



**Underquoting.....
we are still talking
about it**

**College Chronicle
Newsletter**

March 13, 2026



**Australian College
of Professionals**

RTO 91513



Underquoting..... we are still talking about it

An increase in complaints directed to NSW Fair Trading regarding the practice of underquoting by real estate agents appears to be the driving force behind a revitalised effort to address the practice.

It was a decade ago on 1 January 2016 that the Underquoting Reforms were introduced to the property industry in NSW, in relation to residential properties and we are still talking about it – surely there is an issue.

Underquoting in NSW is when real estate agents advertise a property for a price below its reasonable selling estimate, misleading buyers and wasting their time and money. NSW Fair Trading is taking a zero-tolerance stance, issuing significant fines, and even proposing further stricter penalties and mandatory “Statement of Information” documentation for transparency, such as those currently prepared by our Victorian counterparts.

NSW Fair Trading routinely conducts visits to agencies to ensure adherence to underquoting regulations. By the conclusion of 2025, NSW Fair Trading had carried out unannounced inspections at 33 real estate agencies located on the Central Coast.

Fair Trading deployed 12 inspectors for five days as part of its Anywhere Anytime Audit program to enforce NSW property laws by targeting regulatory priorities including underquoting, misrepresentations and fair contracting. The Strata and Property Services

Commissioner together with the Departmental Inspectors, visited agencies in Gosford, Terrigal, Erina, Bateau Bay and Avoca.

During the visits, inspectors issued seven immediate penalty infringement notices to real estate agents for breaches of underquoting, rules of conduct and supervision regulations. A further real estate agent is now subject to ongoing investigation for underquoting offences. An additional twenty education and warning letters were also issued.

Some audits were conducted randomly, while others were specifically targeted based on intelligence-driven data collection, which included an examination of recent sale prices. Fines were imposed, and complaint data was utilised to address consumer harms in accordance with the compliance and enforcement priorities of NSW Fair Trading.

From 2024-2025 NSW Fair Trading received 42 complaints in the Central Coast region’s property sector, related to misrepresentation and underquoting. There are more than 2,400 real estate licences in the Central Coast Council area, including more than 1,300 people holding a property licence allowing them to work as a real estate agent, while there are more than 700 individuals with property certificates allowing them to work in the industry.

NSW Fair Trading is planning further unannounced inspections across the



State and will be targeting operators who have a non-compliance history, with inspectors to revisit the Central Coast in the coming months to ensure education and warning letters have been complied with.

The primary scenario presented by agents to the College during training sessions is as follows: if an agent has valued a property at \$900,000, but the vendor has directed the agent to list the property at \$850,000 due to a pressing need to sell and a willingness to accept a lower price than the agent's opinion of price – does this situation put the agency at risk of violating the underquoting regulations outlined in the Property and Stock Agents Act?

The obvious answer is yes, they are breaching the underquoting rules and unfortunately the fines can be extensive, as seen from the compliance inspections recently conducted by NSW Fair Trading on the Central Coast. The agent would be better to approach the marketing of the property by not quoting a price in their advertising at all and invite offers from interested parties.

Specifically, the Act states the following:

Section 73 Underquoting in Advertisements for residential property

A real estate agent must not publish or cause to be published and advertisement in relation to the sale of a residential property that indicates or

suggests a selling price for the property that is less than the estimated selling price for the property.

Section 73A Underquoting in Advertisements for residential property

A real estate agent or any person engaged by a real estate agent must not, in the course of marketing a residential property, make any statement to any person that indicates or suggests that the property may be sold for a price that is less than the estimated selling price for the property.

Consequently, even when directed by the vendor, the agent is prohibited from indicating to a buyer that the vendor will, or might, accept a price for the property that is lower than the minimum amount stated in the appraisal performed by the agent and outlined in the agency agreement with the vendor.

A significant lesson that agents ought to derive from this section of the Property and Stocks Agents Act 2002 is the importance of engaging in open and honest conversations with vendors regarding expectations, as well as the constraints imposed on an agency by the legislation.

Rosy Sullivan
Director | College Principal

**Premium Educators
Premium Training
Premium Outcomes**



Contact us

1300 88 48 10
(02) 9264 5505
enquiries@acop.edu.au

Visit us

Level 2, St Andrews House
464 Kent St, Sydney NSW 2000

Mail us

PO Box Q289
QVB Sydney NSW 1230

Connect with us

acop.edu.au



Australian College of Professionals Pty Ltd ABN 32 105 687 910
Registered Training Organisation Number 91513

Property Training

Stock & Station Training

Strata Management Training

Finance Training

Management Training

Government Funded Training

Compliance Checks

Consumer Education

Value yourself
Value your future.

acop.edu.au