



02 June 2025

THIS COMMUNICATION IS ISSUED JOINTLY BY THE PROPERTY PRACTITIONERS REGULATORY AUTHORITY ("PPRA") AND THE LEGAL PRACTICE COUNCIL ("LPC")

Both entities have received numerous complaints regarding the practice amongst property practitioners and conveyancers in terms of which professional work is allocated to conveyancers in exchange for kickbacks in the form of either monetary rewards or other incentives.

Conveyancers and property practitioners are hereby reminded that this practice constitutes a contravention of their respective Codes of Conduct. The LPC and PPRA will be working together to eradicate this practice and will take a zero-tolerance approach when it comes to prosecuting incidences of non-compliance.

Conveyancers are reminded about the contents of a circular issued by the LPC on 11 March 2025 which sets out the relevant provisions of the LPC's Code of Conduct that prohibit the practice referred to above. For ease of reference, a copy of this circular is annexed to this communicate.

Property practitioners should note the following provisions of the Property Practitioners Act 22 of 2019:

58 Limitation on relationships with other property market service providers

- (1) A property practitioner may not-
 - (a) ...
 - (b) enter into any arrangement, formally or informally, whereby a consumer is obliged or encouraged to use a particular service provider including enter into any arrangement, formally or informally, whereby a consumer is obliged or encouraged to use a particular service provider including an attorney to render any service or ancillary services in respect of any transaction of which that property practitioner was the effective cause.
- (2) The Minister may by regulation prohibit any relationship which could harm the interests of consumers.
- (3) A person who renders any service in contravention of this section is not entitled to any remuneration, payment or consideration in respect of such services rendered, and if the consumer has paid any remuneration, payment or consideration of the relevant service provider must immediately upon request in writing by any affected party repay any such remuneration, payment or consideration, together with interest.
- (4) A person who, within one month of being requested to do so, fails to repay any such remuneration payment or consideration together with interest is guilty of an offence.

Both property practitioners and conveyancers should note that the term "arrangement" as contemplated in section 58(1)(b) above shall be interpreted to mean any arrangement of any kind from which the property practitioner stands to gain any financial benefit whatsoever, in return for recommending a conveyancer to a seller of property, or which is aimed to financially incentivise the property practitioner, in order to recommend that conveyancer, and shall include, but not be limited to, the following:

- Provision of petrol vouchers;
- Payment of office rent;
- Payment of cell phone accounts;
- Payment of any tuition fees on behalf of the property practitioner;

- Paying for holiday accommodation;
- Paying for entertainment or contributions to functions;
- Thank you gifts, after receiving the transfer instructions;
- Any payment of or contribution towards marketing costs incurred by a property practitioner unless the conveyancing firm's logo and details also appear on such marketing material, but then strictly pro rata to the amount of branding that the conveyancing firm receives out of the marketing material; and/or
- Pre-printed names and details of the conveyancer on the offer to purchase unless prior instruction was received from the client.

Where any complaint is received by the PPRA that a property practitioner is receiving any of the above (or similar) benefits, and should the PPRA conclude that the property practitioner is receiving such benefits, it shall be interpreted to be an "arrangement" (i.e. that the benefit is being provided in return for recommending the conveyancer), unless the contrary is proven. **This conduct is tantamount to conveyancers "buying their work" from property practitioners, which is not only unethical for conveyancers but may even amount to bribery.**

The PPRA and the LPC warns property practitioners and conveyancers that if found guilty of participating in the practice contemplated in this communicate they will be subjected to disciplinary proceedings under their respective Codes of Conduct.

The consequences for conveyancers may include suspension from practice or being struck off the roll. For property practitioners it may include a fine of up to R200 000 and/or the withdrawal of their fidelity fund certificates. Conveyancers, property practitioners and members of the public are encouraged to report any conduct of this nature to the LPC or the PPRA.

To lodge a complaint against a property practitioner, please visit www.theppra.org.za and click on the "Lodge a Complaint" icon for further instructions or contact our call centre on 087 285 3222.

To lodge a complaint against a conveyancer, please contact LPC by clicking on the link below:

[How to Lodge a Complaint - Legal Practice Council](#)

The LPC can also be contacted by sending an email to info@lpc.org.za or contacting our National or Provincial Offices on 010 001 8500

This is a joint release by the PPRA and the LPC.