



LEARNING CURVE

There were some hard lessons along the way, but a Hamilton investor has learned a lot during her first 'renovate-to-sell' project. By **Joanna Mathers**.

Yvonne Gattung's first foray into "renovate-to-sell" was a steep learning curve, but she came out the other end unscathed, with a bit of money in her pocket, and a fire in her belly to do more.

Hamilton-based Gattung has been a buy and hold property investor for over ten years. But she was keen to try her hand at something new, and a three-bedroom deceased estate in the suburb of Pukete (just 100m from her own house) offered her the

perfect place to hone her reno skills.

The Hamilton market has been white hot for the past few years, but she managed to secure the 1960s home for \$460,000. The property wasn't in great shape - the garden was a complete mess, the interiors a mishmash of colours and styles, and there were holes in the floorboards.

"It was like grandma's house - there were red, orange and blue walls, in fact some of the rooms had five layers of wallpaper that had to be peeled off."

But it had the classic "good bones" investors look for, plus it was just a quick walk up the road. So she decided it was worth a punt.

"The figures were pretty tight, but I reckoned that I could make it work. I knew that I wasn't going to make a lot of money out of it, but that wasn't really the point. This was going to be a training ground for future renovate-to-sell projects."

Gattung admits the first thing she did when she took possession of the

home in July 2018 was "panic". But she took a deep breath, came to terms with the amount of work she'd taken on, and decided to tame the garden.

"I didn't want to be faced with a massive garden job after the interiors were finished, so I did it first."

It was overgrown and hadn't been tended to in years and it took many hours of digging, clipping and cutting - all of which she did herself.

"It took a couple of weekends to get it cleaned up. I actually discovered some

lovely old brickwork under all the weeds, which was a nice surprise."

Attention was then turned to the home's interiors. Before anything was done, she called in the electrician and effectively "decommissioned the house".

"Everything was switched off as a safety precaution, except for one power point, which we used for all the electricity we needed."

Then Gattung and her partner began the renovations began in earnest. The interiors were dramatically out of date

and the bathroom was a nightmare. While the carpet was ok, as it had been replaced the year before, Gattung decided to sell it as it would be hard to keep clean during the massive renovation process, which effectively involved stripping the entire place.

Gattung (with the help of local tradies when needed) stripped multiple layers of wallpaper, pulled up carpet, and removed the existing bathroom fixtures. Here she found an unwelcome surprise that would involve some structural work.

RENOVATION



"When we removed the vanity we found that some of the floorboards underneath had rotted and needed to be replaced," she explains.

She decided to maintain the existing configuration of the bathroom, which featured a shower over a bath, as the room was quite small. The new bath, shower, vanity, tapware and toilet were all sourced through a local Mitre 10.

Kitchens are often a significant expense when it comes to renovations, so Gattung decided to just give the existing kitchen a new lease on life. The kitchen was a rather jarring combo of purple and pink, but rather than going for a neutral colour scheme, she chose a lighter purple waterproof kitchen paint for the bench and tiles.

"Some of the investors I am friends with thought it was awful, but I really like it," she laughs.

The carpet was replaced (she chose a dark grey for this) and the entire place

'It was like grandma's house - there were red, orange and blue walls, in fact some of the rooms had five layers of wallpaper that had to be peeled off'
YVONNE GATTUNG

ABOVE The lounge after the renovation - wallpaper was stripped, walls were painted and new carpet installed.
TOP RIGHT The exterior is transformed.





ABOVE The unruly garden was tamed before the renovation began.

was wallpapered in an attractive neutral silvery tone.

Gattung had an original budget of \$30,000 but ended up spending closer to \$40,000. This, she explains, was due to her not having “a clear vision at the start of the project” and changing her mind about what she wanted to do in certain rooms.

“I didn’t really understand the cost of things like plumbing,” she says. “But I learned important lessons and will be able to take these into my next renovation projects.”

She also feels that she overspent on windows, many of which didn’t work properly and needed to be unjammed and fixed with new hardware.

The project took seven weeks of fulltime work and was completed in September. Gattung was intending to sell

the home privately, but had a run of bad luck with deals falling through. Eventually she listed with an agent and sold the house in the late \$550,000s.

After costs and a somewhat blown out budget, Gattung didn’t end up making a large amount of money.

“But I didn’t lose anything and I learned a huge amount. In fact, I loved the whole process so much I’ve bought two more houses to renovate and trade,” she laughs. ■

THE NUMBERS

Purchase price: \$460,000

Sale price: Late \$550,000s

Budget: \$30,000

Amount spent: \$40,000

RENOVATION LESSONS

Yvonne Gattung shares what she learned while working on her first “buy-renovate-sell” project.

- 1** Have a clear vision at the beginning. I didn’t have one and it cost me money.
- 2** Don’t underestimate your budget. Things can always crop up that you didn’t expect.
- 3** Buy well, be savvy, don’t get emotional. The figures have to stack up for a reno project to work.
- 4** You can save a lot of money on kitchens if you just work with what you have. Don’t replace them unless you absolutely have to.
- 5** Realise that it’s going to be a lot of work – at least eight hours a day, full time, if you want to get it done in a reasonable timeframe.