

Email Message

From: [scott \[SMTP \[REDACTED\]\]](#)
To: [consumerpropertylawreview](#)
[\[NOTES:consumerpropertylawreview@justice.vic.gov.au\]](#)
Cc:
Sent: 11.04.2017 at 12:25 PM
Received: 11.04.2017 at 12:25 PM
Subject: Options paper 3 Estate agents and conveyancers

Dear Sir/Madam,

Please accept this recommendation for consideration as part of your review.

I think estate agents and or their agents representatives should be BANNED from funding in any shape or form a vendors marketing expenses when endeavouring to sell property on behalf of a vendor. i.e. Agency is engaged to sell a property by a vendor and spends the agencys money to promote the vendors property with no guarantee of a sale occurring.

- The reason I feel this should be banned is simple. How can an agent give impartial professional advice to a vendor when the agent themselves has a vested interest in the advice they are giving. An agent who has invested money in the marketing of the vendors property will invariably seek to have that investment returned by 1. Selling the property and offsetting the investment against the commission earned or 2. By deducting the investment the agent made in marketing at settlement as a marketing charge.

I feel the majority of misrepresentations made to vendors by agents is a direct result of agents endeavouring to recoup funds they have invested in marketing vendors properties. This is probably also the root cause of trust account fraud because a lot of agents would struggle to cover the investments they are making in funding marketing of agents properties and in desperation would in some cases steal from the trust account creating a chain of events that ultimately effect the all consumers they are holding trust money on behalf of.

I also think agency principles should be made more responsible for the actions of their agents representatives. I was under the belief that a principle was required to supervise agents representatives on daily basis. How does this occur with a business model such as Purple Bricks.

I am happy to meet with anyone in respect to the suggestions re: marketing costs as I think this is a big problem that will become more pronounced as the market tightens and in turn create more issues across the industry for consumers.

I am an independent agent who is willing to stand up and will not be directed or influenced by any other industry bodies or agents etc.

Kind Regards,

Scott McCormick

[REDACTED]



McCormick & Co Estate Agents - To learn more about us go to
<http://www.mccormickco.com.au>

