Form 63-8

For an accompanying deed to record the conversion in the real property records, see form 63-10, Community Interest Special Warranty Deed.

Agreement to Convert Separate Property to Community Property

The parties to this Agreement to Convert Separate Property to Community Property are [name of party A], of [county] County, Texas, and [name of party B], of [county] County, Texas (collectively "the parties").

Stipulations

1. The parties are entering into this agreement in accordance with article XVI, section 15, of the Texas Constitution, as amended, and relevant sections of the Texas Family Code, as amended.

2. The parties acknowledge and agree that they are making and entering into this agreement voluntarily and without the intention to defraud or prejudice preexisting creditors.

3. [Name of party A] owns as separate property certain real and personal property as described on Schedule A, which is attached to this agreement. The parties intend by this agreement to convert the separate property of [name of party A] to community property.

4. [Name of party A] desires to convert the separate property to community property in order for the parties, following the execution of this agreement, to own, hold, and possess that property as community property.

In consideration of the mutual promises, agreements, exchanges, releases, and waivers contained in this agreement and in consideration of the parties' desire to establish certain

rights and obligations by this agreement, and with the intent to be fully bound by the terms of this agreement, the parties covenant, agree, and contract as follows:

Article 1

Statement of Facts

1.1 Property of Parties

[Name of party A] owns as separate property the property described on Schedule A attached to this agreement.

1.2 Disclosure

[Name of party A] represents and warrants to [name of party B] that [he/she] has received a fair and reasonable disclosure of the legal effect of converting the separate property owned by [him/her], as specifically described on the attached Schedule A, into community property. In particular, [name of party A] acknowledges that [he/she] has read, been advised of, and understands the following:

"This instrument changes separate property to community property. This may have adverse consequences during marriage and on termination of the marriage by death or divorce. For example:

"EXPOSURE TO CREDITORS. IF YOU SIGN THIS AGREEMENT, ALL OR PART OF THE SEPARATE PROPERTY BEING CONVERTED TO COMMUNITY PROPERTY MAY BECOME SUB-JECT TO THE LIABILITIES OF YOUR SPOUSE. IF YOU DO NOT SIGN THIS AGREEMENT, YOUR SEPARATE PROPERTY IS GENERALLY NOT SUBJECT TO THE LIABILITIES OF YOUR SPOUSE UNLESS YOU ARE PERSONALLY LIABLE UNDER ANOTHER RULE OF LAW.

"Loss of management rights. If you sign this agreement, all or part of the separate property being converted to community property may become subject to either the joint management, control, and disposition of you and your spouse or the sole management, control, and disposition of your spouse alone. In that event, you will lose your management rights over the property. If you do not sign this agreement, you will generally retain those rights.

"Loss of property ownership. If you sign this agreement and your marriage is subsequently terminated by the death of either spouse or by divorce, all or part of the separate property being converted to community property may become the sole property of your spouse or your spouse's heirs. If you do not sign this agreement, you generally cannot be deprived of ownership of your separate property on termination of your marriage, whether by death or divorce."

Each party acknowledges that [he or she/he/she] has been provided a fair and reasonable disclosure of the property being converted, including values, and financial obligations, contingent or otherwise, before the execution of this agreement. Furthermore, and before the execution of this agreement, each party has previously offered to provide, or has provided, to the other party all information and documentation pertaining to the property being converted, including income and value, and all financial obligations that have been requested by the other party. Each party acknowledges that [he or she/he/she] has, or reasonably could have had, full and complete knowledge of the property being converted and of all financial obligations associated with the property being converted.

Initials

Article 2

Conversion of Separate Property to Community Property

2.1 Conversion of Separate Property to Community Property

The parties agree that the property described on Schedule A constitutes the separate property of [name of party A]. [Name of party A] acknowledges and agrees that it is [his/her] intent to, and [name of party A] does hereby, covenant and agree that the property described on Schedule A is hereby converted from [his/her] separate property to the community property of the parties ("converted property").

2.2 Release of [name of party A]

[Name of party A], by [his/her] execution of this agreement, hereby releases and confirms to the community estate all right, title, and interest in and claims to the property described on Schedule A.

2.3 Asset Descriptions

The parties have tried to use the correct legal description for each asset listed on Schedule A. If any asset is incorrectly described, the description used is adequate for the purposes of this agreement and accompanying schedules, and the parties agree to execute any additional paperwork required to confirm ownership of property by the community estate.

Article 3

Income or Property Derived from Converted Property

3.1 Income and Property Derived from Converted Property

The parties agree that all income and revenues from the converted property, all income and property acquired as a result of the converted property, and all income and property resulting from the reinvestment of that income, including interest and dividend income, shall be community property.

3.2 No Commingling Intended

Neither party intends to commingle [his or her/his/her] respective separate property with the converted property, except when intentionally done in a joint financial account, and neither party's separate estate may claim an interest in converted property as a result of such commingling.

3.3 Waiver of Claims

Each party agrees that the converted property will be free from all claims that the other party's separate estate may have before the date of this agreement, as well as all claims that may arise following the execution of this agreement. Any separate-property money expended by either party's separate estate for the benefit of the converted property will be presumed to be a gift, as contrasted with a payment for which reimbursement or repayment is later expected, unless the parties agree otherwise in writing. This waiver applies during the lifetime of both parties, as well as on the death of either or both parties. This waiver extends to any rights, whether choate or inchoate, that may arise under the laws of Texas or any other jurisdiction. Each party further agrees that, by signing this agreement and accepting any benefit

Initials

whatsoever under it, [he or she/he/she] is estopped from making any claim of any kind at any time to the converted property by [his or her/his/her] separate estate, except as may expressly be provided for in this agreement.

Article 4

Liabilities

4.1 Liabilities of the Converted Property

The liabilities and obligations described on Schedule B, which is attached to this agreement and made a part of it for all purposes, and all other liabilities and obligations attributable to the converted property shall be satisfied and paid solely from the community estate of the parties. The parties agree that the community estate shall forever hold harmless, indemnify, and defend [**name of party A**] and [his/her] separate property from any claim arising from these liabilities and obligations.

Any taxes, interest, or penalties that [name of party A] may owe to any taxing authority, foreign or domestic, for years or taxable periods before the date of the parties' execution of this agreement that are attributable to the converted property are the sole and separate property liabilities and obligations of [name of party A], to be satisfied and paid solely from [his/ her] separate estate and from which [he/she] agrees to forever hold harmless, indemnify, and defend [name of party B] and [her/his] separate property and the community estate from any claim.

If there is an outstanding loan on the converted property, each party agrees as follows: Each party agrees to provide proof of payment (including escrows) of all obligations paid on the outstanding loan to the other party on request. The parties agree to provide each other with ongoing access to all passwords and ongoing online access related to the outstanding loan.

Initials

Each party agrees to provide a copy of any and all correspondence from the underlying lender to the other party within five business days of receipt.

Article 5

Management of Converted Property

5.1 Management of Converted Property

The parties agree that the converted property is subject to the [joint management, control, and disposition of the parties/sole management, control, and disposition of [name of party A]/sole management, control, and disposition of [name of party B]].

Article 6

General Agreements

6.1 General Agreements

Except as specifically set forth in this agreement to the contrary, the parties agree to the following:

1. That the property described or created in this agreement as being converted from the separate property of [name of party A] to the community property of the parties shall be free from any claim of [name of party A] that may arise during the remainder of the parties' marriage.

2. That this agreement applies during the lifetime of both parties, including on dissolution of their marriage by court order, as well as on the death of either or both parties.

3. That this agreement extends to any rights, whether choate or inchoate, that may arise under the laws of any jurisdiction.

Article 7

Reimbursement

7.1 No Reimbursement Claims

[Name of party A] waives the right to assert any claim for reimbursement that [he/she] might presently or in the future have on behalf of [his/her] separate estate against the converted property. [Name of party B] waives the right to assert any claim for reimbursement that [she/he] might presently or in the future have on behalf of [her/his] separate estate against the converted property.

Article 8

Arbitration

8.1 Arbitration

The provisions for binding arbitration must be in accordance with Texas arbitration law, including but not limited to sections 6.601 and 153.0071 of the Texas Family Code.

The parties agree to submit to binding arbitration any dispute or controversy regarding the validity, interpretation, or enforceability of this agreement, as well as all issues involving its enforcement in connection with a dissolution proceeding between the parties. Each party expressly waives any right to trial by a court or trial by a jury. If a dissolution proceeding or declaratory judgment proceeding is filed in Texas, the arbitrator appointed under this agreement will simultaneously be designated as special master under the Texas Rules of Civil Procedure, and the parties agree to jointly apply to the court for any orders that are necessary to vest the arbitrator with all powers and authority of a special master under the rules.

Initials

The parties agree to appoint one arbitrator, whose decisions will be binding in all respects. Any arbitrator appointed by the parties must be an attorney who has undergone arbitration training conducted by the American Bar Association or the American Academy of Matrimonial Lawyers and is in good standing with the State Bar of Texas. [Include if applicable: The arbitrator must also be board certified in family law by the Texas Board of Legal Specialization.] The first party requesting arbitration must designate the name of an arbitrator in the request. The other party must then designate the name of an arbitrator. If the parties cannot agree on an arbitrator within fourteen days after either party's written request for arbitration, the two designees must select a qualified arbitrator, who will be designated the sole arbitrator of the dispute. If the parties cannot agree on the ground rules and procedures to be followed during the arbitration proceedings, the arbitrator shall have the sole authority to establish the ground rules and procedures to be followed during the arbitration proceeding. The parties agree to attend the arbitration on the date and at the time and place set by the arbitrator. The cost of arbitration must be borne as the arbitrator directs. The award of the arbitrator will be binding and conclusive on the parties, and a judgment setting forth the arbitration award may be entered in any court of competent jurisdiction.

Article 9

General Provisions

9.1 *Effective Date*

This agreement takes effect when it is executed by both parties and will remain in effect during the remainder of the parties' marriage and thereafter until it is fully performed, amended, or revoked, even when the parties' marriage is dissolved by death or otherwise.

9.2 Execution of Documents

Each party agrees to cooperate fully with the other in performing all acts and in executing, acknowledging, and delivering all instruments and documents required to accomplish the intent of this agreement, including but not limited to deeds, assignments, and promissory notes. Each party agrees to execute all documents required to accomplish the intent of this agreement within fourteen days after the documents are presented to the party for execution.

9.3 Incorporation of Schedules

All schedules and other instruments referred to in this agreement are incorporated into this agreement as completely as if they were copied verbatim in the body of it.

9.4 Property Not Listed or That May Come into Existence in the Future

This agreement to convert the separate property of [name of party A] to community property applies only to the property listed on Schedule A and does not apply to any other property not listed on Schedule A or to property that may come into existence in the future. The parties acknowledge that, to convert additional separate property of either party into community property, the parties must prepare and sign a separate written instrument.

9.5 No Conveyance

The parties agree that neither party shall convey or attempt to convey [his or her/his/ her] community-property interest in the property described on Schedule A, which is being converted from [**name of party A**]'s separate property to community property, without the prior written consent of the other party.

9.6 Enforceability

This agreement may be enforced by suit in law or equity by either of the parties or by their heirs, executors, attorneys, or assigns. Each party agrees that by signing this agreement and accepting any benefit whatsoever under it, [he or she/he/she] hereby waives, and is estopped and barred from making, any claim of any kind at any time on behalf of [his or her/ his/her] separate estate against the converted property.

9.7 Successors

This agreement binds and inures to the benefit of the parties and their respective legatees, devisees, heirs, executors, legal and personal representatives, assigns, transferees, and successors in interest.

9.8 Amendment or Modification

This agreement may be waived, abandoned, modified, amended, discharged, or terminated only by a written instrument signed by both parties that specifically identifies the waiver, abandonment, modification, amendment, discharge, or termination.

9.9 Attorney's Fees and Expenses for Enforcement

If either party brings an action or other proceeding to enforce this agreement or to enforce any judgment, decree, or order made by a court in connection with this agreement, the prevailing party will be entitled to recover reasonable attorney's fees and other necessary costs from the other party. If either party files a declaratory judgment proceeding to determine the enforceability of this agreement, neither party will be entitled to an award of attorney's fees unless a party successfully challenges the validity of this agreement, in which event the court will be authorized to award attorney's fees. If either party seeks to invalidate some or all

Initials

of this agreement or seeks to recover property in a manner at variance with this agreement, the successful party will be entitled to recover reasonable attorney's fees and other necessary costs from the other party.

9.10 Exclusive Remedy for Nonmonetary Breach

Except as expressly provided otherwise in this agreement, the exclusive judicial remedy of either party against the other for failure to perform any nonmonetary duty or obligation under any provision of this agreement is judicial enforcement by judgment for specific performance or mandatory injunction and writ of execution to compel performance, plus reasonable attorney's fees. Neither party is entitled to recover any damages, actual or consequential, for any nonmonetary breach. No failure of either party to perform any nonmonetary duty or obligation under this agreement diminishes or impairs the full effectiveness of its provisions.

9.11 Waiver of Breach or Term

The waiver of any breach of any provision of this agreement does not waive any other breach of that or any other provision. Waiver of any term of this agreement may be accomplished only concerning future performance and only by a written instrument signed by both parties expressly stating the provisions waived.

9.12 Partial Invalidity

If any provision of this agreement is for any reason found to be unenforceable, all other provisions nonetheless remain enforceable.

9.13 Assignment Prohibited

This agreement is personal to the parties, and neither party may assign or delegate any of [his or her/his/her] rights or obligations under it.

Initials

9.14 Entire Agreement

This instrument contains the parties' entire agreement on the subject it purports to cover. This agreement replaces any earlier agreements or understandings, whether written or oral, and there are no contemporaneous written or oral agreements that are not fully expressed in it.

9.15 Titles and Captions

Article headings, titles, and captions contained in this agreement are merely for reference and do not define, limit, extend, or describe the scope of this agreement or any provision.

9.16 No Construction against Draftsman

No provision of this agreement may be interpreted for or against any party because the party or the party's legal representative drafted the provision.

9.17 Representation

The attorney representing [name of party A] is [name]. The attorney representing [name of party B] is [name]. [Name of party A] has not received any legal, financial, or other kind of advice from [name of party B] or from [her/his] attorney, [name], in connection with the advisability or nonadvisability of entering into this agreement. [Name of party B] has not received any legal, financial, or other kind of advice from [name of party A] or from [his/her] attorney, [name], in connection with the advisability or nonadvisability of entering into the advisability of entering into this agreement. [Name of party A] or from [his/her] attorney, [name], in connection with the advisability or nonadvisability of entering into this agreement. [Name of party A] is relying on [his/her] own judgment and the advice of [his/her] attorney in entering into this agreement. [Name of party B] is relying on [her/his] own judgment and the advice of [her/his] attorney in entering into this agreement.

Initials

Or

[[Name of party A]/[name of party B]] acknowledges that [he/she] has had the opportunity to retain independent counsel to represent [him/her] in connection with this agreement and that [he/she] has been encouraged by [[name of party B]/[name of party A]] and others to obtain an attorney of [his/her] choice to represent [him/her], but that [he/she] has specifically declined to do so and is relying on [his/her] own judgment in entering into this agreement. Notwithstanding the fact that [[name of party A]/[name of party B]] has represented [himself/ herself] in this matter, [[name of party A]/[name of party B]] reaffirms the warranties made by [him/her] in this agreement and further represents and warrants that [he/she] has the requisite knowledge, skill, and training to fully understand the consequences of [his/her] execution of this agreement. Finally, [[name of party A]/[name of party B]] represents and warrants that [he/ she] has not received any legal, financial, or other kind of advice from [[name of party B]/ [name of party A]] or [name] or any other attorney with the law firm of [name] in connection with the advisability or nonadvisability of entering into this agreement.

9.18 Nondisqualification

If any dispute arises out of this agreement, whether by arbitration or litigation, each party waives any claim of disqualification against representation of the other party by the attorneys who participated in negotiating and drafting this agreement.

9.19 Place of Performance; Governing Law; Application

Texas law governs the construction and enforcement of this agreement to the maximum extent permitted by law.

This agreement is made in Texas, and Texas law in effect at the date the agreement is signed must govern and be applied in the interpretation and enforcement of this agreement. If

Initials

one or both of the parties ever becomes domiciled in a jurisdiction other than Texas, the status of the property being converted by this agreement must be controlled to the maximum extent by the terms of this agreement interpreted under Texas law in effect when this agreement is signed.

Include 9.20 if applicable.

9.20 Suits Affecting the Parent-Child Relationship

Nothing in this agreement affects either party's rights in any suit affecting the parent-child relationship.

9.21 Multiple Originals

This agreement is executed in multiple originals.

Article 10

Representations and Warranties

WARNING

EACH PARTY TO THIS AGREEMENT UNDERSTANDS THAT BY SIGNING THIS DOCUMENT [HE OR SHE/HE/SHE] IS PERMANENTLY SURRENDERING RIGHTS AND CLAIMS [HE OR SHE/HE/ SHE] WOULD OTHERWISE HAVE UNDER TEXAS LAW.

10.1 Representations and Warranties of [name of party A]

My name is [name of party A]. I represent and warrant that:

1. I have carefully read each and every page of this agreement [include if applicable: and all schedules attached or referred to, in their entirety].

Initials

Include item 2. if applicable.

2. I am fully and completely informed by my attorney about the law relating to the subject matter of this agreement [and about the spousal rights and liabilities of both parties].

3. I AM ENTERING INTO THIS AGREEMENT VOLUNTARILY [include if applicable: AFTER RECEIVING THE ADVICE OF INDEPENDENT COUNSEL].

4. I have given careful and mature thought to the making of this agreement.

5. I fully and completely understand each provision of this agreement, concerning both the subject matter and the legal effect. I further acknowledge that this agreement was not procured by fraud, duress, or overreaching.

6. I am not relying on any fiduciary obligations owed by one party to the other party or on any duty of disclosure founded on a confidential or other relationship between the parties. Furthermore, I am not relying on any legal or accounting advice or representation of fact or law provided by [name of party B] or anyone acting on [her/his] behalf.

7. I fully understand that, by signing this agreement and accepting any benefit whatsoever under it, I will be estopped from making any claim of any kind at any time by my separate-property estate against the converted property, except as expressly provided for in this agreement.

8. I fully understand that by executing this agreement I may be adversely affecting my inheritance rights and property and that I am permanently surrendering rights to property I would otherwise have under Texas law.

9. I am executing this agreement with the intent to be bound fully by all its terms.

Initials

[Name of party A]

10.2 Representations and Warranties of [name of party B]

My name is [name of party B]. I represent and warrant that:

1. I have carefully read each and every page of this agreement [include if applicable: and all schedules attached or referred to, in their entirety].

Include item 2. if applicable.

2. I am fully and completely informed by my attorney about the law relating to the subject matter of this agreement and about the spousal rights and liabilities of both parties.

3. I AM ENTERING INTO THIS AGREEMENT VOLUNTARILY [include if applicable: AFTER RECEIVING THE ADVICE OF INDEPENDENT COUNSEL].

4. I have given careful and mature thought to the making of this agreement.

5. I fully and completely understand each provision of this agreement, concerning both the subject matter and the legal effect. I further acknowledge that this agreement was not procured by fraud, duress, or overreaching.

6. I am not relying on any fiduciary obligations owed by one party to the other party or on any duty of disclosure founded on a confidential or other relationship between the parties. Furthermore, I am not relying on any legal or accounting advice or representation of fact or law provided by [name of party A] or anyone acting on [his/her] behalf.

7. I am executing this agreement with the intent to be bound fully by all its terms.

[Name of party B]

EXECUTED in multiple originals on the dates and at the times of the acknowledgments shown below.

 STATE OF TEXAS
)

 COUNTY OF
)

 This instrument was acknowledged before me at ______.M. on

_____ by [name of party A].

Notary Public, State of Texas

I, the notary public whose signature appears above, certify that I am not an attorney representing either party to this agreement.

STATE OF TEXAS)COUNTY OF)

This instrument was acknowledged before me at _____.M. on

____ by [name of party B].

Notary Public, State of Texas

Initials

I, the notary public whose signature appears above, certify that I am not an attorney representing either party to this agreement.

Schedule A

To Agreement to Convert Separate Property to Community Property between [name of party A] and [name of party B] dated [date].

Separate Property Converted to Community Property

Schedule B

To Agreement to Convert Separate Property to Community Property between [name of party A] and [name of party B] dated [date].

Liabilities Attributable to Separate Property Converted to Community Property

Initials