**Submission from James Maniatakis (via email)**

Dummy Bidding.

Many years ago I bought my former family home at auction in a drawn out Auction

which I suspected had been inflated due to dummy bids from a suspicious couple.

I was told by a neighbour years later that a couple in bids at the end of the

auction were related to the vendor, the daughter and son in law. but that was

15 years ago and things have changed, right???

Today Real Estate Agents understand that dummy bidding is illegal but yet I

believe it still continues to be a problem as I witnessed on the weekend.

February 2017

From a secret vantage point in an upstairs tinted window, I watched an auction

as a young couple opened the bidding at 1 million for a property advertised for

$850K plus buyers. They were continually pushed during the entire auction by an

older couple, even though it was clear the younger couple were struggling (they

tried to slow bidding with increasingly smaller bids). The older couple let the

younger couple lead the way until we got the familiar message from the agent

that the property would sell today (code for property had reached reserve

price). And yet the older couple continued to chip away countering the younger

couples bids.

After a long battle the auction finally concluded with the younger couple

buying the property at just over $1.2 million. I thought it was an amazing

price and found it hard to believe anyone would pay so much so I continued to

watch as the crowd dispersed. While the winning bidders were escorted into the

building, I kept my eyes on the losing bidders, the older couple, and as they

walked past the house I say the male look up to the upper level window and give

a thumbs up and a big smile to whom I believe was the vendor! I was gobsmacked

and feel so strongly about this that I have been driven to write this

submission in the hope that the law in Victoria will be changed to make it

MANDATORY FOR ALL BIDDERS TO BE RECORDED PRIOR TO AUCTION AND THE INFORMATION

AVAILABLE TO ALL BIDDERS.

This poor young couple have ended up paying hundreds of thousands of dollars

more for their property and there isn’t really much to protect their consumer

rights from this especially if the real estate agent IS NOT (OR CHOSES NOT BE)

aware of it. If NSW can have legislation in place that requires all bidders to

be registered prior to auction, then WHY CAN’T VICTORIA???? We are talking

about BIG dollars here, properties often worth millions and we need STRONG

WATERTIGHT legislation.

We need a system which not only RECORDS AND REGULATES RESERVE PRICE RANGE TO

MARKETED PRICE but one that also does RECORDS AND REGULATES BIDDERS. This I

believe would be best managed by Real Estate Agents and make auctions much

safer for the consumer.

James MANIATAKIS

VICTORIA