

MOVE OR IMPROVE **HOMEOWNER HANDBOOK**

The complete guide to this most important decision



TABLE OF CONTENTS



Page 3 - COST CONSIDERATIONS

- Remodeling vs Moving



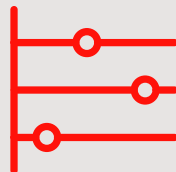
Page 4 - ASSESSING THE MARKET

- Your Area
- Marketability
- Potential New Locale



Page 5 - PERSONAL EVALUATION

- Emotions
- Community
- Work



Page 7 - TIMELINE COMPARISONS

- Time to Sell a Home
- Improvement Expectations



Page 10 - LOGICAL RENOVATIONS

- What it Solves and Doesn't
- Remodeling ROI

COST CONSIDERATIONS MOVING VS IMPROVING

SELLING

AGENT COMMISSIONS

Most realtors will charge a 6% commission to sell your current home. On a \$500,000 home, that's \$30,000 you can't use on the next home

💡 *You can opt to use a discount broker like [Trulia](#) but you'll do most of the work*

REPAIRS

According to [this study by Zillow](#), the average homeowner over \$6,000 getting their house ready to sell

💡 *During negotiation, you can choose to reduce the selling price for concessions*

DOWN PAYMENT

Homewire.com [states here](#) that the average downpayment on a new home is 5.3%. That's \$26,500 on a \$500,000 house

💡 *Conventional and FHA loans tend to have the lowest downpayment requirement*

EXAMPLE TOTAL COSTS: \$62,500

REMODELING

PERMITTING

Most cosmetic fixes will not require a permit but improvements including things like plumbing and electric will cost \$10 - \$500

💡 *A good rule of thumb for estimating permit costs is \$50 plus \$10 for every \$1k spent*

LABOR

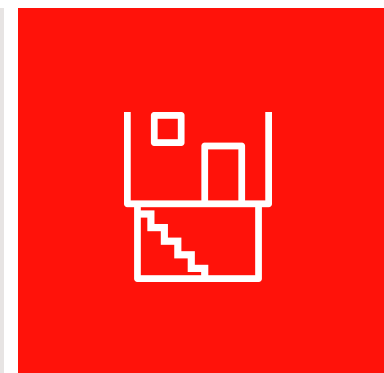
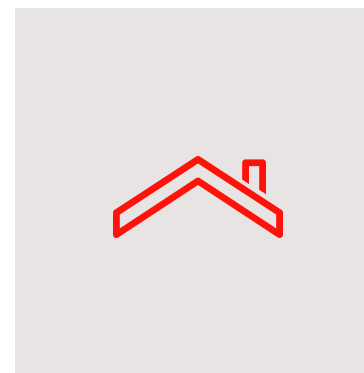
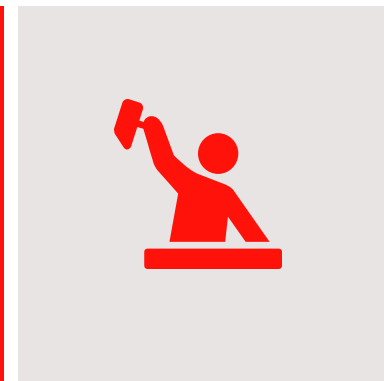
Like permitting, cosmetic projects rarely require professional help, but [salary.com](#) reports masonry work can cost \$21 - \$36 per hour

💡 *Faux stone and brick can deliver the look of masonry work at a lower price point*

FINANCING COSTS

Paying cash may be an option for smaller projects but larger improvements are usually paid for by refinancing or a home equity loan

💡 *Home renovation loans require a down payment of 5% or minimum 20% equity*



ASSESSING THE MARKET MOVING VS IMPROVING



CHECK THE COMPS

Most community newspapers will list the most recent home size and sale price. You can also use an app like Zillow to see recent sales. Figure the sale price on a cost per sqft basis to determine what you could sell your home for

ASK AN EXPERT

Realtors will run advertisements detailing the homes they have recently sold in your area. Ask for an appointment and the realtor will come to your home to provide an honest evaluation of your home's value compared to the others

MARKETABILITY

The neighborhood comps are a reliable measure of potential sale price if the marketability of the two homes is similar. Take a look at the lot size and improvements made to the other home to determine if your home is in the same class

WHERE ARE YOU MOVING

Established communities have likely gained equity as well so your equity will not go as far unless you can find a fixer upper. In the case of a fixer, you may be subject to capital gains taxes if you reserve some gains for remodeling

"In certain areas and price ranges, some houses are sitting on the market a bit longer, if that's you, a renovation may be in order."

Kaylin Richerson
Prime Real Estate

Source: Realtor.com



PERSONAL EVALUATION

MOVING VS IMPROVING

EMOTIONS

Do you have an emotional attachment to your community? What about to the home itself? It's normal to grow attached to a property as the memories inside and outside of the home compound making the decision to move harder

COMMUNITY

Would the proximity of the relationships you've developed throughout your neighborhood cause an adverse effect? Do you have children with friends on the street or in the community? Moving can put a strain on all of the friendships you've established and new friends will not share important memories

EMPLOYMENT

Adding only 10 minutes to your commute both directions equates to an extra hour away from home per week. Over the course of a year, those 10 minutes add up to 40 - 50 hours which for most employees is another full week of employment

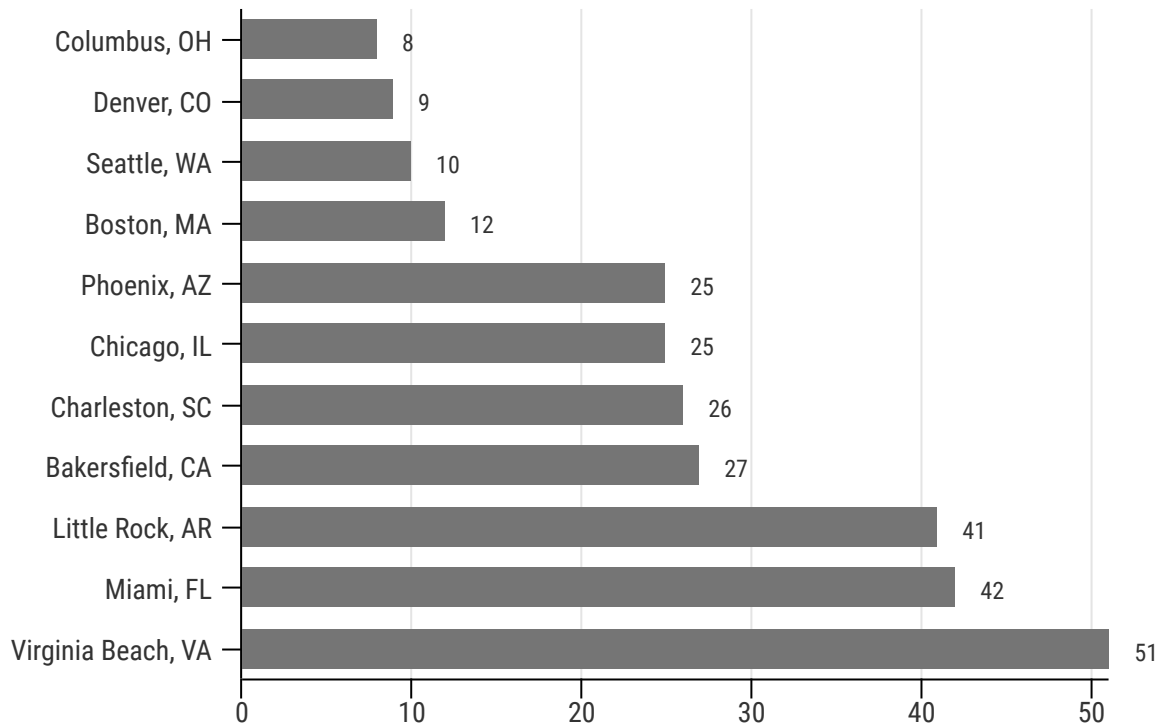


TIME TO SELL YOUR HOME

MOVING VS IMPROVING

AVERAGE DAYS ON THE MARKET

According to zillow.com, it takes an average of 25 days to sell a home.



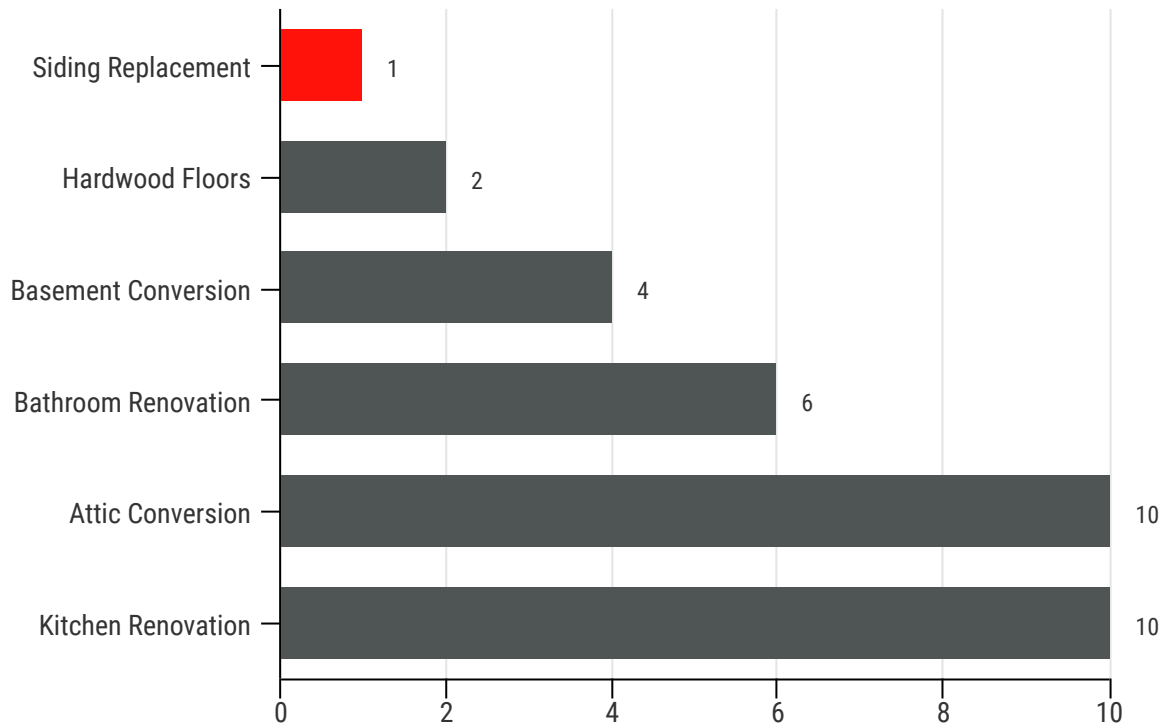
[Download the full report](#)

TIME TO RENOVATE YOUR HOME

MOVING VS IMPROVING

AVERAGE TIME FOR POPULAR RENOVATION PROJECTS

According to [houselogic.com](https://www.houselogic.com), these remodeling projects take anywhere from 1 week to 10 weeks



Source: [houselogic.com](https://www.houselogic.com)



AVERAGE PROJECT COSTS

\$\$\$ Attic Conversion \$50,000

\$\$ Hardwood Floors \$6-12 per sqft

\$\$ Bathroom Renovation \$25,000

\$\$\$ Kitchen Remodel \$49,000

\$\$\$ Basement Conversion \$46,000

\$ Vinyl Siding Replacement \$10 per sqft

\$ GenStone Faux Stone \$13-18 per sqft
before any promotions



RETURN ON INVESTMENT MOVING VS IMPROVING

WHICH PROJECTS PAYOFF AND WHICH DON'T

No matter if you plan to sell now or plan for the possibility in the future, you should consider which improvement projects yield the highest and lowest return on investment.

Improvement Project	Return on Investment
Faux Stone or Brick Veneer	91.4%
Vinyle Siding Replacement	67.2%
Deck Addition (Wood)	64.8%
Entry Door Replacement	63.8%
Deck Addition (Composite)	62.1%
Bathroom Remodel	56.7%
Kitchen Remodel	52.5%
Bathroom Addition	51.8%
Master Suite Addition	46.3%

Learn More: [Annual Cost vs Value Report](#)

WHAT REMODELING PROJECTS WON'T SOLVE

- ✗ **Dwelling Type:** If you live in a condo, no renovation will get you a single family home with a yard
- ✗ **School District:** Remodeling and increasing the value of your home will not change the district
- ✗ **Neighbors:** Unless you make a lot of racket during your project, chances are they aren't leaving



GOING TO IMPROVE?
LET US INSPIRE YOU

[Click Here to See What's Possible with GenStone](#)

