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REAL ESTATE

Journal

FEB 2014
VOL 65/02

ART OR SCIENCE?

**CAN COMPUTER-GENERATED VALUATIONS STAND UP
AGAINST THOSE CARRIED OUT BY QUALIFIED VALUERS?**

Ask the experts

We put your questions
to NSW Fair Trading

Executive decision

Meet the new
REINSW Board

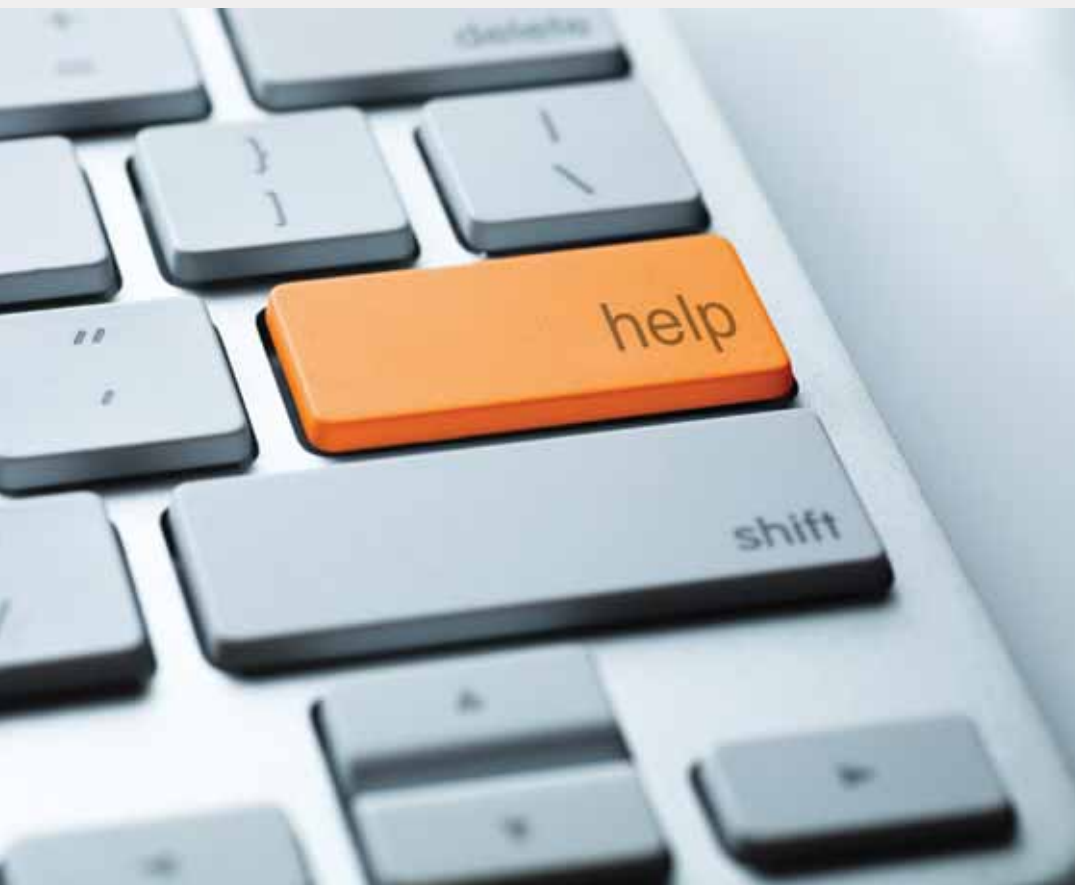
National licensing

The industry dodges a bullet
with the abandonment of NOLS



END OF MONTH ANGELS

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REINSW Major Partners



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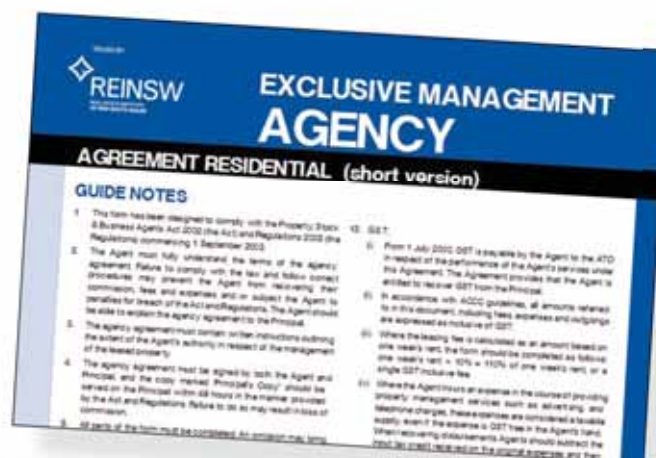
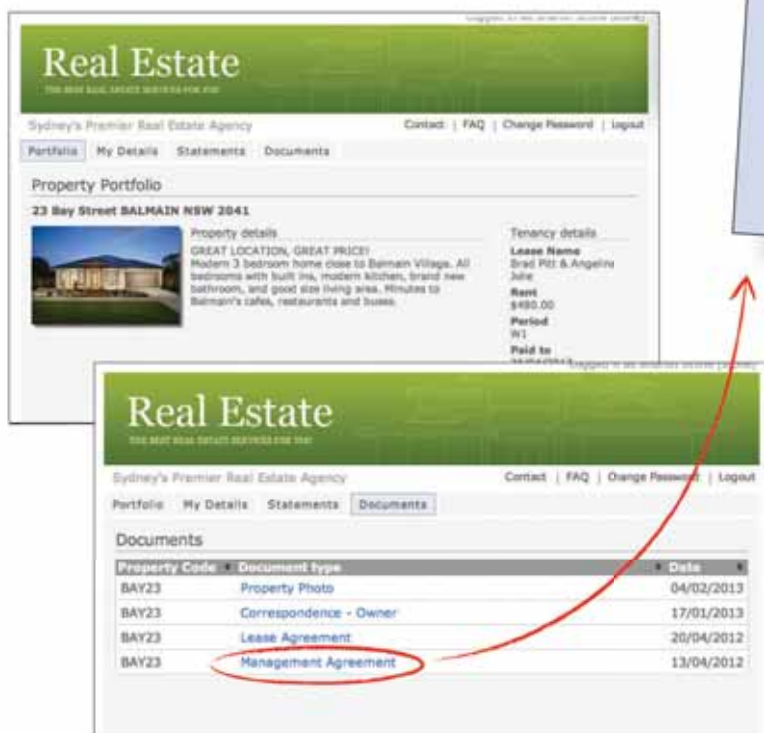
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Promoting the profession

I was very happy with the successes REINSW achieved last year and we are working hard see that momentum continue in 2014.

Industry Summit

As you are aware, last November REINSW hosted the inaugural Industry Summit, which was a unique gathering of high caliber industry professionals. At the Summit participants identified that while technology continues to provide tools that complement the services provided by real estate agents, it also poses a major threat. For example, the internet allows consumers to gather details of a property without consulting an agent. However, it simply provides the raw data and does not filter and analyse the information to make it valuable for decision making.

Consumer perception

It's an unfortunate fact that consumers sometimes don't value the input of agents and misunderstand the part they play.

Now more than ever, we must rise to the challenge and stamp in the minds of consumers our role as professional property service providers. To achieve this we need to educate consumers about the important skills that property professionals bring to the property transaction.

We must emphasise to consumers how important it is to invest in the expertise, experience and market knowledge that a property professional has and how they can use that expertise, experience and market knowledge to guide them through the property transaction.

We must elevate the stature of agents within the community and highlight the litany of skills that agents possess. The industry and the process of dealing in property – whether it be rural, commercial or residential – will always be a significant and complex decision which must involve an expert.

Online valuations

In one facet of the profession, we are already seeing consumers are being asked to accept that the algorithm in an app on their smartphone can replace an experienced valuer. This, of course, for anyone with even a rudimentary understanding of property, is ludicrous. Despite that, it is a real and present threat to valuers and an indicator of the future challenges that the broader profession will face.

Proud professionalism

I am passionate about educating the public, in the interest of ensuring quality consumer outcomes and the preservation and enhancement of the profession.

The weapons we have are our broad channels to market, including you, our members.

A new view of the real estate profession is not something that will happen overnight. There will be a multi-faceted approach, including government. For success, everyone will have a role to play.

I look forward to hearing more of your thoughts and ideas on this education process and truly believe it will be a step forward for all.

Tim McKibbin
REINSW CEO



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REINSW calls for respect for first homebuyers

REINSW has rejected the NSW Government's claims that 2013 was a "bumper year for first homebuyers of new homes" in NSW, and called for more to be done to help first homebuyers enter the market.

NSW Treasurer Mike Baird made the comment after figures released by the Australian Bureau of Statistics revealed that more than 6,000 families have taken up the NSW Government's First Home Owner Grants in 2013, up 80 per cent on the previous year.

"Our incentives are much more generous than those provided by NSW Labor (with up to \$35,240 in assistance available to first homebuyers across the state), and we are unashamedly targeting first homebuyer incentives towards new homes," said Mr Baird.

REINSW CEO Tim McKibbin questioned the Government's first homebuyers policy.

"For Mr Baird to say that it has been a wonderful year for first homebuyers is to ignore the data," Mr McKibbin said. "First homebuyers have exited the market in droves and we only have to look at the ABS's current home lending figures for evidence of this."

Incentives for buyers

First homebuyers can now only gain assistance from the Government when purchasing a new property and Mr McKibbin called on the Government to reinstate incentives for first homebuyers to buy existing properties.

"The NSW Government's policy assumes that we have a demand problem," Mr McKibbin said. "That is simply not the case. The problem we have is one of supply; there are just not enough

properties coming to market.

"Trying to solve a supply problem by directing demand to new properties demonstrates a misunderstanding of the problem.

"If the Government is serious about addressing the issue, then they need to take on tax and take on planning."

Barriers to entry

Mr McKibbin said that taxation at all levels of government added considerable cost to property that is ultimately passed to buyers and can price first homebuyers out of the market.

"It's a case of tax on tax on tax, which is discriminatory because other asset classes are not subject to the same level of taxation," he said.

He also pointed to the "convoluted and expensive planning system" in NSW as being a barrier to new, affordable properties coming onto the market.

"There was some movement last year by Minister for Planning Brad Hazzard to address these issues, but to date there have been no changes," he said.

Mr McKibbin called on the Government to show first homebuyers more respect and understand the important role they play in the market.

Part of the chain

"First homebuyers are an integral part of the property chain. If you have first homebuyers in the market, they create churn, it's a more vibrant market and that will flow on down the line – benefiting not just first homebuyers, but also the market generally and increasing Government revenue."

TOP TIPS OF THE MONTH

Styling a property for a photoshoot

Greg Natale Design has won numerous awards for interior design and featured on the pages of *Wallpaper** and fashion bible *British Elle*.

Founder and namesake Greg Natale has outlined his three top tips for styling a property for a photo shoot.

"The key to styling a property for a photo shoot is to make your 'look' look finished," said Mr Natale.

"I know this is harder than it sounds, but if you just break down decorating into layering then it's easy."

1. Key furniture

Make sure you have all the big pieces. For a lounge room, this means not just having a sofa in the room, but also a coffee table and side tables.

2. Soft furnishings

The next layer could be a great rug and cushions – things that make the spaces look lived in.

3. Accessorise

Work in great accessories such as and books. Lastly make sure you add fabulous flowers. This will give the property a finished and balanced overall look.

NCAT to be “gateway to tribunal services” in NSW

REINSW members should expect “business as usual” as the CTTT becomes part of NCAT.

BY JILL PARK

From 1 January 2014 the Consumer, Trader and Tenancy Tribunal (CTTT), and 20 other state tribunals, were integrated into the NSW Civil and Administrative Tribunal (NCAT).

The CTTT is now the Consumer and Commercial Division of NCAT. Agents have been assured that the integration will not impact any ongoing matters currently in progress and to expect “business as usual” in the immediate future.

“NCAT has been officially operative from 1 January, but most of the matters that are going through at the moment will be going through under the old system,” said Tim Anderson, REINSW’s representative to the Reference Group that advised the Government’s Steering Committee during the NCAT planning process.

Systems and processes

“As far as people attending the tribunal are concerned, the system will work pretty much the same way. They still have to prove the same things under the *Residential Tenancies Act 2010* and other Acts that are referred to in the *Civil and Administrative Tribunal Act 2013*, which replaces the *Consumer, Trader and Tenancy Tribunal Act*,” he said.

The procedure of applying, listing and hearing will be similar to those that applied in the CTTT.

According to Mr Anderson, the main change to the system will be that initial appeals will now be heard internally

through NCAT. If a party is dissatisfied with an appeal decision, there are some rights of appeal to various courts.

NCAT was established on the recommendation of the Legislative Council’s Standing Committee on Law and Justice, which conducted an inquiry into the consolidation of tribunals in NSW between October 2011 and March 2012.

The inquiry found that the existing tribunal system could be “complex and bewildering” and recommended consolidation where appropriate.

Tribunal team

In October 2013, Attorney General Greg Smith SC announced the appointment of His Honour, Mr Justice Robertson Wright SC as a Supreme Court judge and the inaugural President of NCAT. There is no longer a Chairperson under NCAT.

Justice Wright has been a barrister for 30 years and has been a Judicial Member of the Administrative Decisions Tribunal (ADT) since 2007. That Tribunal is now also part of NCAT.

Mr Smith described NCAT as “the gateway for almost all tribunal services in NSW” and said that the new President has experience in law, tribunal operations and dispute resolution.

Mr Wright said that the new NCAT President’s role will be to ensure that tribunal processes are “simple and efficient and that just outcomes are delivered quickly, cost effectively and transparently”.

Mr Stuart Westgarth, the former CTTT Chairperson, is the Deputy President and Division Head for the Consumer and Commercial Division, where all tenancy matters will be heard.

Tenancy applications can be lodged over the internet through the new NCAT website: www.ncat.nsw.gov.au – Consumer and Commercial Division. ♦



NCAT fact file

President: His Honour, Mr Justice Robertson Wright SC

Principal Registrar: Sian Leathem

NCAT will consist of four divisions:

- Administrative and Equal Opportunity Division
- Consumer and Commercial Division (all tenancy matters will be heard in this division)
- Occupational Division
- Guardianship Division

Process: To remain the same as it was for the CTTT for the immediate future.

NCAT website: www.ncat.nsw.gov.au

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MAKES MOVING EASY

Q. Is there life left in the letterbox drop?

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

“YES”



ANTHONY BERGELIN

Director at Bergelin Estate Agents

The letterbox is alive and kicking! While our own agency is constantly evolving with technology (to the point where we'd like to see a near paperless office in the future), I think it would be silly for agents to discard promoting their services through the common letterbox drop.

Older generation

Collecting the post is still a daily routine for all of us, and it provides a terrific opportunity for our business to reach new clients. While many people now use email as their primary source of receiving correspondence, there is an older generation that still relies on the postman's daily visit as a way of keeping in touch with the outside world.

It provides a great opportunity to canvass buildings and to report on building activity, market trends, upcoming auctions, vacancy rates, recent sales and rentals and, of course, our services. This all comes back to the underlying element of creating 'brand awareness'.

When possible we encourage our staff to personally conduct letterbox drops as a means to get out of the office and actually speak with members of the public. You would be surprised with just how many conversations you can have when you're out in the world and not stuck in the office behind the computer screen.

All opportunities

Our assets, in particular our house, are always on our mind; people want to know what's happening in the market and by keeping them constantly in the picture you might find you get that all-important appraisal call. When you are in such a competitive marketplace, you've got to cover all bases; there really is no excuse not to exhaust all platforms of exposure. Drop away!

“NO”



GAVIN CROFT

Sales Manager/ Head Auctioneer at BresicWhitney

As agents, let's begin by asking what's more important – consumer desires or self promotion?

Surely consumer wants and needs are at the forefront of the decisions we make. But many in the industry are first-hand witnesses to hostility from consumers inundated with letterbox material. Their frustration can be measured in the proliferation of 'no junk mail' signs and complaints to the distribution standards board. Further damaging our reputation, plenty of mail drop businesses refuse to acknowledge simple 'no junk' requests.

Junk mail

In Australia, 8.2 billion articles of junk mail (including our faithful letterbox drops) are produced every year, along with more than 650 million articles of addressed promotional mail. Most of the mail is never read and the impact this volume of paper has on the environment is unsustainable.

If we truly considered our consumers, and the impact junk mail has on the environment, we would have rejected traditional letterbox promotion long ago.

Give thought to promotion involving more than just reaching the consumer – this involves listening to how they want to be contacted.

Letting go

Perhaps it's time we considered the importance of listening and then acknowledging in the not-too-distant future that the letterbox drop will be a thing of the past. Letting go may prove difficult for many, but those who do and seek better means of communication will be rewarded.

Correction

The *Journal* would like to apologise to Susannah Anderson from Di Jones Real Estate, who featured in last month's debate, for featuring the wrong image against her comment.



NEXT MONTH WE ASK:
Q. IS IMAGE THE 'BE ALL AND END ALL' FOR AGENTS?

Quirks of character

Small bars have been popping up all over Sydney over the past five years, placing increasing pressure on agents to find clients unusual properties with character.

Over the past five years the number of small bars in Sydney has multiplied from single digits to more than 80 venues, an increase of approximately 1000 per cent. As licensing changes make it easier and cheaper for small bars to open (see box), there could potentially be even more bars opening, but what impact will this have on agents?

Licensing changes

The success of the small bar scene can be traced back to 2008 to the introduction of two key legislative changes.

First, the NSW Office of Liquor, Gaming and Racing introduced a new 'General Bar (Hotel) Licence' for a mere \$500. Following that, the City of Sydney made changes to its Late Night Trading Development Control Plan to establish a less onerous process for people wanting to set up new premises with a capacity of 120 people or less.

Melbournisation of Sydney

Gunning Commercial's Director Tom Speakman points to the Little Pocket Group and the Shady Pines boys as "the real pioneers" of the small bar scene in Sydney. Between the two groups, they currently tally a total of five venues across the city.

Location is the 'key' to a successful small bar operation, according to Karl Schlothauer, owner of the Little Pocket Group. "We look at traditionally strong night trade locations and go from there," he said. "We are prepared to look at any property that has good 'bones' that we can work with – ideally building features such as archways, timber beams and columns, and heritage-style features."

Tom has found that venues that have historically been the most difficult to lease are now being snapped up quickly because they are a little quirky, and it's this raw and unique quality that both the owners and patrons are after.

"Usually, bars and restaurants go into any space that is grand, shiny and nice, whereas these places are dark and dingy with some being restored from their previous existence as storage spaces," Tom said. "Instead of hiding the fittings, they want to show the floors, walls and exposed ceilings etc, in their bare state."

Demand for the quirkiest spaces has meant it is becoming increasingly difficult to find places with character. The pressure is on agents to find more

obscure properties, which means thinking outside the box when showing potential properties to interested parties.

Tom points to the example of the Lobo Plantation on York Street; the basement rum bar hides its former life as a hair salon well. Under its new guise, the low ceilings and exposed brick walls, along with the clever use of dim lighting and interior styling, have been put to good use to add a taste of plantation chic.

Prime locations

"I feel as though the CBD is the new Kings Cross, and it's where people want to be at the moment. It's definitely had a revival and it's a refreshing change," Tom said. "We are also seeing these bars spread to the North Shore. Those little high streets up there are developing quickly."

Time Out Australia's Chief Food and Drink Critic Myffy Rigby believes the Sydney small bar scene is just getting started.

"The city, for instance, is set for a real cultural shift as more and more great little bars open up," she told the *Journal*. "Sure, some parts of Sydney are probably a little over-catered for (Surry Hills, for instance), but I think there's always room to move and grow."

Local impact

But what impact do small bars have on residential areas? Not much, according to Tom.

"Most of the time they blend into residential areas quite well, and are actually a drawcard for stimulating areas that were perhaps once not so active. Residents love new life and social opportunities in their immediate locale."

The City of Sydney views them as a key component of the City's efforts to revitalise Sydney and bring life and variety back to the laneways and small streets. In some locations, such as Bulletin Place near Circular Quay, the success of small bars has even led to other small businesses setting up nearby.

While the economic impact of the bars is yet to be measured, the hope is that this network of small bars will improve the range and diversity of meeting places for Sydneysiders and visitors to Sydney and build a safer and more civilised nightlife in the city. ♦

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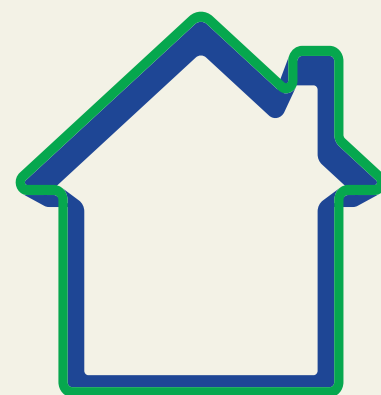
THE LAW

The *Liquor Amendment (Small Bars) Act 2013*, which was recently passed by the NSW Parliament, introduces a new category of "small bar" licence for the first time in NSW. Under the Act, small bars outside allocated 'freeze' precincts will be able to stay open until 2am.

"The good news is that the *Small Bars Act* will effectively do away with the dual layer approval system currently required for these types of venues and will hopefully reduce red tape and application costs for small bars," Gadens Partner Anthony Whealy said.

DEPOSIT POWER'S 25-YEAR GUARANTEE

Deposit Power is Australia's leading provider of deposit guarantees, having helped over 1 million Australians purchase property since 1989. This year marks an important milestone for the company, being the 25th anniversary of the first deposit guarantee issued in Australia by Deposit Power. Each year for over a decade, Deposit Power has issued over 10,000 deposit guarantees across NSW, assisting many potential homebuyers to enter the market.



What is a deposit guarantee?

Deposit Guarantees represent the cash deposit in the form of an irrevocable guarantee that negates the need for qualified purchasers to provide the deposit in cash. This option can come in handy for real estate agents who have purchasers ready to buy, but may not have immediate access to all or part of the cash deposit required. It is also a smart alternative to vendors accepting less than a 10 per cent deposit.

What is a Deposit Power Guarantee?

Deposit Power Guarantees can be issued for all or part of the deposit required, up to a maximum of 10 per cent of the purchase price for residential properties. Terms range from 6 to 48 months, catering for purchasers buying off the plan or where an extended settlement is expected.

How can a Deposit Power Guarantee help you as an agent?

Accepting and recommending Deposit Power Guarantees can assist real estate agents by:

- Opening the door to more qualified purchasers for your vendors.
- Determining who is a qualified purchaser as all Deposit Power Guarantee holders have been pre-qualified and provided information to indicate that they have access to sufficient funds to settle.
- Securing a full 10 per cent deposit in the event the purchaser doesn't complete the purchase.
- Ensuring that all interested parties in the property who hold Deposit Power Guarantees have the ability to make an offer and the highest price is obtained for your customer.

Deposit Power in NSW

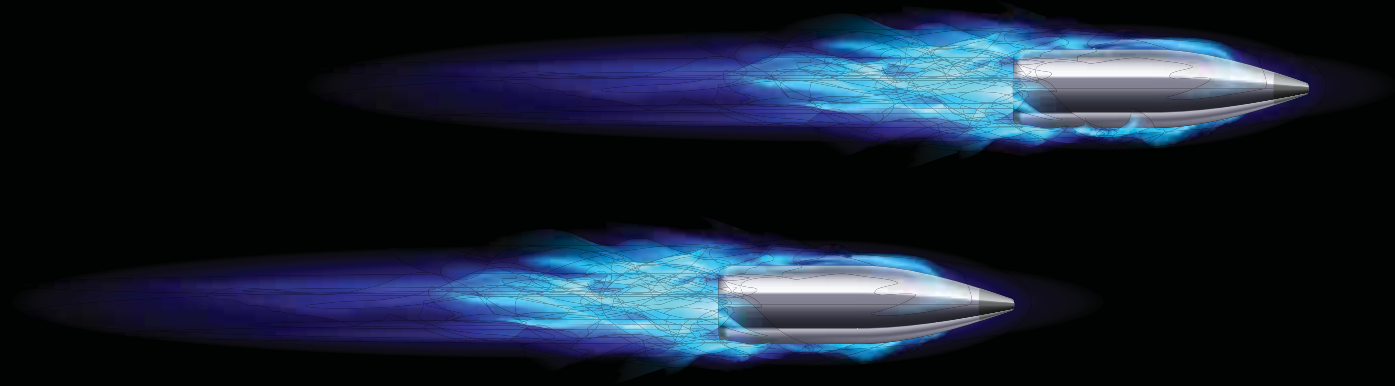
"NSW is by far our biggest market due to purchasers typically required to provide a 10 per cent deposit and higher than average sales prices," said Deposit Power's General Manager Keith Levy. He acknowledges that when a cash deposit is available, most vendors and real estate agents would prefer a cash deposit.

"There are, however, many situations where the purchaser does not have immediate access to all or part of the cash deposit and this is where Deposit Power can really assist all parties to secure the sale," Mr Levy said.

"All purchasers are pre-qualified as to their ability to complete the transaction before a guarantee can be issued so default rates are extremely low" Mr Levy said. "This puts all parties in exactly the same situation as if a cash deposit had been used."

FIND OUT MORE ABOUT WHAT DEPOSIT POWER CAN DO FOR YOU

For more information visit www.depositpower.com.au or call the Deposit Power Helpline on **1800 678 979** to talk to us direct.



Property market dodges bullet with abandonment of national licensing

Following rigorous and continuing lobbying by REINSW, COAG has announced that national licensing is off the agenda.

REINSW has welcomed the announcement by the Council of Australian Governments (COAG) that plans to introduce national licensing to the real estate profession have been abandoned.

COAG statement

The announcement followed COAG's meeting on Friday, 13 December 2013 where it was announced that the majority of states had decided not to pursue the proposed National Occupational Licensing Scheme (NOLS) reform.

"Most jurisdictions identified a number of concerns with the proposed NOLS model and potential costs. States instead decided to investigate approaches that would increase labour mobility and deliver net benefits for businesses and governments," the statement read.

"To this end, states agreed to work together via the Council for the Australian Federation (CAF) to develop alternative options for minimising licensing impediments to improve labour mobility and to manage the orderly disestablishment of the National Occupation Licensing Authority from early 2014."

REINSW position

"We need national licensing, and the decision by COAG members to work

together via the CAF and disestablish NOLA from early 2014 is welcomed," REINSW CEO Tim McKibbin said.

"COAG members are acting in the best interest of consumers, the industry and the profession."

REINSW lobbying

The announcement follows a lengthy campaign by REINSW that included multiple submissions, meetings at all levels of government and more.

"REINSW has led discussion on this important issue with its lobbying at both a NSW and national level," Mr McKibbin said.

REINSW's opposition to the proposals put forward by the National Occupational Licensing Authority (NOLA) under NOLS were many.

"What we've said all the way along is we support national licensing," Mr McKibbin said. "We see the benefits in it and we always have. However, we were very opposed to the way that NOLA had gone about NOLS."

REINSW argued that the regulatory environment must be harmonised before national licensing can take place.

"Before you can issue a licence to operate across multiple areas, the key to having a successful delivery of service is to have the jurisdictions harmonised," he said.

"We need to harmonise the regulatory environment in which we operate. This is not currently the case and NOLA did not propose to address it. It was fraught with danger for the agent; they were guaranteed to fail.

"The property industry has clearly dodged a bullet with the abandonment of NOLS."

Training standards

Entry-level qualifications and Continuing Professional Development (CPD) were placed under threat by NOLS. REINSW put forward the argument that education levels for entry into the profession should be raised.

"Currently they are atrociously low," Mr McKibbin said.

"This means we have people who are going into the job unprepared. This is unfair to them as it sets them up for failure.

"We see a need to provide people with the necessary education and skills so they can discharge the inherent requirements of the job.

"We welcome the announcement and will continue to work with both the State and Federal Governments to develop a national framework that will meet the expectations of a modern market and dynamic profession." ♦

NATIONAL LICENSING TIMELINE

JULY 2011

Council of Australian Governments (COAG) announces it is developing a national licensing system to remove inconsistencies across states.

AUGUST 2012

Draft national licensing rules released for property-related professions. Propose an entry education level of Certificate IV and the removal of CPD.

OCTOBER 2012

REINSW submits response to Consultation Regulatory Impact Statement.

FEBRUARY 2013

REINSW Vice President John Cunningham meets with [then Leader of the Opposition] Tony Abbott to put forward views on the shortcomings of NOLS and argue for higher education standards.

AUGUST 2013

REINSW submits response to Decision Regulation Impact Statement.

SEPTEMBER 2013

Coalition's Federal Campaign Director Brian Loughnane labels implementation of NOLS as "poor".

OCTOBER 2013

REINSW CEO Tim McKibbin meets with Federal Senator Bill Heffernan.

DECEMBER 2013

COAG announces the abandonment of NOLS.

WHAT REINSW MEMBERS THINK



SIMON PILCHER

Director at
Pilcher
Residential

"As a member of an often maligned industry, I feel that any national licensing scheme needs to be raising the entry level bar, as well as maintaining a high standard of ongoing professional development. This will provide measurable benefits for consumers dealing with agents across the country and help to enhance our professional standing in the community at large."



MATTHEW MCNAMARA

Principal and
Director at
McNamara Adams

"Our position on the reduced licensing qualifications as proposed by NOLS reflects that of the Institute. It would have produced negative outcomes for industry standards, harming investor confidence and growth and ultimately reducing professional opportunity across the spectrum of the marketplace."



CAROLINE BOLDERSTON

Performance and
development coach
at Belle Property

"I still feel very strongly that national licensing is the future for the real estate industry in Australia. The original proposal left a lot to be desired from an educational and operational standards view point. I am pleased it has been abandoned, but I am still optimistic that a more workable model could be designed if the states worked together."



FRED ANDRIESSEN

Principal of
Professionals
Fred Andriessen

"The current position of the national licensing is a great step forward from the proposals suggested by people who should hold their heads in shame. However, to sit on our laurels and allow others to introduce unsatisfactory alternatives is a position to keep a sharp eye on."



PETER MATTHEWS

Managing Director
of Ray White Lower
North Shore

"REINSW has demonstrated strong leadership in relation to licensing issues in both the industry and consumer interests and will continue to do so. My business and the team feel absolutely secure in the knowledge that staff of REINSW are at the pointy end of this important industry issue."



REINSW'S LOBBYING ON BEHALF OF ITS MEMBERS

For more information about the lobbying work carried out by REINSW, visit reinsw.com.au/lobbying



ROD STOWE
NSW Fair Trading Commissioner



The competency-based training system forms the basis for the qualification requirements for the property industry sector in NSW.



TIM MCKIBBIN
REINSW CEO



Entry-level training is currently grossly inadequate and needs to be substantially increased in order to meet consumer expectations.



Your questions answered

The *Journal* puts your questions to key industry experts. This month, we talk to NSW Fair Trading Commissioner Rod Stowe and REINSW CEO Tim McKibbin.

Q. Why is the onus to disclose material facts purely on the agent and not the seller?

NSW Fair Trading: Rod Stowe

The *Property, Stock & Business Agents Act* provides for the regulation of property, stock and business agents. Part of the rationale for the regulation of property practitioners is the influential role they play in marketing properties to consumers. Accordingly, the Act requires agents to act fairly and reasonably in their dealings with buyers and sellers.

The agent, as the professional adviser to the seller, is in a better position to understand what facts are material and need to be disclosed to potential buyers. Agents, based on their training and experience, are in a position to understand the requirements and apply them to each transaction they are involved in.

REINSW: Tim McKibbin

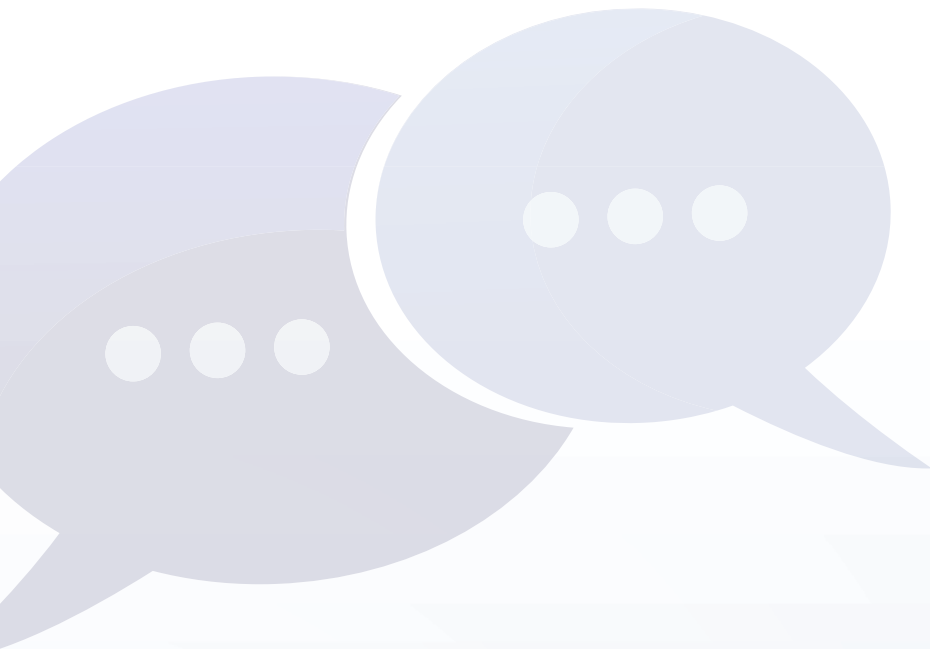
REINSW has called upon the NSW Government to provide clarity, consistency and certainty in relation to the complex issue of material fact:

- **Clarity.** We need a clear definition as to what constitutes a “material fact”.
- **Consistency.** If the desire is to protect consumers, then the requirement to disclose material facts should be uniform; that is, by both the seller and the agent. Why? Because it is the seller who has the best knowledge of material facts.
- **Certainty.** At what time should the disclosure of material facts be made?

Unfortunately, the problem has been handed to the real estate profession without sufficient assistance and guidance. This places agents in an untenable position and exposes consumers to risk.

The law as it stands puts agents in a difficult position: they must act in the best interests of their client, the seller, while at the same time disclose information to prospective buyers that may not be in the best interests of their client. Importantly, the seller does not have to disclose material facts. REINSW believes the obligation to disclose material facts to buyers should be uniform: that is, it should apply equally to both the seller and the agent.

You can find out more about material fact by reading the article “Material or not? That is the question.”, which appeared in the April 2013 edition of the Journal.



Q. How do you intend to address professionalism in the industry through the training of new entrants?

NSW Fair Trading: Rod Stowe

The competency-based training system forms the basis for the qualification requirements for the property industry sector in NSW. Units of competency form the keystone of the Australian vocational education and training system. Competency is the application of knowledge and skill in order to achieve the performance standard required for some specified workplace activity.

Under a competency-based model, education and training no longer need to be undertaken in the traditional classroom environment, but may take the form of on-the-job learning and training assessed by qualified assessors or competency-based courses. Recognition of prior learning also provides a pathway towards a qualification.

Only Registered Training Organisations can issue qualifications and statements of attainment that are recognised nationally. A Registered Training Organisation is a training provider that has satisfied national criteria for the provision of training services and has been registered by a state/territory training authority.

The Minister's Property Services Advisory Council is also examining the issues of training and lifting professional standards in the industry, with a view to advising the Minister on the best way forward.

REINSW: Tim McKibbin

Entry-level training is currently grossly inadequate and needs to be substantially increased in order to meet consumer expectations. REINSW believes that entry-level qualifications for agents should be set at a minimum of diploma level. In addition, there should be a minimum of 12 months' work experience as a pre-requisite to a Certificate holder becoming a Licensee-in-charge.

We have a duty to new entrants to train them properly and provide them with the reasonable skills to do the job. Not doing so sets agents up for failure and is setting consumers up for disappointment. REINSW has been extremely vocal on this important issue with its lobbying efforts, and will continue to work with the government to develop a training framework that meets the expectations of both the profession and consumers.

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



TRAINING

Like our new Real Estate Training Facebook page and keep up with all the latest training news: 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

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

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



Independently driven to sell

mcconnell bourn Principal
Matthew Bourn tells the *Journal*
why it is important to take a risk or
two when setting out on your own.

Like many other agents in the business, I began my career in the property industry working in sales for a major franchisor in Australia.

My passion for the industry swiftly grew from that point and I soon found myself driven to start my own independent agency on Sydney's Upper North Shore.

In 2000, based out of serviced offices, mcconnell bourn was created. I operated as the lone salesperson for the small start-up team while my wife managed all marketing.

During that first year, we recorded 28 sales at a value of \$31 million.

Fast forward to today and it's a vastly different scenario with figures for 2013 showing sales in excess of 220 and a healthy figure of \$380 million – all driven by our dynamic team of 37.

It wasn't always smooth sailing – starting an independent agency has its own set of challenges (see box).

With a drive to succeed and the right team of people, we've managed to carve out a reputable name for ourselves and provide our clients with the very best we have to offer.

The real estate industry is a difficult and tumultuous one; don't be dragged unwillingly through the ups and downs – change the game and make your own rules.

STEPPING OUT

Matthew Bourn recounts the challenges of establishing independent agency mcconnell bourn and how they were addressed.

Making yourself known

When we initially set up mcconnell bourn, the Upper North Shore was heavily dominated by franchise brands, and our biggest challenge was no one knowing who we were.

We would commonly get the comment of 'mcconnell who?', so just getting in the door was difficult enough. In some cases our competitors had significantly larger sales teams that would down play us as a 'one-man band' and as such our listing win rate was low.

To overcome this we had to sell our service and then back it up with six-star customer service. We developed a set of operational standards that ensured our clients would get the best advice, experience and result in the marketplace and then we asked for referrals. We also went the extra mile and offered additional services that today are commonplace, such as complimentary home styling.

Building a database

In the beginning we had a very limited client database and history of sales success in the core market that we were focusing on. On top of all that we ran the business for the first three years from a serviced office that meant we were out of sight and therefore out of mind. So we got on board with a software system and started adding everyone we met to our database, and then used the data to market ourselves and our services to clients.

Investing in the business

We then took the financial risk in 2004 of moving into a shop front on the Pacific Highway, which meant committing to a lease with higher rent and then having to fit the office out.

However, in that year alone we grew by 35 per cent. We put this down to becoming visible in a highly saturated marketplace. The previous four years we were tucked away in a serviced office complex that offered no visibility to the public. The move into the street-fronted shop on the corner of Pacific Highway not only gave us exposure, I believe it also cemented us as a long-term player in the local marketplace.

The following year we took on a business coach, which again meant more expenditure. It paid off, though, because in the subsequent three years we averaged 55 per cent growth.

Rebranding the agency

When the GFC hit in 2009, as most agencies were contracting and reducing their spend on the brand, we undertook a large rebrand with international consultant Ross Smith. This meant moving away from our very conservative mcconnell bourn brand to a young, vibrant look and feel that resonated with who we really were. Our approach gave us a competitive advantage in a tough market.

Remember

The moral to the story is to invest in great people and your brand and to take a leap of faith! ♦

ART OR SCIENCE?

The *Journal* explores what role computer-generated valuations play in the market and the impact they have on the industry.

BY JILL PARK

Property valuation could be described as art rather than a science. An expert valuer will take into account a multitude of criteria when assessing a property. These will range from the condition of the property through to its proximity to amenities. A site visit is integral to conducting a full valuation in the traditional sense.

On the flip side, online tools that generate a valuation of a property based on computer analysis of data could be viewed as science. Companies like RP Data, onthefhouse.com.au and Australian Property Monitors all offer services that allow you to obtain a property valuation within minutes for minimal cost.

Algorithms

Both buyers and banks (see page 21) place great emphasis on valuations being the basis for their bidding and lending. But just how are online valuations calculated?

"It's not a black box," Australian Property Monitors (APM) General Manager Anthony Ishac said. "APMs Automated Valuation Model (AVM) is designed to behave in a similar way as a valuer does. The model is a highly sophisticated mathematical algorithm that factors in as much data as possible."

According to Mr Ishac, APM's AVM takes into consideration many different factors, from the number of bedrooms, bathrooms and how far the property is from a body of water, through to whether the property is on a main street or not.

However, he admits that it is not an exact science and in some cases the figures produced may not be an accurate reflection of the property's value – this is why they are referred to as price estimates and not valuations.

"AVMs are accurate in the majority of cases and are valuable when used as intended," he said. "However, when dealing with a unique or recently renovated property, a more traditional valuation is recommended."

Methodology

There are many different valuation options available, ranging from a full valuation conducted by a qualified valuer to a desktop assessment report, according to RP Data Head of Corporate Affairs/Legal Counsel Craig Mackenzie. Like Mr Ishac, he advises that the public contact a property professional if they are in doubt.

"Understanding the difference between these solutions and knowing when each solution is best for you is crucial when trying to determine an accurate value for your property," Mr Mackenzie said.

On the ground

REINSW has become increasingly concerned that consumers' lack of understanding of online valuations are having an adverse impact.

Alarm bells were first raised for Jennifer Aaron Real Estate Principal Jennifer Aaron

in 2011, when a property in her portfolio was valued significantly lower than expected by an online system, which placed the value of the property at \$1.211m. A qualified valuer was later despatched, but the initial damage was already done.

According to Ms Aaron, the property in question eventually sold for just under \$1.5m, but four potential buyers were lost in the meantime. She lays the blame squarely at the feet of online valuations, which she feels are not fully representative of the true value of a property.

"It has a huge impact on an agent's ability to sell," she said. "If someone wants a property badly enough they won't care what these systems say, but there are people who are very influenced by what they read on the internet."

More recently, Ms Aaron has been in debate with an online valuation company relating to a property that appears to be valued based on a part sale that occurred in 2004.

"The owner of the property [and I] have been in contact with the companies in question for more than 12 months. We've not been able to resolve this," Ms Aaron said.

"This was a part sale, but the company is taking it as a full sale. As a result, the online valuation is showing the property at a fairly unrealistic value based on a part sale nine years ago."



COMPUTER GENERATED VALUATIONS

VS



TRADITIONAL VALUATIONS

What are the key components that go into each?

COMPUTER GENERATED VALUATION (FOR EXAMPLE, AUTOMATED VALUATION MODEL BY RP DATA)

RP Data outlines their
Automated Valuation Model
as follows:



Comparable
sales



Property price
index



Condition
of property
(assumed average)



Last known
sales date
and price



Physical attributes
of the property
(as reported in public
and private databases)

FULL VALUATION (CARRIED OUT BY A QUALIFIED VALUER):

Conducting a full valuation can
take between four to five hours,
according to Richard Wood &
Associates owner Richard Wood.
He outlines the process as follows:

i) Base valuation (assessing
comparable sales)

ii) Inspection

iii) Take into account the
considerations (outlined below)

iv) General comments

v) Valuation

Key considerations for a valuer:



Location



Surrounding area



What environment
is like
(local and state)



Land details
(lease/title)/
details of tenancy



Town
planning



Environmental
considerations



Improvements



Services



State and
repairs

“Understanding the difference between these solutions and knowing when each solution is best for you is crucial when trying to determine an accurate value for your property.”

Consumer angst

Wilson Property Principal Adrian Wilson also views the increasing popularity of online property valuations with concern.

"Each building in the Sydney CBD is its own marketplace, and comparing say The Hyde with World Tower is just not going to stack up, even though they are literally 350m from each other," Mr Wilson said.

"Then factor in at least 20 residential buildings within a similar radius, each with their own values based on age of the building, who the developer was, building demographics, property presentation, renovations, building facilities and common area condition, views and aspects, strata levies, value of parking and storage, number of smaller units compared to larger units, level of owner occupiers verse investors, the list goes on."

According to Mr Wilson, online property valuation systems cause "undue confusion amongst potential buyers in the marketplace" due to the aggregated nature of the valuation figures.

"I see it causing increased buyer angst and a reduction in buyer confidence due to lack of clarity linked to an aggregated approach," he said.

Buyer beware

Coopers Principal Paul Cooper has heard many tales of potential buyers debating valuations with his agents and attributes this to online property valuation systems. However, he believes these systems have greater impact on the consumer than the agent as they give false hope to buyers that they might be able to afford a property.

"People will go out and see a property and they'll say 'I love this'", Mr Cooper said. "They will then go to the online valuation system, which will tell them the property is worth 'x' amount of money. They then go to an auction and compete, only to be not the number one bidder, not the number two bidder, not the number three bidder, but likely the fifth, sixth, seventh bidder.

"They must understand the computer isn't right all of the time," he added.

Value for money?

Mr Cooper acknowledges online that property valuations are a cheaper option for banks, but does not believe they will ever tell the full story of a property.

"Online valuations are going to be cheaper to do for anyone who wants to do them, but they really aren't going to tell the whole story," he said.

Agents, he argues, can only legally give an "opinion of value" as opposed to a valuation (however, there are lots of agents that are qualified as valuers) and so questions whether computer generated figures should be allowed to call themselves 'valuations'.

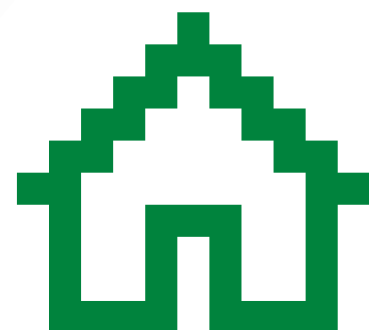
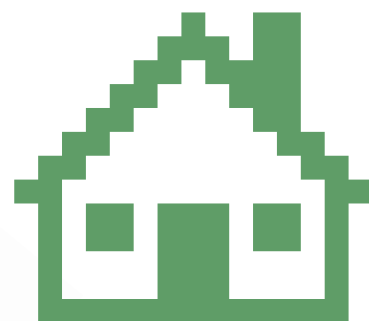
"Without a human element assessing it, I can't see a computer valuation being anything other than an "opinion of value" and they should not to be relied on," he said.

What's in a name?

The naming convention is something Australian Property Monitors take seriously. Mr Ishac told the *Journal*: "We are very pedantic about referring to them as price estimates. We only use the term 'valuation' when referring to the methodology."

National President of the Australian Property Institute (API) Tony Gorman believes a true valuation should involve an inspection of a property.

"It requires experience and reasonable analysis to form an opinion," he said.



"I actually put a lot of faith in the public as to how they'd like their assets valued. I'm not totally convinced that the public is entirely comfortable with the idea that the asset they worked 20 years for is being valued by a computer."

REINSW CEO Tim McKibbin has recently been vocal on the subject of online property valuations. He also questioned whether these tools should be allowed to use the name 'valuation'.

"While there's a degree of sophistication with online solutions in this area, online property valuations can never be a true valuation because a valuation requires some human assessment and intervention," Mr McKibbin said.

According to Mr McKibbin, the valuation will take into consideration a litany of items

that the online system, because it's a computer program, will not. He added that the valuation will give specific weighting that a computer program cannot. "That's what makes it part art and part science," he said.

"REINSW is not trying to discredit or have these online valuations banned from consumer consumption, but what we are trying to do is make sure consumers realise an online valuation is not, in our view, a valuation."

Mr McKibbin believes it is important to educate consumers as to the limitations of these online tools.

"Properties are very much like fingerprints, they are all unique in some way," he said. "These online tools have their place, but I think it's dangerous to rely on them heavily. They are simply a guide." ♦

“

While there's a degree of sophistication with online solutions in this area, online property valuations can never be a true valuation because a valuation requires some human assessment and intervention.

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BANKS VS BUYERS?

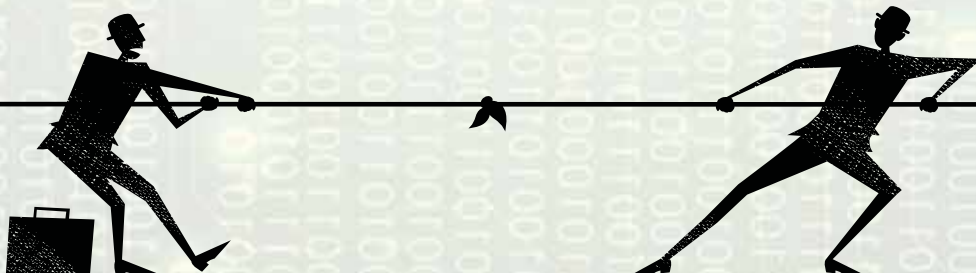
It has been reported that banks and buyers are placing an increasing emphasis on the importance of Automated Valuation Models.

"The institutions and banks have adopted AVMs as part of the lending process," Australian Property Monitors General Manager Anthony Ishac said. "The majority of banks utilise several AVM suppliers and have built a structure around when it is suitable to rely on this technology.

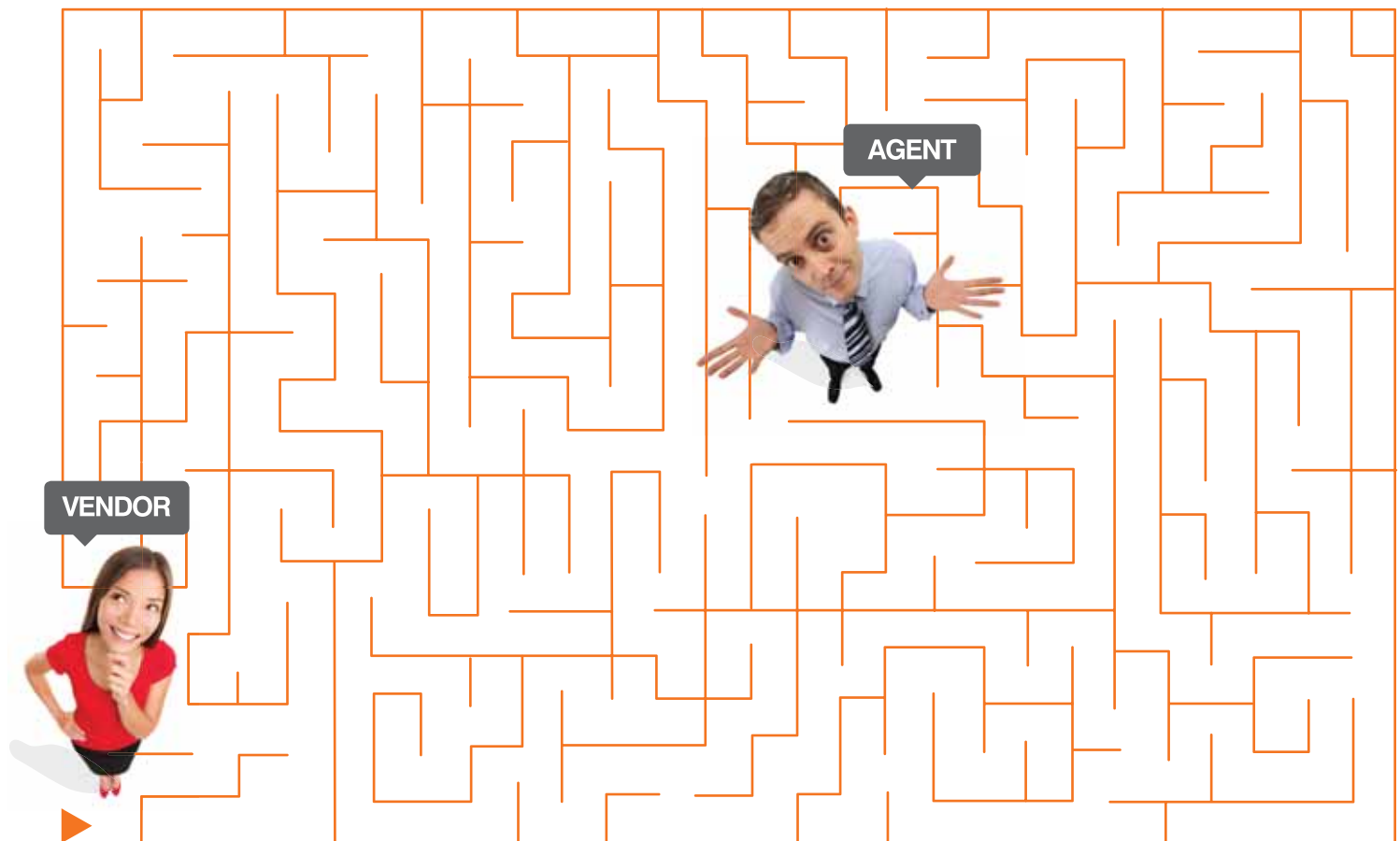
"For the banks, AVMs are used as a risk management tool, but for other users, it's recommended they are treated as a price guide.

Each bank is highly specific about how they are used and are often risk averse. In cases where the AVM outcome meets their lending policy rules, it enables banks to provide a faster turnaround for loan approvals. AVMs are not suitable for every property, and there is a very select criteria where banks will rely on them in lieu of other types of valuations.

"There is always going to be a place for technology such as this, but for home buyers and sellers, the engagement of a certified practicing valuer and a real estate practitioner is necessary to provide context and place price estimates in perspective."



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Executive decision

The *Journal* introduces the REINSW Board 2013-15

PRESIDENT



MALCOLM GUNNING
PRINCIPAL
GUNNING COMMERCIAL

REINSW's incoming President has broad experience, having worked in franchises and independent agencies as well as the residential and commercial sectors during his career. Malcolm is entering his fourth term on the REINSW Board.

Q. Why is REINSW still relevant to agents today?

What our members want from us now is very different to what they wanted from REINSW in decades past. We invited industry leaders to attend our first ever Industry Summit in November 2013. They told us what they want from REINSW and how they see the future of the industry. This feedback will be the basis for the positioning of REINSW in 2014. I intend to focus on the key issues facing our business today.

DEPUTY PRESIDENT



JOHN CUNNINGHAM
DIRECTOR
CUNNINGHAMS PROPERTY

John Cunningham has spent 36 years as a real estate practitioner. In this time he has become a prominent player on the REINSW Board. He oversees a team of 43 at his agency in the Northern Beaches. He first became involved with REINSW in 1977 when he attended a Northern

Beaches Division meeting with his then boss. John is now in his fifth term on the REINSW Board.

Q. Why is REINSW still relevant to agents today?

The industry is about to face some of the biggest challenges and changes we have seen in more than 30 years. Through our engagement with government, we are going to drive regulatory reform with licensing, education and training and professional standards.

VICE PRESIDENTS



BRETT HUNTER
GENERAL MANAGER
RAINE & HORNE TERRIGAL – AVOCA BEACH

Upon moving back to the Central Coast, Brett Hunter joined the family business as a third-generation real estate agent. With his brother Garth, Brett leads a team of more than 32 professionals in three coastal offices. His team offers residential and commercial sales, as well as

permanent and holiday property management. Brett is now entering his fourth term on the REINSW Board.

Q. Why is REINSW still relevant to agents today?

As the industry voice, REINSW binds together all the different types of agencies found within our industry; from large franchises to boutique agencies. The common voice provided by REINSW gives our industry the necessary strength to continue raising standards.



LEANNE PILKINGTON
GENERAL MANAGER
LAING+SIMMONS

Leanne started in the industry straight from school, working in her father's real estate business as a receptionist while studying to become a valuer. She went on to work in all facets of the industry before moving to a corporate role in the Head Office of the Laing+Simmons

franchise group. Leanne is now in her third term on the REINSW Board.

Q. Why is the REINSW still relevant to agents today?

REINSW lobbies strongly for positive industry change and without REINSW changes would be made without industry consultation. We are all keen to strengthen the professionalism of our industry and to improve our standing in the eyes of consumers.

DIRECTORS



GARY ADAMSON
MANAGING DIRECTOR
LJ HOOKER STRATA MANAGEMENT NSW

Gary Adamson started his career as a Chartered Accountant before entering the real estate profession in 1977. He is a current member of the Institute of Chartered Accountants. He established an LJ Hooker office in 1984. A few years later, in 1987, he joined REINSW. He now runs

two offices in NSW and in 2009 opened an office in Dubai. He is now in his second term on the REINSW Board.

Q. Why is REINSW still relevant to agents today?

Without the backing of a professional body, agents can find themselves out of touch with the market and legal practice very quickly, which can lead to unexpected, adverse consequences and possible prosecution for failing to comply with constantly changing legal requirements.



CHRISTINE CLARKE
PRINCIPAL
RAINE & HORNE COFFS HARBOUR

Christine Clarke opened her first independent agency in 1988 with a business partner. In 1991 she established Raine & Horne Coffs Harbour. She served as Chair of the Coffs Harbour Division for eight years and was awarded the Brian Bowles Award in 2006 in recognition of her years

of service to REINSW. She is now in her fourth term on the REINSW Board.

Q. Why is REINSW still relevant to agents today?

REINSW is more relevant than ever before. While fast-paced changes in technology have changed the way we do business, underneath it all it's still all about people. REINSW is an important conduit between agents, consumers and government.



PETER COOKE
PRINCIPAL
RICHARDSON & WRENCH ARMIDALE AND URALLA

It was when working as an industrial consultant specialising in supply chain that Peter Cooke got his first taste for property. Much of that work involved land acquisition, re-zoning, sub-divisions and construction. He became involved with REINSW when setting up his

first agency with his wife, Janet, in 2009. Peter is one of the new recruits, joining the REINSW Board this year.

Q. Why is REINSW still relevant to agents today?

It is vitally important that an organisation such as REINSW keeps abreast of trends and developments, is able to effectively lobby for improved outcomes and assists its members in every meaningful way possible. The notion of profession not industry resonates with me.



MILES FELSTEAD
PRINCIPAL
MILES FELSTEAD REALTY

Miles joined the REINSW in 1977 after he opened his agency Miles Felstead Realty in Mosman. Miles has chaired the North Division and Property Management Chapter. Miles intends to continue to represent the residential sector. He is now in his fourth term on the Board.

Q. Why is REINSW still relevant to agents today?

REINSW is more relevant in today's marketplace than ever. I believe that no real estate agency in the state of NSW can afford not to belong to REINSW. Whatever field of real estate practice you are in, there is a specialist Chapter within the REINSW to support your business – whether it be in the form of professional advice, education, electronic forms, stationery sales, insurance or the financial benefits of discounted services – the list goes on.



SARAH LORDEN
ASSOCIATE DIRECTOR
MCGRATH BALMAIN

Sarah Lorden is somewhat of an institution in the Balmain real estate market where she has been a resident for more than 20 years. She joined McGrath following the company's acquisition of her successful independent agency, Sarah Lorden Real Estate, in 2012. She is also

a licensed stock and station agent and is currently serving a third term as Director on the Board.

Q. Why is REINSW still relevant to agents today?

REINSW is more relevant than ever today. REINSW supports the industry through political advocacy and assists with compliance and best practice whilst guiding real estate professionals through the ever-changing property industry landscape.



TONY SANTOLIN
PRINCIPAL
GRIFFITH REAL ESTATE

Tony Santolin strongly believes in reinventing yourself to suit the times. He was awarded the 'Most Stirring Member' of the REINSW Board at the end of his first year on the Board in 2011. Tony is entering his third term on the REINSW Board.

Q. Why is the REINSW still relevant to agents today?

As an organisation, REINSW faces the same challenges as its members. We all have to be relevant – the purple cow that stands out from the crowd and delivers awesome service, advice and guidance to our members. There are many commercial benefits that previous Boards have worked tirelessly to provide to members, but just the Helpline itself is worth the membership fee. I hope to continue my "stirring" role on the Board.



BRADEN WALTERS
SALES AGENT
MCGRATH LEICHHARDT

From the age of 15, Braden worked within agencies before progressing to sales positions with McGrath and Ray White. In 2008 he opened True Property with his father. He has recently taken up a position at McGrath Leichhardt. He currently sits on the Young Agents Chapter and is Division

Chair for the Inner West Division. This is Braden's first term on the REINSW Board.

Q. Why is REINSW still relevant to agents today?

REINSW is relevant because it is a support for all specialisations in our profession. The Helpline is very effective for agents who are unsure about certain issues. Also, the lobbying arm works hard to improve industry practice.

IMMEDIATE PAST PRESIDENT



CHRISTIAN PAYNE
GENERAL MANAGER
PAYNE PACIFIC REAL ESTATE

Early in his career at Payne Pacific Real Estate, Christian decided to follow in his father Sid's footsteps and lead by example by becoming a member of REINSW in 1995. Christian has been a Director since 2001 and was elected as President in 2011.

Q. Why is REINSW still relevant to agents today?

Membership of REINSW exposes you to the very latest trends, results and information, and it is essential for our businesses to have this information. The Helpline is always available for members to call; it's great they have this support right at their fingertips. I want to continue to improve member services and help increase REINSW's public profile, so consumers understand they are better off working with an REINSW member agent. ♦

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Building a business blueprint

Why is it important to build a business plan, and how do you go about putting one together? The *Journal* asks the experts.

When business is good, taking the time to sit back and assess your agency is the last thing on your mind. Yet, the value of evaluating your business and setting out a plan for the years ahead should not be undervalued.

Doing a business plan should be viewed as working on your business, according to Michael Todd, an adviser at Small Biz Connect, the NSW Government-funded business advisory program.

"Your business plan is your business through outsider eyes," he said. "You should focus on exactly what you want to achieve, where you want your business to go and how you plan to get it there. Projected sales and monthly expenses are also included in your plan."

Blueprint for success

Mr Todd believes that your chances of success are slim if you do not have a business plan, attributing poor planning to the reason for most business failures.

"A business plan is a blueprint for progress, organising your priorities and forecasting production; it helps anticipate and predict challenges or liabilities," he said. "Business plans help new and existing businesses immensely."

Real Estate Results Network CEO Michael Sheargold believes your business will never outperform the quality of thinking you apply to your business.

"You spend a huge amount of time in your business, probably around 2500 hours over 12 months," he said. "By investing quality time on your planning, you can have a dramatic improvement in your results."

Identify goals and act on them

Mr Sheargold often sees Principals who have identified goals, but they have not considered what steps they are going to take to make them happen.

"This is great – you've done the thinking. But the plan is actually how are you going to make those goals a reality?"

He advises Principals to involve key team members in the planning process to secure their buy in. He also believes that it is important to ensure your team understands the direction in which you are steering the business.

"This is great to do at the beginning of the year, and then you can discuss how everyone will need to upgrade their efforts to make it happen."

Mr Todd admits that building a business plan can be a tedious process, but says that skipping the process can leave you uninformed about your business's place in the market.

Risk management

"The type of information gathered during the planning process can help you foresee potential risks and develop strategies for dealing with them before they occur," he said.

"Many owners return to their business plan even after their business is up and running to help them refocus and chart a path for the future."



You should focus on exactly what you want to achieve, where you want your business to go and how you plan to get it there.



"Business planning is just one of the many skills small business owners require. Seek help and advice from all avenues as no one is a 'Jack of all trades'." ♦



TOOLKIT



BUILDING BLOCKS FOR A BUSINESS PLAN

A business plan is not only a way to organise your business priorities, but it is a communication tool that banks and investors will look to for evidence that your company can succeed.

Michael Todd, an Adviser at Small Biz Connect, the NSW Government-funded business advisory program, advises that you should err on the side of caution and be conservative when developing the details of your plan.

He outlines the key components as including:

- Summarise the business's mission
- A comprehensive marketing plan with costs
- Operational plan with procedures and structure
- The budget (including a balance sheet and cash flow projections)
- SWOT analysis (strengths, weaknesses, opportunities and threats).

Sitting down to start building a business plan can be a daunting prospect. The *Journal* has found a selection of service providers who can help you take those first steps through the provision of templates and advice:

SMALL BIZ CONNECT

Each Small Biz Connect provider has business advisers who are experienced in helping businesses grow. Your nearest Small Biz Connect provider will have a business plan template available and an adviser will be able to assist you through the process for completing a plan using their experience and diagnostic tools.

Visit smallbusiness.nsw.gov.au/smallbiz-connect

WESTPAC FINANCIAL EDUCATION

Westpac offers a comprehensive range of financial education resources through the Davidson Institute. These include seminar and training courses in everything from business planning through to human resources. Discounts are available for Westpac customers.

Visit westpac.com.au

COMMONWEALTH BANK

Commonwealth Bank offers a page packed with essential business checklists that include a business plan template, as well as many HR and financial planning tools, such as a new hire checklist and a financial plan template.

Visit commbank.com.au

ST.GEORGE

Visit the 'Manage your business' section of the St.George website to find the information you need to move from being an employee to an employer. Fact sheets include 'Defining your business vision' through to 'Effective time management'.

Visit stgeorge.com.au

NAB

In addition to how-to fact sheets on business planning, finance and marketing, NAB regularly uploads articles and videos from Kachie's Business Builders (founded by Sunrise's David Koch) to its Business tips page with real-life case studies.

Visit nab.com.au



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Gill Williams, Managing Director

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URGENT



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☐

YES

☐

NO

Q. Is your super fund free from commissions to financial advisers?

A. No commissions or adviser fees are permitted under MySuper, so more super stays working for retirement, where it should be. REI Super is your MySuper industry super fund.

☐

YES

☐

NO

Q. Do you pay your super contributions electronically?

A. Under new super laws, eventually all super contributions must be submitted electronically. REI Super's FREE Employer Online options will save you time and money. We also offer a clearing house: pay multiple super funds in one transaction.

☐

YES

☐

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Training calendar



People Management Essentials – 12 - 14 MAR

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MARCH 2014

3 – 5 Mar • SYDNEY
Trust Accounting Essentials ●
(9.30am–4.30pm)

3 – 7 Mar • SYDNEY
Certificate of Registration Course ●
(9.00am–5.00pm)

6 Mar • SYDNEY
WHS for Property Managers – In Practice ●
(9.30am–1.30pm)

10 – 14 Mar • SYDNEY
Certificate of Registration Course ●
(9.00am–5.00pm)

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

12 – 14 Mar • SYDNEY
People Management Essentials ●
(9.30am–4.30pm)

17 – 19 Mar • SYDNEY
Keeping the Books Essentials ●
(9.30am–4.30pm)

17 – 21 Mar • SYDNEY
Certificate of Registration Course ●
(9.00am–5.00pm)

20 Mar • SYDNEY
Inspection Processes for Commercial Property ●
(9.30am–1.30pm)

21 Mar • SYDNEY
Maximise Your New Management Success Rate ●
(9.30am–1.30pm)

24 – 28 Mar • SYDNEY
Certificate of Registration Course ●
(9.00am–5.00pm)

25 Mar • SYDNEY
Managing Your Property Management Workplace ●
(9.30am–1.30pm)

26 – 28 Mar • SYDNEY
List and Market Property Essentials ●
(9.30am–4.30pm)

31 Mar • SYDNEY
Creating Impact and Influence ●
(9.30am–1.30pm)

31 Mar – 4 Apr • SYDNEY
Certificate of Registration Course ●
(9.00am–5.00pm)

APRIL 2014

1 Apr • SYDNEY
An Agents 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)

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Click on Course Schedule in the Training menu.

COURSE KEY

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

Fighting the long fight

Professionals celebrates a decade as a partner of the National Breast Cancer Foundation.

The partnership between Professionals and the National Breast Cancer Foundation (NBCF) began back in 2003. One of the franchise group's Sunshine Coast members was in the midst of breast cancer treatment and was appointed an ambassador for the charity.

"At the time, Professionals were looking for a way to really show our community and social responsibility, and what better way than to show our support for one of our very own by joining her cause," Chairman and Managing Director Professional Services Centre, Carl Petersen said.

"With the number of people and families affected by breast cancer, we jumped at the opportunity to help as many people in our community as possible by raising awareness, and of course vital funds to help the NBCF research treatments and ultimately find a cure."

A decade on

In the decade since, Professionals has raised more than \$2.26m nationally for NBCF. Members of the franchise participate in fundraising in a variety of manners, from individual to corporate level.

"Many offices hold events throughout the year, including

sausage sizzles, bake sales, auction nights, morning teas, gala events (some of which reach in excess of 300 attendees), and encouraging community involvement with other local businesses," Carl said.

In addition to fundraising, franchises sell NBCF merchandise, display the NBCF logo on all marketing material and contribute an amount per property sale throughout the year. Activity ramps up in October during Pink Ribbon Month.

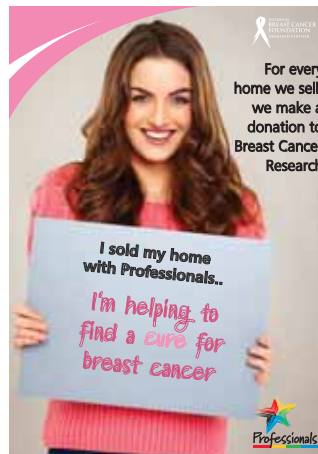
Close to the heart

The cause is one the company holds dear to its heart and takes very seriously.

"The statistics on breast cancer are staggering, with one in eight women being diagnosed with breast cancer," Carl said. "While the survival rate has drastically increased to 89 per cent five years after diagnosis, we will continue to support the NBCF and their research until they reach their goal of 'Zero deaths by 2030' and beyond."

The year 2014 will be a big year for the NBCF as it celebrates its 20th birthday, but there is little doubt that Professionals will be there to celebrate alongside them.

"As much as real estate is about property, it is also about people and the community," Karl said. ♦



Professionals have been a partner of the National Breast Cancer Foundation since 2003 and has raised over \$2.26m for the charity.

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

AROUND THE STATES

WA

A Perth man is to become the first person in Australia to offer his house for sale in return for digital currency Bitcoin, *Perth Now* reported. Cliff White, 43, is reported to have spent \$10,000 on Bitcoin since 2010 – the amount is now thought to be worth more than \$1m. He has received lots of interest for his property since listing it online in December for \$1.4m.

QLD

Brisbane's Tintagel estate has been named the most expensive property sold in the city in 2013. The property, which is located 17m above the Brisbane River on Tennyson Cliffs, sold for \$5.25m in July last year according to the *Brisbane Times*. The property that came in second place sold for \$50,000 less.

VIC

Victorian Planning Minister Matthew Guy has introduced heritage controls to protect 87 buildings in Melbourne's CBD under the Melbourne Planning Scheme. The buildings include the Commercial Union building in Collins Street, the first major office built for the State Savings Bank, the Waterside Hotel and Sir Charles Hotham Hotel. ♦

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