

S/N 4/2018 – Failure to Remove Advertisements Once Properties Were No Longer Available and Misleading Parties on Availability and Viewing of Properties

Facts of Case

In mid-January 2015, the Respondent marketed Property A, a Housing and Development Board (“HDB”) flat, for sale, on the online property portal, PropertyGuru. Property A was sold in early April 2015. However, the Respondent did not remove the advertisement and continued to repost it actively, until mid-January 2017. The Respondent did not remove the advertisement as he was looking for more potential buyers and viewers for another HDB flat (Property D); the Respondent was the salesperson marketing Property D exclusively.

In late March 2015, the Respondent marketed Property B, an HDB flat, for sale, on PropertyGuru. Property B was sold in mid-June 2015. However, the Respondent did not remove the advertisement and continued to repost it actively, until early January 2017. The Respondent did not remove the advertisement as he was looking for direct buyers to represent them.

In early June 2016, the Respondent marketed Property C, an HDB flat, for rent, on PropertyGuru. Property C was rented out in December 2016. However, the Respondent did not remove the advertisement and continued to repost it actively, until mid-January 2017.

In late November 2016, X and his wife (Y) saw the Respondent’s advertisement for the sale of Property B on PropertyGuru. They asked Y’s sister, who is also a registered salesperson (Salesperson Z), to arrange for a viewing of Property B. Salesperson Z saw the Respondent’s advertisements for the sale of Property A and Property D. She informed X and Y about these other properties; X and Y were keen to view them as well.

Salesperson Z contacted the Respondent to request for a viewing of Property A, Property B and Property D. The Respondent informed Salesperson Z that he could only arrange for a viewing of Property D, as the owners of Property A and Property B were not available. X and Y were not available to view Property D and did not view it.

Salesperson Z tried to arrange for a viewing of Property B; the Respondent informed her that the owners of Property B would only return to Singapore in mid-December 2016. Salesperson Z requested for the Respondent to contact her after he had arranged with the owners for a viewing of Property B.

In mid-December 2016, Salesperson Z tried to follow up on the viewing of Property B, but the Respondent ignored all her calls and messages.

X then called the Respondent directly to arrange for a viewing of Property B. The Respondent said he would arrange and get back. However, the Respondent did not respond to X’s calls or messages thereafter.

In late December 2016, Salesperson Z asked the Respondent to confirm if Property B was still available for sale. The Respondent did not reply to Salesperson Z’s message.

In early January 2017, Salesperson Z managed to reach the Respondent by telephone. The Respondent told Salesperson Z that Property B was still available, and there was a second viewing by a prospective client. Salesperson Z requested for a viewing for X and Y. The Respondent said he would check with the owners. X and Y made themselves available to view Property B; X even cancelled a work appointment for it. However, the Respondent did not reply to Salesperson Z's calls or messages to confirm the viewing, and X and Y were unable to view Property B. Salesperson Z later learnt that Property B had already been sold.

Charges

The Respondent faced the following 7 charges:

Charges 1, 2 and 3

For failing to remove an advertisement on PropertyGuru in relation to the sale of the following respective properties once the properties were no longer available for sale, in contravention of paragraph 12(4)(h) of the Code of Ethics and Professional Client Care (the "**Code**"):

- (i) Property A (Charge 1);
- (ii) Property B (Charge 2); and
- (iii) Property C (Charge 3).

Charge 4 (Proceeded)

For doing an act that may bring disrepute to the estate agency industry, by misleading Salesperson Z that Property A and Property B were available for sale when the properties were not, in contravention of paragraph 7(1) read with paragraph 7(2)(a) of the Code.

Charge 5 (Proceeded)

For doing an act that may bring disrepute to the estate agency industry, by misleading Salesperson Z that the owners of Property A and Property B were not available for viewing the properties, when in fact the properties were not available for sale, in contravention of paragraph 7(1) read with paragraph 7(2)(a) of the Code.

Charge 6 (Proceeded)

For doing an act that may bring disrepute to the estate agency industry, by misleading Salesperson Z that there was a second viewing of Property B by a prospective buyer, when in fact Property B was not available for sale, in contravention of paragraph 7(1) read with paragraph 7(2)(a) of the Code.

Charge 7

For doing an act that may bring disrepute to the estate agency industry, by misleading X, a prospective buyer, that Property B was available for sale when the property was not, in contravention of paragraph 7(1) read with paragraph 7(2)(a) of the Code.

Outcome

Pursuant to a plea bargain, the Respondent pleaded guilty to Charges 4, 5 and 6, while Charges 1, 2, 3 and 7 were taken into consideration for purposes of sentencing.

In sentencing, the Disciplinary Committee (“**DC**”) noted that the Respondent had knowingly allowed and caused the advertisements for Property A and Property B to continue to be posted on PropertyGuru despite the fact that the properties were no longer available for sale. The advertisements had a wide reach on a public domain and would be capable of misleading many other members of the public.

The DC considered that the Respondent’s misleading conduct was deceptive and showed a severe lack of professionalism and integrity. The misconduct of misleading a fellow salesperson is a serious ethical misconduct. Notwithstanding that X and Y did not suffer any financial loss, the Respondent did waste X and Y’s time and resources and caused them to consider properties that were no longer available; X also cancelled a work appointment unnecessarily in his bid to view Property B. Salesperson Z also wasted much time and effort to try and arrange for viewings for the unavailable properties.

The DC also noted that the Respondent had admitted to the charges and expressed genuine remorse for his misconduct.

Accordingly, the DC imposed the following financial penalties and disciplinary orders on the Respondent:

Charges 4, 5 and 6: A financial penalty of S\$ 2,000 and a suspension of 3 months for each charge.

Fixed costs of S\$ 1,000 was also imposed on the Respondent.