

Which Home Repairs Result in the Greatest Return?

In our Prepare-to-Sell study, real estate agents told us that it is the small improvements that pay the biggest dividends when a home is sold. The majority of agents who were surveyed normally advise homeowners to do as little as possible - perform touch-ups on floor tiling instead of replacing the entire floor; shampoo the carpets instead of replacing them. However, if the homeowner and their real estate agent determine that the condition of certain areas is deemed to be too poor, more extensive work may provide the greatest benefit.

Most of the activities identified in HomeGain's Prepare-to-Sell study are common sense, but many sellers overlook some of the most critical items in the pressure of getting their home prepared for sale.

The following is a summary of the results of HomeGain's 2007 national survey, based on the ten areas of home improvement identified by real estate agents in HomeGain's original survey in 2003. They are listed from the highest to lowest returns on investment:

Project	Typical Cost	Price Increase	Return on Investment*	% of Agents Recommending
Lighten & brighten	\$233 - 370	\$1,178 - 1,566	355%	97%
Clean and de-clutter	\$190 - 318	\$1,505 - 1,937	578%	97%
Landscape front/back yards	\$378 - 546	\$1,718 - 2,158	319%	97%
Stage home for sale	\$403 - 584	\$1,938 - 2,431	343%	91%
Repair electrical or plumbing	\$436 - 621	\$1,205 - 1,590	164%	93%
Repair damaged flooring	\$628 - 878	\$1,633 - 2,061	145%	94%
Update kitchen & bathrooms	\$1,404 - 1,828	\$3,216 - 3,934	121%	87%
Replace or shampoo carpeting	\$562 - 808	\$1,532 - 1,950	154%	98%
Paint exterior walls	\$663 - 938	\$1,757 - 2,205	147%	88%
Paint Interior walls	\$651 - 920	\$1,741 - 2,179	150%	97%

HomeGain surveyed over 2,000 real estate agents in each of the U.S. regions.. All agents might not necessarily agree on the same pre-sale strategy. See "% of agents recommending" column above. Differences of opinions may vary based on the climate of the market, region of the country or condition of the home in question. The percentage of agents that agree on the positive impact of a particular pre-sale activity is summarized here.