

# WORKING WITH ESTATE AGENTS

**N**ow that the summer is over many investors will be looking for that autumn project to keep them busy until the Christmas countdown commences. Therefore this month we are going to look at how best to work with Estate Agents to ensure that you get access to the properties that you want.

As an ex-estate agent myself, I can confirm that it is all about the rapport you build with the agent. To start with you have to be very specific about what it is you want. For example many investors give the agent the remit of *"I want anything good that comes up."* Not very helpful – and given that you will decline at least half of what you are offered, the agent will never really get the impression that you are a seasoned buyer.

As an alternative, tell the agent exactly what you want, such as *"I am looking for 3-bed ex-council houses in your area in any condition and I want to be paying no more than £X for each of them."* With these types of instructions you are likely to be buying everything the agent offers you, and therefore will be seen as the best buyer they have. When you then tell them that you are also looking for 3-storey Victorian homes which could be converted to flats, or homes with big gardens suitable for development, guess who they will call first?

This is important, as whilst you may feel the agent will naturally wish to deal with you as you have no chain or because you are a cash buyer, bear in mind they will have many people with such credentials on their mailing lists. Given the scarcity of property at the moment we have to accept it is a seller's market and it is the agent who controls those sellers.

The other reason for being specific in your requirements is that it opens up opportunities for off-market deals. Using my above example imagine the agent goes to value a 3-bedroom ex-council house. He is likely to gain the instruction as he can talk with confidence about the buyers he knows will be interested in the house, and he can also refine the seller's expectations in terms of price, given that he knows the upper ceiling on what you will

pay. Additionally for those sellers who are not quite ready to market, the agent may get the chance of arranging a one-off viewing and that viewer could be you!

The other key issue for agents is that you do what you say you will do in an agreed timescale. Unless there is really good reason to do so, you should never reduce or withdraw an offer, cancel a viewing appointment or indeed do anything which shows the agent that you are not taking matters seriously. Returning calls and emails is also important. Show the agent you are professional and the results will be plain to see. The more impressed the agent is with you the more likely they are to sell you property in the future.

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Once you have won the agent over it is important for future properties that you do not damage the rapport built. Agents take it very personally if you buy a property through them and then do not offer them the opportunity to sell or let it for you. As an agent it is viewed as the height of rudeness and will likely mean you won't get offered another property.

In furtherance of this I always agree to pay the agents' standard fee when I instruct them to sell or let a property for me as I know the work and effort that is involved in the effective marketing of a property. Indeed I have in the past offered a higher fee in the event that they can secure a given price for me. To illustrate this point I once agreed to pay a sales agent 1.5% on the sale price up to £100,000 and then 50% of anything over £100,000 that was achieved. This way you get more than you were prepared to accept and the agent is highly motivated to get the best price for you rather than just the minimum that they know you would accept.

Now for those of you who think that you may be paying an extra thousand or two more than you need to, just spare a minute and think of how much you would pay to get access to a property which could make you say £20,000.

Whilst I accept that some properties can be sourced through word of mouth, leafleting, networking events and the like you would be cutting out an enormous pool of the market if you do not develop relationships with a couple of agents who work in your area of investment.

Don't be shy! Agents by and large are lovely people and they can make you far more money than they will ever cost you.

**As always I am happy to answer any questions that YPN readers may have. Please feel free to contact me at [graham@grahamkinnear.com](mailto:graham@grahamkinnear.com) or 0844 414 8659.**



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