

The garden effect – boosting property value

2011's Husqvarna Global Garden Report identified the value that a well-maintained garden space brings to home's property value, especially at time of sale.

- **69% of real estate agents** believed that the garden was either **important or very important** for the **overall market value of a property**.
- **16 % increase on the value of a property** - the overall estimated effect of a well-maintained garden on property prices.
- **Speeds up sales** – around half of the agents said a good garden reduces time to sell by weeks or even months.
- **Simply put, houses with good gardens sell quicker, for a better price and spend on the garden yields a strong return on investment.**

The survey involved 5,000 properties from nine different countries estimating the effect that a well-maintained garden has on property prices.

- **Globally this effect was estimated at +16%** (the Garden Effect) on the property value of a house.
- When taking costs of maintenance, plants and garden makeover into account, the **average hypothetical payback** on garden investments was **estimated at 3.1 times the money invested** (Payback-If-Sold).
- **Checking with real estate agents**, more than **70%** believed that a **neglected garden lowers** property prices by somewhere between **5-15%**. Another **17%** believed the effect could be even higher.
- In terms of **garden elements** that homeowners believe **contribute most to property value, a well-maintained lawn tops the global list, followed by an inviting social area.**
- **Time to sell** - according to a global real estate agent panel, the rewards of **well-designed and well maintained landscaping also reduces the time it takes to get a private home sold**. 46% of the global real estate agent panel said the time can be **reduced by several months**, while 55% estimate that it can be **shortened by anywhere from one to several weeks.**

What pays off the most?

Top 10 global property value enhancers:

- 1 Well-maintained lawn
- 2 Inviting social area
- 3 Stone paths and walkways
- 4 Decorative trees
- 5 Decorative bushes and shrubs.
- 6 Well-kept hedges
- 7 Nicely designed flowerbeds
- 8 Aquatic elements
- 9 A practical garden shed
- 10 Fruit trees

The Garden Effect

The garden effect strikes a balance between the most conservative estimates (Rational garden effect) and optimistic estimates (Emotional garden effect).

- **Emotional garden effect** – Australia – 20%, UK – 17%, global average – 26%
- **Rational garden effect** – Australia – 4%, UK – 3%, global average; 7%
- **Average of the two = Garden Effect**
Australia – 12%, UK – 10%, global average – 16%



A sample of the pictures used in the study - one property with two different kinds of gardens, clearly, the house at the top is more appealing.



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Gardening - an investment that lasts; investing in the garden, unlike for example renovating the kitchen, a good garden appears to bring value that lasts. For a well-maintained garden the value normally rises over time.

A well-kept established garden is much more attractive than one that is newly planned.

Renovating a deteriorated kitchen or bathroom often pays off well in the beginning. However, the effect is usually temporary and the value of a kitchen renovation typically declines quite rapidly, approaching close to nothing after ten or fifteen years.

Investments in the garden are completely different. As we've seen, the Payback-If-Sold from a well maintained garden is approximately 3.1 times the investment, and it appears as though the value of the garden tends to follow the average rise in property values.

Payback if sold

Garden effect / (makeover costs + tools) = payback if sold

On a global level, if we take the ratio of gains to costs when designing an attractive garden it was 3.1 times the hypothetical money invested.

The return will vary with property price. Higher the average price of property the higher the actual pay back if sold.

Studies from the U S and Canada using this model found that when gardens are upgraded from good to excellent, the price increased an average of 10.8%.

A neglected garden has also been found to have a negative effect on price of 8-10%. Hence the difference between an excellent garden and a neglected one is approximately 19-21%.

Want to reduce time-to-sale? Invest in curb appeal!

According to our global real estate agent panel, the rewards of well-designed and well maintained landscaping also extends to the time it takes to get a private home sold. According to 46% of the global real estate agent panel, the time can be reduced by several months, while 55% estimate that it can be shortened by anywhere from one to several weeks.

What makes the difference?

1. **53% of the homeowners rank a well-maintained lawn as raising the property value most,** a finding supported by others. An academic study focusing on the value of lawns found that ground covers increased the property value by 0,2% for each percent of ground covered. In other words, if 100% of the lot is covered with well-designed & maintained ground coverage the property value might rise by as much as 20%. Our **global real estate agent panel - 73% state that the lawn is one of the most important contributing factors to curb appeal.**

2. For the real estate agents **an inviting social area is even more important than a well-maintained lawn.** An impressive **83% of our real estate agents** listed this feature as being important for the overall market value of a property.

The "social garden" was identified as one of the hot trends in last year's Global Garden Report: that is, the garden as a place where we spend time with our friends and family, have cookouts or just relax.

Australia

The overall estimated effect of a well-maintained garden on property prices (the Garden Effect). Australia – 12%, and Pay Back if Sold was 3.6 times the investment.

In the report, Australian respondents placed first when it came to regarding time and effort spent in their gardens as an investment in their property. It should come as no surprise therefore to find that they also reported using the same gardens mainly as a way of making the house more attractive.

Top 5 property enhancers

1. Well-maintained lawn
2. Inviting social area
3. Designed stone paths
4. Decorative trees
5. Decorative bushes

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