

Building Contractors

Seniors in California are sitting on an estimated \$2 trillion in unutilized home equity. Many of them are in need of home improvements, repairs, and accessory dwelling units. With the recent improvements to the Reverse Mortgage programs, this can provide eligible homeowners age 55+ with an advantageous way to access that equity to fund these projects.

Our team combines expertise in senior lending with extensive experience in residential construction and remodeling financing. This allows us to help contractors identify financing strategies that can better serve the growing needs of older homeowners.

Here are some of the more common ways that Reverse Mortgages are being used for home improvements:

Deferred Maintenance	Reverse Mortgage proceeds can help homeowners address deferred repairs such as roofing, foundation issues, dry rot, and other needed maintenance.
Accessory Dwelling Units (ADUs)	ADU contractors tell us many of their clients are seniors. Reverse Mortgage proceeds can provide a very strategic way to fund an ADU. Yet many homeowners and contractors are unaware this option exists.
Energy Efficiency	Funds can be used for energy upgrades that lower utility costs, improve comfort, and enhance indoor air quality. With no required monthly mortgage payment, the savings can improve monthly cash flow.

Remodeling	Seniors often spend the majority of their time in their home. Reverse Mortgages can allow them to use some of the unutilized equity in their house to increase their comfort, functionality, and enjoyment of it.
Universal Access	Reverse Mortgage proceeds can fund accessibility improvements that help homeowners remain independent and age in place more safely.
Vacation Homes	A Reverse Mortgage must be secured by a primary residence, but proceeds may be used to build or purchase a second home. Having funds available before construction can simplify financing compared with a traditional construction loan.

We are currently in the process of creating additional resources to support the effort of the residential construction industry to meet the needs of the senior population. In the meantime, if you know of anyone who could benefit from this information, please feel free to connect them with us directly.