

# Preparing to Sell: 2022 Home Improvement Report



curbio





# 2022 Home Improvement Report

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## About Curbio

Founded in 2017, Curbio is the nation's leading home improvement concierge service that gets homes sold faster and for more money. Curbio provides a white-glove service that enables home sellers to upgrade their home now and pay when it sells. With \$0 down and 0% interest, all homeowners are able to make small home improvements to sell for maximum profit, which ultimately leads to better business for both agents and brokerages. There's no minimum or maximum on projects, and Curbio's experienced Project Managers and licensed contractors can help with everything from basic repairs to full-scale remodels to help clients achieve – and exceed - their home sale goals.

## Introduction

Pre-listing home improvements are only as good as their return on investment when the house sells. Curbio is uniquely positioned in the industry to be able to share proprietary data about average ROI on popular home updates because of both volume of projects and cutting-edge technology that enables us to gain valuable insights into our consumer behavior. In addition to sharing our qualitative data, we wanted to find out more and issued surveys to homeowners and real estate agents alike to understand how critical home upgrades are to a successful home sale. These findings extoll Curbio's value to both the agent and seller experience: from the hands-off, white-glove service to the financial benefit of a pay-at-closing model, Curbio is the only company to be able to offer a true win-win proposition.





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## Methodology

The qualitative data in this report was pulled from two surveys conducted by Comcast and Suzy on behalf of Curbio. One survey focused on homeowners and included 1,089 participants between the ages of 13 and 99. Survey participants qualified for the study after answering yes to having sold a home in the last five years. The second survey focused on people who claimed to currently work in the real estate industry. It included 199 participants between the ages of 13 and 99.

To compile our ROI data, we analyzed our total projects completed in our 30+ markets across the nation. We broke out the data for the individual projects by category and line-item. Next, we took the as-is listing price from the seller's agent and the actual sold price after updates to find the ROI data by deal.

ROI %:  $(\text{Sold price} - \text{As-is Value} - \text{Curbio Project Fee}) / \text{Curbio Project Fee}$

That information was then fed back into Tensor, plus the project breakout data, that found the average ROI by project.



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## ROI Insights

Different projects can result in vastly different returns on investments. According to our research, here are the top five home improvement projects with the best return on investment.

377%

ROI for a kitchen refresh



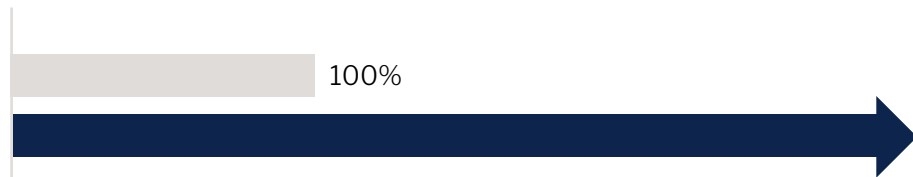
348%

ROI for refinishing hardwood floors



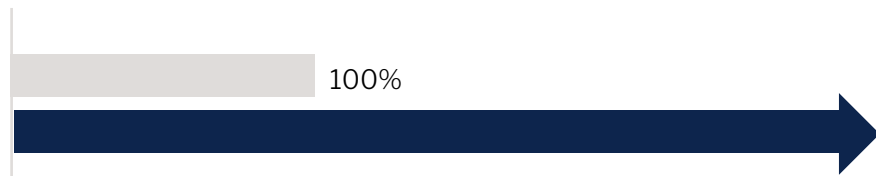
297%

ROI for basic listing prep including minor fixes



288%

ROI for a roof replacement



280%

ROI for carpet replacement



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## Kitchen

7 out of 10 buyers said they would purchase a home if it had a gorgeous kitchen. With such demand for a modern and updated space, making kitchen updates before selling can lead to a big return on investment. Some outdated kitchens may require more extensive projects, but a simple refresh averages a higher return on investment.

Type of Project	Average ROI
Refresh	377%
Remodel	220%



## Bathroom

Updating bathrooms before selling can lead to a significant return on investment. Similar to kitchens, less appears to be more with refreshes resulting in an average higher return on investment than remodels.

Type of Project	Average ROI
Refresh	256%
Remodel	120%





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## Exterior

The exterior of a home can be a big selling point and may act as a home's first impression. These exterior projects can boost curb appeal and have the highest return on investment.

Project	Average ROI
Roof Replacement	288%
Landscaping	251%
New Deck Build	147%
Power Washing	135%
Deck Refresh	124%



## Flooring

Updated flooring is one home improvement project that can go a long way in transforming the look of a home while also significantly increasing its resale value. These updates can include replacing old flooring or refinishing existing flooring.

Project	Average ROI
Refinished Hardwood Flooring	348%
Carpet Replacement	280%
New Hardwood Flooring	276%
Tile Installation	254%
Luxury Vinyl Plank (LVP) Installation	235%





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## Basic Listing Prep

Outside of those already mentioned, there are various other updates that can be made to a home to increase its value and appeal to more buyers. These projects had some of the highest returns on investment for sellers.

Type of Project	Average ROI
Interior Electrical Updates	297%
Minor Fixes	297%
Interior & Exterior Painting	159%



## By Market

Every market is unique. Home prices vary, buyer demand is different, and certain home features may be more desirable. These cities saw the highest average return on investment in 2022 from Curbio projects.

Market	Average ROI in 2022
San Antonio	1,191%
Nashville	481%
Los Angeles	417%
San Diego	330%
Atlanta	311%



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## Homeowner Insights

Selling a home can be a stressful and overwhelming process for homeowners. Homeowners who sold their house in the last five years cited their biggest pain points as:

27%

pricing the home accurately

25%

fixing up the home to make more money

22%

going through inspections

21%

timing their home sale with the market

While fixing up the home to make more money was noted as a frequent concern, it appears that many homeowners do not understand the gravity of these home improvement projects and their importance to buyers. Although 43% of homeowners don't think they need to update their house before listing it on the market, most buyers would disagree.

68%

of potential buyers say the biggest dealbreaker to buying a home is disrepair and wear and tear

67%

of potential buyers say they only consider homes with updated features and layouts

77%

of buyers won't consider purchasing a home that isn't "move-in ready"

Even if some homeowners are aware of these buyers' desires and want to make updates to their home, there are various obstacles that can prevent them from doing so.

69%

of sellers don't want to front money for repairs

61%

of sellers don't want to wait for projects to be completed

90%

of home sellers don't want to spend the time, money, and stress on home updates

While all valid concerns, Curbio is a home improvement solution that can help with all these problems. With no money due until closing and zero surprise fees, paying for repairs and other updates upfront is not an issue. Curbio projects are also completed 50% faster than traditional general contractor work and spend 50% fewer days on the market. Finally, Curbio uses a streamlined and technology-powered approach to home improvement to keep homeowners updated but without involving them in stressful details.

Homeowners appreciate agents who can offer such services as well.

72%

of homeowners chose agents who came to listing presentations with options and white-glove solutions

77%

of homeowners say they would choose an agent who offered a pay-at-closing solution



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## Agent Insights

There are several hurdles in the real estate industry that can prevent agents from winning listings and reaching their highest earning potential. With 43% of agents surveyed saying their biggest challenge in real estate is satisfying clients' needs, solving this problem could be the key to success.

While 82% of agents regularly recommend their clients update their homes before selling, these home improvement projects can come with a variety of challenges that many agents struggle to tackle.

25%

of agents don't have a reliable network of subcontractors

18%

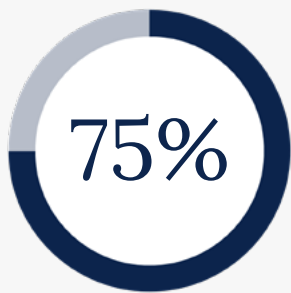
say they can't take on the project management responsibilities

34%

say the hardest part of making updates is sticking to a timeline

23%

can't find the funds to pay for work upfront



75% of agents surveyed also said they have never worked with a concierge solution like Curbio, but it could be the solution to all their problems. Along with being the licensed general contractors on the project, Curbio's team will manage the entire project including lining up subcontractors as needed. With this streamlined approach, Curbio projects are completed 50% faster than traditional general contractor work. Coupled with the pay-at-closing price model, homeowners do not have to worry about any upfront costs.

## Summary

The vast majority of buyers want move-in ready homes, but many sellers are unaware of the importance of such updates or the high return on investment they can provide. While the majority of listing agents will suggest updates to their clients, there are many hurdles that can delay or halt these projects.

Curbio can help. As a turnkey concierge service with no money due until closing, Curbio provides a solution to problems related to money, time, and stress that can prevent agents and their clients from hitting their sales goals. Learn more about how Curbio works or get started by contacting us.



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## Glossary

<b>Cost:</b>	The amount spent on work based on the raw line-item data.
<b>Profit:</b>	The value added minus the project cost.
<b>Refreshes or a refresh:</b>	<p>Simple cosmetic updates that cost less than structural remodels. Examples of refresh work may involve updates to lighting, cabinets, hardware, or furnishing as well as a fresh coat of paint.</p> <p>Note: For this report, refresh projects are additionally categorized as home improvements that cost under \$8,000.</p>
<b>Remodel:</b>	<p>Structural renovations that make homes more livable and require more labor, resources, and money to complete than refresh projects.</p> <p>Remodel work includes reconfiguring electrical, plumbing, or gas lines as well as removing or adding walls, rooms, and other permanent fixtures.</p>
<b>Return on Investment (ROI):</b>	<p>A performance metric used to assess an investment's profitability. It measures the return on a particular asset or project relative to its cost.</p> <p><math>ROI = \frac{\text{Added Value} - \text{Project Cost}}{\text{Project Cost}} \times 100</math></p>

