Home Staging Trends in North America and Industry Outlook for 2010

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INTRODUCTION

As the professional home staging industry gains respect as an essential and integrated component of the international real estate industry at large, the demand for valid industry performance statistics has also increased. However, the reality is that home staging statistics for “days on market” and “contract versus listing” prices vary significantly due to differences in regional real estate markets. In 2009, the Canadian real estate market fared much better than the U.S. market, which suffered an extraordinary decline because of the banking crisis and recession. Furthermore, regional differences can also be significant. However, the common fact remains that irrespective of location and/or market conditions, professionally staged properties sell faster and for more money than comparable properties, which are not staged.

CSP International™ believes it is important to acknowledge these differences, while still providing an overview of value to the 2009 Home Staging Industry in North America. In this report we feature several specific key areas of Canada and the U.S., as well as highlight the market differences and local trends in home staging. We have consulted with home staging experts and real estate professionals to share their valuable perspective on 2009 and their outlook for 2010.

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Attention Media Sources

For recommended staging experts or any other requests, please contact Angela Brooks at 1-888-782-4464 or (angela@stagingtraining.com) or Christine@stagingtraining.com.
CANADA

According to www.royallepage.ca, “The 2009 real estate market experienced sales activity lagging approximately one month behind the typical seasonal patterns,” said Phil Soper, president and chief executive, Royal LePage Real Estate Services. “The economic recession halted the flow of the real estate cycle from the fourth quarter of 2008 through the first quarter of 2009, but got back on track, albeit delayed by the end of the year.”

In January 2010, Royal LePage’s House Price Survey and Market Survey Forecast projected that “Canada’s residential real estate market is forecast to remain unusually strong through the first half of 2010 as economic conditions across the country improve and the stimulus impact of low interest rates continues to stoke demand.”

At the end of March, The Globe and Mail reported that the job market and housing are leading a robust economic rebound and that growth forecasts have been upgraded. “The road is clear for the rest of 2010,” said Yanick Desnoyers, assistant chief economist at National Bank. “Canada is on the brink of moving from recovery to expansion.”

“As for home sales, Canada didn’t come close to experiencing the meltdown in real estate that occurred in the United States, and the housing market has been on a tear recently. Home sales, while slowing this year, jumped 44 per cent year over year in February, and the average price of all homes sold on the Multiple Listing Service was $335,655, up 18.2 per cent from a year ago.” (Read the full article online at http://www.theglobeandmail.com/report-on-business/job-market-and-housing-lead-robust-economic-rebound/article1514242/.)

Here we highlight three of Canada’s largest cities: Toronto, Vancouver and Montreal.
Toronto

Toronto was one of the first cities in North America to embrace home staging and continues to set an outstanding example of a savvy real estate market where most properties are staged before they are listed. It’s a win-win-win for sellers, agents and stagers in this progressive Canadian city.

Duncan Scott, president of The Scotts Group Inc., has been working for over twenty years with "people on the move" in Canada, the United States and the United Kingdom, as a former real estate agent/manager and as a trainer for CSP International Business Training Academy, his exceptional experience and staging expertise have led to his impressive success as one of Toronto’s top home stagers.

“The Toronto market rebounded from the downturn in the fall of 2008 very quickly. By March of 2009, Toronto was back in a ‘seller’s market’ with very low inventory. Starting in January of this year most properties were being listed with a ‘hold back’ on offers, where the properties were going on the market on a Tuesday and not accepting offers until the following Monday. This method of marketing has created multiple offers on properties and has resulted in selling prices as much as 115% over asking. An example of this is thirteen offers on one property I staged at the end of January 2010, which was listed at $645,000 and sold for $755,000. Properties, which have been staged, but not held back, regularly go for at least asking, if not over, and often in a day.

Downtown Toronto real estate agents are very much in favor of staging. Most pay for consults and homeowners have been investing in full staging and showcasing for several years. Replacing hardwood, painting and doing other repairs, as well as replacing current furnishings with rentals and renting accessories, have been seen on properties of all price points, from condos to luxury properties.”
Vancouver

On the West Coast, beautiful Vancouver was full of optimism, setting the stage for the 2010 Winter Olympics, but the city couldn’t avoid fluctuations in the real estate market.

Jackson West, president of Reveal Estate, is a CSP International Academy trainer and mentor. His outstanding property styling, and exceptional flair with color have gained him international media attention and recognition as one of Canada’s leading home staging experts.

“In late 2008 while witnessing the financial collapse of our neighbours in the U.S. and complete loss of consumer confidence worldwide, I like many others speculated that the Vancouver real estate market might very well crash and burn. As the dark shadow of a global recession loomed overhead, my demographic saw a 15 % decline in home prices during January and February 09. It felt as though real estate transactions had all but ceased while buyers and sellers waited cautiously to see how the market would react.

By late March, the Vancouver home staging industry was back in full swing as the housing market quickly returned, allowing for significant and sustained increases. More agents were contacting stagers than ever before to provide consultations for their clients. Our market continued to heat up in July, August and September as funds from foreign investors poured into the city. My largest share of clients became those wanting their newly acquired investment properties furnished for rental or resale in anticipation of the Olympic Games.

Real estate activity in Vancouver reached an all time high in December of 2009. The Real Estate Board of Greater Vancouver (REBGV) reported total unit sales of detached, attached and apartment properties in 2009 reached 35,669, an extraordinary 44.8 % increase from the 24,626 unit sales recorded in 2008.

As buyers’ confidence in the market increases, so do their expectations. Moving forward through 2010, a growing number of home sellers in my market realize their property needs to be ‘move in’ ready and are enlisting the services of professional home staging companies. This is a trend I don't foresee ever coming to an end.”
Montreal

Montreal was always Canada’s leader in design and fashion, so it is ironic that home staging has not been as enthusiastically accepted as it has been in other Canadian cities. Fortunately, some Montreal real estate agents fully understand the value of home staging and offer it as a value-added service.

JJ Jacobs, president of JJ Jacobs Realty Inc., has thirty years experience in buying and selling properties. A principal component of the JJ Jacobs Realty Listing Advantage is “Home Staging – the Essential Service.” Due to the lack of staging services in the area, JJ and several of her agents invested in the Certified Staging Professionals training and now offer professional staging services to their clients.

“2009 got off to a rather slow start, but picked up very quickly in the spring. The Montreal market was not affected by the downturn in the U.S. and had not been in an overbuilt situation. This put Montreal on the map, attracting buyers and pushing up prices.

2010 is turning out to be a definite sellers’ market with a shortage of listings and multiple offers on many properties, provided they are priced ‘right’ and ‘show well’. Montreal agents have been slow to realize the benefits of staging, but are now beginning to appreciate the many rewards of hiring a professional stager.

We are starting to see more sellers, whose properties have been sitting on the market without being staged, turning to stagers to help them out. I feel that Montreal is just on the cusp of a ‘staging rush’ and see the spring market as favorable for everyone.”
THE UNITED STATES

The U.S. real estate market was hit hard in 2009 by the banking crisis and recession. Some markets suffered more than others and continue to be negatively affected by high unemployment and overwhelming numbers of foreclosures. This is in sharp contrast with Canada, where the job market and housing are leading the economic rebound. Fortunately, some areas in the U.S. are beginning to see an improving trend.

The New York Times recently highlighted the sharp contrast between the booming Canadian and depressed U.S. real estate markets. “The Canadian Real Estate Association reported that the average price of existing homes rose 19.8% in January 2010 compared to those in the month a year earlier. By contrast, the average price of existing homes in the U.S. rose 2.6% in the same period, according to the National Association of Realtors.” (Read the full article online at www.nytimes.com/2010/03/20/business/global/20real.html.)

East Coast

We feature two East coast cities, New York in the Northeast and Charleston, in the South. We also look at the state of Florida, which has suffered some of the greatest declines in real estate values.
New York City

Nairn Friemann

is a Certified Staging Professional and trainer for CSP International Academy. As president of Ingenuity & Pizzazz, Inc., one of New York City’s top home staging companies, she has collaborated with home sellers and agents on the staging and marketing of over $500 million in real estate. Nairn has achieved exceptional international media attention and was honored to be a nominee for RESA’s 2010 Professional Stager of the Year Award.

“In many ways the real estate market in New York had its worst year in the past decade, according to Prudential Douglas Elliman’s 10-year sales trend analysis, prepared by Miller Samuel Inc., Real Estate Appraisers and Consultants. The number of sales was the lowest of the decade and average DOM increased to 179, the longest marketing time of the prior decade. After setting records in 2008, all three price indicators declined significantly. The average listing discount was 10.2%, the highest spread between contract and listing price of the decade. Listing inventory also declined sharply, as potential sellers decided to wait for the market to pick-up before listing their properties.

As a result, home staging business declined significantly. Sellers didn’t want to ‘spend’ any money on properties that were worth less than they had paid for them and many sellers, who had lost their savings in the market crash, didn’t have any money to invest in staging. Agents were afraid to even suggest staging in fear of losing listings. Most staging jobs were pitched to multiple stagers, and won by the lowest bidder. As a result, home staging business sales volumes and profit margins were seriously depressed throughout the year. However, while the properties we staged and were priced right took longer to sell than the previous year, they were selling, which could not be said for much of the competition.
It is important to note an improving trend. The first half of 2009 performed at only half of normal, due to the onset of the credit crunch, which began in the fall of 2008 and caused both lenders and buyers to pull back. Encouragingly, the second half of 2009 saw increased activity, and according to Corcoran’s February 2010 Manhattan Monthly Snapshot, market-wide sales activity picked up in February 2010 compared to January 2010. Condominium sales are up 9% while co-op sales are up 23% versus January 2009.

While we are seeing a trend of buyers returning to the market, these buyers are demanding and getting best value. Realistic pricing is still paramount but never before have presentation and condition been so important. In such a competitive market, all properties benefit from some degree of home staging. Savvy agents, who understand this, are investing in professional staging consultations for all their listings and encouraging their clients to invest in necessary condition work and showcasing. I have personally experienced an upswing in new business early this year and some quick sales. I’m optimistic that the New York City market will continue to rebound and that the value of home staging will become more widely accepted by agents and sellers alike.
Charleston, South Carolina

Melissa Marro, is a Certified Staging Professional and trainer for the CSP International Academy. As president of First Impressions Home Staging & Interior Redesign, Melissa has built her business into one of the premier staging companies in the Southeast. Melissa is highly respected in the home staging industry for her volunteerism, leadership roles and remarkable staging success. In 2009, she was the International winner of RESA Professional Stager of the Year Award and nominee for RESA Staging Innovator of the Year.

“The Charleston, South Carolina market, while not hard hit by economic downturns, seems to be rebounding in 2010, at least in the average or below average price ranges. Higher home values are still languishing on the market, particularly in the secondary/seasonal home communities. These areas may have as much as eight years worth of inventory at today's current sale rates.

Home staging seems to be providing significant value to consumers who opt for the service, lowering days on market by as much as a year or more on high-end properties, and months on mid to lower end properties. The cost of staging in the Charleston area typically equals to approximately one month of carrying costs.”
Florida

The climate sure wasn’t sunny in Southwest Florida!

Kathleen Garvey, president of Enhanced Interiors & Home Staging, is an award-winning stager and a recently certified CSP International Academy trainer. As president of the Real Estate Staging Association’s Florida State Chapter, she has a keen insight to the market situation in Florida.

“From the peak of U.S. real estate prices in 2006, Southwest Florida has witnessed the most dramatic continual decline in pricing within North America. With nearly a 70% drop in prices, many homeowners are still wondering whether to mail their keys back to the banks and walk away (aka…Jingle mail), allow their bank to foreclose, or try to short sale their properties. This state-wide problem is seen primarily among cities located along the Florida coastline, where the highest concentration of residential real estate exists.

Home staging in Florida is struggling in general, though mostly because the sellers are reluctant to invest money in a property they will likely not recoup. To date, more than 50% of homeowners owe more money on their mortgages than their properties are worth. The real estate agents often express their concern regarding the benefits of professional staging; resulting from the fact that many bank appraisals are typically not upholding the buyer’s offer price, regardless of house condition. Many of the Florida Realtors have not had the opportunity to see proper staging results in action because of our stressed real estate market. Thus, Florida currently lags the upward national trend for professional home staging, yet most areas are hoping to see improvement in the next 12-18 months.

The fastest growing trend for Florida home staging in 2010 seems to be with the investors and investor groups who are purchasing foreclosed homes from banks and short-sale specialty Realtors. Whether for use as a vacation home or an investment for re-sale, Florida home stagers are beginning to receive more calls for their services from these value buyers. Most often, the investors live out of state and search for professional home stagers with contacts including: contractors, painters, flooring specialists, Realtors, furniture companies etc.

Florida real estate will rebound in due time as large numbers of baby-boomers retire and move into the Sunshine state. Thus, it appears the upcoming potential for Florida professionals in the home staging industry will be explosive for many years ahead!”
The U.S. Midwest

The Midwest has been hit very hard by the recession. Here are perspectives on three Midwest states, Indiana, Wisconsin and Minnesota.

Indiana

Linda Barnett is a Certified Staging Professional and a CSP International Academy trainer. Since she and her husband, Gary Barnett, started their business, Home Matters Home Staging, in 2004, their company has staged more than 900 homes for a total value of over $200 million. In spite of a serious economic downturn in Indiana, their staging business is growing, due no doubt to the impressive results they have achieved for their clients. For the second straight year, their company has been awarded the F.C. Tucker Companies Indiana Service Award for Best in Class for the Home Staging and Redesign Category.

“The Central Indiana market, as well as that of the entire upper Midwest has been hit very hard with depreciated housing values and very high unemployment. Existing home sales in the Indianapolis area are down by 13.5% and new building permits have fallen by 24.4%. Along with that, existing home prices have depreciated by 15.7%. Unemployment is hovering in the 10% range, which we believe accounts for the increase in bankruptcies (+24.4%) and foreclosures (+39.2%).

While the housing and unemployment numbers are fairly dismal, there is good news in that we are experiencing an increase in requests for our home staging services in the first four months of 2010 over 2009. Also on a very positive note, while normal home listings are averaging well over 120 days on the market with an expired listing rate in excess of 45%, homes that we have showcased are selling on average in 48 days for an average of 97% of list price.

This, in our opinion, is testament to the power of home staging. We believe that while home sales have slowed, there are still buyers in all price ranges and if a property is priced appropriately, is in good condition and showcased (staged), it will compete aggressively for the attention of buyers and will receive offers. Our company has also seen a large increase in requests for our services from the owners of properties, which were foreclosures or the results of bankruptcies. With so many bank and investor-owned homes on the market, competition has also become brisk among that segment of home listings. We are very optimistic about 2010 and beyond in that we see in our statistical data, proof that there is a direct correlation between the services we provide and the sales of those homes we service.”
Wisconsin

Cathie Quandt, president of Good Move, LLC, is a Certified Staging Professional and a CSP Elite instructor and is currently completing her training to become a CSP International Academy staging trainer. She also serves as president of RESA’s Wisconsin State Chapter.

“Wisconsin continues to embrace the term, the new normal, within the real estate industry as a result of the challenging economic climate. Housing prices have dropped and banks have become significantly tighter on appraisals and loan to value mortgages. However, given the national and local housing market news, the Wisconsin Realtors Association upholds a positive front in the media helping Realtors promote the tax credit and educate consumers on the current conditions of the day.

Quarterly reports in 2009 showed steady improvements throughout the year bringing the final 2009 4th quarter home sales back to their 2008 levels. Wisconsin Realtor Association released, ‘At the same time home prices were down by modest margins, as they were in much of the Midwest, but down much less than in other parts of the country.’ In the end, Wisconsin home sales in 2009 were unchanged from 2008, but it was really a tale of two halves - the first half of the year was down significantly compared to 2008, and the second half of the year grew at a very healthy rate. Wisconsin appears to be turning the corner in the state, with healthy inventories and moderating prices.’

So what does this mean for the staging industry in Wisconsin? New ground. Staging has not been relied on, nor understood in the eyes of many. Educating Realtors about the value of staging requires a persistent message beginning at the top where it must first be valued by the broker/team leader as a key marketing tool and how the impact of staging will increase their business and shine as the premiere marketing tool. Sellers also need to understand that staging is not an expense but an investment to secure the equity they have wrapped up in the sale of property.

There are successful Realtors in the Madison area who are already offering staging services, yet this number is very small in comparison to other parts of the country. The good news is that the growing success stories are helping the insight into staging becoming more viable. With that, there is now a new trend with staging being recognized as the differentiating marketing tool. Home staging in Wisconsin is becoming more appreciated and realtors are opening up to the idea for marketing their listings. One huge obstacle is the Realtors themselves, who believe they can, or should, do the staging for their clients or still hold on to the myth of expense. So the hard work in staging is not just the staging itself, but also the marketing of staging to secure the business. This was one of the reasons I studied and trained to be a CSP Elite agent instructor.”
Minnesota

Lynelle Hartman, a Certified Staging Professional and CSP International Academy trainer, has participated in the building, growth and development of the home staging industry since its infancy. During her ten-year real estate career, Lynelle specialized in relocation and her invaluable experience contributes to her keen understanding of agents, sellers and buyers. Lynelle and her partner of LH² Staging, Leigh Hagen, are the premier home staging and vacant property staging experts in Minnesota and have staged over $300 million worth of real estate.

“Minneapolis, Minnesota (February 10, 2010) – After 41 consecutive months, four Super Bowls and a presidential election, the Twin Cities housing market finally posted a median sales price that was higher than the same month a year ago. The January median sales price of $157,000 was a 1.3 percent increase from last January’s mark of $155,000. That’s the first year-over-year increase since July 2006. “1.3 percent may seem pretty ‘ho-hum,’ and in an ordinary market it is,” said Brad Fisher, President of the Minneapolis Area Association of REALTORS® (MAAR). "But in light of the three-year roller coaster we've been riding, ‘ho-hum’ sounds glorious right now."

“While all of the above may sound depressing for stagers in the local market, we have seen overwhelmingly positive results on the properties LH² has staged; Minneapolis average days on market is 142 and selling at 92.3% of list. LH² staged properties for the last six months have averaged 31 days on market and sold at 97% of list. On a positive note, the soft market has really helped in terms of housing affordability. Due to historically low mortgage rates coupled with the first time home buyer credit, 2009 was a record year for affordable housing. We personally saw this as many of the entry level homes we staged sold in 14 days or less. The properties in the middle price bracket sat for a greater length of time along with the higher end homes. We are optimistic as 2010 looks positive with investors returning to the market and housing stock becoming more balanced.”
West Coast

California

Terrylynn Fisher, CRS, CSP, CEP, EcoBroker, SRES, GRI, RCS-D, has been a Realtor and staging advocate in Costa County, California for over 30 years. She was RESA Realtor of the Year 2008 and RESA Innovator in 2009 for the award-winning Stagers List™, created to serve the needs of home stagers, and was also technical advisor for the CSP Elite agent program. Terrylynn offers popular Stagers Expos throughout the U.S. and has an excellent perspective, not only of the California market, but also of the home staging industry at large.

“The California housing market has turned the corner showing a higher number of sales, while there is less inventory, causing the median price to increase over December of last year. These are all good indicators of a rebound going into 2010.

Distressed sales make up about half of the sales in California, which means bank-owned or short sale purchases. Home buyers appear optimistic about the future of prices, more than one third of people surveyed think prices will go up the next 5 years and 60% think prices will go up within 10 years. It is this optimism, which is driving the market at this time. Overall, the resurgence of investors is encouraging buyers to enter the market and we expect it may slow down briefly at the end of April, when the tax credit goes away, but then recover and keep going through the year.

Many homeowners are embracing home staging services and 4-5 out of 10 are calling the home stager first, giving stagers the opportunity to be the referring partner with their realtor clients, creating a more collaborative business relationship for both stager and Realtor. Sellers are willing to pay for it because they want to minimize their market time and maximize their investment return. They are seeking the experienced and busiest stagers because they want the best their money can buy to get the best result, quickly. There also has been some slow progress with home stagers and realtors getting banks to consider staging of their properties and maximize the return for their investors. All of these indicators are good signs for the home staging industry and realtors who are beginning to work together as “teams” more than in previous years.”

California business partners, Lori Kim Polk and Ryan Dressell, have staged over $36 million of properties in the Sacramento Tri-County Area in the last 18 months. Their company, Stage Right Design, boasts impressive staging success statistics. Averages are based on Sacramento, Eldorado, and Placer Counties, where Realtors’ occupied properties without staging average DOM is 120+ and most are short sales with very few straight listings. Realtors’ vacant properties without staging average DOM 130+ and most go into foreclosure. In comparison, Stage Right Design’s averages for vacant properties they have staged (which are owned by investors with a Realtor on the team) are DOM 18 days for properties under $500,000 and 38 days for properties over $500,000.
One Common Denominator – Home Staging Spells Success!

While it is evident there are many differences in both the health of the real estate markets and the trends in home staging in these areas, there is one common denominator. Real estate agents and sellers who invested in home staging have enjoyed the benefits of faster sales and higher prices.

In 2009, Certified Staging Professionals conducted a survey of Real Estate Agents in Canada and the U.S. Home staging spells financial success for these agents and their companies by increasing sales and commissions, reducing days on the market and decreasing related marketing expenses. These agents truly appreciate the value of having a home staging professional on their marketing team.

“Properties which are staged sell faster in this market. Any seller who doesn't stage is losing money every day their house sits on the market.”

Ginger Pugliese, Re/Max Central, Manalapan, NJ

“It is true that staging improves the selling price and days on market. In my experience, staging is mandatory in a market of high inventory and declining prices. You have to show the buyer the beauty of the home's floor plan and spaces; don't make them use their imagination. Staging activates a buyer's desire to make that property their own”.

Cynthia, Planto, TX

"Home staging sets my service apart from the rest"

“Doc” Livingston, Royal LePage Coronation West Realty, Coquitlam, BC

“Home Staging is an extremely effective marketing tool. Buyers have embraced it because it reflects their lifestyle and eases the transition to a new home, and sellers and Realtors need to understand how to help the buyer make that connection.”

Vio Rusu, Sales Representative, Royal LePage Signature

“I am sure my homes would not have sold as quickly and for such top dollar, had I not invested the time and energy into staging each one. I am so glad I found out about it and did it early on. I would never sell a home without staging it, what a waste that would be.”

Pam Settar, Charlotte, NC

“If you put on your finest when you go out to meet people, your home deserves no less when it's the guest of honour. Home staging is a must, no question about it.”

Yolla Krob, Re/max Crossroads Realty Inc, Toronto, ON

"I always achieve the highest dollar for my client by using a home stager."

David Pylyp of RE/MAX Realty Specialists Toronto, ON

"Shows a home to its ultimate advantage!"

Diane LePage of Royal LePage, Brampton, ON
“Home staging doesn't just work, it delivers!”
Geoff Smith Royal LePage Burloak, Burlington, ON

"A showing is like a big date, you take care to look, smell, sound your best. Why show your home at less than its best?"
Jason Shine Sutton Assurance Realty, Toronto

“Staged properties sell faster and for more money so I always suggest my sellers have their home staged to sell.”
Kathy Anderson, CIR Realty, Calgary, AB

“I have been using home staging as part of my marketing strategy when listing homes since 1994. It has proved itself to be a valuable tool over and over again. I would not list a home without staging.”
Catherine McIsaac, "Deb & Cath" sales representatives, Sutton Group Realty Systems Inc.

“All my clients request that their home is staged - they know it works.”
Sharon Hyman of RE/MAX Specialists, Mississauga, ON
The Importance of Professional Home Staging Training – Not all Stagers Are Professionals

When choosing a home stager, the real estate professionals surveyed ranked these attributes as being the most important: (1 being the highest importance, 7 being the lowest)

1) experience
2) education (certification, training)
3) personality
4) confidence
5) portfolio
6) referral
7) statistics

Over the past few years, home staging has been popularized on television and other media. Seeing TV’s version of “staging” as a fun job, many HGTV hopefuls have become stagers, without understanding the complexities of the profession. It is important for agents and sellers to recognize that not all stagers are trained professionals. It is also essential that home stagers realize the value of professional training, ongoing education and credentials.

In the same survey, agents were also asked how they would look for a home stager. The majority responded they would ask others in their office before searching online. This is important information for home stagers because it demonstrates the importance of building strong relationships with real estate agents. Furthermore, when combining the information from the previous question, it is evident that home stagers with professional training and certification will be the majority of agents’ first choices and will also be more likely to get referrals to other agents in the same office.
Expert Advice from the Leader in Home Staging Training

Christine Rae is an internationally acclaimed home staging expert and president of CSP International Academy. Christine is a visionary, who works tirelessly to enhance and promote the staging profession. She continually strives to set the bar higher by providing the most comprehensive, achievement-based, hands-on staging training available, unparalleled after-training support and innovative continuing education opportunities. Christine has garnered international respect and accolades for her pioneering work in certification for the industry, the development of eco-staging, her innovation of many, one-of-their-kind, staging products, her commitment to corporate social responsibility and the exemplary CSP Code of Conduct. As a result, CSP International has achieved the stellar reputation of being the best in the field of home staging training in North America and around the world.

“Many stagers believe real estate agents are the gatekeepers of the staging industry. One of the most difficult things a stager has to do is convince real estate agents that staging works. The seller deserves to know how much a complete professional staging service will impact the sale of their property. That is why positioning staging and overcoming objections play a large part in the curriculum of the CSP foundation training course (www.csptraining.com), as well as the educational program developed expressly for agents (www.CSPElite.com).

Recently I asked successful agents for their opinion about why some agents don’t include staging in their listing packages. I also asked them to comment regarding the results they had seen in their business as a result of integrating staging into the listing process. It was heart-warming to hear positive feedback for how amazingly well working with a CSP and staging property works. The seller is not the only one to benefit, as a staged property is a buyer’s best investment and there are big spin-offs for agents as well. Feedback illustrates how much agents appreciate the tools and preferred pricing brought to their clients from CSP stagers - frequently mentioned were: the Room Ready Handbook, Seller’s Edge, CSER Listing Package, and the International award-winning Staging Standard Magazine. These are definite value-added USP (Unique Selling Proposition) for the agents involved.”
What Agents Say about Collaborating with Certified Staging Professionals™

Suzanne Anderson, RE/MAX, Fort McMurray, Alberta: “In my opinion, agents who don’t bring in professional stagers are not doing their due diligence for the client. Staging allowed me to secure and sell an expired listing of another agent in less than two days.”

Sam McDadi, RE/MAX agent in Mississauga, Ontario knows about hard work, success, and the power of staging. He and his team topple sales records year after year. He holds the most awards of agents in Canada and he believes staging works.

“It is a great marketing tool that I was introduced to about two years ago, by CSP, Kimmberly Capone. My whole team supports staging; we provide a consultation as part of our marketing package and our home sellers are thrilled. Once we show them the results we have enjoyed they are totally on board and do the full showcasing with Kimmberly.”

Sam told me, “Our market property ranges from $350,000 to $370,000. We had a client who was reluctant to accept that the property needed staging, but honestly we would not support listing it at even $349,000 as it looked. Our stager was wonderful in her approach with him, and with the use of the Room Ready Handbook (which we love) the work was completed. We figured they would hit the mid $350,000s. They received seven offers on the first day and it sold for $371,000. You can’t fault that. The client was thrilled, we were thrilled, and the home buyer was thrilled – Win! Win! Win! All the way!”

Chris Eckert, Keller Williams, San Francisco Peninsula and San Mateo County, California:

“I was introduced to staging during my training as an agent and met my stager at a chamber of commerce meeting. Integrating the process into my listing presentations was easy with the packages Kerry provides. Right now about 90% of my listings. Many of my clients are already pre-exposed to staging; they tell me, ‘We have seen your listings, seen your results, have compared others, and want you.’ Staging helps build my business. In an area where average DOM is 63, my listings sell in less than 30 days. Staging works. Internet appeal is crucial; I farm an area near the Silicon Valley, where 93% of people I talk to look at property on the Internet before contacting me. CSP has a great service in OBEO. Pictures are more important than words and staging makes the pictures look great.”

When asked why many agents still resist the staging process, he feels it’s because those people may be hung up on the communication process to sell; he encourages agents to practice listing presentation scripts with integrated staging information. “When your seller trusts you with $845,000 of their money, you better be an expert.” Chris agreed that the new CSP Elite agent educational program might be just what those agents need.

Kristin Rader, Broker at John L. Scott Realty in Beaverton, Oregon, told me her business had been doing really well for six years without staging; then a year ago she met her stager, Maureen Bray, at a time when she had a listing that wasn’t selling. It was a nice house, which Kristen thought showed well.
“I was looking for an alternative solution; and when Maureen worked her magic, I could see the existing space challenges were solved. The whole house flowed better; I was hooked. It's part of my marketing packet. I say, “My stager will be here to help us get ready for market; it makes a huge difference with the photographs.” As a result of staging, property is selling in one week instead of months. This area DOM is around 148; my listings usually sell in a week. I don’t have to do classified ads anymore; my money is better spent on a staging consultation. My stager is wonderful. She is a professional who easily manages difficult personalities and takes the rough edges off my day.”

Debbie Oulvey CSP, suggested I speak with Stacy Spielman, a Manhattan broker at Prudential Douglas Elliman. Stacy uses staging services to fully stage all her listings.

“Everything is better with showcasing. The pictures are better, viewings increase, and the results are better and faster.” Her advice to agents not staging is to look at TV. “Consumers expect to see nothing less than spectacular, so if you are not offering staging, it makes you look like you are not educated on consumer trends. I am very interested in taking the CSP Elite Agent program – I want to be as educated as I can be; my livelihood depends on it.” The proof is in the results: A TV personality recently contracted his bachelor pad with Stacy. The CMA came in at $529,000; staging increased “view appeal” so it was listed at $549,000 then sold at $600,000. “I look like the hero. My investment was for the consultation (way less than advertising); home seller paid for the showcasing. Results are priceless.”

Tammy Figol, MaxWell City Central, Calgary, Alberta, believes in staging and has added a stager to her team.

“I have only been an agent since December ’08, but already know staging takes property which would show as a 5/10 without the intervention and makes it a 10/10. This market is just beginning to realize last year’s prices don’t work today. I have a seller with an overpriced property; staging has increased the viewings to sixty-five in just six weeks, which is amazing in our market. If it was priced right, it would have sold I am sure.”

Ian McSporran, Coldwell Banker, Oakville offers the best advice he can give to agents who don’t stage.

“Keep on doing exactly that – it helps sell the ones that are staged.” Seriously, he believes staging works because people buy on emotion; staging speaks to people’s feelings. A great example was a listing which actually took between five and six months to prepare fully for sale and it sold in first week, versus a neighbor’s house which sat for four months un-staged. When the listing expired they contacted Ian, who had their stager work magic – the house sold in two days to someone who had seen it when it was unstaged.

Roupen Gara Bedian, RE/MAX Toronto sees home staging as a vital part of his business.

“Property shows better and sells for more than it would if it had not been staged. Clients are pre-packed, ready to move. He pays for the consultation and clients see it as part of his business. He considers it to be more powerful than a print ad with a better return on investment. Once it’s staged, the seller has to maintain it.”
One reason agents resist the power of staging is their concern about the relationship with the client. They worry the stager will offend the seller, which is why choosing a stager who has been trained to discuss the good, the bad, and the ugly without offending is crucial.

**Louise Preston, RE/MAX About Town, Oakville, Ontario:**
“Every home needs staging. It’s sometimes difficult to discuss, so I love the third-party experience. My stager has great communication skills; she tells the difficult things and my relationship with the client is protected.”

**Doc Livingston, Royal LePage, Port Coquitlam, British Columbia,** suggests agents who resist staging really do not understand the value staging brings to the table. His advice is simple:

“If you don’t stage, you will lose listings to those of us who do. Property sells faster and for more money. I have the results to prove it. I have been an agent for six years and using staging for the last three. The simplest process is to integrate it into the marketing.”

**Linda Locker, Broker, MBA, Locker Properties, LLC** markets a small area in Portland, Oregon, where properties range between $600,000 and $2 million. The market mandates properties look their best.

“I have been in business for nine years, and using a stager for two years; I am totally sold on the concept; it has had a very positive effect on my business. When the economy shifted, we suddenly had lots of vacant homes. When owners are transferred, it is very difficult to sell in less than two months. Thank goodness I found **Mary DeBella.** What I appreciate about her is she is proactive, a good communicator, very professional, careful, and organized.

In April ’09 I secured a listing because I had sold a property across the street. The seller was under pressure of losing a $60,000 relocation package if he didn’t get the house sold. When Mary and I walked through the building there were twelve lights burnt out. It was cold, dark, empty, and very unappealing. Mary was the one to tell the seller the thorough strategy included repair, paint, and rental furniture. One week later it looked amazing, and in forty-two days we had a sold sign for full price. We saved the client his $60,000 relocation package and there was no way it could have happened without staging.”

**Dianna Cartwright, HomeLife Main Street Realty Inc., Newmarket, Ontario,** is new to staging, having just recently met **Susan Crema Martin.**

“I have used staging with my last three listing appointments and can see it will make a huge difference in my business. I think it works because stagers can say things as a third party that agents can’t. I believe the service adds to my professionalism and credibility.”

**Jon Hess, Sacramento, California,** has been very busy over the past year working in an area densely populated with bank-owned properties.

“My experience is new home sales, so using staging as a marketing tool was an easy transition for me. I know ninety-nine times out of one hundred, buyers will use emotions to make a decision. I interviewed three stagers and found **Lori Kim Polk;** she came up with the best solution for our business model. Average DOM here is three months; once the staging intervention is complete, we sell in two days.”
CONCLUSION

In this overview of the 2009 Home Staging Trends in North America with Industry Outlook for 2010, several important points have been made very clear.

Firstly, there are major differences in the real estate markets and home staging trends within the U.S. and Canada; so generalized statistics are not appropriate. This is especially true of 2009, a year which experienced such tumultuous fluctuation in the economy and real estate markets.

Secondly, in spite of the variations in real estate markets, home staging spells success for real estate agents who integrate professional home staging services in their marketing plans. Properties are selling for more money in less time than comparables that are not staged. This is a win-win-win situation for agents, their companies and their home seller clients.

So why aren’t all properties being staged? Unfortunately, it is also evident from our research that there is still a lot of resistance from agents in many areas and that this is one of the biggest challenges to the growth of the home staging industry.

A CSP International’s survey of agents, who said they believed staging makes a difference, yet had not recommended the service, illustrated the biggest obstacle for them was really a lack of education about how to communicate the message. The CSP Elite Program for Real Estate Agents has been developed specifically to educate agents about the benefits of home staging and teaches how to successfully communicate the positive staging message to sellers. The CSP Elite Program also provides methods for integrating professional home staging in agents’ marketing plans, from the listing presentation through to closed and sold.

CSP International’s survey of agents demonstrated that savvy agents are looking for professional home stagers with experience and professional training. It also showed that agents were most likely to ask their office colleagues for a referral to a recommended home stager. Real estate agents gain when they have a highly trained professional home staging consultant on their team and will choose and recommend experts over less qualified stagers.

Home stagers should recognize the importance of professional training and credentials. The CSP International Academy 3-Day, Home Staging Business Program is widely recognized as the leader in the industry. Because CSP International has set the standard of excellence in home staging training, the CSP certification is a highly respected designation. One of the differentiators, which sets the CSP staging training program apart from any other training, is the trainers themselves. The CSP International Academy trainers, all experts in their profession, represent a cumulative 50 years of professional home staging experience. In addition, they are all successful business owners, who continue to work in the field. This wealth of experience and expertise is shared with CSP trainees, and with the trainers’ valuable input the program is continually evolving to meet the new industry trends and challenges. The CSP International Academy also offers a broad selection of continuing education courses and webinars to help home stagers continually improve their skills and expertise.

It is also very clear as the home staging industry grows that there is a need for collection and verifiable analysis of home staging performance statistics. To produce valid statistical reports, broad samples of data must be collected consistently. To meet this challenge, CSP International
Academy has developed a resource tool, which allows members to compile local, individual statistics for marketing purposes, based on their own submissions.

Some CSPs are already compiling their staging success statistics. For their contact information, please refer to the Directory at the end of this report. This resource tool and statistical data from CSPs will also enable CSP International Academy to analyze regional, national and international statistics for future reports.

**Closing Thoughts from Christine Rae**

Our overview of home staging trends in North America has highlighted the growth and challenges of our industry. For the 2010 outlook and beyond it is clear there will be increased demand for professional home staging services. This demand will create a need for quality education and training for home stagers and real estate agents. I am so proud that CSP International Academy offers the best professional home staging training available.

People frequently ask me why I strive so hard for excellence when the average person is more than happy with “good enough”. Why, when many people still purchase services based on price alone and don’t know “what they don’t know” about an emerging industry, why do I care so much about excellence in products, service, tools, and prestige for CSP International Academy? Ultimately, I have consistently set the bar higher so we stand out as providing the best home staging training available and enable our CSPs to distinguish themselves as the best in their field.

In the final analysis of which training to select, I believe people are essentially smart; they understand value and will consider the adage, “you get what you pay for”. In the past year, numerous stagers, who had been disappointed with other staging training service providers, invested in our program because they had not received the training, resources and support they needed or were promised elsewhere. They have experienced first hand that investing in low price options can be very costly.

Aristotle said, “We are what we repeatedly do. Excellence then is not an act but a habit.” To me excellence is about producing outstanding work, service and products. Excellence also means we identify which areas need improvement; with in-the-field instructors who constantly provide information about subtle changes in the workplace, who care about the education we deliver, I can trust CSP International Academy will always meet its core value of “continuous improvement”.

The pursuit of excellence is not for the feint hearted, not a quick fix and not a get-rich-quick process; but excellence has never let me down. Although the home staging industry is still relatively young, it has already been quite a journey for those of us who have been here since the beginning and have contributed to its growth. I am so proud I have willingly pushed and shoved this industry from its cottage grass roots to strive for unparalleled excellence. We have helped thousands of people achieve their dreams and our mission is to continue to lead and remain the industry’s standard of excellence.
We hope you have enjoyed reading this report about home staging trends and industry outlook for 2010. Please send us your feedback and let us know about the trends in your market.

Click here to submit your feedback and enter the draw for one of five autographed copies of “Home Staging for Dummies – a Resource for the Rest of Us” (by Wiley Press), authored by Christine Rae and Jan Maresh.
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