



Appraisal Institute News Release



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Plan Now for Home Winterization, Appraisal Institute Urges Consumers

CHICAGO (Oct. 24, 2012) – The Appraisal Institute, the nation's largest professional association of real estate appraisers, today urged homeowners to consider winterizing their properties to potentially lower energy costs, increase comfort in cold months and possibly improve resale value.

"This is the perfect time for consumers to consider making seasonal updates to their homes," said Appraisal Institute President Sara W. Stephens, MAI. "Not only do these types of home improvements enhance living environments in winter months and possibly lower energy costs, but most can provide an above average return on investment in resale value."

The Appraisal Institute encourages homeowners to focus on three main updates for the winter: windows, exterior and furnace.

Adding energy-efficient vinyl windows to the home can have an average payback of more than 69 percent, according to the [Remodeling 2011–12 Cost vs. Value Report](#), published by Hanley Wood. Vinyl replacement windows offer a higher return on investment than wood replacement windows and also have a higher projected return on investment than many other home improvement projects, including a kitchen or bath remodel, addition of a master suite or new bathroom, or a roof replacement. Replacement windows also can be especially valuable to homes built before 1978, due to the importance of reducing lead-based paint in older homes, according to the Hanley Wood research.

That same study found exterior replacement projects retained the most value in home improvements. For example, updating and replacing fiber-cement siding returned 78 percent of homeowners' original investment.

A furnace doesn't just provide heat and comfort during cold months, but proactively tuning or replacing a home's furnace can alleviate issues when considering resale. According to Consumer Reports, the average lifespan of a furnace is 15 to 18 years. Homeowners should keep this timeframe in mind when debating servicing versus replacement.

The Appraisal Institute also encourages homeowners to contact an appraiser on the front end of their winterization projects. "Beyond the typical valuation services, an appraiser can be a valuable resource when consulting on home improvements," Stephens said. "A qualified, competent appraiser can make recommendations about which updates will provide the most impact on resale value, as well as what is the norm for the local area."

Homeowners can also make updates now to see an immediate saving in their energy bills.

1. **Clean the gutters** – Remove leaves and debris so rain and melting snow can drain, preventing backed up water or ice that can clog drains and allow water to seep into the house.
2. **Add insulation** – Most homes need a minimum of 12 inches of insulation in the attic, regardless of climate conditions. If ceiling joists are visible, the insulation needs to be beefed up because these are typically 10 to 11 inches.
3. **Check the ducts** – Ensure ducts are not exposed and are well-connected. Otherwise, homes with central heating can lose up to 60 percent of heated air before it reaches the vents, according to the U.S. Department of Energy. Homeowners should also check for gaps and pinches in pipes and repair them to make sure heated air flows easily into the home.
4. **Keep drafts out of windows** – If replacing windows isn't in the cards this winter, insulating them with plastic and double-sided tape is extremely effective and much less expensive.
5. **Tune the furnace** – Clean and tune a furnace annually to increase efficiency and the life of the furnace. Check the furnace now to make sure it does not produce a smell, which will require attention before continuous running in the winter.

For additional information on home improvements that can be made throughout the year, see the Appraisal Institute's [Home Improvement Tips fact sheet](#).

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