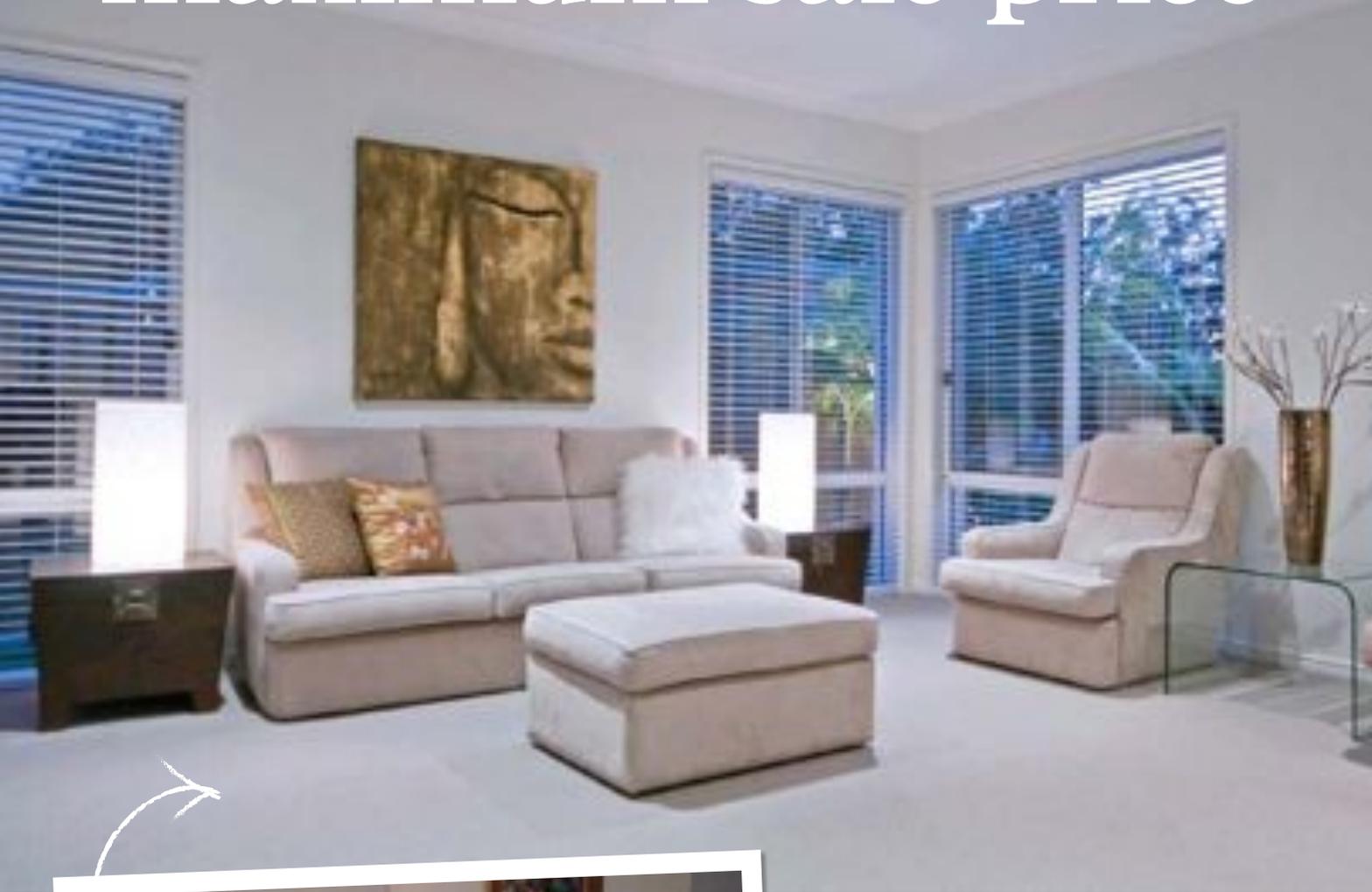


Styling your property for maximum sale price



Enlisting an expert to stage your investment property can pay dividends for vendors, especially in a tough selling market. *Sarah Megginson* reveals top styling tips and tricks to help you achieve a premium sale price



Photos: Gabby Stumbles, Real Estate Ready

The idea of paying someone to stage your investment property prior to sale might sound a little extravagant, particularly if your slice of real estate is stationed in the lower end of the market.

Staging involves paying a professional stylist to ‘stage’ the furniture, homewares, plants and even artwork within your property when you list it for sale, to make it appear more attractive, spacious and inviting to potential buyers.

“The way you live in the property is very different to the way you would sell it,” says Gabby Stumbles, staging expert and manager of Real Estate Ready on the Gold Coast.

“Staging basically helps you attract a broader buyer market. You would never see a builder present a display home with no furniture because they know that people buy based on their emotions. If you present your property looking top notch and give it the wow factor, you’re going to achieve top dollar.”

Plus, you “never get a second chance to make a first impression”, says Pamela Yardney, director of property management at Metropole Property.

“If you look at the big boys, when they do large apartment complexes, they always have a display apartment styled with quality furniture, so we can take a page out of their book. People like to envisage themselves living there, and using furniture and colours can help to create an inviting space,” Yardney says.

“We bought a block of apartments last year, and when I saw the one that was open for inspection it had a tenant in place with lots of lovely furniture. When I saw it recently, however, it was empty, and it really did look shabby.”

It’s important to know your target market when preparing your property for sale. If you’re selling to owner-occupiers, they’re going to be much more influenced by stylish colours, homewares and furniture, because these help to create a homely environment, Yardney says.

“Investors think with their calculator, whereas owner-occupiers think with their heart,” she says. “Having said that, despite saying that they buy purely based on figures, even investors will buy with some emotion.”

What is involved?

Staging is all about presenting your property in the best possible light, often literally, because revealing any flaws is akin to inviting potential buyers to negotiate your price down, Stumbles says.

“If buyers see anything wrong with a property at all, they’ll want to use that to reduce the asking price,” she explains.

“Staging is usually based on the client’s budget and requirements, but you’re really aiming to do five things; declutter, de-personalise, neutralise, fix it if you can see it, and give the property broad kerb appeal.”

It’s a different concept from interior design, she adds. “Interior design is all about personalising the house, but staging is the complete opposite – it’s about presenting the property in a non-personal way.”

Staging is available in all shapes and sizes to suit varying budgets, so your outlay can be anything from \$150 to \$3,000 and above.

Staging options

Level one – planning

An entry level consultation would involve an action plan regarding what needs repair or renovation and detailed advice on how to lift the property’s overall aesthetic.

“We basically say, ‘this is our recommendation to you’, and offer advice like ‘you’ve got a yellow wall, you should neutralise that with a plain colour’, or ‘these broken door handles or tiles need replacing, let’s fix it’,” Stumbles explains.

“The client would then usually decide whether they want to take on board the action plan themselves, or whether they’d like us to do it.”

Cost: \$150–350, depending on the size of the property and the level of consultation involved

Level two – accessories

Accessories can make “a world of difference”, says Stumbles and most property staging consultants will offer a service where they go shopping with, or on behalf of, the client, to purchase small homewares, cushions and appliances for the property. This type of consultation would be negotiated directly with the staging expert at an hourly rate.

Cost: Hourly rate

Level three – shuffle

This option is what Stumbles calls ‘room editing’, and involves rearranging the existing furniture.

“We use the furniture that the client already has, but move it around to open up the room – really simplifying and decluttering the space, while also giving it a bit of depth.”

Part of this process includes removing a lot of personal accessories, such as family photos and trinkets, and putting them in storage.



Photos: Gabby Stumbles, Real Estate Ready



Before

Because it's a revamp of the existing set up, there are no rental furniture expenses, so the only cost is for expert staging consultation at between \$300 and \$600, depending on the property.

"This is also great for homeowners who are planning to move, because they can start packing away all of their knick-knacks and personal items. Then they're one step ahead when it comes time to move."

Cost: \$300–600

Level four – furniture hire

The most comprehensive staging option is most appropriate for vacant investment properties, as it involves hiring furniture, plants and artwork to furnish and decorate rooms within the home.

"The cost depends on whether you're going to stage the whole property or not," Stumbles says.

"For smaller properties, stage the whole property, including any outdoor area, but for a large six-bedroom house you'd perhaps only stage the main bedroom and living space."

For Jane Eyles-Bennett, renovations expert and director of HotSpace Consultants, "the worst thing you could do is leave the place empty", so she suggests that vendors style two rooms at a minimum.

"You want to appeal to people's lifestyle wants, so I'd definitely focus on the lounge room and at least one bedroom," she says.

"I always say that, if you can't afford to style the whole property, just stage the master bedroom, because it will give potential buyers an idea of how the property could look."

Cost: \$1,500–3,000

Basic styling rules

The specific 'nuts and bolts' of the styling effort will depend on the dwelling, but there are several rules that apply to all spaces.

"If you've got small rooms or a small bedroom, always use the smallest furniture you can – it gives the appearance that the space is larger," says Eyles-Bennett.

"If it's a double bedroom, for example, put a double bed in there, don't squeeze in a queen bed. Also, if you have a small living space or dining room, use furniture that is in scale."

Eyles-Bennett usually styles properties to "look quite neutral", before adding "a bit of punch with the dressing".

"You still want to appeal to the masses so you want it to be neutral, but you don't want it to be dull and boring. A couple of bright cushions, uncluttered homewares and some artwork will do the trick," Eyles-Bennett says.

Potential profits

A beautifully presented – and pristine – property takes the bargaining power out of the buyer's hands and places it firmly with the vendor, according to Stumbles.

"What we're trying to say to vendors is don't reduce your asking price by 10% – have it staged for a small fee, and get your full gain," she says.

The most important aspect of staging is to help your property stand out from the rest so it doesn't look just like every other property.

"We don't have any statistics relating to Australia, but in the US and the UK they're saying that your property can sell up to two to three times quicker when it's staged," she says.

"A staged property is also likely to sell for about 10% more, on average,

than a property not staged. You can even achieve up to 30% financial gain, with a realistic asking price, depending on the market.”

There’s no doubt that staging it is going to add some value, says Yardney – but the question is, how much?

“The cost of staging is sometimes difficult to justify,” she says.

“Are you going to achieve more? In a hot market, it isn’t necessary to even consider it, because you could put any property on the market and have a queue of buyers. But today’s market is different – you want to give your property the best chance,” she says.

“It’s hard to justify spending a few thousand dollars, so sometimes you need to do just one or two rooms. Maybe investing \$1,000 to repaint the whole interior would give you a better return than staging. Or bringing a painting and some furniture from your home, if you’re selling an investment property, could be worthwhile.”

Whether you stage your investment property or not will depend entirely on the property’s condition and location,

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together with your budget and the state of the market at the time – but Stumbles believes that staging is “a small price to pay compared to the value gained”.

“The property we last staged was a standard three-bedroom home. Once we staged the property, all the various real estate agents started going through, and they were saying, ‘wow, this is a showpiece home,’” she says.

“It’s really about giving your property that ‘wow’ factor.”

Eyles-Bennett has renovated “a number of properties over the years”, and says two in particular stand out – both of which she had staged prior

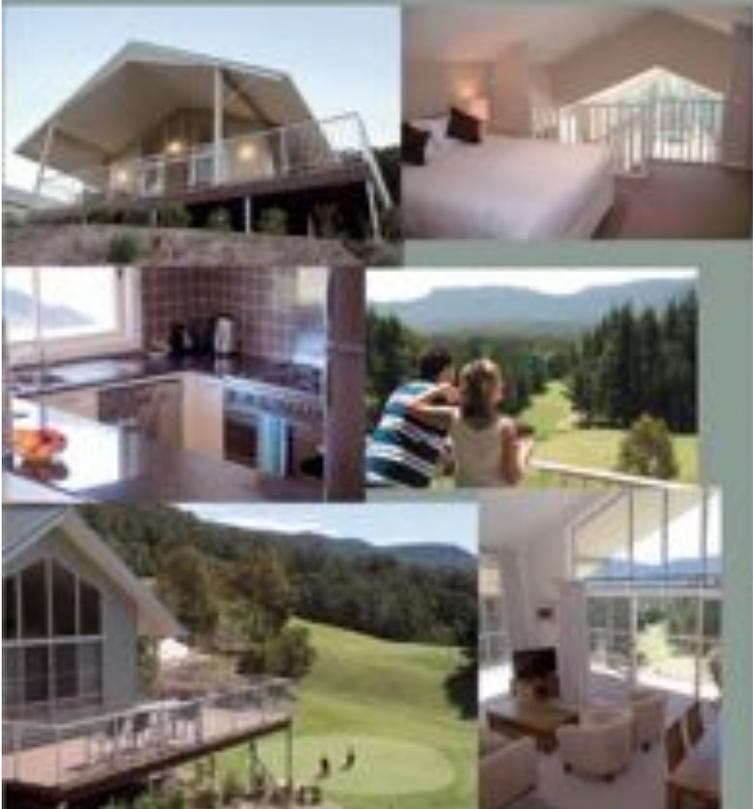
to placing them on the market. “One sold in a month, and that was over Christmas, so you can effectively take off two weeks of the marketing campaign, and the other one sold in a week,” she says.

“It really had a significant impact.”

Staging with tenants

Staging a property with tenants in place can be difficult. With some, it’s hard enough to get them to keep the property clean and tidy for inspections, let alone getting them to agree to have their furniture moved around or stored and replaced with new furniture.

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Cheat sheet: Top 10 tips to maximise your sale price

To get the edge, you need to present your property in pristine condition so it appears hassle free to potential owners.

"Unless they're buying a renovator, buyers generally want the condition of the property to be good so they can move in or rent it out without spending any money," explains Eyles-Bennett.

Small issues such as cracked cupboards, broken light fittings or damaged window screens can mount up – prompting buyers to flick your listing into the 'too hard' basket.

"We often see properties that fail to achieve their full worth because of lacklustre presentation – and when we attend open homes when we're looking to buy, we find the same mistakes over and over again," says Luke Woollard, director of Pacific Lifestyle Property.

"There are a few simple things that almost anyone can do that will have a positive effect on the sale price of your home, without costing the earth."



1 Fix it

If you tie up the loose ends and tend to small repairs, your property will look attractive, trouble-free and instantly

liveable. "For every dollar in repairs your home might need, you could lose two from the sale price," warns Woollard. "If something needs repair, whether it's a fence or a cracked tile, then get it done before you sell."



2 Outdoor space

First impressions really do count, says Eyles-Bennett. "If there's an outside area, like a deck or balcony

facing the street, put a small table and chairs there to emphasise the outdoor aspect," she says.



3 Manage the temperature

On inspection day, make sure the temperature is comfortable. "Turn on your cooling or

heating, depending on the season," Woollard suggests.



4 Spruce up the bathroom

Mould is common in older homes, so use a household cleaner to clear it up. Investors

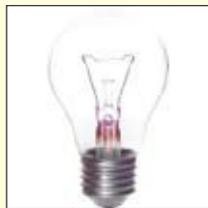
could also use a mould-resistant paint for an ultra-clean finish, Woollard adds. "A grimy shower screen is a no-no, and consider replacing your shower curtain. Homewares and furniture stores like Freedom and Ikea sell different designs for next to nothing."



5 Maximise storage space

If the property is your own, one of the biggest things you can do is thin out the wardrobe,

storage and pantry, says Eyles-Bennett. "When they're really cluttered, they look smaller than they do when they're sparser. You don't want them completely empty, but if you get about 50% of the content out of the way, it will create the illusion of space," she says.



6 Let there be light

Turn on the lights no matter the time of day, and replace broken light bulbs. "Also, maximise natural

sunlight by opening drapes and blinds," Yardney advises.



7 Pristine kitchen

The kitchen should be "gleaming, spotless, hygienic and sparkling – inside and out", says Woollard.

Woollard recommends baby oil to leave stainless steel appliances "shining like new". "Also, make sure you clean inside the oven – greasy kitchen appliances are a major turn-off."



8 Declutter

To make the property look as large as possible, clean out the clutter. This includes everything



from the contents of drawers to the decorative homewares on your dining table. "A great idea, if you're hiring furniture and you're in a small space, is to use a glass table that you can see through, rather than solid," Yardney suggests.



9 Refresh the garden

Consider adding some fresh mulch to the garden beds. "It's literally as cheap as chips, and it's a great

way to put fresh natural colour in an older garden," Woollard says. "It also pays to grab a broom and brush down cobwebs or dust."



10 Window treatments

At a minimum, you need to have quality window treatments, according to Eyles-Bennett. "Without

curtains or blinds, it just feels like a big echoey cave," she says. "Window treatments really soften the space."



“We’ve seen tenants leave piles of dirty clothing strewn throughout homes, sometimes because they don’t want to leave, which is obviously a major turn off for your buyers,” says Luke Woollard, renovator and director of Pacific Lifestyle Property on the Gold Coast.

Eyles-Bennett suggests that simply working with the tenant and providing them with an incentive to keep the place looking neat and tidy is your best bet.

“If you have people living in the property, strike some sort of deal – for instance, offer them a \$50 a week rent reduction, as long as the property is in immaculate condition

during open home inspections,” she says.

“You’ve got to offer them something as an incentive, and think about where they’re coming from.

“They might be feeling a bit vulnerable because they might have to move, so reward them in some way for keeping the property clean.”

It’s a strategy that Yardney has used in the past to encourage the tenant to “make themselves available, to let people through, and to keep the property neat and tidy”.

“It can make a big difference, and we have genuinely done that before,” Yardney says.

“Otherwise, the tenant can make it too hard. They don’t need to make it easy for you – they’re only obliged to keep it open once a week – so you really want to keep them onside.”

Finally, you could negotiate with your tenant to store any excess furniture and clutter off-site – at your expense – or in the garage, to help make the property look less cluttered, says Yardney. ■



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