

ABSTRACT

Title of Thesis: THE ECONOMIC VALUE OF PRESERVING HISTORIC INTERIORS

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This thesis examines the role of intact interiors in historic residential buildings in order to determine whether they add significant economic value in the real estate marketplace.

The thesis first examines the existing body of knowledge on economics and preserving historic interiors as well as the changes that have taken place in American residential interiors over time. It next explores the concept of "intactness" in privately owned residential historic interiors and considers the various means available to encourage their protection. The thesis then presents a research method for determining whether historic homes that have their interior character-defining features intact are worth more on the market than those which do not retain their key interior elements. This research method is tested in Charleston, South Carolina, and is accompanied by results from interviews of Realtors throughout the United States specializing in the sale of historic properties.

The research method includes an aggregate analysis of properties with “intact” versus “altered” interiors on a variety of measures representing value and selling time, as well as a paired-sales analysis which isolates the increment in value ascribed to intact interior features. The analysis revealed a 14% premium in the price of historic homes with intact interiors, and found that, on every measure, historic homes with interior features intact sold for more, sold more quickly, and sold for a higher percentage of their asking prices than did altered properties. The author concludes that a meaningful and positive economic value can be attributed to intact historic residential interiors.