

Journal

JUN 2012
VOL 63/05



All in your mind
Think like a winning agent,
then start acting like one

Headlines that sell
Make sure your advertising
copy stands out

Members at the centre
REINSW reveals its
strategic plan and
how it will help you

grow
your business

How to make your agency thrive

The
sound choice
for my **business**



“MyNetFone's been the **sound choice for our business**, check it out yourself and you'll most likely find it's **the sound choice for your business.**”

Peter Michael, Managing Director, Michaels Camera Video & Digital

As your business grows, you'll want a phone system that's easy to use, yet flexible without sacrificing on quality and capabilities.

With the ability to keep your existing number, send and receive faxes with your computer and many great features, our outstanding, user-friendly solutions have been a hit with businesses looking to simplify operations.

A company that truly understands the needs of growing businesses, MyNetFone has gained a solid reputation for providing reliable, high-quality phone and internet services. MyNetFone successfully combines the features and benefits of big business phone systems with the simplicity and flexibility your business wants.

Call our experienced Business Specialists for an obligation-free quote or advice on the best solution for you. With MyNetFone, you can be confident that you've made the sound choice for your growing business.

Get a phone system that fits your business
call us today:

1300 199 374

www.mynetfone.com.au/business

MyNetFone
Your World, Connected



Steve Devine talks about how to cultivate a thriving agency.



Contents

JUNE 2012

REGULARS

- 04 Member rewards
- 05 CEO's message
- 06 In brief
- 07 REINSW in the media
- 40 Training calendar
- 42 New members
- 44 Research
- 45 Supplier directory
- 46 Last word

NEWS

- 8 Buyers go back for more bricks and mortar
One in four homeowners favour property as an investment option.
- 10 Growing trend to skip viewing
Bathurst agent says homes sold to investors sight unseen have doubled in the past 12 months.

- 11 Avoid a sign fine
Agents must comply with council regulations or risk penalties.

IN BUSINESS

- 13 Excel with best practice
Put your business ahead of the rest with these PRDnationwide best practice tips.

- 15 A costly attitude
Is being resistant to change damaging your business?

FEATURES

- 22 Understanding auctions
Know how to make the most of this method of sale.

EVENTS

- 27 Property Management Conference
All the highlights and key speakers from the event.

- 29 Strata Management Conference
An overview of the speakers and key messages from the day.

LEGAL

- 32 Employee theft and fraud alert
Be vigilant and proactive to avoid becoming a victim of employee crime.
- 34 Home Building Act changes
Be aware of major changes to avoid claims of negligence being made against you by Owners' Corporations.

CHAPTERS

- 36 Tradies worth their weight in gold
Take the time to find the right people for the job.
- 37 Picture perfect
Don't let great property photos land you in hot water.
- 38 Retail's growing industrial needs
Online shopping is driving a new wave of industrial demand.

ON THE COVER

- 16 All in your mind
Think like a winning agent, then start acting like one.

- 18 COVER STORY
Grow your business
How to make your agency thrive.

- 24 Headlines that sell
Make sure your advertising copy stands out.

- 30 Members at the centre
REINSW reveals its strategic plan and how it will help you.

REINSW Major Partners



property data.com.au

realestateview.com.au
the view that counts

Realcover
Your industry. Your insurer.



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



The Real Estate Journal is printed on paper that is totally derived from resources which are managed to ensure their renewability for generations to come.



CIRCULATIONS AUDIT BOARD

Average monthly distribution 4,307 copies



Significant savings for REINSW members

Get wholesale rates on your telecommunication costs

**POTENTIAL
SAVINGS
IN EXCESS OF
\$12,000**

PER YEAR BY TAKING ADVANTAGE OF THIS SERVICE

REINSW is proud to present M2 Telecom as their preferred telecommunications supplier.

Many members have already taken advantage of the alliance between REINSW and M2 Telecom where they have access to wholesale rates for telecommunication services.

M2 offers members the best customer care, along with significant discounts and a greater choice when it comes telecommunication services.

M2 reports that a number of member agents have had savings in excess of \$12,000 per year by taking advantage of this service.

Take advantage of this service and start experiencing significant savings.

To arrange a review of your telecommunications costs, please contact Aaron Dodds and his Corecom Team on 1300 552 085 or by email at member.enquiry@m2.com.au

REINSW member rewards



Earn a monthly rebate of up to \$98 (ex GST) when you choose M2 for all your telecommunications needs.

Call 0408 481 048 or visit www.m2.com.au



With the Mercedes-Benz Corporate Programme, REINSW members can receive up to \$4000 in discounts.

Visit www.mercedes-benz.com.au/corporateprogramme



Trading Reference Australia (TRA) offers a free three-month trial of its tenant database to REINSW members.

Call (02) 9363 9244 or visit www.tradingreference.com



REINSW members receive 15% off pricing on business cards, letterheads and more.

Visit www.yourbrandunleashed.com.au



The benchmarking tool for the real estate profession. Discounts for REINSW member agencies.

Call REINSW on 0408 414 971 or visit www.realbusinessfirst.com



Access the latest and most comprehensive sales and auction results collected via the REINSW call centre.

Call 1300 695 645 or visit www.propertyDATA.com.au



REINSW members enjoy a discount off the base premium for professional indemnity insurance with Realcover.

Call 1800 988 396 or visit www.realcover.com.au



Enjoy a cost-effective advertising solution with free multi-loading to the large portals and free access to a rental archive.

Visit www.realestateVIEW.com.au



Cut stamp duty to increase revenue

The number of property dealings in New South Wales has decreased in recent times despite an increase in population.

When you compare NSW Land and Property Information records from 2011 with those from 2003, you can see a decline of 289,000.

These figures make it clear that something must be done to stimulate the property market.

The Reserve Bank's decision to cut interest rates by 50 basis points in May further confirms that the economy is in need of support.

In order to give the property market the boost it requires, we believe the NSW Government should follow in the RBA's footsteps.

REINSW's plan

At REINSW, we believe that the solution lies in part with a cut to the stamp duty levied

on property transfers. This will not just increase property transactional activity, but will also increase government revenues. A stamp duty cut of as little as 0.5 per cent could act to boost state revenues by hundreds of millions of dollars.

Our plan is based on focused research on reductions in stamp duties in Western Australia and the Northern Territory, as well as the effect the vendor duty had on the NSW property market.

Between 2003 and 2006, Western Australia cut its stamp duty by 0.9 per cent. This cut saw related revenues increase by more than \$709 million over the same three-year period.

Similarly, in the Northern Territory stamp duty was cut by 0.45 per cent, which resulted in an increase of more than \$22 million in related revenue.

In NSW, the vendor duty cost the government over \$1 billion dollars in stamp duty in the only full year it was operative.

REINSW's plan to cut stamp duty is a proven model and will protect government funding sources – and at the same time, it will light the badly needed spark to get the property market moving again.

Be courageous and daring

The evidence is clear: stimulation of the property market through an easing of stamp duty will be the incentive buyers need and the increase in activity will improve related revenue streams for government.

The Reserve Bank's decisive action to cut interest rates by 50 basis points needs to be reinforced by additional and wide-ranging property taxation policy responses such as our Stamp Duty Plan. This plan includes the introduction of a 'Pay as You Go' stamp duty scheme for first homebuyers.

Let there be no mistake, the engine room of our economy is our property market and when it is sluggish the entire economy feels the effects.

In this plan we are putting to government courageous and daring? We believe the answer is YES. But we also believe it is more dangerous to sit on the sidelines and do nothing and simply hope things get better.

I think that this plan is good for homebuyers, good for investors, good for agents, good for the broader economy and good for the government.

Tim McKibbin
REINSW CEO



find us. follow us.
focus on the facts

All the latest from the REINSW newsroom

For up-to-the-minute news on issues that affect you

facebook.com/REINSW twitter.com/REINSWnews

Japanese know-how for Sydney suburb

Sydney's newest suburb, Gledswood Hills, has launched its first master-planned community, The Hermitage.

The creation of one of Japan's most celebrated developers, Sekisui House, The Hermitage is the company's first master-planned community in Australia.

Also located at The Hermitage is HomeWorld, the largest display village in South West Sydney, with 59 homes from 21 of Sydney's leading builders. The village also includes two Sekisui House exhibition homes, showcasing the latest in Japanese home building technology.

Sekisui House Senior Development Manager Craig D'Costa said The Hermitage is a landmark development for the Japanese company.

"This community has been meticulously planned to ensure future residents benefit from well thought out design principles," he said.

This includes the use of 'satoyama', a Japanese term that signifies the preservation of the environment while encouraging human interaction to create a mutual benefit.

Established in 1960, Sekisui House is one of Japan's most respected homebuilders and new community developers.

The company's designs have been developed through collaboration between Australian and Japanese designers.



Survey: lack of savings stops buyers

Interest rate movements are the least influential factor affecting whether potential first homebuyers enter the property market, according to a survey of mortgage brokers.

Loan Market Corporate spokesman Paul Smith said a survey of the company's mortgage brokers found just five per cent thought interest rates were the main reason first homebuyer activity was subdued.

Of the 221 broker respondents, 52 per cent believed a lack of genuine savings was the main reason keeping first-time buyers out of the market.

"The biggest hurdle for first homebuyers is saving for that initial home loan deposit," Mr Smith said.

"While it has been well documented that Australian consumers have been prioritising savings, this has been hard for the first homebuyers."

Thirteen per cent of brokers said house prices were the main influence on first-time buyers, while just five per cent said job security.

Cost of living increases and an expensive rental market have also been contributing factors

keeping potential buyers from entering the market, he added.

Mr Smith said 25 per cent of respondents cited stamp duty as an issue for first-time buyers.

"Stamp duty remains an expensive requirement of purchasing property. So much so that it's stalling activity in states where few or no exemptions are applied," he said.

Mr Smith supported REINSW's idea of a 'pay as you go' initiative towards stamp duty with payments made over several years in a scheme similar to HECS.

Hybrid centre opens for business

A new, multi-million dollar, mixed-use development reflects the changing needs of South Sydney suburbs.

Construction is complete and the first tenants moved in at Collins on Bourke in Alexandria. The \$90 million centre is the largest mixed-commercial development

to be launched in the suburb in the past five years.

Colliers International's Michael Crombie said Collins on Bourke represents the next phase in Alexandria's transformation from an industrial suburb to one of the city's most vibrant and eclectic new business communities.

"Collins on Bourke is now the most desirable hybrid development in the greater South Sydney market and beyond," he said.

"It offers tenants a contemporary business space with an ideal work life balance."

Agency off to a fast start



Adrian Wilson (pictured above), Principal and Director of Wilson Property Agents has been named among the 2012 BRW Fast Starters.

Published annually in *BRW* (*Business Review Weekly*)

magazine, Fast Starters lists the top 100 fastest growing companies in Australia.

Companies and entrepreneurs on this year's BRW Fast Starters list proved their resilience and willpower during challenging financial times and have increased their revenue and continue to grow and outperform their competitors.

Mr Wilson, an REINSW member, said it was an honour to be named among such an elite group of Australian entrepreneurs.

"I truly believe that our commitment to excellence is what has made the business

such a great success in a tough market," he said of his staff.

Wilson Property Agents was established in 2009. The agency was the winner of the Residential Agency – Small category in the 2009 REINSW Awards for Excellence, and was also named as a finalist in that category in 2010 and 2011.

Entrepreneurs and start-up businesses must meet a number of criteria to be considered for the list including: commenced trading after June 2006, reported at least two fiscal years of revenue, reported revenue of more than \$500,000 in 2010/11 and revenue for 2010/11 must have been higher than 2009/10.

Holiday rental code of conduct

REINSW has partnered with key holiday letting groups to develop a self-regulation code.

The new Holiday Rental Code of Conduct protects consumers, property owners and communities while strengthening a multi-million dollar NSW industry.

The Code was developed voluntarily by industry stakeholders in conjunction with councils and government agencies. The new Code recognises holiday rental dwellings make a positive contribution to local tourism and communities. As such, it is vital that they are managed effectively so as to minimise any adverse social or environmental impacts.

The Code addresses the impact of property amenities and factors including noise, guest overcrowding, garbage and car parking.

By encouraging and promoting responsible and effective self-regulation, the Code assists the holiday letting sector to grow sustainably and continue to deliver real benefits to the community and economy.

To view the *Holiday Rental Code of Conduct*, visit www.reinsw.com.au/HSTRcode



REINSW IN THE MEDIA

REINSW's proposed 'pay as you go' stamp duty scheme for first homebuyers featured widely in print and on radio, and REINSW CEO Tim McKibbin explained the importance of experience when it comes to selecting tenants.

Print

- *MX Sydney* reported on a new online site that allows tenants to submit their application and all paperwork online, but REINSW CEO Tim McKibbin said the program couldn't replace the experience and skill of a property manager when selecting tenants.
- REINSW's call for the State Government to reform property transfer taxes to allow first homebuyers to pay off their stamp duty over several years was covered in several news services including: the *Manly Daily*, *Daily Liberal* in Dubbo, the *Advocate* in Coffs Harbour, the *Northern Territory News*, the *Daily Telegraph* and *Real Estate Business* online.

Radio

- REINSW President Christian Payne discussed REINSW's proposed 'pay as you go' stamp duty scheme during interviews on Mix FM, Triple M, 2GB and 2UE in Sydney and 2DU in Dubbo and 198 FM in Wollongong.

To view all of REINSW's media coverage and find out where we have featured on TV, radio and in newspapers, go to www.reinsw.com.au/media

Buyers go back for more bricks and mortar

One in four homeowners favour property as an investment option.



KEY FINDINGS FROM THE LJ HOOKER RESEARCH

- A total of 26 per cent of homeowners are considering investing in property
- Of these, 28 per cent have owned their current home for three to five years
- Interest rates are the deciding factor when considering a home loan for 42 per cent of homeowners surveyed
- Only 30 per cent consider features to be an important factor when choosing a home loan

A rocky share market is bolstering an appetite for property investment, with one in four Australian homeowners planning to purchase a second property, according to new research by LJ Hooker Finance.

The research conducted by Galaxy Research, on behalf of LJ Hooker Finance, found that 26 per cent of homeowners were looking to buy an investment or holiday property.

“Residential property is a traditional favourite amongst Australian investors.”

L Janusz Hooker, Deputy Chairman of LJ Hooker, said in the past decade Australians

have been listed amongst the highest shareholders per capita globally.

“Residential property is a traditional favourite amongst Australian investors due to the long-term stability of the market, potential capital gains or opportunity to boost income through regular rent,” he said.

“However the multiple double-digit losses experienced by the share market in 2011 are

driving a stronger interest in property investment.

Uncertainty in the share market is drawing Australians back to traditional investment options to ensure long-term results.” ◆

Galaxy Research conducted the study on behalf of LJ Hooker Finance in September 2011. The study involved 1017 Australians, aged 18-64 years and over, who were active in the property market.



BY CROWN

PRE-LAUNCH

1, 2 & 3 BED LUXURY APARTMENTS

- VERTICAL VILLAGE
- AMONG THE TALLEST TOWERS IN PARRAMATTA
- 5 MIN WALK TO TRAIN STATION, BUS INTERCHANGE & WESTFIELD

45 MACQUARIE ST, PARRAMATTA



THE FASTEST SELLING PROJECT IN RYDE

ILLUVIA
NOW SELLING

TOP RYDE CITY LIVING

BRAND NEW
1, 2 & 3 BED
LUXURY APARTMENTS

DISPLAY SUITE
TOP RYDE CITY SHOPPING CENTRE
(NEXT TO AUSTRALIA POST)

OPEN
MON - SAT 9.00AM to 5.00PM
SUN 10.00AM to 5.00PM



PLATINUM COLLECTION, STUNNING PENTHOUSES

ABSOLUTE WATERFRONT



SANCTUM

NOW SELLING

DISPLAY SUITE
CNR NINA GRAY AVE
& SHORELINE DR, RHODES

OPEN 7 DAYS
10.00AM to 4.00PM

6%
RENTAL GUARANTEE
FOR 12 MONTHS*



COMPLETED
& READY
TO BE OCCUPIED



**CALLING ALL LICENSED REAL ESTATE AGENTS
JOIN THE WINNING TEAM**

CONTACT: PRISCA HEPARANA 0426 250 183

WWW.CROWNGROUP.COM.AU

CROWN
INTERNATIONAL
HOLDINGS GROUP



Growing trend to skip viewing

Bathurst agent says the number of homes sold to investors sight unseen have doubled in the past 12 months.



“More interstate investors from the likes of Melbourne and Sydney are buying Bathurst homes sight unseen.”

The convenience of online viewing and the appeal of Bathurst as a flourishing regional town have seen an increasing number of investors purchase in the area without actually visiting the property, according to John Fagan, Co-Principal of Raine & Horne Bathurst.

“Bathurst is a strong regional city with affordable real estate,” Mr Fagan said.

“As a result, more interstate investors from the likes of Melbourne and Sydney are buying Bathurst homes

sight unseen because of the generous yields on offer.

“Apart from healthy investment yields, the majority of interstate investors are also attracted by Bathurst’s steady population growth, good climate and an excellent location that is just three hours by car to Sydney.”

Mr Fagan said Bathurst’s strong education sector and employment opportunities, which supports long-term property values and the rental market, also made the town attractive to investors.

Mr Fagan said there was also evidence that some investors are opting for newer properties in Bathurst to take advantage of ongoing tax breaks.

“Investors are buying near-new three bedroom homes for the depreciation benefits,” he said.

Mr Fagan contends the rise of the internet contributed to an increase in the number of sight unseen real estate sales, though he still warned investors to conduct plenty of research before taking the plunge into a Bathurst investment property.

He suggested investors obtain pest and building inspections, check with local property managers to confirm rental value, check with council about the demographics of the area and speak with local police about the stability of the neighbourhood prior to making a purchase.

REINSW CEO Tim McKibbin said while purchasing property in this way may be a growing trend, he urged investors and agents to do their homework to ensure this was the right move before taking the leap. ♦



Avoid a sign fine

Agents must comply with council regulations or risk penalties.

REINSW has warned agents to check with councils about permits and local laws after one member had his open for inspection signage confiscated by a council ranger.

Though agents often seek approval for larger signs to comply with regulations, smaller signs are often overlooked as it is less common for councils to enforce these penalties.

Exclusive Real Estate licensee Andrew Bova had two signs confiscated by a Strathfield Council ranger while holding an open house in Homebush West in February. He had to pay \$82 to retrieve the signs.

REINSW CEO Tim McKibbin said although this incident appeared to be isolated, it was important for agents to check with councils and ensure they comply with the relevant local laws and regulations. ♦

Everybody's Happy.

REI Master
Real Estate Industry Software



REI Master is the right solution to keep everybody in your office happy. Contact us today for a no obligation demonstration.
PROPERTY MANAGEMENT - SALES - CRM - TRUST ACCOUNTING



www.reimaster.com.au



02 9011 6800

**It's your business
It's your reputation
It's your future**

Why risk it?

With Realcover professional indemnity insurance you don't need to risk it.

You can't plan for unforeseen events, so it's essential to make provision for the harm that's caused when they occur.

Realcover's professional indemnity insurance provides the protection you need.

**Contact Realcover for a
no-obligation quote
Call 1800 988 396
Visit www.realcover.com.au**

REINSW member discounts apply*

* REINSW members receive a discount off Realcover's standard professional indemnity insurance premium (excluding charges)
[Quote: Why risk it]

Excel with best practice

BY ELIAS SLEIMAN, BUSINESS DEVELOPMENT MANAGER AT PRDNATIONWIDE

Put your business ahead of the rest with these PRDnationwide best practice tips.



Whether you are a rookie or a seasoned professional, a commitment to real estate professionalism will give you a distinct advantage in the industry.

There is a huge gap between a best practice agency and basic real estate businesses. To find out why some agencies are successful and continue to grow while others flounder or disappear is essential to avoid becoming one of the latter.

At PRDnationwide our best practice guidelines have been developed based on what we have seen to consistently deliver exceptional results

as compared with other ways of operating.

In the daily grind it is easy to be sidetracked from your goals. If you miss a little each day, the compounding effect is often disastrous and before you know it you are completely off track and the dream becomes a nightmare.

There are key differences between operators who attract the right people and achieve successful business results and those who struggle to move forward. I will outline here the top 10 strategies that PRDnationwide industry-leading salespeople and Principals live by.

1.

Planning

Your first priority should be to have a workable three to five-year plan (reviewed annually) designed to achieve your desired results. If you don't believe in plans and have never completed one, find someone to help you do one today.

2.

Goals and targets

These are at the very heart of what you do. Goals and targets will help you excel and enable you to earn the

income or lead the lifestyle you wish to. These can be weekly or monthly targets, but should be checked daily.

3.

Mentors and coaches

Hiring a mentor or coach is a great way to learn and develop. They give you the ability to draw on their many years of experience and guidance to help you avoid 'learning the hard way', which can save you time and money. Even top agents have coaches because you can always grow and develop your skills, but make sure you choose your mentor wisely.

4.

Training

Paramount to success is knowledge and wisdom gained by adopting the appropriate training for your career or business. Sometimes training can be sourced from experts outside of the industry, which can keep things exciting and interesting for you and your staff. Consider who you may introduce as a point of difference and who you will use for the basics and CPD compliance.

5.

Communication

How you communicate reflects on you and your agency. It can seriously harm or vastly improve your future business and relationships. This includes face-to-face meetings, your website, phone, email, the use of social media and direct mail. Always be polite, professional and approachable.

6.

Community involvement

Have a committed approach to getting involved in your local community. This type of initiative benefits the communities you work in and gives great personal satisfaction. Select something to support that you really believe in, like your child's school or sporting club, and follow through.

7.

Competition and the market

Know and understand the market and what your competitors are offering.



How are you meant to compete when you don't know what you're up against? Attend local government meetings and forums including the chamber of commerce and attend all industry-related forums and events. Knowledge and good contacts are everything.

8.

Profile

Build your profile in your local area so that you are seen as the expert by potential clients and peers. If possible, employ a media expert or research ways to get yourself and your business profile known within your market and associated businesses. Be the best at marketing and promoting yourself, but remember you must be able to back it up with substance.



How you communicate reflects on you and your agency. It can seriously harm or vastly improve your future business and relationships.



9.

Interviews and outcomes

When a new employee starts in a real estate business it is imperative that a workable plan for that individual is drawn up

with the employer. This will ensure the employee gets a fast start in the right direction and can see a clear path towards individual and business success. Leaving it all to chance with ad hoc methods of operation will inevitably lead to disaster.

10.

Structured for continuous growth?

A professional business is well structured and organised with a fantastic recruitment, retention and management strategy. Continuous development is essential while still operating to accountability and productivity schedules.

Best practice is not always simple but can be achieved when you are committed to apply these principles. ♦

A costly attitude

BY CATHERINE DEVRYE

Is being resistant to change damaging your business?

The seven most expensive words in real estate are: "We have always done it that way."

How often do you hear those words around your office? Or say them to other staff members? Usually this phrase is closely followed by: "You just don't understand how we do things around here," or worse still: "We tried it that way once and the person who suggested it is no longer here."

If this sounds familiar, it's time to seriously examine the way in which your agency operates in today's rapidly changing environment. Certainly, it's important to build on your past success and not simply change for the sake of change, which is a costly exercise in itself. But never forget even if you don't change, your competitors and customers probably will.

Past success is no guarantee of future success and every organisation should always remain open to new ideas. It's a recipe for disaster to continue to do things 'the same old way' without occasionally assessing if that mode of operation is actually working or if you simply *think* it's working for you.

To succeed, enlightened managers will always be open to new ideas and look at better

ways to run their agencies, rather than resorting to that deadly phrase: "We have always done it that way." ♦

This is a modified excerpt from Catherine DeVrye's book Hot Lemon & Honey—reflections for success in times of change. Catherine DeVrye is a best-selling author and speaker on customer service and managing change. Visit www.greatmotivation.com

THE MOST REWARDING CONNECTION

Direct Connect makes moving easy for your customers by arranging hassle-free connections for their electricity, gas, phone, internet and pay TV and other moving services.

Experience the difference with us today.

We proudly offer these benefits to every one of our members

-  OUR SERVICE GUARANTEE
-  ACCOUNT MANAGEMENT TEAMS IN YOUR STATE
-  REWARDS FOR YOU
-  COMPETITIVE COMMISSIONS
-  CHOICE FOR YOUR CUSTOMERS

CALL US NOW 1300 664 715
or visit agents.directconnect.com.au

**DIRECT
CONNECT**

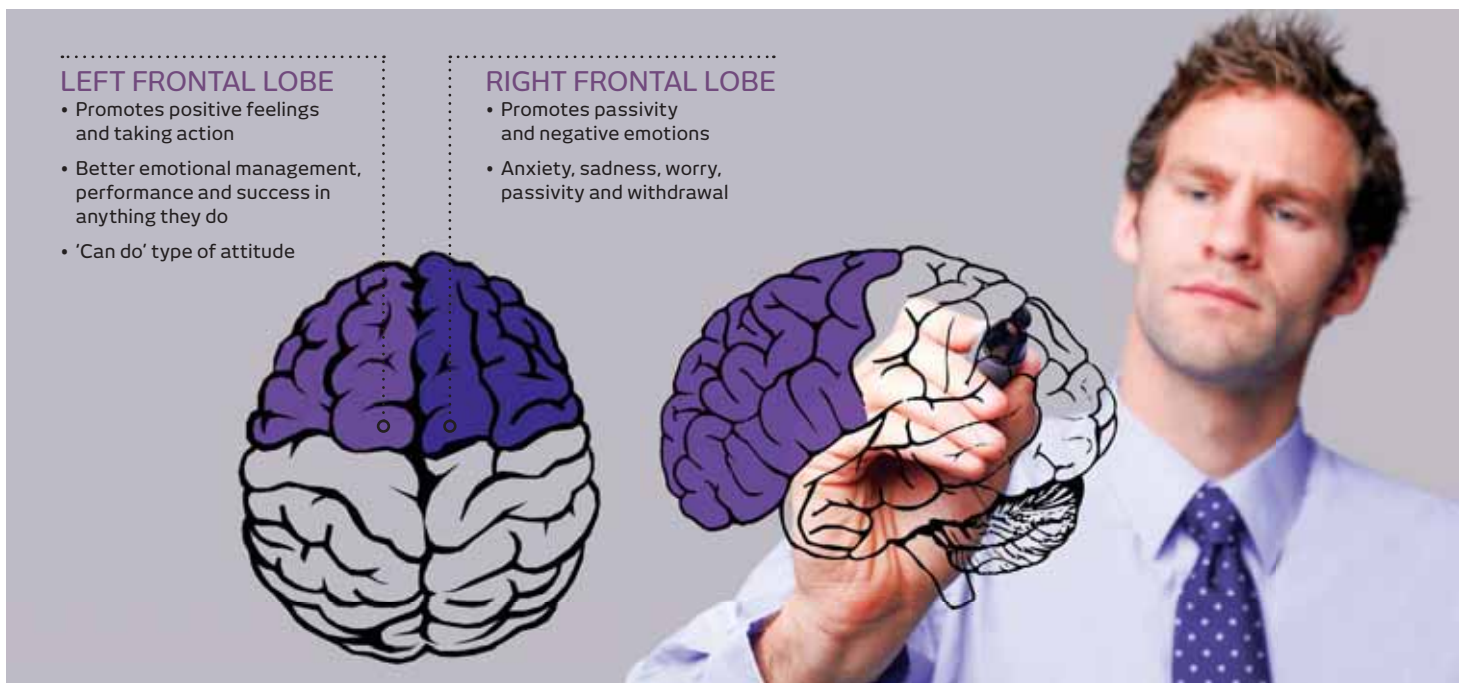
MAKES MOVING EASY



BY JET XAVIER

All in your mind

Set yourself up to think like a winning agent, then start acting like one.



LEFT FRONTAL LOBE

- Promotes positive feelings and taking action
- Better emotional management, performance and success in anything they do
- 'Can do' type of attitude

RIGHT FRONTAL LOBE

- Promotes passivity and negative emotions
- Anxiety, sadness, worry, passivity and withdrawal

From the research I have done with agents all around Australia it is clear top agents do have different mindsets. They think differently and that is the key to their success.

In this article I am going to give you some key mindsets that top performers have that you can apply for your own success.

We know that from a neuroscience perspective that top agents use more of their left frontal lobe in their brain. The left frontal lobe promotes positive feelings and taking action, while the right frontal lobe promotes passivity

and negative emotions. Top performers' left frontal lobe is activated more often which leads to rewiring and conditioning of the brain for better emotional management, performance and success in anything they do.

They have a more 'can do' type of attitude rather than leaning toward anxiety, sadness, worry, passivity and withdrawal. Top agents with a more activated left frontal lobe tend to be able to neutralise negative emotions which is a huge advantage when it comes to selling real estate. This breeds more

resilience, which is the ability to maintain positive emotions in the face of adversity.

So what are some ways to activate this part of the brain for greater success and develop a success mindset?

Have a solution-focused mindset

Top agents think with a solution-focused mindset. When faced with a problem they are proactive not reactive. They seek to find and provide a favourable outcome.

This mindset enables them to respond objectively and

creatively to — and overcome — any challenges, issues or problems they face. The benefit is they act quickly, are more decisive and turn most obstacles into opportunities for further success.

Thinking from a proactive, solution-focused approach rather than a reactive response enables clarity for acute productivity and effectiveness. To have a solution-focused mindset you need to ask different questions. Instead of "this won't work" try "how can I make this work?" and instead of "this is a disaster" try "what can I learn from this?".

Asking different questions gets your brain thinking differently for better results.

Have an optimistic mindset

US psychologist and educator Martin Seligman's research has shown agents who are optimistic sell over 30 per cent more than less optimistic agents. Top agents are conditioned to be hopeful and confident about the outcomes and always look on the upside from a realistic perspective. Their brains are wired for optimism. They think creatively and look for a win-win solution to any problem they face. So, when you are faced with a challenge,

try to see the upside and work from there to create more possibilities.

Have a farmer's mindset

Bill Malouf, number one agent for LJ Hooker, says success in real estate is a long-term commitment. This is what I call the 'farmer's mindset'. A farmer works hard in a few key areas and knows you can't rush great results. Preparation is key for farmers, who must be patient and find the right land, care for the soil, plant the right seeds at the right time and tend to the crop before harvesting when the time is right. Successful agents must understand the value of investing time for long-term gain.

“ Asking different questions gets your brain thinking differently for better results. ”

Have a competitive mindset

Being competitive means two people striving for a goal that cannot be shared. Top agents do not want to share the goal because real estate is like a sport to them.

It is a game played with winning the sale as the prize. Top agents think competitively. Right or wrong they don't like to lose, they take pride in winning and refuse to not compete or be the best at what they do. They are high achievers who excel in most things they do in life.

Ask yourself how is your mindset working for you? Apply these mindsets of top agents and I guarantee your results will change. ♦

Jet is one of Australia's leading mindset coaches for real estate professionals. Visit www.realestatesalesuccess.com.au

In tune. Banking that understands the real estate business.



In Westpac, you have a bank with the tools to keep your business in the best of health. As Australia's first bank, we've been backing Australian businesses for almost 200 years.

We're industry experts. Our Real Estate Specialists work closely within the industry, they're familiar with the challenges and opportunities facing the sector and know what works. And what doesn't.

We're Focused. On delivering business strategies and solutions tailored to the real estate sector including:

- A specific real estate rent roll policy to help you invest in your business.
- Trust accounts to help you meet your regulatory obligations.
- An easy way to collect rents and make payments to your landlords and other suppliers.
- Personal banking including self managed super fund lending and commercial and residential property financing.

We're local. Your Westpac Real Estate Specialist is a local, single point of contact who knows your industry and will connect you with the expert team and resources available at your local Business Banking Centre.

To find out how we can help;

Call Jason Roach, National Industry Leader, Real Estate on 0448 455 556

Email jasonroach@westpac.com.au

Visit Your local Westpac Branch and speak to the Bank Manager



Steve Devine talks about how to cultivate a thriving business.



gROW your business

BY TINA LIPTAI

Steve Devine, owner of Devine Real Estate, shares how he has cultivated a prosperous network of agency offices.

Whether it's a budding business or several branch offices, tending to the needs of your agency is the only way to ensure it will thrive.

Established by his father George Devine in 1955, Devine Real Estate is an agency steeped in history, but the vision and business savvy of owner Steve Devine is helping stimulate business growth for the future. However, as Steve explains, success is not just about what you know — it's about who you know that can help you along the way.

Seeds of success

In 1985 Steve joined his father's agency and together they worked to build up the business from a strong foundation of family values and business skills. The company grew from strength to strength as they surrounded themselves with like-minded professionals who shared their passion for the industry.

Steve bought his father's agency in 1998 and he has built on his father's legacy with progressive business practices.

From little things, big things grow

Steve says the most important element of success is planning for the outcomes you want to achieve.

"Like any business, if you're not growing in real estate you are going backwards," he said.

"We have an aspiration of continued growth and being dominant in all markets. At our first agency in Strathfield we had a market share of over 40 per cent. It's difficult to grow beyond that unless you geographically expand, so that was the next thing we looked at doing."

Over the years Devine has expanded its operations through the purchase of a number of local real estate offices and now has three agency locations in Sydney's inner west, including a head office in Strathfield.

From the outside looking in, it seems the acquisitions were logical, easy decisions to make, but Steve stresses the importance of taking the time to research an expansion.

"We researched and assessed demographics to make sure it was the right move for us," he said.

"Acquiring a new office needs to be a strategic move, not just a new purchase.

"You need to look very closely at each specific opportunity to buy an office. Don't just choose it because it is the right price.

"If you have a specific target market or demographic that you want to work with, there is no point buying an office that is the 'right price' but in the wrong market. Your purchase needs to complement the business you already have."

Nurturing your business

Simply wanting or seeing a need to expand your agency is not enough to make it happen successfully. It takes time, planning and business expertise — all of which is usually more valuable when it comes from 'fresh eyes' outside your agency.

Steve said he also took the time to be involved in other businesses in different

industries to give him good general business knowledge and an understanding of other approaches to daily operations.

“Surround yourself with people who are smarter than you,” Steve joked.

“It’s especially important that you have a team of external people you can call on for advice, like CPA accountants or financial experts that know our industry.”

Jason Roach, National Head of Real Estate for Westpac, has more than 15 years’ experience helping to improve the effectiveness, growth and profitability of real estate agencies. He agrees getting an outside perspective is helpful, but business owners must also be diligent to ensure they get the best from service providers.

“You need to treat your business as an investment and make sure you are getting the best value for your investment and part of that includes reviewing your service providers,” he said.

“If you are looking at your business as an investment you should be looking at what return you want to be receiving. Your actual return might change each month, depending on economic cycles, seasons and dips in the market but as a benchmark, the return should be more than 25 per cent every financial year.”

Regularly prune to allow new growth

Regardless of plans for business expansion, it’s always important for the financial health of any agency to know how costs are distributed across the business.

“Make sure costs are under control; a lot of agents don’t understand cost per sale or

what is the break-even point per property they manage. Not only is general income important, but also the cost per property,” Steve said.

One technique Steve uses to keep on top of this at his agencies is to review and have conversations with non-profitable or less profitable clients.

“You have to sit down with them and talk it through,” he said.



When I’m doing a budget I forecast and prepare for the worst case scenario.

“We need to be looking at how we can add value to the transaction, get more rent for them and better results. But also, don’t be afraid to let clients go if they are not profitable to your business.”

Fee discounting and subsidising advertising are also real problems for the financial stability of real estate businesses, said Steve.

Jason said agents should understand how much it costs them to sell or manage a property and also know the true cash cost of discounting, rather than just thinking of it in terms of a percentage.

“It’s really important to know those figures. Until you do there is no way to accurately work out what your productivity outcomes should be,” Jason said.

“This is especially important now because the sales environment is leaner so it’s very competitive and that can sometimes lead to irrational behaviour like cutting commission.

“If you are going to start doing this, you need to understand in real dollar terms what that cash impact is going to be.

“If you usually make a two per cent commission on a house that sells for \$550,000 then you make an \$11,000 gross commission, but if you discount your commission to 1.8 per cent then your gross commission drops to \$9900. A 0.2 per cent reduction doesn’t sound like a lot, but do that a few times over the course of a year and it very quickly adds up to thousands lost.

“You still might decide discounting commissions is a strategic move or a tactic you do want to use, but you must understand how it will financially impact on your business.”

Prepare for seasonal changes

Jason said every business owner should ask if their balance sheet is working as hard as they are. If not, why not?

“You should also be looking to see if you are making a profit every month. Why or why not?” he said.

“If you’re not making a profit, find out how you are funding the gap. Prepare a profit and loss statement for property management and sales departments so that you can see how the different parts of your business are performing.

“Hopefully both are making money. It is okay if one sometimes supports the other but if that goes on for a long time it’s a problem.”

You should also have a thorough understanding of the outlay of anything with a value greater than five per cent of your business. This is in addition to the top three biggest expenses for most businesses: wages, rent and cost of finance.

“Five per cent might not sound like much, but it starts to become a significant number when it comes to business expenses and income,” Jason said.

“You should also understand the contribution of each staff member in dollar terms. Look at them the same way you evaluate your service providers, and ask what are they contributing? Do you have any passengers? How are you going to correct that?”

Steve said he made a point of budgeting for the worst, but hoping for the best.

“When I do a budget I forecast and prepare for the worst case scenario and how I’m going to sustain the business model. Hopefully you are never working in the worst case, but you need to be prepared,” he said.

It’s also important to understand where new costs are going to have an impact on your finances.

“Cash flow is the biggest challenge in our industry right now,” Steve said.

“Something agencies need to prepare for are constantly rising costs. Everything from the cost of advertising space to ensuring you comply with new laws is increasing; add the Carbon Tax and there are significant rises in costs.”

Whether you want to expand your business or improve your market share, planning for growth and nurturing your agency is the key to ensuring it thrives. ♦

CHECKLIST FOR HEALTHY FINANCES

- Focus on improving things you can control
- Understand what things you can't control
- Make cash management and margin management a priority
- Review your service providers
- What do I get for my money from service providers, staff and clients?
- Understand the cost of selling or managing a property
- Do I treat my business as an investment?
What return do I require on my investment?





BY DAMIEN COOLEY,
PRINCIPAL AT COOLEY AUCTIONS

Understanding auctions

Knowing how to make the most of this method of sale can be rewarding for you and your clients.

Recognised as a valuable method of sale, auction continues to increase in popularity for properties of all sizes and price ranges. So, it's more important than ever for agents and sellers alike to understand exactly what auctions can and can't do for them.

Not a magic price hike

One of the biggest misconceptions about auction is that it will make a property automatically sell for more because buyers will compete and push the price above expectations.

It's important to remember that an auction is simply another method of sale and, like all methods of sale, if you haven't done the right preparation during the lead-up an auction won't save you.

Creating competition

What an auction can do is reduce days on market, create a competitive environment for sale among buyers and gain maximum exposure for the property with a condensed marketing strategy.

Essentially, this means by creating some urgency around the sale and reducing the days on market you can sell more real estate. Reducing days on the market is key because the longer a property sits on the market, the more chance it has of selling at a reduced rate.

Marketing for auction

A broad range of marketing, including print and online, is recommended but not essential for auction.

If a seller does not wish to engage in an extensive marketing campaign, an auction can still be effective. Though an auctioneer's fee will be payable, it is minimal compared to the financial and emotional benefits of the potential outcome from selling the property.



An auction can help sellers get a realistic understanding of what the market is willing to pay for a property.

What is essential for success is choosing the right auctioneer to represent your business and your sale. The auctioneer reflects on your brand and represents your interests. The difference between getting a good price and a great price for a home can come down to the skill of the auctioneer.



Damien Cooley in auction action.

Removing the price barrier

As a general rule, emotional attachment built up over years means most sellers think their home is worth more than it really is.

The reality of any real estate transaction is that any property is only worth what someone will pay. An auction can help sellers get a realistic understanding of what the market is willing to pay for a property.

By removing price as a barrier, an auction invites buyers to make offers on auction day that the seller can either accept or reject.

What if it doesn't sell?

This is one of the greatest fears sellers have about auction. But the answer is simple: just move on to the next stage of the selling process with either a price guide or for sale at a set price.

The auction was not a waste of time because you now have a much better understanding of what the price should be set at.

Helping your clients understand the strengths and limitations of auction can help them have realistic expectations about the process and improve the chance of gaining the best possible price outcome. ♦

Calling all budding auctioneers!

It's on again – the REINSW Novice Auctioneers Competition.

The 2012 competition is shaping up to be bigger and better than ever before.

If you've ever thought you might like to try your hand at the fine art of auctioneering, why not give it a go? You might just find that you have an exciting new career on your hands.

Save the dates!

This year, Divisional competitions are being held across NSW:

Northern Beaches Division Wed, 25 July 2012

Illawarra Division Fri, 3 August 2012

Albury Division Fri, 10 August 2012

Central Coast Division Wed, 15 August 2012

East Division Mon, 20 August 2012

Parramatta & Hills Division

Tue, 4 September 2012

St George & Sutherland Shire Division

Tue, 11 September 2012

Newcastle & Hunter Division

Thu, 13 September 2012

North Division Wed, 19 September 2012

New England Division Wed, 26 September 2012

Inner West Division Thu, 4 October 2012

North West Division Wed, 17 October 2012

Nepean, Hawkesbury, Blue Mountains Division

Tue, 23 October 2012

Murrumbidgee Division to be confirmed

Orana Division to be confirmed

Riverina Division to be confirmed

Don't see your Division? You can still enter by participating in the competition in another Division. Or come along and support local talent. All money raised goes to local charities.

To register your interest to enter the competition, or for more details, email divisions@reinsw.com.au

The winner of each Divisional competition will be eligible to compete in the State Final* held on Friday, 30 November 2012 in Sydney.

*State Final entrants must be REINSW members.

For more information, go to www.reinsw.com.au or email divisions@reinsw.com.au



BY BERNADETTE SCHWERDT,
MANAGING DIRECTOR OF
AUSTRALIAN SCHOOL OF COPYWRITING

Headlines that sell

How to make sure your advertising copy stands out.

You don't have to be a magazine editor to know an attention-grabbing headline is worth its weight in gold. Not only can a headline 'hook' readers into an article you have written, it can also work in the same way to get a reader to pay attention to advertising copy. In fact, some would say that 80 per cent of advertising success comes down to the headline.

If you have to write words for your website, listings, blog or magazine, then it's worth having a few 'headline formulas' up your sleeve to help you along. After all, who has time to wait for inspiration to hit? Copywriters need to write great copy on demand and if we can't, we're in deep trouble. That's why all professional copywriters use formulas. You should too, because they're very easy to use and practically foolproof.

Eye-catching headlines

So what is a headline? Well, put simply, it's the first few words a reader sees on the page. It's also the criterion people use to determine if they'll read your entire piece or not. If the headline fails, everything fails.

Before I outline the formulas, it's vital to know the basic rules for making any headline work. Your headline must:

- Target the market in the headline — it must be easy to identify who the audience of the article is.

- Offer a specific benefit — the reader must believe there is something in it for them to read on.
- Be relevant to the reader — whatever you write must satisfy an existing need in the reader.

“There are dozens of formulas you can use that will help you write dynamic, attention-grabbing headlines that get results.”

Here's a sample of the top three formulas I often use:

1.

The 'how to' headline

The 'how to ...' headline works on the premise that if you provide value to the reader, then in return, they'll seek you out for more information thereby giving you the chance to build a relationship with them.



The trick with this formula is to insert a BIG benefit that the reader really wants more than anything. Here's a few I came up with that have relevance to the property market:

- How to lease your property faster and get more rent for it.
- How to buy a seaside property and not pay a premium for it.

- How to make \$100 extra rental per week on your investment property — without lifting a finger.

2.

The 'ask a question' headline

This formula works on the premise that our brains are 'answer-seeking devices'. So if you ask a provocative



Here are some examples:

- Top 20 bargain suburbs in your state – our guide to the next boom suburbs.
- Three powerful reasons why you must buy your next property through an SMSF.
- Five mistakes high-income earners make every time they invest in property.

It's worthwhile noting that a negative claim, like the last example listed, will always get a better response than a positive claim. So, an article with a headline, *Five Mistakes Property Investors Make* will always pull more readers than *Five ways to be a successful property investor*.

If you can, use an odd number with your lists, for example, 'Three/Five/Seven Reasons Why...'. Research shows that even numbers look 'too neat' to be believable.

There are dozens of formulas you can use that will help you write dynamic, attention-grabbing headlines that get results. We write headlines every day so why not take the easy way out and use formulas – they're tried, tested and better still, they work. ♦

Bernadette Schwerdt is a copywriter, writing coach and keynote speaker on Why Writing Matters. Download her ebook How To Write Headlines That Sell by visiting www.copyschool.com

SEVEN TIPS TO SUCCESSFUL COPYWRITING

1. Don't target everyone in the one piece of writing – if you target everybody, you'll reach nobody.
2. What keeps your target market awake at night? Make that the focus of your headline.
3. Write more headlines than you need – send them around for feedback and use the most popular.
4. Give yourself plenty of time to write and review. Let it sit for at least 24 hours before using.
5. Offer a download, an article, a podcast, or something free the reader can request in return for them giving you their contact details.
6. If you can't or don't have the time to write, hire a professional copywriter.
7. Keep your website content updated and fresh. People (and Google) assess you on how up to date your content is.

question, you'll invoke the reader's curiosity. Here are some examples:

- Fixed or variable interest rates – what does Donald Trump choose? Find out here ...
- Do you make these costly mistakes?
- Which NSW regional city was the nation's hottest real estate spot in 2012? Our survey reveals all.

3.

The 'numbers/lists' headline

The concept of lists is as old as time itself – the 10 Commandments, the Seven Deadly Sins, the Rule of Three (Ready/Set/Go, Gold/Silver/Bronze). We are attracted to lists because they help sort and filter content without us having to do the work.

Spotlight on excellence

2012 REINSW Awards for Excellence

Call for entries

Each year, REINSW shines the spotlight on excellence and gives official recognition to the industry's top performers.

Participating in the Awards for Excellence allows you to highlight your most outstanding qualities, biggest successes and most creative initiatives over the past 12 months.

Judges are looking for demonstrations of innovation, excellence and professionalism. So whether you're part of a large franchise group or work in a small independent agency, you're in with a chance!

Finalists will be announced in September 2012, and the winners will be celebrated at the 2012 REINSW Awards for Excellence Gala Dinner on Saturday, 13 October 2012.

To enter

Download a 2012 REINSW Awards for Excellence Entry Kit at www.reinsw.com.au/Awards2012

Entries close Thursday, 14 June 2012 at 5.00pm

More information

Email excellence@reinsw.com.au

excellence

Property Management Conference

From new legislation to managing client relationships, there was something for every agent at REINSW's annual Property Management Conference.



Geoffrey Crook from NSW Fair Trading spoke about the Rental Bond Internet Service (above left), Jodie Masson, Partner at Middletons, and Gaye Gunning, Director at Gunning Commercial, spoke about commercial retail tenancies (above centre) and Yorgo Kaporis, REINSW trainer, presented on how to gain customers for life (above right).

The serious business of understanding new legislation and opportunities to network were all part of a day of professional development.

The often challenging question of what is and what is not common property in a strata building was discussed by speaker Suzie Broome, Partner at Makinson & d'Apice, along with some valuable insight into what strata managers do and

how they can help property managers and landlords.

Steve McGuire, Senior Investigator at NSW Fair Trading, kept the audience riveted as he shared personal experience of investigations and outcomes while sharing some helpful advice about what happens when NSW Fair Trading comes to inspect records.

WHS was covered during a lively and interactive session

with Richard Gilley, Principal an InterRISK Australia.

Agents were able to tailor their own learning with concurrent sessions on different topics in the afternoon. REINSW trainers Yorgo Kaporis and Anthony Merritt were both entertaining and informative as they ran their separate sessions, while a seminar on 'how not to get sued' from Linda Hamilton, Partner at Hunt & Hunt Lawyers, drew a good crowd.

Agents got a very informative session on commercial retail management from Jodie Masson, Partner at Middletons, and Gaye Gunning, Director at Gunning Commercial.

Time management essentials from Tony Abboud, Principal of Snowden Parkes Real Estate Agents, was a hit with many participants, while Vasili Hadzellis gave a great insight into how technology can be used to grow your business. ♦

Some attendees share their thoughts about the Property Management Conference



"I found the session on residential tenancies really informative, because there is not a lot of information available."

Liz Griffin –
Professionals, Avalon.



"It's absolutely crucial that agents who want to be ahead of their competitors attend these conferences."

John Gilmovich –
Ray White, Balmain.



"I liked Tony Abboud, who spoke about time management; that was really good. It's something I struggle with heaps but I learnt a few new techniques I'm going to try out."

Brad McHugh –
Cripps & Cripps Property, Sutherland.



"I love the fact that we learn how to start with tenants and landlords to avoid many pitfalls leading to CTTT. I found the range of individual seminars exceptional."

Alison Gower –
Paul Jones Real Estate, Berowra.



Anthony Merritt, REINSW trainer, talks about Residential Tenancies Act 2010 (above left), and Charles Tarbey, Century 21 Chairman and owner (above right), discussed strategies to identify new business. Richard Gilley, Principal at InterRISK Australia, gave a stand out presentation on WHS trouble shooting (below left), Michael Costello, Principal Policy Officer, Work Health and Safety with WorkCover NSW (below centre) presented on changes to asbestos legislation and Philippa Russell, lawyer, spoke about part strata schemes (below right).



Strata Management Conference attendees share their thoughts



"I learnt the most from Warwick (Isemonger) from Fire & Rescue NSW. He was clear about what he was talking about and it was great to have the opportunity to ask him questions."

David Paternoster –
Strata Management Specialists,
Nowra.



"It was all pretty informative. The WHS talk from Mary Whelan was a bit of a shock as she spoke about things that I don't know about, but it was good to hear."

Maureen Salier.



"I think the best thing that's come out of today at the conference was the discussion of WHS issues and the very juxtaposed positions different people involved in the industry have."

Deanne Hinton –
Verdun Walsh Strata Management
Drummoyne.

Strata Management Conference

Agents from across NSW participated in a day of professional development and motivation at the annual REINSW Strata Management Conference.



A panel session with REINSW Property Management and Strata Management Chapter Committee members: Miles Felstead, Director at Miles Felstead Realty, Christine Nesbit, Principal at Albury Wodonga Real Estate, Gary Adamson, Principal at LJ Hooker Strata Management NSW and Lyn Tamsett, Licensee-in-charge at KG Hurst Real Estate.

From by-laws to a panel session of industry experts, agents were able to get involved in a range of information sessions and discussions.

New responsibilities under the changed WHS legislation were discussed and participants were able to ask Michael Costello, Principal Policy

Officer at WorkCover NSW about new responsibilities.

Phillippa Russell, Lawyer, gave an informative presentation on part strata schemes and Leisha de Aboitiz, Senior Associate of Property, Development and Construction at Middletons gave members a closer look at by-laws and their legal force.

The benefits of solar panels were presented in a case study by Graham Hunt and Paul Mitchell.

Attendees participated in a lively discussion during a panel session with REINSW Strata Management Committee members Gary Adamson and Chistine Nesbit and REINSW

Property Management Committee members Miles Felstead and Lyn Tamsett.

The day finished on a high note with a vibrant and inspiring presentation from Century 21 Chairman and Owner Charles Tarbey, who discussed strategies to identify new business. ♦



Sue Abbott (above), one of many attendees that won a lucky door prize thanks to the conference sponsors.

The REINSW Property Management and Strata Management Conferences were held with thanks to our sponsors Direct Connect, PoolWerx, REI Super, Real Estate Career Developers and the Home Power Savings Program.





BY PETER GRIFFIN,
REINSW GENERAL MANAGER

Members at the centre

The REINSW Board has developed its strategic plan for the next four years. Here we outline the main themes of the plan and how it will help members.

The Board has spent several months developing the strategic plan for REINSW.

The core of the plan is to ensure that we are meeting the objectives as laid out in the Constitution, which are:

- to promote the interests of members and the property sector on property-related issues to government and the community;
- to promote and facilitate professional standards in real estate practice;
- to assist members in the conduct of real estate practice;
- to promote the benefits of REINSW membership; and
- to promote the benefits of home ownership and property investment.

The Board felt that REINSW needed to refocus its efforts to assist members, as we are, first and foremost, an association created by member agents, for member agents.

Membership Value Proposition

The Board agreed on the following Membership Value Proposition as the measure for everything we do:

“REINSW’s efforts are aimed at improving the businesses of agency members and the careers of individual members. This provides a compelling return on membership investment.”

Three goals

In order to move REINSW to the position where the member is always at the centre, the Board has set three strategic goals to be achieved by or before December 2015:

1. Clearly explain and improve the Membership Value Proposition.
2. Increase the exclusivity of REINSW’s products and services, so that they are for members only.
3. Become more selective about who can become a member.

REINSW’s efforts are aimed at improving the businesses of agency members and the careers of individual members.



1.

Explain and improve the Membership Value Proposition

REINSW wants to improve the value that members get from their membership dollar.

The benefits we deliver and want to do more of include:

- Reducing member costs
- Increasing member efficiency
- Increasing members' own sales

Of these, the most important is for us to increase members' own sales by giving consumers a reason to choose a member agency when seeking to sell or lease their property.

While this is not going to be achieved immediately, once it is achieved it will provide a very high return to the member agent for their investment in membership.

2.

Increase the exclusivity of REINSW's products and services

Over a number of years REINSW has developed and retailed a number of its products and services to all agents – albeit at a higher price – not just to members.

This has to some extent devalued the reasons for holding membership, as many of REINSW's products and services could be accessed

without being a member. This needs to change.

Over the past 102 years, members have invested in the intellectual property and assets of REINSW and they should be the ones to benefit from this investment.

Therefore, over the next 12 to 18 months, we will progressively increase the price differential between member and non-member pricing for those products and services available to all agents, with the ultimate goal of making them only available to members.

3.

Become more selective about membership

The Board believes that membership is something that should be earned.

Therefore it will consider how to become more selective about who can become or remain a member.

While not yet developed, some of the conditions could include:

- a proven track record of continuous training and development
- holding defined insurance policies with minimum cover levels
- a measurable commitment to ethics and/or the REINSW Code of Practice
- a "clean bill of health" established through an audit assessment.

This is perhaps the most difficult of the three goals to achieve. However, it also provides a great payback to members as it will reinforce their standing in the community and will make it easier for consumers to see why they should pick an REINSW member agent to sell or lease their property.

The Board has already made a start by recently approving a policy to make professional indemnity insurance compulsory for agency members.

The policy details are as follows:

"That professional indemnity insurance with a minimum cover of \$2 million is made a mandatory requirement for all **new** members joining REINSW on or after 1 July 2012.

Further, that all **existing** members as at close of business on 30 June 2012 be required to hold professional indemnity insurance with a minimum cover of \$2 million before they can renew their membership in the year commencing 1st July 2013 (i.e. 12 months later)."

Next steps

Over the coming months we will be implementing a number of changes to move REINSW towards achieving the three strategic goals.

Over and above the normal communications about any change, we will provide a regular update on progress against the plan, which will be published in the *Journal*. ♦



BY NANCY RAINBIRD
CLAIMS MANAGER AT REALCOVER

Employee theft and fraud alert

Be vigilant and proactive to avoid becoming a victim of employee crime.

As the end of the financial year approaches, most minds are turned to money matters. But the reality is that Principals must be vigilant about finances throughout the year, especially regarding the issue of theft and fraud from within their own agency.

Realcover has seen a number of examples of theft and misappropriation of trust funds, claims that are usually as a result of inadequate supervision and controls. The theft is usually carried out by trusted employees and involves amounts for which an agent is often not insured.

It seems staggering with the amount of technology and advanced software available for use that trust account fraud could still happen — but it does.

Police are investigating fraud allegations against a property manager, who is accused of misappropriating more than \$560,000 from clients.

His method of fraud allegedly involved using a network of fake contractors and falsely invoicing owners for maintenance work which was never carried out.

Not only has the agency suffered the initial financial loss from the fraud, but legal costs and fulfilling subsequent financial responsibilities to clients who have been affected could have significant consequences for the business' future.

Case study

Realcover was recently notified of a fidelity matter, again involving a property manager. The Principal discovered that during their period of employment a former staff member had manipulated and stolen money from the rental trust account. An investigation revealed frequent abnormalities such as:

- End of month reconciliations were often not reconciled or were reconciled by entering adjustments lacking detail;
- A high volume of tenants with adjusted vacating dates;
- A high volume of tenants' files which had been archived and reactivated at a later stage;
- A high volume of receipting errors (e.g. receipts for funds that did not appear on the bank statement or amounts clearly defined for a particular tenant on the bank statement receipted incorrectly against one or more tenancies); and
- A high volume of queries from tenants and owners regarding funds paid or received.

Such deception has the potential to not only cause the agency reputation damage but to create a lot of additional stress and hours of work in having to reconcile all internal, landlord and tenant ledgers. The loss incurred in monetary terms is often just a small part of the story.



Take proactive steps

The key to avoid becoming a victim of internal theft is supervision and adequate internal controls.

Some measures include:

- Ensuring daily banking of funds is undertaken;
- Having in place written procedures for the supervision of the trust account;
- Carrying out timely daily and end of month reconciliations;
- Ensuring receipts and deposit books hold full particulars;
- Reconciling all adjustments;
- Carrying out bond accounting regularly; and

- Eliminating cash transactions wherever possible.

Always be vigilant and never become complacent about the running of your business. ♦

Disclaimer

The information in this article is of a general nature and individuals should always consider their own circumstances and read the relevant Product Disclosure Statement before making any decision regarding any Realcover product.

While care has been taken preparing this article, and the information contained in it has been obtained from sources that Realcover believes to be reliable, Realcover does not warrant, represent or guarantee the accuracy, adequacy, completeness or fitness for any purpose that the article may be used. Realcover accepts no liability for any loss or damage (whether caused by negligence or not) resulting from the use of this article.

Lead, develop and grow your own team...

with a PRDnationwide franchise



As a customer-focused real estate agency, PRDnationwide brings together the right local people for successful results. That's why when we say 'Sell Smarter... ask a local' – we truly mean it. Over the years, PRDnationwide has been seen as a prominent industry leader by demonstrating how successful property decisions are based on researched facts and figures.

Our teams provide knowledge and experience in all areas of real estate including:

- Residential and Land Sales
- Property and Asset Management
- Investment Sales
- Property Research and Market Trends
- Commercial Sales and Leasing
- Rural and Agribusiness

Today, PRDnationwide has built an honest, strong and dynamic brand around these facts extending this principle across all of our 120 offices nationally. We are always ready to give you an opportunity to Sell Smarter in your area.

For enquiries, please contact our Business Development Departments:

NSW | Elias Sleiman 0438 184 127
QLD | Scott Jacobs 0409 157 505



BY ALEX ILKIN, PRINCIPAL
SOLICITOR OF ALEX ILKIN & CO

Home Building Act changes

Strata managers need to be aware of major changes to avoid claims of negligence being made against them by Owners' Corporations.

This article is part two of a three-part series that will address areas of change to the *Home Building Act 1989* (the Act) in NSW. Last month, part one focused on residential building contracts. This article will address statutory warranty claims for building defects. Next month will focus on homeowners' warranty insurance claims against the insurers for building defects.

Each article addresses the Act from the point of view of a strata scheme suffering building defects, not from the viewpoint of a householder.

Most of the changes to the Act were brought about because of building defect problems encountered in strata schemes. The changes reduce the period of time within which an Owners' Corporation can make a claim against a contractor, developer or insurer for defective building works. Through these changes contractors, developers and insurers are therefore given more protection and Owners' Corporations less protection.

It is important strata managers are up to date with these changes to avoid claims by

an Owners' Corporation that the strata manager has been negligent.

Many of the changes are very technical and have been simplified for the purpose of this article.

Statutory warranty claims for building defects

In New South Wales, whenever a contractor's building defects occur in a strata scheme the two forms of protection given to an Owners' Corporation by the Act are:

- A statutory warranty claim by the Owners' Corporation against the builder and developer; or
- A homeowners' warranty insurance claim by the Owners' Corporation against the insurer.

In respect of statutory warranty claims, whenever a contractor does residential building work in NSW he/she promises (i.e. warrants) the Owners' Corporation that he/she will do the following main things:

- (a) The work will be performed in a proper and workmanlike

“

Owners' Corporations should ideally lodge proceedings for all defects within two years of completion.

”





manner and in accordance with the plans and specifications set out in the contract;

- (b) All materials supplied by the contractor will be good and suitable for the purpose for which they are used and that, unless otherwise stated in the contract, those materials will be new;
- (c) The work will be done in accordance with, and will comply with, this or any other law;
- (d) The work will be done with due diligence and within the time stipulated in the contract, or if no time is stipulated, within a reasonable time.

These warranties apply whether the contract is for \$50 or \$5 million.

If the contractor breaches any of the warranties then the main changes to the Act that a strata manager needs to be aware of for residential building work (or contracts) commenced on or after 1 February 2012 are:

- (1) In respect of non-structural defects in the contractor's work, a Statement of Claim or application to sue the contractor must be filed in a court or Consumer, Trader and Tenancy Tribunal (CTTT) within **two years** after the building works were completed. Typical non-structural defects include fire safety defects, defective shower tray membranes and internal and external tiling;

- (2) In respect of structural defects in the contractor's works, a Statement of Claim or application to sue the contractor must be filed in the court or CTTT within **six years** after the building works were completed.

- (3) The time periods in (1) and (2) will be extended by six months if the Owners' Corporation becomes aware of the defects in the last six months of the two-year or six-year periods respectively.

- (4) The meaning of "completion" of the building works is now defined in the Act. For a new building often the contractor will say the works were completed when he/she last worked on the site but the Owners' Corporation will argue completion occurred later when the council or certifier issued an occupation certificate.

It is important to know the exact date of completion because this is when the two-year and six-year periods begin. Strata schemes are often slow to act on defects.

The Act now defines "completion" as having happened either:

- When the work is completed according to the building contract; or
- If there is no contract, completion occurs when the work is practically completed (except for minor defects) and is "reasonably capable of being used for its intended purpose". Note that there

are additional provisions in the Act as to how the date of practical completion is determined.

If the strata scheme has just been built, the Statement of Claim or application filed at the court or CTTT is usually also issued by the Owners' Corporation against the developer of the building, in addition to the building contractor.

Prior to 31 January 2012, the statutory warranty period for a claim was **seven years** for both structural and non-structural work. Due to the much shorter two-year period for CTTT or court action, Owners' Corporations should ideally lodge proceedings for all defects within two years of completion. In practice, technical legal arguments often occur between builders and Owners' Corporations as to whether a defect is a structural defect or a non-structural defect and so, to be safe, in future Owners' Corporations should begin the CTTT or court action within two years of completion.

It is recommended if a current strata scheme to which the old regime applies is nearing the end of the seven-year period since completion of construction of the building, it should promptly lodge a Statement of Claim or application in respect of any building defects in the court or at the CTTT. ♦

Alex Ilkin has been practising strata law for over 30 years and specialises in building defects claims, strata disputes, drawing bylaws, subdivisions, unit entitlement matters and debt recovery. Visit www.alexilkin.com

Tradies worth their weight in gold

Good tradespeople are an asset to your business, so it's worth taking the time to find the right people for the job.

Long-term tradespeople can become an extension of your property management team. More than just there to do repairs, trusted tradespeople can become a property manager's 'eyes and ears'.

Tradespeople are often able to spot and raise matters of concern that may not have been noticed or raised by tenants. This is particularly important in regard to maintenance or repair issues that may appear minor at the time, but could grow into costly or large works by the time they are noticed at annual inspection.

Licence and insurance

It is vital that all builders and tradespeople you use have a valid licence and insurance. You should be provided with a copy of both for your records before a tradesperson works on any property you manage.

You can look up the licence details of any contractor on the NSW Fair Trading website (www.fairtrading.nsw.gov.au) or call 13 32 20. Only a builder or tradesperson who is properly trained and has the relevant experience to do the work may be licensed with NSW Fair Trading.

By law, all builders and tradespeople must display their licence number on any advertisement for their services.

How to find the right person

Sandy Hodgkins, General Manager of North Nor'West Property, said many of her agency's tradespeople had been working with the company for 15 years, while some go back



to when the agency first opened more than 35 years ago.

Sandy said other tradespeople employed by their agency were often recommended, either by other trusted tradespeople or by other property managers.

"Recommendations always give you a good idea of a tradesperson's work ethic and professionalism," she said.

Lyn Tamsett, Managing Director of KG Hurst Real Estate, said her agency took no commission from any of their tradespeople.

"Our property owners get the actual invoice provided by the tradesperson," she said.

“**Tradespeople are often able to spot and raise matters of concern that may not have been noticed or raised by tenants.**”

"I am also always happy to provide any of our property owners with details of a tradesperson should they want work done at their own home. This is an additional service we provide."

Celebrating success

Both Sandy and Lyn agreed that because tradespeople were such an integral part of the property management team it was important to celebrate their contribution to the agency.

Whether it is a 'thank you' barbecue at the end of the year, a hamper or similar gift, the goodwill generated by the gesture is invaluable to the success of the relationship. ♦

NSW Fair Trading has information on how to select a tradesperson on their website: www.fairtrading.nsw.gov.au

Compiled with help from the REINSW Property Management Chapter Committee.

Picture perfect

Don't let great property photos land you in hot water.



No member agent would deliberately set out to mislead or deceive potential buyers, but intentions aren't always important when it comes to the law.

It is not relevant whether an agent intended to mislead anyone to establish liability. What is relevant is the overall impression created by the conduct and its effect on ordinary prospective buyers.

With the range of technology easily available to most agents and the increasingly competitive sales climate, it is more important than ever that agents understand their responsibilities in regard to accurate

representation, especially when it comes to photography.

“**Photographs of properties which have been digitally altered to hide or enhance features could also be misleading.**”

Examples of photographic property advertisements in newspapers, real estate publications and on the internet that may be misleading include:

- A photograph of a water view or scenery next to a photograph of a house makes it difficult to know whether the view or scenery can be seen from the house or if the photograph is a 'location shot'.
 - A photograph of a beach scene with the wording 'minutes to this' or 'stroll to the beach' typed above the photograph does not give a clear indication of the distance from the property to the beach.
 - A photograph of a park and beach with the wording 'opposite home' where, in fact, this view cannot be seen from the property.
 - A photograph of a beach with the wording '90 seconds' walk to water's edge, not actual view' or '100 metres from beach' printed at the bottom of the photograph need more clarification.
- Photographs of properties which have been digitally altered to hide or enhance features could also be misleading. However, adjusting the lighting slightly to compensate for poor lighting on an overcast day may be acceptable, but should be done with caution. ♦

For more information visit, NSW Fair Trading at www.fairtrading.nsw.gov.au

Retail's growing industrial needs

Online shopping is driving a new wave of industrial demand.

The growth of online retailing is changing storage and distribution needs of retailers and commercial agents must be ready to respond to the new demands on industrial property.

Separate research reports by CBRE and Jones Lang LaSalle show one of the key challenges for an online retailer, or traditional retailer that has incorporated online sales into its business, is effective storage and distribution of goods, which has boosted demand for industrial warehouses.

CBRE's Industrial and Logistics Services Associate Director Michael O'Neill said in the past 12 months businesses aligned with online sales had leased more than 50,000sqm in western Sydney and this level of demand was expected to continue.

"The proportion of retailers that can deliver goods bought online to Australia rose from 19 per cent to 26 per cent over the last year," he said.

"This trend towards online retailing has resulted in a number of businesses increasing their storage requirements."

Research published by Jones Lang LaSalle showed industrial leasing activity attributable to online retailers setting up new operations was limited.

However, it was shown that a number of domestic retailers were running online



ONLINE RETAIL WAREHOUSES NEED

- More building depth with wider column space to accommodate machinery that improves the speed of delivery
- Extensive truck docking space and parking to help meet the high volume of deliveries required
- Adequate facility power with backup generators to provide uninterrupted operations during critical shipping days
- Location close to transport, motorways and postal services

operations from their existing warehouse facilities, while smaller start-up businesses and 'pure' online retailers were leasing smaller warehouse space not captured in the company's major tenant moves database.

Case studies used in the research highlighted the specific requirements online retailers require for storage and distribution centres, which differ from 'traditional' warehouse use.

Among the key features for selection of a site include location and functionality.



The physical aspects and layout of warehouse space for online retailers is significantly different to previous needs of traditional retail warehouses and distribution centres.



Location attributes

Online retailers have a need to locate in areas that provide fast and efficient movement of goods to their customers.

Locations that are favoured are close to transport,

key motorways and postal mailing areas. Land zoning is also of special consideration, as online retailers typically have a 24-hour operational schedule, which requires heavy vehicle movement throughout the night.

Functionality

The physical aspects and layout of warehouse space for online retailers is significantly different to previous needs of traditional retail warehouses and distribution centres.

Rather than moving bulk stock to a shopfront, online retailers instead must process smaller, individual orders and meet the quick turnaround and delivery expected by online customers.

Commercial agents must be innovative and look beyond the traditional characteristics of a warehouse to meet the storage and distribution needs of online retailers. ◆

Exclusive REINSW Member Benefits

- ✓ A monthly rebate off your bill of up to **\$98**
- ✓ Dedicated member support team
- ✓ No obligation bill comparison service

Great Value Mobile Offers

- ✓ Samsung Galaxy S II
 - ✓ Unlimited standard voice and text within Australia
 - ✓ Up to \$100 of Included International Calls
 - ✓ 5 GB Mobile GPRS & Free Social Networking
- \$99**
per month

*Terms & Conditions Apply

m2telecom
part of the **m2 Group**
M2 Telecom is REINSW's preferred
Telecommunications supplier

Call M2 Telecom on **1300 552 085**
or email member.enquiry@m2.com.au

JULY 2012

MON	TUE	WED	THU	FRI	SAT	SUN
2	3	4	5	6	7	8
		CANBERRA CPD Residential sales short course (9.00am-1.00pm)	DUBBO CPD Country Forum (9.00am-1.00pm)	SYDNEY CPD Managing your property management workplace (9.30am-1.30pm)	SYDNEY Certificate of Registration Course (part time) – commences (9.00am-5.00pm)	
9	10	11	12	13	14	15
SYDNEY Certificate of Registration Course (full time) – 4 days (9.00am-5.00pm)					SYDNEY Certificate of Registration Course (part time) – continues (9.00am-5.00pm)	
	SYDNEY Residential Sales Forum (3.00pm-5.00pm)	ARMIDALE CPD The D-E-F of Compliance (9.00am-1.00pm)	PORT MACQUARIE CPD The D-E-F of Compliance (9.00am-1.00pm)			
	COFFS HARBOUR CPD The D-E-F of Compliance (9.00am-1.00pm)	SYDNEY CPD The A-B-C of Compliance (9.30am-1.30pm)	DEE WHY CPD Work, Health and Safety for property managers (9.00am-1.00pm)			
	WEBINAR Auction day (10.00am-11.00am)					
16	17	18	19	20	21	22
SYDNEY CPD Leadership short course (9.30am-1.30pm)	SYDNEY Property Management Forum (3.00pm-5.00pm)			SYDNEY CPD Maximise your new management success rate (9.30am-1.30pm)	SYDNEY Certificate of Registration Course (part time) – continues (9.00am-5.00pm)	
	SYDNEY CPD The D-E-F of Compliance (9.30am-1.30pm)			WEBINAR Compliance troubleshooting (3.00pm-4.00pm)		
23	24	25	26	27	28	29
SYDNEY Certificate of Registration Course (full time) – 4 days (9.00am-5.00pm)				CANBERRA CPD Growing your rent roll (9.00am-1.00pm)	SYDNEY Certificate of Registration Course (part time) - concludes (9.00am-5.00pm)	
	GOULBURN CPD The A-B-C of Compliance (9.00am-1.00pm)	WAGGA WAGGA CPD The A-B-C of Compliance (9.00am-1.00pm)	SYDNEY CPD Prepare for selling like never before (9.30am-1.30pm)			
		NORTHERN BEACHES Novice Auctioneers Competition	ALBURY CPD The A-B-C of Compliance (9.00am-1.00pm)			
30	31	 <ul style="list-style-type: none"> ■ CPD workshops – go to www.reinsw.com.au for course descriptions and prices ■ Certificate of Registration Course (Real Estate) (full and part time as indicated). Price includes REINSW Student Membership ■ Licensing Course ■ Forums and Divisional meetings ■ Novice Auctioneers Competitions ■ Webinar 				

AUGUST 2012

MON	TUE	WED	THU	FRI	SAT	SUN		
<p>WANT TO KNOW MORE?</p> <p>You can find out more about all of our courses by visiting www.reinsw.com.au</p> <p>Click on Course Schedule in the Training menu.</p>		1	2	3	4	5		
		<p>SYDNEY Real Estate Licensing course commences – 3 days per week for 8 weeks (9.30am-4.30pm)</p>						
						<p>SYDNEY CPD Buyers' Agents short course (9.30am-1.30pm)</p>		
						<p>ILLAWARRA Novice Auctioneers Competition</p>		
6	7	8	9	10	11	12		
<p>SYDNEY Certificate of Registration Course (full time) – 4 days (9.00am-5.00pm)</p>								
<p>SYDNEY CPD The D-E-F of Compliance (9.30am-1.30pm)</p>	<p>SYDNEY CPD Prepare for selling like never before (9.30am-1.30pm)</p>	<p>SYDNEY Real Estate Licensing course continues – 3 days per week for 8 weeks (9.30am-4.30pm)</p>						
	<p>BOWRAL CPD The A-B-C of Compliance (9.00am-1.00pm)</p>	<p>NOWRA CPD The A-B-C of Compliance (9.00am-1.00pm)</p>	<p>WOLLONGONG CPD The A-B-C of Compliance (9.00am-1.00pm)</p>	<p>CANBERRA CPD Business relationships with clients for life (9.00am-4.00pm)</p>				
		<p>SYDNEY Breakfast Club (7.30am-9.30am)</p>		<p>ALBURY Novice Auctioneers Competition</p>				
13	14	15	16	17	18	19		
<p>SYDNEY Certificate of Registration Course (part time) - commences (9.00am-5.00pm)</p>		<p>SYDNEY Real Estate Licensing course continues – 3 days per week for 8 weeks (9.30am-4.30pm)</p>						
	<p>FORSTER CPD Prepare for selling like never before (9.00am-1.00pm)</p>	<p>CENTRAL COAST Novice Auctioneers Competition</p>	<p>PARRAMATTA CPD Maximise your new management success rate (9.00am-1.00pm)</p>	<p>SYDNEY Strata Management Forum (3.00pm-5.00pm)</p>				
20	21	22	23	24	25	26		
<p>SYDNEY CPD Auctioneers short course (9.30am-1.30pm)</p>	<p>TAMWORTH CPD Country Forum (9.00am-1.00pm)</p>	<p>SYDNEY Certificate of Registration Course (part time) - concludes (9.00am-5.00pm)</p>			<p>CANBERRA CPD Property management fundamentals (9.00am-4.00pm)</p>			
<p>EAST SYDNEY Novice Auctioneers Competition</p>		<p>SYDNEY Real Estate Licensing course continues – 3 days per week for 8 weeks (9.30am-4.30pm)</p>						
				<p>SYDNEY CPD The A-B-C of Compliance (9.30am-1.30pm)</p>	<p>WEBINAR What to do after auction (10.00am-11.00am)</p>			
27	28	29	30	31				
<p>SYDNEY Certificate of Registration Course (full time) – 4 days (9.00am-5.00pm)</p>								
<p>CANBERRA Certificate of Registration Course (full time) – 5 days (9.00am-5.00pm)</p>								
<p>SYDNEY CPD Work, Health and Safety for property managers (9.30am-1.30pm)</p>	<p>DUBBO CPD The D-E-F of Compliance (9.00am-1.00pm)</p>	<p>SYDNEY Real Estate Licensing course continues – 3 days per week for 8 weeks (9.30am-4.30pm)</p>						
		<p>ORANGE CPD The D-E-F of Compliance (9.00am-1.00pm)</p>	<p>SYDNEY CPD Residential sales short course (9.30am-1.30pm)</p>					

MEMBER PROFILE: BROOKE SCULLIN



"It's a brand that people trust and recognise."

Aligning her new agency with REINSW's established reputation for excellence was an easy decision

Brooke Scullin, the licensee and one of the Directors of family-run business Distinct Property Management said seeing the REINSW logo on the agency's website instilled confidence in her clients.

"It's a brand that people trust and recognise," Brooke said of REINSW.

"Being a start-up business, it gives people more confidence to see the REINSW logo on our website and know we are associated with an established and trusted organisation."

Brooke gained her real estate qualifications through REINSW eLearning and said she

enjoyed the flexibility to study any time that suited her. Through her study, Brooke experienced REINSW's commitment to excellence and support for agents who work to a high professional standard — values Brooke has instilled in her own agency practice.

Brooke said the system increased accountability of agents and encouraged the delivery of a high standard of service to clients.

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

NEW MEMBERS

FULL FIRM

All Property People
INGLEBURN

Distinct Property Management Pty Ltd
BARTON

Elders Real Estate Chippendale
CHIPPENDALE

Guy Saddleton Real Estate
BELLINGEN

Hanzcorp
PARRAMATTA

I Squared Property Pty Ltd
SYDNEY

Inglis Property Macarthur
CAMDEN

Laing & Simmons Randwick
RANDWICK

LJ Hooker Eastwood
EASTWOOD

McCormack Barber
ORANGE

Milling Stuart Pty Ltd
DUNEDOO

Real Estate of Distinction
COFFS HARBOUR

Wiseberry (Liverpool)
HINCHINBROOK

Ridge Real Estate
LIGHTNING RIDGE

Rocklea Pty Ltd
STRATHFIELD



FOR CONTACT DURING BUSINESS HOURS P 02 9363 9244 | F 02 9328 2861
E INFO@TRADINGREFERENCE.COM WWW.TRADINGREFERENCE.COM



TRADING REFERENCE AUSTRALIA (TRA) IS A NATIONAL DATABASE RELATING TO RESIDENTIAL AND COMMERCIAL RENTAL INFORMATION USED BY REAL ESTATE AGENTS AROUND AUSTRALIA.

WHY JOIN TRA

The proven integrity of our organisation abiding by the regulations required in order to provide a more legally safe environment for our clients.



"OUR MISSION IS ONE OF INTEGRITY, ACCURACY AND EXCEPTIONAL SERVICE IN MOVING TOWARDS BECOMING THE PREMIER DATABASE IN AUSTRALIA"
Gill Williams, Managing Director

- ☀ TRA creates a more professional image.
- ☀ TRA provides facilities to view drivers licences, passports, picture id of tenants and pictures of damaged property and has an alert system for tracking absconded tenants.
- ☀ TRA assure you that we can help build your property management portfolio financially almost instantly.
- ☀ TRA supplies documents to give prospective owners to assist in the acquisition of new managements.
- ☀ TRA assists in the legal protection of the property managers and principals against litigation from Owners and tenants.
- ☀ TRA supplies Certificates of proof in the event of insurance or legal claims.
- ☀ TRA has a debt collection service for all areas within real estate.
- ☀ TRA provides a legally safe environment for clients.
- ☀ TRA is used by all industries i.e. Banks, Utility, Insurance, Finance Companies, Institutions and large accounting firms etc.
- ☀ 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".

realestate **view**.com.au
the view that counts

realestateVIEW.com.au launches Find An Agent

Discover the quickest way to drive more vendors to your door

In recent weeks, realestateVIEW.com.au announced the launch of its latest tool that helps both vendors and agents alike – a new Find An Agent directory.

Before vendors contact agents to sell their home, they conduct research online to determine which agent is best equipped to sell their property.

The new Find An Agent directory aids this process by providing vendors with a destination to search for and review potential agents. Find An Agent therefore represents a new way for your agency to showcase its expertise to generate qualified leads from potential clients – all you need to do is create a FREE branded Find An Agent profile.

A FREE branded Find An Agent profile features:

- Client testimonials to share your agency's most recent successes.
- Staff member profiles to showcase staff knowledge and experience.
- Corporate photos and videos to bring the profile to life.

- Your agency's social media buttons . . . and more!

Generate more leads with realestateVIEW.com.au

A branded Find An Agent profile is FREE for current subscribers of realestateVIEW.com.au. To find out more about subscribing or about the Find An Agent directory contact 1300 695 645.



Developing opportunities for a growing population

Do we really need more 'medium/high density' residential developments?

According to the Australian Bureau of Statistics, Australia is earmarked for a population growth from almost 23 million people (as of April 2012) to a whopping 42.5 million by 2050. That's almost double!

So, the question is: where are all these people going to live? Well, to cater for this projected

growth, an obvious solution is to indeed build more residential properties.

For this, Oracle Property Developments (OPD) has a site acquisition program with offices all over Australia.

"With this upcoming massive projected growth, we need to be

ready. That's why we train our teams to source, identify and quantify potential new sites by understanding their LGA and keeping a close eye on potential new opportunities," Gerry Teixeira, CEO of OPD explained.

OPD is presently expanding their operations in most states and is offering aspiring individuals –

with or without experience – to join their group on a unique self-employed basis.

If you'd like more information about this unique opportunity, register for their information session and explore their part-time and full-time options, visit www.oraclepd.com.au/join-the-team or call 1300 654 189.

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 Insightrix on behalf of REINSW

SYDNEY	Apr-12	Mar-12	Feb-12	Jan-12	Dec-11	Nov-11	Oct-11	Sep-11	Aug-11	Jul-11	Jun-11	May-11	Apr-11
Inner	1.7	1.5	1.5	1.7	1.5	1.2	1.3	1.5	1.5	1.5	1.4	1.1	0.9
Middle	1.6	1.9	2.0	2.1	2.0	1.7	1.6	1.4	1.6	1.5	1.3	1.5	1.4
Outer	1.7	1.5	1.9	1.8	1.4	1.3	1.4	1.3	1.3	1.6	1.7	1.5	1.4
Total	1.7	1.6	1.8	1.9	1.6	1.4	1.4	1.4	1.5	1.5	1.5	1.4	1.2
HUNTER													
Newcastle	1.6	1.6	1.3	1.5	1.1	1.6	1.9	1.3	1.8	1.4	1.3	1.5	1.5
Other	1.7	1.6	1.5	1.5	1.2	1.4	1.5	1.8	1.8	1.6	1.3	1.2	1.5
Total	1.6	1.6	1.4	1.5	1.1	1.4	1.7	1.6	1.8	1.5	1.3	1.3	1.5
ILLAWARRA													
Wollongong	2.9	3.0	2.4	2.3	2.1	2.2	1.8	1.6	1.6	1.3	0.9	1.3	1.3
Other	2.0	1.7	2.5	2.0	1.4	1.6	1.4	1.3	1.5	1.3	1.4	1.3	1.2
Total	2.3	2.0	2.5	2.1	1.6	1.8	1.7	1.4	1.6	1.3	1.2	1.3	1.3
REGIONAL													
Albury	1.8	1.2	1.6	2.0	1.7	1.4	1.9	1.7	1.9	2.0	2.4	2.6	2.4
Central Coast	2.3	2.2	1.6	1.4	1.6	1.5	1.7	1.9	2.1	2.0	2.6	2.1	1.6
Central West	1.7	2.3	1.5	1.8	1.9	1.3	1.7	1.4	1.3	1.7	1.6	2.0	2.3
Coffs Harbour	4.0	4.9	4.1	4.0	3.6	4.2	4.1	3.8	3.7	3.5	3.4	3.1	2.8
Mid-North Coast	2.1	2.2	2.2	2.2	1.9	1.6	1.8	1.9	1.8	2.1	2.0	1.8	1.5
Murrumbidgee	1.0	1.8	1.3	3.2	2.8	2.9	2.5	2.2	2.4	3.0	2.6	2.7	2.7
New England	2.9	3.4	2.8	2.9	2.9	2.4	2.4	2.4	2.6	2.5	2.5	2.4	2.3
Northern Rivers	3.0	2.4	3.9	3.2	2.7	2.8	3.0	3.0	2.6	3.9	3.8	3.1	2.5
Orana	1.3	1.6	1.6	1.2	1.5	1.5	1.5	1.2	1.4	1.6	1.7	1.9	1.4
Riverina	3.1	4.4	3.9	3.9	3.5	4.2	3.7	3.4	3.1	3.1	3.0	3.4	3.0
South Coast	2.2	3.1	2.6	2.7	1.9	2.1	2.2	2.9	3.1	2.6	2.6	1.7	1.9
South Eastern	3.4	2.2	2.1	2.5	2.2	1.6	1.5	1.7	1.9	1.8	1.5	1.5	1.3

NSW weekly auction clearance rates — provided by propertyDATA.com.au

Week ending	Total auctions	Total value \$M	Clearance rate	Sold prior to auction	Sold at auction	Sold after auction	Passed in total
05/05	453	\$186.01	63%	64	209	12	168
29/04	409	\$112.72	52%	51	149	12	197
22/04	423	\$156.16	61%	71	170	15	167
15/04	380	\$138.66	62%	64	157	13	146
08/04	291	\$120.20	63%	46	119	17	109
01/04	821	\$353.67	59%	144	318	23	336
25/03	565	\$256.77	62%	91	250	12	212
18/03	489	\$190.73	59%	109	173	6	201
11/03	501	\$163.69	57%	95	174	15	217
04/03	520	\$202.80	59%	89	201	16	214
26/02	590	\$222.39	62%	105	246	14	225
19/02	459	\$151.10	56%	68	179	9	203

AERIAL PHOTOGRAPHY



**Fast and efficient
turnaround**

- Helpful and friendly team
- Highest quality aerial photos
- Affordable and shot to order
- Huge online stock image library
- No fees on credit card payments

When only the best in aerial photography will do call Airview

Call 02 9977 0011 or email info@airviewonline.com.au
Checkout our huge online library at www.airviewonline.com.au

AGENCY FUNDING



Australia's largest and most trusted provider of cash-flow finance to the real estate industry. To get your sales commissions paid now,
Call 1300 738 211 or email info@expresscommission.com.au

BANKING



Backed by almost 200 years' experience, a network of local bankers and a partnership with REINSW, Westpac offers a complete solution for collecting rents, paying landlords, growing your business and managing trust accounts.
Call Jason Roach on 0448 455 556

COMMUNICATION



With MyNetFone's range of phone and internet communication solutions, you can be confident that you've made the **sound choice for your business.**

Call 1300 199 374 or visit www.mynetfone.com.au/business

DATA



The latest sales and auction results collected via the REINSW call centre; access to the dynamic prospecting tool known as GoProspecting; and 'on the market' data to get a well-rounded view of the marketplace.

Visit www.propertyDATA.com.au

FINANCIAL SERVICES



Professional indemnity insurance specifically designed to protect and support real estate agents. REINSW members receive a discount off Realcover's standard professional indemnity insurance rates in NSW.

Call 1800 988 396 or visit www.realcover.com.au

IT



Surga Central provides commercial real estate agencies with next-generation, cloud-centric CRM software for selling and leasing commercial property.

Call us on 1300 878 742 or visit our website <http://www.surgacentral.com>

PORTAL



A cost-effective advertising solution, free multi-loading to the large portals, free access to a rental archive that allows you to benchmark rental values in the market, and free website powering.

Visit www.realestateVIEW.com.au

RECRUITMENT



As People Consultants we work with you to create structure for growth, and find the permanent or temporary talent to make it happen.

Call: (02) 9904 4478
Email: daniel@recd.com.au
Visit: www.recd.com.au

UTILITY CONNECTION



MAKES MOVING EASY

To use the connection service, call 1300 664 715 or email agents.support@directconnect.com.au with your details and our Agent Services Team will contact you within 24 hours.

ADVERTISE NOW



**To advertise in the
SUPPLIER DIRECTORY**

Call Mark on 0414 881 300

Hoofers take on City2Surf challenge

LJ Hooker Mosman agents get ready to run for cancer research.



Inspired to join the fight to prevent cancer and fund efforts to find a cure, 23 LJ Hooker Mosman staff members have taken up the challenge to compete in the City2Surf fun run.

Committed to raising \$20,000, almost half of the agency's staff is participating in the run, including company Directors Geoff Smith, Richard Harding and Bernard Ryan.

"Our charity of choice is the Australian Cancer Research Foundation, the largest private funding body for cancer research in the country," Geoff said.

"Everyone is touched by this devastating disease and with the generous support of

our local community, we can help make a difference.

"We're thrilled to have such dedicated staff supporting this wonderful cause. The charity challenge has really brought them together as a team to make a small difference and help to provide much needed funding for important research."

The team will be hitting the road for training over the next few weeks, which they hope will not only ready them for the run on August 12 but also get them fit for the selling season.

You can follow the progress of the LJ Hooker 'Hoofers' and donate at their Every Day Hero fundraising page

www.fundraise.city2surf.com.au/lj_hooker_hoofers

The Australian Cancer Research Foundation provides up to \$10 million in cancer research grants to the very best cancer research projects across Australia.

In Sydney alone, they have awarded grants totalling \$21.2 million to five leading research centres since 2007. ♦

YOUR STORY

We want to hear your stories!

If you, or a member you know, supports a charity, you can share the story in the 'Last Word'. Email the editor at tina@mahlabmedia.com.au

Contact us

Reception: (02) 9264 2343
Email: info@reinsw.com.au
Website: www.reinsw.com.au

Board

President: Christian Payne
Deputy President: Malcolm Gunning
Vice President: John Cunningham
Vice President: Brett Hunter

Directors: Gary Adamson, Christine Clarke, Luke Fahy, Miles Felstead, Sarah Lorden, Leanne Pilkington, Tony Santolin, Wayne Stewart.

Administration

CEO: Tim McKibbin
General Manager: Peter Griffin
Marketing & Communications Manager: Cathie Dickinson
Corporate Services Manager: Kevin Kenna
Education & Training Manager: Michelle Morcombe
Legal & Policy Manager: Eva Sklavos

Journal

Managing Editor: Martin Wanless
Editor: Tina Liptai
(02) 9556 9115
Email: tina@mahlabmedia.com.au
Designer: Nina Christian
Sales Manager: Nicole Dixon

Advertising: Mark Lewis
0414 881 300
Email: mark@mahlabmedia.com.au
Rates: www.reinsw.com.au

Publisher: Mahlab Media
(02) 9556 9100
www.mahlabmedia.com.au

Feature and cover photography by Studio Commercial

REINSW Managing Editor:
Cathie Dickinson (02) 9264 2343
Email: cdickinson@reinsw.com.au

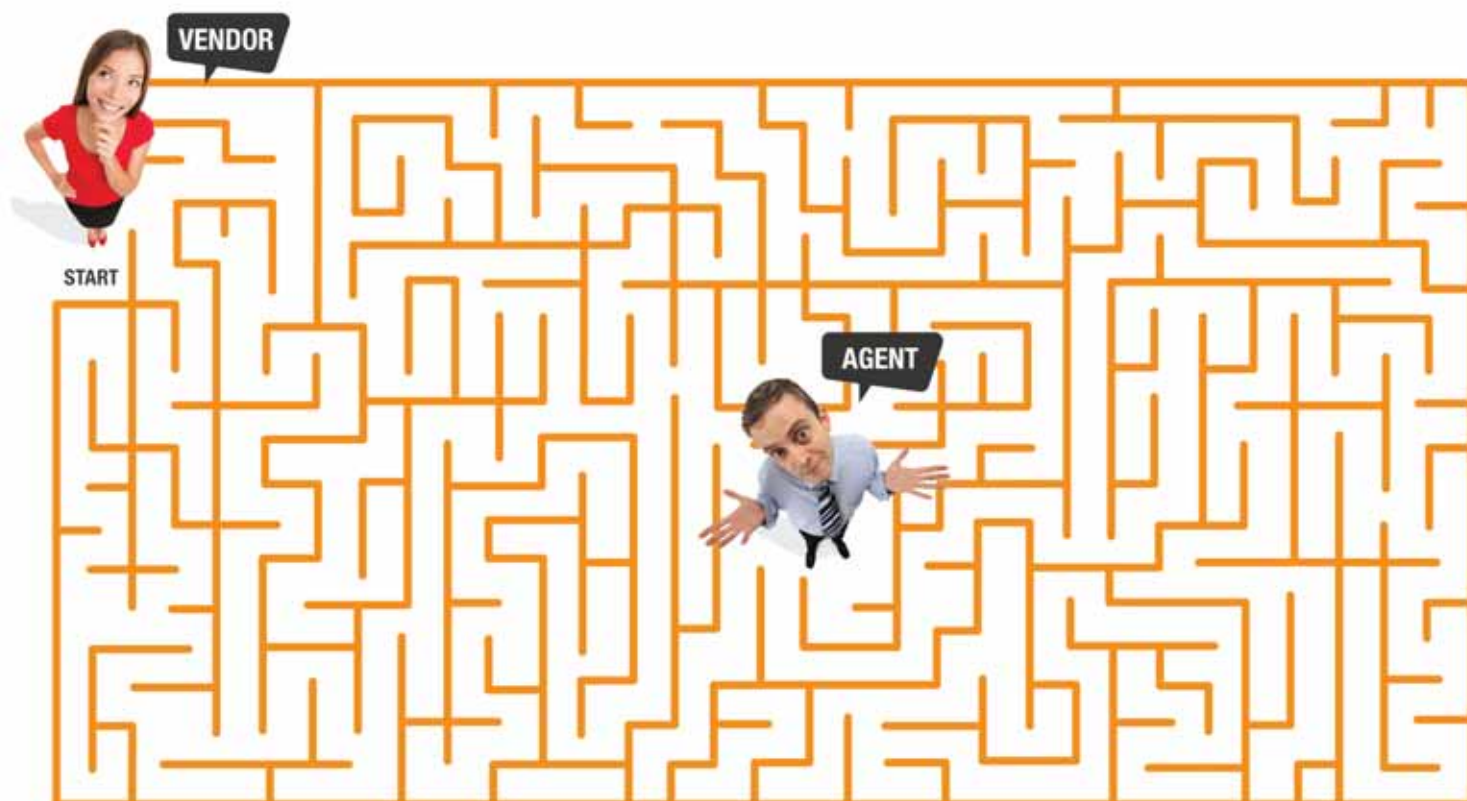
Disclaimer

Whilst the Real Estate Institute of New South Wales uses its best endeavours in preparing and ensuring the accuracy of the content of this publication, it makes no representation or warranty with respect to the accuracy, applicability, fitness, legal correctness or completeness of any of the contents of this publication.

The information contained in this publication is strictly for educational purposes only and should not be considered to be legal advice. Readers must obtain their own independent legal advice in relation to the application of any of the material published in this journal to their individual circumstances.

The Institute disclaims any liability to any party for loss or any damages howsoever arising from the use of, or reliance upon, any of the material contained in this publication. The views and/or opinions expressed in this publication are those of the respective author and do not necessarily reflect those of the Real Estate Institute of New South Wales.

Discover the *quickest way* to drive more vendors to your door.



**CREATE A
FREE BRANDED
'FIND AN AGENT'
PROFILE TODAY!**

The new realestateVIEW.com.au Find An Agent directory makes light work out of generating qualified leads for your agency, by giving you the opportunity to showcase your agency's local area expertise.

Your branded Find An Agent Profile can feature:

- Client testimonials to share some of your most recent successes
- Staff profiles to showcase your staff members' knowledge and experience
- Your agency's latest social media activity ...and much more!

Best of all it's **FREE** for realestateVIEW.com.au subscribers.

To find out more visit www.realestateview.com.au/findanagent or contact realestateVIEW.com.au on 1300 695 645.

THE KALEIDOSCOPE OF PROPERTY MANAGEMENT

YOUR FUTURE BY DESIGN

ARPM 2012

Sun 5 – Mon 6 August, Hilton Sydney

The property management event of the year
features a line up of speakers not to be missed.

DAY ONE

Andrew Daddo	MC
Fiona Blayney	Blue Ocean Property Management
Karl Secondis	Green is for Go!
Josh Phegan	The Ultimate Listing Presentation
Leah Calnan	Property Management – Here, There and Everywhere
Peter Fletcher	The Ultimate Digital Toolkit – It's in Your Hands
Craig Harper	Stop F*cking Around – Principles to a Better Life

DAY TWO

Julie Ryan	Marketing Without Money
Fiona Blayney & Bernie Bolger, Interview Host Sophie McCarthy	The Secret Ingredient to M&M's
Catherine Devrye	Service to Landlords, Tenants and Yourself in Times of Change
Katie Knight	A Day in the Life of Australia's Top Property Manager
Katie Knight & Joely Sullivan	Expert Practitioners Panel
Bill Humphrey	Down, Dirty & Digging for Gold
Bill Humphrey & Greg Hocking	Experts Leaders Panel
Anh Doh	The Happiest Refugee

Book now and save at arpm2012.com.au
or phone 1800 335 336

Major Sponsors:

POTENTIAL PLUS
Blayney

1form.com.au

tret



rockend
The leader in property software

Brought to you by:



ARPM

AUSTRALASIAN RESIDENTIAL
PROPERTY MANAGEMENT
CONFERENCE

