

Ownership Changes and Fees

I have transferred my property into my trust or corporation. Will there be any additional fees as a result?

Most likely no. In most cases there will not be any fees from RCSC resulting from property owners placing their Sun City AZ property into a Trust. There are some cases where the number of Grantors of the Trust or corporation is greater than the number of the current owners which could result in additional fees. While this situation is usually rare, if the number of Grantors of the Trust or corporation is greater than the number of current owners to the extent the current owners no longer have a majority ownership interest in the property a Preservation and Improvement Fee and Transfer Fee would be charged.

I have recorded a Beneficiary Deed for my property. Will there be any additional fees because of this recording?

No. A recorded Beneficiary Deed transfers title upon the death of the Grantor. As a result, there are no fees assessed from the recording of the Beneficiary Deed. Title transfers to the beneficiary(s) designated in the Beneficiary Deed upon the death of the Grantor. At that time a change in ownership occurs and a Preservation Improvement Fee, Capital Improvement Fee and Transfer Fee would be charged.

Both of my parents have passed away. Will there be any additional fees as a result?

Maybe. Whether a Preservation Improvement Fee, Capital Improvement Fee and Transfer Fee are charged depends upon how title is held by the parents. Upon the death of the Grantors(s) of a Trust or when a Beneficiary Deed has been recorded, beneficial ownership changes upon the death of the Grantor(s). It is this change in beneficial interest that RCSC recognizes as a transfer in ownership that results in Preservation and Improvement Fee and Transfer Fee being charged.

When a property is not held within a Trust and no Beneficiary Deed has been recorded the property will remain in the parents' estate. A Preservation Improvement Fee, Capital Improvement Fee, and Transfer Fee are not charged until the property ownership is changed with a recorded deed.

In either case, the basis for the annual property assessment charge would change from a Per Person basis, if applicable, to a Per Property basis per [RCSC Corporate Bylaws \(Article III, Section I\)](#).

My parents added me as an owner of their property and have since passed away. Will there be any fees as a result?

Yes. Your parents were the original owners of the property and were the original payors of the Preservation Improvement and Transfer Fee for their property. In cases where ownership originated before the institution of the Preservation and Improvement Fee, the owners of record at the time of the institution of the Preservation and Improvement Fee are recognized as the original payors of the fee. Upon their death the payors, your parents, no longer retain a majority ownership interest in the property and as a result a

Preservation Improvement Fee, Capital Improvement Fee, and Transfer Fee will be charged.

My parents added me as an owner of their property and have since passed away. Can I receive a refund of the Preservation and Improvement Fee and Transfer Fee?

No. As a deeded property owner before the death of your parents your ownership was not the result of an inheritance at the time of their passing. Because of this you are not eligible for a refund of the Preservation Improvement Fee, Capital Improvement Fee or Transfer Fee charged at the time of your parents' death.

My parents owned their home in a trust and have both passed away. Why would any additional fees be charged when there has not been a transfer from the trust?

While there has not been a recorded deed that changes the ownership of the property, at the time of the last Grantor's death the vested beneficial interest of the owning Trust has changed. The contingent or remainder beneficiaries become the vested income beneficiaries of the Trust upon the death of the Grantor(s) of the Trust. It is this change in the vested income beneficiary of the owning Trust that RCSC recognizes as a change in ownership and charges a Preservation Improvement Fee, Capital Improvement Fee and Transfer Fee.

I have paid the Preservation and Improvement Fee (PIF) and Transfer Fee upon my parent's death for their property owned within their trust. Will I be charged these fees again when I transfer the property into my name?

Usually not. Whether a Preservation Improvement Fee, Capital Improvement Fee or Transfer Fee are charged is dependent upon whether the original payor of the fee loses their majority ownership interest in the property. The vested income beneficiaries of the owning Trust at the time the fees are paid are recognized as the payor(s) of the fee. Provided the payor(s) do not lose their majority ownership of the property when it is transferred out of the owning Trust there would not be additional fees charged.

My spouse added me as an owner and has passed away. Will there be any fees as a result?

Yes. Your spouse, as the original owner of the property, is the original payor of the Preservation Improvement Fee. Upon the death of the payor of this fee the remaining owner of the property would be charged a Preservation Improvement Fee, Capital Improvement Fee and Transfer Fee.

Do I have to pay the Preservation Improvement Fee & Capital Improvement Fee for each property I purchase?

Yes. The Preservation Improvement Fee, Capital Improvement Fee and Transfer Fee is charged based upon the RCSC Corporate Bylaws regardless of the fees paid by an owner for another Sun City AZ property.