

WHAT'S HOT AND WHAT'S NOT FOR TODAY'S HOMEBUYERS

A ZipRealty study of the most and least popular home features

When it's time to sell, homeowners need to know how to make sure their house fetches its full market value. They need to know what improvements to make, how to attract interested buyers and stand out from the crowd of other listings in their neighborhoods. ZipRealty recently surveyed buyers who registered on ZipRealty.com in late 2007 to find out what features they were looking for in their next home. While the decision to sell and the best way to market your home are based on your own unique situation, we hope you find the survey results summarized in this report helpful in selling your home in this challenging market.

Home Turn-Ons

On the whole, the most popular feature sought by buyers was a **large master suite**, selected by 71% of respondents. Not too far behind was the demand for **large, walk-in closets** (67%).

The following table lists the **10 most desired features** by today's buyers:

Home Feature	Percent
Master suite	71%
Large or walk-in closets	67%
Ample storage space	58%
Gourmet or updated kitchen	57%
Outdoor entertainment area (e.g. patio or deck)	54%
Guest bedroom	53%
Breakfast room or eat-in kitchen	47%
Large yard	46%
Wood floors	45%
Home office	35%

Kids versus no kids

Households with kids living at home preferred some different features from households without children.

While master suites and closet space top the list for everyone, these are even more important for the population with kids. Seventy-five percent of buyers with kids cited the master suite as their most desired feature, versus 72% without kids. Seventy-one percent said they wanted large or walk-in closets, versus 69% of those without kids.

Our survey indicated that the biggest difference having kids makes is a desire for outdoor play space - 62% of those with kids living at home versus only 38% among those without said they look for a

large yard. Similarly, 24% of those with kids would like a swimming pool versus 19% of those without kids.

With kids, the guest bedroom moves a few notches down in priority. Only 45% of households with children sought out guest bedrooms, versus 60% without. Households with children seem willing to tradeoff the guest bedroom for kids' spaces, such as a kids' playroom or outdoor yard/playspace. Having kids also makes dining spaces a lot more important in the home. In addition to more buyers with kids wanting a dining room (36% versus 29%), a higher percentage of them also desire a breakfast room or eat-in kitchen (50% versus 47%) and/or a gourmet or updated kitchen (62% with kids versus 57% without).

More important to the no-kids set is having a green home (23% versus 18%) or a view (33% versus 25%)

Women versus men

Men and women also differed in their answers. While some responses reflected interests more commonly associated with men or women, others suggest wanting practical versus recreational value in a home.

Men placed a higher value on having a home office than women (40% versus 33%), while women placed a higher preference on dining-related features: gourmet or updated kitchen (61% versus 55%), breakfast room/eat-in kitchen (49% versus 46%) and having a dining room (33% versus 30%).

Women responding to our survey tended to show a preference for the more practical-use spaces, prioritizing storage space. The preference for large or walk-in closets actually topped the list of home features among the women, at 73% versus 64% among men. Furthermore, 63% of women cited ample storage space as a desired feature versus 56% of men.

Men, on the other hand, placed a higher value on the specialty rooms and amenities – the recreational spaces. They gave higher ratings to the home theatre (12% versus 6%), exercise room (13% versus 9%), swimming pool (22% versus 20%) and spa/hot tub (15% versus 12%). They also were more inclined to prefer a view, with 32% versus 27%.

Finally, a healthy percentage of both men and women value outdoor space; however, men value an outdoor entertainment area (e.g. patio, deck, etc) more than women (57% vs 55%), while women are more likely to desire a large yard (49% vs 45%). One explanation for the difference is that an outdoor entertainment area is likely to require less maintenance than a yard

Home Turn-offs

We asked prospective buyers to tell us what characteristics of a home would cause them to eliminate it from consideration for purchase during their **online** search process. Here is the list of turn-offs, in order of popularity:

Characteristic	% who "would eliminate"
No garage/parking	72%

Low square footage	52%
Small yard or lack of outdoor space	41%
Old or outdated kitchen	37%
Not enough photos of the home or poor quality photos	33%
Loud exterior paint	27%
Unkempt landscaping	17%
Outdated or mismatched paint or furnishings	16%

By far, the number one cause for elimination was the **absence of a garage/parking**, at 72%. Men were even more inclined to eliminate a property for this reason, with 74% versus 71% of women.

Small house size ranked second as a cause for elimination, with “low square footage” cited by 52% of respondents. Households with children were more inclined to eliminate a smaller-size house (60% versus 47%). Likewise, 50% of households with kids indicated that they would eliminate a property due to a small yard or lack of outdoor space, versus 35% without kids. Women were also more inclined to eliminate a property for this reason, with 43% versus 39% of men.

Women were more likely to eliminate a property due to an old or outdated kitchen, with 39% vs 35% of men.

The easiest way for sellers to improve their online curb appeal was to make sure their home has lots of good quality photos for prospective buyers to view. Thirty-three percent of respondents said that not enough access to photos, or having photos of poor quality, would cause them to eliminate a home from consideration during the online part of their home search.

An unkempt landscape was the characteristic respondents were most neutral about, with 26% expressing indifference.

Tips for Making Your Home Attractive to Buyers

We then asked respondents to share with us the characteristics that would most sway their decision against purchasing a home when seeing it **in person** (rather than online).

Topping the list was **structural damage**, cited by 91% of prospective buyers, followed by **bad odors** (76%) and being located on a **busy street** (76%).

Factors	% deciding “no”
Structural damage	91%
Bad odors	76%
Busy street	76%
Awkward floor plan	68%
Small bedrooms	65%
Old or outdated kitchen	49%
Not enough common space	48%
Cluttered or dirty interior	40%
Lack of curb appeal	34%
Worn floor or carpeting	31%

While this list contains things that might be hard, impractical and/or costly to fix, we believe there are a few ways to significantly eliminate the biggest turn-offs at a reasonable cost.

1. If your home is in “move-in” condition, tell buyers about it

Since structural damage eliminates a home from the vast majority of buyers considering it, you could highlight your home’s good condition, or even have an inspection to provide additional information to potential buyers. A majority (54%) of respondents indicated that they prefer a home that’s in “move-in” condition, versus a “fixer-upper” or not stating a preference.

2. Do a deep, thorough cleaning before putting the home on the market

There is an old adage in real estate, “if you can smell it you can’t sell it,” and our respondents confirmed this in their home searches. Bad odors turned off three-quarters of buyers. Smoke, pet, moldy smells can all be eliminated by removing the source of the odor and thoroughly cleaning the home, walls, carpet (or removing it), draperies and upholstery. Other than a fresh smell, clearing away clutter might help a seller retain as many as 40% of those who responded that their interest would evaporate at the sight of a cluttered or dirty interior.

3. If you can invest in improvements, make a bigger impact with those that matter to more buyers

Our results suggest that replacing worn out carpet or flooring can avoid turning off nearly 1 in 3 interested buyers.

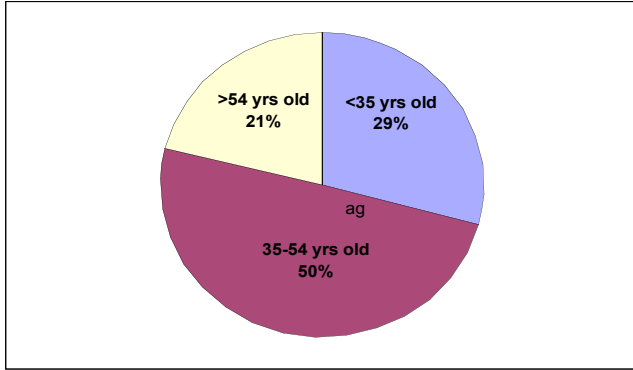
Depending on the price of homes in a neighborhood and/or how quickly a seller needs to sell, repainting the exterior of a home in a neutral color (rather than a loud color) or doing some pruning and touch ups to increase curb appeal could also retain the interest of about 1 in 3 interested parties.

Before taking on any improvements, we recommend consulting with a licensed real estate agent with expertise in selling homes in your area to help you determine how to bring out the best features of your home and whether your investments are likely to pay off in a higher sales price.

About Our Respondents

Study findings are based on feedback from 2,620 active buyers. Seventy-four percent of respondents said they planned to purchase a home within the next 12 months.

- 60% of respondents live in households with no children
- 59% currently own their homes
- 49% of respondents are between the ages of 35 and 54 years, 29% are under 35 years, and 21% are over 55 years.
- 63% are female, versus 37% male.



About This Report

This report is prepared by ZipRealty, Inc. as of April 2008, based on a survey of approximately 2,600 home buyers. While ZipRealty believes the survey is reasonably representative of typical homebuyer interests and preferences, the results reflected in this survey and our statements throughout this report are not a representation or warranty of any kind. ZipRealty does not assume, and expressly disclaims, any liability associated with a potential homebuyer’s or homeseller’s use of this information.

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