



Renovations That Pay Off on Resale, According to RE/MAX Brokers

April 14th, 2021



If you're planning to do some **home renovations that pay off on the resale market**, you're not alone. Renovations are the premise behind many successful house-flipping careers, and a great way for homebuyers to get into their dream home, in a good location, at a lower price. Meanwhile for home sellers, the right renovations can yield higher offers and a quicker sale. It's little wonder that the majority of Canadians who are investing in home renovations are considering them from a return-on-investment (ROI) perspective, according to a new report from RE/MAX Canada.

According to the [2021 RE/MAX Renovation Investment Report](#), **59% of Canadians said they always consider the return on investment that a renovation will have on their home's overall market value**. So, what are the home renovations that pay off on resale? We surveyed RE/MAX brokers across Canada, and compiled this list of the top renovations that give sellers the biggest payouts.

HOME RENOVATIONS THAT PAY OFF ON RESALE

#1 Kitchen – 93.5% of RE/MAX brokers said kitchen renovations give the best ROI, including new or updated cabinets, countertops and appliances. This can be attributed to the scale, cost and the general inconvenience (albeit a temporary one) of a kitchen renovation. Yes, renovating the kitchen yourself once you take possession of the home will be cheaper, however many homebuyers simply don't want to put themselves through it – especially if they just completed a kitchen renovation on the home they are selling. The “move-in ready” factor is significant.

#2 Bathroom – 61.3% of RE/MAX brokers identified bathroom renovations as a great high-return renovation. By the same logic as the kitchen renovation, homebuyers who want move-in ready homes with all the bells and whistles generally don't want to take on expensive, time-consuming and inconvenient renovations, such as bathroom.

#3 Paint – 58% of RE/MAX brokers said a fresh coat of paint is the simplest and cheapest investment, and it pays off on the resale market. Aside from giving the home an instant refresh, home stagers also recommend light and neutral paint colours to make a home appear bigger, brighter and cleaner.

#4 Flooring – 45.2% of RE/MAX brokers said new flooring is a popular upgrade among homebuyers. Homebuyers largely prefer hardwood or tile over wall-to-wall carpets, which tend to trap stains and odours, and can really show a home's age. This is a must, and if the seller is lucky, tearing up that old carpet could even reveal a hardwood floor underneath that just needs some TLC to bring it to its former glory.

#5 Finished basement – 16.1% of RE/MAX brokers said finished basements are a great selling feature on the resale market. In fact, any renovations that add liveable square footage to a home are always in demand. A lower-level family room, home office, an extra bedroom or bathroom in the basement can all give your listing a significant boost at the offer table.

#6 Outdoors/landscaping – 12.9% of RE/MAX brokers said outdoor projects can provide good ROI. As a result of the pandemic, people have been spending more time at home and thus, large yards, pools and hot tubs, decks and patios, and landscaping are all appealing on the resale market. Depending on the scope of the project, this could be one of those low-investment, high-return upgrades that pay off on resale.

#6 Roof – 12.9% of RE/MAX brokers said roofing was a good option to invest some renovation dollars before listing a home for sale. New roof tied in sixth place with outdoor projects and landscaping.

#7 Open-concept floor plan – 9.7% of RE/MAX brokers said redesigning a home with an open-concept floor plan can pay off. This isn't a small or inexpensive project by any means, but removing wasteful walls and halls can instantly modernize an older home and make it live larger than its actual square footage would otherwise allow.

#8 Windows – 6.5% of RE/MAX brokers said new windows net higher offers on the resale market. While this isn't exactly the sexiest of renovations, astute buyers will appreciate the tens of thousands of dollars that new windows will cost, so having these replaced before listing can benefit both buyer and seller. Furthermore, new windows can give your home an understated refresh, inside and out.

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Home renovations take time, money, patience and in most cases, professional help. In this case, quality pays off. However, the financial returns that sellers will see on resale also depend on current local market conditions. While certain renovations such as kitchens and bathrooms always seem to be in high demand, a **strong seller's market** puts less pressure on the seller, with homes typically selling quickly and above asking price, regardless of their condition. Work with a professional real estate agent to determine how to best approach the sale of your home under current market conditions.