

# WHAT IS A HOMESTEAD DECLARATION?

Homestead protection laws exist to protect your home against most creditors, up to the value of homestead exemption. California homestead law is complex and technical in nature. A Declaration of Homestead, when not properly prepared, may be invalid. We recommend that you seek legal advice before considering the recording of a Declaration of Homestead.

**A properly recorded Homestead Declaration protects the declarant from losing a portion of “his or her” equity due to lawsuits that result in judgment liens being attached to their property.**

## ***Who is eligible for a Homestead Declaration?***

All homeowners that reside in their home, and use it as their principal place of residence.

## ***What are the current amounts of protection?***

The equity, which is protected from lien attachment, is as follows:

- Basic Exemption Amount: \$75,000
- Head or member of family, and at least one family member is not an owner: \$100,000
- Married or Registered Domestic Partners, and one spouse or partner is not an owner, or property is held as community property: \$100,000
- Single (55 years or older with limited income, 65 years or older, or disabled): \$175,000
- Married or Registered Domestic Partners (when one or both is 55 years or older with limited income, is 65 years or older, or is disabled): \$175,000

## ***Do these amounts ever change?***

Yes, the California State Legislature may periodically raise the exemption amounts.

## ***Can I remove the Homestead?***

Yes. There are three ways this can be accomplished:

1. You can record a document called “abandonment of Homestead”
2. If you sell your home, the Homestead is automatically removed.
3. By operation of law, if you change your principal place of residence and you record a new homestead, the first homestead that you recorded will cease to exist.

## ***What items are not covered by the Homestead?***

To name a few:

- Judgment for spouse or child support.
- Tax Liens & Mechanic's Liens.
- Judgments recorded before your Homestead.
- Loans or debts secured by the property (Deed or Trust).

**For further information on Homestead Protection, please consult an attorney.**

