

Shedding light on sole mandate queries

Sole Mandates remain a contentious subject for sellers. Many feel it is a sales ploy concocted by the estate agent and are usually concerned that by limiting their home to only one agent that it might affect their desired results. However, I can undoubtedly say that it is the best way to sell your property for the most money the market will pay.

There are four factors that need to be considered when it comes to the sale of your property:

1. The marketing you need
2. The service you need
3. When your property will sell and
4. How much it will sell for?

Marketing and service are issues within the control of the estate agency you list with. When your property will sell and how much it will sell for are in the hands of the market. Whilst the former will have an influence on the latter – buyers will determine what your property is worth today and when it will sell.

When you enter into a sole mandate to sell your property it is only legal and binding when it has all of the following: A selling price, a commission rate or amount, and an expiry date. If any of these three are missing then your sole mandate is invalid and not binding. Especially be aware of sole mandates that have an expiry date “until sold”, or “until cancelled by mutual agreement”. These are invalid and a breach of the Estate Agents Code of Conduct.

In addition to these three legal requirements for a sole mandate, you would be prudent to ensure your sole mandate also includes a commitment in writing from the agent to market your home, with detail on what the marketing plan includes, specifically relating to when and where they will advertise. In addition, the agency should commit in writing to a minimum service level with you. Your sole mandate agreement should contain a clause allowing you to put the estate agency to terms should they not stick to their undertakings, failing which you can cancel the mandate without any penalty.

It's worrying how many sellers sign sole mandates with none of these undertakings from estate agents and then feel trapped in their mandate without recourse. If these commitments are not made in writing, then don't sign the mandate. Choose an estate agency that will commit to writing what they promise.

The Consumer Protection Act allows for the cancellation of a sole mandate on 20 business days' notice, but not without reasonable penalty. So you could take this route – but it would be much better to hold the estate agent to their promises and if they fail to do so after notice to rectify, make sure you have a cancellation clause without penalty to you.

A sole mandate with a company that does what they promise is the best way to sell. But don't be caught out by signing a mandate that doesn't protect you in the event of non-performance.

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