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Renovation Innovations

Home improvements
boost the construction
industry.

By Deborah Held

While the downward economy has had an impact on nearly every family and every profession in the country, there is one industry that's fortunate to be in sync with the pulse of the economy: home remodeling and renovation.

Gone are the days of the late 1980s and 1990s, when individuals purchased homes for the short-term, with the high-profit "flip" and subsequent move-up in mind. Today's homeowner buys a home with the intention of staying in it—and enjoying

it—for the long-term. "It's not about sales value, it's about living here," says H. Dale Contant, principal and owner of Marietta's Atlanta Design & Build.

Creating More with Less—Without Sacrifice

Since the current economy has impacted most everyone's borrowing abilities, Contant is a proponent of creating a "master plan," which allows the homeowner to think in terms of remodeling phases, so the house will grow with the family's

needs, at a pace the homeowner can afford. “The design fits your lifestyle,” he says. What serves as a playroom now can be upgraded to a sewing room complete with storage space and built-in bookshelves later.

This “more with less” attitude extends to the homeowner’s lessened desire for “bling,” as well as his or her increased need to modify their interior “footprint,” says Ed Cholfin, president of AK Complete Home Renovations. Cholfin says that the homeowner, comfortable in his neighborhood and his home, has “lessened his expectations. He doesn’t have to have all of the ‘bling,’” noting that this does not mean sacrificing quality or function. In today’s kitchen renovation, for instance, most homeowners are happy to go without the Viking or Sub-Zero appliances in favor of a high-end line of General Electric, saving \$10,000-\$15,000 in project costs.

Today’s remodeling client knows that “he’s staying awhile,” and is eager to maximize his “interior footprint” by pushing it outside. “It’s less expensive to repurpose than it is to build,” says Cholfin, “thus building a sunroom on an existing deck is a popular modification. In order not to lose any function, this same homeowner would then add square footage to the deck so as not to lose any outdoor entertaining space.

Still, some creature comforts never change, and any homeowner needs a baseline of comfort to be satisfied within their home, thereby making bathroom renovations the “must have” for most remodeling customers, say Contant and Cholfin. The master bath is remodeled first, followed by secondary baths and the powder room. The kitchen facelift is usually next, they say. Ever budget-conscious, the next phase or phases depend on the “bones” of the home and the homeowner’s needs.

Later phases of remodeling could include garage and garage doors, patios, porches, windows, doors, trim and siding replacements and other exterior work. Charles Dallavalle, Jr., founder of Painting Plus in Marietta, has noticed an increase in business, as have Contant and Cholfin. Dallavalle’s company specializes in exterior home renovation, and interior and exterior carpentry and painting.

“People aren’t moving like they were three and four years ago,” says Dallavalle. “People have a longer-term plan,” which includes the maintenance and protection of their homes, which for most is their single most “major investment.” Whereas it was once commonplace to purchase a home with the idea of moving out “before it even needs painting,” today’s homeowner is more interested in staying put—at least for a while.

Dallavalle notes that the economic environment has compelled homeowners to thoroughly research any remodeling investment, including how to best care for one’s home as well as which companies to hire for work.

Additionally, Dallavalle has noticed that exterior renovations now typically include an improvement that pays for



itself in the long run, such as replacing wood siding or window trim with permanent materials like Hardi Plank or other cement-based materials, which will never rot or need replacing. Also popular are “low-e,” or “low-emissivity” windows, which help keep infrared heat from penetrating glass, thereby reducing heating and cooling bills.

The Economics of Home Remodeling

In addition to providing ongoing work for area remodelers and contractors, a once-suffering industry is now able to re-staff its workforce and perhaps increase its pay rate, notes Cholfin. “These vendors benefit from our work,” he says.

And this work comes from surprising sources sometimes, including from last year’s storm and flood damage, which set off a flurry of activity within Atlanta’s remodeling industry. Many homeowners opted to add their own monies to their insurance checks, adding on to their renovation checklists.

As these vendors work and add to their own workforce, they are able to produce a wider and more efficient selection of wholesale products, including more eco-friendly paints in a wider variety of color choices, as well as other greener building products and more energy efficient home appliances, says Dallavalle.

Local neighborhoods, which increase in value as homeowners renovate, also benefit, says Contant. It’s not uncommon for one neighbor to completely remodel his or her home right next door to an untouched older home, especially as homeowners continue to focus on the long-term.

Though rebounding, the remodeling industry is still underperforming. Whereas during stronger economic times Cholfin saw projects ranging from \$75,000 to \$100,000 in cost, his average job today is in the range of \$30,000 to \$100,000.

The forecast is good, though. Contant reports business being “four to five times” busier right now than last spring, and with far more activity than in the past five or six years, total. “We’re in 2010 and we’re seeing a resurgence,” he says. ■