

WHITE PAPER

MULTIPLYING YOUR BUILDING'S VALUE BY DESIGN

Hallway, Lobby and Amenity Space Renovations
Can Dramatically Boost Livability & Resident Equity

Executive Summary

Your building's common areas—its lobby, hallways and other shared or amenity spaces — provide first impressions to visitors and prospective buyers. For building residents, attractive, useful and well-maintained common areas make for a more gracious lifestyle. So, when you, your board members and co-op / condo manager begin to consider an upgrade or renovation for these all important areas, pay particular attention to the dramatic boost in building value and resident equity that a common-area makeover can provide.

Consider an analogy: Your building has “curb appeal,” just like any single-family home in the suburbs. Prospective buyers are absolutely influenced by aesthetically pleasing first impressions, a real-world value that ultimately is also reflected in refinancing decisions and residents' own sales of their apartments. As well, a consistent level of quality—style, modernity, and functionality—provides the message that your building is exceptionally well cared for and maintained.

But boards, other building executives and managers must do their homework thoroughly prior to engaging in these interior upgrades for their buildings. Financial considerations and logistics are essential, of course, but design considerations of aesthetics and improved function of these areas are crucial for a well-conceived project that will satisfy residents' and staff needs, and age well for years to come.

The purpose of this white paper is to provide you and your colleagues with a grounding in the essentials of lobby, hallway and common area space design upgrades and renovations, the factors to consider, and recommendations.

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The Payoff Can be Impressive

The most essential element driving the decision to take on a common space renovation is simply that people don't want to live in an unappealing or worn environment. It's about first impressions; but on a deeper level it's about human senses of pleasure and security. People who feel enjoyment and security place higher value on the things that make them feel this way—even if they can't put their finger on exactly why. According to Halstead, even when apartment units themselves aren't changing that much, a building can see a multiplier effect of tenfold in higher sales prices when they launch and complete a lobby or hallway renovation. This is telling of how much people value attractive living spaces—even subliminally.

That is, if a building puts in \$5,000 per resident in lobby and/or hallway upgrades, the residents will see a \$50,000 increase in value per apartment.¹ Further, it has been estimated that bettering a lobby area can increase property values from 7 to 15 percent.²

While it may be difficult to put a precise dollar amount on the damage done by unattractive lobbies, hallways and shared spaces, there is agreement among real estate and interior design professionals that it undermines an apartment's value. One cannot underestimate the effect of an ugly or dated lobby. A shabby lobby could suggest financial problems in the building or an uncaring staff, or, unfortunately, even the quality of the residents themselves.

A lobby or hallway investment of \$5,000 per resident can net a \$50,000 boost in the value of each apartment.



¹ *New York Magazine*, "Spit & Polish," <http://nymag.com/nymetro/realestate/columns/realestate/15358/>

² *The Cooperator New York*, "A Splash of Style," <https://cooperator.com/article/a-splash-of-style/full>

The Process is Essential

There are important first-step decisions to be made that then inform myriad design choices. These can include not only floor and wall finishes and lighting elements, but also equipment, emergency and security components, signage, finishes, furnishings, artwork and more. Feeling overwhelmed by the number of decisions to be made, the nagging sense that you don't know enough to know what to look out for, accompanied by a fear of making costly mistakes, is not uncommon among decision makers. The good news is that professional help will get you moving forward in a logical, step-by-step process to address every aspect needed to artfully accomplish your important building investment in the smoothest most expeditious manner possible. A highly experienced designer can guide you through the entire arc of a project: from pre-planning—analysis of design solutions, level of financial investment, and feasibility—to fine-tuned design and specifications, through any contracted work, to installation and the final touches of hanging artwork.

While every residential building has a diversity of opinions about design style, and some residents feel they have design expertise, you'll want to hire a professional interior designer.

Your best choice will be one who knows exactly how to work with building owners and shareholders to provide the optimal design for your common spaces. Your board should interview several design professionals³ to get a sense of their personalities, approaches to design and aesthetics, working practices, and pricing methods. But none of these decisions should be made on price alone. Working with the savviest designer, who also makes your decision-making committee feel like this will be a great collaboration, are equally important considerations.

An experienced lobby design expert will be able to work within your building's framework, renovating within a complementary style.

³ A qualified designer will offer more than decorating. Seek out a professional who is trained to work within code based environments—such as your building— and who is well-versed in the industry design standards to ensure the health, safety and welfare of the end-users.

5 JQL INTELLIGENCE REPORT

Multiplying Your Building's Value by Design

An experienced building interior design professional will be able to work with your building's existing framework and find its strengths, creating an inspired design and a renovation plan that works within a complementary style. For example, a designer educated in the history of interior styles can work to embrace, enhance or preserve the historical or stylistic integrity of the building so that the new design elements blend in beautifully.

A case in point: A building may have historical mosaic tile floors that have grown shoddy over the years; a designer should have the wherewithal to bring in an expert to help determine if those tiles can be saved and repairs made, or whether it makes more sense to replace the entire floor. They can then present new material options that still provide the right style touch, serving your building well for the long run. Importantly you'll be presented with information and choices, so along the way you know you're making informed smart decisions for your building.

Often, cosmetic touches are not enough to take a lobby to the next level. Minor construction can be the answer. Good design is not only beautiful but also entirely suited to its intended function. Lobby space planning, concierge desks, mailrooms, lighting plans, seating areas, exercise room amenities, entertainment and meeting spaces (among many) require educated insight and experience to design for long-lived happy functionality. And that's where a fully trained and qualified professional interior designer comes in.

Design and decorating are related but different aspects of a project. Functional issues can be addressed with insightful design solutions which are then seamlessly woven into the finished aesthetics.

Recommendations

- Understand the value of renovated lobbies and hallways or other amenity spaces as livability for your building residents, shareholder equity, and overall building value.
- Think of the total cost of a building-wide investment in terms of cost per dwelling unit. While, say, a total project cost of \$175,000 may seem like a lot, for a 100-unit building it's just \$1,750 per unit.
- Hire a qualified design professional with experience designing common spaces and working in multiple-dwelling buildings. Specific knowledge pertaining to design projects where code compliance (accessibility and fire rating, for example) and other technical know-how is critical for the health, safety and welfare of your building residents.
- Empower a design/renovation committee with a strong, informed chairperson to be the team working directly with your design professional. The design committee then communicates with the building ownership / shareholders.
- Designate one committee member to be the main communicator with the design team. This helps keep communications orderly and clear, which mitigates confusion and misunderstandings.
- Provide a well-thought-out strategy for getting buy-in from your building unit owners or shareholders. This could be as simple as presenting two color versions of a design to choose from to help your building community feel involved. Your design professional should be able to provide great advice as to best methods.
- Engage in judicious communications on the progress of the project with your building community.
- Protect your investment in interior upgrades by having a clearly defined maintenance plan in place. For example, annual (or semi-annual) professional carpet cleaning with the manufacturer recommended method will maintain those carpet fibers in top shape and keep your carpeted hallways looking spiffy for years.



About JQL Building Interiors Group

When it comes to investing in your building's interior design, you need expert design solutions, top-level project planning, and execution services. Common area design, decorating, interior renovations and upgrades are our sweet spots. We excel in creating stylish, timeless and durable designs that artfully address the unique characteristics of your building as well as project feasibility and codes regulations, building consensus among unit owners or shareholders and more. We are adept in streamlining the entire project design and implementation process.

Our professional team works closely with yours, orchestrating the myriad details needed to bring a superlative design vision to life for your building, elevating your building's market value and providing revitalized lifestyle enjoyment for residents. Which is why we like to say:

“Do it right. Once. Beautifully.”

JQL Building Interiors Group

347.482.1700 / Info@JQLbig.com

www.JQLbig.com