



FREE GUIDE · HOMEOWNERS

6 Smart Ways to Build Home Equity

How DFW homeowners can grow the wealth sitting inside their home — and use it wisely.

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*You deserve
the Astute Life.*

WELCOME

For most families, a home is the largest asset they will ever own. The part you actually own — your equity — is the difference between what your home is worth and what you still owe on it.

Equity doesn't just happen. Some of it comes from the market, but a lot of it comes from decisions you make: how you pay your loan, what you improve, and how you protect what you've built. This guide walks through six ways to grow it, plus how to think about using it when the time comes.

First, Know Your Number

Equity = your home's current market value – your remaining loan balance(s).

Example

If your home could sell for \$340,000 and you owe \$250,000, you have about \$90,000 in equity. After selling costs, the amount you'd actually walk away with is lower — which is why a net estimate matters more than a headline value.

An online estimate is a starting point. For a real number, ask for a personalized market analysis based on recent sales near you.

1. Make Extra Principal Payments

Every dollar you pay toward principal is a dollar of equity. Even small, consistent extra payments can shorten your loan and reduce the total interest you pay.

- Add a set amount to each monthly payment and mark it "principal only."
- Put part of a tax refund or bonus toward principal once a year.
- Confirm with your loan servicer that there is no prepayment penalty and that extra funds are applied to principal.

2. Choose Improvements That Add Value

Not every project pays you back. Focus on repairs and updates buyers in your price range expect, and avoid over-improving for your neighborhood.

- Fix what an inspector would flag first: roof, HVAC, plumbing, electrical, foundation concerns.
- Fresh neutral paint, updated lighting, and modern fixtures often give strong visual impact for the cost.
- Kitchens and bathrooms matter, but a smart refresh can beat a full remodel.
- Curb appeal counts: landscaping, a clean entry, and a well-kept exterior.

3. Protect the Home You Already Have

Deferred maintenance quietly erodes value. A small leak or an ignored HVAC issue can turn into an expensive repair — and a negotiating problem when you sell.

- ☐ Change HVAC filters and schedule seasonal service
- ☐ Watch the foundation and keep soil moisture consistent — a real issue with North Texas clay soils
- ☐ Clean gutters and check drainage away from the house
- ☐ Inspect the roof after major hail or wind storms
- ☐ Keep receipts and records of repairs and upgrades

4. Remove Mortgage Insurance as Soon as You Can

Mortgage insurance protects the lender, not you. Removing it frees up monthly cash that can go toward principal or savings.

- On many conventional loans, you can request removal once your balance reaches 80% of the original value, and it typically ends automatically around 78% if you're current on payments.
- If your home has appreciated, a new appraisal may help you qualify for removal sooner — ask your servicer about their rules.
- FHA mortgage insurance works differently and often lasts longer. A licensed loan officer can explain whether refinancing makes sense for your situation.

5. Keep Your Property Taxes in Check

Texas has no state income tax, so property taxes do a lot of the work. Two simple habits help protect your cash flow:

- File your homestead exemption with your county appraisal district after you move in (for example, Dallas Central Appraisal District or Ellis Appraisal District).

- Review your appraisal notice every spring. If the value looks high compared to similar homes, you have the right to protest by the deadline listed on your notice.

6. Think Long-Term Before You Tap It

Equity can be used for a move-up home, a renovation, or paying down high-interest debt. It can also disappear quickly if it's used for things that don't build long-term value.

The Astute Rule

Use equity to build wealth — a better-fit home, a value-adding project, or a smarter financial position — not to fund short-term spending.

Before tapping equity through a sale, refinance, or home equity loan, compare the full cost, the monthly payment, and how it changes your plan. Texas has specific rules for home equity lending, so talk with a licensed loan officer before deciding.

Where Michael Helps

- A personalized home value and equity review — not just an online estimate
- A net sheet showing what you could walk away with if you sold
- Move-up planning: can you afford your next home, and should you sell first or buy first?
- Connection to his preferred loan officer, Tamesia Chatman, when you need financing answers

YOUR NEXT MOVE SHOULD START WITH A STRATEGY

Let's Build Your Plan.

Whether you're buying, selling, building, relocating, or preparing for later, Michael will help you figure out what makes sense for your family before you make the move.

[Book a Strategy Call](#)

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You Deserve the Astute Life.

Find It.

The right property, community, and lifestyle fit.

Finesse It.

Price, terms, incentives, and contract strategy.

Fund It.

Payment, cash to close, and financing coordination.

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