

**Legal Institution Analysis of the “Real Estate Brokerage Management Act” and
Related Issues of Unfair Competition in Taiwan**

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Abstract

Due to the changing socio-economic conditions in Taiwan, the application and rights of real estate have also become more intricate. Moreover, under the situation where there is a shortage of communication and transparency of data is lacking, it is easy for information to be asymmetrical. Therefore, this article in focusing on the real estate brokerage business mainly discusses information disclosure, misleading advertisements as well as unfair competition by considering real estate business from the viewpoint of legal analysis.

In order to explore the legal relationship between the seller and buyer by engaging in transactions of real estate, this research first analyzes the regulations in the “Real Estate Brokerage Management Act” and the “Fair Trade Act” (especially § 21 and 24). Then, this article takes the related judicatures of the “Supreme Administrative Court” and the High Administrative Courts as a case study. After performing the analysis, due to the information asymmetry faced by buyers engaged in transactions of real estate as mentioned above, it is necessary for the authority (the “Fair Trade Commission”) to clearly define the meaning of “misleading advertisement” as well as of “information disclosure” for the real estate brokerages. In addition, it is also necessary for the authority to establish a related mechanism that can prohibit unfair competition among brokerages transacting real estate in Taiwan.

Key words: Real Estate Brokerage, Information Disclosure, Misleading Advertisement, Unfair Competition, Real Estate Brokerage Management Act, Fair Trade Act, Judicature of Administrative Court, Legal Institution Analysis.

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