



**EAA reviews its work in 2013 and
introduces its initiatives for 2014**

(23 January 2014) The Estate Agents Authority (EAA) held a press conference today at which EAA Chairman, Ms Vivien Chan, and EAA Acting Chief Executive Officer, Ms Ruby Hon, reviewed the EAA's work in 2013 and introduced the key initiatives for 2014.

Ms Vivien Chan pointed out that since the EAA's Practice Circular on the Provision of Saleable Area Information for Second-hand Residential Properties took effect on 1 January 2013, the EAA had closely monitored the compliance of the guidelines. The EAA had discovered 93 non-compliant cases and received 11 complaint cases. As most of the non-compliant cases were discovered shortly after the Circular took effect and most of the agents took rectification actions speedily, the EAA is of the view that the majority of the trade has complied with the requirements of the Circular.

In light of the coming into effect of the Residential Properties (First-hand Sales) Ordinance on 29 April 2013, the EAA updated and issued a relevant Practice Circular on the same day. Moreover, the EAA conducted 1,475 checks at first sale sites in 2013, a year-on-year increase of 45%. The EAA also constantly reminded the trade of the importance of compliance through organising seminars, conducting educational visits and other communication means.

According to Ms Chan, the EAA was concerned about estate agents reportedly making loans to prospective purchasers when promoting first-hand residential properties, which constituted a breach of the EAA's guidelines. She revealed that through a covert operation conducted recently, the EAA had discovered a case involving an estate agent offering a loan to a client when



promoting a first-hand residential development. The case is now being further followed up. She added that the EAA has a variety of strategies and methods to deploy for conducting its inspections and investigations. Depending on the actual circumstances, the EAA will rigorously follow its established guidelines and procedures to deploy the best strategy, method and allocation of resources appropriate to the situation.

Ms Chan said, “The EAA has all along attached great importance to the conduct of estate agents in the sale of first-hand residential properties. We will continue to stay vigilant against malpractices of estate agents and take appropriate measures to ensure compliance. Furthermore, the EAA will also continue to liaise closely with the Sales of First-hand Residential Properties Authority.”

She added that the EAA had doubled the number of educational visits conducted in 2013 to 1,350 in a bid to increase the trade’s vigilance to compliance. Estate agents were educated on the guidelines of the new and updated practice circulars and also other topical issues of public concern during the visits.

As regards the EAA’s other work, the overall number of candidates participating in the qualifying examinations decreased in 2013 by about 30% over 2012. The number of licences also showed a downward trend starting from April 2013. As for complaint figures, the EAA received 494 complaints in 2013, which is about 10% less than 2012.

Ms Vivien Chan pointed out that in 2014, the EAA would continue to promote compliance in the trade. The New Scheme for Disciplinary Cases has taken effect since 1 January 2014 with a view to raising the trade’s alertness to compliance and directing their attention to good practice. In view



of the popularity of using electronic means in business communication, the EAA will issue guidelines and electronic version of the prescribed forms of the estate agency agreements to assist the trade in signing estate agency agreements with their clients through electronic means.

According to the EAA Acting Chief Executive Officer, Ms Ruby Hon, the EAA would enhance the Continuing Professional Development (CPD) Scheme through e-learning and other initiatives in order to encourage learning among practitioners. As a continuation of its efforts in consumer education, the EAA would launch new educational videos and publish new pamphlets to promote information relating to home buying.

Ms Hon also said that in order to assist examination candidates to prepare for the qualifying examinations, the EAA would soon publish a revised version of *A Study Guide to Estate Agency Law and Practice* and launch mock examinations online.



EAA Chairman Ms Vivien Chan (left) and Acting Chief Executive Officer Ms Ruby Hon review the EAA's work in 2013 and introduce its initiatives for 2014 at the press conference.

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