

MARKETING TIP: HOW SHOULD I MARKET THE PRICE?

When advertising your home for sale what is the best way to promote the price to get the maximum number of buyers interested – offers over, price negotiable, make an offer, \$xx or best offer, are all terms commonly seen on a real estate property sale ad.

When you appoint your sales agent you will need to complete a Form 6 appointment form, and part of that will include a discussion about the price of the property. The agent is not allowed to market the property at a price lower than the price listed on the Form 6 (although there is scope to revise the figure at a later date).

You can also choose to market the property without a price at all. That's perfectly acceptable and legal and is a way of testing the market. You can always add a price later in the campaign.

Marketing and price is an area that is monitored by the regulatory body, the Queensland Office of Fair Trading, on the lookout for bait advertising.

Bait advertising is an offence under the Australian Consumer Law carrying a maximum penalty of \$220,000 for individuals and \$1.1 million for corporations.

So, what exactly is bait advertising?

Put simply, it is marketing a property for a price that is below what the vendor (the seller) is willing to accept. The price or price range included in the advertising must be the price that, if a buyer puts in an offer at that price, the vendor will accept.

If the ad includes the term “offers over” then the Office of Fair Trading’s view is that the price mentioned must be an amount that the vendor is willing to accept to sell the property.

For example, if your ad says, “Offers over \$475,000” but your Form 6 lists the price as \$500,000, then the OFT would consider that bait advertising.

“Price negotiable”, “make an offer” are acceptable terms to use, however, bear in mind that on property portals in particular, potential buyers respond to a price. There can be pros and cons to both sides – including a price or not including a price – so make sure you discuss this with your agent.

A reputable real estate agent will guide you on the best strategy for wording your ad so that you'll attract maximum potential buyer interest. To find an REIQ member agent in your area visit

[REIQ.com/findanagent](https://www.reiq.com/findanagent).

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