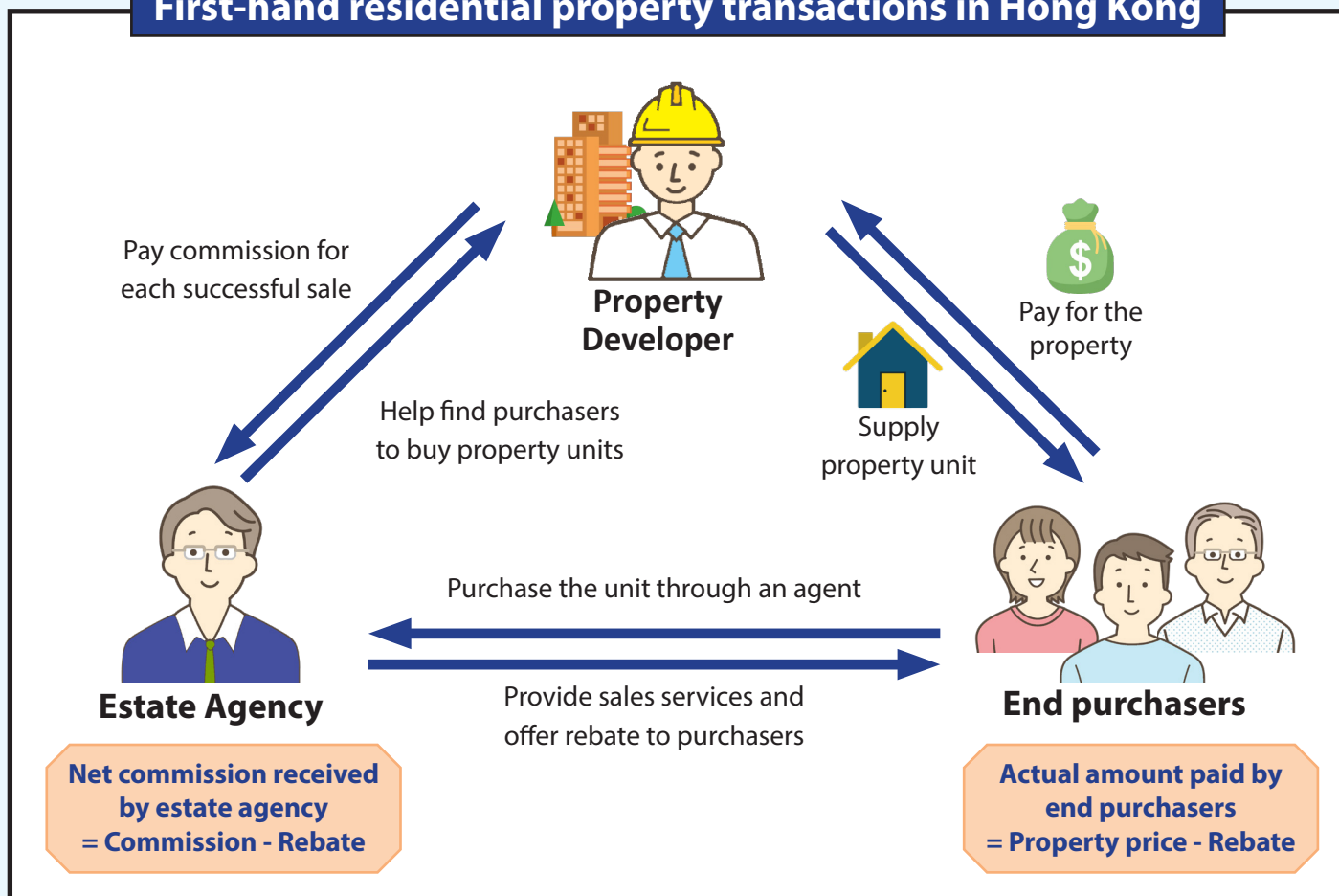


# Case Summary

## First-hand residential property transactions in Hong Kong



## The Commission's Case

Estate agency **Midland** and its competitor **Centaline**\* agreed to fix the **minimum net commission rate** for the sale of first-hand residential properties at 2%.



The agreement effectively **fixes or restricts the maximum level of rebate** the frontline agents could offer, affecting the amount that a purchaser will ultimately pay for the property.



The Commission believes that such arrangements amount to Serious Anti-competitive Conduct in the form of price fixing, and/or exchange of competitively sensitive information, in contravention of the First Conduct Rule of the Competition Ordinance.

\*In the course of the Commission's investigation, Centaline submitted a leniency application. A leniency agreement was entered into between Centaline and the Commission when the former satisfied all relevant requirements.