

## Planning to Sell or Buy a Property? Protect Yourself!

If you are looking to sell your home or search for one through a property agent, use one of the Council for Estate Agencies (CEA)'s [prescribed estate agency agreements](#).

These agreements formalise the contract between you and the property agency that your agent represents. It sets out the agent's scope and duties as well as the terms and conditions involved when the agent acts for you.

CEA's prescribed estate agency agreements are binding. There are [two types of agreements](#):

1. Exclusive agreements: You appoint only one property agency during a validity period of up to three months
2. Non-exclusive agreements: You appoint a few property agencies to help you with your transaction

You can choose to use either type of agreement, depending on your needs and preferences.

The agreements protect the interests of both the consumers and the property agencies. They provide the following details:

### Duties of the property agency and agent's duties

You will have a clear idea of what the property agency and agent are supposed to do when facilitating your sale or purchase transaction

### Any potential conflict of interest

The property agency and agent must declare to you in writing whether there is any potential [conflict of interest](#) ahead of the transaction.

### Commission amount

If you have decided to engage an agent after negotiating and agreeing on the commission amount, do indicate this amount in the agreement. If GST is levied on the commission, your agent should reflect this in the agreement as well.

Do remember to pay the commission to the agency, not to the agent, and only when the transaction is completed.

### When to pay or not pay commission

If you have signed an exclusive agreement, you will be liable to pay commission:

- during the validity period even if you sell or buy the property through another agency or completed the transaction on your own, and
- within three months after the validity period if the property is transacted with a party introduced by your appointed agency during the validity period.

### The property agency and agent must go for a dispute resolution if you ask for it

CEA's prescribed estate agency agreements enable you to use [CEA's Dispute Resolution Scheme](#) if you encounter any contractual disputes with your property agency or agent. You can then choose to go for mediation or arbitration through centres approved by CEA.

# HOW THE ESTATE AGENCY AGREEMENTS FOR SALE OR PURCHASE TRANSACTIONS PROTECT YOUR INTERESTS



## Validity period/renewal<sup>1</sup>

States the commencement date and period of agreement.



## Duties of property agency

States the duties of the property agency to the customer



## Expected sale price<sup>2</sup>

States the expected sale price for the purpose of listing or advertising



## Commission

States

- The commission amount
- Whether GST is payable
- Whether commission includes GST
- Conditions under which the customer is liable to pay commission



## Disclosure requirements

Declaration of existing or potential conflict of interest by property agency/agent in acting for the customer



## Property inspection<sup>3</sup>

Permission given by the seller to allow the property agency to show the property to prospective buyer(s)



## Warranty by seller<sup>3</sup>

States that the seller is the owner, who is authorised to sell the property



## Co-brokering

Permission given by the customer to the property agency to co-broke with another property agency, and the customer's liability to pay commission



## Application law and dispute resolution

States the governing laws of the agreement and available dispute resolution channels



## Additional terms

Ensures full compliance to the terms prescribed in the agreement, and to insert any additional agreed terms in a specific section of the agreement.

### Explanatory notes

1. Only in exclusive agreements 2. Only in landlord's exclusive agreement 3. Only in landlord's agreement

*Infographic on the different components in the estate agency agreement for sale and purchase transactions*

Did you know that CEA also provides prescribed estate agency agreements for [rental transactions](#)?