Issues and Opportunities: Heir Property in Arkansas

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Unlocking Heirs Property Continuing Legal Education

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Heirs of Arkansas
Heir Property

• Is family-owned, inherited land (real property) owned by multiple heirs with undivided interest.

• Is land informally passed down from generation to generation.

• Is not protected from sale simply because the taxes are paid.

• Is not protected from sale simply because family members live on the land.

• Is co-owned and undivided so any heir can assert her/his rights, no matter how small or recent the investment, involvement, or interest.
Griffin Henry Belk  b. ~1848
Joe ‘Man’ Suttles
Vashti Belk Suttles  ~1909
Fanilla Suttles Cobb b. 1910  Janet Cobb  b. 1941
Heir property matters

• Wealth reclamation for families
  • Through property development
  • Through sale of personal interes
Heir property matters

• Wealth creation for communities
  • Increased property tax base
  • More vibrant economy
  • Neighborhood and community improvements
Heir property matters

• Improved economic outcomes

• For most affected people and places

Conner Bailey, Auburn University estimates: 2.1 million acres of heir property worth $5.95 billion in just 365 counties in the U.S. Black Belt.

https://www.frbatlanta.org/community-development/
Heir property matters

• Breadth and scale
  • Urban, rural, suburban
  • African Americans, Asian Americans, European Americans, Latinx Americans, and Native Americans

Hawaii estate of Mark Zuckerberg --
Heir property matters

• Improved ties to Arkansas

• Consider: 1986 study showed black owned heir property in the southeast had an average of eight owners, five of whom lived outside the region.

• Consider: 1986 study showed more Mississippi land owned by black people in Chicago than by black people in Mississippi.
Heir property matters

• Historic and sentimental value
• Wealth reclamation for families
• Wealth creation for communities
• Economic changes at scale
• Breadth of the opportunity
• Strengthening ties to Arkansas
Heir property – What’s needed

- Prevention
- Title clearance
- Property management and ownership structures
- Research and education
Heir property – What’s needed

• Prevention
  • Access to paid legal services
  • Access to low/pro bono legal services
Heir property – What’s needed

• Title clearance
  • Number and location of heirs
  • Variety and alignment of family goals
• Uniform Partition of Heirs Property Act - monitoring
Uniform Partition of Heir Property Act

- **Balances the rights** of family members who want to retain their land with the rights of family members who want to sell.
- **Affects only heir property**, a small subset of parcels in Arkansas
- **Gives heirs the right to buy out other heirs** who want to sell, keeping the land in the family.
- Provides a means to realize **full market value** of the land, if sold.
- Facilitates sound **property management**.
- Has **already been passed** by several states.
- Preserves the **independent right to contract**.
- Was drafted by the **nonprofit Uniform Law Commission**.
Act 107 of 2015
Uniform Partition of Heirs Property Act

A Bill Becomes a Law - Act 107

129 Legislative YEA votes
0 Legislative NAY votes
1 Governor's approval
16 Days from filing to approval

February 3-18, 2015
90th General Assembly
Heir property – What’s needed

• Property management and ownership structures
  • To facilitate business management
  • To facilitate family engagement
  • To facilitate ongoing family ownership
  • To facilitate transparency
  • To taxation, dividend, and other financial goals.
Heir property – What’s needed

• Research and education
  • Prevalence of heir property
  • Distribution of heir property
  • Potential value of heir property
  • Impact of heir property resolution
  • Location of heirs
  • Policy innovation and impact
  • Cost benefit analyses of programs and services
  • Gender and heir property
  • Etc.
Thank you!

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Tools for passing Heir Property Act?

• [https://prezi.com/wqa41nza6qjb/heir-property-opportunities-in-arkansas/](https://prezi.com/wqa41nza6qjb/heir-property-opportunities-in-arkansas/)

• Professional online presence

• Printable materials for broad usage

• Solicitation of endorsements

• The Small State Advantage

• Uniform Law Commissioners and Arkansas Bar Association
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