



PROPERTY
SOURCING
COMPLIANCE

IS PROPERTY SOURCING REGULATED?

So, for all of those who believe that sourcing agents are not estate agents and therefore the legislation and regulations have no bearing at all on what you do, here is the definition...

DEFINITION OF AN ESTATE AGENT:

For the purposes of section 1 of the Estate Agency Act 1979, estate agency work includes introducing and/or negotiating with people who want to buy or sell freehold or leasehold property (or their Scottish equivalents), including commercial or agricultural property where this is done:

*In the course of a business 'and' *Pursuant to instructions from a client

**"IN PLAIN, SIMPLE TERMS THAT MEANS THAT EVEN IF YOU ONLY
HAVE A VERBAL AGREEMENT WITH AN INVESTOR TO SOURCE
AND YOU RECEIVE A FEE FROM THEM, THEN YOU ARE
GOVERNED BY THE ESTATE AGENCY ACT 1979"**

TINA WALSH, DIRECTOR: PROPERTY SOURCING COMPLIANCE

IN PLAIN, SIMPLE TERMS...

EVEN if you only have a verbal agreement

EVEN if you don't have a website

EVEN if you don't advertise the deal

EVEN if they are a friend

EVEN if you don't create a sale document

**IF YOU RECEIVE A FEE FOR YOUR
SERVICE THEN YOU ARE GOVERNED BY
THE SAME REGULATIONS AS ESTATE
AGENTS!**

LARGE FINE OR IMPRISONMENT?

For failure to register with one of the
recognised Property Redress Schemes
- Up to £5,000 per breach

For failure to Register for Data
Protection - Up to £5,000 per breach

For failure to Register for Money
Laundering - As per above £5k per
breach

For failure to follow Legislation &
Regulations - Up to unlimited fine and
14 years imprisonment