

Note: This case was referred to a CEA Disciplinary Committee (DC) before the operationalisation of the Estate Agents (Amendment) Act 2020 on 30 July 2021. With the Act amendments, the maximum financial penalty for disciplinary breaches has been raised and a DC can impose a higher financial penalty on errant offenders.

S/N 11/2014 – Advertising and Arranging to Sublease an HDB Rental Flat Contrary to HDB Rules, and Advertising an HDB Flat Contrary to HDB Procedure

Facts of Case

The Respondent was engaged by the lessee of an HDB rental flat to sublet the flat. The subletting of HDB rental flats is contrary to HDB Rules.

Further, the advertisement of the flat, which was arranged by the Respondent, cited the wrong block number.

The Complainant who was looking for a flat to rent came across the advertisement and arranged for a viewing of the HDB rental flat with the Respondent.

The Respondent brought the Complainant to the HDB rental flat for viewing and he informed the Complainant that an Indonesian couple had viewed the flat and expressed interest to rent it at \$1,200 per month. The Respondent told the Complainant to make his best offer to the landlady.

The Complainant then made an offer of rental of \$1,250.00 per month for the flat, which the Respondent conveyed to the landlady. However, the landlady later decided not to sublet the HDB rental flat.

The Respondent also advertised another HDB flat on PropertyGuru for one month's rental. This was contrary to HDB procedures which prohibited the subletting of HDB flats for less than 6 months.

Charges

The Respondent was charged for the following 3 offences:

Charge 1

For causing an advertisement for the lease of a HDB rental flat that contained false information i.e. a wrong block number, in contravention of paragraph 12(4)(a) of the Code of Ethics and Professional Client Care (the “**Code**”).

Charge 2

For advertising and arranging the viewing of a HDB rental flat contrary to HDB Rules in contravention of paragraph 4(1) read with paragraph 4(2)(e) of the Code.

Charge 3

For advertising the rental of a HDB flat for a short rental term of one month contrary to HDB procedures and in contravention of paragraph 4(1) read with paragraph 4(2)(e) of the Code.

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Outcome

A plea bargain between the Respondent and CEA was reached whereby CEA proceeded on Charge 2, which the Respondent pleaded guilty to, with the remaining two charges being taken into consideration for purposes of imposition of penalty.

The DC imposed a financial penalty of \$2,000 and suspension of 3 weeks on the Respondent.

Fixed costs of \$1,000 were also imposed on the Respondent.