Financial Considerations for Historic Property Restoration  
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Historic residential properties are more than pieces of real estate; they represent a culture, a forgotten place in time, a genealogy, and a number of other qualities that make them worth renovating, even when it would be cheaper, easier, and more practical to rebuild. However, before picking up that paintbrush and hammer, it’s critical to be aware of the financial burden that restoring these delicate properties will impose. Before beginning any historic renovation project, it is important to consider the impact of inspections, loans, and insurance.  
  
1. [Inspection](http://en.wikipedia.org/wiki/Inspection) is a standard step in the real estate purchasing process, as any home buyer will attest. A lender must be aware of the investment’s condition prior to approving a mortgage. Properties on or potentially on the National Register of Historic Places may be inspected by specialists or contractors who are qualified to work with these sensitive properties.   
  
2. The property must meet a number of criteria in order for owners who wish to live in the restored home to secure a loan. This will likely be necessary because federal grants are generally unavailable for privately used historic real estate. However, special types of loans exist specifically for future home-project properties that are unlivable at the outset of the project.  
  
3. Create an actual value estimate of the house when insuring. To accomplish this, hire workers who will use the proper equipment and techniques; then, document the restoration process and results. Use this information to create an estimate of the house.   
  
About the author: [Brent Warr](http://brentwarr.org/) is the owner and President of Warr Properties, a real estate company that purchases and renovates residential, commercial, industrial, and historic investment properties.