

Journal

DEC 2011
VOL 62/11



**Investing in
the future**
REINSW State
Conference wrap

Record fundraising
Novice auctioneers
raise \$100,000

**The year that was,
the year that will be**
Industry leaders share
their insights

leading the way

**Christian Payne's vision
to keep exceeding
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New President
Christian Payne
shares his vision
for REINSW.

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Industry leaders share their insights.



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“It makes sense for businesses at the
whim of rising rents to take control.”

The *Real Estate Journal* is a member only publication from the Real Estate Institute of New South Wales. To find out more about membership, call (02) 9264 2343, email membership@reinsw.com.au or visit www.reinsw.com.au



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The REINSW Board of Directors for the 2011/2013 term



Back row (L to R): Luke Fahy, John Cunningham, Malcolm Gunning, Tony Santolin and Brett Hunter. Front row (L to R): Miles Felstead, Christine Clarke, Christian Payne, Tim McKibbin (REINSW CEO), Wayne Stewart and Sarah Lorden. (Not present: Leanne Pilkington)

The 2011/2013 REINSW Board kicked off their term at the State Conference on Friday, 25 November 2011. With 10 ongoing Directors and a mix of city and country representatives, the Board is poised to continue REINSW's work in promoting professional excellence.

New REINSW President Christian Payne said the Board will be actively implementing plans to further elevate the value of membership, secure the longevity of the organisation

and boost the relevance and recognition of REINSW in the community.

"REINSW will be repositioning itself within the community and among its members to really establish the point of difference between member and non-member agents," he said.

The *Real Estate Journal* will profile the new Board in the February 2012 edition, but here's a quick look at who will be representing members for the next two years.

President

Christian Payne
(Sydney Metropolitan)

Deputy President

Malcolm Gunning
(Business/Commercial Real Estate Practice)

Vice Presidents

John Cunningham and Brett Hunter (Sydney Metropolitan)

Immediate Past President

Wayne Stewart
(Non-metropolitan)

Directors

Christine Clarke
(Non-metropolitan)

Luke Fahy
(Non-metropolitan)

Miles Felstead
(Residential Real Estate Practice)

Sarah Lorden
(Sydney Metropolitan)

Leanne Pilkington
(City of Sydney)

Tony Santolin
(Non-metropolitan)

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First homebuyers need a helping hand

The NSW Government's decision to remove the stamp duty exemption for first homebuyers on the purchase of existing dwellings was not only unfair, it was also misguided.

Not fixing the problem

The decision was promoted as a means of directing demand to new housing and away from existing housing stocks where the majority of first homebuyers purchase property. But the market's problem is not demand, it is supply – and the impediments to improving supply are property taxation at all levels of government, and a convoluted and expensive planning system.

Making property acquisition more difficult for first homebuyers will not solve the supply problem.

Rather, it will just make life more difficult for first homebuyers.

REINSW recognises the NSW Government's dependency on property taxation, and the removal of the first homebuyers stamp duty exemption is simply a means of making more money from property transactions for the government.

Pay stamp duty by instalments

Given this situation, REINSW is lobbying the NSW Government to consider ways to allow first homebuyers to pay stamp duty by instalments over five years.

This will provide the Government with the revenue it apparently so desperately needs and will also ease the financial pain for first homebuyers.

Let there be no doubt: having to fund the stamp duty amount as part of the purchase is a huge ask for first homebuyers, considering the stamp duty payable on a \$600,000 home is \$22,490 and the median house price in Sydney already exceeds that. The stamp duty on a \$451,000 unit, which is the median price for Sydney, is \$15,785.

The ability to pay stamp duty by instalments over a five year period will assist first homebuyers to acquire their homes and will not risk the NSW Government's revenue, as the stamp duty will be attached to the land in the same way as council rates and land tax are.

If the property is sold before the debt is repaid, the balance would

be paid from the proceeds of the sale as part of the settlement proceeds and repaying of the state's debt would have priority over other debts. Therefore, the State Government wins with increased stamp duty and the pain for first homebuyers is to some extent eased.

REINSW will continue to lobby to ensure first homebuyers are given the assistance they need to enter the market.

Tim McKibbin
REINSW CEO



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Agents should rate in energy scheme

A national real estate agency has called on legislators and policy makers to adopt a national mandatory disclosure energy rating scheme.

National Communications Manager for First National Real Estate, Stewart Bunn, said they supported mandatory disclosure of a home's energy rating, but proper policies must be in place to ensure a consistent approach.

Each state has a ratings scheme, but there are no national standards or regulations. Mr Bunn has called on government and industry to work together to fix this issue.

"Government needs to get the scheme right and put in place the appropriate financial support, resources and implementation," he said.

"That means getting the regulations and policies passed, educating the general public on the benefits of energy efficiency ratings and funding ongoing research and development.

"It is important assessors who are selected, trained and accredited are independent of the real estate profession so there is no potential conflict of interest," Mr Bunn added.



Stores still vital for online shopping

While fashion-savvy consumers have embraced online shopping, stores remain a vital part of retail sales with 90 per cent of shoppers visiting stores to view a product before buying online, a CBRE study has revealed.

The survey — which canvassed the opinions of more than 10,000 shoppers — found two in five people, or 40 per cent, now shop online, with clothing and footwear among the internet's fastest growing retail categories.

When online shopping first emerged, it was widely assumed that clothing would rely on the 'touch and feel' of the in-store experience, but only 33 per cent of people CBRE surveyed said this was important or extremely important before buying.

While the CBRE study canvassed European consumers, CBRE Senior Manager, Retail Services, James McNeill said the results were likely to be closely monitored by Australian

retailers given the intense focus on the impact of online retailing.

"Although it's clear that an online presence is now vital for any leading international brand, our research shows that the most successful retailers are those who understand how consumer channels such as online and in-store combine to create a truly multi-channel offering," Mr McNeill said.

"A store supplemented with an online presence is the best of both worlds in most cases."

Better outlook for the housing market

The underlying strength of the economy, continuing shortage of residential housing together with stable interest rates, is expected to support Australian housing prices, according to the QBE Imi Housing Outlook report.

Researched and prepared by BIS Shrapnel, the report forecasts a price growth of

19 to 20 per cent in Sydney in the three years to June 2014.

This is as a result of growing deficiency in residential supply.

QBE Lenders' Mortgage Insurance Limited CEO Ian Graham said despite current volatility in the global economy, he was cautiously optimistic

about the outlook for the Australian housing market.

"While volatility in the global economy has never been greater, our Imi Housing Outlook report confirms that Australia is well placed to deal with any uncertainty that our economy or housing market faces in the next few years," he said.

Real estate veteran appointed to new role

Michael Davoren has been named the new Managing Director of RE/MAX Australia.

A veteran of Australian real estate, Mr Davoren has had an extensive career spanning three decades and has included serving terms as President of REIA and REIQ.

He is currently a Director of REIQ and has also managed his own real estate company, had past appointments in industry corporate roles and is an award-winning auctioneer.

"I'm excited about joining RE/MAX and looking forward to contributing to the organisation's growth in Australia," Mr Davoren said.

"RE/MAX is number one in so many countries, and my goal is to see that it becomes number one in Australia too."

RE/MAX began its Australian operations in 1997 and now has more than 600 agents.



Alternative city living proving popular

Sydneysiders are making the change to small city living, following a campaign to showcase alternatives to capital city living.

A year after its launch, the Evocities campaign has attracted 275 new residents to the seven participating cities of Albury, Armidale, Bathurst, Dubbo, Orange, Tamworth and Wagga

Wagga, and continues to generate interest from those looking for a change.

Evocities spokesperson James Treloar said an additional 400 people were planning to relocate to one of the seven cities in the next year, while the campaign's website had received 2800 enquiries from interested people.

REINSW IN THE MEDIA

The REINSW Awards for Excellence and the importance of professional indemnity insurance for agents were highlighted in the media.

Print

- The importance of professional indemnity insurance for agents was outlined by REINSW CEO Tim McKibbin in the *Illawarra Mercury*.
- Tim called on the government to provide more financial support for regional communities following the changes to stamp duty exemptions for first homebuyers, in an article in the *Campbelltown-Macarthur Advertiser*.
- Individual and agency winners of REINSW Awards for Excellence were celebrated in various publications including *The Manly Daily*, *Albury Wodonga News Weekly*, *Sydney Morning Herald*, and *News Weekly*.

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Buying makes business sense

An active fringe means more businesses are looking to leave renting behind.

With an increase in the number of properties coming onto the market in Sydney's city fringe locations, more businesses now have the opportunity to take control of their future by investing in their own office space.

According to Cushman & Wakefield Executive Director Tony Anderson, it makes sense for businesses tired of being at the whim of rising rents to control the future of their accommodation.

Escape the renting cycle

Mr Anderson said Sydney's high office rents, including the fringe office markets, had created a scenario where the difference in cost of renting and repaying a mortgage has substantially narrowed. And, for many businesses the difference has effectively disappeared.

"Many small to medium businesses are rightfully frustrated at being subject to unsustainably high office rents in the CBD and city fringe and, with pressure on rents set to continue, businesses have the

opportunity to hedge against further rental increases by taking an ownership position," Mr Anderson said.

"Established businesses aware of their accommodation requirements now have the option of taking advantage of the recent increase in stock on the city fringe and enjoy the associated capital growth benefits of purchasing."

Quality office properties in fringe markets like Darlinghurst, Surry Hills, Chippendale, Ultimo and Pyrmont are traditionally tightly held, but at the moment an increasing number of vendors are taking their properties to market with confidence, according to Mr Anderson.

"There is robust demand from a broad buyer base for quality fringe properties," he said. "Heritage and warehouse-style properties with modern services hold significant attractions for owner-occupiers and investors alike, but there has traditionally been a shortage of available stock. Until now, that is."

When comparing the rising costs of renting in light of the current interest rate environment, the benefits for businesses to take an owner-occupier position become more apparent.

Secure future

However, Mr Anderson said business owners looking to take the next step to securing their future accommodation needs will still need to compete with investors' dollars.

"Despite the global economic uncertainty, private investors are willing to make confident plays for quality properties in

the current climate," he said. Positive sentiment for fringe properties stemmed from jitters in equity markets, strength of demand with relatively low supply, and steady interest rates with the potential for further cuts, Mr Anderson said.

"Specifically, we are seeing an increase in high net worth individuals using super as the equity vehicle to make purchases in the sub-\$10 million market and this is increasing competition for quality fringe market properties," he said.

"Depending on the quality of covenant and lease expiry profile, fringe office properties attract yields of seven per cent to 8.5 per cent.

"When you consider there are a greater number of leased properties available for purchase, the rental growth prospects, and the possible residential conversion of certain properties, the fringe market is on the radar of investors as much as it is for businesses trying to escape the renting cycle." ♦

“It makes sense for businesses at the whim of rising rents to take control.”

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Counting the cost of carbon tax

With the introduction of a price on carbon, debate continues about how the cost of building materials will impact the housing industry.

The controversial carbon tax received a widely negative reaction from property industry groups, with agents voicing their concern that it would penalise homebuyers and small businesses with increased construction costs likely to impact housing affordability.

From 1 July 2012 there will be a carbon emissions tax for the 500 biggest polluters in Australia, with the tax moving to an emissions trading scheme in 2015.

The Federal Government predicts average households

will see a \$9.90 weekly cost rise and will receive assistance of \$10.10 weekly.

A 'modest' impact

Federal Member for Lindsay David Bradbury, who spoke at the REINSW Nepean Division Novice Auctioneers' Competition about the carbon tax's impact on the property industry, said independent analysis showed a rise in house prices would be less than feared.

"The carbon price will have a modest impact on the property sector," Mr Bradbury said.

"Modelling undertaken by the Australian Treasury projects the impact on the cost of a new house will be 0.6 per cent — meaning around a \$2000 increase on a \$350,000 new house.

"Independent analysis by Stockland, the property group, has resulted in estimates of the impact of a carbon price which are the same as those of Treasury and property developers Mirvac have put the average increase in cost for a three bedroom home at \$1000.

“

The carbon price will have a modest impact on the property sector.”

”

Federal Member for Lindsay David Bradbury

"Other cost estimates have failed to take account of the assistance which the Government is providing to manufacturers of construction materials such as steel, aluminium, copper, glass and plastics.

"The modest price impact on the construction of a new house has been taken into account in the design of the household assistance package, which nine in 10 households will receive."

A taxation burden

But the Housing Industry Association's Chief Executive Association, Graham Wolfe, said the carbon tax would permeate through building material manufacture, production and fabrication phases and supply chains, and eventually be passed on to new homebuyers.

"It will add thousands of dollars to the cost of an average new

home. And in the majority of instances, new homebuyers will be unable to discern how the tax correlates to the carbon footprint in the building materials and products they select in their new homes," he said.

Mr Wolfe said independent economic modelling conducted for HIA by the Centre for International Economics had found that new housing already incurs a taxation burden of more than 40 per cent of its purchase price.

"The impact of this taxation burden is almost entirely borne by the homebuyer. The cost of the new carbon tax will also flow through to new homebuyers," Mr Wolfe said, adding the new tax would impact on housing supply too.

According to Mr Wolfe, the cost impact of the carbon tax would

be seen over coming months as people enter into residential building contracts for projects that continue beyond, or start after 1 July 2012.

Compensation needed

REINSW CEO Tim McKibbin said government compensation should be extended to homebuyers and include any increases to housing flowing from the carbon tax.

"The government has recognised that a variety of industries will bear additional costs due to the carbon tax, and has promised to compensate those industries for the increases so as to negate the effect of the carbon tax," he said.

"Housing in Australia is already unaffordable for many people. Whatever increases the carbon tax has on housing must also be compensated so homebuyers are not further burdened." ♦

“Whatever increases the carbon tax has on housing must also be compensated so homebuyers are not further burdened.”

REINSW CEO Tim McKibbin

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Leading the way

Christian Payne's vision to further strengthen REINSW's reputation for professional excellence, and keep membership relevant for agents.

Encouraged to become a member by his father, Christian joined REINSW in 1992 to be part of an organisation he believed promoted excellence in members and shared his values about professional and ethical conduct. He remains a member because of the progressive plans REINSW has for the future.

"I was encouraged to become a member by my father, because at that stage if you were an REINSW member you were known as an ethical agent, and highly regarded by your peers," Christian said.

"Being an REINSW member said a lot about you and your professionalism as an agent and it was a real point of difference between you and non-members.

"These days, this is still the case, but it's also important to be a member because of the services and advocacy provided to member agents."

Playing a part in positive change

After becoming a member, it wasn't long before Christian took on the responsibility of being part of the work REINSW was doing for its members.

Christian became actively involved in various REINSW committees and Divisional activities were a natural progression.

The encouragement he received from other members helped to drive him on, though he never imagined it would lead to becoming President.

From 1996 to 2008 Christian served as the Chairman of

the St George & Sutherland Shire Division, and in 2002 he became a Director of REINSW, serving as Deputy President from 2007.

Christian is also on the committee of the Real Estate Employers Federation Committee, heads up REINSW's Political Action Committee, and also serves on the NSW State Government's Planning Implementation Advisory Committee.

With his passion for political lobbying, Christian is keen to be the voice of members and ensure their interests remain on the Government's agenda.

“REINSW will be repositioning itself . . . to really establish the point of difference between members and non-member agents.”

Looking to the future

Committed to continuous improvement in all areas of REINSW, Christian said he was looking forward to being part of the leadership team that will make a difference and take REINSW forward.

Part of that will involve implementing plans to further elevate the value of membership, secure the longevity of the organisation, and boost the

relevance and recognition of REINSW in the community.

"REINSW will be repositioning itself within the community and among its members to really establish the point of difference between member and non-member agents," he said.

"The message needs to be clear that if an agent is an REINSW member they are a highly skilled, well-trained and ethical agent."

Helping REINSW improve the quality of its property data is also a high priority for Christian, who believes it will be key to keeping agents at the forefront of the industry.

"If we can secure that data, we can really put our best foot forward in terms of being able to relate to the public," he said.

"It will help members better understand what the market is doing and therefore be better able to communicate this with vendors and buyers.

"At the moment, the public is able to use the internet to get data and basically come in and tell the agents what to do.

"But the data available at the moment can be flawed and can change depending on how it's interpreted, so we need to really become the experts to help ourselves and consumers navigate the market.

"I'd also like to see Realcover continue to flourish. It was one of the first decisions I was involved with on the Board and must continue to be a top priority for REINSW." ♦



“

The message needs to be clear that if an agent is an REINSW member they are a highly skilled, well-trained and ethical agent.

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Investing in the future

The REINSW Board and delegates gathered in Sydney for the 2011 State Conference to review the year and discuss what lies ahead for 2012.

The shape of Australia's economy, impact of technology and social media on the industry, and the collection of accurate property data were among the key topics of discussion at the 2011 REINSW State Conference.

Guest speakers included Frank Allen from Westpac Banking Corporation, Teresa Sperti from realestateVIEW.com.au and propertyDATA.com.au, and a panel of experts in research and property data analysis.

During his final address as REINSW President, Wayne Stewart spoke about the past two years in the role and his focus on embracing and welcoming change to improve products and services for members.

Wayne said he was proud REINSW's commitment to succeed had been unwavering, despite a range of challenges, including a fluctuating marketplace and negative media about the state of world economies.

"Yet despite all the doom and gloom, the industry continues to flourish and evolve, and REINSW with it," he said.

Wayne also highlighted the work done in advocacy and lobbying, with REINSW being heard on a wide range of issues impacting the industry, including national licensing and mandatory professional indemnity insurance.

CEO Tim McKibbin outlined REINSW's impressive financial performance, with a \$1,055,097 profit in the 2010/11 financial year. "The profit represents a combination of hard work in our

normal operating activities, along with strong relationships with the NSW Government that allowed us to take a leading role in offering grant-subsidised licence training to agents across NSW," he said.

Tim said some of the funds would be used to build cash reserves to provide REINSW with protection, in case the financial fortunes of the industry took a downward turn.

"Some money has also been reinvested in REINSW to improve member services, including a new CRM computer system, which will soon be unveiled, to enable REINSW to be more efficient and responsive to members' needs," he added.

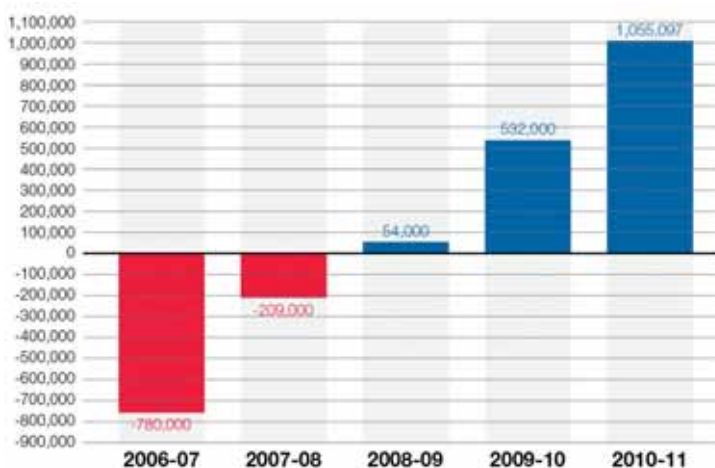
“Some money has also been reinvested in REINSW to improve member services.”

Making new technology and social media work for you

Teresa Sperti from realestateVIEW.com.au and propertyDATA.com.au spoke about the benefits of using smartphone apps and social media tools in real estate.

Following the recent unveiling of realestateVIEW's first app for iPhone, Teresa discussed

REINSW profits 2006 to 2011



the importance of researching your client's needs when developing an app.

She highlighted the importance of not being overwhelmed by the range of options to incorporate social media and technology into business, stressing it was more valuable to focus on one or two areas and do them well.

Agents discussed the impact social media, like Facebook and Twitter, were having on how they do business.

Some younger agents noted listings can be obtained via social media, but the medium should primarily be used for building relationships rather than selling. It also depended on the kind of market and clients you had.

It was noted by commercial agents and property managers with clients based overseas, that social media and technology that translates written correspondence to English were valuable.

The financial year ahead

Frank Allen from Westpac Banking Corporation presented his views on how agents would find the market in 2012.

Frank said there had been a slowing down of retail sales, with many consumers still cautious after the GFC and with current concerns about the global economy, particularly in Europe. This had resulted in many people concentrating on paying their mortgage down, rather than spending.

He said business and consumer confidence needed to be rebuilt, and while he expected challenges in 2012 there were positive signs for the economy.

Property data now and the future

A panel of industry experts — Frank Allen (Westpac), John Cunningham (Cunninghams Property), Ariel Pollard (Colliers International), Simon Hemphill (Savills) and Warwick Watkins (REINSW Board member) —

shared their insights about property data and answered questions from members.

The panel highlighted that data should not be 'blindly' accepted as there were often errors made in categorising and collecting the data and improvements made to properties, which meant it could be misleading or inaccurate if not analysed correctly.

It was agreed having a trusted source of data would be beneficial to agents, but buyers would also benefit for looking at a range of other information like demographics, the number of schools and other amenities nearby, rather than just property data in isolation.

The problems with using median prices – which can be easily skewed by an exceptionally expensive or lower-priced property – was also discussed.

Data product think tank

The delegates broke into four groups to come up with new ideas on the delivery of data, and how to keep the information relevant for the industry.

Key ideas discussed included:

- How to gain a true snapshot of an area by gathering data from a larger number of sources, similar to how call centres are used to gather auction data. Ensure data is well sourced and well interpreted.
- Making information available in the public domain.
- Analysis of the data is where agents step in and will become an expert opinion – but data must be easily interpreted by agents so they can use it to back up the advice they give to clients.
- Conduct a study on the market movement annually for commercial, industrial and residential.
- Median price is not reliable – need to analyse the lower end and higher end.
- Agents should have to provide all details on the property – self-regulatory requirement.
- Agents should participate in feeding data into a live portal. ♦

“

Yet despite all the doom and gloom, the industry continues to flourish and evolve, and REINSW with it.

”

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A panel of industry experts — Frank Allen (Westpac), Ariel Pollard (Colliers International), John Cunningham (Cunninghams Property), Simon Hemphill (Savills) and Warwick Watkins (REINSW Board member) — shared their insights at the 2011 REINSW State Conference.



1



2



3

AWARD WINNERS

Max Sewell Award

Illawarra Division

For best performance overall by a non-metropolitan Division

Russell Jackson Award

St George & Sutherland Shire Division

(accepted by Lene Mitchell)

For the best performance overall by a Metropolitan Division

Brian Bowles

Luke Fahy (from the New England Division)

For outstanding Divisional Chairperson

John Hill Award

Kymbal Dunne (from the Commercial Chapter)

For outstanding Chapter Chairperson

KG Hurst Award

Douglas Driscoll

For the best editorial contribution to the *Real Estate Journal*

Service Award

Brendan Jack

In appreciation of services rendered to REINSW

Certificate of Merit

Charles Verheyden and David Sanders

In recognition of exceptional and continuous service to REINSW

1. Charles Verheyden is presented with the Certificate of Merit.

2. Lene Mitchell accepts the Russell Jackson Award.

3. Douglas Driscoll with the KG Hurst Award.

Record fundraising

It was a fierce but friendly battle for top honours at the 2011 REINSW Novice Auctioneers Competition State Final.

After a hotly contested series of Divisional competitions, the REINSW Novice Auctioneers Competition State Final promised to be an exciting event, and the aspiring auctioneers did not disappoint.

Held on 25 November 2011 at the Sydney Marriott Hotel, the 11 competitors displayed an impressive combination of skill and humour, which both entertained the crowd and drew strong bids.

With the exceptional pool of talent displayed on the night, the judging panel of Charlie Powell,

David Gray, Oliver King and Tracey Lucas had their work cut out for them.

Catherine Dawson from Ray White Rural, representing the Riverina Division, was named the State Final Winner.

Competitors each auctioned an item of their choice, with all funds raised donated to the St Vincent de Paul Society.

David Gray, and Charlie Powell also auctioned additional items on the night, bringing the amount of funds raised during the evening to \$17,000.

\$100,000 Total funds raised at Novice Auctioneers Competition events

The combined amount raised at Novice Auctioneers Competitions for the year was \$100,000.

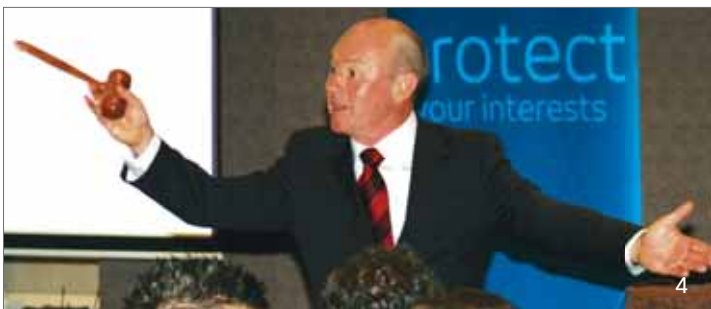
REINSW thanks the following individuals and organisations that donated auction items for the State Final.

- St Vincent de Paul Society
- Dominique Vasers, Pacific Palms Real Estate
- Damien Cooley, Cooley Auctions
- Oliver King, Richardson & Wrench Miranda
- Christine Clarke, Raine & Horne Coffs Harbour
- Buds and Bowers
- Tim McKibbin, REINSW
- Sam Kremer, REINSW ♦

The 2012 Novice Auctioneers Competitions will commence in July next year. For information, email divisions@reinsw.com.au



1. REINSW President Christian Payne presents Catherine Dawson from Ray White Rural with her award. 2. Jason Kazanis. 3. Paul Enright.



DIVISION WINNERS

Orana

Winner: Tim McLachlan from Raine & Horne Dubbo

A total of \$14,605 raised for the Dubbo Rescue Squad (\$11,645) and Dubbo Wig Library (\$2960)

Northern Beaches

Winner: Rebecca Svenoy from Andrew Blake Real Estate

A total of \$13,691 raised for the St Vincent de Paul Society

Central Coast

Winner: Michael Tosh

A total of \$10,373 raised for Wyong and Gosford Hospitals

Riverina

Winner: Gary Brown from Fitzpatricks Real Estate (who was unable to compete in the State Final)

A total of \$985 raised for the St Vincent de Paul Society Wagga Wagga

New England

Winner: Anne Starr from Professional Stock and Land Guyra

A total of \$6428 raised for Angel Flight

East

Winner: Paul Enright

A total of \$3754 raised for Father Chris Riley's Youth Off The Streets Program

Illawarra

Winner: Kane Downie from Bevans Real Estate Thirroul

A total of \$6030 raised for Male Prostate Cancer, Wollongong Hospital

Inner West

Winner: Jason Kazanis

A total of \$4282 raised for Heart for the Homeless

St George & Sutherland Shire

Winner: Dean Applegate from Ray White Bondi Junction

Raised a total of \$8294 for the Sylvanvale Foundation

Murrumbidgee

WINNER: Luke Santolin from Griffith Real Estate

Raised a total of \$5790 for Can Assist (\$2895) and Country Hope (\$2895)

Combined Nepean, Hawkesbury, Blue Mountains and Parramatta & Hills

WINNERS: David Gillan from Ray White Lower North Shore and James Walton from Peter Rodgers Bathurst

Raised a total of \$9030 for the Nepean Hospital Neo Natal Intensive Care Parents Support

4. Michael Tosh. 5. Kane Downie from Bevans Real Estate Thirroul. 6. Anne Starr from Professional Stock and Land Guyra. 7. Dean Applegate from Ray White Bondi Junction. 8. Rebecca Svenoy from Andrew Blake Real Estate. 9. Luke Santolin from Griffith Real Estate. 10. James Walton from Peter Rodgers Bathurst. 11. David Gillan from Ray White Lower North Shore.



REINSW auctioneers excel in competition

The 2011 NAB Australasian Real Estate Institutes' Auctioneering Championships was recently hosted by REIV in Melbourne.

The annual event brings together the winner and runner-up from the final conducted by real estate institutes in each Australian state and territory along with the winner and runner-up of the REINZ auctioneering competition.

Peter Matthews from Ray White Lower North Shore and Charlie Powell from Cooley Auctions represented REINSW in the competition — with Charlie among the five competitors selected to compete in the final.

Mark Sumich, of Sumich Real Estate Agents & Auctioneers in Auckland, topped the finalists — taking out the title for a record third time.

REINSW congratulates both Charlie and Peter on their exceptional performance in the championships. ♦

Peter Matthews (above and left) from Ray White Lower North Shore and Charlie Powell from Cooley Auctions in action at the 2011 NAB Australasian Real Estate Institutes' Auctioneering Championships



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keep learning



REINSW CONFERENCES 2012

Residential Sales Conference

Wednesday, 21 March 2012

Property Management Conference

Thursday, 17 May 2012

Strata Management Conference

Friday, 18 May 2012

Holiday & Short Term Rentals Conference

Wednesday, 18 July 2012

Commercial Property Conference

Wednesday, 22 August 2012

Women in Real Estate Conference

Wednesday, 7 November 2012



REINSW Certificate of Registration Course

Take the first step to breaking into the real estate industry.

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ways, including online and face-to-face, full time or part time. The course incorporates a range of teaching and learning strategies to help you get the most out of the experience.

Established more than 100 years ago, REINSW is the property industry's most credible voice and has access to a wealth of

specialised knowledge. REINSW is the industry's peak professional body and is committed to providing training for students in order to maximise their potential.

For further details or to register go to www.reinsw.com.au, contact REINSW Training on (02) 9264 2343 or email training@reinsw.com.au

Register now

Register for the REINSW Certificate of Registration Course and receive a 12-month Student Membership with REINSW for free and receive discounts on further training.

REINSW helps students find employment by offering the opportunity to have your contact details posted to the Real Careers Candidate Board on the REINSW website for free.

REINSW Training Calendar

JANUARY/FEBRUARY 2012

JANUARY 2012

MON	TUE	WED	THU	FRI	SAT	SUN
2 PUBLIC HOLIDAY	3	4	5	6	7	8
9	10	11	12	13	14	15
SYDNEY Certificate of Registration Course (Real Estate) (full time) – 4 days (9.00am – 5.00pm)				SYDNEY CPD Creating impact and influence (9.30am – 1.30pm)		
	SYDNEY CPD An agent's guide to tax and property investment (9.30am – 1.30pm)					
16	17	18	19	20	21	22
SYDNEY Certificate of Registration Course (Real Estate) (full time) - 4 days (9.00am – 5.00pm)						
		SYDNEY CPD The ABC of compliance (9.30am – 1.30pm)				
23	24	25	26 AUSTRALIA DAY PUBLIC HOLIDAY	27	28	29
SYDNEY CPD Prepare for selling like never before (9.30am – 1.30pm)	SYDNEY CPD Maximise your new management success rate (9.30am – 1.30pm)					
30	31	<div><div></div> CPD workshops – go to www.reinsw.com.au for course descriptions and prices</div> <div><div></div> Certificate of Registration Course (Real Estate) (full and part time as indicated). Price includes REINSW Student Membership</div> <div><div></div> Licensing Course</div> <div><div></div> Forums and Divisional meetings</div>				
SYDNEY Certificate of Registration Course (Real Estate) (full time) – 4 days (9.00am – 5.00pm)						

FEBRUARY 2012

MON	TUE	WED	THU	FRI	SAT	SUN
		1	2	3	4	5
		SYDNEY Certificate of Registration Course (Real Estate) (full time) – 4 days continues (9.00am - 5.00pm)		SYDNEY CPD Essential OH&S for property managers (9.30am-1.30pm)	SYDNEY Certificate of Registration Course (Real Estate) (part time) commences	
		SYDNEY Real Estate Licensing Course (3 days per week for 25 days) commences (9.30am-4.30pm)				
			CANBERRA CPD Marketing Strategies to fast track your growth & increase sales (9.00am-3.00pm)			
6	7	8	9	10	11	12
SYDNEY CPD Getting the most out of Microsoft Outlook 2010 (9.00am-12.30pm)		SYDNEY Real Estate Licensing Course (3 days per week for 25 days) continues (9.30am-4.30pm)			SYDNEY Certificate of Registration Course (Real Estate) (part time) continues	
SYDNEY CPD Tips and tricks for using Microsoft Excel 2010 (1.00pm-4.30pm)		SYDNEY CPD An agent's guide to tax and property investment (9.30am-1.30pm)		SYDNEY Strata Management Forum (3.00pm-5.00pm)		
		SYDNEY Breakfast Club (7.30am-9.30am)				
13	14	15	16	17	18	19
SYDNEY Certificate of Registration course (Real Estate) (full time) - 4 days (9.00am - 5.00pm)				SYDNEY CPD Communication and dealing with challenging situations (9.00am-4.00pm)	SYDNEY Certificate of Registration Course (Real Estate) (part time) continues	
SYDNEY CPD The nuts and bolts of residential tenancies (9.30am-1.30pm)	SYDNEY Auctioneers Forum (3.00pm-5.00pm)	SYDNEY Real Estate Licensing Course (3 days per week for 25 days) continues (9.30am-4.30pm)				
20	21	22	23	24	25	26
CANBERRA REI/ACT Certificate of Registration Course (Real Estate) (full time) – 5 days (9.00am-5.00pm)					SYDNEY Certificate of Registration Course (Real Estate) (part time) concludes	
SYDNEY CPD Mastering retail leases (9.30am-1.30pm)		SYDNEY Real Estate Licensing Course (3 days per week for 25 days) continues (9.30am-4.30pm)				
			SYDNEY CPD The ABC of Compliance (9.30am-1.30pm)			
27	28	29	MARCH 1	2		
CANBERRA Essential OH&S for property managers (9.00am-1.00pm)	SYDNEY CPD Prepare for selling like never before (9.30am-1.30pm)	SYDNEY Real Estate Licensing Course (3 days per week for 25 days) continues (9.30am-4.30pm)				
SYDNEY Certificate of Registration course (Real Estate) (full time) - 4 days (9.00am - 5.00pm)						

THE ABC OF COMPLIANCE

Would your agency pass a compliance audit by NSW Fair Trading? This course offers comprehensive and practical guidelines for agency success. Learn how to set up and conduct a compliant agency, ensuring your commission and reputation are protected.

Sydney 18 January 2012
Sydney 23 February 2012

CPD 12 CPD points (Learning Category 3)

PREPARE FOR SELLING LIKE NEVER BEFORE

Top sales agents know that preparation is key to increasing their sales, and therefore their bottom line. There are many potential pitfalls in the sales process – from the sales campaign, to staging the property and meeting potential buyers, all the way through to when the property is sold. Brush up your skills and make sure that your properties are at the top of the list.

Sydney 23 January 2012
Sydney 28 February 2012

CPD 12 CPD points (Learning Category 3)

CREATING IMPACT AND INFLUENCE

Real estate practice is about winning the business. Vital to securing new business is the ability to create impact and only then will you gain the ability to influence decisions. This workshop will cover aspects of strategic image management, and analyse the psychology of influence.

Sydney 13 January 2012

CPD 12 CPD points (Learning Category 3)

ESSENTIAL OH&S FOR PROPERTY MANAGERS

Effective Occupational Health and Safety (OH&S) management is essential to the long-term success of any business. This course is a general course looking at OH&S for all property management staff, with some coverage of both residential and commercial aspects of OH&S.

Sydney 3 February 2012
Canberra 27 February 2012

CPD 12 CPD points (Learning Category 3) (NSW)
4 CPD points (Learning Category 2) (ACT)

AN AGENT'S GUIDE TO TAX AND PROPERTY INVESTMENT

With many people investing in property, it is essential for real estate agents to have an understanding of the issues investors need to consider as they make their purchase decision. By becoming conversant with the correct application of the relevant tax laws, you will be able to help your clients avoid some of the common mistakes investors can make.

Sydney 10 January 2012
Sydney 8 February 2012

CPD 12 CPD points (Learning Category 3)

THE NUTS AND BOLTS OF RESIDENTIAL TENANCIES

The *Residential Tenancies Act 2010* is now in place and some of the changes have proved challenging for property managers. How is your agency coping? This practical session will discuss the how to's and provide helpful tips for property managers dealing with the changes to the residential tenancies regime.

Sydney 13 February 2012

CPD 12 CPD points (Learning Category 3)



TRAINER OF THE MONTH ANTHONY MERRITT

An experienced trainer, friendly and approachable, Anthony Merritt joined REINSW in 2010. Passionate about education and training, he has quickly settled in as part of the team.

Having received his own real estate training through REINSW, Anthony has always wanted to work for the organisation and pass on his own love of learning.

A licensed real estate agent, Anthony has a vast range of experience including course and assessment writing, assessing, sales and marketing, negotiation and communication skills.

Anthony brings with him a thorough knowledge of NSW and ACT legislation, having a great personal interest in the legal side of the real estate industry. He comes from a sales background, but has a passion for all areas of real estate practice.

With an engaging and interactive presentation style, Anthony always aims for his students to not only learn the necessary information but also enjoy learning. Spend five minutes with him and you can tell that he loves what he does.

REINSW MEMBER HELPLINE

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BY DOUGLAS DRISCOLL

Mystery boosts customer service

Improve productivity and customer service standards in your agency with a mystery shopper.



Embarking on my career in Australian real estate was a daunting prospect. When I arrived here in 2009 the UK property market, where I had worked for nearly 10 years, was all I knew.

A fresh perspective

Although there are some obvious parallels between the two markets, there are also some significant differences. My primary task was to learn as much as possible, as quickly as possible. And though I was faced with a steep learning curve, I soon realised that what I had first perceived as a disadvantage was actually quite the opposite.

Initially, I started seeking out the 'movers and shakers' of the industry, deciphering as much pertinent information from them as possible. But it soon

became apparent, though they probably had good intentions, I was only being told one side of the story. So I decided to investigate the 'real' Australian real estate industry through less conventional channels.

What I did next provided me with an unparalleled insight into the inner mechanisms of our industry. I decided to go mystery shopping.

Room for improvement

Though most often associated with use in retail stores and restaurants, mystery shopping is designed to measure quality of customer service; it is also a perfect tool for use in our industry.

For the purpose of the exercise, I decided to pose as a 'hot to trot' buyer in desperate need of a new property. I then

embarked on an arduous undercover operation, visiting more than 200 real estate offices across Sydney.

Although I encountered some very positive interaction, more often than not, sadly, the level of customer service left much to be desired.

The one true secret of good customer service is that you will be judged by what you do, not by what you say. Any good salesperson can sell anything once, but it will be your holistic approach to the customer that will determine whether or not you'll ever deal with them again.

Customer service is an integral part of what we do, not an extension of it. Exceed a customer's expectations and you may reap the rewards of word of mouth referrals.

OF THE 200 OFFICES VISITED:

1. Only one receptionist stood up to greet me.
2. No one offered me a drink or light refreshment.
3. Only seven took my home address.
4. A total of 171 took my phone number.
5. A total of 98 took my email address.
6. Only six asked whether I had a property to sell.

Given that most buyers become sellers one day, I was more than a little surprised by the lack of effort and interest that was being shown by some of the agents.

While 85 per cent of the 200 real estate offices I visited took my phone number, only one receptionist stood up to greet me.

Maintaining high standards of service

The experience taught me a lot and was a real eye-opener. It also afforded me the opportunity of comparing our offices with the competition. At Starr Partners, we continue to mystery shop all of our offices (in collaboration with our Principals) with a view to maintaining our exacting professional standards.

There are, of course, other viable alternatives to mystery shopping, chief of which is the use of role plays. I am a huge advocate of role playing in real estate. It helps us fine tune our scripts and dialogues, and hopefully hone our craft. But it does have its limitations. Try as we may, there is no true way of illustrating genuine behaviours under such artificial circumstances. Employees will always be on their best behaviour if they know that they are being judged.

In my opinion, any mystery shopping must be conducted by a third party, and its introduction should be announced prior to its commencement. Interestingly, anecdotal evidence suggests that even the sheer mention

of mystery shopping can improve productivity and service standards.

Let's face it – looking in the professional mirror is often a sobering experience, but using mystery shopping can ensure that the customer service standards and brand communication correlate with your corporate strategy and vision. By determining gaps or related factors affecting customer relations companies can, over time, try to improve through training and other interventions.

Given that there is an accompanying profile photo with this article, I think it is fair to say that I have blown my own cover. I will have to buy myself a fake moustache! ♦

“
Customer service is an integral part of what we do, not an extension of it.”

Douglas Driscoll has more than 10 years' real estate experience and joined Starr Partners as Chief Executive in 2010. A qualified coach and real estate industry trainer, Doug also has degrees in business and finance.

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Women in Real Estate Conference

Agents from across NSW gathered together for a day of professional development and personal motivation at REINSW's fifth annual Women in Real Estate Conference.



Susie Elelman and Margaret Lomas share the stage (above) Chris Keeble (below left) showed being a little brave and crazy can pay off. Julie Green (below right) has attended the conference every year.



Guest speakers Catherine DeVrye, Kirsty Spraggon, Chris Keeble, Susie Elelman and MC Margaret Lomas (left) provided valuable information and entertainment throughout the day.

From tips on becoming a media darling and embracing change, to harnessing the power of relationships and being a little daring when it comes to business, participants were treated to a fast-paced, informative day at The Ivy Ballroom in Sydney.

Speakers Catherine DeVrye, Susie Elelman, Kirsty Spraggon and Chris Keeble provided insightful presentations served with a side of wit and humour, while MC Margaret Lomas kept proceedings running smoothly before the day finished up with a fast-paced charity

auction to raise money for the McGrath Foundation.

Former REINSW President Cristine Castle, who initiated the event five years ago, said she was pleased to see the conference go from strength to strength.

"I had this goal five years ago and now that's been achieved," she said.

"I am very proud of what WIRE has become. I am grateful to REINSW. They are committed to women in real estate in New South Wales.

I had my goal, I had my desire, but REINSW worked with me to make it happen and it's just proof of their commitment and they've taken members on that journey.

"Women leave the conference inspired, they get a chance to network, renew friendships and have a great time. I think the journey through the next five years will be even more exciting – that I am certain of."

Women from across NSW took time out from their usual business day to attend the event, among them was Julie

Green, Principal of Julie Green Real Estate, who has travelled from Quirindi every year to attend the conference.

Mrs Green said she enjoyed attending the conference because it renewed her motivation and she always learnt something new.

"There is nowhere I can get this information in the country, so I am happy to travel for all the benefits that I get from this conference," she said.

"More country agents should attend this fabulous day." ♦

Some attendees share their thoughts about the conference



"It was all common sense, but it just reinforces and reminds you about the need for relationships – the importance of building and nurturing them for the long term, not just for what you hope to get immediately."

Kylie Mounsey –
Sales Executive at Cunninghams
Property, Balgowlah.



"I just can't pick one thing, I've got pages of notes. It's great to have a day like this where we can have our whole team here so they can be empowered."

Kylie Walsh –
Manager of residential real estate
at Davidson Cameron & Co,
Tamworth.



"I found the whole day interesting and informative. The speakers were all very honest and generous about sharing information about their experiences – they didn't skimp on information and I learnt a lot."

Carolina Gante –
Principal of Real Estate Solutions
Australia.



"It's given me the opportunity to step out of my usual busy schedule and reflect on how I can make positive changes for my customers. It's also been a great opportunity to network with like-minded women."

Amanda Tate –
LJ Hooker,
Taree.



Susie Elelman (above) put agents in the spotlight to show them how to be a 'media darling'; Agents enjoy a networking session following the conference (below right).



The 2011 REINSW Women in Real Estate Conference was held with the support of event sponsors M2 Telecom and REI Super.

Thanks to Major Partners Direct Connect, propertydata.com.au, realestateview.com.au, Realcover, and Westpac, and Display Sponsor Real Estate Career Developers.



Special thanks to Balance, Belle Fleur Lavender, Construct My Career, Construction and Property Services Industry Skills Council, Contempo Homewares, Fruit Only, Gaia Skin and Body, Goldwell, Haigh's Chocolates, Hampers Only, Kevin Sobels Wines, KMS California, Madison, Master/Slave, Roses Only, Tree of Life and Wotnot.

KEY MESSAGES FOR AGENTS

- Good service is good business – be useful not subservient.
- Change is inevitable, learning from it is optional.
- Reinvention is vital in both your personal life and business.
- Understand the importance of good relationships – people do business with people they like.
- Take your relationships from superficial to 'real' and get a customer for life.
- Get out of your comfort zone and don't be afraid to push boundaries.
- Understand your own personal brand first, and make your business brand an extension of that.
- When you find the right staff, invest in them.



SAVE THE DATE!

The 2012 REINSW Women in Real Estate Conference will be held on Wednesday, 7 November 2012.

The year that was, the year that will be

The *Journal* asked industry leaders to reflect on the challenges and opportunities for real estate in 2011 and offer insights for the year ahead.

2011 IN REVIEW

Q1. What do you think was the biggest surprise or trend that had a significant impact on the market and the way real estate agents do business?

LOOKING AHEAD TO 2012

Q2. What are your predictions for the market in 2012? What do you think real estate agents should be considering to ensure they make the most of the year ahead.



TIM McKIBBIN
REINSW, CHIEF EXECUTIVE OFFICER

International influence

“I do not believe we will experience the property ‘bubble’ that some economists have predicted.”

1. This year promised to be far better than it was. With the benefit of hindsight it appears that the market allowed itself to be influenced by the financial turmoil in the US and, in particular, the eurozone. While I accept that we now live in a global economy, I nevertheless think that the local market has allowed international economic events to have a disproportionate effect on the NSW market.

2. The big question in relation to 2012 is: will the local market continue to nervously await positive economic movement on the international stage as the catalyst for a return to positive activity locally? I suspect yes.

That said, recent auction activity has provided some encouragement.

Interestingly, the same market forces that drove prices up

during the mid-2000s are still active in the market. Demand continues to solidly outstrip supply and is predicted to do so for the foreseeable future. We are therefore dealing with some fairly rudimentary economic factors — supply and demand.

Accordingly, and while I accept that international events will influence the market, I do not believe that we will experience the property ‘bubble’ that some economists have predicted. I think the more affordable areas will enjoy support from purchasers during 2012 and we may see a little further softening of prices in the more affluent areas. However, I do not anticipate severe corrections.

The reality though is that the market is what it is, and all parties, purchasers, vendors and agents participate and accommodate the market as it is.



JOHN McGRATH
MCGRATH ESTATE AGENTS,
CHIEF EXECUTIVE



While I expect 2012 to be the comeback year, agents still need to understand that the game has changed forever in some ways.



Market u-turn

1. The biggest surprise for me in 2011 was seeing the market, which had been starting to recover its confidence in the first quarter, take a u-turn and retreat somewhat in the second half of the year. The top end was the biggest victim, with prices for some properties having a five to 10 per cent correction. I'm confident, barring any unforeseen international economic disasters, we will see the confidence grow in 2012 again and values fully restored.

2. While I expect 2012 to be the comeback year, agents still need to understand that the game has changed forever in some ways. The market will improve but customer expectations have risen, courtesy of social media and an evolving consumer base who demand more service and better results for no more money. Technology has been delivering this and now people expect it in professional services. Doing more, better, with less will be a theme for this decade.

Skill to survive

1. The factor that made the biggest impact in 2011 was that people stopped making decisions, both buyers and vendors. They hesitated and this created perpetual uncertainty in the market. Agents who weren't prepared to stick by vendors and prospective buyers through that drawn-out process didn't succeed this year.

2. I've never actually understood the speculation around this. I think that the market is what it is. If you have a good job and you can borrow the money and you want to buy a house, buy one. If you want to sell your house, sell it. These are decisions people should make irrespective of forecasts and predictions.

Forecasters contradict each other every single day in this country. How confusing that must be for people trying to make decisions about their real estate assets. In terms of agents, I believe that the future now is all about the skill. If agents just expect that deals will happen, then they will not survive.



TONY BRASIER
PRD NATIONWIDE,
CHAIRMAN AND
MANAGING DIRECTOR

Positive signs

1. The year 2011 promised a lot and delivered little in terms of the property market. In the first half of 2010 many agents would have predicted that market conditions would be showing positive signs of improvement during 2011, however, this has only been the experience in too few markets. Local political uncertainty, new taxes, higher costs of living and economic volatility in Europe have led to a general lack of confidence. Most agencies have had to rely on their property management revenue and adjusting their cost base to cope with reduced sales volumes.

2. The stars may well align in 2012. There are some very positive signs for the market in 2012 that many predicted would be the case in 2011. Potentially lower interest rates, low unemployment, and lack of new supply, critical shortages in rental accommodation and rising rents are all characteristics of a market about to turn. Investor and first homebuyer confidence should ultimately follow this trend.

In late 2012 I think we will be talking about a market that is recovering significantly. The current environment represents an excellent opportunity for agents to grow their market share in the tough conditions that now exist. Growing rent rolls, maintaining and motivating a stable sales team and increasing communication with your market are critical elements that will result in good agents reaping the rewards as the market gains momentum in the second half of 2012.



STEPHEN NELL
RAY WHITE, CHIEF
EXECUTIVE OFFICER – NSW



PHILIP ROURKE
LANDMARK, STATE REAL
ESTATE MANAGER, NSW

Investors return

1. The continuation of a difficult rural property market with auction clearance rates around 35 per cent during 2011 has had a significant impact on expansion plans. Finding experienced rural sales consultants with good product knowledge in rural areas has proved a real challenge.

The rural market has been difficult for almost 10 years. Just as we looked like returning to better seasons and improved commodity markets earlier this year the Federal Government's policies have resulted in a rethinking of investment strategies. Investors seem to be sitting on their hands to see what policy

changes (new taxes) are implemented and what impact they might have on the economy.

2. As we work through the uncertain times in regard to Federal Government policies investor confidence will slowly return. The agribusiness sector looks set for a better run with property prices stabilising, commodity prices remaining firm and seasons improving. This should result in increased return on investment and as other investment yields are looking like they will fall, the agribusiness sector could be in for better times ahead. Increased global interest in rural property, to ensure food supplies, will increase demand and enquiry for rural property and this added to a more liquid local market should swing the supply/demand pendulum. As investors return to the sector the auction clearance rate should improve leading over time to increased rural property prices.

The challenge for rural agents will be to have the experienced sales personnel to ensure any increase in enquiry can be managed.



The agribusiness sector looks set for a better run with property prices stabilising.



Deals flowing

1. In the first six months of 2011 it seemed many people were quite happy to not make big decisions to sell or buy property. In December 2010, the market was very optimistic about 2011 — buyers were back in the market, share markets were rising and there was a generally positive sentiment. The first six months of 2011 however, saw very few deals and little activity. Positively, the second half saw a noticeable increase in activity and deals.

2. An increase in trading activity and more deals flowing. Owners will look to reposition their portfolios, capitalising on an increasing number of specific buy mandates, especially in the CBD and buyers will look to capitalise on the healthy buying conditions. We expect more bank and receivership sales to come through. The international interest will continue especially from Asia. Agents will need to be prepared to work harder for their clients — 'putting an advert in the paper' isn't enough to drive the best price. It's 'old school', back to basics real estate.



RICHARD HORNE
KNIGHT FRANK
AUSTRALIA,
NATIONAL DIRECTOR
INVESTMENT SALES



CHARLES TARBEY
CENTURY 21, CHAIRMAN

Prices stabilise

1. A big issue for real estate in 2011 has been the failure of agents to stay ahead of the market, preparing for the decline in market activity that has occurred and understanding what this required of them in preparing vendors for realistic sales outcomes.

It is an agent's responsibility to ensure their clients comprehend the market. If vendors cannot meet the market, they shouldn't be in it in the first place, and people rely on their agents to advise on this.

2. Over the coming year I expect to see prices stabilise with modest growth in values occurring between now and the end of 2012.

Previous first homebuyers responding to increased affordability, (potentially) lower interest rates and improving salaries may look to sell to either relocate or upsize and, as confidence returns to global markets, the top end of the housing market should see improved activity — driving the residential market.

The rental market is already under pressure, which should see the return of investors looking to take advantage of good yield opportunities. The agents who will be on the frontline when the market begins to move are those who are out there focusing on personal selling and delivering feedback to owners.

Media and marketing are an important part of presenting properties but they do not list and sell them, which agents must understand.

Those agents who deliver news both electronically and in person will get the best results for their clients.



**ANGUS RAINE RAINE
& HORNE, CHIEF
EXECUTIVE OFFICER**

“
This is not going to
help people off the
rental market.”

Stamp duty

1. The biggest surprise of 2011 was the State Government's decision to cut the stamp duty exemption for first homebuyers purchasing existing homes in NSW. This decision concerns me as we already have a major shortage of rental properties in NSW and this is not going to help young people jump off the rental market treadmill and into their own homes.

I'd really urge the NSW Government to reconsider this Budget measure as it will mean first timers will need to find tens of thousands of additional dollars to buy into the housing dream. It will also price many first timers out of apartment markets closer to the city and will put even more pressure on overworked infrastructure in outer Sydney suburbs.

2. At this stage the most important issue for the real estate market is confidence. If the Reserve Bank of Australia fails to get it right on a regular basis, then it could have a real impact on the decision taken by owner-occupiers and investors. That said, with plenty of economic uncertainty on the cards in 2012, there's never been a better time for real estate agents to work as part of a national brand such as Raine & Horne, which invests heavily in the very best technology, training, marketing and business support and development.

Social media

1. We have encouraged Laing+Simmons agents to embrace social media and many agents have established their own Facebook pages, Twitter accounts and LinkedIn groups. There has been significant growth in this arena over the past year and our agents are using social media as a tool, not only to advertise their own listings and create a direct dialogue with existing and potential clients, but also to promote themselves as expert voices in the industry by engaging in online discussion about business and property trends. Social media is here to stay and is a fantastic way to connect with the local community. Agents yet to embrace the online trend need to get on board in 2012.

2. With stamp duty concessions being removed from 1 January 2012, first homebuyer demand has been pulled forward. We have seen an influx of activity from this demographic since September so the likely absence of first homebuyers in the market will be noticed in the new year, resulting in a softer first homebuyer market for the first half of 2012. Agents will therefore need to target other buyers, and investors will become even more important to market activity.

Home prices may increase next year, albeit only by a small percentage, and the interest rate decrease will positively impact the market and should result in a higher volume of transactions than we have seen this year. Indicators such as October's CBA report suggest business confidence is picking up. This will likely have a direct effect on consumer confidence and positively impact the property market moving into 2012.



**LEANNE PILKINGTON
LAING+SIMMONS,
GENERAL MANAGER**

“
Social media is
here to stay and is
a fantastic way to
connect with the
local community.”



**PETER HANSCOMB
BELLE PROPERTY, CHIEF
EXECUTIVE OFFICER**

High quality

1. People are showing a growing appreciation for boutique brands and strong professional values. They're very discerning about their choice of agent and they recognise the benefits a boutique brand like ours can bring in differentiating their property through better quality marketing.

Agents need to recognise changing consumer behaviour if they want their marketing to be effective. In the premium lifestyle markets, where we operate, it's abundantly clear that buyers are responding to high quality newspaper ads first and the internet second.

Major portals present a \$300,000 home in the same format as a \$4 million home, leaving little opportunity for each property to make an impression on buyers.

Quality newspaper advertising is becoming far more effective in creating an emotional response.

2. The challenging economic situation is likely to remain. The interest rate drop will stir up activity but many people are still focused on consolidating investments and reducing debt. With possible further losses in the equities market, there will be increasing interest in property, particularly as more people get comfortable with buying through self-managed super.

To make the most of 2012, agents need to plan, practise and focus on people. Know more about your market and be the expert.

Concentrate on what you can change and let others worry about the forecasts. The agents with the strongest profile who can prove their worth to sellers will grow their market share in 2012.



ROB SEWELL
CBRE, REGIONAL
DIRECTOR
INSTITUTIONAL
INVESTMENT
PROPERTIES

Legislation

1. Share prices of the major REITS continued to trade at significant discounts to net tangible assets*, making it extremely difficult for listed property trusts (LPTs) to make acquisitions during 2011. In fact, as share buybacks have become the most accretive strategy, we have seen a number of LPTs choose to sell commercial assets to fund a share buyback initiative. Although this strategy

has led to a greater volume of stock entering the market in the second half of the year, there is enough equity capital available to absorb the stock. If our current appointments convert into sales by year's end, the trading volume for Sydney office stock in 2011 will match the levels recorded in 2005 and 2006.

**Current average discounts are understood to be between 15 and 30 per cent.*

2. Under the national Commercial Building Disclosure (CBD) program, all sellers or lessors of office space over 2000sqm will be required to register a Building Energy Efficiency Certificate (BEEC).

The legislation, which came into force in November 2011, is designed to improve the energy efficiency of Australia's large office buildings. The process for obtaining a BEEC is estimated to take up to 12 weeks and must be registered before marketing of the property can commence.

This will be particularly restrictive when brokering deals off-market, where timing and the ability to transact quickly is often critical.

Real estate agents will need to bear this in mind when planning a marketing campaign and will need to ensure property owners are aware of the legislation, for which penalties for non-compliance are high.



MALCOM TYSON
COLLIERS
INTERNATIONAL,
MANAGING
DIRECTOR OF
RESIDENTIAL

“
Agents shouldn't anticipate the market to rebound but expect a steady work out period over two to three years.
”

Efficiency

1. The value of the role of the agent in transactions came to the fore in 2011. It was a moderately difficult market for transactions to occur on account of buyers at one point and vendors at another. It became of peak importance that the agent managed each party to bring them together to a point where they were both comfortable and a deal possible. In a rising market those skills aren't so critical. In the current market, typified by small peaks and troughs, agents need to know the situation and have a clear understanding of what the desired outcomes are for the client, including underlying motivations and critical dates, with open lines of communication.

2. We'll see an increase in transaction levels from 2011 and there will be pressure on supply, with rising demand across all sectors for space and limited new development. Agents shouldn't anticipate the market to rebound but expect a steady work out period over the next two to three years. Agents should be looking at the processes in their business to drive efficiency and to ensure that they're applying technology in the right areas. It's paramount to maximise the impact they have in the working day, to be focused, know what they're good at and to continue to specialise and build their personal and business brands in the marketplace.



L JANUSZ HOOKER,
LJ HOOKER, CHIEF
EXECUTIVE OFFICER

Online research

1. The biggest trend that stands out for me in 2011 was the embracement of online and social media — not just by the real estate industry but by consumers — spurred on by the use of Australians with new smartphones and tablets. Consumers are looking for data regarding real estate and start their research online six to eight weeks before they attend an open for inspection or contact an agent. Industry data reveals that 90 per cent of Australian consumers use the internet for property research. Agents en masse have embraced social media as they engage with their local community. The smart users understand social media is a long-term relationship builder, not a sales channel.

2. Rising wages are outpacing housing price growth for the first time in a decade, so affordability and therefore demand is improving. Demand might further accelerate if global economic

crises are resolved, because they have dampened consumer confidence here in Australia. If the Reserve Bank of Australia keeps interest rates low, or lowers them further, that would also help.

Agents should stick to the basics of selling, which you have to do face-to-face with your customers. Also, use social media, property videos and email marketing to ensure your vendors' properties reach the largest possible audience.

“
Social media is a long-term relationship builder, not a sales channel.
”



JASON ROACH
WESTPAC,
NATIONAL HEAD
OF REAL ESTATE

Innovation

1. The most significant change that Westpac has observed has been the way agents are using social media to heighten the market's awareness of their clients' properties. This is a

phenomenon that is here to stay, and as a bank for the real estate industry we actively encourage real estate businesses to look at all forms of innovation and ways to improve their business. Innovation is often the key to unlocking growth in businesses, and being ahead of the curve will never be as important as it will be over the next 12 months; it requires an improvement mindset that embraces best practice to deliver consistent profitability and outstanding client service.

2. In 2012 we expect to see a similar trading environment to 2011 – our view is that agents must continue to focus on the variables in their businesses that are within their control. Maximising productivity and being as efficient as possible focusing on dollar-productive activity should be at the centre of all effort. At a deeper level, investing in the right people, having the best processes,

maximising property marketing and accurate pricing will help agents to minimise days on market and maximise the oxygen of cash flow in their business.

Businesses with robust sustainable cash flow are businesses that will thrive even in the quieter times. Property management income from rent rolls continues to be in high demand given their consistency of cash flow regardless of the cycle. Strong cash flow provides options for real estate business owners to make the most of opportunities and allows decisions to be made based on fact and logic without haste or emotion.

“ Innovation is often key to unlocking growth. **”**

Relationships

ANDREW COCKS
RICHARDSON & WRENCH,
EXECUTIVE DIRECTOR

“ We are expecting 2012 to be challenging, but that presents opportunities. **”**

1. The dominant feature of 2011 in real estate was the lack of confidence that pervaded the market. Our industry was not the only one to feel it; retail was also hurting. Many agents were taken by surprise and ill-prepared to deal with cautious buyers and over-optimistic vendors. The need to educate vendors became paramount in terms of managing unrealistic expectations. There were a lot of conflicting messages around real estate with commentators forecasting doom on the one hand against more level heads who pointed to the fundamentals of demand and supply, strong employment and a stable economy. The figures never supported the fear factor – especially in NSW – however this did little to assuage the worriers.



2. We are expecting 2012 to be challenging for real estate, but that in itself presents opportunities. There will be less competition in the marketplace with the most capable and professional operators able to increase their market share. Agents will need to work their relationships like never before and concentrate their time and energy on realistic vendors who genuinely want to sell rather than test the market. A great store of patience will be required, along with energy and enthusiasm. Credibility will count for a lot in this environment and agents will need to enter every negotiation with a store of knowledge that will instil confidence in the vendor.



STEVE MURPHY
ELDERS REAL ESTATE,
NSW/ACT FRANCHISE
MANAGER

Leadership

1. This was a year when even the best agents have had unprecedented pressure on their commissions. This has been driven by vendors being armed with more information and agents competing for business on price alone. For salespeople this has meant that they have gone back to training to finesse their skills or simply had to do more deals and get their days on market down just to match last year's income. For our business owners, there has never been such an intensive year to focus on the P&L, remove unnecessary costs and most importantly recruit quality salespeople where commission rate discussions with vendors become secondary to the process.

2. Our belief is that next year will be a year of consolidation. In particular, Queensland has been hardest hit with natural disasters that have had a significant impact on average turnover. Next year will be about continuing to carefully monitor costs to ensure a profitable bottom line. Improving staff and management performance is the key to increased productivity, which is essential in maintaining profitability.

A major focus of Elders in the next 12 months is to enhance the leadership skills of our franchisees. Our belief is that strong leadership skills will enable our business owners to take the opportunities of the current market and grow the profitability and market share. ♦



BY GARY TRIGANZA

Dealing with tricky tenants

While selecting the right tenant is ideal, knowing how to deal with a tricky tenant can be just as important.



In the specialised field of property management there are many areas, from selecting the right applicant to interactions during the tenancy, which can pose potential hazards for property managers.

And while we all know it is much easier to manage good tenancies, as opposed to 'horror' tenancies, what we do as property managers can make all the difference. As individuals we can promote and encourage positive tenancies and minimise difficult situations.

Tenant selection

Paramount to reducing the intake of tricky tenants is the process of tenant selection. A well thought out Application for Tenancy form is vital. It will attract more quality tenants for you to choose from and potentially help avoid selection of a poor-quality tenant and the angst associated with managing the resulting situation.

When verifying tenancy application forms it is always

prudent, where possible, to obtain a recent rental ledger to confirm the frequency and timing of the applicant's prior rental payments.

This can also be useful if you are ever placed in a situation where you need to explain to your supervisor, director or landlord why you recommended the applicant.

If you receive a previous rental ledger whereby the tenants are continually in arrears, wise protocol and procedure would be to contact the applicant and ascertain the reason why this was the case.

Also, contact the applicant's former property manager or private landlord and confirm the scenario. Armed with this information, after reviewing the entire application, consult with your client for instructions.

During the tenancy

Most tenancy disputes that occur concern money, including bond resolution matters. These disputes,

“If you are successful in pacifying this situation, you will generally find the tenant is more cooperative and matters are easier to resolve.”

along with Consumer, Trader and Tenancy Tribunal hearings, can be minimised by effective and swift communication and by utilising a prudent, systematic approach.

Property ingoing inspection and condition reports must be accurately recorded and a true reflection of the condition of the property at the commencement of each tenancy.

When you receive a returned tenant's condition report, in

addition to reviewing it, you should always refer to the owner for any repair requests. Sometimes, tenants are not always seeking repairs but are merely attempting to protect themselves from a potential claim.

In these instances, always seek clarification in writing from your tenants on whether they are noting their comment to protect their bond or whether they are actually requesting repairs.

Communication makes the difference

The key to good property management is effective communication. Being an efficient communicator in a difficult situation reduces the chances of inflaming matters further.

By letting the situation escalate through poor communication, you will end up with the much larger task of not only resolving the initial matter but also restoring faith and credibility of your own ability to the tenant. If you are successful in



MANAGING TRICKY TENANTS

1. Use your approach to property management to promote and encourage positive tenancies.
2. Communicate effectively with your client and the tenant.
3. Have a good working knowledge of relevant legislation.
4. Try to defuse a difficult situation as soon as it arises.
5. Have systems in place to help avoid disputes over money.

pacifying this situation, you will generally find the tenant is much more cooperative and matters are much easier to resolve.

Know the law

Tenants who are deliberately trying to deceive you will play on your weaknesses, which can include a lack of knowledge regarding legislation.

Every property manager should be armed with a good working knowledge of relevant legislation – particularly the new residential tenancies legislation and amendments to existing laws.

Knowledge is power and understanding what you can and cannot do not only resolves day-to-day matters

“The key to good property management is effective communication.”

but can also reduce the risks of potential litigation against you and your firm. ♦

Gary Triganza is a Senior Property Manager working at Kellys Property in Newtown, Sydney. He has been a property manager for more 16 years and is a member of the REINSW Property Management Chapter Committee.

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BY JO-ANNE HAMILTON

Residential tenancy laws: a practical guide for sales agents

What sales agents need to know about the most significant changes to residential tenancy laws the industry has seen in more than 20 years.

Almost one year on from the introduction of the new *Residential Tenancies Act 2010* and the Residential Tenancies Regulation 2010, many agents are still coming to terms with implementing some of the most significant changes.

This is a practical explanation of a few areas that have been identified as being of importance for agents in a residential sales role.

Information disclosure to tenants

The new legislation requires the landlord/managing agent to disclose information to the prospective tenant prior to the tenancy being entered into.

The tenant must be advised if:

1. The landlord has prepared a Contract for Sale in relation to the residential premises.

2. The mortgagee is taking action for possession of the residential premises, if the mortgagee has commenced proceedings in a court to enforce a mortgage over the property.

There are also various other disclosures that must be made. For example, whether there has been a serious violent crime in the property, or whether there are any health and safety concerns not immediately obvious to a prospective tenant on inspection.

Under section 100(1) (c) of the Act, if the landlord's intent to sell was not disclosed prior to entering into the tenancy agreement, the tenant has the right to vacate by giving 14 days' notice during the fixed term, following receiving advice of the landlord's decision to sell the property. REINSW

is currently lobbying against this provision in the Act, which disadvantages landlords who genuinely had no intention to sell but have undergone a change of circumstances in the mean time.

Sale of property

There have also been significant changes in relation to handling the sale of a property with existing tenants. The Act requires a landlord/managing agent to give a tenant written notice of the intention to sell not later than 14 days before the premises are first made available for inspection by prospective purchasers.

The *Residential Tenancies Act 2010* does not dislodge any existing obligations a sales agent may have towards the property manager managing the tenancy under the Act and Regulation.

This effectively operates to provide the tenant with a buffer period before the property will need to be in a presentable condition for inspections. Failure to provide this notice in writing might enable a tenant to obtain an order from the CTTT restraining the landlord or agent from conducting the open for inspections.

It can be difficult to negotiate access arrangements with existing tenants when a rental property is listed for sale. Most sales agents will have experienced a tenant who blocks access or uses other strategies to sabotage a sale, such as one of my tenants who became a nudist and decided to answer the door to the salespersons and prospects unclothed in an attempt to put them off the open for inspections.





There is a win for sales agent in the Act in this regard. Sections 53 and 55 relate to accessing tenanted properties that are for sale. While every effort should be made to negotiate access arrangements that the tenant is satisfied with, in the event that no agreement can be reached, a tenant cannot unreasonably refuse access. The agent has the right to enter the premises twice a week to show it to prospective buyers, as long as the tenant is given at least 48 hours notice of each inspection. However, it is recommended agents should always try to negotiate access, rather than simply relying upon this provision without negotiation.

Sales agents should be careful of using images of a rental property that have anything in them that can identify the tenant

or another person, such as family photos, framed certificates on walls, bills, or photos that depict medical equipment, medication or pharmacy prescriptions. Sales agents should also consider the risk to the tenant of photographing any expensive items that belong to the tenant, since this could lead to compensation claims from the tenant if the property is subsequently broken into.

Obtaining the tenant's written consent is always the best precaution when using photos. Finally, when a rental property is sold during a periodic tenancy and where a sales contract provides for vacant possession, section 86 allows for the tenancy to be terminated with 30 days notice (remember to allow extra time for postage where applicable). However, if the tenant

fails to vacate, the giving of an order for possession by the CTTT is 'discretionary'; i.e. is at the discretion of the Tribunal member based on consideration of a particular case. Where 'vacant possession' is required for the settlement of the sale, sales agents should closely liaise with the property manager looking after the rental property, as an extended settlement period may be required, particularly where an extended cooling off period has been granted to the purchaser. ♦

Jo-Anne Hamilton has been a licensed real estate agent since 1986 and a real estate industry trainer for the past 18 years. She specialises in residential property management, having managed a property management portfolio and team of a successful agency in Ryde for more than 20 years.

“Sales agents should be careful of using images of a rental property that can identify the tenant or another person.”

MEMBER PROFILE: KATHY MCMANUS



"REINSW have always been there for me. If there are things I am not too sure of, then I do ring the Member Helpline."

After 20 years in the industry Kathy McManus knows the importance of having REINSW's supportive team behind her business and staff.

Previous positive experience as an REINSW member meant the Principal of Kathy McManus Real Estate had no hesitation in joining up again when she moved from a franchise to her own small business.

With a staff of five, Kathy said training and advice from industry experts offered through REINSW was a great boost to her business.

"I read the *Journal* because it keeps me aware of things going on in the industry and that is so important when you have your own business," she said.

"REINSW have always been there for me. If there are things I am not too sure of, then I do ring the Member Helpline for advice and there are lots of other things like forms and stationery from REINSW which are really valuable too."

Kathy said the REINSW courses offered great opportunities for her and her staff to ensure they were up-to-date and always working to maintaining high industry standards.

To find out more about REINSW membership, call (02) 9264 2343 or visit www.reinsw.com.au

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- TRA can audit trail all searches in the event of misuse and trace back to the computer used, therefore protecting both principals and property managers.
- TRA has a 60 page document on every aspect of our business showing compliance to the new privacy principles, completed by our barrister and solicitors.
- TRA abides by "Property, Stock and Business Agents Amendments (Tenant Databases) Regulation 2004".

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propertyDATA.com.au customers now have access to a new suite of Competitive Market Analysis (CMA) reports to help showcase properties in a much more professional and personalised format.

Released last month, the five reports now have a much more contemporary look and feel with a new front cover, imagery, colour schemes and layout.

The content in the reports has also been upgraded with

a host of new graphs and charts helping you to easily communicate property and market details in a concise new layout. Use alongside our new image editing tool to capture the attention of buyers with eye-catching imagery.

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ADEPT

Commercial agencies move into the cloud with Surga Central

New cloud-based software, developed in Australia by Adept Business Systems, enables commercial real estate agencies to overhaul obsolete sales and marketing practices and offer a superior service experience to their clients.

Adept's new technology, known as Surga Central, takes its name from the Bahasa Indonesian word for heaven, provides agencies with a next-generation, cloud-centric system for selling and leasing commercial and industrial real estate.

Fully web-based, Surga Central is integrated with Google Maps. Properties and contacts are stored in its cloud database and are automatically geocoded. Property listings, lease expiries and enquiries

can be displayed on Google Maps. Agents can then conduct map searches to reveal commercial property 'hot spots' and 'dead spots'. Agents can also draw, name, store and search customised geographic regions on the maps to focus search activity on areas of specific interest.

On receipt of an enquiry, Surga Central is capable of generating and emailing a summary listing brochure to a property enquirer in less than 60 seconds. Having received the property details on a tablet device equipped with location services, such as an Apple iPad, the enquirer can then remotely view the property (using a map or satellite view), calculate the distance from their current location and access directions of how to reach the property.

Complex property requirements, including the type of property, location and amount of space needed, can be precisely captured through Surga Central's Google Map interface. Thereafter, these requirements are automatically matched against new listings and, when a match is found, an alert is sent to the listing agent. New property listings can be uploaded from Surga Central to the agency's website and to leading Internet property portals.

Contacts stored in Surga Central's CRM are geocoded, enabling agents to search Google Maps to locate owners, tenants and persons seeking to lease or buy commercial property.

Sophisticated contact profiles help to ensure that information

distributed is relevant to the contact's needs or interests. Dashboard analytics are also available to provide managers with the means to remotely monitor sales force activity and track how accurately agents respond to customer requirements.

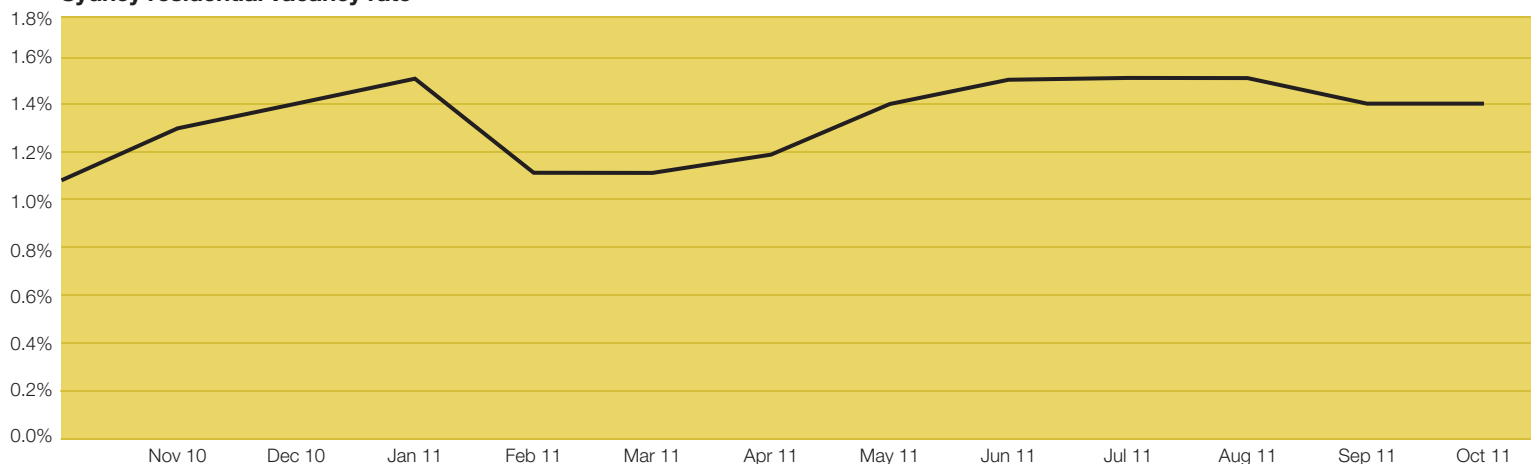
"Surga Central is an example of a new generation of cloud-based business software, entirely developed in Australia," said Steve Clark, CEO of Adept. "To survive and thrive in the internet economy, commercial real estate agencies need to adapt their sales and marketing practices to align with the web's potential. The long term winners will be those able to deliver a consistently superior customer experience using the Internet, tablets and cloud applications such as Surga Central."

Check out the latest rate for your area. You can use it in your newsletters, information packs and discussions with potential investors.

Residential vacancy rate – Compiled by Inshgtrix on behalf of REINSW

SYDNEY	Oct-11 (%)	Sep-11 (%)	Aug-11 (%)	Jul-11 (%)		Oct-11 (%)	Sep-11 (%)	Aug-11 (%)	Jul-11 (%)
Inner	1.3	1.5	1.5	1.5	ALBURY	1.9	1.7	1.9	2.0
Middle	1.6	1.4	1.6	1.5	CENTRAL WEST	1.7	1.4	1.3	1.7
Outer	1.4	1.3	1.3	1.6	COFFS HARBOUR	4.1	3.8	3.7	3.5
Total	1.4	1.4	1.5	1.5	FAR WEST	-	-	-	-
HUNTER					MID-NORTH COAST	1.8	1.9	1.8	2.1
Newcastle	1.9	1.3	1.8	1.4	MURRUMBIDGEE	2.5	2.2	2.4	3.0
Other	1.5	1.8	1.8	1.6	NEW ENGLAND	2.4	2.4	2.6	2.5
Total	1.7	1.6	1.8	1.5	NORTHERN RIVERS	3.0	3.0	2.6	3.9
ILLAWARRA					ORANA	1.5	1.2	1.4	1.6
Wollongong	1.8	1.6	1.6	1.3	RIVERINA	3.7	3.4	3.1	3.1
Other	1.4	1.3	1.5	1.3	SOUTH COAST	2.2	2.9	3.1	2.6
Total	1.7	1.4	1.6	1.3	SOUTH EASTERN	1.5	1.7	1.9	1.8
CENTRAL COAST	1.7	1.9	2.1	2.0					

Sydney residential vacancy rate



Source: REINSW Vacancy Rate Survey

Did you know that your rent roll information is used by the Reserve Bank of Australia when making its interest rate decisions? REINSW Vacancy Rates are a significant source of property information for economists, so make sure you contribute by sending us your vacancy rate figures each month.

Sydney weekly auction clearance rates – provided by Australian Property Monitors

	Inner Sydney		Inner West		Lower North		Inner East		SYDNEY	
	Number Auctioned	Auction Clearance Rate	Number Auctioned	Auction Clearance Rate	Number Auctioned	Auction Clearance Rate	Number Auctioned	Auction Clearance Rate	Number Auctioned	Auction Clearance Rate
30/10/2011	128	55.4%	49	70.6%	94	62.5%	135	56.8%	757	56.1%
23/10/2011	77	60.9%	39	69.0%	59	50.7%	57	56.9%	466	51.7%
16/10/2011	77	61.8%	36	58.5%	52	55.2%	70	60.0%	546	55.2%
09/10/2011	87	58.8%	28	60.6%	58	54.8%	43	54.2%	418	53.1%
02/10/2011	45	56.9%	15	70.6%	48	62.3%	55	59.7%	302	52.3%
25/09/2011	109	64.0%	40	63.6%	91	62.7%	108	50.0%	655	57.1%
18/09/2011	110	70.9%	42	66.7%	70	52.9%	75	54.3%	592	55.0%
11/09/2011	66	60.5%	35	71.1%	47	69.4%	63	60.0%	423	57.5%
04/09/2011	78	55.2%	28	65.5%	69	59.5%	68	53.1%	459	53.3%
28/08/2011	66	64.4%	23	69.6%	49	57.4%	77	56.3%	452	53.8%
21/08/2011	64	61.1%	25	69.2%	39	54.2%	46	59.2%	386	55.2%
14/08/2011	69	69.9%	37	71.1%	57	54.5%	51	71.9%	378	57.3%

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Repeating history to revitalise charity auction

The challenge of engaging a new generation and keeping the interest of an established audience inspired charity auctioneer Craig Marshall to get creative.



BY CRAIG MARSHALL,
PRINCIPAL, CENTURY 21
CORDEAU MARSHALL GROUP

After performing the role of live auctioneer on the charity event circuit for the past three decades, I started to see the same faces attending the events year in, year out. While it was great to see so many committed supporters of charity, it became apparent to me that I needed a fresh new delivery that would stimulate, motivate and entertain the diverse crowd – or risk them become bored and, therefore, less likely to dig deep for the cause.

I originally came up with the 'history of auctioneering' concept for my live auctions a decade ago.

It takes the audience on a globe trotting journey, starting with the origin and the birth place of live auctions in Ancient Roman times, quickly moving through the Middle Ages to the English, German and Dutch auctions, then jumping across to Japan, before finishing with a high-impact Australian cattle auction. Each auction takes on a life of its own and has a slightly different finish every time.

Each country is represented with a costume change and supporting props that leave the audience energised and entertained.

When I did the auction this way for the MS Trish Foundation, it was the first time in 10 years of doing the annual event that I had seen the room of 500 people quiet.

I believe the reason it has been such a success is the experience is not only memorable, it's a point of difference for the event that can be adapted to suit different audience sizes and age groups.

You don't need to be a comedian – though a sense of humour helps. What is important is to deliver a creative, polished performance that captures the audiences' attention and keeps them guessing for the duration of the auction.

Once you have a great concept, don't be afraid to keep updating it. After a fun and successful 2011, I am already planning a new and innovative approach for the 2012 – stay tuned.

“ Each auction takes on a life of its own. ”

YOUR STORY

We want to hear your stories!

If you have a humorous or interesting story you'd like to share with REINSW members in 'Last Word', email the editor at tina@mahlabmedia.com.au

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