RENOVATION LOANS

Buy a House, Make It a Home

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WHY RENOVATE?

Whether you're bored with your abode or want to increase its value with home improvements, remodeling can not only renew your nest interest, it can also make every one of your rooms more functional. If you're in need of a change, here are 5 reasons to remodel your home:

1. **It's Often Cheaper Than Moving:** Extending, reconfiguring the layout and updating your current property could essentially provide everything that a new build property could offer at a much lower cost.

2. **Add Value to Your Home:** Did you know that a minor kitchen renovation can add an average of $15K to your home value? A major kitchen renovation adds about $40K to the resale value!

3. **Make It Your Home:** Customize your home to meet your needs and desires. Renovating simply makes more sense! A kitchen remodel, or a bathroom renovation makes your home a more enjoyable place to live and are a few of the features sought by today's home buyers.

4. **Cost Efficiency:** One major trend today is making your home more eco-friendly. Adding solar roof tiles, for example, is not only good to the environment but also good for your wallet.

5. **Earn While You Learn:** Potential buyers will compare your home to those being newly built; therefore, you'll want to look at the design trends and amenities being built into new homes.

WHAT ARE RENOVATION LOANS?

Considering a distressed property, fixer-upper, or home in need of some repairs? Homes that need a little work or updating can often be a great bargain turned investment, but some potential buyers shy away from these deals, afraid they can't afford an out-of-pocket expense for renovations.

Renovation loans allow for financing of the purchase price as well as the cost of repairing or renovating several elements of the home in one mortgage loan. From small repairs to large ones, there are many options to fit your specific needs.

BENEFITS OF RENOVATION LOANS

- Take out one loan to both purchase and renovate a home, also available for refinancing
- Low mortgage rates and low down payment requirements for qualified borrowers
- Potential to earn equity quickly by purchasing a home below market value and repairing or remodeling
- These loans facilitate the improvement of distressed properties, which contribute to the betterment of neighborhoods and communities
- Renovate a property that is above the conforming loan limit

Not every renovation has to be a large project and take up a lot of time. Simple renovations can make a big impact!

LARGER PROJECTS

KITCHEN RENOVATION

According to the 2017 U.S. Houzz Kitchen Trends Study, increasing family time, home cooking and entertaining are the top three reasons for kitchen renovations. We couldn't agree more! Whether it's used for baking cakes with the children, preparing a family meal, snacking on hors d'euvres with friends, a kitchen is a very important room in your house.

While contemporary is the most popular style across all age groups, millennial homeowners (25-34) are more likely to opt for modern or farmhouse kitchens than older homeowners (35+), while Baby Boomers (55+) are more likely to prefer traditional style. Millennial homeowners are also more likely to install kitchen islands.

According to the 2016 Houzz US Kitchen Study, 43% of homeowners could not stand their old kitchen and opted for a kitchen renovation.

KITCHEN RENOVATION CONTINUED

Countertops, backsplash and sinks are the three most popular kitchen features that undergo upgrading during a kitchen renovation. Most renovation planning for 2017 include white cabinets, gray walls and multicolored countertops. Top countertop materials are granite, quartz and butcher block.

Another interesting find from the study show that one-third of homeowners report leading a healthier lifestyle after a kitchen renovation, from eating more fruits and vegetables to preparing more meals at home. There you go, that's a fantastic reason to gift yourself a new kitchen!

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FHA Repair Escrow 203(b): For purchasing a home directly from HUD that needs cosmetic repairs not to exceed $35,000

MASTER BEDROOM

The average person spends a third of their time in bed. If you're spending that much time in a room, it is important to feel comfortable in this space. Your bedroom is the place to look forward to after a long day at work.

According to the 2017 Houzz & Home Study, the average master bedroom remodel spend is $3,500. To compare, kitchen renovations cost around $28,000.

Some ideas for upgrades include a fresh coat of paint, wood flooring or plush new carpet installation, a California king-size bed with luxurious linen, updated headboards, personalized art work, or something simple like replacing old dresser drawer handles.

So what are you waiting for? This weekend can provide the perfect opportunity to transform your bedroom into a calm and inviting haven

FINISHED BASEMENT

Have you been using the basement primarily for storage? You've got the extra space - why not turn it into something special? A place to escape every day noise, watch your favorite sports, challenge your friends to a round of pool or host family and friends.

Why not install a wine cellar or pub? Some other ideas include transforming the basement into a recreation room, adding a bedroom and bathroom for guests or your teenager, or turning the space into your own fitness studio, fully equipped with machines and sauna.

Whatever you decide to do, renovating your basement is guaranteed to add value to your home. A finished basement not only adds extra square footage to enjoy, it boosts the resale value.

FHA Standard 203(k) Rehabilitation Loan: For homes in need of extensive repair or renovation totaling more than $35,000, possibly including structural repair

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FHA Limited 203(k) Rehabilitation Loan: or homes in need of extensive repair or renovation totaling more than $35,000, possibly including structural repairs

SMALLER PROJECTS

- Replacement doors/windows: Replacing your windows and doors may seem like an unnecessary and expensive upgrade; however, by installing modern, energy efficient products it will prove to be more cost effective in the long run.
- Porch, patio, or deck repair: It's time to open up your outdoor space and make sure it is safe for family and guests.
- Painting: A fresh coat of paint is one of the easiest and least expensive ways to freshen and revitalize and room in your house.

GET STARTED

Have Questions? We're Here to Help!

We are here to answer any questions you may have about **Renovation Loan**.

FEEL FREE TO CONTACT US:

Mark Succarotte | nmls # 295348

VP of Mortgage Lending | *Whitecap Mortgage LLC*

Phone: 302-535-7327 | Office Phone: 302-635-1150

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