



EAA reviews its work in the first half of 2015 and introduces its initiatives for the second half

(28 July 2015) The Estate Agents Authority (“EAA”) held a press conference today at which its Chairman, Mr William Leung Wing-cheung, BBS, JP, and Chief Executive Officer, Ms Ruby Hon Yuen-ping, reviewed the EAA’s work in the first half of 2015 and introduced its initiatives for the second half.

According to Mr William Leung, in the first half of this year, the EAA received a total of 135 complaints, a decrease of 27% over the same period last year. Among the most common categories of complaints, an outstanding improvement was found in the category of “failing to conduct a land search or failing to provide a copy of the land search”. The number of complaints in this category recorded an enormous year-on-year drop of 65%. Another year-on-year drop of 36% was also recorded in the category of “failing to enter into an estate agency agreement with clients or explain the agreement to clients”.

“Since conducting a land search and entering into an estate agency agreement with clients are the basic responsibilities of a professional estate agent, it is encouraging to see the substantial decline in the number of complaints in these categories. Such an improvement reflected the concerted efforts made by the EAA and the trade.” Mr Leung commented.

The conduct of estate agents participating in the sale of first-hand residential properties has also improved, as the number of related complaints in the first half of 2015 has decreased 17% compared to that of last year. On the public-concerned issue of estate agents making loans to clients in first sale, three related complaints have been received in the first half of 2015, which is slightly less than that of last year.

The EAA has issued three practice circulars in the first half of 2015. Amongst them was a new practice circular requiring estate agents to declare their submissions of registrations of intent in the sales of first-hand residential properties. It was issued with a view to enhancing



the transparency of the sale of first-hand residential properties and in light of the public concern that there might be a potential conflict of interest if estate agents who are involved in first sale and who at the same time submit for themselves registrations of intent of such properties. This new Circular will come into effect on 1 September 2015.

Separately, the EAA has taken actions or imposed sanctions on a total of 188 licensees in the first half of 2015. Sixteen licences were revoked as they were no longer “fit and proper” to hold a licence due to various reasons. On the number of candidates and licensees, there was a year-on-year rise of 72% in the number of candidates sitting for Salespersons Qualifying Examinations, a rise of 21% in the number of candidates sitting for Estate Agents Qualifying Examinations and a slight increase in the number of individual licensees.

Stepping into the second half of 2015, the EAA will continue to reinforce its effort on monitoring estate agents in the sale of first-hand residential properties. The EAA will also focus on enhancing the trade’s compliance by various means, including paying special visits to newly opened estate agency companies and distributing useful flyers to them on practice tips. The management of estate agency companies will be reminded to take necessary steps to ensure good corporate governance and their staff’s compliance with the law and guidelines. At the same time, the EAA will continue to study on whether there is a need to raise the level of difficulty of the qualifying examinations to enhance the entry standard of the profession.

Apart from educating the trade, the EAA Chief Executive Officer, Ms Ruby Hon, added that the EAA would also make more effort in educating the public by organising public seminars, updating the booklet on “Notes on Signing a Tenancy Agreement” and producing a new Announcement in the Public Interest relating to tenancy matters later this year.



EAA Chairman Mr William Leung Wing-cheung, BBS, JP and Chief Executive Officer Ms Ruby Hon Yuen-ping review the EAA's work in the first half of 2015 and introduce its initiatives for the second half at the press conference.

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