

Information sheet

Brokering of residential property rental contracts

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The rental property is brokered by

represented by

and is being shown to you for your personal interest only. Any passing on of business opportunities requires the broker's express consent.

The broker declares that – contrary to the common practice of dual brokerage in the real estate industry – they only work for the landlord.



General terms and conditions pursuant to Section 10 ImmMV [Real Estate Broker Regulation] 1996 BGBl. [Federal Law Gazette] No. 297/1996 recommended by the Federal Chamber of Commerce Austria, Section for Real Estate Experts and Escrow Agents
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I. The Broker as Exclusive Representative of the Landlord

With the introduction of the so-called »Principle of First Instruction« when brokering residential rental properties, the legislator assumes that from 1 July 2023, the broker can usually only agree on a commission with the client who first instructed him. If the broker is initially commissioned by the landlord or by someone authorized by him to do so, he can only agree on a commission with that person. At the same time, the broker will generally refrain from acting as a dual agent in accordance with Section 5 of the Broker Act, but rather expressly declare pursuant to Section 17 of the Broker Act (MaklerG) that he will only act unilaterally on behalf of the landlord not the tenant.

Text of Section 17a of the Broker Act

Brokering of residential property contracts

§ 17 a. (1) If a landlord or a person authorized by him commissions a Broker to broker an apartment rental contract in his own name as the first client, the Broker can only agree on a commission with the Landlord or the person authorized by him.

(2) A broker can only agree on a commission with a client looking for an apartment if the latter has commissioned him as the first client to arrange an apartment rental agreement.

(3) Even with the prospective tenant as the first client, the Broker cannot agree on a commission if

- 1. the Landlord or the manager has a direct or indirect interest in the company of the real estate agent or in an affiliated company (§ 189 a Z 8 UGB) or can exert influence on this company themselves, through executive officers or through other relevant persons, or if the Broker has a direct or indirect interest in the company of the Landlord or manager or in a company affiliated with this company or can exert influence on this company himself, through executive officers or through other relevant persons, or*
- 2. the Landlord or a person named in Paragraph 1, first sentence, has refrained from concluding a brokerage contract so that the prospective tenant becomes liable to commission as the first client, or*
- 3. the Broker advertises a rental property with the consent of the Landlord or advertises it in another way to a limited group of interested parties.*

(4) The Broker must date and record every contract for the brokerage of residential property, in writing or on another durable medium. When asserting a claim for commission, he must explain to the client looking for an apartment that there is no case under Paragraphs 1 or 3.

(5) An agreement is invalid if it

- 1. obliges the prospective tenant to pay a commission or other service in connection with the brokering or the conclusion of an apartment rental agreement to the Broker who is not entitled to a commission or to the Landlord, or*
- 2. obliges the prospective client to provide another service in connection with the brokering or the conclusion of an apartment rental agreement without equivalent consideration to the previous tenant or to another third party.*

§ 27 Tenancy Law (MRG) remains unaffected.

(6) Paras. 1 to 5 and 7 do not apply to the brokering of residential property contracts that are concluded by employers as Tenants in order to provide employees with a service, non-cash or company apartment (Art. 1 para. 2 no. 2 MRG).

(7) If the violation is not already covered by Section 27 (5) MRG, an administrative offence is committed when

- 1. a broker, or a representative acting on the broker's behalf, agrees, demands or accepts a commission or other service contrary to Paras. 1, 3 or 5,*
- 2. anyone who, contrary to Paragraph 5, agrees, demands or accepts services as a landlord or representative acting on his behalf, as a previous tenant or other third party, or*
- 3. anyone who, acting as a broker, fails to record a brokerage contract in writing or on another durable medium contrary to Paragraph 4,*

will be fined up to 3600 euros in the case of Article 1 and Article 2, and with a fine of up to 1500 euros in the case of 3.

II. Rights to withdraw

1. Rescission of contract pertaining to real estate pursuant to Section 30a Konsumentenschutzgesetz ("KSchG") [Austrian Consumer Protection Act]

A client who is a consumer (Section 1 KSchG) and

- has made a contractual statement on the day of the first visit to the premises,
- and if such statement refers to the acquisition of a tenancy right, any other right to use a property or to ownership, namely
- to a flat, a detached (one-family) house or a property suitable for construction of a detached (one-family) house and if
- the same is intended to be used for covering the consumer's own urgent need for accommodation or of that of a close relative;

may declare within one week that he rescinds such contractual statement.

The time period begins to run only when the consumer has received a duplicate of the contractual statement and information regarding the right to rescind the same, i.e. either on the day after he made the statement or, if the duplicate including the information on the right to rescind the contractual statement was delivered later on, at such later point in time. In any case the right to rescind the contractual statement expires not later than one month after the date of the first visit.

Agreements on the payment of a down payment, forfeit money or the like prior to expiration of the period allowed for rescission pursuant to Section 30 a KSchG shall be ineffective.

A statement of rescission regarding a real estate transaction which is addressed to the real estate broker shall also apply to a broker agreement concluded in the course of making the contractual statement. The declaration of withdrawal is not bound to any particular form. The withdrawal period is met if the declaration of withdrawal is sent within the specified period (§ 3 Para. 4 of the Consumer Protection Act).

2. The right to rescind the contract in case of non-occurrence of essential facts or circumstances (Section 3a KSchG)

The consumer may rescind his application for a contract or the contract itself in writing if

- with no initiative of his
- essential circumstances
- that were described by the entrepreneur as being likely
- have not occurred or have only occurred to a considerably smaller extent.

Essential circumstances are

- the necessary cooperation or consent of a third party,
- tax benefits, or
- public aid or a prospective loan.

The period for rescission of the contract is one week after the consumer is able to notice such non-occurrence if he was informed about such right to rescind the contract in writing. In any case, however, the right to rescind the contract will end one month after complete performance of the contract by both parties.

The consumer is not entitled to rescind the contract if

- in the course of the negotiations he knew or was required to have known about such non-occurrence;
- if the right to rescind the contract is negotiated in individual cases (not possible to include in a form); or
- if the contract was adjusted in an appropriate way.

The declaration of withdrawal is not bound to any particular form. The withdrawal period is met if the declaration of withdrawal is sent within the specified period (§ 3 Para. 4 of the Consumer Protection Act).