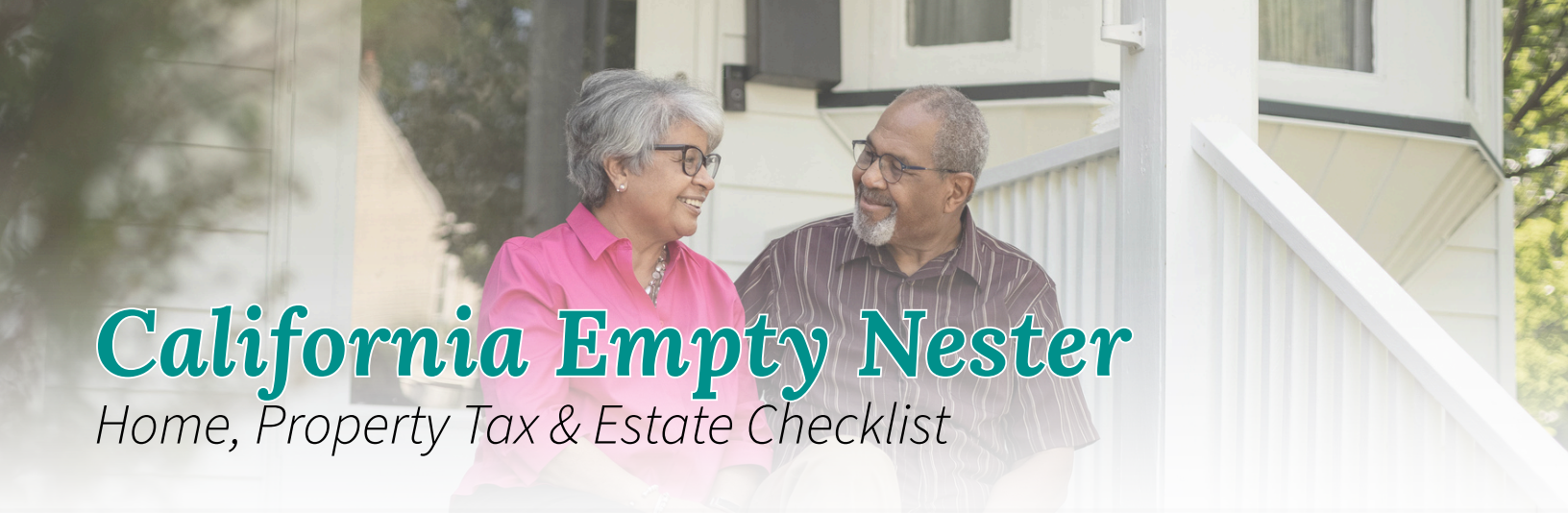


California Empty Nester

Home, Property Tax & Estate Checklist

For most California families, the home is the single largest asset they own and once the children are grown, several decisions quietly become time-sensitive. A few of these rules changed in 2025–2026, so even homeowners who "handled all this years ago" may be working from outdated assumptions. Use this checklist as a conversation guide, then confirm the specifics with the right professional before you act.

Property Taxes and Assessments

- ☐ **Confirm your Homeowners' Exemption.** It reduces a qualifying home's assessed value by $7,000. Many owners lose it after a refinance or re-titling and never notice.
- ☐ **Know your Prop 13 assessed value.** Understand the low tax base you already have and what could trigger reassessment. Decades of 2%-a-year cap mean your assessed value is likely far below market.
- ☐ **Planning a move after 55?** Prop 19 may let you transfer your tax base anywhere in California, up to three times, if timing rules are met.
  Buy or build the replacement within two years of the sale. If the new home is equal or lesser in value, your base transfers with no adjustment; a more expensive home adds only the difference.
- ☐ **Leaving the home to your children?** Prop 19 generally requires the child to use it as a primary residence; the current indexed exclusion is $1,044,586 above the factored base value for qualifying transfers through February 15, 2027.
  Left unaddressed, an inherited home is often reassessed to full market value, which can multiply the annual property tax for your children.

Title, Trust, and Estate Planning

- ☐ **Check how title is vested. The deed controls ownership, what happens when an owner dies** and how much capital-gains "step-up" your survivor receives.
- ☐ **Review whether a living trust fits your plan.** It may help keep the home out of formal probate.
  The streamlined primary-residence petition tops out at $750,000 of value; the personal-property affidavit is $208,850 (rising to $239,700 on 4/1/2026). Most California homes clear those figures on their own.
- ☐ **Already have a trust? Confirm the home was actually deeded into it.** A trust only avoids probate for assets actually deeded into it.
- ☐ **Update adult-child roles.** Revisit successor trustees, executors and financial or health-care agents.
- ☐ **Refresh directives and beneficiaries.** Retirement and life-insurance beneficiaries can override instructions in a will.

This checklist is general educational information, not legal, tax, or financial advice, and does not create any professional relationship. Rules, thresholds, and dollar amounts change and vary by situation and county. Confirm the specifics with a qualified attorney, tax advisor, or licensed professional before acting.

WESTERN RESOURCES TITLE™

Experience Matters

www.wrtca.com | rc@wrtca.com | 888.743.0412

California Empty Nester: Home, Property Tax & Estate Checklist

Selling, Downsizing, and Home Equity

- [ ] **Estimate potential capital gain.** Qualifying sellers may exclude up to $250,000 of gain, or $500,000 on certain joint returns. Long-held California homes can exceed this; plan the timing.
- [ ] **Gather improvement records.** Major renovations and additions may increase your cost basis.
- [ ] **Run the downsizing math as a package.** The Prop 19 tax-base transfer and the capital-gains exclusion can work together; potentially a smaller, easier home with a similar (or lower) property-tax bill.
- [ ] **Own a rental or second property?** Ask about a 1031 exchange or DST before selling to defer capital-gains tax and shift you from active landlord to passive income.
- [ ] **Staying put?** Compare HELOC, refinance and reverse-mortgage costs with your retirement income plan.

Insurance and Risk Protection

- [ ] **Update the home's replacement cost.** Insure for today's rebuild cost, not the home's market value or an old estimate.
- [ ] **Review wildfire coverage.** Know whether a FAIR Plan policy would also require separate DIC coverage.
  Documented mitigation under the state's Safer from Wildfires program (Class A roof, ember-resistant vents, a cleared "Zone 0") can unlock discounts and, sometimes, a return to standard coverage.
- [ ] **Reassess liability and life insurance.** Right-size life coverage and consider an umbrella policy as assets grow.

Health Coverage & Long-Term Care

- [ ] **Plan the bridge to Medicare.** If work coverage ends before 65, compare COBRA and Covered California options.
- [ ] **Mark Medicare enrollment dates.** Late enrollment can cause coverage gaps and long-term penalties. Note the dates well ahead of each spouse's 65th birthday.
- [ ] **Choose a long-term care approach.** Compare traditional insurance, hybrid policies and self-funding while options remain open.
- [ ] **Connect care planning to the home.** Discuss ownership, equity and estate goals before a health event forces a decision.

Documents to Gather & Keep Current

- [ ] **Deed and current title information**
- [ ] **Trust, will, powers of attorney and health-care directive**
- [ ] **Recent property-tax bill and exemption confirmation**
- [ ] **Homeowners, wildfire and umbrella policies**
- [ ] **Home-improvement receipts and permits**
- [ ] **One secure location.** Make sure a trusted person knows how to access it.

Who to Bring to the Table

No single professional covers all six areas. Most families need some combination of an estate-planning or elder-law attorney, a CPA or tax advisor, a financial planner, an insurance broker, and a title/real-estate professional. The value is less in any one document than in getting the right people talking to each other before decisions are made under pressure.

This checklist is general educational information, not legal, tax, or financial advice, and does not create any professional relationship. Rules, thresholds, and dollar amounts change and vary by situation and county. Confirm the specifics with a qualified attorney, tax advisor, or licensed professional before acting.

WESTERN RESOURCES TITLE™

Experience Matters

www.wrtca.com | rc@wrtca.com | 888.743.0412