Taking on a $900,000 luxury remodel in Southfield is a very different animal from repainting a few rooms. At this level you are altering the way the property functions, looks, and appraises, and you are committing to a long-term financial structure that needs to be stable through rate changes, tax changes, and life changes.

I will walk through what a $900,000 project really means in terms of monthly payments, how it fits with different income levels, and what is specific to Southfield and Michigan: property taxes, neighborhoods, and some of the quirks of financing and building in this market.

Along the way I will tie in the common questions I hear from Michigan homeowners and buyers, such as whether you can buy a house in Detroit for $1,000, what credit score you need, and what not to skimp on when you sink this kind of money into a home.

Where a $900,000 remodel makes sense in Southfield

Southfield is not Birmingham or Bloomfield Hills, but it is not a low-end market either. It sits in Oakland County, which is one of the counties in Michigan with the highest property taxes and one of the more expensive housing markets. That means:

- A solid, well-located Southfield home that gets a carefully planned $900,000 remodel can compete with higher-end markets nearby, especially for buyers who want space and access to freeways without paying Birmingham prices.
- A poorly thought-out $900,000 spend can outbuild the neighborhood and trap you in a property that buyers will not value at what you have into it.

The popular neighborhoods in Southfield for higher-end remodels tend to be areas with large lots and established housing stock, such as sections off Lahser, Bell Road, and some of the subdivisions near the municipal complex. You see older colonials and ranches on half-acre lots that are structurally sound but dated. Those are the homes where a six-figure or even seven-figure remodel can make rational sense.

If you are starting from scratch and asking how much money is required for a 1500 sq ft house in this area, you should know that new construction costs for a well-finished home usually land, in recent years, somewhere between $200 and $350 per square foot in metro Detroit, depending on finishes and site conditions. That puts a 1500 sq ft build in the $300,000 to $525,000 range before land, site work, and soft costs. High-end custom finishes can push above that. Your $900,000 remodel on an existing home is essentially dropping a custom-home budget into a structure that already has land and utilities.

So the central question becomes: is your financial situation set up for this scale of investment?

Can your income support a $900,000-level project?

Banks do not lend based on project size alone. They lend based on income, debts, credit, and the after-renovation value of the property.

People often ask blunt affordability questions:

- Can I buy a house with a $90k salary?
- Can I afford a house on a $40,000 salary?
- Can I afford a 300k house on a 50k salary?
- How much should my mortgage be if I make $3,000 a month?

The same logic applies to a remodel. Lenders look at your debt-to-income ratio, often targeting total housing payments at roughly 28 to 31 percent of gross monthly income, and total debt payments at 36 to 45 percent.

If you make $3,000 a month, for example, a safe housing payment would usually be around $800 to $900, maybe $1,000 at the upper limit. That is not compatible with a large new mortgage tied to a $900,000 project.

On a $40,000 salary (about $3,333 per month), you are still in modest housing territory. You might stretch into a $150,000 to $200,000 home in a lower-cost area if you have minimal other debts, but you are not a candidate for a seven-figure overall property.

On a $50,000 salary (around $4,167 per month), “can I afford a 300k house on a 50k salary” depends on down payment, interest rate, other debt, and taxes. In a low-tax area of Michigan with a strong down payment, it is possible but tight. In Oakland County with high property taxes, a $300,000 home can already push your ratio higher than a conservative lender likes.

By the time you are contemplating a luxury remodel, you are usually in a very different band. If the total project leaves you with, for example, a $900,000 to $1,200,000 all-in property and significant mortgage debt, household incomes in the $250,000 and up range are common among owners who do this comfortably, especially if they still have kids at home and other big expenses. That is not a legal requirement; it is simply what tends to work without chronic financial stress.

So if you are wondering “can I buy a house with a $90k salary,” the answer is usually yes, but not this house. At $90,000 a year you might comfortably target something in the $250,000 to $350,000 range in much of Michigan, depending on debt and taxes. A $900,000 remodel is better matched with higher income or significant liquid assets.

What financing a $900,000 remodel usually looks like

For a project of this size in Southfield, most owners do not swipe a credit card. They typically blend:

- Equity in the existing home
- New financing (cash-out refinance, HELOC, or construction/renovation loan)
- Cash reserves

Common structures in Michigan include:

Cash-out refinance into a single large mortgage. If your Southfield home is currently worth $700,000 and you only owe $200,000, you might refinance into, say, a $1,100,000 mortgage that pays off your existing loan and gives you funds for the remodel. The lender will care deeply about the projected after-renovation value. In Oakland County it is sometimes possible to get appraisers comfortable with a jump in value if the remodel is substantial and consistent with the neighborhood.

Renovation or construction loan. Some banks will structure your project as a construction loan that converts to a permanent mortgage. They release funds in draws as work gets completed. You pay interest during the build and then roll into a 15- or 30-year fixed loan. For luxury remodels where you are opening up walls, changing structure, or adding square footage, this route is common.

HELOC or second mortgage. If the base mortgage rate you already have is extremely favorable and you do not want to touch it, layering a large home equity line of credit can work, but $900,000 is often beyond what a bank wants to carry as a second mortgage. You might cap a HELOC at a few hundred thousand and combine it with cash.

At every step your credit score matters. When people ask what credit score is needed for a home loan, the real answer is tiered pricing. You can often get FHA loans with scores in the low- to mid-600s, but for a jumbo-scale loan or a construction loan on a luxury property, lenders in practice like to see scores in the high 600s to 700s or better. The best terms tend to start appearing around 740 and up.

Older homeowners sometimes worry about age. "Can a 70 year old woman get a 30 year mortgage?" is a question that comes up more than you might think. In the United States, lenders cannot discriminate based on age. If the income, assets, and credit qualify, a 70-year-old can get a 30-year mortgage. What changes in real life is risk tolerance: many retirees do not want to carry a huge mortgage into their 80s and 90s, and many use shorter terms or more cash.

Do most retirees have their home paid off? Many do, but not all. It depends heavily on earnings history and when they bought. In southeast Michigan I see a mix: some retirees sitting in fully paid-off homes from the 1980s, and others who traded up in the 2000s and still have sizable mortgages. A $900,000 remodel in retirement needs to be approached with extra caution even if the bank says yes.

The monthly payment on a $900,000 mortgage

Even if your project is technically a "remodel," the key question usually sounds like this: what is the monthly payment on a $900000 mortgage?

Assume a standard 30-year fixed mortgage. As of mid-2020s, rates have floated between roughly 6 and Home improvement services Southfield MI alexandriahomesolutions.com 8 percent for many borrowers, depending on credit and loan type. Let us use 6.5 and 7 percent as reasonable sample rates, understanding that your actual rate may differ.

Approximate principal and interest payments on a $900,000 loan:

| Interest rate | Approx. Monthly P&I on $900,000 | | ------------- | ------------------------------- | | 6.0% | around $5,395 | | 6.5% | around $5,688 | | 7.0% | around $5,985 |

Those numbers are before property taxes, homeowners insurance, and mortgage insurance (if applicable). In Southfield, property taxes are a meaningful line item.

Are Southfield property taxes high? Compared to some other parts of Michigan, yes. Oakland County has relatively high effective tax rates, particularly in suburban communities with robust services. Millage rates vary by exact location, but an effective rate of roughly 2 to 3 percent of taxable value per year is common for owner-occupied homes in this region.

On a property with a taxable value around, say, $600,000 to $800,000, you might see property tax bills in the $12,000 to $18,000 per year range, roughly $1,000 to $1,500 per month. Add insurance, perhaps $150 to $250 per month for a high-value home, and you can easily find yourself with:

- $5,700 to $6,000 in principal and interest
- $1,000 to $1,500 in taxes
- $150 to $250 in insurance

Total all-in housing payment: often between $6,800 and $7,700 per month.

That circles back to the earlier question around income. For a household following a 30 percent housing-cost guideline, a $7,500 payment lines up more comfortably with roughly $25,000 per month in gross income, or around $300,000 per year.

If you instead put a large down payment on a remodeled million-dollar property, the dynamics change slightly. Many people ask: how much of a down payment do I need for a $1,000,000 house? For a conventional, non-jumbo structure you see 20 percent cited often, which would be $200,000. In the actual jumbo market, some lenders require higher down payments or stronger overall financials. Many well-qualified buyers in Michigan put 20 to 30 percent down, and some cash-heavy buyers go even higher to keep the payment modest.

How your project fits into Michigan's broader housing reality

When you talk about dropping $900,000 into a remodel, someone inevitably asks a version of "why not just move someplace cheaper" or "where's the cheapest place to buy a house in Michigan?"

Michigan has a very wide band of housing costs. Some smaller cities and rural counties have extremely low prices and some of the cheapest property taxes in the state. Questions like "what city in Michigan has the cheapest property taxes" or "where's the cheapest place to buy a house in Michigan" usually lead you toward parts of the Upper Peninsula and more rural lower Michigan, far from metro Detroit's job base.

At the other extreme, Oakland County and a few other southeast Michigan counties sit among which counties in Michigan have the highest property taxes in practical terms, because home values are higher and millage rates can be substantial. Southfield sits squarely in that higher bracket.

On the low end of the market, people occasionally ask "can I buy a house in Detroit for $1000?" Technically, from time to time, auction properties, Land Bank properties, or distressed off-market deals have transferred for a few hundred or a few thousand dollars. The true cost, however, is nowhere near that. By the time you clear title, handle back taxes and liens, bring the home up to code, and make it livable, you can easily end up spending tens of thousands or more. That is the opposite end of the spectrum from a $900,000 luxury remodel in Southfield, but it shows how wide the Michigan housing landscape is.

There is also a lot of curiosity about the high end. "Who owns the biggest mansion in Michigan?" gets tossed around in conversations about local wealth. The specifics change as properties sell and new estates are built, but large mansions in places like Bloomfield Hills, Orchard Lake, and Grosse Pointe Park often hold that distinction, sometimes with 20,000 square feet or more. Those properties run in the multiple millions, with operating costs and tax bills to match.

Your Southfield remodel operates somewhere in between the $1,000 Detroit shell and the 20,000-square-foot Bloomfield Hills estate. It is still serious money, but it serves a different type of buyer: often a professional family that wants high-end finishes and good location without chasing the absolute top of the market.

Property taxes, exemptions, and the senior angle

Luxury remodeling has property tax consequences, especially in Michigan with its taxable value rules and Proposal A limitations.

If you are wondering how to not pay property tax in Michigan, the honest answer is: you cannot simply opt out. You can, however, reduce the bill with homestead exemptions and, for some, senior tax credits.

Homestead status (Principal Residence Exemption) reduces the school-operating portion of the millage if the property is your primary home. Never forget to file this; missing it costs thousands over the years.

There is recurring interest in "who is eligible for the $6,000 senior tax credit." Michigan has offered various forms of senior credits and homestead property tax credits that offset part of the tax bill for eligible low- to moderate-income seniors. The eligibility details, income thresholds, and dollar amounts change over time and need to be checked against current state rules, but they generally target seniors with limited income relative to their property tax burden. Owners pouring $900,000 into a remodel usually do not meet those income or asset limits, but older homeowners on fixed incomes in more modest homes sometimes do.

If you are a retiree eyeing this kind of project, step back and ask not just “can the bank approve me” but “what does my life look like when I am 80 with this house.” A 70-year-old woman can get a 30-year mortgage if she qualifies; the law supports that. The unease usually comes from not wanting to commit to a heavy fixed payment as health, mobility, and income may change.

Designing smart: house size, style, and what actually adds value

Leaving the finance spreadsheets for a moment, one of the keys to a successful $900,000 remodel is aligning layout and style with market expectations.

People often ask what style is best for a 1500 sq ft house. In Michigan suburbs, clean, functional designs that maximize natural light and storage tend to age best. For a smaller house, I like open kitchen-living spaces, sensible bedroom counts, and good mudroom or entry storage more than showy two-story foyers. Modern farmhouse, transitional, and warm contemporary styles have been strong in southeast Michigan the past few years.

“How many bedrooms should a 2000 sq ft house have?” is another design question that hints at value. In most metro Detroit suburbs, a 2000 sq ft home with fewer than three bedrooms feels under-bedroomed. Three bedrooms is a minimum for broad resale appeal, and four bedrooms is often ideal for 2000 to 2500 sq ft. When you push your remodel into the luxury tier, make sure bedroom and bathroom counts match buyer expectations for your final square footage.

On the cost side, people also ask “what's the most expensive part of building a house?” At a high level, structure and systems consume a huge portion: foundation, framing, roofing, windows, HVAC, plumbing, and electrical. Kitchens and bathrooms can also command large slices of the budget, especially with high-end cabinetry, stone, and fixtures. If you are gutting a Southfield colonial and adding square footage, do not be surprised when structural work and mechanical upgrades swallow a big chunk of that $900,000, especially if the existing systems are older.

Knowing where the money goes helps you decide what not to skimp on when building or remodeling a house. In my experience, skimping on waterproofing, structure, mechanical systems, and building envelope (windows, insulation, roofing) is a mistake. Buyers may not see those details in listing photos, but they absolutely feel them in comfort, maintenance costs, and inspection reports.

On the flip side, what devalues a house most in a remodel context? Several patterns show up again and again:

- Overpersonalized finishes that are hard to undo, like wildly specific tile everywhere.
- Poor layout decisions: eliminating a bedroom to make a giant closet, removing a bathroom, or chopping up open spaces.
- Obvious cost-cutting on materials that do not wear well.
- Ignoring curb appeal while spending everything inside.
- Work that looks or is unpermitted, which will spook both appraisers and buyers.

That connects directly to how you work with your builder.

Working with builders: what not to say and where to be firm

When owners are nervous and excited about a $900,000 remodel, they sometimes say things to a builder that undercut their own position. The classic misstep is leading with "I have no budget" or "cost does not matter, I just want it perfect." That is the textbook answer to "what should you not say to a builder."

You want honesty, but you also want discipline. It is perfectly fair to say, "Our rough budget is around $900,000 for construction. We want clear pricing and change order policies so we do not blow past that without talking."

If you are unsure where to prioritize spending, lean on your builder and designer for guidance, but be explicit that structure, waterproofing, and mechanicals are non-negotiable quality items. Cosmetic trims and some appliance upgrades can be value-engineered later if necessary.

Here is a short set of practical checkpoints I encourage owners to use when discussing budget with a builder:

- Define a clear construction budget range and a separate contingency (often 10 to 15 percent on a complex remodel).
- Ask for phased or line-item pricing so you can see which elements drive cost.
- Clarify how change orders will be priced and authorized.
- Insist that all permits be pulled properly in your name or the contractor's as required.
- Walk through the timeline in detail, including what happens if there are delays.

Handled well, these conversations set a professional tone and keep a $900,000 project from quietly drifting into a $1,200,000 surprise.

Budgeting beyond the build: operating costs and market risk

A luxury remodel is not just the contractor's invoice. Once the dust settles, you own a more expensive house in a high-tax part of Michigan, with corresponding utilities, maintenance, and insurance.

High-end finishes need appropriate maintenance. Well-crafted wood windows, complex roofing geometries, pools, elaborate landscaping, and specialty materials all add ongoing expense. When you model your budget, include a serious maintenance reserve. For a seven-figure property, setting aside a few percent of the home's value annually for capital improvements is not unreasonable.

Homeowners also ask "are there any signs of house prices dropping in 2026 in Michigan?" Nobody can promise a precise year or magnitude. What we can say is that Michigan's housing market has regional patterns. Areas with limited new construction and sustained job bases, like much of Oakland County, tend to be more resilient, but they are not immune to broader economic cycles. If interest rates stay higher for longer, or if the local job market softens, price growth can flatten or turn negative for a stretch.

When you commit to a $900,000 remodel, assume you are doing it for at least a 7 to 10 year personal time horizon. Treat any shorter-term appreciation as a bonus, not a guarantee. That mindset helps you avoid disappointment if the market takes a breather in 2026 or any other year.

Pulling it together: can this remodel fit your life?

Financing a $900,000 luxury remodel in Southfield is ultimately about aligning four pillars:

- Income strong enough to carry a potential $6,800 to $7,700 per month all-in payment without stress.
- Equity or cash sufficient to satisfy lenders and give you a cushion beyond the build.
- A design that fits your lot, neighborhood, and local buyer expectations so you do not devalue the house with odd choices.
- A realistic view of Michigan's property tax landscape and long-term housing trends so you are not caught off guard.

If you look at those pillars and feel stretched, scaling the project down or targeting a lower-priced area might be wiser. There are corners of Michigan where modest incomes can buy solid homes, and even within metro Detroit, choosing a smaller house or a more modest finish level can lead to a far healthier financial picture.

On the other hand, if your finances, time horizon, and appetite for complexity line up, a carefully planned Southfield remodel at this level can give you a home that rivals more famous luxury suburbs while keeping you close to the city, the freeways, and the amenities you actually use.

The final piece of advice I give clients is simple: before you sign a contract, re-run your numbers with worst-case assumptions. Slightly higher interest rate, slightly higher final cost, slightly higher property taxes, and a flat market for several years. If that scenario still fits your life, you are not just financing a remodel, you are building a home you can enjoy without the constant background noise of financial worry.

Alexandria Home Solutions
24293 Telegraph Rd #180, Southfield, MI 48033
2482775700