



**ESTATE AGENCY AFFAIRS BOARD
OF SOUTH AFRICA**

ESTATE AGENCY AFFAIRS BOARD STATEMENT IN RESPECT OF NEW DRAFT REGULATIONS

October 2015

ESTATE AGENCY AFFAIRS BOARD TO ISSUE NEW REGULATIONS INTRODUCING NEW LEVIES AND CONTRIBUTIONS FOR PUBLIC COMMENT

Section 33 (1) of the Estate Agency Affairs Act, 1976 empowers the Minister of Human Settlements to issue Regulations to promote and advance the object of the Act after consultation with the Board. The operating Regulations that governs the determination of contributions and levies in respect of issue of Fidelity Fund and Registration Certificates, have not been altered since 2006. Throughout these years, as a result of the aftermath of the economic mell-down which lead to unfavourable economic conditions within the real estate sector, the Estate Agency Affairs Board felt it prudent to leave contributions and levies payable by estate agents unchanged.

Levies and contributions payable by estate agents contribute immensely to the wellbeing of the Estate Agency Affairs Board. Thus, the EAAB is enabled to improve efficiency in its operations to serve its stakeholders who are estate agents and members of the public better and effectively. In this regard, the EAAB has been able to produce a cadre of competent and professional estate agents capable of delivering real estate services competently and diligently whilst at the same time promoting consumer interests.

It is the EAAB's considered view that the prevailing levies and contributions payable by estate agents have been overtaken by economic and market conditions as well as inflationary considerations. All things considered, the EAAB has planned to introduce new Regulations on levies and contributions which will translate in the increase of levies and contributions with effect from 2017. In this regard, the new Regulations has been published by the Minister of Human Settlements in the Government Gazette No. 39195 on the 11th of September 2015 for public comment. Estate agents are urged to submit comments on the Draft Regulations before they are finalized as Final Regulations. Comments may be forwarded to Thulane Nkambule at Thulane.Nkambule@dhs.gov.za. The Draft Regulations can be

accessed from the Government Printing Works website at www.gpwonline.co.za or the Estate Agency Affairs Board website at www.eaab.org.za.

To continue providing excellent service, it is necessary that these increases are introduced to enable the EAAB to service its clients competently and professionally, enforce compliance with the Estate Agency Affairs Act, 1976 and the Code of Conduct and to promote the interests of consumers by inspiring greater consumer confidence in the real estate sector generally.

Issued by: THE ESTATE AGENCY AFFAIRS BOARD