

2022

Houzz & Home

AUSTRALIA

**Overview of Home Renovation
in 2021 and 2022**



Big Ideas



HOME RENOVATION ACTIVITY & SPEND HIT THREE-YEAR HIGH

Nearly half of homeowners renovated their homes in 2021 (48%), up from 44% in 2020. Homeowners recorded a significant 43% jump in median renovation spend at \$30,000 from \$21,000 in 2020. This growth can be attributed to homeowners with higher budget projects (the top 10% of spend) increasing their investment from \$150,000 in 2020 to \$230,000 in 2021.

PLANNED RENOVATION SPEND INCREASES

YEAR-OVER-YEAR

Home renovation activity continues into 2022, with nearly half of homeowners planning to renovate (49%) and nearly two-fifths planning to decorate (39%) this year. For the first time since 2019, homeowners' planned spend has increased to \$25,000 for 2022 versus \$15,000, a 67% jump. Homeowners with higher-budget renovations (the top 10% of spend) are planning to spend \$138,000 on projects in 2022.

DEMAND GROWS FOR HOME PROFESSIONALS

Homeowners sought help from professionals for their renovations in 2021 (94%) more often than in the year prior (91%). Homeowners relied most heavily on the expertise of specialty service providers such as electricians (68%) and plumbers (54%) for their projects. That said, builders (24%) and architects (10%) were the most hired professionals in construction and design-related services, and saw a significant jump in 2021 compared with 2020 (19% and 6%, respectively).

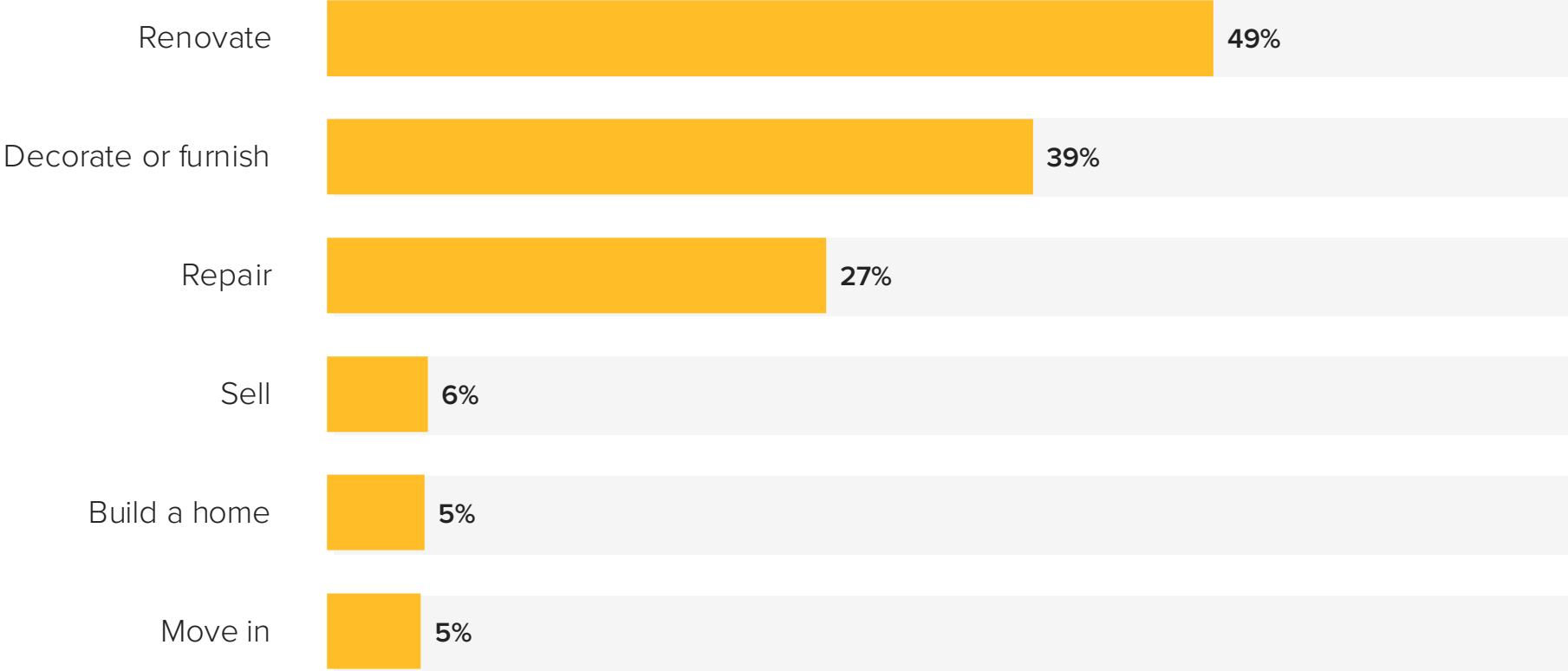
SWITCHING UP INTERIORS

Investments in interior rooms remained the priority for seven in ten renovating homeowners in 2021 (70%). Kitchens are both the most popular interior room to be upgraded and the room that commanded the highest spend at \$20,000. Interior rooms that saw the most dramatic increase in popularity from the previous year included guest bedrooms (24%), guest bathrooms (23%), an entry or mudroom (17%) and wardrobes (16%).

What We Are Planning for 2022

Chart and tables show the frequency of planned activities and planned spend in 2022, related to the primary home, as reported by homeowners on Houzz Australia.

Planned Activities in The Home by Year



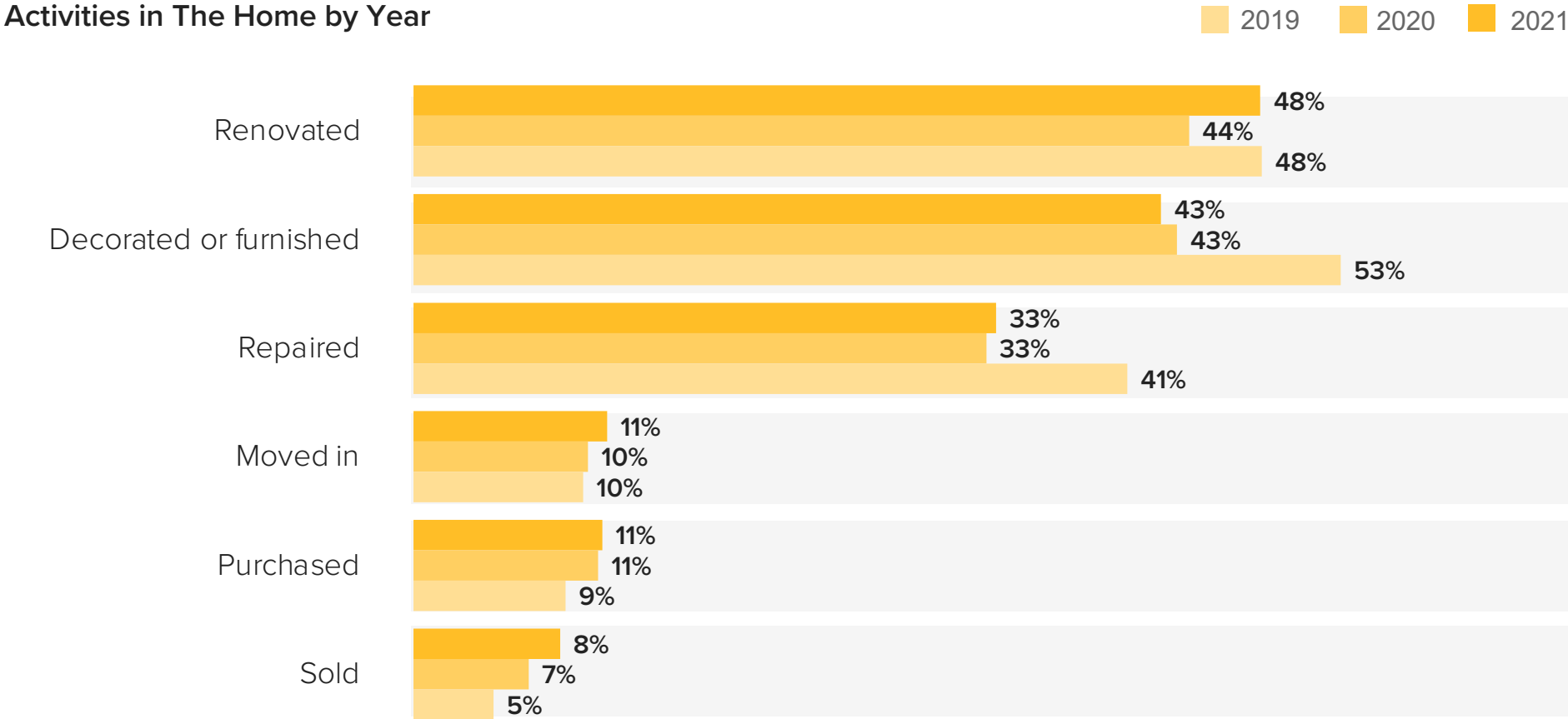
Annual Planned Renovation Spend (AUD\$)

2022	
MEDIAN	25,000
90TH PERCENTILE*	138,000

*The top 10 percent of home renovation projects by spend.

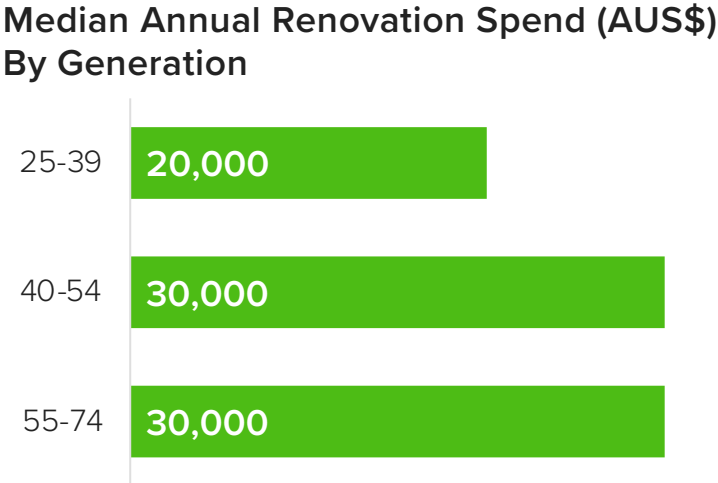
What We Are Doing in Our Homes

Charts and tables show the frequency of activities related to the primary home in 2019, 2020 and 2021, as well as the median renovation spend per renovating homeowner in 2019, 2020 and 2021, overall and by age, as reported by homeowners on Houzz Australia.



Annual Renovation Spend (AUD\$)

	2019	2020	2021
MEDIAN	20,000	21,000	30,000
90TH PERCENTILE*	150,000	150,000	230,000

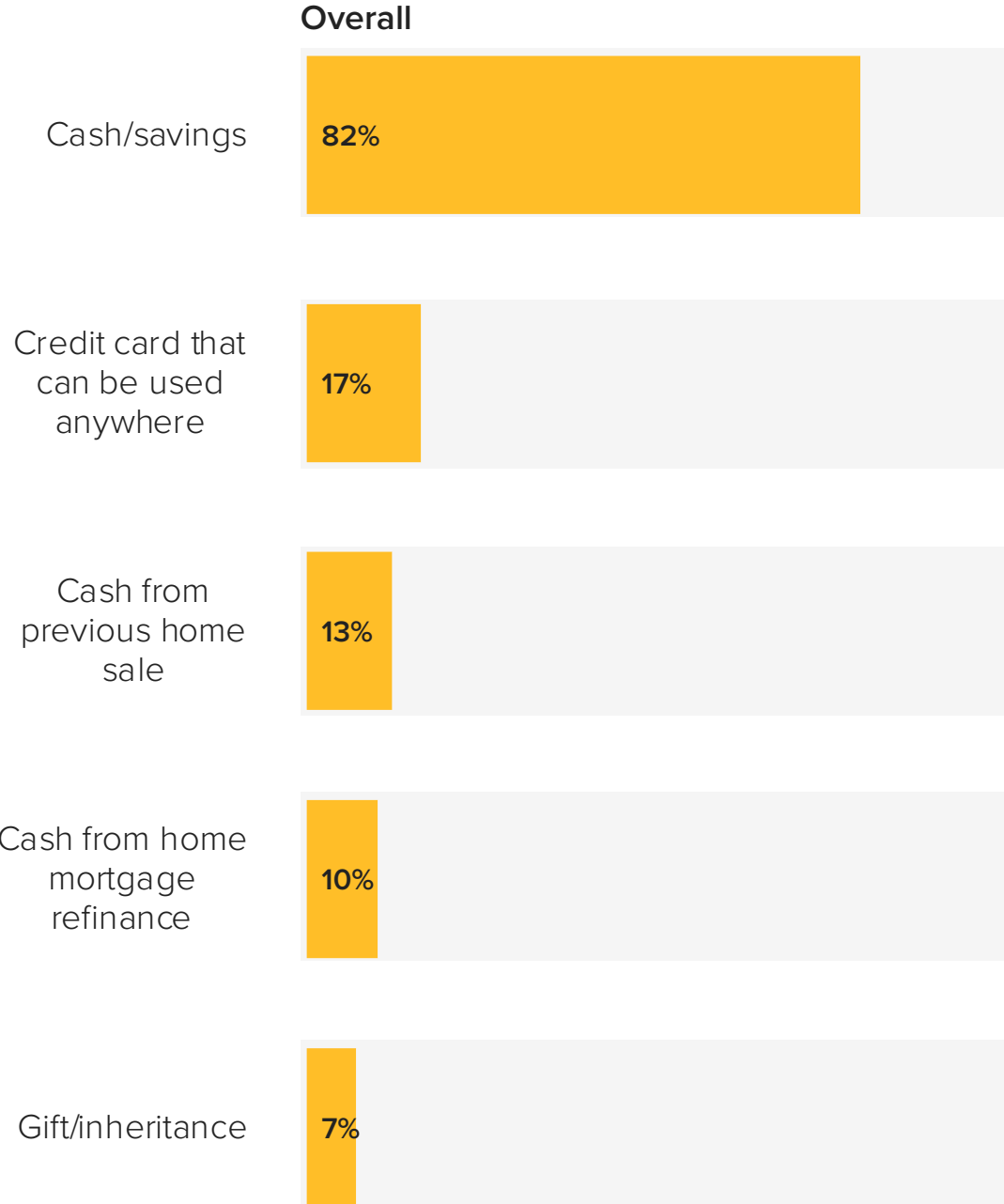


*The top 10 percent of home renovation projects by spend.

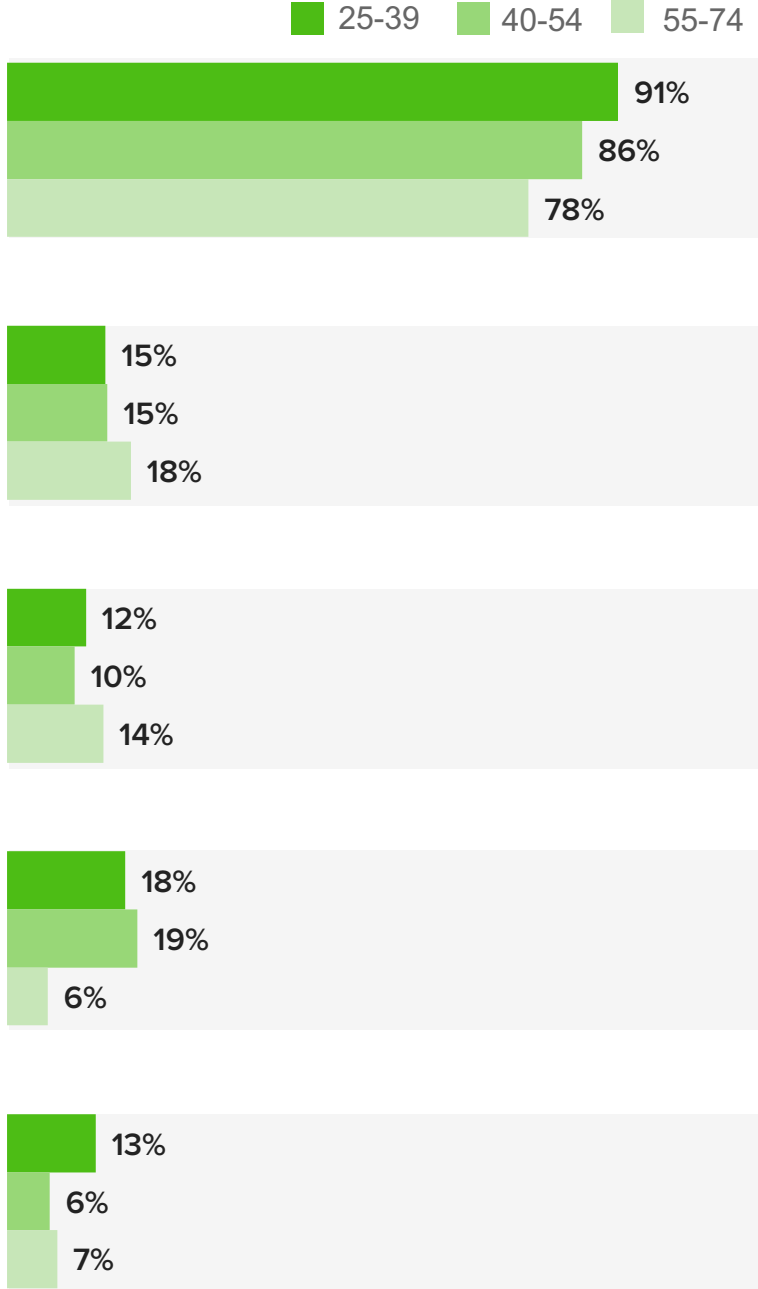
How We Are Funding Our Home Renovations

Charts 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 2021.

Top Five Renovation Funding Sources in 2021



Renovating Homeowners by Age

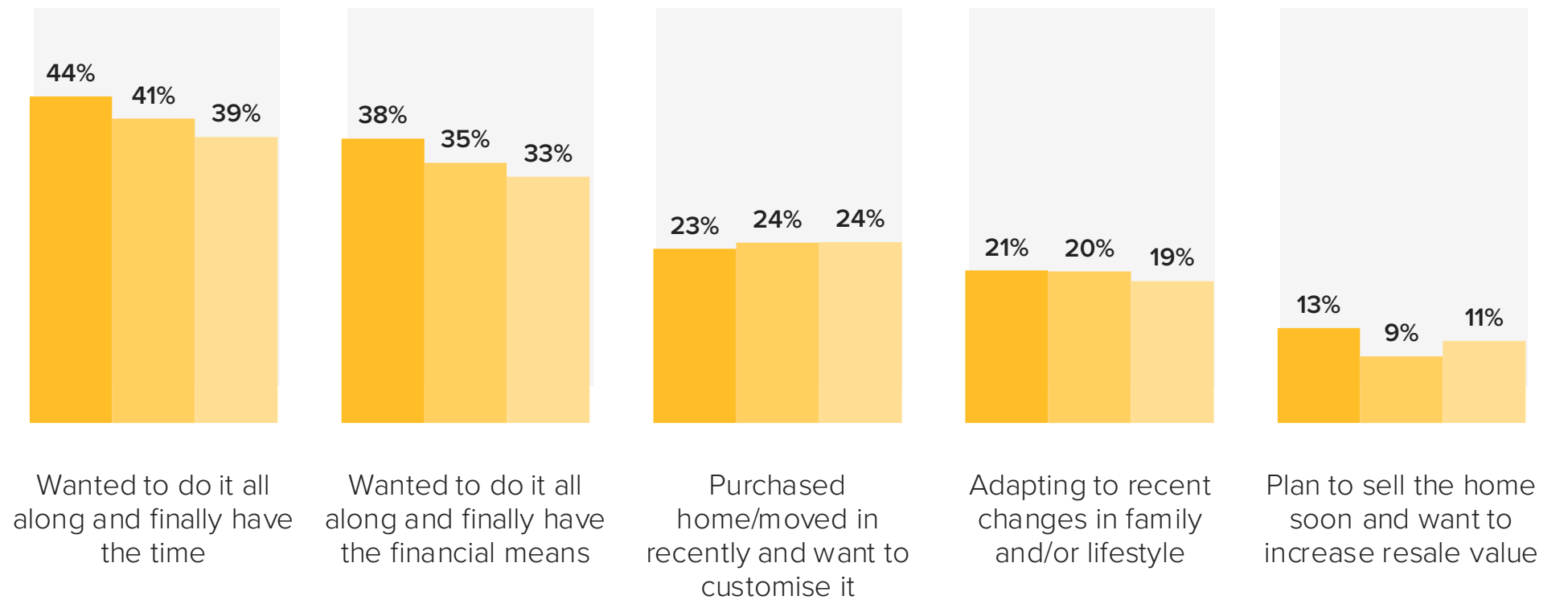


Why We Are Renovating Now

Chart and tables show the frequency of top five reasons for starting renovations, overall and by age, as reported by homeowners who renovated their primary homes in 2019, 2020 and 2021.

Top Five Reasons for Starting Renovations by Year

2019 2020 2021



Wanted to do it all along and finally have the time

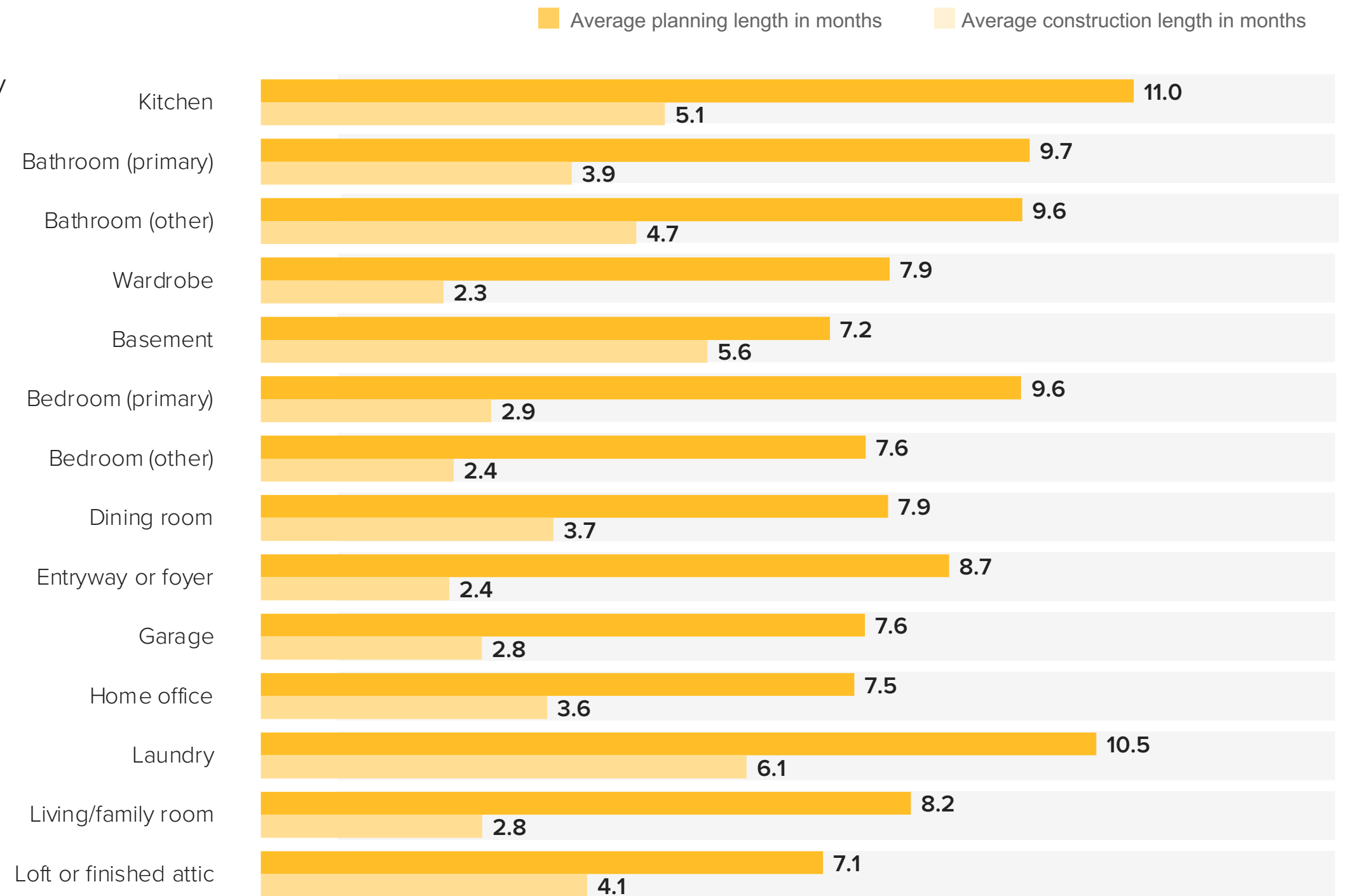
Wanted to do it all along and finally have the financial means

25-39	36%
40-54	53%
55-74	40%

25-39	33%
40-54	41%
55-74	38%

How Long Does a Renovation Project Take Us

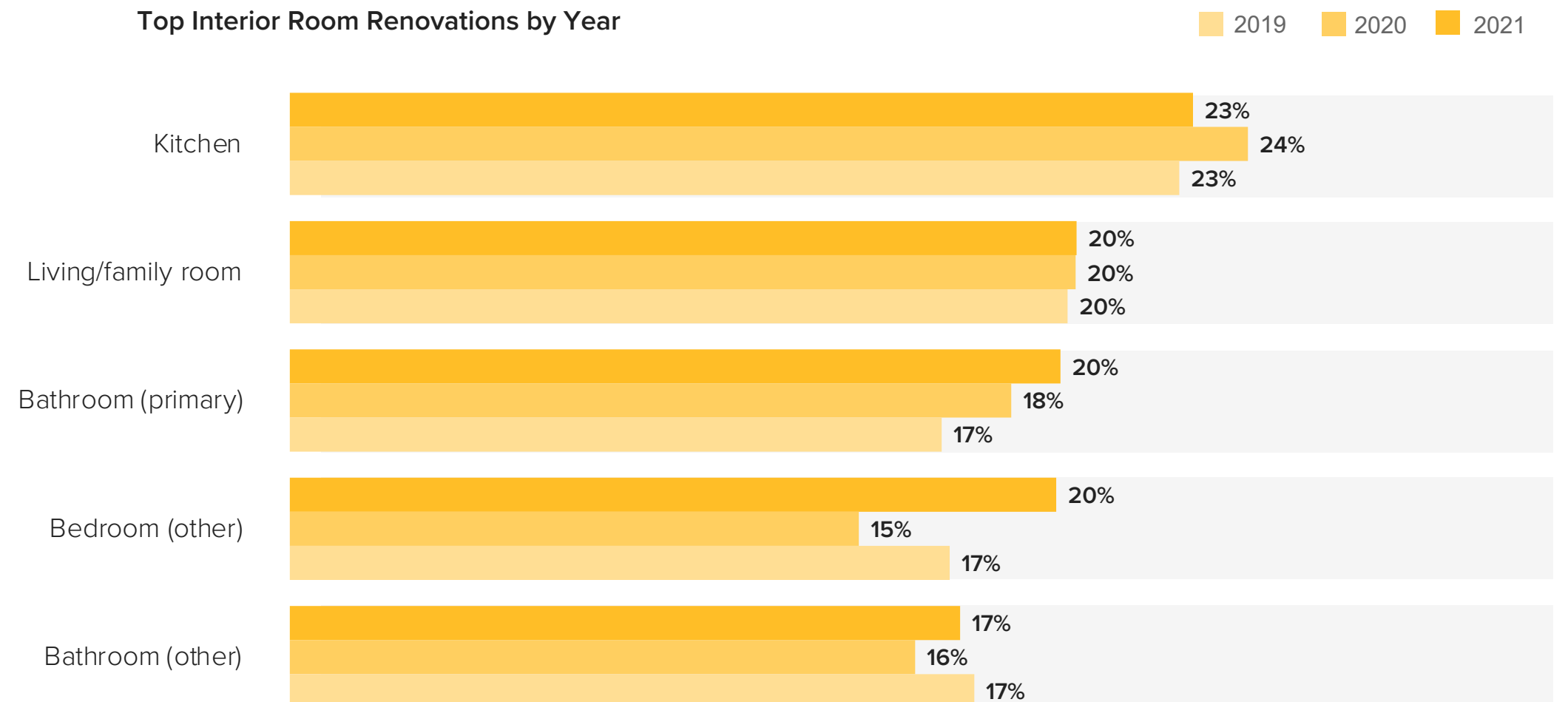
Chart below shows the frequency of project planning and construction lengths in months as reported by homeowners who renovated their primary homes in 2021.



Where We Focus Our Efforts

Charts and tables show the frequency of most popular interior room renovations in 2019, 2020 and 2021, as well as 2021 upgrades of home systems, exterior building features, and outdoor features, as reported by homeowners who renovated their primary homes.

Top Interior Room Renovations by Year



Top Home System Upgrades in 2021

Plumbing	31%
Electrical	28%
Cooling	24%

Top Exterior Feature Upgrades in 2021

Exterior paint	26%
Gutters/drain pipes	22%
Windows or skylights	19%

Top Outdoor Feature Upgrade in 2021

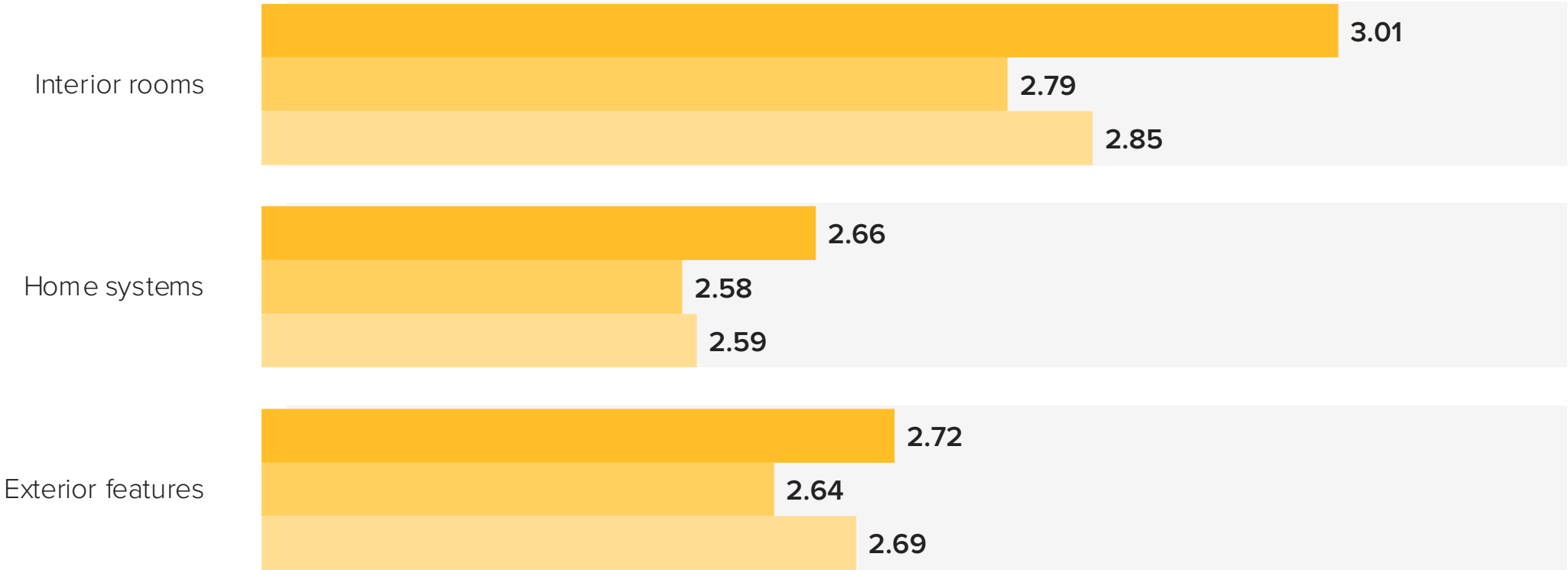
Beds & borders	28%
Planters or planter boxes	24%
Lawn	21%

How Many Features We Upgrade

Charts and tables show the average number of upgrades during home renovations in 2019, 2020 and 2021, and frequency of these upgrades by age, as reported homeowners who renovated their primary homes.

Number Of Overall Upgraded Features By Year

2019 2020 2021



Renovating Homeowners By Age

Interior rooms

Home systems

Exterior features

25-39	3.2
40-54	3.1
55-74	3.0

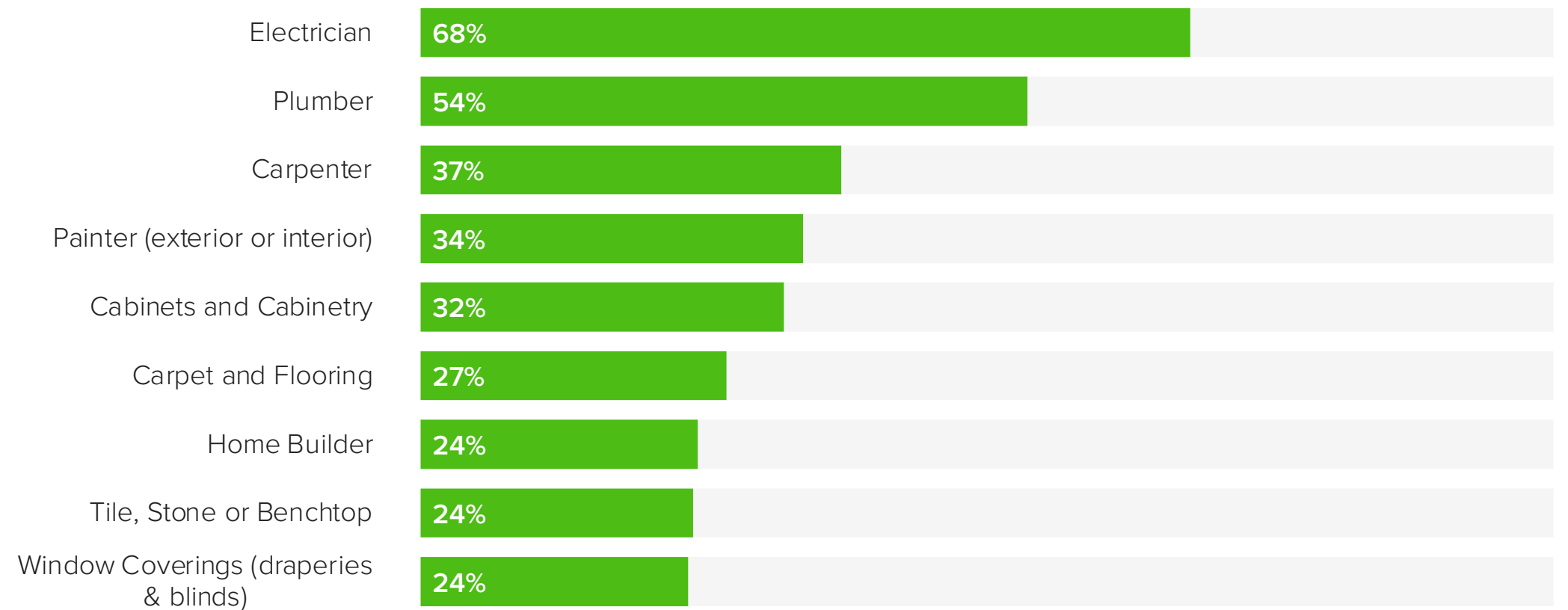
25-39	2.9
40-54	2.7
55-74	2.7

25-39	2.8
40-54	2.8
55-74	2.7

How We Plan Our Home Renovations

Charts and tables show the frequency of professional hiring in 2019, 2020 and 2021, overall and by age, as reported by homeowners who renovated their primary homes.

Specific Pro Hiring In 2021



Overall Pro Hiring

2021	94%
2020	91%
2019	89%

Overall Pro Hiring By Age

25-39	89%
40-54	92%
55-74	94%

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 March and April 2022. 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 2021, from interior renovations and extensions 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 2022.

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 2,267 respondents in Australia. The current report relies on a subset of responses, i.e., Australia homeowners on Houzz (n=2,122) and Australia homeowners on Houzz who renovated their primary residence in 2021 (n=988).

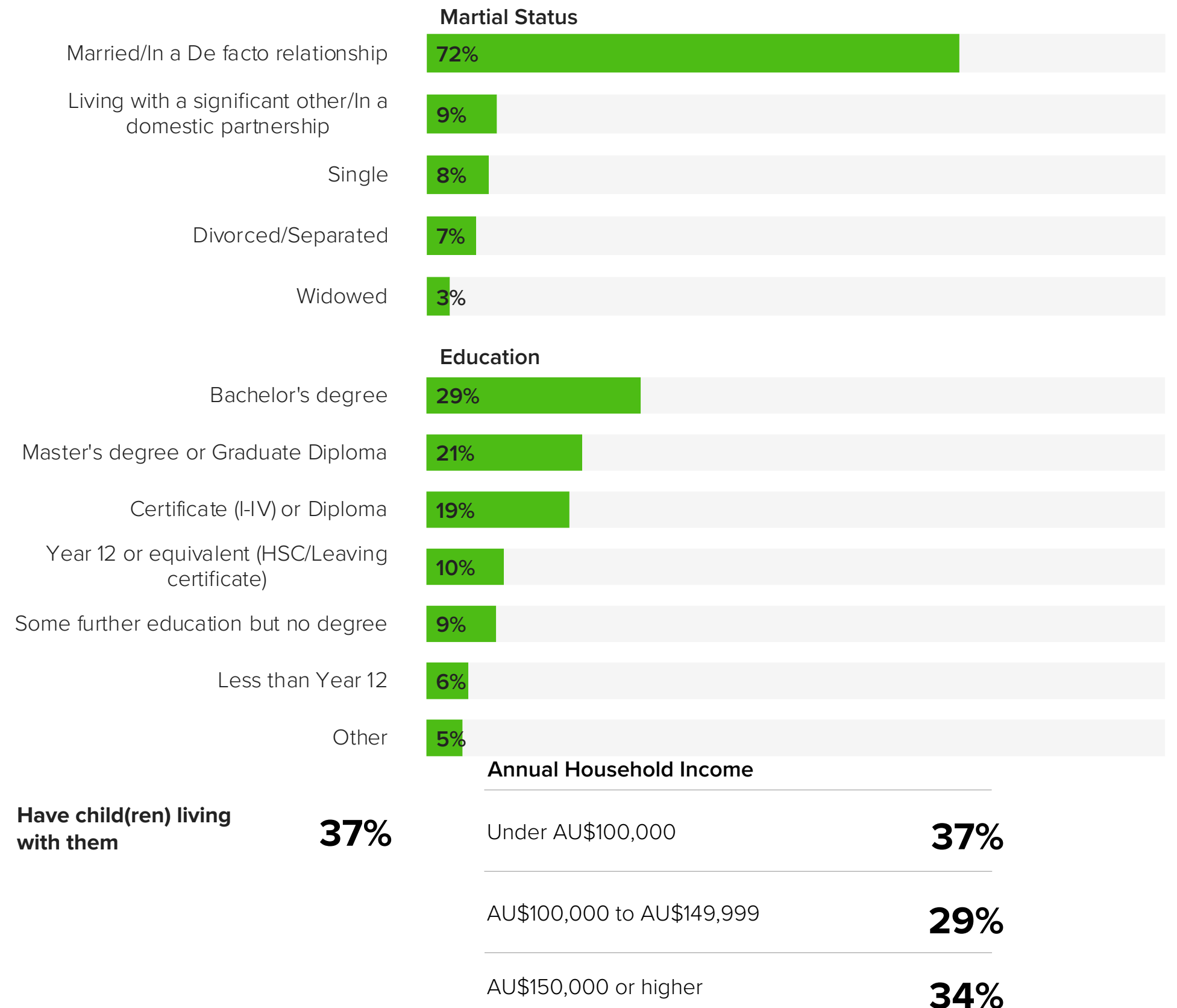
SAMPLING AND WEIGHTING

Data was 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 was reviewed to ensure representation of the Houzz user populations.

Appendix

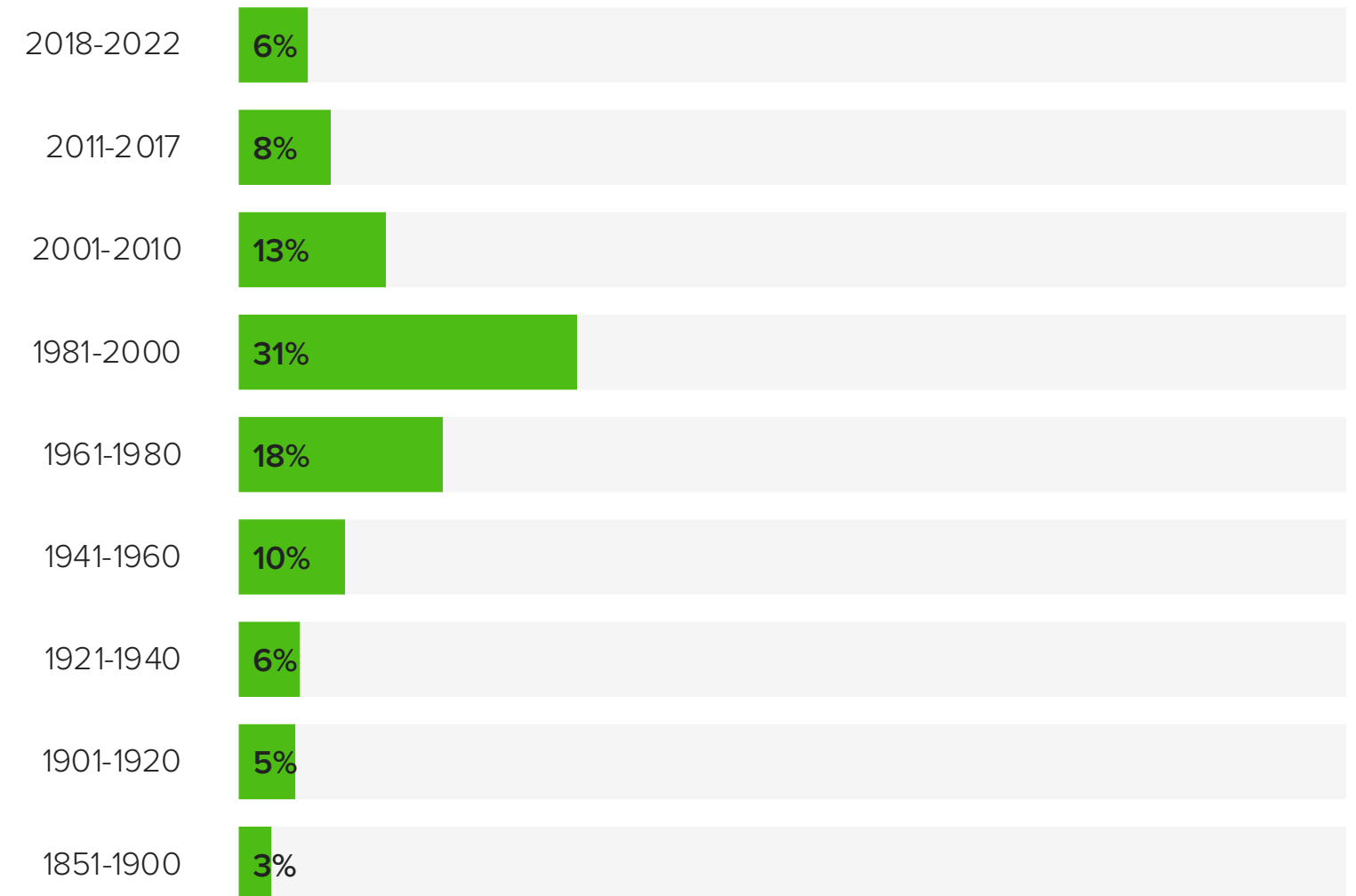


A. 2021 Renovating Homeowner Demographics



B. Characteristics of Homes Renovated in 2021

Year Built



Home Type

Detached - single family	84%
Townhouse or terrace	5%
Duplex, triplex, quadruplex	3%
Other	8%

Owner-reported Home Value

Under AU\$500,000	11%
AU\$500,000 to AU\$999,999	39%
AU\$1,000,000 or higher	49%