

3 November 2017

Mr Wong Kwok Hing
Chairman
Licensing Standing Committee
c/o Secretariat, Property Management Services Authority
6/F, Southorn Centre
130 Hennessy Road
Wan Chai
Hong Kong



Dear Mr Wong

Re: Suggestions from the Chartered Institute of Housing Asian Pacific Branch on the Licensing Requirements under the Property Management Services Ordinance

The Chartered Institute of Housing Asian Pacific Branch is enclosing its Suggestions on the Licensing Requirements under the Property Management Services Ordinance for the consideration of your committee.

Should you have any queries, please do not hesitate to contact our Administrative Officer, Ms Patsy Yung at 2356 8680 or email to apb@cih.org.hk.

Yours faithfully,

Chow Chun Ling Kenny
Chairman
Chartered Institute of Housing Asian Pacific Branch

cc: Ms Cheung Pui Lin Josephine – Assistant Director (S)

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Suggestions from the Chartered Institute of Housing Asian Pacific Branch on the Licensing Requirements under the Property Management Services Ordinance

1. Licence to Property Management Companies (PMC)

We suggest at the initial stage and as a transitional arrangement, every Tier 1 property management practitioner (PMP) should be responsible for 4,000 to 6,000 residential units or 1,000,000 square feet of offices / industrial floor space and Tier 2 PMP to 1,500 to 2,500 residential units or 300,000 square feet of offices / industrial floor space. Subsequently, such ratio should be lowered to every 3,000 to 4,000 residential units and 700,000 square feet of offices / industrial floor space to one Tier 1 PMP.

PMC must have a sound financial background with solid proofs like audit report, bank guarantee, etc.

Quarterly update of PMC's managed portfolio for disclosure should be appropriate.

2. Tier 1 PMP should fulfil two criteria of academic qualifications and working experience as well as membership of professional bodies (at the same time).

On academic qualification, Tier 1 PMP should hold a degree (or equivalent qualification) in property management (to be specified by the PMSA) plus at least three years of local working experience in property management; or holding other degree(s) or above plus at least five years of local working experience in property management;

When specifying a degree (or equivalent qualification) in property management, the PMSA can make reference to the 14 property management programmes listed in the paper "The Administration's Response to the Submissions from the Public to the Bills Committee on the Property Management Services Bill".

(<http://www.legco.gov.hk/yr13-14/english/bc/bc57/papers/bc57cb2-1298-1-e.pdf>)

The property management related professional bodies would be specified by the PMSA or the PMSA can hold professional assessment (e.g. interview) to assess the professional competence of the applicants. Recognised professional bodies should be set up and have track records in the promotion of professionalism of the property management industry, have criteria in admitting (professional or corporate) members at a level comparable to the requirement of PMSA on Tier 1 PMP as well as having vigorous programmes for continuous professional development for their members and mechanism in sanctioning members who violate the organisations' code of conduct. We suggest such professional bodies should have at least 7 years of history prior to the enactment of the ordinance (by May 2016) and have proven records of contributing to

the development of the profession (to ensure they are not ad hoc organisation or merely social club for their members). Professional bodies that are formed later and without 7 years of history prior to the enactment of the ordinance (by May 2016) should submit an application to PMSA for approval when they have formed for 7 years.

3. Tier 2 PMP should have either a degree (or equivalent qualification) or above (applicable to those not fully satisfying the Tier 1 requirements) or a diploma, sub-degree or equivalent qualification in property management to be specified by the PMSA; and at the same time either have at least two years of local working experience in property management; or at least one year of local working experience in property management under the supervision of a Tier 1 PMP.

4. On Transitional arrangement (the grandfathering rules)

Practitioners who have over 20 years of experience in the property management field (in which 10 years in managerial position) should be granted a Provisional Tier 1 PMP licence. Holders of the provisional licence should either complete a qualification which enable them to register as Tier 1 PMP or to pass the assessment setup by the PMSA on their professional competence.

Practitioners who are holding supervisory position in property management but do not satisfy the requirements for Tier 2 PMP should be granted a provisional Tier 2 PMP licence. They should achieve the requirement for Tier 2 PMP within the transitional period.

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