NEW CALIFORNIA LAWS

2026 REAL ESTATE LEGISLATIVE UPDATE



This information is only a partial list and is not a comprehensive explanation of the upcoming 2026 California laws. It is being provided solely as a courtesy and as a guide.

FINCEN

Residential Real Estate Rule (RRER) Mandates reporting on all-cash purchases (by legal entities/trusts) of 1-4 unit properties to fight money laundering, requiring new forms and info from buyers/sellers. Contact your title representative for more information. **Effective March 1, 2026**

AB 130

HOA Fines HOA fines are limited to $100 for "most" violations. Homeowners can fix the violation and not be fined if done so prior to the violation hearing with proof of the cure.

AB 130

Balcony Inspections Deadlines Current law dictates Inspections on balconies, stairs and other elements in buildings with three or more multi-family dwellings must be done by Jan. 1, 2026. AB 130 states if asbestos is confirmed the owner has nine months to complete abatement and three months after abatement to complete the initial inspection.

AB 455

New Disclosure Requirement for Tobacco and Nicotine Residue in Residential Sales Requires sellers to disclose in writing any known tobacco or nicotine residue, as well as any history of smoking activity on the premises. This applies to transactions where a Transfer Disclosure Statement (TDS) is required.

AB 851

Unsolicited Offers in Fire Affected Zip Codes Prohibits predatory offers in fire-affected ZIP codes in LA/Ventura counties through Jan. 1, 2027. See full law for details. **Effective October 10, 2025.**

AB 238

Forbearance for Wildfire Victims Requires mortgage servicers to offer borrowers impacted by the January 2025 Los Angeles wildfire disaster up to 12 months of mortgage forbearance when they are experiencing financial hardship. **Effective September 22, 2025.**

AB 565

Trusts A trust beneficiary or a person interested in the trust must be provided notice of specified actions regarding the trust.

AB 418

Property Taxation Taxing Agency may sell tax-defaulted property 5 or more years after it has become tax defaulted.

AB 737

Recording Requires energy supplier to record, no later than 30 days after funding a decarbonization upgrade.

AB 806

CC&Rs in Mobile Homes Prohibits or restricts the installation, upgrade, replacement, or use of a cooling system in mobile home is void and unenforceable.

SB 255

Recorded Documents Notice Each county in CA must establish recorder notification program.

SB 484

CA Coastal Act of 1976 A coastal development permit is not required for any category or development if it is found there is no potential for significant adverse effect on coastal resources.

AB 1154

Accessory Dwelling Units Provides for creation of JADU if the owner lives in the Single Family Residence



More information can be found:
http://leginfo.legislature.ca.gov/
https://www.clta.org/

Fidelity National Title

FNT-NCL