Remodeling Your Home to Help It Sell May Not Be the Moneywise Approach

Before putting your home on the market, it’s natural to ask for advice on what should be fixed or upgraded before doing so. Here’s how we respond when asked.

First, you need to know that every study we’ve seen shows that sellers almost never recoup 100% of the cost of remodeling, so you should only do so for your own enjoyment, years before you plan to sell. Don’t make updates expecting to get a higher price for your home.

Rita and I, or example, recently spent $40,000 to update our kitchen, and we love it! (It was done by Bonnie Kitchen Design in Golden, and we strongly recommend her!) But that doesn’t mean our home increased its value and selling price by $40,000 or more. We made that improvement for our own enjoyment, just as we did when we spent $20,000 on our master bathroom several years ago. Yes, it will increase the attractiveness of our home when we eventually sell it, but that will only be after years of happy enjoyment of those two improvements.

We’ll probably make additional improvements in coming years, but it will never be to dress up the home for sale. On top of not recovering the full expenditure upon sale, it’s a huge disruption of one’s life to engage in major renovations.

The most recent study I’ve read about cost vs. ROI (return on investment) was made by Remodeling magazine, as reported by RISmedia.

According to that report the 5 projects with the highest ROI in the mid-range cost category are:
- Manufactured Stone Veneer (94.9%)
- Minor Kitchen Remodel (80.5%)
- Deck Addition (Wood) (75.6%)
- Siding Replacement (75.6%)
- Entry Door Replacement (Steel) (74.9%)

The 5 projects with the highest ROI in the upscale cost category are:
- Garage Door Replacement (97.5%)
- Window Replacement (Vinyl) (73.4%)
- Grand Entrance (Fiberglass) (71.9%)
- Window Replacement (Wood) (70.8%)
- Bathroom Remodel (60.2%)

Lastly, here are the 5 projects with the lowest ROI in the mid-range cost category:
- Backyard Patio (55.2%)
- Master Suite Addition (59.4%)
- Bathroom Addition (60.6%)
- Roofing Replacement (Metal) (60.9%)
- Major Kitchen Remodel (62.1%)

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- Window Replacement (Vinyl) (73.4%)
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- Bathroom Remodel (60.2%)

So, clearly you should only remodel when it’s intended to be enjoyed by you for years to come. If you know you’ll be selling this year, we advise our clients as follows.

First, only make improvements that eliminate a defect or an issue which will turn off prospective buyers. I call these “eyesores,” things that stand out like a sore thumb, and not things that are simply “dated” or out of style.

Here are some examples:
- Do refinish hardwood floors that are seriously and obviously in need of refinishing.
- Do replace carpeting that is seriously old, such as 1970’s shag carpeting, or carpeting that is seriously worn or stained. (Again, think “eyesores.”)
- Do replace damaged countertops.
- Do repair damaged walls and replace damaged doors that can’t be repaired.
- Do replace those 1990’s glass-and-brass lighting fixtures. (They’re so unappealing that Habitat’s thrift store won’t accept them as donations!)
- Do replace burned out light bulbs.
- Do repaint (inside and out) where there is peeling or discolored paint.
- Do replace rotten timbers on your deck, then power wash and re-stain or repaint as necessary.
- Do improve curb appeal (always the first impression), including weeding and pruning and freshening the front door. (It’s true that red doors sell homes…)
- Do have someone with “fresh eyes” walk through your house and identify other turn-offs. (Our staggers performs that function.)
- Do not replace undamaged countertops or bathroom fixtures just because they are “dated” — even those pastel colored bathtubs and sinks. (I tell buyers “You can’t buy these anymore!”)

The exception would be the toilets. A white chair (I tell buyers “You can’t buy these anymore!”) or a white bathtub in a dated bathroom would never sell. The buyer would never set foot in the rest of the home. (Our stagers perform that function.)

Your situation will be different, of course, and we are happy to meet with you in your home and discuss what’s needed and strategic to fix before listing. We consider such advice part of the free staging consultation we provide sellers.

Coming Next Week: Broomfield Ranch on a Big Lot

This 3-bedroom, 2½-bath home at 1303 Loch Lomond Ave. is on a corner lot, with RV parking around the corner. Built in 1987, the sellers have owned and loved this home since 1996. The lot measures 9,148 square feet, and the living space is 1,808 square feet. There’s a large master suite with walk-in closet and master bath. It has a spacious family living area with cozy fireplace and large windows. There’s plenty of storage in an unfinished basement and dedicated laundry room. It is within walking distance of the Bay Water Center, library, community center, grocery stores, gyms, restaurants, and home improvement stores! Boulder School District has incredible educational opportunities for growing families. For more information, call listing agent Debbi Hysmith at 720-936-2443. See more pix and a narrated video tour at www.BroomfieldHome.info.

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