

2020 Houzz & Home Australia

Overview of Home Renovation
in 2019 and 2020



Big Ideas



HOME RENOVATION SPEND

Median spend for home renovation projects stabilised at \$20,000 in 2019. At the higher end of the market, ten percent of homeowners spent \$150,000 or more on their home renovations. Gen Xers and Baby Boomers reported the highest median renovation spend in 2019 at \$20,000 and \$18,500 each. Millennials followed with a median spend of \$12,000.

BABY BOOMERS DRIVE HOME RENOVATIONS

Nearly half of homeowners reported a renovating project in 2019 (48%), tackling nearly three interior rooms on average. Baby Boomers (ages 55-74) accounted for nearly half of renovating homeowners (45%). Gen Xers and Millennials follow in renovation activity with nearly 39% and 14% of home renovators, respectively.

Research Note: The Houzz & Home study was fielded between February and March 2020. At the time, planned activity for the year remained consistent with the previous year, however, the impact of the coronavirus pandemic on planned renovation activity remains to be seen.

RENOVATION MOTIVATIONS

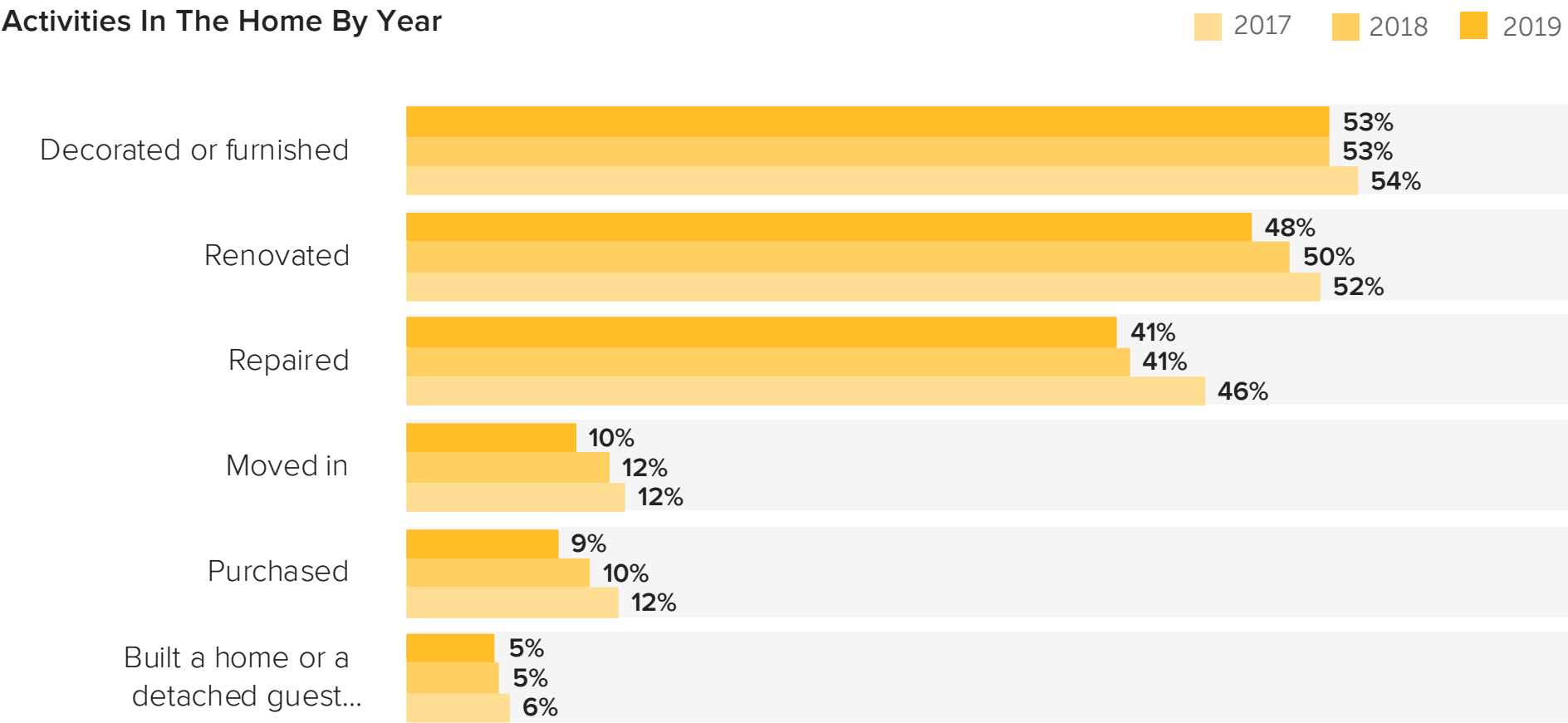
Baby Boomers and Gen Xers were most commonly motivated to pursue a project because they wanted to do it all along and finally have the time (39% and 30%, respectively) and the financial means (42% and 39%, respectively). The biggest motivation for Millennials as to customise a recently purchased home (38%).

PLANNING TAKES TIME

Preparing for a renovation took homeowners longer than it did to renovate, on average. While construction took between 2.4 and 5.7 months on average, the planning phase took roughly twice as long. Kitchens require lengthy planning, averaging 11.1 months.

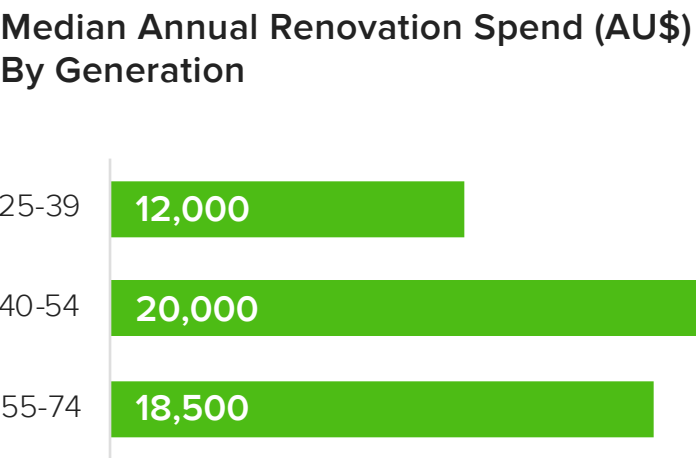
What We Are Doing in Our Homes

Charts below show the frequency of activities related to the primary home in 2017, 2018 and 2019, as well as the median renovation spend per renovating homeowner in 2017, 2018 and 2019, overall and by age, as reported by homeowners on Houzz Australia.



Annual Renovation Spend (AU\$)

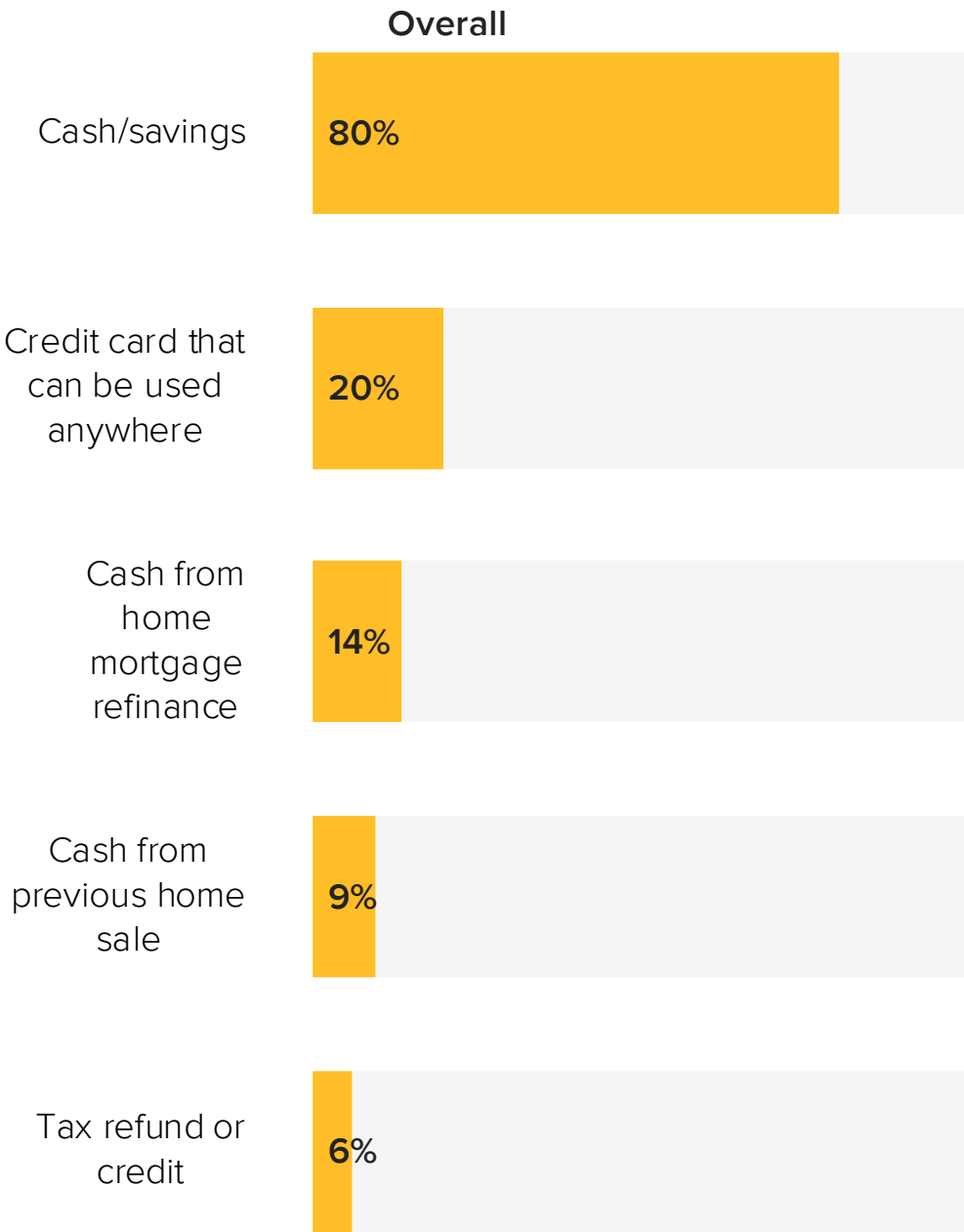
	2017	2018	2019
MEDIAN	25,000	20,000	20,000
90TH PERCENTILE	150,000	180,000	150,000



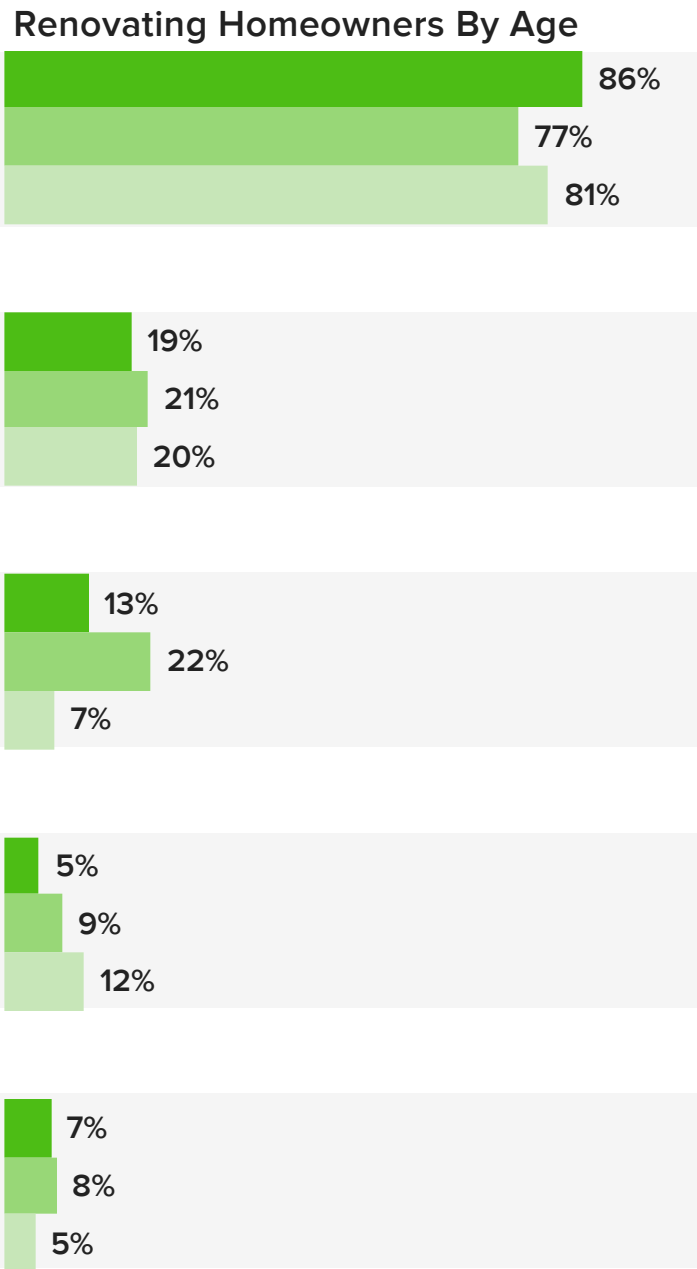
How We Are Funding Our Home Renovations

Charts below show the frequency of top five funding sources for home renovations, overall and by age, as reported by homeowners who renovated their primary homes in 2019*.

Top Five Renovation Funding Sources In 2019



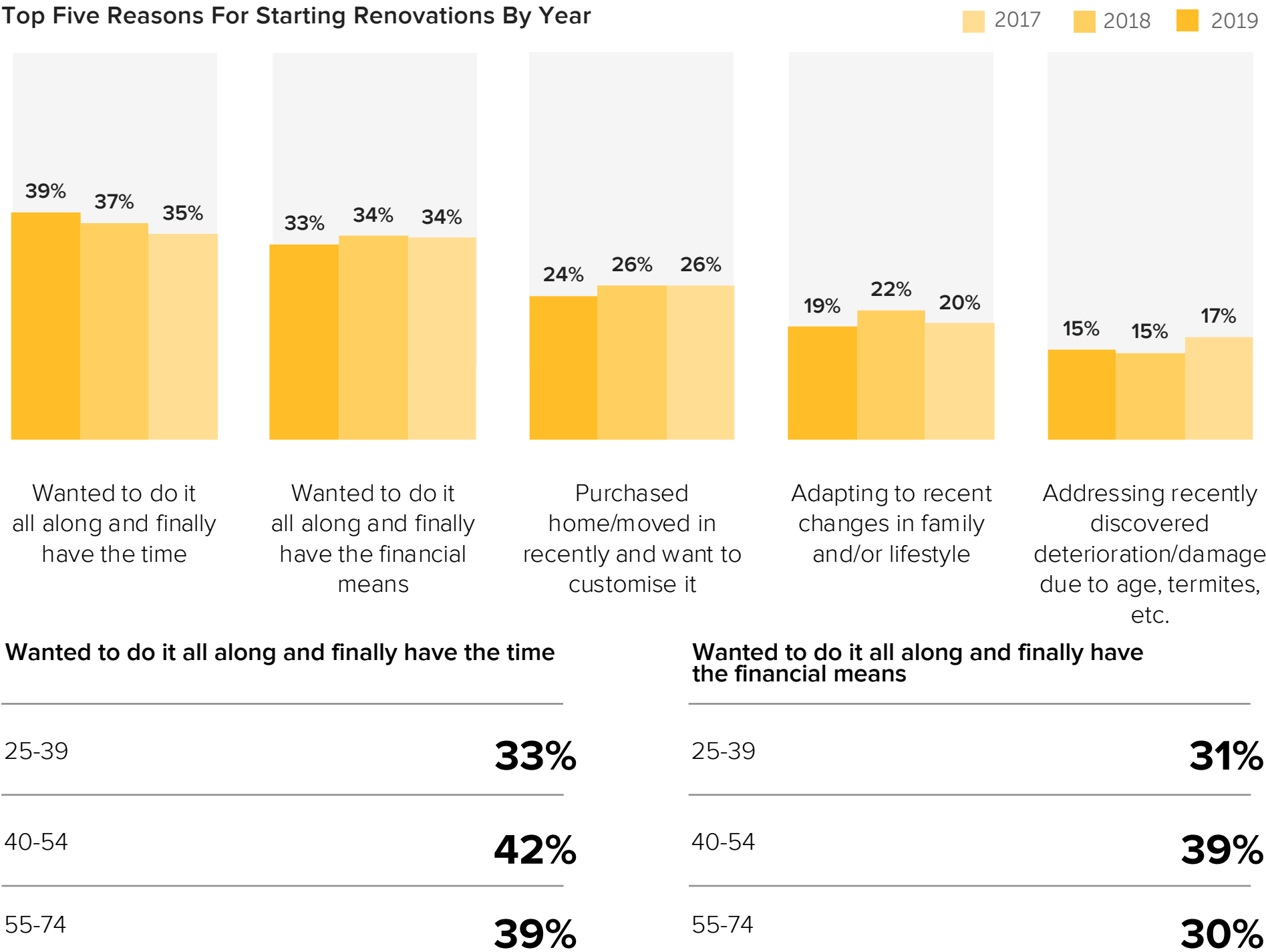
Renovating Homeowners By Age



*Year-over-year comparison are not possible due to a change in question wording.

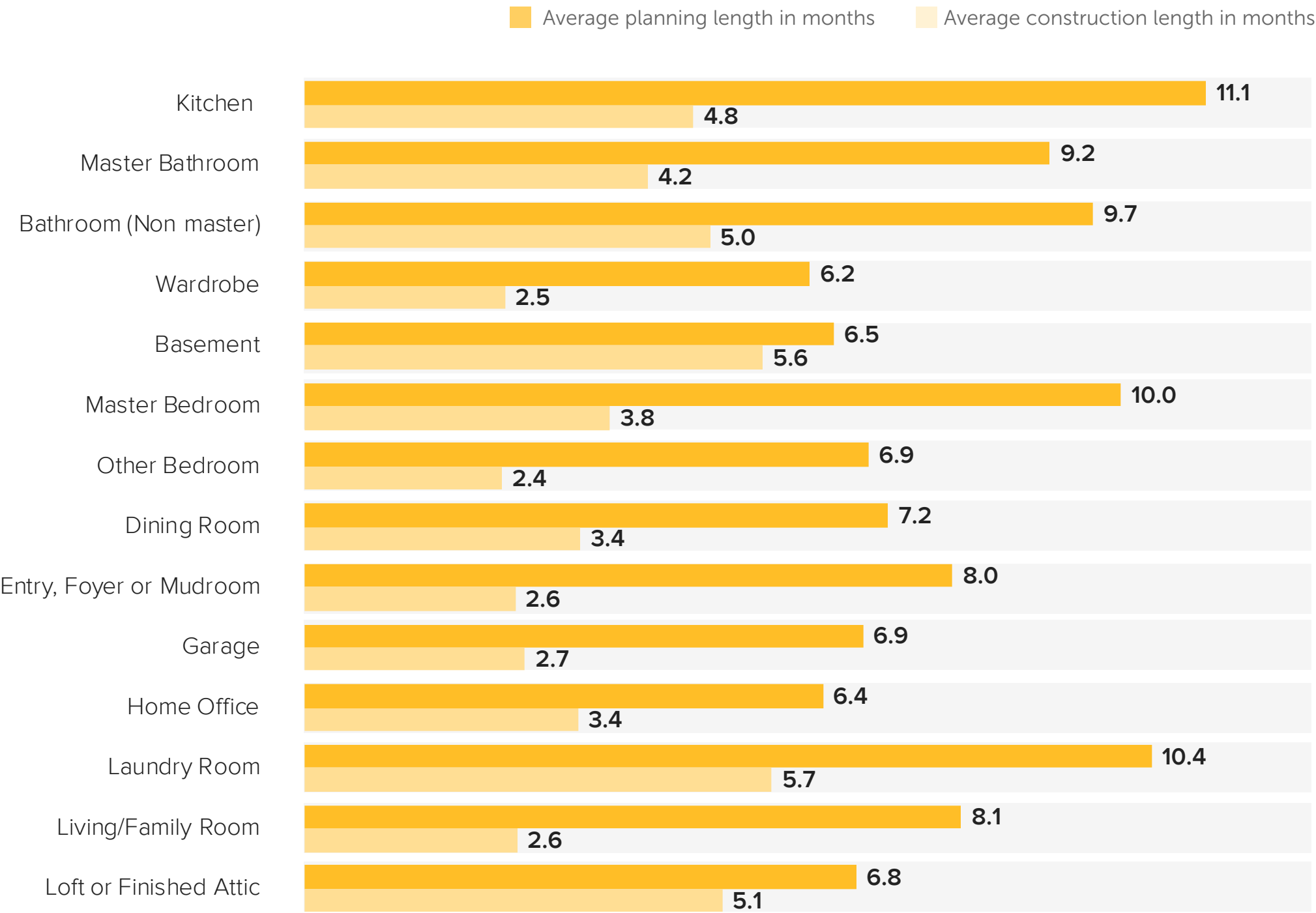
Why We Are Renovating Now

Chart below shows the frequency of top five reasons for starting renovations, overall and by age, as reported by homeowners who renovated their primary homes in 2017, 2018 and 2019.



How Long Does a Renovation Project Take Us

Chart below shows the frequency of project planning length construction length during renovations as reported by homeowners who renovated their primary homes in 2019.

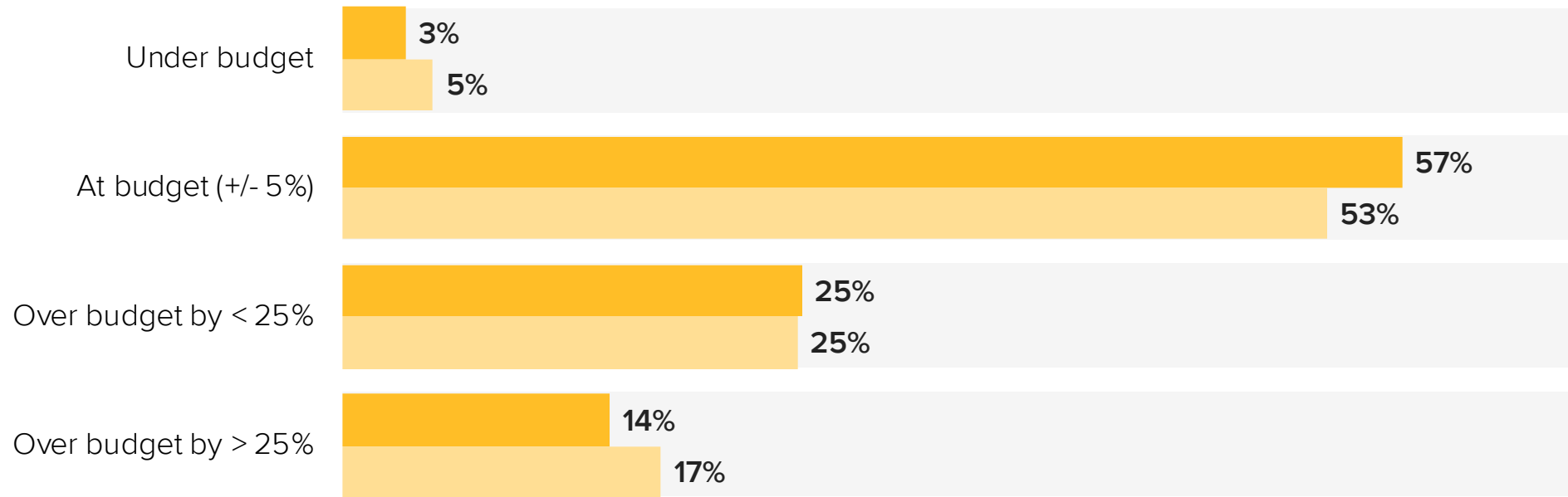


How We Are Meeting Our Budget Goals

2017 2019

Charts below show the frequency of homeowners setting initial renovation budgets, whether they met those budgets, and reasons for going over budget, as reported by homeowners who renovated their primary homes in 2017 and 2019*.

Frequency of Renovation Budgets Among Homeowners Who Renovated In 2017 vs. 2019



Had An Initial Budget Before Starting A Renovation

2019	68%
2017	74%

Top Reasons For Going Over Budget

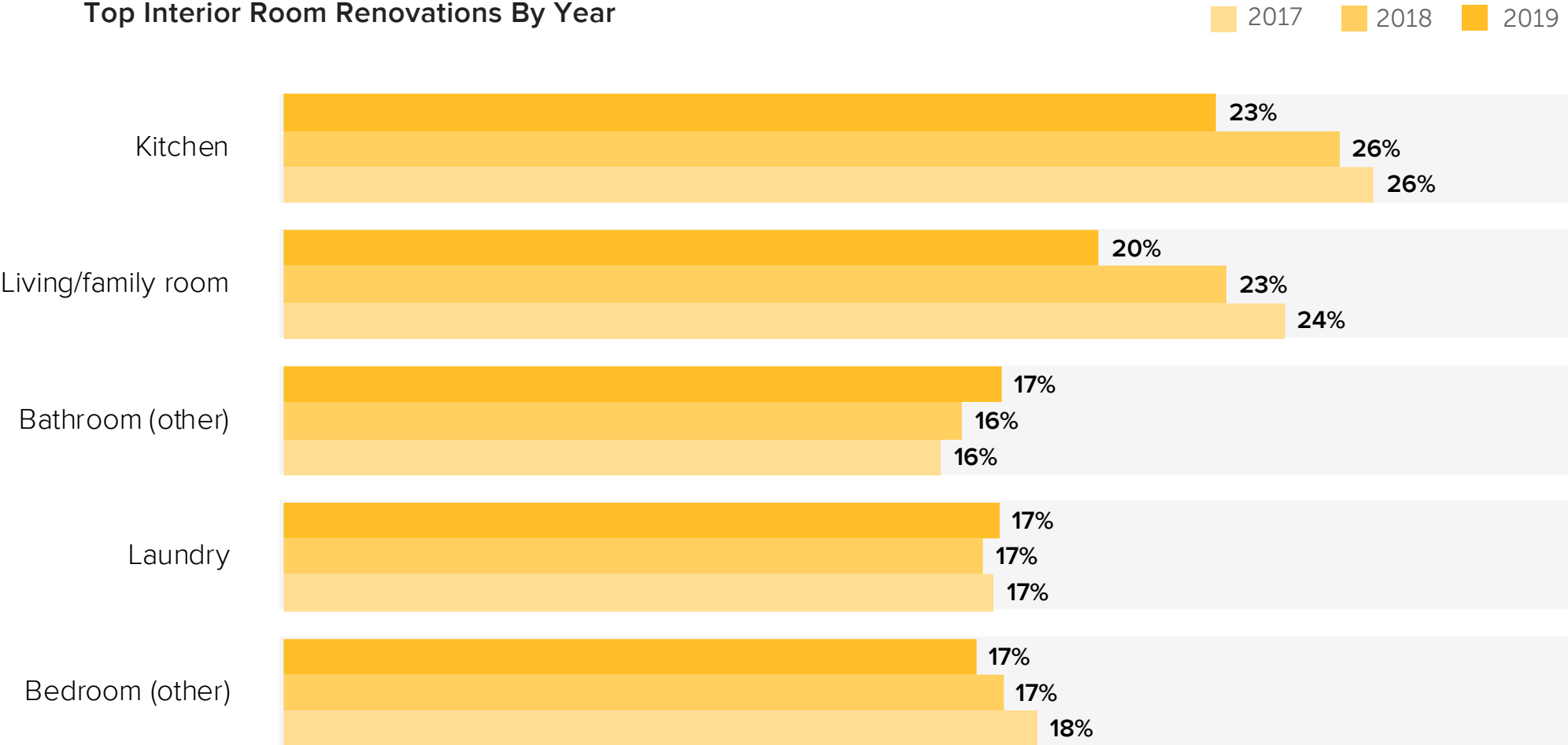
Products or services were more costly than expected	40%
Project was more complex than expected	33%
Decided to buy more expensive products or materials	31%

*These questions were not asked in 2018.

Where We Focus Our Efforts

Charts and tables below show the frequency of most popular 2017, 2018 and 2019 renovations of interior rooms, as well as 2019 upgrades of home systems, exterior building features, and outdoor features, as reported homeowners who renovated their primary homes.

Top Interior Room Renovations By Year



Top Home System Upgrades in 2019

Plumbing	31%
Electrical	30%
Cooling	24%

Top Exterior Feature Upgrades in 2019

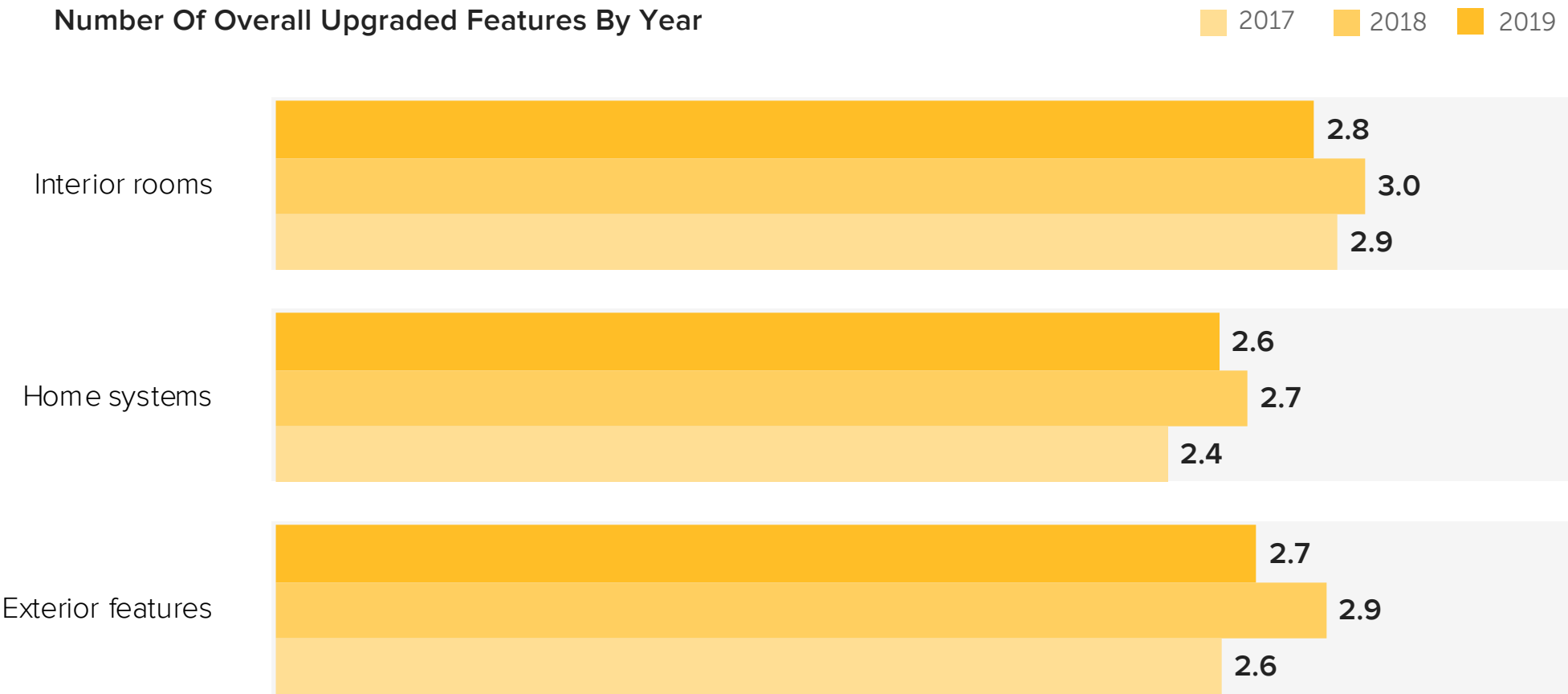
Exterior paint	27%
Gutters/drain pipes	21%
Windows or skylights	19%

Top Outdoor Feature Upgrade in 2019

Beds & borders	27%
Planters or planter boxes	26%
Fence	24%

How Many Features We Upgrade

Charts and tables below show the average number of upgrades during home renovations in 2017, 2018 and 2019, and frequency of these upgrades by age, as reported homeowners who renovated their primary homes.

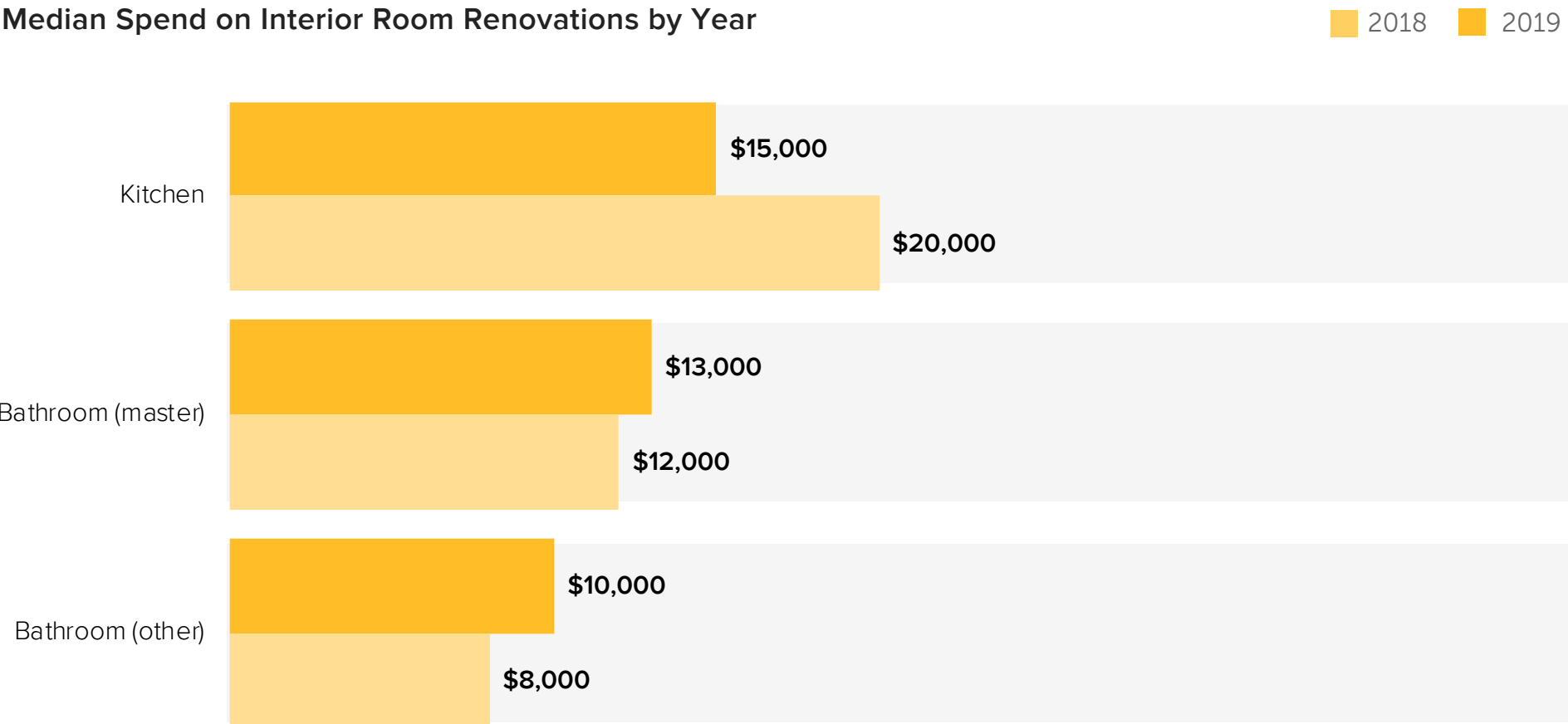


Renovating Homeowners By Age		
Interior rooms	Home systems	Exterior features
25-393.2	25-392.6	25-392.5
40-542.9	40-542.8	40-542.9
55-742.7	55-742.5	55-742.6

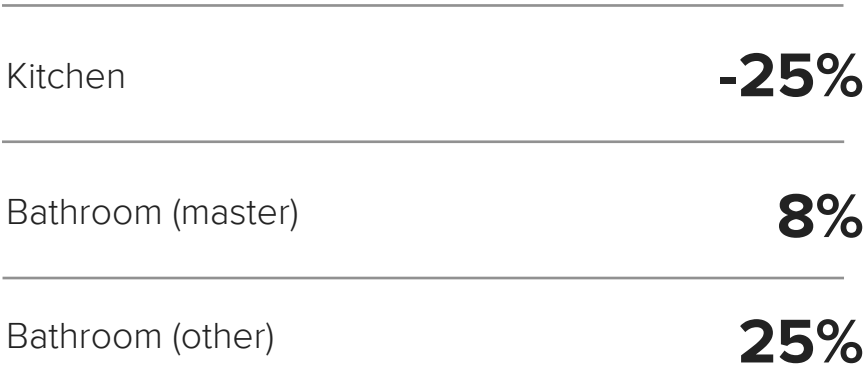
How Much We Spend on Interior Renovations

Charts below show the 2018 and 2019 median spend on interior room renovations, as well as the percentage change between 2018 and 2019, as reported by homeowners who renovated these interior spaces in their primary homes.

Median Spend on Interior Room Renovations by Year



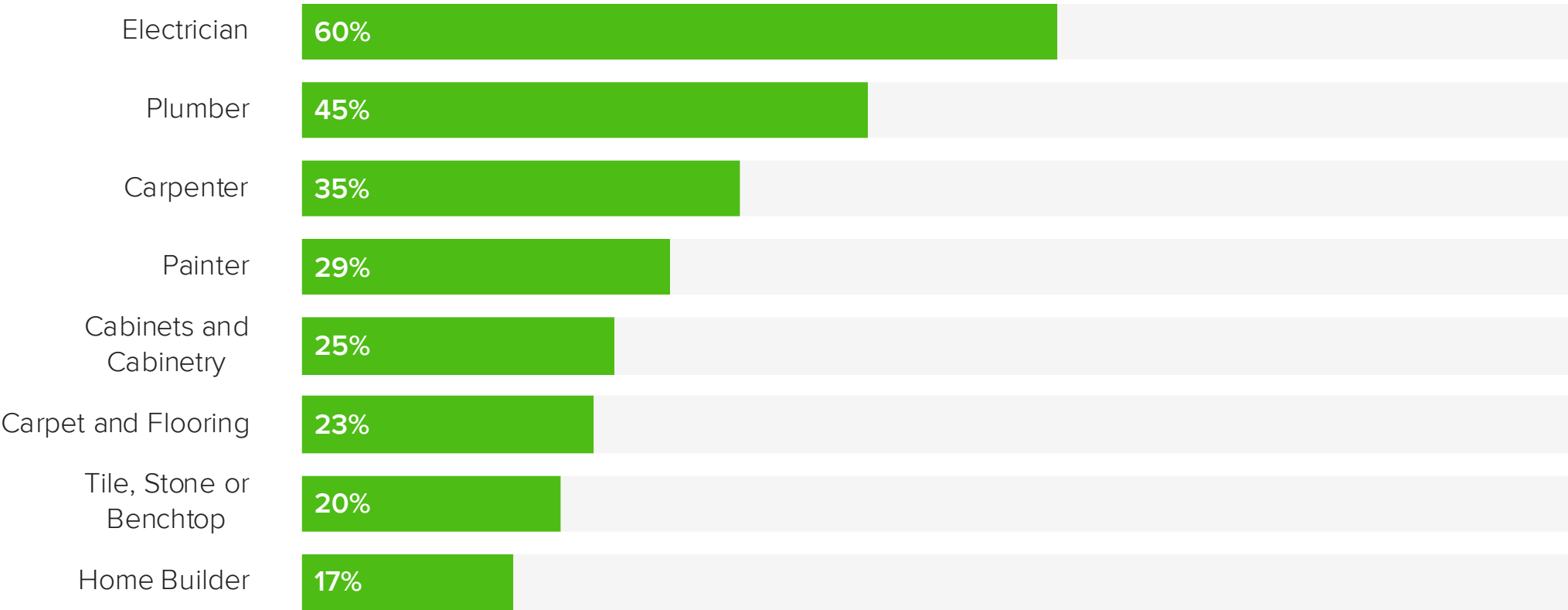
2019 Median Spend Change (%)



How We Plan Our Home Renovations

Charts and tables below show the frequency of professional hiring in 2017, 2018 and 2019, overall and by age, as reported by homeowners who renovated their primary homes.

Specific Pro Hiring In 2019



Overall Pro Hiring

2019	89%
2018	90%
2017	92%

Overall Pro Hiring By Age

25-39	88%
40-54	89%
55-74	89%

Methodology



APPROACH

Houzz is an all-in-one resource for homeowners working on a home renovation or decorating project. Our large and engaged user community is able to provide unprecedented insights on the latest market trends based on users' home improvement activity. We aggregate and share these insights with the community to give people greater confidence in the choices they make for their homes, and to give home professionals greater insights into their clients' wants and needs. With these goals in mind, Houzz conducted an online quantitative survey of registered Houzz users regarding trends in home improvement and design, fielded between February 5, 2020 and March 5, 2020. The annual Houzz & Home study is the largest survey of residential renovating, building and decorating activity conducted. This survey covers every aspect of home renovation in 2019, from interior renovations and additions to home systems, exterior upgrades and outdoor projects. This includes the historical and planned spends, professional involvement and motivations behind these projects, as well as activities planned for 2020.

COMPLETES AND QUALIFICATIONS

The 160-question survey gathered information from Houzz users who identified themselves as 18 years old or older and homeowners. The final sample consists of 4,660 respondents in Australia. The current report relies on a subset of responses, i.e., Australian homeowners on Houzz (n=4,205) and Australian homeowners on Houzz who renovated their primary residence in 2019 (n=1,943).

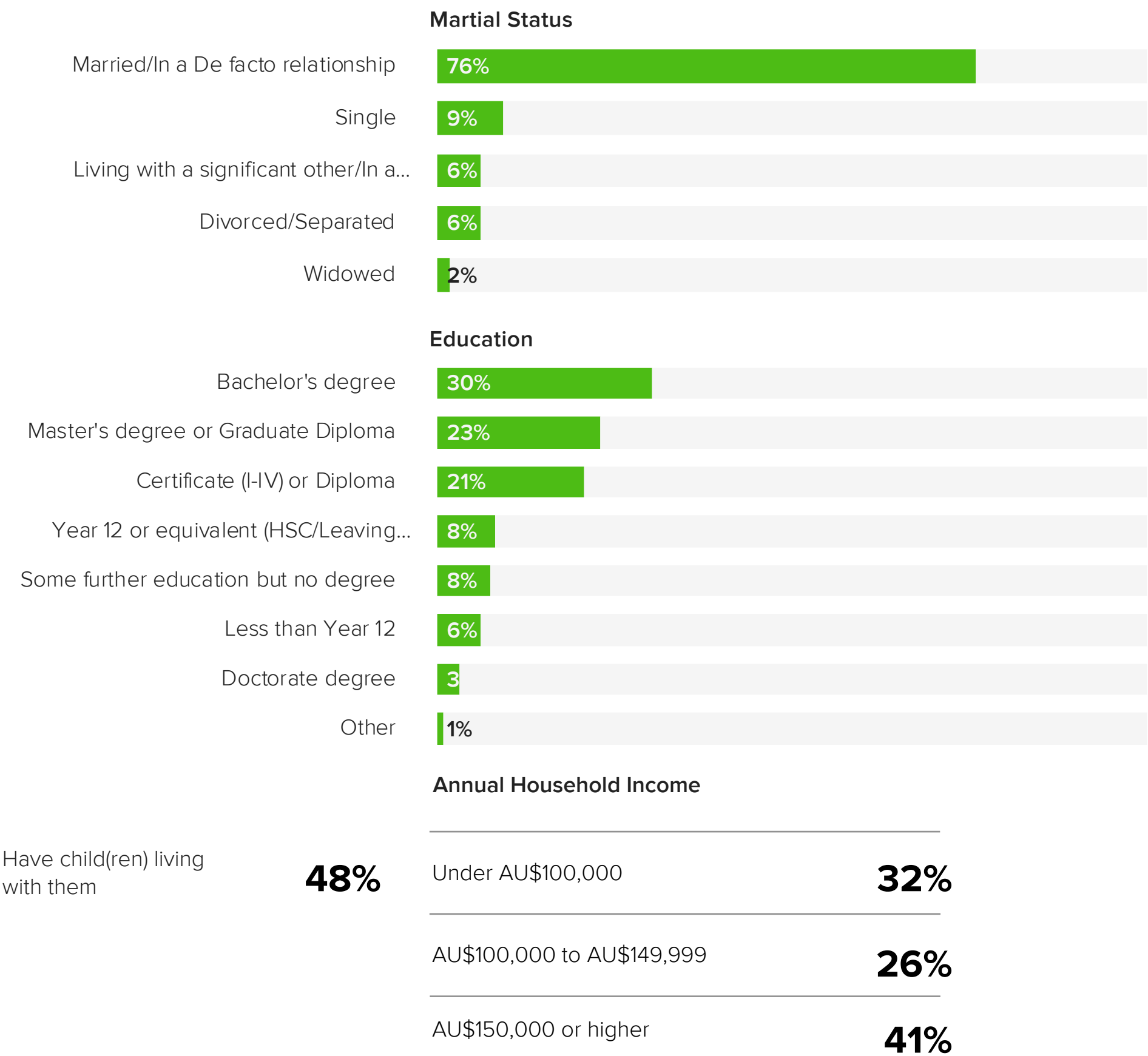
SAMPLING AND WEIGHTING

Data were gathered via an email sent to registered Houzz users. The link invited homeowners to tell us about their homes. Respondents were notified that aggregate findings would be shared with the larger Houzz community to help others in completing their own renovations. The final data were reviewed to ensure representation of the Houzz user populations.

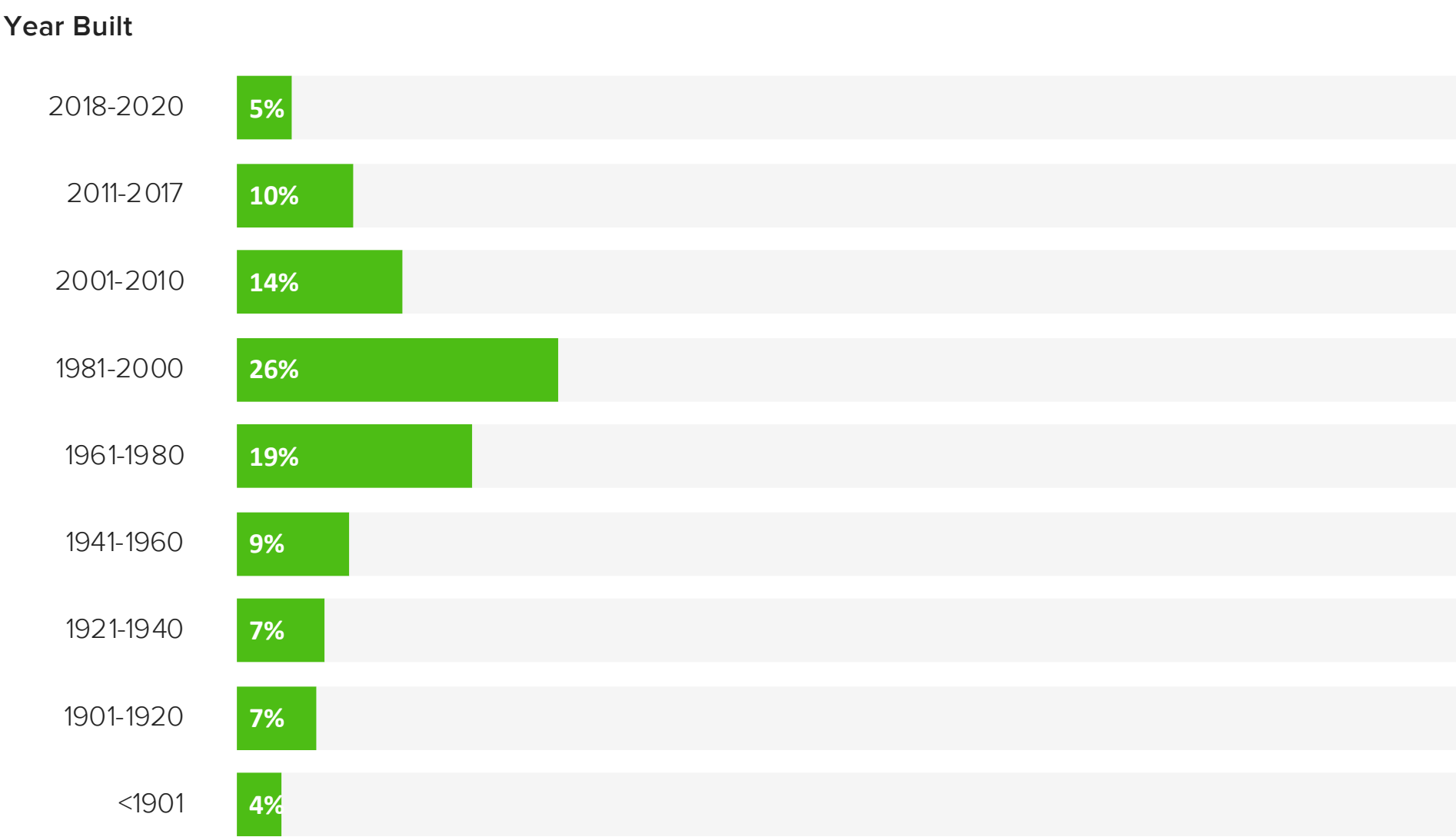
Appendix



A. 2019 Renovating Homeowner Demographics



B. Characteristics of Homes Renovated in 2019



Home Type	
Detached - single family	81%
Townhouse or terrace	7%
Duplex, triplex, quadruplex	3%
Other	9%

Owner-reported Home Value	
Under AU\$500,000	18%
AU\$500,000 to AU\$999,999	47%
AU\$1,000,000 or higher	35%