



## Ask the TITLEMAN™ #221

Q & A

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*Q. A good friend brought a recent column to my attention. The question was from a woman who had signed a Disclaimer Deed on her family home and now was facing divorce and potentially nothing in the settlement. She referred to herself as stupid, as I have so many times in my similar plight. I, too, signed Disclaimer Deeds on two pieces of property here in Arizona and am now facing divorce and potentially nothing - in spite of the fact that I raised his two sons, provided all of the food, clothing, recreation and household expenses for the family for 11 years. It's almost hard to believe that there could be two such ridiculous cases, but that's part of the reason I am e-mailing you.*

*Was that a legitimate letter? If so, could you e-mail my address to this individual so that she can contact me? I am stunned to learn that someone else is in my position and am anxious to speak with her. I have discussed my case with my attorney and he has never mentioned "transmutation", so I will be sharing your column with him as well.*

*Thanks so much for any information you can provide. Knowing that I am not "the only one" is reassuring!*

A. I am sorry to hear that you too have experienced this same plight. These situations are some of the hardest to deal with because of all of the emotions involved. Believe it or not, I am sorry to say the question was legitimate. I will forward your email address to the previous TITLEMAN reader in the hopes that she too will realize that "she is not alone." Thanks for writing.

*Q. Does a deed in Arizona require a legal description as opposed to common address to constitute a valid conveyance? I didn't see a statutory requirement for a legal description, but common sense tells me that it's needed for a title search. But if the conveyance isn't recorded, and is just an issue between two related parties, is the common address with words of conveyance, signature and notary acknowledgement sufficient?*

A. It has to do with notice. From my perspective, I think it is valid as between the two parties. The grantor and grantee should know what they are transferring. In your case, you say it is not recorded. Well, even if the two should be bound, you still have to get the title records cleared up. That said, if there is some ambiguity about what was sold it could be a proof issue. As for third parties, the issue is tricky. Since title examination using a legal description based title plant, the deed would most likely not show up and therefore would not be considered. But, I have seen addresses and/or tax parcel number used in divorce decrees, bankruptcy filings and other types of agreements that have been enough to establish the agreement to transfer. I would think you have a strong case between the parties that the transfer was legitimate. But, as a comrade of mine always says (somewhat kiddingly), it is what the title companies are willing to title insure that matters. In your case, you run the risk of no one wishing to take on that ambiguity once you square it away with the other party. A new deed, adding the legal, a clarifying agreement or even a court may be needed down the road.

*Q. A customer has a neighbor that inherited a piece of vacant property and is seeking my input. It appears that they only paid a few hundred dollars for the lot in the 1960's. Current tax roles appear to list the value as just under \$1000. In Arizona, is the tax value normally that same as the appraised value? I suspect this is a lot in the middle of nowhere that was probably bought sight unseen and is, for all practical purposes, worthless. Were there land sale promotions like this in Arizona?*

A. It is true that sometimes the appraised value and market value are not identical and, at times, quite far apart. That is due to many factors, including periods of rapid appreciation in the open market (Or rapid decreases in a bad market), limited increases condoned by the local County Assessor, etc. As for these types of sale promotions, I would say they are becoming less common as communities are being developed but there are still those properties in the "middle of nowhere" that are 'dirt' cheap. I would suggest getting in touch with a few real licensees in that area to get some opinions of value from a local perspective. That way, the current (and future) value can be determined.

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