

### **Rebates (Buyer Discount) on Advertisements**

21. **REIA Guidelines.** The provision of rebates, commissions and discounts by entities such as advertisers to persons placing those advertisements (such as real estate agents) is an accepted part of commercial dealings, not only in the real estate industry. However:

- 21.1 Real estate agents should disclose to any consumer to whom any rebate, commission, benefit, or discount from an advertiser relates, the source and amount of that rebate, commission, benefit or discount. If, at the time that an agent makes this disclosure, the agent is unable to provide the advice of the precise amount of the rebate, commission, benefit or discount, the agent should advise a reasonable estimate of that amount;
- 21.2 Real estate agents should bear in mind that some State-based regulatory provisions and real estate institute rules of practice contain provisions requiring the disclosure to relevant consumers of any significant relationships, connections or affinities between agents and third party suppliers. Further, all jurisdictions contain criminal laws that prohibit the receipt of secret commissions.

### **SUMMARY**

22. The ACCC has clearly advised the REIA that it is committed to ensuring that all agents practise in a manner that excludes any misleading or deceptive conduct. The enforcement of honest conduct amongst real estate agents acts so as to protect consumers and provide a fair and competitive market for those real estate agents who are abiding by the law, including the provisions of the Australian Consumer Law. The ACCC has given notice that it will take severe action against those real estate agency businesses that engage in conduct which misleads or deceives consumers and the REIA supports the ACCC in those endeavours.

23. The REIA has consequently provided these guidelines for real estate agents in order to assist real estate agents to conduct their businesses in a manner that avoids any breaches of the Australian Consumer Law, particularly with respect to the specific issues of concern that have been raised by the ACCC.