

BEING A PROFESSIONAL ESTATE AGENT

Being an estate agent in 2012 will be quite different to 2010. In 2012 estate agents will be required to produce two specific certificates to apply for their Fidelity Fund Certificate from the Estate Agency Affairs Board to operate and to be entitled to commission on transfer of a property they have sold.

This is the process of professionalising property practitioners from all sectors, from estate agents to auctioneers to property managers, effective from 15 July 2008. There are many exceptional, successful and specialized estate agents in the Western Cape but what is a professional?

“A professional is a skilled and learned practitioner or expert who possesses distinctive qualifications and conforms to the standards of the profession”

So, what does a professional property practitioner need to do?

- They are regulated by the Estate Agency Affairs Board and are therefore required to hold a valid Fidelity Fund Certificate.
- They must uphold the Estate Agency Affairs Board Code of Conduct.
- They have to achieve a Services SETA certificate of Competency at National Qualification Framework (NQF) level 4 or level 5 – Real Estate – the recognised qualification.
- They must achieve or be eligible to obtain an exemption for the Estate Agency Affairs Board Professional Designation Examination (PDE).
- They should be a member of their representative professional body, IEASA, and uphold their Ethical Obligations

BY SANDY WALSH - Training and Education Division IEASA Western Cape

QUALIFICATIONS YOU NEED TO BE A PROFESSIONAL ESTATE AGENT

Institute is committed to professionalising the real estate environment and members enjoy the benefit of a seamless route to achieving their qualifications. Obtaining the required certificate from Services SETA is integrated with the daily activities of a typical estate agent and members are encouraged to register with Institute soon. We recognise that converting knowledge, attitude and skills is merely part of day to day interaction for an estate agent and that learning happens whilst the agent is going about a normal business day.

It does not matter what experience any particular agent has because the process intercepts at all levels, formalises experience and tops up any academic gaps.

Institute members are guided to recommended training service providers who use specific learning tools to assess and address individual training needs to effectively build their portfolios for assessment. Workshops and contact sessions with training service providers ensure that the learner receives adequate support to understand the material and what is required.

NQF level 4 for estate agents and NQF level 5 for principal agents can be achieved in different ways, the most common being:

1. Recognition of Prior Learning (RPL) for experienced estate agents and principal agents.
2. Full training for intern estate agents and new principals entering the profession.
3. Full or partial exemption for certificates and diplomas achieved relating to real estate and recognised by the South African Qualification Authority (SAQA).

The RPL and exemption process will be self-funded for most estate agents.

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WHAT IS RECOGNITION OF PRIOR LEARNING (RPL)

What is competence? The real estate NQF level 4 and NQF level 5 qualifications use outcomes-based education to measure competence. Competence is the ability to integrate knowledge, skills and attitude and the application of these to a set standard. Competence is assessed in full training which is required by intern estate agents and in recognition of prior learning (RPL) for experienced agents.

RPL is generally associated with adult learning. RPL uses a set of standards and procedures developed by educational institutions to assess advanced standing in learners who qualify through experience. For some time different commercial sectors have used RPL to facilitate qualification upgrades, these include insurance, banking, pharmacy, radiology, even gun licences.

RPL may also aid in identifying areas which may require full training to achieve the desired result. For instance, a rental agent may have a limited knowledge of mortgage finance, which is a specific subject at NQF level 4 and may benefit from receiving full training on this subject to improve knowledge and understanding.

RPL can be used to assess fundamental subjects like numeracy and languages at NQF level 4 – real estate. If a learner did not achieve matric mathematics at school, there should be no need to study a formal course of mathematics. As an adult learner, experience and life skills should allow for this subject to be achieved through RPL. This also applies to the language requirements, English and a second language, like Afrikaans. If the learner has a fair knowledge of the second language and is able to adequately communicate, they should be able to RPL.

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EXEMPTIONS AND CREDITS FOR THE PROFESSIONAL QUALIFICATIONS

The professional estate agent qualifications recognise past academic achievements. Each level of the National Qualification Framework (NQF) applies different exemptions, some for specific subjects and some for the whole of the qualification. Experienced agents are acknowledged by providing a specialised, less time consuming option to achieving the full qualification, through the medium of recognition of prior learning (RPL). There is however no provision for exemption for length of service or success as an estate agent because of the academic nature of the real estate qualification.

An estate agent needs to achieve 150 credits to compete the FETC 59097 NQF level 4 – real estate qualification. Some of these credits may have been achieved at school, college, university or by completing professional qualifications with the EAAB or SAPOA in the past. When an estate agent registers for full training or recognition of prior learning, the training service provider will establish the number of credits required and which subjects need to be covered.

The most common exemptions at NQF level 4 are for the “fundamental” subjects, which are basically Matric Mathematics, English and Afrikaans. Achievement in these three subjects provide for 56 credits. The other common exemption is for the EAAB Board examination where 24 credits will be awarded to an estate agent if the EAAB certificate was achieved prior to 1995 and 18 credits for after 1995. Very few estate agents will be required to achieve all 150 credits at NQF level 4.

Diplomas, degrees and other NQF level 5 achievements relevant to real estate provide exemptions for the FETC 20188 NQF level 5 – real estate for principal agents. Matric subjects and the past EAAB certificate are not relevant at this level and principals with the requisite level of experience are exempt from achieving the NQF level 4 qualification.

All academic certificates should be made available when registering for either qualification. A full list of the exemption matrices can be found on the IEASA website and IEASA members are invited to register with IEASA Western Cape for guidance on the best option to achieve their qualifications.

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INTERN AGENT QUALIFICATION

All professions call for a qualification, a period of articles or internship and a certificate issued by a regulating board or body. Real estate is no different and intern agents have several hoops to jump through before they become full status agents.

An intern agent is someone new to the real estate profession and the first certificate required is a Fidelity Fund Certificate from the Estate Agency Affairs Board. An application for a Fidelity Fund Certificate must be stamped by the estate agency the intern is work for and the intern agent must be assigned to a mentor and work under their guidance for a period of 12 months. A mentor may be a principal agent or an experienced agent with at least three years practical experience.

From the date of issue of the Fidelity Fund Certificate, the intern agent needs to achieve the Services SETA FETC 59097 – NQF level 4 – real estate qualification and the Estate Agency Affairs Board Professional Designation Examination (PDE). In general, an intern needs to enrol with a training service provider to receive training on the relevant Unit Standards as well as develop a comprehensive portfolio of evidence and complete a logbook of activities. During this time the intern agent is required to disclose to all clients their intern agent status and this must also appear on business cards and advertising.

Intern agents who have equivalent qualifications, such as real estate related bachelor degrees, providing exemption from the real estate qualification still needs to complete the 12 month internship. However, they may be eligible to complete this qualification through recognition of prior learning (RPL), this may also apply to intern agents who have work related experience relevant to real estate and this may be assessed through diagnostic testing. Work place experience is an important part of the qualification and there are some limitations. Interns may not sign any contracts, including mandates, offers to purchase and rental agreements; this must be done by their principal or mentor.

The Professional Designation Examination (PDE) must be completed by all intern agents and this would best be done after completing the qualification. Intern agents will learn and develop skills during their internship but this should not restrict them from being successful agents with a good earning capacity from an agreed commission structure with their agency.

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MENTORING INTERN AGENTS

Mentors look after the newcomers to real estate, intern agents, guiding them to become full status agents.

Every intern agent must be registered with the Estate Agency Affairs Board (EAAB) and hold a current Fidelity Fund Certificate to operate and to be able to earn commission. An intern agent must complete a twelve month period under the mentorship of a principal agent or an experienced agent with at least three years practical experience. There are tax incentives for companies employing intern agents and bursaries available for previously disadvantaged individuals.

A mentor should work closely with their intern agent and is responsible for signing all mandates and contracts; these may be related to rentals or sales. During the twelve month period, intern agents should undertake full training and compile a Portfolio of Evidence in line with the FETC 59097 NQF4 – real estate qualification. Some intern agents may be eligible for an academic exemption but will still need to complete the 12 month internship. A mentor should be well versed in the process, structure and content of this qualification to provide the right support and guidance to the intern agent.

A mentor should provide an effective environment for an intern agent to develop their skills and knowledge through experience in the real estate environment. The theory and technical knowledge required by an intern agent should be obtained through the completion of the unit standards which make up the NQF4 qualification. A mentor's responsibility is to motivate, share experience and demonstrate marketing and selling techniques to encourage the intern agent to apply new found knowledge in the day-to-day business of real estate.

The Institute of Estate Agents of South Africa is committed to professionalising of the real estate environment and provides support and guidance to its members on the FETC qualifications, either through full training for intern agents or recognition of prior learning (RPL) for experienced agents. Further, the Institute will provide preparatory courses for the Professional Designation Examinations (PDE) which replaces the EAAB Board exam in the near future.

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