

The Minister of Cooperative Governance and Traditional Affairs

528 Johannes Ramokhoase Str

Arcadia

Pretoria

0007

6 May 2020

RE: Real Estate Sector Urgent Request for Response to Level 4 Regulation Inputs

The Honourable Dr N. Dlamini-Zuma, Minister of Co-operative Governance and Traditional Affairs & Chairperson of the National Command Council,

This letter is written on behalf of the National Property Practitioners Council (NPPC) with regard to the written inputs that were submitted on the Draft Risk Adjusted Economic Strategy – Level 4 Regulations.

By way of introduction, the National Property Practitioners Council is a united council of all major national property industry organisations collectively representing a membership of over 46 000 practitioners in the residential and commercial real estate sector and is comprised of the following member organisations:

- SAPOA SA Property Owners Association
- o SAIBPP SA Institute of Black Property Practitioners
- NAMA National Association of Managing Agents
- REBOSA Real Estate Business Owners South Africa
- o IEASA Institute of Estate Agents South Africa
- o ICBB Institute of Commercial Business Brokers
- o SAIA SA Institute of Auctioneers
- o NPF National Property Forum
- SABBA South African Business Brokers Association

After reviewing the final Level 4 regulations and permitted economic activities, it is evident that **none** of the inputs submitted by the real estate sector were taken into account despite the inputs

representing the legitimate concerns and views of over **46 000 practitioners** and businesses in the real estate sector. As the NPPC, we also did not receive any formal acknowledgement of receipt of our inputs and have not received a reply.

We therefore request a formal response acknowledging receipt of our submission and providing an explanation of why the inputs made were ultimately rejected.

The member organisations of the NPPC represent over 46 000 practitioners and companies in the real estate sector who play a critical role in enabling various economic activities which are critical during this time including but not limited to: providing quarantine housing, temporary emergency housing, developing and managing emergency healthcare facilities, managing necessary relocations for members of the public, managing shopping centres and ensuring the safety of work spaces and covid-19 readiness. Being a regulated industry, Estate Agents are ready and able to implement such measures as to prevent the spread of the virus. Real estate practitioners are also able to assist in ensuring that evictions do not take place during this time by acting as intermediaries between landlords and tenants and ensuring that correct legal processes are followed by landlords.

Since the regulation was gazetted, it has also been brought to our attention that there are thousands of ordinary citizens, who, despite having legitimate cause (i.e. expired leases and transfers that are due), are unable relocate due to the current regulations not permitting relocation. Many of these individuals are now stuck in unsafe or unsuitable living conditions and have been unable to volountarily move out of their current locations even though, the Level-4 regulations made provision for once-off inter provincial movement for other reasons such as "returning to work".

It is our view that the regulation has not been fairly or justly applied and <u>we appeal to you as the custodian of the Disaster Management Act regulations to urgently review the decision that was made to categorise the real estate sector under Level 2 and to permit real estate practitioners to operate during Level 4.</u>

We avail ourselves to further discussions should you wish and sincerely hope that this matter will be treated with urgency.

We look forward to receiving your response by 8th May 2020. Response can be sent via e-mail to: chairperson@nppc.org.za / admin@nppc.org.za

Regards,

Ms Vuyiswa Mutshekwane

Chairperson - NPPC