

Are you being mis-lead by your estate agent?

Do you feel informed on how to avoid the common the tricks of the trade?



This free to distribute letter from EstateAgentsExposed.co.uk* tells you what you need to know.



DON'T TAKE OUR WORD FOR IT. PLEASE FACT CHECK EACH OF THE CLAIMS IN THIS LETTER.

If you've been misled by your estate agent, you could receive **up to £25,000** in compensation by making a simple complaint to the **Property Ombudsman**.

Facts for Sellers

ARE THEY OVERVALUING MY PROPERTY?

Estate agents may over-value a property in order to win the sellers business. Overvaluation will usually result in a slower sale. To check the valuation on your property:

- 1 Use sites like rightmove.co.uk to check both asking and sold house prices. Remember asking prices do not accurately reflect the price that houses sell for.



- 2 Use the propertylog.net chrome browser plugin to view asking price history on local properties. This will show you whether prices have been moving up or down. See the example below where the house was reduced by £75k before it sold:

Date	Price Change
03/01/2023	Price changed from £450,000 to £425,000
01/12/2022	Price changed from £475,000 to £450,000
10/11/2022	Price changed from £500,000 to £475,000
27/10/2022	Initial entry found: £500,000

ARE THEY UNDERVALUING MY PROPERTY?

Estate agents may under-value a property to make a quick sale. This is often tied to illegal practises such as conditional selling.

- 1 Use rightmove.co.uk with the propertylog.net plugin to check price changes, asking and sold house prices.



- 2 Check whether the estate agent is also selling mortgages or has an approved buyers list. This indicates the risk of conditional selling as explained below.

WHAT IS CONDITIONAL SELLING AND WHY WILL IT LOSE ME MONEY?

Conditional selling is an illegal estate agent practice where they only put forward offers from buyers who are using their mortgage service.

Estate agents are supposed to work in the seller's best interest, however, by aiming to maximise their own commission, sellers can lose thousands. See the example below:

Offer	Sale Commission	Mortgage Commission	Combined Commission	Seller Loss
£400,000	£6,000	£1,000	£7,000	-£20,000
£420,000	£6,300	£0,00	£6,300	£0,00

It's easy for the seller to lose tens of thousands of pounds so that the estate agent can earn more commission. Estate agents have devised various schemes to try to hide conditional selling.

What to watch out for:



They present offers in a biased way

By UK law, estate agents must pass on all offers they receive in a fair and unbiased way. Any attempts put offers in a good or bad light are not only an indication of conditional selling, but an illegal practice.

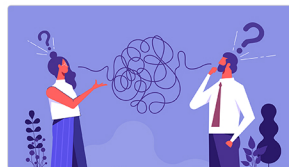
They have an approved buyers list

To get on this list buyers often have to sign up to use their mortgage services. Or it may include property developers that are offering them under the table cash incentives to sell them the property for less.



They trap you in a long contract

This could allow them to wait for the best buyer for their combined commission, as opposed to your highest value sale.



They block direct contact with buyers

Some estate agents employ all kinds of tricks to deter sellers from speaking directly to buyers. From false claims that such contact is illegal, to various scare mongering tactics. Direct communication with buyers prevents them from hiding or mis-representing offers.



They offer mortgage services to buyers

If they are offering such services, there is a financial incentive for them to engage in conditional selling.



CAN I TALK DIRECTLY TO BUYERS IF I'M USING AN ESTATE AGENT?



YES! There are no laws or rules preventing you from having direct communication with buyers. Some newer estate agent platforms such as PurpleBricks.co.uk and Emoov.co.uk actually encourage direct communication and have transparent offer tracking.

Direct communication can be the only way to prevent most of the illicit estate agent tricks and tactics. Not only that, but through purposeful deception or incompetency, misinformation about your property can really put buyers off.

Always talk directly to serious buyers, if you discover the estate agent has been breaking the law, **you could be rewarded up to £25,000 in compensation** from the Property Ombudsman tpos.co.uk.

CAN I SELL DIRECTLY IF I'M USING AN ESTATE AGENT?

NO. If you've signed a contract with the estate agent, offers will need to go through them. However, this does not prevent you from negotiating directly with buyers directly and putting the offer through the estate agent as a matter of course.

ARE ESTATE AGENTS REALLY THAT BAD?

Unfortunately, many are. Various bodies have done investigations into estate agent practices, and it seems that they often uncover illegal activities. Take a look at the "Estate Agents in the News" section at the end of this letter.

I THINK I'VE BEEN MISLEAD, WHAT SHOULD I DO?

You may be told inaccuracies about a property due to purposeful deception or incompetence. Either way it's against the Estate Agents Act 1979 and the Property Ombudsman code of practice. Keep a record of the communications you have with estate agents. Try to get them to confirm what they've told you in email. Avoiding written communication can be an indication that they know they are misleading you.



IN SUMMARY:



Check the asking, sold, and price history on local property



Be wary of estate agents that offer mortgage services or approved buyers



Communicate directly with serious buyers



Report malpractice



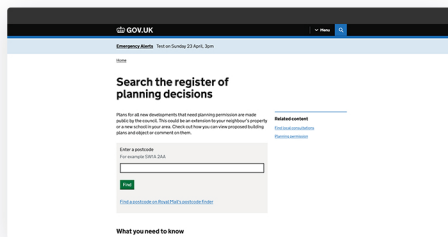
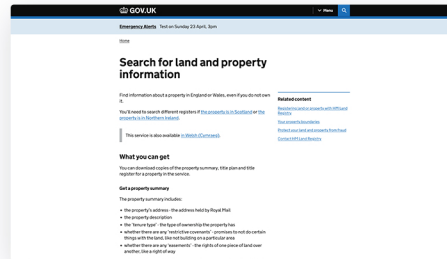
It's your house, you are the one in control

Facts for Buyers

Working with estate agents can be incredibly frustrating as you battle through their various schemes and misinformation. But there are steps you can take to find more accurate information on a property. Below is some information estate agents really don't want you to know.

WHO OWNS THE PROPERTY I WANT?

The UK Government maintains a land registry with details of all properties. A title register can be purchased for just £3. It will show the current owners, date the property was first registered, sale history, whether there is an outstanding mortgage on a property, and any restrictions.



IS THERE INFORMATION ON THE BUILD AND ANY WORKS DONE?

The local council will have information available on any planning applications and approvals (unless the property is very old). Most of this information is now available freely online and can be found by searching the local council's website.

IS THE PROPERTY PRICED FAIRLY?

It's common for estate agents to over-price properties. They'll often claim there is a great deal of demand on properties that are not receiving any offers.

- 1 Use sites like rightmove.co.uk to check both asking and sold house prices. Remember asking prices do not accurately reflect the price that houses sell for.

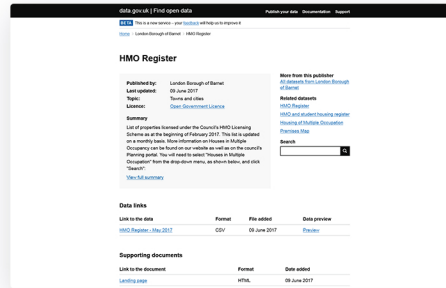


- 2 Use the propertylog.net chrome browser plugin to view asking price history on local properties. This will show you whether prices have been moving up or down. See the example below where the house reduced by £100k:

Date	Price Change
03/03/2023	Price changed from £500,000 to £450,000
11/10/2022	Price changed from £535,000 to £500,000
16/09/2022	Price changed from £550,000 to £535,000
12/08/2022	Initial entry found: £550,000

ARE THEY A LICENSED HMO?

If you're told that the property is tenanted by multiple people, you can check whether they are a licensed HMO. Search for the "Register of HMO Licences" with your local council and you can check the address online.



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IN SUMMARY:



Share our letter with sellers so they can be informed



Talk directly to sellers where possible



Keep a record of communication with estate agents



Report malpractice

ESTATE AGENTS IN THE NEWS

BBC One's Whistleblower investigation found estate agents to be breaking the law in almost every way possible:



Estate agents faking their online reviews:



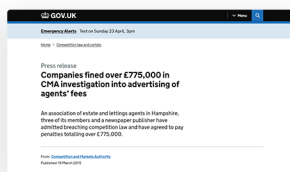
Calls for a new watchdog to crackdown on dodgy estate agents:



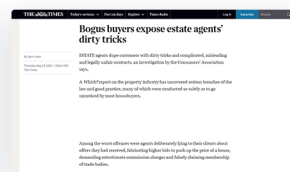
Estate agents fined £600k for price-fixing:



Estate agents fined £775k for breaking competition laws on fees:



Undercover investigators find only 1/3 offers passed on:



* Estate Agents Exposed was created to provide clear, unbiased, easy to follow facts and information on illegal and unscrupulous estate agent tricks. The site offers no paid services and carries no adverts. It provides a PDF version of the information that is easy to distribute. There is only one aim, empowering consumers with the knowledge they need to stop being ripped off by estate agents.

An updated version of this information can be found at:
<http://www.estateagentsexposed.co.uk>