

Limpopo Legislature

Office Of The Secretary

Physical Address:

Lebowakgomo
Government Complex

Postal Address:

Private Bag X9309
Polokwane
0700

NEGOTIATING MANDATE

To : The Chairperson: Select Committee on
Co-operative Governance and Traditional Affairs

Name of the Bill : Property Practitioners Bill

Number of the Bill : [B21B-2018]

Date of deliberation : 14 March 2019

Vote of the Legislature : Provincial NCOP Permanent Delegates
to negotiate in favour of the Bill with the
attached inputs.



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HON. M.J APHIRI
COMMITTEE CHAIRPWERSON

18/03/2019
.....
DATE

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NEGOTIATING MANDATE ON PROPERTY PRACTITIONERS BILL, 2018

1. INTRODUCTION

The Property Practitioners Bill, 2018 was introduced in the august House from the National Council of Provinces (NCOP) and the Bill was subsequently referred to the Portfolio Committee on Cooperative Governance, Human Settlements and Traditional Affairs for consideration and inputs.

2. OBJECTS OF THE BILL

To provide for the regulation of property practitioners; to provide for the continuation of the Estate Agency Affairs Board as the Property Practitioners Regulatory Authority; to provide for the appointment of the members of the Board and matters incidental thereto; to provide for the appointment of the Chief Executive Officer and other staff members of the Authority; to provide for transformation of the property practitioners sector; to provide for the establishment of the transformation fund and establishment of the research centre on transformation; to provide for compliance with and enforcement of the provisions of the Act; to provide for the continuation of the Estate Agents Fidelity Fund as the Property Practitioners Fidelity Fund; to provide for consumer protection; to provide for the repeal of the Estate Agency Affairs Act, 1976; and to provide for matters connected therewith.

3. CONSIDERATION OF THE BILL

The committee met the NCOP delegates together with the official from the Department of Human Settlement on 20 February 2019 to receive a detailed briefing on the principles and objects of the Bill. It was in this meeting that the committee resolved to conduct public hearing on the Bill in the province.

4. PUBLIC HEARINGS

Public hearing took place on 06 March 2019 where traditional leaders, municipalities, estate agencies, developers, legal practitioners, youth and other stakeholders in the property sector were invited and attended to give inputs and comments on the Bill.

The committee considered inputs made during the public hearing and hereby submits inputs as outlined below for the NCOP to take into account before the Bill is passed into law:

- Most part of property and land is still in the hands of previously advantaged groups where property ownership chain is likely to remain unchanged as they are likely to appoint their own attorneys for bond registration, estate agents etc.
- The bill is silent on properties that might be subject of expropriation. Is there a list of farms or properties to be expropriated so that they are prevented from being sold so that the potential buyer does not suffer losses?
- Financial institutions should also be regulated so that the previously disadvantaged are given preference in terms of property financing. The board should also involve land claimants and ensure that their claimed land acquires value.
- At times some estate agents proclaim themselves as property valuers without certificates. The bill should prohibit agents from pricing the property unless they are properly registered to do so.
- On qualification: There are some agents who did N5 or so in years and years ago and only receiving certificates in 2018 so that they continue with the next qualification in 2019. How does the government help?
- Is there a particular number per province or district for young estate agents to be empowered?
- There are people who have been working for estate agencies and have acquired vast knowledge though they do not have qualifications. Should not they qualify automatically to register as independent estate agents?
- Without necessarily mentioning "previously disadvantaged groups" the bill must read "To transform the property market by ensuring that it reflects SA demographics and principles as enshrined in Chapter 09 of the constitution.
- It is well known that rural houses are not registered and have no title deeds but permission to occupy as the land on which they are built belongs to traditional leaders. The bill should, however state clearly that it is illegal to sell rural houses especially through estate agents as the land belongs to traditional leaders.
- Though there is provision for punishment on commission of offences relating to unregistered estate agencies or agencies operating outside the legal framework, the bill should clearly state the actual penalty to be imposed, for example, three year jail term with an option of a fine.

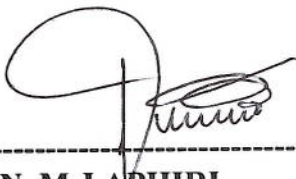
NEGOTIATING MANDATE ON PROPERTY PRACTITIONERS BILL, 2018

term with an option of a fine.

- The bill is not clear if developers should also register as estate agencies before they sell houses

5. CONCLUSION

The committee, having considered comments and inputs during the hearing, hereby confers a mandate to the NCOP delegates to negotiate in favour of the bill with the above inputs before the Bill is passed to the next stage of legislation.



HON. M.J APHIRI
COMMITTEE CHAIRPERSON