

6 Steps to Engaging a Property Agent



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Information updated as at 9 December 2022

STEP

1

Decide if you need a property agent



If you are familiar with property transactions, you can handle yours on your own. It is not compulsory for you to engage a property agent for property transactions.

However, if you are unsure about the procedures and regulations, engage a registered property agent to help facilitate your transactions.

STEP

2

Ensure your agent is registered with CEA



If you decide to engage an agent, ensure he is registered with the Council for Estate Agencies (CEA) through a licensed property agency.

All registered property agents have a unique CEA registration number e.g. R123456A. It is an offence for any individual to carry out estate agency work without a valid registration.

Check CEA's **Public Register** at www.cea.gov.sg to verify your property agent's registration status before engaging him. You can search for the particulars of a registered property agent or a licensed property agent via the Public Register.

When you meet the agent, ask to see their estate agent card. Do not respond to a flyer, leaflet, or advertisement that does not have the property agent's registration number.

Report any unregistered property agents to CEA at www.cea.gov.sg.



STEP

3

Negotiate your agent's commission before he starts work

Commission rates are not fixed; there is no minimum nor maximum percentage, nor "standard market rate". Also, CEA does not fix or provide any guidelines on commission amounts.

You are free to **negotiate the amount** and components of fees and expenses, as well as terms with the agent **before he starts work**. Check if GST is included too. Only GST-registered property agencies are allowed to charge and collect GST.

Do note that you should **pay the commission to the property agency**, not the agent, after the transaction is completed. Also, your property agent cannot collect commission or fees from more than one party in a transaction.

STEP

4

Sign two important documents with the property agency



There are two important documents for you to know about:

i) CEA's prescribed estate agency agreements

An estate agency agreement is a binding contract between you and the property agency to protect the interests of both parties. The agreement should stipulate the agent's duties, agreed commission rate, and a declaration of any conflict of interest by the agent.

You can choose to use either an exclusive or non-exclusive agreement. You can ask your agent to explain the two types of agreements and their terms to you. In an exclusive agreement, you will appoint one property agency during the validity period of the agreement. In a non-exclusive agreement, you can appoint property agents from different property agencies to assist you.

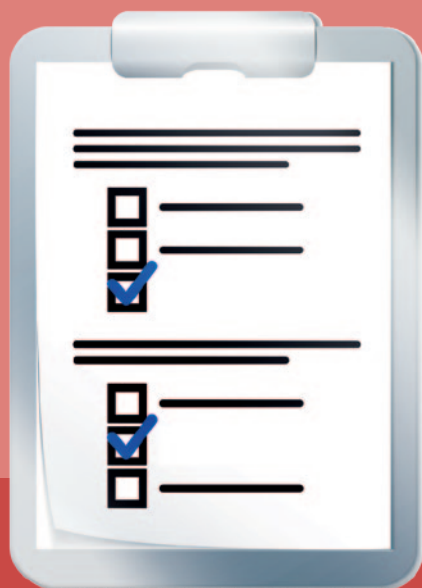
On our website, CEA has a set of prescribed estate agency agreements for you to use for the sale, purchase, and lease of residential properties in Singapore.

We encourage you to use the agreements to safeguard your interests. Your agent should also discuss and go through the terms of the agreement that you decide to use with you. Read through and understand the agreement before signing it. Your agent should give you a copy of the signed agreement.

ii) Customer's Particulars Form

Once you have decided to engage a property agent, you must fill in a compulsory Customer's Particulars Form. This form is one of the measures agents must take to prevent money laundering and counter terrorism financing in Singapore.

The agent will provide you with the form. It must be signed and handed to your property agent.



STEP

5 Understand your agent's responsibilities

Your agent should **only represent you** in a property transaction, i.e. he cannot be appointed by both seller/landlord and buyer/tenant for the same transaction.

He should always be professional, knowledgeable, and act in your best interest. He should seek your prior consent before advertising your property, and declare to you any conflicts of interest and related income/referral fees.

Your agent should represent you in negotiations, update you on all offers and proposals, and explain to you all relevant documents.

STEP

6

Handle your own money



It is best for you to handle the money related to your property transaction yourself. Your property agent can only handle certain money related to your property transaction, namely:

FOR SALE AND PURCHASE OF ALL PROPERTIES IN SINGAPORE



Valuation fees



Commission

FOR LEASE OF PRIVATE PROPERTY



Valuation fees



Commission



Rental deposits



Monthly rental



Stamp duty fees

FOR LEASE OF HDB PROPERTY



Commission



Stamp duty fees

Pay the payee directly using verifiable payment modes such as crossed cheques and bank transfers.

If you are paying cash, ask for a receipt from the recipient.



About the Council for Estate Agencies (CEA)

We are a statutory board established in 2010 under the Ministry of National Development to regulate and promote the development of a professional and trusted real estate agency industry.

Our key responsibilities are to license property agencies and register property agents, promote the integrity and competence of property agencies and property agents, and equip consumers with the necessary knowledge to make informed decisions when engaging property agents in their property transactions.

For more information, visit
www.cea.gov.sg or call us at 1800 643 2555