

In legal proceedings taken by the Director of Consumer Affairs Victoria, the Federal Court of Australia has declared that Hoskins (Maroondah) Pty Ltd, trading as **HOSKINS MAROONDAH**, has contravened provisions of the Australian Consumer Law that prohibit misleading or deceptive conduct, false or misleading representations concerning the price of land and unconscionable conduct. **HOSKINS MAROONDAH** breached the law advertising Victorian property on the website [www.realestate.com.au](http://www.realestate.com.au) and [www.domain.com.au](http://www.domain.com.au) and in emails and email bulletins that was less than the market value or likely selling price of that property, thereby representing to potential purchasers of that property that:

- the vendors would sell that property for the search price, or not substantially more than the advertised price, when Hoskins Maroondah knew that the vendors would not sell that property for the search price;
- the vendors had instructed Hoskins Maroondah to sell the property for the advertised price, or not substantially more than the search price, when Hoskins Maroondah knew that the vendors had not done so.
- Hoskins Maroondah had reasonable grounds for believing and holding the opinion that the property would be sold at the advertised price or not substantially more than the advertised price, when it did not have such reasonable grounds for believing and holding such opinion; and
- the likely selling price, or market value, of the properties was the advertised price, or not substantially more than the advertised price, when the likely selling price or market value was more or substantially more than the advertised price.

**HOSKINS MAROONDAH** breached the law in its dealings with vendors of two properties by:

- telling the vendors that their property was less than the market value or likely selling price of that property; and
- charging vendors an additional incentive commission calculated on a sale price that the agent knew, or ought reasonably to have known, was not an ambitious sale price for the property.

**BRENT PETERS**, estate agent, was found to have aided and abetted **HOSKINS MAROONDAH**'s breaches of the law.

The Federal Court of Australia has imposed upon **HOSKINS MAROONDAH**:

- pecuniary penalties totalling \$430,000 in respect of the false or misleading representations concerning the price of land provisions of the Australian Consumer Law (Victoria);
- injunctions restraining the company from repeating this conduct in the future;
- a compliance program designed to ensure no further contraventions of these provisions of the Australian Consumer Law (Victoria); and
- an obligation to publish the details of the order of the Court.

This Notice is published and paid for by **HOSKINS MAROONDAH** in accordance with the Order of the Federal Court of Australia made on Thursday 10<sup>th</sup> October 2019 in the legal proceedings taken by the Director of Consumer Affairs Victoria.