

Six Steps to engaging a Property Agent

Planning to buy, sell, or rent a property and thinking of engaging a property agent to help you with the transaction? The Council for Estate Agencies (CEA) shares [six steps](#) you should take when engaging a property agent:

1

Decide if you need a property agent

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

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



2

Check that your agent is registered with the CEA via its Public Register

If you decide to engage a property agent, ensure he is registered with the CEA.

All registered 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 agent's registration status before engaging him. You can also search for the particulars of a licensed property agency via the Public Register.

If you come across any unregistered property agents, you can report them to CEA at www.cea.gov.sg.



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 provide any guidelines on commission amounts.

You are free to negotiate the amount and components of the fees and expenses, as well as the terms with the agent. Be sure to do this before your agent starts work.

You should check whether Goods and Service Tax (GST) is included. GST-registered property agencies are allowed to charge and collect GST.

After the transaction is completed, remember to pay the commission to the property agency, and not the agent himself.



4 Sign two important documents with the property agency

There are two important documents for you to know about:

1. 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 stipulates the agent's duties, the agreed commission rate, and requires the agent to declare if there is any conflict of interest.



Use the agreements that can be found on [CEA's website](#) for the sale, purchase, and lease of residential properties in Singapore. Read through, understand, and sign the agreement before your agent starts work.

2. Customer's Particulars Form

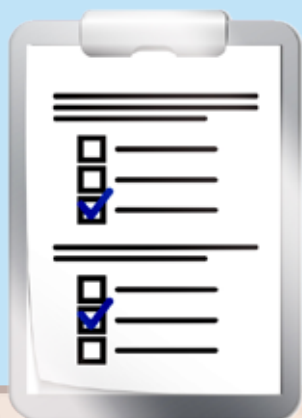
One of the first forms your agent will get you to fill is the [Customer's Particulars form](#). The document is one of the measures property agents must take to prevent money laundering and counter terrorism financing in Singapore. All agents must provide the form to their clients to fill in and sign. This enables agents to verify their clients' identity and record their clients' essential particulars.

You will be required to provide basic information about yourself, and whether you are the legal owner of the property that you intend to purchase or sell. If you are not the legal owner, you will have to state the beneficial owner - the person who has ultimate interest in the property transaction, in the form.

5 Understand your agent's responsibilities

Your agent can **ONLY** represent **YOU** in a property transaction, i.e. he cannot be appointed by both seller and buyer, or both landlord and tenant for the same transaction. He also cannot collect commission from you and a co-broke fee from the other party's property agent in the same transaction.

He should always be professional, knowledgeable, and act in your best interests. Also, he should seek your prior consent before advertising your property, and declare any conflict of interest as well as related income or referral fees.



6 Handle your own money



It is best to handle the money related to your property transaction yourself as it is illegal for your agent to handle certain ones.

For the sale and purchase of all properties in Singapore, your agent can handle valuation fees and commission. For the lease of HDB property and private properties, your agent can handle commission and stamp duty fees, and in the latter, he can also handle rental deposits, monthly rental, ad valuation fees.

In addition, do not pass any cash through your agent to the payee. Always use verifiable payment modes such as crossed cheques and bank transfers to pay the payee directly.

For more information on engaging a property agent, visit www.cea.gov.sg/happyconsumer.