

**SPEECH FOR MR DESMOND LEE, MINISTER FOR NATIONAL DEVELOPMENT  
AND MINISTER-IN-CHARGE OF SOCIAL SERVICES INTEGRATION, AT  
HUTTONS' ANNUAL CONVENTION ON 5 FEBRUARY 2021**

Mr Mark Yip, CEO of Huttons Group

Ms Peggy Ngiam, CEO of Huttons Group

Ladies and gentlemen

1. Good afternoon. First and foremost, congratulations on the launch of a slew of initiatives to upskill the entire firm, and to take Huttons, and the sector, to the next level.

2. Let's cast our minds back to a year ago – our state of mind would be quite different; we were grappling with the beginnings of the pandemic. Since then, COVID-19 has impacted our lives, and disrupted many sectors of the economy, including the real estate agency industry. I am encouraged that our industry, including all of you here at Huttons, have adapted very quickly to shift most of your property transactions online, to ensure continuity despite the ongoing crisis that has engulfed the entire world.

**Building Resilience for the Future**

3. Thankfully, we didn't have to build from scratch all of the technology that we have got to the forefront. Instead, you've built on the journey of innovation and digitalisation that you've started a few years ago. In fact, in 2018, both the real estate sector and the Government came together to launch the Real Estate Industry Transformation Map (ITM). So it's not a map that the Government draws up, but one where through lots of dialogue, discussion, and engagement, we put the map together, both industry and Government. We did so because we saw the writing on the wall – that our sector was at real risk of being disrupted if we did not make major changes to the way we did things. So either we disrupt ourselves, or let other people do that for us, and I think the former is preferred, as you remain in control. We also recognised the opportunities that we could seize for real estate professionals and firms. If the sector innovated and upskilled, you could deliver higher value-added services to

benefit Singaporeans who are more careful, who expect a lot more, and are looking for value-added services when dealing with something as important an asset as property.

4. One major push that we have been undertaking in the real estate sector is digitalisation. So what I'm going to say, flows very nicely from the launch of your new digital initiatives just a few minutes ago by Huttons. And I'm glad to see good progress on this front, both in Huttons, and in fact, many other firms. Already, as part of the ITM work, several enablers have been developed. So let me share a couple. First, we know that due-diligence checks are very important, because you're a professional, you exercise lots of responsibility, and your client relies on you. So it's important, but they can take up a lot of time, especially if you have to interface with many organisations and agencies. To help you and your clients, because of the feedback we received a couple of years ago, we've sought to automate the process by making property-related government data available through Application Programming Interfaces (or APIs). With appropriate safeguards, I think we can make due diligence checks more thorough, benefit the clients, and it also saves our real estate professionals time. So we invest the time in due diligence, but with automation, it allows you to do much more. Examples of such data include the rental eligibility of HDB flats and property ownership, amongst other. We want these APIs to make a difference in your work, and your clients will be able to discern that. If you have any feedback or suggestions, please let my colleagues from the Council for Estate Agencies (CEA) know. We will continue to work together and make things better.

5. Second, CEA has taken the lead to work with the industry on standard contract templates for the rental, sale and purchase of residential properties, to facilitate digital contracts. We have also drawn up helpful checklists on the steps involved in a typical residential property transaction, in order to support digitalised end-to-end property transactions. These templates and checklists can be downloaded by both agents and consumers from CEA's website. The response has been strong, with over 56,000 downloads in the past two years. We hope that as we make these checklists more responsive, practical and professional, they'll continue to be welcomed to help the sector and customers.

6. With these enablers, the industry can better meet the demands of the “new normal” of estate agency work, which is moving very rapidly from physical bricks to digital clicks. Property agencies and real estate professionals can make good use of such enablers to innovate and to build resilience into the way that we all work.

7. COVID-19 has further accelerated our digital transformation journey, and really just fast forwards what would have otherwise been inevitable. Our industry is in a better situation now, compared to a year ago. Since Phase 3 of Singapore’s Safe Re-opening, more property transaction activities have resumed. Nevertheless, the situation remains dynamic, and sometimes measures may have to be tightened. For example last month, when the number of local cases and community clusters increased. Even as we remain vigilant and adhere to safe management measures, I’m glad that many of you have adopted technology and recalibrated your services to keep property transactions safe.

8. Today, we recognise outstanding Huttons agents who have done well in this area. After last year’s Circuit Breaker, both Oliver Tan and Stan Lee swiftly expanded their efforts online. They expanded their network through digital marketing campaigns, becoming digital natives in the way they worked. They also quickly adjusted their mode of communication, speaking to consumers online before arranging for physical viewings at suitable properties. Stan also leveraged Huttons’ digital tools, such as the Ultimate Project Search, which allowed him to present property options efficiently and work out budget calculations with the click of a button. He even successfully confirmed a deal within three days, purely through virtual interactions, probably was once thought inconceivable! I’m quite sure if you look back on the way you’re working today, it’s vastly different, from say, a year ago. How quickly you’ve adapted! I congratulate Oliver and Stan, and all prize winners.

### **Supporting industry transformation**

9. So let me talk a bit about supporting the transformation of our industry. It’s never-ending work because we just have to keep moving, or we will otherwise get disrupted. As the Government, we will continue to support you as you seek to adapt, innovate and digitise. One way is through the Productivity Support Grant (or PSG). The maximum support level has been increased from 70% to 80% and is available

until September this year. I understand that Huttons has just successfully applied for it, and I hope this provides a boost to your journey to digitalise.

10. I am also happy to announce today that we are launching another form of support. This is the SMEs Go Digital Programme for the real estate agency industry. This programme will simplify the process for property agencies to “go digital”. IMDA will pre-approve sector-specific IT solutions that are scoped in the areas of managing documents, doing due diligence checks, and submitting transaction records. Funding support will be up to 80%. Smaller agencies in particular can benefit from this, because they may lack the resources to develop such systems from scratch. The first sector-specific solution, Redoc by Real Estate Doc, is already available. This is a cloud-based document management solution that allows agencies to create property contracts quickly with templates, digitally sign contracts with video conferencing, as well as upload, track and retrieve past transactions.

### **Sustaining Trust and Improving Transparency**

11. We can expect some consumer behaviours and patterns to stay well beyond this pandemic. Some are adjustments that we have no choice but to make during this period, and you wish that they could be done away with as soon as possible. But I think many of us are capitalising on opportunities that we have come across as a result of this pandemic – think out of the box and do things that you never dared to do before. Sometimes it’s because you’re forced to do so, then make it a new norm and make it a value-added service that you can provide. For example, virtual viewings have become common, even expected, and consumers can access online data to compare different property transaction services. So they are being much more discerning. But some consumer demands will not change: trust and transparency, and high standards of professionalism. These are not digitalisable. They are intangible assets that are hard to build up, but easy to lose.

12. On an industry-level, CEA launched the Transaction Records Initiative (TRI) in 2019, to raise professionalism and sustain trust with our consumers. Going forward, CEA will collect and display private residential transactions that were facilitated by real

estate professionals. Property agencies and agents can use these transaction records to showcase your experience and trustworthiness.

13. I'm glad to know that Huttons has also taken steps of your own to enhance client-centricity. You've committed to build a new ratings platform for your real estate professionals. You're also an early adopter of the Guide on Best Practices for Consumer Ratings of Property Agents, developed jointly by industry players and CEA. Ratings and reviews will give good real estate professionals due reward and recognition. A local study by the National University of Singapore (NUS) also showed that consumer ratings can lead to higher sales and earnings for property agents.

14. A property transaction is a big financial commitment. For many Singaporeans, it may be the biggest purchase that they will ever make. Clients value your sound and measured advice. I know that many of you value the trust that your clients place in you, and that you put their interests first.

15. As the economic outlook remains uncertain, and COVID-19 far from over, I also urge property agencies and real estate professionals to continue to do so, and watch the risk of exuberant sentiment in the property market. I thank you for working as responsible stewards to help guide Singaporeans in their home ownership journey.

## **Conclusion**

16. In conclusion, the past year has been challenging, and I know many of you were glad to see the back of it. But we have learned to emerge stronger through digital transformation and innovation, and although this year also seems challenging, I think we are in a much better position than last year. I hope that as we build on our efforts in the past years, we will continue to raise our professionalism, continue to earn trust, and inspire even greater consumer confidence and trust. On this occasion, and in light of the festivities next week in which we will all exercise festive sentiment with good responsibility, I wish everyone here a Happy Lunar New Year, good health, and stay well!

17. Thank you.