

An Affidavit of Property Value is required for all title transfers and recorded contract of sales unless one of the following conditions is met. (ARS §11-1134).

EXPLANATION OF EXEMPTION CODES

Under SECTION A, the affidavit does not apply to the following <u>instruments:</u>

- Adeed representing the payment in full of a recorded contract, or forfeiture of a recorded contract.

 EXAMPLE: Payoff of a recorded land contract of sale or sales agreement.
- A2. A lease or an easement on real property.

 EXAMPLE: Granting permission for the use of your real property by a utility company.
- Asale or a conveyance involving the government, including federal, state, county or local municipality.
- A quitclaim deed to <u>quiet title</u> as described in Arizona Revised Statutes, section 12-1103, subsection B.

 EXAMPLE: This one is very specific, and these cases are generally rare. This code applies <u>only</u> to a specific action to quiet title <u>described in ARS 12-1103(B)</u>. Please refer to the statute. This action usually involves a court case.
- As. A conveyance recorded to satisfy a court order.

 EXAMPLE: Transfer of property ordered by a court in a bankruptcy or a divorce case. You will present a certified copy of divorce to record.
- Adeed to an <u>unpatented</u> mining claim.

 EXAMPLE: In general these cases are rare.
- A deed recorded to show transfer of real property as a gift where no money changes hands.

 EXAMPLE: Granting ownership of a property as a wedding present.

EXPLANATION OF EXEMPTION CODES

Under SECTION B, the Affidavit does not apply to the following <u>transfers of title:</u>

B1. A transfer <u>solely</u> in order to provide or release <u>security</u> for a debt or obligation, including a trustee's deed pursuant to power of sale under a deed of trust.

EXAMPLE: Party #1 transfers title to party #2 to provide security for a loan from party #2.

EXAMPLE: Party A transfers title to Party B to gain release from a debt owed to Party B.

- <u>B2.</u> A transfer that <u>confirms</u> or <u>corrects</u> a deed <u>previously</u> recorded. *EXAMPLE*: name on the original deed was misspelled.
- B3. A transfer between husband and wife, or parent and child, with no money changing hands, or with only nominal consideration changing hands.

 EXAMPLE: Transfer must be between husband and wife or parent and child.

 NOTE: Nominal consideration is less than \$100.00

<u>B4.</u> **A transfer of title on a sale for <u>delinquent</u> taxes or assessments.** *EXAMPLE:* Property sold in a Sheriff's sale.

NOTE: This type of sale usually involves a Treasurer's Deed.

B5. A transfer of title <u>on partition</u>. Partition, in this case, means a division of a property between co-owners or co-proprietors.

EXAMPLE: Dividing a large parcel into smaller parcels to be distributed among the heirs of an estate so that each owns their parcel. You are doing a lot split and there are no new owners involved.

NOTE: If an owner divides a parcel in such a manner that the new parcels remain in his ownership, in essence there is no transfer of title, and thus <u>no need</u> for an Affidavit <u>nor</u> an Exemption Code. <u>Yet if the Recorder desires</u> the B5 Exemption Code can be utilized in this situation. For instance, an owner of a 10-Acre parcel divides it into a 1-Acre parcel and a 9-Acre parcel, and he retains ownership of the two new parcels.

B6. A transfer of title pursuant to a <u>merger</u> of corporations.

EXAMPLE: Title of property owned by Corporations X and Y changing to Corporation Z, when Corporations X and Y merge to form Corporation Z.

EXPLANATION OF EXEMPTION CODES

<u>B7.</u>	A transfer by a <u>subsidiary</u> corporation to <u>its parent</u> corporation for no consideration, nominal consideration, or in sole consideration for canceling or surrendering the <u>subsidiary</u> 's <u>stock</u> . EXAMPLE: <u>Parent</u> Company X absorbing <u>subsidiary</u> Company Y's assets.
<u>B8.</u>	A transfer from a person to a trustee, or from a trustee to a trust beneficiary, with only nominal consideration. EXAMPLE: Transfer of property under the terms of a will. You are transferring your property into a trust.
<u>B9.</u>	A transfer of title to <u>and</u> from an <u>intermediary</u> for the sole purpose of creating a Joint Tenancy Estate, or some other form of ownership. <i>EXAMPLE:</i> Transfer to <u>and</u> from a straw man. A straw man is a disinterested third party, usually used to change the form of ownership, for example, creating a Joint Tenancy Estate.
<u>B10.</u>	A transfer of title <u>from</u> a husband and wife, or <u>from</u> one of them, <u>to</u> both husband and wife to create an <u>Estate in Community Property with right of survivorship.</u> <u>Example:</u> You and/or your spouse already own the property and you are recording a Community Property With Rights of Survivorship Deed.
<u>B11.</u>	A transfer of title <u>from</u> two or more persons <u>to</u> themselves, to create an <u>Estate in Joint Tenancy with rights of survivorship</u> . EXAMPLE: Two individuals convey ownership to themselves in a Joint Tenancy Estate with the right of survivorship. You already own the property, and you are recording a Joint Tenancy With Rights of Survivorship Deed.
<u>B12.</u>	A transfer of title pursuant to a <u>Beneficiary Deed</u> with only nominal consideration for the transfer. <u>Example:</u> You are recording a Beneficiary Deed.
<u>B13.</u>	A transfer from an <u>owner to itself</u> or a related entity for no or nominal consideration solely for the purpose of <u>consolidating or splitting parcels</u> . Example: You are combining or splitting parcels.

A transfer due to a <u>legal name change.</u>

<u>B14.</u>