



# HOMESTEAD DECLARATION

## What is a Homestead Declaration?

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

## Homestead Protection Amounts

As of January 1, 2022, the amount of the homestead protection is the greater of either (a) \$313,200 at a minimum or (b) the countywide median sales price for a single-family home in the calendar year prior to the calendar year in which the exemption is claimed, not to exceed \$626,400. These amounts are adjusted annually for inflation and are based on the change in the annual California Consumer Price Index for the prior fiscal year. The 2023 inflation-adjusted range of the California homestead exemption is \$339,189 and \$678,378.

## Types of Homestead Declarations

### Automatic Homestead

A home has an automatic homestead when the homeowner lives in the home. The automatic homestead protects some of the home's equity until the home is sold. The homeowner does not have to sign or file anything to have an automatic homestead.

### Declared Homestead

A declared homestead is a legal form the homeowner records with the County Registrar-Recorder's office. Only the home the homeowner lives in qualifies for a homestead. A declared homestead protects some of the home's equity for six months after the home is sold if the following three conditions are met:

1. The home is sold and another home is purchased within six months; **AND**
2. The protected amount was used to buy the home; **AND**
3. You record a homestead on the new home.

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### **Who Needs A Declared Homestead?**

If a homeowner has been sued in court and has a large money judgment against them, a declared homestead can help. If the home is sold, it protects some of the proceeds for six months after the sale. This gives the homeowner time to buy another home and record another declared homestead.

### **A Homestead Does Not Protect Against:**

- Foreclosure by the mortgage lender if the homeowner is behind on payments;
- Enforcement of a mechanic's lien;
- A judgment for child or spousal support.

A declared homestead can be filed by taking these steps:

1. Download the homestead declaration from the Lawyers Title website; or download the form from the Registrar-Recorder's website for the county the property is located in;
2. Fill out the form.
3. Sign the form and have it notarized.

### **Beware of Homestead Declaration Service Scams**

California law prohibits homestead filing agencies from making false or misleading statements. The law also prohibits these companies from charging more than \$25 and they cannot charge the fee until after the homestead declaration is recorded with your permission.

*Source: Assembly Bill 1885 at [https://leginfo.ca.gov/faces/billTextClient.xhtml?bill\\_id=201920200AB1885](https://leginfo.ca.gov/faces/billTextClient.xhtml?bill_id=201920200AB1885).  
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