

## No Fear

Let us help you with your renovation project – large or small. Whether it is upgrades and repairs to an “as is” sale or a refinance at today’s low market rates that includes those long overdue upgrades; we have a loan for you. Most renovation financing can be completed with a one loan, one settlement transaction that includes all your repairs and renovations bundled in to a low rate 30 year Fixed mortgage.

## For Example

FHA’s Renovation Loan product requires only 3 ½% down on the renovated cost of an owner occupied house ... and allows up to \$30,000 dollars in renovations with out hiring a HUD Inspector to oversee your project. FNMA’s Homestyle Loan allows buyers who own other investment properties to purchase or refinance and renovate their owner occupied property. Some programs even allow you to include your current housing expense as a renovation expense if you can not live in the property during the construction period.

## A Handy Checklist for Your Renovation Financing:

- Find out what your affordability range is: It’s easy. Just call us for a quick look at your income & debt numbers and some important tips on this type of financing. We want you to be successful with your project so let’s start with the right mortgage for you.
- Identify a Property: Whether you are refinancing or purchasing a home, walk through the home with an eye for all those items that need repair, as well as the items that that you would like to see added. Some ideas of things to look at are – repairing or replacing appliances, bathrooms and kitchens (make over or totally renovate?), major house systems like heating or central air conditioning, structural items like porches and decks, flooring & floor covering, roofing system and gutters, energy items like upgrading insulation and windows, paint and wall coverings and finally, additions. These are all items that can be included in your renovation loan – purchase mortgage or refinance. Write all the items down on a note pad and even take a few photos so you can remember later.
- Estimates: Use your own contractors or look to us for a qualified referral. The estimate will give you an idea of what type of renovation loan your project will require and most important – does the work fit your original budget or will you need to fine tune your wish list? Will you need a HUD Inspector to do an oversight analysis? Does the project still make sense? We will help you with the paperwork and have lots of experience with the numbers. We are a team – so let’s sharpen our pencils and talk about all the options.
- Value Analysis: Once all the estimates are in and the numbers fit your budget, we will once over the entire project again, just to be sure, and then order an appraisal to see how much value those repairs and renovations will bring to the home. With the right value in hand, we can submit your renovation loan to underwriting for formal approval and loan closing.
- Construction: When you close on a renovation loan, the funds to be used for your repair and renovation were borrowed and are part of your new mortgage loan. That money is placed in an escrow account. That account pays for the repairs and renovation with periodic draws until the project is complete – up to six months time is allowed.
- Completion: Once all the repairs and renovations are complete, the appraiser comes out one last time to certify the value and the completion. That’s it. There are no new loans or refinances to obtain, no out of pocket expenses to worry about and no adjustment to your payments. Just enjoy your “like new” home.

**Most important – we’re here to help:** These loans *are* different, but for the borrower with vision they can be a tremendous way to get the home you want, the way you want it in today’s real estate market.