



Seniors Need to Be Aware of Changing Home Ownership to Joint Ownership

As a staff lawyer at the Grey-Bruce Community Legal Clinic (and Chair of the Grey Bruce Elder Abuse Prevention Network), I have come across too many instances where seniors have been taken advantage of financially, especially when it comes to making changes to their home ownership.

The Law Foundation of Ontario has funded my position so that older adults in Grey and Bruce Counties can receive education about legal issues of importance to seniors. Seniors sometimes want to add their children to the legal ownership of their homes so that the children will inherit the house without paying any tax. People often think of legal ownership as the “deed” to the house. The current technical term for legal ownership of a house is “title”.

There are two major risks involved in adding other people to the title that seniors should consider before changing the title to their homes.

Their creditors can take your house

If anyone listed on title to a house has debt, the organizations/people to whom money is owed (“creditors”) can get a court order to sell the house to pay the debt. I have seen seniors lose their homes because they added one of their children to the title to the house and the child’s financial situation changed. The child lost their job, built up a lot of debt, and the child’s creditors forced the sale of the house to pay the child’s debts.

You lose control of your house

All people listed on title to a house have legal rights to decide what happens to the house. I have talked to seniors who are no longer able to do what they want with their homes, such as sell them or renovate them, because they added their children to the title and the children do not agree to the senior’s wishes. I have also seen scenarios that the children insist on living in the house. The senior cannot force the child to move out because the child has the right to live in the house as a legal owner.

When I caution older adults about giving up control of their houses by adding their children to the title, seniors usually tell me that they do not need to worry about their children controlling their homes. Seniors say that their children would not take advantage of being on title to the house.

Life circumstances cause people to do things no one expected. A senior’s child could date someone who convinces them to take over a senior’s house for themselves, especially if they cannot afford a house as big or nice as the senior’s house.

Think carefully about joint ownership

Seniors should think carefully about adding anyone to the title to their homes. Such action has tax benefits when the senior dies. However, it makes the senior vulnerable to abuse and financial problems while still alive. Consider what is most important to you: what happens to your money when you die? Or your well-being while still alive?