Property Agent Commission and GST: Negotiate the Full Cost

Description

Singapore property-agent commission rates are not fixed by CEA. Negotiate the rate and scope, confirm whether GST applies, and put the payment trigger and termination terms in the prescribed estate agency agreement. This guide is for a seller, landlord, buyer or tenant comparing estate-agent fee proposals and resolves one task: calculate the all-in cost and connect it to a written scope and payment trigger. The material claims were checked against CEA engaging a property agent and CEA agreements and checklists.

Choose the route that matches your case

Situation	What to do
Fee quoted as a percentage	Calculate dollars and GST from the agreed base
Flat fee quoted	List included and excluded work
Co-broking is proposed	Record how commission sharing affects the client
Agreement is exclusive	Read duration, termination and post-termination clauses

Calculate the all-in amount

A percentage sounds small until converted to dollars. According to CEA engaging a property agent, the controlling detail for this branch is the specific rule or service condition cited here.

For S$1.2 million at 2%, commission is S$24,000 before GST; apply GST only where the agent business is registered and the agreement provides for it.

Negotiate scope with price

Marketing, viewings, negotiation, paperwork and handover can be divided differently. According to CEA agreements and checklists, the controlling detail for this branch is the specific rule or service condition cited here.

Write deliverables, channels, photography, portal costs and reporting frequency beside the fee.

Use the prescribed agreement

The written agreement should identify property, parties, agency, commission and appointment type. According to CEA engaging a property agent, the controlling detail for this branch is the specific rule or service condition cited here.

Do not rely on a chat message for a high-value obligation.

Check exclusivity

Exclusive and non-exclusive appointments create different duties and risk of overlapping claims. According to CEA agreements and checklists, the controlling detail for this branch is the specific rule or service condition cited here.

Record start, end, termination and any continuing entitlement.

Verify the salesperson

Use the CEA Public Register and contact the property agency through an independently found channel. According to CEA engaging a property agent, the controlling detail for this branch is the specific rule or service condition cited here.

A valid registration does not authorise the agent to receive transaction money.

Reconcile at completion

Match the invoice to the agreed base, rate, GST treatment and payment trigger. According to CEA agreements and checklists, the controlling detail for this branch is the specific rule or service condition cited here.

Query a mismatch before paying and keep the signed agreement and invoice.

Run the numbers or sequence

At 2% on S$1.2 million, commission is S$24,000. If GST at 9% validly applies, GST is S$2,160 and total is S$26,160. These are labelled calculations, not a recommended rate.

The calculation or sequence above is an LBRD working example. Replace every example input with the amount, date, access condition or document from your own case. Keep the official rate or threshold beside the working so another person can reproduce the answer.

Build a verification note another person can check

Before acting, create a one-page case note headed with the task, the date checked and the person responsible. Copy only the facts that affect your decision, then attach the statement, booking, application, receipt, map record or screenshot that supplies your own input. This separates a published rule from a personal assumption. If the official page changes, keep the earlier dated record but rework the decision with the live version.

Controlling source	What to verify	What to retain
CEA engaging a property agent	Commission is negotiable and consumers should use prescribed agreements and verify the salesperson.	Record the page date, the exact rule used and the case input it governs.
CEA agreements and checklists	Prescribed estate agency agreements, scope, commission and consumer safeguards.	Record the page date, the exact rule used and the case input it governs.

Read the source in context, including definitions, exceptions and effective dates. A relevant page is not proof by itself: the cited passage must contain the particular rate, deadline, eligibility condition, access rule or warning used here. Where two official channels appear inconsistent, pause and ask the authority about the exact case rather than choosing the more convenient answer.

Use the guide with its limits

Property decisions have several parallel tracks: contract, finance, title, tax and physical condition. A correct answer on one track does not clear the others. Keep each responsibility and deadline on its own row, then ask the conveyancing lawyer or authority only the narrow question their record can answer.

No interview, personal use, fresh field visit, survey result or price check is claimed unless explicitly stated. Availability, fees and procedures can change. Reopen the linked authority page immediately before payment, travel, filing or emergency use.

Before you act

1. Verify the salesperson
2. Choose appointment type
3. Convert rate to dollars
4. Confirm GST treatment
5. List included work
6. Write payment trigger
7. Reconcile the invoice

Mistakes that change the outcome

- Treating commission as fixed
- Ignoring GST
- Signing without scope
- Overlooking exclusivity
- Paying transaction money to the agent

Continue with the relevant LBRD guide

Next, compare appointment types. You can also check who may receive transaction money.

Questions readers ask

Which source controls this decision?

CEA engaging a property agent controls the main rule, with CEA agreements and checklists used for the second check.

Can I use the worked example as my final figure?

No. Replace every input with your own dated record and confirm the live rule before acting.

What should I save?

Keep the official page date, your case inputs, the calculation or sequence, and the submission or payment acknowledgement.

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