

The Real Deal

REALTORS® around the country helped us track down home owners who had recently completed remodeling projects. In all cases, the projects cost far less than the job cost estimates provided with the Cost vs. Value survey. (Visit our Web site, REALTOR.org/realtormag, for specs used to estimate the job costs shown in the chart at right for these four projects.)



Photo by Cynthia House ©2008

ATTIC-TO-BEDROOM OAK PARK, ILL.

When Rick Nagle and Eileen Deamer of Oak Park, Ill., spent more than \$35,000 to convert the attic of their 100-year-old home into a combination master bedroom and office, "resale value wasn't our concern," says Deamer, a U.S. government employee and the married mother of two. The transformation turned 600 square feet of makeshift office with a toilet in the middle of the room to a colonial-style bedroom/office with two walk-in closets and an adjoining sage green bath with a walk-in shower. To allow two simultaneous uses, pocket doors separate the bedroom and office spaces.



BATHROOM FOUNTAIN HILLS, ARIZ.

"This is such a crazy market to try to judge how much a renovation is worth, but having a refurbished kitchen and bathrooms makes almost any house more salable," says Shari Gay, ABR®, sales associate at RE/MAX Sun Properties in Fountain Hills, Ariz. The owner—Gay's sister—added Saltillo clay floor tile throughout the 1,800-square-foot home, including the new bathroom. Bathroom finishes included a new cherry vanity cabinet, a tile shower, oil-rubbed bronze fixtures, and a soothing, sophisticated yellow color scheme, which all add up to a great look. Total cost? About \$5,000. "She'll at least break even on the upgrades," predicts Gay. "If this were a boom market, she would get even more."

Attic-to-Bedroom (Midrange Remodel)

	Job Cost	Value at Sale	Cost Recouped
New England	\$53,057	\$35,174	66.3%
Connecticut	Hartford 56,039	37,657	67.2
	New Haven 55,090	34,706	63.0
Massachusetts	Boston 60,673	48,064	79.2
	Springfield 51,653	32,867	63.6
	Worcester 57,891	21,600	37.3
New Hampshire	Manchester 46,513	26,083	56.1
Rhode Island	Providence 55,305	44,002	79.6
Vermont	Burlington 40,626	37,308	91.8
Middle Atlantic	\$52,282	\$35,245	67.4%
New York	Albany 49,397	40,458	81.9
	Buffalo 51,094	27,923	54.6
	New York 65,543	52,143	79.6
	Rochester 49,922	23,594	47.3
Pennsylvania	Allentown 51,400	31,974	62.2
	Harrisburg 46,145	34,955	75.8
	Philadelphia 55,439	36,344	65.6
	Pittsburgh 49,314	34,570	70.1
South Atlantic	\$42,683	\$32,246	75.5%
D.C.	Washington 48,852	33,106	67.8
Florida	Jacksonville 40,330	32,164	79.8
	Miami 44,687	39,859	89.2
	Orlando 44,001	33,952	77.2
	Tampa 45,122	32,181	71.3
Georgia	Atlanta 46,984	31,533	67.1
Maryland	Baltimore 47,868	32,982	68.9
North Carolina	Charlotte 38,382	32,989	86.0
	Raleigh 38,459	25,923	67.4
South Carolina	Charleston* 38,395	32,862	85.6
*Includes N. Charleston	Columbia 38,546	30,281	78.6
Virginia	Richmond 39,156	30,873	78.8
	Virginia Beach 39,423	29,365	74.5
West Virginia	Charleston 47,357	33,375	70.5
E. North Central	\$51,226	\$32,943	64.3%
Illinois	Chicago 63,533	45,403	71.5
Indiana	Indianapolis 48,488	28,881	59.6
Michigan	Detroit 57,194	29,210	51.1
	Grand Rapids 44,601	26,500	59.4
Ohio	Cincinnati 48,195	31,705	65.8
	Cleveland 51,756	30,990	59.9
	Columbus 46,736	32,471	69.5
	Dayton 46,215	32,258	69.8
Wisconsin	Madison 51,042	35,667	69.9
	Milwaukee 54,502	36,347	66.7
W. North Central	\$47,931	\$31,201	65.1%
Iowa	Des Moines 46,252	26,574	57.5
Kansas	Wichita 42,017	26,031	62.0
Minnesota	Minneapolis 61,795	41,023	66.4
Missouri	Kansas City 54,738	33,234	60.7
	St. Louis 54,112	38,568	71.3
Nebraska	Omaha 45,783	30,063	65.7
North Dakota	Fargo 40,936	29,308	71.6
South Dakota	Sioux Falls 37,813	24,805	65.6
E. South Central	\$42,277	\$33,749	79.8%
Alabama	Birmingham 45,327	29,879	65.9
Kentucky	Louisville 45,964	33,732	73.4
Mississippi	Jackson 39,158	36,191	92.4
Tennessee	Knoxville 38,428	33,468	87.1
	Memphis 42,507	35,476	83.5
W. South Central	\$40,875	\$33,293	81.4%
Arkansas	Little Rock 39,507	33,200	84.0
Louisiana	New Orleans 45,253	33,657	74.4
Oklahoma	Oklahoma City 39,356	32,667	83.0
	Tulsa 38,954	36,753	94.4
Texas	Austin 39,683	32,401	81.6
	Dallas 41,005	31,828	77.6
	El Paso 38,620	35,585	92.1
	Houston 43,413	31,406	72.3
	San Antonio 42,084	32,136	76.4
Mountain	\$45,673	\$34,833	76.3%
Arizona	Phoenix 43,649	31,483	72.1
Colorado	Denver 45,921	31,834	69.3
Idaho	Boise 46,008	37,742	82.0
Montana	Billings 44,094	31,823	72.2
Nevada	Las Vegas 53,341	40,939	76.8
New Mexico	Albuquerque 44,669	36,214	81.1
Utah	Salt Lake City 42,026	33,792	80.4
Pacific	\$58,913	\$51,286	87.1%
Alaska	Anchorage 59,944	43,421	72.4
California	Los Angeles 59,824	52,034	87.0
	Riverside 59,824	41,667	69.6
	Sacramento 58,544	46,826	80.0
	San Diego 57,316	52,349	91.3
	San Francisco 64,351	69,892	108.6
	Ventura 59,824	43,500	72.7
Hawaii	Honolulu 60,795	71,082	116.9
Oregon	Portland 53,721	42,771	79.6
Washington	Seattle 54,984	49,318	89.7

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Kitchen (Midrange Upgrade)

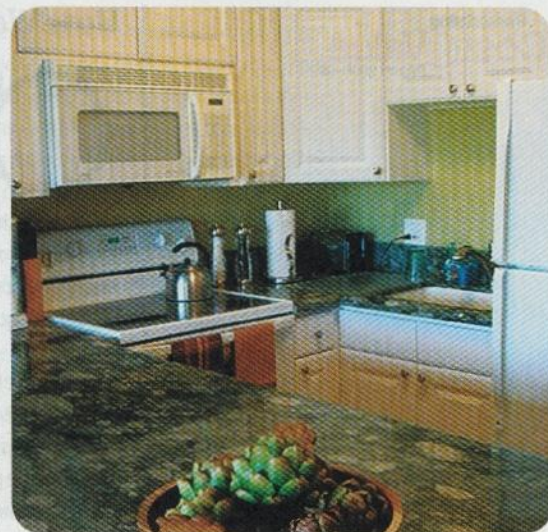
Job Cost	Value at Sale	Cost Recouped
\$21,950	\$16,154	73.6%
22,482	18,443	82.0
22,318	13,719	61.5
23,269	21,135	90.8
21,830	14,467	66.3
22,777	14,400	63.2
20,759	14,878	71.7
22,547	17,920	79.5
19,710	14,500	73.6
\$21,903	\$16,447	75.1%
21,398	20,978	98.0
21,657	13,709	63.3
23,836	20,439	85.7
21,429	12,952	60.4
21,655	15,937	73.6
20,886	15,789	75.6
22,693	15,435	68.0
21,670	16,337	75.4
\$20,320	\$16,234	79.9%
21,295	15,314	71.9
19,981	14,323	71.7
20,706	16,438	79.4
20,719	14,754	71.2
20,718	15,518	74.9
20,943	17,022	81.3
21,217	15,626	73.6
19,544	15,773	80.7
19,516	14,368	73.6
19,575	16,292	83.2
19,628	16,708	85.1
19,660	15,538	79.0
19,671	15,315	77.9
21,306	24,286	114.0
\$21,759	\$15,038	69.1%
23,722	17,537	73.9
21,348	14,126	66.2
22,784	12,080	53.0
20,765	14,205	68.4
21,292	16,186	76.0
21,860	13,957	63.8
20,991	14,734	70.2
20,893	14,275	68.3
21,707	16,573	76.3
22,223	16,704	75.2
\$21,185	\$15,528	73.3%
20,948	14,198	67.8
20,288	13,768	67.9
23,368	17,652	75.5
22,254	15,693	70.5
22,128	16,436	74.3
21,039	15,145	72.0
19,987	15,000	75.0
19,465	16,333	83.9
\$20,307	\$16,461	81.1%
20,887	16,559	79.3
20,779	14,967	72.0
19,820	15,254	77.0
19,622	20,329	103.6
20,427	15,196	74.4
\$19,988	\$16,765	83.9%
19,867	15,814	79.6
20,583	16,984	82.5
19,833	16,780	84.6
19,659	18,592	94.6
19,849	17,447	87.9
19,991	14,710	73.6
19,602	18,066	92.2
20,309	16,809	82.8
20,201	15,678	77.6
\$20,684	\$16,867	81.5%
20,349	19,485	95.8
20,764	15,398	74.2
20,615	17,996	87.3
20,147	14,575	72.3
22,210	17,377	78.2
20,555	16,074	78.2
20,150	17,166	85.2
\$22,974	\$21,944	95.5%
22,963	15,306	66.7
23,135	22,642	97.9
23,135	15,982	69.1
23,126	20,889	90.3
22,886	21,546	94.1
24,110	31,695	131.5
23,135	21,556	93.2
22,935	28,028	122.2
21,838	19,199	87.9
22,476	22,595	100.5

Bathroom (Upscale Remodel)

Job Cost	Value at Sale	Cost Recouped
\$54,462	\$33,139	60.8%
56,626	37,959	67.0
56,011	29,353	52.4
59,592	45,752	76.8
53,346	33,133	62.1
57,561	19,400	33.7
49,365	29,814	60.4
56,912	35,234	61.9
46,123	34,167	74.1
\$54,584	\$36,400	66.7%
52,122	45,281	86.9
53,096	28,800	54.2
64,449	49,403	76.7
52,464	24,488	46.7
53,996	33,846	62.7
50,415	37,589	74.6
57,846	34,751	60.1
52,280	37,044	70.9
\$47,615	\$34,369	72.2%
53,614	34,088	63.6
45,071	32,294	71.7
49,563	39,276	79.2
48,516	31,946	65.8
49,913	32,993	66.1
50,422	36,586	72.6
51,885	36,347	70.1
43,949	37,460	85.2
44,139	28,979	65.7
44,191	35,845	81.1
44,523	37,774	84.8
44,986	30,794	68.5
45,034	30,653	68.1
50,810	36,125	71.1
\$53,345	\$32,875	61.6%
61,470	40,360	65.7
51,838	29,780	57.4
57,944	26,773	46.2
48,057	29,523	61.4
51,339	32,369	63.0
53,712	34,106	63.5
50,598	35,858	70.9
49,754	31,132	62.6
53,493	33,209	62.1
55,248	35,642	64.5
\$51,057	\$33,423	65.5%
50,234	31,997	63.7
47,553	30,942	65.1
59,329	37,771	63.7
55,084	33,634	61.1
55,035	38,707	70.3
51,245	34,643	67.6
46,374	27,692	59.7
43,605	32,000	73.4
\$47,265	\$37,471	79.3%
48,536	36,590	75.4
49,957	33,149	66.4
44,748	37,754	84.4
44,757	42,633	95.3
48,325	37,228	77.0
\$46,366	\$37,919	81.8%
45,296	43,125	95.2
48,208	34,658	71.9
45,637	37,290	81.7
45,086	42,669	94.6
45,892	39,065	85.1
46,898	33,878	72.2
44,083	38,086	86.4
48,272	36,308	75.2
47,922	36,194	75.5
\$49,634	\$35,741	72.0%
48,470	38,267	78.9
50,597	33,752	66.7
48,963	37,128	75.8
47,592	30,913	65.0
55,181	42,935	77.8
49,138	37,036	75.4
47,499	30,154	63.5
\$58,317	\$46,350	79.5%
58,356	37,750	64.7
58,201	44,423	76.3
58,201	36,793	63.2
58,855	44,348	75.4
57,521	50,345	87.5
64,148	57,611	89.8
58,201	41,050	70.5
57,666	61,267	106.2
54,592	41,271	75.6
57,433	48,638	84.7

Basement (Midrange Remodel)

Job Cost	Value at Sale	Cost Recouped
\$66,280	\$37,773	57.0%
69,505	41,662	59.9
68,458	30,324	44.3
75,337	51,593	68.5
64,914	26,667	41.1
71,788	33,040	46.0
57,626	34,598	60.0
69,317	41,636	60.1
52,163	40,455	77.6
\$65,978	\$39,101	59.3%
62,545	45,167	72.2
64,049	28,001	43.7
81,507	54,200	66.5
62,832	27,922	44.4
65,421	38,872	59.4
58,044	35,595	61.3
70,635	42,447	60.1
62,794	40,607	64.7
\$54,288	\$42,407	78.1%
62,646	42,461	67.8
50,411	46,852	92.9
56,782	43,167	76.0
55,917	41,617	74.4
57,688	40,291	69.8
59,217	42,195	71.3
60,529	43,105	71.2
48,997	45,836	93.5
49,254	39,638	80.5
49,064	42,868	87.4
49,228	44,656	90.7
50,306	41,409	82.3
50,526	38,355	75.9
59,471	41,250	69.4
\$64,008	\$37,851	59.1%
78,357	48,484	61.9
61,421	38,299	62.4
71,840	34,769	48.4
54,996	35,576	64.7
60,125	37,275	62.0
65,104	35,671	54.8
58,851	33,686	57.2
58,039	39,422	67.9
63,952	37,235	58.2
67,392	38,091	56.5
\$60,436	\$39,431	65.2%
58,608	33,767	57.6
53,720	34,313	63.9
75,598	53,047	70.2
68,393	40,506	59.2
67,438	40,186	59.6
59,254	40,010	67.5
52,206	35,962	68.9
48,274	37,656	78.0
\$53,552	\$44,924	83.9%
56,462	43,359	76.8
57,791	38,190	66.1
49,719	47,117	94.8
49,116	49,573	100.9
54,670	46,381	84.8
\$52,365	\$46,045	87.9%
50,502	44,208	87.5
57,383	51,230	89.3
50,384	44,245	87.8
49,753	48,006	96.5
51,598	48,157	93.3
52,552	44,881	85.4
49,142	43,459	88.4
55,719	45,833	82.3
54,250	44,386	81.8
\$58,039	\$47,955	82.6%
55,742	47,203	84.7
59,395	41,528	69.9
57,463	49,707	86.5
55,367	44,324	80.1
67,366	56,505	83.9
57,147	51,687	90.4
53,794	44,735	83.2
\$73,399	\$63,777	86.9%
72,891	57,737	79.2
74,113	67,419	91.0
74,113	49,115	66.3
74,258	67,729	91.2
71,814	65,957	91.8
81,406	82,343	101.2
74,113	45,500	61.4
74,522	82,097	110.2
67,284	55,630	82.7
69,477	64,243	92.5



KITCHEN HONOLULU

A kitchen is the heart of most homes. That's why Hollywood set designer Wally White decided to spend most of his \$15,000 renovation budget on upgrading the kitchen of his Honolulu studio condo. To spruce up the existing white cabinetry, which he left to save costs, the owner added bursts of color with celadon green granite countertops and walls painted in a complementary shade of light green. An undermounted white porcelain sink, a six-light halogen fixture on a dimmer, and brushed stainless steel faucet completed the look. It paid off. White grossed \$45,000 when he sold eight months later. "The unit sold for more than any other studio—and most of the one-bedroom condos in the building," says Susan Weinik, a sales associate with Realty Executives Oahu.



BASEMENT WEST BRIGHTON, N.Y.

In a modest 1950s ranch in West Brighton, N.Y., a midrange basement upgrade suited Bernard Fallon's mother-in-law, Ligaya Nocon, just fine. After purchasing her home "on the high end of the market," according to Fallon, broker at Fallon Associates Realty in Rochester, N.Y., Nocon kept basement renovation costs under \$9,000. She created a cottage feel by whitewashing the knotty pine paneling rather than replacing it. She also reupholstered the existing bar to cover wear and warmed up the room with wall-to-wall carpeting instead of wood or tile. "We just dressed it up for the personal enjoyment of my mother-in-law," says Fallon, "but I think it will help sell the property later."

Cost data are generated by HomeTech Information Systems, a remodeling estimating software company based in Bethesda, Md. HomeTech regularly collects current cost information from a nationwide network of remodeling contractors and suppliers, then employs an adjustment factor to account for regional pricing variations.

The "resale value" is based on aggregated estimates provided by REALTORS®. Surveys containing project descriptions, construction costs, and median home price data for each city were sent by e-mail to more than 150,000 appraisers, sales associates, and brokers in July and August. More than 4,500 survey respondents used this information to estimate the value that remodeling projects would add to the house at resale in the current market. Respondents were instructed not to make judgments about the motivation of the home owner in either the decision to undertake the remodeling project or the decision to sell the house.

When comparing the data in this report to remodeling costs and resale values in your area, remember that averaging tends to have a leveling effect. On the cost side, what seem like small differences in project size or scope or in the quality of finishes and accessories can dramatically affect the price. A remodeling project that changes how a space is used—converting an existing bedroom into a master bath, for example—may meet a home owner's immediate need but be at odds with the needs of prospective buyers, who may perceive the change as reducing the number of rooms. The cost recouped for a given project also depends on a variety of factors, including the condition of the rest of the house and the value of similar homes nearby. Where resale value is a major factor in a home owner's decision to remodel, suggest that the owner consult with a reputable local remodeler about actual construction costs and talk with you about home prices in the neighborhood. For the national averages, the confidence level is 99 percent +/- 2 percent, based on 4,500 survey respondents. This means that 99 percent of the time, national averages in the survey will fall within 2 percent of this year's survey results.

2008 Averages

NATIONAL				NEW ENGLAND CT, ME, MA, NH, RI, VT			MIDDLE ATLANTIC NJ, NY, PA			SOUTH ATLANTIC DC, DE, FL, GA, MD, NC, SC, VA, WV			E. NORTH CENTRAL IN, IL, MI, OH, WI		
	Job Cost	Resale Value	Cost Recouped	Job Cost	Resale Value	Cost Recouped	Job Cost	Resale Value	Cost Recouped	Job Cost	Resale Value	Cost Recouped	Job Cost	Resale Value	Cost Recouped
ADDITIONS															
MIDRANGE															
Back-up generator	\$14,040	\$ 8,026	57.2%	\$14,757	\$ 6,601	44.7%	\$14,934	\$ 8,103	54.3%	\$12,858	\$ 7,999	62.2%	\$14,906	\$ 7,158	48.0%
Bathroom	38,078	24,187	63.5	41,069	22,569	55.0	41,133	23,854	58.0	33,959	22,450	66.1	40,178	22,322	55.6
(composite) Deck	15,277	11,260	73.7	15,687	11,035	70.3	15,701	11,097	70.7	14,494	11,006	75.9	15,440	9,910	64.2
(wood) Deck	10,601	8,676	81.8	11,168	8,578	76.8	11,037	8,401	76.1	9,370	7,863	83.9	10,534	7,263	68.9
Family room	81,315	53,608	65.9	87,115	51,790	59.5	86,230	51,960	60.3	72,717	51,301	70.5	85,752	49,641	57.9
Garage	57,272	38,161	66.6	60,757	36,232	59.6	60,061	37,312	62.1	52,710	36,960	70.1	60,018	33,559	55.9
Master suite	101,571	67,037	66.0	109,093	64,781	59.4	108,535	66,917	61.7	90,590	64,719	71.4	107,036	62,377	58.3
Sunroom	71,745	40,715	56.7	75,247	37,972	50.5	74,856	40,543	54.2	67,670	42,920	63.4	71,591	36,740	51.3
Two-story	146,538	103,553	70.7	156,543	101,537	64.9	156,457	102,209	65.3	131,717	102,338	77.7	152,236	93,575	61.5
UPSCALE															
Bathroom	\$74,325	\$49,100	66.1%	\$78,825	\$43,700	55.4%	\$79,120	\$48,995	61.9%	\$67,892	\$46,801	68.9%	\$77,667	\$44,865	57.8%
(composite) Deck	37,498	23,706	63.2	38,514	21,074	54.7	38,792	23,121	59.6	35,650	23,503	65.9	37,893	20,747	54.8
Garage	85,844	53,908	62.8	91,393	51,137	56.0	90,015	52,219	58.0	79,044	52,788	66.8	89,732	47,908	53.4
Master suite	223,876	136,764	61.1	235,127	122,059	51.9	233,934	135,237	57.8	206,735	135,088	65.3	231,714	124,730	53.8
REMODELS															
MIDRANGE															
Attic-to-bedroom	\$48,398	\$35,694	73.8%	\$52,974	\$35,286	66.6%	\$52,282	\$35,245	67.4%	\$42,683	\$32,246	75.5%	\$51,226	\$32,943	64.3%
Basement	61,011	44,467	72.9	66,139	37,497	56.7	65,978	39,101	59.3	54,288	42,407	78.1	64,008	37,851	59.1
Bathroom	15,899	11,857	74.6	17,044	12,154	71.3	17,064	11,857	69.5	14,510	10,953	75.5	16,568	10,656	64.3
Home office	28,094	15,329	54.6	29,052	12,949	44.6	29,119	14,722	50.6	26,465	14,905	56.3	28,979	13,224	45.6
(major) Kitchen	56,611	43,030	76.0	59,016	40,481	68.6	59,098	41,513	70.2	53,236	42,104	79.1	58,253	38,726	66.5
(minor) Kitchen	21,246	16,881	79.5	21,962	16,183	73.7	21,903	16,447	75.1	20,320	16,234	79.9	21,759	15,038	69.1
UPSCALE															
Bathroom	\$51,455	\$36,400	70.7%	\$54,442	\$33,102	60.8%	\$54,584	\$36,400	66.7%	\$47,615	\$34,369	72.2%	\$53,345	\$32,875	61.6%
(major) Kitchen	110,964	78,398	70.7	113,802	72,253	63.5	114,444	75,323	65.8	106,506	78,086	73.3	113,056	70,703	62.5
REPLACEMENTS															
MIDRANGE															
Roofing	\$18,825	\$12,336	65.5%	\$22,391	\$12,227	54.6%	\$21,063	\$12,988	61.7%	\$16,088	\$11,661	72.5%	20,227	11,056	54.7%
(vinyl) Siding	10,256	8,274	80.7	10,724	8,455	78.8	10,455	8,957	85.7	9,326	7,705	82.6	10,398	7,591	73.0
(vinyl) Window	10,537	8,132	77.2	11,125	8,458	76.0	11,157	8,047	72.1	9,496	7,535	79.4	11,077	7,429	67.1
(wood) Window	11,512	8,946	77.7	12,178	9,145	75.1	12,146	8,788	72.4	10,416	8,215	78.9	12,117	8,156	67.3
UPSCALE															
Roofing	36,296	\$22,861	63.0%	43,337	22,513	51.9	\$40,881	\$23,719	58.0	\$31,112	\$21,523	69.2	39,144	20,594	52.6
(fiber cement) Siding	13,177	11,424	86.7	13,407	10,696	79.8	13,424	11,272	84.0	12,951	11,785	91.0	12,965	10,279	79.3
(vinyl*) Siding	12,528	10,074	80.4	13,082	9,775	74.7	12,711	10,388	81.7	11,572	9,716	84.0	12,184	9,061	74.4
(vinyl) Window	13,608	10,781	79.2	14,547	11,146	76.6	14,487	10,616	73.3	12,257	10,095	82.4	14,322	9,806	68.5
(wood) Window	17,580	13,455	76.5	18,405	13,280	72.2	18,331	13,066	71.3	16,222	12,576	77.5	18,276	12,127	66.4

* Foam-backed

Why Renovation Pays

Why are renovations holding their value better than home prices today? "When housing slows down, people stay put and renovate their house to make it more livable," says Paul Zuch, president of Capital Improvements, a designing, building, and remodeling company in Dallas. And by renovating before they sell, home owners get to enjoy the new space themselves, not just make the home more appealing to buyers. "It just makes sense," says Zuch.

Recent renovations also make buyers' lives easier. "Home owners who remodel their home are providing a service to future buyers," says Eileen Nelis, a broker at Savvy and Co. in Charlotte, N.C. "When buyers purchase, they don't want to do all that painting and remodeling, and they don't want that price tag. They may be willing to make improvements down the line, but when they purchase, they want to open the door and have everything complete. It reduces their stress."

Making home improvements can also reduce sellers' stress by heading off that time-honored negotiating technique—pecking away at the sales price by pointing out imperfections. "If sellers have done some improvements and dressed up their property, the improvements will help sell it," says Bernard Fallon, broker at Fallon Associates Realty in Rochester, N.Y. "If sellers don't want to improve their property, buyers will tick off the repairs and try to take them off the price."

That doesn't mean that every home owner should do every renovation, even in a more stable real estate market. Take Tulsa, Okla., where median home prices actually edged up slightly more than 2 percent in 2008, according to NAR. REALTORS® in Tulsa reported that, of the 30 remodeling projects surveyed, only 16 netted home owners at least 80 percent of the cost. "Not every neighborhood will support the additional work," says Jim Hemphill, a sales associate at Coldwell Banker Select in Tulsa, "but in older, more established neighborhoods, if you redo a kitchen or bathroom or add a master bath or bedroom, you'll get your money out."

Despite the value, the weak economy is likely to slow seller spending on remodeling, at least in the short term, predicts the most recent Leading Indicator of Remodeling Activity computed by the Joint Center for Housing Studies at Harvard University. The LIRA for the third quarter of this year estimated that owners' spending on home improvements will decline at an annual rate of 12 percent by the second quarter of 2009, continuing a two-year downward trend. Spending is unlikely to recover until the housing market turns around, according to the Center.

Yet, despite declines in overall remodeling dollars spent and a still shaky housing market, "people's homes are still one of their best, most solid investments," notes Zuch. "Even though the markets have gone through some adjustments, it's still smart to invest in your home."

E. SOUTH CENTRAL AL, KY, MS, TN			W. NORTH CENTRAL IA, KS, MN, MO, NE, ND, SD			W. SOUTH CENTRAL AR, LA, OK, TX			MOUNTAIN AZ, CO, ID, MT, NM, NV, UT, WY			PACIFIC AK, CA, HI, OR, WA		
Job Cost	Resale Value	Cost Recouped	Job Cost	Resale Value	Cost Recouped	Job Cost	Resale Value	Cost Recouped	Job Cost	Resale Value	Cost Recouped	Job Cost	Resale Value	Cost Recouped
\$12,820	\$ 8,957	69.9%	\$13,969	\$ 6,715	48.1%	\$12,345	\$ 8,131	65.9%	\$13,617	\$ 7,813	57.4%	\$16,026	\$10,647	66.4%
33,468	23,255	69.5	37,567	20,681	55.0	32,502	23,482	72.2	36,359	22,770	62.6	45,840	34,944	76.2
14,285	10,237	71.7	15,154	10,465	69.1	14,444	10,955	75.8	15,190	11,054	72.8	16,949	14,841	87.6
8,903	7,588	85.2	10,378	7,902	76.1	9,782	8,543	87.3	10,923	8,758	80.2	13,125	12,748	97.1
70,536	48,661	69.0	80,625	49,215	61.0	70,188	49,504	70.5	77,989	52,975	67.9	98,630	73,706	74.7
49,954	34,779	69.6	55,907	34,759	62.2	49,218	35,922	73.0	55,671	38,354	68.9	69,012	52,962	76.7
89,283	60,827	68.1	100,552	60,525	60.2	87,191	60,949	69.9	97,428	66,534	68.3	122,692	90,990	74.2
66,572	39,147	58.8	71,173	39,657	55.7	65,300	37,523	57.5	70,112	38,596	55.0	82,301	49,920	60.7
131,511	94,791	72.1	145,632	94,414	64.8	128,376	94,207	73.4	141,572	100,410	70.9	173,708	140,223	80.7
\$67,217	\$49,149	73.1%	\$73,660	\$44,525	60.4%	\$65,681	\$48,108	73.2%	\$71,761	\$48,694	67.9%	\$86,211	\$65,773	76.3%
35,101	22,878	65.2	37,252	22,084	59.3	35,322	23,990	67.9	37,224	23,468	63.0	41,388	31,144	75.2
76,098	51,775	68.0	84,352	48,851	57.9	74,874	50,264	67.1	82,806	53,820	65.0	101,762	73,500	72.2
204,307	129,000	63.1	221,534	125,136	56.5	201,723	133,969	66.4	217,938	141,250	64.8	258,746	176,690	68.3
\$42,277	\$33,749	79.8%	\$47,931	\$31,201	65.1%	\$40,875	\$33,293	81.4%	\$45,673	\$34,833	76.3%	\$58,913	\$51,286	87.1%
53,552	44,924	83.9	60,436	39,431	65.2	52,365	46,045	87.9	58,039	47,955	82.6	73,399	63,777	86.9
14,413	11,973	83.1	15,753	10,211	64.8	13,984	11,663	83.4	15,119	11,175	73.9	18,452	15,992	86.7
26,494	16,040	60.5	28,054	14,224	50.7	25,969	16,007	61.6	27,370	15,426	56.4	31,153	20,270	65.1
53,150	41,260	77.6	56,307	40,944	72.7	52,111	42,536	81.6	54,900	42,826	78.0	62,997	55,025	87.3
20,307	16,461	81.1	21,185	15,528	73.3	19,988	16,765	83.9	20,684	16,867	81.5	22,974	21,944	95.5
\$47,265	\$37,471	79.3%	\$51,057	\$33,423	65.5%	\$46,366	\$37,919	81.8%	\$49,634	\$35,741	72.0%	\$58,317	\$46,350	79.5%
106,369	79,050	74.3	110,386	72,804	66.0	105,313	78,146	74.2	108,882	79,231	72.8	119,361	97,701	81.9
\$16,594	\$10,657	64.2%	\$18,176	\$10,256	56.4%	\$14,448	\$10,390	71.9%	\$17,029	\$12,148	71.3%	\$23,442	\$18,512	79.0%
8,994	7,610	84.6	10,027	7,449	74.3	9,014	7,307	81.1	10,172	8,509	83.7	12,875	10,762	83.6
9,529	7,438	78.1	10,519	7,421	70.6	9,189	7,036	76.6	10,127	7,756	76.6	12,509	11,641	93.1
10,405	8,037	77.2	11,519	8,246	71.6	10,063	7,830	77.8	11,029	8,918	80.9	13,593	12,762	93.9
\$32,873	\$20,980	63.8%	\$35,216	\$20,138	57.2%	\$28,847	\$20,249	70.2%	\$31,551	\$21,592	68.4%	\$44,004	\$32,955	74.9%
12,967	11,690	90.2	13,256	10,591	79.9	12,831	11,331	88.3	13,146	11,732	89.2	13,697	13,172	96.2
11,111	10,165	91.5	12,277	9,080	74.0	11,220	9,086	81.0	12,567	10,243	81.5	15,683	13,098	83.5
12,289	10,049	81.8	13,545	9,813	72.4	11,754	9,564	81.4	12,918	10,252	79.4	16,192	15,160	93.6
16,177	12,334	76.2	17,548	12,051	68.7	15,784	12,525	79.4	16,964	13,248	78.1	20,303	19,130	94.2

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