhood and the concentration of heirs' properties today.

### Map 1: 2023 Concentration of Residential Heirs' Properties in Historic Communities of Color in Tarrant and Dallas Counties<sup>6</sup>

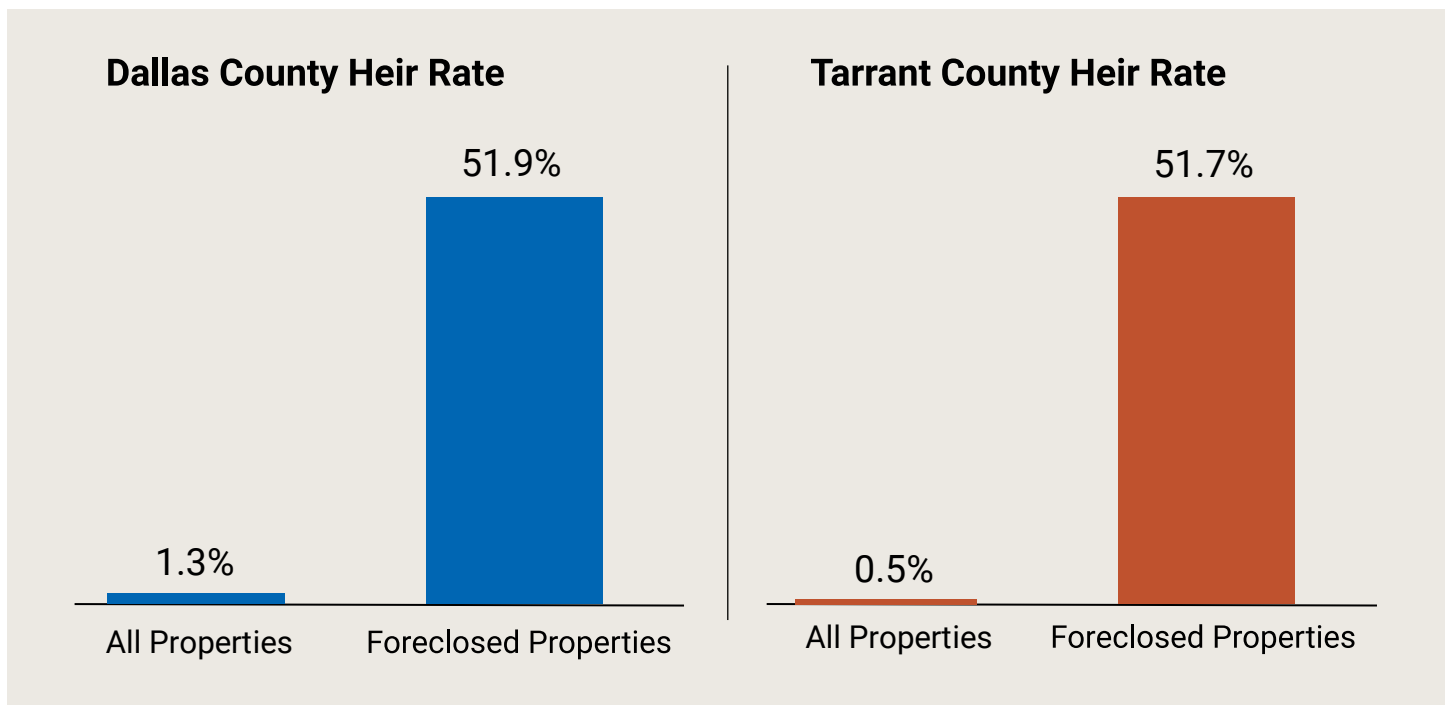


### Finding #3: Heirs' properties are far more vulnerable to tax delinquency and property tax foreclosure.

Heirs' properties play a very large role in property tax foreclosures of single-family properties in Dallas and Tarrant Counties, making up over half (52%) of foreclosed properties.<sup>8</sup> See Figure 2. The concentration of heirs' property in a neighborhood is the strongest predictor of a neighborhood's foreclosure rate, even when

controlling for the socioeconomic and demographic characteristics of the neighborhood. In Tarrant County, the study took a deeper look at property tax delinquencies, finding that residential heirs' properties are 10 times more likely than non-heirs' properties to have two or more years of tax delinquency (18% versus 1.8%).

**Figure 2. Concentration of Heirs' Properties Among Tax-Foreclosed Single-Family Residential Properties<sup>9</sup>**



One factor likely shaping these disparate outcomes for heirs' properties is their lower participation rate in the state's homestead exemption program, which provides a generous reduction in property tax burdens for homeowners.

Among likely owner-occupied heirs' properties in Tarrant County, 68% do not have access to the full homestead exemption, losing out on an average

of \$1,906 in annual savings and other important protections that come with the exemption. Overall, owner-occupied heirs' properties in Tarrant County lose out on a combined \$2.4 million in annual tax savings.

Heirs' property homeowners in Tarrant County without a homestead exemption are far more likely to have two or more years of delinquencies than those with an exemption (21% vs. 13%).



## RECOMMENDATIONS

---

The following tools and strategies can meaningfully address the challenges associated with heirs' property among homeowners in the Dallas-Fort Worth metroplex:

### **Prevention: Help homeowners avoid heirs' property issues through estate planning and education.**

■ Increase the capacity for free estate planning and education in underserved communities. Investments in affordable legal services and grassroots community education are critical to helping homeowners in underserved communities develop estate plans, such as transfer on death deeds or wills. As capacity for affordable estate planning services expands in the DFW metroplex, support is also needed to develop a network of service providers to better coordinate services and identify service delivery gaps.

■ Incorporate counseling on estate planning and heirs' property issues into homebuyer assistance programs, including the city mortgage assistance programs in Dallas, Fort Worth, and Arlington. The home purchase process is an ideal time to educate new and returning homebuyers about the importance of estate planning. Several efforts are currently under way across the country to incorporate estate planning and heirs' property education into homeowner counseling programs, which could provide models for programs in the DFW metroplex.

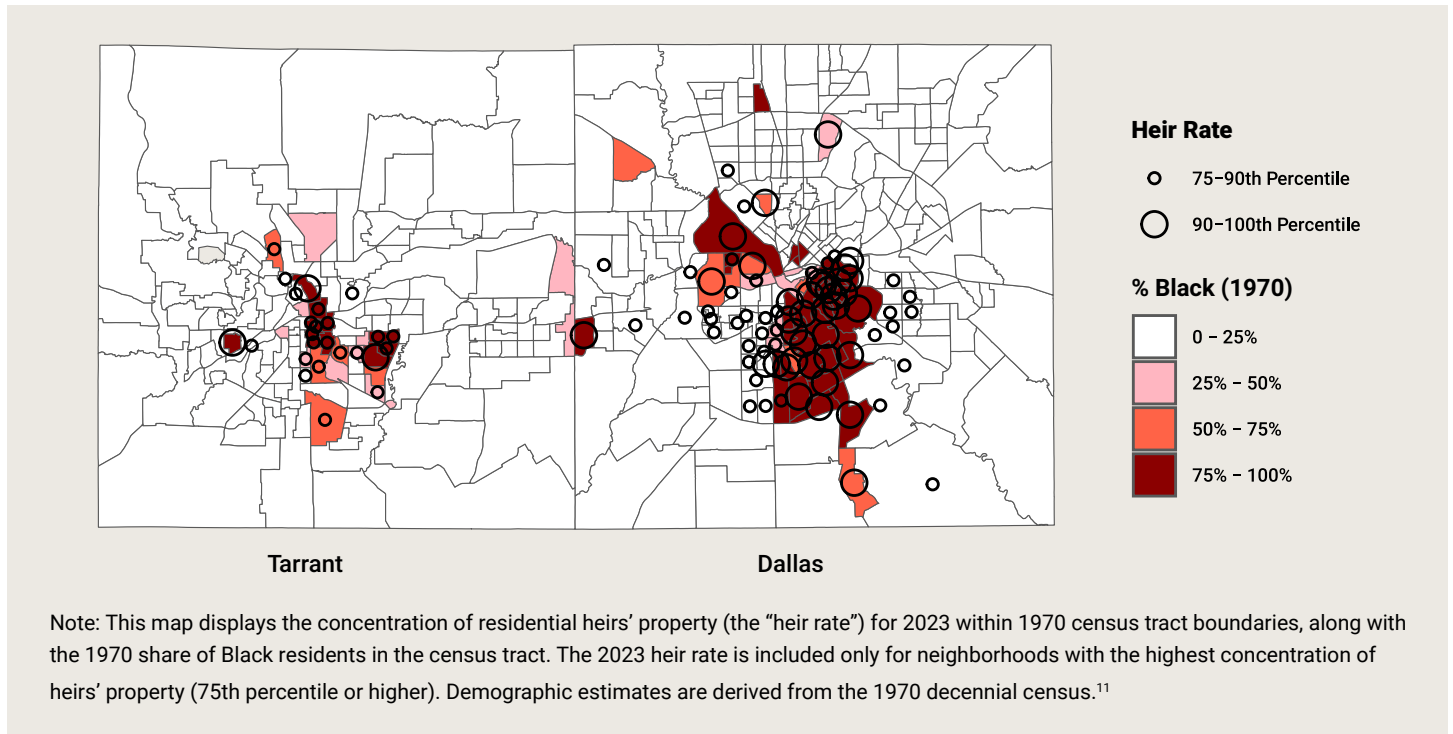


## **Management and Preservation: Support current heirs in maintaining ownership of their family homes and preserving their generational wealth.**

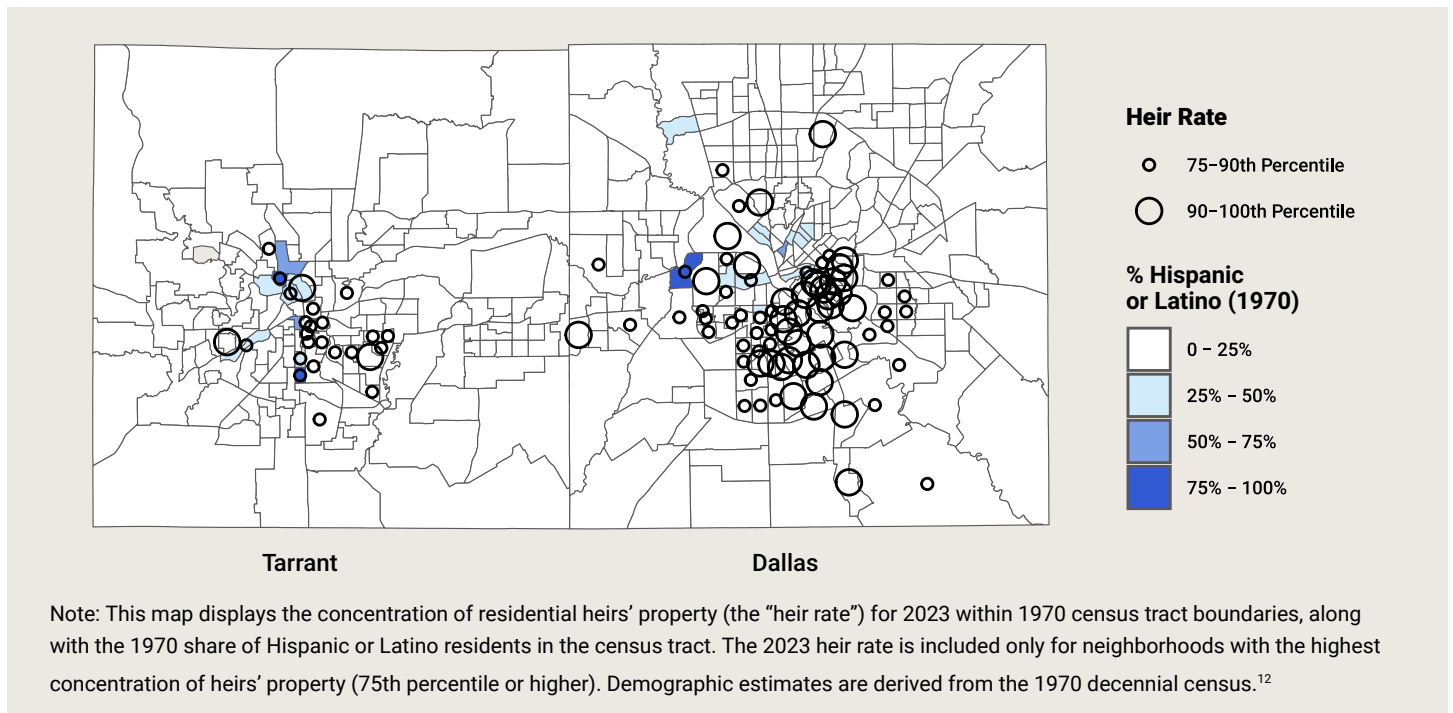
- Increase capacity for free legal services and community education to help homeowners with heirs' properties clear titles and defend against predatory land grabs. This is an area with vast service gaps. For many heirs' properties, this work can be complex, time intensive, and expensive, but it is essential to preserving generational wealth. As with legal services for estate planning, support is also needed to develop a network of service providers to better coordinate services and identify service delivery gaps in this area.
- Create an heirs' property fund. Heirs' property owners need access to funding to cover court costs associated with the title clearing process as well as funds to support the consolidation of title through buyouts of heirs interested in selling their interests. Funding could also be used to assist heirs with delinquent taxes.
- Provide early holistic support for heirs with active property tax delinquencies or code violations. Property tax delinquencies and citations for code violations provide red flags that an heirs' property homeowner is likely in distress—and also make a homeowner more vulnerable to predatory actors. Proactive outreach and early holistic supports for these homeowners would help safeguard them from future loss of their property.
- Remove barriers that heirs' property owners face in accessing city home-repair programs. Homeowners with heirs' properties have traditionally been barred from accessing city home-repair programs unless all the heirs can be identified and consent to the assistance. More flexible qualification criteria are needed to help ensure heirs can access these important programs to address critical repair issues.
- Conduct grassroots outreach to help heirs' property homeowners access homestead exemptions. The Homestead Exemption Community Housing (HECHO) program in San Antonio could serve as model for the DFW region.<sup>10</sup> The nonprofit program incorporates several best practices in this area, starting with door-to-door outreach to homeowners in historically disadvantaged communities who do not have homestead exemptions. The outreach is conducted by trusted community partners, including neighborhood associations and faith-based organizations. The trained outreach staff share information with homeowners about applying for a homestead exemption, invite them to a more in-depth community education presentation, and connect them with legal aid for assistance with estate planning, property tax issues, and title clearing.

# APPENDIX A. MAPS OF HEIRS' PROPERTY IN TARRANT AND DALLAS COUNTIES

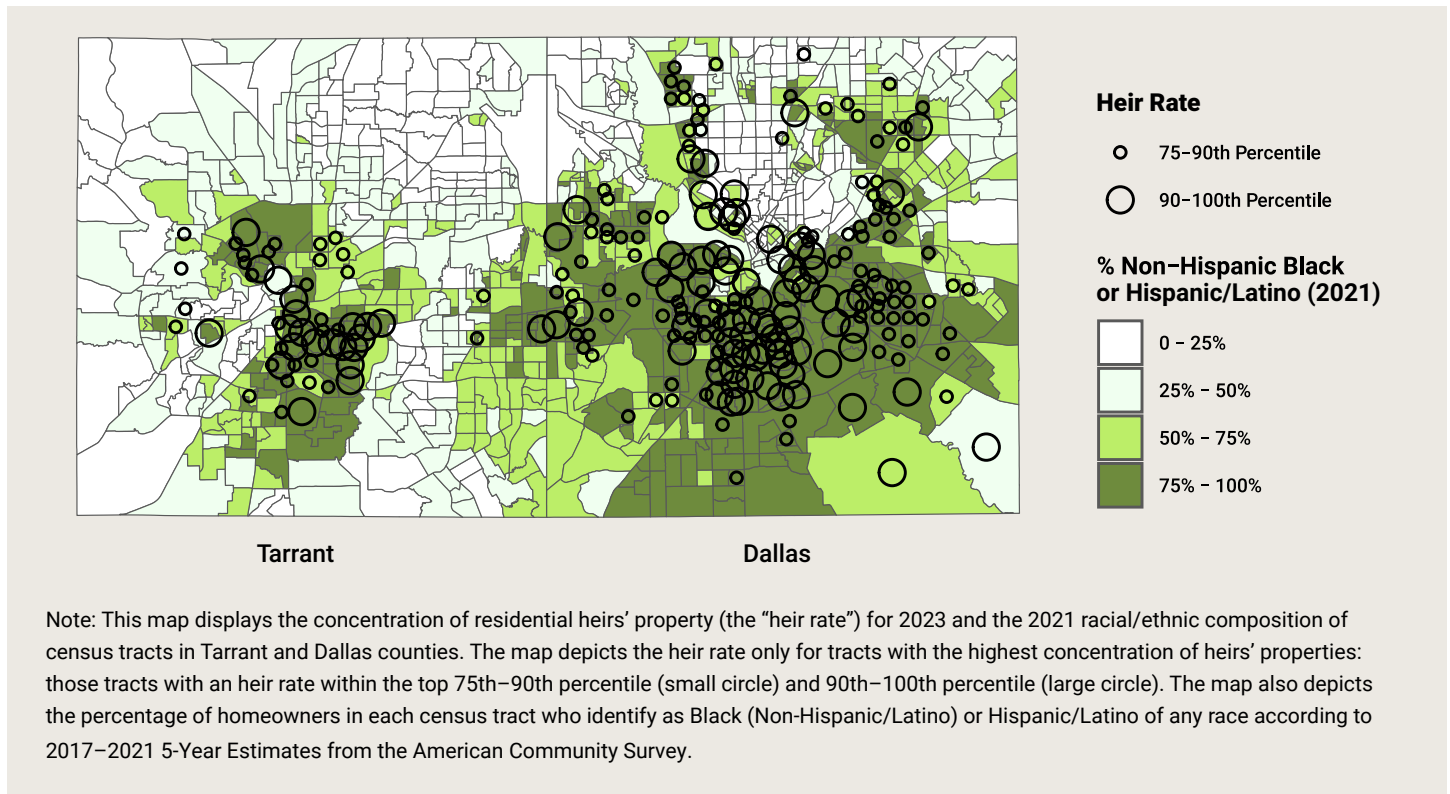
**Map A.1: 2023 Concentration of Heirs' Property in Historic Black Neighborhoods for Tarrant and Dallas Counties**



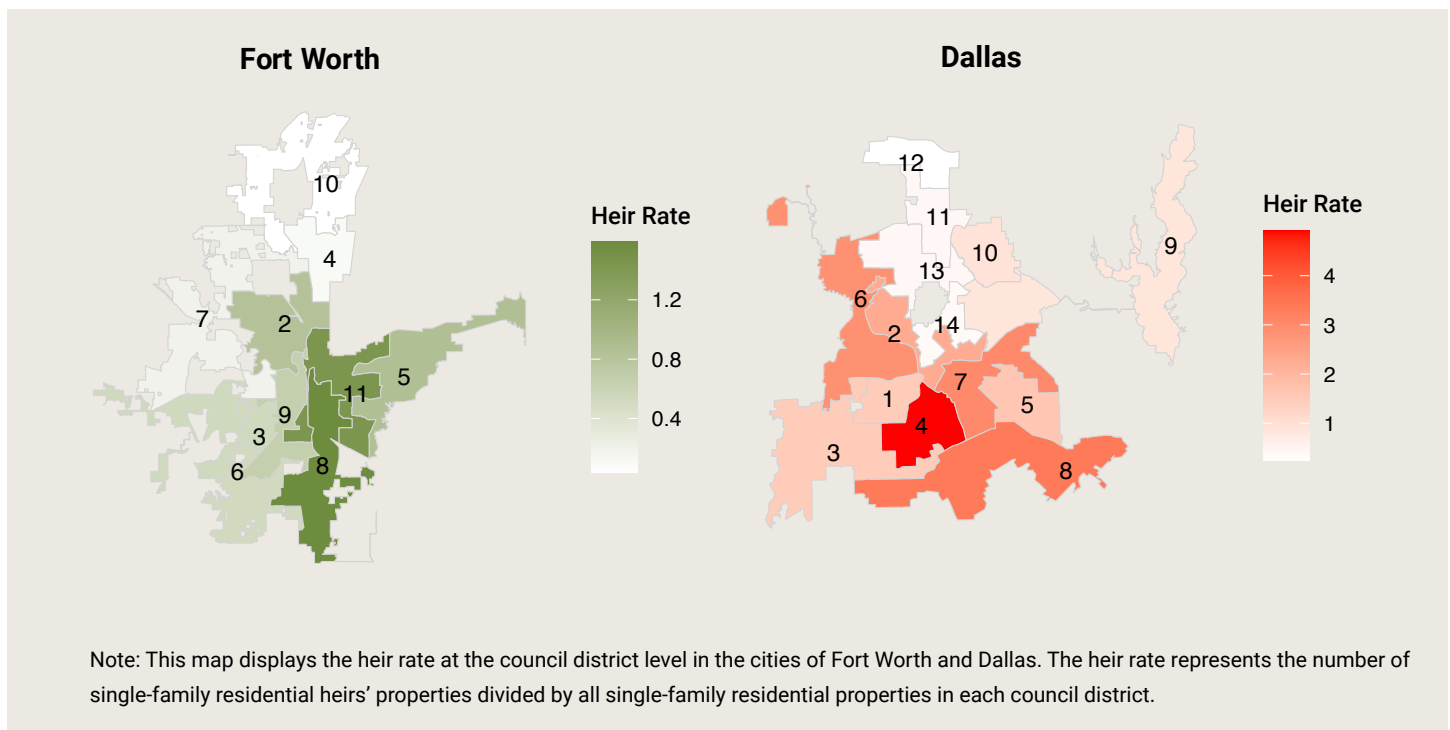
**Map A.2: 2023 Concentration of Heirs' Property in Historic Latino Neighborhoods for Tarrant and Dallas Counties**



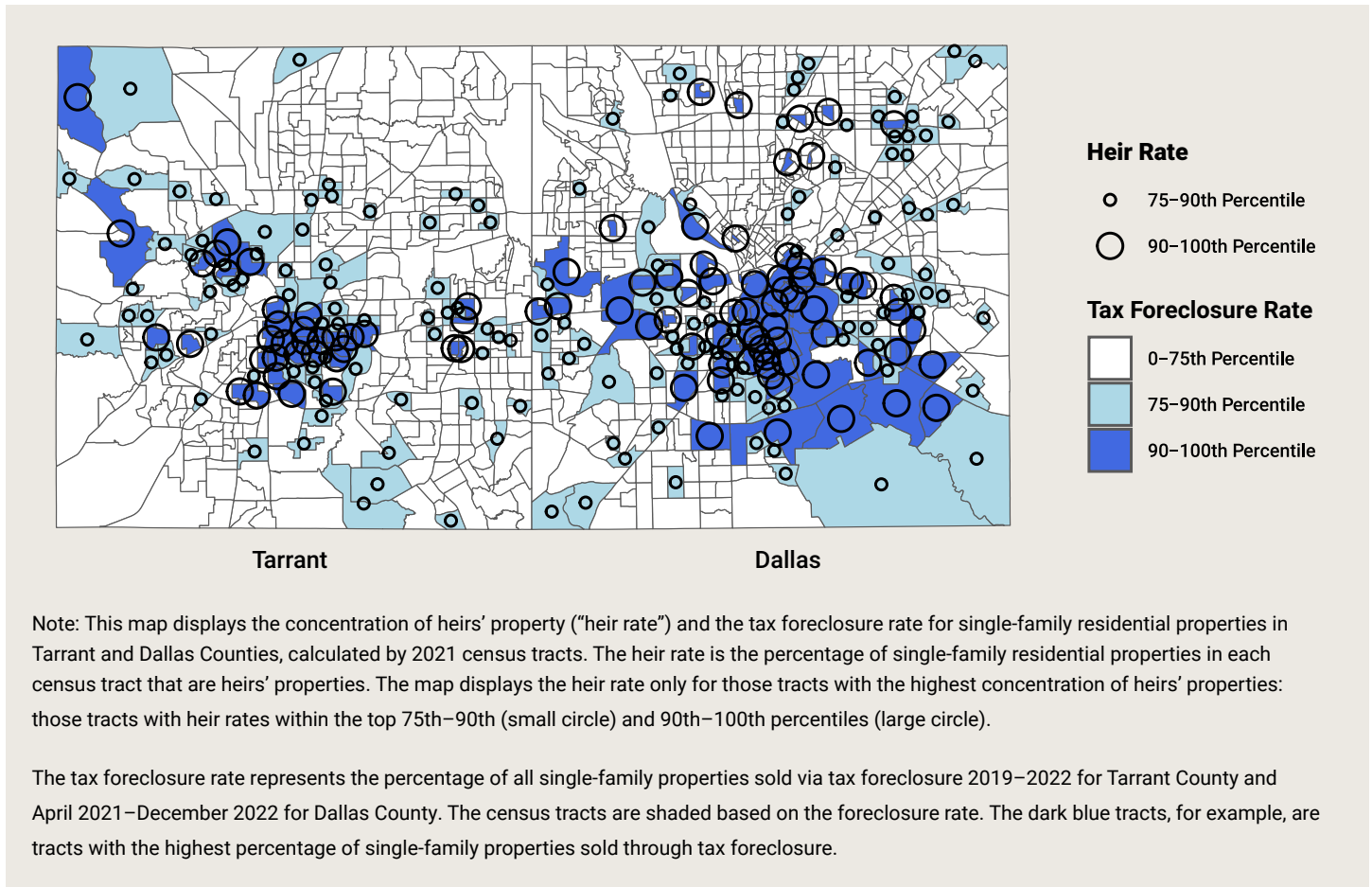
### Map A.3. 2023 Concentration of Heirs' Property and Share of Non-Hispanic Black or Hispanic/Latino Homeowners in 2021 for Tarrant and Dallas Counties



### Map A.4. Concentration of Heirs' Rate by Council District, Cities of Fort Worth and Dallas



## Map A.5. Property Tax Foreclosures and 2023 Heir Rate for Residential Properties in Tarrant and Dallas Counties



## APPENDIX B. METHODOLOGY FOR IDENTIFICATION OF HEIRS' PROPERTY IN TARRANT AND DALLAS COUNTIES

---

This section provides a high-level summary of the process and methods we used to identify heirs' properties in Dallas and Tarrant Counties. Given the vulnerability of heirs' properties to predatory activity, we have not included certain details about the methodology.

### Data sources and initial cleaning

For each county, we obtained detailed tax parcel data from the county appraisal district, including legal, financial, and physical attributes for the most recent year available (2023), as well as historical deed records. The most important data included owner names and addresses, property type, details regarding the most recent recording instruments (e.g., type, date recorded, and accompanying notes from the appraisal district staff), and homestead exemption status.

We conducted preliminary data cleaning in R to identify and remove duplicate records, along with properties owned by commercial or governmental entities, organizations, or trusts. Since the study was focused on single-family residential properties, we also removed vacant and nonresidential parcels as well as multifamily residential parcels, although in Dallas the single-family properties in the dataset included condominiums, townhomes, and duplexes. To identify properties that were likely owner-occupied, we used text analysis in R to calculate a similarity score by comparing the property address and owner address fields.

### Process for developing an heirs' property identification method

The study classifies a property as an heirs' property if the current owners (as of 2023) received all or part of their ownership interest in the property via inheritance. The study limits the

classification of heirs' property to those properties with two or more co-owners with an inherited interest, for properties where the number of co-owners could be determined from the appraisal district records. Properties with only one owner were removed from the final dataset. To assess which properties met the criteria, the research team relied on certain indicators in the county appraisal district and deed records.

The final approach used in each county to identify heirs' property varied in response to specific recording practices and data formatting issues in each county. The study took a conservative approach by focusing on reliable indicators of heirs' property and avoiding indicators that would lead to a significant number of false positives, unless a manual review of each of the properties with that indicator could be conducted.

The research team identified an initial set of heirs' property indicators through multiple in-depth conversations with Dallas and Tarrant County Appraisal District staff members to understand the districts' record-keeping systems, including their methods for identifying when a record title owner has passed away, when ownership of the property has passed down via inheritance, and the limitations of the appraisal districts' deed history data. This step was critical given the widely varying practices of local appraisal districts' record-keeping systems.

The research team tested the reliability of the heirs' property indicators and adopted additional indicators and methods for identifying

heirs' properties through a manual, in-depth examination of the ownership history of residential properties in certain neighborhoods with a high concentration of heirs' properties. Records reviewed included appraisal district records, county deed records, probate court records, and Ancestry.com records. The research team conducted these examinations under the supervision of one of the authors, a licensed attorney with experience assessing the title status of real property.

The testing revealed that certain indicators led to significant overreporting of heirs' properties. The team conducted manual reviews of properties identified through these indicators to confirm which properties were heirs' properties. For Tarrant County, this manual review covered, for example, properties for which the appraisal district records listed "et al" in a property owner's name and which did not otherwise include any of the other heirs' property indicators. The vast majority of the properties with the "et al" indicator turned out to not be heirs' properties and were removed from the dataset.

## The two primary heirs' property identification methods

The majority of heirs' properties were ultimately identified through one of the following two methods.

### "Est" properties

This group of heirs' properties consists of properties with the key words "est" or "estate" in the owner's name fields in the appraisal district records. The appraisal district staff add these keywords following the death of an owner, which staff confirm through multiple methods, including death records from the state. The demarcation remains in the ownership records until a deed or other legal document showing a transfer of

ownership is filed in the deed records, although in some instances both appraisal districts update the ownership records after receiving informal documentation of the passage of title, such as death certificates and unprobated wills. For each property, we identified the owners with an EST keyword, taking care not to include the sequence of letters "est" when not indicative of an heirship (e.g., "Estrada," "Celeste," "real estate").

We then conducted analyses of the date that each EST keyword was added to the appraisal district records. In both counties, we observed that the total number of properties with an EST keyword was higher in more recent years, in part due to the time required for owners to process the estate following the death of a family member. We identified the year in which the number of EST properties leveled off (2020 in Dallas, 2021 in Tarrant) and removed any properties for which the EST keyword was added during or after that year.

### Deed history properties

This group of heirs' properties consists of properties that do not have an EST demarcation in the owner field and for which the deed history in the appraisal districts' records indicate that the current owners inherited their interest in the property. Records that indicated inheritance, depending on the county, included affidavits of heirship (the most common document in the deed history for the heirs' properties in this group), certificates of death, and wills. For Tarrant County, we also examined the text accompanying each document type in the appraisal district deed history records to identify keywords such as "Death Cert," "D/C", or "Heirship." For Dallas County, we merged the deed history in the appraisal district records with the county deed records by recording instrument number to pinpoint the type of legal instrument in the deed history, since the appraisal districts' records do not provide this breakdown.

## ENDNOTES

1. 2018-2022 5-Year Estimates from the American Community Survey.

2. For more information on the study's methodology, see Appendix B. The number of heirs' properties in the study's findings are an undercount, since the study's analysis is based on confirmed markers in the property tax and deed records that a property has been inherited. These markers, however, are not always present for heirs' properties in the Dallas and Tarrant County tax records. One of the ways we confirmed this undercount was by conducting a more intensive review of the ownership records in a neighborhood with a high concentration of heirs' property under the study's methodology. We pulled a random sampling of 117 residential properties and, from this sample, identified 18 heirs' properties, 16 of which appeared in our final dataset of heirs' properties using the study's methodology, and another 2 properties that were not captured by the study's methodology.

3. The identification of single-family properties as owner-occupied is an estimate based on the mailing address for the property in the tax records matching the property address listed for the first owner. We expect that some properties are misidentified as owner-occupied using this methodology, such as in instances where the tax bill is being sent to a family member who resides elsewhere and is handling the taxes for a relative residing in the home who is incapacitated.

4. The properties included here as having clouded title are those with a "est" keyword in the owner's name field. See the methodology for a further discussion of the "est" records. A 2019 study by BC Workshop of heirs' property in Dallas County identified an even larger number of heirs' properties with the "estate of" or "est" flag: 6,957. Unlike our study, the BC Workshop study included vacant residential lots. The study's methodology also differed from ours by including properties that recently received the "est" flag. See buildingcommunityWORKSHOP, Heirs Property in Dallas County: State of Dallas Housing, 2019, [https://static1.square-space.com/static/5248ebd5e4b0240948a6ceff/t/5eff5de28603197f2e9454fc/1593794047591/191127\\_Heirs\\_SoDH.pdf](https://static1.square-space.com/static/5248ebd5e4b0240948a6ceff/t/5eff5de28603197f2e9454fc/1593794047591/191127_Heirs_SoDH.pdf)

5. To identify the communities most impacted by heirs' property, the census tracts for Dallas and Tarrant Counties were broken into four equal groups (quartiles), organized by the percentage of single-family properties that are heirs' properties in each census tract (the heir rate). The first quartile consists of the tracts with the lowest heir rate, meaning the lowest percentage of single-family properties that are heirs' properties. The fourth quartile consists of tracts with the highest heir rate, meaning the highest percentage of single-family properties that are heirs' properties. The census tracts are further broken into deciles; the top decile is depicted in the righthand column of Table 1. The census tracts in the top quartile and top decile based on the heir rate are visually depicted in Map A3 in Appendix A, which also overlays the percentage of Black or Latino homeowners in each census tract.

6. The 1970 census did not disaggregate ethnicity by race. We therefore calculated the total share of the population represented by Black persons and the share represented by Hispanic/Latino persons. We then displayed the relative size of the largest minority population (either Black or Hispanic/Latino). This step is necessary to avoid double counting individuals who identified as both Black and Hispanic/Latino.

7. U.S. Census data acquired from the National Historical Geographic Information System. Steven Manson, Jonathan Schroeder, David Van Riper, Katherine Knowles, Tracy Kugler, Finn Roberts, and Steven Ruggles. IPUMS National Historical Geographic Information System: Version 18.0 [dataset]. Minneapolis, MN: IPUMS. 2023. <http://doi.org/10.18128/D050.V18.0>.

8. The heir rate for foreclosed residential properties includes both vacant single-family lots and lots with single-family structures. In contrast, the heir rate presented in the report for all single-family properties does not include vacant lots. The work that provided the basis for the finding regarding the heir rate for foreclosed residential properties was supported by funding from the Center of Excellence for Housing and Community Development Policy Research under an award with the U.S. Department of Housing and Urban Development. The authors are solely responsible for its accuracy and interpretation, which does not necessarily reflect the view of the U.S. Government.

9. This figure compares the heir rate for all single-family properties, not including vacant lots, with the heir rate for all foreclosed single-family properties that underwent a property tax foreclosure sale in Tarrant (2019–2022) and Dallas Counties (April 2021–December 2022), including vacant lots. The heir rate for foreclosed single-family properties exclusive of vacant lots is 49% for Tarrant County. The sample of foreclosed properties examined in Dallas County was not large enough to bifurcate the vacant lots from the non-vacant lots.

10. For additional information on the HECHO program, see <https://mycityismyhome.com/hecho/>.

11. See supra note 7.

12. See supra note 7.