

# Selected Online Sources for Valuing Estate Assets

By Jane Edwards

One of the most important aspects of planning and concluding an estate is valuing the client's assets. While many attorneys will seek the assistance of professional appraisers, the Internet can be an excellent alternative, particularly in the planning stages and for ascertaining whether an estate tax return may be necessary. This article will focus on sites that provide valuation information for homes, stock, and automobiles, and while this is not an exhaustive list of sites, it should provide you with an excellent starting point for your valuation research.

## Home Valuation

Zillow, <http://www.zillow.com>,<sup>1</sup> is a fairly new website that offers free residential real-estate estimates along with other tools for real-estate buyers and sellers.<sup>2</sup> Although Zillow is a new website, it has received a significant amount of press since its inception.<sup>3</sup> Zillow distinguishes itself from other home valuation sites by providing a self-serve interface, backed with loads of information. Zillow provides an actual home estimate (referred to as a "Zestimate"), not just comparable home sales. Zillow's "zestimate" is based on multiple data points, and it allows the homeowner to adjust the estimate based on upgrades and improvements, such as remodeling and landscaping improvements. Unlike some other home valuation websites, Zillow does not require disclosure of personal information and does not involve interaction with a real-estate agent.

Despite Zillow's popularity, it is not perfect. Some of its estimates can vary as much as 8 percent,<sup>4</sup> and the database of homes is limited. For instance, in searching for a home in a popular Okemos, Michigan neigh-

borhood, Zillow returned no hits, but it did return an estimate for a home in the more populous suburb of Troy, Michigan.

Real Estate ABC.com, <http://realestateabc.com>, is another home valuation website that caters to home buyers and sellers. Like Zillow, it is easy to use, does not require any personal information, and provides actual estimates of a home's value. The estimate is calculated using comparable homes sales, adjusted for such things as price appreciation and the relative size of the home.<sup>5</sup> One of the attractive aspects of the website is its sliding scale feature, which allows the user to manually adjust the estimate in relation to comparable homes in the area. Also, like Zillow, it allows the user to improve the accuracy of the estimate by adding information about home improvements.

Real Estate ABC.com performed slightly better than Zillow when requesting estimates for homes in Okemos and Troy, Michigan. It was unable to provide an estimate for the home in Okemos, but it did return sales information for homes within the general proximity. As for the home in Troy, Michigan, valued at approximately \$290,000, there was a \$5,000 difference between ABC's estimate and Zillow's estimate.

Homegain, <http://www.homegain.com>, is another website created for home buyers and sellers, with an emphasis on connecting real-estate agents with buyers and sellers. It is one of the oldest and most respected real-estate websites on the Internet. Like Zillow and Real Estate ABC, Homegain provides free and reasonably accurate home value estimates. What distinguishes Homegain from the other home valuation websites is its user-friendly interface and quick response time. The home valuation function is clearly marked on Homegain's home page, and it returns the estimate in less than 15 seconds. Homegain provides an estimate

range, as opposed to the single-value estimate provided by Zillow and Real Estate ABC. Therefore, the user will have to do some extrapolation to come up with an exact value. However, Homegain provides a list of comparable home sales that makes this process fairly easy.

Homegain performed the best when asked to retrieve home values for addresses in Okemos and Troy, Michigan, and was the only website of the three that provided an estimate for the home in Okemos.

## Historical Stock Prices

In the past, finding historical stock prices meant a trip to the library or a call to a broker. However, with the advent of the Internet, you can find historical stock prices in a matter of minutes without leaving your office. Three notable websites for locating historical stock prices are Yahoo Finance, Google Finance, and Big Charts, Historical Stock Quotes.

Yahoo Finance, <http://finance.yahoo.com>, and Google Finance, <http://finance.google.com/finance>, are very similar in terms of content and features, especially when searching for historical stock prices. Both websites provide historical stock prices from the 1980s forward, with some select stocks going as far back as the early seventies. While most probate attorneys won't need historical data that is more than a few months old, the depth of the historical information is nevertheless impressive. Additionally, the data is reliable. It is provided by CSI, which is one of the world's leading suppliers of historical market data.<sup>6</sup> Historical stock prices may be found by searching for a particular corporation using the stock symbol or the corporation's name. Once you've entered this information into the search engine, it will retrieve the company's

profile, which includes a link to historical stock prices. The historical stock prices page defaults to the most recent stock prices, but you can search for older prices by entering a date range and running a new search.

Big Charts, Historical Stock Quotes, <http://bigcharts.marketwatch.com/historical>, is another well-respected website for finding historical stock prices. Like Yahoo Finance and Google Finance, Big Charts provides historical stock prices from the 1980s forward. What distinguishes Big Charts from the other two is its straightforward access to historical stock price information. Instead of requiring that you first search for a company profile, Big Charts takes you directly to its historical stock prices web page, from which you can search for a company using its stock symbol. The date function in Big Charts defaults to a random date in 1994, so you'll have to enter the date you're researching. Aside from that peculiarity, Big Charts has a slight edge over Yahoo Finance and Google Finance because it provides direct access to historical stock prices without requiring any intermediate steps.

## Valuing Automobiles

Automobile information has been available on the Internet for more than 10 years. Two of the oldest and most well-respected auto websites are Cars.com, <http://www.cars.com>, and Edmunds.com, <http://www.edmunds.com>. Car buyers and sellers flock to these sites for advice on car buying and selling, automobile reviews, and car value information. Both websites feature valuation calculators that are easy to use, accurate, and free.

To effectively use the valuation calculators, you'll need to know the make, model, year, and mileage of the car you're researching. Additionally, it's helpful to know whether the automobile includes equipment beyond the standard equipment package, because this information can be used to customize the valuation. Once you've entered this information, the calculator will present a valuation report that includes three different values: trade-in, private sale, and retail. Overall, both websites performed well, and there was little variation between the values calculated by each site.

## Conclusion

The Internet is certainly changing the way in which attorneys conduct legal research, and nowhere is this more evident than in the area of property valuation. Estimates that could previously be calculated only by professional appraisers can now be obtained online in a matter of minutes.

With any luck, this article has provided you with some useful and efficient new legal research tools for your estate and probate practice. ■

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## FOOTNOTES

1. The author would like to thank Chad Brown, reference librarian at the Thomas M. Cooley Law School, Oakland campus, for suggesting Zillow as a source for home valuations.
2. Hagerty, *How good are Zillow's estimates?: Popular home-price web site often gets it right but can be way off the mark, we find*, Wall Street Journal, February 14, 2007, at D1, available at <[http://online.wsj.com/public/article/SB117142055516708035-O6VWP-plch\\_duU0zq\\_zhjGal19vlg\\_20080214.html](http://online.wsj.com/public/article/SB117142055516708035-O6VWP-plch_duU0zq_zhjGal19vlg_20080214.html)> and Jeffrey M. O'Brien, *What's your house really worth?: How Zillow is turning online voyeurism into a real estate revolution*, Fortune, February 15, 2007, at 56, available at <[http://money.cnn.com/magazines/fortune/fortune\\_archive/2007/02/19/8400262/index.htm](http://money.cnn.com/magazines/fortune/fortune_archive/2007/02/19/8400262/index.htm)> (both accessed September 14, 2007).
3. According to the *Wall Street Journal*, Zillow has "created a new online addiction and become a staple of dinner-party chatter." Hagerty, n 2, *supra*.
4. *Id.*
5. Real Estate ABC.com, *Home Values* <<http://www.realestateabc.com/home-values>> (accessed September 2, 2007).
6. CSI Market Data <<http://www.csidata.com>> (accessed September 2, 2007).