BUYER’S AGENTS

Working with Buyer’s Agents can be very good for your Agency and for your vendors. It should usually mean that you are negotiating with a party that is equally represented and is fully aware of how the process of purchasing property works.

It could mean you sell property more quickly and with minimal advertising if you are dealing with a buyer’s agent who communicates to you in relation to what types of properties they are looking for on behalf of the actual buyer.

But please remember that a Buyer’s Agent is licensed under the Property, Stock and Business Agents Act 2002, just as you are. This means that they have a set of rules of conduct as well as rules for Agency Agreements that they have to follow just as you do.

Here are five things you should know about working with a Buyer’s Agent:

1. Regardless of how a Buyer’s Agent does their work, you never pay them for referring buyers to your properties. There is a very big misconception that a vendor pays the buyer’s agent or the vendor’s agent should. This is definitely NOT the case. In fact, it is against the rules of conduct within the Property, Stock and Business Agents Regulation 2014 for anyone other than the purchaser to pay their Buyer’s Agent. They may work on a flat fee rate or a percentage basis, however that is only to be paid by the purchaser. There are no referral fees between a vendor’s agent and a buyer’s agent. It should not be offered by you and it should not be demanded by the buyer’s agent.

2. Buyer’s Agents need to have an agency agreement between them and their buyer. The Property, Stock and Business Agents Regulation 2014, specifies exactly what needs to be covered in an Agency Agreement used by a Buyer’s Agent. Without this agreement, a purchaser can refuse to pay the Buyer’s Agent, just as a vendor can refuse to pay their selling agent if there is no valid agency agreement in place. The agency agreement must specify the exact property requirements of their purchaser as well as their financial instructions. (A buyer’s agent is not allowed to exceed the financial instructions in negotiations without express consent from the purchaser.)

www.acop.edu.au
3. The Agency Agreement means they are hired by the purchaser and should not have any communication directly with the vendor, only through you as the vendor’s agent. A Buyer’s Agent should know the correct channels for initiating and continuing negotiations to purchase property. If the property is listed to sell through an agent, the buyer’s agent should only make contact through that agent.

4. A Buyer’s Agent cannot act as a selling agent in the same transaction to get two commissions. It is 100% illegal for any agent to be paid by both parties to the transaction. Should the buyer’s agent also be a selling agent, they must be very clear about which role they are undertaking and when dealing with a client who wishes to purchase a property that is listed by them, the agent must cancel one of their agency agreements and only be paid by one of the parties.

5. A Buyer’s Agent can make life easier for you if you work together. Having a buyer’s agent send you a list of what their clients are seeking can mean that you could be making sales, once you have the agency agreement with the vendor and the contract for the sale and purchase of land in hand, without having to do a lengthy marketing campaign. Keep in mind that without properties on the market, a buyer’s agent can’t do their job as quickly and effectively as they would like. It is much easier for everyone to work well together! The buyer’s agents are not out to steal your listings, so use their services and clientele to your working advantage.

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

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

Monday 11th to Friday 15th May
Sydney CBD

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
The past couple of weeks have yet again been very busy in and out of the office! We introduced two new team members: Kristin, who will be working closely with John Sullivan in our accounts department and Jennifer who will be focusing on business development. It’s so nice to have fresh faces in the office to take on the work load as our College continues to expand and develop. They have already become great assets to our team and we are very lucky to have them!

Out of the office our trainers have been travelling around the state yet again. We ran courses in Castle Hill, Taree, Parramatta, Orange, Tamworth and our first course for the year down on the south coast in Wollongong. It is always a pleasure to train our regional students and we look forward to seeing them every year.

Although it was busy it was a very short couple of weeks as we celebrated the Easter long weekend with plenty of chocolate from the Easter bunny who not only delivered to our home but also to the office. We all enjoyed our well-deserved break spending time with family and a few of us off holidaying and relaxing after the eventful past couple of weeks in the office.

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

Tuesday 5th to Friday 8th May

Sydney CBD
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.

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

**Thurs 30th April to Fri 1st May**
Sydney CBD