



Expression of Interest Deposits

College Chronicle
Newsletter

September 2, 2022



Australian College
of Professionals

RTO 91513



Expression of Interest Deposits

NSW Fair Trading has conducted a review of the Property and Stock Agents Regulations which will come into effect on 1st September 2022.

One area that has been reviewed is the information that is to be provided to a purchaser and vendor when an expression of interest deposit has been paid, which is set out at Clause 5, Schedule 2 of the Property and Stock Agents Regulations 2014:

5. INFORMATION TO BE GIVEN WHEN EXPRESSION OF INTEREST DEPOSIT PAID

1. When an agent issues a receipt for an expression of interest deposit made prior to exchange of contracts, the agent must inform the person who paid the deposit that the vendor has no obligation to sell the property or business or the purchaser to buy the property or business and the deposit is refundable if a contract for the sale of the property or business is not entered into. The information must be provided in writing and may be provided on the receipt.
2. The agent must promptly inform the

vendor when an expression of interest deposit has been paid.

3. The agent must promptly inform the person who paid the deposit when the agent becomes aware of any subsequent offer to purchase the property or business received from any other person. The agent must also advise the person who paid the deposit that they have the right to make further offers up until exchange of contracts has taken place.

The updated Regulations add the following clarifications:

- Agents must only accept Expression of Interest Deposits from a consumer after the consumer signs a written statement declaring the agent has informed them of certain information and that they understand the information (Schedule 2 sections 6 and 13; Schedule 3 section 4).
- Requires the vendor's agent to refund an Expression of Interest Deposit within 14 days if another person enters a sales contract (Schedule 2 section 6(5)(c)).

The reality of these amendments for an agency is that there is a clear process that should be followed if an agency is accepting Expression of Interest Deposits.

You MUST ensure the information set out in Clause 5 (1) above is provided in writing to the person who has paid the Expression of Interest Deposit and subsequently the person who pays that Expression of Interest Deposit acknowledges the terms of that payment by signing the statement. This is similar to the acknowledgements an agent would receive when providing a vendor with the Agency Agreement Consumer guide.

Further, there is now clarity on WHEN that Expression of Interest Deposit is to be paid to the person who has paid it if another contract is entered into for that property by another purchaser. It is now within 14 days of that contract being entered into.

Rosy Sullivan
 Director | College Principal

From the office

What a fortnight....our team has been involved in two more Traineeship Expos and talking with people who are looking to enter the property industry, we conducted the first of our Business Owner Information Tour sessions in our CBD office where Greg Jemmeson and Rosy Sullivan presented to business owners in relation to business succession, selling, buying and compliance and everything in between. The participants in the session went away with information and spinning minds about the possibilities and future opportunities for them.

Our trainers have also been out and about in Wollongong, Goulburn, Bathurst, Oberon, Dubbo and Newcastle. The kilometres are stacking up and they are all so happy that it is now Spring and the travel won't be so cold anymore. In the office here in the CBD, we've had lots of regional students in for the Stock & Station licensing modules, new mortgage brokers completing their training, and

agents are getting underway with the CPD requirements for the current year. Remember that CPD needs to be completed by 22 March 2022.

We seem to be getting lots of visitors to our office at the moment, sometimes just to say hi and check out our new training facilities, and sometimes for a coffee and sometimes to obtain support in completing their assessments. We love seeing our students popping into the office and taking their training to the next level. So please come and visit when you are in the city.



NSW Tour Dates

Date	Location
15th September	Penrith
22nd September	Newcastle
29th September	Wollongong
6th October	Port Macquarie
27th October	Queanbeyan
28th October	Ballina

**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

Finance Training

Strata Management Training

Management Training

Government Funded Training

Compliance Checks

Consumer Education

Value yourself
Value your future.

acop.edu.au