Staging Contracts

Making sure your business is protected and represented to your clients just the way you want it to be.

Presented by David Peterson
Do you have a Staging Contract?
Why do I need a Contract?
Home Staging is a creative and demanding business. The fewer the obstacles, the better the results. A proper Staging Contract empowers you to do a successful job.

You will rarely need to refer to it once it is signed, but having the contract in place gives you peace of mind and sets up all expectations for your client.
Types of Staging Contracts

- Staging an Occupied Property
- Staging a Vacant Property
- Owner or Agent Signed Contract

HELPFUL HINT

Use Initial Lines – Help encourage your Client pay attention to specific sections like penalties, preparation, etc.
What to include in your Staging Contract
1. Contracting Parties

Who is signing on behalf of the Client?

− The Property Owner?
− The Listing Agent?  (Should use different language for this)
− Someone else?

Property Address

Date the Contract Commences
2. Description of Services

- Contract will likely reference another document
  - Staging Proposal
  - Letter of Intent
  - Order for Service

- Describe your services / What are you doing?

- Stager has complete discretion on the selection and placement of art, furniture, and accessories. Client understands this may not to be their personal taste.

- List the areas of the property to be staged
3. Payment and Term

- Price of your Services for this job and the term
  - Fee cover everything
  - Fee cover the first 30 days? 60 days?

- Indicate the recurring rental fee
  - When is it charged? Charge a Deposit or Pay in Full?
  - How do they cancel?
  - Do you Pro-rate your rental?

- When do you expect to be paid and how?

- What is the consequence for non-payment?
4. Damage or Loss to Furnishings

What do you do if Furnishings are damaged or stolen?

- Is client responsible for everything in the home?
- How are they invoiced for the items if something happens?
- What is your mark-up for replacing furnishings?

Handling of Furnishings

- Nothing shall be moved or removed from Property
- No painting, repairs, or pest treatments
- Do not burn or light candles
- How do you handle linens and towels? What if they are used?

What do you do if work needs to be done after Staging is complete?
These floors needed to be refinished two months after the staging was in place.
5. Termination / Default

Clause for either party to terminate Contract

- How many days notice to terminate?
- What constitutes a default?
- Remedies for outstanding monies owed
6. Client Consent

- Clause to grant Staging Company access to Property
- Permission to move **anything** in the Property
- Stager can touch everything except...

  - Cover the installation of mirrors and artwork.
  - Permission to put holes in the wall
  - Is touch-up work the responsibility of the owner?
7. Release & Waiver

- Indemnification and Hold Harmless Clause
- Limitation of Liability
- Absence of Guarantees
  - Stager cannot guarantee success or a result
  - No warranty of a faster sale or highest market value
8. Photography & Publicity Release

Right to Photograph and use in perpetuity
- Stager owns all rights to such photographs
- Client holds Stager free from any claims arising from use
9. Insurance

All staging companies need to have Liability Insurance!

- You will provide proof of insurance upon request
- Do you require Client to have their own insurance?
- In the event of a claim – what do you ask of Client?
10. Property Preparation & Day Of

- Property must be Stage Ready
  - Completion of construction, repairs, remodeling, painting
  - Professionally cleaned
  - All items prepared as recommended by Stager
  - Running water, electricity, working heat, air conditioning

- What is fee and/or consequences if not Stage Ready?

- No one can be at property during Staging w/o approval
  - No showings can be scheduled
  - Pets offsite or contained / not responsible if go outside

- Staging can be rescheduled due to inclement weather
11. Property Access

Do you require a key for the Property?

Do you allow a Contractor Box?
- Recommend code be changed after all work on the house is done so only you and the Client know the code

- Governed by the laws of the State of ....
- Warranty by Client that they own the Property and have right to enter into the Contract.
- Severability
What else should you consider?
Provisions to Consider

• Notice period for postponing Staging. Is there a fee?

• Do you have a fee for late payments?
  Importance of accepting Credit Cards

• Keep Property clean during Staging
• Can Client smoke in the house? What about pets?
• Permission to advertise in Property (not in an Occupied)

• If Agent is the client it is a good idea to have the Owner of the property sign an addendum that gives their permission for the home to be staged (and they approve that their listing agent has contracted with you to do the staging). Include what happens if they ‘release’ the agent.
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