March 13, 2015

Hot Auctions

With current sales conditions seeing properties selling well above their reserve prices at auction, a Vaucluse property selling at $1.8 million over its reserve alone in the last week, and the Premier’s bid to push for rules against “under-quoting” in an auction campaign, this newsletter should serve as a timely reminder about our marketing and substantiation rules that already restrict misleading conduct when dealing with the sale price of a property.

But how does an agent protect themselves from complaint when the last month has seen properties selling at $500,000 and above, over the set reserve? The usual argument from an agent is that the market is hot and we don’t possess a crystal ball to predict what purchasers are willing to pay on auction day. And we agree - these arguments are valid.

Section 73 of the Property, Stock and Business Agents Act 2002 states:

False representation to prospective buyer

(1) A real estate agent acting pursuant to an agency agreement for the sale of residential property or the employee of such an agent must not, by a statement made in the course of marketing the property, falsely understate the estimated selling price of the property.

(2) An agent or employee is considered to falsely understate the estimated selling price of residential property if the agent or employee states as his or her estimate of that selling price a price that is less than his or her true estimate of that selling price.

(3) A statement is considered to be made in the course of marketing residential property if the statement is made:

(a) in an advertisement in respect of the property that is published or caused to be published by the agent, or

(b) to a person (orally or in writing) as a prospective purchaser of the property.

(4) A statement in the agency agreement of the agent’s estimate of the selling price of residential property is evidence for the purposes of this section of the agent’s true estimate of that selling price.

www.acop.edu.au
### CPD 2 hour Breakfast Seminars

**Full 12 points!!**

<table>
<thead>
<tr>
<th>Location</th>
<th>Event Details</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Parramatta</td>
<td>Sales &amp; Prop Mgmt</td>
<td>Fri 20th Mar</td>
</tr>
<tr>
<td>Newcastle</td>
<td>Sales &amp; Prop Mgmt</td>
<td>Tue 24th Mar</td>
</tr>
<tr>
<td>Sydney</td>
<td>Trust Accounting</td>
<td>Wed 25th Mar</td>
</tr>
<tr>
<td>Sydney</td>
<td>Strata</td>
<td>Thu 26th Mar</td>
</tr>
<tr>
<td>Dubbo</td>
<td>Stock &amp; Station or Sales &amp; Prop Mgmt</td>
<td>Fri 27th Mar</td>
</tr>
<tr>
<td>Windsor</td>
<td>Sales &amp; Prop Mgmt</td>
<td>Mon 30th Mar</td>
</tr>
<tr>
<td>Sydney</td>
<td>Sales &amp; Prop Mgmt</td>
<td>Tue 31st Mar</td>
</tr>
<tr>
<td>Parramatta</td>
<td>Trust Accounting</td>
<td>Thu 2nd Apr</td>
</tr>
<tr>
<td>Bankstown</td>
<td>Sales &amp; Prop Mgmt</td>
<td>Fri 17th Apr</td>
</tr>
<tr>
<td>Parramatta</td>
<td>Sales &amp; Prop Mgmt</td>
<td>Fri 24th Apr</td>
</tr>
</tbody>
</table>

Auctions are definitely the way to get a property sold at the moment and it is always an added bonus to get an amazing price for your vendor, especially if you are getting hundreds of thousands above what they were asking. The warning is “don’t take advantage of the purchasers in order to do so”. Keep in mind that in these types of scenarios, it is not the vendor that makes a complaint, but a purchaser that missed out at auction because they didn’t stand a chance of bidding when they were advised the “price guide” was one figure and on the day of auction the reserve price gets increased or the price they were advised was drastically under the appraisal figure.

Also remember that your marketing does not stop at what you write in your online or print media ads. When presenting property to purchasers, you must ensure that whatever you say is accurate and must reflect your marketing and your initial appraisal of the property.

The figure you provide on your agency agreement to your vendor in the beginning of the process is the evidence that NSW Fair Trading will rely on when investigating a matter of complaint against you for misleading and deceptive conduct. If the figure you provide to a prospective purchaser is significantly different from the figure in the agency agreement, you could be in some trouble. To protect everyone in the sales process, keep the figure the same regardless of who you are talking to, and ensure that should your vendor decide to change their asking price, your marketing materials are updated to reflect any changes.

Til next time,

Wishing you every success in your business ventures,

Rosy Sullivan

---

**Online CPD now available for Real Estate Sales, Property Management, Business Broking, Strata, Stock and Station and On-site Residential Property Management.**

New topics for 2015 available for Sales, Property Management, Business Broking, Stock & Station & Strata!

$99

---

**USI**

If you are a student studying nationally-recognised training at a Registered Training Organisation like the Australian College of Professionals (ACOP) you are required to have a Unique Student Identifier from 1st January 2015. The USI will give you ongoing access to your records and results, so they are always available if you choose to enrol in further training or need to show a future employer.

You can create your USI here: [http://www.usi.gov.au/create-your-USI/Pages/default.aspx](http://www.usi.gov.au/create-your-USI/Pages/default.aspx)
CERTIFICATE OF REGISTRATION COURSES

**Sydney**
(Dist Ed + 2 day workshop)
Sat 21st – Sun 22nd Mar

**Gosford**
(Dist Ed + 1 day workshop)
Wed 25th Mar

**Castle Hill**
Mon 30th Mar – Wed 1st Apr

**Orange**
(Dist Ed + 1 day workshop)
Wed 1st Apr

**Tamworth**
(Dist Ed + 1 day workshop)
Thu 9th Apr

**Sydney**
Mon 13th – Wed 15th Apr

**Newcastle**
(Dist Ed + 1 day workshop)
Tue 14th Apr

FINANCE AND MORTGAGE BROKING COURSES

Cert IV in Finance & Mortgage Broking
Sydney
Tue 31st Mar - Thu 2nd Apr

Dip of Finance & Mort Broking Mgmt
Upgrade for existing Cert IV holders
Sydney
Thu 9th - Fri 10th Apr

---

News from the Office

The last few weeks have been exciting yet again. Our trainers were busy with trips to Huskisson, Port Macquarie, Bathurst and all over the Sydney region for our corporate/in-house clients. Our trainer George, who has been travelling all over the state to run these courses also had a fantastic surprise with his granddaughter visiting all the way from Malaysia!

Although it’s been very quiet with George out of the office we are pleased to know he is having a great time on his trips training our students and spending time with his granddaughter.

The past couple of weeks the College has hosted 12 in-house seminars for CPD training, certificate of registration workshops, stock and station courses and also business broking courses. This has kept Dom, who organises all our corporate programs, extremely busy!

Also within the office the ACOP team has started a fierce tipping competition as football season has started back for the year. Ben Phoebus (who is the administrator of the tipping competition) is somehow out in the lead! We have come to believe that there may be a bit of corruption going on from Ben.

---

**Commercial and Retail Sales and Leasing Skills Course**

*This is a skills course, and students will receive 12 CPD points.

**Port Macquarie**
Monday 23rd to Tuesday 24th March

**Sydney CBD**
Monday 13th to Tuesday 14th April

Ring **1300 88 48 10** to book!
Is it Time You Upgraded to Your Licence?

ACOP runs an Experienced Agents Property Licence Program which, in conjunction with Recognition of Prior Learning (RPL) assessment, will enable you to complete your Real Estate Licence qualification in 5 days with take home assessments.

We will also assist you with completion and submission of your licence application to NSW Fair Trading free of charge.

Free Assessment
Send us your resume & copies of any qualification transcripts you may have for a free and confidential preliminary RPL assessment.

Strata Management Practices
for existing Real Estate, Stock & Station and Business Broking Licensees

*Tuesday 17th to Friday 20th March*
Sydney CBD