BUSINESS OF HOME

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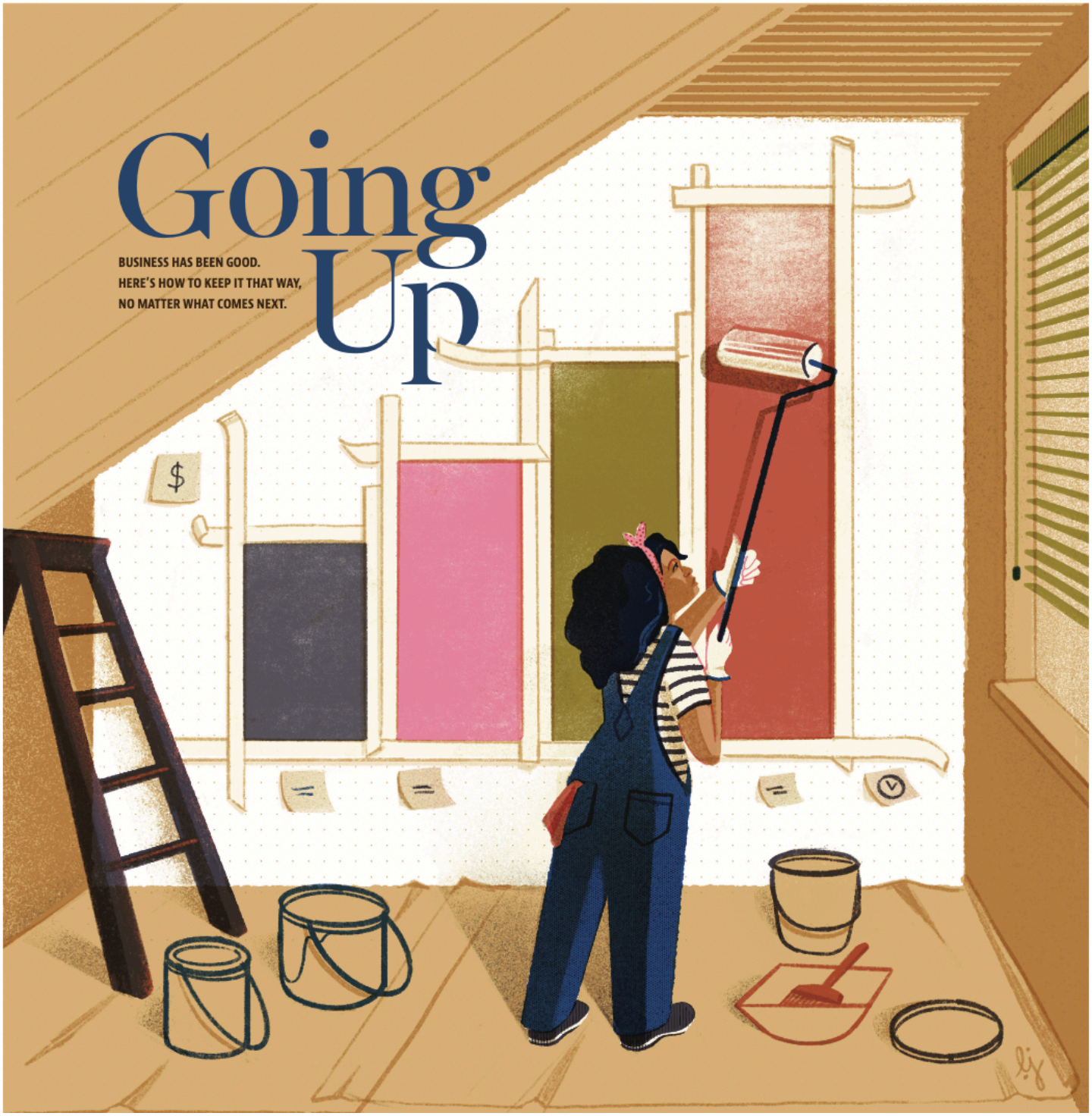

Going Up

BUSINESS HAS BEEN GOOD. HERE'S HOW TO KEEP IT THAT WAY, NO MATTER WHAT COMES NEXT.

In a Soho loft, Leia Ward strategically placed large abstract artworks to accentuate the apartment's high ceilings.

Setting the Stage

Home stagers lift the curtain on how to make it big in a booming sector.

BY HALEY CHOUINARD

For some, the mark of a successful interior designer is the ability to harness a client's needs and desires into a perfect marriage of function and form. But for home stagers, the measure of success could not be more different. Staging is about making a home accessible to *anyone* who might walk in, removing the personal details that designers excel at, and instead leaving just the hint of a potential life that a prospective buyer could live. "The biggest misconception about staging is that all it takes to do it well is being good at decorating," says Fairfield County, Connecticut–based stager Leia T. Ward. "People think, 'I'll put some stuff in and make it look pretty.' It's not that at all. It's more like a form of strategic marketing."

That business-forward mindset has proven integral to the success of Ward's firm, LTW Design, which stages vacant luxury properties in the greater New York area. It's a money-making venture, first and foremost. Stagers are brought in to help a property sell faster and, hopefully, for more than the asking price. According to HomeAdvisor, staged homes will spend 33 to 50 percent less time on the market. A similar survey of the National Realtors Association in 2021 found that 23 percent of buyers' agents said that home staging raised the dollar value offered between 1 and 5 percent compared with similar homes on the market that hadn't been staged—a number that may seem insignificant, but which can represent a six-figure difference in the luxury market.

"Home staging has become a real industry," says Meridith Baer, founder of the pioneering Los Angeles–based staging firm Meridith Baer Home. "I often look at an empty property listing, going, 'What are they thinking? They're leaving so much money on the table.' Because when a buyer walks into a staged home and really falls in love and their heart starts pounding, they're going to make a much better offer."

Building Up

Home staging used to be a relatively quirky concept. Homes for sale were either vacant or filled with the current homeowners' belongings, the closets stuffed with hastily stashed ephemera they wanted out of sight during a showing. Staging exists somewhere between the two and has become increasingly popular as the real estate market has heated up and then cooled. Particularly for real estate developers and investors in the luxury sector trying to court the uber-wealthy, staging is a means of making a property stand out and spark that emotional rush Baer described.

"There's a lot of value in having someone come in who understands what buyers are looking for," says Candace Griffin of Chicago-based design and staging firm Candace Mary Interiors. "I think staging has shifted from being, 'This is where you could put a sofa' to a broader concept of, 'We're going to show you how you could live your best life here.'"

For Ward's part, she sees herself as a partner to the real estate agent and homeowner, with everyone chasing the same goal: a nice profit. "We're all here to make money, so let's market this house as best we can and all walk away happy," she says.

Staging is still relatively new as a bona fide career option—consequently, most people seem to fall into it. Baer, for example, did such a good job styling her own rental house in the late 1990s that her landlord sold the place. She moved into a house that a friend had been struggling to sell, volunteering to fix it up in exchange for staying there for free. With Baer's touch, the previously languishing house sold for $500,000 over asking. Brokers took notice and all of a sudden, Baer was in business. "I would get paid up front and then run around like crazy trying to buy or borrow furnishings," she recalls. "I went to The Home Depot and asked employees if I could pay them to help me move furniture from house to house. It took about a year before I found my footing and realized I'd started a company."

Ward found her way into staging after discovering a knack for styling her own home. With three kids under five, she wasn't interested in learning how to become an interior designer; her father suggested that she look at staging instead. Intrigued, she started taking an online class at night after her kids went to sleep. "With three little kids, I wasn't sleeping anyway," she jokes. "It was important to me that I knew the business side of the industry before I got started. I wanted to know how to charge and how to make a profit."

Profit, it turned out, was an elusive goal in the beginning. Building up inventory—enough to fill not just one home but multiple listings—is a big, costly hurdle to running a staging company. "It's really front-loaded," says Ward. "I didn't realize when I started my business in 2017 how long it would take to make money, because to do even one job you have to buy a house's worth of furniture. And then, when the property sells, where are you

ABOVE:
When Meridith Baer's firm was tapped to stage the Beverly Hills home of beauty mogul Kylie Jenner, the designer's team was inspired by the reality star's signature lip kit. The resulting space looks at once lived in and effortlessly elegant, with a blush hue throughout.

PHOTOGRAPHY: NILS TIMM. PAGE 27: COURTESY OF LTW DESIGN

storing that furniture? So you also have to get a warehouse, and then you have a warehouse bill to pay, so you have to hope to keep getting enough jobs to pay for storage. Meanwhile, you only have enough for one house, right? One project at a time is not sustainable. You have to buy more furniture so you can stage multiple houses in order to turn a profit."

Reinvesting most, if not all, of your profits back into the business is crucial in the beginning. "You have to build that inventory piece by piece," says Griffin. "Ideally, you'd be able to go out and buy everything at once, but I think having to do it more slowly helped me to curate my selection and figure out what I really needed. If I had bought everything at once, I would have run into issues like a piece being too heavy to be constantly moved in and out, or too awkward to fit in a high-rise elevator. Going slowly gave me a chance to learn what worked."

Stagers go about building up inventory in different ways. Corban Torstenson of The Here Company, who specializes in decking out homes in Los Angeles's funky east side neighborhoods, goes antiquing in order to pepper her spaces with one-of-a-kind pieces. Griffin shops wholesale and retail vendors, and even snags trendy, of-the-moment accent pieces at HomeGoods. Behemoth firms like Interior Marketing Group, which is based in New York and Miami and boasts a 65,000-square-foot warehouse with enough inventory for roughly 150 listings, have their own in-house fabrication departments in addition to teams that attend trade shows and shop wholesale.

Aesthetically, stagers will often tailor the furnishings to the home to align with the locale, just as a designer would. If Baer has a listing in Aspen, Colorado, her team is going to tap into a different set of furniture than they would for, say, a listing in Palm Springs, California. For stagers with a more regional market, investing in pieces with a broader appeal is a savvier choice. Ward, for example, has developed a signature look with crisp, white furniture and a mix of black or natural wood accents—a look so distinct that a local real estate agent recently told her that he could tell which listings were done by LTW Design. There is a subset of stagers who take inventory

our listings has always been for sale, but since the onset of COVID, we've been selling an enormous amount of furniture to buyers, brokers or even the next-door neighbor. It makes sense, especially for people buying second or third homes—they want to start using the home as quickly as possible, so it's easier just to pay for the furnishings and leave it all installed."

As staging has become more refined, it has also become more commonplace for homebuyers to inquire about design services. The skill set may be fundamentally different—design that appeals to the masses rather than design tailored to an individual. But from the client's perspective, it makes sense: If you like the way a house is staged, it's only logical that you'd be interested in having the stager complete the look. Ward was hesitant to offer interior design in the beginning but eventually relented. "I was saying no to people [at first] because we were not a design firm and I knew that was a whole different animal," she says. "But I realized that the people making those inquiries—whether buyers or sellers—loved the work we were doing, so why not?" Ward quickly assembled a design department, hiring a junior designer to tag team those projects with her.

Griffin was initially attracted to staging, but soon found that her work could double as a launchpad to build up a portfolio. "I would leave my business cards at the homes I staged, which is how I got my first few design clients," says Griffin, who now has a robust business offering both services. "Some of them were buyers and others were people who did walk-throughs and kept my information. One of the cool things I found was that buyers would not only want to purchase the furniture; they'd reach out and want to build on what I'd already done. It's happened a lot."

Show Me the Money

The turnaround time for staging is usually fairly tight, with some stagers getting weeks to pull a look together, and others merely days. Stagers tend to get paid up front by a client (whether that's the homeowner, a real estate agent, developer or broker) in order to rent furniture for a set amount of time—usually somewhere between three and six months—with fees generally based on the square footage of a property. Ward makes sure her team is paid a week before a move-in, before the truck is even loaded. "We want it to be a seamless experience for the client," she says. "They leave, we come in—it's done. They don't have to think about it again."

Watson learned the hard way how critical it is to include a buffer for move-out time in her company's contract. "We would get calls saying, 'You have to get the furniture out tomorrow,' and we'd have to scramble to get movers," she recalls. "Now, we always require a minimum of five days' notice to vacate."

Low-profile furniture allows for easy movement and better sight lines in a light-filled living room. Leia Ward uses a mix of textures and geometric forms to add visual interest without detracting from the surrounding architectural features.

Longevity as a stager requires building a network so that referrals offer a steady stream of new business. To that end, maintaining relationships with local real estate agents is another key aspect of developing the business. Much like in interior design, word of mouth plays a big part of getting staging jobs—if you get in with one agent and help a property sell quickly and profitably, chances are they'll recommend you to their peers. Watson has developed another means of networking, offering complimentary design-trend presentations to local real estate firms, which gives her a chance to position herself as an expert. "It's a great way to stay in front of them," she says.

Tricks of the Trade

The root of staging is problem-solving, driven by the quest to make a home more sellable. The best stagers create an ambiance so inviting that prospective buyers get so swept up in the mood that they overlook wonky architectural details or forgive exorbitant price tags. To do that, all stagers have their own bag of tricks.

Ward prefers to use low-profile, modular furniture that can be easily moved around, and that won't obscure sightlines or detract from features like 10-foot floor-to-ceiling windows. Her team makes floor plans for each room, much like a design firm would—but unlike in design, liveability isn't factored into the equation. "For interior design, you'd probably put a TV over the fireplace and the sofa pointing at it, but that might not make sense in a staged home. You want to make sure buyers can see that beautiful fireplace and create pathways that are easy to walk through, and that position home shoppers in ways that will best show off the house. It's not about functionality at all."

As staging has become more mainstream, it has merged with design in a lot of ways. Over the course of Quinn's decade at IMG, she has seen tricks like using window treatments to make windows look bigger and enhancing natural light with mirrors appear in design magazines and on social media. "I think staging has infiltrated interior design in a lot of ways," says Quinn. "There's more emphasis than there used to be on making spaces look bigger, brighter and more grand. You can see the two schools merging."

Certain aesthetic elements will always be in vogue for both staging and interior design. No homebuyer, for example, is going to walk through and say, "I wish there was less natural light." To that end, Watson always attempts to ignite the buyer's imagination. "I won't fully set a table, but we'll leave out a stack of plates and some table linens to suggest you could be getting ready to entertain, and we'll do that on a certain side of the table so that your eye is drawn to the next room. We're creating moments that are crucial to a buyer's decision making." ■