RELOCATE OR RENOVATE?

Most homeowners are forced to ask themselves if they should renovate or relocate at some point in time. The decision to sell their house and move away or to stay in their home and remodel can be very tough indeed. Many factors certainly influence whether you decide to move or whether you stay and remodel your home.

Should I stay or should I go? Inevitably, most homeowners are forced to ask this question at some point in time. The decision to sell their house and move away or to stay in their home and remodel can be very tough indeed. Many factors certainly influence whether you decide to move or whether you stay and remodel your home.

MOVE OR REMODEL?

Location, location, location. It's usually the mantra of real estate agents, but it applies here as well. Where your home is located is usually the most important factor because a home improvement project will never change the location of your house. You may be forced to undertake a move because of external forces you cannot change, such as:

- You may not like the quality of your local school system.
- You may not have many local options for shopping or lifestyle choices.
- The size of your current lot or piece of land may not handle an increase in size or expansion.
- A neighborhood association may prevent additions or expansions because it changes the look of the area or subdivision.
- Legal or zoning restrictions in your city might prevent any changes.
- Your subdivision may only have identical housing plans ("cookie-cutter houses") and adding a second story or home addition could make it less valuable than the others in the neighborhood.
- It may cost too much to renovate.

Because you cannot change these factors, you and your family may find that a move to a new location is absolutely necessary. Take a look at your home location and decide if it meets your needs, if it can be improved, whether or not it is too old, and whether or not you can deal with the stress of a remodeling project.

TOO MUCH OF A GOOD THING?

Another factor in your "relocate or renovate" decision could be that your house is already the nicest in the area. An extensive renovation or improvement of the best house in the neighborhood might be fine if you're planning on living there for an extremely long period of time. However, if you have plans of selling in the future, such a renovation might prevent you from getting a decent return on your investment. If your house is already the nicest, spending more on it won't make the value go up even higher.

TAKING THE PLUNGE?

If you've decided to stay put, you may have made the best choice. If you ask people to list the costs involved with moving, most will only talk about the price for a moving company to come pick up their furniture. It can actually cost more to move than to take on certain remodeling work. There are costs associated with selling your house, buying a new house (realtor fees, closing costs), cleaning services, transporting your family (hotels, meals, gas), repairs and renovations needed to sell the old house, and many, many more.

If you're going to renovate, keep these tips in mind to make sure your home improvement projects will go a lot smoother:

- Decide whether you're improving your home for you or for a future sale - If you want to remodel your bathroom or paint your interior walls, the choices you make can affect the value of your home. You might love the colour red or a modern sink design in your master bath. However, home buyers are not always fond of exotic designs and it may do more harm than good when you're ready to sell your home.
- Decide whether you'll move out during construction - You and your family may not be able to deal with the noise, debris, dust, and extra workers in your home. You might need to temporarily relocate to a hotel, apartment, or house. However, it might be a good idea to stay. Some like to be close to the action and be able to oversee the work being done. It's also important for someone to be there to receive deliveries. If you stay, it's important to make sure you ask workers to clean up at the end of each and every day. Make arrangements to replace the room being worked on (for example, set up your kitchen appliances in a spare bedroom during a kitchen remodel.)
- Arrange for sufficient financing to be able to cope during any project - There could be many hidden costs in a home improvement project, so it's good to budget for surprises. Plan for problems that a contractor might discover during the renovation. Plan for extra time (which increases your budget), beyond your projected completion date. Plan for changes you might decide on, too - it might look good on paper, but you could change your mind during the remodeling job and those changes cost extra. Think about adding at least 15% to 25% to your expected budget... for emergencies. Consider the little things, as well - other hidden costs could include: ordering more takeout food during a kitchen remodel, paying for coin laundry services when your water is shut off for extended periods, or even hotel stays during heavy construction.
- Plan to do it all-at-once or project-by-project - Many homeowners decide to remodel a kitchen and, while that job is underway, will then decide to add on a bathroom renovation. This can cause delays and extra expense. While it's true that there are already construction workers on the job site, it takes careful planning to arrange for permits, materials, designs, and the subcontractors' schedules to complete a project on time and on budget. It's best to plan for your kitchen

remodel, bathroom remodel, and new patio installation to happen all at once or you should plan for them to take place individually, over a period of time. It will cut down on cost overruns, delays, and headaches.

MAKE IT HAPPEN

As the real estate market continues to slow down, and in some areas drop dramatically, it is an important time to consider staying put and remodeling your home. Housing prices may continue to level out so one sure way to improve property value is a proper renovation. Consult a designer or architect in your area to determine which changes will be best for your home in your neighborhood.

If you're planning to stay in your current house for a long period of time, make sure that any renovations you do are truly for you. It's your home and you've got to live in it and be comfortable. Whether you convert your basement into a recreation room or you want a spa tub installed in your master bathroom, go with the products and designs that work with your lifestyle. If your tastes are more exotic, you can always remodel or renovate again when you're ready to sell.

If you plan and finance your renovation appropriately, you should be able to "make over" your home to suit your needs with little or no problems. - DYH