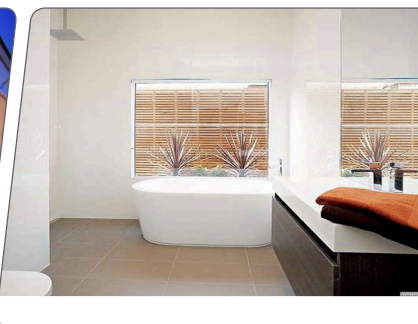
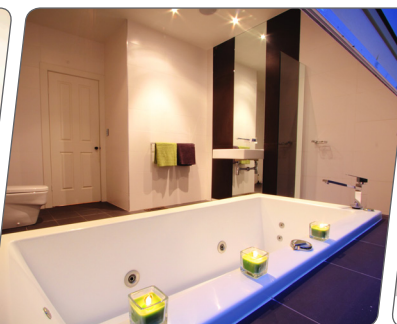
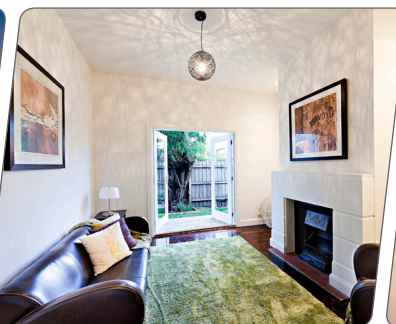


# 20 ESSENTIAL RENOVATING FOR PROFIT TIPS

How a Small Budget Renovation Can Return a Big Profit



THE ULTIMATE GUIDE TO  
**RENOVATION**

### Adding Value with Renovation

There's no doubt that a strategic renovation or makeover can really add a lot a value to a property – but that doesn't mean that you have to spend a fortune.

Spending just a few thousand dollars in the right places can potentially generate tens of thousands of dollars in value.

But before the fun begins, there just needs to be a word of caution:

Renovating to add value is different from a normal renovation. It's all about renovating to the tastes of your potential buyer or renter and not your own personal tastes.

This is an area where so many people have difficulty, but the important thing to remember here is that you are not your buyer. You need to cater to what the majority of buyers in your area are looking for and to the broadest possible tastes.

So with the serious stuff out of the way, let's look at where the real value can be added.

'If you are interested in adding value to your home and you believe your home has makeover potential, then this guide will show you how to unlock that potential'.





## Renovating for High Returns

There are certain areas of a house and particular improvements that offer a high return. Our goal is to multiply every dollar spent, which means for every dollar we spend, we want to add a minimum of two dollars to the resale price of the home.

But it's actually possible to do far better than this.

## Give Your Home “Curb Appeal”

Studies have shown that a large percentage of buyers decide whether or not they are going to buy a home, before they even set foot in a house.

That is why it is so crucial to make a good impression by creating a welcoming entrance to the home. Even if your home is in good shape, there are probably a few things you can do to make it really sparkle. This is what's known as “curb appeal,” and experts agree that making a good first impression is a crucial factor in attracting buyers. Improving your home's curb appeal can be as easy as:

- Tidying up the yard
- Mowing the lawn
- Washing windows
- Touching up exterior paint
- Adding plants and flowers
- Adding a good quality letter box
- Adding shiny new street numbers

## Resurface an Old Driveway or Path

Your driveway and the path to your front door are also very important. It is quite easy to resurface paths and driveways using inexpensive material such as crushed granite or Lilydale topping.

## Landscaping

Using even a small number of architectural plants such as cordylines you can also give a real lift to the curb appeal of your home.

You may also be able to make use of a local nursery's design services. These are often free or at a minimum charge, at the end of which they provide you with a landscaping design plan and plant list.

Subject to your individual circumstance, these are some other things that you can do to improve curb appeal.

- Paint facade, windows & trims
- Repaint the roof
- Render outside walls
- Fencing and landscaping
- Paint concrete driveway or patio
- Install a carport
- Paint the fence





## Entrance to Your Home

The first impression on approaching your home is also very important.

Create a clean, light and welcoming entrance to your home. If the entry is dark, then consider an optical illusion like using half-strength paint (of the same colour you are using in other house) in this area to give the appearance of it being lighter.

You can also:

- Install a new front door
- Install a new knocker or handle
- Place architectural plants on either side of entrance

## Painting

Painting probably generates the highest return of any work you can carry out on a renovation.

Repainting can dramatically change the look and feel of a property, as well as substantially increase its value.

### Choosing Colours

Choose only a few colours and keep them light and neutral. Remember: it's not about what you like; it's about appealing to the broadest possible market (the 'buyer' in your market).

Light surfaces are the quickest way to create a light, bright, and clean-looking space. Resist the urge to do 'feature walls'.

Don't skimp on preparation, although it may seem unnecessary. After all you don't have to live with it day in, day out. However, the time you spend preparing your surfaces will be rewarded with less time later on to repaint.

### Repair Before Replace

Before you rip something out and throw it in the skip, ask yourself: Can it be repainted?

Does it really matter if the laundry shelves are not brand-new? Or if the inside of the wardrobes aren't completely up to date? Often it doesn't.

These are what professional renovators call **low-return items**, meaning that money spent on these items will not generate a financial return when selling. A simple coat of paint will suffice for these items in most cases.

Even though these are small things, it does all add up and it's also money that comes straight off your profit.

### Floor Polishing and Carpet

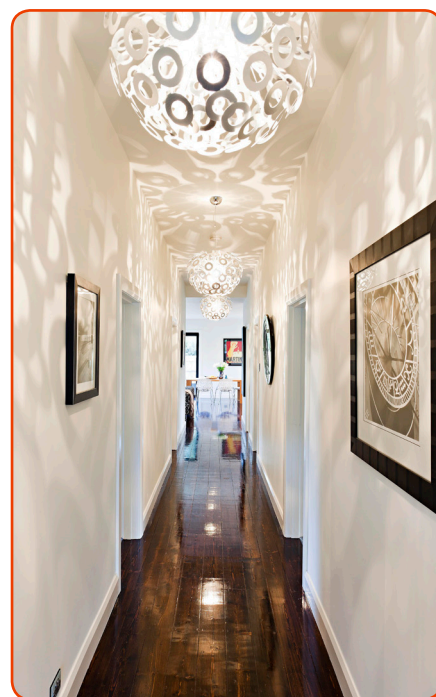
If painting is the highest return item, then it is closely followed by floor polishing and new carpet.

#### Floor Polishing

Floor polishing can add fantastic bang for buck. It typically takes 3-5 days to complete and you won't have access to the interior of your house for the majority of this time.

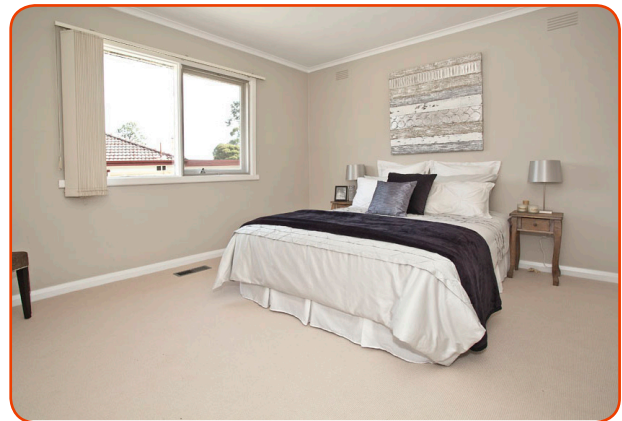
If you have lighter floorboard such as Baltic pine, it's a good idea to darken them using stain.

Darker coloured floorboards such as dark red and dark chocolate have a higher perceived value than lighter ones. Get your floor sander to make you up a sample on a small piece of floorboard.



### Carpet

Most buyers prefer carpet in the bedrooms. Be sure to shop around. Sometimes it's possible to get cheap prices on end of the roll and discontinued rolls.



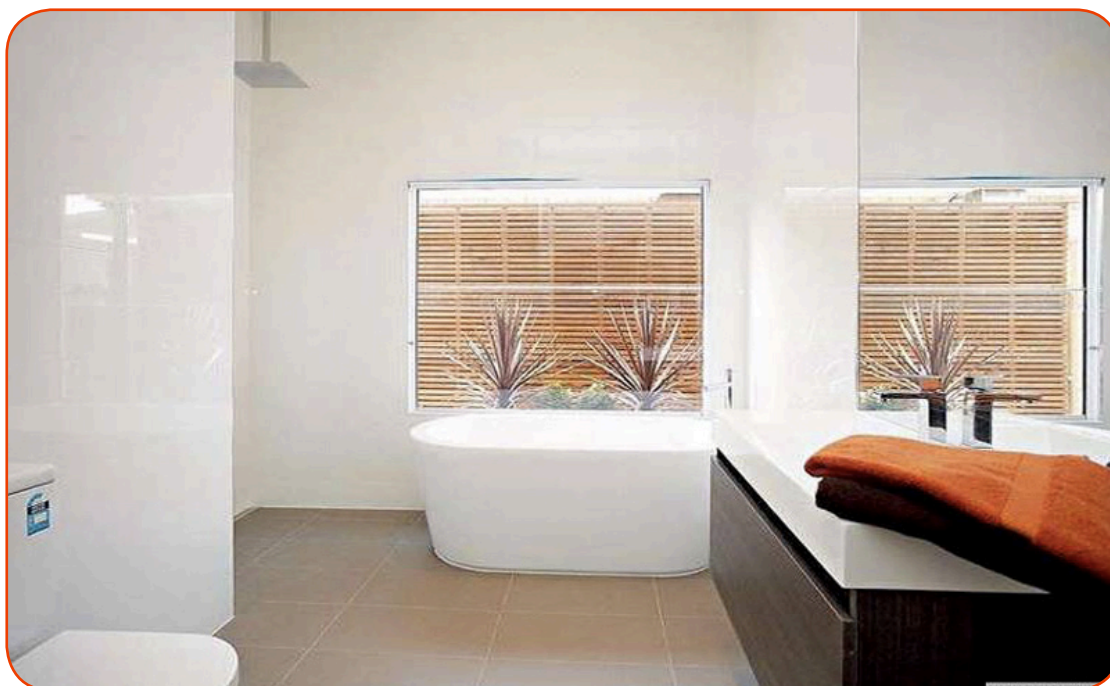
### Kitchens

Most kitchen improvements usually offer high returns. The smaller your investment, the higher the potential for recovering costs.

Avoid budget-breaking extras such as state-of-the-art hob, oven or premium counter tops. Buyers will pay special attention to cleanliness, layout and storage capacity. Something as simple as replacing the taps with a tall chrome kitchen sink mixer spout can make it look suddenly very European and modern. Other simple fixes to upgrade and add value:

- Resurface kitchen benchtops
- Straighten kitchen cupboards and drawers
- Paint kitchen cupboards doors
- New cupboard handles
- Replace light fittings with modern alternatives





## Bathrooms

Like kitchens, bathroom improvements can also offer high returns when done properly.

Avoid completely gutting the bathroom and starting from scratch, because this can be very expensive. Look into low-cost options that get you the clean and tidy look you are after.

Painting walls and/or painting ceilings is the least expensive way to improve your bathroom. You can even paint over tiles or use a special substance to paint baths.

Even something as simple as adding a new colourful shower curtain and a new toilet seat can make a difference.

## Change the Tapware

Consider using replica designer tapware: It looks great, is cheap and conforms to AS standard.

Many online bathroom and kitchen stores have popped up in the last five years, which has meant that things like tapware and door handles can be purchased for a fraction of what they used to be. Check out eBay stores too.

Replacing the showerhead in the bathroom with something quite snaky, long and silver with several water flow options can also help it seem more luxurious and expensive.



### Bathroom Renovations

- Paint linen cupboard
- Paint or replace tiles
- Resurface the bath
- Replace bathroom mirror
- Replace vanity
- Replace handles
- Replace towel rails and toilet holder
- Replace shower screen
- Install new shower curtain
- Replace the toilet seat
- Make it light and bright
- Add a bit of luxury with dual showerheads

### Bedrooms

Think of the buyer's needs. Consider supplying wardrobes, even if they are not built-in.

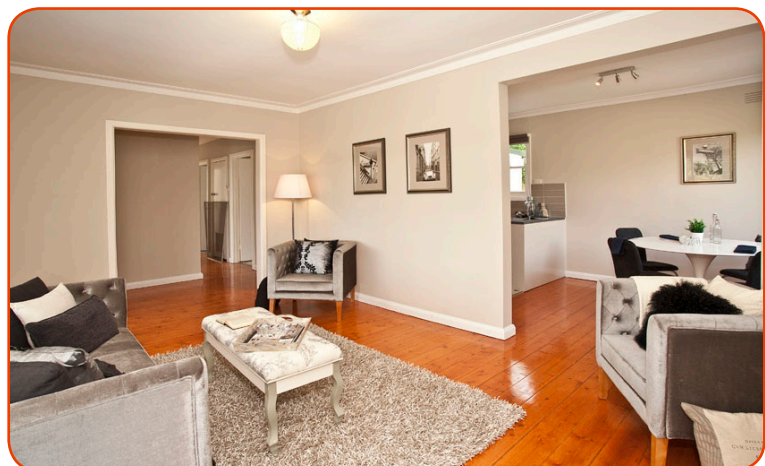
### Laundry

Consider making this part of the bathroom or creating a European laundry in a cupboard. Then you can use the existing laundry to give yourself an ensuite, second bathroom or small study.

### Living Rooms

Living rooms are for living in, so make them part of the flow. Think about opening up walls to make them part of a kitchen/living area. Value-adding items to consider in the lounge room:

- Painting
- New light fitting or pendant
- Polishing floorboards
- Fireplace revamp
- Installing modern blinds



### Floor Plan

Is it possible to manipulate the floor plan to maximize the space to add value?

If you can't add or remove walls, consider how best to create flow and harmony within a space through colour scheme, window treatments and floor coverings.

### Turning a Spare Room into a Bedroom

In some cases, you won't have to do a whole lot to turn a spare room into a bedroom. If your property has a sunroom instance, you may want to consider turning it into another bedroom.

But here's something to consider: Does the property benefit from the office, sunroom, den, or spare room?

### Low Return Items

As discussed, this type of renovating is all about where you can spend the least amount of money to add the most value as quickly as possible. This is done by spending money on high-return items.

Unfortunately in nearly every renovation project there are also low-return items, or even worse, no-return items. These are items or work that needs to be done in order for the house to function properly and safely, but have no perceived value and therefore don't add to the resale price.

### Typical low return items are:

- Gutters
- Fencing
- Roof repair
- Floor leveling / restumping
- Plaster cracking

### Typical no return items are:

- Plumbing
- Foundations
- Wiring
- Pest damage