

Homeowners keep renovations simple, budget-friendly

By Wendy Koch, USA Today

Glitzy is out and comfy is in as Americans take a simpler approach to home renovation.

With real estate values still in the doldrums, people are seeing their houses less as investments and more as, well, homes. Since they're staying put, they're taking on targeted – rather than extreme – makeovers aimed at livability.

Home remodeling is expected to pick up and post solid growth in the second half of this year, making 2012 the strongest year since 2006, according to a report Thursday by the remodeling futures program at Harvard University's Joint Center for Housing Studies. Driving the market will be midsize kitchen and bath projects, maintenance work and energy-efficiency upgrades.

In fact, unlike a few years ago, Americans are now spending more on remodeling than on new construction, says Stephen Melman of the National Association of Home Builders. He says they're moving less now than at any time since World War II, so they're thinking less about the resale value of a remodel.

"They do it, because they want to. That's a major change in the psychology," he says.

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