

INFORMATION SHEET

Producing TVCs for Real Estate

The following points need to be considered when producing a television commercial promoting the sale of real estate:

- Commercials for real estate may be subject to State legislation, in addition to relevant Commonwealth laws, such as the Australian Consumer Law. Commercials must comply with any such provisions.
- Commercials referring to deposits or terms for purchasing land must also specify the full cash price. Full cash price means the price including all the individual agent's own charges. If finance is being provided on terms, the commercial must state the amount of the deposit, repayments and time period over which the repayment can be made. If finance is offered for a limited time, for example "vendor finance over twelve months", this must be clearly stated.
- Commercials that are not clear and unequivocal about price risk breaching the Australian Consumer Law. For example, "\$200 deposit secures your home site" or "Buy your home site for \$40 a month". It is preferable here to say something like, "A \$45,000 deposit secures this house and land package – total price \$450,000".
- Where a commercial is promoting multiple blocks of land/units with different characteristics (e.g. different block sizes, single storey, double storey, 2 bedroom, 3 bedroom) the commercial must be clear as to which type of land/unit it is referring to if it contains specific descriptions or references to price. For example, a commercial will risk breaching the Australian Consumer Law if it shows images of the highest value land/unit, but refers to the costs associated with purchasing the lowest value land/unit in the development in a way that implies that those costs relate to the land/unit shown.
- Viewers could be misled about the average price of units or blocks of land if more than one is on offer. For example, most viewers would interpret the statement '45 blocks from \$10 000' to mean that there was a range of prices for the blocks and that some would be priced at or around \$10 000. However, if there were only one at that price and the next was considerably more expensive, a statement like this could be misleading. Prices can be expressed in general terms such as 'from \$20,000 to \$28,000'. However, it would be better also to state the approximate price of most blocks and to update commercials as sales occur. It would be misleading to continue running the original commercial once the cheaper units/blocks were sold.
- To avoid misleading or deceptive conduct, GST should be included in any advertised price.
- The Australian Consumer Law requires any price advertising to include the 'single price' ie. total cost. The 'single price' is calculated by adding up each of the price components that are quantifiable at the time of the commercial, including all 'mandatory charges'.

- Mandatory charges' are those charges that must be paid in order to purchase the property. The GST payable by the customer is a mandatory charge. The stamp duty on property is not a mandatory charge because it is imposed directly on the consumer.
- The 'single price' must be displayed at least as prominently as the most prominent price component. This means that a consumer should be able to identify the 'single price' (ie. total cost) as easily as the component or part of that total. Advertisers should consider factors such as the size, placement, colour and font of the prices in the commercial, as well as the background of the commercial.

See: [CAD Handbook - A-Z Television Production Checklist - Price](#)

Appendix A: [Information Sheet – Producing TVCs which includes Component Pricing](#)

Appendix A: [Information Sheet – Producing TVCs with Disclaimers and other on-screen text](#)

For further information please contact CAD on 02 8968 7200 or email us at cad@freetv.com.au