

Why Flippers Need



Before



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Property flipping is back on the rise as the housing market continues to go up in metropolitan cities across North America. Having an effective team is essential as so much goes into finding a good deal, completing a timely rehab, preparing the property completely, and listing and securing a buyer. A real estate investor's team typically includes contractors, a Realtor, attorneys, and a lender; however, one of the most valuable members, which is so often overlooked, is a professional stager.

Why Do Flippers Need a Stager?

Including a stager in your marketing plan could save you thousands of dollars. Here are seven ways a Certified Staging Professional's expertise will add tremendous value to a property flipper's business model:

1. Working with a stager will help ensure the house flip doesn't result in a house flop! One of the crucial aspects to avoid when investing to flip are unplanned carrying costs. So it's important to secure a buyer fast! Research shows staged properties sell faster.

Consult with a stager early in the process; utilize their expertise to select finishes and other design aesthetics.

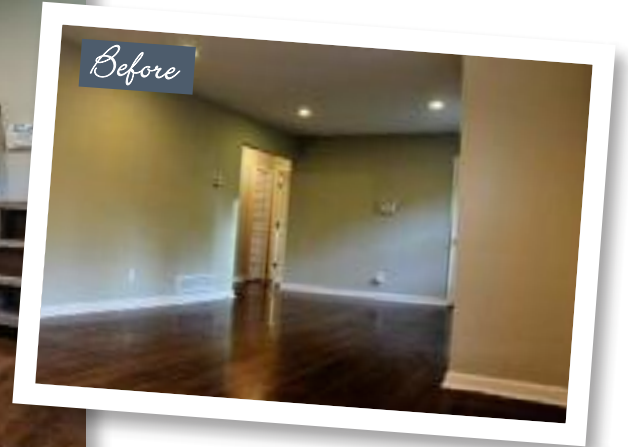
2. When flipping properties, you don't want to get the cookie-cutter flip reputation because all of your rehabs look the same. It's critical to have someone with an eye for design to ensure you are designing the renovations in a way that

attracts the target buyer. HGTV's popular show *Flip or Flop* actually stages ALL of their flips to maximize their marketing efforts. One of the strengths of their business model is that Christina serves as the principal designer on the renovations; she is constantly making design decisions with the end buyer in mind. That is what a great stager can do for you.

3. Prior to showcasing, stagers conduct demographic research about the target buyer. This information is used to build emotional connections with the buyer throughout the property, which in turn leads to a faster sale. Once the rehab is complete, the stager showcases the property with on-trend furniture and accessories to help buyers visualize living in the property.

4. Since the turn of the housing crisis, scrutiny from appraisers has significantly increased. Believe it or not, staging also helps properties appraise for more money than if they were not staged! For example, one property that had been staged went under contract at full asking price. But other properties were priced lower on the same street and this triggered the appraiser to call the Realtor to question the price of the property prior to him going to view the home. He even went as far as saying, over the phone, that he didn't think the house was worth the money! Once the appraiser viewed the property in person, he changed his mind! He had no issues appraising the property at list price.

a Stager on Their Team



5. 97% of the first-time views of your property will take place online! Staging also contributes to stellar photographs, which will attract more buyers to view the space in person. Take a look at the before-and-after photographs of a house that was on the MLS without staging vs. being staged. Guess which photos drew the most buyers?

6. With many investors targeting the same areas to flip, staging may be the one thing that gives your rehab the competitive advantage over others in the same area. For example, the property shown in the pictures was a fix and flip recently staged in Atlanta, Georgia. Prior to being staged, photos of the vacant property were listed on the market for over fifteen days with very little interest.

At the same time this property was sitting on the market, there was another flip in the same neighborhood listed at \$20,000 dollars LESS with MORE square footage. The investor of this property knew he was going to have to increase his marketing efforts to compete against the lower priced flip. He had never staged any of his flips before, but decided to give it a try. The result? A signed contract three days after the staging! Staging made the difference to push the house to SOLD. And guess what? The rehab that wasn't staged is still sitting on the market, so the other investor is incurring steep carrying costs.

7. It's important to solve potential saleability challenges. When assessing the property, I noticed there were two main challenges that would potentially turn off the buyer.

a). A long, narrow, open-concept living/dining area, with no real entryway or focal point! This would make it hard for a buyer to visualize how to place furniture in such an awkward floor plan. Having the skills, knowledge, and ability to know where the furniture needs to be placed to make the awkward floor plan functional is a vital component of staging work. Creating separate seating areas and utilizing the full depth of the space and made the narrow space visually wider.

b). The second challenge was that the house next door was an eyesore and had lots of junk in their driveway. The outside was an easy fix with strategically planted cedars, but the view of the debris was very apparent in the master bedroom, which has three large windows looking out to the neighbor's driveway. Skillfully crafting the bedroom to put buyer focus on the natural light and the size of the space is priceless!

To take a property from flipped to SOLD requires a professional stager who knows how to create visual spaces that buyers want and complement your renovation. Synchronicity! ■