

**PRESS BRIEFING BY THE ESTATE AGENTS REGISTRATION BOARD (EARB) ON THE
UPCOMING ASSOCIATIONS SEEKING TO REGULATE THE REAL ESTATE SECTOR
HELD ON FRIDAY 16TH JUNE 2023.**

Thank you for joining us today for this important briefing by the Estate Agents Registration Board (EARB) of Kenya. The Estate Agents Registration Board (EARB) is the regulatory body for the Estate Agency Practice in Kenya that derives its mandate from Estate Agents Act Cap 533. Our mandate is to register estate agents and to ensure the practice of estate agency is of high standards in order to protect the public. The Board thus constitutes one of the key Semi-Autonomous Government Agency (SAGA) under the Ministry of Lands, Public Works, Housing and Urban Development. The EARB is therefore the sole statutory body mandated under Kenyan law to oversee and regulate the real estate sector.

We are here today to express concern over the proliferation of new associations seeking to regulate the real estate sector. Most of these are mutations of land buying companies that have previously swindled Kenyan Citizens, through pretenses that they are in a position to sell them land. We want to warn Kenyans that these groupings have no mandate to register estate agents. The associations are not registered or regulated by the government and any persons associating with them may be exposed to fraud and their interests vulnerable.

The board has tried reaching out to some of these groups but our efforts have been fruitless. This is largely attributable to the amorphous nature of the groupings and their unwillingness to comply with the law. The Estate Agents Act Cap 533 of the laws of Kenya clearly gives authority to EARB for the registration of persons who, by way of business, negotiate for or otherwise act in relation to the selling, purchasing, or letting of land and buildings on behalf of a property owner. We therefore do not need another body purporting to do the same, for that would amount to double legislations jeopardizing the registered estate agents.

When it comes to professional association, The Institution of Surveyors of Kenya (ISK) is the professional body that brings together professionals who provide services in the Land and Property sector. This is an institution with global affiliations with the bulk of their members falling with the Estate Agents and Property Management chapters. The Institution is recognized in many land related legislations including the Estate Agents Act, the Land Act, Land Registrations Act amongst others.

We would also like to warn members of the public against being misguided by unscrupulous land buying companies. In the past, we have seen the public losing money to these companies. They often promise heaven but deliver hell. We would urge property buyers to be diligent in their investments on land and ensure they are dealing with credible entities. Specifically, those run by registered and licensed estate agents.

Anyone committing to a land deal should ensure they carry out due diligence on the titles, ensure the subdivision schemes are approved by the relevant county and national governments and the parcels have the requisite titles (not share

certificates!). Buyers should avoid being enticed into false schemes through marketing gimmicks and freebies. Employing a professional to advice before commitment can save one a lot of loses and heartaches.

The real estate sector plays a significant role in Kenya's economy, serving as a pillar of growth and development. It encompasses a wide range of activities, including property sales, rentals, property management, development, and valuation. With such a vital sector, it is crucial to have effective regulation to ensure transparency, fair practices, and consumer protection. The Board will work with the Ministry to bridge the gap between the ideal and the current situation, by pushing for legislative and policy amendments. Indeed, a new Estate Agents Bill and a raft of regulations are under consideration by the AG for onward transmission to Parliament.

MANDATE OF EARB

As stated above, EARB is constituted under the Estate Agents Act cap 533. Our primary objective is to ensure that real estate agents and professionals operate within the framework of the law, adhere to ethical standards, and maintain the highest level of professionalism in their dealings. This is to ensure that the interest of the public is protected and that the members of the public can conduct their land dealings in a conducive environment that offers fair competition and fosters investor confidence in the real estate sector.

EARB's mandate encompasses several key responsibilities. Firstly, we are responsible for the registration and regulation of estate agents and property managers operating within the country. Currently, the board has registered 3,000 estate agents. This has been achieved through a rigorous process, that ensures all

registered agents meet the necessary qualifications, adhere to professional standards, and comply with the code of conduct established by the board. We are soon rolling out a massive recruitment drive that will see over 10,000 estate agents registered.

Secondly, EARB is entrusted with the duty of promoting professionalism and ethical practices within the real estate sector. We work closely with registered estate agents and property managers, providing guidance, training, and support to enhance their skills, knowledge, and integrity. Our aim is to foster a culture of professionalism that benefits both industry professionals and the public at large.

Furthermore, EARB plays a vital role in addressing complaints and disputes arising from real estate transactions. We have established mechanisms to receive, investigate, and resolve complaints lodged against registered estate agents and property managers. The board also has a robust disciplinary process for errant members. By doing so, we strive to maintain high standards of service delivery and ensure that *Mwananchi's* rights are protected. We have started a massive publicity campaign that will see board members visit all the counties in an effort to create awareness beside a robust media campaign—social and print media.

We are committed to promoting professionalism and ethics in the real estate industry. The board is working to ensure that all estate agents are qualified and competent, and that they adhere to high standards of conduct.

ASSOCIATIONS SEEKING TO REGULATE THE REAL ESTATE SECTOR

Recently, there have been reports of various associations expressing their intentions to regulate the real estate sector, independently. While we appreciate the interest and enthusiasm shown by these associations, we must emphasize that

EARB, as the legally mandated regulatory body, is the sole authority responsible for overseeing the real estate industry in Kenya.

The establishment of EARB was as a result of careful consideration by the Kenyan government to create a specialized body dedicated to regulating the real estate sector. Our existence ensures that uniform standards are upheld, promoting a level playing field for all industry practitioners, protecting consumers, and maintaining the integrity of the sector.

The creation of parallel, unregulated, and illegal associations with no basis in law can only lead to chaos and confusion in an industry that has been wrought with a lot of illegalities and irregularities in the past including land grabbing, fake titles among others. It is therefore essential to have one central point of reference with a regulatory body properly created under the law. This will ensure stability and growth of the real estate industry. We therefore invite such players to team up with EARB to further strengthen the body. The Board has the necessary expertise, legal authority, and accountability to regulate and safeguard the sector.

CONCLUSION

In conclusion, the Estate Agents Registration Board reaffirms its commitment to upholding professionalism, ethics, and transparency within the real estate sector in Kenya. We urge all associations and industry practitioners to abide by and support the regulatory framework established by law, which provides a robust foundation for the industry's sustainable growth.

We urge the public to be wary of these new associations and to only deal with estate agents who are registered and licensed by EARB. We also urge the public to report any cases of fraud or malpractice by estate agents to EARB.

We also encourage all persons irregularly practicing as estate agents to seek registration. They should engage with the board for advice on the registration process details which are on our website or through the Secretariat.

We urge the Director of Criminal Investigation (DCI) to carry out investigation on all cases of fraudulent land buying companies.

The Ministry of Lands to consider creating a policy document and legislation framework for land buying companies buying with an intent to subdivide and resell to curb the menace of fraud in the sector.

We also urge the Attorney General to withdraw registration of such associations that are meant to mislead the public.

The EARB remains open to dialogue, engagement, and feedback from all stakeholders as we collectively strive to enhance the real estate sector's standards and ensure the best possible outcomes for consumers and industry professionals alike.