



“I know what my home is worth – I have a “Zestimate!”

“I appreciate that, Mrs. Hunna Hunna. The reason they call it a Zestimate – or Zillow Estimate is because that is exactly what it is – an estimate, not a real number.

A homeowner can make a tremendous mistake if they use that estimate. Let me explain. When you sell your house, and a buyer wants to buy it, they’re going to give you 20% of the sales price and go to a bank for a mortgage for the other 80%. So, when you think about it, the bank has more invested than the individual buyer, and banks don’t do ‘zestimates’. They send out a licensed appraiser who has to go through certain levels of training and uses a specific formula to come up with an objective fair market value for a home.

As you can see here, I have a letter from an appraiser asking me to help find comps in the area for an appraisal. The reason he did that is that as a licensed real estate agent in the state of _____, I have access to all the comparable properties in our area. In fact, I’m making the comps. Why? Because I’m selling the houses. I’m going to show you something you won’t see from Zillow because they don’t back up their estimates. We’re going to look at actual comps, Mr. and Mrs. Hunna Hunna – ones that the actual bank is going to look at, and together we’ll determine the number we think the bank is going to come up with. Sound good?”