

# Home Staging Trends in North America and Industry Outlook for 2011



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### Introduction

As 2011 begins, the professional home staging industry in North America is coming into its own as a completely integrated adjunct of the existing real estate industry in both the United States and Canada. Our two countries, as well as individual regions of each, have had a very differing experience regarding economic indicators and consumer attitudes that profoundly affect the real estate market. The Canadian market continues to outperform the US market, and all indicators predict this will continue in 2011 and into 2012.

Experienced professionals in the staging and real estate industries confirm that regardless of market conditions - buyers' market, sellers' market, or balanced market – the integration of professional home staging services into the marketing plan of a well-priced home brings exceptional results for the homeowner and the real estate professional.

As the leader in real estate staging training in North America, CSP International™ Business Training Academy is committed to providing quality information to further the understanding and growth of our industry. We have consulted with successful real estate staging and sales professionals spanning the continent to provide a snapshot of the industry as it is now and where it is going. Their analysis provides a unique and personal perspective to a growing industry that is just beginning to reach maturity. We hope it answers some questions for you and gives you real insight into this growing phenomenon that has transformed the way real estate is sold in North America.

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## CSP™ International Business Training Academy



**SPEAKER**  
*Home Staging Expert*



### 2011 Trends - As I See It by CSP International™ CEO, Christine Rae

In today's world, trends and forecasts are surely one of the most difficult things to predict; not as daunting as weather perhaps, but equally as futile. What I mean is - we can look at what is happening in any given moment, in any industry, and make an intelligent observation then something, beyond our control and completely unpredictable, can happen to change it all. Trends in the staging business, like in real estate, are driven by events in housing, the economy, financing, unemployment and, to a large degree, by mass consciousness. Having a positive outlook is a crucial component to any business success; however it's a tough thing to maintain in a world which appears to be falling apart. Here is an example: I read a news item today: "22% of mortgage holders are finding it difficult to make payments" when they could have said, "78% of mortgage holders are finding it easy to make payments"

#### TREND 1: Consumer Confidence Increasing in Importance

I see a definite downward trend in consumer gullibility and innocence being replaced with increased wariness, a need for proof of credibility, and trustworthiness which I believe is a good thing. People are hankering after old fashioned values, family, manners and a slower pace of doing business. It is like the world went haywire and now we need to find peace...in whatever way we each define it. According to Young & Rubicam, *71% of people said they make it a point to buy brands whose values are similar to their own*. As business owners it would be smart marketing to have your company values prominently displayed on your website and in your office, providing proof of how you support them. Strong financial returns has fallen from *3rd most important* in 2006 to the bottom in the Edelman Trust Barometer rankings; the *two most important* are now "*high quality products or services*", "*transparent and honest practices*" and "*company I can trust*".

In the staging industry consumer confidence is equally vital as many of the practitioners operate home based businesses and the danger to this is - they don't know what they don't know. In an effort to do business and help sellers they may, in fact, be doing the opposite.

At CSP International we instituted, from our inception, a self regulating Code of Conduct to hold people accountable at a higher level, supported the development of RESA (trade association) and SEA (a better business bureau for stagers), provided CSPs easy access to comprehensive insurance including Errors and Omissions coverage, created the first certification requiring examination, and continue to maintain a service model which stands alone in quality and when adopted provides a higher level of consumer service and trust for the new business owner. It was with increased consumer confidence in mind that we took the necessary steps to have our program accredited through the trade association RESA as well as create and launch the International Masters designation to improve standards among all stagers.

Economists, finance gurus and governments are struggling to regain consumer trust while forecasting the economic future. Foreclosures and short sales seem to dominate the US real estate news yet Forbes ran an article recently quoting Brian Westbury, Chief Economist at First Trust Advisors saying there will be a shortage of housing if Americans don't start focusing on new builds. Westbury said "we need 1.6 million houses per year to keep up with population growth.... And we are down to 5-7 months inventory". Building or rehabilitating affordable housing creates jobs in the construction field; less obvious is that this activity ripples through the economy, supporting businesses that supply the construction trade as well as retailers, health services, and



restaurants where newly employed workers spend their pay. The National Association of Home Builders estimates that building 100 new Low-Income Housing Tax Credit units for families can lead to the creation of more than 120 jobs during the construction phase. Furthermore, once the paint is dry and the homes are occupied, new residents continue to support roughly 30 jobs in a wide array of industries. What we have learned from the present situation is how closely linked everything is; when people stop buying from lack of confidence or concern if they will continue to have a job - everything in the economy is affected. Car sales, mechanics, tire and fuel sales, restaurants, books, hairdressers, groceries, landscapers, florists, real estate agents, stagers – we are all inter-woven into cause and effect.

Social network connections are prolific and we instantly know when people have lost their cat, job or are having a bad day. Twitter has 200 million accounts, and 95 million daily tweets (*source: twitter.com, February 2011*). The 500 million active FaceBook users share over 30 billion pieces of content per month (*source: FaceBook, February 2011*). The average user has 130 friends which indicates an upward trend of people reaching out to connect. They discuss personal situations easily and I have witnessed the excitement of people online friends when they finally meet in person at a convention – they already are friends!

It also allows your level of service to be discussed and supported or maligned - in a twitter of tiny key strokes. Rather than having to call, text, or see people personally, social networks' streams allow users to easily broadcast information to a wide range of people without interrupting or intruding. A leading trend spotter believes this need to connect will result in an upsurge of random acts of kindness throughout the world. It will creep into business with spontaneous "nudge" gift giving via [GroupOn](#) vouchers, [WagJag](#) and the like. This means that building your business reach in any industry now requires an active and prolific social media presence. The urgent need for this has spawned a whole new group of entrepreneurs to help you, and the ease of researching these services online before you buy makes the process and decision easier.

## **TREND 2: Everything GREEN**

All of the above has led the people who are still buying, working and stimulating the economy to think more about the "secondary price tag" - the underlying costs of using those purchases. So, if it is food, it includes transportation costs to table - buying locally helps reduce greenhouse gas emissions, stimulates local economy and overall reduces costs. The green movement is huge and growing exponentially. The 2007 forecast from [USGBC](#) was a 500 billion dollar green industry by 2012.

This is economic stimulus at its best. Research shows:

- 40% of all home remodeling in 2007 used green material; or \$69 billion
- 30% of all home buyers remodel within 6 months of buying and 70% within 5 years

The top green trends for 2011 and beyond are:

- Global energy efficiency regulations
- Energy Labeling of Homes/Offices
- Energy Performance Requirements
- Carbon Disclosure
- Energy Efficiency Retro-Fit grants
- Smart Grids
- Mandatory Disclosure
- Health & Wellness

The real estate and staging industry would be well advised to embrace these trends and help the economy grow by applying and supporting green initiatives in their local marketplace. According to HomeGain®, green staging provides 199% ROI. I could write a whole paper on these green trends alone, but for the purposes of this report suffice it to say I conduct a free webinar called "How Greening Your Business Can Increase Your Bottom Line", and CSP International™ has a Certified EcoProfessional™ program plus an EcoStaging® program, so check the webinar and course schedule on [www.cspiacademy.com](http://www.cspiacademy.com) for dates and times.

This growing green consciousness will create demand for living places within an easy commute to work, play, dining and entertainment - reducing carbon footprints and making owning a car less important. According to

Intuit®, urbanization remains one of the absolute megatrends for the coming decade. Here's just one telling statistic: "Today, half the world's population – 3 billion people – live in urban areas. Close to 180,000 people move into cities daily, adding roughly 60 million new urban dwellers each year."

The green focus in real estate and real estate staging is on:

- energy saving features (second price tag) and natural, non-allergenic and sustainable materials
- what real estate professionals (including stagers) are doing to personally green their business
  - offset carbon footprint by planting trees, etc.
  - reduce personal and corporate energy consumption
  - support of bigger platforms such as ["One Drop Foundation"](#)

86% of global consumers believe that business needs to place at least equal weight on society's interests as on business' interests (*source TrendWatch*).

Solar and wind power are becoming more available and less expensive. Being energy-independent isn't just a matter of throwing truckloads of money into solar panels and diesel generators. According to Joe Wiehagen, senior research engineer for the National Association of Home Builders Research Center, a thoughtfully designed house can use a small fraction of the energy a normal house would, without compromising comfort. Depending on local incentives and energy costs, solar power can cost no more than utility power in the long run. "And when you buy a solar system, you're buying all your fuel costs for the next 20 to 25 years. The whole energy efficiency industry is moving towards more of a well-sealed building".

According to Steven J. Strong, President of Solar Design Associates in Massachusetts, some high-end home owners are shifting to innovative energy practices - and not just for financial or environmental reasons. "Some of our high-end clients literally never see their energy bills; they are putting a higher value on having more control over their energy destiny."

Not surprisingly, affluent homeowners continue to open their wallets. They are demanding environmentally friendly kitchen materials, e.g. glass and metal instead of plastic, FSC (forest stewardship council) certified wood and chemical-free glues (see: ["Millionaires' Green Mansions"](#)). While these materials often cost more on the front end, homeowners find the long-term results worth it. "Today the trend is everything green", says New York City architect Arpad Baksa, who worked on a pool-top residence in New York City that was featured in *Sex and the City* as well as on the conversion of Manhattan's Hit Factory from recording studio to luxury condominium. "It's important to people. Before, one out of a hundred people would have talked to me about this. Now it is about three out of five. They can say, 'I am not killing the rainforest because I am trying to get one piece of exotic wood for inlay'."

- While the volume of green products available to US consumers increased by 73% between 2009 and 2010, only 5% of products were not found to include some 'greenwashed' claims. (*Source: Terrachoice, October 2010*).

Keeping in mind trend #1 that consumers are more wary and looking for proof, you won't be surprised when you notice a number of leading brands switch from purely marketing their products' sustainability and eco-friendliness (with its niche reach) and taking aim right at the heart of traditional alternatives: stressing the superior quality and design, increased durability and/or lower running costs of products in ways that will appeal to even the most eco-skeptic, self-centered or financially-challenged consumer. A sub-trend I am noting of "Everything Green" is the emerging "ECO-SUPERIOR" claims as TrendWatch calls them. Examples:

- **AquaOvo**, a well-designed natural and environmentally friendly water purification device, available through CSP International™
- **Stealth Toilet** which contains a flushing system that only uses 0.8 gallons of water per flush - saving the average family approximately 20,000 gallons of water each year.

The marketing edge for you incorporating green is social responsibility and saving energy/money for sellers and buyers. For [great closing gifts](#) which also help raise money for Women to Women International (educating women in war torn countries) sign up as an independent distributor and get wholesale prices while helping to save the planet with great sustainable products. Sign up for our [green newsletter here](#).

### **TREND 3: Baby Boomers**

The World's population is exploding, teetering around 7 billion. The ability of the world's resources to sustain the population ongoing peaked at 5.5 billion, so essentially we are running out of resources and space. Hence the revived interest in saving the planet (see trend 2) and at the forefront of this movement are the Baby Boomers, those born between 1946 and 1964, who total four hundred fifty million worldwide.

Boomers hold between 65-80% of a country's wealth. Estimated annual spending power of baby boomers is more than USD 2 trillion. Younger boomers (born 1956-1964) spend most of their money on their children and the mortgage. Older boomers (born 1946-1955), many of whom are empty nesters, put their money into upgrading their homes ( see remodeling stats in Everything Green Trend #2) and on clothing, spending 13% and 11% more than average on women's and men's apparel, respectively. (Source: MetLife 2005)

Boomers drive most of the emerging trend markets like health/wellness and green, they want convenience AND luxury, preferably combined in one appealing package. Life expectancy is at an historic high (an American turns 50 every 7seconds) and with extended life comes increased awareness of quality of life, hence the upsurge interest in Health and Wellness (vs. diet). This will affect housing through luxurious touches such as a master bathroom reflecting a spa-like experience, not just with the fixtures - but size, upscale facilities and features like: steam showers, saunas, space to exercise, and refrigerators for [cosmeceuticals](#), water and vitamins. Also, kitchens will gain more favour as a gathering space for cooking and sharing food with friends, therefore "[keeping rooms](#)" will grow in demand.

According to TD Bank's Boomer Buyer Report, baby boomers are looking to either move to a smaller but not small (right size), one level detached house with luxurious features, or stay put (49%) and add some luxury features to their current home. Canadian boomers are looking to take advantage of the current depressed USA real estate markets by looking south for vacation homes (36%). Top of their priorities are location, price, low maintenance and space enough for visitors. Much as real estate agents gain expertise as Senior Residential Specialists, stagers can specialize in Senior Move Management and [Zoomer](#) (active seniors) Specialist. Many boomers are also helping their children purchase their first house. As the rental prices go up, savvy parents have financed property buys so college students have cost effective housing which gains equity while in school.

April 2011 - according to a report from REMAX almost a third of 19 major Canadian markets are reporting a greater number of sales than the same period in 2010, with 70% saying average selling prices have increased. Greater Vancouver area prices have increased 20% so far this year, followed by Hamilton Burlington posting the biggest gains with an 8% jump year on year, followed by Quebec City, Winnipeg and Toronto. The strong gains are being fuelled more by a desire of first time buyers to take advantage of low borrowing costs than a rush to jump into the market ahead of changes to mortgage lending rules that tighten criteria for new homeowners. "With the Canadian economy on firmer footing overall, residential real estate is well positioned moving into the traditionally busy spring market", said Elton Ash, Regional Executive VP, RE/MAX of Western Canada. "Consumer confidence is climbing in conjunction with economic performance, and concerns over a secondary recession fade with each passing day. The mood is cautiously optimistic, as first-time buyers enter the market", Ash added - a definite, positive outlook.

## **TREND 4: Luxury**

Having worked in the real estate staging business for ten years I have always maintained that Luxury is a desired element for any home buyer – no matter the price point – because it is all relative. New home trends usually emanate from the higher end homes and filter down over a 3-5 year span. Remember when whirlpool baths were a rarity and now can be found in many a mid-range new subdivision, and stainless steel appliances are practically standard. Upgrading a fifty year old house with stainless appliances or even a walk-in shower will help sell lower-end properties.

As life is more and more crazy and houses more and more open-plan, the need for private relaxing space is on the increase. In my experience, the Master Bedroom is usually the last room in the house to have any attention paid to it. Making this space gender neutral, yet hotel chic, is an absolute must. Luxury linens transform any space regardless of price point. [Robert Allen Fabrics](#) and CSP International conspired to create a reversible luxury linen line for stagers' inventory to help with this challenge [www.inspiredinteriorsbycspi.com](http://www.inspiredinteriorsbycspi.com)

Housing prices may be in a slump in the USA, according to the Joint Center for Housing Studies at Harvard, but Americans are still investing in their properties. New luxury trends for higher end homes include under-floor heating systems in kitchens and bathrooms and, on the east coast, see it on driveways and walkways as boomers do not want to shovel snow. Warming drawers once reserved for high end kitchens are moving into bathrooms to heat towels, and a must-have for luxury homes is a wine cellar (800-1000sf). In lower end property, this trend can be addressed by heated towel racks and a wine fridge. Connectivity is a trend I forecasted in 2007. In lower priced property you would create increased buyerability™ by installing a wireless router for property-wide internet access; however its growth in the luxury market is much more next generation hi-tech. Homeowners are outfitting their residences with computer systems costing upward of \$40,000. These aren't gem-encrusted laptops, but systems that connect electrical components to sensor panels throughout the house - controlling the pool lighting from the kitchen, or drawing a bath from the living room (see: "[Haute High-Tech Homes](#)"). The systems can send text messages to a phone when the house senses outdoor movement enabling the homeowner to log on to the internet to view surveillance cameras monitoring the front and back yards. Robert Bracero of Converge, a Virginia engineering firm, says: "This is essentially anytime you would like a personal assistant in your house to do things for you such as turning the lights on and off, checking to see if the garage is closed, making sure the temperature is set correctly."

The evolution of outdoor living and landscaping shows in last year's pop culture word "staycation" and in the increase in TV shows up-scaling everyday backyards into tropical havens. Resort living has arrived in suburbia. The Institute for Landscape Architects says any degree of landscaping has 100% ROI when selling a home. Mike Logsdon, a landscape architect and owner of Land Design in Boerne, TX, says that among his wealthier clients outdoor entertainment areas are a craze. He regularly sees bills totaling anywhere from \$50,000 to \$200,000 for a cabana and kitchen with a stainless-steel grill, granite countertops, warming drawer, wine cooler and ice maker. "People are living outside", he says. "Pools have gone from a \$15,000 kidney shape to a \$400,000 pool with tiles. In less crowded parts of the country, outdoor kitchens are a major status symbol and outdoor kitchens can be every bit as expensive as indoor ones." Any similar translation of this principal regardless of price point will be a definite selling point.

## **TREND 5: Cultural Diversity**

As the world connects - distance shrinks and, as younger segments of population experience exponential wealth in countries outside of North America, it makes sense in our business planning to pay attention to cultural diversity growth and how it will affect our own business. Both Canada and



the USA boast a rich multi-cultural population which certainly has contributed to the growth of population. Home ownership is still greatly valued by a variety of cultures and understanding the way different cultural practices, manners, and beliefs effect buying patterns is vital both in staging and real estate today. The fastest growing nation in the world is the nation of women; currently 52% of the world population. The National Association of Realtors says that unmarried women, a group that encompasses divorcees, single moms and widows, as well as never-married women, have become the second largest segment of home buyers in the country, exceeded only by married couples. According to Miriam Muley author of [The 85% Niche Factor](#), women make 85% of all buying decisions and have 95% veto power. In 2008, CSP International™ contracted Muley to write a special training (available to everyone) called Diversity Sales Specialist™, a home study program which illuminates easily the skill sets necessary to work in this shrinking world. In her words: *“More than ever before, women represent a dynamic multiplicity of ethnicities, cultures and lifestyles. Our mission is to be a strategic marketing and business-solutions partner with organizations who are serious about tapping into the full power of female buyers--Black, White, Hispanic, Asian, Middle Eastern, Eastern European, Native American, Bi-Cultural/Bi-Racial, young, affluent and mature. We want to dispel the myth that women, who account for 85% of all purchase decisions, are a niche; rather, they are a majority power consumer group capable of delivering exceptional revenue and profit”*.

Research shows one in five property purchases in USA are made by single women. A notation on HGTVPro cites a 2010 prediction from Fannie Mae that 31 million single women will own homes; that's 28 percent of all US households. When selling staging services to this group of people it is recommended to bear in mind advice from Sara Lamia, president of Home Building Coach, Inc., who says a few things are high on the wish list for almost all single women homeowners.

**SECURITY:** Single women, she says, are looking for security in the neighborhood. They may prefer a gated community, for instance, so they can feel safe going for a run after work. The house itself needs to be designed with security squarely in mind. The garage should be attached to the house, and the building should incorporate a security package, perhaps featuring outdoor lighting, an alarm system, limited use of sidelights by the front door, and windows that can be locked ajar to allow ventilation but not entry from the outside. Personal private haven areas throughout the house are lifestyle selling techniques CSP™ students are taught. Master bed and bath, office/gym areas are ready targets for this marketing technique. While they may choose a smaller house size, single women don't scrimp on style or quality. Elizabeth Weintraub, a broker associate from Sacramento, California, noted trends for single women home buyers include:

- 3 out of 4 women spend less than \$200,000
- Prefer 2 bedrooms or more
- Are less likely to choose new construction
- Buy city over suburban areas
- Will compromise size & cost to get other amenities
- Will not compromise on location or quality of neighborhood
- Prefer condos with well run [homeowner associations](#) over single family homes
- Smaller spaces are acceptable
- Desire security and/or gated access
- Like to engage in social interaction with neighbors
- Want close proximity to stores, shopping and fitness centers

I have found with students of staging that women are very aware of design trends. They know women buyers want natural materials, new soothing colors, warmth, and texture, and appreciate attention to details.

Harvard University Joint Center for Housing Studies states, in a 2009 study, minorities accounted for 37% of householders and 39% of people under 25 owning property. A 2006 study shows Hispanics



represented 14.6% of US homebuyers in 2000 but a NAR study in 2009 showed a growth to 40% of first time home buyers being Hispanic. The US Census of 2010 showed four states, Hawaii, New Mexico, California and Texas, as well as, the District of Columbia, have minority populations which exceed 50 percent of population. That's one state more than in 2000, when Texas was not on the list. About 311 of the 3,143 US counties – one in 10 – have minority populations of 50% or greater. That's up from around 250 counties in 2000. William H. Frey, a demographer at the Brookings Institution said "The engine of growth for the younger population in most states will be new minorities."

**Christine Rae** is an internationally acclaimed home staging expert and founder of CSP International™ Business Training 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.



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**Christine Rae**  
 President and CEO  
 CSP International™  
 Business Training Academy

Christine has garnered international respect and accolades for her pioneering work including:

- certification for the industry
- her commitment to corporate social responsibility, especially...
- her commitment to sustainability, including pioneering Certified EcoProfessional training, building the Sustainable Business Training Academy and the development of EcoStaging
- her innovation of many one-of-their-kind staging products
- the exemplary CSP Code of Conduct
- Christine is also the co-author (with CSP Trainer, Jan Maresh) of "Home Staging for Dummies – a Resource for the Rest of Us" (by Wiley Press).

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.

Interestingly, the real estate staging industry is dominated by women, a small percentage single; however I have noted an increasingly larger number of wealthy women from diverse cultures attending the CSP International™ training in order to establish a credible business and contribute to the household assimilation into their new country. Contrary to popular belief, not all minorities and women are on low or fixed incomes; cultural groups and women expect to be met on their own terms, within their own parameters of how to buy or, you will lose the sale. In other words, minorities and

single women represent a home building and remodeling market you can't afford to ignore.

We hope you have enjoyed reading our report "Home Staging Trends in North America and Industry Outlook for 2011" and found something to take away to help you in your business. Please send us your feedback and let us know about the trends in your market.

## Acknowledgements and Special Thanks

I would like to thank all the Certified Staging Professionals and Real Estate Professionals who generously shared their knowledge, expertise, and insights on real estate, home staging and their regions to make this publication possible. A special thank you to Lori Kim Polk of Stage Right Design for the beautifully staged photo used on our cover. I would like to specially acknowledge Joanne O'Donnell of Chic Home Interiors for her contribution as Project Manager and Technical Editor.



## CANADA

In the Royal LePage House Price Survey and Market Survey Forecast, Phil Soper, president and chief executive of Royal LePage Real Estate Services says “Trends in the housing market continue to be driven by the lingering after-effects of the recession. Canadians realize that interest rates are unsustainably low and that homes will become effectively more expensive when mortgage rates return to normal levels. We will likely see more price appreciation early in 2011 as some buyers complete transactions in advance of anticipated higher borrowing costs.”

Confirmation came from the RE/MAX First-Time Buyers Report released in April 2011. In highlighting trends and developments in nineteen major Canadian centres they found that low interest rates and balanced market conditions have provided significant impetus in 2011, particularly at lower price points. Just over 30 per cent of markets are reporting sales in excess of 2010 levels as a result, while almost 70 per cent have experienced an upswing in average price. Leading the country in terms of percentage increases in the number of homes sold are Western Canadian markets, including Saskatoon (up close to 15 per cent), Greater Vancouver (up close to 12 per cent), and Winnipeg (up just over 11 per cent). With an average price hike of close to 20 per cent year-to-date (February), Greater Vancouver continues to show unprecedented strength, followed by Hamilton-Burlington (eight per cent), Quebec City (seven per cent), Winnipeg (close to seven per cent), Greater Toronto (five per cent), and Greater Montreal (five per cent).

“Despite homeownership rates approaching 70 per cent, there is clearly room for growth as entry-level buyers make their moves from coast-to-coast, undeterred by higher housing values and changes to lending criteria” says Michael Polzler, Executive Vice President, RE/MAX Ontario-Atlantic Canada. “Many purchasers intent on realizing homeownership are scaling back on expectations or are willing to sacrifice location, quality and/or size to make their dream a reality – not unlike generations before them.”

Inventory levels, while tight in several larger centres, are more balanced overall, giving first-time buyers a good selection of housing product from which to choose. Not surprisingly, condominium apartments and town homes have become the first step for many entry-level purchasers, especially in Greater Vancouver, Victoria, Kelowna, Edmonton, Calgary, London-St. Thomas, Hamilton-Burlington, Greater Toronto, the Island of Montreal, and Halifax-Dartmouth where average prices have risen unabated in recent years.

“With the Canadian economy on firmer footing overall, residential real estate is well-positioned moving into the traditionally busy spring market,” says Elton Ash, Regional Executive Vice President, RE/MAX of Western Canada. “Consumer confidence is climbing in conjunction with economic performance, and concerns over a secondary recession fade with each passing day. The mood is cautiously optimistic, as first-time buyers enter the market.”

Changes to recent financing criteria have not created the anticipated run up in activity in most markets. From a financial standpoint, most rookie home buyers remain quite prudent. Those making the leap are not doing it lightly, buying within their means. While this most recent round of policy tightening will likely have a negligible effect on demand, the message is getting across.

Affordability remains a growing concern in most markets, and—aside from first-time purchasers—no one is more in tune with that than housing planners and developers. In fact, the growing demand for reasonably-priced product is creating a shift in the country's housing mix. That trend is expected to gain traction in coming years, as builders look to create greater options for those seeking to realize homeownership. In recent years, builders have helped ease the move to homeownership by concentrating on intensification—condominium buildings with smaller suites and small-lot subdivisions offering detached, compact homes at a fraction of the cost of a traditional single-family home. On the flip side, the affordability factor is also breathing new life into tired older neighbourhoods, and that, in turn, is contributing to rising values.

**CREA**  
The Canadian Real Estate Association



“Even though mortgage interest rates are expected to rise later this year, they will still be within short reach of current levels and remain supportive for housing market activity. Strengthening economic fundamentals will keep the housing market in balance, which will keep home prices stable,”

**Gregory Klump**  
**CREA Chief Economist**

As prices escalate, first-time buyers are indeed spending more—some out of necessity, but others are simply in a position to do so. Unlike in years past—a greater percentage of today's first-time buyer pool is comprised of dual-income, college or university-educated couples with solid earnings. They're spending close to average price or slightly more to secure—in most cases—a better location or a home that will grow with them. Yet, the fact remains that those on a tighter budget can get in for considerably less, with reasonable choices in every major market across the country. While some may feel discouraged by eroding affordability levels, the underlying confidence in the concept of homeownership is rising.

The Canadian Real Estate Association (CREA) had predicted a 9 percent drop in Home sales in 2011, but has recently vastly revised those predictions to only a 1.6 percent drop from 2010 figures. According to the Association's chief economist, the national average home price is forecast to rise 1.3 per cent in 2011 and 2012, to \$343,300 and \$347,900 respectively. CREA expects that home sales activity will gain traction after dipping in the second quarter as the economic recovery and job growth continue, incomes grow, and consumer confidence further improves.





## Vancouver, British Columbia

According to the [Mercer 2010 Quality of Living Survey](#), Vancouver ranks the 4<sup>th</sup> best city in the world to live. With this claim comes an expensive real estate market, the 6<sup>th</sup> highest in the world and the 2<sup>nd</sup> highest in North America. What has that meant for the Vancouver real estate market and where does that leave us going into 2011?

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**Jackson West**  
**Reveal Estate**



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.



"Thanks again Jackson for the absolutely fantastic job that you and your team did staging our home. We are thrilled that it sold in only one day! We've had great compliments from everyone who has seen the photos and will definitely recommend your company to our family and friends."

**Karl P. - Vancouver**

The Vancouver real estate market entered three distinctive phases in 2010. We began the year with continued buoyancy from the post-recession recovery, followed by a summer lull and a sustained period of stability throughout the fall. The number of residential properties listed for sale on the MLS® in Greater Vancouver increased 9.7 % in 2010 to 58,009 compared to the 52,869 properties listed in 2009. The home staging industry saw continued growth in Vancouver as more agents and sellers took advantage of the increased appeal a professionally merchandised property provides.

As we enter 2011, buyer demand is in closer alignment with supply while buyers are able to take advantage of low interest rates. Local first time buyers are expected to be a large part of the market this year. Not only are these buyers typically younger than the average seller, they expect properties to be move-in ready with a fresh decor and lower utility costs. Vancouver's professional home staging consultants will continue to be busy helping clients refresh their homes, generating buyer interest and maximizing selling prices.





## Calgary, Alberta

Located in Western Canada upon the Great Prairies and next to the majestic Rocky Mountains, Calgary is a thriving city providing a lifestyle of energy, fun and growth! Besides the financial downturn in recent years in Canada and for our neighbouring US friends, the biggest challenge for us, in the beginning, was educating the real estate market of the value of professional home staging as a marketing tool. We had to convince them that professional home staging is, in fact, a bona fide industry and that the Realtor and their client, the home seller, would benefit from utilizing our services. Now that we have established our staging footprint within the real estate industry, the use of our CSP training has been widely accepted.

As a Realtor who has been in the business of selling homes for almost 10 years, I am constantly amazed by the transformation Designing First Impressions can bring to a home. They can turn almost any property into one that welcomes buyers, creates a feeling of warmth, space and leaves a lasting impression! Their professional staging can significantly reduce the time a home is on the market, as it enables buyers to see themselves living there as soon as they walk through the door!

**Dennis Plintz**  
Century 21 Bamber Ltd.



**Contributed By  
Glenda James  
&  
Darcy Blanchard**



**Designing First Impressions**



Calgary's property staging experts, Glenda James & Darcy Blanchard, co-owners and co-founders of Designing First Impressions are one of the prairies' first 2005 pioneer graduates as well as proud CSP mentors of The Canadian Staging Association.

"My name is Dave Greenwood, a Calgary realtor for 6 years. I contacted Designing First Impressions to assist me in staging a new listing. The seller was so impressed that they considered not selling because they loved the layout and staging so much. They did however enjoy a quick sale. I have used Designing First Impressions on every listing since. I contribute a large part of my success to my stagers, Glenda and Darcy".

The Home Staging industry is getting larger and busier in the western prairies. Currently there are over 6000 single family homes listed in the Calgary Real

Estate market. That is a lot of properties which means big time competition for sellers. Making sure your property stands out from the crowd is smart marketing, which means a lot of properties may require the skills of the trained CSP. As per a recent testimonial: "The staging was phenomenal. Offers were received within 48 hours of putting our house on the market- we were not expecting that type of activity in this market, we feel it is directly correlated to the quality of the staging done by Glenda & Darcy of Designing First Impressions" Homeowner, Joanne/Calgary

We believe Home Staging in Calgary and surrounding areas will continue to expand in the Real Estate marketplace. We are confident the Home Staging industry is here to stay, to grow and be regularly called upon by the Real Estate industry to share our skills and provide quality work. Life is good on the prairies and getting even better thanks to the world of Home Staging.



## Winnipeg, Manitoba

The Winnipeg market is reported to be one of the strongest markets in North America. The Winnipeg Realtors Association's most recent press release reported record breaking sales in the first quarter of 2011, with 48% of residential-detached listings going for above list price and a shortage of inventory. RESA Manitoba's latest statistics reported that 68% of professionally staged properties sold over list in the last quarter of 2010. Creative Solutions recently staged a vacant listing that was on the market for 3 months and sold within 3 weeks after staging; another staged occupied property sold for \$75,000 over asking price. Even in strong markets with low inventory, staging not only works, it pays huge dividends for all parties.

The most fascinating part of my business is that every home (property) has a story, a history - owners upgrading their home for a growing family, empty-nesters downsizing, transfer or move to a new city (or country), marriage, divorce,



**Contributed by  
Geri Zalitach  
Creative Solutions**

It all started during childhood when playing house meant re-styling the existing playhouse, building a new one with scraps of plywood and boards at our rural home. As a young teen, it meant reconfiguring my bedroom furniture over and over again, begging my parents for new paint and wallpaper. This carried on throughout adulthood with my own home, feeling unfulfilled and still not knowing what I wanted to be "when I grow up". Home Staging was just being introduced to the North American market and was gaining exposure on television. On a leap of faith, I enrolled in a CSP class. It was during the first hour of the class that I realized I found my calling. That was spring of 2006 - present day and 500 properties later we enjoy solid working relationships with Realtors in Winnipeg and rural Manitoba.



senior transitioning, illness and death. Every real estate transaction is driven by a life change, and with that includes a rollercoaster of emotions. Our job is to guide our clients through this process as they get ready for their move.

Working with this myriad of homeowners is the most rewarding aspect of my business. Being able to help them all through this stressful process in order to sell their home quickly and be able to earn as much money as possible, so they can focus on their next move. We see the potential in every property, regardless of list price or location, and have the experience and ability to make each and every property shine and feel like "home" for

prospective buyers. It's a win-win situation for everyone and very fulfilling.

Working together with our client agents we help our sellers earn their full equity. "We would like to take this opportunity to thank and congratulate you formally for your excellent work regarding the sale of our house. You went above and beyond our expectations that we ever had for a Real Estate Agent. The most impressive thing you did for us was to bring in Geri Zalitach at Creative Solutions to help stage our house. The two of you worked together so well and made our house beautiful. When we received the offer that was \$45 000 over our asking price we knew it was because of all your hard work. From the initial meeting to the closing date, you were very professional, knowledgeable and enthusiastic, full of substance and style. If we hear of anybody else wanting to sell a house, we would not hesitate to recommend you. Thanks again." – Robyn & Clayton





## Kitchener–Waterloo and Cambridge, Ontario

*The Kitchener-Waterloo and Cambridge, Ontario markets escaped the worst of the economic downturn and throughout 2010 stayed strong, with some months experiencing the highest sales in history. Many attribute this unprecedented expansion to the continued growth of Research in Motion (RIM), developers of the BlackBerry™, and other high-tech companies which have settled in the area. Their growth has transformed the region into the newest North American hub of high-tech activity.*

*There were several interesting shifts in 2010, including a very early and strong spring market. A record breaking March saw new listings up 47.1 percent over the same month in 2009, volumes more typical of April and May. Spring market prices were also up over 2009, with single detached properties selling on average for*

*13.7 percent more, with the most notable increase being a demand for homes in the highest price ranges.*

Christine Bird, founder of New View Home Staging in Waterloo, ON is a CSPI Trainer and Mentor, as well as an Elite Stager and Trainer for the CSP Elite™ Affiliate Designation for Realtors. Chris came into staging in early 2009, after a lengthy and successful career in automotive manufacturing, one of the recent recession's earliest indicators and hardest hit industries. Since becoming a CSP™ and launching New View Home Staging she has enjoyed tremendous success with a client base that includes many of the area's top real estate professionals, and has been honored as 2011 RESA Rookie of the Year (Canada).

**Contributed By  
Christine Bird  
New View Home Staging**



Home Sold in 9 hours!

*Prices and numbers tapered off towards the end of the year to more traditional levels, but KWREB President, George Patton, reported at the end of November that, "The strength of the residential market has resulted in record breaking dollar volume of sales through the KWREB MLS® System, with results for 2010 showing a 9.6 percent increase over the same period last year, and easily surpassing the previous record posted in 2007. In terms of total dollar volume, 2010 is poised to go down in history as our best year ever."*

*Property staging has not yet been fully embraced by real estate professionals or homeowners in southwestern Ontario and education remains key. In many cases, the concept of staging is still being introduced for the first time. We consistently meet sellers who view staging as an expense rather than an investment, and real estate professionals who unfortunately don't understand the process and its benefits well enough to be able to discuss it. It's for this reason specifically that Chris became a Trainer for CSP Elite™, a program which arms real estate professionals with statistics and facts they can use in their marketing, and helps them gain confidence when talking about staging with their clients.*

*2010 was a solid year for real estate in southwestern Ontario, and New View Home Staging continues to grow, with several of the regions nationally awarded and most successful real estate sales representatives becoming turned on to the value of staging and now recommend our staging services. We're very excited and optimistic for 2011!*



## York Region, Ontario

The 2001 Census identified that home ownership was the most prevalent type of tenure in York Region with 86% of residential units occupied by owners. This rate was significantly higher than the rates recorded nationally (66%), provincially (68%), and in the Greater Toronto Area (64%).



"Susan is truly a talented designer. Throughout the staging process, Susan was always respectful of our thoughts and ideas and was simply a pleasure to work with. She is passionate and dedicated and does not stop until she gets the right look. Not only did she bring out the true potential of our home she added the wow factor that gave our house a 'model home' look. Susan has an uncanny eye for interior décor and has the raw talent to make the look work! We believe that her staging our home made the difference in the sale of our home. We highly recommend Susan and look forward to her help in decorating our next home!" Thanks, Shaila

Susan Crema-Martin, owner and principal designer of Martin Designs. As a certified, elite Certified Canadian Staging Professional, Susan brings 20 years of a diverse background to her clients and agents. She has been a mentor for the CCSP for over 3 years and just recently is the recipient of the CSP International Business Award 2009-10 – Business Turnaround of the Year.

The creation of Martin Designs brings **"HOME STAGING WITH A VISION"** to this industry.



**Contributed By Susan Crema-Martin  
Martin Designs**

York Region is focusing on increasing the housing choices of their residents for affordable and appropriate rental housing and home ownership. Due to strong housing sales, rising real estate values, low interest rates and job growth, York Region is in a boom time. Over the last couple of years we have experienced a steady trend in favor of the staging industry. There are now more real estate agents that are incorporating staging in their full service package. Many of our clients are versed in home staging through the media and want to learn how staging could increase the value of their

homes and increase their return on investment.

One trend we have been experiencing in this market is new home buyers - younger families with dual incomes who do not have time to buy a "fixer upper", but instead want a home that is "turnkey". It is very important for us to assist our clients in getting their properties move-in-ready so they receive the most for their investments, "The home showed really well, you and your team did a great job. If we didn't do this I think it would have sold for about \$15,000 less. My client feels the same. Hope to do business with you again in the near future."

"Our Team has been using Susan Crema-Martin over the past year to stage our listings and the results have been amazing! Many of our listings that had been on the market previously without staging, have sold within a short time after we had them Staged! The two biggest results we have observed from our staged listings is that they definitely sell faster and for more money. The staged homes also receive more Buyer showings due to the fact that our virtual tours and photos of these homes are now more outstanding and eye-catching! Overall it has been a welcome addition to our listing package and one that has been a definite bonus to us and our clients."





## Toronto, Ontario

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.

As of April of 2011, the Toronto market is still a very strong Sellers market and has been for over a year. According to Brandon Ware, Broker at **Private Services Realty** in Downtown Toronto,



*Duncan Scott is a Senior Certified Staging Instructor for CSP International and President and Chief Property Stylist for The Scotts Group Inc., with over 22 years of experience "Working with People on the Move" in 3 countries and 2 continents. When not training new home stagers, Duncan spends his time equally at "The Lake" on the Big Rideau in Portland, ON and at his downtown Victorian in Toronto, ON.*

*Duncan Scott has changed our lives. Not only is he the best stager in Toronto, but before we met Duncan, we were helpless. We didn't just have a problem. We had a mountain that we had been told could not be moved. Duncan worked with us to get to where we needed to be, and then even further. We are eternally grateful to him, and we think you could also benefit from his services.*  
Paul Beuregard & Jennifer Pfuetzner (Home sold for \$26,000 over asking in one day)



**Contributed By Duncan Scott  
The Scotts Group**

"Properties that are priced & staged well will command close to the list price and in many a cases are going into multiple offers and selling for over list price". One example is a 3 Bedroom home in the midtown neighbourhood of Leaside that *The Scotts Group* staged in March, went on the Market well priced for \$850,000 and sold in one day with multiple offers for \$1.1 Million.

With very low inventory available, this situation is great for home sellers, however buyers and buyer agents are having a tough time securing a deal. Pamela Fenton, Sales

Representative at **Homelife Realty One** explains: "Buyers are getting fed up of going into multiple offers and either losing the home of the dreams or being forced to pay over asking. As a result, many are deciding to wait a year or two and rent even with the possibility of rising interest rates." In March of 2011, Canada lowered the amortization amount on loans from 35 yrs to 30 yrs. This will have a huge impact on first time homebuyers who will have to rent a few more years in order to save for a larger down payment.

With a large amount of condo's already in construction in the GTA, (Greater Toronto Area), with a large number pre-sold to investors, this will mean that more will be renting versus flipping for a profit. For home stagers this opens a whole new market in the future, as property owners who stage to rent will be able to rent their units out faster and for more money as people will want to rent the "lifestyle".



## Greater Toronto Area, Ontario

Leading the way in innovation and design is not new for this vibrant Canadian city. When home staging first came to Canada, many years ago, Toronto opened its arms and has experienced ALL the success that home staging offers. Stagers no longer need to focus on “selling” the benefits of staging and showcasing to agents and home sellers, which allows more time for building relationships with clients and Realtors.

“The real estate market in downtown Toronto maintained much of its strength during the recent



**Teresa Robertson** is no stranger to the world of real estate. Having worked in a very successful real estate office, she understands the language of real estate, which strongly differentiates her from other home stagers. Her marketing experience and business acumen have led to her tremendous success as one of the top home stagers in the GTA. Teresa was awarded “CSP Mentor of the Year” and “Best Overall Company of the Year” for 2010.

“Teresa has consistently helped me to exceed my client’s dollar expectations at the time of the sale of their home. They are always astonished at the transformation she makes in such a short period of time. Teresa has excellent vision, taste and organizational skills and will be part of my team for a long time to come!”

Valerie Logaridis, Royal LePage



**Contributed By Teresa Robertson  
Design To Go, Inc.**

market downturn as compared to the rest of the GTA. We still had properties selling at or above list price and, depending on the Realtor’s listing and pricing strategy, many homes sold with multiple offers. Even as the world was shouting “recession”, Design To Go staged two properties in the same townhouse complex and they sold above list price within 3 days. The Realtor held back offers and the home sellers embraced staging 100%. They handed us the key and allowed us to work our magic, then came back for “the big reveal” and

were thrilled with the results. The transformations were breathtaking and the investment in staging paid off... BIG TIME!

Agents in the downtown core are committed to staging their listings. Most of them pay for the initial staging consultation and often pay for part or all of the staging, depending on their relationship with their clients and their commission structure. Savvy home sellers understand that they need to spend money to make money. They are willing to replace floors, paint walls, update their furnishings with rentals and do repairs that will maximize their equity and appeal to the broadest group of potential buyers.”





## Markham, Ontario

**Interview with a Realtor:** Staging is a crucial element in selling a property these days. In order to get a successful sale we recommend using the "Successful Triangle" concept. Imagine a triangle that has Price, Marketing and Staging on the corners. If one of these elements is missing, the whole selling process falls apart. The home seller benefits by a fast sale, at asking price or over asking, s/he is less inconvenienced by having to show the property for a long time (everybody knows how hard is to live in a house that is on the market) and all in all, s/he has an enjoyable selling experience. The benefits for the Realtor are: a staged property generates more showings, hence a higher chance to sell it faster, creates a buzz -Hot property, saves marketing money, time, frustration with angry sellers, the commission is increased when selling at a higher price and one of the most important things is that happy home sellers recommend us to their friends and

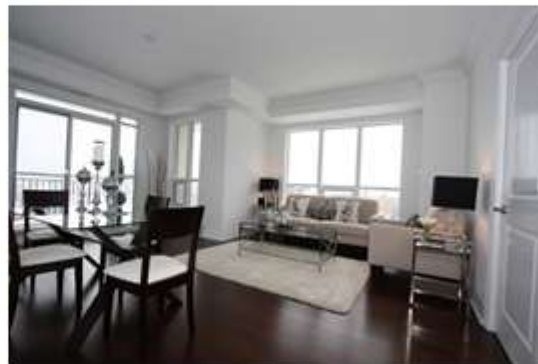
families and we get more listings in the future - which we have Staged 2 Sell Solutions showcase before they go on the market.



*Monica Stanciu is the owner and Principal at Staged 2 Sell Solutions Inc. She is a CSPElite™ Staging Consultant and a CSP Mentor. She has a team of talented staging consultants. Her work was featured in the Staging Standard Magazine, "Acasa" Newspaper and Markham Crier. She is a Finalist for the "Professional Stager of the Year 2011 Award" and received two prominent staging industry awards in 2010, "The Most Promising Rising Star Award" and "The Best Marketing Campaign of the Year Award". Since its foundation, Staged 2 Sell Solutions Inc. staged over 100 million dollars worth of real estate.*

We had a 4200 sq. ft. property that was listed with 4 different agents and never sold. I brought you in, you did a thorough consultation where you recommended some painting, changing light fixtures, bring in some contemporary furniture pieces. I have to admit, it wasn't an easy job for you convincing the homeowner that this is a necessary investment. I liked what you told them: "If you continue to do the same thing, you will continue to get the same result", this convinced them to stage. After staging, this property sold 99.5% of the asking price in less than 2 weeks.

Arsen Gulesseriane, ReMax



**Contributed By Monica Stanciu  
Staged 2 Sell Solutions, Inc.**

93% of the prospective buyers are searching for properties to buy on MLS these days. We are still amazed how many bad photos are out there, and how many listings don't have even one. We are strong believers that a good picture on the MLS is crucial in generating interest in the property. There is only a 3 sec. window to capture buyers/agents interest in a property on the MLS. This is why we use our CSP™, Monica Stanciu, of Staged 2 Sell. After the staging team finishes, I take the pictures - good photography shows better in all marketing

materials, video, etc. We don't just put the listing on MLS and wait for a sell. My photography is incorporated in my brochures, videos, and my business website.

The TV shows are helping home sellers see the value of staging; the problem is with the sellers who don't watch HGTV or read decorating magazines. Some cannot understand spending money on a house they want to sell. When we tell them that the R.O.I is 586%, or for each thousand dollars they invest in staging they get back six, they start warming up to the staging idea. Sometimes they feel insulted we've told them they need to stage their house, which they believe is beautiful. This is why we send our CSP™ in for the consultation, we know our stager has the diplomacy to address all these issues and the will come to trust their expert advice.

Excerpted and paraphrased from **Monica Stanciu's** interview with her loyal client, **Arsen Gulesseriane, ReMax Crossroads Realty, Inc.**



## Montreal, Quebec

Montrealers are an interesting bunch. We dance to the beat of our own drum and are not easily influenced by what goes on in other major Canadian cities like Toronto and Vancouver, never mind our neighbours to the south.

**Tanya Nouwens** is a Montreal real estate broker with RE/MAX Royal (Jordan) and a Canadian Staging Professional™. She offers her clients professional staging and professional photography with every listing. Tanya began her real estate career as a home stager, opening her Montreal home staging business, Ready, Set... Sold! inc. in 2007. Seeing time and again the benefits that staging brought to her clients, she became a real estate broker herself, to bring the benefits of home staging to even more homeowners. Tanya's primary market is the West Island of Montreal, including Beaconsfield, Kirkland, Baie d'Urfé, Pointe Claire and Senneville.

**Contributed By  
Tanya Nouwens  
Ready, Set... Sold! Inc,**



Proper Presentation plus Proper Pricing = Quicker Sale, Closer to Asking... This home in Beaconsfield South sold in 6 days for 99% of asking. While it sold in 6 days, I had been working with the homeowners for several weeks to get it ready to go on the market. And we had done our research to price it well.

And so the economic downturn that affected the U.S. real estate market as well as other parts of Canada did not affect us here in Montreal to the same degree. In 2010, with talk of interest rates rising, many home buyers came onto the real estate scene early, and so Spring 2010 was a very hot market, and clearly a seller's market.

In 2011, the market has settled a bit more and has moved more towards a balanced market. That being said, home prices have continued their steady march upward. This trend has not

changed. In a more balanced market, proper presentation and pricing become absolutely critical. In fact, we see properties that are presented well and priced well encountering multiple offers and very quick sales.

A properly presented property is one that has been de-cluttered, freshly painted in neutral colours, with pleasing room layouts, outstanding maintenance issues taken care of, and key updates done. The finishing touch, of course, is the showcasing (final home staging). But all the home staging in the world will not sell an over-priced home. Our savvy Montreal buyers continue to expect homes to be priced well too.

With increased competition on the market in 2011, it is even more important for home sellers to work with a home stager and a real estate broker – or one who does both, like Tanya – to make sure their home is properly presented and priced. The key for home sellers is to hit the ground running when their home hits the market so that they can operate from a position of power, versus languishing on the market for months and only then deciding to do what needs to be done.





## St. John's, Newfoundland

St. John's, the oldest city in North America, was possibly the last city in North America to embrace home staging but is quickly catching up as the local real estate industry jumps on board.

The St. John's real estate market was not affected by the recent economic downturn and has actually grown by approximately 15% since 2009. Average house prices in St. John's are forecast to increase 4% in 2011. As long as oil companies continue to relocate employees to the province, energy & mining development will continue to drive the economy as well as the real estate market in the area.



Andrea Thiveos, a Certified Staging Professional™ and President of Roomscaping.ca, and has been pioneering professional home staging in St. John's for 3 years. Her properties have been seen on HGTV and East Coast Living magazine. Andrea has Interior Decorating diplomas from Granton Institute and QC Design School and is a Dewey Certified Color Consultant.

This small living room was transformed from dark and tight to bright and open and sold to the first people to view it for full list price on the first day of listing!



**Contributed By  
Andrea Thiveos  
RoomScaping**



Home staging is a relatively new concept in St. John's with the majority of clients actually being the real estate agent rather than the homeowner. Many agents are starting to see the benefits and reap the rewards of home staging for their business and their clients' return on investment. Agents who insist that their properties are properly prepared before they go on the market consistently pull out

in front of the pack with faster sales, multiple offers, etc. - causing other agents to stop and take notice.

Now agents are starting to offer home staging as a part of their listing package to gain the competitive edge by getting the listing and moving their inventory fast! There remains much room for growth in the staging field in Newfoundland and the future looks bright here indeed.



## THE UNITED STATES

In its latest real estate and economic forecast, the National Association of REALTORS® (NAR) anticipates that sales of existing homes, after falling 4.8 percent in 2010, will rise 7.9 percent this year to 5.3 million, and another 4.5 percent in 2012, to 5.53 million. Meanwhile the median price of existing homes rose 0.3 percent in 2010 after a 12.9 percent drop in 2009, and is expected to rise 0.5 percent this year, to \$173,800, and another 2.4 percent in 2012, to \$177,900. NAR expects that 30-year-fixed mortgage rates will average 5.1 percent this year, up from 4.7 percent in 2010, and rise to 5.9 percent in 2012.

The 2010 U.S. Foreclosure Market Report™ from RealtyTrac®, the leading online marketplace for foreclosure properties, found an increase of nearly 2 percent in foreclosure filings in 2010 from 2009 and an increase of 23 percent from 2008. And, five states accounted for 51 percent of the nation's total foreclosure activity in 2010: California, Florida, Arizona, Illinois and Michigan.

Standard & Poor's Case-Shiller Home Price Index fell slightly less-than-expected in January 2011. The drop of 3.1% in January, after dropping by 2.4% in December was the seventh consecutive month of decline. David M. Blitzer, Index Committee Chair at Standard & Poor, said "The data confirms what we have seen with recent housing starts and sales reports. The housing market recession is not yet over, and none of the statistics are indicating any form of sustained recovery. At most, we have seen all statistics bounce along their troughs; at worst, the feared double-dip recession may be materializing."

U.S. home prices fell for the eighth month in a row during February 2011, although price declines are increasingly concentrated in sales of distressed properties such as bank-owned homes, data aggregator CoreLogic said in releasing its home price index. The CoreLogic home price index showed U.S. home prices down 6.7 percent from a year ago during February, a sharper decline than the 5.5 percent year-over-year drop registered in January. But if you exclude distressed sales, the index was essentially flat, declining by 0.1 percent from a year ago compared to 1.4 percent in January. Distressed sales include short sales and real-estate owned, or "REO," properties.

In March 2011, 34% of existing-home purchases were made by first-time buyers, according to the National Association of Realtors. In January, they were 29% of the market, the lowest since NAR surveys started tracking them monthly in late 2008. In healthy markets, first-time buyers make up 40% to 45% of all purchasers. They play a critical role in buying starter homes so those owners can buy more expensive homes.

Despite low mortgage rates and falling prices in many markets, existing-home sales have been weak for months and were down 2.8% in February from a year ago. What's causing this?

•**Expired tax credits.** Federal credits boosted home sales in 2009 and 2010 and lured some first-time buyers into the market sooner than normal, says Lawrence Yun, NAR chief economist. The credits

expired in April 2010. Last March, 48% of buyers were first-timers. “It’ll take some time to rebuild that pipeline,” Yun says.

•**Lending standards.** Tighter lending standards since the housing bust are edging out first-timers who can’t meet credit or employment history requirements in a still-weak economy, says Guy Cecala, publisher of *Inside Mortgage Finance*. Higher credit standards are reflected in loans bought by government-backed mortgage giants [Freddie Mac](#) and [Fannie Mae](#). Last year, loans in Freddie Mac’s portfolio had an average credit score of 758, it says. That was up from 720 five years ago. Many lenders are also requiring higher down payments, says Greg McBride, senior analyst at Bankrate.com. The best terms kick in with 20% or more down. Higher down payments are driving more buyers to [Federal Housing Administration](#) loans. The FHA requires as little as 3.5% down for borrowers with good credit scores. In fiscal year 2010, FHA loans were 19% of the home purchase market vs. 14% a decade before.

•**Competition.** In February, cash buyers accounted for a record 33% of existing-home sales, NAR says. In some areas, including Southern Nevada, cash buyers now account for more than half of existing-home sales. Sellers often prefer cash offers because they’re more likely to close, says Realtor Jerry Abbott of Grupe Real Estate in Stockton, California. He recently had one listing with six offers: one all cash, two with 20% down payments and four FHA, which often means first-time buyers. “The seller didn’t even consider the FHA” offers, Abbott says.



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ASSOCIATION of  
REALTORS®

*REALTOR.org*



"All the indicator trends are pointing to a gradual housing recovery. Home price prospects will vary depending largely upon local job market conditions. The national median home price, however, is expected to remain stable even with a continuing flow of distressed properties coming onto the market, as long as there is a steady demand of financially healthy home buyers."

**Lawrence Yun, NAR's Chief Economist**

Even in this economy, Keller Williams, considered the top real estate franchise in the country according to real estate guru Stefan Swanepoel, says “**staging is non-negotiable**”. **On their website they go on to say –** “Even in areas where the concept hasn’t caught on staging will supply a great advantage, particularly if there are many similar unsold listings on the market. Buyers gravitate to listings that look good and are in move-in condition. **Buyers are looking for value.** When prices are flat or on the decline, buyers need to perceive that the house is worth the price. **Bottom line:** staging is more than an exercise in tasteful interior design. It is a business decision that can

have a huge impact on your financial return and timeline.”





## San Francisco Bay Area – SF & East Bay, California

The California housing market appears to have finally emerged from the rollercoaster swings that characterized the region through its peak of 2006 to its trough in the spring of 2009. With the area's market charting gains ranging from 2.2% to 3.3% over the previous year (Case-Shiller Price Index), these represent the minority of markets showing any positive trend nationally. California's 32% rate of underwater mortgages combined with 12.4% unemployment rate creates an uncertain landscape for the coming year. Most local markets have shown a slight price softening since July 2010, with correspondingly increased DOMs over that period. Whereas staging was the

norm and budgets were abundant at the peak, struggling realtors in recent years have been reluctant to recommend yet another upfront expense to their potential clients. Only top Realtors, with the confidence and stamina to insist on the marketing advantage required to stay ahead of the pack have continued to recommend staging throughout the downturn and their results prove them right. Complicating the situation further, tightened lending standards have prolonged closings even for pre-approved buyers, and the extreme scarcity of options for non-conforming loan purchases have hampered sales for a large segment of the California market. As new funding avenues are opening up the upper end market should benefit as long as the economic outlook, particularly the

### Contributed by Joanne O'Donnell & Johanne Poulin Chic Home Interiors

"How can I say thank you enough (again)! We've been on market for 5 months and all feedback was negative. Most said it was dark and crowded or wouldn't work for their furniture. Then you worked your magic.... I took a client that had seen it a month prior - she kept assuring me she'd never seen it before - she had... She loved the layout of the second floor loft - the reason she hadn't liked the home before is the loft was "awkward and wasted space" and "the layout won't work for us". One agent told me how great the new paint job looked and how it opened up the whole house - I'm not sure I convinced him that the house was not re-painted - just staged. I kept meaning to call you with a big THANKS on Monday but was busy presenting an offer! That's right...We had a great offer in by Monday and we it all to your staging! "

**Lydia Clark, REALTOR®**



Chic Home Interiors has been staging homes in the **San Francisco Bay Area** since 2002. The two Jo(h)annes will make your property sizzle!



job market, increases consumer confidence. Furthermore, the backlog of short sales and REOs on hold remains a significant factor.

The outlook for staging in California is definitely good: the practice is established and promoted by media and consumers alike. Success will require a coordinated approach between realtor and stager, culminating in a strategically priced and rejuvenated home. This recipe spells success as attested to by numerous examples of homes in varied Bay Area communities, staged by CHIC Home Interiors in the last year. Each sold for or above asking with an average DOM of 17 days, compared to the median sold/list of 94% and median DOM ranging from 49 to 77 days (depending on which Bay Area community). In 2011 we began working with a top auction investor who buys distressed property and have achieved sales with multiple offers within 2-3 weeks, when average DOM for these properties is 156 days. The key for stagers remains to partner with experienced realtors who understand their local markets well and share that understanding with their team members. The same is true for realtors looking to grow their business in these uncertain times, partnering with experienced stagers with a proven track record and an understanding of staging as a marketing tool for the home will put them ahead of the pack.





## San Francisco Bay Area – Peninsula, California

The Bay Area has always been on the forefront of home staging. The primary change in the last two years has been how the foreclosure and short sale markets have influenced home staging. Most Realtors are strongly encouraging staging while homeowners already struggling with economic issues can be at times hesitant. Owner occupied homes are more common with homeowners less likely to carry two mortgages. However, vacant home staging is still 50% of our staging business with impact rooms being the primary focus.

Kerry Roth, President of Decor Staging - Home Design and Renovation is a certified staging professional who has distinguished herself from her competition with her creative flair and custom-build design components. She specializes in renovation design and staging that maximizes the return of investment for her clients. Her background in furniture design and construction as well as wood and glass work give her the creative edge in design challenges. She works with house-flippers, renovators, investors, estate attorneys and homeowners.

**Contributed By**  
**Kerry Roth**  
**Décor Staging**



Staged By Kerry Roth  
Décor Staging

We have seen 2 significant home staging business trends in the last year. First, the continued economic downturn combined with a large overhead has contributed to the closing of several larger staging companies. However, staging businesses with a moderate inventory and lower overheads have not been as affected. Stagers without furniture inventory have a challenge being competitive in their bidding, given their rental hard costs. It is a competitive market with all staging businesses feeling the downturn and economic challenges.

Secondly, homeowners are requesting multiple bids which has lowered the staging fees in a competitive bid to win a job. I am seeing a larger disparity between staging bids and the individual businesses. Small start-up staging businesses are popping up working out of garages. Homeowners need to be sure that they are hiring certified, insured and licensed individuals with CSP membership. Checking references, websites, credentials and portfolios are due diligence. Pricing should not be the sole factor when making a hiring decision.



## SF Bay Area - a Realtor's Perspective

Foreclosure filings in California dropped to levels not seen since late 2008 when governmental intervention temporarily slowed the foreclosure filing process. Notice of Default filings dropped 12.8 percent month-over-month and Notice of Trustee Sale filings fell 12.5 percent from the prior month. The foreclosure filing percentage decreases are more moderate when adjusted on an average daily basis due to the fewer filing and trustee sale days in February with a 3.1 percent drop for Notice of Default filings and a 2.8 percent decline for Notice of Trustee Sale filings. On a year-over-year basis foreclosure filings were down as well, with Notice of Default filings down 29.6 percent and Notice of Trustee Sale filings

falling 17.0 percent from February 2010. Activity on the courthouse steps slowed with fewer sales leading to a 24.5 percent decrease in sales Back to Bank and a 20.3 percent drop in properties purchased by Third Parties, typically investors. For the first time, Third Party investors saw a drop in the average time to resell a property, down 3.1 percent to 156 days.

Northern California seems to be on the way out of the recession...How do I know? Well if you look at combined data from several sources, nationally the bottom was in October 2010, but in Northern California we hit the bottom pricewise in May, 2010. Statewide

foreclosure filings are down 29% and REO inventories are down 16.52%. Throughout this time we have truly learned to appreciate the work a stager does even more. I've always supported and recommended staging but now more than ever it has made the difference in which properties sold.

One well known real estate speaker, Brian Buffini, has polled the 4 largest banks in the nation and says there is no shadow inventory. The banks are putting properties on as they get them, and the multiple offers are alive and well particularly in the lower price ranges. 69% of people can afford to purchase a home. This is big news as in years past the percentage has been one third to one half of that. In part, the low interest rates have some influence on that statistic, still hovering around 5% give or take a quarter percent. In terms of numbers of sales, and prices, while not rising much, are up 3.8%...THIS is progress. The trend is going in the right direction for consistent change in the right direction. Realtors are encouraged and are returning to their old habits of presenting properties in their best light, and realtors and stagers, who have been largely scrambling for business, are beginning to list and sell in larger numbers than in the recent past. Overall 2011 is going to be a much better year than 2010.



## San Diego, California - a Realtor's Perspective

I have been selling Real Estate in San Diego County for over 15 years. I specialize in working with sellers and am known for getting the most money for a home in the shortest amount of time on the market. I have been an advocate of staging for many years, before it was really popular. I recall hearing about a Realtor whose homes sold quickly because she did some extra things to make her houses look good. I gave her a phone call and learned she did what she called staging. Now that sounded good but I had a problem. I can tell you if it looks good when it is finished but had no idea how to get from point A to point B.

That phone call made a difference in how I do business. I learned I needed to have the courage to tell the home seller the truth, even if it was embarrassing. The first time I used a professional stager,

what a difference. I was no longer the "bad guy" and it was appreciated that I brought in a professional to assess the property. It was amazing how much trust and confidence my sellers now had with this valuable second opinion.

Contributed By  
**Ginger Proffitt**  
ERA Property Movers



Ginger is a native of Escondido, California and has been selling Real Estate for ERA Property Movers for over 15 years. She has been a member of ERA's Leader Circle (top 1%) for the last 14 years. She is an international finalist for the Jim Jackson Customer Service Award. She was voted best in customer service by San Diego Magazine for the last three years. Ginger married her high school sweetheart and has 8 children and 42 grandchildren.

Our San Diego market has been hit very hard by the economic conditions and our distressed home market is continuing to increase. Because of this, prices have and are continuing to drop. We will see a slight pickup in activity for a month or two and then it slows down again. We still have a large amount of shadow inventory to deal with and don't expect much change throughout this year. Sellers are

devastated as they see their equity dwindle away. They don't want to put one more penny into a house that they are leaving.

Our stagers have had to get creative. Sellers no longer want to rent furniture. They want the best they can get for the least amount of money. However, as I tell my sellers, "It comes down to a price war and a beauty contest. Your house needs to stand out. If only one house is going to sell, let's make sure it is yours." I have found a professional home stager has the ability to walk into a home, using what is already there and create a look and a feel that will win that "beauty contest". Once the seller sees what can be done they recognize that the money spent at the beginning of the listing will come back to them when they see that sold sign in the front yard.





## Phoenix Metro Area, Arizona - a Realtor's Perspective

The Phoenix Metropolitan Area is comprised of many cities each having their own unique feel and history. Some areas crashed much harder than others when the housing bubble burst. At the market peak, prices were driven by a price per square foot model. Now, home prices are driven by "location, location, location". Our numbers in the Phoenix area are improving.

April 2011 has a little over 15,000 homes on the market, while the same time last year (2010) showed numbers closer to 19,000 homes and April 2009 saw just over 23,000 homes. Overall, inventory is shrinking and this month sales price per

square foot just beat out last months by \$0.30 (or a quarter and a nickel). With numbers like these, it can clearly be to a seller's advantage to hire a staging professional to present the home in the best light.

**Contributed By**  
**Mark Organek**  
Solutions Real Estate



Mark has been in the real estate industry since 1999, mainly working the East Valley of the Phoenix Metro area. He started having homes staged in 2008 and believes in the results so much that when he talks to residents about what it takes for a real estate agent selling homes in the premier golf community of Las Sendas in Mesa Arizona, he insists on staging. His Scottsdale, Gilbert, Mesa, Chandler and Tempe highend homes have to be staged properly and priced properly. He does an initial room-by-room review with sellers first to point out pros and cons of their home and then transition to the need for a stager to come in and help them get the most for their money.

I work with investors that are in the market of buying, fixing and flipping homes. When I get a call from a Canadian investor or an Australian investor looking to purchase a home to fix and flip, before I even take on the client, I confirm that they are willing to pay to have them staged. Days on market for April 17, 2011 for active listings are 186 and last year, it stood at 172. Sellers need to realize that a staged home can drastically reduce the risk of a home going stale. With any client that agrees to have their home staged, I put in writing that if I don't sell it for at least 5% ABOVE what the statistical market average shows the home to be valued at, and if I don't have it under contract in under 14 days, they

can cancel their listing with me. Historically, I can bank on a 7% difference in value on a vacant home vs. a staged home.

When you examine the value of a stager you will see why I can make that commitment:

- Just as it is important to spend \$100 to detail and clean up a car before you put it on market, you have to do the same thing with your home, whether it is a \$50,000 condo or a million dollar home. Using my own inventory, I have had stagers do the showcasing for a minimal cost. On a home I sold in Gilbert recently that equated to a ROI where for every dollar spent, the sale price increased \$40 over the appraisal amount.
- Stagers don't just dress up a home; they force the buyers to notice areas of value that may be overlooked. The buyers' agent may be talking to them and totally miss the pot shelves in the kitchen or how beautiful the granite looks. Stagers make sure that every feature and benefit has the best chance of getting noticed.
- Days on Market - when I work with buyers and we see a home that is over 20 days on the market, we know we can hit for 5-10% below asking price, even if the home is already below market. A staged home will have pictures that show so much better. Staging a home will get me 4-5 times as many showings as a non-staged home. Most will go under contract after the first weekend and have multiple offers.

If you are selling a home in a tough market like we are still experiencing in the Phoenix Metropolitan area, staging will give you the edge you need and the upper hand and it will cost you a fraction of what you can gain.





## Denver, Colorado

Denver has seen a drop in housing inventory with combined residential and condominiums at 17,358, 8% lower than last year and equating to 8 months of inventory. The list to sold price is at 96% and DOM has increased to 124 days. Home prices declined 4% in January and 2% in February.

While pockets of neighborhoods in the Denver area were hit hard by the economic downturn, there were areas that remained fairly stable. In hindsight, this may have led to a false sense of security, or more of a "wait and see" attitude for many Stagers. When business did slow, many panicked and reduced their prices significantly, making it difficult for other Stagers in the area to compete. The Denver area also saw many Home Staging businesses close in 2010.



**Tammie O'Brien** is a Certified Staging Professional and serves as the Colorado State President of the Real Estate Staging Association (RESA). Tammie O'Brien and Shelley Brouwer, Co-Owners of Pineapple Interiors, one of Denver's top Home Staging Companies, are pioneers in the Home Staging industry in Colorado. Since opening in 2006 the business has expanded to include Home Staging, Furniture Leasing, Vacant Staging Courses and business mentoring. Tammie won the RESA Product of the Year Award with her Darby Inventory Management System for Stagers.

"I have been using Pineapple Interiors for the last 4 years as my one and only home staging firm. You will not find a more committed pair of designers who truly have progressive design ideas that work for your home and lifestyle. Tammie and Shelley have proven time and time again that they are a valuable asset in selling home quickly. My average listing sells in 8 days when using their services! Simply stated: they are the best in the business!"

Brandon Brennick, Kentwood CO at Cherry Creek



**Contributed By Tammie O'Brien  
Pineapple Interiors**

For those who weathered the storm and began to really dig into marketing and educating their staging services to homeowners and Realtors alike, the year 2011 is beginning to pay off. Housing sales are still sluggish, but making a comeback. Staging is proving itself and is no longer just an option, but becoming a must in this market. Many agents, homeowners and investors understand that price, location and home staging are key to the successful sale of a home. Homes must be competitively priced and show perfectly. With those factors in place, our statistics show that DOM are significantly lower, averaging less than 30 days, which translates into thousands of dollars saved in

monthly holding costs and price reductions.

"I have consistently hired Pineapple Interiors to stage my properties over the last several years, with excellent results every time. Shelley and Tammie know how to select the right look, plan the space and furniture placement so buyers can move through the home easily and accessorize to add personality and a finishing touch to the space. The final look is one that invites buyers to linger in the home, envision their own belongings and give full consideration to buying the home. And the results speak for themselves -- in every home Pineapple Interiors has staged for me, the home has sold significantly faster than the market average for days on market. Partnering with Pineapple is a very worthwhile investment that pays off every time." Mary Gerwin, Kentwood CO



## Minneapolis, Minnesota

"After cresting in 2006 at \$230,000, the 2010 median sales price of \$169,900 was 2.3 percent above 2009. This represents the first annual price gain in four years. From peak to valley, prices reset downward about 28% to hit bottom in 2009. Higher volumes of distressed sales will exert downward pressure on prices; so will oversupply issues as measured by absorption rates above six months.

**Lynelle Hartman**, VP of EcoLiving for CSPI™ and a CSP International Academy trainer, has participated in the building, growth and development of the home staging industry since its infancy. Her invaluable 10 years experience as a Realtor contributes to her keen understanding of agents, sellers and buyers. LH2 Staging is the premier home staging company in Minnesota and has staged over \$300 million worth of real estate.

**Contributed By  
Lynelle Hartman  
LH2 Staging**



House sold in 47 days as compared to the average 130 days on market at list price. Builder also gained additional new clients from the project.

The product mix also plays a key role; younger buyers were looking for bargain-priced homes with mortgages commensurate with rent. This meant that more homes sold at lower price points than historically. Lastly, a stronger labor market encourages move up buyers and entices renters into ownership positions. 2011 should come with another slight boost to around \$175,000.00" according to the Minneapolis Area Association of Realtors®.

The report also noted homes over one million dollars were moving significantly faster than in the last two years. All of this is consistent with what LH2 experienced in the past year. Buyers continued to look for a good deal and still had

high expectations. The younger buyer was savvy; putting all they had into the home and expecting it to perform from a foundational/ mechanical standpoint and a visually pleasing place as well. The homes LH2 staged consistently sold and CLOSED in half of the average days on market which was at 130 days. Staging for investors who also understood the needs of the market/buyer enabled our team to have many of the entry level homes sell in three weeks or less and at 97% of the list price. We continued to see the mid-range struggle as buyers were not moving up and maintained a wait and see attitude or instead remodeled their current home. The homes we staged over \$700,000 dollars also sold and closed in half of the average days on market. The historically low mortgage rates have continued, allowing the first time home buyer an affordable home. We also saw the higher end buyer being more optimistic and step back into the market. LH2 continued to see overwhelmingly positive results for our sellers as compared to the rest of the market.

"I just have to thank you for the wonderful job you did staging the house we bought! I was so discouraged - we looked at so many houses that were almost the one but nothing that said "buy me!" The moment we walked in I just knew it was the one. What really sold it for me was it just felt like home. I love the idea of living in an older home but didn't want it to look like "grandma's house". "You staged it beautifully – a perfect mix of contemporary furnishings and accessories that made the house feel warm and inviting." **Laurie Brown**





## Chicago, Illinois

While the market remains tough, city of Chicago sales remain up .1% from last year - while certain outlying areas have seen gains by as much as 12%.

The home buying public is getting more accustomed to the economy we're in and that's being reflected in the number of homes on the market, days on the market, and final sale price.

While sales figures are very similar to those dating back to 2002 in certain areas, according to the Case-Shiller Index, smaller pockets of Chicago saw slight increases after drops in 2008 and 2009.

Before relocating to Chicago in 2005, **David Cieslak** merchandised homes throughout the Southwestern US in cities such as Las Vegas, San Diego, Phoenix and Colorado Springs. Having a degree in Interior Design, as well as having studied for his Real Estate license in California, David relocated back to the Midwest and continued merchandising model homes and corporate apartments in Chicago's downtown market. His staging career in Chicago started with a small two-bedroom condo, and before long moved into the luxury multi-million dollar real estate market. Having built relationships with top agents in Chicago, David prides his company on excellent customer service combined with results. David has worked as a stylist for several TV shows including TLC's "Home Made Simple" and NBC's "Ivillage in the Loop." His design work has been featured on the front page of The Chicago Tribune's Home and Garden section and David is proud to be the only Certified Staging Professional in the greater Chicago area, who will be bringing their curriculum to the Chicago market as their newest trainer in Spring 2011.

**Contributed By  
David Cieslak  
Signature Chicago**



The transformation of my condo was amazing! David used much of what I had, and completely updated the look. I believe using David's services definitely helped to expedite a quick sale (closed within 75 days of putting on the market) of my condo. I recently had two other properties on the market where I did not use David's talents, and the properties were on the market for over 9 months.

~ Suzy - Client

Home buyers are being more cautious, and home sellers are realizing presenting their property in the best possible light through staging is imperative to ensure they get the most ROI and don't have to take a lower asking price in this market.

For the home staging market, we are now more valuable than

ever to prepare a listing to be shown in its best possible condition - ensuring the listings best possible ROI for the seller and low initial investment for the buyer.





## Atlanta, Georgia

In the United States, the southeastern region has seen its share of changes in the real estate market with plummeting housing prices and an unprecedented number of foreclosures. In Georgia, the Metropolitan Atlanta area is no exception. Gearing up for the 2011 selling season, it appears that the market is on a slow upswing. Thankfully, the US economy is growing, with positive trends continuing in the job and housing markets in the first quarter.

“In January of 2011, it was reported that existing home sales of single family, townhomes,

**Cheryl Cousins**, owner of Interior Transformations, is a CSP International Academy Instructor and creator of the Staging for Living Program which provides advanced training to home stagers who wish to offer a decorating service to their clients; home buyers and sellers with an interest in decorating their new home, once their current property has sold. Her extensive knowledge and experience as a leading expert in home staging and interior decorating is recognized throughout the United States and Canada.

**Contributed By  
Cheryl Cousins  
Interior Transformations**



The staging of our home not only attracted more buyers in a few days than most people in my area receive in months, we were able to sell our home in just over 30 days while most homes in our market average 120 days. Cheryl is completely professional, thorough, and has impeccable design style. For a prompt, professional and stress free sale of your home you should look no further than Interior Transformations.

Yolanda Harris-White, Stone Mountain, GA

condominiums and co-ops increased slightly by 2.7 percent nationwide, sales up slightly more than 5 percent from 2010. While consumer spending has slowed, consumer confidence is improving and personal saving has increased to 5.8 percent.

These statistics confirm that despite current economic conditions and while the American consumer is being extremely careful with regard to their spending, homes are still selling. The bottom line is this, with so many existing

homes for sale; it will continue to be a buyer's market for quite some time. However, sellers who are proactive in their approach to listing their homes will have a more positive sales experience.

Buyer expectation for condition of property has changed over the years. Consequently staging is no longer simply an added marketing strategy; it has become the selling rule. I recently staged a property for a real estate investor which had been sitting on the market for almost a year. Located in a fairly depressed metro Atlanta suburb, the kitchen and baths had been completely renovated, but no offers had been received. Once the showcasing was done, the house had several showings and a contract within ten days. According to the investor, staging was definitely the key to the sale. In addition to price accuracy and regardless of location, when condition is addressed and buyer expectations considered and met, the opportunity for a positive outcome will result.



## Tampa Bay, Florida from a Realtor's Perspective

"You have to win the Beauty Pageant and the Price War" has been our selling mantra for the last 2 shifting years...Florida Real Estate continues to sell, though value and price has dropped dramatically, but our waterfront homes and condos continue to sell steadily, and for the first time in 2010 a buyer could purchase a waterfront property under \$100,000 - let the feeding frenzy begin! It did, now in 2011 the lowest waterfront properties are sold and staging again has become an extremely important commodity in an area that floats a plethora of outdated condos.

Unlike inland properties that can be cyclical in selling with high and low points throughout the year, waterfront properties continue to sell daily with the biggest trend international and out of state investors who invest in multiple waterfront properties, securing renters and retaining for 10 years or longer.

Contributed By  
**Kelly Lee McFrederick**  
Keller Williams Gulfside



Kelly is a Licensed Realtor in the Clearwater, Tampa Bay area of Florida. She brings a unique perspective to selling your home, having been a Certified Real Estate Instructor and owner of "Kelly's Staging Kreations LLC" originating March of 2004. She has successfully staged over 800+ Properties in the last 6 years with a 99% closing ration as compared to non-staged properties, with similar closing ratios of 15% and selling 32% faster in today's Real Estate market.

Staging has taken a new dimension in the recent curves of the market with Florida having over 1/3 of our home sales in some form of distressed sale. The inventory of 'stageable' properties declined while the need for Staging increased! As I list and stage my own properties, even some short sales...we keep the mantra going, price correctly for the market then get them as condition and market beautiful as possible, then unleash the internet marketing. With well over 93% of buyers viewing on internet first, they have to be picture perfect for our out of state buyers. We have to squeeze out the competition and have all listings enhanced with maximum photos on various search engine sites and videos made and distributed, staging is a must! We have to stand out among over 300 similar priced properties for sale.

Another niche is working with Elder and Divorce Attorneys and their referring families. The families are distraught; staging provides the quick and successful answers here in Florida to move some dated and conditionally handicapped properties to get a quick and market value sale. My past 5 of 7 sales were on estate homes where 4 of the 5 properties went under contract in less than a week and closed in 30 days for full market value after being staged.

We have a large inventory of dated waterfront condos which if left empty on the MLS all look alike with poor photos and undefined areas and they sit on the market. Our average sale has been in less than 14 days, all staged. In February nationally sales fell off, but my listings were staged and photo ready, I was awarded top individual Selling agent in my office competing with over 100 agents-all because of staging! To date we have staged over 1500 properties since 2004.





## New York, New York

By all indicators, 2010 was an encouraging year for the Manhattan real estate market. According to the Corcoran Report, the market experienced a “20% boost in sales transactions compared to full-year 2009.” Samuel Miller Appraisers reports that the median sales price was up 3.5% from 2009 to \$880,000 – compared to the 2008 NYC market peak of \$955.00. Average days on market declined to 119 from a high of 179 in 2009, while the average for the decade is 133. The listing discount also declined to 7.1% from 2009’s high of 10.2%.

This Upper Westside penthouse duplex was on the market vacant for 9 months with no offers, incurring significant carrying costs for the sellers. When Yael Dunayer and Francisco Mendendez of BARAK Realty took over the listing, they insisted that the property needed to be staged and recommended Ingenuity & Pizzazz, Inc.

“We at BARAK Realty, would like to thank you and your team for all your hard work and to recognize your staging services were instrumental in getting our PHD SOLD!

Your ability to show the best in every room and your impeccable design and wonderful taste were evident immediately, giving it a sophisticated look and bringing warmth and a homey feel to it. After only 5 weeks on the market we had a signed contract! As we were showing the apartment, every broker who had seen the “before and after” was amazed and truly impressed with the difference. We have been happy every time we have worked with you and look forward to working with you again.”

**Contributed By  
Nairn Friemann  
Ingenuity & Pizzazz, Inc.**



**Nairn Friemann** is a Certified Staging Professional and Instructor. As president of Ingenuity & Pizzazz, Inc., she has collaborated with agents and sellers on the staging and sale of over \$600 million in real estate in the Tri-state area. Her work has been featured on the CBS Early Show, CNN, Dow Jones Market Watch, Business Week and in the New York Times, the Greenwich Times, New York Spaces, The Staging Standard, Staging for Dummies and others. She is honored to have been nominated for the 2010 Real Estate Staging Association’s Pro Stager of the Year Award.

The real estate community is expecting a strong 2011 spring market. While the country is still uneasy about the economy, New Yorkers have fared much better than most. Interest rates remain low but there is speculation that they will increase so buyers are motivated to move ahead. Generous Wall Street bonuses will fuel the spring market. However, there is very little new development and there continues to be a lack of quality inventory, so demand will exceed supply. This should keep prices up.

While we are seeing many positive factors in the NYC real estate market, it is clear that never before have presentation and condition been as important

to the sale of real estate as they are today. Savvy New York City agents realize this and are collaborating with professional home stagers to ensure their properties have a competitive advantage. Real estate guru, Barbara Corcoran, [recommends two things to sellers in 2011](#): “1) price to the bones and 2) hire a home stager.”

At a recent RESA NY special event, “The Evolution of Staging,” the moderator concluded by asking the audience of agents, “The top agents in NYC are staging. So the question is, why aren’t you?!”

This is an excellent trend for the professional home staging industry and 2011 is already proving to be a very busy year for Ingenuity & Pizzazz, Inc. However, there is a continued need to educate both agents and home sellers on the value of home staging. Most agents who aren’t staging say they don’t know how or when to bring up the topic of staging with their clients and still think of the need for staging as a negative topic. My solution to this is to bring us in on every listing as a positive value-added service and let the professional home stagers sell staging to the sellers. When agents, sellers and home stagers share the same objectives of selling the homeowners’ most valuable financial asset for top dollar as quickly as possible, it’s a win-win-win situation.





## Long Island, New York

Considered to be among the wealthier of New York Cities suburbs, Suffolk County Long Island remains a vibrant real estate market for buyers and sellers. What makes Suffolk County so attractive as a community relates to its diverse housing stock, a mix of mid to high end homes (many falling in the mansion category) as well as condominiums and rental units. The constant flux of buying and selling makes this community especially keen for the home staging market as units are constantly coming into inventory. The residents of Suffolk County by extraordinary numbers are home owners as opposed to renters. According to county statistics, there exists an estimated 374,000 owner



**Contributed By  
Cathy Hobbs  
aphereä inc.**

Emmy award winning television personality **Cathy Hobbs (ASID)** is the founder of the interior design firm **aphereä** based in Williamsburg, Brooklyn and is thrilled to be joining the CSPI team as a trainer for the Certified Staging Professional program. Founded in 2003, aphereä is a boutique style, full-service design firm that, in addition to executing high-end residential and commercial interiors, specializes in home staging. Cathy is also a **LEED AP**, recognized and credentialed by The U.S. Green Building Council for her exceptional expertise and knowledge of **green and sustainable design**. A graduate of one of the top interior design programs in the country, The Fashion Institute of Technology, Cathy's commitment and vision is to make interior design approachable and affordable to all those who seek the services of a professional designer. Cathy is a professional member of ASID and IIDA, as well as a Certified Staging Professional, and holds a BFA in Interior Design from the Fashion Institute of Technology, cum laude. Cathy's extensive media appearances include **The Nate Berkus Show** and **Martha Stewart Radio**.

occupied homes in the county compared to an estimated 94,000 renters. Residents in Suffolk County also tend to be slightly older than their Manhattan counterparts. The median age of a resident in Suffolk County is 36.5 years old compared to 35.9 years old for a Manhattanite.

Geographically, Suffolk County is on the eastern most end of Long Island. It also encompasses the fabled community known as The Hamptons. What attracts many residents to Suffolk County is its rural feel, yet city vibe while also being close to some of the most beautiful attractions along the

East Coast that include wineries and beaches. Suffolk County is also a sought after destination for former Manhattanites looking to move to the suburbs and are seeking homes with room to grow in towns with solid public schools. While Suffolk County is approximately one hour from New York City it is considered to be a reasonable distance for commuters.

As the New York State unemployment rate hovers at 8.2% (according to the NY State Department of Labor), foreclosure rates have begun to hit the luxury housing sector, which has affected home sales in Suffolk County. What this translates to is a housing environment in which homes are staying on the market for extended periods of time, often 6 months to a year or more. Home staging is an attractive and critical tool for those home sellers looking to sell their properties without being forced to accept low offers simply to sell their homes.



## Real Estate Staging Association™ Industry Review

In February 2010, RESA™ released statistics on the benefits of home staging. Our study centered on 127 homes, which were previously on the market for an average of 263 days and where the homeowners gave up and decided to call in a professional home stager. Those same homes were staged, relisted and sold, on average, in 60 days, after staging. This is 78% less time on the market. We also studied 284 homes that were staged first and then put on the market. Those homes sold in 40.5 days, on average, after staging.



**Shell Brodnax** is the President/CEO of the Real Estate Staging Association®. Through RESA® Shell is committed to working with leaders in the various segments of the industry in order to find ways to work together to improve the industry, namely setting REAL measurable standards, and creating UNITY. RESA® promotes peer to peer support programs in the form of local chapters, that allows members to work together, to educate the real estate industry on the local level.

2010 was a year of amazing accomplishments for the real estate staging industry. The Real Estate Staging Association® (RESA®) continues to hit new strides and raise the bar of professionalism and legitimacy in our industry by combining unity, ethics and camaraderie among professional stagers throughout North America.



**Contributed By Shell Brodnax**  
**Real Estate Staging Association**

In April of 2011 we released a report that has consistent findings with our 2010 report. We studied 97 homes previously on the market, on average 181 days before the homeowners gave up trying to sell on their own and called in a professional home stager. Those same homes were staged, relisted and sold, on average, in 60 days after staging. This is 67% less time on the market. We also studied 182 homes that were staged first, and then put on the market. Those homes sold in 35 days average after staging.

So what do these stats prove? When homeowners elect to list first without staging, the homes stay on the market much longer than had they staged first and then listed. In fact, when the homeowner makes the investment in staging first, prior to listing, they sell 85% faster than it would have sold if they

listed un-staged, waited to see how it goes, then stage it, then sell it.

RESA® is an independent third party; RESA® is now reviewing courses, materials, policies and procedures, and only accrediting the most professional and authentic training providers. RESA's accreditation program provides a sense of security for those entering the home staging industry. CSP International™ is the first training provider to be granted accreditation.

2011 is greeting the home staging industry with a bright outlook and exciting possibilities. New products and services are being launched to enhance the professional stagers businesses and statistics are proving staging still works. Our RESA® chapters are working on the local level to educate the real estate agents, builders and investors on how they can work with home stagers to get their properties sold quickly.

The staging industry has developed into a legitimate resource for the real estate industry. I am excited to wake up each day to see what the industry brings to each of us and even more excited to hear stories of how each of us bring something positive to the industry. CSP International™ has been on the forefront of this from the beginning as one of the earliest and strongest supporters for the establishment of industry standards and creation of the Real Estate Staging Association.

[\*\*RESA Home Staging Savings Calculator\*\*](#)



### CSP International™ Trends & Innovations

In this overview of Home Staging Trends in North America with Industry Outlook for 2011 we see that, no matter what country or region you are in, professionally trained stagers are making a difference in how real estate is sold today and helping bring increased equity to sellers and commissions to agents and brokers. This holds true despite the widely diverse economic trends and real estate markets in the regions and countries covered by the report. Staged properties are selling for more money in less time than comparables that are not staged. Yet staging hasn't yet become the norm or a prerequisite part of most realtors' listing presentations, it hasn't yet become an accepted requirement like a home inspection has in recent years. The question is why not and how do we change it?

A CSP International™ survey of agents who (almost unanimously) said they believed staging makes a difference yet had not recommended the service, indicated the biggest obstacle for them in recommending staging was communicating the message. The [CSP Elite Program for Real Estate Agents](#) (which gets CEU credit in a number of US states) has been developed specifically to educate agents how to successfully communicate the benefits of staging to sellers and how to integrate professional home staging in their marketing plan, from the listing presentation through to closed and sold. [Staging Standard magazine](#) was developed as a marketing tool for professional home stagers, but the articles and information in this [award-winning](#) publication are invaluable for real estate professionals in learning to communicate on staging to their clients.

The CSP International™ survey also demonstrated that savvy agents are looking for accomplished professional home stagers with experience and professional training. To that end, CSP International™ has long been the standard of excellence in training new stagers with their [3-Day Home Staging Business Program](#) which awards the coveted Certified Staging Professional™ (CSP™) designation. Believing in ongoing learning and personal improvement and growth, CSP International™ early on began offering a broad selection of [continuing education courses and webinars](#) to help home stagers and real estate professionals continually improve their skills and expertise. This has always been a part of our [mission of continual improvement](#) for our company and our graduates.

Recently **CSP International™ Business Training Academy** has strengthened and secured our position as the leading and most cutting edge home staging training provider in North America with development of the CSP International Masters designation, our commitment to green and sustainability exemplified by our Certified EcoProfessional program, our [Sustainable Business Training Academy](#) and our soon to be launched, EcoStaging® program.

To qualify and be awarded the [CSP International Master's designation](#) a stager is required to have successfully completed the CSP foundation business program or equivalency exam and have 2 years + proven and qualified work experience in the staging industry with an outstanding portfolio, a record of consumer excellence, business insurance and earn a minimum of 28 education credits every two years. Read our CEO's [article from REM online real estate](#)





[magazine](#) to see how this new, experienced based designation is taking professional home staging training to a whole new level.



CSP International™ has a strong commitment to sustainability and green business and education principles. We support NAR's green education goals, are a member of their green directory, and our [Certified EcoProfessional™ program](#) is approved for [continuing education credits](#) for REALTORS® in a number of states across the USA. The course is designed to educate real estate professionals, corporations, and individuals on the topics of sustainability, energy saving & green build science.



[EcoStaging®](#) is a concept originated by Christine Rae, our CEO, in 2006 to promote the concept of sustainable design within the professional home staging industry. In May 2011 the new, online EcoStaging® program and designation will be launched. It will provide a solid basis of knowledge and best practice experience in key elements of eco-conscious design and provides a practical guide to the home stager on how and when they can insert green principles into their consultations and staging recommendations. This online workshop provides essential tools and enhances the stager's ability to sell to homeowners who self-identify as "green". This is a great opportunity to be a "part of the solution" in the new greener and sustainability focused millennium.



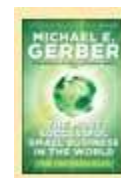
Our graduates' commitment to excellence and CSP International's™ clear track record of distinguishing our company and our graduates at the top of the heap is nowhere more evident than in the very competitive race for recognition in our Annual CSP International Business Awards. This is no self-congratulation as some awards can be, but a serious competition as shown by the caliber of judges. Our third year's competition is honored to be graced by the following illustrious panel of judges:



### Michael E. Gerber



Michael E. Gerber's extraordinary work has achieved stunning results by transforming more than 65,000 businesses in over 145 countries, translated in 29 languages and use in 118 universities in the world. Gerber is the author of 13 business books, including the mega-bestseller The E-Myth Revisited. His revolutionary perspective has become the gold standard for small business development throughout the world, becoming what INC Magazine calls him: "The World's #1 Small Business Guru," and one of Business Week's bestselling authors of past decades. Michael E. Gerber has founded eleven new ventures in the past four years. His latest book is called The Most Successful Small Business in the World.



### Bodine Balasco

Bodine delivered an amazing presentation at the CSP International Convention in Las Vegas in January. He is a professional speaker/ entertainer/entrepreneur extraordinaire to the Real Estate industry and business in general. Successful Meetings Magazine named Bodine Balasco "one of the Top 21 Speakers for the 21st Century". His Fortune 100 clients include AT&T, Boeing, 3M, Coca Cola, British



Petroleum, Verizon, and FedEx. Many of them call Bodine the "the most effective speaker we've ever hired. Balasco says "To gain a competitive advantage in today's marketplace, we must drive our behavior with a broader definition of service excellence. We must raise our sights, and focus on creating customer loyalty. Bodine helps you realize this is not inspirational, it's operational. Your business success depends on the two key characteristics of loyal customers... customer retention and business referrals.

### Bethany Souza



Our Third Judge is star of HGTV's "Designed To Sell", Bethany Souza. Bethany first realized her passion for real estate when she was recruited from the hospitality field into the world of commercial brokerage. Parlaying her vast hotel experience into real estate, she became dually licensed in California and Nevada, representing Las Vegas Boulevard hotel owners, land developers and coastal estate buyers in multimillion-dollar transactions. Never one to sit on the sidelines, Bethany was quick to follow her aspirations of being a hotel owner and moved to Illinois to personally renovate, decorate and open her own small luxury inn. In addition to running the inn, staging homes and renovating rental properties, Bethany represents real estate developers in sales and design for high-profile condominium projects across the United States.

See [CSP Awards 2010](#) for information, registration details and last year's winners.

Categories Are:

- CSP International 'Real Estate Staging 'Entrepreneurial Spirit' of the Year
- CSP International 'Most Promising - Rising Star'
- CSP International 'Green Bud Business' Award of the Year
- CSP International 'Mentor of the Year'
- CSP International 'Best Overall Company' of the Year
- CSP International 'Trailblazer Company' of the Year
- CSP International 'Business Turnaround' of the Year
- CSP International 'Community Involvement Program' of the Year
- CSP International 'Marketing Campaign' of the Year
- CSP International 'Blog' of the Year
- CSP International 'Peter Lytle Memorial' Award

It is also very clear as the home staging industry grows, in order to assist our partner real estate professionals in marketing home staging to their clients, there is a need for collection and verifiable analysis of home staging performance statistics. This report is the beginning of answering that need. Additionally, to produce valid statistical reports, broad samples of data must be collected consistently. To meet this challenge, CSP International™ Business Training Academy has developed a resource tool which allows members to compile individual statistics which can be used in listing presentations to show prospective clients how working with a professional stager will help successfully market their property. Some CSPs are already compiling their staging success statistics. This resource tool and statistical data from CSPs will also enable us to analyze regional, national and international statistics for future reports.