

## Talking Real Estate with Steve Slicker

Hello again, this week I'm going to address some questions raised recently regarding the Buyer Enquiry Over (BEO) method of selling property. As some of you may be aware there was a Wellington real estate salesperson who was taken to court by the Commerce Commission last year suggesting that the BEO method was a breach of the Fair Trading Act, simply put, A low asking price was offered but the actual selling price could be considerably above the asking. The outcome of the case was that the judge sided with the salesperson citing Australian practise that it was acceptable to work within a 10% range.

The Commerce Commission have appealed and the salesperson is back in court in front of the same judge hearing the case again.

I am hoping that he will be successful again and this is why....

The BEO system gives us an approximate figure to work around and my experience tells me that on the whole the public prefer this method of selling as it gives people a guide to work around.

If the Commerce Commission is successful in removing the BEO option of marketing then what would be the options? There would likely be only two. Set price marketing or no price marketing.

I believe it's virtually impossible to set an exact figure, how can we when there mitigating circumstances on every transaction? Recent sales in the surrounding area, the negotiating skill of the salesperson marketing the property, the vendor's motivation to sell and the purchaser's motivation to buy.

If there are any questions that you have regarding any real estate matter please feel free to contact me via email [steveslicker@tommyshv.co.nz](mailto:steveslicker@tommyshv.co.nz) alternately by phone 528 2422 or freephone 0800 SLICKER (754 253)