

Renovators risk losing hundreds of thousands of dollars because reality TV shows about home improvement don't show the full costs, a Sydney-based buyers agent says. "The programs also don't show the hidden costs associated with renovating which quickly add up such as finance costs, holding costs and council fees," says EPS Property Search director Patrick Bright

Renovate or relocate?

[FROM PAGE ONE]

"Renovations should be in a conservative style to allow the future homebuyer to mould it to their taste without too much effort," Musolino says.

"Ideally the changes should contribute to the long-term benefit of the property, for example new kitchens and bathrooms are always a winner.

"Another tip is to look over your garden fence and see what the neighbours are up to.

"If your house is already considered one of the best in the neighbourhood, then its current value is setting the top benchmark for the area and renovations are unlikely to be able to push this much higher."

Archicentre, the building advisory service of the Australian Institute of Architects, says there are three basic options to consider when making your decision to stay or go: relocate, renovate or detonate.

But before getting down to the nitty gritty, location is still the key factor, Archicentre spokesman David Hallett says.

Before thinking about the house and what it has and doesn't have, make a checklist based on the location including such things as proximity to amenities such as schools, public transport, shops

COMPARING THE COSTS

RENOVATE

Add two bedrooms and ensuite:

\$80,000 to \$100,000

Two bedrooms, ensuite and extra living area:

\$120,000 to \$150,000

RELOCATE

Based on a \$750,000 home

Agent's commission: \$15,000

Stamp duties: \$37,000

Advertising: \$5000

Moving costs: \$2000

Total: \$59,000

ASK YOURSELF THESE QUESTIONS

Michael Yardney of Metropole Property Strategists suggests:

- 1 What are your plans for family, work and lifestyle?
- 2 What do you need in a home that you don't have now?
- 3 Is your current location suitable? If not, then where?
- 4 How much money can you afford to spend?
- 5 Can your home be renovated to meet your needs?
- 6 What are the estimated renovation costs?
- 7 Can you afford to relocate to a home that meets all of your needs?
- 8 What are the estimated sale/purchase and relocation costs?
- 9 Do you personally prefer to renovate, which may cause stress on your family, or do you wish to relocate?
- 10 Practically, financially and personally, what is the best outcome?

Sources: Real Estate Institute of Australia, Archicentre, Metropole Property Strategists

functional or that doesn't meet property market conditions for

