

Media Release

The Hon Danny Pearson MP
Minister for Government Services
Assistant Treasurer
Minister for WorkSafe and the TAC
Minister for Consumer Affairs



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AGENTS PAY HIGH PRICE FOR BREAKING UNDERQUOTING LAWS

Real estate agents who tried to dupe Victorians by underquoting on properties have been found out by a taskforce established by the Andrews Labor Government to protect buyers.

The Consumer Affairs Victoria underquoting taskforce tracked hundreds of sales campaigns in 2022-23, attending auctions and inspecting agents' premises, often after receiving tip-offs from members of the public.

Minister for Consumer Affairs Danny Pearson said unscrupulous agents were on notice and the results produced by the taskforce showed businesses looking to take advantage of home-buyers were playing a high-risk game.

In the 12 months to June 30, Consumer Affairs Victoria inspectors issued 48 underquoting infringement notices totalling more than \$520,000 and issued 37 official warnings to 29 estate agencies.

Underquoting distorts the property market and can waste time and money for people looking to buy a home.

It is illegal to advertise or advise a price that is less than the seller's asking price, the agent's current estimated selling price, or price in a written offer already rejected by the seller. Agents must update the price information they provide to buyers if any of these things change during the sales campaign.

Agencies that do the wrong thing face penalties of more than \$36,000 and the loss of sales commissions.

Underquoting can also result in penalties under the Australian Consumer Law of up to \$10 million for corporations and \$500,000 for individuals.

Data collected from complaints submitted to the Consumer Affairs Victoria website enables the taskforce to identify the locations and agents with the highest amount of suspected underquoting, with inspectors increasing their compliance activities in those areas by attending auctions and inspecting agent sales files.

Victorians can report suspected cases of underquoting to Consumer Affairs Victoria by visiting the website or calling 1300 55 81 81.

For more information, visit consumer.vic.gov.au/housing/buying-and-selling-property.

Quotes attributable to Minister for Consumer Affairs Victoria Danny Pearson

"Underquoting is a scourge – we are stamping out this unacceptable behaviour to protect Victorians and make sure everyone has a fair chance at buying a home."

"Dodgy practices are not on and every agent is on notice. If you see something that doesn't seem right, make a report and that will help the taskforce do its work."