

**INSTRUCTIONS FOR COMPLETING
PROPERTY VALUE AND DEBT DISTRIBUTION SUMMARY**

Enclosed is a blank *Property Value and Debt Distribution Summary* for you to fill out, as well as an example showing how to list various property and debt items.

The summary is divided into three main parts:

- 1) "DESCRIPTION," listing property and debt;
- 2) "WIFE'S EVALUATION"; and
- 3) "HUSBAND'S EVALUATION."

If you are the wife, for example, you will fill in everything **except** the "HUSBAND'S EVALUATION" portion. When we obtain information as to how your husband thinks the property and debts should be divided, it will be entered into his portion of the form. This does not affect what you feel the item's value is or how you wish the property/debt to be divided; it is simply shown for comparison purposes.

The "COMMUNITY PROPERTY" section is intended for you to provide a list of any property in which you have an interest, whether community, separate, or mixed.

Community property is all property acquired during marriage other than property acquired by gift or inheritance.

Separate property is any property that was owned prior to marriage or property acquired during marriage by either gift or inheritance. All other property is community property. If you can establish that separate property was used to buy other property during the marriage and you can trace separate property from one form to another, it retains its character as separate property. For example, if you owned cash at the time of marriage and purchased an automobile, a house or some other property that you can identify at this time, that property would retain its character as separate property and should be listed as herein set forth (see Item 1, "Family residence" on the example summary).

Mixed property is property that is partially separate and partially community. Mixed property could arise in various ways. The following are examples:

1. Property owned at the time of marriage subject to a debt and the community has been paying the debt;

2. Separate property was used as a down payment on property acquired during the marriage and the community paid the balance of the purchase price; or
3. Improvements were made to separate property, i.e., adding onto a home during marriage and the home was owned by one spouse prior to the marriage.

For each item of property please list the following:

1. DESCRIPTION AND VALUE. This is intended to be the fair market value. If you do not know the fair market value, you should give your best estimate of a give or take value; in other words, a value that is fair to you and to your spouse. You do not know at this time who is going to be awarded a particular item of property. Therefore, you should assign a value that you feel comfortable with, irrespective of who is awarded the property. Put your value in the "Value" column, and carry it over the "To Wife" or "To Husband" column, depending on whom you believe should be awarded that item.

Here are some points to keep in mind:

- a. Enter dollar amounts (rounded to the nearest dollar). If you know or believe an item exists but don't know the value yet, just put "unk" (for unknown) in the "Value" column and the "To Wife" or "To Husb" column. You will then need to advise me when you have determined what value you attribute to that item. The "Value" column in the property section should be filled out to show the community value only. Note how the family residence is treated on the example summary. There are legal requirements with respect to the community valuation and you would want to discuss that with me in detail before we finalize the community value.
- b. In the case of an item on which a debt is owed, only the equity amount is put in the "To Wife" or "To Husband" column (follow the Chevy Blazer example on the sample summary enclosed). Equity is the difference between value and secured debt.
- c. If an item is separate property please list it anyway, putting an "S" in the column to whom the item belongs; please also indicate why the item is separate ("gift," or "owned before marriage"). Examples of this are shown on the example summary enclosed.
- d. The summary should list all property; however, for household and personal items it is not necessary to list each and every single item such as food and other consumables, each towel, each kitchen utensil, etc. Instead, you can group items, such as "dishes, pots & pans, utensils," "linens, towels, bedding," "wall ornaments," "camping gear", "misc. tools," etc., on one line and estimate the total value for that group of items. Feel free to list specific items, though, if you wish. If you believe one of a group of items will be in dispute but the others won't, if

one of a group of items is separate property and the rest are community property, etc., then list that item separately. Note how the guns and the Colt revolver are listed on the example summary.

- e. Items that should not be grouped include bank/investment accounts, vehicles, and the like. If in doubt, it is a good idea to list items separately.
- f. Please include account numbers for bank/investment accounts if at all possible, particularly if there are more than one account with the same financial institution.
- g. If there is more than one of something, please describe them so they can be distinguished from the others: "blue recliner" and "wooden rocking chair" instead of "2 chairs." This may avoid a dispute after your divorce is final.
- h. It is not necessary for you to total the columns; the computer will do it automatically.

2. DEBT All debts should be listed in the "COMMUNITY DEBT" section, whether secured or unsecured, in essentially the same way as the property is listed, noting what item of property the secured debt relates to. For each debt, list its present amount in the "Debt" column, and carry it over to the "To Wife" or "To Husband" column, depending on who you propose should pay that debt. The exception is that you will also list **secured** debts in the "COMMUNITY PROPERTY" section with the item to which it corresponds. An example of this is shown on the example summary enclosed (see how the Family residence and the Chevy Blazer items and their respective debts are shown on the example summary). In listing debts, list everything except normal monthly living expense, like WWP, phone bill, etc. Separate debts, if any, can be listed in the same manner as separate property.

With respect to community property and debt, the role of the court is to give an "equitable division" of the property. In most cases, this means a 50/50 division considering the value of the property and debt. The court can give a disproportionate division in value under certain circumstances. Those circumstances are limited. If you have questions about those circumstances, you should contact me so we can discuss the issue.

Once you have filled out the summary you should return it to us so the information can be entered into the computer. The summary can be updated as the cases progresses to show any necessary changes. The form will eventually be used as an exhibit at the time of trial. It helps to identify differences between your position and your spouse's position. Essentially the differences will be in the following areas:

- 1. Whether property is community or separate;
- 2. Valuation of property;
- 3. Who is awarded a particular item of property; and
- 4. Who is ordered to pay a particular community debt.

This may appear a bit overwhelming at first, but I think after you spend a little time and read this letter that the summary should be fairly easy to fill out. Please return the form when it is completed. In the meantime, please contact me if you have any questions or comments.

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