Open Home burglaries – Who is responsible?

Opening up a private home to a bunch of complete strangers will always create risks to both vendors and real estate agents. One obvious risk is theft. Burglars could use the opportunity to steal valuables from under the nose of an inattentive agents, or alternatively, to ‘case the joint’ for a future robbery after noting the floor plan, alarm systems and the best doors and windows to use for access.

There have been many reported incidents of a vendor’s personal items being stolen while their home has been open for inspection. Queensland Police laid 151 charges against a man after a spate of thefts at open homes in South East Queensland in which he bagged $131,000 of valuables from several homes. Radio presenter Derryn Hinch had $50,000 of personal items stolen from his Melbourne property after the thieves familiarised themselves with the property during an open home.

But who is actually responsible when an item of personal property goes missing during an open home? It seems there are no black and white answers to this question, but rather a number of things that both vendors and agents can do to minimise risks.

Firstly, if you are showing a rental property, a new provision in the Residential Tenancies Act. section 61(2) states that a landlord or agent can be held responsible by the tenant or vendor for damage or theft at an open or private inspection, and an application for compensation can be made to the CTTT.

But when a house is for sale, the question of responsibility is less clear.

From an insurance perspective, the first vital thing to note is that thefts that occur during open homes are generally not covered by the home and contents insurance policy of the vendor. Most policies do not allow for claims of damage or theft when you have invited people into your home, as in the case of an open home. This has come as a nasty surprise to many home owners, and the natural response of a vendor in this unfortunate situation is to come knocking at the agency’s door.
The first precaution is to make known to the vendor the risks of having an open home, a simple step often overlooked by hasty agents looking to get buyers into the property as soon as possible. If the vendor chooses to proceed, knowing the risks, they assume an element of responsibility for any incidents that may occur. This means that the production of a small booklet or brochure that details the simple steps that a vendor can take, is a great move towards minimising the agent’s level of risk.

The second step is to assist the vendor in making preparations for the open home. In terms of theft, the simplest precaution is to make sure the vendor safely stores away any valuables that could be easily taken.

Thirdly, consider the size of the property and the likely number of attendees at the open home, and make sure you have adequate staff on site during the open inspection.

The best agents, however, will go the extra mile to ensure the safety and security of the vendor’s property as a matter of good customer service. This includes checking the identification of all those who enter the home, and where necessary, hiring security. There have been numerous instances where vendors ‘suddenly find’ that stolen item when the agent tells them they have sent an inventory of every person who walked through the home to the police.

There is actually now a company who specialises in insurance and security for open homes called, funnily enough, Open Homes Insurance and Security. Starting from $295 you can get insurance against theft or damage up to $5,000. The company can also provide security guards to conduct ID checks and deter potential thieves. These services really are tailored to the higher end of the market, but if that’s where you work, it’s certainly worth mentioning this option to clients.

Many of the agents we know are already taking some or all of these precautions as a matter of standard industry practice. But for those who aren’t, incorporating these simple practices into your agency is a great way to build consumer confidence, and importantly, protect your business and reputation.

Til next time,
Wishing you every success in your business ventures,
Rosy Sullivan

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Staff Profiles

Michelle Ludlow
Academic Co-ordinator

Michelle has been with the College as the Academic Co-ordinator since August 2009. Michelle has a complex role within the company. In addition to a training and assessment role, she is responsible for the development and standardisation of all training materials for both government funded courses and also for fee-for-service training programs. She is also responsible for the compliance requirements to ensure that each training program meets the requirements of the relevant training package and that the Units of Competency addressed in each program are current, and address the assessment criteria for each Unit. This manual compliance process translates into the Customer Management System utilised by the College and Michelle is ultimately responsible for ensuring that this electronic system is maintained and that the College meets all of the governing bodies’ requirements for a registered training organisation.

Michelle’s absolute attention to detail, often referred to by her colleagues as her having a big dose of OCD (Obsessive Compulsive Disorder), is valued by the College, as it ensures that our compliance is always perfect.

During her almost four years with the College, Michelle has developed and implemented many new electronic-based systems that have made the processes of the College more streamlined and more compliant.

Prior to working for the College, Michelle worked in multiple community colleges and TAFE in a similar role and previously in IT roles for Big-W and AirRoad.

Outside of work, Michelle is a busy mother of three little girls, aged 10, 7 and 9 months. It is lucky that Michelle works from home, as with all the running around to dance lessons and competitions, she would not have time to travel to the office. Michelle’s husband survives the fact that he is surrounded by demanding women, by ensuring that he has control over one aspect of his life (sleeping) because everything else is controlled by his 4 girls.
Staff Profile (continued)

Before the birth of Michelle’s baby in September last year, she amazed her work colleagues with the amount of food that she can graze through on any given day. And the fact that she is incredibly fit is a surprise to everyone (including Michelle). When Michelle is not working or looking after her family, you will find her at the gym making sure that her grazing doesn’t have a negative impact. Michelle’s love of good food translates into her fantastic cooking skills, which makes her Italian mama very happy. Michelle’s sweet tooth may often get her into trouble, particularly when her two older children find that some of their lollies are missing !!

We miss Michelle in the office these days, but we guess that one day she will come back from the salt mines.

Qualifications:
Bachelor of Business (Computing and Information Management)
Certificate IV in Training and Assessment

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