ASSEMBLY BILL 2016:
SIMPLIFYING PROBATE FOR PRIMARY RESIDENCES



EFFECTIVE APRIL 1, 2025, AB 2016 MAKES IT EASIER FOR FAMILIES TO TRANSFER A PRIMARY RESIDENCE VALUED UNDER $750,000 WITHOUT GOING THROUGH FULL PROBATE.

KEY PROVISIONS OF AB 2016

PRIMARY RESIDENCE EXEMPTION:

- Homes valued up to $750,000 will no longer require probate. **Applies to deaths on or after April 1, 2025.**
- Escrow officers should confirm the date of death and home valuation during intake to determine whether probate is required.

SIMPLIFIED SUCCESSION PROCESS:

- Estates can now use a Petition to Determine Succession to Real Property for homes up to $750,000 which will avoid lengthy probate proceedings.
- Total assets up to $934,500 (including up to $184,500 in cash) may qualify for this streamlined process.
- Escrow must verify that the petition was properly approved by the court and that all rightful heirs are included and signing off.

DEFINITION OF PRIMARY RESIDENCE:

- The home must have been the decedent's primary residence, even if they weren't living there at the time of death.
- Escrow may require additional documentation (e.g., utility bills, homestead exemption, voter registration) to confirm the home's primary residence status for the decedent.

PROCEDURAL REQUIREMENTS:

- All heirs must sign the required court documents.
- A probate referee must appraise the home's value.
- At least 40 days must pass after the owner's death before filing the petition.
- Title and escrow must ensure proper chain of title and confirm that no other heirs have claims or objections, which could delay closing.

BENEFITS OF NEW PROCESS

COST SAVINGS:

- Avoiding formal probate can potentially reduce court fees, legal expenses and administrative costs.

FASTER RESOLUTION:

- The simplified process may be significantly quicker than formal probate, often taking weeks instead of months or years.
- Escrow timelines may be reduced

LESS COMPLEXITY:

- Heirs and beneficiaries can manage transfer without navigating the complexities of probate proceedings.
- Escrow officers should still confirm that all parties involved in the transfer are properly identified and authorized to sell, especially in the absence of a formal probate case.

Assembly Bill 2016 can potentially help families avoid years of probate delays, reduce court costs, simplify the inheritance process, and allow heirs to access and sell the property more quickly without the burden of lengthy legal proceedings. Escrow professionals play a critical role in confirming documentation and ensuring compliance with this new law for successful and timely closings.

Fidelity National Title