



SAVE THE ESTATE

www.SaveTheEstate.com

How to Sell Inherited Property:

A Step-by-Step Guide

Erik Kaiser, REALTOR® | RE/MAX TerraSol | DRE #01111620

Selling inherited property is one of the most complex real estate transactions a family can face.

Inheriting property often arrives at the hardest possible moment - alongside grief, family complexity, and decisions you never expected to be making. There's no perfect time to figure this out, but having a clear roadmap makes the process far more manageable.

This guide is written for anyone navigating that responsibility - whether you're an heir, executor, trustee, surviving spouse, or a professional advisor supporting a family through it. You don't need a real estate background. This guide lays out what to do first, what can wait, and how to move forward with confidence and clarity - designed to meet you where you are.

A Few Things That Will Make This Easier:

- Create an estate property folder - keep photos, bills, passwords, and documents in one place to stay organized.
- Take time to get clarity on anything that feels uncertain.
- If the property is occupied (tenants/family) or out of state, check the notes inside each phase first.
- The best outcomes come from working with experienced professionals who can tailor these steps to your specific circumstances - see "The Professionals You'll Need" section for who does what, by phase.

How To Use This Guide

You don't need to tackle everything at once. This guide breaks the process into phases you can work through at your own pace.

Phase 1

Secure the property and confirm insurance

Phase 2 and 3

Confirm legal authority and understand tax implications (complete before listing or signing anything)

Phase 4

Establish decision-making structure and align heirs (if multiple heirs)

Phase 5

Assess property condition, get an inspection, and make strategic repairs

Phase 6

Hire the right broker and list the property

Phase 7

Closing and distribution (review early if multiple heirs)



Phase I: Protecting the Property (First Week)

Documents to Gather:

- Certified death certificates
- Insurance policies
- Property deed
- Mortgage statements
- Utility account info
- Alarm/security codes

Secure the Property

- ☐ Change locks and collect all keys
- ☐ Change alarm codes, smart-lock access, garage keypad codes
- ☐ Reset smart-home access - garage, front door, cameras, thermostats, doorbells
- ☐ Notify neighbors and/or property manager - report unusual activity
- ☐ Post "No Trespassing/Private Property" signage if the property is vacant
- ☐ Remove perishable items

Document Everything

- ☐ Photograph and video everything - interior, exterior, damage (timestamp if possible)
- ☐ Locate main water shutoff and electrical panel
- ☐ Photograph all utility meters - gas, water, electric

Basic Maintenance Checklist

- ☐ Check for any leaks - under sinks, water heater, irrigation
- ☐ Keep minimal utilities on - reduce freeze/leak/mold risk
- ☐ Schedule weekly walk-throughs until sold



- ☐ If pool/spa - secure and maintain

Insurance & Liability

- ☐ Confirm insurance coverage immediately - get vacant property or estate coverage
- ☐ Document any safety items for your insurance agent - pools, trampolines, broken stairs/rails, exposed wiring

Secure Contents & Valuables

IF RESIDENTIAL:

- ☐ Secure valuables and important documents - wills, deeds, insurance, jewelry, heirlooms
- ☐ Secure mail and forward statements

IF COMMERCIAL:

- ☐ Secure inventory and cash points
- ☐ Notify tenants of ownership change
- ☐ Confirm rent collection process

With multiple heirs, confirm legal authority before removing valuable items - it helps avoid misunderstandings and protects everyone. Once authority is clear, remove valuable items before interested buyers tour the property.

Financial & Administrative

- ☐ Contact the mortgage lender/servicer and ask about next steps - assumption, payoff, or continuing payments during probate
- ☐ If the property has a reverse mortgage (HECM), contact the loan servicer immediately - the loan becomes due at death and heirs typically have a limited window to sell, repay, or turn the property over to the lender
- ☐ Check for life insurance that could pay off the mortgage - look for any policy where the death benefit is meant to cover the loan



-
- ☐ Forward or hold mail - set forwarding and monitor email for bills/statements
 - ☐ Consider opening a separate bank account for estate expenses - simplifies tracking income/expenses during probate or sale
 - ☐ Review ongoing bills and auto-payments - avoid lapses in utilities, HOA, insurance, taxes
 - ☐ Secure online accounts and email - locate passwords and secure the decedent's email, a key source of bills and statements. Document access to online financial accounts, bill-pay portals, and digital assets
-

WHY THIS MATTERS:

These first steps protect the property's value and give you peace of mind while you work through the rest of the process.

CHECKPOINT:

You have the basics covered: the property is secure, insured, and protected.

Phase 2: Legal Authority & Ownership

This phase helps you confirm who can sign and what is needed.

Documents to Gather:

- Certified death certificates
- Will/trust documents
- Property deed
- HOA documents
- Prior title policy



Establish Legal Authority

- ☐ Confirm authority to act - executor/administrator/trustee (in writing)
- ☐ Obtain formal court authority - the court document that gives the executor/administrator power to act (Letters Testamentary or Letters of Administration)
- ☐ Obtain an estate EIN (Tax ID) from the IRS - you'll need this before opening an estate bank account or updating financial accounts; apply online at IRS.gov once you have the death certificate and legal authority, or have your attorney do it on your behalf
- ☐ Determine if probate is required
- ☐ If the property is in a different state, confirm whether you need an additional probate process there (ancillary probate)
- ☐ Find out if court approval is required to sell

Confirm Ownership & Title

- ☐ Review will, trust, and deed - check early for any inconsistencies in ownership
- ☐ Confirm how the property is titled - joint tenancy, community property, tenancy in common, trust, corporation, etc.
- ☐ If the property is held in a trust or corporation - confirm who can sign and the consent requirements
- ☐ Check for a transfer-on-death deed or survivorship rights
- ☐ Order a preliminary title report - ask for "vesting + requirements summary"
- ☐ Check for liens, judgments, or unknown debt
- ☐ Understand how estate debt works - the estate is responsible for the decedent's debts, not the heirs personally. Liens and creditor claims must be resolved from estate assets before the property can transfer cleanly

If you're unsure which properties the decedent owned, contact the county property tax department. They can look up all properties assessed in the decedent's name and it's often the fastest starting point.



Heirs, Beneficiaries & Signature Requirements

- ☐ Identify ALL heirs and beneficiaries
- ☐ Get contact info & availability for signatures - plan ahead if out-of-state wet ink signatures are required
- ☐ Confirm notary requirements - remote online notarization (if allowed) vs. in-person (wet ink)
- ☐ Find out who must sign at closing
- ☐ Confirm occupancy rights - life estate or right-to-reside clauses
- ☐ Confirm whether your state may assert a Medicaid estate recovery claim (ask your attorney)

WHY THIS MATTERS:

Getting clarity on who can sign and what's required now means you can move forward with confidence when it's time to list.

CHECKPOINT:

You know who can sign and what the title requirements are.

Phase 3: Tax & Financial Foundation

Smart planning now means clarity and confidence later.

Documents to Gather:

- Recent property tax bills
- Any prior appraisal or valuation you already have



If the property is investment/commercial:

- Current leases
- Rent roll (who pays what, when leases end)
- Last 12 months of income/expense records (operating statement, if available)
- Depreciation history (your CPA can pull this from prior returns if you don't have it)

Get a Professional Appraisal

- ☐ Order date-of-death appraisal - this establishes cost basis
- ☐ If investment/commercial - use an appraiser experienced with the income approach
- ☐ Understand whether you qualify for a full or partial step-up in basis (confirm with a CPA) - this directly impacts capital gains taxes when you sell

Tax Planning Essentials

- ☐ Estimate capital gains tax - CPA calculates based on appraisal, sale price, and basis
- ☐ Confirm any state-specific estate/inheritance tax issues with your CPA
- ☐ Understand federal estate tax exposure - the exemption is indexed and scheduled to change; ask your CPA/attorney whether a Form 706 should be filed (often used to preserve portability)

Calculate True Financial Picture

- ☐ Estimate monthly carrying costs - insurance, utilities, taxes, HOA, security, maintenance
- ☐ Estimate timeline impact - probate timing affects when you can list/close
- ☐ Build a net proceeds sheet - sale price less commissions, repairs, taxes, liens, closing costs, carrying costs
- ☐ Plan for 1031 exchange - if the property was used for investment or business purposes and capital gains or recapture tax applies, flag early with your CPA, real estate broker, and qualified intermediary



WHY THIS MATTERS:

Understanding the numbers early helps you make informed decisions about pricing, timing, and what repairs are worth doing.

CHECKPOINT:

You have realistic numbers based on current market data and professional input.

Phase 4: Family & Heir Alignment

When everyone's on the same page, the whole process flows more smoothly.

Documents to Create:

- Family agreement
- Decision-making protocol
- Communication plan

Align on Strategy Early

- ☐ Align on the overall goal - sell now, wait, keep as a rental, or pursue a buyout
- ☐ Align on priorities and constraints - speed vs. price, timelines, emotional attachments, and uneven workload
- ☐ Identify who has veto power
- ☐ Surface any buyout interest early

Family Agreement: Key Considerations to Address

- Decision-maker (or voting rules/tie-breaker process)
- Sale strategy (sell now/hold/rent/buyout interest)
- Pricing authority and offer acceptance rules



- Repair budget + approval threshold for expenses
- Communication cadence and point person
- Carrying cost payments + reimbursement at closing
- Buyout process (valuation method + timeline if applicable)
- Conflict escalation process (mediator/attorney)
- Consensus on which real estate broker to hire

Create Decision-Making Structure & Document Agreement

- ☐ Document family agreement in writing - use the considerations above as your template
- ☐ Appoint one decision-maker or create a tie-breaker process
- ☐ Define authority levels - what one person can decide vs. what requires group approval
- ☐ Empower one person as the day-to-day point of contact - routine decisions are theirs to make; major decisions (pricing, offers, large expenses) follow the agreed approval process
- ☐ Consider hiring an independent bookkeeper to track estate expenses - having a neutral third party manage the books keeps everything organized and clear
- ☐ Set communication protocol - update frequency, who speaks to the broker
- ☐ Plan for proceeds distribution - percentages and timing

Executor/Trustee Responsibilities

- ☐ If you're the executor/trustee - document decisions to demonstrate fairness

If disagreements arise, a family mediator can help everyone reach an agreement while protecting relationships. If the family cannot reach an agreement and the property is co-owned, any co-owner can file a partition action - a court proceeding that forces the sale of the property and divides the proceeds. Partition sales typically produce lower prices than voluntary sales, so resolving disagreements before litigation is almost always the better financial outcome.



WHY THIS MATTERS:

When everyone's aligned early, decisions happen faster, and the process stays on track, avoiding the back-and-forth that slows things down.

CHECKPOINT:

Everyone knows how decisions get made and what the plan is.

Phase 5: Property Condition & Risk Management

Protect the asset and prevent problems that destroy value.

Documents to Gather:

- Prior inspections
- Maintenance records
- Warranty info
- HOA rules/fees
- Environmental reports (if commercial)

Protect the Property

- ☐ Update insurance immediately - confirm it's in the correct name (estate/trust) and covers vacancy if the property is vacant
- ☐ Address mold/water intrusion quickly - water damage from leaks or frozen pipes is one of the most common and preventable problems
- ☐ Consider safety inspection if vacant - smoke/CO detectors, trip hazards

Manage Access & Occupancy

- ☐ Set access rules - identify key holders and who is authorized to approve vendor access/work
- ☐ Confirm occupancy status - tenants, holdovers, business operations



- ☐ Confirm legal occupancy rights - review the will/trust/deed for any right-to-reside or life estate provisions

Handle Belongings, Valuables & Personal Property

- ☐ Develop a plan for belongings - often more emotional than the house
- ☐ Take your time with items that matter - involve heirs in meaningful item decisions
- ☐ Plan for estate cleanout and moving

Assess Condition & Make Strategic Repairs

ALL PROPERTIES:

- ☐ Get a pre-listing inspection
- ☐ Focus on safety and functional issues - foundation, roof, electrical, plumbing
- ☐ Major renovations rarely pay off - let ROI guide repair decisions
- ☐ Disclose known issues properly

IF COMMERCIAL:

- ☐ Consider environmental assessments - Phase I ESA
- ☐ For older buildings - consider asbestos/lead/underground storage tank risk
- ☐ Review critical lease clauses - landlord obligations, vendor agreements, common area maintenance (CAM) reconciliations

HOA & Ongoing Costs

- ☐ Confirm HOA requirements - unpaid fees become liens
- ☐ Keep up basic maintenance - landscaping, utilities, pest control

WHY THIS MATTERS:

A few straightforward steps keep the property in good shape and ready to show. Staying current on HOA and utilities prevents liens that can delay closing.



CHECKPOINT:

The property is maintained, protected, and ready to show.

Phase 6: Market Strategy & Execution

The right broker changes everything - they don't just list the property, they protect value, manage risk, and keep the process moving.

Documents to Gather:

- Pricing - recent comps, tax assessments
- Condition - inspection reports, repair estimates
- Disclosures - required state and local disclosure forms

Note: Your broker can help you gather anything you're missing.

Choose Your Sale Approach

- ☐ Decide priority - speed, maximum price, or minimum hassle

Options include:

- Traditional MLS
- Investor "as-is" sale
- Off-market outreach
- Auction

Hire the Right Broker

- ☐ Find a broker experienced in inherited property sales

LOOK FOR:

- Strong pricing judgment and a clear plan to reach the right buyers for your property type



- Familiarity with probate and court-related timelines (when applicable)
- Clear guidance on disclosures and how to reduce avoidable risk for the executor/trustee
- Comfort coordinating multiple heirs and keeping communication organized
- Confidence working with leases, tenants, and income-based valuation
- Someone you trust to represent your family well, with the judgment to guide decisions and the proactivity to keep things moving

QUESTIONS TO ASK:

- How do you manage communication and decision-making with multiple heirs?
- Walk me through your pricing strategy - which comps matter and why?
- What steps do you take to make sure disclosures are handled correctly and nothing gets missed?
- Which repairs are worth doing before we list - and which are not?
- How do you underwrite leases, tenant quality, and the buyer pool?

Prepare Disclosures & Pricing

- ☐ Complete all required disclosures
- ☐ Price based on current comps and net proceeds analysis

Manage the Offer Process

- ☐ Assess the buyer's ability to close - proof of funds, lender pre-approval, liquidity
- ☐ Set a clean offer process - deadline, best-and-final, decision authority
- ☐ Control contingencies - inspection period, financing, appraisal risk

Note: Some probate sales require court confirmation/overbids.

WHY THIS MATTERS:

The right broker brings expertise that protects value, keeps the process organized, and helps you navigate the complexities specific to inherited property.



CHECKPOINT:

You have the right broker, a clear pricing strategy, and disclosures handled.

Phase 7: Closing & Distribution

Close smoothly and distribute proceeds correctly.

Documents to Gather:

- Preliminary title report
- Final tax numbers (CPA)
- Distribution plan or agreement (if multiple heirs)
- Estate/trust account information (if applicable)
- Closing instructions and wiring details

Before Going Into Escrow

- ☐ Clear all title issues
- ☐ Resolve liens and judgments
- ☐ Open an estate/trust account if needed (helps keep funds and reimbursements organized)

During Escrow

- ☐ Coordinate closing timeline - broker, attorney, CPA, and owners must be aligned
- ☐ Plan signing logistics - remote online notarization (if allowed) vs. in-person (wet ink); coordinate multiple heirs early
- ☐ Confirm distribution instructions - percentages, timing, and where funds will be held before distribution
- ☐ Confirm if proceeds go to estate, individual, or trust account before distribution



- ☐ Confirm expense reimbursement process
- ☐ If any heir is not a U.S. citizen or resident, confirm with your title/closing company and CPA whether taxes must be withheld at closing (FIRPTA)
- ☐ Verify wiring instructions by phone before sending funds to reduce wire-fraud risk

Consider Reserves/Holdbacks

- ☐ Consider a reserve for taxes/claims/repairs discovered late

Final Steps

- ☐ Confirm possession and keys/access transfer - codes, remotes, alarm credentials
- ☐ Keep closing folder - settlement statement, appraisal, repair invoices, carrying cost receipts

After Closing

- ☐ Cancel/transfer utilities and insurance
- ☐ Close/update HOA billing
- ☐ Store closing documents for tax purposes
- ☐ Confirm tax reporting and filings

WHY THIS MATTERS:

Taking care of title and distribution details early means closing day is straightforward - everyone knows what to expect and funds flow to the right places without delay.

CHECKPOINT:

Signing logistics are clear and everyone knows how proceeds will be distributed.



The Professionals You'll Need

Selling inherited property takes the right team - here's who to call and when.

Real Estate Broker

Erik Kaiser | RE/MAX TerraSol | DRE #01111620

Why you need a real estate broker:

Pricing, disclosures, process management, buyer outreach, and helping reduce executor risk.

When to engage:

Phase 6 (after authority is clear and family is aligned), or earlier if a 1031 exchange is being considered

What to look for:

- Trusted reputation, strong references, and deep market knowledge
- Proven experience with situations like yours
- Clear, careful handling of disclosures and executor responsibilities
- Comfort coordinating multiple heirs with steady communication
- Strong pricing judgment and a plan to reach the right buyers for your property type
- Confidence working with leases, tenants, and income-based valuation (investment)
- Ability to coordinate smoothly with your attorney and CPA

Work directly with Erik Kaiser.

Discuss your California estate-property selling options.

855-423-5100 | erik@protecttheestate.com



Other Professionals We Can Connect You With

Insurance Agent

WHY:

Confirm the policy is in the correct name (estate/trust) and properly covers vacancy.

WHEN:

Phase 1 (as soon as possible)

Banker (Estate Account Setup)

WHY:

Set up estate/trust accounts, help organize funds, support distributions when needed, and discuss options for holding or investing proceeds once distributed.

WHEN:

Phase 1 (if you need an account early) or Phase 7 (before distribution)

Estate Planning & Probate Attorney

WHY:

Confirm legal authority, handle probate requirements, and help ensure proceeds are distributed correctly.

WHEN:

Phase 2 (early)

Title & Escrow Company

WHY:

Identify title requirements early and manage escrow/closing logistics.

WHEN:

Phase 2 (title review) and Phase 7 (closing)



CPA & Tax Advisor

WHY:

Establish cost basis (date-of-death value), confirm step-up treatment, estimate capital gains, and handle tax filings.

WHEN:

Phase 3 (before pricing and listing decisions)

Family Mediator

WHY:

Help families reach an agreement and keep the process moving when emotions or disagreements slow progress.

WHEN:

Phase 4 (if conflict arises)

Estate Sale & Moving Companies

WHY:

Handle personal property sorting, cleanout, and move logistics.

WHEN:

Phase 5 (before listing)

Real Estate Attorney (if applicable in your state)

WHY:

Some states require an attorney for closing, and for most inherited property sales, it's wise to have an attorney involved.

WHEN:

Phase 7 (during escrow)



Ready to move forward, or just have questions?

**Contact Erik Kaiser for a complimentary evaluation
of your individual situation.**

Erik Kaiser, REALTOR®

RE/MAX TerraSol | DRE #01111620

855-423-5100

erik@protecttheestate.com

SaveTheEstate.com | ProtectTheEstate.com



**DISCLAIMER: INFORMATIONAL PURPOSES ONLY
NOT LEGAL, TAX, OR FINANCIAL ADVICE**

This document is provided for general informational and educational purposes only. It is a general guide intended to help you understand common steps, documents, and decisions that may arise when managing and selling inherited property. It is not comprehensive, and it does not address every situation, risk, exception, or requirement that may apply to your circumstances. Every estate is unique, and outcomes often depend on facts specific to the property, the decedent's estate plan, the ownership structure, creditor issues, and the laws and procedures of the state and county where the property is located. Nothing in this document should be construed as legal advice, tax advice, financial advice, investment advice, accounting advice, or real estate advice.

You should always consult your estate or probate attorney, CPA/tax advisor, and (if applicable) financial advisor before taking action, signing documents, listing property, accepting an offer, transferring title, distributing proceeds, or making any tax elections. You are solely responsible for selecting and engaging any professional and evaluating whether their services are appropriate for your situation. You are under no obligation to use any service provider introduced by Erik Kaiser and are free to select any professional of your choosing.

Laws and requirements vary widely by state and can change over time, including rules related to probate, court approvals, required disclosures, creditor claims, Medicaid estate recovery, property tax reassessment, title and vesting requirements, signing/notary rules (including remote notarization), landlord-tenant issues, environmental matters, and closing procedures. This guide may reference general concepts (including "step-up in basis," probate authority, or withholding rules) that can be complicated and fact-specific and may not apply in your situation.

Real estate transactions involve material risk. Conditions of property, inspections, disclosures, liens, title defects, tenant rights, market conditions, financing contingencies, and closing logistics can materially affect timing, net proceeds, and liability. If you are serving as an executor, administrator, trustee, or other fiduciary, you may have duties and obligations to heirs and beneficiaries and should seek legal counsel to understand and fulfill those duties. By using this guide, you acknowledge that it is provided "as-is," without warranties of any kind (express or implied). If you have questions about your specific circumstances, consult qualified professionals promptly.

Erik Kaiser provides real estate services through RE/MAX TerraSol. Legal, tax, accounting, escrow, title, and financial planning services are provided by the appropriate independent professionals.

Responsible broker: Surf City Equities Inc, doing business as RE/MAX TerraSol, DRE #01451217. Each RE/MAX office is independently owned and operated. Equal Housing Opportunity.