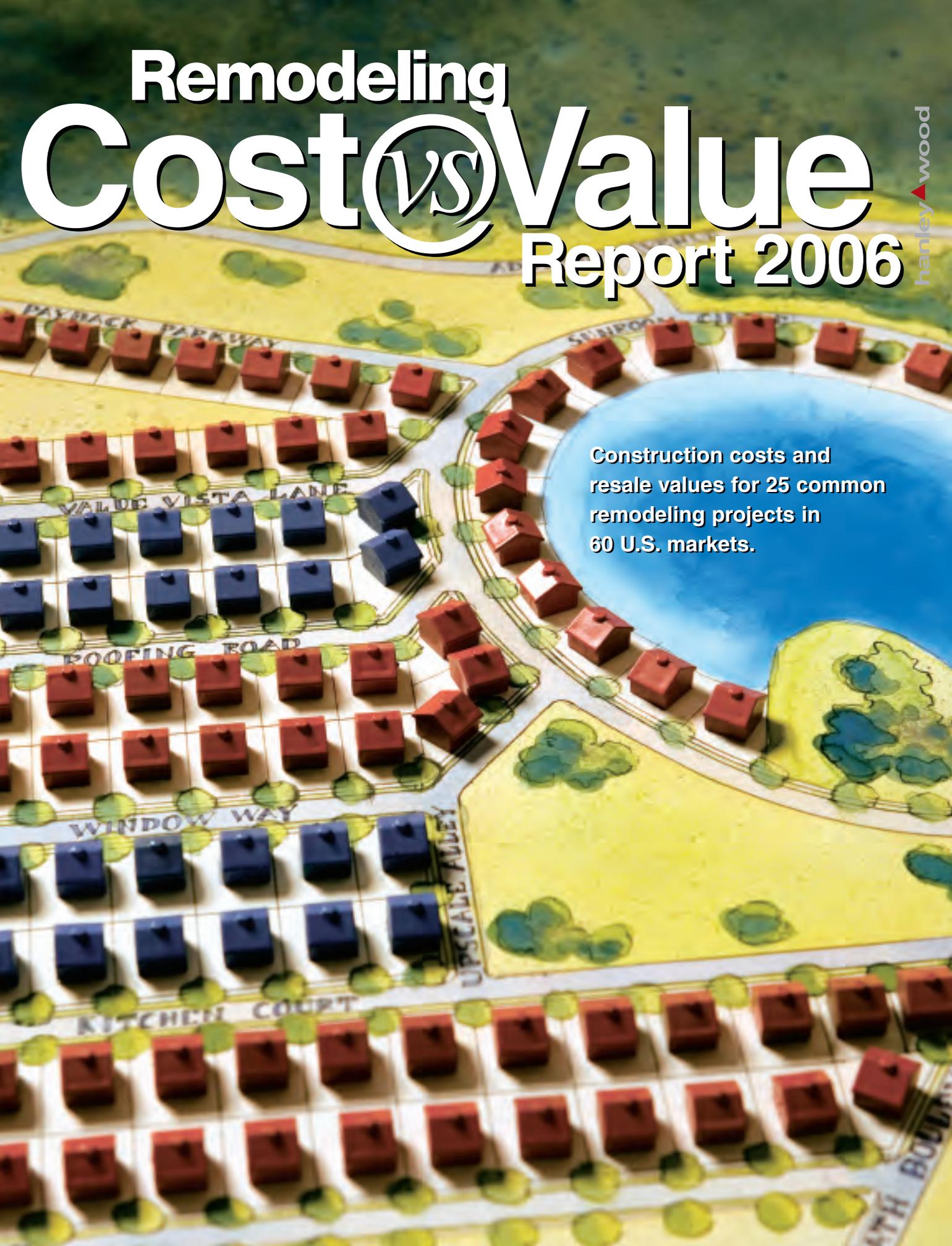


# Remodeling Cost vs Value

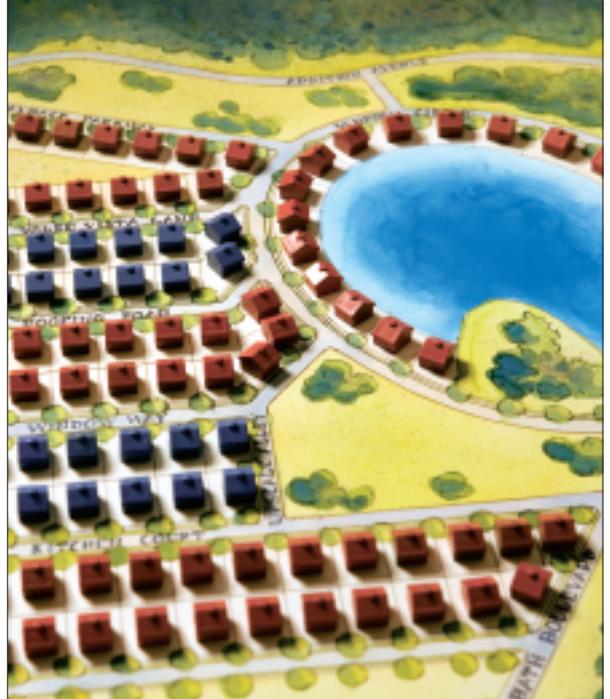
## Report 2006

hanley wood

An aerial photograph of a residential neighborhood. The houses are arranged in rows along streets. A large blue lake is on the right side. The streets are labeled: PAYBACK PARKWAY, VALUE VISTA LANE, ROOFING ROAD, WINDOW WAY, KITCHEN COURT, UPSCALE ALLEY, and 4TH BOULEVARD. The houses are in shades of red and blue. There are green trees and grassy areas.

Construction costs and resale values for 25 common remodeling projects in 60 U.S. markets.

What's the payback for remodeling?  
Remodeling magazine's annual report  
compares construction cost with  
resale value for 25 common home  
improvement projects in 60 U.S. markets.



# Remodeling Cost *vs* Value Report 2006

hanley wood

BY REMODELING MAGAZINE STAFF, WITH ADDITIONAL  
RESEARCH BY EDITORIAL INTERN LINDSEY STRACHAN

## Research Team

Specpan ([www.specpan.com](http://www.specpan.com)), an Indianapolis-based market research company, programmed and hosted the Web-based survey, collected and compiled the data, and provided pre- and post-survey consulting.

The Washington, D.C.-based National Association of Realtors ([www.realtor.org](http://www.realtor.org)) broadcasted e-mail links to the survey to more than 100,000 of its members, comprising sales agents, brokers, and appraisers.

Homotech Information Systems ([www.homotechonline.com](http://www.homotechonline.com)), the Bethesda, Md.-based estimating software developer, provided cost-to-construct estimates for all 25 remodeling projects, including area-modifiers for each of the 60 metro cities surveyed.



REMODELING magazine's 19th annual Cost vs. Value Report—the eighth prepared in cooperation with REALTOR MAGAZINE—shows that prices continue to climb for most remodeling projects at the same time the value of improvements at resale returns to 2002 levels. None of this should come as much of a surprise to remodeling and real estate professionals who have been riding the crest of the housing boom for several years, and this year's data confirm the housing slowdown many parts of the country are experiencing. Should you be worried? That depends on how fast and how far the housing market falls, but remember that both new construction and remodeling activity have been at record levels in recent years. Some adjustment is inevitable, but indications are that the current downturn represents a return to "normal" levels and that the prospects for remodeling and home sales remain bright (see "No Cause for Alarm," next page).

A number of improvements designed to make the report more reliable and more useful has also affected both cost and value data.

For starters, we took a fresh look at the specs for all 25 projects. The result is cost-to-construct figures (which include labor, material, subtrades, and gross profit) that are not only higher than in previous years but also, we believe, considerably more accurate. Estimates of resale value are also more accurate than ever before, thanks to a record 2,188 members of the National Association of Realtors who completed our e-mail survey. Finally, we have introduced nine regional averages following the divisions established by the U.S. Census Bureau (see map, facing). We believe this data provides more useful points of comparison than the four larger regions used in previous years.

**WHAT THE NUMBERS MEAN**

When comparing cost estimates for actual projects, remember that averaging tends to

**No Cause for Alarm**

**Should the industry be concerned about lower values in this year's Cost vs. Value Report?**

The unusually strong housing market over the past few years has boosted both remodeling and new-construction activity. For many homeowners, the appreciation in house prices significantly added to their net worth. Similarly, home improvement projects often paid for themselves through a comparable increase in the home's value.

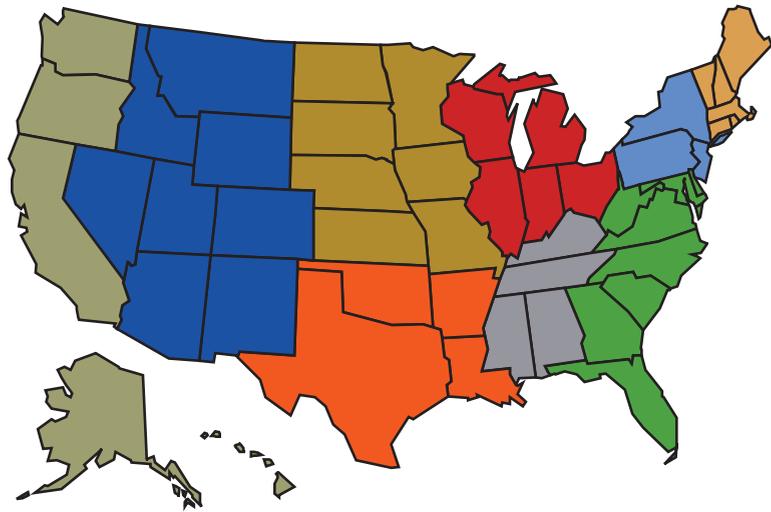
But every good thing must come to an end. Eventually, things return to normal. Fortunately, this year's Cost vs. Value Report seems to show that "normal" is when a home improvement project only costs 20 to 25 cents on the dollar. The other 75 to 80 cents goes directly back into the home through increased value. Coupled with the enjoyment that a homeowner will get from that improvement, remodeling contractors and real estate agents still have a strong value proposition to offer their customers.

—*Kermit Baker is Director of the Remodeling Futures Program of the Joint Center for Housing Studies at Harvard University.*

have a leveling effect on "job cost" data from the 2006 Cost vs. Value Report. And as always, seemingly small differences in size, scope, or quality of finishes can dramatically

affect final project cost (full project descriptions are available at [www.remodelingmagazine.com](http://www.remodelingmagazine.com)). Finally, local conditions also play a part, often causing average prices

| Remodeling<br><b>Cost vs Value</b><br>Report 2006 <small>Hanley Wood</small> | NATIONAL AVERAGES |              |               | NEW ENGLAND REGION<br>(CT, MA, ME, NH, RI, VT) |              |               | MIDDLE ATLANTIC REGION<br>(NJ, NY, PA) |              |               | EAST NORTH CENTRAL REGION<br>(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 |
| <b>MIDRANGE</b>  |                   |              |               |  |              |               |  |              |               |   |              |               |
| Attic Bedroom Remodel  | \$44,073          | \$35,228     | 79.9%         | \$45,504                                       | \$32,014     | 70.4%         | \$47,494                               | \$34,517     | 72.7%         | \$46,867  | \$32,688     | 69.7%         |
| Basement Remodel   | 56,724            | 44,685       | 78.8          | 57,750   | 35,738       | 61.9          | 60,879                                 | 44,788       | 73.6          | 59,622  | 37,369       | 62.7          |
| Bathroom Addition  | 28,918            | 21,670       | 74.9          | 29,562   | 20,100       | 68.0          | 31,038                                 | 22,051       | 71.0          | 30,586  | 20,284       | 66.3          |
| Bathroom Remodel   | 12,918            | 10,970       | 84.9          | 13,248   | 11,207       | 84.6          | 13,843                                 | 11,163       | 80.6          | 13,574  | 9,742        | 71.8          |
| Deck Addition  | 14,728            | 11,307       | 76.8          | 14,723   | 11,630       | 79.0          | 15,033                                 | 11,817       | 78.6          | 15,081  | 9,594        | 63.6          |
| Family Room Addition   | 74,890            | 53,519       | 71.5          | 75,942   | 53,588       | 70.6          | 78,689                                 | 55,995       | 71.2          | 78,884  | 48,563       | 61.6          |
| Home Office Remodel  | 20,057            | 12,707       | 63.4          | 20,485   | 11,790       | 57.6          | 20,902                                 | 13,312       | 63.7          | 21,079  | 11,044       | 52.4          |
| Major Kitchen Remodel  | 54,241            | 43,603       | 80.4          | 54,858   | 44,030       | 80.3          | 56,298                                 | 44,766       | 79.5          | 56,277  | 38,884       | 69.1          |
| Master Suite Addition  | 94,331            | 68,458       | 72.6          | 96,232   | 66,745       | 69.4          | 99,944                                 | 70,935       | 71.0          | 99,600  | 63,072       | 63.3          |
| Minor Kitchen Remodel  | 17,928            | 15,278       | 85.2          | 18,081   | 15,511       | 85.8          | 18,541                                 | 15,323       | 82.6          | 18,454  | 13,802       | 74.8          |
| Roofing Replacement  | 14,276            | 10,553       | 73.9          | 15,946   | 11,163       | 70.0          | 16,056                                 | 11,536       | 71.8          | 15,979  | 9,624        | 60.2          |
| Siding Replacement (vinyl)   | 9,134             | 7,963        | 87.2          | 8,717  | 8,225        | 94.4          | 9,483                                  | 8,748        | 92.3          | 9,351   | 7,593        | 81.2          |
| Sunroom Addition   | 49,551            | 32,854       | 66.3          | 49,868   | 33,156       | 66.5          | 51,517                                 | 33,825       | 65.7          | 51,398  | 29,952       | 58.3          |
| Two-Story Addition   | 105,297           | 87,654       | 83.2          | 106,767  | 86,665       | 81.2          | 110,955                                | 88,617       | 79.9          | 109,987   | 78,424       | 71.3          |
| Window Replacement (wood)  | 11,040            | 9,416        | 85.3          | 11,218   | 10,276       | 91.6          | 11,610                                 | 10,095       | 87.0          | 11,714  | 9,174        | 78.3          |
| Window Replacement (vinyl)   | 10,160            | 8,500        | 83.7          | 10,201   | 8,830        | 86.6          | 10,682                                 | 9,523        | 89.2          | 10,753  | 8,751        | 81.4          |
| <b>UPSCALE</b>   |                   |              |               |  |              |               |  |              |               |   |              |               |
| Bathroom Addition  | 60,535            | 44,041       | 72.8          | 61,513   | 40,400       | 65.7          | 63,628                                 | 44,877       | 70.5          | 63,072  | 39,948       | 63.3          |
| Bathroom Remodel   | 38,165            | 29,529       | 77.4          | 39,018   | 27,939       | 71.6          | 40,305                                 | 29,681       | 73.6          | 39,846  | 26,860       | 67.4          |
| Major Kitchen Remodel  | 107,973           | 81,896       | 75.8          | 108,408  | 77,223       | 71.2          | 110,928                                | 80,538       | 72.6          | 110,399   | 72,652       | 65.8          |
| Master Suite Addition  | 176,268           | 128,096      | 72.7          | 178,474  | 129,005      | 72.3          | 183,489                                | 123,712      | 67.4          | 182,817   | 116,126      | 63.5          |
| Roofing Replacement  | 24,693            | 18,012       | 72.9          | 27,434   | 17,886       | 65.2          | 27,819                                 | 19,848       | 71.3          | 27,620  | 16,625       | 60.2          |
| Siding Replacement (fiber cement)  | 13,149            | 11,573       | 88.0          | 13,234   | 11,626       | 87.9          | 13,280                                 | 11,751       | 88.5          | 13,352  | 10,559       | 79.1          |
| Siding Replacement (foam-backed vinyl)                                       | 11,139            | 9,258        | 83.1          | 10,568   | 9,893        | 93.6          | 11,485                                 | 9,946        | 86.6          | 11,296  | 8,287        | 73.4          |
| Window Replacement (wood)  | 16,910            | 13,952       | 82.5          | 17,054   | 14,049       | 82.4          | 17,607                                 | 14,879       | 84.5          | 17,718  | 12,883       | 72.7          |
| Window Replacement (vinyl)   | 13,120            | 11,109       | 84.7          | 13,295   | 11,756       | 88.4          | 13,870                                 | 12,132       | 87.5          | 13,928  | 10,132       | 72.7          |



to appear too high or too low, even when comparing neighborhoods in the same city.

In an actual real estate transaction, the “cost recouped” for a given remodeling project also depends on a variety of unpredictable factors, including the condition of the rest of the house, the value of similar homes nearby, and the rate at which property values are changing in the surrounding area. A home’s urban, suburban, or rural setting also affects its value, as does the availability and cost of new and existing homes in the immediate vicinity.

Where resale value is a major factor in a homeowner’s decision to remodel, the best course of action is to consult with a local remodeler about construction cost, and ask an experienced Realtor about home prices in the neighborhood.

**REPORTING REGIONS**

The statistical accuracy or “confidence level” of the national averages is 95% +/- 2%, which means that 95% of the time, national results for this survey will fall within 2% to either side of the results published here. Confidence levels for each of the nine regions are as follows:

- New England 95% +/- 10%
- Middle Atlantic 95% +/- 9%
- East North Central 95% +/- 7%
- West North Central 95% +/- 8%
- South Atlantic 95% +/- 4%
- East South Central 95% +/- 10%
- West South Central 95% +/- 7%
- Mountain 95% +/- 7%
- Pacific 95% +/- 7%

**DOWNLOADABLE CITY REPORTS**

PDF files for each of the 60 cities surveyed in the 2006 Cost vs. Value Report are available for purchase and immediate download from [www.costsvsvalue.com](http://www.costsvsvalue.com). Also available for purchase is a complete printed report containing the full text of this article, descriptions of all 25 projects, plus one-city-per-page data for all 60 cities.

| WEST NORTH CENTRAL REGION<br>(IA, KS, MN, MO, NE, ND, SD) |              |               | SOUTH ATLANTIC REGION<br>(DE, DC, FL, GA, MD, NC, SC, VA, WV) |              |               | EAST SOUTH CENTRAL REGION<br>(AL, KY, MS, TN) |              |               | WEST SOUTH CENTRAL REGION<br>(AR, LA, OK, TX) |              |               | MOUNTAIN REGION<br>(AZ, CO, ID, NM, MT, UT, NV, WY) |              |               | PACIFIC REGION<br>(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 | Job Cost                               | Resale Value | Cost Recouped |
| \$46,825  | \$32,749     | 69.9%         | \$39,081  | \$35,242     | 90.2%         | \$39,119                                      | \$33,370     | 85.3%         | \$38,520                                      | \$29,572     | 76.8%         | \$42,130  | \$34,235     | 81.3%         | \$52,583                               | \$51,698     | 98.3%         |
| 59,721  | 40,937       | 68.5          | 51,141  | 46,655       | 91.2          | 51,071  | 43,113       | 84.4          | 50,632  | 43,123       | 85.2          | 54,432  | 46,850       | 86.1          | 66,861                                 | 62,004       | 92.7          |
| 30,428  | 19,447       | 63.9          | 25,867  | 21,084       | 81.5          | 25,822  | 20,867       | 80.8          | 25,563  | 19,747       | 77.2          | 27,890  | 20,449       | 73.3          | 34,311                                 | 31,195       | 90.9          |
| 13,462  | 10,062       | 74.7          | 11,778  | 10,226       | 86.8          | 11,874  | 11,559       | 97.3          | 11,585  | 10,034       | 86.6          | 12,335  | 10,674       | 86.5          | 14,889                                 | 15,361       | 103.2         |
| 15,063  | 9,729        | 64.6          | 13,975  | 11,611       | 83.1          | 13,891  | 11,488       | 82.7          | 14,006  | 10,601       | 75.7          | 14,672  | 10,740       | 73.2          | 16,297                                 | 14,846       | 91.1          |
| 78,714  | 48,021       | 61.0          | 67,797  | 53,371       | 78.7          | 66,840  | 48,803       | 73.0          | 67,285  | 46,020       | 68.4          | 73,110  | 53,546       | 73.2          | 88,371                                 | 72,247       | 81.8          |
| 21,007  | 11,548       | 55.0          | 18,504  | 12,784       | 69.1          | 18,735  | 12,923       | 69.0          | 18,529  | 12,156       | 65.6          | 19,425  | 11,839       | 60.9          | 22,385                                 | 17,403       | 77.7          |
| 56,045  | 39,958       | 71.3          | 50,860  | 43,653       | 85.8          | 51,304  | 40,041       | 78.0          | 50,978  | 40,319       | 79.1          | 52,948  | 42,760       | 80.8          | 59,716                                 | 58,004       | 97.1          |
| 99,261  | 61,417       | 61.9          | 84,883  | 67,723       | 79.8          | 84,451  | 59,273       | 70.2          | 84,411  | 59,331       | 70.3          | 91,571  | 68,653       | 75.0          | 111,157                                | 95,916       | 86.3          |
| 18,354  | 13,471       | 73.4          | 17,095  | 15,238       | 89.1          | 17,179  | 14,357       | 83.6          | 17,037  | 14,033       | 82.4          | 17,487  | 15,164       | 86.7          | 19,366                                 | 20,614       | 106.4         |
| 15,835  | 9,595        | 60.6          | 12,052  | 10,025       | 83.2          | 12,257  | 8,873        | 72.4          | 11,209  | 9,553        | 85.2          | 12,768  | 9,644        | 75.5          | 17,060                                 | 15,160       | 88.9          |
| 9,507   | 7,662        | 80.6          | 8,285   | 7,400        | 89.3          | 7,933   | 8,303        | 104.7         | 8,218   | 6,593        | 80.2          | 9,584   | 7,755        | 80.9          | 11,173                                 | 9,919        | 88.8          |
| 51,345  | 30,783       | 60.0          | 46,378  | 34,531       | 74.5          | 45,904  | 32,074       | 69.9          | 45,889  | 29,000       | 63.2          | 48,474  | 31,576       | 65.1          | 55,813                                 | 39,412       | 70.6          |
| 109,472   | 80,273       | 73.3          | 96,502  | 88,220       | 91.4          | 95,993  | 76,191       | 79.4          | 94,918  | 70,883       | 74.7          | 102,994   | 90,965       | 88.3          | 122,085                                | 123,969      | 101.5         |
| 11,703  | 8,544        | 73.0          | 9,974   | 8,559        | 85.8          | 10,076  | 8,509        | 84.4          | 10,038  | 7,946        | 79.2          | 10,688  | 9,052        | 84.7          | 12,684                                 | 12,963       | 102.2         |
| 10,796  | 7,720        | 71.5          | 9,162   | 7,450        | 81.3          | 9,272   | 7,786        | 84.0          | 9,284   | 6,931        | 74.7          | 9,862   | 8,369        | 84.9          | 11,768                                 | 11,338       | 96.3          |
| 62,808  | 40,552       | 64.6          | 55,878  | 43,005       | 77.0          | 55,835  | 44,598       | 79.9          | 55,453  | 41,885       | 75.5          | 59,028  | 43,429       | 73.6          | 68,852                                 | 59,355       | 86.2          |
| 39,526  | 27,679       | 70.0          | 35,212  | 28,054       | 79.7          | 35,490  | 30,281       | 85.3          | 35,111  | 27,862       | 79.4          | 36,868  | 28,773       | 78.0          | 43,050                                 | 40,938       | 95.1          |
| 109,956   | 75,059       | 68.3          | 103,529   | 85,634       | 82.7          | 104,161                                       | 80,319       | 77.1          | 103,879                                       | 79,139       | 76.2          | 106,401   | 81,047       | 76.2          | 115,549                                | 103,798      | 89.8          |
| 182,059   | 118,180      | 64.9          | 163,964   | 130,584      | 79.6          | 163,700                                       | 121,865      | 74.4          | 163,192                                       | 113,529      | 69.6          | 172,781   | 131,513      | 76.1          | 199,312                                | 166,000      | 83.3          |
| 27,445  | 16,654       | 60.7          | 20,964  | 17,711       | 84.5          | 21,419  | 15,751       | 73.5          | 19,759  | 15,799       | 80.0          | 22,076  | 16,821       | 76.2          | 28,884                                 | 24,526       | 84.9          |
| 13,360  | 10,862       | 81.3          | 12,846  | 11,913       | 92.7          | 12,895  | 12,535       | 97.2          | 12,874  | 11,102       | 86.2          | 13,076  | 10,477       | 80.1          | 13,539                                 | 13,783       | 101.8         |
| 11,500  | 8,938        | 77.7          | 10,214  | 9,154        | 89.6          | 9,696   | 8,943        | 92.2          | 10,101  | 7,777        | 77.0          | 11,834  | 8,837        | 74.7          | 13,544                                 | 11,790       | 87.1          |
| 17,690  | 12,881       | 72.8          | 15,607  | 12,985       | 83.2          | 15,693  | 13,320       | 84.9          | 15,694  | 12,355       | 78.7          | 16,502  | 14,035       | 85.1          | 19,022                                 | 18,877       | 99.2          |
| 13,917  | 10,411       | 74.8          | 11,823  | 10,261       | 86.8          | 11,985  | 11,250       | 93.9          | 11,888  | 9,410        | 79.2          | 12,608  | 10,907       | 86.5          | 15,200                                 | 14,679       | 96.6          |

## 2006 COST VS VALUE PROJECT DESCRIPTIONS

### ATTIC BEDROOM REMODEL

Convert unfinished attic space to a 15-by-15-foot bedroom and a 5-by-7-foot bath with shower. Include a 15-foot shed dormer, four new windows, and closet space under the eaves. Insulate and finish ceiling and walls. Carpet floor. Extend existing HVAC to new space; provide electrical wiring and lighting to code. Retain existing stairs, but add rail and baluster around stairwell.

### BASEMENT REMODEL

Finish the lower level of a house to create a 20-by-30-foot entertaining area with wet bar and a 5-by-8-foot full bath; construct 24 LF of finished partition to enclose mechanical area. Walls and ceilings are painted drywall throughout; exterior walls are insulated; painted trim throughout. Include five six-panel factory-painted hardboard doors with passage locksets. Electrical wiring to code.

Main room: Include 15 recessed ceiling light fixtures and 3 surface-mounted light fixtures, and a snap-together laminate flooring system. Bathroom: Include standard white toilet, vanity with cultured marble top, resilient vinyl flooring, two-piece fiberglass shower unit, a light/fan combination, vanity light fixture, recessed medicine cabinet, towel and paper-holder hardware.

Bar area: Include 10 LF of raised-panel oak cabinets with laminate countertops, stainless steel bar sink, single-lever bar faucet, under-counter refrigerator, and vinyl floor tile.

### BATHROOM ADDITION - MID-RANGE

Add a full 6-by-8-foot bath over a crawl space with poured concrete walls. Include cultured-marble vanity top with molded sink; standard chrome faucets; 30-by-60-inch white fiberglass tub/shower with ceramic tile surround; single-lever temperature and pressure-balanced faucet; white low-profile toilet; general and spot lighting; electrical wiring to code; mirrored medicine cabinet; linen storage closet or cabinet; vinyl wallpaper; painted trim; and ceramic tile floor.

### BATHROOM ADDITION - UPSCALE

Add a new 9-by-9-foot master bath to existing master bedroom over a crawl space. Include a 4-by-4-foot neo-angle shower with ceramic tile walls with accent strip, recessed shower caddy, body spray fixtures, and frameless glass enclosure. Include a customized whirlpool tub; stone countertop with two sinks; two mirrored medicine cabinets with lighting; a compartmentalized commode area with one-piece toilet; and a humidistat-controlled exhaust fan. Use all color fixtures. Use larger matching ceramic tiles on the floor, laid on the diagonal with ceramic tile base molding. Add general and spot lighting including waterproof shower fixture. Cabinetry shall include a custom drawer base and wall cabinets for a built-in look. Extend HVAC system, and include electric in-floor heating and heated towel bars.

### BATHROOM REMODEL - MID-RANGE

Update an existing 5-by-7-foot bathroom. Replace all fixtures to include 30-by-60-inch porcelain-on-steel tub with 4-by-4 ceramic tile surround; new single-lever temperature and pressure-balanced shower control; standard white toilet; solid-surface vanity counter with integral double sink; recessed medicine cabinet with light; ceramic tile floor; vinyl wallpaper.

### BATHROOM REMODEL - UPSCALE

Expand an existing 5-by-7-foot bathroom to 9 by 9 feet within existing house footprint. Add another window bringing total glazing area to 30 square feet. Relocate and replace tub with custom 4-by-6-foot dual shower with top-of-line fittings and full-body-wash shower wall, tile and glass block surround, glass door. Relocate toilet into a partitioned area and replace it with a one-piece color unit. Add bidet. Add stone countertops in custom vanity cabinet with twin designer undermount sinks; nickel-finish faucets. Add linen/towel storage closet. Ceramic tile floor, papered walls, hardwood trim. Add general and spot lighting; a humidistat-controlled exhaust fan; electrical wiring to code.

### DECK ADDITION

Add a 16-by-20-foot deck using pressure-treated SYP joists supported by 4x4 posts set into concrete footings. Install composite deck material in a simple linear pattern. Include a built-in bench and planter of the same decking material. Include stairs, assuming three steps to grade. Provide a complete railing system using either a matching system made of the same composite as the decking material or a compatible vinyl system.

### FAMILY ROOM ADDITION

In a style appropriate to the existing house, add a 16-by-25-foot room on a crawl space foundation with vinyl siding and fiberglass shingle roof. Include drywall interior with batt insulation, pre-finished hardwood floor, and 180 square feet of glazing including windows, atrium-style exterior doors, and two operable skylights. Tie into existing HVAC. Add electrical system to code, including 12 recessed ceiling lights.

### HOME OFFICE REMODEL

Convert an existing 12-by-12-foot room to a home office. Install custom cabinets to include 20 LF of laminate desktop, computer workstation, and wall cabinet storage. Rewire room for computer, fax machine, and other electronic equipment, as well as cable and telephone lines. Include drywall interior, painted trim, and commercial-grade carpeting.

*continued*

### **MINOR KITCHEN REMODEL**

In a functional but dated 200-square-foot kitchen with 30 LF of cabinetry and countertops, leave cabinet boxes in place but replace fronts with new raised-panel wood doors and drawers, including new hardware. Replace wall oven and cooktop with new energy-efficient models. Replace laminate countertops; install mid-priced sink and faucet. Repaint trim, add wall covering, and remove and replace resilient flooring.

### **MAJOR KITCHEN REMODEL - MID-RANGE**

Update an outmoded 200-square-foot kitchen with a functional layout of 30 LF of semi-custom wood cabinets, including a 3-by-5-foot island; laminate countertops; and standard double-tub stainless-steel sink with standard single-lever faucet. Include energy-efficient wall oven, cooktop, ventilation system, built-in microwave, dishwasher, garbage disposal, and custom lighting. Add new resilient flooring. Finish with painted walls, trim, and ceiling.

### **MAJOR KITCHEN REMODEL - UPSCALE**

Update outmoded 200-square-foot kitchen with 30 LF of top-of-the-line custom cherry cabinets with built-in sliding shelves and other interior accessories. Include stone countertops with imported ceramic or glass tile backsplash; built-in refrigerator, cooktop, and 36-inch commercial grade range and vent hood; built-in warming drawer, trash compactor, and built-in combination microwave and convection oven. Install high-end undermount sink with designer faucets, and built-in water filtration system. Add new general and task lighting including low-voltage under-cabinet lights. Install cork flooring, cherry trim.

### **MASTER SUITE ADDITION - MID-RANGE**

Add a 24-by-16-foot master bedroom suite over a crawl space. Include walk-in closet/dressing area, whirlpool tub in ceramic tile platform, separate 3-by-4-foot ceramic tile shower, and double-bowl vanity with solid surface countertop. Bedroom floor is carpet; bath floor is ceramic tile. Painted walls, ceiling, and trim. General and spot lighting, exhaust fan; electrical wiring to code.

### **MASTER SUITE ADDITION - UPSCALE**

Add a 32-by-20-foot master bedroom suite over a crawl space. Bedroom: Add a spacious sleeping area with lounging/sitting area adjacent to large master bath. Include custom bookcases and built-in storage with millwork details; high-end gas fireplace with stone hearth and custom mantle; and large walk-in closet/dressing area with natural light, mirrors, and linen storage. Add French doors accessing a veranda, balcony, or other outdoor space. Bath: Include a large walk-in shower with dual shower system, stone shower walls and floor, and custom frameless glass enclosure. Add corner-design whirlpool tub bordered on two sides by windows and

built into granite or marble platform with custom cabinet front. Include two sinks in separate custom vanities with stone countertops and large mirrors. Create partitioned area for luxury one-piece toilet. General: Add hospitality center with bar sink, under-counter refrigerator, custom cabinetry, granite or marble countertop, and microwave. Include soundproofing, in-floor heating, custom wall finishes and hardware, general and spot lighting, and lighting controls.

### **REPLACE ROOF - MID-RANGE**

Remove existing roofing to bare wood sheathing and dispose of properly. Install 30 squares of 235-pound fiberglass asphalt shingles (min. 25-year warranty) with new felt underlayment, galvanized drip edge, and mill-finish aluminum flashing. Assume a 5-square hip roof; custom flashing at two average-sized skylights; and custom cap treatment at vented ridge.

### **REPLACE ROOF - UPSCALE**

Remove existing roofing to bare wood sheathing and dispose of properly. Install 30 squares of standing seam metal, formed on site into 16-inch panels using factory-enameled roll steel; double-lock all seams. Use custom brake-bent flashing from same material for drip edge and all flashing at roof-wall intersections. Assume a 5-square hip roof; custom flashing at two average-sized skylights; and custom cap treatment at vented ridge. Apply over new felt underlayment; use rubberized asphalt membrane at eaves, valleys, and all penetrations.

### **REPLACE SIDING - MID-RANGE**

Replace 1,250 square feet of existing siding with new vinyl siding, including all trim.

### **REPLACE SIDING - UPSCALE (FIBER-CEMENT)**

Replace 1,250 square feet of existing siding with new fiber-cement siding, factory pre-primed and pre-painted — including all 4/4 and 5/4 trim using either fiber-cement boards or cellular PVC.

### **REPLACE SIDING - UPSCALE (VINYL)**

Replace 1,250 square feet of existing siding with new foam-backed vinyl siding, including factory trim at all openings and corners.

### **SUNROOM ADDITION**

Add a 200-square-foot sunroom, including footings and slab-on-grade foundation. Post-and-beam framing exposed on interior side; extruded aluminum window frame-and-flashing system with insulated, low-E, laminated, or tempered glazing. Provide for natural ventilation using screens; provide ceiling fan. Insulate all non-glass areas; provide movable shades for glass area. Quarry tile or equal on floor.

### **TWO-STORY ADDITION**

Add a first-floor family room and a second-floor bedroom with full

bath in a 24-by-16-foot two-story wing over a crawl space. Add new HVAC system to handle addition; electrical wiring to code.

Family room: Include a prefabricated gas fireplace; 11 3-by-5-foot double-hung insulated clad-wood windows; an atrium-style exterior door; carpeted floors; painted drywall on walls and ceiling; and painted trim. Bathroom: 5 by 8 feet. Include a one-piece fiberglass tub/shower unit; standard white toilet; wood vanity with solid-surface countertop; resilient vinyl flooring; and mirrored medicine cabinet with built-in light strip; papered walls; and painted trim; exhaust fan. Bedroom: Include walk-in closet/dressing area; carpet; painted walls, ceiling, and trim; general and spot lighting.

### **REPLACE WINDOWS - MID-RANGE (WOOD)**

Replace 10 existing 3-by-5-foot double-hung windows with insulated wood replacement windows, exterior clad in vinyl or aluminum. Wrap existing exterior trim as required to match. Do not disturb existing interior trim.

### **REPLACE WINDOWS - MID-RANGE (VINYL)**

Replace 10 existing 3-by-5-foot double-hung windows with insulated vinyl replacement windows. Wrap existing exterior trim as required to match. Do not disturb existing interior trim.

### **REPLACE WINDOWS - UPSCALE (WOOD)**

Replace 10 existing 3-by-5-foot double-hung windows with insulated, low-E, simulated-divided-light wood windows. Interior finish of stained hardwood; exterior finish of custom-color aluminum cladding. Trim exterior to match existing; do not disturb existing interior trim.

### **REPLACE WINDOWS - UPSCALE (VINYL)**

Replace 10 existing 3-by-5-foot double-hung windows with insulated, low-E, simulated-divided-light vinyl windows. Simulated woodgrain interior finish; custom-color exterior finish. Trim exterior to match existing; do not disturb existing interior trim.

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## **A NOTE ABOUT RESALE VALUE AND COST RECOUPED**

Data for individual cities is based on averages from a limited number of survey responses. In most cases, results from similar surveys could vary by 20% or more. For any project, resale value is relative and depends on the condition of the rest of the house, the value of similar homes nearby, and the rate at which property values are changing in the immediate area. Location in an urban, suburban, or rural setting will also affect a home's value, as will availability and pricing of new and existing homes in the vicinity.

When resale is a major factor in the decision to remodel, the best course of action is to consult a local remodeler about construction costs, and ask experienced Realtor about home prices in the neighborhood.

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| PROJECT TYPE                           | BOSTON   |              |                   | NEW ENGLAND |              |                   | 2006 NATIONAL AVERAGES |              |                   |
|--|----------|--------------|-------------------|-------------|--------------|-------------------|------------------------|--------------|-------------------|
|  | Job Cost | Resale Value | Percent Recovered | Job Cost    | Resale Value | Percent Recovered | Job Cost               | Resale Value | Percent Recovered |
| <b>MID-RANGE</b>                       |          |              |                   |             |              |                   |                        |              |                   |
| Attic Bedroom Remodel                  | \$52,770 | \$42,174     | 79.9%             | \$45,504    | \$32,014     | 70%               | \$44,073               | \$35,228     | 79.9%             |
| Basement Remodel                       | 66,439   | 46,773       | 70.4%             | 57,750      | 35,738       | 62%               | 56,724                 | 44,685       | 78.8%             |
| Bathroom Addition                      | 33,960   | 25,908       | 76.3%             | 29,562      | 20,100       | 68%               | 28,918                 | 21,670       | 74.9%             |
| Bathroom Remodel                       | 14,876   | 12,498       | 84.0%             | 13,248      | 11,207       | 85%               | 12,918                 | 10,970       | 84.9%             |
| Deck Addition                          | 15,675   | 12,062       | 77.0%             | 14,723      | 11,630       | 79%               | 14,728                 | 11,307       | 76.8%             |
| Family Room Addition                   | 86,996   | 64,397       | 74.0%             | 75,942      | 53,588       | 71%               | 74,890                 | 53,519       | 71.5%             |
| Home Office Remodel                    | 22,644   | 16,174       | 71.4%             | 20,485      | 11,790       | 58%               | 20,057                 | 12,707       | 63.4%             |
| Major Kitchen Remodel                  | 59,508   | 48,195       | 81.0%             | 54,858      | 44,030       | 80%               | 54,241                 | 43,603       | 80.4%             |
| Master Suite Addition                  | 109,845  | 80,130       | 72.9%             | 96,232      | 66,745       | 69%               | 94,331                 | 68,458       | 72.6%             |
| Minor Kitchen Remodel                  | 19,341   | 16,827       | 87.0%             | 18,081      | 15,511       | 86%               | 17,928                 | 15,278       | 85.2%             |
| Roofing Replacement                    | 18,136   | 13,401       | 73.9%             | 15,946      | 11,163       | 70%               | 14,276                 | 10,553       | 73.9%             |
| Siding Replacement (vinyl)             | 10,250   | 9,734        | 95.0%             | 8,717       | 8,225        | 94%               | 9,134                  | 7,963        | 87.2%             |
| Sunroom Addition                       | 54,496   | 37,349       | 68.5%             | 49,868      | 33,156       | 66%               | 49,551                 | 32,854       | 66.3%             |
| Two-Story Addition                     | 119,831  | 103,619      | 86.5%             | 106,767     | 86,665       | 81%               | 105,297                | 87,654       | 83.2%             |
| Window Replacement (wood)              | 12,817   | 12,253       | 95.6%             | 11,218      | 10,276       | 92%               | 11,040                 | 9,416        | 85.3%             |
| Window Replacement (vinyl)             | 11,577   | 9,863        | 85.2%             | 10,201      | 8,830        | 87%               | 10,160                 | 8,500        | 83.7%             |
| <b>UPSCALE</b>                         |          |              |                   |             |              |                   |                        |              |                   |
| Bathroom Addition                      | \$68,138 | \$48,019     | 70.5%             | \$61,513    | \$40,400     | 66%               | \$60,535               | \$44,041     | 72.8%             |
| Bathroom Remodel                       | 43,281   | 34,505       | 79.7%             | 39,018      | 27,939       | 72%               | 38,165                 | 29,529       | 77.4%             |
| Major Kitchen Remodel                  | 114,918  | 83,739       | 72.9%             | 108,408     | 77,223       | 71%               | 107,973                | 81,896       | 75.8%             |
| Master Suite Addition                  | 195,764  | 134,635      | 68.8%             | 178,474     | 129,005      | 72%               | 176,268                | 128,096      | 72.7%             |
| Roofing Replacement                    | 30,944   | 21,356       | 69.0%             | 27,434      | 17,886       | 65%               | 24,693                 | 18,012       | 72.9%             |
| Siding Replacement (fiber cement)      | 13,606   | 12,147       | 89.3%             | 13,234      | 11,626       | 88%               | 13,149                 | 11,573       | 88.0%             |
| Siding Replacement (foam-backed vinyl) | 12,350   | 10,939       | 88.6%             | 10,568      | 9,893        | 94%               | 11,139                 | 9,258        | 83.1%             |
| Window Replacement (wood)              | 18,973   | 14,537       | 76.6%             | 17,054      | 14,049       | 82%               | 16,910                 | 13,952       | 82.5%             |
| Window Replacement (vinyl)             | 14,997   | 12,335       | 82.2%             | 13,295      | 11,756       | 88%               | 13,120                 | 11,109       | 84.7%             |

**BOUND RESEARCH REPORT**

A bound copy of the 2006 Cost vs. Value Report can be ordered for delivery after January 1, 2007, at [www.costvsvalue.com](http://www.costvsvalue.com). The 96-page research report organizes the survey data in two ways: 25 pages of project data from 60 U.S. cities, one page per project; and 60 pages of city data for all 25 projects, one page per city. Also included is a table of national averages as well as tables for 9 U.S. regions.

CONFIDENCE LEVEL: New England: 95% +/- 10%

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