

A Renovator's Toolbox



Insider tips for your next
renovation

October 2018



The popularity of home renovations in Australia has continued through 2018, with recent data from Houzz indicating over half of their surveyed homeowners had plans to renovate this year (57%).

As we edge toward the end of the year, now may be the time to jump on the renovation bandwagon and plan that upgrade you've been thinking about for your home.

But whether it's adding a butler's pantry to your kitchen area, a double sink to your bathroom, or a sunken firepit to your outdoor entertainment area, there are many things to consider before you charge up the drill on your planned revamp.

This guide will provide information and expert tips as well as some of the latest trends and cost breakdowns in the renovation industry to help you on your way.



Setting the budget

According to the latest Housing Industry Association (HIA) *Renovations Roundup* report, half of all renovations in Australia were valued between \$40,000 to \$200,000, however the largest percentage (21%) were in the \$12,000 to \$40,000 bracket.

Setting a realistic budget can be a difficult process, especially when you are completing your first renovation. So, where do you start?

From the experts

CEO and founder of [The Renovation College](#), Cathy Morrissey, said it was important to first determine what you could do on your own and what should be left to the experts, and to make sure you were not over-capitalising on your property.

“Even if you are staying in your home for a long time, you should make sure that the investment you put into your renovation will give you a return on your investment,” she said.

“Contrary to popular belief, there is no one size fits all. If you have over-capitalised on your property when you purchased it, then someone telling you to spend another 10% will only increase your loss.”

“Always start from a place of knowing what your property is worth.”

Dubbed Australia’s ‘Renovation Queen’ and founder of [Renovating for Profit](#), Cherie Barber, also said it was important to find ways to maximise your investment when budgeting for a renovation.

“Money spent on rewiring, reroofing or restumping may prove necessary, but unfortunately you’re unlikely to see that money back come sale time,” she said.

“Weigh up whether you’d be better off spending the same money on a fantastic new kitchen, bathroom, outdoor entertainment area or sprucing up the facade, and you may catch the attention and hopefully win the hearts of discerning buyers.”

Additional tips to consider

1. Make a wishlist of must-haves and nice-to-haves for your renovation project to determine the scope and size.
2. Research average costs for similar projects, fixtures and trade services and compare this to the amount you are comfortable in spending.
3. Prioritise each renovation component to gauge which you can afford and when.
4. Add a buffer to the budget to cover yourself for extras you don’t expect. Owner of [Rocket Building Group](#) Jeromme Grech suggests a buffer or 20-50%.
5. Get several quotes (at least three) from tradespeople to compare prices and find the best value for your project.

Planning the project

Once you have set a budget, it's time to plan your project. You may choose to do this alone, with the help of friends, or you may consider hiring experts to help.



Working with a designer

Using a qualified designer for a renovation project has its pros and cons, and isn't for everyone, but if you choose to do so, here are some tips to consider from Adrian Ramsay, owner and design director of [Adrian Ramsay Design House](#).

How to choose the right designer for your project

- It is essential to shop around.
- Look over designers' previous work, their reviews (particularly on third-party platforms such as review sites or social media) and their design philosophy.
- Look out for a designer with similar ideals as you – for example, if you are passionate about eco-building, make sure to hire a designer who has experience in eco-friendly and sustainable building design.

What to prepare for your first design consultation

When Adrian Ramsay meets a client for an initial consultation, here are the top three things he wants to know –

What is your location?

When designing a renovation, it's important to design within your environment, not just on it. A great designer will get to know your location and the gifts of nature that are in that location (breezes, aspect, views, lighting).

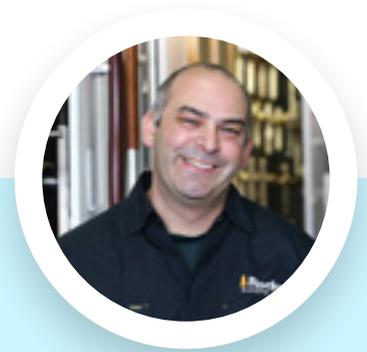
What are your dreams for your home?

Don't hold back, tell your designer everything. What designs do you love? What designs do you hate? Bring some pictures for inspiration and possibly a Pinterest board.

What is your budget?

Make sure to clarify your ideal dollar amount AND your absolute maximum spend amount.





Working with a builder

To make your renovation ideas come to life, your next step may be to connect with a builder. Here are some tips for finding a builder and comparing quotes from Rocket Building Group's Jeromme Grech.

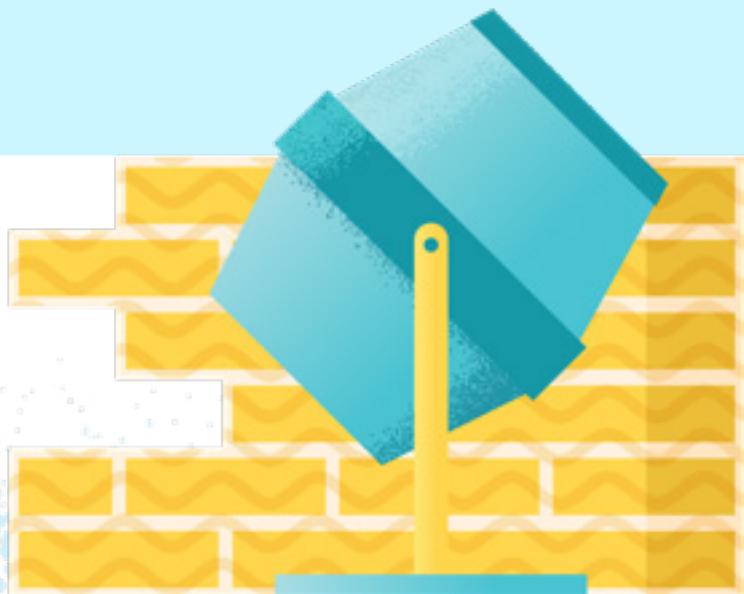
How to choose the right builder for your project:

- Consider finding builders through referrals, via Facebook, or from Google searches. Word of mouth can be invaluable.
- Look for recent reviews and favourable comments.
- Consider whether your tradesperson is registered, rather than a handyman. A registered builder is qualified to advise you if you need anything done structurally (it cannot be completed by a handyman as they don't have the qualifications), and confirm that your plans adhere to current Australian or state/territory standards.
- Do your homework when it comes to the builder you're considering - this may include looking up their licence, insurance and even asking for permission for a police check.

What to look for when comparing quotes

Jeromme Grech says price is not the only consideration when comparing quotes. He recommends you also check for:

1. Detailed information about what work is proposed and within what timeframes
2. The builder's qualifications, registration and licence details
3. What needs to be provided (car parking, power, water, etc)?
4. What is and is not covered within the quote?
5. The design of the quote including the overall look of the document with letterhead and logo. Is it well presented with contact details including phone, email, website?



Latest Trends and Cost Breakdown

Our love for renovating hit a high last year, with data from Houzz indicating half of its surveyed Australian homeowners renovated at an average (median) spend of \$25,000.

The latest HIA *Renovations Roundup* report predicted this trend to continue as the number of older homes from the 80s increase and drive up the demand for much-needed restorations.

Of the many renovation projects occurring across the country, Houzz found the high-traffic zones of the kitchen and bathroom were leading the way in reno activity and spend, while our appreciation of the outdoors and fortunate climate have also made outdoor living renovations a top priority.

Below is a collection of some of the latest trends in kitchen, bathroom and outdoor renovations, as well as cost-breakdowns for some of these jobs across Australia.

Kitchen

The kitchen is to some the heart of the home. It is where we gather to chat, prepare meals and eat together. It is no coincidence then that this communal space accounted for the largest share in renovation jobs in Australia last year (33%), according to the latest *HIA Renovations Roundup* report.

When it comes to turning a kitchen from drab to fab, what are the most common features Aussies look to improve?

According to Houzz's 2018 survey, benchtops lead the way in upgrades at 94%, followed by cabinets (90%) and taps (88%). Engineered quartz has also become the most used benchtop material.

When adding colour to the kitchen, white remains a clear winner. It is the most dominant colour used for benchtops, cabinets, backsplash and walls, while stainless steel reigns supreme for appliances.



The overall spend to renovate a kitchen today averages at \$19,300, according to Houzz, with half of its surveyed respondents spending between \$10,000 - \$35,000.

To break these costs down further, ServiceSeeking.com.au provided the average hourly rates of tradespeople (labour only including carpenters and plumbers) for kitchen renovations across Australia as of August 2017.

State	Hourly Rate
QLD	\$50
NSW	\$79
VIC	\$50
ACT	\$63
SA	\$70

Median rate Australia-wide:
\$56 per hour

Source: ServiceSeeking.com.au

Bathroom

Another popular renovation project is the bathroom, with 9% of all renovation activity in Australia taking place in this space, according to HIA's latest *Renovations Roundup*.

A 2017 Houzz bathroom survey found taps (89%) and cabinets (88%) top the list for the most upgraded components of a renovated bathroom, while freestanding bathtubs and waterfall showerheads were the most common styles chosen for bathtub and shower upgrades.

As with kitchens, white takes the cake as the most dominant colour used for bathroom wall, benchtops and cabinet renovations, while ceramic or porcelain tile take top spot for wall and flooring finishes.

Bathroom renovations cost Australians on average \$11,900, with nine out of ten homeowners relying on professional help to renovate this space, according to Houzz.

To break these costs down further, ServiceSeeking.com.au provided the average hourly rates of tradespeople (labour only) for bathroom renovations across Australia as of August 2017.

State	Hourly Rate
QLD	\$65
NSW	\$60
VIC	\$56
SA	\$85
WA	\$88

Median rate Australia-wide:
\$65 per hour

Source: [ServiceSeeking.com.au](https://www.serviceseeking.com.au)

Landscaping and decking

Along with kitchens and bathrooms, Australians also love to upgrade their outdoor area, with external work making up 6% of all renovations, according to HIA's report.

Houzz's 2017 landscaping study found 62% of homeowners used their outdoor space for relaxing, and 53% for entertaining. It is no surprise then that one in seven of those surveyed reported an increase in interactions with their neighbours following a landscaping update.

But what do Aussies focus on when it comes to outdoor renovations?

According to Houzz, the vast majority (86%) update structural elements such as decks, pergolas and terraces, while 84% update outdoor systems such as lighting and composting.



Of the structural elements given an update, decking was the most popular installation at 43%, followed by gazebo/pergolas at 24% and patio/terraces at 23%.

Typical quoted prices for some common decking jobs in Australia, as outlined by ServiceSeeking.com.au, include timber decking at \$3,500, garden decking at \$8,000, and deck repair and renovation at \$1,800. Below are some of the average rates per square metre for building a standard-sized deck (16m²) as of August 2017.

State	Hourly Rate
QLD	\$185
NSW	\$200
VIC	\$190
WA	\$170

Source: ServiceSeeking.com.au.
Based on an average deck size of 16m².

Tradesperson Costs

Many Aussie renovators will decide to hire a tradesman to complete some or all of their project. To check out some of the average quoted prices for a range of trade jobs in Australia click [here](#).

Financing the Renovation

Once you have an understanding of your ideal budget and plan, the next step to consider is how you will pay for your project.

According to Houzz, the top renovation payment method in 2017 was cash/savings at 82%.

If you don't have the savings available to use on your renovation project, here is a breakdown of some [financing options](#) that may be available to you.

Refinancing your home loan

If you have enough equity built up in your existing home loan, you may be able to [refinance](#) it to pay for your renovations. Some ways you could do this include increasing your loan size and placing the renovation funds into a 100% offset account, or consider the pros and cons of building a line of credit and whether these facilities may be available to you.

Construction loan

A [construction loan](#) is typically progress-based, meaning rather than receiving the full amount loaned at once, you'll receive it in steps throughout the stages of the construction. These are called progress draws. These loans are available under certain circumstances. It is a good idea to check with the provider to assess your eligibility.

[Compare Construction Loans](#)

Personal loans

For low-cost renovations, personal loans may be an option. These loans can be secured or unsecured. Availability and interest rates will vary depending on the product and the consumer applying for the loan. [Personal loans](#) are available from banks, credit unions, financial agencies, and peer-to-peer lending platforms.

[Compare Personal Loans](#)

It is important to understand the details of any financial product that you have as well as the potential impact that applying for a new loan (or an extension of your existing loan) might have on your own personal circumstances. Research all your financing options thoroughly before making a decision.-

Cherie Barber's 10 Tips for Renovating on a Budget

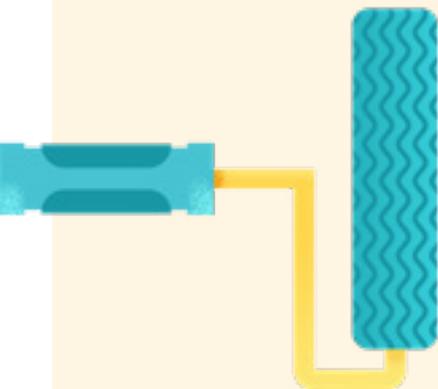


1. Break out the paint

This is far and away the cheapest, easiest and most effective way to transform a property on a budget. Choose neutral colours, to be on the safe side, and good-quality paint that will last the distance. Don't limit yourself to the standard paint job either: think paving paint for bare concrete driveways and paths, respraying the roof and painting over brick. They're imaginative ways to give bland surfaces a new lease of life.

2. Think about reconfiguring

If you ruin the whole flow of a house to create additional smaller rooms, then you've probably just devalued that property. However, some layouts actually lend themselves quite easily to a rejig that creates an extra bedroom. And an extra bedroom can potentially add tens of thousands of dollars to the price of a property if executed properly.



3. Take down walls to transform into an open plan

Let's face it – open plan is here to stay. Look for practical ways to open up boxy living spaces. It might be a wall between a kitchen and dining area, or a whole series of little spaces you can open up to make one spacious, free-flowing area.

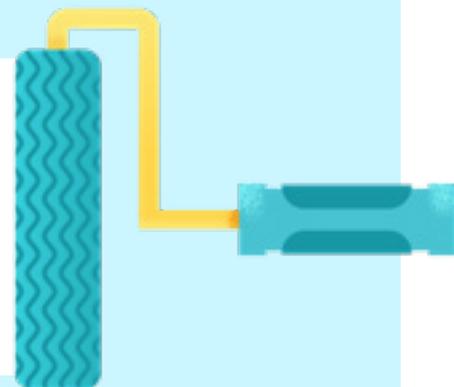
4. Create indoor/outdoor flow

Can you find a way to have your open-plan indoor spaces effortlessly flowing outdoors, so it's almost like one big indoor/outdoor room? You don't have to have expensive stacking glass doors; French doors or sliding doors are perfectly fine for a budget renovation.

If that's not possible, then even just creating a really inviting, shady outdoor area that is easily accessible from the house is a real bonus. It could be adding a deck or transforming a scruffy courtyard into something special.

5. Maximise natural light

Look for any opportunity to let in natural light. Trim outside branches that are placing a room in shade, put in skylights and change window dressings to let in the light (micro venetians are perfect, as you can easily adjust them to gently filter or flood the place with light, yet still have privacy).



6. Polish up the floorboards

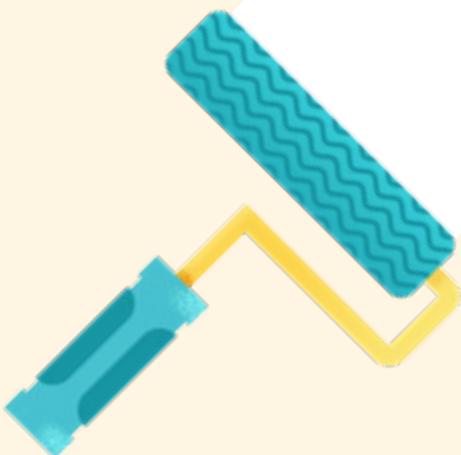
Beautiful, glistening floorboards in a warm timber can lift a property. And sometimes they're just sitting there under aged carpets waiting to be brought to life. Sanding and polishing existing floorboards can be a sure-fire winner. If that's not an option, think about cheaper laminate flooring.

7. Improve the lighting

If you have gloomy or harsh lighting, it can be a mood killer. And daggy, old fittings will simply date a place. Think about smart feature lighting for wow factor and practical task lighting in places like kitchens and bathrooms.

8. Increase street appeal

First impressions don't just count - they're often instrumental in seducing potential buyers. So never underestimate the importance of a smart and well-maintained front. Hire a pressure cleaner to hose down driveways and paths and it could remove years of built-up grime! Make sure that gardens and lawns are neat, tidy and not overgrown. If you've decided to repaint, choose external colours that are fresh and modern, but won't quickly date.



9. Give your bathroom and kitchen a “cosmetic refresh”

Kitchen and bathrooms are traditionally the most expensive rooms to renovate, but for those on a tight budget, there’s a quick and enterprising shortcut. If everything is in sound structural shape, then don’t go pulling out anything. Opt for a “cosmetic refresh” instead, using the variety of specialty paints and resurfacing products on the market. You can paint over tiles, benches, vanities, appliances and kitchen cabinetry using a whole variety of specialty products. You can even resurface old tubs and sinks so they look like new.

10. Shop wisely

Last but not least, shop around to get the best prices on absolutely everything! This is where you could save tens of thousands of dollars. Whatever look you’re going for, you’ll usually find the expensive version and the cheap version. And cheap does not necessarily mean poor quality! Compare prices online, look for second-hand bargains on Gumtree, buy in a bundle (appliances, for example) to negotiate cheaper prices, and always seek at least three quotes for any major renovation project. You’ll be staggered at how wildly different those three quotes can sometimes be for exactly the same job.

About Cherie

Cherie Barber has been a full-time professional renovator for more than two decades and has personally renovated 112 properties and counting. She’s a public speaker, educator, media contributor and renovator extraordinaire.



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Before you elect to terminate or modify existing lending arrangements, it is recommended that you consider all associated application costs, timing and impact of these changes on wider financial arrangements and your personal circumstances.

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