

# Increasing Home Value



A Clemson University study found landscaping can result in more than a 100% return on investment. The report concluded that "Homeowners wanting to increase the value of their property will do well to consider the cost-effective, return potential of quality landscaping, and to safeguard their investments by hiring licensed, professional landscape contractors to perform the work."

The return on investment is contingent upon the quality of the landscape installation. In other words, just because you spent \$10,000 on landscape and garden plants doesn't mean you'll get that money back. It's important that you find the right landscaping designer / contractor for your project and use only high-quality materials. One hundred \$10 plants purchased at the local hardware store doesn't have the same value as ten \$100 plants purchased at a local garden nursery.

According to Clemson University Professor Mark S. Henry in his paper, *"The contribution of landscaping to the price of single family houses: A study of home sales in Greenville, South Carolina,"* the 3 main ways landscaping and gardening affect the sale price of a house are:

- Quality of landscaping in the neighborhood
- Quality of landscaping on lots adjacent to the house in question
- Quality of landscaping on the lot itself



"Unfortunately, there are few guidelines available to homeowners on the return of investment in sales that could be expected from added investments in landscaping," says Henry. "This lack of information for homeowners may result in either under or over investment in landscaping relative to added market price from higher quality landscaping."

## Additional added values of landscaping

Not counting the potential return on investment in landscaping dollars, there are additional non-monetary gains a quality landscape investment provide. Some of those benefits include:

- Lower noise levels
- Blocks unpleasant views
- Reduces crime

- Lowers heating and cooling
- Improves home appearance
- Optimizes the use of land and outdoor space
- Reduces usage chemicals on the property
- Allows for the imaginative use of styles, features, plants and ornaments

## **Additional landscape investment statistics**

- In 2001 homeowners spent \$37.7 billion caring for their property, up from 22.5 billion 5 years previously, according to the National Gardening Association.
- Consumers value a landscaped home up to 11.3% higher than its base price, according to a Clemson University and University of Michigan study.
- A Society of Real Estate Appraisers Survey revealed that 95% of the appraisers responding to the survey believed that landscaping adds to the dollar value of residential real estate, while 99% of them said it enhanced the sales appeal of residential real estate.
- A variety of studies reveal that landscaping can increase the value of residential and commercial property from five to as much as 20%.



## **Eight landscaping factors affecting property values**

The following are a basic list of areas that can have a positive effect on increased property values. All of this discussion on property values assumes that installations have been made in a competent and professional manner. Improper installations or poor construction, can turn what should be an asset into a liability that may detract from a properties value.

- Greenery (plants, trees and shrubs)
- Walkways
- Arches
- Outdoor kitchen areas
- Patios and decks
- Outdoor fireplaces
- Barbecue pits
- Backyard retreats & gazebos

Think twice before installing extreme elements into the landscape that no one else in the neighborhood or area has installed. Everyone likes to think of themselves as unique and our properties are just an extension of ourselves. However, a landscape installation is not only part of your own identity, it is also part of the neighborhood's identity.

There was a classic example of this in our own community where a homeowner decided he wanted to turn his front yard into an expression of his artistic flair. Unfortunately, his artistic flair consisted of arrangements of found items (many would consider it junk). This collection of found items continued to grow until after a few years, his entire yard was completely filled with found items—all artistically arranged. However, the neighbors saw things a bit differently which resulted in law suits, and injunctions and ultimately a jail sentence was served.

While this is obviously extreme, it does point up the fact that not every idea is a good idea. And not every "improvement" results in an increase in property value. Having someone else take a look at your plans could be beneficial down the road.