



**CHARTING
NEW
FRONTIERS
TOGETHER**

ANNUAL REPORT 2018/19

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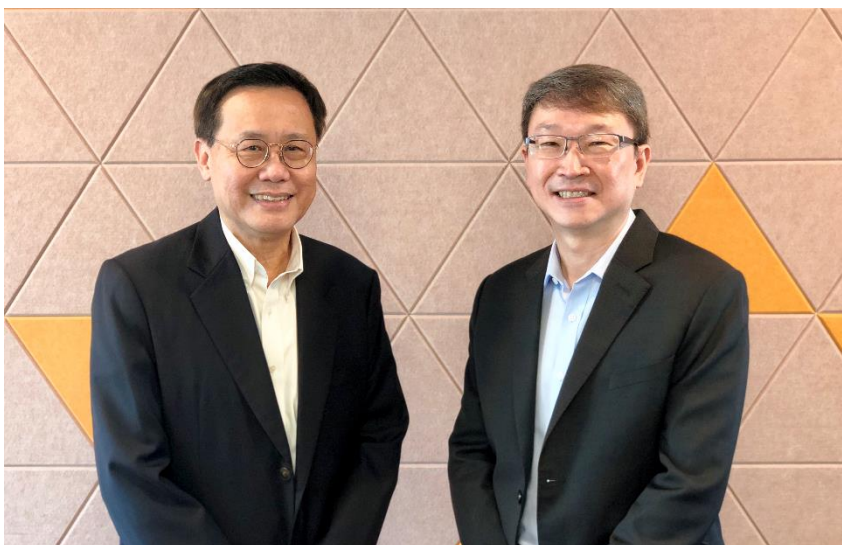
Our Vision

A professional and trusted real estate agency industry.

Our Mission

To raise the professionalism of the real estate agency industry and safeguard consumer interest.

Joint Message



CEA Council President Mr Quek See Tiat (left) and CEA Executive Director Mr Lim Chee Hwee.

The year in review was another fulfilling one for the Council for Estate Agencies (CEA).

Crossing the one-year mark since the launch of the Real Estate Industry Transformation Map (ITM), we have continued to work with our partners to progressively implement key initiatives of the ITM. The aim is to increase the productivity of property agents, raise their competencies and inspire consumers' confidence in engaging agents.

Harnessing technology and setting standards

The Digitalised Property Transactions Workgroup, chaired by CEA and comprising industry stakeholders and government agencies which are involved in or support property transactions, rolled out several Real Estate ITM recommendations during the year.

It worked with several government agencies to make property-related government data more easily available through Application Programming Interfaces (APIs). This helps property agencies automate administrative processes in property transactions, freeing agents from routine, time-consuming checks. Agents can in turn devote more time and focus on providing value-added services to their clients.

To reduce potential disputes over rental contracts, the Workgroup developed contract templates for the rental of residential properties which serve as a common standard that is fair to the tenant and landlord in the lease contract. Agents using these templates benefit from spending less time negotiating contractual terms and conditions.

The Workgroup will continue its efforts to put in place enablers to streamline and digitalise the property transaction process so that the industry can eventually move towards electronic contracts, payments and documentation.

CEA's role in upholding ethical standards goes hand-in-hand with our ongoing efforts to raise the professionalism of industry practitioners and help them improve their services to consumers.

Building consumer confidence

Since the beginning of 2019, as one of the Real Estate ITM initiatives, we have availed the records of property agents' resale Housing & Development Board (HDB) flat transactions in our Public Register.

With greater transparency, agents can now market their experience by showing their verified records to prospective clients. Consumers can also use the information to find agents whose experience best meets their needs, and give them confidence and trust in engaging agents.

Upholding standards

CEA's role in upholding ethical standards goes hand-in-hand with our ongoing efforts to raise the professionalism of industry practitioners and help them improve their services to consumers.

We are exploring ways to help industry practitioners better appreciate and comply with their regulatory obligations. To this end, we set up a Professional Practice Manual Workgroup comprising industry stakeholders to work with CEA to consolidate professional guidelines and practice circulars into a single manual as a one-stop reference for industry practitioners.

The inaugural CEA Estate Agency Industry Conference marked a significant highlight in CEA's continuing engagement efforts with the estate agency industry to discuss how to uplift the professionalism and client-centricity of the industry through the adoption of technology and business innovations.

First conference for Key Executive Officers and team leaders

In March 2019, we organised the inaugural CEA Estate Agency Industry Conference which was attended by some 600 agency Key Executive Officers and their team leaders, as well as our partners.

Mr Zaqy Mohamad, Minister of State, Ministry of National Development and Ministry of Manpower was the Guest-of-Honour at the conference. He outlined a vision for a fully digitalised property transaction process in the future that would benefit both agents and consumers, and encouraged the industry to work together with the Government to realise this vision.

The event marked a significant highlight in CEA's continuing engagement efforts with the estate agency industry to discuss how to uplift the professionalism and client-centricity of the industry through the adoption of technology and business innovations.

Empowering agents with new competencies for the digital age

Over the past year, CEA has been gathering input and feedback from the industry on how its Continuing Professional Development (CPD) framework could be redesigned and expanded to include new areas for training, and to equip agents with the knowledge and skillsets for the digital age.

Under the new CPD framework from 1 October 2019, agents will be required to not only attend courses to sharpen their professional competencies and knowledge in estate agency work, but also courses which develop and enhance their generic competencies such as digital literacy, leadership, communication and creative thinking skills. Such CPD courses will contribute towards the agents' overall personal development and help improve their services to consumers.

During the year, we continued to adopt a multi-channel approach to equip consumers with better knowledge on how they can liaise more effectively with their agents, and to enhance their awareness of the responsibilities of both agents and consumers.

Consumers' satisfaction with property agents remains high

We are pleased to share that in our 2018 Public Perception Survey, a high 85 per cent of respondents were satisfied with the services of property agents.

Another notable observation was that consumers whose agents used three or more digital tools during their property transactions were significantly more likely to be satisfied with the services provided by their agents. This augurs well for the industry as it showed that the agents are responding to changing consumers' expectations and needs.

To ride the transformative digital wave, property agencies are equipping their agents to embrace and harness technological innovations through in-house skills training programmes. Many agents have shared that being digitally-savvy is fast becoming a necessity for success in today's environment. Many have already taken the initiative to embark on their digital skills learning journeys, and have made technology adoption part and parcel of their daily work and interaction with clients.

Extending our reach

Our consumer outreach programme complements our regulatory approach and industry development efforts to improve property transaction experiences for consumers who have engaged agents.

During the year, we continued to adopt a multi-channel approach to equip consumers with better knowledge on how they can liaise more effectively with their agents, and to enhance their awareness of the responsibilities of both agents and consumers. This will enable consumers to be more proactive in the property transaction process, and make better decisions for themselves through a positive working relationship with their agents.

A note of appreciation

As we reflect on our achievements in the past year, we would like to express our gratitude to Mr Lee Kwong Weng who led CEA as its Executive Director over the past four years, and had retired after 37 illustrious years in the Public Service. Kwong Weng's collaborative approach was fundamental in strengthening trust and collaboration between the industry and CEA.

We also extend our appreciation to our former Council and CEA committee members who stepped down last year for their invaluable guidance and service. At the same time, we warmly welcome our new Council and committee members to the CEA family and look forward to their contributions.

Looking ahead

CEA will be celebrating our 10th anniversary in 2020. This milestone carries with it a sense of anticipation and optimism.

Our operating environment has changed markedly since the time of our establishment in 2010. It is now more complex and presents more challenges. We can rise to meet the challenges by remaining true to our fundamental purpose and what we were first set up for.

With this clear focus, CEA will continue to strive towards inspiring confidence and trust amongst our partners as a responsive regulator, an enabler of higher standards of industry professionalism, and a catalyst of more positive property transaction experiences for all.

We look forward to your continued support as we chart new frontiers for the real estate agency industry together in our next decade and beyond.



Quek See Tiat
President



Lim Chee Hwee
Executive Director

Council Members

As at 31 August 2019

President

Quek See Tiat

Members

Mike Chan Hein Wah

Deputy Chief Executive
Officer (Estate)
Housing & Development
Board

Loy York Jiun

Executive Director
Consumers Association of
Singapore

Mohamed Abdul Akbar

Bin Mohamed Abdul Kader
Managing Director
Nan Guan Construction Pte
Ltd

Ng Boon Yew

Executive Chairman
Raffles Campus Group

Mrs Deborah Ong

Partner (Singapore)
International Team
Leader (Global Assurance
Quality-Inspections
Group)
PricewaterhouseCoopers
LLP

Sin Lye Chong

Group Director, Land
Sales & Administration
Group
Urban Redevelopment
Authority

Michael Tan

Executive Director &
Key Executive Officer
OrangeTee & Tie Pte Ltd

Ms Tan Pei Shan

Director, Energy Division
Ministry of Trade and Industry

Dr Tan Tee Khoon

Country Manager
PropertyGuru Group

Lim Chee Hwee

Executive Director
Council for Estate Agencies

CEA Committees

As at 31 August 2019

Audit Committee

Chairperson

Mrs Deborah Ong

Partner (Singapore)

International Team Leader (Global Assurance Quality-Inspections Group)

PricewaterhouseCoopers LLP

Members

Mike Chan Hein Wah

Deputy Chief Executive Officer (Estate)

Housing & Development Board

Mohamed Abdul Akbar

Bin Mohamed Abdul Kader

Managing Director

Nan Guan Construction Pte Ltd

Human Resource & Finance Committee

Chairperson

Quek See Tiat

President

Council for Estate Agencies

Members

Lim Chee Hwee

Executive Director

Council for Estate Agencies

Sin Lye Chong

Group Director, Land Sales &

Administration Group

Urban Redevelopment Authority

Select Committee

Chairperson

Quek See Tiat

President

Council for Estate Agencies

Members

Lim Chee Hwee

Executive Director

Council for Estate Agencies

Ng Boon Yew

Executive Chairman

Raffles Campus Group

Ms Tan Pei Shan

Director, Energy Division

Ministry of Trade and Industry

Members

Loy York Jiu

Executive Director

Consumers Association of

Singapore

Mrs Deborah Ong

Partner (Singapore)

International Team Leader (Global

Assurance Quality-Inspections Group)

PricewaterhouseCoopers LLP

CEA Committees

As at 31 August 2019

Disciplinary Panel

Head

Dr Tan Tee Khoon

Country Manager
PropertyGuru Group

Members

Michael S Chia

Managing Director
MSC Law Corporation

Assoc Prof Chin Tet Yung

Faculty of Law
National University of
Singapore

Ms Eunice Chua

Chief Executive Officer
Financial Industry Disputes
Resolution Centre Ltd

Felix Chua

Key Executive Officer
Cyberhomes Estate Agencies
Pte Ltd

Ms Yashodhara Dhoraisingam

Advocate & Solicitor

Goh Heng Hoon

Key Executive Officer
Ashburton Realty

Goh Peng Thong

Director
AWP Pte Ltd

A.P.M. Ferlin Jayatissa

Associate Professor, Law
Programmes
School of Law
Singapore University of
Social Sciences and
Head of Litigation & Consultant
Lexcompass LLC

Peter Koh Hock Guan

Key Executive Officer
Gateway Property Consultants
Pte Ltd

Er Ling Shiang Yun

Partner
Tham & Wong LLP

Lok Vi Ming, SC

Managing Director
LVM Law Chambers

Ms Monica Neo

Partner
Chan Neo LLP

B Rengarajoo, PBS

Principal
B Rengarajoo & Associates
Advocates & Solicitors

Tan Hee Jeok

Partner
Tan See Swan & Co

Ms Tan Pei Shan

Director, Energy Division
Ministry of Trade and Industry

Thomas Tan Thiam Hee

President
Singapore Estate Agents
Association and
Key Executive Officer
RE Training & Consultancy
Pte Ltd

Er Tan Yen Kee

Engineer
CSE Consultants

Prof Teo Keang Sood

Faculty of Law
National University of
Singapore

Dennis Yeo Huang Kiat

Chief Executive
Singapore & South-East Asia
Cushman & Wakefield

CEA Committees

As at 31 August 2019

Professional Development Committee

Chairperson

Ng Boon Yew

Executive Chairman
Raffles Campus Group

Deputy Chairperson

Michael Tan

Executive Director & Key Executive Officer
OrangeTee & Tie Pte Ltd

Members

Ms Chua Lei Kwan Lina Mary

Partner
Rajah and Tann Singapore LLP

Ms Lee Mei Ling

Executive Vice-President & Head, Property
Development
City Developments Limited

Eugene Lim

Key Executive Officer
ERA Realty Network Pte Ltd

Er Lim Peng Hong

Managing Director
PH Consulting Pte Ltd

Mrs Ong Choon Fah

Chief Executive Officer
Edmund Tie & Company (SEA) Pte Ltd

Mrs Pang-Eng Peck Hong

Director (School of Design and Environment)
Ngee Ann Polytechnic

Dr Sky Seah Kiat Ying

Deputy Head (Academic)
National University of Singapore

Tan Hong Boon

Regional Director
Capital Markets, Singapore
Jones Lang LaSalle Property Consultants
Pte Ltd

Prof Tang Hang Wu

Law Professor and Director
Centre for Cross Border
Commercial Law in Asia
School of Law
Singapore Management University

Ms Edith Tay

Executive Director &
Key Executive Officer
PropertyBank Pte Ltd

Who We Are

The Council for Estate Agencies (CEA) was established as a statutory board under the Ministry of National Development on 22 October 2010 to regulate and develop the real estate agency industry.

In pursuit of its mission to raise the professionalism of the real estate agency industry and safeguard consumer interest, CEA focuses on three strategic thrusts: effective regulation, industry development and consumer education.

For effective regulation of the industry, CEA administers the licensing of property agencies and registration of property agents, and regulates the practice of property agencies and agents in property transactions. It also conducts industry compliance checks and investigations, as well as disciplinary proceedings in respect of offences and unsatisfactory conduct or misconduct by property agencies and agents.

CEA works closely with the industry to raise its professionalism, expand its capabilities, and promote business excellence. It administers the mandatory examinations for property agencies and agents, and the Continuing Professional Development framework, as well as appoints course providers.

It identifies opportunities and fosters collaborations with strategic partners in industry development programmes to achieve business productivity.

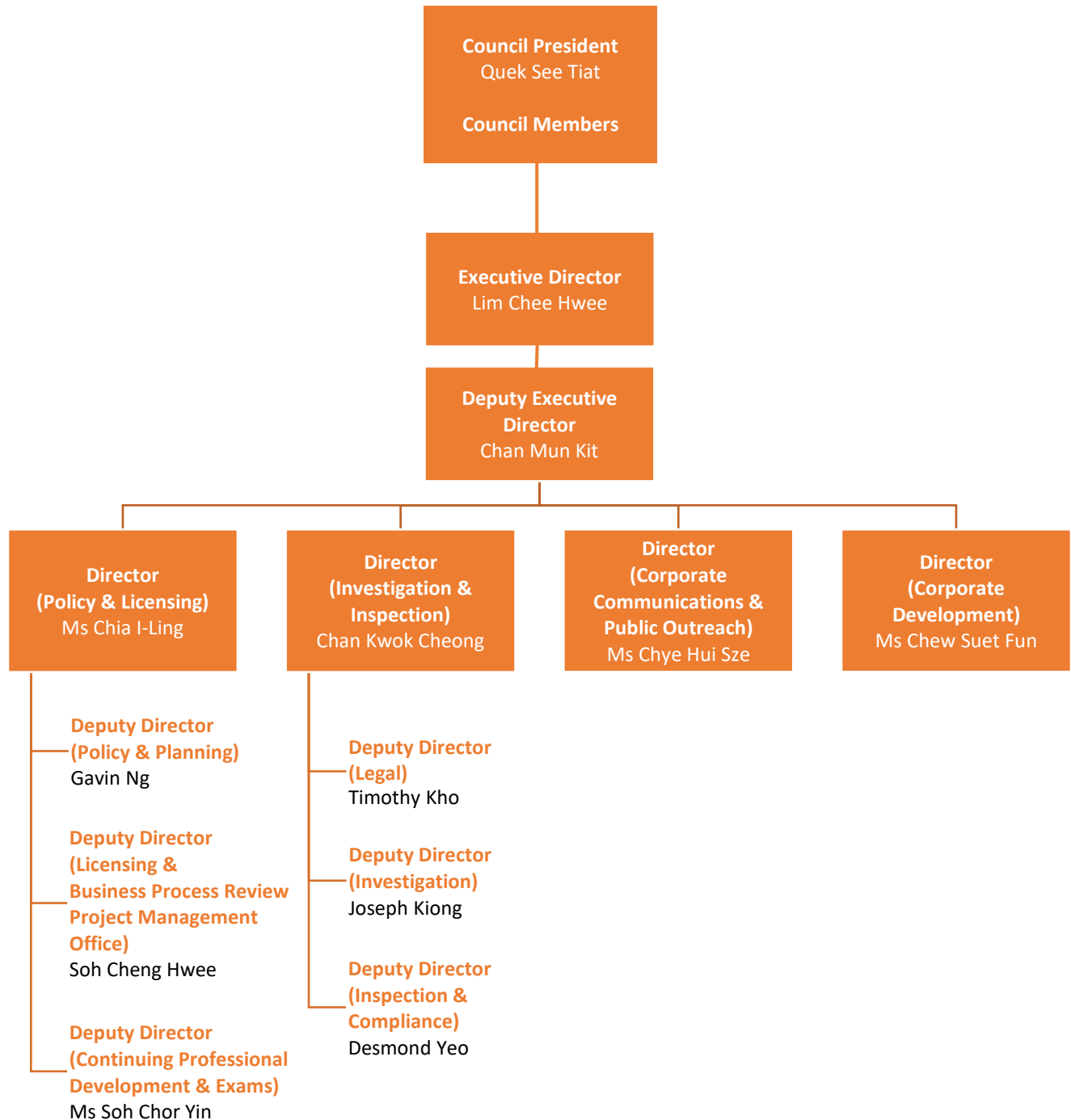
To protect the interests of consumers, CEA plans and implements public education programmes to equip consumers with the necessary information to make informed decisions in property transactions involving the services of property agents. It facilitates access to consumer resources and provides various channels for complaints and dispute resolution.

CEA is governed by a Council that comprises professionals from sectors related to the real estate agency industry, as well as representatives from relevant government agencies.

The Council advises and provides strategic guidance to the management of CEA to meet its objectives. The Council is assisted by five Committees – Audit Committee, Human Resource & Finance Committee, Select Committee, Disciplinary Committee, and Professional Development Committee.

Organisation Structure

As at 31 August 2019



Raising professionalism, catalysing transformation



The business environment for property agencies and agents today is markedly different from that when the Council for Estate Agencies (CEA) was first established in 2010.

Together with the Ministry of National Development (MND), we continued to work closely with the real estate agency industry to implement several initiatives under the Real Estate Industry Transformation Map (ITM) since it was launched in February 2018.

The objective of the Real Estate ITM for the property transaction services sub-sector is to have seamless, efficient and secure property transactions delivered by a professional, productive and technology-enabled workforce.

The Real Estate ITM initiatives are aimed at enabling property agencies and agents to enhance their productivity, raise their professionalism and enhance their service delivery, with the ultimate goal to build stronger agent-client relationships.

CEA chairs the Digitalised Property Transactions Workgroup comprising stakeholders from various industries and government agencies which are involved in or support property transactions.

The Workgroup aims to streamline and facilitate the digitalisation of the property transaction process, enabling the industry to move towards electronic contracts, payments and document submissions. We delivered several key Real Estate ITM initiatives in 2018/19.

Tenancy agreement templates to balance interests of tenants and landlords

To help reduce disputes over tenancy contracts, the Workgroup developed standard tenancy agreement templates for the lease of HDB flats and private residential properties.

The Workgroup drafted the templates with input from regulatory agencies, the Consumers Association of Singapore, as well as industry associations and practitioners who are experienced in the residential rental transaction process.

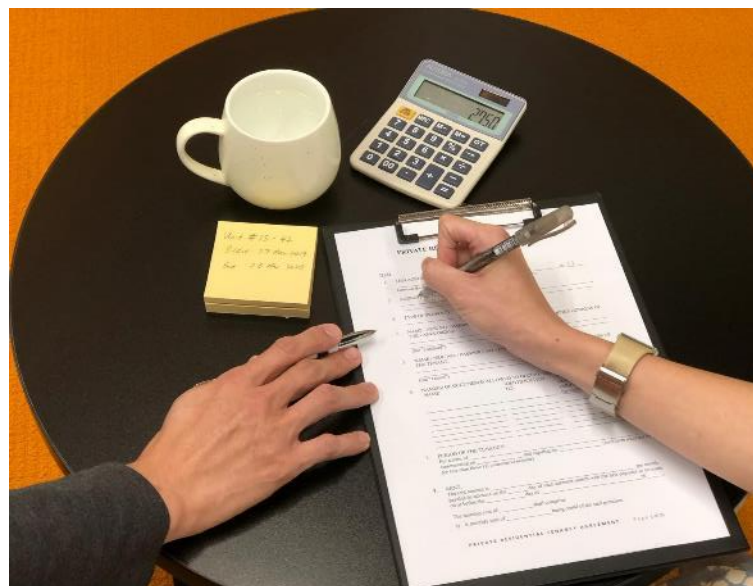
The templates provide a common standard that is fair to tenants and landlords, and seek to protect and balance the interests of both parties with applicable clauses which govern the rights and obligations of parties to the contract.

They contain clauses relating to the main aspects of a tenancy for parties to negotiate, and offer flexibility by allowing additional clauses to be included. There is also a checklist of action items which tenants and landlords can refer to at the end of the tenancy.

The Workgroup is currently working on developing standard contract templates for the resale of private residential properties.

More efficient due diligence checks

The Workgroup has been working with several government agencies to make available Application Programming Interfaces (APIs) on property-related government data. This will enable the automation of time-consuming administrative tasks such as due diligence

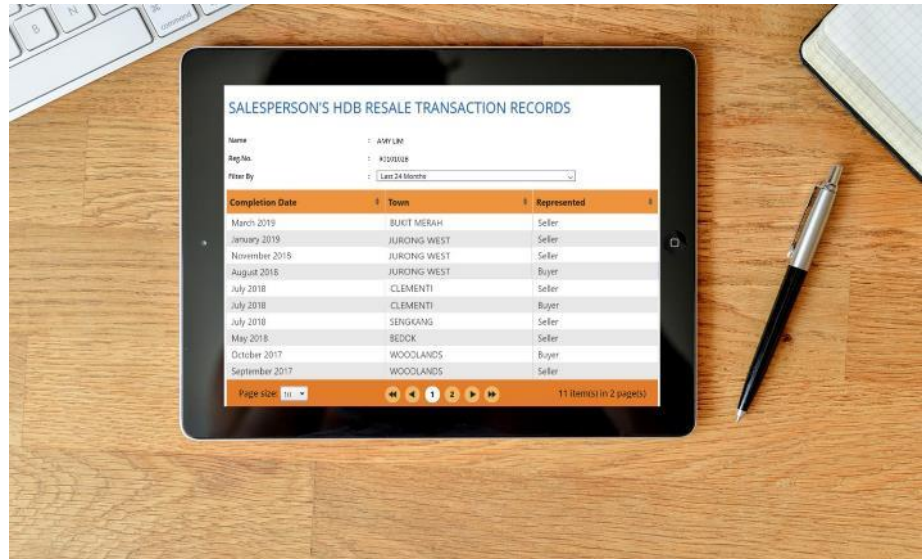


checks, freeing up time for property agents to focus on providing value-added services to consumers.

Some government agencies have made available APIs to access or submit data related to residential rental transactions.

These included: Inland Revenue Authority of Singapore (IRAS) APIs for stamp duty-related activities; Urban Redevelopment Authority (URA) API on property approved for residential purpose; Housing & Development Board (HDB) APIs on eligibility to rent and non-citizen quota for HDB flats; and the Ministry of Manpower (MOM) API on foreign tenant work pass validity checks.

Companies which are keen to digitalise the property rental transaction process can tap on these APIs to automate due diligence checks against government data. The Workgroup is working on the release of APIs for access to data for sale and purchase transactions for residential properties.



Navigating rental transactions made easier

The Workgroup has also mapped out the typical rental transaction process for HDB flats and private residential properties. This includes the checks to be conducted by landlords, tenants and property agents at various stages of the transaction, and where these checks can be conducted online at various government agency websites.

With this, both tenants and landlords will have a better understanding of the residential rental transaction process and the checks that they will need to do to protect their interests.

At the same time, property agents can use the information to ensure that the steps and checks involved are followed through as they facilitate rental transactions for their clients.

The Workgroup is separately working with the Infocomm Media Development Authority to facilitate the development of more digital business processes in property transactions, including the recognition of e-signatures for property contracts.

Increasing transparency, building confidence

Another initiative under the Real Estate ITM is the Property Agents' Transaction Records Initiative (TRI) whereby the records of residential transactions facilitated by property agents in Singapore are published in the CEA Public Register.

The aim is to make property agents' information more transparent to consumers to assist them in their selection of a property agent to help them buy, sell or rent a residential property.

Property agents will be able to showcase their experience by providing verified records of their residential transactions. This in turn will help them build consumers' confidence in engaging their services.

CEA consulted industry stakeholders including the industry associations, Key Executive Officers (KEO) of property agencies, agents and consumers in developing the initiative, before deciding on the information to be displayed, taking into consideration the feedback received from these key stakeholders.



For the first phase of the TRI that was launched in January 2019, the following information of HDB resale transactions closed by agents are shown on their profiles in the CEA Public Register:

- Transaction completion date.
- General location of the property.
- Party (i.e. buyer or seller) which the agent represented in the transaction.

For the second phase of the TRI, CEA plans to make available property agents' records of lease of HDB flat transactions as well as private residential sale/purchase and lease transactions.

Sharpening skillsets and competencies

The objective of the mandatory Continuing Professional Development (CPD) framework is to ensure that property agents have the skillsets and critical competencies to carry out their duties effectively.

Every property agent is required to undertake a minimum number of learning activities each year to obtain CPD credits. Fulfilling a minimum number of credits is a condition for the renewal of their registration with CEA.

CEA completed its review of the CPD framework to help agents better equip themselves with the necessary knowledge and skillsets to thrive in the new digital environment.

The review included a more structured approach to guide agents in achieving deeper technical knowledge and skillsets to perform duties in different segments of the property market.

Under the new framework from 1 October 2019, property agents will be required to fulfil six credits per annual CPD cycle. To promote the breadth and depth of learning for agents, four of these credits must be from courses related to professional competencies and two credits must be from courses on generic competencies.

Courses related to professional competencies offer agents opportunities to develop and deepen their knowledge in estate agency work. These are grouped into three categories - laws and regulations, property markets and other real estate knowledge.

Courses on generic competencies contribute towards agents' overall personal development and improvement of their "soft skills". These are grouped into 18 categories such as leadership, digital literacy, communication and creative thinking skills.

Preparing for a digital future

In 2018, CEA and NTUC LearningHub launched the SkillsFuture for Digital

Workplace programme tailored for real estate professionals.

The course has been designed to include elements that are directly related to property agents' day-to-day work. It covers current and emerging technology and trends in the real estate industry, and gives a flavour of some relevant digital tools to help real estate agents to be more productive and efficient. More than 500 agents have attended the programme to date.

At the company level, CEA will continue to facilitate property agencies to transform their business models and processes by tapping on government funding initiatives such as the Productivity Solutions Grant (PSG) and the Enterprise Development Grant (EDG).

The PSG supports companies keen on adopting IT solutions and equipment to enhance business processes while the EDG supports businesses as they undertake deeper transformation in business upgrading, innovation and internationalisation. Both grants are administered by Enterprise Singapore.

Strengthening capabilities

Aligned with the Real Estate ITM's vision to strengthen capabilities, CEA worked with SkillsFuture Singapore to launch the SkillsFuture Study Award for the Estate Agency Industry.

The Award provides a \$5,000 sponsorship that recipients can use to advance their knowledge through an industry-related course, and supports recipients on their journey to acquire deeper skillsets to enhance their competencies and professionalism.

At the CEA Estate Agency Industry Conference on 26 March 2019, Mr Zaqq Mohamad, Minister for State, Ministry of National Development and Ministry of Manpower, presented the SkillsFuture Study Award for the Estate Agency Industry to its first recipient, Ms Mahalakshmi D/O Gopikrishna.

Ms Mahalakshmi, known as Christina to her clients, is currently an assistant manager with Jones Lang LaSalle Property Consultants Pte Ltd and co-heads a team at the firm's property asset management department. She is pursuing her Master of Science in Real Estate at the National University of Singapore.

Number of property agents and agencies		
	As at 1 Jan 2018	As at 1 Jan 2019
Number of property agents	28,571	29,146
Number of property agencies	1,269	1,229

Breakdown of property agencies by size		
Size of property agency	No. of property agencies as at 1 Jan	
	2018	2019
>500 agents	7	7
51-500 agents	18	18
31-50 agents	14	12
11-30 agents	64	57
1-10 agents	1,166	1,135
Total	1,269	1,229



Deepening partnerships

Strengthening our partnership with the industry has always been a key priority and will remain so, especially in the face of a more challenging environment amidst transformation.

We have established channels that enable us to gather ground feedback from industry practitioners, explain our policies and regulations to facilitate better compliance, as well as seek input on future plans and industry improvements.

We held regular dialogues with the industry associations and KEOs from agencies of different sizes. We covered ground issues such as challenges in adhering to regulatory requirements and gathered feedback on our practice guidelines and Real Estate ITM initiatives.

We also met with individual agents and CPD trainers through informal lunches and focus group sessions on the revised CPD framework and other practice-related matters.

The agents and trainers offered constructive suggestions on how CEA and the industry could work together to further raise the professionalism of agents.

In addition, we held meetings with the key management staff and trainers of our Approved Course Providers to gather feedback on the Real Estate Salesperson and Real Estate Agent courses and examinations.

Transforming the industry together

Some 600 real estate agency practitioners attended the inaugural CEA Estate Agency Industry Conference on 26 March 2019 to discuss and explore how the industry, with support from the Government, can remain productive and resilient in a changing environment.

Participants included stakeholders from the industry associations, KEOs and team leaders of property agencies, academics and course providers.



Image: MND



The conference marked a key milestone in CEA’s continuing engagement efforts with the real estate agency industry.

Themed “Charting new frontiers: Keeping the estate agency industry relevant”, presentations and discussions at the conference focused on how property agencies and agents can continue to succeed in the future through the adoption of technology, creation of innovative and practical solutions and the development of the necessary skillsets.

Mr Zaqqy Mohamad, Minister for State, Ministry of National Development and Ministry of Manpower, was the Guest-of-Honour at the conference. He shared updates on the progress of the Real Estate ITM initiatives and provided guidance on the next steps forward for the industry to realise the Real Estate ITM’s vision.

Mr Thomas Tan, President of the Singapore Estate Agents Association (SEAA), delivered a presentation on behalf of the estate agency industry associations on what agents need to do to stay relevant in the changing

business environment. He also touched on how the industry, working together with CEA and with support other government agencies, can transform the real estate agency industry for the future.

During the conference, CEA shared with the participants the new CPD framework (starting from 1 October 2019), while NCS Pte Ltd presented on a possible future state of fully digitalised property transaction processes that would benefit both industry practitioners and consumers.

As a wrap-up to the event, participants put forth their questions and views to a panel comprising representatives from CEA and the four estate agency industry associations – the Institute of Estate Agents, KEO Connect, SEAA and the Singapore Institute of Surveyors and Valuers.

Topics discussed ranged from ground issues faced by the property agents to how the industry can successfully navigate the digital environment and strengthen partnerships within and beyond the industry.

Focusing on responsive regulation, upholding professional standards



CEA is constantly striving to be an effective regulator of the real estate agency industry.

For many people, buying a property could be their largest investment and financial commitment. Hence, it is important that property agencies and agents conduct their work professionally and with integrity, and above all, in the best interests of their clients.

CEA continues to ensure the relevance of our regulations and guidelines to address the evolving real estate operating landscape and industry practices.

To this end, we work closely with industry practitioners on reviewing regulations governing their duties, business activities and conduct.

Updates on new practices and processes

CEA revised the annual licence fees for property agencies with effect from 1 January 2019. The fee revision took into consideration the need for a more equitable approach to better differentiate fees according to the size of agencies.

In 2018, CEA appointed a new examination administrator, SEAMEO Regional Language Centre. We held the Real Estate Salesperson examination at Singapore EXPO for the first time in February 2019. This enabled us to consolidate the past numerous examination sites into a single venue, offering an improved experience for candidates.

Following the implementation of the paperless application process for the property agent registration in early 2018, we removed the requirement for property agencies to submit a copy of their ACRA business profile for licence renewal from October 2018 onwards.

We also moved towards online submissions of licence applications during the year. This translates into time and cost savings for property agencies.

CEA will continue to take a balanced regulatory approach. Moving ahead, we will look at ways to reduce the regulatory burden on the industry without compromising consumers' interest.

Key regulatory reviews and updates

Consolidating guidelines and promoting accountability

CEA formed a Professional Practice Manual Workgroup comprising industry stakeholders to consolidate all guidelines and circulars in a single manual.

Work on the manual is ongoing and the aim is for it to become a one-stop reference for industry practitioners on guidelines they must abide by in carrying out estate agency work.

The Workgroup is also studying ways to promote greater accountability of team leaders for their team members' work within property agencies, as CEA found that a significant number of complaints could have been averted had there been effective supervision.

The aim is to enhance supervisory practices through a new framework for property agencies so that property agents are properly guided when they conduct estate agency work.

Property agencies now manage minor advertisement infringements

CEA issued a revised practice circular that outlined the requirements for all property agencies to investigate minor advertisement infringements by their agents.

Since June 2013, CEA has allowed the larger property agencies to manage minor advertisement infringements, so that they can play a larger role in managing and supervising their agents.

Over the years, we observed that the larger agencies have been effective in

managing minor advertisement infringements, reducing the number of such complaints by about 70 per cent.

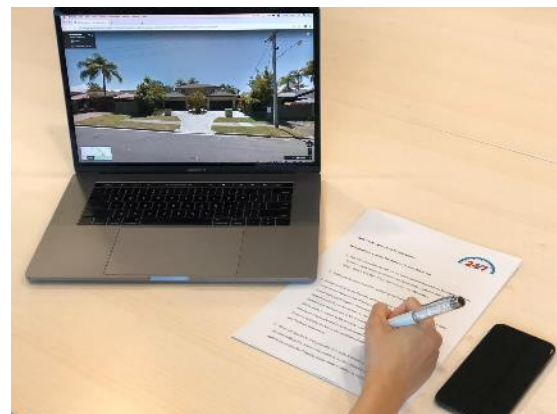
Hence, we decided to expand the management of minor advertisement infringements to involve all property agencies from 1 November 2018.

Agencies are required to complete their investigations, take action against the agents, and submit investigation reports to CEA within four weeks.

CEA will then assess whether the property agency has taken appropriate action against its agent, and if not, CEA will investigate further and take appropriate action against the agent.

In addition, if an agent is found to have received repeated complaints on minor advertisement infringements, CEA will investigate the case instead of referring it to his property agency.

Revised guidelines on marketing of foreign properties



Following a review, CEA revised the practice guidelines that property agencies and agents are required to comply with when marketing foreign properties in Singapore.

By incorporating the learning points from past cases involving the marketing of foreign properties, the aim of the review was to ensure that the guidelines continue to remain relevant and practical.

From 1 December 2018, property agencies are required to conduct checks if there is adverse publicity of the property or its developer. If property agencies assess that there could be some valid basis for the adverse reports, they must inform consumers in writing through a document called the “Important Notice to Purchasers”.

This notice also includes an advisory message to consumers that there are risks involved in purchasing overseas properties, and that consumers should also conduct their own due diligence.

Property agencies are required to obtain a written acknowledgement from buyers that they are aware of the contents of the notice before proceeding with the transaction.

Ensuring compliance with anti-money laundering and countering terrorism financing measures

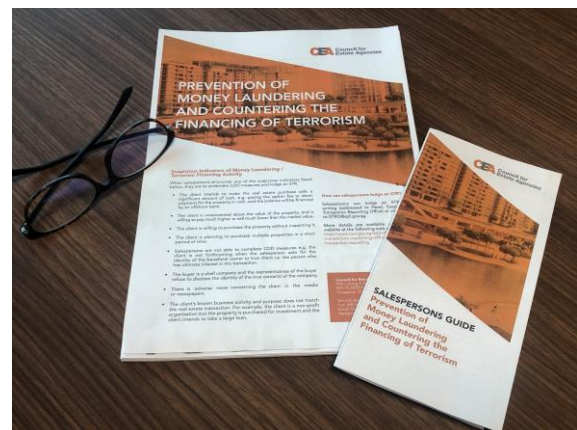
As a member of the Financial Action Task Force (FATF), Singapore has the obligation to implement measures to counter money laundering and terrorism financing.

Being one of the sectors identified by the FATF as an important gatekeeper to counter these threats, the real estate agency industry must therefore abide by these measures.

During our inspections on property agencies to check if they have complied

with measures to combat money laundering and terrorism financing, we noticed several areas such as identification and documentation of risks, and compliance management that the industry could improve on.

To help the agencies understand and meet the compliance requirements, we guided them on the appropriate measures to take, while explaining the reasons for doing so.



Taking firm and fair action

CEA has established a system to look into complaints against property agencies and agents in their conduct of estate agency work.

During the year, we successfully investigated and took action against errant agents and agencies.

Appropriate sentences and/or penalties in substantiated cases were meted out accordingly.

The following are three noteworthy cases that were concluded in 2018.

Conducting unregistered estate agency work

Former property agent Raymond Chng Leimeng was charged in court for holding himself out to the public as being a

property agent without being registered with CEA after his services were terminated by his former property agency.

Chng faced multiple charges for being involved in closing a lease transaction and posting online advertisements for the sale of HDB and private properties.

The Court sentenced Chng to a total fine of \$71,500 (in default 25 weeks' imprisonment) for eight proceeded charges of holding himself out to the public as being a registered property agent. The Court also took into consideration 26 other similar charges.

Failing to conduct due diligence

A property agent misled her tenant-client into thinking that the monthly rent of a property was \$5,000 when she had negotiated and reduced the monthly rent payable for the lease to \$4,500. She did so in an attempt to pocket the difference.

Instead of informing her client about the lower rental, the agent got him to sign a false tenancy agreement that stated the monthly rent as \$5,000, forged her client's signature on the original tenancy agreement that stated a monthly rent of \$4,500, and gave the hard copy of the forged tenancy agreement to the landlord's agent.

During CEA's investigations, the agent was found to have engaged in multiple acts of dishonesty, including forgery on paperwork.

The CEA Disciplinary Committee found the agent liable for breaches of paragraph 6 of CEA's Code of Ethics and Professional Client Care (CEPCC) and imposed on her a financial penalty of \$14,000 and a suspension of six months.



Failure to check identities of prospective tenant and occupants

The CEA Disciplinary Committee imposed a financial penalty of \$10,000 on a property agent for a breach of paragraph 5 of the CEPCC for failing to conduct her work with due diligence, despatch and care.

The agent had facilitated a rental transaction to a group of foreigners whom she understood to be work permit holders.

She was acting for the purported tenant, and was to inspect the original work permits of the tenant and occupants of the leased flat, cross check their work permits and passport details, and conduct verification checks to ensure that the tenant and occupants were not immigration offenders.

However, the agent did not conduct the required verification checks. It was subsequently discovered that none of the individuals who appeared in the photographs of the work permits and the work permit application had actually rented or occupied the flat.

The purported tenant was never identified and turned out to be not the tenant named in the tenancy agreement.

Nature of complaints	Number of complaints as at 31 Dec	
	2017	2018
Advertisement/Flyer	217	262
Service related case <i>(e.g. service-related lapses such as punctuality issues; no-show at appointments; poor communication)</i>	294	390
Not acting in client's interests <i>(e.g. dual representation; failing to declare conflict of interest; failing to convey offer, counter-offer, or expression of interests)</i>	42	39
Not acting ethically and fairly to other persons (other than clients) <i>(e.g. overstating or misrepresenting facts; conveying false information)</i>	43	26
Non-compliance with rules and procedures of property transactions <i>(e.g. conducting estate agency work as an unregistered agent; failing to conduct business with due diligence and care; holding of transaction monies)</i>	209	142
Other breaches <i>(e.g. providing false information to CEA in relation to renewal of licence or registration; bringing discredit or disrepute to the real estate industry; obstructing CEA's investigations)</i>	52	35
Total	857	894

Categories	Investigation outcome	Number of complaints as at 31 Dec	
		2017	2018
Substantiated	Letter of Advice/Warning served	213	223
	Disciplinary action[#]	16	17
	Prosecution[#]	18	5
Unsubstantiated <i>(Refers to cases with insufficient evidence to substantiate claims, assessed to have no wrongdoing on the part of the property agent, baseless/ frivolous complaints)</i>		255	238
Others <i>(Refers to cases with insufficient evidence for investigations, and non-CEA regulated complaints that are referred to other government agencies/organisations or property agencies for resolution)</i>		394	491
Total		896	974

[#] These figures refer to the conclusion of the cases before the Disciplinary Committee or Court.

Promoting awareness, creating positive experiences



Buying or selling a property is a critical decision and major milestone for many individuals in their lifetime.

While one of CEA's key functions is to protect consumers' interests in their property transactions involving property agents, it is equally important for consumers to appreciate that they too have a role to play in achieving a smooth property transaction.

CEA's consumer outreach efforts aim to equip consumers with better knowledge on how they can liaise more effectively with their property agents, and to enhance their awareness of the responsibilities of both property agents and consumers.

This would help minimise potential conflicts and misunderstanding between consumers and property agents.

Ultimately, we want consumers to have a positive experience for their property transactions based on trust with their agents, and to achieve the best outcomes for all parties.

Encouraging personal responsibility

In 2018/19, we continued to emphasise that while property agents are experts in their field, consumers should also be proactive and familiarise themselves with the relevant property rules and transaction procedures.

Our consumer outreach campaign focused on four key messages:

- Check CEA's Public Register to ensure the property agent is registered with CEA.
- Negotiate and agree on the commission with the agent before he starts work.
- An agent should only represent one party in a property transaction.
- Consumers should handle their own money related to the transaction.

Maximising our reach

We mounted a sustained year-long presence online and tapped on various platforms to share our messages with different audiences.

To reach out to property consumers, we placed banner advertisements on online property platforms including PropertyGuru and 99.co.

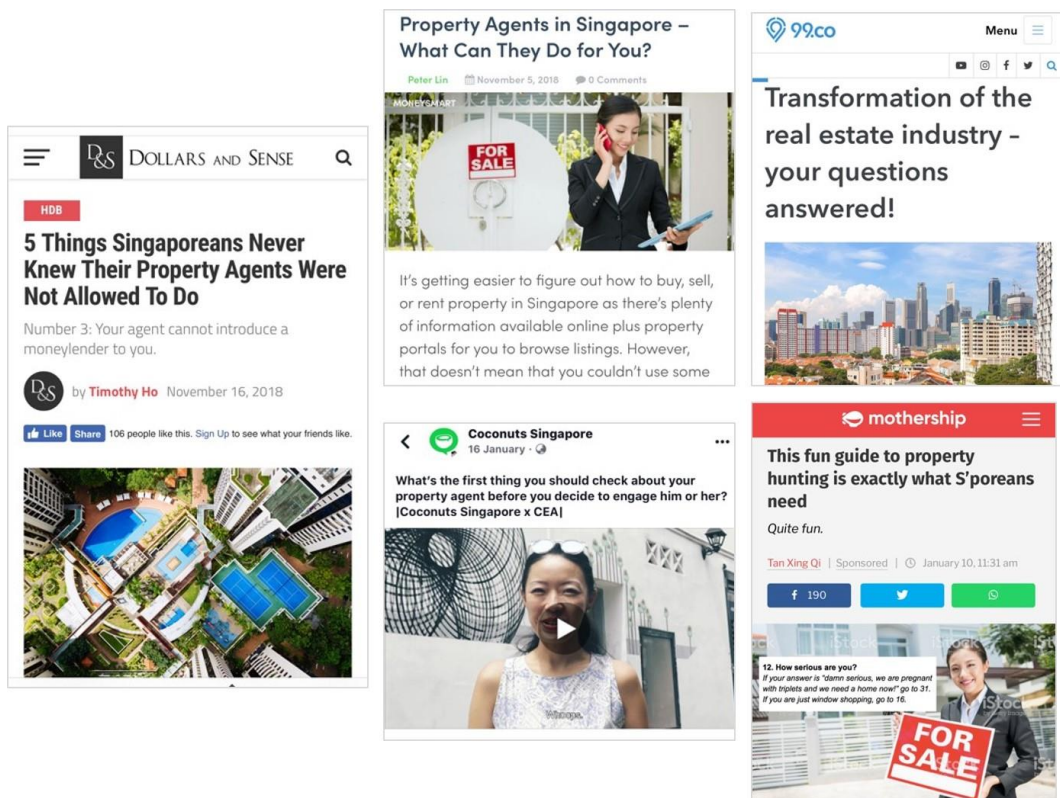
Having explored more touchpoints with good reach to widen our audience base, we placed advertorials and videos with different treatments and styles on various channels.

These include finance and investment portals like MoneySmart and DollarsandSense, as well as lifestyle and news portals such as Coconuts, SGAG and theAsianparent.

To further extend our outreach efforts, we ran online banner advertisements on the Google Display Network and video advertisements on YouTube. These were complemented by CEA's Happy Consumer campaign microsite with our key messages explained in greater detail.

Consumers' awareness of their responsibilities and the roles of agents increased due to our publicity efforts.

Specifically, more consumers were aware that they should check the Public Register and only engage agents registered with CEA; that commissions rates are negotiable and the agreed amounts should be documented before an agent starts work; and that dual representation is not allowed.





Thumbs up for property agents' services

From May to July 2018, CEA conducted our three-yearly Public Perception Survey to gauge consumers' perception towards the services rendered by property agencies and agents.

Of the 1,500 respondents, 85 per cent were satisfied with the services of property agents. The level of consumers' satisfaction with the services offered by property agents continued to remain high, when compared with the findings in the 2012 and 2015 surveys.

A notable finding was that consumers whose agents used three or more digital tools during their property transactions were significantly more likely to be satisfied with the services provided by their agents.

Overall, the higher consumer satisfaction with their property agents' services is an indication that the industry has made steady progress in raising its professionalism and ethical standards, and improving services to its clients.

The findings provide useful insights as CEA continues to support the industry's efforts to better serve its clients.

Specifically, as we roll out the various initiatives under the Real Estate ITM, we will continue to support property agencies and agents in enhancing their knowledge and competencies, and encourage them to leverage technology for innovation, productivity and service quality enhancement.

The survey also revealed higher consumer awareness of 12 key industry practices and regulations related to property transactions involving an agent.

Consumer awareness has increased to an average score of 77 per cent, or nine out of 12 areas, from 73 per cent in 2015 and 72 per cent in 2012.

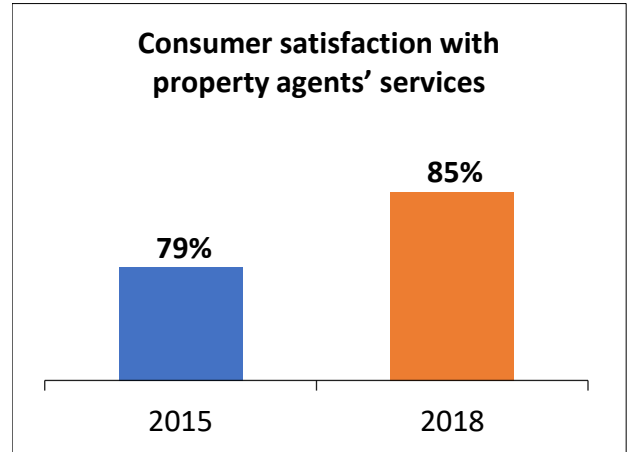
In this regard, the survey findings will also guide CEA as we plan more initiatives to further promote consumer awareness on working effectively with property agents to achieve the best outcomes when they buy, sell or rent properties.

Key findings from the Public Perception Survey on the real estate agency industry

Higher consumer satisfaction

85 per cent of respondents in 2018 were satisfied with the services provided by their property agents. This is an increase from 79 per cent in 2015.

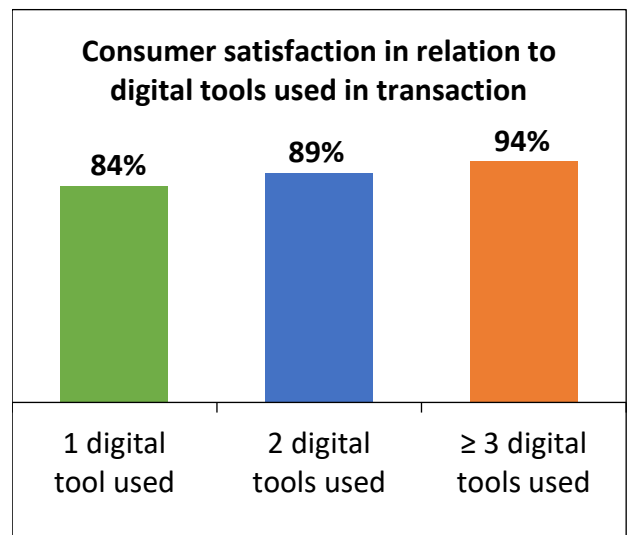
Respondents were most satisfied with their property agents in the area of Service Excellence, followed by Ethics/Conduct, and Knowledge/Expertise. The survey also found that property agents' knowledge remained the most important dimension to consumers.



Greater use of digital tools linked to higher satisfaction levels

Seven in 10 respondents shared that their agents used at least one digital tool while facilitating the transaction. These tools included property apps with pricing calculators, information on property trends and property details, and electronic forms.

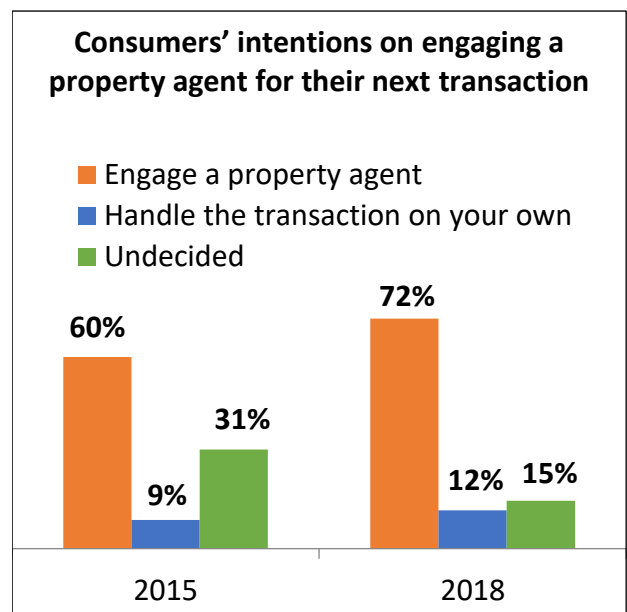
Respondents whose agents used three or more digital tools during their property transaction were significantly more likely to be satisfied with the services provided by their agents

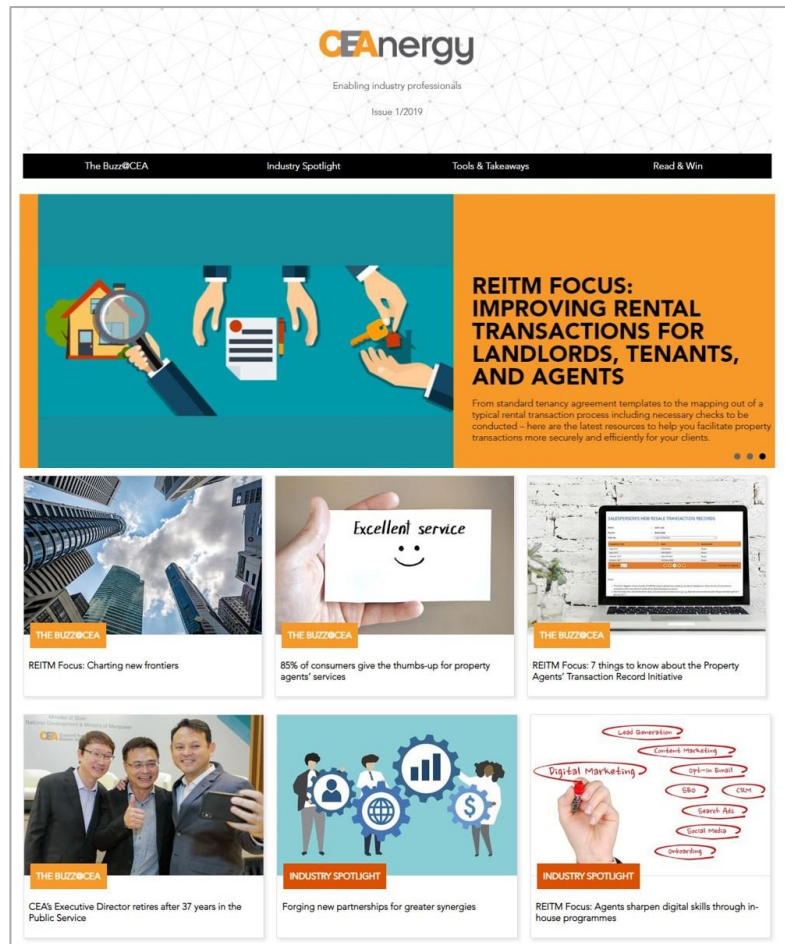


More consumers likely to engage a property agent for their next transaction or handle it on their own

Consumers' intentions with respect to future transactions were strongly related to their satisfaction with the service provided by their property agents. 72 per cent of respondents indicated that they would engage property agents for their future transactions, compared to 60 per cent in 2015.

Our survey also showed that 12 per cent of respondents indicated that they would likely handle property transactions on their own, compared to 9 per cent in 2015.





Tapping synergies

CEA continued to team up with government agencies to reach out to targeted segments of the population, ranging from first-time home buyers and tenants to those looking at investing in another property.

We collaborated with HDB to deliver presentations to consumers looking to sell or buy resale HDB flats, or those intending to rent out HDB flats or rooms. We also spoke at talks organised by the Central Provident Fund Board (CPF Board) aimed at consumers wanting to buy their next home.

During these sessions, we shared on the roles and responsibilities of property agents and consumers in a property transaction, and explained how

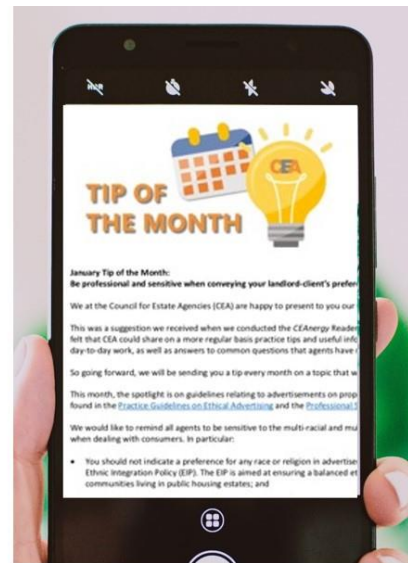
consumers can make the best decisions for themselves while working harmoniously with their agents.

Our partners, including HDB, CPF Board and the Consumers Association of Singapore helped us to share our consumer education articles via their social media channels, enabling us to reach members of the public who may be transacting in properties.

Improving industry communications

Our quarterly industry e-newsletter - *CEAnergy*, has been enhanced after feedback and comments from our readers.

Starting from the first issue of 2019, we introduced more visual elements on the landing page of *CEAnergy* to improve its readability and aesthetic appeal.



CEAnergy adopted a fully industry-oriented editorial approach to feature more perspectives and expert views from industry practitioners and professionals on CEA's initiatives, plus industry trends and developments.

There are now more practical tips on regulatory and compliance matters, plus stories on tools for agents to apply to their daily work.

To broaden agents' knowledge in other property-related matters apart from estate agency work, *CEAnergy* now profiles more news and updates on the work of other government agencies which are relevant for our readers.

Besides *CEAnergy*, we launched a new Tip of the Month e-bulletin for property agents. These tips focus on practice-related content for application, answers to common questions that agents have regarding CEA's regulations and



guidelines, and current happenings beyond the real estate agency industry which have a bearing on agents' services to their clients.

We also initiated a series of electronic direct mailers on the latest initiatives rolled out by the Digitalised Property Transactions Workgroup, which aim to increase agents' productivity while creating more seamless and secure transactions.

In addition, we created a short animated video on the new CPD framework to enable agents to have a quick understanding of the new framework.

Driving organisation excellence, developing a dynamic team



Achieving greater organisation efficiency and effectiveness to better serve our stakeholders has always been a priority for CEA.

We continued to optimise and invest in our IT resources to enable us to respond more nimbly to new business challenges during the year.

By integrating new processes into the Estate Agencies System and enhancing the CPD microsite, we are on track to raising staff productivity and improving our operational efficiency so as to ultimately offer better service and greater convenience to our customers.

At the same time, we endeavour to create an environment where our staff can contribute to their full potential.

Augmenting accountability

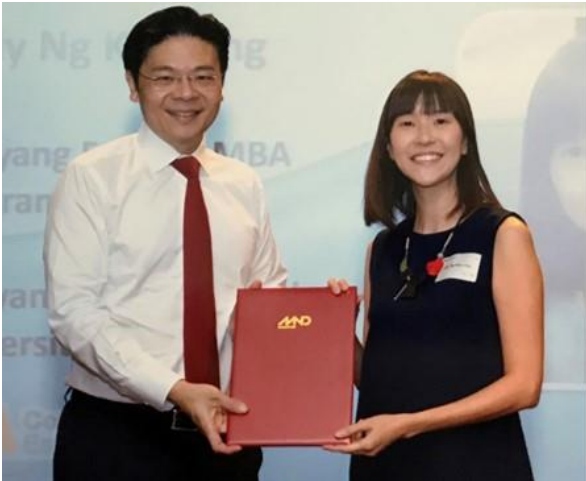
To address the risks and challenges facing CEA in our ever-changing environment, we increased organisation-wide awareness on the

need for good corporate governance and internal controls at all times.

We further enhanced our finance processes in preparation to switch to a new financial system that will be implemented for the recording and reporting of financial transactions in the second half of 2019.

We continued to strengthen our procurement processes through a new requirement specification checklist for quotations and tenders, as well as a mandatory e-learning programme for all our staff. In addition, we performed a self-audit exercise on our payroll and staff claims.

We have put in place a business continuity plan for records management and IT. The plan covers a set of measures for the proper protection and retrieval of CEA's vital records and data from damage and loss, and will enable us to resume critical customer-related business functions in the shortest possible time.



Ms Kelly Ng received the MND EDGE postgraduate scholarship while Mr Cedric Peeris received the Long Service Award in 2018. (Images: MND)

Our people-centred practices

During the year, we worked towards enhancing our staff management and development policies and practices to attract, nurture and retain a workforce of competent and committed individuals.

We standardised our recruitment approach by implementing recruitment tools to attract and recruit individuals whose personal and professional aspirations are aligned with CEA's core values and organisational objectives.

We invested in our staff by giving every officer access to a host of learning opportunities to grow professionally and personally.

These included structured external courses, e-learning courses, in-house training workshops and sharing sessions, as well as attachments at government regulatory agencies.

Excelling as one

Our staff are the pride of our organisation. Collectively, we celebrated our colleagues who kept the CEA flag flying high in the year.

Three colleagues were recognised for their contributions to the nation at the National Day Awards 2018.

- Public Administration Medal (Silver):
Mr Chan Mun Kit, CEA's Deputy Executive Director
- Public Administration Medal (Bronze):
Mr Soh Cheng Hwee, Deputy Director (Licensing) and Deputy Director (Business Process Reengineering)
- Long Service Medal:
Mr Cedric Peeris, Licensing Division

Ms Kelly Ng from the Policy & Planning Division received the MND Executive Development and Growth Exchange (EDGE) postgraduate scholarship in 2018 to pursue a Masters of Business Administration degree at the Nanyang Technological University.

She is the fourth CEA staff to receive this scholarship which seeks to nurture talent within the MND family.



Image: MND

A multi-agency team from MND, CEA and the Building and Construction Authority (BCA) won the Minister for National Development Team Award 2018 for developing the Real Estate ITM.

This Award, conferred annually by MND, recognises significant and innovative team-based projects that have contributed to MND’s vision of transforming Singapore into an endearing home and a distinctive global city.

Creating a winning workplace culture

At CEA, we place a priority on cultivating a positive and supportive organisational culture because we believe that a conducive workplace motivates staff members to give their best.

In between our planning, operational and regulatory duties, we organised several “getaways” from the office to places including a hydroponics vegetable farm, a roti prata kitchen (where we had hands-on experience in flipping prata) and a traditional coffee-roasting factory.

These rejuvenating breaks not only allowed our staff to bond with one another, but also to pick up nuggets of information on interesting aspects of life and culture in Singapore.

Our staff also donned their sporting gear and participated in several invigorating events such as cycling at East Coast Park, bowling and futsal games. These activities injected more fun and created stronger bonds within a close-knit CEA family.



Lending our helping hands

At CEA, we have always believed that we can have a positive social impact on the community, even in our small ways.

In 2018, we partnered TOUCH Home Care for the second time in its Meals-on-Wheels programme to deliver dinner sets to elderly persons in living in the Ang Mo Kio and Toa Payoh neighbourhoods with no caregiver support. Our staff felt thankful that we could make a small difference by bringing warm meals to these seniors.

We are also grateful to KEO Connect and the Singapore Estate Agents Association for inviting us to join them for a heart-warming afternoon of community service at the Sarah Seniors Activity Centre at Jalan Bukit Merah.

Together with volunteers from the two real estate agency industry associations, we packed goody bags filled with daily essentials for the seniors, gave them a lunch treat, and organised a sing-a-long and games session with them.

In addition, we supported the President's Challenge as part of the MND Family by generously donating towards the Heart Bus Charity Drive in 2018.

The funds raised from the Challenge went towards supporting 59 beneficiary organisations.



First row images: KEO Connect and SEAA

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