

The Rewards of Renovation

I meet with clients that often ask me one simple question: Should we renovate? This question usually results in me firing back several questions. Will you be staying in this house? Are you renovating for resale? How much money do you have into the property? What are house values on your street? These are questions that must be considered before starting a project.

Resale is always a consideration. But, most people are looking to improve the over quality of their home. If this is your intent, you are on the right track. Avoid making decisions based on what other people *might* like or based on trends. Make decisions based on what you like and the needs of your family.

Renovations can be expensive. So, it's important that you and your family are happy with the end result. Would you go down to the car dealer and purchase a red car instead of a blue car based on an assumption that resale on a red car is better? No. You will buy the color you like best. Apply this same strategy to your home. Why spend all that money if you don't get what you want? After all, getting what you want is the reward of renovation.

Back to the money, on average you can expect to recover 75% of the cost of renovations when you sell. Are you surprised? Many people go into a renovation under the assumption they will recover 100%. A few of the lucky will, but this is not the norm. Last year, the average percent recovered for a complete kitchen renovation in Cincinnati was ~70%. The average recovered for a bathroom renovation was ~68%.

After seeing these numbers you might say, "Gee, why renovate?", but that is missing the point. You are renovating for you and your family, not for the next family that will own the home. The reward of renovation is the happiness you gain through the completion of your project.