



Thinking of Remodeling?

It May Not Be Just About Your Return on Investment.

One of the most common concerns that homeowners have when considering a remodel is whether or not they will be able to recover their investment if they had to sell. This concern has increased since the housing downturn, and rightly so. Though remodeling ROI is important, it is by no means a comprehensive way of determining whether or not to do a project. I believe that a more holistic approach is to determine what the best *value* for any given remodeling project is. For example, indoor air quality, a determinant of the health of a building, is difficult to value in terms of dollars and cents, but it may be critically important for a family with young children. Other considerations, such as how you feel about the home, how comfortable it is, or how well it is utilized/underutilized, should also be considered.

According to a recent Houzz to Home

survey from Houzz.com, 86% of homeowners planning a project over the next few years cite improving the look and feel of the space as an important driver, compared to 47% who cite increasing the home's value.

So where do you start? I recommend generating two lists. The first is a list of projects that you want to do around your home. This should be relatively straightforward...more space, upgrade the kitchen, add a master bath, etc. The second is a list of priorities that are important to you about where and how you live. Essentially this is a list of why you may want to remodel. This list is a little tougher and rarely thought through. This list might include items such as increasing the comfort, health or efficiency, modernizing, curb appeal, or entertaining.

I cannot stress the importance of focusing on the 'Why'. In fact, if you just focused on

the second list, you may be better off. The purpose of these lists is that when you meet with your design and construction team, you will be able to better communicate what you want to do and why you want to do it. With this information, a good team of professionals can work with you to put the highest value package together that fit within your budget. The team, working together, can find opportunities that you could not find on your own.

The focus on total project value, instead of just ROI, or any other singular directive for that matter, creates opportunities that would not exist otherwise. As someone who is regularly involved in this process, I have found that this approach to a project results in the highest homeowner satisfaction. —By Bryan Henson, President Allen Associates Builders. www.dennisallenassociates.com 805-884-8777.