

THE VALUE OF HOME REMODELING PROJECTS

By, Patrick Burgan



I'm going to ask you to do something that is going to sound weird. Stop reading this article, put down your paper and take a look around your house. Go ahead...I'll wait...just take a minute.

What did you see? Did you see the room you wish was a different color? Did you look into a kitchen you wish it was a makeover on HGTV? Or was it the scratches from the kids growing up on those beautiful hardwood floors?

While some people are lucky to have a home that has everything they need, others see an opportunity to either enhance the home with more joy by taking on a remodeling project or putting the house into a position for a higher return as it prepares to be listed.

With Punxsutawney Phil seeing his shadow, Spring is around the corner, and so is remodeling season for homeowners. But what project should you undertake? Well, the answer is rather simple: do you want to be better in the house you are in or do you want to have a better return on your investment when you list it for sale on the market?

However you answered, the National Association of REALTORS® published their 2019 Remodeling Impact Report with the top projects to help guide you to more joy or more money with your remodeling projects. The most interesting part, however, is that the projects you should undertake are different based upon your search for happiness or money from the project.

For those of you looking for a happier life in the house you call, "Home," remodeling projects are all about looks. A remodel of the kitchen and closet are the projects that deliver the most joy to homeowners when they are completed. These projects earned a perfect score of 10, tied for 1st place. Just behind them though was that new coat of paint on the interior of the house you've been talking about. So if you are looking for happier days in your current home, these are the top three projects you should look into performing this Spring. However, if you are looking for a higher return on your remodeling investment, you're going to have to think differently...and bigger.

If you are deciding on which projects will bring the highest return on your investment, the limits go from the floor to the roof...literally. The highest return on a home improvement project is the installation of a new roof, earning a 7% profit on your investment. While refinishing hardwood floors will help you break even, if you can put a few extra dollars into replacing them, you should. Replacing your hardwood floors will earn a 6% profit on that project. These project returns will add up on the bottom line when you go to list your home in a big way!

As you sip your coffee and finish this article, thinking about how to make your home better, there are many ways to improve your home with projects around the house. However, the value you put into those projects will be defined by amount of happiness you get out of its completion or the return it brings you on your investment. Whatever your decision is, these are remodeling projects that will make you better for having done them.

Patrick Burgan is the 2020 President of the Youngstown Columbiana Association of REALTORS®

Remodeling Impact: Projects

3 Top Joy Score Projects



KITCHEN RENOVATION

10



CLOSET RENOVATION

10



FULL INTERIOR PAINT JOB

9.8

3 Top Return-on-Investment Projects



NEW ROOFING

107%

percent of value recovered



NEW HARDWOOD FLOORS

106%

percent of value recovered



REFINISHED HARDWOOD FLOORS

100%

percent of value recovered

