

Save on commission – unregistered estate agents don't qualify!

If your estate agent didn't have a Fidelity Fund Certificate – a valid license to operate when they sold or rented you property – legally they were not permitted to receive any remuneration for their services. More than this, they are not even allowed to operate as an estate agent – much less earn a living from the trade.

What's alarming about this truth is that, according to the Estate Agency Affairs Board (EAAB), about 10 years ago there were as many as 80 000 registered estate agents whereas today this figure is sitting somewhere in the region of 30 000. A tally that's greatly reduced – if still in business, that puts 50 000 as the number of agents potentially operating illegally in SA and, from all accounts, many fall outside the realm of legitimate operators.

What this means for consumers is they could avoid paying commission. In a world that's full of scam artists, consumers must become savvier to protect themselves. This is particularly true in the case of a property sale where transactions generally involve vast sums of money.

Believing the EAAB is unlikely to ever catch them - these rogue operators flout the law and take chances. What they haven't counted on is the official industry body putting measures in place to verify the legitimacy of estate agents and that's exactly what's happened. A new counter fraud device provided by PrivySeal is now mandatory for all registered estate agents and distinguishes the genuine operators from the fakes.

Attorney and the inspiration behind PrivySeal, Stephen Logan explains that a Privyseal is a digital seal of authenticity that only displays if a qualification has been verified as genuine. More than that – it displays the date and time a qualification was last checked.

“With qualifications digitally checked every few minutes, the process provides real time online verification,” says Logan. “By clicking on a Privyseal, consumers can access details about the qualification holder, including their registered contact details which are drawn from the database of the qualification authority.”

Logan adds that anyone with an EAAB Privyseal – an agent or agency – is able to prove: they are properly registered and their current good standing has been verified. “By working with a registered professional, consumers have greater protection and recourse should anything go wrong.”

Already being used by a wide range of organisations, including the Institute of Directors, Law Societies and the South African Qualifications Authority, the EAAB was the first industry regulator to make the use of Privyseals mandatory.

Margie Campbell, Marketing Manager at the EAAB says, “Thanks to the support of key industry stakeholders, including SAPOA, IEASA, REBOSA, NAMA and SAIA, all registered estate agents and registered estate agency enterprises must display their EAAB Privyseals as a means of countering qualification fraud and protecting the public and legitimate estate agents.

“If your estate agent doesn't have an EAAB Privyseal, they have very likely not been issued with a valid fidelity fund certificate by the EAAB. In terms of the Estate Agency Affairs Act unregistered estate agents are not entitled to any remuneration for estate agency services rendered,” says Campbell adding that, “the EAAB has paid for every registered estate agent to obtain an EAAB Privyseal. There is no valid reason, therefore, why a properly registered estate agent in good standing with the EAAB should not use a Privyseal.”

Estate agencies had better take note - they will forfeit their share of the commission if their agents are non-compliant.

To date - over 19 000 EAAB Privyseals have been issued to compliant estate agents. EAAB Privyseals must be displayed by all registered estate agents in their email signature, their online and social media profiles, alongside property listings and in all marketing material.

“If your estate agent isn’t showing off their EAAB Privyseal in their email, ask to see it or look for another estate agent because if they aren’t proudly displaying this certification, they could possibly be operating illegally under the radar. An advanced authentication system that protects consumers in an age where cybercrime, identity theft and fraud are at an all-time high; PrivySeal is the next frontier in proving people are the real deal.”

An EAAB Privyseal will reflect the current date and time but to further corroborate the information - check it links to the agent’s hyperlinked EAAB Certificate of Verification on www.privyseal.com. While you could request a copy of their fidelity fund certificate – the strength of a Privyseal is the company constantly checks the EAAB database making it more reliable than a printed fidelity fund certificate that could potentially have been withdrawn or doctored.

Privyseals are already being displayed by registered estate agents on recognised industry sites like property24.com, privateproperty.co.za, iolproperty.co.za, and myproperty.co.za.

For more details - go to: www.privyseal.com.

Note:

Section 26 of the Estate Agency Affairs Act provides that: *“No person shall perform any act as an estate agent unless a valid fidelity fund certificate has been issued to him or her and to every person employed by him or her as an estate agent.”*

Furthermore, Section 34A provides that: *"No estate agent shall be entitled to any remuneration or other payment in respect of or arising from the performance of any act ...unless at the time of the performance of the act a valid fidelity fund certificate has been issued -*

a) to such estate agent; and

b) if such estate agent is a company, to every director of such company or, if such estate agent is a close corporation, to every member referred to in paragraph (b) of the definition of 'estate agent' of such corporation."