



**EAA reviews its work in 2012 and
introduces its initiatives for 2013**

(29 January 2013) The Estate Agents Authority (EAA) held a press conference today at which EAA Chairman, Ms Vivien Chan, and EAA Chief Executive Officer, Mr Augustine Ng, reviewed the EAA's work in 2012 and introduced key tasks for 2013.

Ms Vivien Chan pointed out that the EAA's Practice Circular on the Provision of Saleable Area Information for Second-hand Residential Properties issued in May 2012 has aroused much public attention. In order to raise the transparency of property transactions, the Circular requires estate agents to provide information to their clients on the saleable area of a second-hand residential property in advertisements and in provision of the floor area information of the property. Over the past few months, the EAA has carried out educational and promotional work to assist the estate agency trade and the public in understanding the relevant guidelines.

Since the Circular became effective on 1 January 2013, the EAA has closely monitored the compliance of the guidelines. As at 25 January 2013, the EAA has checked 449 estate agency shops and 6,189 online and newspaper advertisements, and has discovered 54 non-compliant cases. Seven complaints have also been received. The EAA has demanded the non-compliant estate agents to correct the information as soon as possible, and reminded them that they must comply with the guidelines or they might be subject to disciplinary actions.

Ms Vivien Chan said, "Adoption of saleable area would mean a significant change in residential property transactions. The majority of estate agency shops have already complied with and implemented the circular



shortly after it took effect. In my view, our efforts to promote the adoption of saleable area for second-hand residential properties are successful, and its implementation is smooth.”

Ms Vivien Chan also said that the EAA held a ceremony and a professional forum last year to celebrate the EAA’s 15th anniversary. As part of the celebration, the EAA has also produced a new booklet, entitled: “Smart Property Transaction Tips”, with a view to raising the awareness of consumers on home buying.

As regards the EAA’s other work, the overall number of candidates participating in the qualifying examinations in 2012 decreased by about 20% over 2011. Nonetheless, the number of licences did not show a downward trend. Instead, there were 36,419 individual licences and 2,924 company licences as at 31 December 2012, which were both record highs. As for complaint figures, the EAA received 547 complaints in 2012, which is about 7% less than 2011.

Ms Vivien Chan pointed out that in 2013, the EAA would continue to issue new practice circulars in light of market conditions and relevant laws. As the “Residential Properties (First-hand Sales) Ordinance” was passed by the Legislative Council last year and will be implemented in April this year, the EAA is now closely liaising with the Transport and Housing Bureau to learn more about the implementation details, which may have implications on the estate agency practices in handling the sales of first-hand residential properties after the implementation of the Ordinance. The EAA will issue a practice circular early in the year to assist the trade in complying with the ordinance. In addition, the EAA is considering updating the circulars on the protection of personal data and “Special Stamp Duty” in response to the amendments made to the relevant ordinances. Another circular in the pipeline



concerns transaction of residential properties involving deeds of gift.

According to the EAA Chief Executive Officer, Mr Augustine Ng, the EAA would continue to closely monitor the trade's adoption of saleable area in 2013. Through promotional and educational activities, the EAA would assist the trade in understanding the requirements set out in the circular and ensure the trade follow the guidelines. The EAA would also conduct routine compliance checks at estate agency shops.

Mr Augustine Ng said that in order to explain to consumers the importance of signing an estate agency agreement, the EAA would launch a TV Annoucement in Public Interest on the subject this year and produce related posters and stickers. Moreover, the EAA would continue to hold roving exhibitions to promote consumer information relating to home buying.



EAA Chairman Ms Vivien Chan (left) and Chief Executive Officer Mr Augustine Ng review the EAA's work in 2012 and introduce its initiatives for 2013 at the press conference.

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