

**YOUR
PROPERTY
SUCCESS
WITH
RENOVATION**

MY PROFESSIONALS



**Your Property
Success**

Selecting Your Professionals

By this stage you may be thinking – this is all too much we have not even gotten to look for a property yet and there is so much to know. In fact you can be as hands on as you want. The reality is that there are many different professionals to help you each step of the way. In this chapter I am going to define the different professions that you may call on and essentially a checklist of requirements you need to look for. Each profession may be valuable for you or not but you should know who to call on and how they can help.

These professionals include, note you may not use them in this order but this is essentially the order that you would often call on their services:

1. Financial Planner
2. Accountant
3. Mortgage Broker
4. Buyers agent
5. Valuer
6. Quantity Surveyor
7. Rental Manager
8. Architect
9. Interior Designer

1. Financial Planner

Debacles like the collapse of Storm Financial have added further skepticism to public opinion about the value of seeking professional financial advice but as a property investor you are not asking about share portfolios you are looking at incorporating direct property investment into your diversified portfolio. Wow what a mouthful what does all that mean? Essentially what it means is don't put all your eggs in one basket and this essentially is what the financial planner can do for you.

You would want someone to assist you in your total financial planning with a strong emphasis on building wealth through property investment. The good thing is that financial planners have strong partnerships with their clients, in the past there has been distrust of financial planners, with the belief their recommendations are based on who pays the most commission. With changing legislation in July 2012 financial planners moved away from that method of being part and are paid a fee for the service and advice they provide. They have a proven track record of helping ordinary small investors to protect and grow their wealth. You need to know though how they can help, they can:

- Work through your goals with you
- Establish a timeframe to achieve those goals
- Develop a diversified investment strategy incorporating property
- Look at your insurance
- Consider your estate planning

Essentially the financial planner can discuss your long term goals and develop a step by step strategy to achieve them. According to the 2005 ANZ survey, 34% of Australians aged 18 and over had used a financial planner/adviser. This was the fourth most common source of advice. The top three sources were family or friends (45%), accountants (44%) and a bank manager or bank employee (35%). The responses indicated that consumers tend to utilise multiple sources of advice for their finances; however, 17% reported that they consulted no-one about their finances. Base sample: 3500 Australians aged 18+. ANZ (2005). Reference ASIC Financial literacy and behavioural change report 230 March 2011

Many don't think they need a financial planner until they have enough money to invest, however having someone working through the entire process for you and over-viewing your plans may actually be a very worthwhile investment.

Questions you need to ask

What are your fees?

What do I get for this?

What is your view on property investing as an asset class?

Will you include direct property investment as an alternative asset for investment?

Should I use negative gearing?

How would this fit in with my super and its asset allocation?

What is the best way of planning a retirement income stream?

What role does property play in this?

Can you assist in buying property in a Self-Managed Super Fund?

2. Accountants

Bean counters; number crunchers – whatever you want to call them; accountants are an essential element to the successful property investor. Apart from ensuring that you are on the right side of the tax man they can assist in maximise your deductions from property investing and correctly advise the best structure for your investing activities. In today's complex tax environment, you cannot know all the answers especially if you are using structures such as self-managed super funds or trusts to buy or sell property. For a relatively small fee your accountant can be literally, worth many times what you pay them. Having said that there are questions to be put to them.

Questions you need to ask

What tax issues do you specialise in?

Do you have the knowledge and experience to handle my tax situation?

Do you outsource any of your work? Do you perform the work personally? If not, what is the review process? Who signs the returns?

How much will you charge?

What are your hourly fees for particular questions?

Do you have investment property experience?

Is borrowing to invest a good strategy?

How much will it cost to set up a trust for investing?

Does negative gearing fit my situation?

What is the best way to allocate my assets for maximum tax

Efficiency?

Can you prepare a tax variation for me, does it suit my circumstances, how much will this cost for you to prepare?

Your accountant is often the most common source of financial advice after your family and friends. They are usually the one person you see annually to prepare your tax, whilst they have their hands on your information why not get them to look at your investment strategy and make recommendations on your plans. Remember the better prepared with your questions the more you can find out how they can assist you.

3. Mortgage Brokers

It is important to have a mortgage broker that understands your goals your property investing strategy and who is willing to work with you for the long term. They are amongst your closest professionals in the property buying process. And one that you need to have confidence in. It is particularly important given the importance of getting your finance strategy right not just for the current lending but your future plans.

Over 405 of Australians use a mortgage broker for their lending needs. Quite simply they save you time and money and they keep up to date with the constant changing policies and special offers so they can ascertain what will suit your needs in the short term and long term. The mortgage broker's role is to simplify the process for the property buyer.

Your home loan is usually your largest financial commitment. Rising or falling interest rates can have a big impact on how much you pay back each month and how much you pay in interest over the life of the loan. Having the right features to your loan can allow you to maximise your financial situation and leverage into your property investing portfolio. The National Consumer Credit Act of 2011 put stricter requirements on mortgage brokers, and lenders and the level of service and commitment in getting you the appropriate financial structure has never been higher.

The best mortgage for you may involve switching to another mortgage provider. There is no 'betrayal' factor here. It is common and indeed, it becoming far more frequent than it has been at any time hitherto. Anecdotal evidence from a number of mortgage broking groups suggest that up to a third of all home mortgages issued are people switching from one provider to another.

There are benefits in doing some homework before going to a mortgage broker; it will allow you to familiarize yourself with some of the terminology and factors in mortgage lending. In going through the elements of lending in the last chapter you will be better prepared for your meeting with your mortgage broker. The role of the mortgage broker is to offer the customer an appropriate mortgage for their particular needs. This will require an extensive fact find exercise looking at your capacity to service a loan and your requirements. They then look at their large panel of lenders, usually well over 20 and assess the appropriate loan for you. They then compile your application and all the documentation needed to support an application, and submit it to the lender selected.

Like all professions no two mortgage brokers are the same. Many specialise, some in first home owners, some for investors, some for commercial properties or even geographically like specializing in servicing the residents of a specific town. Hence what you receive from brokers may vary. You might get a print out from a computer program of loan comparisons, ie monthly repayments and total repayment amounts over the length of the loan. Although two brokers may deliver what looks the same the important thing to note is that there may be completely different thinking behind the options. One may be plugging in your income and expenses and sorting my cheapest interest rate and the other maybe looking at

minimising your exposure to lenders using the same mortgage insurer whilst getting you a loan product that you can split at a later stage to add a line of credit to access equity from your renovation so you can buy your second property. You need to understand who you are working with and what they deliver.

Don't be surprised if your mortgage broker will charge you a professional advice fee. This has become more and more common. Mortgage brokers in the past were solely paid by commissions paid by lenders for introducing the client to the lender ie an upfront fee, and then an ongoing fee for continuing to service the client. In the last 5 years lenders reduced the payment to mortgage brokers in some instances over 30%.

A professional mortgage broker can be the cornerstone to your property portfolio growth not just offering an immediate financial structure but options to grow your portfolio in the future. For this higher service you should expect that they will charge a fee.

You need to ask your mortgage broker the following questions:

- 1) What are your qualifications? Do you have a Diploma of Financial Services (Finance/Mortgage Broking) and what professional Association are you a member of?
- 2) Do you charge for your services, what are your fees?
- 3) What is your specialty?
- 4) Do you deal with investors often?
- 5)
- 6) What professionally indemnity insurance do you carry
- 7) Are Will you provide me with a credit quote up front outlining any fees and ongoing costs I might incur
- 8) Will you declare any commissions you earn from referring me to a lender
- 9) What can I expect from you in terms of assisting in a loan application?
- 10) Do you have testimonials from satisfied customers?
- 11) Do you have other professionals such as conveyancers, valuers that you can refer me to?
- 12) Do you offer any additional services or resources to assist me in growing my property portfolio?
- 13) How long should the application process take
- 14) What is your privacy policy and how do you protect my information?

4. The Buyers Agent

Buying a home or investment property is usually the most expensive purchase people make in their lifetime; more importantly, most of us are simply too busy to devote the time needed to thoroughly search for the right property. Your buyers' agent will need the right mix of skills, experience, communication and attitude to deliver a great result and experience. Often buyers agents specialise in a specific area, because they are in this area every day and speaking to real estate agents every day they often can find properties below market value and get access to properties before they are even listed. Some buyer's agents also offer many additional services: some will give a renovation potential report and costing for a property and others will even organise and manage a renovation for you. If a buyer's agent has a large portion of their clients who are investors they will often pool funds to get you even better deals like purchasing a block of units. ie buying at a discount as they are buying many at once and passing that benefit onto you.

It is the buyer's agent's responsibility to get the buyer the lowest price on the best possible terms; indeed a buyer's agents has a legal and ethical responsibility to put the buyer's interests first.

A buyer's agent will:

- Evaluate the specific needs and wants of the buyer and locate properties that fit those specifications
- Assist the buyer in determining the amount that they can afford and show appropriate properties in that price bracket
- Research the specific properties to identify any problems or issues to help the buyer make an informed decision prior to submitting an offer to purchase the property
- Advise the buyer on structuring an appropriate offer to purchase the selected property
- Present the offer to the seller's agent and/or the seller on the buyer's behalf
- Negotiate on behalf of the buyer to help obtain the specified property, keeping the buyer's interest in mind and;
- Bid at auction on behalf of the buyer.

Questions you need to ask

15) Do you also sell property?

It is preferable to find an agent who is not on receipt of sales commission from vendors, developers or their agents. You want someone who will work exclusively in your best interest to find a property that meets your needs; someone who has no vested interest to sell property. Ideally, in sourcing brand new properties, your buyer's agent will be able to reduce the purchase price by the standard sales commission and then negotiate even further discounts for you.

16) What is your point of difference?

Not all buyers' agents are alike. For example in terms of independence, results driven, backed by full time research analysts; testimonials as evidenced by their demonstrated track record and many industry awards and commendations.

17) Is your company fully licensed to be a Buyers' Agent and do you have Professional Indemnity Insurance?

You are looking for an uncategorical "Yes" here. If the buyer's agent you are considering can't answer this affirmatively then you would wise to reconsider using their services; you should establish their PI insurance including an actual reference number from a named insurance company

18) Do you have a strong network of contacts in the real estate industry?

The idea here is that a well-connected buyer's agent may have access to "silent sales" - i.e. sales not publicly advertised?

19) What experience do you have in property research and negotiation?

Here you want someone who can find the most suitable property and ensure that you will get the lowest possible price and the best terms and conditions. You want your buyer's agent to look at each property on its merits, and not be influenced by secret commissions or 'kickbacks' from vendors.

20) What types of properties and areas do you specialise in?

You want someone who knows the markets you are interested in.

The best buyer's agents will have access to all properties listed with agents as well as those "silent" listings not yet advertised on the open market.

7. What success have you achieved for your clients in the last 12 months?

Best to be able to view actual testimonials written by satisfied clients. Most buyers' agents rely on referrals given by clients who have been impressed with the value and service they provide. They should be more than happy to share their testimonials folder with you. They should also be able to refer you to past clients who will be happy to receive a call from you to verify their service quality.

21) Are you a full Member of the Real Estate Institute of Victoria, Queensland, New South Wales/South Australia

It would be useful too if they are member of the Buyers' Agents Association in Australia which represents the majority of licensed, professional buyers' agents?

22) How do you charge?

Cheapest is not always best some even charge a fixed fee. Some believe you will be looking for an agency that offers a fixed fee based on your price range. This way you can be assured there is no incentive for them to suggest a higher price (other than that needed to secure the property). The reality is that the buyer's agent knows their

reputation is worth more than earning a few hundred or thousands dollars from you so even if they charge a percentage they will be working for you.

As a guide, fees are approximately 2.5% for a full service (search, appraise and negotiate) and around 1% for appraisal and negotiation only. However, these fees are merely a guide, please ask your buyer's agent for their fee schedule.

How long should the process take? In part 3 of this book you will get to the locating a property resources. You might decide at that point it is all too hard if so at least you have your property investing strategy your buying criteria and your budget – this means you can give your buyers agents specifics of what you want and that will make their job easiest in finding you the property that will suit your needs speeding up the whole process.

5. Valuers

When you ask for a valuation, you are taking a step that is an integral part of the property-buying process. But this procedure, so intrinsically linked to house prices, can be confusing, so it is important that you grasp the various elements that a valuer takes into account before setting a value.

When a valuer carries out an inspection of the property you want to buy, he will either be engaged and paid by you or engaged and paid by your lender. As the lender will insist on a valuation anyhow most people do not engage their own valuation. The valuer will look at numerous specific factors related to the state of the building. Following that, more general aspects come into play such as location and current demand. All these factors are then combined to produce a fair valuation. As this valuation is then used to ascertain the level of mortgage you can obtain, it is essential you understand the contributory such as:

- Age
- Size
- Wear and tear
- Structural improvements
- Fittings
- Room layout
- Electrics/heating
- Extras (e.g. thermal improvements such as double glazing)
- Storage space

There are various other general factors that hold sway, including:

- Desirability/appeal
- Location
- Demand
- Risk of market decline and rental risk

Consequently, when a valuer puts together a valuation, he or she takes into account the prices of recent sales in that area, as well as the general attractiveness of the neighbourhood.

A valuer relies on market sales evidence to form opinions when applying direct comparison valuation methods. This evidence comes from private and public sales records, real estate agents and the valuers own local knowledge.

On the other hand often real estate agents hold themselves out as experts on value and as reliable providers of "valuations" for home owners. The reality is that although a real estate agent is a great addition to your team of professionals, if they are valuing your property they are also acting as a sales person in trying to win your business. So you need them to tell you what properties that have sold recently that they are basing their estimates on.

Just as architects don't hold themselves out to be expert valuers or quantity surveyors, so too should the above view not be held as gospel. The role of an agent is fairly well understood and while they can be a useful guide particularly for retail customers in terms of offering market information most are not qualified valuers. Real estate agents are quite able to offer a "Comparative Market Analysis". This is a report provided by a real estate agent simply summarizing recent sales in the locality.

Valuation is critical to the securing of a bank loan. Banks today are in state of fear; they don't want to see a repeat of the 1989-1991 experience of having to write off bad property debts.

Some valuers are more comprehensive than others (and may charge more too). A full valuation report should outline the best and worst features of a property, its surrounding market, comparable market evidence and a breakdown of land and building values. A Formal Valuation reports an honest, accurate opinion of market value conducted by an experienced registered valuer after full physical inspection and diligent investigation of all data.

A good report will have a general market commentary, where the property sits in the market, and a physical description of the property, even photos.

When you are buying a property the bank will automatically order a valuation. Usually this will involve a valuer that they have contracted to visit the property and make a recommendation of value, rental amount and market risk. You will have no control over this valuation. However you may independently get the services of a valuer to help you negotiate a price or even to give you an estimate of the value of a property based on renovations you plan to do or have done.

Questions you need to ask

Are you registered with the Office of Fair Trading?

Are you a member of the Australian Property Institute (API), the peak professional body for valuers?

Can you provide evidence of a number of years of experience?

Do you have references and have report writing experience

What are your fees?

What do I receive?

If doing development or major renovation you can supply drawing to a valuer and ask:

What is Value of proposed improvement?

- Market value
- Rental Value unfurnished.

6. Quantity Surveyors

Maximizing rental return for an investment property can only be achieved if an investor claims the maximum depreciation on the property. This can best be done with a depreciation schedule prepared by an appropriately qualified person. In the past accountants often supplied these however this is no longer possible.

Residential rental properties generally have a rental yield of around 4-6 %. This rental yield can often be lifted to 6-7% through the effective use of depreciation claims. And although this may only equate to a couple of extra percentage return the cumulative effect that this two percent can have over twenty years of investing can be significant. Moreover, in new developments, it is a powerful feature for investors to receive the higher depreciation benefits of a new building in order to narrow the gap between older, established property and new developments.

Quantity Surveyors are recognized under Australian Taxation Office (ATO) legislation as qualified to estimate construction costs for depreciation purposes. Accountants and real estate agents may sometimes estimate depreciation figures, but they do not have the construction cost knowledge or expertise to accurately determine the depreciation deductions available in an investment property. Most importantly, the ATO does not recognize their figures for inclusion in a tax return.

Questions you need to ask?

Are you a member of the Australian Institute of Quantity Surveyors (AIQS)?

The AIQS is our industry body and they assist their members to keep on top of the ATO rules

Are you a Tax Agent?

On March 1, 2010, the new Tax Agent Services regime came into effect. All people doing Depreciation Schedules need to be registered as Tax Agents. And not all of the people currently doing them will make the grade. We'll be pleased to see some of the dodgy providers getting chased out of the industry.

Do you specialize in tax work?

Many Qs turn their hands to tax work during the tax season, but because it is not their core business they are sometimes not up to date with the current rules.

Will my property be inspected by an 'appropriately qualified person'?

Some quantity surveying companies are taking short cuts by using untrained people to carry out cursory inspections and gather information. This information is then sent to QS to cost up (or in one case it is sent interstate for a data entry operator to punch into an Excel program).

Will I receive a complete Depreciation Schedule?

Does your office service all regions?

Do I have to do a schedule every year?

What period of time will my depreciation schedule cover?

Can my accountant extract information from the Schedule easily?

Do you complete scrapping schedules? For the renovator this is an important and surprisingly little known service. Obviously when completing a renovation you will remove items, you can depreciate these for their residual amount in the year they are removed. In addition after the renovation you should get a new quantity survey done so you can start depreciating the new items. You could even negotiate both schedules at once for a discount.

As will professional fees the costs are tax deductible and often the quantity surveyors will guarantee that if there fee is higher than the depreciation they can get you they will not charge, a win –win situation.

7. Rental Managers

Some people believe they will save the 5-8% rental fee and manage their own property. This can cost so much more in the long run, including not having well vetted tenants, not being able to know your rights and responsibilities to tenants who don't pay, getting phone calls in the middle of the night to change fuses. In the end a professional rental manager is worth their weight.

Returns from an investment property are determined by the market demand for properties similar to yours. But investors, particularly those that want to retain their investment would be well aware that there is much one can do to enhance the returns in terms of rental yields, maximising the deductions available and having the most effective management plan for the property.

First, you need to decide what sort of tenant you are targeting. Premium-paying tenants such as professional people, who are happy to pay top rent, but expect the property to present at its absolute best. If you want to increase the number of inquiries that you get, it may be worthwhile to hire good furniture for one day and get some professional photos taken. You will be able to use these photos every time you rent the property out – so the costs are worthwhile, particularly as most tenants go online before inspection.

Landlords (investors) must provide a copy the relevant guide to tenants at the beginning of the tenancy. These guides (different in each state) outline the rights and responsibilities of tenants. Your rental manager will organise this.

Some landlords always want to squeeze the maximum rent from a property; this is understandable. But this should not be at the expense of the quality of tenant or the optimal outcome. An optimal outcome is almost always achieved by finding a “market” rent and a good tenant. A tenant who remains a tenant for several years is preferred to a tenant who leaves at the end of six months because they can't afford the rent; leaving the property vacant for a period of weeks.

There are many preconceived ideas about tenants: young people sharing make bad tenants, big families make bad tenants. The simple truth is that some individuals make good tenants, others make bad tenants. Families, on the other hand usually make good tenants because they are not itinerant. Itinerants, on the other hand, people who move from place to place, from job to job can be problematic. They can be credit risks.

There are associated with managing your own properties

- Being appropriately insured i.e. building, fixtures, income protection (see above)
- Advertising for tenants
- Screening tenants (which may induce speaking with referees)
- Negotiating the lease and rent terms

- Securing and depositing a bond
- Listing schedule of condition of the property (itemized room-by-room)
- Following up on arrears
- Minimizing the vacancy period
- Agreement about management issues (what does the tenant take care of; for example lawns?)
- Understanding your rights and obligations and those of the tenant
- Understanding the prevailing laws in relation to (but not exclusively) noise, parties, BBQs, use of machinery, pets.
- Adequately maintaining the property.

Having your property professionally managed by a specialist property manager will significantly decrease the chance of any of these circumstances impacting on you in such a manner that your time, energy and finances are depleted. The fact is investing in bricks and mortar is not risk free. A good property manager can not only manage the property but in many cases they can find a tenant more quickly and can “sell” a property more effectively. They will also organise trades to fix things and may even organise renovations. Because they do this for a living, they understand the need to remind tenants of their obligations. This is important as in any dispute a tenant needs to be well aware of their rights and obligations.

Questions you need to ask

What is your fee?

What does this cover?

Will my property will be marketed effectively; i.e. be exposed to the maximum number of tenants?

How do you market and what is the cost

How can I be sure rent will be set at an appropriate market level for quick leasing?

When will you confirm with me the cost of fixing issues, ie you may tell them that if it will cost less than \$200 to fix an issue not to contact you.

What assurance to I have of securing reliable tenant who is unlikely to cause troubles (checking potential tenant's references).

How do I Know I have a fair and comprehensive lease agreement?

How often to you visit the property, will you take photos and send me a report

How can I be sure that necessary repairs and maintenance will be handled by skilled, licensed trade's people who will work at fair prices?

8. Architects

The architects are your first professional in the bigger makeover; you tell them what your vision is: they have got to see where you are coming from. You need to feel that the communication lines are open. Experience will tell you if the architect is going to feverishly work to meet what you want.

Yet no plan is locked in the duration. You need to be flexible which is why we like to phase our projects.

A renovation projects can be complex and you need to get the right advisers throughout the process. It's no good dealing with someone who hasn't had experience in the game.

Architects are not just useful for designing a house they can be important members of your support team when embarking on a renovation for profit strategy. An architect's Advice is Critical.

Many home renovators are often uncomfortable or suspicious of a builder's vague promises and assurances. In these circumstances it is very wise to seek an opinion from a building expert. You don't want to end up in a dispute that can lead to huge costs in litigation or rectifying faulty work. Often you will find the architect for your project through referrals or just driving around the area and seeing who works in the area. You can even phone the planning department at your council and ask them which architects are 'regulars'? An architect should know how a particular council operates will be able to make recommendations that they know will be approved with less down time for you

An Architect can advise you on any aspect of your home renovation:

- Independent, expert advice on all renovation issues
- The most cost effective solutions
- Advice on planning matters and local council requirements
- Advice on regulatory issues
- Documentation review
- Enhanced renovation design opportunities
- Material selection
- Tendering
- Environmental considerations
- Sustainable designs and construction
- Design and building faults

Quality endorsed by the Australian Institute of Architects

- Covered by \$10 million professional indemnity insurance
- Covered by \$10 million public liability insurance

Questions you need to ask

- How do you charge for services?
- How do I pay you? On completion? Progress?
- Do you charge a fee for project managing?
- Do you select the materials and finishes?
- Have you considered your environmental and local council requirements?
- How can I get the most competitive quote for the works?
- What's the best form of contract?
- Are the documents sufficient for quotes and building approvals?
- How do you know that what you **want** is going to be what you **get**?
- Doing the work yourself and need some expert advice?

9. Interior Decorators / Project managers

In a market where value and point of difference in relation to price is so important for, the use of stylists, designers, is becoming increasingly important:

- Stylists
- Interior designers
- Colourists

The standard approach is to fit out the house, the apartment with top quality furniture, painted in the latest, contemporary colours, many choosing a specialty colourist to find just the right array of colours for the ultimate in finished product, before presenting the property for sale.

You see this for example in multi-unit developments, where the display suite is used as a marketing tool – if not THE marketing tool.

Whatever preconceived notions you may have had about stylists and their relevance to you, there is one inescapable fact: In Sydney, Melbourne, Brisbane and in the leading property markets in Australia, developers are using them and in many sectors of the market, property buyers expect them: Stylists, colorists and designers are the new cavalry in the charge to enhance the value of the property.

Stylists assess a house or apartment and can either advise owners on ways to improve its look. Taste in color and furnishings and space are highly particular. Stylists can advise on what colors to paint as well as choosing fabrics and furniture for any demonstration purposes. If you are considering a renovation having an interior decorator spend a few hours in coming up with a neutral colour scheme that works with the property can make a world of difference. The best thing is you can often use the colour scheme again and again – I know that I have Dulux Antique White or Dulux Chalk white USA in most or my properties.

Typically a stylist will work on an hourly rate ranging from \$120 up to \$500. Most stylists work on an hourly rate.

They can also assist you with your renovation, kitchen planning and making recommendations on finishes and the best inclusions that will add value. This can add to the cost of the project but needs to be wedged up against the perceived “value”.

“Value” always a debatable point is more and more influenced by comparisons with the market. If there are high end properties in an area within or near the price point then a point of difference - such as high end inclusions – can be an advantages when it comes to revaluing or renting the property. Judgment here is the key. In a low socio-economic area,

inclusions such as imported European oven at \$5,000 each are not going to translate to a higher price.

High end inclusions can add \$30,000-\$60,000 to the cost of a single dwelling. For example a sleek-looking kitchen with the latest in Caesar Stone bench tops, stainless steel frames and industrial kitchen-sized Miele ovens are expensive. Judgment and professional experience here are the keys: You don't need \$50 imported tiles when \$5 tiles around the bathroom vanity will do nicely.

Stylists will go to whatever extent they are briefed to and within a budget..

In small apartments (typically in inner-city locations or in high rise buildings) the need for 'solutions' that are seamless is the challenge. Storage facilities need to be compact and visually appealing. In small apartments, designers employ a raft of ingenious space-saving tricks. For the best long-term solution built-ins offer best utilization of space, taking all cabinetry to the ceiling and the full width of the walls.

You need to consider: would you recoup that money?

Questions you need to ask

What are your costs?

How do we work together?

Do you have testimonials?

Do you carry insurance?

Where do I begin in my improvement project?

Are you experienced in dealing with investors who are renovating for profit?