

Renovate or move... Why Renovation May be Better in Today's Market

"Renovating an Old home is not about making them look new, it is about making new unnecessary."

Dear Friend:

Thank you for responding to my recent notice, offering this valuable Report: "Renovate or move... Why Renovation May be Better in Today's Market" My name is Jim Thornton, and I am a Mortgage Broker.

Our housing system was built on finding a starter home and staying in it for a few years. When you ultimately needed more space or wanted to upgrade your home, it was time to move up and find yourself that bigger and better place you always wanted. Unfortunately, with today's housing climate it is harder than ever to accomplish this goal. Competition for houses, prices and hidden costs at astronomical highs. As a result, people feel stuck in homes that are often too small for their growing families, not knowing if they will be able to afford that bigger and better house or have that fancier kitchen they always wanted. The only option is to stick it out or buy at sky high prices.

Every time you sell your home you lose money. Through lawyer fees, moving expenses and realtor commissions then when buying a home, you have the same costs again. With housing prices being as high as they are, people are paying more than ever before, when it comes to land transfer tax and all other expenses related to the purchase.

One option to help avoid all those hidden expenses is to renovate. In the past if you wanted more 'house' you would just sell and buy another one. However, with all the additional costs and extremely high prices on houses, it makes more sense than ever before to renovate rather than sell.

Renovating your home can allow you to get that space you need, provide a better configuration of your home, and get the updated interior you always wanted. All while keeping your kids going to the same school, playing with the same friends and living in the neighborhood you enjoy.

Important tips when renovating

Even though it may be beneficial to renovate, there are still some expenses and things you need to keep an eye out for.

Electrical

It is important to make sure that electrical is up to code and integrated with the rest of the house. Working with electricity can be very dangerous if performed incorrectly. It is recommended that you hire a professional for any work that needs to be done if you are not qualified.

When purchasing an older house to renovate, it is important to know what kind of wiring is in the building. Knob and Tube wiring is extremely dangerous and can cause spontaneous fires. Replacing this is a must.

Plumbing

As with electrical, Plumbing needs to be up to code and integrated with the rest of the building.

When Renovating pay attention to what kind of pipe is currently in your house. If they are older methods plumbing, there may be some issues. With Galvanized or Zinc pipes your pipes will begin to rust from the inside out. Currently the best methods of plumbing use Copper or PEX pipes. If you have something different it may not be an issue as long as it meets Code.

Plan on extra costs

With renovations sometimes there are surprises. Most often you cannot know for sure what is hiding under the walls and there can be extra expenses if you were to uncover something that needed to be fixed right away. It is important to have some room in your budget incase anything does present itself.

Plan for a lengthy Renovation

Often renovations can take a while. Even just working on the interior of the house, permits are sometimes required with the city. Any time the city gets involved it can make the process a lot longer. Between your local

municipality and things not going to plan, it is best to plan on the renovations taking several months to complete.

Major Reasons why renovation is better than buying a new home

Previously stated were some things you needed to look out for when renovating your home. Seeing all those things can make you discouraged when it come to renovation. Here are some of the reasons Renovation could be best for you.

- Enjoy the updates
- Make the house fit your needs
- Stay in the home you love
- Skip the cost of moving
- Build your equity

Enjoy the updates

When you go to sell your home and work with a real estate agent, they might tell you it is best to update some aspects of your house to increase the value. In this situation, you are unable to enjoy the updates you just made.

Make the house fit your needs

The beauty with a renovation is that you can customize the space to exactly what you need. It is very common that when buying a home, buyers will sacrifice something that they wanted. That could be space, finishings, design, or more. Luckily with renovation you can make it so that you get all that you wanted. You can have more space by opening walls and having a n open floor plan. You can update the finishings to give yourself a better kitchen or bathroom and design the home to match your style.

Stay in the home you love

Most likely when you bought you current home, you found a place you liked and had the time to grow in the neighborhood. Renovation provides you the opportunity to stay in the neighborhood and home you have grown to love and raise your family in the space they are familiar with. There is no need to uproot kids and have them change schools or friends.

Skip the cost of buying

There are so many costs that people don't think about when moving. Anytime you move you lose money. When selling your home, you need to spend money on an agent, lawyers and probably some money on updates. Unfortunately, the cost doesn't stop there, when buying it's the same thing agent, Lawyers and then taxes, insurance many more fees. The cost adds up.

Build your equity

Building equity is one of the most stable ways of building a net worth. When buying a new home, you will need to take out a new mortgage which as previously stated costs money. If you were to stay in your home and instead renovate, you will add value to your home which helps build your equity.

How do I pay for my Renovations?

If you have been living in your home for quite some time, the odds are you have been building up a substantial amount of equity within your home. Renovations can be paid for through refinancing your home. With a refinance, there will be some added expense, however it will be less than purchasing a new home. A refinance allows you to pull out equity and use the money to perform renovations. Luckily those renovations will probably also add value to your home so you will not be losing as much money as if you were to buy new.

So, what to do next?

Well, I know that is a lot for you to take in so I am happy to spend some time with you and answer any questions you have about the process of refinancing for renovations. You are welcome to call my office in Brantford during normal business hours. If you're ready, I can even collect the information needed to suggest the best possible course of action for you personally.

Or, you can complete the brief "Confidential Renovation Analysis" Form below.

Or, of course, you can do nothing, disregard this completely and continue wondering what it would be like to live in the home you always wanted. Instead, if you would like to perform renovations of your own, I can help you secure the financing you need to help make your house your dream home.

I hope to hear from you.

Sincerely,

Jim Thornton

PPS: With current market conditions now is THE time to act. Don't let this opportunity pass you and your loved ones by.

More Client Success Stories

"A Jim obtained the mortgage that best suited our needs at the best rate available to us. Any questions or concerns we had throughout the process were addressed in a timely, professional manner. I would not hesitate to recommend Jim to anyone looking for a mortgage."

- Margie Maslin, Brantford ON

"Very professional, knowledgeable and timely to work with. He really understood our needs and got us the best mortgage possible in terms of rates, paydown options, and re-advancing. Couldn't be happier and will definitely use Jim in the future for expanding our real estate portfolio. Shap Dresser too."

- Patrick Belina, Brantford ON

"I cannot recommend Jim enough. We had been told by so many we would never be able to buy a home because my husband is self employed and I had been in a credit proposal with bad credit. Luckily we had Jim. He worked with us, was honest and upfront about the steps we needed to take, and gave us a clear path to follow to get to the point we could start house hunting. He worked so hard for us, was always available to answer questions, and got us an AMAZING deal with a great bank. There is not enough words of gratitude we can give, as we sit in our new home, to thank him for everything he made possible for us! You will not regret working with Jim!"

- Anja Mracevic

"Jim worked tirelessly to help me get a mortgage under tight time constraints and despite some unanticipated (first-time home buyer) blips along the way. I felt well informed and supported throughout the process, and am very appreciative of his reassurance during an inherently stressful time. Jim is incredibly knowledgeable and a pleasure to work with. He works quickly and communicates openly. I highly recommend Jim to first-time home buyers and anyone in the area!"

- Sarah Syrret

"I highly recommend Jim for anyone who is looking for an incredible mortgage broker. Jim made getting my mortgage so easy. He was really professional, and was available for any questions I had. Simply put, Jim got me the best rate and was able to work in the short close date I set. He is amazing!"

- Joel Buchanan
