

THE REAL DEAL

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RENDERINGS, FOR APARTMENTS THAT ALREADY EXIST AGENTS NOW USING VISUAL IMAGING TO SELL PROPERTIES

By Lauren Elkies



Detailed renderings of unbuilt properties have proved themselves effective aids to selling new developments, but now these computer-generated perspectives of the possible are being used to promote units that already exist -- and may seem impossible to sell.



"Renderings allow you to simulate a hyper-realistic image in a way that illustrations cannot," said Santiago Felippelli Conway, director of Bridger Conway, a global branding agency that does 3-D visualization.

Some agents are using virtual imaging to sell raw space, and others are starting to use renderings for existing buildings where units are in the midst of massive renovations.

As with developments that are not yet built, renderings allow apartment hunters to envision what a blank slate could look like if there were walls, rooms, window treatments, furniture and even tchotchkes. And when done well, it can be easy to mistake a virtual image for a photograph.

"It doesn't matter what you say and how much you paint the picture to a buyer, there's nothing like a visual to help explain what it is," said Deanna Kory, a senior vice president at the Corcoran Group who has used renderings for sales in existing buildings.

Kory used a series of renderings to sell five one-bedroom apartments combined as a single unit in a co-op at 245 West 104th Street.

"It was a huge blank slate," she said, adding that the renderings cost her at least \$10,000.

Before this technology was available, brokers had to make do with what they had. Kory sold a raw space at 161 West 86th Street using an existing floor plan with a proposed floor plan laid on top. She put tape around apartment walls where doors would be and tape on the floors to show the shape of rooms.

Whether virtual imaging actually works to increase sales is hard to gauge, but as a marketing tactic it can certainly drum up interest.

"Most buyers, unfortunately, do not have an imagination, and it's very difficult for them to visualize," said Jacky Teplitzky, an executive vice president at Prudential Douglas Elliman.

And today's buyers and sellers expect much more from their agents.

"I think that we all have to become more sophisticated in the way that we sell," Teplitzky said.

Part of what is increasing interest in rendering raw space or space under renovation is that people are getting accustomed to relying on high-tech computer-generated renderings to purchase apartments in new developments.

The costs of renderings vary. Bridger Conway charges between \$3,000 and \$7,000 for each one. Sometimes the broker pays for it, and sometimes the broker's client pays.

A penthouse sponsor condo unit in the former McBurney YMCA building at 213 West 23rd Street languished on the market for two years, until the seller turned to the boutique development marketing company Core Group Marketing for assistance. Core used traditional marketing methods for three months, but to no avail.

Though there was "some [potential buyer] activity, the images [of the raw space] were doing nothing for the property," said Shaun Osher, the founder and CEO of Core.

Core paid \$4,000 for a digital image of the living room, illustrating wooden floors, foliage, window treatments, furniture, artwork, a vase with flowers and even sunlight streaming in.

Within 10 days of Core displaying the rendering, the apartment sold for \$7 million, \$500,000 over the asking price.

The cost can be prohibitive, so staging -- virtual or even live -- may seem like a less expensive option, but it is not the same thing as a rendering. And staging is only possible if an apartment is already built out.

"Renderings and virtual staging are related," Philip Kent Kiracofe, executive vice president of sales and marketing at Century 21 NY Metro, said in an e-mail interview. "The first step is to create a rendered version of an apartment or room before the virtual staging can take place. The rendering is generally a blank slate, like walking into an empty condo. Virtual staging is the art form whereby a designer can create a beautiful layout, one or many, using the blank rendering."

The same is true for buildings where the facades remain intact but the space inside is being radically renovated or is an empty shell.

Jane Bayard, executive vice president and director of sales at Warburg Realty, had a rendering done for an eight-room co-op in a Park Avenue building. The owner had started renovating, including tearing down walls, and then sold the unit before the work was done.

Bayard didn't actually use the rendering in the end since it came out poorly, but she said she'd use the same approach again.

"I think it's a very unique way to launch and market a resale apartment," said Sharon Held, a senior vice president at Corcoran who uses renderings.

"I don't know why it hasn't caught on," she added, in the sale of existing homes. "When it's empty, your eye goes to the worst wart."

Held said she used a rendering to market a 4,800-square-foot work-live artist's loft in a cooperative at 106 Spring Street. The space was barren except for a bathroom and kitchen that had not been renovated in a couple of decades.

As of mid-July, Held was negotiating a contract for the space. The asking price was \$5.125 million.

One drawback of using renderings is that people have different visions of what the unit should look like.

"You cannot cater to everyone's needs," Teplitzky said. "It's very difficult to pinpoint what is the absolute best use of the space. It's just an idea."

She used a virtual image to sell a loft at 345 Grand Street, a four-unit conversion on the Lower East Side that hit the market in 2005. The rendering cost \$3,000, and the unit sold in 2006 for the full asking price of \$1.85 million.

The seller had bought the unit from the developer in 2005 for \$1.35 million and opted to sell the unit the following year rather than move in.

"I think that without that it would have been very, very difficult," she said.

The bottom line is that renderings are a way to put your best foot forward, particularly on the Web, a key marketing tool. "In everything you do you create an illusion, and I don't think this is different from every product you sell," Teplitzky said.