

Choosing the right Estate Agent ✓

Updated Code of Practice for Estate Agents

As of 1 June 2019 this has been revised to reflect both **best practice as well as the law**. The house sales industry and its regulators, together with Trading Standards hope this will help to benefit house sellers when they are choosing an estate agent.

It includes anti-money laundering procedures such as due diligence in proving the identity of sellers and buyers, data protection and privacy requirements and **fair and ethical trading practice in general**.

To help **prevent agents hiding the true cost of their services** through non-disclosed referral fees they receive from conveyancers, and prevent profiteering on ancillary services such as energy certificates and photography, **such fees and profit margins should now be openly disclosed to customers in advance**.

Rules on canvassing for business are covered, as is the requirement for an estate agent **not to deliberately overvalue a property** in order to try and win new business. Unfortunately, some agents resort to this practice where they know they simply cannot compete with the fees and service being charged by a leaner competitor.

An agent's terms of business must be fair and transparent, with no punitively high fees for withdrawing or terminating an agent's contract. An agent also has a **duty to provide all material information about a property**, especially if it is a leasehold one. Any errors or inaccuracies could potentially render not just the agent, but also the owner, liable for any losses caused to a purchaser or potential purchaser.

General **care over the security of keys and viewings** is covered, including the requirement to code keys and keep them in a secure locked cabinet. However, it is amazing how lax some agents can be in this regard, especially some of the online-only ones where the agent often works unsupervised from home.

The Code states that an agent must continually monitor a buyer's progress, but we know many agents simply don't do this, particularly some of the on-line only ones, where one person is expected to do everything, even when on holiday.

An agent must also **display their complaints procedure** on their website, but many are still failing to do so.

Why does this matter to home sellers?

Many sellers are already quite aware of these practices but some still suffer considerable inconvenience or even financial loss **where deliberate over-valuing occurs by agents** in order to try and win business at a higher estate agency fee.

Disclosure of referral fees should now, at least in theory, **show up the true cost of an estate agent's service** and help the consumer to make a more informed or even better choice of agent in future.

How can sellers tell a good agent from a bad one?

You can never be certain but **an agent's website can tell you an awful lot about how compliant they are**.

Take a look at their website to see whether you can **easily find displayed**:

- The name of their regulatory body e.g. RICS, NAEA etc
- Selling fees (and ideally any referral fees)
- Which consumer redress scheme they belong to (e.g. the Property Ombudsman)
- Their data privacy policy
- Their complaints procedure

Obviously no agent is perfect but clearly some are trying much harder than others. Some clearly still have a lot they want to hide.

Remember, **it is always better to be safe than sorry**, so if you have any doubts about an estate agent then why not play it safe and use Johnsons from the outset.

You might even save on fees as a bonus !

Call Johnsons on 01302 322121