



EAA meets the management of six estate agencies

(8 June 2009) Acting Chief Executive Officer of the Estate Agents Authority (EAA) Mr Anthony Wong met the management of six estate agencies and reminded them to admonish their estate agency practitioners against making misrepresentations and to keep order at first-sale sites.

The EAA has paid close attention to media coverage of estate agents who allegedly provided misleading information of the area close to a new development in Wu Kai Sha, Ma On Shan when a member of “Green Sense”, disguised as a purchaser, approached them. The EAA has contacted “Green Sense” to get as much information as possible about the incident. If it is found that any practitioners misrepresented any information, the EAA will follow up.

“First-sale activities are always of great concern to the EAA,” said Mr Wong. “In our discussions with the six estate agency firms, they were reminded to instruct their practitioners to comply strictly with the EAA’s guidelines. They were also reminded that practitioners should provide accurate information and not make any misrepresentations when touting for business at first-sale sites. If they are not sure about any information about the development, they should try their best to get accurate information beforehand, and in case they do not know the answer to an enquiry from a consumer, they should frankly tell the consumer so,” he added.

Mr Wong also encouraged consumers to learn as much as possible about a development before making a purchase, since buying a home is the largest investment most of us will make in our lives. He suggested that if they find practitioners making misrepresentations, they should lodge a complaint with the EAA.

In order to ensure that the practitioners comply with the regulations related to first-sale activities, the EAA always closely liaises with property developers (including the Urban Renewal Authority and MTR Corporation, etc.) before sales begin. The EAA also meets with the management of estate agency companies in a bid to get them to remind their employees to comply with the regulations and guidelines issued by the EAA when they tout for business at first-sale sites. Recently, the EAA communicated with the relevant developer



and management of estate agency companies before the commencement of the sale of the new development at Wu Kai Sha, Ma On Shan.

The EAA has issued a number of practice circulars reminding estate agency practitioners to keep good order at first-sale sites and to obtain the written consent of the property developers before advertising the property. The circulars also reminded practitioners not to make misrepresentations, and not to issue price lists without the prior consent of the developers.

The EAA will organise activities under the Continuing Professional Development Scheme in a bid to enhance the practitioners' knowledge of good practices when engaging in first-sale activities.

The number of complaints against practitioners who allegedly made misrepresentations related to first-hand properties was 23 and 11 respectively in 2008 and so far in 2009. In 2005, an estate agency company was fined \$200,000 for misrepresentation.



EAA Acting Chief Executive Officer Mr Anthony Wong (fourth from left) meets the management of six estate agencies and discusses ways to ensure their practitioners comply with the laws and regulations during first-sale activities.

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