REGULATING GHANA'S REAL ESTATE SECTOR

THE REAL ESTATE AGENCY ACT, 2020 (ACT 1047) & THE MANDATE OF THE REAL ESTATE AGENCY COUNCIL

Awareness • Regulatory Requirements • Licensing & Compliance • Enforcement • Practical Guidance

SESSION OBJECTIVES

01

Build awareness of Act 1047 and the mandate of the Real Estate Agency Council (REAC).

02

Clarify regulatory requirements affecting developers, agencies, brokers, investors and related professionals.

03

Discuss licensing, registration and compliance obligations for industry participants.

04

Examine current enforcement approaches, implementation progress and regulatory priorities.

05

Provide practical guidance on aligning with regulatory requirements.

BY THE END OF THIS SESSION

EXPECTED OUTCOMES

01

A clearer understanding of Ghana's real estate regulatory framework.

02

Better appreciation of the role and expectations of the Real Estate Agency Council.

03

Understanding of the practical compliance requirements under the Act.

04

Insight into current enforcement practices

05

Greater confidence in engaging with regulators.

AN UNREGULATED SECTOR, BEFORE 2020

For decades, Ghana's real estate agency profession operated without a dedicated regulator. Unlike law, medicine or engineering, anyone could act as an agent or broker, regardless of qualification, training or accountability.

- Taxable gains hidden from the State; risk of money laundering & terrorist financing
- Prospective tenants overcharged simply to view properties
- Agents acting for both sides of a deal, collecting double fees by coercion
- Agents disappearing after payment, leaving clients with no recourse

THE RESPONSE

Real Estate Agency Act, 2020 (Act 1047)

An Act to regulate real estate agency practice and commercial real estate transactions including sale, purchase, rental and leasing and to provide for related matters.

Established the Real Estate Agency Council (REAC), which began operations in 2022 to regulate the sector and license practitioners.

THE REAL ESTATE AGENCY COUNCIL

OBJECT OF THE COUNCIL — SECTION 3

"To facilitate and regulate the real estate agency practice and the provision of real estate agency services."

- REAC became operational in 2022 and now oversees, licenses and regulates agents, brokers and developers nationwide.

Statutory regulator

Reports to the Minister for Works, Housing and Water Resources

Board-governed

Multi-stakeholder Board including the Associations, FIC, BoG, etc

Sector-wide reach

Regulates agents, brokers, developers & related professionals

REAC'S MANDATE, AT A GLANCE

License & Register

License brokers and agents; maintain a national register and publish licensed practitioners

Educate & Set Standards

Approve courses of study; run qualifying exams; set standards and a code of conduct & ethics.

Monitor & Inspect

Inspect premises; monitor advertisements; maintain a national transactions database.

Enforce & Discipline

Resolve disputes and complaints; discipline brokers who breach standards; enforce the Act.

Set Fees & Forms

Prescribe the scale of fees; provide official forms used in real estate transactions.

AML/CFT Collaboration

Work with the Financial Intelligence Centre on AML and counter-terrorist financing.

WHO THE ACT REGULATES

WITHIN SCOPE

- Real Estate Developers
- Real Estate Agencies & Brokerage Firms
- Licensed Real Estate Brokers and Agents
- Facility/Property Managers and Marketers
- Any Provision of Real Estate Service or Transaction

PATHWAYS TO LICENSURE

Under Section 22, no person may provide real estate agency services, act as a broker or agent, or engage in a real estate transaction without a licence issued by REAC.

01

Transitional / 5-Year Route before Enactment

5+ years of continuous practice before the Act, no criminal record, tax obligations met.

02

Recognised Professionals

Valuation & Estate Surveyors registered by GhIS, or lawyers licensed by the General Legal Council.

03

Non-Resident Practitioners

Persons not resident in Ghana who already hold a broker/agent licence in their home country.

04

Qualifying Examination

Pass an examination conducted by the Board or an independent testing service designated by the Board.

CORE COMPLIANCE OBLIGATIONS

Council-Approved Forms

Only REAC-issued forms must be used.

Cashless Transactions

Payment strictly by bank draft, cheque, bank or electronic transfer. No cash transactions

AML/CFT

Compliance to AML/CFT policies and laws

Client Accounts

A separate client account must be opened for money held on a client's behalf.

Records & Audit

Keep transaction records for at least 5 years; brokers appoint an auditor annually.

Quarterly & Annual Reporting

Quarterly transaction reports and audited annual reports submitted to REAC.

HOW REAC ENFORCES THE ACT

Enforcement tools

Inspections

Authorised officers may enter offices and relevant premises to check compliance.

Suspension

For breaches such as accepting cash or misusing client funds — with 10 days' notice and a right to be heard.

Revocation

For fraud in obtaining a licence, serious conviction, or failure to remedy a suspension.

Penalties

ADMINISTRATIVE SANCTIONS — Section 53

1,000 penalty units

For failing to display a licence, not using REAC forms, or missing annual/quarterly reports.

CRIMINAL OFFENCES — Section 54

5,000–10,000 penalty units
and/or 5–10 years imprisonment

For unlicensed practice, advertising without a licence, transferring a licence, falsifying documents, or obstructing inspectors.

IMPLEMENTATION PROGRESS & PRIORITIES

Licensing is live

REAC is registering and licensing agents, brokers, developers, marketers and facility managers.

Visibility drive

REAC is making licensed professionals easier for the public to identify.

Intensifying enforcement

REAC and industry bodies have signalled stepped-up monitoring of unlicensed operators.

Cross-agency collaboration

Coordination with Rent Control, Bank of Ghana's Collateral Registry, FIC and GRA.

Legislative Instrument in progress

Instructions for drafting REAC's L.I. (subsidiary regulations) are under development.

Public reporting channels

Channels opened for the public to verify licensees and report illegal operations.

PRACTICAL GUIDANCE FOR BUSINESSES

01

Verify before you engage

Check the REAC register before hiring, partnering with, or paying any agent, broker or developer.

02

Register every relevant role

License each broker, agent, developer, marketer or facility manager who touches your transactions.

03

Use REAC-approved forms only

Standardise on Council-issued sale, lease and disclosure forms across all transactions.

04

Go fully cashless

Route payments through bank draft, cheque or electronic transfer; keep a separate client account.

05

Keep clean records

Retain transaction records for 5+ years and file quarterly and annual reports on schedule.

06

Build in indemnity cover

Secure the required professional indemnity insurance or surety cover.

KEY TAKEAWAY

Compliance with Act 1047 is achievable — and it protects your business.

- Clearer understanding of Ghana's real estate regulatory framework
- Better appreciation of REAC's role and expectations
- Practical grasp of compliance requirements under the Act
- Insight into enforcement practice and common challenges
- Greater confidence engaging with regulators

Verify licences, report violations, and access guidance at REAC

THANK YOU

Real Estate Agency Council

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