SCAN TO SEND THIS TO YOUR KIDS

40 Ways to Help Your Kids and Grandkids Build Generational Wealth While You're Here to See It

You don't have to die to leave a legacy. The take-home companion to The Legacy Table

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GIVE MONEY

1. Gift the down payment ON STAGE

Hand them cash for some or all of the down payment. The lender needs a signed gift letter. The annual exclusion keeps most gifts tax-free: $19,000 per giver, per recipient, in 2026.

2. Pay the closing costs

Cover the 2 to 4% of price that trips up buyers who have a down payment but not the extras. Ask about single-premium PMI too. Paying it once at closing can cut the monthly payment for good.

3. Fund a rate buydown ON STAGE

Buy down their interest rate. Permanent points, or a 2-1 buydown that eases the first two years.

4. Gift of equity ON STAGE

Sell them a home you own below market. The discount counts as their down payment.

5. Pay down their debt

Knock out a car loan or credit cards to lower their debt-to-income and raise what they qualify for.

6. Pay off student loans

Often unlocks $200K to $400K more in mortgage capacity by fixing their DTI.

7. Fund their cash reserves

Lenders want months of reserves after closing. You can be the source.

8. Cover the upfront costs

Appraisal, inspection, and earnest money so they can actually compete.

9. Boost the earnest money

A larger deposit makes their offer stronger in a multiple-offer fight.

10. Cover an appraisal gap ON STAGE

Commit cash so their offer holds even if the appraisal comes in low. In a bidding war this wins homes.

11. Fund a mortgage recast

After closing, a lump sum plus a small lender fee re-amortizes the loan and lowers the payment for good. Far cheaper than a refinance.

LEND MONEY

12. Family loan at the IRS rate

Become the bank with a documented note at the Applicable Federal Rate. Below market for them, a fair return for you. Have a real estate attorney draft it, and hold the note in your trust so it never has to pass through probate.

13. Bridge the gap

A short-term loan while their own funds free up.

14. Shared-appreciation arrangement

Put in the down payment in exchange for a share of future appreciation. Get counsel first. Changing who is on title can retrigger a property-tax reassessment under Prop 19.

15. Front the cash, they refinance

Help them buy with cash to win the offer. They put a loan on the home right after closing, called delayed financing, and pay you back.

CO-SIGN AND CO-OWN

16. Co-sign the mortgage

Add your income and credit so they qualify for a larger or better loan. FHA allows a non-occupant family co-borrower at owner-occupied terms. Stay on the loan, not the title, unless your attorney says otherwise.

17. Joint ownership

Both on title and loan. You contribute capital and share the appreciation. Skip joint tenancy. Hold each family's share in its own trust with a written co-ownership agreement, so nobody inherits a surprise.

18. Buy it; they rent-to-own

You own it, they rent, often with credit toward a future purchase, then buy it from you.

USE ASSETS WITHOUT WRITING A CHECK

19. Pledged-asset mortgage

Pledge investments as collateral so they skip PMI, without you selling or triggering gains.

20. Tap your home equity

A HELOC, a cash-out refinance, or at 62 and older a reverse mortgage funds the help from equity rather than draining savings. Price all three before you pick one.

21. Gift appreciated investments

Give stock instead of cash. They sell in a lower capital-gains bracket. The basis carries over, so run it past the CPA first.

PROPERTY STRATEGY

22. Multi-generational home ON STAGE

Buy one property with an ADU or in-law suite. Two generations, shared cost, family equity.

23. House-hack a multi-family

They live in one unit of a 2-4 unit and rent the rest to cover the mortgage.

24. Downsize and redirect equity ON STAGE

Sell your larger home, move to something smaller, and gift part of the proceeds. Prop 19 lets 55+ owners take their low tax base along. A reverse-mortgage purchase can stretch the move further; get advice before considering one.

25. Buy-and-grow-into, or buy now and transfer later

Buy a starter they grow into, or buy it now, hold it in your trust, and leave it to them later.

26. Help them assume a low-rate loan ON STAGE

Millions of FHA, VA, and USDA loans still carry rates from the 2 to 3% era and can be taken over by a qualified buyer. The catch is the equity gap. Family cash or a family loan closes it.

27. Sell to them with seller financing

Sell your own property and carry the note yourself. An installment sale can spread your capital-gains hit over years.

28. Add an ADU or split the lot

California's ADU laws and SB 9 lot splits can put a second home on land you already own. Build it, rent it to them, or gift it.

GET THEM QUALIFIED

29. Credit coaching, 6 to 12 months out

Clean up reports and time the application right.

30. Add them as an authorized user

Put them on a seasoned card to lift their credit score.

31. Down-payment assistance programs

CalHFA MyHome helps first-timers with down payment and closing costs, and Mortgage Credit Certificates can cut their federal taxes. One caution: the state's Dream For All program is for first-generation buyers only. Because you own a home, your kids won't qualify.

32. Free housing while they save ON STAGE

A year at home can bank $30K to $48K of their own money at Sacramento rents.

33. Unlock their own retirement money ON STAGE

First-time buyers can pull $10K from an IRA penalty-free, withdraw Roth contributions any time, or borrow from a 401k. The order matters; have them get advice first.

34. Be their negotiator

Your steady hand and experience in the search itself is real help.

ESTATE AND TAX-SMART

35. Multi-year gifting

Both spouses gifting to both the child and the child's spouse moves $76,000 a year with no gift-tax filing at all.

36. Put the home in a trust ON STAGE

For most families that means your revocable living trust. You keep control while you live, and they inherit clean. Irrevocable trusts are for special situations, like providing for a special-needs child.

37. Early inheritance

Give now, with eyes open on basis and estate implications. The lifetime exemption is $15 million per person in 2026.

38. Buy now, leave it later ON STAGE

Different tax treatment than gifting in life. Inherited property gets a step-up in basis.

39. Transfer your home under Prop 19 ON STAGE

A parent-to-child transfer can keep part of your low property-tax base, but only if the child makes the home their primary residence within one year, and only up to a value limit. Above the limit, the difference is reassessed. In practice few families pull it off. Get advice early.

40. Start the fund early

Automatic monthly gifts into an investment account for a grandchild. Leftover 529 money can even roll into their Roth IRA over time, up to $35K lifetime. Time does the heavy lifting.

PROTECT YOURSELF FIRST

Never gift, lend, or pledge money you may need for your own retirement or long-term care. Run your retirement math, keep a care cushion, be fair across your children, and get every move in writing. And know this: in a family deal, parents and kids want different things. One attorney cannot represent both sides. Each side gets its own advice. The most generous thing you can do is to never become a financial burden to them.

The conversation to have with your family

1	Are you truly ready to own a home?
2	How long will you stay in it?
3	What does your full financial picture look like?
4	Is this a gift, a loan, a partnership, or something else?
5	What do your siblings get, and how do we keep it fair?
6	What happens if your circumstances change?
7	When Mom and Dad are gone, what happens to the loan, the title, and the plan?

Before you act, build your team

CPA	Tax impact of each strategy, gift-tax filing, Form 709, income tax on rent and loan interest, California specifics.
Trusts and probate attorney	How each move fits your will, trust, and estate plan. Ownership structures. Proper documentation.
Financial advisor	How much you can give without compromising retirement. Long-term-care planning. Asset allocation.
Insurance agent	Your trust should be named as an additional insured on the home policy. Claims pay to the trust, not to you personally.
Your SPG agent	Finding gift-of-equity, multi-gen, downsizing, assumable, and house-hack properties, and coordinating the whole move.

How Sierra Pacific Group helps

- Guide first-time buyers through the process, coordinating with family help.
- Help parents and grandparents downsize and free up trapped equity.
- Find gift-of-equity, multi-generational, assumable, and house-hack properties across the metro.
- Connect you with trusted local CPAs, attorneys, and lenders.
- Bilingual service in Spanish.

Your next three steps

1. Talk with your spouse about what you can safely give.
2. Have the honest family conversation. Use the seven questions from the seminar.
3. Meet your CPA, attorney, or advisor. Then book a free strategy session with us.

YOUR PANEL. CALL ANY OF US.

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