



Hafez Panju
 (604) 377 3689
 hafez@hafezrealty.com
 www.hafezrealty.com



ARE RENOVATIONS REALLY WORTH THEIR COST

Over time, the money you save by making your home more energy efficient may actually pay for the upgrades. Safety also pays. Insurance companies often decrease premiums when you improve wiring or increase/improve fire prevention and or add a security system.

On the other hand, it is important for you to be able to realize the value in a particular renovation or upgrade. If you plan to sell your property within a few years, consider if the renovation or upgrade you are contemplating to perform will be worth the expense. Will you realize a return for the expensive outlay at some point in the future? It is also important to note the location of the property with respect to the surrounding area and other properties and structures. Does the area support the improvements you are looking to make?

The following is a list of typical upgrades/renovations and their approximate rate of return:

Payback Range of Typical Renovations

Renovation/Upgrade Type	Rate of Return
Kitchen -----	68-73%
Bathroom -----	64-71%
Interior Painting -----	62-66%
Exterior Painting -----	62%
Main Floor Family Room -----	49-56%
Finished Basement -----	50-52%
Upgraded Heating System -----	48-50%
Landscaping -----	45-49%
In-Law or Rental Suite -----	40-42%
Central Air-Conditioning -----	38-43%
Energy Efficient Upgrades -----	33-39%

Source: http://www.cmhc.ca/en/co/renoho/beyore/beyore_005.cfm
 Information provided by the Appraisal Institute of Canada, 1996

