



SHOULD I REPLACE THE ROOF BEFORE I SELL?

When it comes to buying a new home, one of the biggest expenses people worry about is replacing the roof. A new roof is often worth a lot to potential buyers, because it puts their minds at ease about looming future problems.

If you are about to sell, should you replace the roof? That depends on the situation, so the first step is to get a home inspection. The inspector can examine the roof and let you know what may be needed so that you can make an informed choice. Having your own inspection also prepares you for what the buyer's inspector may recommend.

If the inspector determines that a new roof is needed, a few key questions can help you arrive at a decision on whether to replace it.

1. Do you own the home outright? Your decision about replacing the roof may depend on whether you are looking to get a lot of money for the home. If you already own the home, you may not need as much of a return as someone who has a large mortgage and still hopes to leave with some cash in pocket.
2. Can you afford the cost, or will you need a home-equity loan? A home-equity loan can be used to make repairs, but that loan will also need to be satisfied when the house is sold.
3. How is the competition in your area? Is the market in your neighborhood hot enough that your home will likely receive multiple offers? Examine whether there are other houses for sale in the area that are priced in your range and, if so, what condition they are in. If you are facing a lot of inventory on the market, a new roof may be a major incentive to potential buyers.
4. Will leaving the roof as is have a negative impact? Is it necessary to put a new roof on the property to prevent other damage to the home? If you have already seen leaking, you must act immediately. It may be hard for the buyer to get a mortgage if the roof is in bad shape.
5. Will insurance cover part of the bill? Is your roof missing tiles due to storms or other events covered by insurance? You may want to investigate filing a claim to help pay the bill.

If you aren't interested in replacing the roof, you could investigate a partial repair to address immediate problems. Another option is to offer buyers a lower price or credit that factors in the potential cost of the roof. Some buyers may be more interested in replacing the roof themselves.

In general, buyers recoup some but not all of the cost of a new roof. *Remodeling Magazine's* Cost vs. Value report for 2013 found that a midrange roofing replacement recouped an average of 62.9% of the cost.

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