

SUBMISSION ON POLICY ISSUES IDENTIFIED IN THE INTERIM REPORT

Submitted By: Bruce STYLES

Email: [REDACTED].au

Phone Number: [REDACTED]

Submission for: My Self

Name of other person, business or organisation:

Do you agree to your submission being published: Yes

Do you agree to your full name being published: Yes

Your submission:

Dear Sir/Madam,

I am an Agent who commenced in the industry some 25 years ago. There are a number of issues which I would like to raise:-

1. The ridiculous situation of "Pre Approval". It is a regular occurrence where a prospective purchaser has been given "Pre Approval" of finance and when Formal approval is sought it is denied. This costs everybody time and money. It costs the Agent his time in showing the property and issuing a Sales Advice etc. The Vendor who subsequently has costs for their Solicitor to issue a contract to the purchaser's Solicitor. The Purchaser who has costs from their Solicitor to accept the contract, peruse same and discuss the contract while waiting on formal finance approval which is then denied and the whole process becomes an exercise in futility and costs all parties time & money.

In many of these cases another purchaser is turned away in favour of the current prospect who eventually is unable to proceed. In a number of cases when I have gone back to the alternative prospect at a later date, after being advised of the denial of finance with the original purchaser, the alternative purchaser has already purchased elsewhere and the property is subsequently sold for a lesser amount causing the Vendor to suffer a significant loss.

In a recent case of this occurrence the property remains unsold after two years. The owners are an elderly couple who were attempting to downsize due to the husbands ill health and they do not want the stress of having the situation repeat itself.

2. The ridiculous situation of unreasonable delays in processing finance applications. Over recent years as the banks have reduced their staffing levels the delay in processing applications has increased to the stage where it is today. I have a current situation where the Sales Advice on a small rural property was issued on the 5th September 2018 and over a month later there is still no answer on the application.

Last Wednesday the 3rd October I received a text into my mobile phone at 11:15am. This message was from a Valuation company advising that they had been instructed to Value the above property. I did not get to read the message until after the phone call I received on the same phone at approximately 12 noon.

At approximately 12 noon I received a phone call from a person who advised he was a Valuer working for the National Australia Bank and asked where he could find the property. Because I had received no notice that he was coming and he was already at the gate I gave him directions onto the property as I did not have adequate notice to attend the property and accompany his inspection. The Vendor was seriously annoyed that there was no notice prior to the Valuers arrival as his partner was at home alone on the small adjoining block and access is by right of way through the smaller property.

At the time I believed that the Valuer was from the same company who had sent the text but the following afternoon when I received a call from the company who had sent the text I realised they had no connection.

On morning of Monday the 8th October I received a call from a Valuer from yet another Valuation company advising that they had been appointed to Value the property. He advised that he was on holidays and they might be able to "get it done this week". So the delay continues as does the Vendors uncertainty.

Once again we have a situation where a Purchaser has been told that his finance is secure when it clearly is not secure and he is unable to exchange contracts. Once again we have a situation where a Vendor is being penalised because of the ineptitude of the finance providers.

Yours Faithfully

Bruce STYLES

Principal

Styles Real Estate