FOR SUCCESSOR TRUSTEES AND EXECUTORS IN CALIFORNIA

The Trustee's First 30 Days

You were handed a job you did not apply for. Here is the order to do it in.

> **What this is.** A task list, not a law lecture. Being named successor trustee makes you a fiduciary — you are legally responsible for handling someone else's property prudently, and for being able to *show* that you did. Most of the work in month one is gathering, securing and documenting. Almost none of it involves selling anything.

Week 1 — secure and gather

- **Order 8–10 certified death certificates.** Every institution wants an original. Ordering more later costs weeks.
- **Find the trust document and every amendment.** A restatement or a third amendment can change who the trustee even is. Do not act on an unamended copy.
- **Pull the deed and read the vesting.** Confirm the property was actually transferred into the trust. Property the settlor meant to fund but never did may need a Heggstad petition (Prob. Code §850) — that is an attorney matter and it adds months, so find out now, not at listing.
- **Secure the property.** Re-key it. Collect all copies of keys, garage remotes and gate codes. Photograph every room before anything is removed — this protects you later.
- **Call the property insurer today.** A standard homeowner's policy can void once the home is vacant, often at 30 or 60 days. Ask specifically for a vacancy endorsement or a DP-3 policy. This is the single most expensive thing to get wrong in month one.
- **Stop the mail** or forward it. Unattended mail at a known-vacant house invites identity theft.
- **Keep the utilities on.** Power runs the sump pump and the heat; water keeps the landscaping and the septic alive. Shutting them off to save $200 has caused mold claims worth $60,000.

Week 2 — establish authority and the paper trail

- **Get an EIN for the trust** (IRS Form SS-4, free, online, same day). The trust needs its own taxpayer ID once the settlor has died.

- **Open a dedicated trust bank account.** Never run estate money through your personal account — commingling is the fastest way to a breach-of-duty claim.
- **Start a ledger on day one.** Every dollar in, every dollar out, with receipts. You will eventually have to account to the beneficiaries.
- **Retain a trusts-and-estates attorney** if you have not. The §16061.7 notice is on a 60-day clock and it has statutory content requirements — including a warning that must appear in 10-point boldface. Do not draft it yourself.
- **Confirm what authority you actually have.** In a trust sale, no court confirmation is normally required (Prob. Code §16226). In a probate, it depends entirely on whether you hold full or limited authority under the Independent Administration of Estates Act. Discovering limited authority late costs 60 days.

Week 3 — value and notify

- **Order a date-of-death appraisal.** This sets the beneficiaries' stepped-up basis under IRC §1014 and is the number a future capital-gains calculation works from. Get it even if nobody plans to sell. It is far harder to establish a credible retroactive value two years later.
- **Notify Social Security** (they claw back the month-of-death payment), and any pension, annuity, or VA benefit administrator.
- **Inventory the personal property** before family starts taking things. Photographs, room by room, with dates. This prevents most sibling disputes before they start.
- **Identify every asset and every debt.** Mortgages, HELOCs, reverse mortgages, solar leases, HOA dues, property taxes, unpaid contractors.
- **If there is a reverse mortgage, act now.** It becomes due and payable at death. Servicers typically allow about 30 days to respond and six months to sell or pay, with extensions available. Heirs can generally satisfy it at 95% of appraised value even if the balance is higher — these are non-recourse loans. Families lose real money by panicking and selling cheap here.

Week 4 — plan, don't act

- **Put the §16061.7 60-day notice on the calendar** with your attorney, and the 120-day contest window that follows service.
- **Calendar BOE-502-D at 150 days from death** if there is no probate.
- **Decide nothing about the house yet** — but do get a broker's opinion of value alongside the appraisal, so you know the spread between date-of-death value and today's market.
- **Talk to the beneficiaries once, in writing.** A short status note to everyone at the same time prevents the phone calls that consume the next six months.

- **Get a CPA involved** about the trust's first fiduciary return (Form 1041) and the decedent's final personal return.

The deadlines to put on a calendar right now

Deadline	When	Authority
Trust notification to beneficiaries and heirs at law	60 days from the triggering event	Prob. Code §16061.7(f)
Beneficiary contest window	120 days from service — or 60 days from delivery of the trust terms if that delivery happens inside the 120 days, whichever is later	Prob. Code §16061.8
Change in Ownership Statement (no probate)	150 days from death	Form BOE-502-D
Prop 19 parent-child exclusion claim	Earliest of: 3 years from transfer, before transfer to a third party, or when an eligible transferee stops occupying the home	R&TC §63.2(f)(1)(A), Form BOE-19-P
Prop 19 move-in requirement (inherited home)	**Within 1 year — a hard gate with no late relief.** A rental is fully reassessed.	Rule 462.520
Creditor claims in probate	Later of 4 months after letters issue to a general personal representative, or 60 days after notice to that creditor	Prob. Code §9100
Outside limit on claims against the decedent	1 year from death, essentially untollable — and it reaches trust assets	CCP §366.2
Federal estate tax return, if required	9 months; automatic 6-month extension via a timely Form 4768. Not an extension to *pay*.	Form 706

Five mistakes that cost real money

- **Letting the insurance lapse into a vacancy exclusion.** The most expensive 30-day oversight in this entire process.
- **Skipping the date-of-death appraisal** because nobody plans to sell. Plans change; retroactive valuations are weak and expensive.
- **Distributing anything early.** Once assets are out the door you cannot get them back, and you are personally on the hook if a creditor or a tax bill appears.
- **Letting one beneficiary live in the house rent-free** without a written agreement approved by the others. This is the single most common source of trustee litigation.
- **Doing repairs before you know whether they return more than they cost.** Get the analysis first. An estate is not the place to guess.

Where my lane ends. I am a broker. I do not opine on your authority, I do not tell you what the Letters mean, and I do not draft notices. Those belong to your attorney. What I do is value the property, tell you honestly whether prep returns more than it costs, run the sale, and give you documentation clean enough to put straight into the administration file.

Before you rely on any of this

This guide is general education, not legal, tax, or investment advice. I am a real estate broker — not an attorney and not a CPA. Deadlines and dollar figures change, and your situation has facts this guide cannot know. Confirm anything that matters with your attorney and your CPA before you act on it.

Questions, or want this run against your actual numbers? That conversation is free and there is no obligation attached to it.

408-375-1223 · lance@lancehulseybroker.com · lancehulseybroker.com

Lance Hulsey · Broker Associate, KW Thrive SC · 1360-A 41st Ave, Capitola, CA 95010