



'S.I.Y: SELL-IT-YOURSELF'

- Every penny counts as disgruntled home owners seek to cut out estate agents as credit crunch takes its toll -

STRETCHED home owners are starting to feel the pinch of the credit crunch and slowing housing market, with one in two Brits aiming to curb costs by cutting out estate agent fees when selling their property, new research out today reveals.

Despite complaining of high and inflexible commission fees, two thirds (68%) of Brits have no idea what estate agents fees are intended to cover, with a whopping 92% of Brits adamant that estate agents do not justify their high fees.

The research by Gumtree.com, the free local property website, shows how more home-sellers are taking matters into their own hands by pocketing a potential average of over £4,100* on estate agent commission fees by selling their own home direct. Demand is fueling options, with more direct-purchase options available to sellers instead of using an agent – from local newspaper ads, auctions, signposts in their gardens, word of mouth, private and community websites.

In the past six months, as the combined impact of rising interest rates, costs of home information packs and a volatile financial market are felt across the market, Gumtree has seen a 40% spike in the number of direct listings of homes for sale, signalling a money-saving mood among sellers, especially as house prices now show signs of dipping.

Top Five Estate Agent Gripes

- 77% did not find the estate agent they used helpful in finding a property within their budget
- 69% did not feel that their agent was professional or good value for money
- House hunters spent, on average, almost an hour and a half a week hanging on the end of the phone trying to arrange viewings and chase feedback from unresponsive agents
- One in 10 claimed their estate agent delayed the buying and selling process unnecessarily by not returning their calls or messages, despite the urgency

- Almost one in ten felt the agent pressured them to stretch their budget in order to purchase the property they required

While almost a third (32%) of home owners would still prefer to go through an estate agent, the research is a definite warning shot across the bows for real estate agents, with both buyers and sellers venting their frustration at commission overcharging, inflexible fee rates, poor service and underhand dealings.

On the back of the research, Gumtree has teamed up with TV's property expert Michael Holmes to develop a free 'Cutting out the middle man guide to selling your home direct', which outlines all the options available to sellers including troubleshooting tips on how to save money throughout the process. Available on www.gumtree.com/property, the guide also features a 'Commission Calculator', which will determine how much you could save on estate agents' fees throughout your lifetime – from rental fees, through to hefty commission fees taken on the final sale price.

Sophy Silver from Gumtree.com comments:

"While there'll always be a market for estate agents, the mood is changing in this uncertain market. With a bit of know-how and confidence, Brits will find that selling your house can be as easy as changing a light bulb. It's worth shopping around for options, on Gumtree it's totally free for private individuals to list so as well as saving estate agent fees, they'll also make savings on listing fees, so it's win-win."

Cutting out the middle man

For the majority (53%) of home owners, saving money is the biggest reason to bypass the estate agent who charge on average 1.9% commission. For a disgruntled one third (35%) of sellers, it's more about regaining control, with 40% of those who've used an estate agent before admitting to having lost faith in them and finding them 'untrustworthy'.

Buyer direct

The direct-purchase appetite is equally as keen among buyers, with almost one in two (49%) Brits saying they'd be happy to buy from a vendor/owner directly.

Trust is a key issue for both buyers and sellers, with would-be buyers admitting they find private house sellers more honest and trustworthy than estate agents, who have a clear 'commercial agenda' that can inflate costs.

Moreover, a significant 44% of buyers would be more open to purchasing direct

from the vendor if they were willing to share the savings on estate agent fees by knocking money off the final price of the house. Five per cent of Brits have already successfully bought and sold a house direct, pocketing the thousands usually spent on estate agent fees.

Commentating on the current options available to house sellers, TV Property expert Michael Holmes says:

'The internet - with its huge low-cost marketing reach - is starting to play a much more central role in the typical homebuyers search for a new property.'

Opting to sell your home privately instead of through an estate agent can result in an instant saving on fees of 1.0-2.5 per cent of the sale price plus VAT and you will have direct control of marketing, from pricing, preparing literature and advertising, to conducting viewings and negotiating offers.

For anyone who has the time to take calls from, and meet potential buyers and to show them around the property, a private sale is a very real option, as Gumtree's new easy to follow guide to private sales and letting explains.'

Sophy Silver from Gumtree.com comments:

"The research highlights the confusion in the market. Most people don't know that they can sell their house direct - 40% of Brits admit they don't have a clue where to start or how to go about. The irony is that there have never been more options available to buyers, sellers and tenants to do it for themselves - from word of mouth, to house auctions and community websites - where you can market your house to a potential worldwide audience of millions, for free."

Gumtree's 'Guide To Cutting Out the Middleman' is available for download, along with 'For Sale' and 'To Let' signs to get you started on the way up the property ladder. Check out www.gumtree.com/property

- Ends -

For more information or case studies please contact the Gumtree press office at Lexis Public Relations on 020 7908 6589 or email gumtree@lexispr.com

Notes to Editor

- Research carried out among 1,306 adults by YouGov, October 2007
- *saving estimate of £4151 based on average commission fee of 1.9%, taken against the average cost of a UK house of £218,479 (source: Government's House Price Index published on 10th Sept 2007).

About Gumtree.com

- Gumtree.com was created in London in March 2000 and now covers 60 cities across 6 countries - the UK, and US Ireland, Poland, Australia, New Zealand and South Africa
- It is the UK's biggest website for local community classifieds including flat share, flat rentals and jobs
- Some Fast Facts
 - 20,000 new ads in a day
 - 100,000 new ads in a week
 - Half a million new ads in a month
 - Three quarters of a million ads live on the site at any one time
 - 150 million page impressions every month
 - Around 3 million visitors a month
 - Gumtree.com users spend 5,360,000 minutes on the website each month
- Gumtree is your local community online. Home to all the things you'd expect from your local community; a place to find and advertise rooms, flats and houses, a notice board for selling and buying stuff, somewhere to find job or a date even just to chat with friends