



**RENOVATION TEAM**  
CROSSCOUNTRY MORTGAGE®

# CCM Renovation for Realtors®

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**Your  
home  
purchase  
expert**



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**TEAM MCCONKEY**  
**CROSSCOUNTRY MORTGAGE®**

# What is a renovation loan and what does it do?

Renovation loans allow you to purchase or refinance a home and finance the cost of the project into one loan

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- Max Loan-to-Value (LTV) based off the total (Purchase Price/Payoff + Alterations Budget)
- Borrower chooses their own contractor
- Bid/scope of work vital to ordering appraisal since appraisal is based off future value
- Loan closes in property's as is condition
- Project begins after settlement



# Common misconceptions about renovation loans

Finally, you find the perfect house, in the location you want with a big yard, but the house is outdated, has deferred maintenance or needs major repairs

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- I won't show the property because I don't think it will qualify for a loan
- Buyers can be overwhelmed based on the current condition when they walk the property
- Without being aware of renovation financing, a chance to TRANSFORM THE PROPERTY is missed
- And chances are the property languishes on the market

**But we have a solution for this!**



# Think of a renovation loan as a solution

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## Purchases

- The property is outdated, and I don't have the funds to upgrade it
- Listing content is missing out on potential buyers who don't have the "cash only"
- The home won't qualify for a traditional loan
- Seller won't or isn't interested in making any repairs to the property

## Refinances

- Double bonus – Higher LTVs than traditional cash out/HELOCs and based off the future value
- Access to equity that isn't available using the "As Is" value
- Potential for zero cash to close
- Ability to customize their home as they wish
- Don't have to compete with other buyers



# Repairs/improvements/upgrades a renovation loan can be used for purchase and refinance

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## Allowable property types

- Single family residences
- Multi-family (owner-occupied 2-4 unit)
- Second homes (one-unit SFR)
- Rental investment properties (one-unit SFR)
- New kitchen (cabinets, countertops, appliances, flooring)
- New bath (fixtures, painting, walk-in shower, jacuzzi tub)
- New roof
- New HVAC
- Install/repair well and septic
- Add second story to existing house/expand first floor
- Build/rehab a garage
- Construct an ADU (accessory dwelling unit)
- Landscaping
- Remediate mold/pest infestation
- Repair foundation
- New in-ground pool/outdoor kitchen/gazebo



# Common reasons agents don't leverage renovation lending

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1. I don't understand them and/or how to sell them
  - Take advantage of our education, marketing materials, tools, webinars, and support team
2. I had a poor experience with one in the past
  - Learn how to set milestones for timing, especially about what's required to order the appraisal
3. I'm not sure where to start
  - The first step is already there but you may not realize it



# The pre-approval/pre-qual is the first step

“The credit is the credit”

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## Know your estimated renovation budget **BEFORE WALKING IN THE DOOR**

- If I’m pre-approved for \$400,000
- And the property is listed for \$300,000
- Do I realize I have ~\$100,000 estimated renovation (alterations) budget?

## “Alterations” on a renovation loan are a combination of the below including:

- Hard costs (labor and materials)
- Soft costs (plans, permits, reports)
- Renovation loan fees (title, update, inspection fees, etc.)
- Contingency Reserve
- Escrowed mortgage payments

## How this will help the client and agent (and you, too)

- Opens up more properties to show buyers
- No need to have significant cash on hand to pay for upgrades/repairs/improvements
- Eliminates buyers from walking away from a property because they don’t have funds or current property condition
- Completely changes the perspective about house hunting

**“If you find a home that needs a little love you can spend up to your pre-approved amount on the combination of the sales contract + alterations budget.”**



# Great candidate for a renovation loan!



**\$134,999**

3226 Trezevant St, Dallas, TX 75210

Est.: \$877/mo [Get pre-qualified](#)

**2** beds   **1** baths   **1,142** sqft

[Request a tour](#)  
as early as tomorrow at 9:00 am

[Contact agent](#)

Single Family Residence

Built in 1922

6,272 sqft lot

Great Investment! Close to Cotton Bowl Stadium and Children Aquarium Dallas At Fair Park. Handy-man special home with 2 bedrooms and 1 bath. As Is

**75 days** on Zillow | **609** views | **21** saves



# We have a solution to fix these!

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# Writing an offer/calculating the “purchase price”

Add the sales contract + alterations budget to get the “total acquisition cost”

## Alterations budget includes:

- Hard costs
- Soft costs
- Renovation loan fees
- Contingency Reserve (Emergency Fund)
- Escrowed mortgage payments

### FHA 203k Purchase

\$300,000 sales contract  
+ \$100,000 alterations budget  
**\$400,000 total acquisition cost**  
X 96.5% LTV  
**\$386,000 loan amount**

### VA Renovation/USDA Renovation Purchase

\$300,000 sales contract  
+ \$100,000 alterations budget  
**\$400,000 total acquisition cost**  
X 100% LTV  
**\$400,000 loan amount**

### Homestyle/CHOICEReno Purchase

\$300,000 sales contract  
+ \$100,000 alterations budget  
**\$400,000 total acquisition cost**  
X 97% LTV (FTHB)  
**\$388,000 loan amount**

Note for 203k loans: The purchaser has applied for 203k financing. The purchaser, seller and the real estate agents or brokers involved in the sales transaction certify, to the best of our knowledge and belief, that (1) the terms and conditions of the sales contract are true and (2) any other agreement entered into by any parties in connection with the real estate transaction is part of, or attached to, the sales agreement.



# Buyer benefits using a renovation loan

A renovation loan is a single transaction that includes the combination of the sales contract + alterations budget

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1. Take advantage of all listings regardless of the current condition of the property
2. Consider properties you might normally not because you don't have cash to fund the renovation
3. Down payment options mirror traditional loans
  - 3% conventional (first-time homebuyer)
  - 3.5% FHA 203k
  - 0% VA renovation (limitations apply)
  - 0% USDA renovation
  - HUD \$100 down program in conjunction with a 203k loan (limitations apply)
4. Borrower is making fully amortizing mortgage payment from the get-go like a traditional loan
  - Interest rate is fixed when the loan closes (30/20/15-year term)
  - Be proactive and address this at the onset of the origination process
  - An educated borrower is a powerful borrower



# Renovation Product Comparison Grid

An entire suite of products, not just 203k loans

Purchase Refinance	FNMA	FHLMC	FHA	FHA
	HomeStyle Energy	GreenChoice	\$100 Down	GNND
Property Type	Eligible Eligible 1-4 Units, Condo NO Manufactured Homes NO Leasehold NO Mixed Use	Eligible Eligible 1-4 Units, Condo NO Manufactured Homes NO Leasehold NO Mixed Use	Eligible Eligible 1-4 Units, Condo NO Manufactured Homes NO Leasehold FHA Standard Allows Mixed Use	Eligible Eligible 1-4 Units, Condo NO Manufactured Homes NO Leasehold FHA Standard Allows Mixed Use
Primary Residence/LTV	1 Unit FTHB/HomeReady - 97% LTV 2-4 Unit - 95% LTV LTV High-Balance 2-4 Unit Properties: 2 Unit - 85% 3-4 Unit - 75%	1 Unit - 95% LTV 1 Unit HomePossible - 97% LTV 2 Unit - 85% LTV 3-4 Unit - 80% LTV	LTV requires AUS Findings to reflect "Approve"	LTV requires AUS Findings to reflect "Approve"
Second Home/LTV	'Allowed' 1 unit Purchase & Limited Cash-out Refinance at 90% LTV	'Allowed' 1 unit Purchase & Limited Cash-out Refinance at 90% LTV	N/A	N/A
Investment Property/LTV	'Allowed' 1 unit Purchase at 85% LTV; 1 unit Limited Cash-out Refinance at 75% LTV	'Allowed' 1 unit Purchase at 85% LTV; 1 unit Limited Cash-out Refinance at 75% LTV	N/A	N/A
LTV Notes	Value based on After Improved Appraised Value	Value based on After Improved Appraised Value	Can lend up to 110% of the As-Completed Appraised Value 96.50% Purchase 97.75% Refinance	Can lend up to 110% of the As-Completed Appraised Value 96.50% Purchase 97.75% Refinance
Minimum Credit Score / FICO	620	620	600	600
Gift Funds	Allowed per Agency Guidelines - No Investment	Allowed per Agency Guidelines - No Investment	Allowed per Agency Guidelines	Allowed per Agency Guidelines
Minimum Repair Amount	NONE	NONE	No Minimum \$35,000, Includes Contingency and Renovation Related Fees	Minimum - \$5,000 No Maximum
Maximum Repair Amount	15% of the appraised value of the property for Energy-Related Improvements (maybe used in conjunction with HomeStyle Renovation, follow HomeStyle Renovation guides if combining programs)	15% of the appraised value of the property for Energy-Related Improvements	Follow the guidelines of Limited or Standard Program	Follow the guidelines of Limited or Standard Program
Contingency Requirements	10% Minimum; may increase to 15% due to project	10% Minimum Required; If Utilities are not on and verified functional minimum is 15%	10% Minimum Required; If Utilities are not on and verified functional minimum is 15%	10% Minimum Required; If Utilities are not on and verified functional minimum is 15%
Occupancy Restrictions	No Restriction	No Restriction	Follow the guidelines of Limited or Standard Program	Follow the guidelines of Limited or Standard Program
Self-Help or Do-It-Yourself (DIY)	Not Allowed	Not Allowed	Not Allowed	Not Allowed
Allowable Repairs	Energy-Related Improvements (Energy Report Requirements maybe required)	Eligible basic energy and/or water efficiency improvements (Energy Report Requirements)	Follow the guidelines of Limited or Standard Program	Follow the guidelines of Limited or Standard Program
Swimming Pools	N/A	N/A	YES, Inground Pool - Only to Repair or Remove	YES, Inground Pool - Only to Repair or Remove
Year Down/Rebuild Allowed	N/A	N/A	Follow the guidelines of Limited or Standard Program	Follow the guidelines of Limited or Standard Program
Mold/Lead Based Paint Remediation	Allowed	Allowed	Allowed	Allowed
Additions	Allowed	Allowed	Follow the guidelines of Limited or Standard Program	Follow the guidelines of Limited or Standard Program
Foundation Repairs	Allowed	Allowed	Follow the guidelines of Limited or Standard Program	Follow the guidelines of Limited or Standard Program
Construction of Out-Building / Garage	Allowed	Allowed	Follow the guidelines of Limited or Standard Program	Follow the guidelines of Limited or Standard Program
ADU	Yes - Attached or Detached	Yes - Attached or Detached	Follow the guidelines of Limited or Standard Program	Follow the guidelines of Limited or Standard Program
HUD Consultant Required	If Structural or Over \$50,000 - Required	If Structural or Over \$50,000 - Required	Follow the guidelines of Limited or Standard Program	Follow the guidelines of Limited or Standard Program
Finance PITI Payments	Owner Occupied Only	Owner Occupied Only	Follow the guidelines of Limited or Standard Program	Follow the guidelines of Limited or Standard Program
Identity of Interest	No Restriction	No Restriction	Not Allowed	Not Allowed
Conflict of Interest	Must obtain third-party verification of renovation costs	Must obtain third-party verification of renovation costs	Not Allowed	Not Allowed
Property Age	No Restriction	Existing Properties Only must have Certificate of Occupancy (CO)	At Least one (1) Year from Certificate of Occupancy (CO)	At Least one (1) Year from Certificate of Occupancy (CO)
Loan Limits	FNMA Conforming and High Balance	FHLMC Conforming and Super Conforming	County Loan Limits	County Loan Limits
Contractor Payment	50% of materials up to \$25,000 for bids less than \$175K. Greater than \$175K up to 15% of the total bid.	50% of materials up to \$25,000 for bids less than \$175K. Greater than \$175K up to 15% of the total bid.	Follow the guidelines of Limited or Standard Program	Follow the guidelines of Limited or Standard Program
11/4/2024	This matrix is a quick reference guide and should not be used for eligibility purposes. This is an internal document only, see guidelines for more information. *Additional overlays may apply.			



# CCM's "Suite" of Renovation Loan Products

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1. Many similarities
  - Follow same loan limits as their non-reno counterparts
  - Scope of repairs/improvements
  - Amount of repairs/improvements
2. Subtle differences
  - Conventional (luxury items allowed)
  - Draws/Disbursements
  - When a HUD Consultant is required

## **USDA Renovation**

- Limited - minor, cosmetic, non-structural repairs <= \$35,000
- Standard - major, structural repairs, projects > \$35,000

## **VA Renovation**

- Limited - minor, cosmetic, non-structural repairs <= \$50,000
- Standard - major, structural repairs, projects > \$50,000

## **FHA 203K**

- Limited – minor, cosmetic, non-structural repairs <= \$75,000
- Standard – major, structural repairs, projects > \$75,000

## **Conventional**

- FNMA Homestyle®
- FHLMC CHOICERenovation



# FHA 203(k) Renovation Loan (Limited and Standard)

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1. Same 3.5% down payment as a regular FHA loan
2. Can be combined with HUD \$100 Down and Good Neighbor Next Door (GNND) programs
3. 1-4 unit owner-occupied properties (primary residence only)
4. A 30-year fixed rate, fully amortizing mortgage
5. Can gross up value 110% of the after-improved appraisal if needed
6. Limited 203(k) for repairs <\$75,000 total renovation
  - \$75,000 includes hard/soft costs, contingency, inspection fees, etc.
  - For minor, cosmetic, non-structural repairs
  - HUD Consultant optional
7. Standard 203(k) with no max amount (min \$5k)
  - For larger projects >\$75,000 and/or structural repairs (regardless of cost)
  - Requires a HUD consultant regardless of renovation amount



# FHA 203k flyer



## FHA 203(k) Standard vs. Limited Loans

### One program, two home improvement options

Renovation loans open new opportunities for your clients. With just one loan, they can purchase or refinance a home and include the renovation costs – making any home their dream home!

Here's how two of our most popular renovation loans compare:

#### Standard

- Intended for extensive home improvements or rehab projects
- Minimum repair amount of \$5,000
- Maximum repair amount is contingent on the home's county limit
- HUD consultant required: Yes
- Five draw options available
- Maximum five inspections and title updates are required
- Maximum time for completion of repairs is 12 months

#### Limited

- Meant for minor repairs or renovations
- No minimum repair amounts
- Maximum repair amount of \$75,000
- HUD consultant optional
- The maximum disbursement at closing to be the lesser of \$22,500 or 50% of the estimated labor and materials costs disclosed on the contractor estimate or HUD Consultant Work Write Up
- One inspection per contractor and one title update required
- Maximum time for completion of repairs is 9 months
  - Home must remain habitable throughout

Contact me to learn more about our renovation financing options.

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# FNMA HomeStyle<sup>®</sup> and Freddie Mac CHOICERenovation<sup>®</sup> Repairs

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- 3% – 5% down payment for 1 – 4 unit homes
- 1-4 unit primary homes, incl. condos and 1-unit second homes/investment properties
- There are almost no restrictions on the type of improvements, including cosmetic, non-structural and structural repairs
- Luxury items allowed (brand new in-ground swimming pool, backyard gazebo, outdoor kitchen)
- All improvements must be affixed to the property (exception of certain appliances installed with kitchen and utility room remodels)
- ADUs – attached or detached (check local zoning regulations)
- May NOT be used for complete tear-down and reconstruction of the dwelling
- New construction without C of O/Occupancy permit – what can we do?
  - 10% of the after-improved value of the property (HS only)
  - Non-structural, buyer selected items (flooring, trim, appliances, etc.)



# Build an accessory dwelling unit (ADU)

- Rent it out and apply the income to your mortgage payment every month
- Use for multigenerational/aging in place housing
- Or maybe just for more space!



## Want to add an ADU?

Build it!

Need private space for family or a way to create income? An Accessory Dwelling Unit (ADU) could be just what you're looking for. You can use an FHA 203(k) Standard, FNMA HomeStyle® Renovation, or Freddie Mac CHOICERenovation™ loan to build your ADU.

**What to know:**

- The primary home must be owner-occupied
- The ADU must be smaller than the primary home
- Future rental income can't be used to qualify for the loan
- Only one, 1-unit ADU allowed on the property
- FHA 203(k): ADU must be attached to primary home
- HomeStyle® or CHOICERenovation™: ADU can be attached or detached
- Mortgage payments can't be financed when building an ADU
- Check your local zoning eligibility **before** you start planning your ADU!

**Explore your ADU options. Contact me today.**

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**Separate, private, convenient**

Guest, family, or rental suite





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**CROSSCOUNTRY MORTGAGE**

**TotalExpert**

# Create your own backyard oasis with a conventional renovation loan

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# USDA renovation loan features

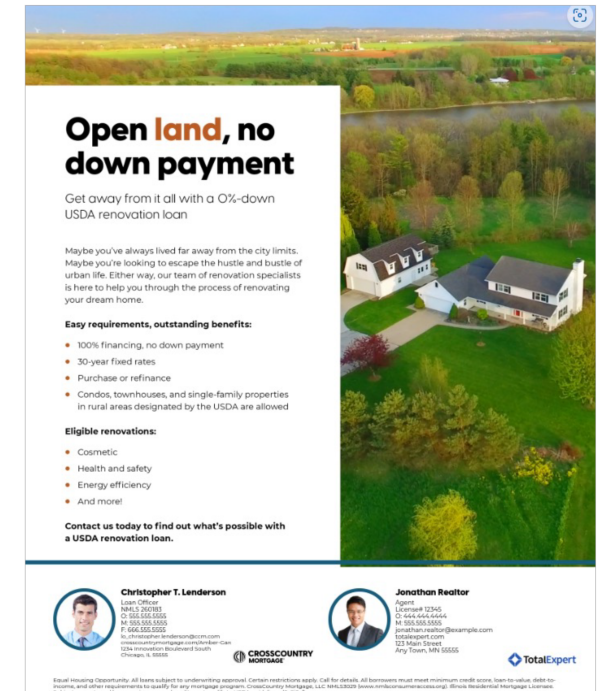
- Rural Properties
- Works just like the FHA 203(k) Limited and Standard
- Purchase only
- Finance in mortgage payments (Standard only)
- Up to 100% LTV

## USDA Limited:

- Minor remodeling (i.e. kitchen/bath without structural changes)
- Roof, gutters/downspouts
- HVAC systems
- Plumbing/electrical systems
- Flooring
- Painting (exterior and interior) or lead paint stabilization
- Weatherization (i.e. storm windows and doors)
- Purchase and installation of appliances
- Mold remediation
- Well/septic minor repairs
- Repair existing in-ground pool

## USDA Standard:

- Major structural alterations and additions
- Reconstructing a structure that has been/will be demolished, provided the complete existing foundation is NOT affected and will still be used (cannot alter the footprint of the structure)
- Attached ADUs
- Alterations that allow income-producing features are not permitted



**Open land, no down payment**

Get away from it all with a 0%-down USDA renovation loan

Maybe you've always lived far away from the city limits. Maybe you're looking to escape the hustle and bustle of urban life. Either way, our team of renovation specialists is here to help you through the process of renovating your dream home.

**Easy requirements, outstanding benefits:**

- 100% financing, no down payment
- 30-year fixed rates
- Purchase or refinance
- Condos, townhouses, and single-family properties in rural areas designated by the USDA are allowed

**Eligible renovations:**

- Cosmetic
- Health and safety
- Energy efficiency
- And more!

Contact us today to find out what's possible with a USDA renovation loan.

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# VA renovation loan

## VA Limited <\$50,000 total alterations

- For minor, cosmetic, non-structural repairs

## VA Standard >\$50,000 total alterations and/or structural repairs

- Minimum \$5,000 project
- Requires a HUD Consultant regardless of renovation amount

## VA Limited:

- Roof, gutters/downspouts
- Plumbing/electrical systems
- Flooring
- Minor remodeling (i.e. kitchen/bath without structural changes)
- Painting (exterior and interior) or lead paint stabilization
- Weatherization (i.e. storm windows and doors)
- Purchase and installation of appliances
- Mold remediation
- Well/septic minor repairs
- Repair existing in-ground pool

## VA Standard:

- Major structural alterations (including load-bearing walls) and additions (building up or out)
- ADA repairs (access ramps, increase door width, etc.)
- Attached ADUs

## Ineligible repairs

- Tear down/razing of properties
- New construction
- Luxury items

**YOUR GOAL:**  
**Create the home you love**

**YOUR LOAN:**  
**VA Standard Renovation**

It's a renovation loan for your biggest dreams, with the benefits of a VA mortgage.  
VA Standard Renovation loan is an all-in-one purchase (or refinance) and renovation mortgage, creating more opportunities for you to remodel and improve as you wish.

**FEATURES:**

- Purchase or refinance and renovate with one loan
- All the benefits of a VA mortgage
- Minimum repair amount \$5,000, no maximum
- Major rehabilitation, remodeling, cosmetic upgrades
- Landscaping and site improvements
- Owner DIY not allowed

Let's make your home happen. Contact me.

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# How renovation loans can increase your business and brand

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1. Opens up more properties to show and for buyers to consider
2. Gives you solutions for properties marketing as “Needs TLC,” “Handyman Special,” and “Fixer-Upper”
3. Eight different product options for different credit profiles
4. Adding content to your online listing description and/or MLS Agent Comments will change buyers’ perspective
  - Breathe new life into the property by financing your repairs and upgrades into your loan
  - Create that open concept kitchen/floorplan you’ve always dreamed of
  - Build that primary bedroom retreat you’ve always wanted

**Brand yourself as an agent who will offer the most exposure a seller could ask for no matter if you’re on the buy or sell side**



# Tons of renovation marketing flyers available



## Unlimited opportunities with renovation financing

Our suite of products allows your clients to do more with their projects

At CrossCountry Mortgage, there is unlimited possibility with every project. Unlike other lenders, we're able to do more than just repairs with our renovation financing.

Whether it's fixing an existing issue, remodeling, or building onto their home, our suite of products has your clients covered.

**Flip that bathroom repair into a full remodel!**

Referring your clients to us allows them to get more work done than previously imaginable and build instant equity in their homes.

Call or email today to partner with us!

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**Christopher T. Lenderson**  
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## Don't just fix it. Make it fantastic!

Renovation loans aren't just for homes in disrepair

Whether you're buying or refinancing, we'll match you up with the perfect loan so you can make a huge variety of improvements and additions, including:

- Accessory dwelling units (think guest house or pool house)
- In-ground pools
- Full kitchen and bathroom remodels
- Garages
- Basement refinishes
- And so much more!

Ready to get started? Call or email today!





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## Your clients can make **any** home their own

Show them more possibilities with renovation loans

Is your market inventory limited? Do you have a buyer who needs help affording the home they dream of? Or a client who wants a new home without moving? **Help them win with a renovation loan!**

Renovation loans combine a purchase or refinance with the cost of home improvements, all in one mortgage. It's a cost-effective way for your clients to finance large repairs or desired upgrades.

**How this helps your clients:**


- Loan amount is based on purchase price plus project costs
- Borrowers can leverage higher appraisal values
- Easier and faster than building a home
- Builds immediate equity

**How this helps your business:**

- Expands your client base
- Offers more choices for your clients
- Opens new doors in well-established neighborhoods
- Creates new partnerships with CrossCountry Mortgage's (CCM) renovation specialists

**Let's discuss how we can help your clients and your business win with CCM's Renovation Team.**

Call or email today to partner with us!



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# Co-branded renovation marketing flyers



## Can't find the perfect home?

Create it with a renovation loan!

Few tools can do more to bring your homeownership dreams to life than a renovation loan.

**First**, home improvements can increase your home's overall value – building equity fast.

**Second**, fixer-uppers are often cheaper than ready-to-go homes. So you can imagine your perfect abode – and then create it.

Have an idea how you can use a renovation loan? **Let's discuss your options.**

**Renovation loans cover many projects, from new floors to updated heating, helping you achieve your goals in five ways:**

- 01 The purchase (or refinance) and renovation costs are included in one home loan
- 02 Combining the costs in one home loan means fewer payments and less hassle
- 03 The home loan will likely carry a lower interest than a credit card or personal loan
- 04 Can be used for everything from small fixes to major additions
- 05 Available for primary homes, second homes, and investment properties

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**CROSSCOUNTRY MORTGAGE** **TotalExpert**

Equal Housing Opportunity. All loans subject to underwriting approval. Certain restrictions apply. Call for details. All borrowers must meet minimum credit score, loan-to-value, debt-to-



## Renovation capabilities

Whether it's fixing an existing problem or personalizing your space, our suite of renovation products can help make it happen

**Items needing an update:**

- Hardwood floors
- Central air system
- In-ground pool
- Accessory dwelling unit (ADU)
- Kitchen remodel
- Additional bathroom
- Outdoor deck

**Missing or damaged items:**

- Window screens
- Electrical switches, outlets, or plates
- Flooring or tiles
- Built-in appliances
- Bathroom fixtures
- Handrails on staircases with 3+ steps
- Shingles
- Gutters
- Soffit/fascia/siding
- Well/septic system

**Other issues:**

- Exposed wiring
- Chipped/peeling paint
- Mold or mildew
- Termites damage
- General roof damage
- Windows that don't open or close easily
- Inadequate caulking or weather stripping
- Water damage or moisture in the basement
- Non-operational utilities
- Improperly equipped water heater (no relief valve or strapping)

Call or email today to see what a renovation loan can do for you!

**Christopher T. Lenderson**  
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## Limited inventory?

Limitless possibility with our suite of renovation products

All of our financing options are available to eligible borrowers with credit scores as low as 620. We also lend based on the after-improved value of the house, allowing you to make your dream home a reality like never before.

**FHA 203(K) - LIMITED & STANDARD**

- 1-4 units allowed
- Primary residences only
- Limited: no minimum repair amount, \$35,000 maximum
- Standard: \$5,000 minimum repair amount, no maximum

**FANNIE MAE HOMESTYLE & FREDDIE MAC CHOICERENOVATION**

- 1-4 unit owner-occupied properties, single-unit second homes, and single-unit investment properties allowed
- For structural and cosmetic repairs, additions, and health and safety renovations
- Loan amounts up to high-balance loan limits

**USDA RENOVATION - LIMITED & FULL**

- Single-unit primary residences only
- Limited: no minimum repair amount, \$35,000 maximum
- Full: no minimum or maximum repair amounts

**VA RENOVATION - LIMITED & STANDARD**

- No down payment or mortgage insurance required for eligible Veterans
- 1-4 unit owner-occupied properties allowed
- Can borrow up to \$50,000 in additional funds for renovation projects

\* Concessions may exceed 4% depending on property type.  
\*\* Capped at 25% of the value after renovations and will include your contingency reserve, permit fees, inspection fees, title updates, and supplemental origination fee.

**Renovation loans open a world of opportunity. Ask us for more information today!**

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Equal Housing Opportunity. All loans subject to underwriting approval. Certain restrictions apply. Call for details. All borrowers must meet minimum credit score, loan-to-value, debt-to-income, and other requirements to qualify for any mortgage program. CrossCountry Mortgage, LLC NMLS2029



# Social Media – gives your listings more exposure

**Create Post**

Select Accounts \*

All Channels Profile Post Page Post Post Message

Content

Finance the cost of a new bathroom into your loan.

[https://www.zillow.com/homedetails/1902-S-Spring-Ave-Sioux-Falls-SD-57105/85835869\\_zpid/](https://www.zillow.com/homedetails/1902-S-Spring-Ave-Sioux-Falls-SD-57105/85835869_zpid/)

Contact me to find out how!

**1902 S Spring Ave, Sioux Falls, SD 57105 | MLS #22403356 | Zillow**  
[https://www.zillow.com/homedetails/1902-S-Spring-Ave-Sioux-Falls-SD-57105/85835869\\_zpid/](https://www.zillow.com/homedetails/1902-S-Spring-Ave-Sioux-Falls-SD-57105/85835869_zpid/)  
This 1205 square feet Single Family home has 4 bedrooms and 1 bathroom. It is located at 1902 S Spring Ave, Sioux Falls, SD.

Photo Video

Select Photo Upload Photo

URL Shortener

spr.ly(spr.ly)

Schedule Post Publish Another

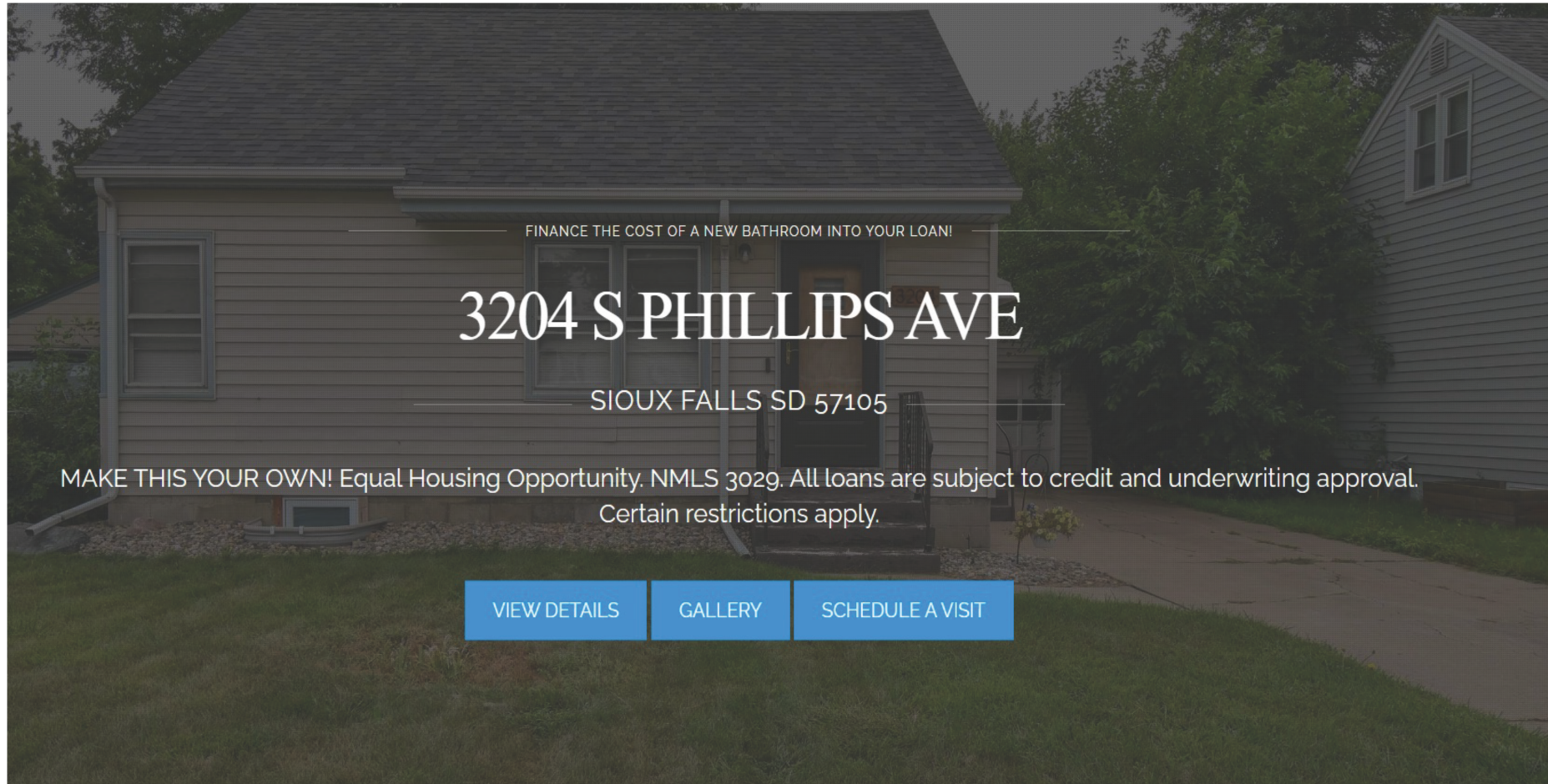
Save as Draft Post

9:41  
Search  
Regional Renovation Sales Manager at...  
now  
Finance the cost of a new bathroom into your loan.  
spr.ly/1289  
Contact me to find out how!  
1902 S Spring Ave, Sioux Falls, SD 57105 |  
MLS #22403356 | Zillow  
zillow.com  
982 23 Comments  
Like Comment Share



# Single property sites

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FINANCE THE COST OF A NEW BATHROOM INTO YOUR LOAN!

## 3204 S PHILLIPS AVE

SIOUX FALLS SD 57105

MAKE THIS YOUR OWN! Equal Housing Opportunity. NMLS 3029. All loans are subject to credit and underwriting approval.  
Certain restrictions apply.

[VIEW DETAILS](#) [GALLERY](#) [SCHEDULE A VISIT](#)




# Pictures, details, and contact me!

3204 S Phillips Ave Sioux Falls SD 57105

3204 S Phillips Ave Sioux Falls SD 57105

HOME OVERVIEW GALLERY LOCATION CONTACT

## GALLERY



4 Bedrooms  
1 Bathrooms  
1,575 Square Feet  
1952 Built In

### MAKE THIS PROPERTY YOUR OWN!

\$275,000

Explore this beautifully updated 4-bedroom home! Revel in the charm of original hardwood floors, a sleek modern kitchen, two cozy bedrooms on the main level, and a stylishly updated bathroom. Additionally, enjoy the recently finished family room in the lower level perfect for gatherings and an extra bedroom for guests or a home office! This home has many recent updates such as new roof in 2022 on house and garage and updated electrical. There is potential for updates such as adding an additional bathroom upstairs where plumbing has already been roughed out or in the basement where there is perfect space. The back yard is a great backdrop with mature trees. This home is conveniently located near schools, shopping, and restaurants. You won't want to miss out on this charming home!

Name

Email


Phone

Message



# Draw Administration – Instructions for the rehabilitation period

## What to Expect, Renovation Disbursements



**DO'S**

- Start work within 30 days of loan closing.
- Apply for permits as soon as possible.
- Establish a preferred point of contact and method with your draw administrator.
- Confirm your mailing address with your draw administrator and notify them of any changes.
- Be mindful of your project deadline and ensure your project remains on schedule.
- Change orders are required to be reviewed and accepted by the Lender **before** work starts.

**DON'TS**

- Do not pay the contractor any advances outside of the loan.
- Do not purchase materials.
- Do not complete any repairs yourself or act as project manager.
- Do not start other projects until you have completed the initial scope of work required by CCM and have a clear and final inspection.
- Do not deviate from the initial scope of work. The appraisal and loan are based on the initial accepted scope of work.
- The primary purpose of your contingency reserve is to cover **emergency, unexpected, and necessary** renovation expenses for the **initial scope of work**. CCM must accept the change order before work starts.
- Do not sign a draw request form if **unsatisfied or disagree** with the completed work.
- Discuss any discrepancies with the HUD Consultant or your draw administrator.

**ALL DRAWS**

A finite amount is allocated to inspection costs in your renovation escrow account. A draw should only be requested when a substantial portion of work has been completed. Inspections should be held at 20% completion increments if you have a HUD consultant.

**CHANGE ORDERS**

Any change in the contract price, the schedule, or the work must be documented on a change order form signed by the Borrower, Contractor, and HUD Consultant and accepted by the Lender; before work **starts**. Change orders accepted by the Lender and HUD consultant must be completed within the initial timeframe accepted by the Lender.

**MATERIAL DRAWS AT CLOSING (CONVENTIONAL)**

The material draw check released at closing must be deposited into the contractor's account. Their bank may require both of you to be present to deposit the check. A waiver can be signed to opt out of dual-party checks. This form must be signed before each disbursement.

**PERMITS**

If the permit(s) is required for any proposed project repairs outlined in the HUD consultant's work write-up or contractor bid(s), then a copy of the permit(s) must be provided at the first draw and attached to the applicable draw request. If certification is required after a repair item(s) has been completed, a copy of the certification must be attached to the final draw request for disbursement of funds.

# Draw Administration – Instructions for the rehabilitation period

<b>What to Expect, Renovation Disbursements</b>	 <b>RENOVATION TEAM</b> CROSSCOUNTRY MORTGAGE	
<b>PROGRESS DRAWS</b>		
<p>Progress check-ins with your draw administrator should occur at least <b>every 30 days</b> to remain on schedule. Notify your draw administrator of any conflicts and/or delays with your contractor or obstacles that impact the project timeline.</p>		
<p>A title update is completed at each draw to verify that no liens have been placed on your property by a contractor, subcontractor, or supplier. This process typically takes 24-48 hours. Please plan accordingly.</p>		
<p>Payment to the contractor will be evaluated based on completed work only. Materials on site are not eligible to be drawn. An item does not need to be 100% complete to be paid, but it needs to be partially installed or in progress, and any required permit inspection(s) must be presented with the draw request.</p>		
<b>FINAL DRAW</b>		
<p>Permits must pass final inspections, and the municipality must issue any required certificates of approval/completion/compliance/occupancy before the release of the final draw. No other work or projects can be started or in progress outside the initial scope of work at the time of final inspection. This will cause delays, prohibit the final release of funds, and allow a lien to be placed on the property.</p>		
<p>A final inspection by the appraiser may be required to process the final draw request. This inspection is pass/fail to assess if all work in the loan's scope is 100% complete. This inspection may fail due to health and safety issues that do not meet minimum property requirements (MPRs). For example, a staircase without a railing would cause the inspection to fail and require a second trip. There will be an additional cost if reinspection is required at your expense.</p>		
<p>Before releasing rehabilitation escrow funds, the Mortgagee must approve the final inspection and draw request signed by the Consultant, Contractor, and Borrower.</p>		
<b>CONTRACTOR DISPUTES</b>		
<p>Contractor disputes will be resolved by the Construction Industry Arbitration Rules of the American Arbitration Association (AAA) unless both parties agree to other methods. The award rendered by the arbitrator(s) will be considered final, and judgment may be entered upon in accordance with applicable law in any court having jurisdiction thereof.</p>		
_____ Contractor Representative	_____ Print Name	_____ Date
_____ Borrower Signature	_____ Print Name	_____ Date
_____ Borrower Signature	_____ Print Name	_____ Date



# Milestones/steps for a smooth renovation loan purchase

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1. Getting pre-approved/pre-qualified before going house hunting
  - Buyer and agent understand the pre-approved/pre-qual amount serves as the combination of the sales contract + alterations budget
  - If possible, buyer should have contractor walk property with them and start thinking about repairs/improvements/upgrades
  - Family, friends, colleagues, agents, and the internet are good places to search for contractors
2. Has offer been accepted?
  - The LO is the original driving force
  - Introduction of who they'll be hearing from (Our Renovation team)
  - Make sure all parties understand what's needed, when it's needed, and what happens if it's not provided
  - Set small steps/milestones to simplify the process
3. Timing
  - Appraisal cannot be ordered until scope of work (contractor bid/HUDC SOR) has been received and reviewed
  - Once appraisal is in, Reno team reviews to determine if any additional repairs were called out that must be included in the project
  - If applicable, after additional items are added to scope of work, the Reno team can finalize the renovation portion
4. Closing
  - Pre-close call scheduled before loan closes
  - Loan closes with home in its current condition, then work can begin
  - Seller nets their proceeds at closing like usual
  - Agents get paid on the sales contract like a traditional loan
  - Borrower and contractor receive communication from draw admin team about disbursements

**And don't forget  
about the  
housewarming  
party!**



# Q&A



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## Ethan McConkey

Senior Loan Advisor

253.432.8310

Ethan.McConkey@ccm.com

NMLS# 1602157

Branch NMLS# 2340528



**TEAM MCCONKEY**  
**CROSSCOUNTRY MORTGAGE®**

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