



Fines over unregistered sales representatives

Are your sales representatives registered? Recent fines given to two real estate agencies and their sales representatives highlight the important legal obligation that a licensed real estate agent must ensure that all the sales representatives they employ are registered.

It is also imperative that sales representatives ensure that their registrations are up to date.

Real estate agent fined over unregistered sales rep (Attree Real Estate)

A Gosnells real estate agency has been fined a total of \$2,500 by the Armadale Magistrates Court for employing and paying commissions to an unregistered sales representative.

Attree Pty Ltd, trading as Attree Real Estate, employed a sales representative who had received commission payments between August 2012 and May 2013 while that employee's registration as a sales representative was not current. This is in breach of the Real Estate and Business Agents Act.

Lawyers for Consumer Protection told the Court that the employee continued to carry out the functions of a sales representative and receive commissions over a ten month period, despite the agency being informed by the Department that the employee's certificate of registration had expired. Defence counsel told the Court that the employee had failed to renew the registration on time.

On 4 December 2014 the agency was fined \$1,500 for employing an unregistered sales representative and \$1,000 for the payment of sales commissions. The agency was also ordered to pay Court costs of \$397.

In a separate case in the Armadale Magistrates Court on 20 November 2014, the employee was fined \$500 and ordered to pay costs of \$588 for carrying out the functions of a real estate sales representative without having a current certificate of registration. The employee admitted failing to renew the registration despite numerous reminders from Consumer Protection. Magistrate Flynn granted a spent conviction due to the employee's personal circumstances at the time of the offences.

Real estate agent and unregistered sales rep fined (Harcourts Rockingham)

A Rockingham real estate agency and one of its sales representatives have been fined \$500 each by the Rockingham Magistrates Court after the sales representative worked without a current certificate of registration.

Sand Dollar WA Pty Ltd, trading as Harcourts Rockingham, had employed the sales representative who continued to work for 22 months after their certificate of registration expired in February 2012, in breach of the Real Estate and Business Agents Act.

Both the agency and sales representative were also ordered on 5 December 2014 to share in paying the Court costs of \$595. The sales representative was granted a spent conviction.

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Commissioner for Consumer Protection Anne Driscoll said licensed real estate agents have a legal obligation to ensure that all the sales representatives they employ are registered.

“The licensing and registration system is designed to maintain high standards of conduct within the WA real estate industry and provide protection for consumers who place a great deal of trust in agents and their sales representatives to handle one of their biggest assets,” Ms Driscoll said.

“Agents and sales representatives who fail to renew their licences and registrations but continue to operate are breaking the law and will face prosecution with the risk of being fined as well as having their professional reputation tarnished.”

More information on the obligations of real estate agents and sales representatives is available on the Consumer Protection website or enquiries can be made by email: consumer@commerce.wa.gov.au or by calling 1300 30 40 54.