

**KEY ELEMENTS OF NEW REGULATORY FRAMEWORK**

- \* **New Statutory Board – Council for Estate Agencies – to strengthen regulation of real estate agency industry**
- \* **Enhanced Licensing for Estate Agents**

Appointed Key Executive Officer (KEO)

- ✓ Must be at least 21 years old
- ✓ Have at least 3 years of working experience as a salesperson
- ✓ Have completed at least 30 property transactions in past 3 years, of which at least 10 must be private properties and at least 10 must be HDB transactions
- ✓ Must not be registered as a salesperson or be an existing KEO of another estate agent
- ✓ Passed CEA examination for licensees or possessed equivalent qualifications (*refer to Appendix I*)
- ✓ Have minimum 4 GCE 'O' Level passes or equivalent
- ✓ Undertake mandatory continuing professional development
- ✓ Fulfill fit and proper criteria such as
  - (i) Must not be an un-discharged bankrupt;
  - (ii) Must not possess criminal records involving fraud or dishonesty;
  - (iii) Must not have previous track record of complaints or convictions
- ✓ Must not be a licensed moneylender or an employee, a director or a partner of a licensed moneylender

Business Entity

- ✓ Registered its business with ACRA
- ✓ Not to register a name which is similar to existing estate agents
- ✓ Put in place systems and processes to ensure proper management of business and salespersons
- ✓ Covered under a valid Professional Indemnity Insurance for both business entity and salespersons
- ✓ Must not be a licensed moneylender

\* **Registration of Salespersons through their Agents**

- ✓ Must be at least 21 years old
- ✓ Must not be registered with another estate agent or be an existing KEO of another agent
- ✓ Have minimum 4 GCE 'O' Level passes or equivalent
- ✓ Passed CEA examination for salespersons or possessed equivalent qualifications (*see Appendix I*)
- ✓ Undertake mandatory continuing professional development
- ✓ Fulfill fit and proper criteria such as
  - (i) Must not be an un-discharged bankrupt;
  - (ii) Must not possess criminal records involving fraud or dishonesty;
  - (iii) Must not have previous track record of complaints or convictions;
- ✓ Must not be a licensed moneylender or an employee, a director or a partner of a licensed moneylender

\* **Regulation on Conduct of Estate Agency Work**

- ✓ Code of Practice, Ethics and Professional Conduct
- ✓ Standard prescribed estate agency agreements
- ✓ No dual representation by same salesperson

\* **Mechanisms for Discipline and Dispute Resolution**

- ✓ Disciplinary actions such as warnings, fines, suspension and revocation
- ✓ Dedicated dispute resolution mechanism covering both mediation and arbitration

\* **Public Education**

- ✓ Estate Agent Card
- ✓ Online Public Register of agents and salespersons
- ✓ Seminars, Forums and consumer guides for the public

## APPENDIX I

### LIST OF RECOGNISED AND EQUIVALENT QUALIFICATIONS

#### I. Recognised Industry Examinations

- Common Examination for House Agents (CEHA)\*
- Real Estate Agency Course (up to Batch 12/95)\*
- Association of Singapore Realtors' Course (up to Batch 28/1995)\*
- Common Examination for Salespersons
- Certified Estate Agent Examination
- Real Estate Agency Course (from Batch 1/96 onwards)
- National Skills Recognition System (NSRS)
- Pre-CEHA Examination

Note: Industry examinations with\* are recognised for licensees and salespersons.  
Industry examinations without\* are recognised for salespersons only.

#### II. Qualifications Equivalent to CEA Examination for Licensees and Salespersons

Name of Qualifications	Issuing Body
Bachelor of Science (Real Estate)	National University of Singapore
Bachelor of Science (Estate Management)	
Bachelor of Real Estate (Property Management)	
Bachelor of Real Estate (Valuation)	
Diploma In Building Management	Ngee Ann Polytechnic
Diploma In Building & Real Estate Management	
Diploma in Real Estate Business	
Diploma In Property Development & Facilities Management	Singapore Polytechnic
Diploma In Building & Property Management	

Note:

1. Holders of any diploma or higher academic qualification which has real estate as a major are advised to check with CEA whether they are required to take the new CEA examination.
2. Professional qualifications such as the membership of the Royal Institution of Chartered Surveyors (General Practice) will be considered as equivalent to CEA examination.
3. Holders of qualifications in non-real estate related fields such as business administration, economics, marketing, law etc will be required to take the new CEA examination.

## ANNEX B

### ARRANGEMENTS TO HELP EXISTING SALESPERSONS TRANSIT

Existing salespersons who	Treatment
<p><u>Have already passed</u> an industry examination when new regime is implemented on 22 October 2010</p>	<ul style="list-style-type: none"> <li>• Not required to take new CEA examination for salespersons</li> <li>• Not required to have at least 4 GCE 'O' Level passes or equivalent</li> </ul>
<p><u>Have not passed</u> an industry examination but have completed at least 3 property transactions over last 2 years prior to formation of CEA</p>	<ul style="list-style-type: none"> <li>• Need to pass either an industry examination, which will be available until December 2010, or the new CEA examination for salespersons before 31 December 2011</li> <li>• Can conduct estate agency work in the interim</li> <li>• Not required to have at least 4 GCE 'O' Level passes or equivalent</li> </ul>
When new regime is implemented on 22 October 2010	Treatment
<p>Without an industry examination pass and did not fulfill the minimum 3 property transactions over last 2 years</p>	<ul style="list-style-type: none"> <li>• Considered as a new salesperson</li> <li>• Required to meet full registration criteria</li> <li>• Required to take a course available from November 2010 before taking the new CEA examination</li> </ul>

## ANNEX C

### KEY TIMELINES TO TRANSIT TO THE NEW REGULATORY FRAMEWORK

Date	Event
30 September 2010	<ul style="list-style-type: none"><li>IRAS to cease accepting applications for House Agent's Licence</li></ul>
22 October 2010 (Target Date)	<ul style="list-style-type: none"><li>CEA is operational and new regime is implemented</li><li>Existing agents licensed under IRAS will be deemed as licensed by CEA till 31 December 2010</li><li>Existing salespersons have to pass an industry examination or have completed at least 3 property transactions over last 2 years to qualify for transitional arrangement</li><li>Existing agents to submit their list of salespersons who satisfy above conditions to CEA by 22 October 2010</li></ul>
1 November 2010	<ul style="list-style-type: none"><li>CEA starts to accept applications for new licence to operate an estate agent</li><li>Existing agents can apply to CEA for a new licence and registration for their existing salespersons by 30 November 2010</li><li>New CEA examination courses to commence in November 2010</li></ul>
31 December 2010	<ul style="list-style-type: none"><li>Industry examinations to cease</li><li>Existing agents' licences will expire</li></ul>
1 January 2011	<ul style="list-style-type: none"><li>All persons doing estate agency work must be registered as a salespersons before they can practise</li><li>New CEA's examination to commence in January 2011</li></ul>
31 December 2011	<ul style="list-style-type: none"><li>Existing salespersons who have not passed an industry examination must pass the CEA examination by this date</li><li>Those who do not will have to apply as a new salesperson and satisfy the full registration criteria</li></ul>

**ANNEX D****LICENSING AND REGISTRATION FEES**

<b>Size of Agents</b>	<b>Annual Fee</b>
<b><u>Small Agent</u></b>	
Licensing (1 to 10 salespersons)	\$300
Licensing (11 to 30 salespersons)	\$600
Licensing (31 to 50 salespersons)	\$1,000
<b><u>Medium Agent</u></b>	
Licensing (51 to 500 salespersons)	\$2,000
<b><u>Large Agent</u></b>	
Licensing (more than 500 salespersons)	\$3,000
<b>Registration Fee Per Salesperson</b>	\$230

Note: For partnerships and limited partnerships, an additional licensing fee of \$230 will be imposed for each practising partner.