

## MEDIA RELEASE

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### **CEA'S FIRST PROSECUTION CASE AGAINST SALESPERSON FOR DUAL REPRESENTATION**

The Council for Estate Agencies (CEA) charged a former real estate salesperson Nangoi Demelza Carmelita in Court today at 9am with eight charges for allegedly representing both landlords and tenants in the same property transaction (4 charges), handling money for the landlords and tenants (3 charges), and for not attending before a CEA inspector as required (1 charge).

2. Nangoi (29 years old, Singaporean female) was a registered salesperson with a licensed estate agent, SPR Realty Pte Ltd when she allegedly committed the offences. She is the first salesperson to be prosecuted by CEA for dual representation-related offences.

3. Under the Estate Agents Act, it is an offence for estate agents and salespersons to be appointed by both tenants/buyers and landlords/sellers for the same property transaction. They are also prohibited from holding or handling any money for or on behalf of any party in relation to the sale and purchase of any property situated in Singapore and the lease of HDB property. CEA's charges against Nangoi are listed in [Annex A](#).

#### **About the Case**

4. From June to September 2011, Nangoi facilitated the lessee of a 2-room HDB rental flat to enter into three separate sub-tenancy agreements to rent her

flat to three different sub-tenants. She advised both parties regarding the lease and received commission from both parties, and thereby contravened the no dual representation rule.

5. The HDB rental flats are heavily subsidised to help low-income Singapore citizen households who have no other housing options or family support. HDB does not allow such rental flat to be further rented out. Salespersons engaged by clients to find sub-tenants for their HDB rental flats should advise their clients not to do so as it is an infringement of the lease with HDB.

6. In addition, Nangoi received cash, being two months rental deposit and one month's rent, from one of the sub-tenant on behalf of the lessee of the 2-room HDB rental flat. Similarly, she also received deposits and advance rental in cash from the tenants for two more HDB flat transactions that she facilitated in January and August 2011.

7. Salespersons are not allowed to handle any transaction monies. In a property lease transaction, transaction monies include rental deposits, monthly rentals and stamp duties. Valuation fees and commissions are not transaction monies.

### **Advice for Consumers**

8. Although a salesperson can only act for one party in a property transaction, he may help the other party to do paperwork as long as it is clear to all parties that he is not acting for the other party and has obtained the consent of his client. Also, he cannot collect a fee from the other party for the paperwork rendered. Consumers are also advised to avoid using cash and pay the rental deposit and rents directly to the landlord by crossed cheque or other verifiable means.

9. Consumers can use CEA's Public Register at [www.cea.gov.sg](http://www.cea.gov.sg) to check a salesperson's registration details before engaging his or her services. The

app for the Public Register, CEA@SG, can be downloaded from Apple App Store and Google Play. Useful information is available at the Consumer Resource Centre at

[www.cea.gov.sg/cea/content/consumer/consumerresources.html](http://www.cea.gov.sg/cea/content/consumer/consumerresources.html).

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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).

## **CEA'S CHARGES AGAINST NANGOI DEMELZA CARMELITA**

Nangoi Demelza Carmelita is charged in Court under the Estate Agents Act (EAA) 2010 for the following eight charges:

- (a) Four charges for four counts of having as clients both landlord and tenant in respect of the same property, under Regulation 5(1) of the EAA 2010;
- (b) Three charges for three counts of holding or handling any money for or on behalf of any party in relation to the lease of HDB property, under Regulation 7(1) of the EAA 2010; and
- (c) One charge for neglecting to attend before a CEA's inspector, as required by written order, under Regulation 64(1)(b) of the EAA 2010.

2. The punishment for each offence under Regulation 5(1) of the EAA 2010 is a fine not exceeding \$25,000/- or imprisonment for a term not exceeding 12 months or both. The punishment for each offence under Regulation 7(1) of the same Act is a fine not exceeding \$10,000/- or to imprisonment for a term not exceeding 6 months or both. The punishment for each offence under Regulation 64(1)(b) of the same Act is a fine not exceeding \$50,000/- or to imprisonment for a term not exceeding 24 months or both.