

# *Home Improvements as Smart Investments*

Project	Gained at Resale*	Comments
Fireplace	100%	Especially if it's energy-efficient, a fireplace holds the promise of cozy family gatherings around a warm hearth.
Second Bath	90%	All it takes is a simple 5x9-foot extra bath to make mornings more civilized for most families, but don't count on a return on extras like a heat lamp or whirlpool.
Room addition	80%	For the most attractive return, the added room should be today's popular family room or a third bedroom.
Remodeled kitchen	70-80%	A kitchen update can reward a seller with a sizeable payoff. Just remember, though, splurging on fancy finishing materials or sophisticated equipment may cut into your profit. Keep it simple.
Remodeled bath	60-80%	A master bath is on many buyers' wish list, so invest here. If you own only one bath, install two sinks or a double vanity to handle the morning crowd.
Master suite	70%	To keep costs down, try to find an extra space to create this wish list item by combining existing rooms and spaces. Heavy structural work by adding on diminishes your return here.
Deck	70%	Outdoor living space is desirable no matter what the locale. No-maintenance decking material leaves lots more leisure time, too.
Exterior paint	50%	Sprucing up tired siding, trim, etc. can take years off the look of an older house.
Finished attic	50%	You can expect to recoup more of your investment if you make sure the renovation does not detract from the aesthetics of your home. It is especially attractive as an extra bedroom in a small house.
Finished basement	40%	This is a great way to gain added living space without building a costly addition. If the basement has an access door to the outdoors - even better.
Heating system	40%	Replace it only if your old system is dysfunctional. Depending on a buyer's priorities, a new energy-efficient furnace may or may not be a selling plus.
Insulation	20%	Again, this is a renovation that, despite its worthiness, doesn't always translate into recouped dollars for a seller. Point out lowered energy bills to potential buyers.
Skylight	?	It's hard to estimate how this renovation may affect profit upon resale. The best rule of thumb is to consider how a skylight may dramatically improve an unattractive area such as an attic room that may be dark.

\*A compilation. Rates of return will vary depending upon locale and trends.