



**PROPERTY PRACTITIONERS
REGULATORY AUTHORITY**

PPRA FAQ REGISTRATION OF MANAGING AGENTS FROM 15 DECEMBER 2023

<p>1 What is the definition of a Property Practitioner?</p>	<ul style="list-style-type: none"> • It is any person who, in the normal course of business, sells, lets, rents, markets, auctions, or manages a property on behalf of someone else for remuneration. • It can be either a natural person (e.g., Sole proprietor) or a juristic person, e.g., Pty, cc, trust). • In addition, the definition includes persons who perform activities such as developers, bond originators, bridging finance practitioners, business brokers, intermediaries, and property platforms.
<p>2 Who falls under the definition of a Property Practitioner?</p>	<ul style="list-style-type: none"> • Estate agents • Auctioneers • Bond and bridging finance originators • HOAs who perform property practitioner activities • Managing agents • Property facilitators and intermediaries • Business brokers, including sales of franchises and business undertakings • Developers who perform property practitioners' activities, including project managers, development managers, investment sales agents • Timeshare and fractional ownership practitioners • Property advertising platforms

	<ul style="list-style-type: none"> • Property practitioners specialise in collecting and distributing trust monies in Regulation 2.4.1. (Payment processing agents) • Attorney employees.
<p>3 What activities fall under the definition of a Managing Agent Property Practitioner?</p>	<ul style="list-style-type: none"> • If a Managing Agent conducts ANY of the following activities: • The owner (business practitioner) and staff who perform property practitioner activities must hold an FFC. • Such activities include managing a community scheme and any other property held by a third party or a client. • It should be noted that property is defined in Section 1 of the PPA as immovable property and any interest, right, or duty associated with it as contemplated in Section 2 of the PPA. • PPA Section 2: Refers to rights, obligations, interests, duties, or powers associated with or relevant to such property.
<p>4 Can I be a director in multiple companies in multiple industries?</p>	<ul style="list-style-type: none"> • Yes, you can; it must show on the CIPC company documents that you are a director.
<p>5 If I am a property practitioner in more than one industry, must I hold multiple FFCs?</p>	<ul style="list-style-type: none"> • Yes, according to Regulation 26.2, a PP will hold a separate FFC for each industry. • If, for instance, you do rentals and sales (Estate Agent FFC) and also manage property (Managing Agent FFC). Both the firms and the individuals must hold FFCs.
<p>6 Are there different application forms for different industries, for example, one for Estate Agents, one for Managing Agents, and one for Business Brokers?</p>	<ul style="list-style-type: none"> • No, there are ONLY TWO FORMS. • One form is used to register the business (firm) with the PPRA, and the other one is for the individual to register with the PPRA.

	<ul style="list-style-type: none"> • Same form for all 12 categories of Property Practitioners. • Both forms have been amended and will go live on the system from December 2023
<p>7 How do you register a Property Practitioner Firm?</p>	<ul style="list-style-type: none"> • Registration of firm by approved name reservation (reserving name on portal- approved or rejected / repeat) • Once approved, upload documents on the portal, including • Application form for firm/entity. • Bank letter dated, signed, and stamped stating section 54(1) PP Act 22/2019 trust account opened in the firm's name OR audit approved exemption using affidavit under provisions of Reg.2. • Auditor's letter (IRBA) stating the practice number and who will act on behalf of the firm. • Proof of FICA registration. • BEE certificate if PTY /trust / CC. • Tax clearance if PTY, trust, CC, partnership, or sole proprietorship. • All entity CIPC documents show the registration of the entity and directors/members. • No payment is required by act and regulations. • (Must be accompanied by the director's registration application as specified below).
<p>8 How do you deregister your Property Practitioners Firm?</p>	<ul style="list-style-type: none"> • Stamped, signed bank letter with date of closure of trust account/s. • Winding up audit report of trust account/s. • Submission of any outstanding audit reports.

	<ul style="list-style-type: none"> • Payment of any penalties due. • I signed and dated the request from the director for deregistration.
<p>9 What do Managing Agents register as with the PPRA?</p>	<ul style="list-style-type: none"> • The business owner registers as a Business Managing Agent. He is responsible for the entity's and its staff's compliance. • The rest of the staff register as Managing Agents irrespective of their qualification and titles, but ONLY if they perform property practitioner activities for the Managing Agent Firm.
<p>10 How to deregister as an individual?</p>	<ul style="list-style-type: none"> • Employee of Managing Agent: I signed and dated a letter from the director requesting individual deregistration.
<p>11 How long is my Fidelity Fund Certificate valid, and when must I renew my Fidelity Fund Certificate?</p>	<ul style="list-style-type: none"> • Three years and renewal by 31 October the last year.
<p>12 I have been registered before with the PPRA, but under the Estate Agents category, I only do Managing Agent work; what must I do?</p>	<ul style="list-style-type: none"> • If you only perform Managing Agent activities, you must deregister as an Estate Agent and register the firm and yourself as a Managing Agent. • The PPRA will not transfer your Estate Agency FFC to another category. • You will attract the application fee once you register as a Managing Agency.

<p>13 How do you register as a property practitioner if you are a foreigner?</p>	<ul style="list-style-type: none"> • Application form. • Certified dated copy of Passport; however, the passport must be valid for at least six months from the date of application. • Valid work permit: however, the work permit must not expire within six months of the date of application or a permanent residence permit, which also allows you to work. • Payment of R2074 for new entrants and R 400 for the fidelity fund. • Remember the R 400 is only for new property practitioners who want to register.
<p>14 Where can I find the Application forms?</p>	<ul style="list-style-type: none"> • All application forms and format letters can be downloaded on the PPRA website. <ul style="list-style-type: none"> ○ https://theppra.org.za/licensing.
<p>15 How can I obtain an exemption for the education standards?</p>	<ul style="list-style-type: none"> • Please complete the E1 form on the website and ask to be exempted from regulation 33 of the PPA. (This is the education requirement). • Remember NO EDUCATION requirements have been sent for any other category except for Estate Agents.
<p>16 I have qualifications that the PPRA considers when I fall within another industry other than an Estate Agent.</p>	<ul style="list-style-type: none"> • The PPRA is not going to reinvent the wheel, and each industry will have its education requirements, and it's most likely that your previous education qualifications will be considered. • Our Education Executive is back – Mfundo Daki – please get in touch with him.
<p>17 Do Managing Agents have to do CPD?</p>	<ul style="list-style-type: none"> • All Property Practitioners, including Managing Agents, must do CPD provided by the PPRA for their own specific industry. Currently, the PPRA does not provide CPD for Managing Agents, and once it commences, it will be communicated to the industry.

<p>18 Should the Legal Staff (i.e., Legal Manager, Professional Assistant, or Paralegal) be registered with the PPRA?</p>	<ul style="list-style-type: none"> • Only if they perform activities as mentioned previously.
<p>19 Who should NOT register with the PPRA?</p>	<ul style="list-style-type: none"> • Employees of a Managing Agent firm who DO NOT perform Property Practitioners' activities as designated in the Act and Regulations, such as the receptionist, cleaners, tea ladies, drivers, maintenance staff, bookkeepers, and accountants; however, if they have any rights to transact on the trust account they must register with the PPRA.
<p>20 What if I fail to register my Managing Agent Firm and the staff that performs property practitioners' activities with the PPRA?</p>	<ul style="list-style-type: none"> • This is against the Law! • Section 48(1): No person or entity MAY NOT ACT as a property practitioner UNLESS they have been issued an FFC to Section 47. If they employ any other person as a Property Practitioner, that person has also been issued an FFC. • Section 56: No remuneration is payable to a Managing Agent unless they hold an FFC when the service was rendered. • Trading without an FFC is punishable by a fine of R 25 000.00. • Failure to renew an FFC on time will be penalised by a penalty of R 450 per month.

REMEMBER: You cannot register any Managing Agents as Principals as Principals come from the PPRA Regulations and speak specifically of Estate Agents.

Therefore, a principal only applies to Estate Agents – do not tick this on the application form if you fall under any other categories.

Managing Agents need to take-up professional indemnity insurance as required by the FSCA.