

# Home Sellers'

## PROTECTION GUARANTEE

Name of Owner/s: .....

Address of Property for Sale: .....

Name of Agent: .....

### 1. Selling Price Quote

The agent estimates that the current likely selling price of the property will range between:

\$ ..... and \$ .....  
minimum maximum

If the property sells below the minimum price quoted (above) the **sellers will be released from any obligation to pay any commission**. If the sellers feel there is a valid reason for the property selling below the minimum quoted price, the sellers can still elect to pay the agent; however the amount of commission payable to the agent will be at the sole discretion of the sellers.

### 2. Fees and Expenses

The agent's fees at the [above] selling price quote will be between:

\$ ..... and \$ .....  
minimum maximum

The fees are calculated as follows: .....

If, once the agent has found a suitable buyer, the seller is not satisfied that the agent has made his or her best endeavours on behalf of the sellers, then these fees are negotiable **DOWNWARDS** prior to the sellers signing a legally binding contract for the sale of the property. Such negotiation must be confirmed by the sellers and the agent in writing prior to the sale being legally effected.

All fees and expenses claimed by the agent are only payable once a sale has been legally effected. The sellers will be deemed to have accepted the price IF they sign a contract with a buyer to sell the property.

**Sellers are urged to receive legal advice BEFORE signing a contract to sell the property.**

### 3. Period of Agreement

The period of the Agent's Agreement will be ..... days, commencing on.....

Note: Generally, the shorter the period, the safer it is for the sellers. A period between **30 and 60 days** is safest for the sellers. Any longer and the sellers could find themselves tied to the agent against their wishes. If the sellers wish to extend the agreement at the expiration of the period, they can do so at their discretion.

### 4. Bait Pricing

The agent will not market or promote the property by use of a lower price than what the sellers are willing to accept. The agent understands that under-quoting the value of the property in order to attract buyers on the basis that these buyers can then be talked up in price, is contrary to the interests of the sellers because it attracts buyers who can only afford the low price, or buyers who only want to pay the low price.

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5. Security at Inspections

The agent agrees to identify and qualify all people who inspect the property. If the agent conducts 'Open for Inspections' and the sellers' insurance company does not cover loss, damage or theft arising from Open Inspections then the agent agrees to accept full responsibility for any loss, damage or theft occurring during an 'Open for Inspection', or which can be shown to have been caused by having had the premises open for inspection to strangers.

6. Cancellation of Agreement

The sellers will have the right to cancel the agent's agreement if the sellers are not satisfied with the performance of the agent – provided that the sellers give the agent seven days to rectify any concerns. If the sellers concerns are rectified, the agreement will continue. Should the sellers decide to withdraw the property from sale, there will be no charges payable by the sellers to the agent.

7. Buyers found by the owner

The sellers reserve the right to sell or transfer the property to a close relative or partner should the opportunity occur, or if directed by a court. In this case, the sellers will not be liable for any commission to the agent, but will reimburse expenses incurred specifically on the sellers' behalf.

8. Special Requests or Conditions

If the sellers have any other conditions they wish to impose on the agent, they can notify the agent in writing within 2 business days of signing the Selling Agreement. Such conditions will then form part of this guarantee. If the agent does not agree to the sellers' extra conditions, the sellers will have the right to immediately cancel the Selling Agreement without penalty or charge.

NAME OF REAL ESTATE AGENCY: .....

License Number of Agent or Agent's Representative: .....

Signature of Agent or Agent's Representative: ..... DATE: .....

If you have any concerns about any real estate matter, please seek independent advice from a solicitor.

WARNING TO HOME SELLERS

This Guarantee is to be attached to and form part of the agent's agreement.

Where there is any inconsistency between the clauses in this Guarantee and other clauses in the agent's Selling Agreement, the clauses in this Guarantee shall have priority.

This Guarantee is recommended by the Real Estate Consumer Association

www.reca.com.au