



March Tip of the Month

What types of monies are salespersons allowed to handle in a property transaction?

To protect the interests of consumers, the Council for Estate Agencies (CEA) has put in place regulations that allow salespersons to handle only certain types of monies in a property transaction.

Monies that salespersons can handle in a property transaction

 	 	 
SALE AND PURCHASE OF ALL PROPERTIES IN SINGAPORE	LEASE OF PRIVATE PROPERTY	LEASE OF HDB PROPERTY
 Valuation fees  Commission	 Valuation fees (if applicable)  Commission  Stamp duty fees [^]  Rental deposits  Monthly rental [*]	 Commission  Stamp duty fees [^]

[^] Salespersons who offer to help their clients pay for stamp duty can do so with their own money first and be reimbursed later. They should not collect the fee from their clients before stamping.

• Salespersons can help landlords collect private property rentals in cash only when they have a written authorisation from, or management contract with, the landlord.

Salespersons may sometimes offer to help their clients make payments with their own money and ask their clients for reimbursement later. This is allowed in the following situations:

Payment type	Type of transaction
Stamp duty	Leasing transactions for private and HDB properties
Home repairs or renovation (only with written authorisation from or management contract with, the landlord)	Transactions for all properties

As part of our ongoing outreach efforts, we have emphasised to consumers that they should take ownership of handling monies related to the property transaction, and not expect their salespersons to take on this responsibility. We have also encouraged consumers to make payments directly to the relevant payees through verifiable means such as crossed cheques and bank transfers, instead of passing these payments through salespersons.

We have explained to consumers that requesting their salespersons to manage certain types of monies (e.g. monthly rental for HDB properties) will put the salespersons in a spot and could also result in their salespersons facing Court prosecution.

[Information accurate as at 16 Mar 2020. This emailer is sent to all salespersons registered with CEA. Visit our [website](#) for past Tips of the Month].

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