

Renovating a property for sale: 5 tips to get the best return on investment

by Adam Smith

The thought of nabbing a tired property at a reasonable price, doing it up and then selling it on for a tidy profit is a tempting one for many of us.



While the process might seem straightforward, in reality making a financial gain requires careful planning and smart decision making – especially where your renovation budget is best spent.

Iron Bridge Real Estate Sales Partner [Paul Foster](#) had a lot of experience renovating property for sale in a previous career. “A common saying in property investment is ‘you make your money when you buy’. This is very true – you have to buy at a price that still allows you to make profit off renovating,” he says.

So, how can you ensure the best return on investment when you renovate a property for sale? Here are our five top tips.

1. Consider your target market.

If you’re planning to sell, the best way to decide where to spend your renovation budget is to think about who is most likely to buy your home.

For example, if your neighbourhood is popular with young families, ensure your home has all the key features they’ll be looking for – such as being fully fenced and well insulated.

2. Take yourself out of the picture.

“Beware of how your taste might impact the renovation decisions you make (and the money you spend!)”, says Paul Foster, Iron Bridge Real Estate Sales Partner.

“For example, you might love the look of a granite bench but your target market may be just as happy with a laminate one.”

While it’s important to do a good job of your renovations, cutting out unnecessary spend will increase your return on investment.

3. Spend cleverly on kitchens & bathrooms.

Smart kitchens and bathrooms are always attractive to buyers. Unfortunately, they’re also the most expensive areas to update!

Rather than overhauling the entire space, consider whether there are a few more cost effective changes that would make it more appealing. A fresh coat of paint and a few contemporary accessories might be enough to modernise the space – for example, replacing old kitchen cabinetry handles with modern chrome ones.

4. Create an inviting living area.

Having an attractive, comfortable living space is a huge advantage come sale time. Open-plan living is popular, so simply removing a wall could revolutionise the way buyers see your home.

Try to create good access to outdoor areas as well – doors that open out to a deck or garden will make your living area seem larger and more attractive.

5. Get the details right.

Walls, floors, curtains, lighting... These relatively low-cost cosmetic changes can make a huge impact on the overall impression buyers have of your home.

“When it comes to choosing the finishes for your home, steer clear of bold colours and statement patterns. Instead, stick with warm, neutral tones and inject your personality with accessories like cushions and linen,” says Paul.

Renovating is a tough task, especially when you’re trying to come out the other side with as much profit as possible. Getting it right is all about finding that happy medium between looks, practicality and budget.

Our sales team knows exactly what buyers value, and they’re more than happy to share their knowledge. So, if you’d like some advice about improving your property for sale, [talk to us](#).

Look out for our next blog too on prepping your outdoor areas.