

## **The flats of a passive house project in Zugló were advertised in a misleading manner**

**8 December 2020, Budapest – The flats of the passive house project called ‘Hermina Happy Land’, currently under construction, were advertised by their estate agent in a manner that infringed the law in several ways; therefore, the Hungarian Competition Authority (GVH) imposed a fine on the group of undertakings and ordered the undertakings to correct their unlawful advertising.**

Hermina Center Ingatlanforgalmazó Kft. and Hermina BAU Hungary Ingatlanforgalmazó Kft., which belong to the same group of undertakings, have been advertising the flats of the ‘*Hermina Happy Land*’ project, which are currently still under construction, as passive house flats since 2016. The GVH began its recently-concluded [competition supervision proceeding](#) with the aim of investigating the advertising practices related to these flats during the autumn of 2018.

The investigation of the GVH established that the estate agents advertised the flats in a misleading manner, using photographs downloaded from various image sharing websites and giving the impression that these photographs were depicting the flats on sale (or their construction and interior design options). It was also found to have infringed the law that the group of undertakings was unable to substantiate certain specific advertising messages it was using (e.g. ‘*no bills*’, ‘*overhead costs only HUF 3,000*’).

Furthermore, the investigation revealed that the group of undertakings unlawfully deleted unfavourable comments from its social media pages and only allowed positive reviews to be displayed without publishing any moderating policies or other guidance. The role of consumer reviews is becoming ever more important: the majority of customers read consumer feedback and experiences before making decisions. The moderation of feedback in itself does not constitute an unfair commercial practice, provided that it is based on an objective and easily-accessible policy. However, the unilateral removal of negative comments reduces the awareness of consumers, thus distorting the decision-making process in an unlawful manner.

The GVH imposed the highest fine on the group of undertakings permitted under the applicable law: 3.5 million Hungarian forints. The GVH also ordered the undertakings to correct their unlawful commercial practices within 30 days.

The official registration number of the case is: **VJ/38/2018.**

GVH Press Office