WANT TO BUY, SELL, RENT A FLAT? ADVICE OF UOKiK

* **Be aware of companies that charge fees for providing addresses.**
* **Make sure the broker has verified the technical condition and legal status of the flat.**
* **Read the contract carefully and check if there are no abusive clauses, for example, that the agent is entitled to a fee, although you found a buyer yourself.**

**[Warsaw, 15 October 2018]** Are you starting your studies or work in a new city and you need a flat? If you are going to employ a real estate agent, please use the advice of the Office of Competition and Consumer Protection.

**Do not pay in advance for an access to the offer**

You found an attractive offer? For example: one-room flat for rent in the centre of Warsaw, PLN 1,000/month plus utilities. You make a phone call, an agent’s representative answers and promises to give you contact to the flat owner if you sign a contract and pay e.g. PLN 250 in advance. Watch out! Most likely the offer will be out of date, less attractive than in the advertisement or no one will answer on the phone number for which you paid.

Now and then, companies appear on the market that provide clients with offers found, for example, on the Internet. **So you have no guarantee that the agent even saw and checked the flat.** In contrast to traditional real estate agents that charge a fee only after concluding the transaction, such undertakings request payment in advance. Contracts are formulated in such a way that the company undertakes only to provide offers. Usually, it makes a stipulation that it is not responsible for the content of advertisements.

Before you sign such a contract, consider if you want to pay for a phone number that may be worthless. If you have been deceived, notify the police or the prosecutor's office.

**Carefully read the contract with a broker**

There are also traps in the case of traditional agents. The most important is the contract. It must be in writing. Specify in it what you pay for - what type of flat you are looking for (e.g. 2-room in a quiet area near the centre, not on the ground floor, in good condition) and what additional services you expect from the agent (e.g. checking the legal status of the flat, assistance in obtaining a loan). Determine the remuneration of the broker. Check the contract period and termination terms. You can sign the so-called exclusive contract, but then remember that you agree not to use services of other agents.

Also, make sure the contract does not contain abusive clauses, such as those used by brokers from the Łódź and Świętokrzyskie provinces, questioned by UOKiK in 2017:

* **excluding the broker's liability for non-compliance of the offer with the actual and legal status.** The agent should perform their profession reliably. Their duties include at least initial verification of the submitted offer - viewing the flat, checking the land and mortgage register. If you suffer a loss due to the broker's negligence, you can claim damages before the court. Regardless of that, before you make a decision, look at the flat yourself,
* **allowing to charge a fee after the brokerage contract expires.** An agent can use such a clause to demand money, even if they have not contributed to the transaction. UOKiK allows to reserve the right to remuneration after the contract expires, but only for a specific offer and within an individually agreed time. Then, the contract must specify that this applies to clients matched by the agent, who will conclude a transaction regarding a specific property within e.g. 3 consecutive months,
* **in the so-called exclusive contracts, requiring to pay the fee when the transaction takes place without the broker's involvement.** According to UOKiK, **exclusivity applies only to brokerage**, not the sale or rental itself. Therefore, if you have an exclusive contract but you find a buyer or a tenant yourself (without the help of another agent), then demanding to pay the fee is illegal,
* **providing for contractual penalties if you do not pay the fee.** According to the law, contractual penalties relate only to non-monetary obligations, and the broker’s remuneration does not qualify as such. If you are in default with payment, the agent may charge you with interest - not higher than statutory rate.

**Make sure about the price**

You have the right to know how much you will pay for the flat and know all the additional costs. Also, the agent's fee should be clearly stated and include VAT.

**Remember your rights**

* **If you signed the contract via the Internet or outside the agent's premises** (e.g. on stairs next to the viewed flat or in a café), **you have the right to withdraw from it** within 14 days without giving any reason and bearing the consequences. The broker should inform you about this and provide you with a withdrawal form.

However, if the agent has already begun to provide services **at your explicit written request**, they must be paid for the services performed before you withdrew from the contract, e.g. property valuation, taking photos, ordering an advertisement. And if they have already shown you the flat you will rent or buy, they can demand a fee.

* **If the agent has not met the obligations stipulated in the contract, file a complaint**. For example, the broker undertook in writing to check the legal status of the flat and then assured you that it is not indebted. If it turned out to be untrue, you can demand a reduction or even a refund of the fee. Regardless of this, if you suffer specific losses as a result of the agent's actions/negligence, you can claim damages before the court. Brokers must have a compulsory TPL insurance policy, which is to secure liabilities in such a case.

**Check the broker**

Before 2014, each real estate agent had to possess a licence and they could be checked in the register maintained by the Ministry of Infrastructure. After the profession was deregulated, everybody can be a broker. Currently, you can check the agent only at the broker associations, such as the Polska Federacja Rynku Nieruchomości (Polish Real Estate Market Federation), which has introduced its own voluntary licences.

In case of problems with an agent, such as rejecting a complaint, you can go to a municipal or district consumer ombudsman for help. If the broker agrees to amicable dispute resolution, you can submit a request for mediation or conciliation at the provincial inspectorate of the Trade Inspection.

**Additional information for consumers:**

Phone: +48 801 440 220 or +48 22 290 89 16 – consumer helpline
Email: porady@dlakonsumentow.pl
[Branches of the Consumer Federation](http://www.federacja-konsumentow.org.pl/63%2Ctu-znajdziesz-pomoc.html)
[Consumer ombudsmen](https://uokik.gov.pl/pomoc.php) – in your town or district

**Additional information for the media:**

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