

The Morning News

Local News for Northwest Arkansas

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Staying Put and Sprucing Up

By [Kim Souza](#)

THE MORNING NEWS

SPRINGDALE -- Handyman work and home remodels are picking up steam as more homeowners are staying put and sprucing up the homestead during the lengthy economic slump, according to the owners of Handyman Matters in Springdale and Janacek Construction in Rogers.

While new construction building permits were down about 30 percent over the past year, home remodel permits have held their own according to permit records in Fayetteville, Springdale, Rogers and Bentonville.

Tim and Jeanette Janacek, owners of Janacek Construction in Rogers, said their business has been steady during the past year, with no layoffs or major sacrifices. The company completed 250 handyman or remodeling jobs last year and has stayed even busier following the recent ice storm.

"We have been busy with minor repair jobs and more recently have seen an increased interest from homeowners wanting additions to accommodate their growing families," Jeanette Janacek said.

A few years ago, when a family needed more space they often bought a bigger house, but today, Janacek said, more families are staying put and adding space through attic finish-outs and master suite expansions.

For most consumers a home represents the biggest single investment made in a lifetime. While home values have dipped in recent years, that value will likely be recaptured overtime when home sales resume and financial markets recover, said Jeff Collins, economist and partner with Streetsmart Data Services in Fayetteville.

Home remodels don't come cheap, but in most cases the costs are almost entirely recouped by increasing the home's resale value, according to Hanley Wood's Remodeling Cost Value Report. In this region, attic and basement remodels that provide additional living space garner the biggest immediate gains, while minor kitchen and bathroom remodels also return nearly a dollar-for-dollar return.

Despite tighter credit standards, local bankers at Arvest, First Security and Liberty Bank say there is money to loan for home remodeling.

"The money is not being thrown around as easily today as it was a few years ago, but homeowners with ample equity, a decent credit score and steady income can refinance at 5 percent and pull out the equity to pay for a remodel," said J.P. Sexton, president of the Northwest Mortgage Bankers Association.

He said the rules for conventional home equity lines of credit require about 20 percent equity -- which

most buyers in the last few years likely won't have as home values have declined.

Collins said year-over-year, the region saw between a 7 percent to 9 percent decline in price-per-square foot.

"We are seeing an increased number of people wanting to modernize or remodel and expand their homes. The good news is that Arvest Bank is making loans everyday and we advise homeowners not to assume they won't get the loan, but actually sit down and visit with their local lender," said Todd White, senior mortgage loan production manager at Arvest Mortgage.

But even if a home equity line isn't possible there are plenty of ways to spruce up a home on a limited budget.

Steve Langton, owner of Handyman Matters in Springdale, said his company is staying busy with minor jobs such as putting up crown molding, painting, adding gutters, replacing shingles, building decks and changing out lighting.

He said the average ticket for Handyman Matters is about \$500, but the jobs sometime run into several thousand dollars depending on the size and scope. Last spring, Langton's crew built an insulated gabled canopy over a large portion of a backyard deck, complete with outdoor lighting and railings. He said the cost was about \$8,000. Last week his crew was back at the Fayetteville home to stain the deck. He said this space can also easily be converted to a sunroom or screen porch if the homeowner wants to fully enclose the room.

According to Hanley Wood's Cost Value Report, about 90 percent of the money spent on deck additions is recovered.

Langton employs four craftsman, two apprentices and a customer service representative. He said the talent pool from which to chose seasoned craftsman is large because of the slack in new home construction. Two of his craftsman have more than 20 years of residential contracting experience prior to signing on with Handyman Matters.

"The work has been steady, beyond my expectations given the slower economy," Langton said.