

§ 41-86. Reimbursement of a cotenant.

(a) A cotenant who makes necessary repairs to the property is entitled to contribution from all other cotenants for those repairs unless one of the following applies:

- (1) Exclusive possession. – The repairs were made by the cotenant during a period when that cotenant had exclusive possession of the property.
- (2) Income producing property. – The cotenant is entitled to a credit for necessary repairs made by that cotenant in an action for partition where the other cotenant seeks an accounting of rents and profits from the property.

(b) A cotenant who makes improvements to the property is not entitled to contribution from the other cotenant or a credit in an action where the other cotenant seeks an accounting of rents and profits from the property for those improvements; except that, in an action for partition, the cotenant who made the improvements is entitled to contribution from the other cotenant in one of the following forms:

- (1) The lesser of (i) the value added to the property as of the date of the commencement of the proceeding or (ii) the actual costs of the improvements, in accordance with G.S. 46A-27.
- (2) The right to have the improved part of the property allocated to the cotenant who made the improvements if the allocation can be done without prejudice to the other cotenant.

(c) A cotenant who pays taxes due or interest on an existing encumbrance of the property is entitled to reimbursement from the other cotenant for the amount paid; except that no entitlement to reimbursement exists for interest paid on an existing encumbrance for any period during which the cotenant who paid interest is in exclusive possession of the property. Rights arising from payment by any cotenant of taxes, interest, and costs that are a lien upon the property are governed by G.S. 105-363. (2024-47, s. 1.)