

To Whom It May Concern

Property Practitioners Regulations, 2022 (Government Gazette No. 45735 : 14 January 2022)

The Property Practitioners Act, 22 of 2019, and Regulations became effective on the 1st of February 2022 and pursuant to the provisions of Section 63 (1) of the Act, the Minister of Human Settlements declared in Regulation 35 that the following business practices are undesirable and therefore prohibited:-

- any arrangement in terms of which any party or person that directly or indirectly controls or manages any residential property development, including any body corporate or homeowners' association (the "managing organisation") -
- receives money or any other reward in exchange for a benefit, advantage or other form of preferential treatment in respect of the marketing of properties in such property development;
- requires that any property in such property development may only be disposed of through the agency of the managing organisation or a property practitioner designated by the managing organisation or which imposes any form of penalty in respect of a failure to do so;
- requires that any property in such property development may only be disposed of to the managing organisation or a person or entity designated by the managing organisation;
- effectively provides an advantage to any one property practitioner or group of property practitioners over and above any other property practitioners, in providing services in relation to properties in such property development; or
- effectively excludes or disadvantages any property practitioner or group of property practitioners from being able to provide services in relation to properties in such property development.

This means that any Property Practitioner (estate agent) who acts in contravention of this regulation will be prosecuted by the Property Practitioners Regulatory Authority "PPRA" which may lead to the cancellation of his/her Fidelity Fund Certificate "FFC" and therefore the right to trade.

Property Practitioners are strongly advised to pay heed.

Transgressors can be reported to the PPRA by completing the attached prescribed form to lodge a complaint and emailing it to legal@eaab.org.za

Real Estate Business Owners of South Africa "REBOSA", is an independent non-profit company (NPC) representing the best interests of real estate business owners and principals of small, medium and large estate agencies operating in the residential real estate sector.

Kind regards



Chief Executive