

## **THE ESTATE AGENTS CATEGORISATION RULES 2023 (DRAFT 4)**

### **1. Preamble**

- i) The following Categorisation Rules are issued by the Estate Agents Registration Board for the purpose of providing guidance and direction in the conduct of estate agency work.
- ii) These Rules have been published in accordance with the provisions of Sections 4 and 22(1) of the Estate Agents Act.
- iii) These rules are meant to protect the consumers of real estate agency services and the public.
- iv) These rules are designed to enhance the competence of estate agents by aligning their experience, training and expertise with their area of specialisation.
- v) The Board is committed to supporting the growth of the profession, encouraging compliance and spreading the geographical reach of registered estate agents.
- vi) A registered estate agent shall adhere, observe and comply with the Categorisation Rules.

### **2) Interpretation**

In the Categorisation Rules, unless the context otherwise indicates—

“Board” means the Estate Agents Registration Board;

“estate agency service” means any service referred to in subparagraphs (a) and (b) of the definition of “practice as an estate agent” in Section 2(1) of the Act;

“estate agent” means a person duly registered under section 13 of the Act;

“immovable property” means immovable property as defined in section 3(1) of the Interpretation and General Provisions Act, Cap 2, Laws of Kenya;

“NCA” means the National Construction Authority under the National Construction Authority Act No 41 of 2011;

“mandate” means an instruction or an authority given to, and accepted by, an estate agent to render estate agency service;

“sole mandate” means a mandate incorporating an undertaking on the part of the person giving the mandate, not to confer a similar mandate to another estate agent before the expiry of a determined or determinable period;

“The Act” means the Estate Agents Act, Cap 533, Laws of Kenya; and

“writing” in relation to communication, shall include email.

### **3) Basis of Categorising Real Estate Agents**

- i) The Estate Agents Registration Board may license estate agents based on their technical training, experience and areas of competence;
- ii) The estate agent shall limit his practice within the confines of his/her license as set out in Schedule A;
- iii) The estate agent shall not be entitled any remedy for actions outside the limits of the Estate Agent’s category;

- iv) Non adherence to the Categorisation Rules shall be deemed to be a professional malpractice.

#### 4) Licensing of Real Estate Agents

The Board may license a Real Estate Agent—

- i. To practice in all the specialty areas set out in Section 2 (1) of the Act or
- ii. Limit such an Estate Agent to specific area(s) of specialisation.

#### 5) Areas of Specialisation

The areas of specialisation that an Estate can engage in include-

- i. Property Management;
- ii. Facilities Management;
- iii. Mortgage; and
- iv. Sales and Letting.

#### 6) Classes of Real Estate Agents

The Board shall categorise the Real Estate Agents into the following classes as set out in Schedule A—

##### i) **Class A** –

An Estate Agent in this class shall be referred to as the **Principal Agent** and shall—

- a) have qualifications and scope of work as set out in Schedule A;
- b) have authority to carry out all the functions set out in Section 2(1) of the Act;
- c) independently run a real estate agency business; and
- d) have authority to receive sole mandates.

##### ii) **Class B** –

An Estate Agent in this class shall be referred to as a **Broker** and shall—

- a) be categorised based on areas of specialisation(s) set out in Rule 5;
- b) have qualifications and scope of work as set out in Schedule A;
- c) independently run a real estate agency business subject to the limitations under Schedule A; and
- d) have authority to receive sole mandates subject to the limitations under Schedule A.

##### iii) **Class C** –

An Estate Agent in this class shall be referred to as **Technician I** and shall—

- a) be categorised based on areas of specialisation set out in Rule 5;
- b) have qualifications and scope of work is as set out in Schedule A; and
- c) work under direct supervision of a Principal Agent or a Broker.

##### iv) **Class D** –

An Estate Agents in this class shall be referred to as **Technician II** and shall.

- a) be categorised based on areas of specialisation set out in Rule 5;
- b) have qualifications and scope of work is as set out in Schedule A; and
- c) work under direct supervision of a Principal Agent or a Broker.

7) Elevation of an Estate Agent

An estate agent may be elevated to a higher category if such agent has, to the satisfaction of the board, demonstrated that they have—

- i. acquired the qualifications and experience of such a higher category as set out in Schedule A or
- ii. Attained the requisite CPD points as set out under the CPD regulations for three (3) consecutive years, provided that, such elevation is limited to Class C.

8) Downgrading of an Estate Agent

The Board may downgrade an Estate Agent, to a lower category, if such an estate agent—

- i. loses the qualifications that were central to his elevation or registration or
- ii. remains inactive for a period of more than three (3) years or
- iii. is guilty of professional misconduct where in the opinion of the Board, the requisite punishment is a downgrade or
- iv. fails to acquire the requisite CPD points as set out under the CPD regulations for three (3) consecutive years.

**Schedule A.**

CLASSES	TRANSACTION VALUE	TITLE	CATEGORIES	COMPETENCE	SCOPE
<b>Class A</b>	<b>Unlimited</b>	<b>Principal Agent</b>	<b>Principal Agent</b>	1) Qualifications under section 13(1) (a) and (b) of the Estate Agents Act.	(i). All the functions of an estate agent as set out in Section 2(1) of the Act. (ii). Can own an estate agency firm. (iii). Can train estate agents.
<b>Class B</b>	<b>1) Property Management:</b> Annual rent of up to Kenya shillings 3,000,000.00 per property.	<b>Broker</b>	<b>Property Management</b>	1) Degree in Real Estate or its equivalent from a University or college recognised by the Board; or 2) Diploma in Real Estate from a University or college recognised by the Board and Two (2) years post qualification experience under a <b>Principal Agent; or</b> 3) Degree in Other fields from a University or college recognised by the Board and Two (2) years post qualification experience under a <b>Principal Agent; and</b> 4) Demonstrable practical experience in property management.	(i).Can own an estate agency firm. (ii).Property management of all types of properties. (iii).Service charge administration. (iv).Overseeing maintenance of properties. (v).Receiving rent on behalf of property owners. (vi).Letting spaces within the properties under management. (vii).Preparing leases and licenses. (viii).Lease administration.
	<b>2) Facilities Management:</b> Maximum gross useable area/letting area of 10,000 square feet per property.		<b>Facilities Management</b>	1) Degree in Real Estate or its equivalent from a University or college recognised by the Board; or 2) Diploma in Real Estate from a University or college recognised by the Board and Two (2) years post	(i). Facilities management. (ii). Overseeing maintenance. (iii). Supervising service providers.

				<p>qualification experience under a <b>Principal Agent; or</b></p> <p>3) Degree in Other fields from a University or college recognised by the Board and Two (2) years post qualification experience under a <b>Principal Agent; and</b></p> <p>4) Demonstrable practical experience in facility management.</p>	<p>(ix).Developing and implementing facilities' budgets.</p> <p>(x).Procuring supplies.</p> <p>(xi).Negotiating leases on behalf of clients.</p>
	<p><b>3) Property Sales:</b> Asking price of up to Kenya Shillings 50,000,000.00 per property.</p> <p><b>4) Property Letting:</b> Annual Rent of up to Kenya Shillings 3,000,000.00 per property.</p>		<b>Sales and Letting</b>	<p>1) Degree in Real Estate or its equivalent from a University or college recognised by the Board; or</p> <p>2) Diploma in Real Estate from a University or college recognised by the Board and Two (2) years post qualification experience under a <b>Principal Agent; or</b></p> <p>3) Degree or Diploma in other fields from a University or college recognised by the Board and Two (2) years post qualification experience under a <b>Principal Agent; and</b></p> <p>4) Demonstrable practical experience in sales and letting.</p>	<p>(i). Letting or leasing of spaces in any premises within their mandate;</p> <p>(ii). Selling of any property within their mandate;</p> <p>(iii). Acquiring, on behalf of a client, any sites, space, premises, land, building etc.</p>
	<p><b>5) Mortgages:</b> Capital Value of up to Kenya Shillings 15,000,000.00 per contract.</p>		<b>Mortgage</b>	<p>1) Degree in Real Estate or its equivalent from a University or college recognised by the Board; or</p> <p>2) Diploma in Real Estate from a University or college recognised by the Board and Two (2) years post qualification experience under a <b>Principal Agent; or</b></p>	<p>(i). Negotiating mortgages on behalf of clients.</p> <p>(ii). Arranging financing for clients.</p>

				<p>3) Degree in Other fields from a University or college recognised by the Board and Two (2) years post qualification experience under a <b>Principal Agent</b>; and</p> <p>4) Demonstrable experience as mortgage agents.</p>	
<b>CLASS C</b>		<b>Technician I</b>	<b>Property Management Assistant</b>	<p>(i). Diploma in Real Estate from a University or college recognised by the Board; or</p> <p>(ii). Degree or Diploma in Other fields from a University or college recognised by the Board and currently working under a <b>Principal Agent</b>.</p>	<p><b>Shall work under the supervision of a Principal Agent or a Broker—</b></p> <p>(i). Property management of all types of properties.</p> <p>(ii). Service charge administration;</p> <p>(iii). Overseeing maintenance of properties;</p> <p>(iv). Receiving rent on behalf of the property owner;</p> <p>(v). Letting spaces within the properties under management;</p> <p>(vi). Preparing leases and licenses; and</p> <p>(vii). Lease administration.</p>
			<b>Facilities Management Assistant</b>	<p>1) Diploma in Real Estate from a University or college recognised by the Board; or</p> <p>2) Degree or Diploma in Other fields from a University or college recognised by the Board and currently working under a <b>Principal Agent</b>.</p>	<p><b>Shall work under the supervision of a Principal Agent or a Broker—</b></p> <p>(i). Facilities management;</p> <p>(ii). Overseeing maintenance;</p> <p>(iii). Supervising service providers;</p>

					<ul style="list-style-type: none"> <li>(iv). Developing and implementing facilities' budgets;</li> <li>(v). Procuring supplies; and</li> <li>(vi). Negotiating leases on behalf of the client.</li> </ul>
			<b>Sales and Lettings</b>	<ul style="list-style-type: none"> <li>1) Diploma in Real Estate from a University or college recognised by the Board and currently working under a <b>Principal Agent</b>; or</li> <li>2) Degree or Diploma in Other fields from a University or college recognised by the Board and currently working under a <b>Principal Agent</b>.</li> </ul>	<p><b>Shall work under the supervision of a Principal Agent or a Broker—</b></p> <ul style="list-style-type: none"> <li>(i). Letting or leasing of spaces in any premises within their mandate;</li> <li>(ii). Selling of any property within their mandate; and</li> <li>(iii). Acquiring, on behalf of a client, any sites, space, premises, land, building etc.</li> </ul>
			<b>Mortgage Assistant</b>	<ul style="list-style-type: none"> <li>1) Diploma in Real Estate from a University or college recognised by the Board and Two (2) years post qualification experience under a <b>Principal Agent</b> or a Broker; or</li> <li>2) Degree or Diploma in Other fields from a University or college recognised by the Board and working under a <b>Principal Agent or a Broker</b>; or</li> <li>3) Two (2) years' experience in Real Estate and currently working under a <b>Principal Agent</b> or a <b>Broker</b>.</li> </ul>	<p><b>Shall work under the supervision of a Principal Agent or a Broker—</b></p> <ul style="list-style-type: none"> <li>(i). Negotiating mortgages on behalf of clients.</li> <li>(ii). Arranging financing for clients.</li> </ul>

<b>CLASS D</b>		<b>Technician II</b>	<b>Caretaker</b>	<ol style="list-style-type: none"> <li>1) Certificate in Real Estate from a University or college recognised by the Board; or</li> <li>2) Certificate in Other fields from a University or college recognised by the Board and currently working under a <b>Principal Agent</b> or a Broker; or</li> <li>3) One (1) year experience in Real Estate under a <b>Principal Agent</b> or a Broker</li> </ol>	<p><b>Shall work under the supervision of a Principal Agent or a Broker —</b></p> <ol style="list-style-type: none"> <li>(i).Overseeing daily running of a building;</li> <li>(ii).Supervising maintenance works;</li> <li>(iii).Overseeing supply of utilities;</li> <li>(iv).Ensuring timely payment of rent;</li> <li>(v).Assisting prospects view spaces;</li> <li>(vi).Supervising service providers;</li> <li>(vii).Solving tenant's complaints.</li> </ol>
			<b>Building Technician (Electrical)</b>	<ol style="list-style-type: none"> <li>1. Diploma or Certificate in Electrical from a University or college recognised by Engineers Registration Board (ERB) and</li> <li>2. Relevant NCA qualification.</li> </ol>	<p><b>Shall work under the supervision of a Principal Agent or a Broker -</b></p> <ol style="list-style-type: none"> <li>(i). Replacing worn out electrical parts;</li> <li>(ii). Identifying repair needs of electrical parts in a building.</li> </ol>
			<b>Building Technician (Mechanical)</b>	<ol style="list-style-type: none"> <li>1) Diploma or Certificate in Mechanical/Plumbing from a University or college recognised by Engineers Registration Board (ERB) and</li> <li>2) Relevant NCA qualification.</li> </ol>	<p><b>Shall work under the supervision of a Principal Agent or a Broker -</b></p> <ol style="list-style-type: none"> <li>(i). Replacing worn out plumbing parts;</li> </ol>



					(ii). Identifying repair needs of mechanical/drainage of a building.
			<b>Site Agent/Sourcing Agent</b>	<ol style="list-style-type: none"> <li>1) Diploma or certificate in Real Estate from a University or college recognised by the Board or</li> <li>2) Diploma or Certificate in Other fields from a University or college recognised by the Board and working under a <b>Principal Agent</b> or a Broker; or</li> <li>3) One (1) year experience in Real Estate and currently working under <b>Principal Agent</b> or a <b>Broker</b>.</li> </ol>	<b>Shall work under the supervision of a Principal Agent</b> or a Broker - <ol style="list-style-type: none"> <li>(i). Assisting clients with site visits;</li> <li>(ii). Following up on completion documents;</li> <li>(iii). Letting or leasing of spaces in any premises within their mandate;</li> <li>(iv). Selling of any property within their mandate;</li> </ol>
			<b>Mortgage Field Technicians</b>	<ol style="list-style-type: none"> <li>1) Diploma or certificate in Real Estate from a University or college recognised by the Board or</li> <li>2) Diploma or Certificate in Other fields from a University or college recognised by the Board and working under a <b>Principal Agent</b> or a Broker; or</li> <li>3) One (1) year experience in Real Estate and currently working under a <b>Principal Agent</b> or a <b>Broker</b>.</li> </ol>	<b>Shall work under the supervision of a Principal Agent</b> or a Broker— <ol style="list-style-type: none"> <li>(i). Negotiating mortgages on behalf of clients.</li> <li>ii). Arranging financing for clients.</li> </ol>