

## MEDIA RELEASE

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9 JAN 2011

### **UPDATES ON APPLICATION OUTCOMES AND PROVISIONAL MEASURES FOR ESTATE AGENT LICENCES AND SALESPERSON REGISTRATIONS**

To date, CEA has approved 1,288 out of 1,401 (92%) applications for estate agent licences. It has also approved 28,766 out of 31,288 (92%) salesperson registration applications. 786 applications (2.5%) for salesperson applications have been rejected<sup>1</sup>. The remaining 1,736 applications received (5.5%) are either incomplete, awaiting further submission/clarification of information from the salespersons, or are pending due to late submissions (see Annex A for breakdown).

#### **Late submissions or Incomplete/Inaccurate Applications**

2 CEA has put in the necessary resources to handle these applications expeditiously. However, it is unable to process applications with the following insufficient / inaccurate information:

- a. **Applicants with undeclared criminal convictions;**  
CEA views non-declaration of criminal convictions seriously. CEA has requested such applicants to explain their non-declaration of past criminal convictions, so that it is able to continue to process their applications.
  
- b. **Applicants with undeclared bankruptcy or un-discharged bankrupts without letter from Official Assignee (OA);**  
CEA requires un-discharged bankrupts and applicants with undeclared bankruptcy to submit a letter from the OA regarding their bankruptcy status.

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<sup>1</sup> Of these, 576 applicants were rejected because they had neither taken CEA-endorsed exams nor completed at least 3 property transactions over last two years (i.e. did not meet "existing salesperson" criteria). The remaining 210 were rejected because they did not meet CEA's fit and proper criteria (as mentioned in previous press release).

In response to media queries, CEA would like to clarify that **un-discharged bankrupts are not automatically disqualified**. CEA considers their applications on a case-by-case basis. It has accepted the registration of un-discharged bankrupts with the relevant supporting documents.

c. **Estate agents and salespersons whose applications forms were not in order.**

CEA is unable to process incomplete application forms from estate agents and salespersons. Common information lacking includes relevant details of the applicants and their insurance coverage.

3 CEA would like to remind estate agents and salespersons to submit all relevant information and supporting documents through their Key Executive Officers (KEOs) as soon as possible, so that it can process them promptly.

### **Misplaced Applications**

4 In addition, there are 125 (or 0.4% of applications received) application forms that have been misplaced, and they have not been updated in CEA's Public Register yet. CEA is working with the affected salespersons to register them as soon as possible. CEA apologises for the inconvenience caused by its administrative oversight in these cases.

### **Provisional Measures for Estate Agents and Salespersons Whose Applications are Not in Order**

5 As a gesture of goodwill to help affected estate agents and salespersons with pending submissions or whose applications are not in order (as referred to in paragraph 2c), CEA will grant them provisional licence and registration respectively, up to 31st Jan 2011. Therefore, these estate agents and salespersons will be able to continue with real estate agency work for the month of January. Applicants should take advantage of the grace period to quickly provide CEA with the required information/supporting document(s). CEA will inform the affected estate agents of the provisional license/registrations to be granted. These estate agents and salespersons will be able to view their updated status on CEA's Public Register by the middle of this week.

## **Rejected Applications - those who did not meet the "Fit and Proper" Criteria**

6 In response to feedback, CEA would like to clarify that it considers the applications of salespersons with previous criminal convictions carefully and on a case-to-case basis. The 210 applications that were rejected due to the "fit and proper" criteria involved serious criminal convictions including fraud and dishonesty in the recent past. Some examples of these cases are listed in Annex B.

## **Industry Dialogue**

7 The Key Executive Officers (KEOs) of estate agents have expressed support for the new regulatory framework, which was developed in consultation with them. As part of its on-going dialogue sessions with the industry, CEA met with KEOs of major estate agents on 7 Jan 2011 to clarify the licensing and registration application process and to address their queries. CEA also sought the cooperation of the estate agents to provide the relevant advice and support to their respective salespersons in their registration process.

8 CEA Executive Director, Mr Chionh Chye Khye explained that "*CEA adopts a firm but fair approach in its assessment of applications for estate agents and salespersons. This is to uphold professional standards and protect consumers' interests. In the month of Dec, CEA had processed over 30,000 estate agents/salespersons licensing/registration applications, and approved most of them. For applications with erroneous or incomplete submissions, CEA has put in the necessary resources to handle these applications expeditiously. We seek the cooperation of estate agents to ensure that all information is furnished accurately. This will facilitate CEA's processing of licensing and registration applications.*"

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## **About Council for Estate Agencies**

The Council for Estate Agencies (CEA) is a statutory board established under the Estate Agents Act to regulate and promote the development of a professional and trusted real estate agency industry. The key responsibilities of CEA are to license estate agents and register salespersons, promote the integrity and competence of estate agents and salespersons, and equip consumers with the necessary knowledge to make informed decisions in property transactions. For more information, please visit: [www.cea.gov.sg](http://www.cea.gov.sg)

## BREAKDOWN OF APPLICATION OUTCOMES

## Estate Agents

	No. of Applications	% among all Applications
Approved	1288	92%
Rejected	3	0.2%
Incomplete Applications (application forms not in order)	48	3.4%
Pending due to late submission	64	4.4%
<b>Total no. of licence applications as at 7 Jan 2011</b>	<b>1401</b>	<b>100%</b>

## Salesperson

	No. of Applications	% among all Applications
Approved	28766	92%
Rejected because:		
- Did not meet fit & proper criteria(210)		
- Did not meet "existing salesperson" criteria(576) <sup>2*</sup>	786	2.5%
Incomplete Applications:		
- undeclared criminal convictions (440)		
- inaccurate declaration of bankruptcy status or without OA letter (483)	1337	4.2%
- application forms not in order (414)		
Pending due to late submission	399	1.3%
<b>Total registration applications as at 7 Jan 2011</b>	<b>31288</b>	<b>100%</b>

<sup>2</sup> \* **Note:** 576 applicants were rejected because they had neither taken CEA-endorsed exams nor completed at least 3 property transactions over last two years(i.e. did not meet "existing salesperson" criteria). However, they can apply to register as a "new salesperson" upon meeting the required eligibility conditions (e.g. minimum 4 GCE "O" Level passes or equivalent, pass in Real Estate Salesperson Exam or equivalent).

**EXAMPLES OF UNSUCCESSFUL APPLICANTS WHO DID NOT MEET FIT AND PROPER CRITERIA**

**Case 1**

Applicant A was involved in several "cash-back" property transactions between 2003 and 2005 and faced the following 16 charges.

- a. 5 counts of Cheating
- b. 1 count of Criminal Breach of Trust
- c. 5 counts of Making a False Declaration
- d. 5 counts of Making a False Statement

Applicant A was convicted in 2007 of the above offences and sentenced to a total of 21 months' imprisonment.

**Case 2**

Applicant B has a history of criminal convictions (see below).

- a. 1994 - Entering a Protected Place without permission
- b. 1998 - Theft in Dwelling
- c. 1999 - Theft as a servant
- d. 2003 - Driving vehicle without lawful authority, licence, insurance coverage & speeding
- e. 2006 - Criminal Trespass
- f. 2007 - Insulting the modesty of a woman (2 charges) and criminal trespass and was sentenced to 3 months' imprisonment

**Case 3**

Applicant C has a history of criminal and other unlicensed moneylending convictions (see below).

- a. 1992 - Theft in Dwelling
- b. 1993 - Loitering with intent
- c. 1994 - Theft of motor vehicle parts (3 charges)
- d. 1999 - Unlicensed Moneylender (19 charges),
- e. 2006 - Unlicensed Moneylending offences (33 charges) and was sentenced to 28 months' imprisonment

**Case 4**

Applicant D has a history of drug and other offences (see below).

- a. 1996 - Drug consumption
- b. 1999 - Drug possession & traffic offence
- c. 2000 - Drug consumption
- d. 2004 - Theft in Dwelling
- 2006 - Moneylending harassment (10 charges) and Theft and was sentenced to
- e. 21 months' imprisonment

**Case 5**

Applicant E is a serious sexual offender and was charged in 2004 for 10 counts of having carnal connection with a girl under 16 years old and was sentenced to 7 years' imprisonment.

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