

Media Release

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Minister for Government Services
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UNDERQUOTING TASKFORCE RAMPS UP ENFORCEMENT ACTION

A dedicated taskforce established by the Allan Labor Government to crack down on underquoting is getting results – issuing more fines, attending auctions and carrying out inspections across Victoria.

Minister for Consumer Affairs Gabrielle Williams today announced that the taskforce in 15 months of operation has issued more than \$1 million in fines to estate agencies caught underquoting and breaching the *Estate Agents Act*, up from a total of \$360,000 in fines issued in 2021/2022.

Underquoting occurs when a property is advertised at a price that is less than the estimated selling price, less than the seller's asking price or less than a price already rejected by the seller.

Victorians responded strongly to the taskforce's work, submitting record numbers of underquoting reports to Consumer Affairs Victoria. Reports have averaged more than 225 per month since July.

One-quarter of reports are now submitted by real estate agents themselves, demonstrating that most in the industry want to do the right thing and are sick of having to compete against unfair practices.

The taskforce uses reports from the public and other intelligence to identify agents who may be breaking the law. It has tracked 1,051 sales campaigns, conducted 157 onsite inspections and attended 124 auctions to investigate suspected underquoting and collect evidence of breaches.

In addition to issuing fines to 47 agents, the taskforce has handed out 89 official warnings since it was established in September last year.

Agents who underquote risk fines of more than \$11,000 for each breach, or penalties of almost \$38,000 under the Estate Agents Act. Higher penalties of \$50 million for corporations and \$2.5 million for individuals apply under the Australian Consumer Law for the most serious misconduct.

As part of the Labor Government's Housing Statement, tougher penalties will be introduced for real estate agents and sellers who break the law. This will provide more protections for Victorians looking for a home and ensure agents who do the right thing are not unfairly disadvantaged by those who break the law to get ahead.

There will also be mandatory ongoing training for real estate industry professionals under the Housing Statement reforms, to ensure standards and requirements are understood.

Victorians are encouraged to report suspected underquoting at consumer.vic.gov.au/underquoting.

Quotes attributable to Minister for Consumer Affairs Gabrielle Williams

"We want to make it easier for Victorians to buy a house and ensure everyone is on a level playing field. This taskforce sends a message to agents to follow the law and accurately represent the properties they sell."

"Inspectors are out at auctions and offices and will act against agents who are caught underquoting. It's illegal, it's unfair and it won't be tolerated."

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