## **ASK JEAN**

## **Q**-Which Home Improvements Pay Off?



When remodeling your kitchen for resale, stick with traditional materials and appliances, such as all-wood cabinets, commercial-look appliances, natural wood or stone floors and stone countertops.

According to Remodeling Magazine (http://www.remodeling.hw.net/) you're less likely to recoup your investment in a major kitchen or bathroom remodel than you are to get back what you spend on basic home maintenance such as new siding. Siding replacement recouped 92.8 percent of its cost, according to the study. The only home improvement likely to return more at resale was a minor (roughly \$15,000) kitchen remodel, which returned 92.9 percent. Replacing roofs and windows were also high on the list, returning 80 percent or more at resale.

"Buyers want to take the basic systems for granted," says Sal Alfano, Remodeling's editorial director. "They assume the roof doesn't leak and the air conditioning and plumbing work. Maintenance can chew up a lot of cash quickly, and people are afraid of that."

That's not to say that granite counters and steam showers don't pay off; kitchen and bathroom remodels continue to be two of the best investments you can make in your house. "They're always right up there at the top of the list," says Alfano. "They're the big, sexy rooms that new home builders splurge on, so when buyers are shopping around that's what they want in an existing home, too."

If you're thinking about sinking some money into home improvement projects this year, keep a few things in mind. What you'll get back on your investment depends on the value of your house, the value of houses in your immediate neighborhood, the housing market where you live, how soon you sell after making improvements, and the quality of the project itself. Installing a \$10,000 stove in a \$200,000 house, for example, "just doesn't compute," says Ron Phipps. Nor does it make sense to update your kitchen if your house is the only house in the neighborhood with just one bathroom. Here, the scoop on home improvements that will give you the biggest bang for your buck:



Bathroom additions have twice the resale value of a new bedroom.

## **Kitchens and Baths**

In the hottest housing markets, springing for a kitchen or bath remodel is a surefire investment, often returning more than 100 percent of the cost.

Kitchens and baths are the areas in a home "where you can tell if money has been well spent or not," says architect Steve Straughan, a partner in Los Angeles-based KAA Design Group. "They're the most expensive areas of the home in terms of construction. And they're where people spend time in their homes."

So exactly what should you improve when you redo your kitchen or bathroom? Think traditional: all-wood cabinets, commercial-look appliances, natural wood or stone floors and stone countertops. Walk-in showers have replaced whirlpool tubs as the must-have cleaning machine in bathrooms, Straughan says. His clients will "forgo the tub to have a big walk-in shower" if they don't have room for both. "Most people don't have time to take a bath," Straughan points out. "So a lot of time you're giving away all that square footage for a tub that rarely gets used." Floor-to-ceiling steam showers are also hot (so to speak). Two key points to consider, however: First, don't spend money remodeling the bathroom if it's the only one you've got. Your money is better spent adding a second bath. Many people love "the charm of older homes," says Long Beach, Calif., based realtor Dick Gaylord. "But a number of older homes lack a sufficient number of bathrooms. So if you've got a four-bedroom, one-bath home, it's certainly going to pay to add a second bathroom." A National Association of Realtors study by Florida State University professors G. Stacy Sirmans and David Macpherson found that adding a bathroom increased the sale price of a home by 8.7 percent, more than twice the rate for adding a bedroom.

Second, if you're not planning to move in the near future, spend your money remodeling in a way that you'll most enjoy

In other words, you can't measure the value you get out of your use and enjoyment of the home improvements you make. "Even if you get less than 100 percent of your money back, you're really ahead of the game over time because you get the use of all that space," says Sal Alfano.

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