

**PROPOSAL
FOR ATTACHMENT IN THE AREAS OF
SALES, RENTALS AND LEASES**

The following information is to be communicated to Supervising Dealers and Salesmen under Attachment.

General Information

The following guidelines are meant to provide a framework in which supervision and attachment take place in accordance with Regulation 10 (b) (i).

Having obtained a prescribed qualification in order to practice the business of real estate as a real estate Dealer, it is required under Regulation 10 (b) (i) that such applicant undergoes a period of attachment in the office of a real estate dealer approved by the Board.

Once the Dealer has been approved, the period of supervision begins and must be for at least one (1) year.

In order to clearly indicate the Board's expectation regarding the period of supervision, the following proposals are made for the areas of supervision: Sales, Rentals and Leases. Online forms are provided for the use of both attached salesmen and their supervising dealers in reporting on the period of attachment. Ratings and comments must be provided as indicated on these forms. Where the attachee is/was being supervised by another Dealer approved by the Board it should be noted and a report provided to the Board. Listings may be included in the dealer's report, but it is to be noted that emphasis will be on closed real estate transactions (Sales, Rentals, and Leases).

In the areas of Sales, Rentals and Leases it is expected that a portfolio of at least **twelve (12) closed** transactions should be submitted at the end of the period of attachment along with secondary supporting evidence of the closed transactions. Please note that the portfolio should include a mix of properties, i.e. residential, agricultural and commercial, and there should be sufficient exposure to varying complexity of transaction. The attachee must be exposed to both areas from the transaction including listing and closing aspect of the transaction.

Residential land use type must include a mixture of sales, rentals and leases that must vary in size and type from a lot, detached dwelling house, duplex, townhouse or apartment but not within the said development scheme or residential complex. The attachee must be introduced to array of properties varying in management structure including but not limited to gated communities and strata properties.

There must be a minimum of one agricultural sale, rental or lease with lot size greater than 1 acre that must be zoned for agricultural purposes and /or approved by the relevant local planning authority for that specific purpose.

Commercial land use type must include a mixture of sales, rentals and leases that must vary in size and management structure. As evidence of commercial transactions the Board will consider a minimum of two closed commercial sale transactions, with a minimum size of 3000 square feet, with the attachee playing the instrumental role at both the listing and the closing end of the transaction. The transactions must not be units in the same commercial complex. These lots/units must be classified as commercial in their land use type, must also be zoned for commercial use and approved by the relevant local planning authority for that specific purpose. The supervisee must be guided in relation to best practises as it relates parking, asset management and maintenance of the building and or complex, insurance, by laws and covenants as it relates to the building or complex and proper accounting, filing and records keeping in relation to this property type.

The supervising dealer should ensure that attachees have knowledge of the Real Estate (Dealers & Developers) Act and Regulations; the Registration (Strata Titles) Act and its Amendments and their implications for practising dealers.

Office Management; Principles and Procedures

The supervising dealer should ensure the following are in place:

- ✚ There are written office policies and procedures to include compensation, advertising of properties, agents' engagement contracts, management of clients' accounts, acquiring listings (understanding the use/types of listing forms), professional conduct and department, marketing and sales of real estate, accounting and office management.
- ✚ Screening of prospective leases/tenants (due diligence);
- ✚ Understanding financial and accounting principles as applicable;
- ✚ Experience in Reviewing of lease agreements;
- ✚ Records management (special emphasis on POCA/AML/TPA required);
- ✚ Human resource management
- ✚ Understanding of ethics;
- ✚ Application of GCT on transactions;
- ✚ Understanding the legal framework in which sales, rentals and leases take place;
- ✚ Reporting and filing requirements of dealer to external bodies, e.g. Real Estate Board, Companies Office, Inland Revenue;

✚ Clients' complaints procedures (an understanding of documentation necessary).

The listed areas of exposure should be included in the summary report provided to the Board by the dealer at the end of a period of attachment.

Oral Examination

Should the Board deem it necessary, the supervised salesman, the supervising dealer or both may be required to undergo an oral examination.