



DON'T MOVE, IMPROVE!

YOUR GUIDE TO REMODELING WITH INCREASED COSTS & LABOR SHORTAGES IN ANN ARBOR, MI

It's no secret that the housing market has experienced a cost surge since the pandemic due to increased demand, limited supply, and labor shortages. As a result, the ideal solution for current homeowners might be to renovate their existing homes instead of moving to a new one.

Renovations provide cost-effective solutions to creating the space you need without the added expense of buying a new property. Plus, home renovations can increase your property value and improve your quality of life without uprooting your family and moving to a new location – which we all know can be a huge pain!

Are you considering a renovation or custom home addition? We're here to help answer all your questions.



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Reasons Why People Aren't Moving in 2023

This year, opting to give your home a makeover instead of moving could be your smartest decision. Here are the top three reasons why Americans are choosing not to move homes this year.

1 Mortgage Rates Are High

Mortgage rates are higher than they've been *since 2002*. If you scored a low rate years ago, you're probably experiencing the "I hate my house, but I love my mortgage" phenomenon many others are experiencing.

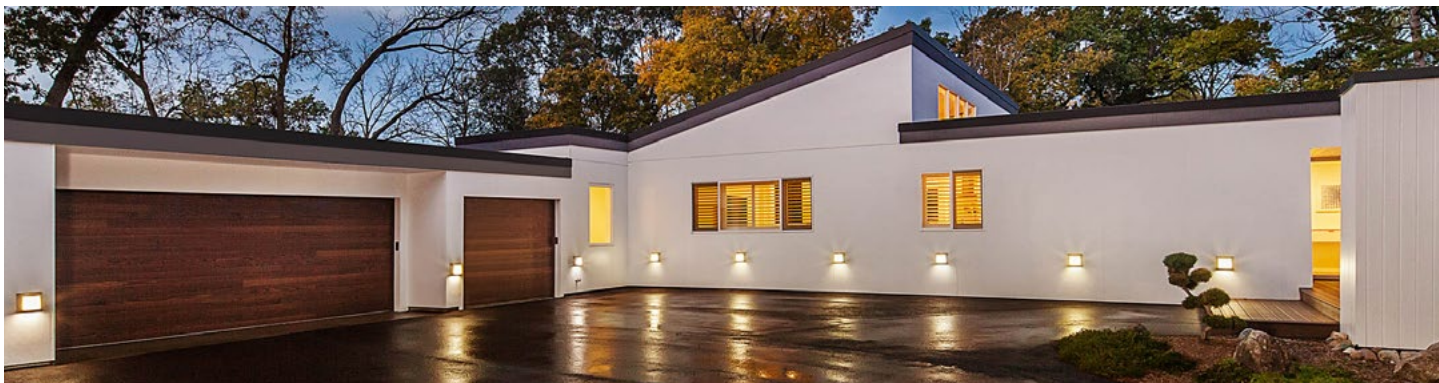
2 Home Equity Loans Are Thriving

Thanks to the housing market boom over the past decade, you probably have a tremendous amount of home equity locked up in your property. The good news is that you can tap into this equity and obtain a loan that can be used to renovate your home or meet any other financial needs you may have, all while maintaining your low mortgage rate.

3 Moving is Expensive & Stressful

Packing up cherished memories and relocating can be exhausting and time-consuming, and you've most likely developed a strong attachment to your homes and neighborhood. Opting for renovations allows you to *stay in your space* without enduring the emotional, mental, and physical toll of moving.





Why You're Better Off Renovating Than Moving Right Now

If you're contemplating whether to remodel your home or embark on a new chapter with a different one, it's likely because your current home doesn't check all your preference boxes. After all, no home is flawless!

When this question arises, what you're truly pondering is whether the things you dislike about your home can be transformed through remodeling, if the endeavor makes financial sense, and whether it's worth the effort and inconvenience that comes with the remodeling process.

While we might be partial to home renovation, we know that you might not be. So we're here to provide you with all the necessary information so you can make your own informed decision.

Remodeling Can Offer a Positive Return on Investment

The primary goal of renovating your home is to enhance your living experience, but it's also essential to consider the future potential of selling your property. Considering the portion of your remodeling budget that you can potentially recoup upon resale becomes crucial. It may lead to determining that remodeling is the right choice for you.

Below is a chart providing *estimated* Return on Investment (ROI) percentages for some of the most common home renovation projects.

Renovation Project	Estimated ROI (%)
Major Kitchen Remodel	70-78%
Bathroom Remodel	70-80%
Attic Bedroom Conversion	65-75%
Basement Remodel	65-75%
Adding a Second Story	65-70%
Master Suite Addition	60-65%

The Greater Ann Arbor Area's Housing Market is Very Competitive

In the current real estate landscape of Ann Arbor, where limited inventory and high demand have created a competitive market, homeowners face a unique opportunity. Rather than rushing to sell your home and enter the intense bidding wars, you should consider the advantages of renovating your property.

Ann Arbor homeowners who have lived in their properties for a few years may have accumulated significant home equity due to rising property values. If this is the case for you, you can leverage your equity to finance renovation projects, potentially increasing the value of your home even further. You'll maximize your return on investment without the need for a new mortgage or borrowing at higher interest rates.

In addition, many Ann Arbor homeowners have built strong connections within their communities and have an emotional attachment to their current homes, finding more value in staying put and renovating. Renovating allows you to personalize and customize your living spaces to align with your evolving needs and preferences, without having to uproot your entire life.

The Pros of Remodeling Can Outweigh the Cons of Moving

Your situation is unique, and it's essential to consider individual factors when deciding about remodeling your home vs. selling it.

Ask yourself these questions, and you might find that the right choice is more evident than you initially thought!

1 Which will be more cost effective – moving homes or renovating your current home?

- Calculate an estimate of the expenses associated with selling your home and buying a new one (closing costs, moving expenses, realtor commissions, etc.).
- Get an estimate from a building professional of how much your dream remodeling project will cost and what the estimated ROI will be.
- Often, before selling a home and getting the most money possible for it, you'll need to end up making some updates and remodeling.

Who can afford moving AND remodeling? Plus, who can handle all that stress? Remodeling will keep you put while putting you in your dream home.

2 Which option will give you the exact aesthetic and functionality you've yearned for?

- Browse your local real estate market – can you find a home that checks all your boxes and specifications?
- Make a list of all the things you wish you could change about your current home and present them to a custom home builder to see how they would make your dreams a reality.

The only way to make your vision a reality might be to take matters into your own hands and build them into your current house!

3 Is the current real estate market ideal for selling and buying a new home?

- Assess your area's current real estate market conditions, including supply and demand, home prices, and market stability.
- Think about where you live – are you happy in your neighborhood? Would you be sad to say goodbye?

If it's a seller's market or housing inventory is low, remodeling may be a wiser choice to avoid potential challenges associated with selling.





Benefits of Custom Home Building & Renovations

If you need any more convincing to reinvest in your property rather than move, here are **5 of the top benefits** of opting for home renovations:

- 1 A renovation can increase the value of your home.
- 2 Renovating can be more affordable than purchasing a new house.
- 3 You can make custom changes based on your preferences and style choices.
- 4 More space will accommodate a growing family or changing lifestyle.
- 5 Home remodels often involve upgrading various systems and components, such as insulation, windows, HVAC systems, and appliances. These improvements can lead to long-term cost savings by reducing energy consumption and utility bills.





Building Better Futures
Your Vision, Realized

Reinvest in Your Home With Meadowlark Design+Build

At Meadowlark Design+Build, we know how unpredictable the economy has been lately. We take pride in making it safe to invest in your home and make the renovations you've always dreamed of. We have an experienced staff ready to transform your home and make it a seamless a process every step of the way.

Ready to start a home remodel project? We're ready to help!

Talk with a team member today.