

A HOMEOWNER'S GUIDE

Zestimate Explained

What Zillow gets right, what it misses, and what your home may actually be worth.

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A starting point, not a final answer.

Almost every homeowner checks their Zestimate at some point. It is fast, it is free, and it is easy to understand. It is also incomplete.

A Zestimate is Zillow's automated estimate of a home's value. It is generated by a computer model, not a person who has walked through your home. That distinction matters more than most homeowners realize, especially when a number this specific is being used to make decisions about pricing, timing, or equity.

This guide explains where that number comes from, where it tends to fall short, and what a homeowner in Northville, Novi, South Lyon, Brighton, or Green Oak should do before treating it as fact.

A home value is not just a number. It is a strategy decision, built on timing, presentation, competition, and buyer demand.

What Zillow can usually see.

The Zestimate model works from data. It performs well when that data is complete and the home is easy to compare.

Zillow draws from public property records, prior sale history, basic square footage and lot data, MLS information where it is available, and broader market trends across a given zip code or neighborhood.

For a fairly standard home in an area with frequent, comparable sales, this data can produce a reasonable ballpark. Zillow itself reports a median error rate near two percent for homes currently listed for sale. That accuracy drops considerably once a home comes off market.

Even Zillow describes its own number as a starting point. It is not an appraisal.

What Zillow often misses.

A model can only account for what has been reported to it. It cannot walk your home, and it cannot read a market in motion.

WHAT THE MODEL USES	WHAT IT CANNOT ACCOUNT FOR
Public tax and property records	Condition, updates, and renovations
Past sale prices	Layout, flow, and lot position
Basic square footage and lot size	Real-time buyer demand
Broader market and pricing trends	Competing listings and showing feedback

Two homes on the same street can carry very different values once condition, updates, and layout are factored in. The model does not see the finished basement, the renovated kitchen, or the way a lot sits in relation to its neighbors. It also cannot account for what buyers are actually offering this week, or how a home is being received once it is shown.

Why local buyer behavior matters.

Value is not only what a home contains. It is also what buyers are willing to pay for it, right now, in this market.

Pricing a home well requires more than data. It requires an understanding of timing, competition, and psychology. A home priced against yesterday's comparable sales can miss a market that has already shifted. A home priced without regard to nearby competing listings can sit longer than it should.

Buyer behavior also varies street by street. A subdivision in South Lyon does not behave like a neighborhood in downtown Northville. A model built for broad accuracy across an entire region is not built to capture that level of detail.

The right price is not just about value. It is about timing, presentation, competition, and net proceeds, working together.

How I review value differently.

An algorithm can produce a number. It cannot walk your home, read your market, or negotiate on your behalf.

When I review a home, I start with a walkthrough, not a spreadsheet. I look at condition, layout, updates, and the features a model cannot see. I compare that against recent, truly comparable sales, and I weigh current competition and buyer demand in your specific area.

From there, I build a pricing and marketing strategy suited to your goals, whether that means maximizing net proceeds, minimizing time on market, or preparing for a sale that may still be a year away.

2000

SERVING METRO DETROIT
BUYERS AND SELLERS SINCE

1,300+

CAREER TRANSACTIONS
COMPLETED

TOP 1%

RANKING AMONG
MICHIGAN AGENTS

Before you rely on an online value.

A short checklist for any homeowner using a Zestimate as a starting point, not an ending point.

01 Treat it as a conversation starter

Use the number as a ballpark figure only. Verify it against a local, professional review before acting on it.

02 Request a comparative market analysis

A CMA, prepared by a local expert, reflects true comparable sales and current buyer behavior in your specific area.

03 Walk the home with a professional

A trained eye picks up on updates, condition, and flaws that public data and online models never see.

04 Discuss strategy, not just price

Timing, presentation, and competition all affect outcome. A number alone does not account for any of them.

05 Consider a pre-listing appraisal

Especially useful for unique, custom, or higher-end homes where comparable sales are limited.

NEXT STEP

Ready to know what your home is really worth?

If you want to understand what your home may actually be worth, I can review your property, recent comparable sales, current competition, and likely buyer response.

No pressure. Just clarity.

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