



20 April 2020

The Chairperson of the Estate Agency Affairs Board
Mr N. Biko
C/O
The Office of the CEO: Mrs M. Mohlala-Molaudzi

By Email: Mamodupi.Mohlala@eaab.org.za

Dear Mr Biko,

RE: APPEAL FROM THE NPPC TO THE EAAB FOR ECONOMIC MITIGATION AND RELIEF MEASURES TO STIMULATE THE SOUTH AFRICAN REAL ESTATE SECTOR

I write to you on behalf of the National Property Practitioners Council, the newly-formed representative council which aims to provide a single voice for property practitioners and act as the national industry representative body in all matters pertaining to the sector.

The rapidly spreading novel coronavirus has immobilised industries, markets and economies worldwide. While few businesses or sectors have been able to insulate themselves from the pandemics economic and social impact, the South African real estate sector has been specifically hard-hit.

The real estate industry is not defined as an essential service albeit that it is a significant contributor to GDP and tax collection. Estate Agents, being commission only earners will be severely impacted. The impact is two-fold, i.e. loss of sales in the lockdown period, as well as an abrupt stop to all commissions with the closure of the Deeds Office. Similarly, with the Rates Clearance departments closed, this will be a bottle neck that will result in a lengthy period post-lockdown before the industry can return to a normal property transfer / bond registration cycle, meaning potentially months of no income for the majority of estate agents.

To date there are no relief support options available to estate agents. The UIF COVID-19 TERS is not available to agents as commission earners who do not contribute to the fund. Other options available have already been exhausted.

The NPPC have made representations to the Presidency and DTI to allow for the continuance of property transactions/registrations at the Deeds Office and at local councils for the issuance of rates certificates. Following global policy decisions of the US, Canada, New Zealand and Australia, the NPPC has also petitioned for the real estate sector to be declared an "Essential Service".

It is in this context that we appeal to the EAAB to provide support to the +/- 40 000 registered estate agents who are on the brink of privation in the following manner which can yield immediate short-term relief to the industry.

1. Waiver of CPD Fees

The EAAB have not released the 2020 CPD curriculum and online CPD courses are not available for download. Some payments that have been made have still not been allocated and the CPD portal remains inaccessible to agents. With the lockdown extended until the end of April and given that a further lockdown period could be enforced, **we appeal to the EAAB to waive all CPD fees for 2020**. Given that no progress on CPD has been made to date, coupled with the economic impact of Covid-19, we do not believe that the EAAB in

good conscience can impose these fees. Whilst we acknowledge the concession in respect of the extension of the CPD payment deadline to 31 May, the industry right now is unable to afford the extra burden of CPD fees considering they will not earn an income for the most part of the 2020 financial year.

2. Concession iro Late Audit Report Submissions

We urge the EAAB to announce some latitude in respect of late submission of audit reports due to the lockdown. Whilst we acknowledge that the Act does not allow for an extension or late submission of an audit report, it is within the EAABs power to determine the timing of prosecution and scope of the penalty. As such we request that the deadline for submitting audit reports be moved to 30 September 2020.

3. Payment Holiday for Exam Fees, Fines and Penalties

In line with relief measures offered to consumers and businesses by the financial institutions, we urge the EAAB to announce a payment holiday until 28 February 2021 for all agents who are in arrears with payments, fines and/or penalties and iro all exam fees.

In the spirit of collaboration and our national imperative to curb the spread and flatten the curve of Covid-19, we hope this request will receive the board's urgent consideration.

It is incumbent on all of us to provide solutions and means to lessen the devastating and lasting effects of Covid-19 will have on the industry and as such we look forward to your favourable response.

Yours sincerely,

Ms Vuyiswa Mutshekwane (*Chairperson*)



On behalf of the NPPC

NPPC Member Organisations

South African Institute of Black Property Practitioners ("SAIBPP")
South African Property Owners Association ("SAPOA")
Real Estate Business Owners of South Africa ("REBOSA")
National Property Forum ("NPF")
National Association of Managing Agents ("NAMA")
Institute of Certified Business Brokers
South African Institute of Auctioneers ("SAIA")
Institute of Estate Agents of South Africa ("IEASA")
South African Business Broking Association ("SABBA")