

5 high-ROI upgrades homebuyers will love

Projects worth investing time and money in

Every homeowner wants to get the biggest bang for their buck when it comes to home improvements. Whether you are looking to create a space to enjoy while living in your home or intend to sell, know that your investment of time and money will add value and is worth the effort.

So which home improvement projects should you invest in? According to the National Association of Realtors (NAR), there are 5 top projects that may potentially increase the value of your home.

1. Installing Hardwood Floors

Your floors are one of the first things homebuyers will comment on when they walk into your home. Having a good, solid flooring can really boost the appeal of a home and make it more attractive for future homebuyers.

When it comes to choosing the type of flooring, both solid hardwood and engineered wood will yield a favorable ROI. As Florida homeowners, we know high humidity is a big factor in the material we choose, therefore engineered wood is highly recommended; hardwood for dry climates. According NAR, the average ROI is 106 percent for new floors and 100 percent for refinishing.

2. Upgrading Kitchens

The kitchen continues to be one of the most important spaces in our home. As the coronavirus pandemic presses on, more homeowners are spending more time cooking and considering making upgrades.

A minor kitchen update such as installing stainless steel appliances can yield an average of 98.5 percent ROI. A recent HomeLight survey indicated “buyers are about 50 percent more likely to put an offer on a house with stainless steel appliances than a house without them.”

3. Remodeling Bathrooms

The second most important room in our home is the bathroom. According to HGTV, “springing for a kitchen or bath remodel is a sure-fire investment, often returning more than 100 of the cost.”

A minor remodel includes replacing fixtures, upgrading the lighting, swapping out the vanity, and painting. An average return is 102 percent.

4. Sprucing up the landscaping

Since the pandemic, homeowners are also spending more time with outdoor landscaping projects to boost their home's curb appeal. Creative landscaping not only increases the aesthetic appeal of a home, it increases its chances of sale. NAR listed landscape maintenance and upgrades as two of the highest ROI projects (100 percent and 83 percent respectively).

5. Upgrading the roofing

According to NAR, new roofing can recover 107 percent on average. The appeal of new roofing to a homebuyer is highest on the list of exterior projects. A roofing project should be completed before attempting to sell.

Which home improvement projects are you considering?

Whether you are selling or not, feel free to connect with me if you have questions about value versus the costs home improvements. I can provide you with recent home comps that support the home improvement that you have in mind.

I can also recommend a home inspector to give your house a “physical check-up” to help you identify any potential issues. If you know in advance of any problems, you can fix them on your terms for far less than you will likely spend if you wait. Think of it like a physical that will only keep your home healthy and more valuable.

Did you know?

All capital improvements to your home are tax deductible. This includes home room additions, heating and air conditioning systems, plumbing, and outdoor improvements. But you cannot claim the deduction until you sell your home when the cost of additions and other improvements are added to the cost basis of your property. Contact your financial advisor to learn more about tax deductible home improvements.

Data/Article Sources: National Association of Realtors Remodeling Impact Report 2019, HGTV and HomeLight