

WHAT IS A HOMESTEAD DECLARATION IN CALIFORNIA?

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A property recorded Homestead Declaration protects the declarant from losing a portion of his/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?

Per Code of Civil Procedure:704.730:

(a) The amount of the homestead exemption is the greater of the following:

- (1) The county wide median sale price for a single-family home in the calendar year prior to the calendar year in which the judgment debtor claims the exemption, not to exceed six hundred thousand dollars (\$600,000.00).
- (2) Three hundred thousand dollars (\$300,000.00).

(b) The amounts specified in this section shall adjust annually for inflation, beginning on January 1, 2022, based on the change in the annual California Consumer Price Index for All Urban Consumers for the prior fiscal year, published by the Department of Industrial Relations. (Amended by Stats. 2020, Ch. 943, Sec. 1. (AB 1885) Effective January 1, 2021).

DO THESE AMOUNTS EVER CHANGE?

Yes. Periodically, The California State Legislature will raise the amounts of entitlement. The homeowner will automatically receive the amount of the increase, without having to re-file additional paperwork.

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:

1. Judgments for spouse or child support.
2. Tax Liens and Mechanic's Liens.
3. Judgments recorded before your Homestead.
4. Loans or debts secured by the property (Deed of Trust).

Customer Service cs@caltitle.com | 844.544.2752

Los Angeles 100 N. First Street, Suite 404 | Burbank | 818.382.9889

Orange County 28202 Cabot Road, Suite 625 | Laguna Niguel | 949.582.8709

San Diego 2365 Northside Drive, Suite 250 | San Diego | 619.516.5227



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