

"How to Accurately Value Your Property (Pt.2)"

(An Expert Guide For UK Property Owners)

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Introduction

In [Part One of this property valuation guide](#) I explained:

Why you should never trust an estate agent's valuation.

How to protect yourself against inaccurate valuations.

Here in Part Two I'll show you how to avoid being manipulated by estate agents at the [property valuation](#) appointment

How to Prepare for a Valuation

Before you start making appointments with any estate agents there are 2 things to bear in mind:

Point #1:

"It's advisable to present your house as if the Estate Agent is a potential buyer"

Just like buyers, estate agents will be influenced by the presentation of your property.

They will be able to truthfully give you a higher valuation and a more realistic opinion of how your house compares to the competition if it's ready for sale.

Point #2:

"Ask the estate agents to bring the comparable evidence (known in the trade as "comps") that they'll be basing their valuation on".

By "comparable evidence" I mean:

At least 3 sets of details (brochures) for property like yours they've sold recently.

At least 3 sets of details for property like yours they're currently selling.

If your type of property is well represented in your area and an agent turns-up with less comparable evidence than this - take their valuation with a large pinch of salt.

It's important to remember:

"The only [property valuations](#) to take seriously are the ones that are backed-up with evidence and fact".

What You Must Never Tell An Estate Agent

When arranging a valuation appointment, there are a number of questions you'll be asked that you should never answer.

These questions may sound innocent but in actual fact they're designed to get hold of information that can later be used to manipulate you.

Questions You SHOULD NOT Answer:

"How quickly do you need to move?"

This question has nothing to do with how much your property is worth so at this stage, they don't need to know. Giving away this kind of personal information gives agents an excuse not to commit to the max price you could sell for. How quickly you need to move is a discussion to be had after you've chosen the agent you wish to employ. The best way to answer this question is to just tell them: "I'm looking to move when and if I get a fair price".

"What do you think is a fair price for your property?"

Variations on this are: - "What price do you hope to achieve?" -
"How much do you think your house is worth?"

UNDER NO CIRCUMSTANCES SHOULD YOU EVER LET ANY

AGENT KNOW WHAT YOU (OR ANOTHER AGENT) THINKS YOUR PROPERTY IS WORTH!

If you do let slip what you think your property is worth then, one of two things will happen:

The inexperienced agent will blatantly overprice your property in an attempt to flatter you and win your business.

The more experienced agent will at least have the courtesy to flatter you by agreeing with your idea of how much your property is worth.

Either way, all you'll end-up with are agents telling you what they think you want to hear.

The best way to answer the question is to just tell them:

"I'm really not sure of what my property is worth, that's why I'm inviting you to give me your professional opinion".

This will ensure estate agents put their best foot forward and provide you with an honest and unbiased opinion of what your property is worth.

How Long Will the Appointment Last?

The estate agents visit can last anywhere from 40mins - 1 hour.

The estate agent isn't just there to look around your property and tell you how much they think its worth.

They're also there to sell you the services of their estate agency, and their associated conveyancing and mortgage providers.

In general it's best to leave at least 1 hour between appointments. Otherwise you'll liable to end up with a line of estate agents queuing at your door or cluttering-up your living room.

Information You Should Insist On

When the agent gives you their valuation some like to leave

themselves some "wiggle-room".

This means they can often be vague when giving you their final valuation figure. Typically they'll say things like:

"Well I think it's worth between £230,000 - £245,000"

Frankly that's not good enough!

Make sure the agent gives you a precise figure for the "asking price" (the price you'll advertise at).

Make sure they commit to the actual figure they expect your property to finally sell for.

Make sure they tell you how long they expect it will take to sell at this price.

Finally, it's important to ask them to explain how they've arrived at these figures & timeframes.

At this point the agent should start walking you through the comparable evidence they've brought with them.

They should explain the pros and cons of each property, how long they took to sell and how they compare to yours.

They should also tell you about property like yours that they're selling at the moment.

Study these property details (the comparable evidence) and make sure the properties really are like yours.

If they're not, ask why not?

How to Interrogate the Estate Agents

To help you decide if the agent's comparable evidence is any good, keep the following questions in mind:

If the agent shows you details of properties that he's recently sold, you need find out how long ago they sold?

If it was over 3-4 months ago, prices may have risen (or fallen) and so the comparable evidence may be out of date and have no relevance on what your property is worth. Challenge the agent on this and ask in which

direction (and by how much) he thinks prices have been moving over the last few months.

If the agent shows you details of properties that he's currently selling, you need to find out how long the properties have been on the market?

If they've been on for longer than 6 weeks, there is a good chance that they're overpriced (or suffer from poor presentation). Again, challenge the agent on this and find out why any of his properties haven't sold.

Trust Your Instincts!

How the agent answers the question above is just as important as what answers he gives.

Does he answer:

- Quickly?
- Confidently?
- Graciously?

Or does he sound patronising?

Has he taken the time to justify his valuation thoroughly and logically?

Do you feel he's the sort of agent that will go the extra mile for you?

What does your gut tell you?

Some Conclusions for You

The acid test for any property is the market. The market will tell you if you've priced your house correctly.

Above all else please remember these two truths:

No viewings = Your house is overpriced

Lots of viewing but no offers = Your house is priced correctly but

something is putting-off the buyers (it's normally the presentation).
Selling for what your house is truly worth is simply a matter of:

- Selling when the market is strong
- Presenting your property as well as possible
- Not being in a position where you're pressured to sell
- Pricing your house competitively against its competition

If you can do this you'll remain in control of your sale and be in the best possible position to sell for max profit (within a convenient timeframe).

How to Find the Best Agent for Your Sale

Very few homeowners are aware of this but there is an effective service available that will advise you, for free, on who is the best estate agent in your area, for your sale.

Until recently this service has been a tool used purely by large house building companies. However, I believe all property sellers would be wise to take advantage of it when choosing which estate agents to interview.

Click the link below to find out more:

[Find Your Recommended Local Estate Agent!](#)

Wishing you complete success with your sale,

Gavin Brazg (Editor)
www.TheAdvisory.co.uk