

# Journal

MAR 2014  
VOL 65/03

## **EAST BUYING WEST**

**Agencies are increasingly catering for the Asian market; but why now? And what impact will this have on local buyers?**

**Indemnity clauses**

What they do and don't cover

**Psychology 101**

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**Landlord wish list**

What do they really want?



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LJ Hooker Head of International Bill Russell joins other industry figures to discuss the influx of foreign investors to the market.

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# Leading with lobbying

We've hit the ground running in 2014, lobbying hard for the reintroduction of first homebuyer incentives for existing properties. This is something we believe is vital for us to achieve, and the momentum will continue to gather as we get closer to the NSW Budget in June.

This month we will be meeting with new Minister for Fair Trading Stuart Ayres, who took over from Anthony Roberts following a Cabinet reshuffle by NSW Premier Barry O'Farrell last December.

We'll be discussing a range of issues, including the need for first homebuyer incentives in relation to existing properties, strata reform, as well as the regulatory environment.

## Submissions

REINSW is very supportive of bringing outdated strata laws into line with current living conditions and attitudes toward apartment living. We've already made a number of submissions and worked closely with NSW Fair Trading and former Minister Anthony Roberts in support of the process.

In January we responded to the Government's Position Paper, and we anxiously await the next stage in the long process of reviewing the 50-year-old laws. It is currently anticipated that new laws will come into effect before the end of this year, however the complexity of the process may put pressure on that timeframe.

## Electronic transactions

South Australia changed its legislation to allow for electronic property transactions in January. This is something that we have been lobbying the NSW Government strongly

about for some time. The technology is in place to enable these transactions to occur electronically and the only thing that stands in the way is the Government's legislative stamp of approval. Other industries and commerce already enjoy being able to enter into transactions electronically and it is time that the NSW Government caught up with this in real estate.

## REI Forms Live

Related to electronic property transactions, new developments will be rolled out across the REI Forms Live system in the coming months as we fully enjoy the benefits of integration with other software providers. Keying data twice will be a thing of the past, as REI Forms Live will simply auto-populate your agreements and forms on request. Changes to wording of documents due to amendments to legislation are automatically updated at a central location as part of the REI Forms Live system, so you don't have to worry about updating them personally.

If you have any suggestions or ideas in regard to changes to the REI Forms Live system or our lobbying efforts please contact us.



**Tim McKibbin**  
REINSW CEO

## BEHIND THE SCENES



### TV SPOT

REINSW President Malcolm Gunning talked foreign investors with *A Current Affair* this month. View Malcolm in action at [aca.ninemsn.com.au](http://aca.ninemsn.com.au) then read our cover feature on p18 for an in-depth look into what foreign investors mean to the Australian market.

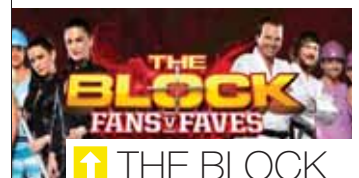
### SUBMISSIONS

REINSW has been active on behalf of members again this month, with the lodgement of two submission papers. The first lobbies for a standard retail lease, while the second proposes changes to strata laws. Read the submissions in full at [reinsw.com.au/lobbying](http://reinsw.com.au/lobbying) and watch out for further updates in the *Journal*.



### CONGRATS

The *Journal* congratulates the 2013 REINSW Novice Auctioneer Competition winner Alex Pattaro on his first big sale. The 17-year-old LJ Hooker Concord agent sold a \$1.3m property in Rodd Point in Sydney's Inner West in his first month on the job. Tell us about your success stories by emailing the editor at [jill@mahlabmedia.com.au](mailto:jill@mahlabmedia.com.au)



### THE BLOCK

It has been revealed that REINSW member Damien Cooley will appear for the fifth time on *The Block: Fans vs Faves*, representing Kyal and Kara as their appointed auctioneer for the grand finale, taking place in April. Tune in to find out if it's another record year.



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## Third-party payment services under scrutiny

Agents are advised to read the terms and conditions before entering into contracts with third-party payment service providers after a number of REINSW members have been caught off guard when rental payments have been reversed.

Third-party payment schemes allow tenants to pay their rent via this payment system in return for rewards such as Frequent Flyer Points. The third-party then releases the money to the real estate agent.

### Risk of reversal

REINSW CEO Tim McKibbin said a number of REINSW members have reported that third-party payment facilities have reversed payments after the money has been received by the agent and released to the landlord. The reversals are made without notice and only discovered when doing a trust account reconciliation.

“If a company has a contractual right to

claw the money back some months later after you’ve released those funds to your landlord, then you have to recognise the danger you face and the risks you expose yourself to,” Mr McKibbin said.

He warned that agents would have to meet the shortfall in these circumstances.

“The long and short of it is that there are some risks attached to using these services and agents should be mindful of those risks when utilising such services,” he said.

### Window of reversal

The window, in which a tenant can cancel a payment, differs between companies and is dependent on the type of payment.

REINSW members have been quoted that credit card payments can be disputed and reversed for up to one year after the transaction date, at which time the agency may no longer be managing the property and recovery could be difficult.

The risk for agents is that they may be unaware that a payment can be reversed and so they release a rent payment to a landlord, which is then later reversed.

### REINSW members

Laing+Simmons Double Bay Principal Suzie Reid no longer offers new tenants the facility to pay rent using these companies.

“It is important that agents can release funds to landlords without exposing themselves to the risk of having to repay the funds themselves if the third party reverses the tenant’s payment months later,” she said.

“This is a big risk for agents, particularly those that have a large portion of their rent roll paid through a third-party company.”

REINSW members are advised to read the terms and conditions of a contract thoroughly before entering into any arrangements with third-party payment service providers.

## Pool owner paperwork soon to come into force

Agents are reminded that from 29 April 2014 property owners with a swimming pool or spa pool (as defined by the *Swimming Pools Act 1992* (NSW)) will be required to register their pool and produce a certificate of compliance before they can sell or lease their property.

Those requirements are due to the introduction of the *Swimming Pools Amendment Act 2012* (NSW).

### Certificates

A certificate of compliance certifies that the pool and pool barrier meet the relevant safety requirements. They must be held by owners of standalone properties, or in the case of strata or community title schemes, the Owners’ Corporation or

community association (as the case may be) should arrange for the pool to be inspected and obtain the certificate of compliance or occupation certificate.

### Sale or rent

From 29 April 2014, where a property with a pool is being sold, a valid certificate of compliance (or an occupation certificate issued within the past three years) and a valid certificate of registration must be annexed to the Contract for Sale of Land. Failure to annex the certificate means that the purchaser may rescind the contract at any time within 14 days of exchange (unless settlement has already occurred).

In the case of a property for lease with a pool, the pool must be registered and it must have a valid certificate of compliance (or an occupation certificate issued within the past three years) at the time the Residential Tenancy Agreement is entered into and a copy of that certificate must be given to the tenant.

Failure by the pool owner to register a pool attracts a fine of \$220 but, if an inspector refers the matter to court, a fine of up to \$2200 may be imposed.

Visit [swimmingpoolregister.nsw.gov.au](http://swimmingpoolregister.nsw.gov.au)

# Engagement of agents as contractors

The outcome of a number of recent payroll investigations of some real estate businesses by the Office of State Revenue (OSR) is a timely reminder of how payments to contractors are often liable to payroll tax.



The investigations arose out of industry concerns that some businesses may be engaging key personnel, including sales agents, as contractors rather than employees, and not paying payroll tax on payments made to these contractors.

The existence of a contract between a principal and a contractor does not prevent the conclusion that there is an employer/employee relationship. OSR considers many factors to determine whether contractors are employees or independent contractors, including:

- whether the contractors are working exclusively for the principal
- the level of control and direction the principal exerts over the contractor
- is the contractor recognised as part of the business
- how the contractor is paid
- who provides labour and materials
- prior association between the contractor and the principal
- responsibility for the quality of the work performed
- who bears the risk.

OSR's investigations examined contractual documentation and other evidence between the real estate business and the contractors, the actual relationship between the parties, and

payments received by the contractor for the work performed.

The investigations found that, in a number of cases, the paperwork was not a true reflection of the relationship between the parties. The contractors were working exclusively for the real estate business and were not running their own business.



**The existence of a contract between a principal and a contractor does not prevent the conclusion that there is an employer/employee relationship.**

In these cases, OSR concluded that the legal relationship between the real estate business and the contractors is taken to be an employment relationship for the purposes of the *Payroll Tax Act 2007*. As a result the real estate business is taken to be the employer of the contractor and

all payments made to the contractor (excluding GST) are taken to be wages.

Out of fairness to those businesses paying the proper amount of tax, OSR will be increasing the number of investigations in the real estate industry to ensure compliance with payroll tax legislation.

We encourage you to conduct a review of all contracts you have with sales agents and other key personnel to make sure you have identified all taxable wages for payroll tax purposes. If you find any underpayment of payroll tax and make a voluntary disclosure to OSR, penalties will be reduced in most instances.

There are a number of revenue rulings and factsheets explaining contractor arrangements on the OSR website. If you are unsure as to whether you have a liability to payroll tax, you should contact OSR to discuss your particular circumstances. ♦

## TO CONTACT OSR:

- Go to [www.osr.nsw.gov.au](http://www.osr.nsw.gov.au) for revenue rulings and factsheets
- Call 1300 139 815
- Email [payrolltax@osr.nsw.gov.au](mailto:payrolltax@osr.nsw.gov.au)
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# BOOM AND BUST

REINSW President Malcolm Gunning addresses continued press speculation that the good times are about to end.



Malcolm Gunning, REINSW President believes NSW is a state of 'villages' all with their own unique characteristics.

In the first few months of my presidency, one question has been front and centre in the press: is NSW in a boom and will it continue? To me, the question is misleading because it assumes the market is the same all over NSW.

The tendency in the press is to think of Sydney as being reflective of the whole state. This is not the case. The regions

differentiate themselves from the capital through their varied employment opportunities (and in some cases challenges), amenities and infrastructure.

## On the ground

When you get down to the ground level, it is clear that not all markets in NSW are performing at the same level and as one cohesive 'bubble'.

In Sydney, we've seen significant growth in inner city suburbs such as Dulwich Hill, Marrickville, North Strathfield and Concord, where professional couples seek out properties near established infrastructure and amenities, such as public transport, schools and shopping centres.

In contrast, the Eastern Suburbs seem to have underperformed. Traditionally popular with expats, the high Australian dollar has impacted sales.

## Regional hubs

Further afield, Wollongong and Newcastle have both performed well. Yet, regional cities such as Dubbo, Bathurst, Orange, Coffs Harbour, Wagga Wagga haven't seen the same level of growth.

With so much differentiation between the performance of different areas in the state, it

makes the argument of a boom less and less convincing.

## Seven-year itch

Yet, as loathe as I am to consider the NSW market as one market, it is true that on the whole, the market is strong. Any market under pressure from limited stock will always remain relatively buoyant.

So, yes, there's a boom. Yes, it will continue. But it won't be even growth across the state. Growth will be segmented. This is not unique. I've seen three of these corrections or upswings in my career – they tend to tail off with rising interest rates or a pull back by purchasers on price. Typically cycles correct themselves over a seven-year period.

The press has sensationalised all of this with talk of a bubble. In some areas, prices are only just starting to exceed those of years gone by. Take the Lower North Shore, where some prices are only just now passing the levels seen seven years ago, especially properties around the \$1.5m mark.

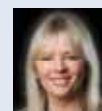
## Warning signs

The first sign of a correction is when auction clearance rates fall towards 60 per cent. We are currently above 70 per cent; in an average market, the clearance rate is 50 per cent. Years ago, we never used to clear more than 35 per cent of residential properties at auction. We thought that was pretty good. Those days are gone, for now at least.

Secondly, the appetite of the purchaser will diminish. It will happen because the buyers will say, 'That person got \$650,000 for their property last year, I want \$700,000', when it's really only worth \$620,000.

So as a state, I think we're probably about 10 o'clock of a 12 o'clock high. When the property clock chimes midnight, all will be reset. ♦

## AROUND NSW



### SYDNEY: INNER WEST

Sarah Lorden  
Associate Director of  
McGrath Balmain

"Inner West market conditions are extremely favourable. Our McGrath auction clearance rates for the last quarter of 2013 have been hovering up to around the 80 per cent range, only dipping to just under 70 per cent as the market wound down for Christmas."



### SYDNEY: NORTHERN BEACHES

Dean Mackie  
Managing Director of  
McGrath Neutral Bay/Mosman/  
Northbridge

"The luxury apartment market has bounced back strongly in the past six months with some great sales on the Harbour Foreshore, Mosman and Cremorne. This is being driven by downsizers with many selling their more expensive homes on the Lower and Upper North Shore and moving closer to the city."



### REGIONAL HUB: WOLLONGONG

Viktor Desovski  
Associate Director – Investment  
Services Wollongong of  
Colliers International

"With the lifestyle this city offers, I expect prices to keep increasing throughout 2014, while rates are low, and then normalise in the following years."



### REGIONAL HUB: NEWCASTLE

Wayne Stewart  
Managing Director  
Century 21 Five Star Properties

"There are plenty of consumers thinking of selling, and agents are very busy doing their respective appraisals, but the ratios of appraisals to listings have come down dramatically as vendors decide either to wait and see, renovate, or simply reassess."

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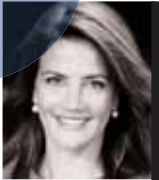
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\* Based on leads generated from realestateview.com.au's Find an Agent directory between Jan and June 2013.  
\*\* Find an Agent profiles are only available to realestateview.com.au subscribers.

# Q. Is image the 'be all and end all' for agents?

The *Journal* asks REINSW members which side they fall on.



**KRISTEN MARSH**  
Director at  
LJ Hooker  
Commercial  
South Sydney

## “YES”

I am a real stickler for how people present themselves. Coming from a hospitality background, it was instilled in me from the beginning that you must present yourself well and represent the corporate image of your employer.

### Dress to impress

In my previous role as Associate Director of Marketing at the Ritz Carlton, it would be sacrilegious to turn up for work in sleeveless work attire or without lipstick. When dealing with high-end clients like Madonna and the Princess of Wales, all employees were the public face of the hotel and it was our responsibility to reflect that in our dress.

Today, however, image is something that can often be overlooked. The younger generation coming through is used to wearing what they want. Uniforms rarely fill employees with the pride that wearing them did in days gone by. And the suit and tie can be a figure of hate on those scorching summer days.

### Professional image

Yes, casual attire definitely has its place in certain workplaces. However, in a public-facing profession like real estate, I believe it is important to convey a professional image. We are, after all, responsible for making our clients large sums of money upon which their livelihood is often based.

At LJ Hooker, image is very important. An agent who turns up in a crumpled jacket and unironed shirt gives the impression they don't care. Such an appearance does not fill clients with confidence. An agent who is sloppy in their appearance could also be sloppy in their work – or so it could be construed.

It may sound extreme saying that image is 'the be all and end all' for an agent, but I believe it is true. Having care in your appearance conveys a sense of care in your work. It instils a sense of pride in employees and gives clients the confidence that you are a professional agency.

## “NO”

As it is for all customer service professionals, image for real estate agents is no doubt important. However, if there is no substance behind it, that image is meaningless when it comes to achieving the best possible results for customers.

Every successful agent knows that a prominent image can't be crafted without a strong reputation, and that reputation must be earned. A strong track record of achieving the best possible results, satisfying customers, making them feel part of the process, and acting with honesty and integrity at all times can result in positive word of mouth.

### Reputation spreads

Word of mouth will always trump a prestige car or fashionable haircut when it comes to securing listings.

Customers themselves are more sophisticated today than they were in years past. The range of tools and technologies available means information about the market, even individual properties, is always at hand. Armed with this information, customers can much more easily see through an agent's image and gauge whether they have the capacity to deliver.

Agents who can demonstrate they're part of a strong team with specialist market knowledge will inevitably outperform those who rely solely on image.

While the image of the office is important, again it's the track record and positive word of mouth that actually translates to new listings and referrals.

### Client criteria

Image aside, customers are increasingly recognising that selecting an agent with the right blend of knowledge and experience will achieve the best results. This is because the agent will be better equipped to tackle the negotiation process and will be concerned with securing the best outcome instead of simply looking good.



**MIA FREDRIX**  
Principal at  
Laing+Simmons  
Drummoyne



**NEXT MONTH  
WE ASK:  
Q. SHOULD YOU  
BE FRIENDS  
WITH YOUR  
CLIENTS?**



# Lifetime love

Real estate wasn't the first career choice for REINSW's most recent Life Fellow Charles Verheyden, but it became his profession and lifetime passion.



It was after an illustrious career in international trade that Charles Verheyden came to real estate. REINSW's newest Life Fellow originally started his career in Europe and the Far East, thanks to his multilingual capabilities (he speaks six languages).

## Making the move

It was in 1965 that he moved to Australia from the Far East. Five years later his career in real estate began. The agency included a business sales department, which played to Charles's business background. However, it was valuation that peaked his interest.



When I found out from my kids that high school made no reference to real estate, I started a school program for years 10 and 12.



"The Principal was also a valuer and I was instantly attracted to that profession. So I enrolled in a four-year course, during which I also obtained my Real Estate and Business Broking Licences," Charles said.

Under the watchful eye of his Principal, he began carrying out valuations in addition to sales. Then, a year later, he joined the Parramatta Division, beginning

what has been a long involvement with the REINSW.

"Shortly after joining the Division I became a committee member and then Treasurer in 1974, a position I held until about two years ago. I was also Chairman for two years," he said.

## Legacy

Back then Division meetings were held monthly, usually preceded by a dinner with prominent guest speakers. During this period Charles joined five Chapters: Business Agents, Commercial, Property Management, Strata Management and Valuers.

His legacies from this time include the design of a short-form of tenancy agreement for commercial leases, the redesign of the business agents contract and a revision of the REINSW Constitution.

## Passing on the knowledge

Education has also been a key focus for Charles over the years.

"I lectured part time for 17 years at several technical colleges and occasionally at the University of Western Sydney. During that time I designed a curriculum for business agency practice.

"When I found out from my kids that high school made no reference to real estate, I started a school program for years 10 and 12. With the assistance of accredited speakers, we went around high schools and usually spent an hour to bring the students up to date with what is involved in acquiring accommodation."

The course, which was given pro bono,

ran for 10 years and was endorsed by the Education Department.

## Professional portfolio

By the end of his career Charles had managed six agencies, including Knight Frank and Burns Philp franchise offices. In 1983 he established J.McArthur, which now deals exclusively in valuations.

Charles' personal life is as busy as his professional life. He married his lovely wife Margaret in 1956 and they brought up nine children together (who were born in five different countries). To date they have amassed 19 grandchildren.

"Fortunately we both have the same hobby, singing, which we have done all our lives in choirs. We even sang in the Olympic choir in 2000," he said.

A keen poet, he has just written a book of poetry, *My Life in Poetry*, and he previously published a children's book, *Talking with Animals*, at his daughter's insistence.

"At 84, I feel age is only a number. What matters is what you do with your time."

## Life Fellow

"Charles is an example of what is so good about our industry," REINSW President Malcolm Gunning said.

"His commitment to REINSW over the course of his distinguished career has been unwavering, and it is the dedication and hard work of members such as Charles that has made REINSW the great organisation it is today.

"I sincerely thank Charles for his contribution to REINSW over the years and congratulate him on becoming a Life Fellow." ♦



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# Walking in the shoes of the principal

BY NANCY RAINBIRD, REALCOVER CLAIMS MANAGER

REINSW agency agreements carry an indemnity clause, but at what point do the actions of the agent undo his or her ability to rely on this common law right?

---

There is an old legal saying: “what a man can do himself, he can do by an agent”. This is an excellent starting point to understand the unique relationship of principal and agent. However, in our modern and complex world, the agent’s relationship with the principal has been heavily prescribed with a litany of legislative instruments.

In simple terms, a person can appoint someone to act in his or her stead. That person is then contracted on behalf of the principal. Issues arise when it is argued the agent acted outside of his or her contracted scope of responsibilities.

## Indemnity clauses

It is often asked why indemnity clauses are included in agency agreements. The answer is quite simple. An agent is entitled at common law to be indemnified by the principal for costs, expenses and losses incurred while acting for the principal. If the agent needs to rely on that indemnity, and it is resisted by the principal, then the agent needs to establish the right to indemnity at common law, which can be a costly undertaking.

To avoid this, an indemnity clause is included in the agency agreement. This elevates the common law indemnity right to a contractual term. Therefore, if the agent needs to rely on the indemnity, they can do so contractually rather than by reference to the costly common law path.

All REINSW agency agreements include indemnity clauses. For example, clause 23 in the REINSW Exclusive Management Agency Agreement (Residential) provides basic protection for agents against being sued by their client (the principal) for liabilities arising from the proper performance of their duties. It reads:

*“The Principal will hold and keep indemnified the Agent against all actions, suits, proceedings, claims, demands, costs and*



*expenses whatsoever which may be taken or made against the Agent in the course of or arising out of the proper performance or exercise of any of the powers, duties or authorities of the Agent.”*

The clause itself has been reviewed and amended by REINSW on many occasions. At the last review, the word ‘proper’ was inserted into the clause to ensure there wasn’t any confusion as to what was previously an implied expectation of proper conduct.

### Danger for agents

Indemnity clauses, when properly adhered to, ensure that any expenses or losses incurred by an agent when acting on behalf of a principal are indemnified. However, it is a common misconception that agents are always indemnified.

“Some tasks are inherently dangerous, so when an agent acts in those areas they are exposed in the same way as the principal would be exposed if the principal had done the act his or herself,” REINSW CEO Tim McKibbin said.

“As you can imagine, when it goes bad the principal wants to distance himself or herself from the agent and the costs that will flow from the agent’s activities. It then becomes a question of whether the agent was acting within the scope of his or her retainer.”

### Clarification in the courts

In the case of *George Halmai v Barry Michael Haiser T/A Figtree Quality Meats* (District Court of NSW decision – 03/12/2004), the judge made the following comments on how an indemnity clause works:

“If, for example, the agent effected repairs which were proper and, in the process of doing that, somebody was injured, then the Agent would be entitled to indemnity.

“If the Agent effected repairs, but did so improperly, then he would not be entitled to any indemnity.”

Alternatively, if an agent fails to act and is found to be negligent, then the indemnity clause won’t provide any protection, the judge noted.

If as an agent you act outside the terms of the agency agreement and are held to be negligent by the courts, you will not be indemnified (see box).

### So what does this mean for agents?

The general rule of thumb is that if an agent is negligent, then the indemnity clause won’t provide protection. However the important aspect to note is that only the courts can determine if an act is negligent.

It’s unwise to simply hope that you’ll never be found to be negligent for something that you have or haven’t done. An indemnity clause will not always protect you. An effective risk management strategy also includes good office procedures and professional indemnity insurance, which can help to cover court costs and damages that can often amount to tens or even hundreds of thousands of dollars. ♦



The general rule of thumb is that if an agent is negligent, then the indemnity clause won’t provide protection.



## CASE IN POINT

### LARESU PTY LTD V CLARK [2010] NSWCA 180

In June 2004, Mr Alan Clark was visiting a friend, Mr Rajasuriar, who rented a shop on the ground floor of a small retail and commercial building in Bankstown. Mr Rajasuriar had given Mr Clark a key so that he could use the toilet located on common property of the premises.

Mr Clark slipped and fell on a flight of stairs in an unlit area of the common property, resulting in injuries. The light in the area was operated by an automatic light switch that had turned the light off at 6.30pm. It was not possible for persons using the area to turn the light on manually.

### Who was liable?

In the District Court, Laresu (the owner of the premises) was found liable to Mr Clark for his injuries. The managing agent was not found liable. However, Laresu then appealed to the NSW Court of Appeal, both against the finding of liability and against the finding that the agent was not liable.

Justice Macfarland found that Laresu was able to, and had in fact, delegated his duty of care to the agent. However the delegation to the agent was not “absolute” – it was subject to any direction or instruction from Laresu.

### Reasoning

In 1980, Laresu had given the agent an instruction about how the automatic light switch was to be set, and that had not changed at the time of Mr Clark’s accident.

Importantly, the indemnity clause was not operative because it only indemnified the agent for the performance of its duties, not a failure to perform those duties, and the managing agent was held to be 60 per cent liable.

## HELPLINE

Have a question about indemnity clauses? Call the REINSW Helpline for further clarification on (02) 9264 2343 (option 4).





# Your questions answered

The *Journal* puts your questions to key industry experts. This month, we talk to the NSW Civil and Administrative Tribunal (NCAT).

## Q. I am a managing agent and am lodging a tenancy dispute application in the Consumer and Commercial Division of NCAT on behalf of the landlord. Why can't I lodge the application in my name?

The parties named on the application must include the landlord of the property and their tenant(s) as set out in the Tenancy Agreement\*. For NCAT orders to be legally enforceable, they need to include the names of the disputing parties as they appear on the Tenancy Agreement.

A real estate agent can include, on the application, their own name as 'care of' along with their contact details. This will allow correspondence regarding the application to be sent to the real estate agent who is acting on behalf of the landlord.

[\* *The Tenancy Agreement is a legal contract between the landlord and the tenant that sets out the terms and conditions of the arrangement. It also must include details about the landlord's agent (where applicable) as provided for under section 27 of the Residential Tenancies Act 2010.*]

## Q. Why do I need to bring my copy of the Managing Agency Agreement to the hearing?

The Managing Agency Agreement is a legal contract between the landlord (owner) and the managing agent that sets out the terms and conditions under which the agent will manage the property on behalf of the landlord.

A real estate agent will be asked to take the Agreement to the hearing so they can demonstrate that they have the full authority to represent the landlord and to make decisions on their behalf at the Tribunal.

The real estate agent must seek leave to appear at a hearing on behalf of the landlord. This can be done at any time – generally at the hearing. For more information, see the *NCAT Guideline: Representation of Parties (Consumer and Commercial Division)* on the NCAT website at [ncat.nsw.gov.au](http://ncat.nsw.gov.au)

## Q. Why do I need to complete the Hearing Notes Form before I go to the hearing?

Real estate agents are asked to complete the 'Hearing Notes' form before attending the hearing as it allows the Tribunal member to quickly obtain updated information about the tenancy at the hearing (for example, an updated record of rental payments and arrears). It also provides a useful summary to assist the agent to prepare their case. The Hearing Notes Form is available on the NCAT website at [ncat.nsw.gov.au](http://ncat.nsw.gov.au) ♦

## REINSW RESOURCES

REINSW members benefit from a series of resources that help them in their business and give them a voice in the industry. Here's just a selection.



### HELPLINE

Contact the REINSW Helpline for unlimited professional guidance and advice when you need it on (02) 9264 2343 (option 4) or email [helpline@reinsw.com.au](mailto:helpline@reinsw.com.au)



### TRAINING

Like our new Real Estate Training Facebook page and keep up with all the latest training news: [facebook.com/REINSWTraining](https://facebook.com/REINSWTraining)



### LOBBYING

Find out about all the lobbying work REINSW has been conducting on your behalf and have your say on the big issues affecting the industry at [reinsw.com.au/lobbying](http://reinsw.com.au/lobbying)

### WE WANT TO HEAR FROM YOU

Who would you like REINSW to put your questions to? Send us your suggestions and questions to [jill@mahlabmedia.com.au](mailto:jill@mahlabmedia.com.au)

# Culture club

BresicWhitney namesake Ivan Bresic gives his advice on how to foster a strong company culture.

I completed my real estate diploma the year after I left school. It was during this time that I gained work experience working directly for John McGrath at McGrath Partners, as it was then known. Now at the age of 35, I have only ever been in real estate.

## Small beginnings

I started out as a junior, photocopying, filing and getting coffees before moving into a full-time leasing role for two years. Then from the ages of 19 to 21, I worked as a sales assistant to Shannan Whitney (who is my business partner today).

For three years I worked as a standalone agent before, at the age of 24, I started BresicWhitney real estate with Shannan. It's now 10 years old. We employ 80 staff, have two offices and have two new offices opening in 2014.

## Setting up shop

We faced all different challenges when setting up the agency, from finding premises to working with a design team to build a website and company profile. Then there was the issue of staff. Finding and nurturing good talent is a challenge, but I love it.

Thankfully, finding new business was never really a challenge; our market really warmed to us from the start.

## Get out what you put in

Nothing comes without hard work. Real estate is exactly like sport. You are either winning or losing. You are either a team player or an individual, and a good team will usually win. You get out of real estate exactly what you put in.

It is good to have written goals and being surrounded by positive people and mentors is also really important in life.

Creating a culture, I believe, comes from the behaviours of the people within the organisation. You can't tell people what to do. It's more a matter of leading by example.

If the people within the organisation are given a voice and feel like they are supported, then I believe this goes a long way to creating a positive and productive culture. ♦



## TIPS ON FOSTERING A STRONG COMPANY CULTURE

### 1. Respect your team and people

They make the choice to work for you. They could work anywhere. Respect this and treat them accordingly.

### 2. Give support where possible

Ensuring the team feels they can approach the leaders or directors for support is important.

### 3. Focus on constant improvement

Being behaviour based, rather than results focused, is important. If the daily behaviours improve, then it's only a matter of time before the results do.

### 4. Offer regular training and mentor catch ups

This is critical for your staff to improve their understanding of what they are actually doing.

### 5. Celebrate successes

It's important to reflect on, and celebrate, achievements and successes. Showing appreciation is important and it gives a nice feeling to the individual or team for their achievement.

### 6. Provide the resources

We invest a lot back into our business through digital marketing, architectural offices, good people and trainers. If our staff feels like we genuinely are making our company a better place, I feel confident they too will want to put their best efforts forward.



# EAST BUYING WEST

**Agencies are increasingly catering for the Asian market; but why now? And what impact will this have on local buyers?**

Australia has always had a strong allure for foreign investors. Interest from overseas has come in waves, from the migration from Hong Kong before the British hand-back in 1997, through the Taiwanese, Indonesian, Malaysian and most recent Chinese wave of buyers.

The similarities in climate, time zones and proximity to China, coupled with Australia's favourable exchange rate, interest rates and education system, make it unsurprising that the country is experiencing a boom in interest from buyers from this region. Australia's reputation for coming through the GFC relatively unscathed has also worked in its favour.

"Currently the Federal Government is actively encouraging foreign investment and probably the best example of that is the Significant Investment Visa, which is available to people with substantial wealth who are able to put money into designated investments," REINSW CEO Tim McKibbin told the *Journal*.

But just how is this sales surge from overseas shaping the market in NSW and what impact will it have in the future? The *Journal* investigates how agencies, large and small, are catering for this growing section of the market and what is prompting this influx of foreign investment.

## International Chapter

REINSW launched the International Chapter in 2013 in recognition of members' desire to undertake business on an international level.

"The focus of the Chapter, as the name would suggest, will be to facilitate international trade of real estate, to be a conduit between Australia and other markets," Mr McKibbin said.

"It will be a forum of people who provide a conduit to investors, both domestic and foreign, to transact property in and out of Australia."

## Chinese-buyer focused teams

Towards the end of 2013, a flurry of news stories hit the trade press stating that some of the big agencies in Australia were opening offices and hiring agents to deal specifically with Chinese investors.

In September McGrath opened its China Desk, a dedicated team that will walk Chinese buyers through the property buying process.

"The China Desk is headed by Davey Hong, an experienced agent who speaks fluent Mandarin," McGrath CEO John McGrath said. "Davey will assist non-English speaking clients on



**63.1  
MILLION**

The number of Chinese who have the wealth to invest in overseas property.

Source: [Juwai.com](http://Juwai.com)

(McKinsey & Company, Juwai.com)



**90 MILLION**

Chinese search for property online every month.

(SouFun, Juwai.com)



**LESS THAN**

**1%**



of mainland Chinese can read English.

(Jian Yang, April 2006. "Learners and users of English in China". English Today, Cambridge University Press.)



**61%**

of Chinese buyers pay in cash.

(Juwai.com)



**OVER 60%**

of China's wealthy are engaged in overseas investment or immigration.

(Hurun Chinese Luxury Traveler report, 2013)



**85%**

of China's wealthy want to educate their children overseas.

(Hurun Chinese Luxury Traveler report, 2013)

all aspects of buying and selling, including negotiating sales, escorting clients to opens and auctions, and matching properties to buyers according to their individual criteria.”

In his opinion, the Chinese market is set to grow and grow.

“I haven’t seen a trend like this in my 30 years of real estate, where a new demographic [buyers of Asian origin] has entered the Australian market with such impact,” Mr McGrath said. “Their interest is across commercial, development and residential markets.”

### Behind the firewall

LJ Hooker has always had a close relationship with China. Founder Sir Leslie Joseph Hooker was himself half Chinese and the company set up its first office in Hong Kong in 1999, then another in Shanghai in 2004.

The company entered into an agreement with Chinese property portal Juwai.com in 2012. Juwai.com allows agencies to advertise properties in Australia to Chinese nationals in their own language. The website is hosted behind the Great Firewall of China, which often blocks or dramatically slows down foreign websites.

In October last year LJ Hooker launched its Chinese Property Concierge service, provided as part of the company’s partnership with Juwai.com. The partnership has proved popular with LJ Hooker franchises with 30 per cent of calls to the LJ Hooker call centre being about how to maximise the benefits of Juwai.com.

“Companies can no longer afford to be just a national marketer of real estate, they have to market to a truly international audience,” LJ Hooker Head of International Bill Russell said.

“Buyers from China are the fastest growing segment of the market in Australia. Properties around the \$550,000 mark are popular, but many of them are buying homes at \$2 million and even up to \$30 million,” he said.

### Where does the interest lie?

Not all suburbs appeal to the Asian buyer, according to Mr McGrath. He cites a number of popular Chinese hubs in the Sydney area where there is a solid uptake of new apartments from \$560,000 to \$1 million. These include Chatswood, North Sydney, Hurstville, Randwick, Epping and Bondi Junction.

“

**Companies can no longer afford to be just a national marketer of real estate, they have to market to a truly international audience.**”

”

“Chinese investors have historically favoured buying one and two bedroom apartments in cities like Sydney, Melbourne and Brisbane where their children can attend top universities, and their investment properties can yield good returns,” he said.

“Traditionally iconic views of the Sydney Harbour Bridge and the Opera House for example were important for the premium end, however this is changing as buyers are becoming more educated and astute about local property and various localities.”

### Living the high life

Crown Group owns luxury high-rise apartment blocks across NSW from Epping to North Sydney. Grand opening events for the latest development Skye by Crown in North Sydney were held simultaneously in Singapore, Hong Kong and North Sydney.

Group Director of Sales and Marketing Adam Sparkes has seen interest in their Sydney properties, in particular, grow over the past 18 months. He expects the investment in the light rail to the Eastern Suburbs and upgrade of the western edge of the CBD will further increase the city’s appeal in the decade ahead.

“Many of our purchasers are buying a property off the plan now for their young children’s future. They may rent it out in the short term until their children are ready to go to university and then use the property as their Sydney base when they reach adult age,” he said.

“High-density housing has been popular in Asia for many years and Australia is now catching up.”

### Impact on local buyers

Starr Partners CEO Doug Driscoll believes the boom in interest from Asian investors has had a huge impact on the Australian residential property market, particularly in the off-the-plan market in Sydney. His sentiment mirrors that of media reports over the past few months.

“On the one hand, it can be argued that foreign investment is pumping millions of dollars into the Australian economy, yet on the other, it can be argued that overseas investors are pricing locals out of the market,” he told the *Journal*.

“If you are a seller then you would probably welcome overseas investors with open arms, yet if you are a buyer, you may view them with consternation.

“With very few signs of foreign investment abating, the Government could be faced with a very difficult predicament. If overseas investors continue to crowd-out local property buyers, then a change of policy could be on the cards.”

### REINSW position

Mr McKibbin does not subscribe to the view that foreign investment is bad for the Australian market and emphasises that the Federal Government has been actively encouraging foreign investment in recent times.

“It is not for the real estate profession or the industry to make decisions about who should be participating in the property market,” Mr McKibbin said. “It is a decision for the Government.

“I do accept that increased demand will place pressure on existing housing stock. However, my view is that the affordable housing discussion and problem has been with us well before the increase in foreign interest and investment into our existing housing stock commenced.

“Planning delays and property taxation are bigger issues for housing supply than foreign investors.”







## Commercial interest

Knight Frank Managing Director of Capital Markets James Parry told the *Journal* that interest from Asia in the commercial sector has been building over the past three years.

There's a lot of appetite that's not being satisfied and seems to be growing," Mr Parry said.

"Prices are getting sharper with yields firming. The bulk of the offshore buying interest is on the Sydney and Melbourne's CBD (gateway cities) markets."

He notes that residential developer interest is predominantly Chinese, but noted that Malaysia has also been strongly active in the Australian market.

In March 2013, Knight Frank formed a specialist Asian Markets Division to target High Net Worth Individuals from Asia, particularly China, with an aim of capitalising on the recent changes to the Significant Investment Visa and the predicted influx of Asian capital into the Sydney and wider Australian marketplace.

"I think the level of Asian demand in the Australian market is sustainable," Mr Parry said.

"However, I think it will be interesting when the next big thing comes along. USA is already balancing out and New York and London are also experiencing yield compression driven from global investor interest, which is consistent with what we are experiencing in Australia."



## BILL RUSSELL

Head of International at LJ Hooker

"Our agents have translated their marketing materials into Chinese, put their listings on Juwai.com, travelled to China to meet with buyers, exhibited at real estate expos in China and hired Chinese-language staff."

## Foreign investment beyond Asia

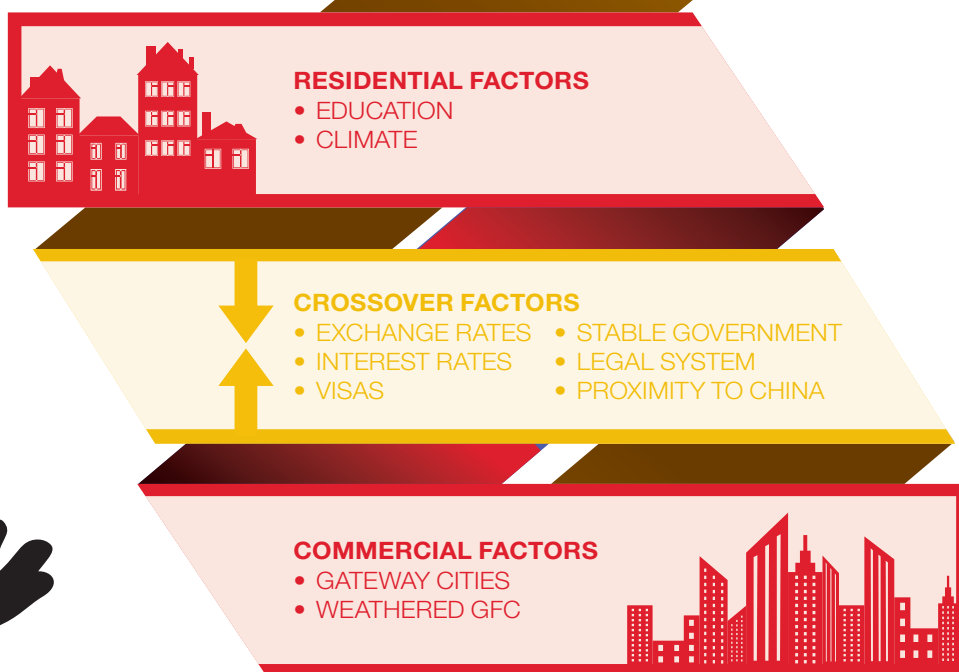
While Chinese investment in Australia is a big trend at the moment, REINSW is looking further afield for member opportunities. REINSW has formed allegiances on the East and West coasts of the USA through the Miami and the Californian Associations of Realtors.

"We are strengthening our ability to respond to our members' enquiries from their clients into investing offshore," Mr McKibbin said to the *Journal*.

"As each day ticks by our world gets smaller and technology and people are no longer bound by investing in their own city. Thirty years ago you would have invested in your own suburb. Now we tend to invest a little more broadly than that and people are looking to invest overseas." ♦

## DRIVING FORCES

Just what are the key factors that are causing Asian investors to invest in the Australian market?



# Landlord wish list

It's the million dollar question: what does a landlord look for in a property manager? The *Journal* talks to three landlords about the key things they look for.

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## FIRST NATIONAL BROKEN HILL

### LANDLORDS

George Hall and Tracie Chan

#### What process did you go through when deciding on a property manager?

We selected an agent who would look after our property and us. Zeta met up with us at the property and we asked her what she would do for us.

#### How important was it for you to find the right property manager?

Very important. We had one agent look after our property who did not look after us at all. The whole time the property just sat empty and no income was coming in. Since Zeta took over we have seen the difference.

#### What are the key things you want from your property manager?

To make sure our properties are looked after by the tenants. Also, tradesmen and handymen must not go overboard with pricing on their maintenance work. We like to treat our property managers and the real estate staff like our family members. They keep us informed of issues that happen with our properties and across all maintenance issues.

### PROPERTY MANAGER

Zeta Bennett – Proprietor and Licensee-in-charge of First National Broken Hill

#### Are there certain needs that must be fulfilled?

Landlords 'need' to be able to trust their property manager and the advice they are given. They need to know we are watching out for them and that we care about the outcomes. I think you have to treat landlords' property like your own property and treat them how you would expect to be treated.

Ask them questions, listen to them and most importantly, act on the information. Having documentation and processes in place will also help continuity of service.

“  
Communication, timely repairs and maintenance, understanding of my needs as a client and friendly service.”

## LEAH JAY

### LANDLORD

Kerrie Morgan

#### What process did you go through when deciding on a property manager?

The process of finding a property manager involved trial and error. We had originally managed our properties ourselves, then we gave them to two different property managers before taking them back under our own management. A friend who had a positive experience with Leah Jay recommended our current property manager to us.

#### How important was it for you to find the right property manager?

It is very important to find the right manager as the cost of management is a significant outgoing. If the property manager is not doing a thorough job, it is money wasted.

#### What are the key things you want from your property manager?

We want someone who communicates directly and quickly. If the tenant is moving out, we want to know as early as possible so that the property can be re-leased without loss of rental income. We want someone who is able to access trade services in the event of a problem, and we want to be able to go away on holidays and know that if there is a problem our property manager will take the appropriate action to inform us or will act on her or his own initiative, based on an existing knowledge of our wishes.

### PROPERTY MANAGER

Leah Jay – Owner of Leah Jay

#### How important is it for the property manager to understand the needs of a landlord? Why?

As property managers, it is crucial that we understand the needs of all our landlords. It is the only way to ensure that we carry out our role effectively and ensure their expectations are met. While there are common elements among property owners, there are also specific requirements and preferences for each individual. This may even be for some owners an unexpressed need, especially for first time landlords. We must help them understand how things actually work and what they might expect.

While to some people it is purely an investment property, to others it may have been, and might once again become, their family home.

## LET'S RENT

### LANDLORD

Name withheld

#### What process did you go through when deciding on a property manager?

I asked a trusted person in the industry for a referral.

#### How important was it for you to find the right property manager?

I wanted a property manager who understood my needs and was proactive in ensuring that my tenants were on a lease and at market value. There were issues with repairs and maintenance when Let's Rent took over and they resolved all within a time frame that gave me great confidence in my decision. Communication is key and their communication, from all staff members, is exceptional.

#### What are the key things you want from your property manager?

Communication, timely repairs and maintenance, understanding of my needs as a client and friendly service.

### PROPERTY MANAGER

Lisa Indge – Owner of Let's Rent

#### What steps can property managers take to gain a thorough understanding of what their landlords want?

There's no point giving clients what they do not want. They are paying you to do the job. When you go out to do a new management meeting, it's about making that assessment. Sometimes it may be that we are not the right agency. When meeting with new clients, it's about understanding what that person is looking for at that point in time.

Systems and procedures – that's the key – and ensuring you have the right staff. If you have made a mistake, admit it and make sure your systems are changed so it doesn't happen again.

I recently let go of a client. Each time we had a situation, it blew up out of all proportion. It's not just about being beaten for \$200. That's not what we are here for. In my opinion, having clients like that takes you away from quality clients. ♦

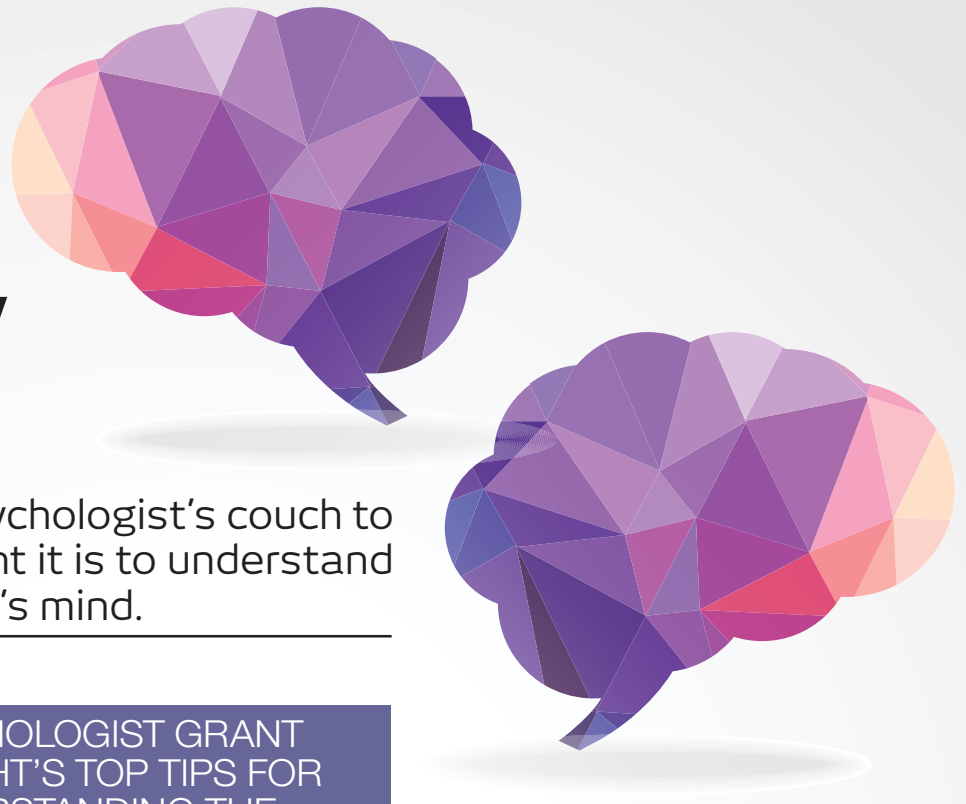
## CHAPTERS

Join the Property Management Chapter and gain access to a forum for networking, sharing common interests, exchanging ideas and opinions, and developing new policies. Find out more at [reinsw.com.au](http://reinsw.com.au)



# Psychology of a buyer

The *Journal* lies on the psychologist's couch to find out just how important it is to understand what's going on in a buyer's mind.



Understanding the psychology of a buyer can go some way to helping agents seal the deal. It gives context to how a buyer approaches a purchase, their intention to buy and their negotiating style. Savvy agents mould their approach based on the traits of the buyer.

It is the perceived expense of buying a property that leads buyers to make strong emotional attachments to property they want to buy, according to psychologist Grant Brecht of Grant Brecht & Associates.

"The buyer is generally seeking a lifestyle and home that they can feel comfortable in for quite some period of time," Mr Brecht said. "In many people's minds, making the wrong decision could be disastrous.

"Remember, the most powerful overall influence you can have with a potential buyer is if you can assist the person in believing the purchase will add value to their life and that they will have acquired something they really want, as opposed to feeling they are being 'sold to' in their interactions with you."

Property buyers can be pigeonholed into different 'types', according to Mr Brecht. He advises agents conduct a basic evaluation of the buyer at the beginning of the relationship (see box). ♦

## PSYCHOLOGIST GRANT BRECHT'S TOP TIPS FOR UNDERSTANDING THE PSYCHOLOGY OF A BUYER

### Extrovert or introvert?

"With extroverts you need to allow time for them to talk at every meeting or open inspection they turn up to. You are likely to learn what is important to them about their potential new home by listening because they will tell you.

"Whereas, with introverts you generally have to ask the relevant questions to find out what is important to them, and then ensure you give them time to process any information before you ask questions around what they think about the house you are trying to sell. The introverts will also feel more comfortable in wandering through the house by themselves, whereas the extroverts will feel more comfortable with you interacting more with them.

### Builder or architect?

"The builder will ask questions around, and be interested in, how 'sound' the house is and the quality of materials used. Whereas, the 'architects' will be more interested in the look and feel of the house, the outlook from windows etc."

### Head or heart?

"Feeling types will base a lot of their decision on the warmth and comfort they feel in the house, how 'homely' as opposed to 'housey' it feels, and if they would feel comfortable living in it. Logical types will base a lot of decision making on how good value they feel the price point is, how well built the property is, is it definitely within their budget? Gauging this preference can assist in what aspects of the house you reinforce.

## REINSW MEMBERS DISCUSS HOW THEY TELL IF A BUYER IS SERIOUS

**Lilianna O'Toole**  
Director at Doyle Spillane

"They visualise themselves in the property, and they choose their rooms and take photos. It's about building relationships, asking questions and gaining the buyer's trust. How long they spend at the property is also a major indication that the buyers are serious about the property."

**Cary Giezekamp**  
Principal of Callagher Estate Agents

"You can always tell the difference between a buyer who's looking and a buyer who's ready to go. They really step up the questions. You start hearing some desperation in their voice."

**Nick Separovich**  
Former Principal of Shead Real Estate

"In general conversation I tend to ask a lot of questions of the buyers. If you are playing with the heartstrings, then there's always a little bit left over."

*Grant Brecht is a registered psychologist and full member of the Australian Psychological Society. He is the club psychologist at the Sydney Swans AFL Club and Sydney Roosters NRL Club and a specialist in work-based psychology programs.*

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Tel: **02 9037 1440** Mob: 0418 321 952  
[rhedditch@bdhsolutions.com.au](mailto:rhedditch@bdhsolutions.com.au)

Stephen Francis  
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[bdhsolutions.com.au](http://bdhsolutions.com.au)

**BDH SOLUTIONS**



**STEPHEN FRANCIS**

**ROSS HEDDITCH**

# Finding the right fit

Recruitment can be an expensive and stressful process. The *Journal* discusses how to find the right fit for you and your team.



The cost of recruiting poorly can run into the tens of thousands of dollars. When you consider time taken to interview, train and resolve issues that arise as a result of hiring the wrong candidate, the amount of time wasted and the associated costs can certainly mount up.

## Recruiter or go it alone?

The big decision when recruiting is whether to employ an expert or not. LJ Levi Real Estate Financial Controller Janine McCarthy has dabbled in advertising on job sites such as SEEK in the past, but prefers to invest in a recruitment agency to save valuable time and money.

“My directors love using SEEK, but they are not the ones who have to trawl through the CVs that come in from people who just ‘have a love for property,’” Ms McCarthy said. “We had no takers for the last advert we put up on SEEK.”

Ms McCarthy believes that finding a good recruiter who understands your business and management style is “half the battle”. “We’ve used several recruitment companies and some will give you anybody with a pulse,” she said.

## Testing their mettle

She is not opposed to mystery shopping a candidate to see how they act on the job.

“One of my old bosses filled my young son up with sugar and

sent us to the agency to see how the agent reacted,” she said. “A classic example was when we went along to an open house and an agent stood in the doorway of the property and said I couldn’t go into the property. I had to ask the agent to move!”

The way a candidate presents themselves is also an important factor to consider, Ms McCarthy said. She will regularly ask her staff to reveal how candidates treated them and may even ask colleagues to sit in on interviews with her.

“The way candidates interact with other staff is important,” she said. “I started my career at McGrath, where they used to keep you waiting to see how you reacted. Another agency in Melbourne even made candidates cross the agency floor to see how they walked.”

## Personality traits

Harcourts Hills Living Principal Andrew Drane recently turned to psychometric testing (see Toolkit) as a key recruitment tool. He was recommended a business coach, who he now regularly calls on to conduct psychometric tests of potential new recruits.

“I find that interviewing is the most unreliable way of recruiting people,” Mr Drane said. Instead, he has found that psychometric testing has given him the confidence to hire new recruits from other sectors.

“They have proven to be a very good fit for the company and exactly the people I have been looking for.” ♦



## TOOLKIT



### PSYCHOMETRIC TESTS

Psychometric tests offer the chance to gain a “richer profile” of a person than you would achieve in a normal interview, Alex Hamilton, Consultant Psychologist at The Institute of Psychometric Coaching (IPC), said.

“In a job interview you can learn about a person’s social skills and work experience, but components such as the person’s ability to ‘think outside the box’, analyse information, execute tasks, follow procedures etc can only be measured using psychometric tests,” he said.

“The results of such tests can assist companies not only to hire the right people, but also to identify areas to further develop once the person is hired as well as potential for a career progression.”

IPC recommends that candidates for jobs in the real estate sector should be tested using the following types of psychometric tests:

#### PERSONALITY TEST

This test measures a candidate’s ability to work with other staff members and external stakeholders, capability to handle stress, decision-making style and ability to deal with change in the business.

#### NUMERICAL REASONING

This is not necessarily a test of the candidate’s mathematical abilities, but rather their ability to analyse numerical data, analyse graphic data and draw conclusions based on this information.

#### VERBAL REASONING TEST

Candidates must demonstrate their oral and written verbal skills in this test. They will be given a short passage of text and asked to answer “true”, “false” or “cannot tell”.

#### ABSTRACT REASONING TEST

The aim of this test is to measure the candidate’s lateral thinking capabilities. It considers the candidate’s ability to learn new information, identify patterns in data, integrate complex ideas and apply these skills to solve work problems. A typical question could be: “Identify the shape that should replace the missing one.”

**For more information on psychometric tests and to access sample tests visit [psychometricinstitute.com.au](http://psychometricinstitute.com.au) or call (02) 8231 6554.**

## POSSIBLE PITFALLS

Evelyn Szumski, Business Advisor at Small Biz Connect (South West Sydney BEC), outlines some common mistakes made when recruiting:

#### Relying on the interview only

The interview is a lot of talk and during an interview candidates will tell you what they think you want to hear. Those that can spin a good yarn often get incorrectly selected, while others that may be better candidates get overlooked.

#### Looking for someone who has done the exact job somewhere else

This will overlook some good applicants with true potential who could bring creativity and innovation to the role.

#### Not assessing applicants for workplace culture fit

Figures indicate that 46 per cent of new hires fail during the first 18 months, which is attributed to a lack of cultural fit to the organisation, department, team or managerial style.

#### Specifying too many criteria

While you may want someone with a specific background and experience, good candidates may be put off applying for the role if the job description is too detailed.

#### Thinking that the unemployed are unemployable

This is an outdated mindset. As a result of mass redundancies and retrenchments, many highly skilled and competent people find themselves unemployed.



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# Training calendar

## APRIL 2014

**1 Apr • SYDNEY**  
An Agent's Guide to Tax and Property Investment ●  
(9.30am–1.30pm)

**2 – 4 Apr • SYDNEY**  
You and the Law Essentials ●●  
(9.30am–4.30pm)

**7 – 11 Apr • SYDNEY**  
Certificate of Registration Course ●  
(9.00am–5.00pm)

**7 – 11 Apr • SYDNEY**  
Property Management Essentials ●  
(9.30am–4.30pm)

**14 – 16 Apr • SYDNEY**  
Keeping the Books Essentials ●  
(9.30am–4.30pm)

**17 Apr • SYDNEY**  
The A-B-C of Compliance ●  
(9.30am–1.30pm)

**22 Apr • SYDNEY**  
WHS for Property Managers – Legislation Overview ●  
(9.30am–1.30pm)

**22 – 24 Apr • SYDNEY**  
Auctioneers Essentials ●●  
(9.30am–4.30pm)

**23 Apr • SYDNEY**  
The D-E-F of Compliance ●  
(9.30am–1.30pm)

**28 Apr – 2 May • SYDNEY**  
Certificate of Registration Course ●  
(9.00am–5.00pm)

**29 Apr – 2 May • SYDNEY**  
Property Sales Essentials ●  
(9.30am–4.30pm)



## List and Market Property Essentials - 5 - 7 MAY

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## MAY 2014

**3 – 31 May • SYDNEY**  
Certificate of Registration Course ●  
(9.00am–5.00pm) (part time)

**5 – 7 May • SYDNEY**  
List and Market Property Essentials ●  
(9.30am–4.30pm)

**5 – 9 May • SYDNEY**  
Certificate of Registration Course ●  
(9.00am–5.00pm)

**8 May • SYDNEY**  
Prepare for Selling Like Never Before ●  
(9.30am–1.30pm)

**9 May • SYDNEY**  
Getting it Right: Forms and New Legislation ●  
(9.30am–1.30pm)

**12 – 16 May • SYDNEY**  
Certificate of Registration Course ●  
(9.00am–5.00pm)

**12 May • SYDNEY**  
Maximise Your New Management Success Rate ●  
(9.30am–1.30pm)

**13 – 15 May • SYDNEY**  
People Management Essentials ●  
(9.30am–4.30pm)

**16 May • SYDNEY**  
Building a Dynamic Commercial Database ●  
(9.30am–1.30pm)

**19 - 23 May • SYDNEY**  
Certificate of Registration Course ●  
(9.00am–5.00pm)

**19 - 23 May • SYDNEY**  
Property Management Essentials ●  
(9.30am–4.30pm)

**26 - 29 May • SYDNEY**  
Property Sales Essentials ●●  
(9.30am–4.30pm)

**26 - 30 May • SYDNEY**  
Certificate of Registration Course ●  
(9.00am–5.00pm)

**30 May • SYDNEY**  
An Agent's Guide to Tax and Property Investment ●  
(9.30am–1.30pm)

## WANT TO KNOW MORE?

You can find out more about all of our courses and register online by visiting [www.reinsw.com.au](http://www.reinsw.com.au)

Click on Course Schedule in the Training menu.

### COURSE KEY

- Certificate of Registration Course
- Toolbox Series
- Real Estate Essentials Series



# Walking together

CBRE staged its fourth Walk For A Wish event in November last year, where over 800 employees made the 10km walk across Sydney to raise money for the Starlight Children's Foundation.



To date, CBRE employees have raised more than \$600,000 for charity through the event.

The day started with a busy registration morning at CBRE's George Street offices before participants embarked on the 10km trek across the city to the Eastern Suburbs Rugby Club.

Those who made it to the end were greeted by sausage sizzles, raffles, and even a game of touch football.

Unfortunately, Pacific President and CEO Tom Southern was unable to attend the event in Sydney due to a business trip to the US. However, Tom and Asia Pacific CEO Rob Blain braved the freezing conditions in New York to do their own 10km walk across Central Park and joined the crowds via video link up.

## Staff stepping out

Braver still was CBRE Property Manager James King who walked the 10km in budgie smugglers (despite the cool conditions) as a bet to raise more funds.

"As part of the Asset Services team, I was involved in the inaugural event. To see this

event expand to a company-wide initiative across the Pacific, and this year having several Asian cities participate, is something special. This is definitely up there with one of the best days of the year," he said.

Office Services Senior Director Jenine Cranston agrees it is important for companies like CBRE to take part in such events.

"There are so many reasons [to take part] – it's morale boosting, it's "cheerity (charity with a cheer!). It makes you think about the cause and provides the opportunity to have a bit of a laugh in what can otherwise be a stressful working environment."

## Beating targets

Walk For A Wish was launched in 2010 by Sam Cuccurullo, Regional Director of CBRE's Asia Pacific Asset Services division. CBRE expanded the walk to be a company-wide, Pacific event in 2011.

To date, over \$600,000 has been raised for charity and last year the event also expanded to Asia, with staff from Hong Kong, Japan, Shenzhen and Singapore staging their own walks. In 2014, it is expected that the event will continue to grow and also involve staff in the US and Europe.

This year's event in Australia was a huge success, raising \$100,000 for the Starlight Children's Foundation.

Mirvac continued its support for the event as a principal sponsor and representatives from the company walked alongside the CBRE teams in the event. ♦

## 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 [jill@mahlabmedia.com.au](mailto:jill@mahlabmedia.com.au)



## IN THIS YEAR: JANUARY 1940

We delve into the *Journal* archives to find out what were the hot topics of the day. This month we explore ... telephone etiquette.

Today it is unimaginable to do business without a mobile phone, but in 1940 the telephone was still relatively new and so the *Journal* gave members a few tips on how to utilise this "useful aid" and avoid "misuse of the phone".

"... Where the telephone is the medium of conversation, a wrong impression of the other by the distortion of the voice can be obtained, and in some instances this may result in the listener arriving at the false conclusion that the person speaking on the 'phone is irritable, and does not welcome the telephone conversation, whilst a discourteous and raucous 'Yair,' 'What?' 'Eh,' etc on first answering the 'phone can go a long way towards losing a client.

"It is therefore, most essential that the telephone subscriber who is relying on this medium to help with his business should go to a considerable amount of trouble to cultivate a pleasant voice, and avoid creating the impression of discourtesy when first answering a call. As I have previously mentioned, one of the best assets of a successful Real Estate Agent is a pleasing personality, so why not make your 'phone do its work thoroughly, and impress the client who 'phones you as to your personality and ability as an agent? ..."

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