Delaware HomeStyle Renovation Loan Combines Purchase and Renovation in One Loan

John Thomas, NMLS #38783, explains how Delaware buyers can finance a home and its renovation with one conventional loan in New Castle, Kent, and Sussex.

A Delaware home mid-renovation. The Delaware HomeStyle Renovation Loan lets buyers finance a home and its renovation in one conventional loan. Call John Thomas, NMLS #38783, at 302-703-0727 to learn more.

NEWARK, DE, UNITED STATES, July 1, 2026 /EINPresswire.com/ -- NEWARK, Del. — A Delaware HomeStyle Renovation Loan is a Fannie Mae conventional mortgage that lets a homebuyer or current homeowner finance the price of a home and the cost of renovating it in one loan, based on the home's expected value after the work is done. Instead of using a separate loan or paying for repairs out of savings, borrowers roll the purchase or refinance and the renovation into a single conventional mortgage, according to John Thomas, NMLS #38783, a Delaware mortgage loan officer with the John Thomas Team in Newark.

The program is built for homes that need updating. A borrower buying a one-unit primary home may qualify with as little as 3 percent down. Second homes call for at least 10 percent down, and investment properties at least 20 percent down. The renovation budget is based on the home's as-completed appraised value — what the home is expected to be worth once the work is finished — and renovation costs can run up to 75 percent of that value. In 2026, the one-unit conventional loan limit in all three Delaware counties is $832,750.

Credit scores generally start at 620, and financing can reach up to 97 percent of value on a one-unit primary home. Manufactured homes can qualify, with renovation funds capped at 50 percent. One rule that sets John Thomas's approach apart is that all renovation work must be done by a licensed, lender-approved contractor. Do-it-yourself or self-help work is not allowed, even where the standard guideline would permit some of it. Projects are expected to be finished within 15 months.

Buyers often compare this program to the [FHA 203(k)] rehab loan. Both let a borrower finance repairs into the mortgage, but the Delaware HomeStyle Renovation Loan is the conventional option, which can be a better fit for buyers who want to avoid long-term mortgage insurance or who are financing a second home or an investment property. Veterans who want to buy and improve a home may instead look at a [VA renovation loan].

John Thomas, NMLS #38783, of the John Thomas Team explains the Delaware HomeStyle Renovation Loan: finance the home and the renovation together, based on the home's value after the work is done.

"Buying a home that needs work can feel overwhelming at first, so our goal is to make the process as simple as possible," said John Thomas, NMLS #38783, a mortgage loan officer with the John Thomas Team in Newark, Delaware. "We walk buyers through every step, from the as-completed appraisal to the contractor draws, so there are no surprises along the way."

"The real advantage of a Delaware HomeStyle Renovation Loan is that you finance the home and the renovation together, based on what the home will be worth after the work is done," said John Thomas. "That lets a buyer turn a house that needs updating into the home they actually want, with one conventional loan and one closing."

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> *John Thomas, NMLS #38783, John Thomas Team, Newark, Delaware*

"This is not only for large projects," John Thomas added. "It can work for a first-time buyer who wants to update a kitchen or a homeowner who needs to make bigger repairs, and we help each buyer understand their options so they can move forward with confidence."

John Thomas and the John Thomas Team serve buyers and homeowners across Delaware, including New Castle, Kent, and Sussex counties and communities such as Newark and Wilmington. With a mix of older and newer homes across the state, many Delaware buyers find a home in the right location that simply needs some work — which is where a renovation loan can help.

To learn more, homeowners and buyers can schedule a call at https://schedule.johnthomasteam.com/30min, call 302-703-0727, or apply at https://myloan.primeres.com/#/loan-officers/jthomas@primeres. Full program details are available on the Delaware HomeStyle Renovation Loan page at https://delawaremortgageloans.net/delaware-homestyle-renovation-loan/.

About John Thomas
John Thomas (NMLS #38783) is a Delaware mortgage loan officer with the John Thomas Team in Newark, Delaware. With more than 20 years of experience and over 3,000 Delaware families served, he specializes in first-time homebuyer, VA, FHA, USDA, DSHA, and conventional loans across Delaware and Maryland. His office is at 248 E Chestnut Hill Rd, Newark, DE 19713. Learn more at delawaremortgageloans.net.

John Thomas, Mortgage Loan Officer, NMLS #38783. Equal Housing Lender. All loans are subject to credit approval, underwriting approval, program guidelines, and property eligibility. This is not a commitment to lend or extend credit. Loan programs, terms, and conditions are subject to change without notice. Licensed by the Delaware State Bank Commissioner to engage in business in Delaware 5644 expires on 12/31/2026.

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