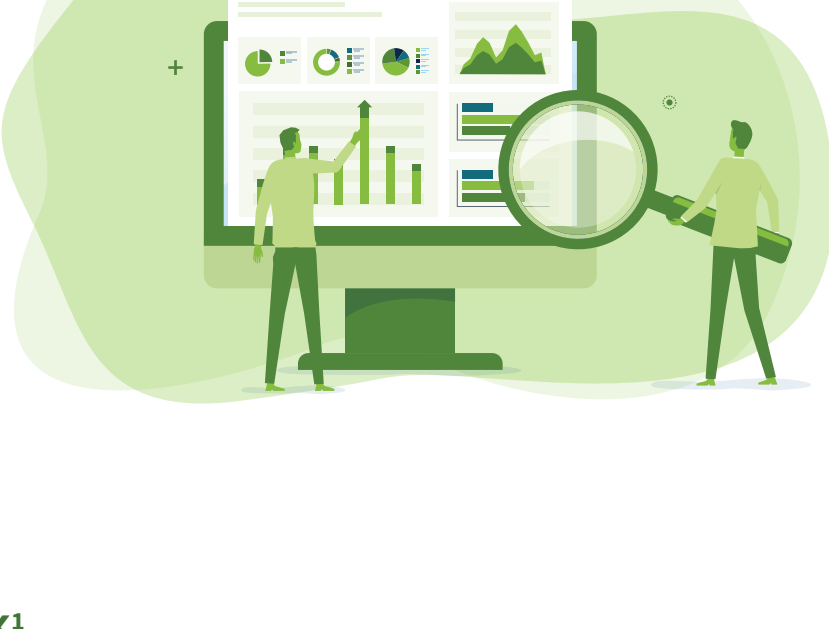


HOME IMPROVEMENT FINANCING

HOME IMPROVEMENT MARKET INSIGHTS:

Make data-driven decisions

Regardless of your primary contracting specialty, a great deal of your business is impacted by what's happening in the national economy and the home improvement market in general. Focusing on some current trends and economic indicators can help you be prepared for the future, so you can move forward with confidence and a strategy to prosper no matter what's ahead. There is some indication that after two years of declines, modest growth may be right around the corner.



HOME IMPROVEMENT OUTLOOK¹

The key word for 2025 is **growth**. Research is pointing toward a gradual surge in repair and remodeling spending for the coming year.

4%

Growth of 4% is expected in total residential repair and remodel spending in 2025. Much of this increase is expected toward the latter half of the year.

An average \$406,000 of accumulated home equity per household is expected to encourage homeowners to rekindle their plans for large remodeling projects.

Smaller home improvement projects are anticipated to increase all the way through 2027, supported by real income gains and an attachment to larger projects.

Factors like the number of homes in prime remodeling years and households remaining in their homes longer should drive sustained remodeling growth over the next three years.

A SNAPSHOT OF CUSTOMERS & THE ECONOMY²

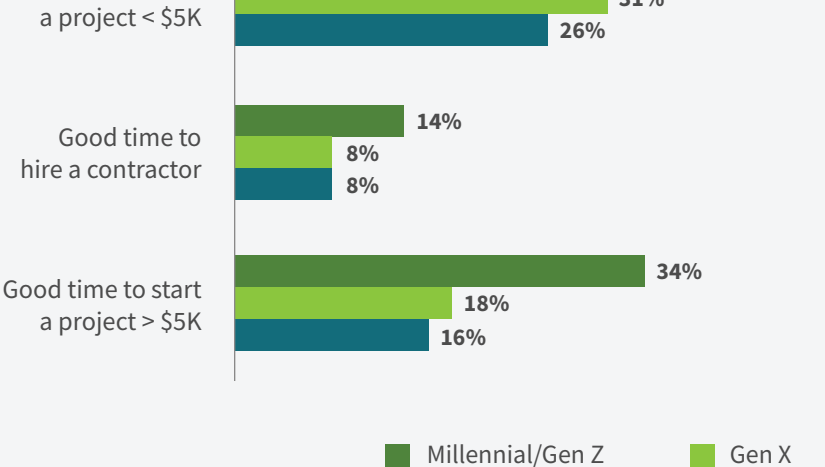
Who should you be selling to?

Where you choose to target your marketing efforts matters, as not all demographics think or behave alike. Data from 2024 indicates that millennials (age 28-43 years) are most optimistic about initiating small and large home improvement projects.

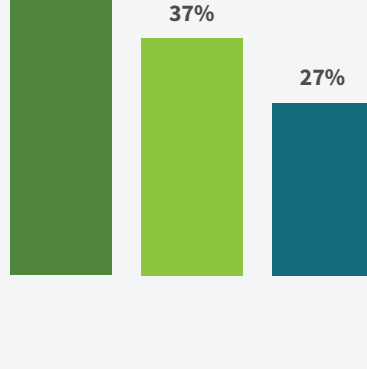
AGE
28-43

MOST OPTIMISTIC ABOUT HOME IMPROVEMENT PROJECTS.

2024 Home Improvement Sentiment



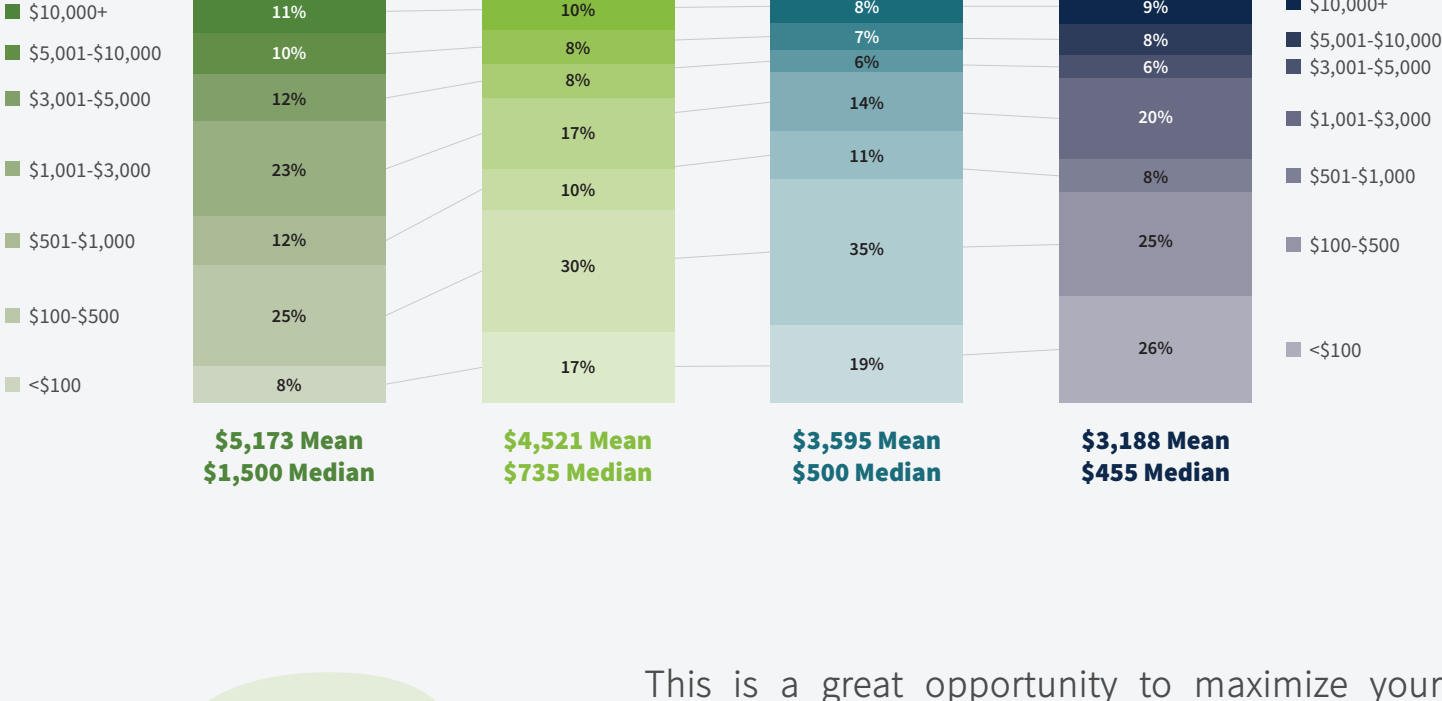
Planning to Increase Home Improvement Spending (Next 12 Months)



In fact, millennials lead the age cohorts for increased spending in the year ahead, with a \$5,173 mean spending expectation for home improvement projects.

\$5,173

Project Spend



This is a great opportunity to maximize your online marketing, as that's where you'll find the millennial customers.

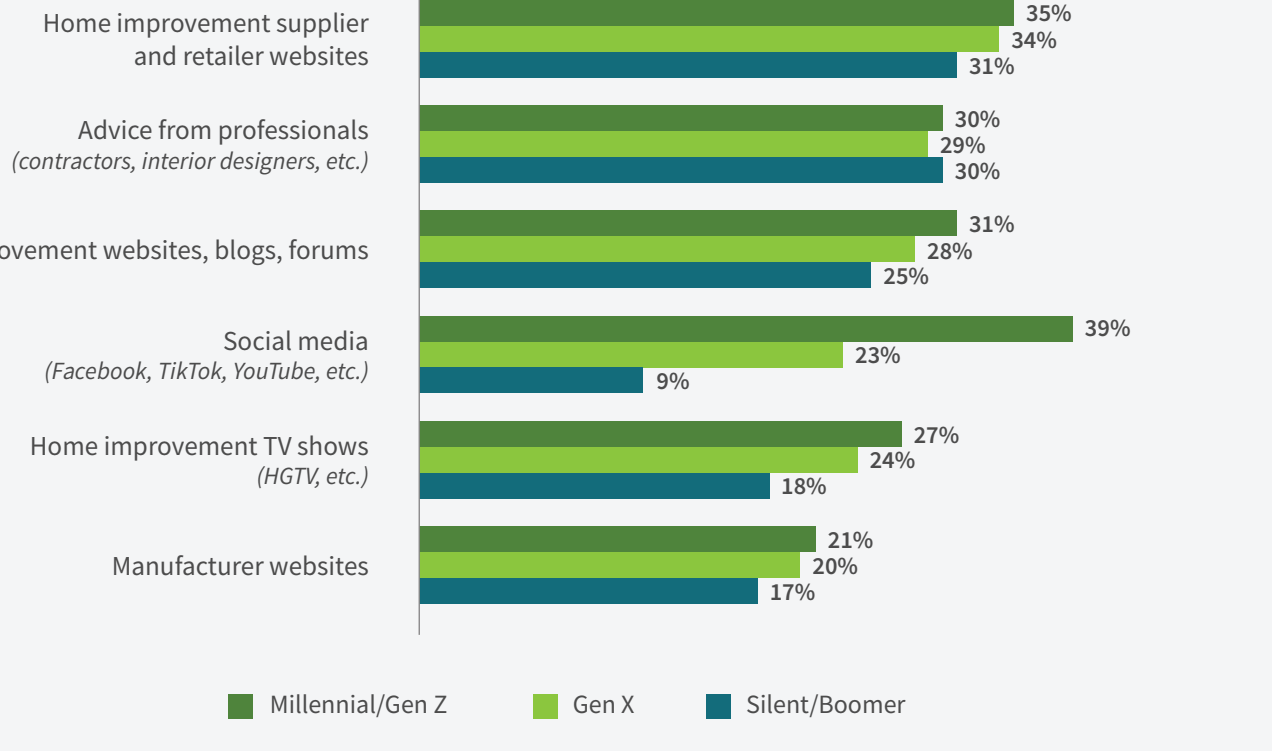
49%

of millennials rely on web searches to learn more about home improvement projects.

39%

A whopping 39% look to social media for this information.

Information Sources for HI Projects (Research and Planning)

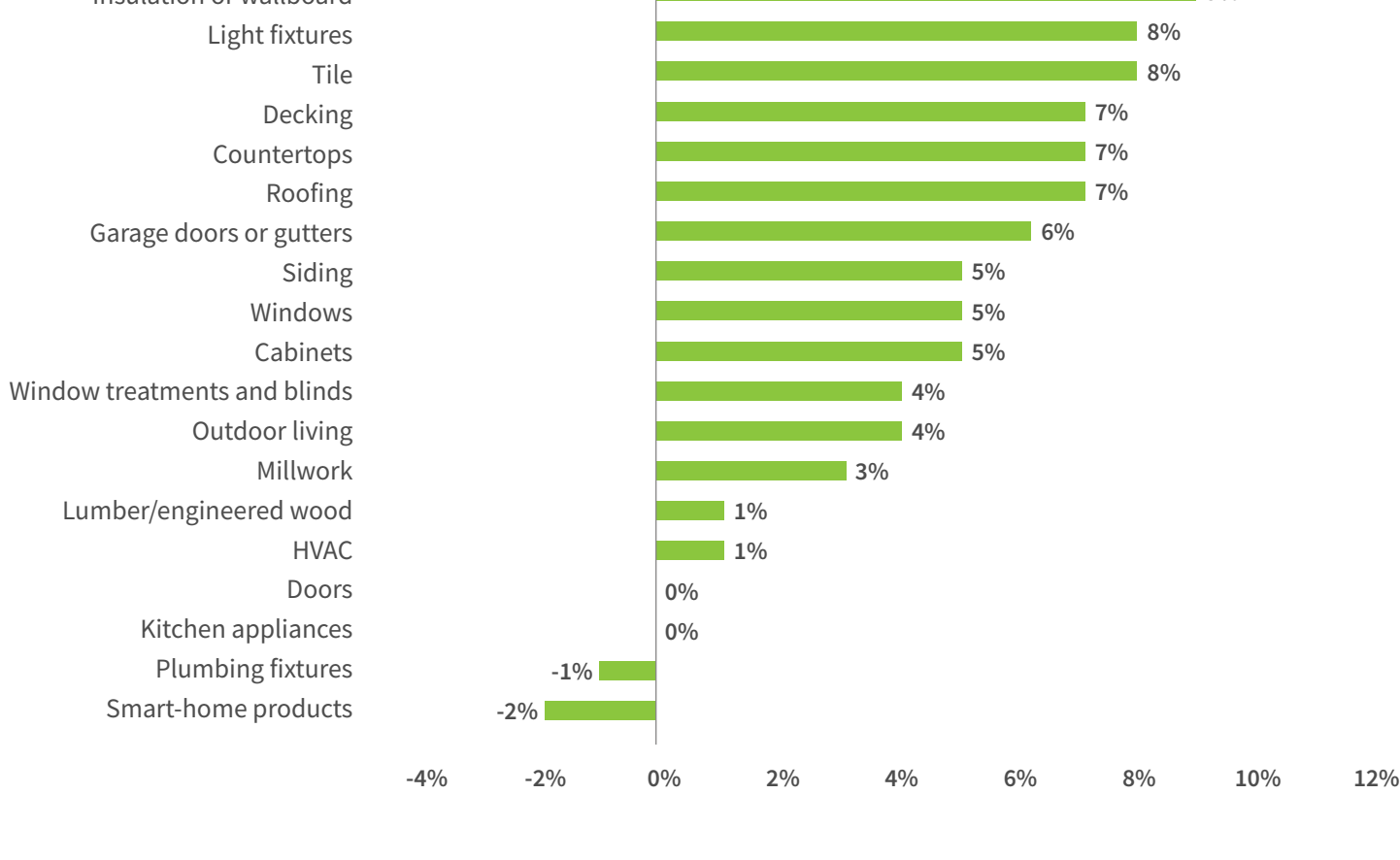


ONE CAVEAT: When it comes to kitchen and bath projects, the demographic is trending older, as the importance of “aging in place” remodels (versus remodels by recent movers) increases.³

SUPPLY CHAIN WOES ARE ENDING⁴

Backlogs have significantly eased up across nearly all areas of home improvement specialty, and projects are moving forward. Check below for your specialty to get an update on what to expect.

Net Percentage of Professional Remodelers Reporting Shorter Lead Time (By Building Product Category, 4Q24)



WHAT YOU CAN DO⁵

Upsell to better materials:

With home improvement spending expected to rise, you'll want to maximize ticket sizes. One way to do this is by offering financing — even in good economic times, payment plans encourage customers to choose better materials.



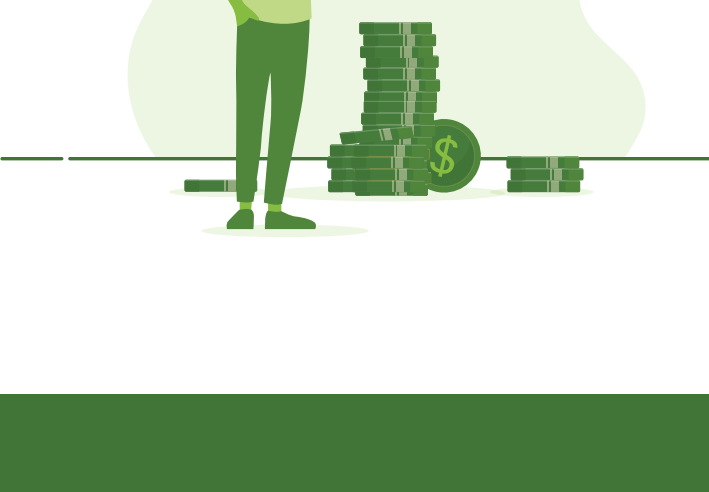
Focus on larger jobs:

It's expected that residential remodel spending for big projects (greater than \$30,000) will grow more than 1% in 2025. Use this knowledge to go after the big fish.



Make your services affordable:

Imported materials costs are anticipated to rise if tariffs are implemented. This may result in higher price tags passed on to your customers, but offering financing and a low monthly payment can ease the burden and help close more deals despite pricing fluctuations.



HOW WE CAN HELP

We'd love to help you get a head start on some of these predictions by offering a variety of financing products from Regions Home Improvement Financing, plus loads of free resources!

If you want to learn more about how our consultative approach can give you the edge you need in 2025 and beyond, or if you just want to browse our contractor resources, [click here](#) or [scan this QR code now!](#)

