

## CASE STUDY

# Misrepresentation to a Buyer

### Key Topics

Misrepresentation to a buyer about the size of the property.

### Award

£1,000 compensation paid to the buyer.



### Case Details

- The buyer complained that the Agent's floor plan in their advertisements substantially exaggerated the actual size of the flat.
- The Agent's floor plan stated that the size of the flat was 100m<sup>2</sup>. Other independent estate agents measured the size of the flat and they found it was 80m<sup>2</sup>.
- The Agent's floor plan contained a disclaimer which stated that whilst every attempt had been made to ensure the accuracy of the floor plan, the measurements of doors, windows, rooms and any other items are approximate and no responsibility is taken for any error, omission or mis-statement.
- The information provided by the Agent on the size of the flat affected the buyer's decision to buy the property and resulted in a difference in the value of the property.

### Evidence

Agent's floor plan, other floor plans and correspondence.

### Decision

- The Agent makes a compensation payment of £1,000 to the Complainant.
- The Agent ensures that all future advertising meets professional standards.
- The Agent puts processes in place to ensure due diligence is undertaken to check all floor plans so that they comply with industry practice.

### Key Point From The Case

- Estate Agents must comply with the Consumer Protection from Unfair Trading Regulations 2008 (CPR's).
- The Guidance on Property Sales states that it is a breach of the CPR's for businesses to give misleading information to consumers where this causes or is likely to cause the average consumer to take a different transactional decision. This is known as a misleading action.
- The Agent's misleading floor plan affected the buyer's transactional decision to buy the property.
- The Agent should take all reasonable steps to ensure that any information used in the property particulars and other marketing information is accurate and not misleading.
- All due diligence should be undertaken and all floor plans should contain accurate measurements and be approved by the vendor.
- The Agent's disclaimer could not cover such a substantial error in the measurements of the Agent's floorplan.
- The Agent's responsibilities are not diminished if a third party is involved.

For more information please refer to:

Guidance on Property Sales September 2015 by the National Trading Standards Estate Agency Team which can be viewed [here](#).