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The Effect of Landscape Plants on Perceived Home Value

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The value of an attractive landscape to a home's perceived value has often been stated at 15 percent. Is this figure reliable, and what landscape features do contribute to the value of a home? How does a landscape contractor convince his/her client to spend a significant portion of a home's construction budget on landscaping, and is this a wise investment? How can a homeowner feel justified by spending thousands of dollars to landscape a newly constructed house? Or, will thousands of dollars worth of landscaping, significantly increase the "curb appeal" of a home for sale? To answer these questions, researchers conducted a seven-state survey of attendees at consumer home and garden shows to determine consumer perspective on how plant size, type, and design sophistication in a landscape affect the perceived value of a home (Behe *et al*., 2005).

The Survey

In 1999, survey respondents viewed a photo of a newly built suburban house with only a lawn and concrete pathway. They were then shown 16 photographs of this house with **different plant sizes and types, and levels of design sophistication.** Plant sizes were small, medium, or large based on available sizes of plant types (perennial, shrub, or tree). Design sophistication levels (see Figures 1, 2, 3) were: 1) foundation planting only, 2) foundation planting with one large, oblong island planting and one or two single specimen trees in the lawn, or 3) a foundation planting with adjoining beds and two or three large island plantings, all incorporating curved bed lines. Plant types were:

- evergreen only
- evergreen and deciduous plants
- evergreen and deciduous plants with 20 percent of the visual area of the landscape beds planted in annual or perennial color
- evergreen and deciduous plants, 20 percent annual or perennial color, and the addition of a colored brick sidewalk entrance.

Survey Results

What factor was most important?

Survey respondents ranked design sophistication as most important, plant size as next important, and diversity of plant type as least important (Table 1).

Importance rank	Landscape aspect	% of value added to home
1	Design sophistication	42
2	Plant size	36
3	Diversity of plant material type	22

Table 1. Survey results with the ranking of landscape aspects and the percent value that these aspects added to the home value.

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The preferred landscape included a sophisticated design with large deciduous, evergreen, and annual color plants and colored hardscape. These results differ slightly compared to a 1999 Michigan study with an identical methodology (Hardy *et al*., 2000). In that study, plant size was the factor that most added to a home's value (40.2 percent) and design sophistication was a close second (36.5 percent). As in the previous study, plant type was placed third (23.3 percent). The authors of the seven-state 1999 study hypothesized that the difference between the two studies may relate to survey respondents. The survey in Michigan occurred at a flower show venue whereas the seven-state survey occurred at a home and garden show. Another potential difference was that Michigan respondents may value plant size more than the respondents in the seven-state survey because plants grow more slowly in Michigan compared to the areas of the multi-state survey (Delaware, Kentucky, Louisiana, Mississippi, North Carolina, South Carolina, and Texas).

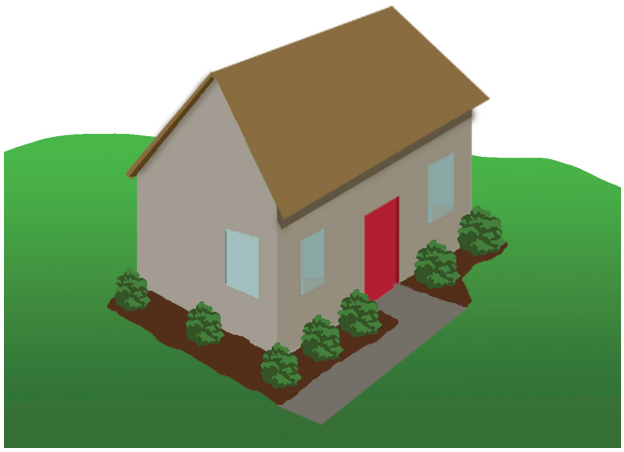

Figure 1. Design Sophistication Level 1: foundation planting only.

What was the increase in perceived value?

The change in value (from no landscape to well-landscaped) ranged from 5.5 percent (Louisiana) to 11.4 percent (South Carolina). The increase in home value from the least valued landscape to the most valued landscape in the Michigan study was 12.7 percent.

Thus, a home valued at $150,000 with no landscape (lawn only) could be worth $8,250 to $19,050 more with a sophisticated landscape with color and large plants. Interestingly, the multi-state study found that very minimal landscapes (simple design with small plants) detracted from the value of a landscape.

Data from research conducted from 1996-97 in Greenville, S.C., showed that home price premiums increased 6 percent to 7 percent for home landscapes that were upgraded from good to excellent and 4 percent to 5 percent for an upgrade from average to good (Henry, 2000). By combining these data, the value added by a landscape upgrade from average to excellent increases a home value by 10 percent to 12 percent. Thus, this finding is consistent with the survey results of Behe *et al*. (2005) and Hardy *et al*. (2000).

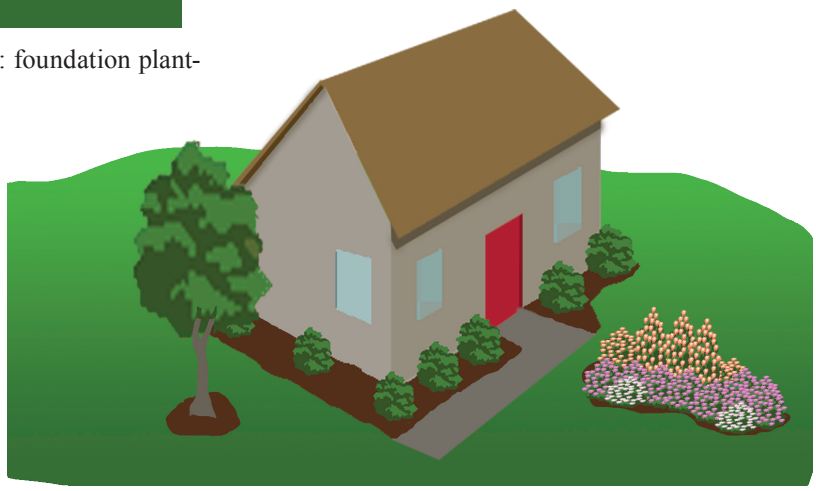

Figure 2. Design Sophistication Level 2: foundation planting with one large, oblong island planting and one or two single specimen or shade trees in the lawn.

Conclusion

Survey results showed that relatively large landscape expenditures significantly increase perceived home value and will result in a higher selling price than homes with a minimal landscape. Design sophistication and plant size were the landscape factors that most affected value. The resulting increase in "curb appeal" of the property may also help differentiate a home in a subdivision where house styles are similar and thereby attract potential buyers into a home. This advantage is especially important in a competitive housing market.

Landscape contractors can use the above information to help the homeowner understand the relationship between house landscape and house value. This can add to the marketability of their services and maximize their business potential. In a 1999 focus group approach study conducted in Nebraska, Rodie and Paparozzi (1999) found that improved communication from the contractor as well as from the homeowner is needed to make the most of the landscape design and customer satisfaction. They also noted the need for client education in terms of understanding and appreciating the design process and the ultimate value of the design and requisite expertise to create and execute it.

The overall survey conclusion was that design sophistication was the highest ranked factor that added to the perceived value of a home. Thus, investing in the services of a landscape design professional will optimize the value of a home. In contrast to many home improvements, the value of an investment in a landscape improvement increases over time since the growth and maturity of trees and shrubs enhance aesthetic appeal.

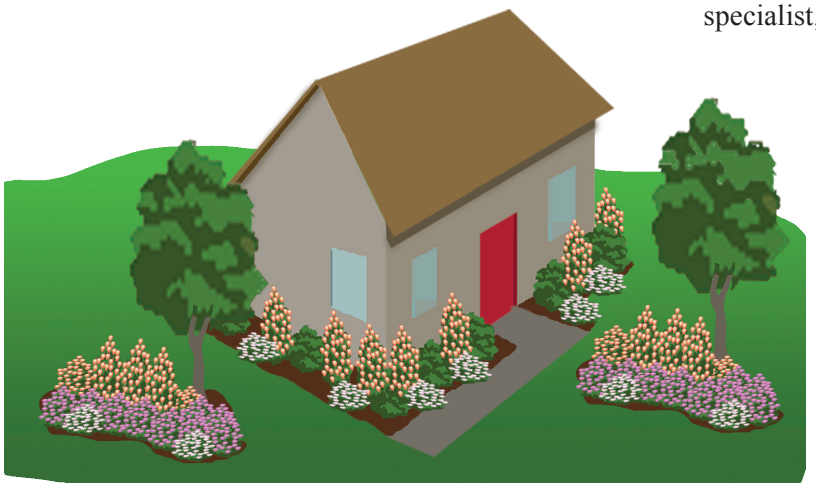

Figure 3. Design Sophistication Level 3: a foundation planting with adjoining beds and two or three large island plantings, all incorporating curved bedlines.

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Reviewers

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