



4 Rehab Upgrades that won't recoup your Investment

1. Adding a Structure

When you rehab a property, *you never want to add on to or drastically change the structure/layout of a home.* Before you know it, you'll end up with a property which looks more like a space station rather than a renovated house. Savvy, experienced rehabbers *expand rather than add.* Instead of building a whole new room to attach to the main property, they will knock through a wall or partition to make one large room out of two existing small rooms. This improves the flow from room to room and opens up the floor plan, making it more desirable for potential home buyers.

2. Adding a Pool

Pools are not a wise investment because more often than not, it doesn't generate a huge selling point for the property. It also ends up being a more expensive addition than a lucrative one. Having a pool on site can be a turn off to most buyers due to the fact that many of them don't want to deal with the hassle of maintaining a pool. It also serves as a safety hazard for potential buyers with young children. In the end, a pool is more trouble than it's worth and certainly isn't worth investing time and money into building one that could deter a prospective purchaser from buying your rehabbed property.

3. Adding Extreme Customized Designs

When you rehab your property, it is essential to remember that you are creating a canvas for a future buyer to paint the portrait of their perfect living space. If you invest in living room, bathroom and kitchen designs which are too personalized, you run the risk of robbing a potential buyer of their opportunity to make this home their own. You want to stay away from designs which are too customized – remember, your idea of a dream kitchen may not match someone else’s idea and you want to cater to the more broad appeal of a variety of buyers. Your end goal is to sell the property as quickly as possible for a high return on your investment, not to over-design it to such an extent that it becomes your dream home rather than someone else’s.

4. Adding Too Much

A real danger in rehabbing homes is adding too much; thinking the more you upgrade, the more money you can get for your property. If you spend a great deal of money on high-end fixtures and luxury additions, it won’t necessarily increase your property value. In fact, your expanding rehab bill will do nothing but eat away at your profits. Trust the neighborhood comparables and be sure to rehab within the spectrum. An upgrade which is too over-the-top for the area can alienate potential buyers. You don’t want your home to become the most expensive home in the neighborhood just to pay for your luxury rehabbed items. This is what leads to a home sitting on the market for months on end, collecting dust and diminishing the return on your investment.

Now that you know what not to do, it’s the perfect time to get started on your next fix-and-flip project! It’s easier than you think to take the next step towards financial freedom.

Just [click on this link to schedule an appointment with an investment associate](#) to get started or feel free to give us a call at 901-844-3333.