Real Estate Facts Column

**Realtors® Rate Remodeling Projects, Provide Improvement Guidance to Homeowners**

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***(558 Words)***

When it comes to remodeling, homeowners often wonder if a project is worth the investment. According to the *2014 Cost vs. Value Report,* several remodeling projects are not only valuable, but also return more than 78 percent of their costs upon resale. Many of those projects are exterior replacement projects, which Realtors® rated having the biggest bang for the buck.

“Exterior projects such as entry door, siding and window replacements can recoup homeowners a substantial amount upon resale,” said **[full name of your local spokesperson]**. “These types of projects are essential to home maintenance, so the good news is many homeowners are already doing them. Another plus is that these projects are generally inexpensive, and besides keeping your home functioning properly, they also add instant curb appeal. This is especially important if you are considering selling.”

The *2014* *Cost vs. Value Report* compares construction costs with resale value for 35 midrange and upscale remodeling projects in 100 markets across the country. Realtors® provided their insight into local markets and buyer home preferences within those markets. Overall Realtors® estimated that homeowners would recoup an average of 66.1 percent of their investment in 35 different improvement projects, an increase of 5.5 points over last year and the largest increase since 2005. For the second consecutive year, the value of remodeling is up for all of the projects included in the survey.

Eight of the top-10 most cost-effective projects nationally in terms of value recouped are exterior projects. Realtors® judged a steel entry door replacement as the project expected to return the most money, with an estimated 96.6 percent of costs recouped upon resale. It’s consistently the least expensive project, costing little more than $1,100 on average. Other worthwhile exterior projects included two different siding replacement projects, including fiber-cement siding, expected to return 87 percent of costs, and vinyl siding, expected to return 78.2 percent of costs. Two garage door replacement projects were also in the top 10, both expected to recoup more than 82 percent of costs. Rounding out the top exterior projects were two window replacement projects; wood window replacement and vinyl window replacement both recoup more than 78 percent of their costs.

According to **[full name of your local association/board]**, each neighborhood is different and the desirability and resale value of a particular remodeling project varies. “That is why it’s important to work with a Realtor®,” said **[last name of your spokesperson]**. “A Realtor® is the best resource for helping homeowners decide what improvement projects will provide the most return upon resale in your market. Realtors® have a unique understanding of local markets, desirable home features and buyer preferences.”

In addition to the exterior projects, two particular interior remodeling projects can recoup substantial value at resale. An attic bedroom is expected to return 84.3 percent of costs, and a minor kitchen remodel is estimated to recoup 82.7 percent of costs. The improvement project estimated to return the least at resale is a home office remodel, estimated to recoup only 48.9 percent.

The *2014 Cost vs. Value Report* is published by *Remodeling* magazine publisher Hanley Wood, LLC and is done in collaboration with the National Association of Realtors®. Additional data for the report can be found at NAR’s consumer website, HouseLogic.com. The website includes a wide variety of ideas and projects to help homeowners maintain, enhance and improve the value of their home.