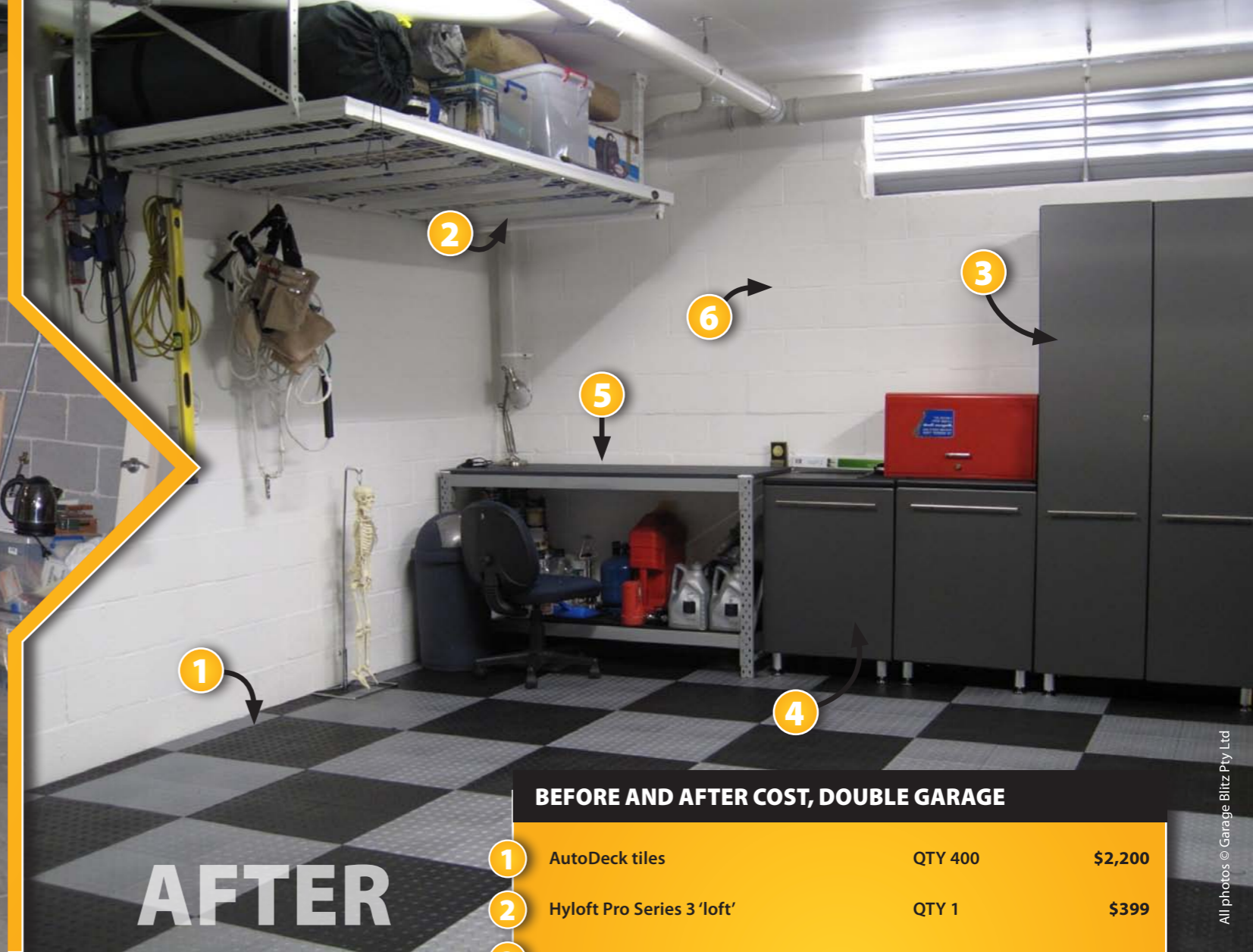


RENO GARAGE GOLDMINE

As one of the most unutilised and biggest spaces in the home, the garage is one area where renovations can pull big returns. Jennifer Duke reports

BEFORE



AFTER

BEFORE AND AFTER COST, DOUBLE GARAGE

1	AutoDeck tiles	QTY 400	\$2,200
2	Hyloft Pro Series 3 'loft'	QTY 1	\$399
3	Garage Blitz large two door cabinet	QTY 1	\$599
4	Garage Blitz single door base cabinet	QTY 2	\$598
5	Garage Blitz work bench	QTY 1	\$275
6	Dulux white paint	QTY 15L	\$145

Source: Garage Blitz Pty Ltd

TOTAL \$4,216

Taking up a significant proportion of the total living area, the garage is the most forgotten room in the house when it comes to renovations.

"The garage is a pretty core, critical component of your renovation because it's quite often a dominant space," Renovating for Profit director and renovator Cherie Barber says.

Many investors miss out on a strong minimum return of \$3 for every \$1 spent by overlooking this space.

"It's like baking a cake and forgetting to do the icing," Ms Barber says.

It is one area of the house that few vendors think about but really makes a big difference for both potential tenants and buyers.

While a bathroom or kitchen can cost \$30,000 and an extension can cost far above \$50,000, a modest \$3,000 budget can

transform the garage into a multipurpose living space or bedroom and add up to \$15,000 worth of value to a property.

"The key thing is, if you can work with the existing shell of the garage, that's fantastic. You don't have all those costs associated with builders, architects and engineers," she says.

Polishing up the garage should be a bare-minimum consideration for any improvements to an investment property and either updating the presentation of the garage itself or converting it into a different type of living area adds considerable value.

"That's where I would spend my money," she says. "There's actually minimal costs involved in a garage conversion because you don't really have to take out or add to the structure of the garage and you're just adding value to the existing space."

The most important consideration is being

able to balance the changes to both fill the gap of what the property currently lacks with the needs of the target demographic.

"Some people have use for the garage, and in certain suburbs it is incredibly valuable to have one," Ms Barber says, "the further away you are from the city though... the less important a garage is and so the more likely you might be to use it as other living space."

"Your garage is one of the most wasted and underutilised spaces in the house," says Garage Blitz owner Jamie Fitzgerald. "It is massive. It's bigger than your lounge room, it's bigger than your bedroom, but we just don't utilise it properly."

"When most people walk into a home to renovate it they do the kitchen and the bathroom, and they have a huge outlay, but they just ignore the garage."

While on the simpler end of the

renovation scale is aesthetic improvement, fixing stains and oil marks on the floor, Mr Fitzgerald explains that realising the storage capacity of the garage is an important element for investors to think about.

Not only does de-cluttering through storage make the garage more presentable for inspection, it is also a selling point.

STORING UP VALUE

For certain residences it is the storage capacity that can be the difference between buyers and tenants seeing themselves as the future residents of the property or not.

"Simply, you're adding value to your property by putting the storage in and providing storage inside your garage," Mr Fitzgerald says.

"With a kitchen, you won't get much

change out of \$30,000 but you can do a single garage for less than \$3,000.

"Flooring, cabinets and a bit of paint on the wall can do wonders. It's extremely cheap but the returns are a lot higher than say doing the kitchen and the bathroom in a house."

By adding specialised storage solutions and flooring, such as Autodeck tiles, into the garage a significant impression can be left on a buyer both in terms of presentation and practicality.

"It adds value, and that little bit of a 'wow' factor when somebody walks into the home," Mr Fitzgerald says. "You don't have to see the bare concrete floor and it really leaves an impact."

In the inner Sydney suburb of Balmain, Ms Barber says, "if you have a double garage it adds about \$500,000 to the price tag. So in the inner city locations a garage is highly valued simply because people do want to get their nice cars off the street."

INSTALLING A LOFT IS ONE WAY TO MAXIMISE YOUR USE OF GARAGE SPACE



“ WE’VE CREATED STORAGE IN A UNIT COMPLEX THAT DIDN’T HAVE IT BEFORE. HE WAS PAYING \$480 A MONTH FOR STORAGE SOMEWHERE ELSE SO HE’S MANAGED TO NOW PULL ALL THAT OUT AND HE’S SAVING \$480 A MONTH ”



For inner city properties, where owning a garage is a big asset, squeezing as much out of the space as possible for storage can be a major selling point.

A Garage Blitz client in Crows Nest, on Sydney’s lower north shore, had limited space in a one bedroom unit with a separate garage and his only storage was a laundry cupboard.

“According to him, he had gone through this apartment when it was open for inspection, but most people were being put off because there was no storage,” Mr Fitzgerald says.

“He listened to the concerns of people around him, saying things like ‘great location but no storage’, ‘one bedroom and one small

laundry cupboard – where am I going to store all my stuff?’”

This was causing the owner to rent storage elsewhere for a cost of several thousand dollars annually.

“If he kept going that way, he’d lose \$4,800 a year,” Mr Fitzgerald says. “We did the install for him and all up it cost around \$1,500.”

The upgrade could then be the difference between a buyer choosing the property or looking for another property with more storage options, as storage in Sydney is “horrendously expensive” and at a premium.

“If you went and put that place on the market in the first place, they would originally be thinking ‘A one bedroom unit, where am I going to put everything?’ but now they can see that there’s plenty of storage in the garage, and they’ll think ‘I can drop some coin on this place.’”

While inner city dwellers rely on the garage space for storage, properties in the outer suburbs attract a socio-economic group with different needs and activities.

SPATIAL AWARENESS

When it comes to spending that renovation budget correctly, it’s all about the potential buyer and the nature of the property. Keeping the buyer’s values in mind is the first step when looking at possible changes.

Converting the garage into a rumpus room for the children, a ‘man den’ or a games room is another way to increase the functionality and value of the overall property.

“It’s very little cost in terms of the value that it can add just by making more room physically within your house,” Ms Barber says.

“A growing trend at the moment is families relocating their laundry from inside the house and putting it in the garage.”

Showing interested parties the possibilities of a property is a significant way to attract tenants as well as buyers. “People have no imagination,” she says, “if you set up a room as a bedroom, that’s how buyers will see it. If it’s set up as a garage, that’s all that they will see.”

Making the garage space presentable and usable only requires a small amount of work. Most have a simple red brick shell that just needs stud walls and plastering, painting, a small change in the electrics and possibly adding new lighting to make the space functional.

“Then just put some flooring material down and that is literally it,” she says.

The garage door can be locked from the inside for free, or bricked up for a small materials cost. While knocking down an internal wall to make the garage part of the house is a possibility, leaving the garage door in place and the original shell can be a benefit for properties in suburbs where a garage is standard. An irreversible conversion into a separate living space can be detrimental, with little flexibility for the next tenants or owners.

BEST OF BOTH WORLDS

“When it comes to the time for you to sell the property it could be a buyer objection, where they say ‘Well, why would I buy your property that doesn’t have a garage when there’s one up the road that does?’ as most properties in the metropolitan ring do actually have a garage or a double garage,” Ms Barber says.

One simple way to solve this problem for properties with a double garage is to only renovate half.

If the garage has two single doors, a timber stud wall can be put in for around \$450 in



“ IT’S VERY LITTLE COST IN TERMS OF THE VALUE THAT IT CAN ADD JUST BY MAKING MORE ROOM PHYSICALLY WITHIN YOUR HOUSE ”

carpentry fees plus some small costs for timber and plastering.

“As an investor you don’t ever want to be in a situation where you buy a house that doesn’t have a garage, where 95 per cent of all the other houses in the suburb do have a garage,” she says.

Savvy real estate agents advertising the property can ensure that you have the best of both worlds, by marketing the room as an adaptable lifestyle space.

“You have to show buyers how they can use it as either,” First National Werrington senior property manager Anthony Correll says. Mr Correll advertises properties with garage to bedroom conversions that can be ‘easily turned back into a garage’ in order to harness the best of both worlds. This allows buyers and renters to see how they can make the property suit their own needs.

“It can be a garage, it can be an office. One family [who are selling] have half of it set up as an office, part as a boy’s hang out room, so there’s a lot they can do with it. As I visit different homes I see a lot of people that convert their garages.

“I had two people through last week who wanted the garage [not the conversion] so we explained to them that it could go back to a garage very easily.”

When converting a garage into a bedroom for re-sale, it is important to check with the council for any restrictions.

Ms Barber says that the value from going through with a conversion and getting approval is worthwhile. “Squeezing an extra bedroom into a property adds phenomenal value and so people can take a garage and actually with a few tweaks turn it into an extra bedroom.

“Your return on investment definitely outweighs your cost and time.”

Mr Correll explains that often people look out for a house with one less bedroom than needed and a large garage to convert themselves, due to the unaffordable difference in price that one more bedroom can add.

“The only reason that some people are skeptical and don’t fix their garage is because they haven’t sat down and done some sums,” Mr Fitzgerald says.

“You’ll be adding value to the place, but most importantly you’ll be attracting buyers who would otherwise walk the other way.” ■