



(916) 445-4583

February 27, 1980

PB

Mr. Dow Bettis
Plumas County Assessor
P. O. Box 1016
Quincy, California 95971

Dear Mr. Bettis:

The other day you requested our opinion as to whether we would conclude that a change in ownership had occurred under the following facts:

In June of 1973, E. McGarr by Grant Deed sold certain real property to [redacted]. Later, in March, 1977, [redacted] transferred his interest in the property to [redacted]. In May of 1977, A. McDonnell transferred her interest in this property to M. O. McGarr and B. A. McGarr. In September of 1979, M. O. McGarr and B. A. McGarr transferred their interest in the property to L. L. Ross and E. M. Ross (the former E. McGarr) "in lieu of foreclosure." Evidently this last transfer was necessitated because the purchasers had not been making the monthly payments to E. McGarr.

You ask whether this foreclosure constitutes a change in ownership as of September, 1979. For the reasons set forth below, we conclude that it does.

When E. McGarr executed the Grant Deed, she transferred the beneficial ownership to the property and retained only a security interest, i.e., the right to be paid. Accordingly, when she got the property back in lieu of foreclosure, the beneficial ownership of the property was once again in her hands. Although this may seem harsh, the Legislature has provided for no exceptions in cases such as this.

Very truly yours,

Glenn L. Rigby
Assistant Chief Counsel

GLR:sfb



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