

**Response to “Property Deals: Conflict of Interest is the issue” and  
“Tenants also benefit in rental transactions”  
– ST Forum, 11 Apr 2014**

30 Apr 2014

Dear Editor

We refer to the letters “Property Deals: Conflict of Interest is the issue” by Ms Koh Wee Leng (11 April 2014) and “Tenants also benefit in rental transactions” by Ms Fong Hang Yin (11 April 2014).

2 Salespersons play an important role in helping their clients get the best value for their property transactions. Consumers, therefore, expect the salespersons they engage to be knowledgeable and to provide timely, accurate and reliable advice.

3 Under the Estate Agents Act, a salesperson is not allowed to represent both landlord and tenant in the same transaction to avoid conflict of interest. In a co-brokering transaction, the landlord and tenant are each represented by their own salespersons, who would work together to achieve the best possible outcome for their respective clients. The tenant may decide whether it is in his interest to pay commission to his salesperson, or request for his salesperson to seek to collect co-broke commission from the landlord’s salesperson. This should be discussed and agreed between the tenant and his salesperson.

4 If both salespersons agree to share the commission, they must also agree on the co-brokerage fee upfront and declare this agreement to their clients. In such an arrangement, the tenant’s salesperson does not collect the commission directly from the landlord, but through the landlord’s salesperson. Similar practices are also adopted in other countries.

5 Ms Koh questioned whether consumers are qualified to handle transactions on their own. Consumers do have this option, and those who choose to handle property transactions on their own should familiarise themselves with the property transaction process by looking up the relevant government agencies’ online resources and attending consumer seminars. Consumers who are not familiar should find out more, or engage a salesperson before they embark on a property transaction.

Yeap Soon Teck  
Deputy Director (Licensing)  
Council for Estate Agencies