



2016 Remodeling Impact Report: Outdoor Features

National Association of REALTORS® Research Department

Executive Summary

This report takes a deep dive into the reasons why homeowners complete outdoor remodeling projects, the value of taking on such projects, and the increased happiness experienced by homeowners once a project is completed. It also contains:

- The typical cost of 10 outdoor projects, as estimated by members of the National Association of Landscape Professionals (NALP).
- How much appeal each project is likely to have for buyers, according to REALTORS®.
- How much REALTORS® estimate homeowners can recover on the cost of the outdoor projects if they choose to sell the home.

Report Highlights:

- REALTORS® ranked a standard lawn care program as the number one project that appeals to buyers. REALTORS® also estimated that lawn care would recover 303 percent of the cost estimated by landscape professionals.
- Upgrading the landscape with seed lawn had the highest cost recovery of 417 percent, followed by a standard lawn care program (303 percent) and upgrading the landscape with sod lawn (143 percent).
- An overall landscape upgrade, new patio, new deck, and softscape upgrade all rendered roughly 100 percent in cost recovery and each project received a Joy Score of 9.6 or higher.
- A new pool received the highest Joy Score of 10, but REALTORS® estimate that it would only recover 50 percent of the costs.



Methodology

Survey of Consumers Who Have Completed Remodeling Projects:

In September, homeownership site HouseLogic.com surveyed consumers about the last remodeling project they undertook. A total of 4,079 respondents took the survey. The Joy Score was calculated by combining the share who were happy and those who were satisfied when seeing their completed project and dividing the share by 10 to create a ranking between 1 and 10. Higher Joy Scores indicate greater joy from the project.

National Association of Landscape Professionals Cost Survey:

In July 2016, NALP e-mailed a survey on the average costs of outdoor projects to its 2,113 member companies. A total of 434 responses were received. The survey had an adjusted response rate of 20.5%. Respondents were asked to take the following into consideration: “Generally, assume a 2,506-square foot house—the average size according to U.S. Census data. The house is a post-1978-built home with no hidden issues. To ensure the most applicability, projects and materials represent standard or typical quality; a few projects feature ‘better-quality’ materials. But there are no top-of-the-line projects.”



Methodology

National Association of REALTORS® Value Survey:

In August 2016, NAR e-mailed an interior remodeling project survey to a random sample of 56,102 members. A total of 1,999 responses were received. The survey had an adjusted response rate of 3.6%. Respondents were asked to take the following into consideration: “Based on a survey from the National Association of Landscape Professionals, we have included the median cost of each professional remodeling project. Additionally: Generally, assume a 2,506-square foot house—the average size according to U.S. Census data. The house is a post-1978-built home with no hidden issues. To ensure the most applicability, projects and materials represent standard or typical quality; a few projects feature ‘better-quality’ materials. But there are no top-of-the-line projects.”

The primary measure of central tendency used throughout this report is the median, the middle point in the distribution of responses to a particular question or, equivalently, the point at which half of the responses are above and half are below a particular value.

This report provides a cost recovery estimate for representative remodeling projects. The actual cost of each remodeling project and cost recovery are influenced by many factors, including project design, quality of materials, location, age and condition of the home, and homeowner preferences.



Curb Appeal

Curb appeal plays a significant role in tackling any outdoor project. Among REALTORS[®], 96 percent have suggested sellers improve their curb appeal before listing a home for sale. When working with a seller, 99 percent of members believe curb appeal is important in attracting a buyer (83 percent very important, 16 percent somewhat important). The same share, 98 percent, believes curb appeal is important to a potential buyer (70 percent very important, 28 percent somewhat important).

NALP members report curb appeal is also very important to the majority of consumers when they hire a professional to tackle a project. According to a survey of NALP members, most new business is brought to landscape professionals because the homeowner does not have time to care for their lawn/landscaping (66 percent), the homeowner does not have the expertise to care for their lawn/landscaping (65 percent), to ensure the lawn/landscaping looks healthy to host a big life event (30 percent), or to ensure the lawn/landscaping looks healthy for the sale of a home (21 percent).

Top 10 Outdoor Features

REALTOR® rank of projects' appeal to buyers (highest to lowest)

1. Standard Lawn Care Program
2. Overall Landscape Upgrade
3. New Patio
4. New Wood Deck
5. Softscape
6. Sod Lawn
7. Seed Lawn
8. Outdoor Firepit
9. Outdoor Fireplace
10. New Pool

REALTOR® rank of projects' likely added value to home for resale (highest to lowest)

1. Landscape Upgrade
2. New Patio
3. New Wood Deck
4. Standard Lawn Care
5. Sod Lawn
6. Softscape
7. Seed Lawn
8. Outdoor Fireplace
9. Outdoor Firepit
10. New Pool

Standard Lawn Care Program

Project Description:

- Perform a standard lawn care program (to include six applications of fertilizer and weed control) on 5,000 square feet of lawn.

Seventy-five percent of REALTORS® have suggested sellers do a standard lawn care program before attempting to sell, and 14 percent said the project most recently helped cinch a deal for them, resulting in a closed sale.

Cost Recovery:

- Landscape Professionals' cost estimate: \$330.
- REALTORS®' estimated cost recovered: \$1,000.
- Percent of value recovered from the project: 303 percent.

Overall Landscape Upgrade

Consumers' Viewpoint After Completing the Project:

- **Top reason for doing the project: to add features/improve livability - 26 percent.**
- **Second most common reason: time for a change - 26 percent.**
- **Most important result: adding more of personality to home - 26 percent.**
- **Seventy-five percent said they have a greater desire to be home since completing the project, 65 percent have an increased sense of enjoyment when they are at home, and 79 percent feel a major sense of accomplishment when they think of the project.**
- **Joy Score: 9.8**

Overall Landscape Upgrade

Project Description:

- Install a front walkway of natural flagstone three feet wide and 30 feet long. Add two stone planters six feet long and two feet wide. Install five flowering shrubs and one deciduous 15-foot-tall tree. Mulch with landscaping bark.

Forty-seven percent of REALTORS® have suggested sellers complete a landscape upgrade before attempting to sell, and 19 percent said the project most recently helped cinch a deal for them, resulting in a closed sale.

Cost Recovery:

- Landscape Professionals' cost estimate: \$4,750.
- REALTORS®' estimated cost recovered: \$5,000.
- Percent of value recovered from the project: 105 percent.

New Patio

Consumers' Viewpoint After Completing the Project:

- **Top reason for doing the project: to add features/improve livability - 56 percent.**
- **Second most common reason: to upgrade worn-out surfaces, finishes, and materials - 20 percent.**
- **Most important result: better function and livability - 40 percent.**
- **Eighty-two percent said they have a greater desire to be home since completing the project, 74 percent have an increased sense of enjoyment when they are at home, and 85 percent feel a major sense of accomplishment when they think of the project.**
- **Joy Score: 9.6**

New Patio

Only four percent of REALTORS® have suggested sellers add a new patio before attempting to sell, and only three percent said the project most recently helped cinch a deal for them, resulting in a closed sale.

Cost Recovery:

- Landscape Professionals' cost estimate: \$6,400.
- REALTORS®' estimated cost recovered: \$6,525.
- Percent of value recovered from the project: 102 percent.



New Wood Deck

Consumers' Viewpoint After Completing the Project:

- **Top reason for doing the project: to add features/improve livability - 48 percent.**
- **Second most common reason: to upgrade worn-out surfaces, finishes, and materials - 38 percent.**
- **Most important result: better function and livability - 33 percent.**
- **Seventy-seven percent said they have a greater desire to be home since completing the project, 51 percent have an increased sense of enjoyment when they are at home, and 77 percent feel a major sense of accomplishment when they think of the project.**
- **Joy Score: 9.7**



New Wood Deck

Ten percent of REALTORS® have suggested sellers add a new wood deck before attempting to sell, and only four percent said the project most recently helped cinch a deal for them, resulting in a closed sale.

Cost Recovery:

- Landscape Professionals' cost estimate: \$9,450.
- REALTORS®' estimated cost recovered: \$10,000.
- Percent of value recovered from the project: 106 percent.



Landscape Upgrade: Softscape

Project Description:

- Install for a new home would include five trees, 25 shrubs, 60 perennials, natural edging, boulder accents (assume no grading is required and no irrigation system is to be installed).

Twenty-six percent of REALTORS® have suggested sellers upgrade their softscape before attempting to sell, and four percent said the project most recently helped cinch a deal for them, resulting in a closed sale.

Cost Recovery:

- Landscape Professionals' cost estimate: \$7,000.
- REALTORS®' estimated cost recovered: \$7,000.
- Percent of value recovered from the project: 100 percent.

Landscape Upgrade: Sod Lawn

Project Description:

- 1,000 square feet to sod a lawn.

Seventeen percent of REALTORS® have suggested sellers sod their lawn before attempting to sell, and two percent said the project most recently helped cinch a deal for them, resulting in a closed sale.

Cost Recovery:

- Landscape Professionals' cost estimate: \$700.
- REALTORS®' estimated cost recovered: \$1,000.
- Percent of value recovered from the project: 143 percent.

Landscape Upgrade: Seed Lawn

Project Description:

- 1,000 square feet to seed a lawn.

Twenty-two percent of REALTORS® have suggested sellers seed their lawn before attempting to sell, and two percent said the project most recently helped cinch a deal for them, resulting in a closed sale.

Cost Recovery:

- Landscape Professionals' cost estimate: \$120.
- REALTORS®' estimated cost recovered: \$500.
- Percent of value recovered from the project: 417 percent.



Landscape Upgrade: Firepit

Project Description:

- Install dry stacked natural stone kits, gas burner with 10 foot diameter flagstone patio.

Only three percent of REALTORS® have suggested sellers add an outdoor firepit before attempting to sell, and one percent said the project most recently helped cinch a deal for them, resulting in a closed sale.

Cost Recovery:

- Landscape Professionals' cost estimate: \$4,500.
- REALTORS®' estimated cost recovered: \$3,500.
- Percent of value recovered from the project: 78 percent.

Landscape Upgrade: Fireplace

Project Description:

- Install veneered masonry stone, gas starter for wood burning, chimney, two wood boxes on the side, wood mantle.

Only one percent of REALTORS® have suggested sellers complete an outdoor fireplace before attempting to sell, and one percent said the project most recently helped cinch a deal for them, resulting in a closed sale.

Cost Recovery:

- Landscape Professionals' cost estimate: \$13,300.
- REALTORS®' estimated cost recovered: \$8,000.
- Percent of value recovered from the project: 60 percent.

The background of the slide is a composite image. The top and bottom sections feature a close-up of clear, rippling water with sunlight filtering through, creating a shimmering effect. On the left side, there is a vertical strip of a garden with several bright red tulips in the foreground and pink tulips slightly behind them. In the top-left corner, there are decorative white circular lines of varying radii, some overlapping the tulip image.

New Pool

Consumers' Viewpoint After Completing the Project:

- **Top reason for doing the project: to add features/improve livability - 50 percent.**
- **Second most common reason: upgrade worn-out surfaces, finishes, and materials - 20 percent.**
- **Most important result: better function and livability - 24 percent and durable and long-lasting results, and materials - 24 percent.**
- **Ninety-five percent said they have a greater desire to be home since completing the project, 80 percent have an increased sense of enjoyment when they are at home, and 90 percent feel a major sense of accomplishment when they think of the project.**
- **Joy Score: 10**

The background of the slide is a composite image. The top and bottom sections show a close-up of clear, rippling water with sunlight filtering through, creating a pattern of light and dark spots. The left side of the slide features a vertical strip of vibrant red and pink tulips in full bloom, with green leaves and stems. In the upper left corner, there are several overlapping white circles of varying sizes, some containing small blue dots, creating a modern, graphic design element.

New Pool

Only one percent of REALTORS® have suggested sellers add a new pool before attempting to sell, and only two percent said the project most recently helped cinch a deal for them, resulting in a closed sale.

Cost Recovery:

- **Landscape Professionals' cost estimate: \$50,000.**
- **REALTORS®' estimated cost recovered: \$25,000.**
- **Percent of value recovered from the project: 50 percent.**



The National Association of Landscape Professionals (NALP) represents an industry that employs nearly 1 million landscape, lawn care, irrigation and tree care professionals who create and maintain healthy green spaces that benefit families, communities and the environment. Landscape professionals have a passion for bringing the best outdoors where Americans live, work and play.

Homeowners can learn more about lawn care, landscaping, sustainability, outdoor living and how to work with landscape professionals to bring dreams to life at www.LoveYourLandscape.org.

Landscape professionals who seek information on the best ideas and practices in the landscape industry and collaboration that allows companies to serve their clients with the most current knowledge and creativity should visit www.LandscapeProfessionals.org. NALP is focused on professionalism and establishing the highest standards for the industry. The association administers the Landscape Industry Certified designation which is a benchmark for educational achievement for lawn care and landscape professionals.



The National Association of REALTORS®, “The Voice for Real Estate,” is America’s largest trade association, representing 1.2 million members, including NAR’s institutes, societies and councils, involved in all aspects of the real estate industry. NAR membership includes brokers, salespeople, property managers, appraisers, counselors and others engaged in both residential and commercial real estate.

The term REALTOR® is a registered collective membership mark that identifies a real estate professional who is a member of the National Association of REALTORS® and subscribes to its strict Code of Ethics.

Working for America’s property owners, the National Association provides a facility for professional development, research and exchange of information among its members and to the public and government for the purpose of preserving the free enterprise system and the right to own real property.

NATIONAL ASSOCIATION OF REALTORS® RESEARCH DIVISION

The Mission of the National Association of REALTORS® Research Division is to collect and disseminate timely, accurate and comprehensive real estate data and to conduct economic analysis in order to inform and engage members, consumers, and policymakers and the media in a professional and accessible manner.

To find out about other products from NAR’s Research Division, visit www.REALTOR.org/research-and-statistics.

NATIONAL ASSOCIATION OF REALTORS®

Research Division

500 New Jersey Avenue, NW

Washington, DC 20001

202-383-7518

data@realtors.org

©2016 National Association of REALTORS® and National Association of Landscape Professionals

All Rights Reserved.

May not be reprinted in whole or in part without permission of the National Association of REALTORS® and National Association of Landscape Professionals.

For reprint information, contact data@realtors.org.