

# Enjoy



## Do Home Improvements Pay Off?

A new bath, kitchen, or other improvement project can make your home and your family more comfortable. It can also affect your home's future selling price. Since you may sell your home someday, knowing what the possible payback might be can help you decide whether to go ahead with a project.

### Project and Geography Determine Payback

How much of your improvement costs are you likely to recover through a higher selling price? According to *Remodeling* magazine's annual "Cost vs. Value Report 2008-2009," the answer depends on the type of improvement you make and where you live.

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Rates can vary significantly from one geographic area to another. For example, homeowners in the South Atlantic region can expect to recover around 75% of the cost of a midrange bathroom remodeling project, while homeowners in the Midwest should expect to recover only 64% for the same project.

As the accompanying table shows, four of the five highest cost recovery rates were for exterior projects.

### Midrange Home Improvement Projects 2008 National Averages

Project	% of Cost Recovered When Selling
Deck Addition - Wood	81.8%
Siding Replacement	80.7%
Minor Kitchen Remodel	79.5%
Window Replacement - Wood	77.7%
Window Replacement - Vinyl	77.2%
Bathroom Remodel	74.6%
Major Kitchen Remodel	76.0%
Attic Bedroom	73.8%
Deck Addition - Composite	73.7%
Basement Remodel	72.9%
Two-story Addition	70.7%
Garage Addition	66.6%
Master Suite Addition	66.0%



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Family Room Addition	65.9%
Roofing Replacement	65.5%
Bathroom Addition	63.5%
Sunroom Addition	56.7%
Home Office Remodel	54.6%

Source: "Remodeling Cost vs. Value Report 2008-2009," *RemodelingOnline*, [www.remodeling.hw.net](http://www.remodeling.hw.net)

### Remodeling Tips

Here are a few tips that can help a remodeling job go smoothly.

- Ask friends, home improvement stores, your town's building department, and people who've done work for you for contractor recommendations.
- Sketch out your ideas to show the contractors.
- Make sure the design is compatible with your home's existing features to keep costs down and increase resale value.
- Check with the Better Business Bureau for any complaints against contractors you're considering.
- Keep estimates, contracts, change orders, receipts, and anything else connected with the project in a folder or binder.
- Cut expenses by doing parts of the project yourself, such as demolition or finish work.

This material is intended for general educational purposes only.

