

A Guide To Selling

The Kevin Henry guide to selling will give you useful advice during the different stages of the process for a successful move.

Are you ready to sell?

Before selling you will need to get a valuation to find out how much your property is worth. You will need an idea of the costs involved with moving and you may need financial advice to ensure that you are able to achieve the desired outcome.

The valuation

Zoopla valuations can be dangerous and frequently either under-estimate or over-estimate by what can be significant margins. A computer-based valuation can start you off on the wrong foot as all your hopes and aspirations could be totally dependent on an unrealistic figure. It is therefore important to get a local independent estate agent, with an excellent reputation, to give you a valuation. This valuation should take into account your requirements:

- Do you need a quick sale?
- Have you got time to test the market?
- When is the best time to sell your type of property?
- What does the future hold for the property market?

An experienced estate agent will be able to offer you a lot of information about the moving process, the selling process and direct you towards other similar and reputable companies, such as solicitors / conveyancers, mortgage brokers etc., to help provide the answers to all your questions before you take the plunge and put your property on the market.

However, the valuation can end up being confusing as well. Sometimes three different valuations give three different answers. Many agents try to buy the instruction by telling the owner what they think they want to hear. It is interesting that those agents who pursue this policy often have the worst statistics for the number of price reductions and the longest time that properties remain on the market. Often, accepting the highest valuation actually costs you money. The property doesn't sell because buyers consider it over-priced, the property eventually becomes stale because it has been on the market too long and buyers naturally think there is something wrong with the property and often the price has to be reduced once, twice or three times to effect a sale, usually below its true value. An exceptional agent will show you comparative evidence of similar properties that have sold in recent weeks and months and will be able to demonstrate in what direction house prices are moving, at what speed and show you the actual demand for your property amongst buyers. An agent who simply provides a price without comparisons is not doing a good job.

Agency Terms and Commission

The majority of agency agreements tie the client in for a period of time, such as 12-16 weeks. This either shows a lack of confidence in selling the property, or is vital to help the over-valuing agent keep the instruction until either house prices catch the asking price up, or they persuade the owner to reduce the price of the property. An exceptional agent, confident in their ability, would not look to tie a client in to any time period at all. If an agent does a good job for you, why would you consider changing to another agent?

Fees for selling do vary and the cheapest fee does not mean that you will get the best price for your property and actually move. Many agents who offer the cheapest fees do not actually charge anything because they don't sell the property and where they do sell the property, very often they are pushing the client to accept lower offers because they are desperate to get the sales through to meet their overheads.

Negotiators who earn the majority of their salary through commission are also more likely to negotiate for themselves rather than the client when offering advice about taking an offer. Trying to buy an instruction by offering the lowest fees is one of the oldest tricks in the book. In many cases this means less communication, less sales progression and more sales falling through, costing clients a lot of money. There is more to selling a house than simply offering the best valuation and the lowest fee. An exceptional agent will explain why they don't offer the lowest fee, but why they offer the best value. The basic car will cost less and the more sophisticated car will cost more.



The cost of moving

In terms of selling, there are the estate agency fees, solicitor / conveyancer fees and removal fees. If a purchase is involved, there is stamp duty, solicitors / conveyancers fees, possibly a survey fee and if finance is required, mortgage fees. An exceptional agent will be able to give you an indication of all these costs.

Finance

If you are looking to downsize you should get independent advice about savings and investment. Moving home could be about school fees, pension requirements, reducing your overheads and a number of financial reasons. Independent financial advice should be sought. If you are looking to buy another house and you need finance for the purchase, it is very important to, again, get independent advice. If you go direct to a bank or building society, it is very likely they will not be able to offer you any advice but only show you their products. An independent advisor will be able to show you the whole of the market and offer advice. Certain properties, such as shared equity properties, period properties and those of an unusual construction, can often be a problem if you approach the wrong lender. Good independent financial advisors package a mortgage application with all the information required before submitting, saving time. Following the mortgage market review, lenders have become tougher with their criteria for borrowers, including stress testing. You really need to get the best advice and an exceptional agent will be able to point you in the right direction.

Choosing an estate agent – what do they do?

Those who think that an agent simply has to put the property on the Internet to sell it, so therefore a cheap fee and the highest valuation is all that is important, are very wrong. The complexities of what a good estate agent does in terms of the level of service, marketing techniques and sale co-ordination required to ensure that a sale, once agreed, does not fall through at great expense, are huge. However, many agents appear not to do any more! 88% of sellers base their decision on trust, reputation, experience and recommendation. During the valuation, a good estate agent should explain the whole process and what they do to minimise the stress to you, get you the highest price, and ensure that the sale actually goes through and how they communicate with you at every stage of the process. Please see our 'Choosing the right Estate Agent Guide' for more details.

Is the property ready for marketing?

You only get once chance to make an impression and if you really want to get the best possible price, you do need to make sure that your property is at its best. You don't see many cars for sale covered in mud and giving your property that extra polish will help get excellent photographs – which, in turn, will help get your property noticed, particularly on the Internet. See our 'Guide to Preparing your Property for Sale'.

Marketing

Often, most agents look the same. They all say they advertise in the local paper and on the property portals and their own website. An exceptional agent will explain and discuss with you the appropriate marketing strategy for your home.

Viewings

Presentation – this is probably the most annoying part of selling your home, keeping it tidy and well-presented. An exceptional agent will give you tips on how to present the property, use of lights, heating and making the property as appealing as possible.

Who should do the viewings? Research has shown that viewings conducted by the agent are more likely to result in an offer than conducted by the owner. There are some logical reasons for this.

Firstly, that 'breaking the ice' moment is easier with the agent. The person viewing has already spoken to the agency and may well have met staff in the office or at previous viewings. The agent will also have a much better knowledge of the person viewing's requirements and will, therefore, be able to sell the appropriate features. They will be trained to overcome objections and to gain offers as a result of the viewing. They will also be able to get good feedback, where often politeness can lead the owner of the property to believe that the person they have just showed round is very, very interested, when in actual fact they were just simply being polite. An exceptional agent will be really geared up to do large numbers of accompanied viewings every week and in particular on the key marketing days of Saturday and Sunday. However, there are often circumstances where the owner will show people round their home and in these circumstances an exceptional agent will point out the 'do's and don'ts' and best method of showing somebody around the property.

Negotiating an offer

This is where an exceptional agent will earn his corn and get you the best price. This is where you will probably find out that the agent who offered you the cheapest fees will be doing all they can to persuade you to take an offer you are not happy with. If they are not good at justifying their fees, they won't be good at negotiating for you. Those agents' whose staff are on high commission earnings' will be more likely to negotiate the right deal for themselves rather than you. This is the point where an exceptional agent will provide all the facts about the ability of the would-be buyer to proceed - Can they get the finance? Are they involved in a chain and, if so, how quickly or slowly will that chain be able to proceed? How does the buyer fit in with your time requirements? An exceptional agent will do all in their power to ensure that you are able to make a decision with all the facts. It may be that the price you are negotiating to accept has a big bearing in the amount you are able to pay for a proposed purchase. An exceptional agent will advise you on how to negotiate with another agent and also can help you understand how the purchasing timescale can fit in with your sale timescale.

Well done, you have accepted an offer! What happens next?

☒Very often the last person to know when a sale is agreed is the solicitor / conveyancer. Once you have decided to put your property on the market, you should, with the help of your agent, get quotes and appointed a solicitor / conveyancer to act on your behalf. There is an old adage in estate agency that says 'the longer a sale takes, the more chance there is of it falling through'. Having a solicitor / conveyancer who already has your proof of identity and has filled in property information forms, fixtures and fittings forms and all the other forms they require, means that they are very quickly in a position to send off a contract to your buyer's solicitor / conveyancer. Armed with all the information the agent requires, the agent will then contact both sets of solicitors / conveyancers and confirm with the seller and buyer the sale agreed price and any

conditions or additional fixtures and fittings included within the agreed sale. Now, the most frustrating part of the whole process of selling and the most stressful part starts.

Sales progression

Too many estate agents agree a sale and simply leave it to chance, particularly the agents who were charging cheap fees and, sometimes, agents who were charging more money. An exceptional agent will have an experienced sales progressor, who will help speed up the time the transaction takes, keep you fully informed, and will coordinate solicitors / conveyancers, surveyors, mortgage brokers and, if required, organise secondary surveys and visits from damp and timber treatment specialists, roofers, electricians, plumbers, builders etc. "They never kept me informed" is probably the biggest criticism of estate agents. However, a property transaction will only go as quickly as the slowest link. An exceptional agent will help manage the expectations of all parties and at all times will try to effect the best result for their client. This is the one area of the sales process that differentiates estate agents and those agents found wanting in providing this essential service, will usually cost their client a lot of money in abortive fees if the sale falls through. The average sale fall-through rate throughout the country is around 35% of sales agreed. A really exceptional agent will almost halve this figure, thereby giving you a much better chance of achieving your goal of moving home.

Exchange of contracts

All being well, and with guidance from the exceptional agent, an exchange of contracts will be the first point in the whole transaction where the sale becomes binding. At this point, a non-refundable deposit, normally 10% of the purchase price, is transferred by the buyer's solicitor / conveyancer to your solicitor / conveyancer and all the legal work will have been carried out. An exchange of contracts only takes place with an agreed completion date. The exceptional agent will not have finished work here and there is a checklist of things you should consider that needs sorting out prior to completion / the moving date.

Completion and moving

On completion day, the buyer's completion money will be transferred to your solicitor / conveyancer and if you are involved in a purchase, then your solicitor / conveyancer will do the same to your vendor's solicitor / conveyancer. Some people like to move themselves and probably the best money you can spend in the whole transaction is employing a professional company to do the move for you. Moving yourself is fraught with stress and always takes far longer than you think and involves moving more stuff than you ever imagined you owned. A removal company will make life considerably easier, less stressful and give you time to enjoy moving into your new home. Some people organise a staged move, moving into their new home a couple of days after their sale has completed. This gives time for carpets to be cleaned, some decorating, and a few small improvements, which are often harder once all the furniture and belongings have arrived. On completion you should leave your home in the condition you would like to find your new home. If you get a chance, hire the services of a professional cleaner who can assure that fridge / freezers are clean, ovens, hoods and hobs are clean and try to ensure that all light bulbs work, the gardens have been well-tended, garages, sheds and lofts are left empty and that there are adequate keys for all locks. Please leave all manuals available for the new buyer.

Moving is often seen as one of the most stressful things you can do in life. An exceptional agent will make the whole process less stressful and will communicate with you at all stages. An exceptional agent will have the experience and expertise to take care of all problems that come your way. The exceptional agent, with local knowledge, may well have dealt with the sale of the property before and will know the locality, the villages, the countryside, local tradesmen and will often have contacts that could help keep the sale moving. Understanding the process is important, choosing the right agent is vital to make the process easier.