

What a Picture's Worth

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Adding a photograph to a listing can translate to a big price bump

Turns out, a picture is worth thousands of dollars.

Adding at least one photo to a residential-real-estate listing increases the final sale price by up to 3.9%, says Ken H. Johnson, an associate professor of finance at Florida International University's Hollo School of Real Estate. That can mean an extra \$39,000 for a \$1 million house.

"If I was selling, I would put every picture I could on the listing, at a ratio of four to five interior vs. one exterior," says Prof. Johnson. "We're talking about a few extra weeks in marketing time to get that 3% to 5% increase on a home. That's a good trade."

Roughly 85% of the 4,077 houses studied by Prof. Johnson and co-authors Christopher Cain and Justin Benefield included a photo. Interior pictures were more effective than exterior shots, adding a 3.9% price bump vs. 1.9%. Although adding just one photo can result in these gains, Prof. Johnson estimates that each additional photo adds about \$150 to \$200 to the final sale price.

But be prepared to wait for the payoff: Adding a photo increases the time to sell by 20.6%, meaning the house will stay on the market for an additional 16.5 days, on average, according to the study, "On the Relationship Between Property Price, Time-on-Market, and Photo Depictions in a Multiple Listing Service," published in the Journal of Real Estate Finance and Economics in 2011.

That's because photos give consumers more information to consider, slowing the decision-making process, Prof. Johnson says. "You're getting an information overload. It's like offering kids a bunch of candy, and they can't decide which one to take," he says. But photos also ease uncertainty. Consumers who have a clear idea of what they are buying are willing to pay more and are ultimately more satisfied with the sale.

Prof. Johnson's research does not differentiate between professional photos and amateur shots, but says he thinks professionally shot photos are much more effective.

Image Control

How photos with property listings affect the sale price and time on market:

- 3.5% Increase in sale price when an online listing contains one or more photos.
- 3.9% Increase in sale price when a listing with only one photo shows an interior view.
- 1.9% Increase in sale price when a listing with only one photo shows an exterior view.
- 20.6% Rise in the time it takes to sell the property when a listing contains at least one photo.
- \$150 to \$200 Estimated increase to the sale price per additional photo.

Source: 'On the Relationship Between Property Price, Time-on-Market, and Photo Depictions in a Multiple Listing Service,' 2011, co-authored by Ken H. Johnson, an associate professor of finance at Florida International University's Hollo School of Real Estate

Debra Stotts, senior vice president and associate broker at Town Residential in New York City, recently had one of her listings at Trump World Tower at 845 United Nations Plaza reshot to better show off the design, size and views.

To do that, Manhattan-based photographer Michael Weinstein looked for what he calls the single “wow photo” to open the listing. Usually, it’s the living room, but in this case, Mr. Weinstein says he shot the dining room opening into the living room to emphasize spaciousness.

Mr. Weinstein, owner of MW Studio, shares some tips that homeowners and brokers can consider when working on listings. First, he takes into account which direction the windows face and when the natural light will best accentuate the space. Generally, earlier in the day gives a clear, bright light, while later in the day casts a warm glow.

He usually shoots from the corner of a room with a wide-angle zoom lens to depict the room at its largest. He also positions the camera to highlight the unique elements of a home, whether that’s floor-to-ceiling windows, generous hallways or an elegant foyer. Mr. Weinstein charges on a per shot basis at roughly \$250 to \$1,500 per real-estate shoot, depending on the number of photos used.

Evan Joseph, another Manhattan-based photographer, will sometimes use up to eight lenses in a single shoot. “I look for the camera angle that makes a room open up, maybe being closer to the windows or shooting upward. Sometimes you need to find the spot where the view is the most fantastic, and that spot might be in the middle of a room or on a couch,” he says. Mr. Joseph, owner of Evan Joseph Images, says he charges between \$600 and \$1,500 for high-end shoots of resale homes.

Both photographers agree natural light is best. But in the case of a cloudy day, Mr. Joseph comes to shoots armed with plenty of studio lighting. Mr. Weinstein skips the lighting but will occasionally turn on interior lamps to add warmth—though that can give the impression that a room is naturally dark.

For the most part, Mr. Weinstein says, touch-ups happen after the shoot with digital photo editing. A cloudy, overcast view can be brightened to show clear blue, sunny skies. Fireplaces are dressed up with fires. He also removes anything unsightly, like wires, scuff marks on walls, vents, even air-conditioners. He adjusts the color as well to accentuate certain features in the homes. “We’ll warm up the floors or warm up the colors of the walls. It’s very subtle, but it can be very effective,” he says.

Especially time-consuming is removing multiple or large elements, like scaffolding seen through a window or a delivery truck obscuring the front, Mr. Joseph says. “People think Photoshop has a magic ‘Remove This’ button, but you have to reimagine, re-create and reassemble the thing that I’m removing,” he says.

One broker notes that retouching shouldn’t misrepresent the space. “Even if a space needs a lot of work, I would show the flaws in the images so people know what they’re getting into,” says Patty LaRocco, senior vice president and associate broker at Town Residential.

Photos have to walk the fine line of showing off a space's character without making the home seem too personalized, Ms. LaRocco says. "Materials, light and volume are really what I'm after," she says.

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