

Top 5 Home Renos For Your Money

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The bursting of the housing bubble has depressed real estate values, and made it much harder for homeowners to sell and move up to a larger house with more amenities. **This has made renovating a popular option, because the odds are good that it will increase the value and marketability of the home in the long run.**

But some renovations have a better payback than others, and the amount will depend on your specific location. For example, a new wood-burning fireplace sells much better in colder climates than in the tropics. So which home renovations are worth your time and money?

1. Siding (\$4-\$21 per square foot) - Recoup: 87%

The return on siding is high because of its relative cost to the value of your home and its ability to make your home look new again. Another attractive feature is that there are sidings available that are zero maintenance. So a potential buyer looking at a long-term purchase benefits from the reduced cost of future upkeep.

The least expensive options are vinyl or aluminum siding at \$4-\$5. The newer vinyl is fade resistant, available in many colors and virtually maintenance-free. Aluminum is durable but will require painting if it is scratched.

Other more expensive options include cedar (\$9-\$12), stucco (\$9-\$11) and brick veneer (\$9-\$21).

2. Windows (\$25-\$60 per square foot) - Recoup: 85%

In addition to sprucing up your home's exterior, new windows can substantially improve the energy efficiency. This is a big selling point, as the cost of heating and air conditioning has continued to soar. The total cost will depend on the brand and type of window you select, and the difficulty of the installation. Storm windows and those with thermal glass will be at the middle of the cost range. Specialty windows such as double-hung and bay windows will be at the top of the range.

Quality windows will increase the comfort of your home and help to prevent moisture and mold from building up inside. They will also do a better job of restricting pollen and bugs, and reducing outside noise levels.

3. Bathroom Remodel (\$5,000+) - Recoup: 70-85%

An updated bathroom is another great selling feature. While a coat of fresh paint will do wonders for the interior of a house, there's no way to cover up old sinks, bathtubs and fixtures. Today's buyer is looking for molded sinks, marble vanities, ceramic tile, whirlpool baths, unique lighting and modern fixtures.

The cost can vary widely, depending on the extent of the remodel, and luxury fixtures can run into thousands of dollars. Should you decide to remodel specific parts of your bathroom, you can expect to spend about \$4,000 for a whirlpool bath and around \$3,000 for a ceramic tile tub enclosure or shower stall. (How can you afford all of this?)

4. Kitchen Remodel (\$7,500+) - Recoup: 75-80%

If you're on a limited budget, the choice between remodeling a bathroom or kitchen should probably be based on which one will give you the most pleasure and satisfaction. You will recoup roughly the same percentage of your cost on either one.

The total cost will be a function of the types of materials used, the extent of the remodel and whether or not you replace some or all of the appliances. These are rough estimates expressed in dollars per linear foot: \$50-100 for new cabinets, \$40 for laminate countertops and \$75 for marble countertops.

5. Master Bedroom Suite (\$115 - \$200 per square foot) - Recoup: 75%

Older homes benefit the most from this addition, whether you are remodeling an existing bedroom or adding a new one. In many cases, a master bathroom will be added at the same time because of the cost efficiencies that result. The cost of plumbing and fixtures would be added to the overall cost.

The Bottom Line

Remodeling can include everything from adding a new room to simply updating the bathroom faucets. Before pursuing any of these options, you should evaluate the payoff of the work you plan to have done.

Before undertaking major remodeling projects, make sure you have taken care of the basic maintenance on your home. If you are selling your home, an updated bathroom won't do you much good if your carpets are old and worn out, or if your exterior paint is peeling. Fresh paint and new carpeting or flooring will go a long way in preserving or increasing your home's value at a relatively small cost.