

Remodeling strategies to maximize home value

(For Iowa, mostly)





Location, Location, Location!!



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Kitchen, Garages, Masonry Veneer !



Mean Home Price: \$181,500

Average Living Area: 1500
sqft

3 Bedroom, 2 Bath

Garage: 2 car garage *52% unfinished

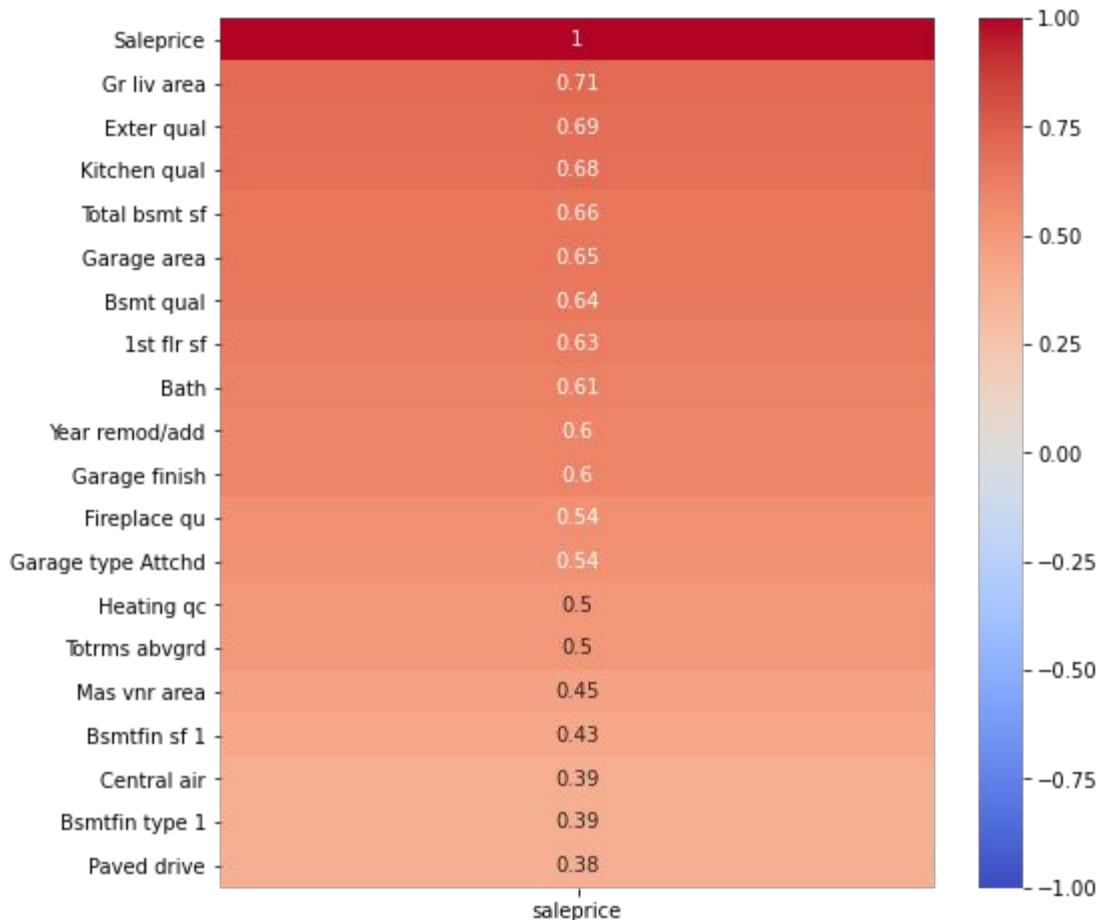
Basement:

- 30% of you have excellent basements
- 30% of you have unfinished basements



**Features the
homeowner can
control:**

**Kitchen quality,
Bathrooms,
Central Air**



Model features:

Kitchen Quality

Garage Finish

Basement Finish

Bathrooms

Heating Quality

Central Air

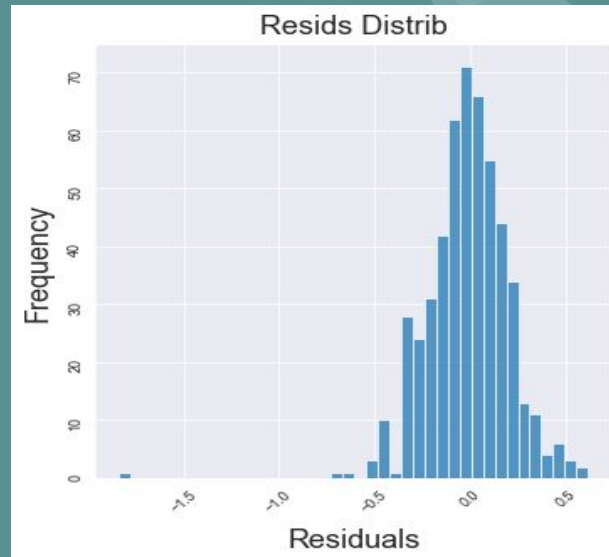
Masonry Veneer Area

Target = saleprice*

*log-transformed

Method: Linear Regression

	R2	RMSE
Training set	0.72	42,802
Testing split	0.73	40,596

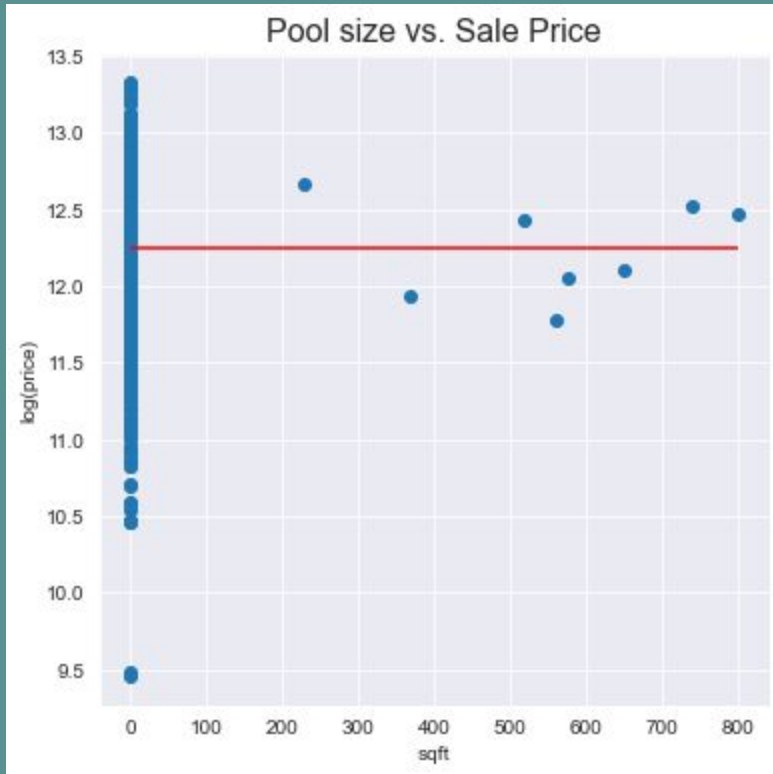


Mean Home Price: \$180,000

Features	% inc
Kitchen qual	21.74
Bath	20.89
Paved drive	18.42
Central air	16.95
Garage Finish	7.47
Heating quality	3.08
Basement Finish	2.6
Masonry Veneer (sqft)	0.03

For every one unit increase in each of these features, the predicted sale price for your home could increase by the given percent

- Kitchen remodel
 - *Remodel Magazine*: \$66k
 - HomeAdvisor: \$4,000
 - 22% value increase ~ \$36,000
- Bathroom Install: \$7,600
 - 21% value increase ~ 36,000
- Paving Driveway: \$4,700
 - 18% increase = \$32,000
- Finish Garage: \$11,000
 - 7.5% increase = \$13,500
- Central Air: \$3,300
 - 17% increase = \$30,000



Not all accessories pay for themselves...



Citations

Remodeling Magazine 2019

Hgtv.com: What is the Average Cost to Remodel a Kitchen

Homeguide.com: 2021 Cost to Add a Bathroom

Homeadvisor.com: 2021 Cost of Asphalt Paving