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ADVISORY GROUP
at PLG Estates

The LA Downsizer's Playbook

What to do before you list.

A free guide from

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Guiding your next chapter.

The Math You're Avoiding

Run the numbers on a typical scenario.

- 4BR / 3BA home in Studio City
- 3,200 square feet you're heating, cooling, and maintaining
- Maybe two people living there

Even if you bought decades ago and your property taxes are locked in low, the other carrying costs add up fast: homeowners insurance, fire insurance, utilities (heating and cooling a 3,200 sq ft home isn't cheap), ongoing maintenance, landscaping, and repairs.

When you factor in insurance, utilities, and maintenance alone, you're easily spending **$8–12 per square foot annually** just to keep the lights on and the house from falling apart. That's **$25,000–$38,000 a year** on space you're not actively using.

You're not leaving your home. You're leaving a part-time job you didn't apply for.

The real question isn't whether you love your house. It's whether you want to keep paying for 3,200 square feet when you're living in 1,200 of them.

Timing Is Everything

And it's not what you think.

Most people wait for 'the perfect market.' Meanwhile, they're paying $3,000+ a month in carry costs — insurance, maintenance, utilities — on space they don't use. Waiting six months for a theoretical extra $50K in sale price (which certainly isn't guaranteed anymore) costs you about $18K in carry. Do the math.

PROPOSITION 19: TAKE YOUR TAX BASE WITH YOU

If you're 55+ and you've owned your home for years, you likely have a property tax rate far below current market value thanks to Prop 13. The good news: Prop 19 lets you transfer that tax base to a new home in California — up to three times in your lifetime.

If you're downsizing within California, you can keep your low property tax rate and apply it to your next place (with some adjustments based on the purchase price). It's a major financial advantage most people don't realize they have.

> **CAUTION: Prop 19 has strict timing rules**
> You need to file for your property tax transfer within specific windows — either before you sell or within two years after purchasing your new home. Miss the deadline and you lose the ability to transfer your low tax base. Talk to a tax professional or your agent before you list.

THE HIDDEN CALENDAR

You need more runway than you think:

- Months 1–2: Prep, repairs, declutter
- Month 3: List and show
- Month 4: Negotiate and close
- Months 5–6: Move and settle

Most people underestimate how long this takes. Best case: 4 months. Realistic case: 6 months. The earlier you start the conversation, the less rushed the entire process feels.

What Actually Matters When You Sell

Two things drive the outcome. Everything else is secondary.

1. PRICING

This is 90% of the equation. Price it right, it sells in two weeks. Price it wrong, you're on market for months, losing money in carry costs while chasing the market down. The goal isn't to 'test the market' — it's to price it accurately from day one based on real comps and current buyer activity.

2. CONDITION

Not perfection — just good condition. Buyers need to walk through and see themselves there without major mental gymnastics. Fresh paint, clean floors, working systems. For a luxury listing competing at the high end, professional staging can make the difference between a quick sale and sitting on market. For a property where most of the value is in the land, investing heavily in cosmetics doesn't move the needle.

The key is knowing which category your home falls into and allocating resources accordingly. We'll walk through that together when we look at your specific property.

> **CAUTION: "We Buy Houses" offers usually mean below-market pricing**
>
> Cash-offer companies and iBuyers promise speed and convenience, but they typically pay 10–20% below market value and charge additional fees. If you're relying on sale proceeds to fund your next chapter, that discount can cost tens of thousands. Get a proper comparative market analysis (CMA) from a local agent before accepting any 'instant offer.'

The Stuff Problem

Thirty years of accumulation doesn't fit in a 1,600 sq ft condo.

Or a 2,500 sq ft house in Palm Desert. Or wherever you're going next. This is the part people underestimate.

THE SORTING PROCESS

- Start early. One room at a time. Keep, donate, toss. No 'maybe' pile.
- Estate sales for furniture that might sell. Expect 20 cents on the dollar — still better than paying to move or store it.
- Donation runs for everything else (Goodwill, Out of the Closet, Habitat ReStore). Get the tax receipt.
- Junk removal for what remains at the end.

ESTATE SALE VS. FAMILY CONVERSATION

If you think your kids want your dining room set, ask them. Directly. Most of the time they're in smaller spaces themselves and don't have room for large furniture. Better to know now than assume.

GETTING YOUR HOME READY: WHAT TO DO (AND SKIP)

DO

- Fresh interior paint in neutral colors (we have painters)
- Deep clean, especially kitchen and baths (we have cleaners)
- Fix obvious issues — leaky faucets, broken fixtures (we have handymen)
- Curb-appeal refresh: mow, trim, clean walkways (we have landscapers)
- Professional staging for luxury listings at the high end

DON'T

× Remodel the kitchen or bath (you won't recoup it)
× Replace functional appliances (buyers have preferences)
× Over-landscape (new owners hire their own gardener)
× Stage a teardown (if the value's in the land, don't decorate the house)

We handle the logistics. You don't find vendors, get multiple bids, or manage contractors. We coordinate painters, cleaners, landscapers, junk removal, estate sales, packers, and movers. That's full-service.

What You're Actually Buying

Reverse the frame.

You're not buying a smaller place. You're buying time, liquidity, and freedom from maintenance. You're buying the ability to travel for six weeks without worrying about the sprinklers. You're buying not having to climb a ladder to clean gutters. And those stairs in your current house? They're getting longer, taller, and more arduous every year.

THE DOWNSIZER'S WISHLIST

- Walkability — coffee, groceries, dinner without getting in the car
- One story (those stairs aren't getting easier)
- Low or reasonable HOA fees that cover real value, not amenity bloat
- Near what you actually do: family, favorite spots, or whatever drew you there

WHERE PEOPLE ARE ACTUALLY GOING

California's median home value is 50%+ higher than the national average. The trend:

- Texas (Dallas, Fort Worth, Austin): affordable housing, no state income tax
- Arizona (Phoenix, Mesa, Scottsdale): lower cost of living, year-round sun
- Nevada (Las Vegas, Henderson): close to CA, tax benefits
- Florida: warm climate, retirement-friendly
- Also trending: Boise, Nashville, Washington / Oregon
- Staying in CA: Sierra foothills, Inland Empire, Central Valley for lower-cost alternatives

Key driver: tax-friendliness and lower cost of living matter more when you're on a fixed income.

The Part Nobody Tells You

Emotional exit is not financial exit.

The day you decide to move and the day you actually list are not the same day. For most people there's a 6–12 month gap between 'we should probably downsize' and 'okay, let's actually do this.'

That gap is where you do the math, have the hard conversations, and get comfortable with the idea that the house you raised your kids in is about to belong to someone else. It's normal. It's also expensive if you stretch it too long.

What past clients wish they'd known:

> *"I should have called sooner — waiting cost me $20K in carry."*
>
> *"I thought my kids wanted the furniture. They didn't."*
>
> *"I didn't realize I could take my tax base with me."*

LET THE BUYER TEAR IT APART

Once you're in contract, the buyer's inspector will find 47 things 'wrong' with your house. The roof has three years left instead of five. The HVAC is original to 1987. None of this is your problem anymore. You're moving. They buy it as-is or negotiate a credit — either way, you're not re-grouting the shower.

You've already moved on. The house just doesn't know it yet.

Ready to Talk?

No pitch. Just numbers.

I work with long-term LA homeowners who are ready to stop paying for space they don't use and scale down — or who are simply ready to get the heck out of Dodge.

If you want to talk through your situation — what your home's worth, what the tax picture looks like, what the timeline actually is — let's have that conversation.

Not sure if an agent is right for downsizers? Ask them:

- How many long-term LA homeowners have you helped sell in the last 12 months?
- Do you have vendor referrals for estate sales, junk removal, staging, and moving?
- Can you walk me through Prop 19 and how it applies to my situation?

If they can't answer these, keep looking.

Text 'DOWNSIZER' to 424-344-8164

or visit **padillaadvisorygroup.com**

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