

**Our annual list of
the top remodelers
in major remodeling
markets**

2011 MARKET LEADERS

By Jonathan Sweet, Editor in Chief

Remodeling is local. While some markets are starting to see positive growth coming out of the Great Recession, others continue to struggle. This year's Market Leaders are no different. There are places like Boston where the top companies saw solid upticks in business in 2010. And then there are metro areas like Phoenix where, despite rising home sales, plummeting home prices have kept remodeling activity severely depressed.

The annual Market Leaders list, which identifies the largest remodelers in 19 top remodeling markets, was compiled through a combination of research by *Professional Remodeler* staff and information provided by the listed companies.

Slowdown in 2010

Overall, the installed volume of those on the list continues to decline. The median installed remodeling volume of this year's Market Leaders was \$3.7 million. That's down 12 percent from last year's \$4.2 million and a decline of nearly 45 percent from the \$6.7 million median in the peak year of 2007.

About 51 percent of companies reported their revenue was up last year and about 46 percent reported it was down. That's consistent with our survey of the remodeling market as a whole, which found that 51 percent of all remodelers said business was down in 2010 as well. Unfortunately, those companies that experienced a downturn in business tended to have much steeper declines than the increases that the other companies had in 2010, pushing that median installed volume to its lowest point in the history of the Market Leaders list.

The Market Leaders are very optimistic about 2011, though, with 84 percent of companies projecting an increase in business this year from 2010. Only 16 percent expect to see business decrease in 2011.

The top companies by market appear on the following pages. Our national list, covering the entire country, will be published in the November issue of *Professional Remodeler*.

“Lots of work is coming back into the market, we are stronger than ever, focusing on execution and customer service.” – Allison Iantosca, F.H. Perry Builder

Boston

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|-------------------------------|-------------------|
| F.H. Perry Builder | 12,343,687 |
| Platt Builders | 6,172,000 |
| Feinmann Inc. | 3,300,000 |
| The Remodeling Company | 2,847,091 |
| The Wiese Company | 1,643,814 |

+ **Key fact:** Boston’s median home price is still 52 percent higher than in 2000 (S&P/Case-Shiller)

Atlanta

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| Renewal Design-Build | 3,716,296 |
| Weidmann & Associates | 3,356,077 |
| Masterworks Atlanta | 2,998,711 |

+ **Key fact:** The 6,419 new building permits issued in 2010 was less than a fifth of the 37,553 average for the decade (National Association of Realtors).

“As lean as remodeling companies have become over the past three years, a modest uptick in demand could quickly convert this from a buyer’s market to a seller’s market.” — Daniel J. Weidmann, Weidmann & Associates

Chicago

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| Normandy Builders | 17,673,115 |
| Galaxie Construction | 15,000,000 |
| J.C. Restoration | 13,917,850 |

+ **Key fact:** Existing home sales dropped 26.5 percent in 2010 in the Chicago metro area, 7 percentage points worse than the national average (Illinois Association of Realtors).

“Our sales and marketing are working well right now and we are poised to expand our market share. Even though the market is not expanding, we intend to get a larger piece of it.” — Andy Wells, Normandy Builders

Dallas

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| DFW Improved | 2,941,609 |
| Elite Remodeling | 2,000,000 |
| Longacre Construction Co. | 1,570,000 |
| Home Artisan Authority Design Build | 1,300,000 |
| Curb Appeal Renovations | 1,187,000 |

+ **Key fact:** 12.2 percent of Dallas homeowners with mortgages are underwater, one of the lower rates in the country (CoreLogic).

“The consumer is being trained by the media that they should be getting their home improvement needs for next to nothing because all the contractors are hungry.” — Carol Longacre, Longacre Construction Co.

We're "working in a more streamlined productive manner due to leaner staff and (reviewing) systems to determine which ones are really important and which ones are not." — *Bob Peterson, Associates in Building & Design*

Denver

HighCraft Builders 3,136,952

Old Greenwich Builders 2,939,347

Associates in Building & Design 2,200,243

+ **Key fact:** Denver has experienced modest price growth, with home prices up 4.4 percent since January 2009 (FNC Residential Price Index)

Los Angeles

Reborn Cabinets 8,600,000

One Week Bath 4,073,651

Custom Design & Construction 3,423,347

+ **Key fact:** Los Angeles County is ranked by NAHB as the largest remodeling market in the country

"As the consumer remains conservative about 'value for the dollar,' our challenge is to continue to provide products and services that exceed expectations while remaining competitive." — *Matt Plaskoff, One Week Bath*

Houston

William Shaw & Associates 3,200,000

Living Improvements 2,338,137

Greymark Construction Co. 1,792,879

+ **Key fact:** Houston's median home price increased 2.7 percent in 2010 (National Association of Realtors)

"Because of the influx of custom builders and new remodeling contractors into the remodeling market, the competition is at an all time high. Clients are beginning to understand this dynamic, and are price shopping like never before." — *Bill Shaw, William Shaw & Associates*

"We feel that the movement in the financial markets and overall improvement in economic indicators have created conditions that are allowing people enough confidence to give themselves permission to move forward." — *John Murphy, Murphy Bros. Designers & Remodelers*

Minneapolis/St. Paul

Budget Exteriors 6,358,451

Castle Building & Remodeling 2,399,963

Murphy Bros. Designers & Remodelers 2,179,178

+ **Key fact:** The Twin Cities 6.9 percent unemployment rate is one of the lowest in the country for a major metro area (Bureau of Labor Statistics)

New York

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| Alure Home Improvements | 37,952,000 |
| Silverlining Interiors | 30,000,000 |
| Karp Associates | 5,600,000 |

“Credit approval continues to be a challenge for many homeowners. Luxury products like basements and sunrooms continue to face the challenge of homeowners being hesitant to invest in those projects.” — *Sal Ferro, Alure Home Improvements*

+ **Key fact:** The Joint Center for Housing Studies of Harvard University identifies the New York metro area as the largest remodeling market in the country.

+ **Key fact:** Phoenix home prices are down 55 percent from the 2006 market peak (S&P/Case-Shiller).

Phoenix

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| Kowalski Construction | 3,241,665 |
| Legacy Design Build Remodeling | 3,053,000 |
| Carlson Homes Construction | 1,700,000 |
| Cook Remodeling & Custom Construction | 1,387,617 |

Big challenges for 2011: “Overcoming low ball pricing from competitors and not becoming too optimistic about the economy.” — *James Kowalski, Kowalski Construction*

“While the local home improvement market remains cluttered with small, local and large, national contractors each vying for the same piece of the exterior remodeling business, we feel and have always felt our only competition is ourselves.”
— *Jeff Kaliner, Power Home Remodeling Group*

Philadelphia

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| Power Home Remodeling Group | 132,000,000 |
| Gardner/Fox | 14,600,000 |
| Anthony Home Improvements | 5,000,000 |
| Gehman Custom Remodeling | 2,812,700 |
| J. Schwartz Remodeling & Fine Home Building | 2,650,000 |

+ **Key fact:** Philadelphia has lost 140,000 jobs over the last three years (Bureau of Labor Statistics)

“Across the board we are seeing an improving market, but still mixed. Our growth in energy retrofits is very exciting.” — *Tom Kelly, Neil Kelly Co.*

Portland

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| Neil Kelly Co. | 16,355,000 |
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+ **Key fact:** The average Portland homeowner has lost \$60,300 in home equity over the last three years (National Association of Realtors).

Sacramento

Kitchen Mart

6,600,000

+ Key fact: Sacramento's 12.6 percent unemployment rate is one of the highest in the nation among major metro areas (Bureau of Labor Statistics).

"Smaller projects, i.e. countertop replacement, bathroom remodels and kitchen cabinet refacing" are our biggest opportunities. — *Dave Hollars, Kitchen Mart*

We are "selling our company as the conservative choice — 'We will be around.'" — *Michael McCutcheon, McCutcheon Construction*

San Francisco

Canyon Construction

9,000,000

Harrell Remodeling

8,043,963

McCutcheon Construction

3,862,562

+ Key fact: Three of NAHB's top counties for per-capita remodeling spending are located around San Francisco.

San Diego

Marrokal Design & Remodeling

15,365,179

Lars Construction

7,011,207

Jackson Design and Remodeling

5,400,000

+ Key fact: San Diego is one of the markets best poised for a rebound in remodeling activity, according to the Joint Center for Housing Studies of Harvard University.

"Due to economic challenges ... we have seen stronger partnerships formed between us and our clients, and us and our trade partners to provide the best possible value for the clients' remodeling dollars." — *Jason Larson, Lars Construction*

St. Louis

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| Mosby Building Arts | 8,700,000 |
| PK Construction | 5,697,686 |

+ Key fact: 85 percent of St. Louis residents can afford the metro area's average home, one of the highest rates in the nation (NAHB/Wells Fargo Housing Opportunity Index)

Tampa

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| TriplePoint Design Build | 1,500,000 |
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+ Key fact: Tampa's average of \$2,000 annual remodeling spending per homeowner is one of the lowest in the country (Joint Center for Housing Studies of Harvard University)

"This economy has helped us ... focus on the type of client we can best serve. We are not the solution provider for everyone who needs remodeling work on their home." — *Neal Fiske, TriplePoint Design Build*

"The market seems to have some pent up demand with regard to projects that have been set aside waiting for an improved economy." — *Howard Chermak, Chermak Construction*

Seattle

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| Chermak Construction | 6,025,000 |
| Westhill Integrated Home Improvement | 4,340,007 |
| Tenhulzen Remodeling | 2,813,939 |
| Potter Construction | 1,600,000 |
| Renwick Construction | 1,375,000 |

+ Key fact: Seattle foreclosure filings in the first quarter of this year were up 47.3 from 2010, well above the national increase of 26.9 percent (RealtyTrac)

"We feel the opportunity is ripe to gain additional market share. But remaining flexible in the approach is a necessity because of the continued uncertain economic climate." — *Bruce Case, Case Design/Remodeling*

Washington, D.C.

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| Case Design/Remodeling | 22,693,080 |
| BOWA Builders | 17,817,454 |
| Sun Design Remodeling Specialists | 7,700,000 |
| Landis Construction Corporation | 5,552,674 |

+ Key fact: The Washington, D.C., metro area's \$85,000 median household income is the highest of any major metro in the country (U.S. Census Bureau).