

**NEWS RELEASE**  
For Immediate Release  
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## ***Stronger Growth for Remodeling Projected for 2011***

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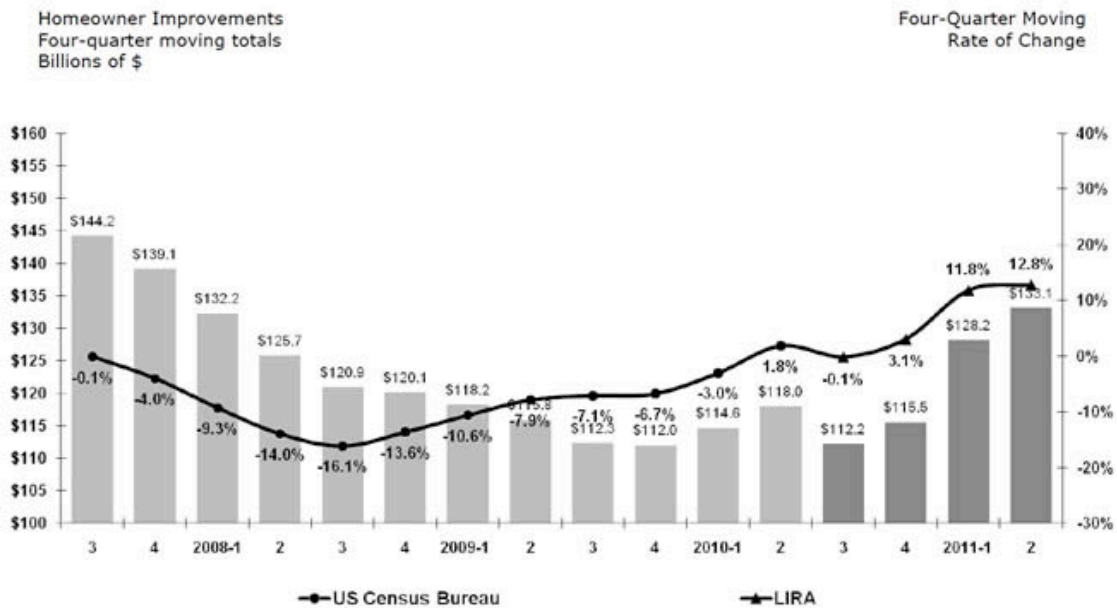
*Reprinted from the Joint Center for Housing Studies.*

CAMBRIDGE, MA - Substantive growth in remodeling spending, coming off a three year decline, seems likely in 2011, according to the [Leading Indicator of Remodeling Activity \(LIRA\)](#) released today by the Remodeling Futures Program at the Joint Center for Housing Studies of Harvard University. Even though spending is still below its 2007 peak, the LIRA indicates that homeowner improvement spending is expected to be up at a double-digit pace at an annual rate through the first half of 2011.

“The downturn in home improvement activity has pushed spending below its long-term trend,” says Eric S. Belsky, managing director of the Joint Center for Housing Studies. “A recovering economy should stabilize house prices and consumer confidence levels, encouraging homeowners to reinvest in their homes and undertake deferred repairs and replacements.”

“Remodeling contactors are feeling much more positive about the outlook for home improvement projects,” says Kermit Baker, director of the Remodeling Futures Program at the Joint Center for Housing Studies. “Low financing costs and a wave of previously foreclosed homes coming back on the market and in need of renovation are expected to generate healthy growth over the next several quarters.”

### Leading Indicator of Remodeling Activity - Third Quarter, 2010



**Source:** Joint Center for Housing Studies of Harvard University  
**Note:** Historical data and LIRA weights are revised annually in July.

The Leading Indicator of Remodeling Activity (LIRA) is designed to estimate national homeowner spending on improvements for the current quarter and subsequent three quarters. The indicator, measured as an annual rate-of-change of its components, provides a short-term outlook of homeowner remodeling activity and is intended to help identify future turning points in the business cycle of the home improvement industry. The development of the LIRA is detailed in [“Developing a Leading Indicator for the Remodeling Industry”](#) (JCHS Research Note N07-1). In July 2008, the LIRA was re-benchmarked due to changes in the underlying reference series. These changes are explained in [“Addendum to Research Note N07-1: Re-Benchmarking the Leading Indicator of Remodeling Activity”](#) (JCHS Research Note N08-1). The LIRA is released by the Remodeling Futures Program at the Joint Center for Housing Studies of Harvard University in the third week after each quarter’s closing. **The next LIRA release date is January 13, 2011.**

The Remodeling Futures Program, initiated by the Joint Center for Housing Studies in 1995, is a comprehensive study of the factors influencing the growth and changing characteristics of housing renovation and repair activity in the United States. The Program seeks to produce a better understanding of the home improvement industry and its relationship to the broader residential construction industry.

The Joint Center for Housing Studies is Harvard University's center for information and research on housing in the United States. Established in 1959, it is a collaborative unit affiliated with the Graduate School of Design and the Harvard Kennedy School. The Joint Center analyzes the dynamic relationships between housing markets and economic, demographic, and social trends, providing leaders in government, business, and the non-profit sector with the knowledge needed to develop effective policies and strategies. For more information, please visit [www.jchs.harvard.edu](http://www.jchs.harvard.edu).

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