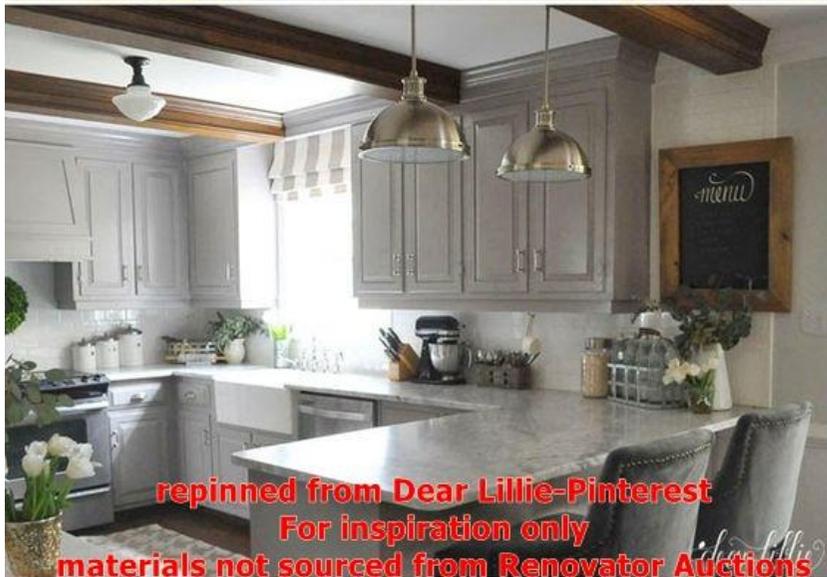


# Traps for 'First Home Owners'

## Upselling After Home Improvements



The new NSW premier, [Gladys Berejiklian's](#) promised focus on first home buyers could be an extra bonus for young people planning to update their first property with home improvements, and then reselling for a higher price. House flipping, buying into the market by purchasing older houses or apartments, 'doing them up', then upselling to climb the property ladder, can be an excellent way for first home owners to break into the booming Sydney market.

But, there are a lot of factors they need to be aware of when planning to use home improvements to make a profit from upselling, so we've put together this list to show some of the ones we think are the most important.

### Do Your Research

It doesn't matter which project first home owners are planning, whether it's updating a kitchen appliance, or undertaking major home improvements, one of the most important keys for success is to 'do their research.' Prospective home buyers need to,

- find out which suburbs are on the edge of already prestigious areas,
- know how to pick a 'good buy'
- follow auctions in the area you plan to make a purchase in
- understand how much is reasonable to spend on home improvements for house reselling (remembering that a certain percentage of their budget will be used up renovating).

### Don't fall into the Tax Implications Trap

- The [Australian Tax Office](#) (ATO) clearly distinguishes between taking advantage of the property market to upscale living quarters, compared to turning over properties that have home improvements carried out for profit as a business. First home owners need to

make sure they (or their financial advisor) know how the ATO defines both groups. It could massively impact the bottom line if most of the profits from the property's sale goes straight into the tax department's coffers.

## Understanding What First Home Owners Should Be Looking For

One key tip is to only purchase solid houses that won't need re-plumbing, re-wiring, re-stumping, or require massive structural repairs. Relatively cheap housing and apartments that fulfil all these requirements can still be found outside the Sydney CBD in suburbs that are a little less high-status, if prospective home buyers are prepared to take the time to hunt for them.

## Be An Owner/Renovator

One of the keys to making house flipping a success is to for first home owners/renovators to undertake the home improvements themselves. Although, this can cut renovation bills by thousands, they should only commit to doing their own renovations if they're are skilled enough to do an expert job. And of course, insurance policies needs to be checked to see if work carried out by an owner/occupier without trade qualifications or OH&S certificates is still covered, and also is not against [SafeWork NSW](#) regulations.

## Understand the disruption

If you think you might be one of the first home owners who is a 'neat freak', or can't stand anyone else coming and going, don't attempt to carry out massive renovations at first. Home Improvements can be amazingly disruptive; try small projects at the start to see how you will cope with the chaos 'improving' your house can cause.

## Remember the three Key Areas

[Domain](#) suggests there are three key areas of home improvements to focus on updating if you are looking for a quick upsell turnaround,

1. the kitchen,
2. the bathroom
3. the 'curbside' appeal

Prioritise these three areas for work to be undertaken.

## Don't forget Your Budget

It is especially important for prospective first home owners to decide on a practical budget, a long time before even considering purchasing a property, and always keeping within it.

## Buy Good Quality Renovation Materials at a Budget price

Follow websites like [Houzz](#) and [Renovator Auctions on Pinterest](#) to work out what the strongest decorating trends are.

First home owners, who decide they have the skills and patience to carry out their home improvements themselves should come and pay Renovator Auctions a visit for all the materials needed. It doesn't matter who you are, it's always good to come and have a relaxed chat with one of our friendly staff

members to discuss anything you want to know, or even if you just want to become familiar with the way our auctions work. First time visitors are often surprised at the high-standard of our listed items, and their bargain prices.

**Using good quality home improvements to upscale the selling price of property can be an extremely satisfying way for first home owners to begin their journey up the property ladder, just so long as they always keep in mind some of the traps that need to be avoided. To see 'renovating to upselling' taken to the next level, read our blog about the latest Master Builder's Association first place winners in the renovation section-[Corella Homes](#).**

To view the incredible range of home improvements materials and items at Renovator Auctions come and visit our showrooms at 28-34 Orange Grove Road, Liverpool (Warwick Farm), phone: (02) 9822 7883, fill out the form on our [contacts page](#), or email us. For even more inspiration and tips like and follow us on our popular [Pinterest](#) and [Facebook](#) pages.

*\*This blog is general in nature and is ONLY meant to give readers an overview of the subject matter. Do NOT rely on this information for your specific needs. If you are planning to carry out any renovations to your home or business we highly recommend that you arrange for an accredited professional to visit your premises to advise on your SPECIFIC requirements.*

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