

# REAL ESTATE NEWS & REVIEWS

(Editor's note: This column appears regularly on this page as space allows. We prefer to receive submissions by e-mail to: editor@palipost.com. Related photographs are also welcomed.)

## Attention Homeowners: Protect Your Privacy

By ANTHONY MARGULEAS  
*Special to the Palisadian-Post*

**H**ow are you holding title to your home? In your name? Your spouse's? Perhaps both?

How you hold title to your property can affect how much people know about you, from curious neighbors to credit companies and potential buyers. With the Internet making information readily available either free or for a small fee, it's easy to find out who owns a property, how much they paid, who their lender is, how much they owe, whether they are delinquent on their property taxes, even if the home has the proper building permits.

The State of California makes most of this information available through the Los Angeles County Recorder's Office (<http://regrec.co.la.ca.us>), which is also responsible for recording the latest legal transactions on a property, such as contractors' liens, foreclosure notices or change in ownership. You can also obtain parcel maps should you wish to know the exact measurement of your lot, or that of your neighbor's.

Public tax records also provide the public with information about whether a property is non-owner-occupied, i.e., a rental property. If so, there may be certain tax rami-

fications for the seller, especially if he or she is involved in a 1031 exchange, which requires a seller to buy a similar property of equal or greater value within a limited amount of time to avoid paying capital gains.

One useful Web site, [www.DataQuick.com](http://www.DataQuick.com), offers home sales reports, neighborhood demographics, local crime data, and pricing trends. It also has investigative tools that allow you to verify ownership—even how many properties an individual owns—just by punching in their name and/or address. Another site, [www.searchsystems.net](http://www.searchsystems.net), has many links to free public record databases, including criminal and environmental records. There are also sites that provide school rankings.

Information culled about a property on the Internet can be a powerful real estate negotiating tool. Knowing that a homeowner is delinquent on property taxes may be an indication that he or she needs to sell quickly. On the other hand, finding out that an owner paid cash and owns their property free and clear might result in tougher negotiations.

Want to know which celebrities live in the Palisades? That information is available through any search engine, which culls the information from public records.

Interestingly enough, a search shows that Bill Cosby, Billy Crystal, Martin Short, Sugar Ray Leonard, even Governor Arnold Schwarzenegger and his wife Maria Shriver hold title in the Palisades in their own name. The question is: Why would celebrities and/or their advisors allow this information to be in the public domain when it is so easy for them to protect their privacy for a nominal fee?

The best way is to either put your property in a living trust or to put it in your company or corporation's name. Some celebrities and high-net-worth individuals put it in the name of their manager, attorney or financial management firm. And did you know that you can hide the price you paid for a property from prying eyes by paying the Multiple Listing Service \$250, in which case the price will appear in public records as a "zero"? Investors who often buy properties below market value do this to prevent prospective buyers from knowing how much they originally paid for a property.

To conceal the price you also need to make sure that the transfer tax is stated in a separate declaration attached to the grant deed instead of noted directly on the deed itself. Transfer tax in L.A. County is \$1.10 per \$1,000 and transfer tax in L.A. City is \$4.50 per

\$1,000. Therefore if someone paid \$1 million for a property, the transfer tax would be shown as \$5,600, making it easy to work out the sales price. With this separate declaration and the payment of the MLS fee, you can avoid the price you paid being made public.

While knowledge is power in real estate when it comes to negotiating, having so much of it readily available through public records and the Internet is a double-edged sword depending on which side of the fence you are sitting on: buying or selling.

It's nice to know you have a choice on how you want to hold title.



*Palisadian Anthony Marguleas owns A.M. Realty on Sunset Blvd.*