How Much Does Landscaping Really Add to a Home's 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 or 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.

The survey

In the 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, as well as 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 were:

- Foundation planting only
- Foundation planting with one large, oblong island planting and one or two single specimen trees in the lawn
- 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 a colored brick sidewalk entrance

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

The preferred landscape included a sophisticated design with large deciduous, evergreen and annual color plants and colored hardscape.

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).

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 in Greenville, South Carolina, showed that home price premiums increased 6 to 7 percent for home landscapes that were upgraded from good to excellent and 4 to 5 percent for an upgrade from average to good. By combining these data, the value added by a landscape upgrade from average to excellent increases a home value by 10 to 12 percent.

In the end, curb appeal matters

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 landscape and house value. This can add to the marketability of their services and maximize their business potential. In a focus group approach study conducted in Nebraska, researchers 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.