

## HOMESTEAD

CESP	CAEP	Topic/Issue
		<b>INTRODUCTION AND AUTHORITY</b>
		<ul style="list-style-type: none"> <li>• History – Purpose and evolution</li> </ul>
X	X	<ul style="list-style-type: none"> <li>○ Liberal interpretation in favor of property owner</li> </ul>
		<ul style="list-style-type: none"> <li>• Texas Constitution - Article 16, Section 50</li> </ul>
X	X	<ul style="list-style-type: none"> <li>○ Content</li> </ul>
X	X	<ul style="list-style-type: none"> <li>○ Changed only by constitutional amendment</li> </ul>
X	X	<ul style="list-style-type: none"> <li>○ Rights associated with a Texas Homestead.</li> </ul>
X	X	<ul style="list-style-type: none"> <li>• Protects homestead property from forced sale for debts</li> </ul>
X	X	<ul style="list-style-type: none"> <li>• Texas Property Code</li> </ul>
		<b>"HOMESTEAD" CRITERIA FOR DIFFERENT PURPOSES</b>
X	X	<ul style="list-style-type: none"> <li>• For tax purposes</li> </ul>
X	X	<ul style="list-style-type: none"> <li>• For protection against forced sale</li> </ul>
		<b>TYPES OF HOMESTEAD</b>
X	X	<ul style="list-style-type: none"> <li>• Urban – includes "business"</li> </ul>
X	X	<ul style="list-style-type: none"> <li>• Rural – 100 or 200 acres</li> </ul>
		<b>VALID LIENS</b>
X	X	<ul style="list-style-type: none"> <li>• Purchase Money</li> </ul>
X	X	<ul style="list-style-type: none"> <li>• Construction (with appropriate mechanic's lien documentation)</li> </ul>
X	X	<ul style="list-style-type: none"> <li>• Ad Valorem Taxes</li> </ul>
X	X	<ul style="list-style-type: none"> <li>• Federal Tax Liens</li> </ul>
X	X	<ul style="list-style-type: none"> <li>• Owelty Liens</li> </ul>
X	X	<ul style="list-style-type: none"> <li>• Home Equity</li> </ul>
X	X	<ul style="list-style-type: none"> <li>• Reverse Mortgage</li> </ul>
X	X	<ul style="list-style-type: none"> <li>• Manufactured Housing Refinance</li> </ul>
		<b>CREATING INSURABLE LIENS</b>
		<ul style="list-style-type: none"> <li>• Loan documents</li> </ul>
X	X	<ul style="list-style-type: none"> <li>○ Original liens</li> </ul>
X	X	<ul style="list-style-type: none"> <li>○ Refinance of an existing lien</li> </ul>
		<ul style="list-style-type: none"> <li>• Corroborating Homestead Affidavits</li> </ul>
X	X	<ul style="list-style-type: none"> <li>○ "Abandoning the homestead"</li> </ul>
		<b>UNDERWRITING ISSUES</b>
X	X	<ul style="list-style-type: none"> <li>• Homestead rights of spouse – possession versus ownership</li> </ul>
X	X	<ul style="list-style-type: none"> <li>• Attachment of involuntary liens</li> </ul>
	X	<ul style="list-style-type: none"> <li>○ Clearing title</li> </ul>