

How Landscaping Affects Your Property Values

by Linda Anson

According to a "*Money Magazine*" story on home renovations, "not all improvements will increase the value of a house by the amount they cost to perform." Landscaping however, according to their research, has a recovery value of 100% to 200% "if it is well done and harmonizes with foliage nearby." This compares to a recovery value of 75-125% for a kitchen remodel, 80 -120% for a bathroom, and 20-50% for a swimming pool. Not bad, huh? For all of us looking to extend our homes with "outdoor rooms" and to "decorate" them with attractive plants, outdoor furniture, and appealing features and ornaments, it is very re-assuring to know that the time and money we invest will not only give us pleasure but also increase the value of our greatest personal asset. In fact, according to a Gallup poll, home-owners polled feel that landscaping "adds almost 15% to the value of their property and that landscaping as an investment is one with lasting value." According to this poll, 95% of residential home-owners believe that good landscaping adds value to their homes; 85% of commercial property-owners feel the same way about their commercial properties.

And what do real estate appraisers nationwide believe? According to H. Grady Stebbins, former president of the society of real estate appraisers, landscaping contributes in two ways. The first is that part of the total value of the property contributed by landscaping; the second is the role landscaping plays when attempting to sell a house. "I don't know if you could measure just how powerful an attractive, value -oriented landscape might be in the selling process, but there is no question that it is a major part of the total appearance of the house. It's sometimes called the curbside sales pitch.' When the prospective buyer drives up to a house, the first thing he sees is the house and the landscaping. He sees them as one because it is impossible to separate them. And if we believe in the power of first impressions,

then we must give credence to the belief that landscaping is a major sales element." It's quite reasonable to assume that with two houses of otherwise equal features, the one with better curbside appeal will sell faster, though not necessarily at a significantly higher price, depending on the needs and interests of the purchaser.

What about commercial properties? Some appraisers say as much as 10 -20% more could be added to the value of a property is "impressive". Others say 5% might be more realistic. While it's difficult to clearly define what makes a pleasing landscape, it's absence is obvious to everyone. A landscape which looks neglected [poor lawn, overgrown shrubs, weedy beds and so on] gives the idea that the owner of the property doesn't care about his business or his customers either. And if the property is for sale, it may look like the owner doesn't want the property because there is something wrong with it. This "increases the likelihood of bidding below the asking price" for this property. [The same response can happen with residential properties as well.] On the other hand, attractive landscaping can actually reduce the apparent age of a building, further bolstering curb appeal and improving the potential asking price when wishing to sell the property.

So how do we determine how much of an investment to make into our landscape? Well, how do you approach the interior of your house or building? The first step is to do a thorough analysis and preliminary plan. The analysis considers your intentions: Do you plan to sell the house fairly soon, or do you plan to settle down for a while? How do you want to use your outdoor spaces? What is the condition of the site? Is it wet, dry, shady, sunny, windy, rocky, steep or flat? Do you want to reduce your heating and cooling bills? Do you want to reduce your usage of chemicals in the yard? Are you spending too much for yard maintenance? What styles, features, plants, and ornaments do you like? Is outdoor living becoming an issue? And so on. It's very much like analyzing your needs for the interior of your house - only then can you identify

and budget for the furniture, flooring, wallpaper, lamps, pictures, and other ornaments. Think of it as “exterior decorating” – which is what it is, of course. So we start with a thorough analysis, then we can begin the planning and budgeting. And just as with your interior spaces, it’s best to do a “master plan”, which identifies the use and general plan for each room. You usually don’t furnish and decorate all your interior rooms all at once. As budgets and your own schedule permit.