

South Jersey home remodeling market looks hot next couple of years

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Lisa and Robert Ross, a Philadelphia married couple, initially just wanted to make the front of their secondary home on Asbury Avenue in Ocean City look nicer, but the job turned into a complete exterior remodel.

Robert Ross' parents originally rented the second floor of the duplex, Lisa Ross said. They purchased the home in 1976. Robert Ross was an only child, so he inherited the house when his parents died.

They could have demolished the home and built something new, but that is not their style.

“We don't like to tear down. We like to use what we have and fix it,” said Lisa Ross, who added the remodeling job will cost more than \$100,000 and include new porches, storm doors, three windows and siding.

As new-home construction is expected to slow down over the next couple of years and older homes are retrofitted for an aging population, the remodeling sector is expected to stay hot for a significant period of time.

Home remodeling has become a \$380 billion industry, said Elizabeth McKenna, director of marketing communications for the National Association of the Remodeling Industry.

The annual conference of Harvard University's Joint Center for Housing Studies focused on several major areas, including what the remodeling industry should anticipate in the coming year.

“Even high-spending metropolitan markets have remodeling growth potential. The average growth projection for the top 13 metro markets is 7.4%,” McKenna said.

May is National Home Remodeling Month, according to the National Association of Home Builders.

Glenn Watson has been in the remodeling business for 35 years, and has been in business with his wife, Jill, with Bayside Construction Services in Ocean City, for nine.

Even though Bayside Construction does work in neighboring towns, home remodeling, renovations, additions, bathrooms and kitchens are its niche in Ocean City because the municipality operates on a tear-down and build-up cycle, Watson said. There is no more developable land on the island, he said.

“It's been steady this year, a little busier than last year,” Watson said. “Each year, we pick up a little more. Do I see the renovation market improving? Absolutely, I definitely see it.”

Bayside Construction's business is split evenly between whole-house remodeling jobs and doing just a kitchen, bathroom or an addition, he said.

Nine times out of 10, Watson is doing a remodeling job for someone who hired him previously.

“That’s part of the fun of this business. It’s part salesman, part craftsman and a big part is relationships and trust,” Watson said.

The new-home construction market is great in shore communities, but it is lagging on the mainland in Atlantic, Cape May and Cumberland counties, said Richard S. Van Osten, executive vice president of the Builders League of South Jersey, based in Cherry Hill.

“Overall, remodelers have been very busy throughout South Jersey,” Van Osten said. “It’s hard to get people to call you back, a lot of people find.”

Remodelers have been busy for the past four years in South Jersey, and the forecast is that the market will still be good for the next couple of years, Van Osten said.

The new-home construction and remodeling markets are separate, but there are remodelers who will also do a custom home, Van Osten said.

Home improvement contractors need to be registered to work in New Jersey, Van Osten said.

Some people, who started out in new construction, were laid off during the recession of a decade ago and started their own remodeling businesses.

“It’s different when you are building new and there is not a homeowner there as opposed to when you are remodeling and you are working in someone’s house, and they are there every day. It can be challenging if you are not used to that,” he said.