

Sell your house online and save thousands

Dan Hyde, This is Money - Friday, August 29, 2008



Home sellers have looked on aghast as thousands has been flayed from the value of their property. Saving thousands in agent fees could help claw back the losses...

Dwindling house prices and an economy-wide downturn have made money-saving ideas a must for any sellers in the property market.

Estate agent fees, usually charged at around 2-3% of sale value, make a significant inroad into any potential revenue for vendors but can be avoided by going private. Estimates suggest that Britons paid out £6.5bn in agent fees in 2007 alone and now that intermediary role is under threat.

'The agent doesn't really need to be there,' says Spencer Claydon, Managing Director of sell4less.co.uk.

'For marketing and negotiating the sale of the average £400,000 London home, estate agents would charge nearly £10,000 in needless commission. If you cut out the middle man you can save yourself thousands.'

Many are put-off a private sale because it is often thought of as a complicated and time consuming process, but Claydon believes the reluctance is based on misconceptions.

Going it alone can actually save you time. With our website you can create an advert from start to finish in under an hour – and it's really simple.'

'Estate agents are only expensive because they carry high overheads for things like high street offices, staff wages and running costs. We don't have all that because we aim simply to put "person A" in touch with "person B", eliminating the need for the expensive and unnecessary third party.'

The threat posed by property websites has prompted a stern defence from estate agents. Peter Bolton King, chief executive of the National Association of Estate Agents, said: 'there is a massive amount that a good agent can offer in terms of experience and knowledge that, with the greatest respect, most people just don't have.'

'A good agent can take a lot of the stress out of the process and is expertly placed to match the needs and act-out key negotiations on behalf of clients.'

However, Mark Desvaux, managing director of houseweb.co.uk, says the cost of using an estate agent outweighs any benefits. 'If you think of agent fees as a percentage of your equity in that house then it actually works out that you're paying out nearer 15-20%,' he says.

'Privately you can save this money and get your house on the market two to three weeks earlier.'

Six easy steps to selling your house privately online:

1. Value your home

This might sound a daunting prospect but with a little help, it can be quite straight forward.

Desvaux says: 'You're just setting a starting price that you can change at any time so don't get too hung up.'

Many people opt to get a free estimate from an estate agent but it isn't necessary. Sites such as zoopla.co.uk compare your house with those in your area or street and offer free value estimates and prices of recently sold homes in your area.

If you are keen to have a qualified estimate, a surveyor will value your house for as little as £25.

Spencer Claydon says: 'The reality is an estate agent isn't necessarily qualified to value your house. They aren't surveyors, they just assess the market in the same way that any one can and they sometimes overvalue your property for their own benefit'

2. Take some pictures

You will need to have some images of your house however you want to advertise. For online advertising, use a digital camera and take multiple shots. Give potential buyers a good idea of what your property looks like from inside and out, and from various angles. The benefit of advertising online is that you can upload many different images, so if you have great view from the master-bedroom or a manicured exotic garden, don't forget to snap it.

'Each additional photo increases the chances of interest in your property, so we recommend taking as many as you see fit,' says Desvaux.

Sell4Less and some other sites also allow you to upload video footage such as walkthroughs of your home. This can be a real bonus attraction for buyers and isn't offered by conventional estate agents.

3. Get a home information pack

All houses sold in England and Wales are legally required to have a Home Information Pack (HIP). There are many professional HIP providers out there, such as thehipprovider.co.uk or myhiphome.co.uk that make this process hassle-free. Most property advertising sites such as [sell4less](http://sell4less.co.uk) (£199 +VAT) and houseweb.co.uk (£279+VAT) also provide the services and often at very competitive rates.

4. Compile some details for the advert

If you have a description kept from when you bought the house, then that's a good place to start. Useful things to include are the number and type of rooms, their measurements, and any extra facilities and aspects of the property you feel are of particular note. The list doesn't need to be too in depth but enough to provide a buyer with a good idea of what they will find.

'You know the selling features of your house better than any estate agent could,' says Claydon, 'and the benefit of private advertisement is that you can make sure these stand out.'

Also, make sure to relate the personal experience of living in your home. Desvaux says: 'What buyers really want to know is what your home is like: is it safe for pets and kids, for example, or does is the garden perfect for summer parties?'

5. Advertise

Some websites such as homesonsale.co.uk or sell4less.co.uk will give you free advertising space on their pages. Others, such as mypropertyforsale.co.uk or houseweb.co.uk charge a small fee, which usually starts at well under £100. All of the sites will guide you through the process of uploading an advert complete with pictures, a HIP and other details.

'It's a bit like advertising on eBay,' says Desvaux. 'Our service can reach around three million viewers, so the internet is a very powerful selling tool and is also increasingly a buyer's first port of call.'

It is important to advertise as widely as possible and a 'For Sale' sign outside your house is essential. Many websites offer signs as an add-on, usually for around £40. Alternatively, you can make one yourself. If you live in the London area or in a shared building, check for planning permission before erecting a sign and always include 'viewing by appointment only'.

Some sites also offer an advertisement pack that will spread your advert far and wide. Getting your property on fish4.co.uk, which registers over one million viewers each month will drastically increase your chance of finding interest. Prices start at around £40 for this additional service but packages vary and some sites offer monthly rates. And don't forget other local media, which is still a great way to advertise.

6. Show, negotiate, and hand over

Desvaux says: 'It is often a good idea to ask the buyer if they want a guided tour or just to look

around with a bit of privacy. The benefit of a private sale is that you're not rushed for time like a busy estate agent, and you have a lot more flexibility.'

Once you have shown people around and accepted an offer on your property, all that needs to be done is to finalise the legalities with your solicitor. Make sure you keep in contact with both the solicitor and buyer and once you've exchanged deeds, the process is complete.