

**Rebosa Chairman's Address  
The Year in Review 2017/2018****18 May 2018****1. WELCOME**

It gives me great pleasure to welcome you all to this fifth annual general meeting of the Real Estate Business Owners of South Africa. Your presence here is highly valued and appreciated.

2017 and 2018 have continued to provide challenges and uncertainty for the real estate industry. Rebosa has played a vital role in navigating through some of this uncertainty. Apart from providing clarity wherever possible, we have ensured that we are well represented, as business owners, in all the relevant forums. I would like to thank Jan le Roux and his team for their tireless efforts under challenging circumstances. I for one feel more comfortable knowing that our interests are being protected with great tenacity by the Rebosa team. Apart from fighting the cause, Rebosa has been instrumental in proposing sensible, pragmatic solutions to industry issues, and it is pleasing to see that some of these have been implemented.

**2. LEGISLATION**

There are several pieces of legislation that are currently being contemplated or implemented. These will all have an impact on the real estate industry. Rebosa has been proactively involved in many aspects of this legislation which I will cover below.

**Property Practitioners Bill**

The Property Practitioners Bill was published for public comment on 31 March 2017. Rebosa worked extensively with Cliffe Dekker Hofmeyr to interrogate the bill and provide detailed commentary. On 6 December 2017, cabinet approved the submission of the Bill to Parliament. We are waiting on this version for further comment and have contracted with Resolve Communications to assist in this regard. Rebosa is continuing to interact with the EAAB, the Parliamentary Committee on Human Settlements, the Minister and her advisors going forward. A very fruitful meeting with EAAB took place on 14 May this year and many of our comments are aligned with that of the EAAB. The EAAB will communicate same to the department of Human Settlements.

**Amended Property Sector Code**

The Amended Property Sector Code was gazetted on 9 June 2017. Rebosa are conducting several meetings, as later today, to brief members on the requirements of the new Codes. This will ensure that all Rebosa members are able to have a clear understanding of their obligations in terms of complying with the code.

The slow pace of transformation continues to be an area of concern for the Board of Rebosa. There is no doubt that finding a practical and sustainable solution to this challenge remains the number one imperative for the industry. Economic transformation and inclusion is central to the growth,

development and sustainability of our sector and the country in general. We need to actively develop youth, women and previously disadvantaged people to participate meaningfully in our sector. As my predecessor, Dr Andrew Golding, said last year “The need for urgency in this respect is well upon us and the reality is that if don’t find a solution soon, the almost inevitable consequence will be an attempt at regulation with further punitive consequences for the entire industry and probably expedited via the new Property Practitioners Bill.” I believe that we need to heed this warning and become part of the solution rather than simply looking for problems.

### **The Financial Intelligence Centre Act, No 38 of 2001 (as amended)**

The industry is awaiting the implementation date from the EAAB. Rebosa went to great expense to contract our attorneys to develop a real estate industry specific Risk Management Compliance Programme Template and Guidelines, to assist Principals and Business Owners with the new FIC reporting procedures and requirements. The template was designed so that it could be modified to suit each businesses requirements. The EAAB will arrange extensive training before announcing an implementation date for the real estate industry.

### **Protection of Personal Information Act (PoPI)**

Draft regulations will be submitted to cabinet during the first half of 2018. Rebosa have been working behind the scenes to ensure we are ready to comment and/or assist members once this happens.

### **3. EAAB**

Mr Bryan Chaplog left his position as CEO of the EAAB and was seconded to join the management of the Housing Development Agency (HDA). Mr Nikita Sigaba is now the acting CEO.

The following notable interactions took place around the EAAB:

The Multi-Stakeholder Group (“MSG”) was set up following Rebosa’s consultative processes with the Chairperson of the Parliamentary Portfolio Committee on Human Settlements. After a long period of inactivity Rebosa managed to resurrect this platform to ensure industries concerns are addressed.

#### Member Queries

Extensive meetings and consultation with the EAAB resulted in many member queries being resolved. I am please to report that during the 12-month period under review Rebosa received 2920 queries and resolved 2662 of them. The 258 queries that were carried over to 2018 have since been resolved. I think that this is an outstanding achievement and I would like to specifically thank Fiona for her incredible work in challenging circumstances.

Rebosa consulted with the EAAB Board to seriously review the capability of the current IT system with a view to a complete overhaul of the system. This process has begun, and we hope that our efforts will see a more stable and efficient service from the EAAB.

Rebosa obtained legal advice and were going to institute legal action against the EAAB for non-issue of FFC’s to protect our members and the industry. However, during the process we managed to have

a very productive meeting with the executive of the EAAB on 12 December. They promised full cooperation to resolve outstanding issues within a matter of days. The majority of the industries FFC's were issued and the backlog reduced due to this intervention.

Rebosa were instrumental in obtaining an extension of the first 3 year CPD rolling cycle which ended 31 December 2017 to end March 2018 as EAAB systems were non-functioning and payments had not been allocated. The EAAB has still not applied any sanctions due to the difficulties experienced with the IT system.

Together with the EAAB, we developed a new online query management system to streamline queries and reduce backlog. It remains important that you first address your query to the EAAB and obtain an online query reference number. This reference number must always be included when you lodge a query with Rebosa, as it is the only way for us to seek assistance from the EAAB.

I think you will all agree that Rebosa's proactive and firm interactions with the EAAB have certainly helped to improve the process and avoid several potential problems. Unfortunately, some members unfairly blame Rebosa for lack of response although we can at best interact and motivate.

#### Illegal Agents

Rebosa has also launched a Whistle Blower initiative on the [www.rebosa.co.za](http://www.rebosa.co.za) which we encourage you to use. It remains important to report illegal agents to the EAAB but in reporting to us as well you are enabling us to follow-up with the EAAB to try and achieve better results in this regard.

#### Self-Assessment

Thanks to the court verdict in the Auction Alliance case the EAAB is no longer entitled to legally do inspections of our offices. It is for this reason that Self-Assessment has been launched. We have been assured that the entire industry will go through the process and that unlike in the past, everyone will get a fair turn at doing self-assessment without having to repeat the exercise year on year.

You are advised to support this as the EAAB has the legal authority to enforce it. Furthermore we advise you to email all attachments to the address provided instead of trying to upload or capture them on the actual self-assessment programme.

#### Keeping of records

Because of failing systems at the EAAB, which is bound to continue for quite some time, we strongly advise you to take screenshots of all documentation i.e. Fidelity Fund Certificates, CPD points, etc. for your own records.

#### 4. Communication and Marketing

##### Property Practitioners Bill Roadshow

Rebosa embarked on a national roadshow during the month of June 2017 to unpack the Bill in detail and answer members' questions and concerns. We received an overwhelming response to these sessions.

##### Rebosa Consumer Campaign

Rebosa launched a series of Consumer Adverts to highlight and promote the importance of retaining a **"Rebosa Member Estate Agent"** for all property transactions. Adverts to the value of more than R800 000 were published courtesy of the publishers of Property Professional and the Neighbourhood publications.

##### Marketing

The Rebosa Equality Pledge was launched in 2016. REBOSA has a zero-tolerance approach to all forms of discrimination in the real estate industry and in society and members are encouraged to show their support by taking the PLEDGE and saying "NO" to discrimination in all its forms. This initiative was well received by the industry and Agencies display certificates of having taken the pledge in their respective offices. This drive continued during 2017 and we will continue to promote it in 2018.

##### Website Stats 2018

Unique visitors: 41,101

Visits: 64,718

Page impressions: 340,641

##### Social Media

Rebosa has an active Facebook presence and will continue to grow its Social Media profile in the future.

#### 5. Other Rebosa Initiatives

##### Private Property

Rebosa was also instrumental in thwarting a hostile takeover of Private Property by Property24. The industry shareholding in Private Property offers agents a great opportunity to participate and build a future digital property marketplace vision together. Details of how agencies can buy shares in Private Property will be communicated in the coming weeks. New shareholders will be able to obtain shares at the same price as current shareholders.

There are rumours, fuelled by a software service provider, about the transaction. We can assure you that the press group involved, Caxton's, obtained only 50% of the shares in this venture and therefore cannot willy-nilly raise our rates. They are committed to a long-term investment and are not focused

on short term gains. In this process we have found a publishing partner aligned with the best interest of our industry.

### **Realignment of Real Estate Qualifications**

The real estate qualifications (NQF 4&5) registration end dates are 30 June 2018 and the last date for enrolment is 30 June 2019. Rebosa set up an educational steering committee comprising of industry educational specialists that have spent the past months interacting with QCTO, SAQA & SSETA to ensure our input on the new educational qualifications framework.

### **NAR**

Rebosa hosted the National Association of Realtors Leadership at the end of July 2017. We continue to have a meaningful and collaborative relationship with NAR as a bi-lateral partner.

### **Stakeholder Engagement**

Rebosa engages with a wide array of stakeholders to ensure the protection of our member's interests. These include but are not limited to:

- Community Services Ombuds Scheme
- Property Sector Charter Council
- National Department of Human Settlements
- Parliamentary Portfolio Committee on Human Settlements
- Other member organisations (IEASA, National Property Association, SAPOA, NAMA, etc.)
- EAAB
- SSETA

### **Services SETA**

Rebosa has assisted members having issues with Services SETA. This included:

- service providers who were allocated Discretionary Grants to place learners with employers.
- the remaining learners from the defunct iSeleSele to begin the exit process. This process has almost reached completion with final external verification currently taking place.
- ongoing consultation with SSETA to clear the backlog for NQF4/5 certification.
- nominated a candidate to the Western Cape Provincial Forum. Rebosa now has representation on most SSETA structures.
- Supported and assisted in the drive to recruit Assessors and Moderators from Rebosa members to increase SSETA capacity.

## 6. Rebosa Membership

Rebosa's membership includes 26 national real estate groups and their franchisees and 1 100 independently owned real estate agencies. This is up from 735 independent agencies in the previous year. Collectively our members employ 15 340 estate agents. This unequivocally makes Rebosa the most representative body in the real estate sector in South Africa today.

Whilst we are proud of this achievement, having started off a very small base in 2012, we need to continually grow our membership base, especially amongst the independent agencies and emerging new entrants. Given the current minefield of new legislation and particularly the Property Practitioners Bill, we cannot emphasise enough the importance of a collective voice for real estate. It is only through numbers that we will be heard and can effect change. To all our members and specifically those who came on board in the early days – we thank you for your support. We have managed to achieve great strides but we need critical mass to move forward.

REBOSA's mission to be a "unified and representative organisation that aims to safeguard and protect the interests of real estate business owners in South Africa" and to "achieve collectively what business owners cannot achieve on their own" – is more relevant than ever before.

Without our growing membership we could not have encouraged the EAAB to extend CPD deadlines without penalties or had the backlog of FFC's issued in record time. We could not have been instrumental in avoiding the possible hostage takeover of Private Property by P24, we would not have 3 members of the EAAB Board represented by industry professionals that we nominated and we would not have been given just short of R1m in free advertising by our media partners. We would certainly not have a seat at the table where many decisions are made on behalf of our industry.

In the year ahead there is much to be done. We urge you to "each one, recruit one" so that we continually build our membership base and become a stronger voice for the industry. The power of the collective is evident in the Mining Industry successfully challenging the mining charter. It is only through the power of numbers that our collective voice will be heard.

## 7. Closing

In closing, I thank you for your support. I think we can all agree that REBOSA has once again added real value to its members.

Please allow me to convey my deepest appreciation to my colleagues on the Board for their contribution and commitment.

Finally, I would like to express my sincere thanks and heartfelt appreciation to our CEO, Jan le Roux. The industry is extremely fortunate to have someone of Jan's knowledge and experience, drive, dedication, passion and commitment at the helm of REBOSA. He has been, and continues to be, outstanding and the industry owes Jan a huge debt of gratitude.

I thank you.

Richard Gray  
REBOSA Chairman