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## REMODELING PROJECTS THAT YIELD RETURNS – by Dieter Wolle

Remodeling is an investment in the enjoyment you and your family receive from your home, And, according to a recent study, remodeling projects can also offer a financial return on the investment when the home is sold – if the right projects are chosen.

To find out which remodeling projects offer homeowners the best return on investment, Remodeling Ideas magazine turned to remodeling experts for their opinions on types of improvements and costs, and to local real estate experts for their advice on value of return. The study found that the money put into improvements rarely provides a dollar-for-dollar return when the home is sold, but some projects tend to provide a greater return than others.

Projects that center on the kitchen and bath offer the greatest return to the owner when the home is sold. A new bath can return more than 75 percent of its cost when the home is sold. And kitchen remodel can return from 60 to 80 percent.

The return from exterior projects varies to a wide degree, the study found. Exterior painting can return 40% to 50% of the cost, while re-siding your home may return only 15% to 35% of the investment. Landscaping projects can yield 45% to 65% of the money spent, yet re-roofing may return only 10% to 30%.

If resale value is crucial to you when determining home improvement projects, here's how to improve your chances of a good return:

1. *Keep the value of your property within 15% 20% of other homes in your neighborhood.*
2. *If you live in an area where real estate prices are low and unchanging, be especially cautious about over-improvement.*
3. *Style your remodeling for mass appeal. Buyers prefer neutral, mainstream design and colour.*
4. *Give Buyers quality construction.*
5. *Keep your remodeling compatible with the existing house.*
6. *If you're unsure of your home's value or local real estate trends, find a real estate company that will prepare a market analysis to give you an idea.*

When it comes time to sell your home, there is only one person whose opinion really counts – and that's the Buyer. No matter how much you invest in improvement, it's the market place that determines what your home is worth.