



Talking Real Estate with Steve Slicker

Hi folks,

I'm pretty sure everyone is fairly fed up with the negativity surrounding the property market right now so thought I would discuss something from the media from recent weeks regarding real estate agents rather than the market itself.

I know that agents can get a bad rap sometimes but to be fair it is always the minority of cases that make the best stories and they don't tend to show us in a good light but recently this story has had me choking on my cornflakes.

It concerns an Auckland salesperson who marketed a property that went unconditional for just short of a million dollars. The settlement date was due in 7 months time and a \$40,000 deposit was paid, from which the agents fees were paid with the balance forwarded to the vendors lawyers. So far so good. The problem was the property failed to settle on the prescribed date and the purchaser walked away from the deal. The vendors in the meantime had settled on another house and were in the unenviable position of paying 2 mortgages concurrently with payments totalling in excess of \$10,000 per month. The vendors quite rightly tried to contact their agent but heard nothing back. They asked for their fees back and were eventually told no by the agent. Bizarrely the agent is not doing anything wrong here. There is no legal obligation to hand back the fees because the contract was unconditional and apparently that is the point where the agent's responsibility ceased.

There is no legal obligation here but surely there must be some moral obligation to repay fees for a job that, in my opinion, wasn't finished.

I have discussed this at length with a number of my colleagues and the consensus is overwhelming. It is the Tommys Real Estate opinion that should this unfortunate event ever happen to us we would **immediately** pay back the fees and resell the property. This is an unfortunate story and thankfully these situations are quite rare, but if they happen wouldn't you prefer to be dealing with me and the Tommys team.

If there are any property topics that you would like covered, please drop me a line at steveslicker@xtra.co.nz alternatively write to me at Tommys Real Estate, 897 Fergusson Drive, Upper Hutt. I will do my best to answer any questions and if there isn't space in this column, then I will get a personal reply to you asap.

Kind regards,

Steve Slicker

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