

**MINISTER**

**HUMAN SETTLEMENTS, WATER AND SANITATION**

**NATIONAL ASSEMBLY**

**QUESTION FOR WRITTEN REPLY**

**QUESTION NO.: 1368**

**DATE OF PUBLICATION: 21 MAY 2021**

**Mrs M R Mohlala (EFF) to ask the Minister of Human Settlements, Water and Sanitation:**

What steps has she taken to (a) transform the property development and management sector since she took office and, specifically, (b) ensure that there are more black estate agents in the Republic? NW1561E

**REPLY:**

Honourable Member, the transformation of the property sector is well underway. I am proud that we amended the Estate Agency Affairs Act of 1976 and it will be replaced by the Property Practitioners Act, 2019, once it comes into operation. The 1976 Act was amended to ensure we have a healthy property market that restores the dignity of all South Africans through the basic constitutional right to ownership of an immovable property through security of tenure.

The Property Practitioners Act seeks to transform the property market by ensuring that it reflects the SA demographics, and requires that:

* The Authority should set aside a portion of the Fidelity Fund for purposes of implementing transformation programmes such as enterprise development of historically disadvantaged and consumer education and awareness;
* Government across all levels is compelled to comply with BBBEE and employment equity legislation and the Authority should monitor transformation property market trends within government;
* The Authority should establish a transformation fund to aggressively accelerate transformation within the sector;
* The establishment of the Research Centre to conduct property market research

Further, in 2019, the Estate Agency Affairs Board (EAAB) issued Practice Note PDI01/2019. The purpose of the PDI01/2019 is to regulate the position of Previously Disadvantaged Individuals (PDIs) who were previously registered as estate agents by the EAAB, and issued with valid Fidelity Fund Certificates (FFCs). These registered estate agents are currently disqualified and are prevented from operating & being issued with FFCs due to non-compliance.

In terms of the Estate Agency Affairs Board Act (112 of 1976), it is required that every estate agent and estate agency firm must obtain a Fidelity Fund Certificate (FFC) from the (EAAB). It is illegal for Estate Agents to operate without a valid FFC (being issued by the EAAB) and/ or educational requirements that are prescribed by the Standard of Training of Estate Agents Regulations (2008).

There is an amnesty programme for PDI applicants who previously practised as estate agents and now need or require to re-enter the sector. The PDI applicants are given a special dispensation not to pay any monies due to EAAB relating to previous debt.

To date, two hundred and sixty-seven (267) applications have been received for this amnesty programme. Of these, one hundred and ninety (190) have been assessed by the Committee and one hundred and eighty (180) applications have been successful.

The EAAB has also advertised an invitation for PDIs to submit applications to be part of a Small Medium Micro Enterprises (SMME) incubation programme. The aim is to empower PDIs within the real estate sector.

In addition to the above, the EAAB is working on a programme in terms of which twenty-five (25) SMME’s will be awarded an amount of R500 000, of which 50% will be a loan and the balance will be converted into grant funding. This programme will also include a benefit in terms of which the beneficiary SMME’s will be assisted with marketing their businesses and be given access to properties (stock) that is earmarked for selling.

# The EAAB has created and implemented the “One Learner - One Estate Agency” Empowerment Programme that focuses on the placement of youth, women and people with disabilities in the real estate sector. Through this programme, over two thousand (2 000) interns have been placed with the real estate industry host employers.

The EAAB has also created and implemented the Principalisation Programme to capacitate principal estate agents. A specific intervention of this programme is directed towards encouraging and capacitating black women to act as principal estate agents.