

## What's Worth Remodeling

Many homeowners have a grocery list of things they would like to do to their home. However, very few homeowners have any idea which improvements will have the best rate of return for them if they should sell their house. Regardless of how long you intend to live in your home, it is important to be cognizant of any issues — positive or negative — that affect your resale value. Remodeling Online recently did a "Cost vs. Value Report" in an attempt to help homeowners figure out where their money would best be spent. The study was broken into 2 major categories: midrange and upscale. The following article will focus on what midrange improvements have the best return on investment (ROI) for the Rolla and St. James, Missouri areas based on information from [www.costvsvalue.com](http://www.costvsvalue.com), with St. Louis, MO listed as the region.

### Siding Replacement

Siding was the overall winner. The ROI came in around 80.9% on average, which is a tremendous rate of return for the midwest. This is certainly a testament to the importance of curb appeal. In business, people are taught how important first impressions are, and homes are no different. It may be surprising to find how many people rule out a home as soon as they pull into the driveway. It is very common for me to drive up in front of a home where prospective buyers tell me to just keep going. The reality is they never saw the remodeled kitchen or bathrooms where you spent all that time and money. Make sure your first impression is a positive and lasting one.

### Deck Addition

Coming in at a 78.4% ROI were wooden decks as an addition. This is probably the most cost effective renovation, and the fact that it has such a great rate of return may make this a no-brainer for someone who is lacking a deck or a comparable space in their back yard.

### Window Replacement

Windows came in very strong as well. Vinyl window replacement exhibited a 73.7% ROI, while wooden windows were right behind with a 70.2% ROI. This certainly continues to substantiate the claim about the importance of curb appeal while also demonstrating people's concern for their energy bills. The benefit of windows is two-fold; not only do they dramatically increase a home's exterior appeal, they also cut down on high energy costs.

### Kitchen and Bath Remodels

Realtors always say that the two things that sell a home fastest are kitchens and bathrooms. Kitchens were broken down into major and minor remodel categories. The minor remodel edged out the major remodel 71.5% to 70.9%. Bathroom remodels held their own at 68.8%, while bathroom additions had a 61.8% ROI. All those numbers are pretty strong overall, and there is definitely value in the fact that people will potentially walk away from a transaction without quality kitchens and baths.

### The Worst

Two of the poorest rates of return belong to roof replacement and an office remodel. Roof replacements had an ROI of 59.3%. Roofs are one of those things that people address when they have to, but not usually just because they want to. It is uncommon in this area for someone to replace a perfectly functioning roof simply for aesthetic reasons. This certainly is a factor that affects its low ROI. The distinction of the lowest ROI belongs to an office remodel at 53%. This is probably results from the fact that most people don't view the office space as a necessity. Consumers often place a higher priority on rooms that are vital to their living (i.e. kitchens and bathrooms).

This list is by no means an exact science, but it should definitely function as a solid guideline when considering what to remodel. However, remember that a home's location, construction costs, and time frame are uncontrollable and changing variables that affect those percentages.

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from Remodeling Online 2007. Cost vs. Value Report can be downloaded for free at [www.costvsvalue.com](http://www.costvsvalue.com).