

Property valuations: Determining market-related property prices

By [Mike Greeff](#)

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In light of the upcoming City of Cape Town General Valuation in July, sellers should get professional assistance to value homes and understand what factors determine property values.



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A general valuation has the potential to have far-reaching consequences for property owners. More often than not, property values are lowered. The City of Cape Town's pending valuations could in turn diminish the selling potential of individual homes and suburbs in general. The good news for homeowners is that value adjustments will only reflect on account statements in July 2019.

Homeowners should, however, take note that Supplementary Valuations on property will be taking place in July 2018. This only applies when the property:

- Has been subdivided,
- Has been consolidated,
- Has had a building plan signed off,
- Was identified as having been previously incorrectly valued,
- Was omitted from the valuation roll,
- Was recently added to the municipality.

Challenging the results

Owners should also be aware of a Supplementary Valuation notice that will be placed in home mailboxes as they are well within their rights to challenge the results of the valuation through the use of an independent property valuation done by an estate agent within a 30-day period.

A proactive approach would see homeowners enlisting the aid of a qualified real estate agent from a reputable agency to perform an independent evaluation on the property in order to provide a more realistic, industry-aligned figure to work with. Having this current data not only assists owners that are looking to sell, but also provides invaluable insight to investors and

people looking to rent in future. A property valuation done at regular intervals allows owners to see area trends and growth potential for property investments.

Curb appeal

When conducting property valuations, agents work on a range of factors which include the size of the erf, the area the property is located, safety and security, as well as proximity to schools, roads and shopping centres. Another important factor to focus on is the curb appeal of the property. The advice of 'first impressions last' rings true for property. Buyers often base their final decision on the initial look and feel of a property. Valuers note the good condition of the outward appearance of property as a reflection of the condition of the rest of the property. Minor changes like landscaping, painting and glazing can also increase the value of your home.

If you choose to not go with a valuation, you run the risk of incorrectly pricing your home and having it languish on the market as potential buyers immediately eliminate it as an option that is overpriced. An experienced and responsible agent will always sit down with sellers and conduct price counselling prior to listing. Not having an agent on your side and not being equipped with relevant data puts you at risk of having your asking price being significantly lowered by an overzealous buyer. Agents are trained to negotiate on your behalf and act as your intermediary, providing a buffer between buyers and sellers.



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Adding value to property

When listing your property, it is important to highlight those additions and features that will either add to the appreciation value of the property or will save on expenses over time. Garage and storage space add value, while expansive lawn and swimming pools would mean added upkeep from potential buyers. Energy efficient home design and features allow for a higher value to be placed on a home as the features will provide a long-term saving to the buyer. Rain harvesting water tanks, solar geysers and grey water reticulation systems are some of the features that energy conscious buyers are also looking for.

Five crucial tips for potential sellers

- Prospective sellers should make use of these as a guide to a swift and successful sale:
- Enlist the help of a professional agent from a reputable agency.
- Do proper research prior to making any decisions.
- Engage in price counselling and set a realistic asking price.
- Do some spring cleaning and general home maintenance prior to the valuation and listing.
- Be patient and trust your agent to work on your behalf through any negotiations.

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