WASHINGTON STATE
BAR ASSOCIATION

WSBA ENTITY ANNUAL REPORT

FY 2024: October 1, 2023 – September 30, 2024

The mission of the Washington State Bar Association is to serve the public and the members of the Bar, to ensure integrity of the legal profession, and to champion justice.

In accordance with the WSBA Bylaws, Committees, Other Bar Entities (excluding Regulatory Boards[i]), Councils, and Sections must submit an annual report to the Executive Director. The information below should reflect the activities and outcomes from the fiscal year October 1, 2023 – September 30, 2024. Information in the annual report will be provided to the Executive Director and Board of Governors, and may be published for other purposes, such as *Bar News*, volunteer recruitment messaging, and other WSBA activity-based reporting.

It is recommended that completion of the annual report be a collaborative effort with members of your entity, the BOG liaison, and staff liaison.

Name of Entity:	Limited License Legal Technician (LLLT) Board
Chair	Steve Crossland
Vice Chair:	Nancy Ivarinen
Staff Liaison:	Cathy Biestek, Managing Regulatory Counsel
Board of Governors Liaison:	Kristina Larry

Purpose of Entity:
The Limited License Technician Board (LLLT Board) derives its authority from the Washington Supreme Court under Rule 28 of the Admissions and Practice Rules (APR). The purpose of the LLLT Board is to oversee the LLLT license program, perform the responsibilities provided in APR 28(C)(2), and to handle grievances and enforce discipline against LLLTs under the applicable ethics and procedural rules.
Strategy to Fulfill Purpose:
The LLLT Board meets approximately six times a year to discuss topics of concern or that are relevant to the LLLT license and to accomplish responsibilities provided in APR 28(C)(2), including but not limited to proposing appropriate rule changes, addressing LLLT disciplinary issues, developing forms for LLLT use, and developing CLEs relevant to LLLT scope of practice. The LLLT Board has several committees serving various functions, including the Family Law Practice Area Committee, the Discipline Committee, the Nominations Committee, the Rules & Research Committee, and the Communications Committee.

How does the entity's purpose help further the mission of the WSBA "to serve the public and the members of the Bar, to ensure integrity of the legal profession, and to champion justice"?
The LLLT Board serves the public by overseeing the LLLT license. Practicing LLLTs provide limited legal services in the practice area of domestic relations. Many LLLTs report serving primarily clients of low and moderate means, as well as providing pro bono services. The LLLT Board ensures the integrity of the legal profession by administering the LLLT discipline system, including handling grievances against LLLTs.
2023-2024 Entity Accomplishments:
Proposed appropriate and necessary amendments to APR 28 and Regulations that were adopted by the Court.
Approved the Real Property Division Form for LLLT use. See attached Real Property Division Form.
Developed and conducted required supplemental education for LLLTs on the Real Property Division Form.
Presented to the WSBA BOG at its May 2024 meeting on the history and current status of the LLLT license. See attached LLLT Board Presentation.
Continue to collaborate with the Practice of Law Board and Access to Justice Board regarding other programs involving limited legal service providers.

Next Fiscal Year: 2024-2025 Top SMART Goals & Priorities: *SMART Goals can be an effective framework for the creation of goal; they detail the work you and your team hope to accomplish and help to foster and communicate clear expectations.* *SMART Goals are: Specific, Measurable, Relevant and Time-Bound*	
1	Research and gather information on limited legal license types in an increasing number of other states and countries; assess the LLLT license against the information gathered about other limited license types to help inform possible improvements to the LLLT license and applicable rules; continue to be a resource to other states exploring limited legal licenses.
2	Collaborate with other boards and entities, including the WSBA BOG, the Practice of Law Board, the Access to Justice Board, the WSBA DEI Council, and the WSBA STAR Committee, regarding the delivery of law related services by limited license professionals.
3	Develop and conduct required supplemental education for LLLTs on the topic of Minor Guardianship Actions.
Looking Ahead: *Please share any long-term goals and/or priorities your entity seeks to address, beyond the next fiscal year.*	
1	Collaborate with other boards and entities, including the WSBA BOG, the Practice of Law Board, the Access to Justice Board, the WSBA DEI Council, and the WSBA STAR Committee, regarding the delivery of law related services by limited license professionals and propose changes to APR 28 Rule and Regulations to improve the LLLT license.

Please describe how this entity is addressing diversity, equity, and inclusion: *How have you elicited input from a variety of perspectives in decision-making? What techniques do you use to promote a culture of inclusion within the board or committee? How do you seek to elicit inclusive decision-making amongst your group? What more would you like to see done in this area to better support the needs of your entity?*
The LLLT Board emails all LLLTs prior to LLLT Board meetings inviting them to attend and sharing where the Board meeting information can be found on the LLLT Board website. The LLLT Board surveyed LLLTs to gather information about the impact of the LLLT license on communities in Washington. The LLLT Board, in collaboration with the WSBA, will work to recruit diverse applicants to the LLLT Board.
Please share feedback regarding the support and engagement provided by WSBA.
The LLLT Board has a positive, collaborative relationship with WSBA Staff and BOG liaison. WSBA CLE has sponsored MCLE credit for the LLLT Board's required supplemental education for LLLTs.

Entity Detail & Demographics Report: ***To Be Completed by WSBA Volunteer Engagement Advisor***	
Size of Entity: *(Include voting and non-voting members)*	11
Number of Vacancies for FY25: *The number of positions with terms beginning October 1, 2024 (FY25)*	4
Number of Applicants for FY25: *Applications were submitted in the Spring-Summer of 2024 for terms beginning October 1, 2024 (FY25)*	7
Budgeted Direct Expenses: *As of September 30, 2024.*	$14,240
Indirect Expenses: *As of September 30, 2024.*	$48,846

FY24 Demographics:

The WSBA promotes diversity, equality, and cultural competence in the courts, legal profession, and the bar, and is committed to ensuring that its committees, boards, and panels reflect the diversity of its membership.

Aside from the factors marked (*), demographic information was provided voluntarily and individuals had the option to not respond to any or all of the factors below.

Disability	No	73%
	Yes	27%
District*	0	45%
	2	18%
	3	9%
	8	9%

	9	9%
Ethnicity	White or European Descent	100%
Gender	Female	73%
	Male	27%
Sexual Orientation	Gay, Lesbian, Bisexual, Pansexual, or Queer	9%
	Heterosexual	82%
	Chose Not to Respond	9%

The Yes/No response for the Sexual Orientation category is data from a previous demographic question 'Do you open identify as a sexual minority to include the following: gay, lesbian, bisexual, transgender?' This question was on the volunteer application when some of the current members submitted their application and therefore, is still included.

[i] Supreme Court Boards (Access to Justice Board, Disciplinary Board, LLLT Board, Limited Practice Board, MCLE Board and Practice of Law Board) provide annual reports to WSBA to support is responsibility under GR 12.3, to provide oversight and monitor compliance with applicable rules and orders. Boards have the option to use the WSBA template or to share their annual reports to the Washington Supreme Court.

WASHINGTON STATE
BAR ASSOCIATION

TO: WSBA Board of Governors

CC: Terra Nevitt, Executive Director

FROM: Steve Crossland, Limited License Legal Technician (LLLT) Board Chair
Cathy Biestek, Managing Regulatory Counsel &
WSBA Staff Liaison to LLLT Board

DATE: April 5, 2024

RE: Informational Presentation Regarding LLLT License Post-Sunset

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INFORMATION/PRESENTATION: Informational presentation regarding LLLT license post-sunset.

The LLLT-license pipeline closed July 31, 2023, in accordance with the Washington Supreme Court's decision to sunset the LLLT license per Supreme Court Order Nos. 25700-A-1361 and 25700-A-1428. There are currently 86 LLLT members of the WSBA. Representatives of the LLLT Board will provide an informational presentation on the LLLT license post-sunset and invite questions from current BOG members regarding the LLLT license.

The goal of the presentation is to provide BOG members with information about the LLLT license, including its history, administration, and impact, and share reflections on knowledge gained from being the first state in the country to adopt a paraprofessional license of its kind.

Attachments
LLLT Informational PowerPoint Presentation: *Overview of the Limited License Legal Technician (LLLT) License (May 2024)* with hyperlinks included.

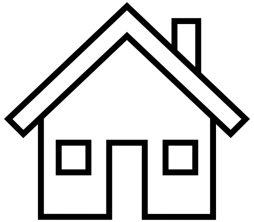
OVERVIEW OF THE LIMITED LICENSE LEGAL TECHNICIAN (LLLT) LICENSE

Sarah Bové
Christine Carpenter
Stephen Crossland

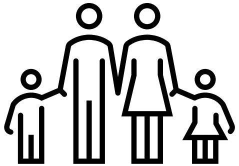
May 2024

LLLT LICENSE ORIGIN

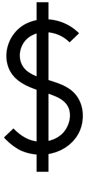
2003 WASHINGTON STATE CIVIL LEGAL NEEDS STUDY of low-income populations revealed unmet need for legal services for both low- and moderate-income populations, with areas of greatest need



HOUSING LAW



FAMILY LAW



CONSUMER LAW

LLLT LICENSE: FIRST IN THE NATION

June 2012 Supreme Court Order No. 25700-A-1005
adopted APR 28 - LLLT Rule

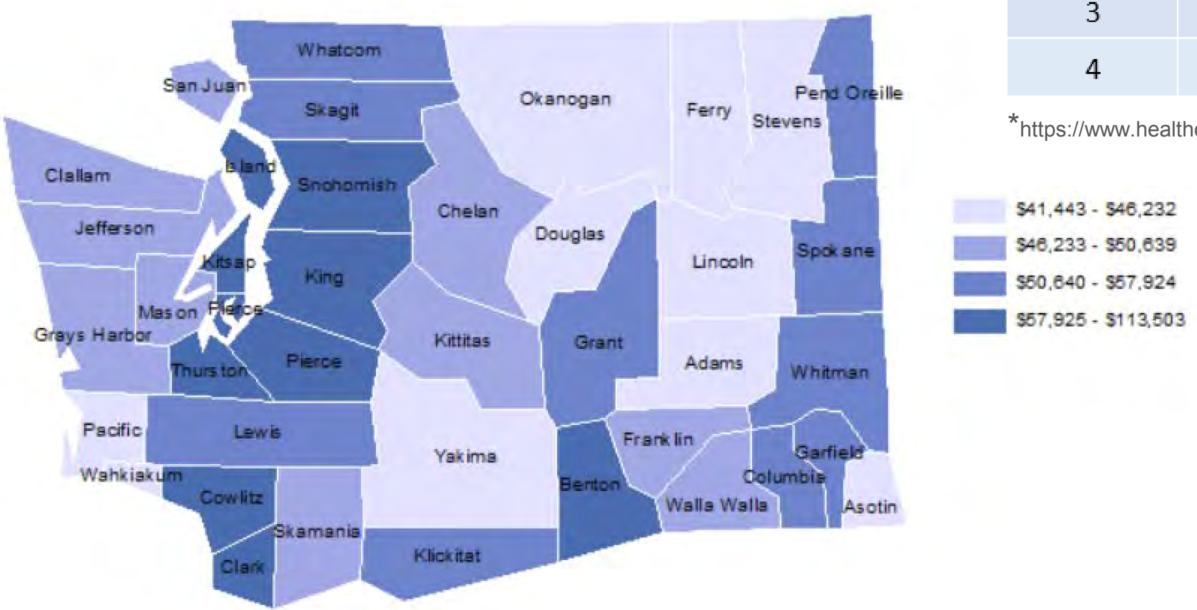
- "we have … witnessed the wide and ever-growing gap in necessary legal and law related services for low and moderate income persons."
- "[The civil legal system] … is unaffordable not only to low income people but, as the 2003 Civil Legal Needs Study documented, moderate income people as well (defined as families with incomes between 200% and 400% of the Federal Poverty Level."
- "[w]e have a duty to ensure the public can access affordable legal and law related services, and that they are not left to fall prey to the perils of the unregulated market place."

In 2015, Supreme Court issues first LLLT licenses.

WASHINGTON INCOME LEVELS

Average Wages, 2021

Inflation-Adjusted to 2021 Dollars



Family Size	2024 Federal Poverty Level (FPL) Income*	Moderate Income 200-400% FPL (2024)
1	$15,060	$30,120-$60,240
2	$20,440	$40,880-$81,760
3	$25,820	$51,640-$103,280
4	$31,200	$62,200-$124,800

*https://www.healthcare.gov/glossary/federal-poverty-level-fpl/

WA State Office of Financial Management Average Wages by County Map

https://ofm.wa.gov/washington-data-research/statewide-data/washington-trends/economic-trends/washington-and-us-average-wages/average-wages-county-map

THE LLLT LICENSE

<u>Purpose of the LLLT License</u>: to serve the public with qualified and regulated legal services providers at a price that the consumer can afford.

<u>LLLT Scope of Practice</u>: LLLTs are licensed to provide legal advice and limited legal services in family law matters including child support modification actions, dissolution, and domestic violence actions.

<u>LLLT Business Models</u>:

- Solo LLLT practices
- Employment with firm
- Co-Ownership of Law/LLLT Firm
- Government
- Civil legal aid providers/ volunteer lawyer programs

LLLT LICENSE: AN ALTERNATIVE PATHWAY TO LEGAL PROFESSION

Affordable

Approx. $15,000 total
(AA and Practice Area)

More equitable entry
to legal profession

Accessible

Synchronous learning

Waiver for experienced paralegals

Academically Rigorous

Associate degree +
45 paralegal-program credits
15 family-law credits
1,500 hours of experience
Paralegal examination
LLLT licensing examinations

Public Protection

Licensed and regulated
Financial responsibility
LLLT RPC & ELLLTC
IOLTA Account
Client Protection Fund
Serving unmet legal needs

WASHINGTON SUPREME COURT DECISION TO SUNSET LLLT LICENSE

- June 2020 Supreme Court Letter re Decision to Sunset, providing "after careful consideration of the overall costs of sustaining the program and the small number of interested individuals, a majority of the court determined that the LLLT program is not an effective way to meet these needs…."
- June 2020 Justice Madsen's Dissent to Decision to Sunset LLLT Program, "disagree[ing] with the court's vote as well as the way in which it was carried out."
- July 2021 Supreme Court Order No. 25700-A-1361 adopted amendments to APR for sunset of LLLT licensing.
- June 2022 Supreme Court Order No. 25700-A-1428 required all remaining LLLT applicants to complete preadmission requirements by July 31, 2023.

See Decision to Sunset LLLT Program webpage to review communication and history regarding Court's decision to sunset LLLT Program.

WASHINGTON SUPREME COURT

ADMINISTERED BY THE WSBA

Court-Created Boards *(Court-appointed)*

- Access to Justice
- Disciplinary
- Limited License Legal Technician
- Limited Practice
- Mandatory Continuing Legal Education
- Practice of Law

Court-Created Boards *(BOG-appointed)*

- Bar Examiners
- Character and Fitness
- Law Clerk
- Client Protection

Other Discipline-Related Entities

- Hearing Officer List *(Court-appointed)*
- Disciplinary Selection Panel *(Court-appointed)*
- Adjunct Disciplinary Counsel Panel *(Board of Governors-appointed)*
- Discipline Advisory Round Table *(joint venture of the WSBA and the Supreme Court)*

BOARD OF GOVERNORS (BOG)

BOG Committees

- Awards
- Budget & Audit
- Executive
- Legislative
- Nominations
- Personnel

WSBA Foundation 501(c)(3)

WSBA Committees

- Continuing Legal Education
- Court Rules and Procedures
- Editorial Advisory
- Judicial Recommendation
- Legislative Review
- Pro Bono and Public Service
- Professional Ethics
- Small Town and Rural
- Washington Young Lawyers

Other

- Sections (29)
- Council on Public Defense
- Long-Range Strategic Planning
- Member Engagement Council
- Diversity, Equity & Inclusion Council*

** Includes both WSBA and BOG members*

Entity Chart

The WSBA operates under the delegated authority of the Washington Supreme Court to license the state's nearly 40,000 legal professionals.

Created Oct. 25, 2019/Updated Aug. 18, 2022

WASHINGTON STATE BAR ASSOCIATION

https://www.wsba.org/docs/default-source/legal-community/volunteer/volunteer-toolbox/wsba_entity-chart_8.18.22.pdf?sfvrsn=847010f1_5

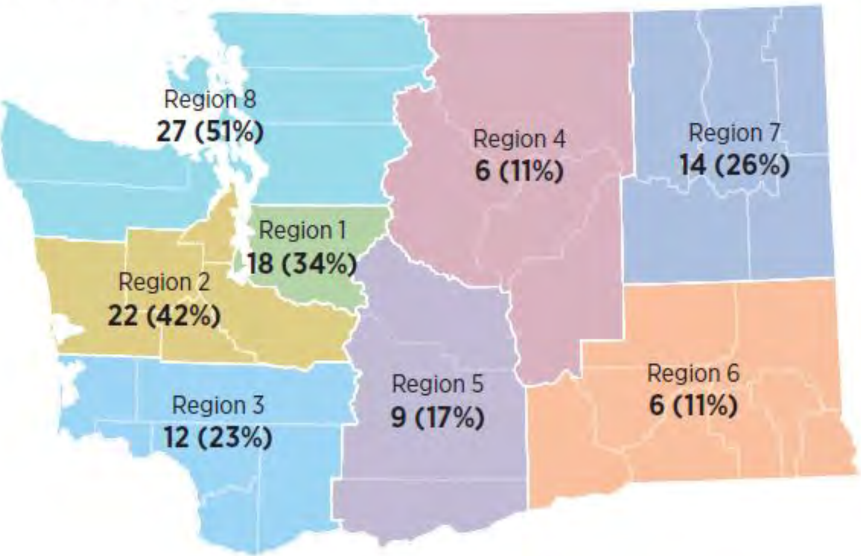
CURRENT STATUS OF LLLT LICENSE

- LLLT Board oversees 86 LLLTs currently
  - Provides required supplemental education to LLLTs.
  - Approves forms, including real property division form in September 2023.
  - Carries out functions under ELLLTC relating to LLLT discipline system.
- LLLT License FY2024 Budget:
  - Revenue ($20,712): LLLT license fees and late fees;
    Lack opportunity to increase with LLLT license in sunset status
  - Expense ($91,840): LLLT Board and WSBA staff expenses related to ongoing regulatory oversight of LLLT license

IMPACT OF LLLTs

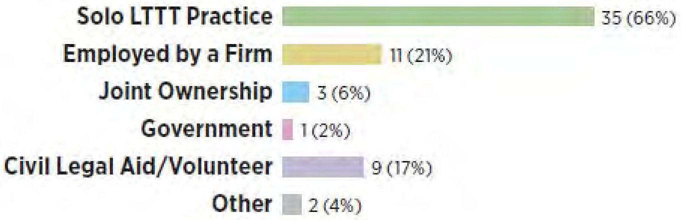
In January 2024, the LLLT Board surveyed the WSBA's then eighty-eight LLLTs to better understand the current impact of the LLLT license in Washington. Fifty-three LLLTs participated (60% response rate), representing a cross-section of LLLT experience levels and demonstrating a LLLT presence throughout the state.

Regions Where LLLTs Practiced or Served Clients



Years Licensed as LLLT

LLLT Business Structure

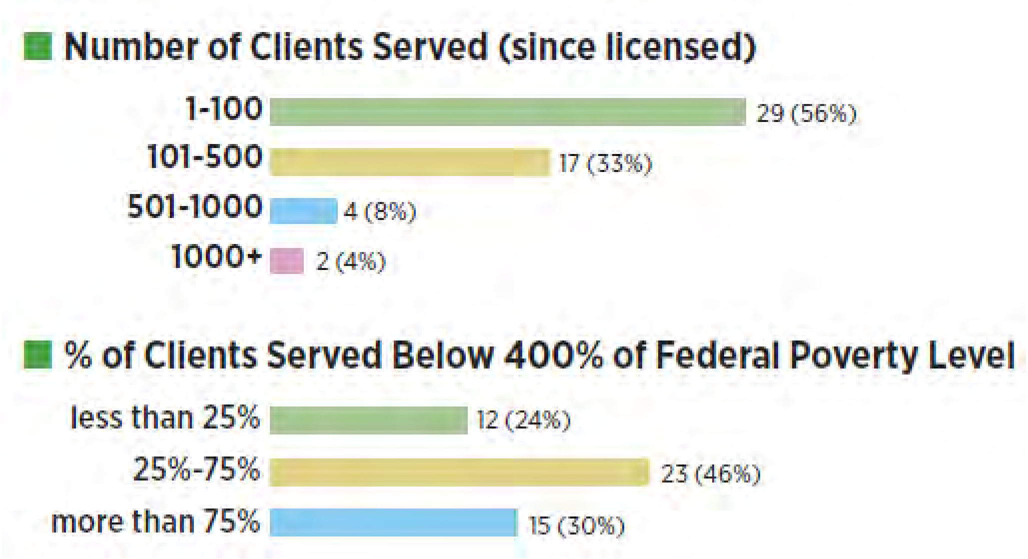


*Data labels refer to the number of responses and % of total responses.

IMPACT OF LLLTs

January 2024 LLLT Survey Responses

❖ Significant portion of responding LLLTs' clients are below 400% of Federal Poverty Level

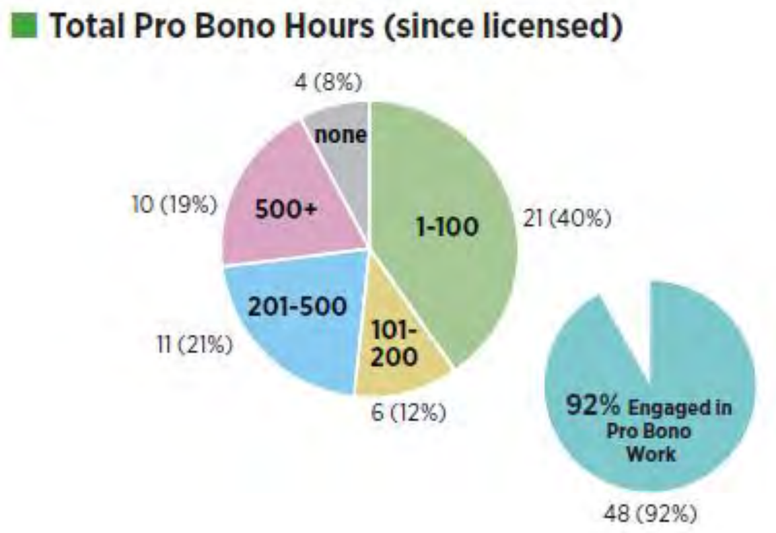


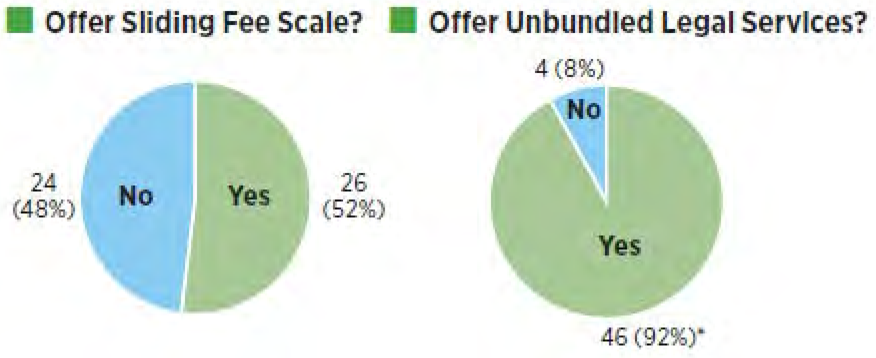
*Data labels refer to the number of responses and % of total responses.

IMPACT OF LLLTs

January 2024 LLLT Survey Responses

- Nearly all responding LLLTs have engaged in pro bono hours (as defined in LLLT RPC 6.1)
- Over half of responding LLLTs offer sliding fee scale

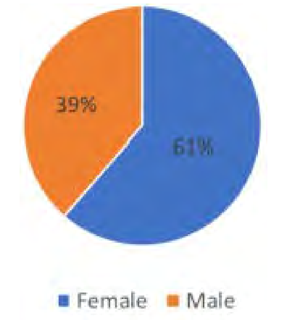




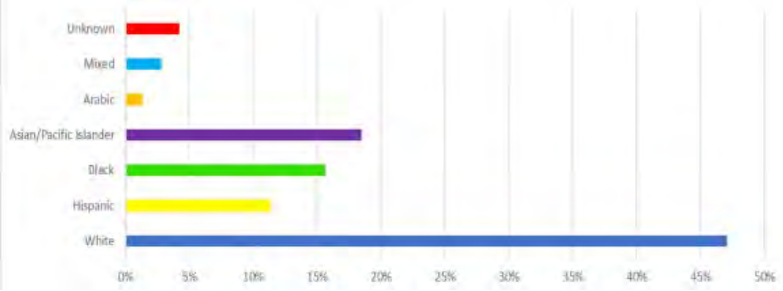
*Data labels refer to the number of responses and % of total responses.

IMPACT OF LLLTs: ONE LLLT's STORY

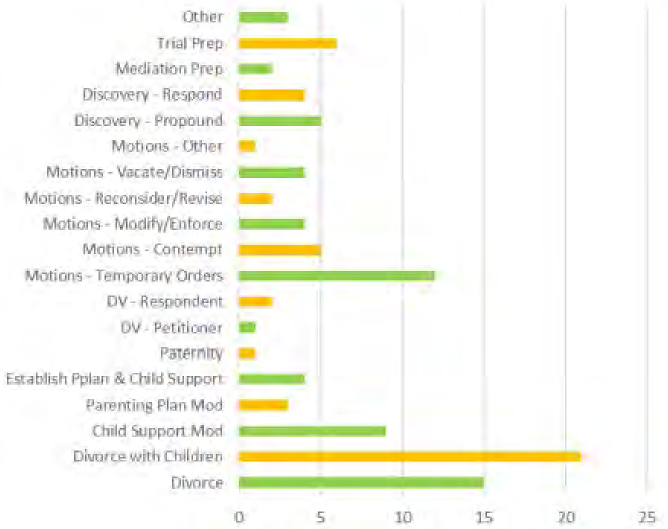
Client (%) Gender



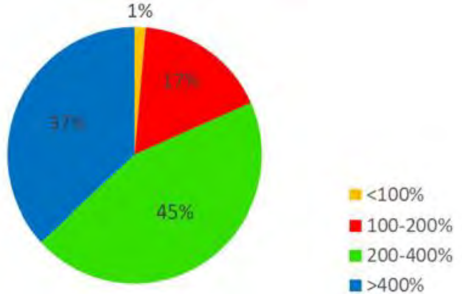
Client (%) Race/Ethnicity



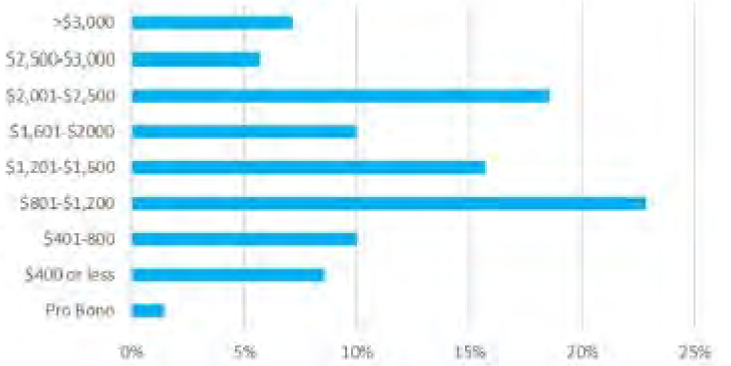
Case/Task Types



Client (%) FPL Level



Fees Paid Per Client for All Actions within Case



IMPACT OF LLLTs

Highlighting a few LLLTs recognized for pro bono service in their communities:

- **Andren Moyer** presented with the Dedicated Service Award in 2024 and recognized as the June 2023 Very Important Volunteer (V.I.V.) by the Volunteer Lawyers Program of Spokane County Bar Association.
- **Mark Von Weber** presented with the Gene Schuster Award in 2023 by the Benton-Franklin Legal Aid Society.
- **Sarah Bové** presented Pro Bono Award in 2023, along with attorney Rene Cespedes, with whom Sarah works, by Eastside Legal Assistance Program (ELAP).
- **Lorena Mendoza** presented with the Gene Schuster Award in 2022 by the Benton-Franklin Legal Aid Society.
- **Lesli Ashley** recognized as the July 2021 V.I.V. by the Volunteer Lawyers Program of Spokane County Bar Association.

IMPACT OF LLLTs

"There is considerable evidence that for the LLLTs, their clients, the lawyers who work with them, the judges who decide family-law cases, and attorneys who employ LLLTs, the program has been a real success. The LLLTs have provided competent legal services to moderate means Washingtonians at critical moments in their lives. Their professionalism and proficiency in family law have enabled more efficient proceedings and better decision-making for the commissioners who conduct pre-trial proceedings and judges who hold trials, improved outcomes for clients, and added more business for attorneys who have hired LLLTs to capture a previously untapped market."

Jason Solomon & Noelle Smith, The Surprising Success of Washington State's Limited License Legal Technician Program, Stanford Center on the Legal Profession, April 2021, at page 5, https://law.stanford.edu/publications/the-surprising-success-of-washington-states-limited-license-legal-technician-program/.

A NATIONAL TREND

Licensed Legal Paraprofessional Programs:

Year	State	Program	Status
2012	Washington	Limited License Legal Technicians	Sunset (July 2023)
2018	Utah	Licensed Paralegal Practitioner	Currently Licensing
2020	Minnesota	Legal Paraprofessional Pilot Project	Pilot program extended through March 2024
2021	Arizona	Legal Paraprofessional	Currently Licensing
2023	Colorado	Licensed Legal Paraprofessionals	Currently Licensing
2023	Oregon	Licensed Paralegals	Currently Licensing
2023	New Hampshire	Paraprofessional Pilot Program	Pilot program began January 2023

- With other states considering similar licensed legal paraprofessional programs and/or implementing other programs allowing legal-aid workers, court navigators or others to provide legal assistance in discrete areas of law.

- Entities in Washington continuing to consider alternative legal-service providers as a way of closing the justice gap, including the Practice of Law Board and the Access to Justice Board.

LLLT LICENSE: REFLECTIONS ON THE EXPERIENCE

- **Practice Areas**: Provide for more practice areas from the start (e.g., family-law, evictions, and debt-collection matters).
- **Experience Requirement**: Lower experience requirement hours and provide waiver for those who have pursued higher education, bachelor degrees and JDs.
- **Course Delivery**: Work with community colleges to provide practice-area curriculum and create opportunity for financial aid.
- **Mentorship**: Create opportunities for those new to the legal field to form professional mentorships with attorneys and LLLTs.
- **Marketing**: Increase awareness of existence of the license and the services that LLLTs provide.
- **Data**: Gather data to evaluate the effectiveness of the license and ways in which the license might be improved to better serve the public.
- **Collaboration**: Communicate benefits and opportunities of working with LLLTs to judges and attorneys.

Real Property Division Form and Worksheet Instructions

The information provided on this document does not and is not intended to constitute legal advice; instead, all information and content are for general informational purposes only.

The primary purpose of the real property division form and worksheets is to clearly define what will happen with the real property in a dissolution action, and the agreed responsibilities of the owners/parties. See Appendix A Real Property Basics for more information about the ownership and transfer of real property.

Once signed by both owners/parties, the agreement is intended to be a binding contract enforceable by the court.

Limited License Legal Technician (LLLT) Real Property Division Scope of Practice

Under APR 28, LLLT legal services regarding the division of real property shall be limited to matters where the real property is a single-family residential dwelling with owner equity less than or equal to two times the homestead exemption[1] (*see* RCW 6.13.030). LLLTs shall use the form for real property division as approved by the LLLT Board.

Only real property that is either unencumbered or secured by a promissory note and deed of trust or real property contract may be divided by an LLLT. If the marital community holds real property that is encumbered by a mortgage (see 3. Encumbrances below for information on the difference between a mortgage and a deed of trust), the LLLT must advise the client to seek the direction of an attorney.

An LLLT must complete the real property form for any single-family residential dwelling owned by one or both spouses in a dissolution action when the final orders in a dissolution effectuate the division of real property held by the marital community. **It is not required if the real property is sold or refinanced prior to the entry of final orders. An LLLT should not prepare any deed to effectuate the transfer of title.**

The real property division form and worksheet and schedules do not have to be filed with the court. <u>If the form (and any attachments) is filed, it should only be filed under seal</u>.

Real Property Division Form and Worksheet and Schedules A-F

1. Owner Information

<u>List all legal and equitable owners.</u> A thorough check of all deeds recorded in the county auditor's office should reveal the name(s) of all persons on title. There may be multiple transfers of the real property over a long time period. Care must be taken to verify the chain of title is complete and accurate. A title search by a title company or litigation guarantee by a title company is strongly recommended to identify all legal owners and whether there is any cloud on title.

[1] APR 28 Regulation 2(B)2(b)

Real Property Division Form and Worksheet Instructions

The information provided on this document does not and is not intended to constitute legal advice; instead, all information and content are for general informational purposes only.

2. Real Property, Value and Equity Information

Real Property Information
The real property must be clearly and distinctly identified, and the identification must satisfy RCW 60.04.010 and the statute of frauds and be sufficient to locate the real property without extrinsic evidence. Address information or tax parcel ID or account # alone is not sufficient to identify the real property.

Assessor's property tax parcel ID or account # may be found on the county tax assessor's website. If the property consists of more than one parcel, include all parcel ID or account #s and full legal descriptions for all parcels. If the county does not provide this information on its website, the auditor's office will have those records. This information may also be included on the deed(s).

The abbreviated and full legal description is included on the Deed of Trust (or other deed) and recorded in the county in which the real property is located. Recorded documents are available on the county's website or at the county auditor's or recorder's office. The most recent conveyance recorded should be reviewed to obtain the current legal description.

The assessed value is primarily used for the calculation of property taxes and shall not be used as the fair market value[2] of the real property.

Value Information
An appraisal is generally the most reliable indicator of a property's fair market value. Real property values fluctuate, sometimes greatly—an appraisal completed within the last six months is highly recommended.

A reasonable no-cost or low-cost alternative is a comparative market analysis (CMA) prepared by an experienced local licensed real estate agent. An amount based on a CMA is a non-binding value, in that a later appraisal or value determination by a lender supersedes a value provided on a CMA.

Online real estate listing sites are not reliable indicators of a property's fair market value. Although it is not recommended, if the parties choose to make their own determination of the real property's value, a written agreement must be completed using Schedule A.

Schedule A: If the real property's value is based on the owner's written agreement, complete Schedule A.

Schedule B. If there is deferred maintenance or repairs required which detract from the value of the real property, complete Schedule B.

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[2] The fair market value is the price the property would sell for on the open market.

Equity Information

Equity is the value of the property minus the total of all encumbrances and unsecured obligations on the property. If the equity exceeds two times the homestead exemption amount in the county in which the real property is located, the division of the real property is outside of the LLLT's scope.

Determining Equity

Example 1: A property is appraised at $300,000. The owners owe $100,000 on their bank loan (i.e. mortgage). The equity is $200,000.

  $300,000 (value)
- <u>$100,000 (loan/mortgage)</u>
  $200,000 (equity)

Example 2: The property owners obtained several CMAs on their property, and the average value (which they agree is the fair market value) is $250,000. The owners have both a first and second mortgage (bank loan and home equity line of credit, or HELOC) on the property for $175,000 and $50,000 respectively, amounting to $225,000. The equity is $25,000.

  $250,000 (value)
- $175,000 (1st mortgage)
- <u>$50,000 (2nd mortgage/HELOC)</u>
  $ 25,000 (equity)

Example 3: A property has an assessed value of $350,000. The owners obtained an appraisal showing the property's fair market value is $500,000. The owners have a first mortgage of $100,000, and also owe a family member $100,000. They have a written agreement with the family member to pay back the loan when they sell the house. The equity is $300,000. (The assessed value shall not be used when determining the equity.)

  $500,000 (value)
- $100,000 (1st mortgage)
- <u>$100,000 (personal loan)</u>
  $300,000 (equity)

3. Encumbrances

An encumbrance may be a loan from a financial institution (frequently called a mortgage loan) home equity line of credit (HELOC), lien, promissory note with deed of trust, judgment, Uniform Commercial Code (UCC) filing, or other interest secured against the property.

A lien is a charge, hold claim, or other encumbrance upon the property of another as a security for some debt or charge. There are numerous types of liens, such as tax, judgment, mechanic's, or attorney's lien. In general, the lien is recorded with the county in which the real property is located.

Often, people refer to a home loan as a "mortgage," but a mortgage is not actually a loan agreement. It is the promissory note that contains the promise to repay an amount borrowed to buy a home/real property. A "mortgage" is a contract between an owner/borrower and the lender that creates a lien on the property. Some states use mortgages to create the lien, while other states, such as Washington, also use deeds of trust. The mortgage or deed of trust gives the lender the right to foreclose if a borrower fails to make the monthly payments or breaches the loan contract in some other way.

While mortgages and deeds of trust are similar because they are both agreements in which a borrower puts up the title to real estate as security (collateral) for a loan, these legal instruments do have some differences. For instance, mortgages and deeds of trust differ in the parties involved and, often, how the foreclosure process works.[3]

Schedule E: All encumbrances must be listed on the real property division form and on Schedule E.

Generally, a monthly/periodic statement from the mortgage lender or loan servicer[4] will contain the required loan information. The mortgage lender is the financial institution that loaned the money. The mortgage servicer is the company that sends out the mortgage statements. The servicer also handles the day-to-day tasks for managing the loan.

4. Unsecured Obligations

An unsecured obligation may be a personal loan from family or friends, a fee due to a homeowner’s association, or a promissory note (without a deed of trust). The unsecured obligation is any money that should be disclosed—and possibly paid—upon transfer of ownership of the real property.

Because these types of obligations are rarely recorded against the property, the owner(s) must be advised to provide all records relating to the purchase of the real property, as well as all records regarding the real property.

Schedule E: All unsecured obligations related to the real property must be listed on the real property division form and on Schedule E.

5. Total Encumbrances and Unsecured Obligations

Add the amount of all encumbrances and unsecured obligations to arrive at the total amount owed on the real property. This is the amount subtracted from the value of the real property to determine the equity. (*See Examples in section 2.)*

[3] For further information regarding foreclosures in Washington, see RCW 61.24: Deeds of Trust and RCW 61.12: Foreclosure of Real Estate Mortgages and Personal Property Liens. Largely excerpted from https://www.nolo.com/legal-encyclopedia/understanding-mortgages-deeds-trust

[4] See https://www.consumerfinance.gov/ask-cfpb/whats-the-difference-between-a-mortgage-lender-and-a-servicer-en-198/

6. Value Adjustments

A value adjustment is an amount that may be deducted from the real property's value. Value adjustments should be based on written bids or quotes from licensed contractors for necessary repairs and/or deferred maintenance which detract from the value of the real property. Oftentimes, a lender may require certain repairs/maintenance be completed prior to refinancing a loan, or as a condition of the purchase and sale of the real property.

The repairs/maintenance must be necessary and not purely cosmetic or routine maintenance items.

Schedule B: All value adjustments must be listed on Schedule B.

7. Occupancy, Encumbrance Payment(s), Maintenance, Repairs, and Costs

Occupancy
In most cases, one owner will occupy the real property, while the other owner establishes a new residence. The non-occupying owner should be provided a reasonable timeframe to vacate the property. If a court order set a date for the non-occupying owner to vacate, that same date should be listed.

If an owner continues to occupy the real property beyond the agreed date or after the sale of the real property, the occupancy is subject to RCW 59.12.030 (1): Unlawful Detainer Defined or RCW 7.28: Ejectment; Quieting Title.

Encumbrance Payment(s) Specify who will make required loan payments, and which costs are included in the payment. If there are additional required payments, such as for unsecured obligations, include that information in the Other: section.

Routine Maintenance
The general upkeep of the real property falls under routine maintenance. It should be clear who is responsible for routine maintenance costs. Routine maintenance includes but is not limited to:

- seasonal landscaping, mowing, weeding, mulching, and trimming
- fixing small plumbing issues, such as leaks, drips, continuous running, and drain clearing
- fixing small electrical issues, such as replacing fixtures, outlets, fuses/breakers, and smoke/carbon monoxide detectors
- keeping roof, gutters and downspouts clear, cleaning exteriors surfaces, clearing driveways & sidewalks, and removing hazards
- keeping interior clean and hazard free, exterminating pests, removing rubbish, and cleaning and maintaining appliances, hot water tank, heating/cooling system, and other installed systems
- cleaning and maintaining outdoor fixtures, such as pools, hot tubs, fireplaces/firepits, and ponds

Routine Costs
Payment for utilities associated with the real property (i.e. water, sewer, power) and minor/cosmetic repairs (i.e. paint, light bulbs, batteries) are routine costs. It should be clear who is responsible for these costs, and how reimbursement (if any) will be made.

Repair and Deferred Maintenance Costs
Costs for repairs and deferred maintenance are those items not considered routine. For example, replacing an aging furnace with a more efficient model because the old furnace no longer heats well could be considered a repair or deferred maintenance. It is not, however, an issue that would likely require replacement by a lender, therefore a value adjustment would not likely be needed.

Uncompleted repairs and maintenance which may affect the value of the real property and likely require repair in order to get financing should be listed on Schedule B.

Schedule B: All value adjustments must be listed on Schedule B.

Completion of Necessary or Agreed Repairs
It should be clear who is responsible for arranging and ensuring completion of repairs. It is recommended the owners establish a method for exchanging information or documentation as needed.

Sample Necessary Repairs/Deferred Maintenance Items

Example 1: An inspection as part of a pending refinance was completed which noted the following issues:

1. 30-year-old roof has failed and there is water damage to interior ceilings
2. concrete driveway is crumbling and has several potholes
3. two of the windows on the south side of the house are broken
4. yard is weedy, grass is overgrown, and planting beds need new mulch
5. several rain gutters and downspouts blocked

Items 1 to 3 above are necessary repairs/maintenance that may require a value adjustment.
Items 4 and 5 are routine maintenance and should not be included as a value adjustment.

8. Final Disposition Provisions

The owners must identify what is ultimately expected to happen with the real property and, if there will be a transfer of ownership, how and when that transfer will occur. If the property will be retained solely by one owner and no equity buyout is required, no additional provisions need be clarified in the real property division form. Owners may add additional provisions in section **15** as desired.

In most cases, however, the real property will be sold or refinanced and/or an equity buyout will occur.

9. Equity Division Provisions

The amount of equity to be awarded to each owner (if any) must be listed as either a lump sum or percentage of the total.

If the real property will be sold more than two years after the entry of the final decree, the parties are to obtain an appraisal or CMA to determine the value at that time. A property value agreement using Schedule A does not suffice in this instance. Although real property values fluctuate, and current equity is not determinative of future equity, it is vital both owners/parties are aware of the real property's current value at the time of the dissolution.

10. Refinance Provisions

If the real property will be refinanced, specify the timeframe or deadline for the refinance process to be initiated, and the expected completion date. An anticipated refinance may later prove to be impossible if the owner is unable to obtain financing, or the owner expected to refinance may default, i.e. not follow through with the process. As noted in section **13**, remedies for default or impossibility must be included in the final decree.

11. Sale Provisions and Default or Impossibility Provisions

If the real property will be sold, specify the timeframe or deadline for the sales process to be initiated, and the expected completion date.

Listing and Showing
One owner should be responsible for working with a realtor to list and show the real property. Agreement in advance on the listing agent/realtor is highly recommended.

Offer Acceptance
The owners must agree in advance on what constitutes an acceptable offer, particularly regarding the price.

Schedule C: Complete this schedule to document the acceptable price range and contingencies. An anticipated sale may later prove to be impossible if a prospective buyer owner is unable to obtain financing, or the owner expected to list the real property for sale may default, i.e. not follow through with the process. As noted in section **13**, remedies for default or impossibility must be included in the final decree.

12. Retained or Refinanced with Future Buyout Provisions

While it is generally preferable in a dissolution to refinance the real property into only one owner's name, or to sell the real property, there are instances in which neither option appeals to the owners. As real property is often the largest asset owned by a married couple, the division of equity may play a large role in the division of marital assets.

The information provided on this document does not and is not intended to constitute legal advice; instead, all information and content are for general informational purposes only.

A future division of equity based on a refinance or sale more than two years after the entry of the final decree requires additional thought on how the buyout will occur. Additionally, if one owner is required to relinquish title (such as by signing a Quitclaim Deed), that owner's interest in the real property must be protected, and Schedule D must be completed. The final decree must include a judgment, and both a promissory note and deed of trust may need to be recorded against the real property.

Schedule D: Complete this schedule with specific details of the future equity buyout and remedies for default or impossibility.

13. Remedies in the Event of Default or Impossibility

The final decree must include these remedies. Additional remedies may also be included as agreed by the owners, such as penalties and fees.

14. Other Provisions and Required Creditor Payment from Sale Proceeds

Use this section to include owner and property specific provisions not already listed in the real property division form or schedules. If the real property is to be sold and there is a Required Creditor Payment from Sale Proceeds, Schedule F must be completed. The final decree should include sufficient detail to be enforceable in court.

Schedule F: Complete this schedule with details of any required creditor payments from sale proceeds.

15. Proposal, Temporary Agreement or Final Agreement of the Owners

The form may be completed and provided as a proposal to assist the owners in coming to agreement. The form may also be a temporary agreement while one or both owners seek additional information, such as whether refinancing is likely.

If the Final Agreement provision is checked, the form with its worksheets and schedules is intended to become a binding contract, enforceable in court.

Appendix A
Real Property Basics

The information provided on this document does not, and is not intended to, constitute legal advice; instead, all information and content are for general informational purposes only.

Property Deeds[5]

Every piece of real property in the United States is tracked or recorded. Usually, these files are kept with the County Recorder's office. They are public record, which means that anyone who wants the information can take certain steps to obtain it. It also means that when property is transferred from one owner to the next, the official documents must reflect the transfer. In fact, a failure to record the required documents accurately can undermine and even invalidate the transfer altogether.

The legal term used to describe the act of transferring real property or title to a new owner is "conveyance." A conveyance translates the wishes of the buyer and the seller into a legal document, and the transfer process happens by way of deed. The person transferring ownership is often referred to as the "grantor." The person receiving property is the "grantee."

A property deed is a formal, legal document that transfers one person or entity's rights of ownership to another individual or entity. The deed is the official "proof of transfer" for real estate, which can include land on its own or land that has a house or other building on it.

Every deed should contain the following information:

- An indication that it is a deed
- A description of the property involved
- The signature of the individual or entity that is transferring the property
- Data regarding who is taking title to the property

As deeds do not require much information, the document itself is often very short. However, the document may also contain additional information such as the conditions or assurances that go along with the transfer. Each deed must also be validly delivered to the individual taking ownership of the property. In most situations, it should also be filed with the appropriate authority as well. Every real property transfer will require the use of some type of deed. There are several types of deeds. Each type varies based on the warranties provided to the grantee. Different varieties of deeds provide varying levels of title.

Common Types of Deeds Available

The kind of deed used to transfer property will depend on title to the property. When there is a valid title, for example, the deed used to transfer that property may be different than the deed used if the title's integrity is uncertain. The following is a brief list of some of the various types of deeds available to transfer property:

- Statutory Warranty Deed

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[5] Largely excerpted from https://www.legalnature.com/guides/what-you-need-to-know-about-deeds-and-property-transfer

- Special Warranty Deed
- Bargain and Sale Deed
- Quitclaim Deed

RCW 64.04: Conveyances provides information about the specific types of deeds used in Washington State. Descriptions of the different types of deeds may be found by searching online at reputable sources.

Title to Property
Deeds help show ownership of the property. However, the deed itself is really only used for transfer of the property. While ownership of real property in Washington State is not strictly based on whether or not an owner's name is on the title, the inclusion of an owner's name on title provides certain rights, such as the right to:
- access and occupy the property;
- place encumbrances on the property (i.e. mortgage);
- use the property as desired within legal bounds; and
- transfer the property in whole or in part.

Often, titles will be in more than one person's name. For example, if a married couple owns real property (such as their home) together, both of their names will often (but not always) be on the title. When this occurs, each spouse *generally* holds a one-half interest in the property. That also means the property cannot be transferred without both spouses' permission.

As property is held in such high regard in the United States, having a good title is critical when transferring property. Every time a property is transferred, it is recorded in a public way, usually with the County Recorder's office. When a property transfer is not recorded properly, there may be "holes" or "gaps" in the title, oftentimes called *cloud on title*. These deficiencies make ownership questionable because it is unclear whether the person who received the transfer after a gap did so validly. That is, the person transferring the property may not have had the necessary ownership rights to assign it.

These concerns about titles lead to products such as title insurance, which will indemnify losses related to defects in the title to real property. Problems associated with the title become particularly relevant if there are encumbrances or debts the owners are unaware of or to which they did not agree.

Real Property Division

If this form is filed with the court, it should only be filed under seal.

See the Real Property Division Form and Worksheet Instructions for details on completing this form.

1. Owner Information

All legal owners must be listed. [1] *The award of a property to one owner as their separate property, even without an equity division, is still the division of real property within a marital community.* ***If there are more than two legal owners, if there is an owner who is not a party to the dissolution, or if the owners are not married, an LLLT may not advise the client regarding the division of the real property under APR 28.***

Petitioner/Owner #1		Respondent/Owner #2	
Name		Name	
Street Address		Street Address	
City, State, Zip		City, State, Zip	
Phone		Phone	
Email		Email	

2. Real Property, Value, and Equity Information

Real Property		Value and Equity		
Street Address		Value	$	
City, State, Zip		As of (date)		
Assessor's Tax Parcel ID/Acct [2]	**1) #** **2) #**	Value Based on	☐	Property Value Agreement of the parties –**Schedule A attached**
			☐	Adopted Comparative Market Analysis (CMA) [4] –**attached**
			☐	Adopted Appraisal [5] – **attached**
			Obtain an appraisal if there will be a future equity buyout.	
Abbreviated Legal Description [3]	**- last recorded conveyance document (i.e. Deed of Trust/other deed) copy attached**	Total of All Encumbrances & Obligations from 3 and 4 below	$	
Current Assessed Value [6]	**$** **- current tax assessment attached**	Total Equity *Value less encumbrances and unsecured obligations*	$	

[1] Legal owners are generally—but not always—shown on title records, deeds and/or recorded documents, as title is not determinative of character. A title search by a title company or litigation guarantee from a title company is recommended to identify all legal owners and any cloud on title.
[2] Assessor's property tax parcel ID or account # may be found on the county tax assessor's website. If the property consists of more than one parcel, include all other parcel and legal description information.
[3] The abbreviated and full legal description is included on the Deed of Trust (or other deed) and recorded in the county in which the real property is located. Recorded documents are available on the county's website or at the county recorder's office.
[4] A CMA is a non-binding value.
[5] An appraisal completed within the last six months is recommended.
[6] Assessed value is not conclusive of actual, fair market value.

Real Property Division

3. Encumbrances (mortgages, HELOCs, liens, etc.)

*Complete **Schedule E** for every encumbrance.*

Encumbrance 1	
Encumbrance may be a mortgage loan, home equity line of credit (HELOC), lien, promissory note with deed of trust, judgment, Uniform Commercial Code (UCC) filing, or other interest secured against the property. *For more than two encumbrances, attach additional sheets.* **Attach copies of all encumbrance documents**.	
Secured Party Name [7]	
Principal Balance	$ **- Note & current statement attached**
As of (date)	
Encumbrance 2 **Attach copies of all encumbrance documents**.	
Secured Party Name	
Principal Balance	
As of (date)	

4. Unsecured Obligations (personal loans, fees due, etc.)

*Complete **Schedule E** for every unsecured obligation.*

Unsecured Obligation 1	
Unsecured obligation may be a personal loan from family or friends, a fee due to a homeowner's association, or a promissory note (without a deed of trust.) *For more than two unsecured obligations, attach additional sheets.* **Attach copies of all unsecured obligation documents**.	
Unsecured Party Name [8]	
Principal Balance	$ **- documentation attached**
As of (date)	
Unsecured Obligation 2	
Unsecured Party Name	
Principal Balance	$ **- documentation attached**
As of (date)	

[7] A secured party may be a mortgage lender, noteholder, lienholder, or holder of a judgment. Many mortgage loan payments are made to a loan servicer, which collects payments on behalf of the actual lender or noteholder. The loan servicer should be able to provide information on the mortgage company. Federally backed loans may be searched at www.freddiemac.com and www.fanniemae.com.

[8] An unsecured party may be a family member, friend, homeowner's association, holder of a promissory note (without a deed of trust recorded against the real property), or other party to whom money is owed, and who would have to be paid off so the real property ownership could be transferred. Unsecured obligations are not generally recorded against the real property.

5. Total Encumbrances and Unsecured Obligations

This is the total amount owed, which is subtracted from the value of the property to determine the equity amount in the property before value adjustments.

Total Amount of All Encumbrances	**$**
Total Amount of All Unsecured Obligations	**$**

6. Value Adjustments

*Complete **Schedule B** if there are uncompleted, necessary repairs and/or deferred maintenance which reduce the value of the property.*

7. Occupancy, Encumbrance Payment(s), Routine Maintenance, Repairs, and Costs

a. Occupancy [9]

The property shall be occupied by (*owner's name*) ________________________ beginning (*date*)______________________.

Check all that apply.

[ ] The other owner, (*owner's name*) ________________, shall vacate the property by (*date*):__________________.

[ ] (O*wner's name)* __________________will occupy the property until (*check one)*:
- [ ] the property is sold as specified in the dissolution decree.
- [ ] the property is sold for any other reason.
- [ ] the property is refinanced into the other owner's name.
- [ ] Other:

b. Encumbrance Payment(s) (i.e. mortgage, loans)

Check all that apply.

[ ] All encumbrance payment(s) will be made by (*owner's name*) ________________.
[ ] Encumbrance payment(s) will be made as follows: _________________________ (*describe the payment method and any due dates*).
[ ] Encumbrance payments made by (*owner's name*) ________________ shall be offset against any sale proceeds.
[ ] Other:

The payment(s) includes (*check all that apply*):
- [ ] principal
- [ ] interest
- [ ] property taxes
- [ ] insurance premiums

[9] Occupancy is subject to RCW 59.12.030(1) and RCW 7.28.

[ ] Other:

c. Routine Maintenance

The real property shall be maintained in a safe and livable condition, either at or better than its current condition. Decisions on routine maintenance will be made by:____.

Routine maintenance costs, such as interior/exterior upkeep, will be paid by (*owner's name*) _______________.

Routine maintenance costs are (*check one*):

[ ] subject to reimbursement from the marital community (receipts required).
[ ] not subject to reimbursement.
[ ] subject to reimbursement if over $___________.
[ ] Other:

This owner shall continue to pay routine maintenance costs until *(check one*):
[ ] the property is sold as specified in the dissolution decree or for any other reason.
[ ] the property is refinanced into the other owner's name.
[ ] Other:

d. Routine Costs

Routine costs shall be paid timely to avoid the property becoming subject to utility liens, and to help prevent the property failing into disrepair due to a lack of heat or sewer service or other reasons. Decisions on routine costs will be made by:____.

Check one.

[ ] Routine costs, including but not limited to utilities and minor/cosmetic repairs, will be paid by (*owner's name*) ________________

[ ] Routine costs will be paid as follows:________________________

e. Repair and Deferred Maintenance Costs

Decisions on repair and deferred maintenance will be made by:____. Costs to repair the property prior to sale or refinance (*check all that apply*):

[ ] Does not apply. There are no repair or deferred maintenance costs.
[ ] are shown on **Schedule B** (attached) and will be deducted from the property's net value prior to the division of equity.
[ ] will be paid as follows:____
(*describe who will pay for repairs and maintenance and whether/how costs will be reimbursed*)
[ ] Other:

f. Completion of Necessary or Agreed Repairs

(*Owner's name*) ____________ is responsible for (*check all that apply*):

[ ] obtaining bids/quotes for repairs.
[ ] authorizing repairs.
[ ] ensuring repairs are timely completed.
[ ] Other:

8. Final Disposition Provisions

If the property will be sold, refinanced by one owner, or if one owner must buy out the other owner without refinancing the property, complete all sections below. *Check one.*

[ ] Does not apply. The property will not be sold or refinanced as a requirement of the final decree and neither owner is required to buy out the other owner's interest in the property. ***Skip to section 14***.
[ ] The property will be refinanced into one owner's name only, who will buy out the other owner's equity at the time the refinance is completed. (*detailed in section 10*.)
[ ] The property will be sold. (*detailed in section 11*.)
[ ] The property will be retained by one owner, who will buy out the other owner's equity at a date more than two years in the future. (*detailed in section 12*.)
[ ] The property will be retained by one owner via a Veteran's Administration (VA) loan assumption. (*complete section 9 or 11 as needed*)
[ ] Other:

9. Equity Division Provisions

List dollar amount or percentage of equity each owner will receive upon refinance or sale of the property. If one owner is buying out the other owner without refinancing the property, list the amount of the equity to be paid as a buyout.

Current Equity[10] *Choose one:*		**Owner 1** will receive	**Owner 2** will receive
☐	$__________	$____________ OR % ____________	$____________ OR % ____________
☐	There is no equity to be divided. ***Skip to section 10.***		
Payment of Equity/Buyout (*after deducting closing costs and cost of repairs*)			

[10] Current equity is not determinative of future equity. If the property will be sold more than two years after the entry of the final decree, the parties agree to obtain an appraisal prior to listing for sale to determine the current value.

Check one: ☐ Owner 1 ☐ Owner 2 ☐ Both owners	Shall receive their portion of equity (*check one*):	☐	as a lump sum payment on or before date/time period: ________________________ *i.e. dd/mm/yyyy, or no later than X months from final order entry/other event (if more than two years complete Section 12.)*
		☐	as a future buyout as described in section **12**.
		☐	as a lump sum when youngest child turns 18 or graduates high school, whichever occurs last, but in no event after the youngest child turns 19.
		☐	Other:

10. Refinance Provisions

Check one.

[ ] Does not apply. ***Skip to section 11.***
[ ] (*Owner's name*) ______________will refinance the property solely in their name. This owner shall be responsible for timely initiating and completing the refinance. The other owner will be paid their share of equity upon the completion of the refinance. Both owners shall timely cooperate in providing and signing any necessary documents required to refinance the property into one owner's name, including any deed required to transfer the vesting of the property.
[ ] Other:

Refinance Timeframes			
Refinance shall be INITIATED on or before	☐	Date:_______________ *dd/mm/yyyy*	
	☐	Time period: __________________________ *Example: No later than x months from final order entry*	
	☐	Other: *Example: By ________ date unless interest rate drops below ___%, and then by ____________ date*	
Refinance is EXPECTED TO BE COMPLETED on or before	☐	Date:_______________ *dd/mm/yyyy*	
	☐	Time period: __________________________ *Example: No later than x months from final order entry*	
	☐	Other: *Example: By ________ date unless interest rate drops below ___%, and then by ____________ date.*	
Refinance Costs			
Refinance costs will be paid by: *This includes but is not limited to loan closing costs.*	☐	Owner 1	$____________ OR % ____________

	☐	Owner 2	$___________ OR % ___________

If the refinance is not initiated or completed as expected, then (*check all that apply*):
[ ] The remedies as described in section **13** shall apply.
[ ] The property shall be sold as described in section **11**.
[ ] Other:

11. Sale Provisions and Default or Impossibility Provisions

Completion of this section is required if the property will be sold, refinanced, or if there is an equity buyout provision.

C*heck all that apply.*

[ ] The property will be sold within the next two years.
[ ] The property will be sold more than two years in the future. (Also complete section **12**.)
[ ] These provisions apply only in the event of default or impossibility of the intended final property disposition as indicated in section **8**.

> *Default means an owner did not meet a requirement of this agreement. For example, if an owner was required to initiate a refinance by a certain date and chose not to apply, or if an owner chose not to make required payments or repairs, then a default has occurred.*
>
> *Impossibility means an owner was unable to meet a requirement of this agreement due to unanticipated circumstances. For example, if an owner was unable to qualify for a refinance, was unable to sell the property due to market conditions, or was unable to make payments or repairs due to incapacity, then impossibility of performance has occurred.*
>
> ***Both default and impossibility must be contemplated in the division of real property, and related provisions and remedies must be described on this form.***

Both owners shall timely cooperate in providing and signing any necessary documents required to sell the property.

Sale Timeframes		
The property shall be LISTED FOR SALE on or before	☐	Date:_____________ *dd/mm/yyyy*
	☐	Time period: ______________________ *Example 1: No later than x months from final order entry* *Example 2: xx days after default or impossibility has occurred.*
	☐	Other:
	☐	Date:_____________ *dd/mm/yyyy*

The sale is EXPECTED TO BE COMPLETED on or before	☐	Time period: ____________________________ *Example: No later than x months from final order entry*
	☐	Other:

If the property is not listed for sale, or the sale is not completed as expected, then (*check one*):

[ ] The remedies as described in section **13** shall apply.
[ ] Other:

a**. Listing and Showing**
Both owners shall cooperate to make the property available as needed, such as for showings or open houses. The property shall be maintained in a clean and orderly state.

Check all that apply.

[ ] The listing agent is (*agent's name*)___________________.
[ ] The listing price is $_______________.
[ ] (O*wner's name)* _______________ will arrange showings.
[ ] The listing and showing details are not yet determined. (O*wner's name*) __________________ is responsible for (*check all that apply*):

[ ] choosing the listing agent.
[ ] determining the listing price.
[ ] arranging showings.
[ ] Other:

b**. Offer Acceptance**

Complete and attach **Schedule C**.

12. Retained or Refinanced with Future Buyout Provisions

Check one:

[ ] Does not apply. ***Skip to section 13.***
[ ] The property will be retained by or refinanced solely into the name of (*owner's name*)______________________ on a date that is more than two years in the future. The owner retaining or refinancing the property shall remain current on all encumbrances. The other owner will receive a buyout of their share of equity in the property as described below and in section **9**.

Check one:

[ ] Both owners shall remain legal co-owners on title (also called tenants in common) of the property until the buyout is completed or the property is sold.

[ ] (*Owner's name*) _________________ shall transfer title to the other owner prior to the completion of the buyout. On or before the date of transfer of title the owners shall complete **Schedule D** which describes how payment will be made. **The final decree shall include the information on Schedule D in the form of a judgment.**

[ ] A promissory note and deed of trust or mortgage shall be recorded against the property on or before ____.

[ ] Other:

13. Remedies in the Event of Default or Impossibility

When there are post-decree events which may require enforcement remedies, the final decree shall include the following statements:

Once an owner becomes aware of default or impossibility, that owner must notify the other owner. The non-defaulting owner has a right to enforce the provisions of this agreement. The defaulting owner shall be responsible for all attorney's fees and costs, and any costs incurred relating to curing the default.

If the defaulting owner fails to promptly sign documents, the other (non-defaulting) owner is authorized to have the commissioner or clerk of the court sign any documents necessary to enforce this agreement, ex parte without notice to the defaulting owner.

[ ] Prejudgment interest shall accrue at ________%
[ ] Other:

14. Dispute Resolution

Any disputes about this Real Property Division form or what it means shall be resolved by:

[ ] Binding arbitration on the written materials only. The arbitrator shall be:

____________________________.

[ ] Mediation with _____________________.

[ ] Other:

15. Other Provisions

Check one:

[ ] Does not apply.
[ ] The following other provisions apply (*specify*):
[ ] Required Creditor Payment from Sale Proceeds applies.
Complete and attach **Schedule F**.

[ ] Other:

16. Proposal, Temporary Agreement or Final Agreement of the Owners

This agreement is a (*check one*:)

[ ] Proposal presented by (*owner's name*) ____________________ and expires ___________________________ (*date/time period*). It is protected by Evidence Rule (ER) 408 as a settlement proposal and neither enforceable nor evidence of actual value or agreement.

[ ] Temporary agreement of the owners if signed below. The agreement is temporary because the parties have not yet obtained all information and documentation required to make a final agreement, or the court will make the final determination of the division of property.

[ ] Final agreement of the owners if signed below, and replaces any temporary agreement.

I declare under penalty of perjury of the laws of the state of Washington that the facts I have provided on this form and any attachments are true.

Owner 1		Owner 2	
Printed Name		Printed Name	
Signature		Signature	
Date		Date	
Represented by		Represented by	
Signature		Signature	
Date		Date	

Limited Licensed Legal Technician (if any):

Prepared with the assistance of a Family Law Legal Technician.

________________________ ________________________ ____________
LLLT signs here *Print name and WSBA #* *Date*

Schedule A

to Real Property Division

Property Value Agreement

If this form is filed with the court, it should only be filed under seal.

1. Owner(s) and Property Address

Petitioner/Owner #1		Respondent/Owner #2	
Name		Name	
Real Property			
Street Address			
City, State, Zip			

2. Value Agreement – do not use this schedule if equity buyout is two or more years in the future; in that case, obtain an appraisal or CMA.

Owners agree the property's value is set at $____________________ as of (*date*) _________. This value shall be the value used to determine the amount of equity in the property, after total encumbrances and value adjustments (if any).

The owners have based the property value on (c*heck all that apply):*

[ ] appraisal(s).

[ ] CMA(s).

[ ] an online search of the property. Printouts of each website searched showing the estimated value of the property are attached.

[ ] an online search of similar properties. Printouts of each website searched showing the estimated value of similar properties are attached.

[ ] Other:

Owner 1		Owner 2	
Printed Name		Printed Name	
Signature		Signature	
Date		Date	

Schedule B

to Real Property Division

Repair and Deferred Maintenance Value Adjustments

If this form is filed with the court, it should only be filed under seal.

1. Owner(s) and Property Address

Petitioner/Owner #1		Respondent/Owner #2	
Name		Name	

Real Property	
Street Address	
City, State, Zip	

2. Value Adjustments

Use this section to describe necessary repairs/maintenance which detract from the value of the property. Unless otherwise agreed in writing by both parties, costs shall be based on reasonable written quotes/estimates and/or contractor bids. **Attach copies of estimates, bids or receipts.**

Generally, only lender-required repairs should be included. Cosmetic or routine maintenance issues should not be listed here.

Description of required repairs/maintenance – attach additional sheets as needed

Cost of Repairs/Value Adjustment	$ - cost estimates & contractor bids **attached**	Covered by Insurance?	☐ No ☐ Yes

Schedule B

to Real Property Division

Repair and Deferred Maintenance Value Adjustments

<u>If this form is filed with the court, it should only be filed under seal.</u>

Owner 1		**Owner 2**	
Printed Name		Printed Name	
Signature		Signature	
Date		Date	

Schedule C

to Real Property Division

Offer Acceptance Provisions

If this form is filed with the court, it should only be filed under seal.

1. Owner(s) and Property Address

Petitioner/Owner #1		Respondent/Owner #2	
Name		Name	
Real Property			
Street Address			
City, State, Zip			

2. Offer Contingencies

Check all that apply.

[ ] An offer contingent upon the buyer's sale of their own property [ ] will [ ] will not be accepted.

[ ] An offer contingent upon the buyer's inspection of the property [ ] will [ ] will not be accepted.

[ ] The contingency must be satisfied within _______ days (30 days if left blank).

[ ] Other:

3. Offer Acceptance Provisions

An offer within (*$/%*) ___________ of the listed price must be accepted. This is the upset price.

If repairs are required by the lender as a result of an inspection, then the costs of the repairs shall be deducted from the list price before the upset price will apply.

If the property has not sold within __________ days, then an offer within (*$/%*)______ must be accepted.

Other Provisions:

Schedule C

to Real Property Division

Offer Acceptance Provisions

<u>If this form is filed with the court, it should only be filed under seal.</u>

Owner 1		**Owner 2**	
Printed Name		Printed Name	
Signature		Signature	
Date		Date	

Schedule D

to Real Property Division

Future Buyout Provisions

Use only when equity buyout will be made more than 2 years in the future

If this form is filed with the court, it should only be filed under seal.

1. Owner(s) and Property Address

Petitioner/Owner #1		Respondent/Owner #2	
Name		Name	

Real Property	
Street Address	
City, State, Zip	

2. Future Buyout Provisions

[ ] Buyout shall be made as follows (provide detailed description including dates/time periods, owner responsibilities, and amounts if different from section 9 of the Real Property Division form):

3. Remedies in the Event of Default or Impossibility

All remedies described on this schedule shall be included as provisions written into the final decree.

Check all that apply.

[ ] The remedies as described in section 13 of the Real Property Division form apply.
[ ] The following remedies apply:

Schedule D

to Real Property Division

Future Buyout Provisions

Use only when equity buyout will be made more than 2 years in the future

<u>If this form is filed with the court, it should only be filed under seal.</u>

Owner 1		**Owner 2**	
Printed Name		Printed Name	
Signature		Signature	
Date		Date	

Schedule E

to Real Property Division

Encumbrances and Unsecured Obligations

<u>If this form is filed with the court, it should only be filed under seal.</u>

1. Owner(s) and Property Address

Petitioner/Owner #1		Respondent/Owner #2	
Name		Name	
Real Property			
Street Address			
City, State, Zip			

2. Encumbrance Information

Encumbrance	
Encumbrance may be a mortgage loan, home equity line of credit (HELOC), lien, promissory note, judgment, Uniform Commercial Code (UCC) filing, or other interest secured against the property. *For more than one encumbrance, complete additional schedules.* **Attach copies of all encumbrance documents**.	
Secured Party Name	
Mailing Street Address	
City, State, Zip	
Physical Street Address	
City, State, Zip	
Phone	
Fax	
Email	
Principal Balance	**$** **- Note & current statement attached**
As of (date)	
Monthly Payment	**$**
Most Recent Payment Date	
Next Payment Due Date	

Schedule E

to Real Property Division

Encumbrances and Unsecured Obligations

If this form is filed with the court, it should only be filed under seal.

Payment Includes:	☐	Annual property taxes
	☐	Annual insurance
Taxes Not in Payment	**$**	
Insurance Not in Payment	**$**	
VA Assumable Loan?	☐	No
	☐	Yes – **attached**
Balloon Payment[1]?	☐	No
	☐	Yes $_________ due on ______________________ **- Note attached**
Lis Pendens[2] filed?	☐	No
	☐	Yes – **attached**
Any Other Cloud on Title?[3]	☐	No
	☐	Yes – **attached**

3. Unsecured Obligation Information

Unsecured Obligation	
Unsecured obligation may be a loan from family or friends, a promissory note (without a deed of trust), or a fee due to a homeowner's association. *For more than one unsecured obligation, complete additional schedules.* **Attach copies of all unsecured obligation documents**.	
Unsecured Party Name	
Mailing Street Address	
City, State, Zip	
Physical Street Address	
City, State, Zip	

[1] A balloon payment is a lump sum principal balance payment due at the end of the loan term.
[2] A lis pendens is an official, public notice that a property has a pending lawsuit or claim attached to it.
[3] A title search by a title company or litigation guarantee from a title company is recommended in order to identify all legal owners and any cloud on title. A cloud on title is any document, claim, unreleased lien or encumbrance that might invalidate or impair a title to real property or make the title doubtful.

Schedule E

to Real Property Division

Encumbrances and Unsecured Obligations

<u>If this form is filed with the court, it should only be filed under seal.</u>

Phone		
Fax		
Email		
Principal Balance	**$** **- documentation attached**	
As of (date)		
Monthly Payment	**$**	
Most Recent Payment Date		
Next Payment Due Date		
Balloon Payment?	☐	No
	☐	Yes $_________ due on ______________________- **- documentation attached**
Lis Pendens filed?	☐	No
	☐	Yes – **attached**
Any Other Cloud on Title?	☐	No
	☐	Yes – **attached**

Owner 1		**Owner 2**	
Printed Name		Printed Name	
Signature		Signature	
Date		Date	

Schedule F

to Real Property Division

Required Creditor Payment from Sale Proceeds

If this form is filed with the court, it should only be filed under seal.

1. Owner(s) and Property Address

Petitioner/Owner #1		Respondent/Owner #2	
Name		Name	
Real Property			
Street Address			
City, State, Zip			

2. Creditor Payment Information

Use this section to detail creditor payments that must be paid out of real property sale proceeds, either prior to or after disbursement to owners. The final dissolution decree should include sufficient detail to be enforceable in court.

Creditor Payment	
Creditor payments may include credit card balances, loan balances, legal fees, or other unsecured debts. *For more than one creditor, complete additional schedules.*	
Creditor Name	
Mailing Street Address	
City, State, Zip	
Physical Street Address	
City, State, Zip	
Phone	
Email	
Payment Amount[1]	**$**

[1] Payment amount may be the entire outstanding balance or may be a certain dollar amount; use specific dollar amounts whenever possible.

Schedule F

to Real Property Division

Required Creditor Payment from Sale Proceeds

<u>If this form is filed with the court, it should only be filed under seal.</u>

Payment Deadline	☐	Payment shall be made prior to the disbursement of net sale proceeds. *Owners/parties will receive their share of net sale proceeds only <u>after</u> this payment has been made.*[2]
	☐	___________________ (*owner's name*) shall make this payment within _________________ (*days/months*) of receipt of net sale proceeds. *Owners/parties will each receive their share of net sale proceeds, out of which this payment must then be made.*
	☐	Other:

Owner 1		**Owner 2**	
Printed Name		Printed Name	
Signature		Signature	
Date		Date	

[2] All payments to be made prior to the disbursement of net sale proceeds to the owners/parties should be included in escrow closing instructions.