

## Home Improvement Projects That Add the Most Value

Spring is almost here, and that means it's time to start thinking about home improvement projects. But you don't want to update just anything. There are some projects that net better returns than others. Here are three home improvement projects that add plenty of value.

**Update the Kitchen** | You can update your kitchen and receive a positive return on your investment (ROI). It doesn't have to be a complete remodel. Think of replacing countertops, updating cabinets, and adding storage. If you do want to go big, a study from the National Association of the Remodeling Industry found that the average return on kitchen remodels is about 70 percent.

**Update Flooring** | Speaking of going big, updating or adding hardwood floors to your home is expensive, but also comes with a big ROI. The same report found that spending \$3,400 to refinish hardwood floors could increase your home's value by \$5,000, which is a whopping 147 percent ROI. If you don't have hardwood floors and you install them, they add an average of \$6,500 to a home; a 118 percent ROI.

**Replace Doors** | Simply replacing your front door is not only one of the easiest home improvement projects, but it also adds a ton of value. According to a report from a real estate app, adding a new front door has an average ROI of 488 percent. If you have a garage, replacing the door will reap a 93 percent ROI. Whatever home improvement project you decide on, make sure to set a budget first.

Article provided by  
**savvymoney**

### Connect

Call us toll free at: **1-800-742-2848 (RIA-CU4U)**

Follow us on facebook: [facebook.com/riafcu](https://www.facebook.com/riafcu)

Follow us on twitter: [@riafcu](https://twitter.com/riafcu)

**RIAFCU.com**

This credit union is  
federally insured by the  
National Credit Union  
Administration

**ESI EXCESS SHARE**  
INSURANCE  
Additional coverage up to \$250,000 provided  
by Excess Share Insurance Corporation, a  
licensed insurance company.



©2023 727366 LKCS | lk-cs.com

## How to Use the Equity in Your Home

If you've owned your home for a while, you have probably built up equity. You can use this equity to your benefit with a home equity loan or a home equity line of credit. While they sound very similar, the two are actually quite different. Both use the equity in your home to fund other expenses, but not in the same way. Home equity loans and home equity lines of credit are loans that are secured by a borrower's home and can be used for a wide variety of purposes. Both options generally have better interest terms than personal loans, credit cards, and other unsecured debt.

If you have equity in your home and want to start using it, you'll need to know which type of loan you need. With a home equity loan, the borrower receives the loan proceeds all at once and must make fixed payments over the life of the loan. Home equity loans generally have fixed interest rates. Alternatively, a home equity line of credit, often referred to as a HELOC, is a revolving line of credit that allows the borrower to use funds as needed up to a predetermined credit limit. HELOCs typically have a variable interest rate with payments that are not fixed. A Home Equity Line of Credit may be beneficial if you want a credit line available for emergencies but don't need funds immediately, whereas a home equity loan might be a better option for someone who won't need to withdrawal additional funds in the future.

There are countless possibilities for how the funds from a home equity loan or HELOC can be used. These loans generally aren't restricted; however, it is important that the funds you receive are a loan and must be repaid with interest.

Perhaps the most common reason to get a home loan is to consolidate debt. When you consolidate debt, you use the equity in your home to pay off other personal debts. This results in one loan payment with one lower interest rate and one due date to keep track of. This tactic makes it easier to get out of debt faster.

Another big reason for tapping into your home's equity is for home renovations or remodeling your home. It's also a smart reason to do so, as the renovations improve the value of your home. Should you choose a home equity loan, be sure to know how much the renovations will cost so you don't run out. Additionally, if you itemize your income tax, you may be able to deduct any interest from your home equity loan if you use the money to make home improvements.

Other common uses of home equity loans and HELOCs include paying for college, funding a vacation, starting a business, or even paying for a wedding. You might use the equity in your home as an emergency fund, to purchase an investment property, or to make key purchases, such as a car or truck.

As with any loan, it is imperative that you only borrow the amount you will be able to repay. Remember to be savvy with your equity and that your budget will allow for the additional expense. As long as you are making smart purchases, home equity loans and HELOCs can open plenty of doors.



WITH



Spring  
2023

## Mortgage Prequalification vs. Preapproval

When looking for your next home, you will likely hear the terms "prequalification" and "preapproval". Both are types of mortgage approvals and refer to verification steps a lender takes to determine how much of a mortgage a member can afford. These are options that can guide your home search and are also a good indicator to realtors and sellers that you are a serious buyer. While often used interchangeably, the two are very different.

A prequalification is an estimate of what home price range you can afford and is based on some basic financial information that you provide your lender. Generally, prequalification relies on self-reported information and is not verified by your lender. The goal is to find an estimate on what you can afford and is less reliable than a preapproval. Getting prequalified may be beneficial if you are just beginning your home search and want to know where to start.

A preapproval, on the other hand, is a more accurate estimation of how much you can afford. Your lender will verify your financial information and credit history and you will be required to provide documents such as pay stubs and tax returns. Because of the verification steps involved, a preapproval is a more credible resource.

For most serious buyers, a mortgage preapproval is the best option. However, neither a prequalification nor a preapproval guarantees that you will close on the loan. The loan will be contingent upon factors such as an appraisal and inspections. While these are guidelines to follow, every lender handles mortgage approvals differently.

For more information or to  
apply for preapproval, visit

[RIAFCU.com/homes](https://www.riafcu.com/homes)

**FOR  
SALE**

1-800-742-2848 (RIA-CU4U)

[RIAFCU.com](https://www.riafcu.com)

Relationships. Integrity. Action.

## Community Involvement

### ANNUAL FOOD DRIVE

With plenty of fun ways to encourage donating, the credit union again participated in our annual food drive for local food pantries. We hosted a Hawaiian attire day and a sports apparel day, a SOUPer Bowl week, employees donated money to wear jeans, and we even had a Ramen Noodle Blind Taste Test.



### HONOR FLIGHT GOLF OUTING

It's time for sunnier days, and with that, our favorite annual golf outing in support of the Honor Flight of the Quad Cities! This year marks the 8th Annual R.I.A. Federal Credit Union Golf Outing for Honor Flight, and we couldn't be happier to share it with you!

**WHEN:** Friday, May 19th at 10 a.m.

**WHERE:** Byron Hills Golf Course

For information on sponsorship reach out to **Kaelyn Hagens** at **563-484-5456**, or **khagens@riafcu.com**.



### BIG BROTHERS BIG SISTERS PUTT-A-ROUND

Team R.I.A. Federal Credit Union showed up for a night of fun, supporting the Big Brothers Big Sisters Putt-A-Round. We built a hole and set it up for the weeklong event. Additionally, a team of R.I.A. FCU golfers participated at the event, and enjoyed a night of putt-putt golf.

### MARTINI SHAKE OFF

Making for another great night was this year's Martini Shake off. R.I.A. FCU was a sponsor for this year's event, benefiting HAVlife of the Quad Cities. HAVlife of the Quad Cities was established to shed light on lost potential in youth ages 10 to 15. Their mission is to help provide funds for children to be able to participate in camps or events that their families can't afford. Hats off to the team that puts this event on. It's always great fun!

### JA BOWL-A-THON

What better way to raise funds for Junior Achievement than by participating in their Bowl-A-Thon? R.I.A. FCU sponsored six teams, allowing thirty employees to participate in the event. Together, we supported our community and creating lasting memories. It was a fun-filled evening of team bonding!

### QC CHAMBER COFFEE MEET UP

If you're going to get out in the community early in the morning, it might as well be for coffee! Mike, Kaelyn and Josh represented the R.I.A. FCU crew at the Quad Cities Chamber Coffee Meet Up. They enjoyed a morning of networking and, of course, some delicious coffee.



### WILTON CHAMBER LUNCH

Susan and Kaelyn attended the Wilton Chamber lunch and even snapped a photo with the R.I.A. Federal Credit Union quilt square. In support of the Wilton Library, R.I.A. FCU sponsored a quilt square with our logo on it. It's on display at the Wilton Library. What a unique way of supporting local communities!



### ILCUL HOCKEY NIGHT

We kicked off the first Illinois Credit Union League meeting of 2023 with a hockey night. A group of R.I.A. FCU employees joined the fun and attended a QC Storm hockey game and enjoyed a night of networking.



### RANDOM ACTS OF KINDNESS

In honor of Random Acts of Kindness Day, the R.I.A. Federal Credit Union team decided to inspire kindness among staff. From sticky notes on the bathroom mirror sharing notes of confidence boosters, to coffee surprises, there was definitely an air of kindness throughout the day. It was a sweet way to bring small smiles to everyone's faces.

### HOME BUYING SEMINAR

Our mortgage team hosted a home buying seminar that brought attendees information on the home buying process. Along with experts in the field, we held a panel style seminar covering everything you need to know about home buying. Those who joined us learned about appraisals, government loans, realty, and helpful information from our loan officers.

## Work With Us

**JOSH MERCER**  
**Home Equity Specialist**

NMLS# 1652691  
<https://jmercer.prequalexpress.com>  
563-484-5472

**COURTNEY CONTRERAS**  
**Mortgage Loan Expert**

NMLS# 1612764  
<https://ccontreras.prequalexpress.com>  
563-484-5470

**KAYLA CONTRERAS**  
**Mortgage Loan Expert**

NMLS# 2361076  
<https://kcontreras.prequalexpress.com>  
563-484-5471

**MIKE CHAFINS**  
**Mortgage Loan Expert**

NMLS# 1933333  
<https://mchafins.prequalexpress.com>  
563-484-5473

## Special Closings

**Memorial Day**  
Monday, May 29

**Juneteenth National Independence Day**  
Monday, June 19

Remember, you can still access your credit union account on holidays and after hours with your R.I.A. FCU ATM/Debit Card, Mobile Banking, DANA or Internet Account Access. Sign up today!