

REIA Guidelines to the Trade Practices Act (TPA)

Price Offering

Prepared in collaboration with the ACCC

ACCC Statement of Concern

Recently there have been reports that agents have not conveyed some or all of the offers made by prospective purchasers to the sellers. In fact in these cases, the agents have allegedly purported to make a counter offer on behalf of the seller. In some cases the prospective buyers have made direct contact with the sellers and have found out that the agent never conveyed the offer to the seller. Apart from breaching any obligations as an agent, such conduct could mislead consumers. Agents will engage in misleading or deceptive conduct if they fail to convey any reasonable offers to the vendor. Agents should not hide behind the agency relationship as ultimately it is the vendor who will make any decision about what price they are willing to receive.

REIA Guidelines

It is imperative that real estate agent ensure that the parties to real estate transactions are fully informed of all material facts. To that end, agents must ensure that all reasonable offers are conveyed to a vendor. Consequently:

- Real estate agents must immediately convey to a vendor all expressions of interest and offers relating to a property whether they be written or oral, unless the agent has been provided with written instructions by the vendor to the contrary.
- Real estate agents who have the listing of the sale of a property must ensure that they promptly convey to a vendor any offers to purchase the property, whether written or oral, provided to that agent by any other agent acting pursuant to a conjunctive agreement or acting directly for the purchaser, unless the agent has been provided with written instructions by the vendor to the contrary.