



Professional Indemnity

Mortgagee Sales

A sole practice rural real estate agency advertised mortgagee sales for four properties in a small community. The properties were, in fact, not for sale.

The agency had just recently acquired a “book” of clients from another agency whose principal had retired. The agency’s office administrator had inadvertently used old listings from the other agency where the same lender had commissioned mortgagee sales some years prior.

The mistake caused some consternation particularly in such a small-town location and the circumstances were reported to VL as a potential complaint to the Real Estate Agents Authority. VL assisted the agent in “damage control” with the lender and in mollifying the aggrieved property owners. No formal complaint or claim has eventuated.