

EAAB protects against unscrupulous agent behaviour

 By [Adrian Goslett](#)

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According to a Homeowner Insights study conducted by Absa and Columinate in 2016, only 16% of people selling their properties trusted their estate agents. A possible reason for this statistic is that there is a lack of proper expectations that are being set out from the beginning of the homeowner's interaction with the estate agent.



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Estate agents need to be upfront with their clients and from the outset give realistic guidelines and information as to what they can expect from the agent and the sales process. Also, it is important to take into consideration that of the approximate 40,000 real estate agents operating in South Africa - not everyone can be considered to be a full-time professional agent regardless of their qualifications. The property sales process is complex, and it should be handled by a professional who has the necessary experience to deal with the many facets involved.

Changing perceptions

How can estate agents change the perception in the market and build trust with their clients? It takes a long time to build trust – it is not something that happens overnight. It takes time to build trust, but only one act to break it. For agents to change the perception of them in the market, they need to do what they say they are going to do. If expectations have been established, the agent needs to follow through to ensure that the expectations are met to their client's satisfaction. Agents build up a metaphoric 'trust bank' with their clients, making deposits by being trustworthy and a person that sticks to their word.

Even if an agent has the right qualification to sell a property, it does not mean that they are trustworthy or reputable. The agent may be qualified to deal with the complexity of a property sales transaction, but this will not give the seller any insight into whether they are ethical in their business practices. Essentially the only way that a seller will be able to know whether they are dealing with an ethical agent is by contacting their previous clients and references. As with most services or professionals, the best agent is a referral from a trusted source such as a family member or friend.

EAAB protects consumers

While it is essentially the individual agent who needs to ensure that they conduct themselves in an honourable manner, there are measures in place to ensure that their clients are not without recourse if the dealings sour. Buyers and sellers

should only deal with estate agents who hold a Fidelity Fund Certificate, issued by the Estate Agents Affairs Board (EAAB). The EAAB aims to regulate the industry and ensure that consumers are protected in their dealings with real estate agents. The EAAB manages and controls the Estate Agents Affairs Fund, which exists to reimburse someone who, under certain circumstances, has suffered a loss due to their dealings with an estate agent, such as mishandling money that has been entrusted to them.

If a dispute arises between an agent and their client, depending on the circumstances, the EAAB will set up a mediation to ensure that the matter gets resolved. Many of the agreements that estate agents use when entering into a contract with their client will have a clause that deals with disputes and the procedure that needs to be followed should one occur. If the matter is not resolved by the EAAB, the client still has the option of contacting an attorney and taking legal action.

ABOUT ADRIAN GOSLETT

Adrian Goslett is CEO and regional director of RE/MAX Southern Africa. He joined RE/MAX Southern Africa in 2005 as a franchise development consultant, supporting various regions and offices. Throughout his career at RE/MAX he has held various positions. In 2010, after successfully leading 160 offices and over 1500 agents in six countries through the worst years real estate has ever seen in South Africa in 30 years, Goslett was appointed as CEO of RE/MAX Southern Africa.

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