

PRESS RELEASE FOR 12 OCT 2009

PUBLIC CONSULTATION ON A NEW REGULATORY FRAMEWORK FOR THE REAL ESTATE INDUSTRY

The Ministry of National Development (MND) will launch a public consultation exercise for a new regulatory framework for the real estate industry. For a one-month period starting from 13 Oct 2009, interested members of the public can access the public consultation document at www.mnd.gov.sg and provide feedback on key elements of the proposed new framework. The views received will be taken into consideration in the ongoing review process.

2 MND earlier conducted extensive industry consultations from 10 Sep 2009 to 1 Oct 2009. Various stakeholders were consulted, such as industry associations, real estate agency directors, individual agents, CASE, and REDAS. Generally, the review intent received strong support from the stakeholders, many of whom felt it was timely for greater government involvement in the industry.

The Need for a Review

3 On 20 Aug 2009, MND announced that the ministry was embarking upon a consultation phase for the new real estate regulatory framework. The objectives of this industry review are twofold: one, to enable consumers to better safeguard their interests, and two, to increase the professionalism of the real estate industry.

4 A key principle underpinning the new regulatory framework is that real estate agencies must take great responsibility for the actions of their agents. The government has suggested measures to facilitate this. Other areas where new measures may be required to improve professionalism include qualifications and training requirements, dispute resolution, and an enforcement framework against errant agents and agencies.

5 Consumers can play a part in safeguarding their own interests in property transactions, to complement the new measures to enhance the industry's

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professionalism. To this end, there is need to equip consumers with the necessary knowledge of their rights and responsibilities through sustained public education. The purchase of real estate is often the single biggest transaction for most consumers, and it is important that they have the requisite knowledge to do so prudently and with due diligence.

6 MND welcomes relevant feedback from the public on the real estate industry regulatory framework, and looks forward to receiving constructive comments and ideas.

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