

Press Release

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Anyone considering buying an older house to renovate should note the following points:

- Properties that are closer to the city centre and the coast offer the best returns for house renovations because land values in these areas rise at a higher rate than outer suburbs.
- If homeowners are undertaking renovations on your local area, find out the most common type of renovation. For example, homeowners might be adding an extra bathroom rather than an additional bedroom because this is popular in the area for resale purposes.
- Be careful not to overcapitalise through house renovations. For example, you could spend \$50,000 on renovations and your property may only rise in price by \$25,000 because of its location. Or the house might be in a good area but in poor location, such on a busy road.
- Don't make emotional decisions when buying an older style property. Many people fall in love with the idea of renovation an older house without fully taking into account the financial costs.
- A good local real estate agent should be able to give you an indication of the type of houses that have been bought for renovation as well as recently sold renovated houses.
- If you are considering buying an older house to renovated, consider getting a structural engineer's report. This will help determine any major defects in the property and is a small investment to ensure peace of mind.