STERNBERG & STER, LTD. 80 EAST COLUMBUS AVENUE

PHOENIX, ARIZONA 85012 TELEPHONE (602) 264-4965 FAX 277-0144

By: Melvin Sternberg 001310

Arizona State Bar No.:

Attorney for Petitioner

IN THE SUPERIOR COURT OF THE STATE OF ARIZONA

IN AND FOR THE COUNTY OF MARICOPA

In Re the Marriage of: No. DR 94-06764 ALICE M. BROWN. Petitioner.

ACCEPTANCE OF SERVICE

MATTHEW M. BROWN. Respondent.

and

STATE OF ARIZONA

County of Maricopa

STEVEN K. LARSON, being first duly sworn upon oath, deposes and says:

That he is the Attorney for the Respondent in the foregoing action, that he acknowledges receipt of true copies of the Petition for Dissolution of Marriage, Summons, Preliminary Injunction, and Notice of Right to Convert Health Insurance, and agrees that this action may proceed as if Respondent had been personally, served with these documents in the State of Arizona,

day of May, 1994.

Steven K. arson 2800 South Rural, Suite A Tempe, Arizona 85282

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SUBSCRIBED AND SHORM to before me this // day of May,

Carolyn P. Butler.

My Commission Expires:

10-9-95



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1994.

STERNBERG & SINGR, LTD.
ATTORNEYS AT LAW
80 EAST COLUMBUS AVENUE
PHOENIX, ARIZONA 85012
TELEPHONE (602) 264-4965
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By: Melvin Sternberg
Arizona State 401340

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Attorney for:

Petitioner

6 7 IN THE SUPERIOR COURT OF THE STATE OF ARIZONA

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IN AND FOR THE COUNTY OF MARICOPA

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In re the Marriage of:

No. DR 94-06764

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Petitioner.

Respondent.

WIFE'S POSITION STATEMENT

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MATTHEW M. BROWN,

matter.

(Assigned to the Honorable Barry C. Schneider)

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COMES NOW the Petitioner, ALICE M. BROWN, hereinafter referred to as "Wife", by and through her undersigned attorney, and hereby submits her Position Statement in the above-referenced

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CONTESTED ISSUES OF FACT

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 What constitutes an equitable division of the parties' assets.

22 23 What constitutes an equitable division of the parties' liabilities.

24 25 3. Is Eusband entitled to retain as his sole and separate property, his funds from prior to the marriage, or have the funds been sufficiently cosmingled or spent so as to be non-existent or non-identifiable.

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4. Has Husband committed waste of community assets.

STERNBERG & SINGER, LTI ATTORNEYS AT LAW

 WIFE'S POSITION

 DIVISION OF COMMUNITY ASSETS: Wife proposes the following as an equitable division of the community assets of the parties:

Marital Residence: Wife proposes that she be awarded the marital residence located at 5134 East Keresan Street, Phoenix, Arizona, as her sole and separate property, subject to ell liens and encumbrances thereon. Since there is no equity in said residence, there should be no offset to Husband.

<u>Vehicles</u>: Each party should retain the vehicle currently in his or her possession, subject to all liens and encumbrances thereon.

Furniture, Furnishings, Appliances, and Personalty:

Rach party should retain those items of furniture, furnishings,

appliances, and personalty currently in his or her possession or

control.

Gun Collection: Wife proposes that Husband retain the gun collection, and that Wife be given an offset for the value thereof.

Bank Accounts etc.: Bach party should retain all accounts in banks, savings and loan associations, thrift associations, brokerage institutions and credit unions standing in the name of that party.

Husband's Interest in Plasterers' Union Benefit
Trust: Wife proposes that she receive one-half of the community
interest in Husband's retirement plan. In an effort to reduce the

AX 277-0144

number of qualified domestic relations orders prepared, Wife proposes that her one-half interest be offset against Husband's interest in her retirement plan with Fennemore Craig, P.C.

Wife's Interest in Fennemore Craig, P.C. Retirement Plan: Wife proposes that Husband receive one-half of the community interest in her retirement plan which has accrued in connection with her employment at Fennemore Craig, P.C., less Wife's one-half interest in Husband's retirement plan. Husband should receive his interest therein pursuant to a qualified domestic relations order, which shall be prepared and paid for by Husband.

2. <u>DIVISION OF DEBTS</u>: Wife proposes that she be responsible for the balance due and owing STM Mortgage, so long as she is awarded the marital residence herein. In the event Husband is awarded the marital residence, Wife proposes that he be responsible for this obligation. Wife further proposes that each party be responsible for any and all liens against the vehicle awarded to that party.

In addition, Wife proposes that each party should be responsible for any debt or obligation incurred by that party since the date of separation. The party awarded a particular asset should assume all responsibility for paying any debts in connection with that asset, holding the other party harmless from such a debt, and from attorneys' fees and costs of any litigation in connection therewith.

3. <u>BUSBAND'S SOLE AND SEPARATE CLAIM</u>: It is Wife's position that the monies which were held in the community bank

accounts, were community in nature in their entirety. The parties have previously divided these accounts, giving Husband approximately \$31,000 and Wife approximately \$28,000, the difference being used to offset the variance in the values of the vehicles, furniture/furnishings, and personal property.

- 4. <u>HUSBAND'S WASTE OF COMMUNITY ASSETS</u>: Wife alleges that Husband has committed waste of community assets by the following actions:
- A) During the pendency of these proceedings, Husband has failed and refused to obtain full-time employment. Rather, Husband has worked either intermittently or not at all. Historically, Husband earned approximately \$2,400 per month. Wife alleges that for those months Husband has refused to work, Husband has committed waste of this community asset at the rate of \$2,400 per month, and she should be entitled to an offset therefor.
- B) At the time of the filing of the Petiticn for Dissolution of Marriage, the community had an interest in a life insurance policy with Allstate. Upon information and belief, during the pendency of these proceedings, Husband ceased making payments on said policy, allowing the cash surrender value to be depleted in its entirety. Wife alleges that Husband's actions constitute waste, and Wife should be entitled to an offset for the value of this policy prior to Husband's dissipation of the value thereof.

ULLY SUBMITTED this 20th day of June, 1995. STERNBERG & SINGER, LTD.

Melvin Sternberg 80 East Columbus Phoenix, Arizona 85012 Attorney for Petitioner

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HUSBAND'S POSITION STATISHEST

It is Husband's position that he had \$16,735.00 that was his sole and separate property from the beginning of the marriage. \$13,000.00 of these funds were transferred to another account in both parties' names, but was not sufficiently commingled with community funds so that the identity of the separate funds were lost. The separate funds were placed in an account that included the name of the Wife as an accommodation only. It was not a gift to the community, but rather Husband desired that, in the event of his untimely death, that Wife would then have the funds immediately available to her.

Regarding the division of community property, it is evident from the list of the division of community assets that Husband has received, or has in his possession, exclusive of the liquidation of the investment and bank accounts, property having a present value of \$2610.00. Wife has, exclusive of property received from the division of investment and bank accounts, community property in the amount of \$13.750.00. Husband should receive an equalization payment from Wife in the amount of \$5.570.00.

Husband has a right to one-half (1) of Wife's ratirement fund from her employer as of the date of dissolution, not as of the date of the last information provided by Wife, which is not current.



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STERNSERG & SINGER, LTD. ATTORNEYS AT LAW 80 EAST COLUMBUS AVENUE PHOEMX. ARIZONA 85012 TELEPHONE (802) 284-4965 FAX 277-0144

By: **Helvin Sternberg**Arizona State Bar No.:

001310

Tages:

94 MAY -3 PM 3-19

Attorney for: Petitioner

IN THE SUPERIOR COURT OF THE STATE OF ARISONA

IN AMD FOR THE COUNTY OF MARICOPA

In re the Marriage of:

ALICE M. BROWN,

Petitioner,

and

MATTHEW M. BROWN,

Respondent.

DR94-06764

MOTICE OF RIGHT TO COMPARE MEALTH IMBURANCE

(Domestic Relations)

PURSUANT TO A.R.S. SECTION 20-1377 AND SECTION 29-1406:

THIS IMPORTANT MOTICE is provided to the Petitioner in order that the parties to dissolution are aware of a dependent spouse's right to continuance of health insurance coverage under existing group or individual policies. This Motice shall be served on the Respondent together with the Petition for Dissolution of Marriage or Legal Separation, Preliminary Injunction and Summons. Coverage provided by a conversion policy must provide benefits most similar to the coverage in the policy, but may contain less coverage at the option of the dependent.

Children may also be covered at the option of the dependent sponse who has responsibility for care and support of the children.

Conversion is not available to a person who is eligible for Hedicare or other similar disability benefits which together with the conversion would constitute overinsurance. However, dependent children of a person eligible for Hedicare may be covered by a conversion or continuation.

The dependent spouse must notify the insurance company of the conversion or continuation of coverage and pay the monthly premium within thirty-one (31) days of the date coverage would otherwise terminate.



By: Melvin Sternberg

Arizona State Bar No.:

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Attorney for:

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Petitioner NEW COMPLINITS

IN THE SUPERIOR COURT OF THE STATE OF ARISONA. IN AND FOR THE COUNTY OF MARICOPA

In re the Marriage of:

ALICE M. BROWN,

Petitioner,
and

MATTHEW M. BROWN,

Respondent.

DR94-06764

MO. DR

PETITION FOR DISSOLUTION
OF MARRIAGE
(Without Children)

(Domestic Relations)

COMES NOW the Petitioner, ALICE M. BROWN, hereimafter referred to as "Wife", by and through her undersigned attorney, and for the Petition for Dissolution of Marriage, alleges as follows:

- Wife resides at 5134 East Keresan Street, Phoenix, Arizona, 85044; her date of birth is July 31, 1964; and she is currently employed as a legal secretary for Fennemore, Craig P.C.
- 2. Respondent, MATTHEN H. BROWN, hereinafter referred to as "Husband", resides at 5134 East Keresan Street, Phoenix, Arizona, 85044; his date of birth is May 16, 1960; and he is currently employed as a foreman for Smith and Green.
- 3. At the commencement of this action, at least one of the parties has been domiciled in Maricopa County, State of Arizona for more than ninety (90) days.
 - The parties were married on June 7, 1986 in Phoenix,

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FAX 277-0144 14 Arizona, and since said date have been and are now husband and wife.

- The marriage of the parties is irretrievably broken 5. and there is no reasonable prospect of reconciliation.
- There are no minor children born common to the parties. Wife is not now pregnant.
- Wife's earning ability is tenuous, and she may be without sufficient funds with which to support herself or with which to pay her reasonable attorney's fees and costs incurred in this matter.
- Husband should be ordered to pay to Wife 8. reasonable sum per month as and for spousal maintenance.
- Husband should be ordered to pay Wife's reasonable attorney's fees and costs, including expert's fees, incurred in bringing this action, pursuant to A.R.S. Section 25-324, A.R.S. Section 12-349, or as may otherwise be provided by law.
- 10. Wife has a claim to sole and separate property which should be confirmed to her.
- 11. The parties have accumulated certain community assets which should be equitably divided.
- 12. The parties have accumulated certain community liabilities which should be equitably divided.

WHEREFORE, Wife prays that this honorable court:

Enter a Decree of Dissolution of the marriage of the parties and restore each to the status of a single person.

- 2 -

- 2. Order that Bushand pay to Wife a reasonable sum per month as and for spousal maintenance.
- 3. Order that Husband be responsible for Wife's reasonable attorney's fees and costs, including expert's fees, incurred in bringing this action, pursuant to A.R.S. Section 25-324, A.R.S. Section 12-349, or as may otherwise be provided by law.
- 4. Order that Wife be confirmed her sole and separate assets.
- 5. Equitably divide the community and common assets of the parties.
- 6. Equitably divide the community liabilities and mutual obligations of the parties.
- Order any such other relief as the court deems just and proper.

RESPECTFULLY SUBMITTED this ARC. day of April, 1994.
STERNBERG & SIMGER, LTD.

Helvin Sternberg 80 East Columbus Phoenix, Arizona 85012 Attorney for Petitioner STERNBERGY & BYDGER, LTD.

STRONE'S AT LAW

GOLDMUN ARCOUNGUS ARCHUE

PHODNY, ARCOUNGUS ARCHUE

FRANK ARCOUNGUS ARCHUE

FRANK ARCHUE

FRANK ROOT STRUMBERGON

FRANK FRAN

STATE OF ARIZONA)
County of Maricopa)

ALICE M. BROWN, being first duly sworn, under oath deposes and says:

That she is the Petitioner named in the foregoing Petition for Dissolution of Marriage; that she has read and known the contests thereof and that the matters and things therein stated are true except as to those matters therein stated upon information and belief and as to such matters, she believes them to be true.

ALICE H. BROWN

Marara M. Causer

Botary Public

My Commission Expires:





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STERNBERG & STER, LTI ATTORNEYS AWW. BO EAST COLUMBUS AVENUE PHOENIX, ARIZONA 85012 TELEPHONE (602) 264-4965

By: **Melvin Sternberg**Arizona State Bar No.: **001310**

Attorney for: Petitioner

IN THE SUPERIOR COURT OF THE STATE OF ARIZOMA

IN AND FOR THE COUNTY OF MARICOPA

In re the Marriage of:

ALICE M. BROWN,

Petitioner.

and

MATTHEW M. BROWN.

Respondent.

No. DR 94-06764

DECREE OF DISSOLUTION OF MARRIAGE

(Domestic Relations)

THIS NATTER having come on regularly for hearing the 28th day of June and the 26th day of July; Petitioner, ALICE M. BROWN, hereinafter referred to as "Wife", appearing in person and with counsel, Melvin Sternberg; Respondent, NATTHEW M. BROWN, hereinafter referred to as "Husband", appearing in person and with counsel, Steven K. Larson; the Court having heard the testimosy of the parties and, having considered the arguments of counsel and the evidence presented; the Court having taken this matter under advisement:

THE COURT FINDS as follows:

- The parties were domiciled within the State of Arizona in excess of ninety days prior to the filing of the Petition for Dissolution of Marriage;
 - 2. The parties were markied on June 7, 1986.

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- The marriage of the parties is irretrievably broken and there is no reasonable prospect for reconciliation.
- 4. The parties are aware of the marital counseling provided by the Conciliation Court, but do not believe that it would be helpful in resolving their marital difficulties.
- 5. There are no minor children common to the parties. Further, Wife is not now pregnant.
- 6. Heither party is entitled to an award of spousal maintenance, nor do the parties seek such an award.
- 7. Each party agrees that they shall be responsible for any and all debts and obligations incurred by the party since the date of the parties' separation, which occurred on or about March 15, 1994.
- Each party shall be responsible for his or her own attorney's fees and costs incurred in this action.

The Court determines that the marital residence, located at 5134 East Keresan Street, Phoenix, Arizona, 85044, with the legal description:

LOT 3913, ARWATUKEE PS-10, A SUBDIVISION RECORDED IN BOOK 241 OF MAPS, PAGE 48, RECORDS OF MARICOPA COUNTY, ARIZONA

he awarded to the Wife with Wife to pay the obligation on the home.

Wife argues that she has lived in the home for the last several years and has paid \$14,000 toward the mortgage on the property. She further argues that she has demonstrated a steadies payment record on the property and is a more reliable person.

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The Court does not think that the reliability of the party should be the deciding factor as to who receives the home.

Wifa's counsel strenuously objects to the home being sold because, pursuant to his calculations, the home will leave a deficiency judgment against the parties, and there is a negative equity in the home.

The Husband contributed \$4,136.00 of his funds prior to the marriage to the home as the down payment. For the majority of the years of the marriage the Husband has contributed, along with the Wife, to the payments of the mortgage on the house. The more fact that the Wife will have to relocate does not dictate that the Wife should receive the home. The parties do not have minor children.

However, the difference between Husband and Wife's trial testimony on the house is that Husband might intend to rent the house instead of living in it but Wife needs the house as her residence.

As the home is presently computed by the Wife, it is not a positive asset. Therefore, the Court will not require the Wife to sell the home and split proceeds with the Husband. The Court will assign the home a value with equity of \$700.00. Testimony stated the value of the home is \$85,000.00. The mortgage was \$79,500.00. The Court does not find that the house would be sold by a Realtor. The Court deducts \$1,200.00 for refinance points, \$1,600.00 for escrow and title fee, \$2,000.00 for Wife's estimate

 of cost for new heat pump. The balance is \$700.00.

IT IS ORDERED that Wife pay Bushand \$350.00 within thirty (30) days of the Decree for equity in the home.

Because the question of the residence is such a close issue, the Court finds that equity requires the Wife to repay the Husband for a portion of the \$4,136.00 down payment.

IT IS ORDERED that Wife pay Husband \$2,069.00 within one year of the Decree.

THE COURT FURTHER FINDS that the \$17,000.00 of sole and separate property, that the Husband had in his bank account prior to the marriage, has been commingled during the marriage and has become community property.

The funds were prior to the marriage in Busband's bank account at the First Bank of Castle Rock. A portion of his separate funds, \$4,136.00 were withdrawn at the time of the marriage in 1986 as a down payment on the parties' home. A Certificate of Deposit (CD) in the amount of \$27,000.00 was purchased in the parties' joint names in 1989 at Citibank using two checks; one for \$14,000.00 from the joint account of the parties at the Valley National Bank. A second CD issued on September 25, 1989 was for \$17,000.00. These funds came from a \$10,000.00 deposit to the Citibank account. Into an account called the 068 Account, a joint account, a first deposit of \$10,000.00 was made on September 26, 1989. On October 10, 1989, a \$5,100.00 deposit was made from joint funds at Valley National Bank into the 068 Account at

 Citibank. On August 14, 1991, a \$5,000.00 withdrawal was made as a loan to the Wife's parents for a new house. Several months later, \$6,122.00 was deposited when the parents of the Wife raid back the loan with interest.

On Pebruary 28, 1994, the account was closed and \$19,147.00 was in the account at the time. All the accounts in question were joint banking accounts with joint signature cards and joint right of control both through deposit and withdrawel. The Valley National Bank account was used for paying bills and depositing checks. Eventually the funds from the \$17,000.00 CD ended up purchasing shares in stock in Flagstaff through Kemper.

The Court determines that the handling of the funds was designed by Husband to put them with other commingles funds to buy Certificates of Deposit for the benefit of the community. The intention of the Husband by his action was to donate his sole and separate property to his community. Cooper v. Cooper, 130 Ariz. 257, 635 P.2d 850 (1981).

Therefore, when the Wife split all funds in community bank accounts in 1994, she was, in fact, splitting up community property. The funds described by the Busband did not retain their sole and separate character. Busband has failed to establish by clear and convincing evidence that after commingling the funds, he still intended his funds to be his separate property. Someticald y. Someticald, 121 Ariz. 575, 592 P.2d 771 (1979).

The remaining property of the parties will be divided as

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27 28 follows:

On the personal property inventory prepared by the Wife and attached to the Joint Pretrial Statement, the Husband will receive the following property as delineated in the column "Awarded to Musband."

- Queen bed
- 2. Off-white/stripe sofa
- 3. Recliner
- Lamps (2)
- Tall oak dresser
- Oak headboard 7.
- 19" television
- Pots/pans, dishes
- Extensive oun collection

THE COURT FURTHER FIRS that there has significant evidence that the Husband's gun collection was worth \$3,000.00. There has been no significant evidence presented at trial that the Husband actually purchased guns during the marriage. Therefore, the Husband may retain the guns of which he testified, but the Court will not assign a value as a community property asset to those guns. Therefore, the Court totals Busband's personal property at \$475.00 based on Wife's calculation.

The Court will accept the evaluations of Wife of the personal property based upon her testimony that the furniture was checked by her with other businesses and that she considered the furniture to be worth one-fourth (%) its original cost since it was two to four years old at the time she was valuing it. Busband offered n contrary testimony. The furniture and other items in the Wife's possession are then valued at \$1,630.00.

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The Court determines that the value of the Bushend's vehicle, which will be awarded to him, the 1985 King Cab is This allows for a wholesale blue book value of \$2,550.00. \$2,675.00 plus \$75.00 for power steering and \$650.00 for a 4x4. However, because the vehicle has 153,000 miles, there will be a subtraction of \$850.00.

The value of the Wife's Honda, which she will retain, is \$4,150.00. The wholesale blue book value is \$11,550.00 and she paid off \$7,400.00. The Court does not take into account the damages to the vehicle because the Husband's vehicle also had damage occurring to it.

The personal property totals are for Husband, \$3,025.00 for Wife, \$5,780.00.

At the time the Wife split the bank account monies, she took \$28,150.00 leaving the Husband \$31,300.00. The difference of approximately \$3,150.00 makes up for the difference in the personal property retained by Husband and Wife.

As for retirement plans, Wife's one-half interest in Husband's retirement plan with the Plasters Union Benefit Trust will be offset against Husband's interest in Wife's retirement plan with Fennemore Craig, P.C.

Pursuant to stipulated agreement of the parties as evidenced in the Joint Pre-Trial Statement, Husband shall be responsible for all costs involved, and shall cause to be prepared, Qualified Domestic Relations Order for submission to the Court.

ORDERED that the marriage heretofore existing between the parties is dissolved and each party is returned to the status of a single person.

IT IS FURTHER ORDERED that this Decree of Dissolution shall be deemed a sufficient deed, conveyance, assignment, transfer and/or bill of sale of any and all right, title, interest, claim and demand of every nature covered by this Decree. It is further ordered that this document may be filed and/or recorded as a valid instrument. 10-23-95

DOME IN OPEN COURT:

horable Jonathan H. ricopa County Superior Court

ORIGINAL of the foregoing lodged this /84 day of August, 1995,

and

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COPY of the foregoing mailed this Boday of August, 1995, to:

Steven K. Larson, Esq. 2800 South Rural, Suits A Tempe, Arizona 85282 Attorney for Respondent

marlie m. Caura

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