

HOME

How to Make Your

Worth More

From a touch-up to a total overhaul—Bloomington realtors share secrets for getting the most for your home.

by **Lee Ann Sandweiss** photography by **Jeffrey Hammond**





In 2004, Bloomington realtor Cheryl Underwood purchased a charming 1920's limestone bungalow in the McDoel Gardens neighborhood south of Bloomington Hospital. She spent six weeks and \$21,000 renovating the house. She put it on the market and sold it in one day.

Her profit? \$44,000.

In her 24 years as a realtor, Cheryl Underwood has given hundreds of clients advice to ensure that the SOLD sign goes up quickly. Some of her tips involve relatively quick fixes (see sidebar, page 70). But other changes may mean significant investments of money and time.

Individuals who are not planning an imminent move can be selective about the kinds of improvements they make, enjoying the benefits now and hoping that they translate into profit down the road. Local professionals like Rob Mills and John Saunders of Home Renovators, Tom Gallagher of Gallagher Properties, and Underwood of Aronis and Underwood, however, are more aggressive about making extensive changes, betting that they'll reap the rewards by having the properties sell well and quickly. More often than not they've been right. The choices they made might be of interest to any homeowners wanting to get the maximum value for their property.

Future perfect

If you have an older home built in a particular historic style, Gallagher advises that you invest in restoration. "The more you do to restore it, the more its value is going to increase. Classic modernization efforts of 30 years ago may have made sense then, such as putting dropped ceilings in an older home to improve heat efficiency, but they are a real turn-off in an era when the buyers are looking for homes that have charm and character," he says. "It's not very expensive to blow insulation into an attic and yank out the dropped ceilings. Putting in double-paned, energy-efficient windows that look historically correct is a very wise investment as well. If there are hardwood floors under the carpeting, take up the carpeting. Wood floors have broad appeal and sell."

The homeowner who plans to stay put for awhile should pay attention to maintenance as well as modifications. "You can't afford to let maintenance slide, because the overall condition of the home is the single most important factor in the mind of a potential buyer. Most people want a home that is in move-in condition," says Gallagher.

Landscaping, on the other hand, is a potential money pit and an area where you may not get a full return on your investment, cautions Gallagher. "Striving for curb appeal makes sense, but sometimes too much landscaping is a turn-off. If a buyer who is not an avid gardener sees lavish landscaping, he or she might think that the property would be too high-maintenance. I had a client once who spent \$35,000 on landscaping, but got nowhere near his investment in that when he sold. Unless you love it, don't overdo it," Gallagher advises.

Extreme makeover

"Old houses have lots of character," says Rob Mills. "The challenge is getting rid of the bad character."

In 1998, Mills, a furniture maker by trade, and realtor John Saunders started Home Renovators with the mission of breathing new life into older homes in the Bloomington area. Their efforts have transformed many abodes in need of a makeover—from historic bungalows



Although it had been a rental property and exhibited signs of benign neglect, the house had great bones...



Realtor Cheryl Underwood



Homeowner Robb Stone

and Victorians on the near west side to mid-century ranches on the east side. Mills says that one of their new structures, at 6th and Maple, served as a prototype for the historic-looking South Dunn Street development.

Their current project—a 1952 ranch on Pickwick Place—is essentially a gut-rehab, out of necessity. The previous owners had the house since 1964, and they had maintained it as a rental property for years. It had been on the market for a year when Home Renovator purchased it for \$165,000. “No one wanted it or had the vision of what it could be,” says Saunders. When the renovation is completed this summer, and the house is put back on the real estate market, the asking price will be approximately \$385,000.

Though the profit sounds substantial, it is hard-earned, says Saunders.

“We’ve practically rebuilt the whole place. The entire roof was torn off, and we raised the ceiling in the great room from eight to fifteen feet. Originally, there were two bedrooms and two baths; now there are three bedrooms and three baths,” he says. “There’s new everything—plumbing, electrical, heat ducts, and a

computer network. This has all of the features of a brand-new house, but it’s located in a beautiful, established neighborhood.”

Located off Covenant Drive, the house sits on a peaceful cul-de-sac just minutes from College Mall and the IU campus. Surrounded by mature trees on a .63-acre lot, it is on a block where the oldest house dates back to the 1830’s and the newest to the 1970’s.

When they embark on an extreme house makeover, Home Renovators are mindful of the features that today’s home buyers care most about: a great entryway, an open floor plan, natural light, an inviting, functional kitchen, a master bath suite, and lots of storage. Having control over the quality of materials used—like Oolitic limestone for bath and kitchen countertops and Indiana hardwoods for cabinetry—is important to Saunders and Mills, for whom the entire enterprise is as much a search-and-rescue mission as a business.

“It’s satisfying to revive old houses, to bring them back to life,” says Mills. “It’s great to get in there before things are too far gone, to execute our vision, and then turn the house over to happy new owners.”

Six-week wonder

Cheryl Underwood’s investment in a 1920’s limestone bungalow in the McDoel Gardens neighborhood is an excellent example of how strategic and moderately priced home improvements can dramatically boost resale value. When she purchased the historic structure for \$90,000 in 2004, Underwood knew the house had charm and the potential to be a bona fide architectural gem. Although it had been a rental property and exhibited signs of benign neglect, the house had great bones, was structurally sound, and included such period touches as arched doorways and carvings in the limestone exterior.

Although another owner may have made the same improvements over a much longer period of time, Underwood took just six weeks to complete the ones she considered essential and to restore the house to pristine, move-in condition. As Gallagher might have suggested, she ripped up the wall-to-wall carpeting and repaired and refinished the hardwood floors. Bringing the house’s wood back to life also included thoroughly cleaning all of the



Underwood ripped up the carpeting and repaired and refinished the hardwood floors. She also cleaned all of the woodwork flecked with old paint from slapdash paint jobs of years gone by.

Because the house was relatively small, Underwood built a deck to create outdoor space. As part of her historic preservation, she also restored the house's cupola, which was rotten.

and replaced the generic gutters with a historic gutter system.

All of Underwood's efforts and expenditures paid off. Besides being pleased with the significant return on her investment, Underwood took special satisfaction that the house had the perfect new owner—artist Robb Stone.

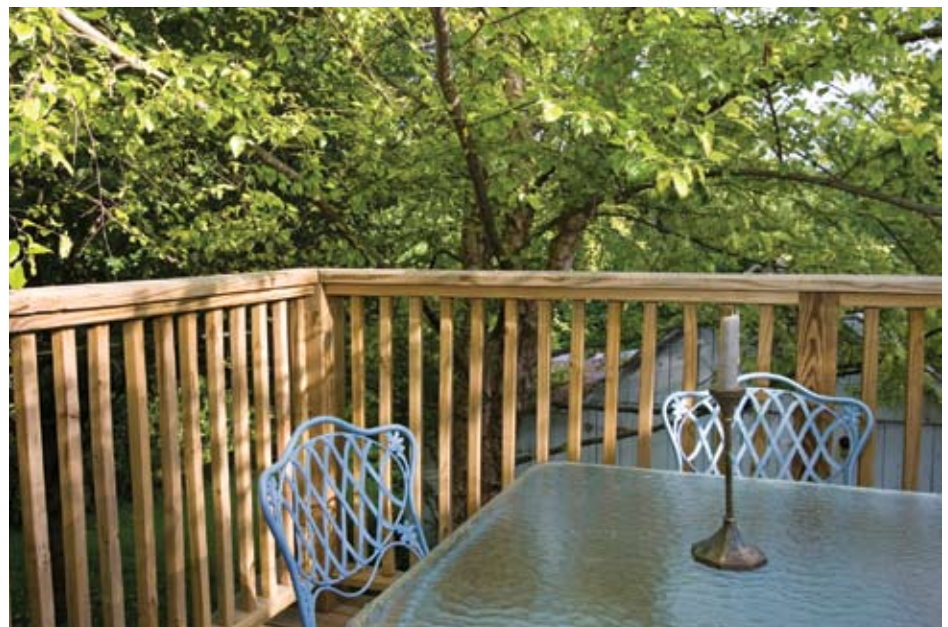
"Robb appreciated the house's architecture and craftsmanship. He was completely smitten," Underwood recalls. "It was a great feeling to know that the TLC that I put into the house would be continued by its new owner. Any improvements Robb makes in the future will only increase the house's value." ✨ ➔



woodwork flecked with old paint from slapdash paint jobs of years gone by.

Keeping her focus both on aesthetic merit and historical integrity, Underwood replaced the vinyl tile in the bathroom with ceramic tile. "This is not a costly alteration, but it makes a very positive impact," she explained. "Neutral colors are the wisest choice for new fixtures or tile, because they are more versatile and less likely to become dated."

One of Underwood's costliest improvement projects was installing central air conditioning, which she considered a must for enhancing resale value. In addition to making the interior of the house more livable with central air, she targeted the exterior as well. Because the house was relatively small, Underwood built a deck to create outdoor entertaining space. As part of her historic preservation campaign, she also restored the house's cupola, which was rotten,



Big Bang Few Bucks:

Five Low- or No-Cost Tips for Selling Your House

You don't have to do a major overhaul to net more dollars. Investing some time and a few dollars can make a significant difference in how fast your house sells and for what price.

1

Clean. Clean. Then clean some more. Realtor Cheryl Underwood is adamant about one thing: get out the rubber gloves and Pine Sol. Plain, old-fashioned elbow grease, she says, is a key factor for a quick sell. "The house must be immaculate from top to bottom. The windows should be sparkling, the carpets deep-cleaned. Take a toothbrush to the light switch plates if they need it," says Underwood. "Sometimes I'm afraid that I've offended people, because I've told them to clean their house, but it does make a difference price-wise and in what they will ultimately get. Think about it: people will pay a lot of money for a clean, vacant hotel room. If it's not so clean, they don't feel comfortable and will look elsewhere."

2

Get out the paint bucket. A house should be freshly painted in order to show well. In years past, the safe choice was a fresh coat of off-white throughout, but Underwood recommends that today's seller thinks more creatively. "White is out right now. Today, people are using more vibrant colors, especially in living rooms and dining rooms." You might even consult a professional. "It pays to get the advice of a decorator and see what color trends are currently in fashion," she says.

3

Eliminate the clutter. "Put as much as you can in storage and stack it in the garage if necessary. Crowded garages can be overlooked, if the rest of the house is open and airy. Buyers will be opening closets, so the emptier and more spacious they appear, the better." Sellers with children have a special challenge when it comes to clutter management. Trying to keep the house spic and span until the open house is difficult enough, and toy control adds to the problem. While it may not be possible to banish all of Junior's Beanie Babies to the crawl space while the house is on the market, Underwood suggests that they at least be confined to one room and held in a large plastic bin.

4

Make the setting as neutral as possible. As painful as it might be, stow your fabulous refrigerator magnet or ceramic turtle collection. And clear the family portrait collection off the piano. "Most people can't see beyond what's in front of them, so it's not only important that the house be spotless, it shouldn't be too crowded with personal mementos. You need to present possibilities to the looker—they need to see themselves in the house," Underwood advises.

5

Visit the florist. If you must add anything to the house—inside or out—make it flowers, Underwood suggests. "It is sort of a psychological trick. Fresh flowers in vases around the house or potted plants on the porch, make people assume that other things about the house are up to snuff. They set the tone."



TRISH YOUNG
BROKER / OWNER



STIRLING
REAL ESTATE

Real Estate.
Done Right.

812.327.5431

trish@trishyoung.com

www.trishyoung.com



customized
massage therapy



side-by-side
massage



sauna and
jetted tubs

spa packages

facials

Spaah!

565 North Walnut • Open 7 days a week
812-339-8881 • www.spaah.net