1)

====== Start of Answer #1 (1330 words) ======

California Community Property

California is a community property state, which means that all property acquired while married will be presumed to be community property (CP). Property that was acquired prior to the marriage will be considered to be separate property (SP), this also includes anything given by gift, bequest, devise. The marital economic community begins at marriage and ends at divorce or death of a spouse.

Here, the facts show that Wanda and Hal, who are California residents, married in 2008. Therefore, their marital economic community would begin in 2008 and would end would be in 2016 when Wanda and Hal permanently separated.

With the following presumptions in mind, we can analyze what Hal's (H) and Wanda's (W) rights and liabilities regarding the following:

(1) The Condo

W will likely argue that because the condo was acquired while they were married (they married in 2008 and the condo was acquired through inheritance in 2010) it will be presumed to be CP. H will counter that it is an exception to CP because it was acquired by inheritance which makes it SP and not CP like W claims. H will win on the presumption that the condo is SP because it was acquired by inheritance.

<u>Lucas</u>

Prior to January 1, 1985, property that was acquired in joint title by spouses would be presumed to have been CP even if SP funds were used to purchase. Here, W will counter that although the condo was inherited, that H transferred title to the condo in joint tenancy with W and therefore it is now CP because it is under their both names. W will not prevail with this argument because of Anti-

Lucas (discussed below).

Anti- Lucas

After January 1, 1985, property that was acquired in joint title will no longer be presumed to be CP if the spouse that has an SP interest expresses his interest in keeping that portion SP or has a written agreement.

Here, H will claim that he transferred title to the condo because W wanted to avoid probate not because he wanted to give her the condo. W will state that they likely wanted to avoid probate because H wanted her to have the property in case anything were to ever happen to him. But, these are inferences, there is nothing in the facts that state this, so likely this argument will fail without the proper additional facts.

Transmutation

W will argue that the condo was properly changed from SP to CP. This will fail because post January 1, 1987, transmutations must be in writing and the person changing their property from SP to CP (or CP to SP) must have it in writing and must know what they are giving up. Due to the fact that the condo was inherited in 2010, it will fall into this category. Therefore, H will argue that it was not in writing and that he did not understand the nature of what he was doing. Moreover, he will likely claim that he was under duress or undue influence by W and that she was forcing him to place the condo in both their names.

Ultimately, H will win because the condo was acquired by inheritance and there was no proper transmutation. Therefore, he will receive the condo upon divorce and will receive the increase value of the condo during marriage as well.

(2) The Motorcycle

H will argue that the motorcycle is his SP because he used the \$10,000

inheritance money to purchase it. Moreover, H took title in his name alone which would be a presumption of SP. W will likely argue that it is SP and she would like to be reimbursed because H acquired a loan in his name only, but paid for the loan from their joint bank account during the marriage, thus she is owed compensation.

Here, W's argument will likely prevail if H is the only one using the motorcycle and the only one getting enjoyment out of it. Moreover, if there are future payments to be made on the motorcycle, W will not be held liable for it because the Lender gave H the loan because of his good credit. This means that the creditor only relied on H as a single man instead of relying on both H and W.

Therefore, the motorcycle will likely be considered SP and the loan to Lender will have to be paid by Hs SP.

(3) The Camper Van

H will argue that the Camper Van is his SP because it is titled in his name. W will counter and state that although it is in Hs name, that it was purchased through their joint bank account and therefore is CP. H can state that the camper van was a gift for his 40th birthday given to him by W, and because he was the one that used it for summer fishing trips with his friends, that it is his SP and not CP.

Although it is true that it was a birthday gift, it was an expensive gift (\$20,000) and W can claim it was expected to be used by the community. W can further state that they went together to buy the used camper van, making it a community purchase and not likely to be a gift. We would need to have more facts in order to determine this. But, with the facts we have now we know that W is a successful accountant while H is an art teacher. Therefore, W probably contributed more to the household and therefore should receive the camper van. This argument will ultimately fail, because even though she might be the

breadwinner in this situation, they opened a joint bank account after they married where they each deposited their earnings which would be presumed CP. Moreover, the simple fact that W was the one that managed the couples finances does not make it SP solely because she managed the finances.

Therefore, if we were to trace the source of the fund that were used to purchase the camper van, we would see that it was CP because they used their joint checking account. Due to the camper van being such a large purchase, it is likely it will be presumed to be CP.

Transmutation

See rule above.

H will likely argue that the CP funds used to purchase the camper van was properly changed to his SP because they put the camper van in his name only. But, if this was the case then there would need to be a writing in place that stated a valid transmutation occurred. Here, there are no facts that support this. Therefore, the camper van will likely be considered CP and each spouse will receive an equal share.

(4) A1 Bank Account

W will argue that the bank account is her on SP because the bank account is in her name alone, and therefore presumed to be SP. This argument will fail because the bank account was opened during the course of their marriage and her earnings were deposited into the account, and thus any earnings acquired during marriage will be CP. Therefore, even though W had the bank account in her name only, it will be considered to be CP. Thus, they would each get half of the \$50,000 balance.

Additionally, even though H only recently found out about this bank account, that should not adversely affect him because he had no reason to know that there

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was another bank account since they had their joint bank account in main street bank together and this secret bank account by W was at A1 bank. H will likely be able to argue that she owed him a duty to not dispose of their CP without telling him first, and since the bank account received monthly deposits from Ws salary, he will probably want to see the bank statements in order to see how much of the money she disposed of without his knowledge.

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