

Should You Renovate Before Selling?

Before launching renovation projects to sell a home, consider the cost benefits. Look at your home as if you were buying it and decide if it's turnkey.

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NEW YORK – When selling your house, one of the most common things to worry about is whether you should renovate the home before listing it. Sadly, the answer isn't as straightforward as you might think — several variables can influence your decision, and it's essential to do your research. Of course, there are various pros and cons to renovating your home before putting it on the market.

So, to make an informed decision, it's well worth thinking about

everything you need to consider before cracking the toolbox open.

1. Think about what state your home is in

Take a good, honest look at your home and imagine you were buying it.

Is your home a turnkey property that could readily be moved into without having to do any additional work? Or is it in need of some cosmetic TLC?

Alternatively, does it require urgent repairs to major structural elements?

Sometimes, it's difficult to distance yourself from your property, so it helps to seek the advice of a neutral third party. A home inspection could be a great way to discover what state your home is actually in, while an appraisal will give you an idea of what your home is worth.

While both services can be a little pricey, they will shine a light on what buyers see when they look at your home and highlight issues that ought to be addressed before you list it.

2. What's the state of your local market?

Understanding your local market is essential when selling a home, but it's also a great indicator of whether you need to carry out renovations or not. In a seller's market, for example, where homes are scarce and buyers are plentiful, you'll be far more likely to get away with not carrying out many renovations.

Meanwhile, in a buyer's market, where homes for sale are common, and buyers can pick and choose, you'll need to make more of an effort to stand out.

Doing your research into the local market is of utmost importance, but there's more to it than determining whether sellers or buyers hold more sway. Take a look at the type of people buying in your area.

Have more fixer-uppers been sold recently to people like developers or property flippers? If so, such properties may be in high demand, meaning you won't have to worry too much about renovating. Alternatively, if buyers seem to be opting for homes that are ready to go with minimal work, then carrying out some renovations will undoubtedly help you get a better price.

3. Think about your return on investment (ROI)

Once you know who might be looking to buy your home, you can determine what type of renovations would bring the best ROI. It's a common mistake to think you're guaranteed a return on your initial investment, and many sellers have lost money in this way. The thinking is that any money you put into renovations can simply be added to the sale price. However, it doesn't always work out this way.

Major remodels are a classic example and seldom offer an equal return on investment. It's worth remembering that most buyers will be looking to put their stamp on their new home anyway, so spending tens of thousands of dollars on a high-end remodel

that they might not like can, in fact, be limiting.

Instead, lower-cost cosmetic renovations typically bring about a higher ROI. By freshening up rather than totally transforming a space, you create a blank canvas for the new owner rather than forcing them to accept something you've already installed.

4. Which renovations are the most worthwhile?

So, it's typically better to freshen up when you renovate. With that in mind, let's take a look at some of the best areas to concentrate on:

Kitchens and bathrooms: Done right, a kitchen or bathroom remodel can help you sell your home for more. But if you get it wrong, it can soon become a money pit. Rather than stripping these rooms out entirely and starting from scratch with high-end finishes and appliances, it's often best to work with what you've got.

You can transform a kitchen on a budget by keeping the old cabinets and simply painting the doors and replacing the hardware, fitting new faucets, and maybe replacing the countertop. If the appliances are extremely dated, you may benefit from replacing them, but go mid-range at best.

For bathrooms, the same rules apply. Apply cosmetic finishes, such as regrouting, painting, applying fresh silicone, and replacing smaller elements like toilet seats and faucets to freshen things up a bit.

Create a blank canvas: With other rooms, the main objective should be to clean things up and create a neutral, blank canvas on which potential buyers could envision their lives. In many cases, a deep clean will suffice, but if you plan to decorate, stick with a neutral palette rather than bold colors, which can limit your market considerably.

Other things you can do to freshen up your home on a budget include:

- Clean or replace old door handles and hinges
- Replace old lampshades and fixtures
- Swap out the switchplates

Fix small and annoying problems: It's easy to live with minor problems like a stiff door or dripping tap. But it's well worth fixing these small issues before you sell your home. For buyers, these minor inconveniences can stand out like a sore thumb as they view your home and just add to the never-ending list of things they'll need to do when they move in.

Often, these minor problems are cheap and easy to fix. Swap out faulty door mechanisms, secure and oil the hinges, plane or trim oversized doors, and replace leaky faucets.

Don't forget your curb appeal: Curb appeal is the first thing that many buyers will see when they come to visit your home. As such, it's worth being on top of it and spending a little time and money getting it in shipshape. Often, power washing your driveway and paths, a lick of exterior paint, and a little pruning and trimming here and there are enough to make your home

stand out.

5. How can you make it work for you?

The final consideration to ponder is what works best for your particular circumstances. For example, if you're looking to move out quickly and don't mind leaving a bit of cash on the table, it's perhaps not the best idea to renovate before you sell. On the other hand, remodeling can be a great way to boost the listing price if you're looking to earn as much as possible from the sale.

When it comes to extensive repairs, proceed with caution. Often, the deeper you delve into a large renovation project, the more issues arise that need to be addressed. This can soon cause your renovations to spiral out of control.

In most cases, many buyers expect to undertake a little DIY when moving into a new home. As such, there's no need to go overboard with your renovations. Stick to making the place look clean and fresh and try to ensure there are no structural issues, and you shouldn't struggle to receive good offers when listing your home.

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