



What to do if you think you're a victim of secret commissions

Secret commissions are a serious problem for the commercial real estate sector. Millions if not billions of pounds are being paid to unscrupulous managing agents and landlords every year without the knowledge of those they are acting on behalf of.

The way it works is that a management agent will offer to negotiate the property insurance on behalf of their tenants and leaseholders – often also offering reduced management fees in return for this privilege – and will place the business with their preferred insurance broker.

As part of the premiums paid for the insurance policy, there will be a commission payment included from the broker to the managing agent, which can run into the hundreds of thousands of pounds, with the cost of this commission passed on to the end user, namely the tenant or leaseholder, without disclosing the details of the commission.

Neil Holloway said it was for the exact purpose of recovering these unfair commission payments that he founded M2 Recovery.

“M2 has developed a streamlined, tried and tested recovery process for pursuing the recovery of such secret commissions,” he said. “The first step is to analyse the premium being charged and determine if the rates could have been inflated to cover the cost of secret commissions. Very little effort is required on your part.

“We then investigate the transparency of the third party commission and make a formal request for the commissions to be disclosed, before calculating the secret commissions that were paid and recovering them for our client.”

He added: “Our considerable experience and expertise enables us to overcome the many challenges and obstacles encountered during the forensic investigations, and we have already had some big wins in recovering these secret commissions for our clients, including recovering over £1m for a leading chain of DIY stores.”

Find out more about how M2 Recovery can help you reclaim thousands of pounds of unfair secret commission payments dating back as far as six years