



EAA reviews its work in the first half of 2017 and introduces its initiatives for the second half

(19 July 2017) The Estate Agents Authority (“EAA”) held a press conference today at which its Chairman, Mr William Leung Wing-cheung, SBS, JP, and Chief Executive Officer, Ms Ruby Hon Yuen-ping, reviewed the EAA’s work in the first half of 2017 and introduced its initiatives for the second half.

In the first half of 2017, the EAA received 184 complaints, a decrease of 26% compared to the same period of last year. Among the most common categories of complaints, an outstanding improvement was found in the category of “failing to honour the promise of a rebate”. The number of complaints in this category recorded an enormous year-on-year drop of 52.6%, from 19 cases to nine cases. Another year-on-year drop of 33.3% was also recorded in the category of “providing inaccurate or misleading information”, from 93 cases to 62 cases.

Other common categories of complaints, namely “mishandling/failing to explain a provisional agreement for sale and purchase (or provisional tenancy agreement)” and “issuing non-compliant advertisements” also recorded year-on-year decreases of 19% and 16% respectively.

The number of complaints in the sale of first-hand residential properties also recorded a decrease from 46 cases in the first half of 2016 to 37 cases in the first half of this year.

“On the issues of public concern, such as estate agents reportedly making loans to prospective purchasers when promoting the sale of



first-hand residential properties, which constitute a breach of the EAA’s guidelines; and failing to honour the promise of a rebate to prospective purchasers, it is encouraging to see a substantial decline in the number of these complaints. Such an improvement reflects the concerted efforts of the EAA, the trade and the consumers.” Mr Leung said.

While most types of common complaints saw an improvement, the issue of providing inaccurate or misleading information in first-sale activities recorded an increase of five times from one case in the first half of 2016 to six cases in the first half of this year. Such a big increase was partly attributable to misrepresentations on the operation of the credit card payment mechanism and other isolated matters.

The EAA has also taken action or imposed sanctions on a total of 175 licensees in the first half of 2017. A total of 15 licences were revoked and eight licences were suspended.

Separately, there was a year-on-year rise of 65.4% in the number of candidates sitting the Salespersons Qualifying Examination, and a year-on-year rise of 37.6% in the number of candidates sitting the Estate Agents Qualifying Examination; while the number of individual licences and company licences both recorded record highs of 37,814 and 3,445 respectively.

Stepping into the second half of 2017, the EAA will continue to monitor closely estate agents’ conduct and practice in the sale of first-hand residential properties as well as other types of properties, including non-residential properties and overseas properties. The recently issued practice circular, namely “Sale and Purchase or Leasing of Non-residential Properties”, which sets out detailed guidelines for



licensees on certain important issues pertaining to proper practice and measures in handling non-residential properties will become effective on 1 October 2017. To ensure that the trade understands the requirements of this circular, the EAA will organise CPD seminars on the subject for the trade. In addition, as the purchase of overseas properties gets more and more popular among local buyers, with a view to providing consumers with better protection, the EAA will issue a related practice circular in the latter half of 2017 to provide the trade with proper guidelines and practice standards to follow when handling transactions of overseas properties.

Last but not least, the EAA will continue to maximise its efforts on educating the trade and the public. The new structured programme for estate agency practice under the Continuing Professional Development Scheme has been launched to help the less experienced licensees build a proper foundation for effective practices. More public seminars will continue to be held to increase public awareness of their consumer rights and raise their knowledge on property transactions.



EAA Chairman Mr William Leung Wing-cheung, SBS, JP and Chief Executive Officer Ms Ruby Hon Yuen-ping review the EAA's work in the first half of 2017 and introduce its initiatives for second half at the press conference.



EAA Chairman Mr William Leung Wing-cheung, SBS, JP and Chief Executive Officer Ms Ruby Hon Yuen-ping introduce the new booklet of “Tenancy Guide for Non-local Students in Hong Kong” issued by the EAA.

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