Embracing an ethos of service

Christian Bracci shares his commitment to service excellence
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Find out more and register at reinsw.com.au/Roadshow
Starting the conversation

Mental health, wellness and wellbeing are issues that many of us tend to shy away from. It’s hard to talk about. It’s confronting. But it’s necessary.

We’re fortunate to work in what I believe is the best industry. Hands down. There are some incredible highs. We help people achieve their dreams and play a part in what can be life-changing moments.

But there are also lows. Whether because of market downturns or the fact we’re dealing with clients going through emotional times, it can sometimes be difficult not to take it on board to our own detriment. We live in a world where more and more people are struggling with stress, anxiety and depression – and real estate agents are certainly not immune.

You’d be hard pressed to find a single person in our industry who can’t point to someone they know who’s been affected by these issues – a family member, friend or work colleague. And far too many will point to themselves.

Jet Xavier, a leading mindset coach, recently released the findings of his Revive Project, which explored the wellness and wellbeing of those working in our industry. The findings are disturbing, though not unexpected. Jet identified two sides to the real estate industry. The first is ‘high gloss’ and a perfect platform to create success in life and business, with uncapped commission structures, flexible working hours and people-oriented environments. The second is the pressure filled and burnt out underbelly, where agents are unwell, struggling with financial strain and, in many cases, leaving the industry. You can read more about Jet’s research on page 8.

The findings of the Revive Project have put wellness and wellbeing in the spotlight and I, for one, believe it’s long overdue.

New alliance
It’s time for our industry to put mental health, wellness and wellbeing at the top of our agenda and, as a step in the right direction, I’m incredibly proud to announce that REINSW has formed an alliance with R U OK?

R U OK?’s mission is to inspire and empower everyone to meaningfully connect with the people around them and support those who are struggling with life.

Throughout 2018, REINSW will be working closely with the team at R U OK? to raise funds to help the charity develop more programs and resources for Australians who might be doing it tough. But more than just raising funds, we’ll also be sharing R U OK?’s resources with members to strengthen peer-to-peer support and encourage meaningful conversations within our industry.

Sharing responsibility
As your peak industry body, REINSW has an important role to play in the wellness and wellbeing of members and the wider industry.

All too often personal and professional worlds collide. We’re all working harder and longer, and it’s not uncommon for personal difficulties to sometimes spill over into the professional workspace. I believe REINSW has a responsibility to foster an environment where we all take care of each other and have access to the right resources to help deal with the pressures we face each and every day.

After all, we’re all in this together. I look forward to starting this important conversation and working with you to build an industry culture where wellness and wellbeing is supported at every level.
Training reforms another step closer

New laws increasing the education standards required to become a real estate agent have cleared another hurdle. At the time of going to print, the NSW Legislative Assembly had passed the Property, Stock and Business Agents Amendment (Property Industry Reform) Bill 2017 and the Bill was awaiting listing with the NSW Legislative Council.

“We’ve been working on this for a really long time,” REINSW President Leanne Pilkington said. “Over the years, the requirements for education and licensing have been eroded to the degree that it’s very easy to get a licence.”

REINSW CEO Tim McKibbin added that the new Bill, when passed, will increase the education requirements for a career in real estate exponentially.

“This is a win for the consumer and the property services industry. The days of becoming a real estate agent in less than a week will finally be over,” he said.

AFFORDABLE HOUSING WINDFALL

More than half a billion dollars worth of affordable and social housing will be built in New South Wales by the not-for-profit sector over the next three years, with Sydney’s Inner West and Canterbury-Bankstown areas the greatest beneficiaries.

While having more than 1,400 homes in the construction pipeline is positive, it remains little more than a drop in the ocean when it comes to Sydney’s housing woes.

Since 2012, almost 1,300 properties have been built or acquired by the state’s 18 largest community housing providers, which are set to buy or build an extra 1,400 homes by 2020, the NSW Community Housing Industry Snapshot shows.

It’s a welcome boost to supply, but the construction of affordable housing isn’t moving fast enough, the Chief Executive of the NSW Federation of Housing Industry, Wendy Hayhurst, said.

“It’s a drop in the ocean, but we’ve proved it can be done – we’ve proved people do like living in affordable housing,” she said.

Even when combined with the 26,900 social and affordable homes to be acquired or built by the state government over the next 10 years, the supply will fall short of demand. An estimated 4,900 dwellings are needed each year, or some 100,000 dwellings over 20 years, to meet demand as the population grows.

WINDOW SAFETY LOCKS NOW MANDATORY

Residential strata buildings in New South Wales must now have safety devices installed on all above ground windows.

Shane Foley, Director of BIV Reports, explained that from 13 March 2018, windows which open and have a two metre or greater fall on the outside and a 1.7 metre or less height on the inside, must be restricted to opening only 12.5 centimetres. They must also meet a pressure test of 250 newtons, which is equal to 25.5 kilograms of force.

“It’s good practice to use a supplier who can provide a compliance certificate and include photographs that support each of the criteria.

“Windows only need to be locked when children are in the apartment. The alternative is security screens, such as bars or grills which have gaps no bigger than 12.5 centimetres and are capable of resisting strong outward pressure,” Shane said.

“It’s good practice to use a supplier who can provide a compliance certificate and include photographs that support each of the criteria.”

For more information about the new laws, go to fairtrading.nsw.gov.au
RENTAL BONDS SCAM ALERT
NSW Fair Trading have warned of a scam email currently being circulated to agents in New South Wales. The scam asks agents to login to a hoax website and update rental bond information for properties managed by their agency.

To ensure any email you receive from Fair Trading is authentic, check the following:
• The website address for Rental Bonds Online is https://rbo.fairtrading.nsw.gov.au/agent
• Emails from Rental Bonds Online are sent from rbo@finance.nsw.gov.au or rbs@finance.nsw.gov.au
• The bond number is legitimate and matches the number held by your agency

If you receive an email purporting to be from Fair Trading, stop and think before clicking on any link. It’s also important to ensure that your browser, operating system, anti-virus and firewall software are up to date.

If you’re concerned about the authenticity of an email or text message, contact Fair Trading on 1800 990 724 for assistance.

Consumer perceptions of property managers survey
CoreLogic is currently collecting data to understand how property managers are perceived by both landlords and tenants.

The Landlord Perceptions of Property Managers survey and the Tenants Perceptions of Property Managers survey are part of the Perceptions of Real Estate Agents series, which seeks to understand the experiences of consumers when using real estate agents.

Kylie Davis, the Head of Content at CoreLogic, said the property manager surveys would ensure the full scope of consumer experience with real estate agents was examined. With rent rolls now a major factor in how real estate offices are valued as assets, insights from the research will help identify how principals can grow their business.

“Property management teams are often neglected departments within real estate offices, but the work that property managers do with landlords and tenants can play a major role in how a real estate office is perceived within the community and be a major source of sales referrals,” Ms Davis said.

“The reports that come out of the surveys will identify what differentiates the really great property managers from the average ones.”

The final reports will identify the skills that property managers need to excel and will start to encourage benchmarking in those behaviours.

Past reports, which examined the experience of sellers and buyers, found that while the majority of consumers had positive experiences with agents, there was still significant room for improvement.

To download a copy of the Vendor Perceptions of Real Estate Agents or the Buyer Perceptions of Real Estate Agents reports, go to store.corelogic.com.au
Wellness in the spotlight

Landmark research into the wellness and wellbeing of real estate professionals has confirmed what many have long suspected – that many in the industry are stressed, time poor and lacking work/life balance.

The Revive 2017 whitepaper, initiated by one of Australia’s leading mindset coaches, Jet Xavier, explores the wellness and wellbeing of people in real estate. The project included an industry survey, roundtable meetings and wellness summit, with results revealing real estate workers are more likely to be stressed, anxious and time poor than the national benchmarks.

“We knew something was wrong, not just for low-income earners in the industry but also for those who earn a lot. Many are stressed out, overworked and not looking after their health,” Jet said.

“There’s a prevailing ‘old school’ of success in real estate that promotes imbalance and an extreme approach to work, and the work practices cascading from that belief system do nothing to promote or support wellness and wellbeing.”

The focus of the Revive Project will now shift to continuing the conversation, collecting further data and implementing real change. Further research, roundtable events and summits are on the agenda as part of Revive 2018.

To download a copy of the full report, go to jetxavier.com/wellness-report

Themes for future change

1. **Thrive** There’s a stigma around issues of mental and emotional health, amplified by social media and the competitive nature of the industry. There needs to be a non-disease model that focuses on thriving, not just surviving.

2. **Act** There needs to be a collective industry response to the wellness and wellbeing of real estate workers. All stakeholders – government, peak bodies, organisations, employers and individuals – have a responsibility to respond to these issues.

3. **Adapt** Real estate has a series of specific circumstances – including remuneration models, a competitive environment and low barriers to entry – that require the industry to catch-up with global wellness trends in corporate health.

4. **Lead** Leaders need to be supported to activate change within real estate organisations. There’s a strong business case for wellness and wellbeing initiatives and those organisations that lead in this space will reap the benefits.

5. **Include** The definition of success in real estate needs to include alternate measures of success such as health, balance, community and relationships. Purely financial metrics for success must be textured with lifestyle and market considerations.

6. **Educate** Change needs to start at the attraction, recruitment and on-boarding of people into the industry. The industry must explore better pathways for the development and retention of talent that focus on both personal and professional development.

7. **Nurture** Wellness and wellbeing must be supported by culture at a team, organisational and industry level.

Key findings

The survey of more than 1,000 respondents revealed the following:

- 47% often or always felt physical symptoms of anxiety
- 65% often or always felt stressed
- 35% sought medical advice one or more times for work-related stress
- 40% were not satisfied with their physical health and fitness
- 46% felt work often impacted on their personal relationships
- 36% felt only limited support from co-workers and colleagues
- 25% experienced physical symptoms of burn out
- 23% had ‘no time at all’ to pursue interests outside of real estate
- 28% had no hobbies or interests to balance work
- 40% often felt overwhelmed by the demands of the job
- 26% often used alcohol to cope with work-related stress
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Embracing an ethos of service

Service is at the core of who Christian Bracci is. It defines him, both personally and professionally. Here he explains why his commitment to service excellence is the key to his success as an agent and community leader.

By TINA LIPTAI

Christian Bracci sees the opportunity to be of service everywhere he looks. And whether he’s following up with a client, helping a colleague or supporting members of the community who are in need, nothing brings Christian more satisfaction than lending a hand or sharing his expertise.

In just 12 years in the industry, Christian has gained extensive experience in sales, property management and strata management. He’s a trained auctioneer and has also worked overseas in sales, management and public relations.

Developing a diverse skill set and range of practical knowledge was a deliberate strategy for Christian, who prides himself on being an all-rounder, and is one of the keys to his success in his role as Business Development Manager and Commercial Specialist at Raine & Horne Concord.

“I’ve always wanted to be an all-rounder and fulfil my potential in every area. I’m always wanting to learn as much as I can and test my abilities, so I’ve worked in all areas of real estate to learn as much as I can about every facet of the industry,” he explained.

“For me, success is all about creating a diverse skill set and always learning. I know some people prefer to specialise, and there’s nothing wrong with that. But for me, I think there’s great value in being an all-rounder and being able to jump in and help where it’s needed. I love that I can walk into any area of the business and know exactly what I can do to help.”

Open to possibilities

Like many successful agents, Christian’s fascination with the real estate industry began at a very early age and his passion for property has only grown as his career has progressed.

“I’ve always loved property. I remember being a kid and thinking I’d like to live in a mansion – as I’m sure a lot of kids do,” he laughed. “But I was also interested in finding out how I could own a home like that and exactly what I needed to do to get there. So that’s when I started learning about listing, selling and managing. And I’m still as passionate about all of those elements of real estate today.”

As soon as he finished school, Christian landed a role at the age of 17 as a trainee strata manager. For the next three years, while also completing a media and communications degree by correspondence, he threw himself into the world of strata management determined to learn as much as possible.

Just as he was starting to contemplate the next move in his career, at the age of 20, Christian had the unexpected, but exciting, opportunity to live and work in Rome. Working for his family’s coach and tourism business as operations manager, Christian gained a wealth of experience in customer service, management and public relations.

I like to be there for clients every step of the way. It builds trust – and strong relationships with clients are so important in this industry.
“It was an amazing experience,” he explained. “I met and worked with people of every nationality and from all corners of the world. I learnt a lot about working with customers, including the importance of excellent service and giving customers an exceptional experience. I was thrown in the deep end in a lot of ways, but it was one of the biggest and best learning curves in my career.”

Though Christian is fluent in Italian, his role forced him to push the boundaries of his comfort zone, with his language and communication skills put to the test every day as he worked across all areas of the business.

One of the most enjoyable aspects of his role in Italy, and one he still enjoys to this day, was making customers feel welcome and doing everything in his power to ensure each customer had an enjoyable experience. Christian was also responsible for crisis management, on the rare occasion that a coach broke down while on tour, and solving other regular logistical challenges – expertise which has proved vital to the success he’s enjoyed in real estate.

Hungry for success
After two years in Italy, Christian returned to a role in sales where he worked for a number of years before later moving into property management. When talking about real estate, the opportunities in the industry and his career highlights, Christian’s enthusiasm is palpable.

“I’m always hungry for new opportunities,” he said. “I love what I do, but I’m always thinking about what’s next. I love starting something new and fresh. It’s really exciting for me. I see every day as a brand-new opportunity and that keeps me striving to make it the best day yet.

“What keeps me motivated over the long term is knowing that in real estate there’s always an opportunity to learn and no two days are alike. Yesterday I was meeting with a client at a beachside café, today I was in a factory warehouse looking at bare walls discussing what needs to be done, and who knows where I could be tomorrow?”

The variety and dynamic nature of the real estate industry is an environment where Christian thrives.

“For me, one of the highlights of this job is the amazing people from all different walks of life,” he said. “I’m constantly meeting new people every day at work, and at different functions over the years I’ve met Prime Minister Malcolm Turnbull, former Prime Minister Tony Abbott, and a few celebrities too – and no matter who they are, they all have some interest in real estate and I really enjoy being able to speak with them and use my knowledge of the industry in this way.”

Strive for success
Christian says there aren’t any secrets to success in the real estate industry. It all comes down to discipline, dedication and hard work.

“I think one of the things that sets me apart from some other agents is that I’m very hands on. I don’t like to delegate when it comes to client service,” he explained. “I like to be there for clients every step of the way. It builds trust – and strong relationships with clients are so important in this industry. I always communicate in real time with clients and on the phone as much as possible, because I always want them to hear updates, good or not so good news, directly from me.

“My clients respond really well to this approach. It makes them feel more confident and it feels good to be able to give that level of service. I also think this level of service, more often than not, results in word-of-mouth recommendations. These are worth so much to me and it’s what I’ll always strive for.”

Christian said his focus on constant and open communication with clients also helps him when it comes to educating consumers about challenges in the market.

“It’s true that it can be a volatile market and competition is tough,” he explained. “But I think there is also a lot of misconception and misinformation out there, from the media in particular, that can be confusing for consumers and cause unnecessary anxiety.

“Clients often have preconceived ideas about the market and how best to operate in it, so I spend a lot of time educating and reassuring them that it’s not as bad as they might think. It’s important for all agents to have the expert knowledge of the market and the right skills to be able to communicate this to clients. Agents have a vital role in explaining to consumers what they need to know about the market, their options and what they can expect.”

And his advice for agents who are starting out? Stay hungry and be resilient.

“Personally, I think it’s a good approach to believe that everyone is better and wiser than you. That keeps me hungry, keeps me motivated and makes me always provide impeccable service,” he said.
Towards professionalism
With Christian’s insatiable hunger for knowledge and commitment to service excellence, it should come as no surprise that he’s an advocate of the real estate industry gaining recognition as a profession.

“Towards professionalism
With Christian’s insatiable hunger for knowledge and commitment to service excellence, it should come as no surprise that he’s an advocate of the real estate industry gaining recognition as a profession.

“We need to practice what we preach and separate ourselves from the average agents out there,” he said.

“To me, a professional agent is compassionate, humble, honest in their dealings, true to themselves, an excellent communicator, adaptive to change, resilient and versatile. As an industry, we can start by working towards these attributes in everything we do.

“We also need to prioritise education. Continued learning is very important as we become a profession and agents need to understand the value of education. Going beyond just CPD points, it’s important that we start to reach wider and look to recognised trainers and leaders in the industry – go to hear them speak, read, learn as much as we can.

“I’d encourage everyone to meet with like-minded people in the industry. Stop seeing all other agents as competitors and see them as someone you can learn from. In a changing industry we need to be looking at ways agents can work together. We need a united industry. We have a lot to achieve and we need to find common ground.”

ALWAYS PITCHING IN
For some people, relaxing is all about putting their feet up and tuning out. But for Christian, relaxing is about rolling up his sleeves and getting involved in his community.

His commitment to community and charity work has earned Christian numerous accolades, including the John Greig OAM Community Service Award at the REINSW Awards for Excellence in 2017. He was also a finalist in this category in 2015 and 2016.

From a young age, Christian recognised the importance of strong community ties and the value it can have in the lives of people of all ages and walks of life.

“I’ve always enjoyed helping different parts of the community, I enjoy being of service,” he explained.

In particular, Christian’s community work is focused on helping his local community in Sydney’s Inner West with property-related or accommodation issues, but he’s also active in fundraising and youth mentoring.

“A lot of people think I do a lot of ‘work’ outside of work, but it’s important to me to use my skills and knowledge in this way,” he explained.

Christian’s long-term community involvement includes working with many associations including St Fiacres Parish Leichhardt, Father Atansio Gonelli Charitable Fund, Inner West Youth Network, APIA Football Club Leichhardt and raising money for the Chris O’Brian Lifehouse, Randwick Children’s Hospital, Concord Hospital and Meals on Wheels.

Working with community organisations, Christian has helped raise more than $1 million to support local projects and help overseas natural disaster victims.

**CHRISTIAN’S TOP TIPS for real estate success**

1. **Pick up the phone.**
   Clients really appreciate it. I never rely on just email.

2. **Be available.**
   Don’t ever say you’re busy. Everyone is ‘busy’, so stand out by making time for others.

3. **Persevere.**
   Never give up on a difficult client. Always remember that nothing is impossible. There’s always a way. You just may need to look at things differently.

4. **Always follow up.**
   Until it’s a definite “no”, it’s a “yes” – so always follow up.

5. **Stay humble.**

**Why I love real estate**

“I love that there are so many opportunities to learn, to improve yourself and to help other people.

“Real estate is a career that’s allowed me to combine my strengths – communication and building client relationships – with my passion for customer service and delivering excellent results.

“I’m constantly inspired by the different people I get to meet through my work and I love that I can use my knowledge of the market and the expertise I’ve gained over the past 12 years to help clients, as well as the wider community.”

REAL ESTATE JOURNAL / Mar-Apr 2018 / 13
Connecting with the community

Mary Anne Cronin loves her community. Involvement in local causes and championing the development and promotion of local businesses puts a smile on her face and a spring in her step. The sales agent from Phillips Pantzer Donnelley in Sydney’s Eastern Suburbs shares her motivation and why she puts her community first.

“I try to get involved as much as I can with what’s going on in the local community,” Mary Anne Cronin said. “Whether it’s helping someone organise a fundraiser for a local charity or supporting a local business to launch an initiative, I get a real buzz out of helping others. My goal is to get the message out about what’s going on in our community and encourage others to become involved and help out where they can.

“I meet so many people through the work I do in the community. People from all walks of life. I’m proud of the incredible network I’ve built over the years – friends, colleagues and collaborators. I’m very fortunate and grateful for what I have, and I want to share that.”

Well-known for her involvement with local businesses in the Bondi area, Mary Anne is often called upon to support local causes. Later this year, she’ll be dancing for cancer at the annual Stars of the East dance gala. Along with another nine business people, community leaders and cancer survivors, she’ll be kicking up her heels with a professional dance instructor to raise money for local initiatives of the Cancer Council NSW.

“Think ‘Dancing with the Stars’, but at a local level. There’s quite a lot of practice leading up to the event, but I’m looking forward to being involved,” Mary Anne said.

“For me, getting involved is what it’s all about. It’s a wonderful feeling that you get when you help others. There’s nothing better than seeing the smile on someone’s face and knowing that you’ve helped make a difference in their lives. What more motivation could you ask for?”

Here’s a snapshot of just a few of the things Mary Anne is involved in.

WAIROA SCHOOL

The Wairoa School, located in Bondi, provides educational programs for students with intellectual and multiple disabilities. Mary Anne became involved with the school soon after she moved to Bondi and is now an ambassador.

“My work with Wairoa School started when I met a chap by the name of Bill ‘Yooka’ Symonds, who sold raffle tickets at the local pub,” she said. “His grandson was severely handicapped and attended the school. We started talking and, when I heard about the incredible work the school was doing, I asked how I could help.”

Mary Anne started organising charity auctions, asking local businesses to donate items – and from there her involvement with the school grew.

“Over the years, my work with Wairoa School has helped build a sensory garden, rebuild playgrounds and contributed to keeping the school equipped with much-needed resources,” Mary Anne said.

“Last year was the school’s 50th anniversary, so we knew we had to do something big. Our goal was to raise $50,000 and I’m pleased to say we smashed that target. Our ‘Bogan Bingo’ event raised $12,000 and our comedy night raised $33,000. The money raised from a range of other activities – including community walks, raffles and other fundraisers – brought our total for the year to $75,000! The government funding available to the school is limited, so this was a phenomenal achievement.

“I’m incredibly proud to be an ambassador for Wairoa School and help out in any way I can,” Mary Anne said.
NATIONAL SURFING RESERVE COMMITTEE

Mary Anne was a member of the Committee that achieved recognition in December 2017 of Sydney’s iconic Bondi Beach as a National Surfing Reserve.

“National Surfing Reserves recognise the iconic sites of cultural and historic significance in Australian surfing. They acknowledge the surfing way of life and link past, present and future generations with our oceans and coastline,” Mary Anne explained. “My work with the Committee came about because of my connection to the business community and my experience with local projects.”

CHAMBER OF COMMERCE

Mary Anne is the President of the Bondi & Districts Chamber of Commerce – a position she’s held for the last five years.

“For me, the Chamber is about far more than just connecting with local businesses. It’s about connecting with the community and encouraging as many people to become involved with everything Bondi has to offer,” Mary Anne explained.

One of the big projects Mary Anne is involved in each year is Bondi Winter Magic, which is a winter destination marketing campaign to draw extra visitors to Bondi businesses.

“We don’t want Bondi to only be known as a summer destination, so each year we have an ice skating rink on Bondi Beach,” Mary Anne explained. “Last year it generated around 60,000 extra visitors to Bondi, which was fantastic for our local businesses that are generally a bit quieter during the colder months.

“We also run a range of events to get people out and about. Art On The Streets sees local painters, potters and photographers exhibiting their work in the open air, and encourages people to ‘chalk’ up the streets by creating their own masterpiece on the pavement. And Music On The Streets is the only day of the year that buskers are legally able to entertain crowds – from tap dancers to ukuleles and belly dancers to kids playing violins, it’s a day full of entertainment and fun.”

Another initiative Mary Anne has been instrumental in getting off the ground is the #BondiDisruptors, which brings together young entrepreneurs and start-ups.

“We wanted to dispel the myth that the Chamber was a group of old ‘fuddy duddies’,“ she laughed.

So successful has the work of the Chamber been under Mary Anne’s leadership that they’ve won several regional Chamber of Commerce Awards over recent years, recognising the outstanding work they’ve done with the local community.
Breaking through

With a background in speech and drama, and a natural confidence that always shines, auctioneering is the perfect career fit for Briannan Davis from Cooley Auctions – and as the first ever female finalist in the Auctioneers category of the REINSW Awards for Excellence, she’s definitely making her mark.

What’s your career background?
When I left school, I wanted to work in media and, after finishing my degree, I worked for SBS. My goal was to become a TV presenter. But I quickly came to realise how difficult that would be, because all the people being selected for presenter roles had already made names for themselves. I came to a crossroads in terms of deciding which direction to take my career.

For as long as I can remember, I’ve always had a passion for real estate. Even when I was pursuing a media career, real estate was never far from my mind. I came to the point where I thought, “I really want to give this a shot.”

How did your interest in auctioneering develop?
Even though I have a strong background in speech and drama, the thought of auctioneering as a career choice didn’t really occur to me until I was studying for my Real Estate Licence. When it came to the auctioneering module, I watched person after person get up to do their mock auction, full of nerves, voices trembling and hands shaking. But I got up there and had a ball.

I was working as a PA at the time and when I mentioned it to my boss, he encouraged me to enter the REINSW Novice Auctioneers Competition – which was only a couple of weeks later, so I really jumped in at the deep end!

I won my heat and then went on to compete in the State Final. That’s where I met Damien Cooley – and the rest is history.

What do you enjoy most about auctioneering?
No two auctions are ever the same and every day is different. I know that every time I stand up for an auction, there’s going to be a challenge in one way or another.

The other thing I love is that every time I auction a property, I’m helping create a real difference in peoples’ lives. A great sale price can be life changing for a vendor. And seeing the elation on a buyer’s face when the hammer comes down and they realise they’ve secured their dream home gives me a huge amount of joy.

What are the key skills needed to be successful as an auctioneer?
First and foremost, you need confidence. Getting up in front of a group of people is definitely not for everyone. I’ve always been comfortable in front of crowds. I started taking speech and drama lessons when I was about three years old – so, for me, the performance side of auctioneering is really second nature. A lot of people don’t know what to expect from me, because I’m female and there aren’t a lot of female auctioneers around.

But when I start, I have the strong voice and strong presence people expect from an auctioneer.

You also need to be personable, because bidders feed off your energy and it can mean the difference between a good auction result and an outstanding one.

What’s been the highlight of your career so far?
Without doubt, it was being the first female to ever be a finalist in the Auctioneer category of the REINSW Awards for Excellence. I’ve been auctioning for four years now and being named as a finalist was huge for me. It’s also really humbling. Standing side by side as a finalist with a group of auctioneers who I’ve long admired was incredible.

What are your goals for the next 12 months?
I’ve just been appointed to the REINSW Auctioneers Chapter Committee. It’s a real honour. I’m looking forward to working closely with such an outstanding group of auction professionals, who are all at the top of their game and have a major influence on the direction of our industry.

Is there a phrase of adage that you live by?
“Find a job you love and you’ll never work a day in your life.” I love auctioneering. For me, it’s the perfect job. I have the opportunity to grow and develop in my career, as well as the flexibility to devote the time and energy I need to my young family. I have the perfect work/life balance.
In the dark? We’ll light the way.

The new Real Estate Industry Award starts on 2 April 2018.

Every real estate employer needs to be aware of upcoming changes to the employment landscape and understand what they need to do before the new award starts.

REEF is your best source for information and advice.

Join REEF today
Call 1300 616 170 or email admin@reef.org.au. Download an application form at www.reef.org.au.

Who is REEF?
The Real Estate Employers’ Federation is the real estate industry’s leading not-for-profit workplace relations advisory association. REEF is committed to helping real estate employers protect their interests and offers exclusive access to a range of products and services specifically designed to assist and guide employers in managing employee relationships.

We’ll shine a light on the changes impacting you.
There’s no doubt about it. Real estate education standards have been on a steady downward trajectory for years. The ease with which a person can obtain a qualification to practice in our industry is out of touch with the true essence of what we do. But it’s a heartfelt desire to halt this decline and indeed elevate education standards that’s a fundamental driver behind our industry’s push for professional recognition.

By HELEN HULL

It’s a sad fact that education standards have fallen so far in the past decade that despite holding the necessary qualifications many in our industry are, quite simply, lacking in the expertise and knowledge that consumers do, and should, expect from a qualified real estate agent.

John Cunningham, Chair of the REIA Professionalism Committee, said that the irony of our present predicament is that the standard of education from a qualification perspective hasn’t changed for more than 30 years in New South Wales. Rather, it’s the application of the course content that’s changed.

“Gaining your qualification used to be hard to achieve, whereas today it’s far too easy,” Mr Cunningham said.

“It’s a fundamental education reform we’ve been in need of for a long time. And we’ve needed the bar to be raised substantially for both entry-level and licence qualifications to meet consumer expectations.”
experience and be signed off by your Licensee-in-charge.

“It was an almost foolproof system, as most licensees weren’t going to risk a possible fraud claim just to help someone get a licence. We’re particularly pleased to see that this experience requirement is at last coming back into play with the upcoming training reforms,” he said.

Mr Cunningham said the current standards of education across Australia to enter the industry are woeful, and only South Australia, Tasmania, Western Australia and the Northern Territory even approach where the bar should ideally be.

“New South Wales lags so far behind. We’ve been in need of fundamental education reform for a long time. And we’ve needed the bar to be raised substantially for both entry-level and licence qualifications to meet consumer expectations,” Mr Cunningham said.

“To act as a real estate professional requires a level of expertise that comes with experience. But it also requires a level of both product and regulatory knowledge that comes from vocational training and a recognised body of learning, as required by the Australian Skills Quality Authority, to attain the necessary qualifications.

“Unfortunately, this body of learning has been eroded for many years by unscrupulous Registered Training Organisations. It’s been clear for a long time that things need to change. To achieve professional recognition, the elevation of education standards is, quite simply, a must.”

The ultimate goal for REIA is the harmonisation of education standards across the country and it’s hoped that formal recognition as a profession by the Professional Standards Authority will be the much-needed impetus for this to happen.

“In the meantime, here in New South Wales, we’re looking forward to the introduction of significant improvements to our training standards when the training reforms currently before Parliament are passed into law,” Mr Cunningham said.

To find out more about the upcoming training reforms, see page 22. ♦

The state of
EDUCATION

We asked real estate leaders across the country for their opinions about the state of education in our industry.

Mario Sanfrancesco
Sales Consultant at Peter Blackshaw Real Estate, Australian Capital Territory

Years in real estate: 26 years

“I rate the standard of education today as extremely high, particularly when compared to decades ago. Standards have risen, particularly over the past five years, and I believe technology and innovation have played a major role in advancing accessibility to high-quality training and information to anyone serious about building a successful career in the real estate industry.

I’ve participated in volumes of training sessions over the years and still attend conferences to keep abreast of any changes in the industry. I’m committed to leading by example and demonstrating the importance of training, whether it’s conducting training myself with my sales team or participating in wider real estate forums.

I personally subscribe to a number of leading professional trainers and institutions, and I’ve also had a number of personal sales and business coaches in the past.

I always encourage my staff to participate in ongoing learning programs and courses similar to those I’ve completed myself or any new, innovative training sessions that will aid development.

We have access to numerous high-quality training programs that are run throughout our wider organisation which provide every staff member the opportunity to learn, grow and reach their true potential and meet specific goals. Ongoing training is paramount for all staff.

I believe the real estate industry is catering well to market expectations. Competition is good, but it’s come at a cost — and that cost is the levels of education and the industry experience agents are expected to demonstrate before they are allowed to represent consumers.

I sometimes wonder if consumers realise that agents here in New South Wales can be working after only completing a two or three day course — and then the regulator hands out a certificate of registration. I believe they’d be horrified!

Our focus needs to shift to the consumer and how we can improve our level of service. For this to happen, we need a framework with consistency around training and learning outcomes — and these outcomes must be measurable and able to be built upon into the future.

Consumers need to feel confident that when they engage an agent, that agent is knowledgeable, skilled, experienced and across current legislation.”

Lynette Malcolm
Partner at Chadwick Real Estate, New South Wales

Years in real estate: 10 years

“I believe evolving myself as an agent is a journey, and I genuinely enjoy learning and furthering my knowledge. As agents, we should be positioning ourselves as the ‘trusted advisor’ for our clients, and to do so we need to be across everything.

That’s why education is key. The value we offer and skills we deliver for our clients underpin our worth in a transaction and, indeed, underwrite our relevance as an industry.

Current education standards are well below par and, over the years, they’ve gone backwards. This has coincided with the government’s removal of barriers to enter the industry in an effort to generate increased competition in the marketplace. Competition is good, but it’s come at a cost — and that cost is the levels of education and the industry experience agents are expected to demonstrate before they are allowed to represent consumers.

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**FOCUS / PROFESSIONALISM**

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**Karl Secondis**
Director and Auctioneer at One Real Estate, Northern Territory

*Years in real estate:* 23 years

“Education has evolved significantly since I started out. Now, agents can fast track success by learning from other agents who have become very open in sharing how they operate.

I’ve had various businesses during my career, from franchise to independent, with teams of more than 50, including sales and property management. I currently work exclusively in the sale and auction of residential property, with one associate who has been with me for more than three years. I’ve always embraced every opportunity to learn and grow professionally. In the past, I travelled at least three to five times each year to various events and conferences, mostly in Brisbane or Sydney. When managing a larger team, professional development was a key component of the culture.

We have some great trainers and coaches – Josh Phegan, Tom Panos and many others – across the country, as well as conferences like AREC, which continues to be a great resource on every front and promote the importance of education, then I believe it will filter down through the standards, but exceed them, is very important.

Education standards in South Australia are improving, which is great to see. Finding like-minded principals who believe in the importance of professionalism and upholding high standards will really help the industry keep on this path.

Seeking opportunities to learn and develop is something I’m very passionate about. Having studied Law and Commerce at university, I was admitted to the Supreme Court of NSW as a Lawyer in mid 2016. Studying in a different profession showed me the importance of continual learning and how this can be applied into the real estate. Encouraging further education and training means we can deliver on our goal of providing an exceptional level of service to our customers.

We hold training sessions throughout the year and our team are encouraged by the wide range of training and professional development opportunities on offer. We completed over 11,500 hours of training last year as an agency, ranging from industry body training and legislation updates to sales coaching and mentoring.

If principals live and breathe professionalism on every front and promote the importance of education, then I believe it will filter down through sales and property management teams across the country. The standards will lift nationally and attract like-minded people to work in the industry.”

---

**Dane Atherton**
Managing Director at Harcourts Coastal, Queensland

*Years in real estate:* 19 years

“The first step in improving professionalism in the industry and reducing churn is to raise education standards. I say this because the barrier to entry is very low. You can pretty much do a one week course and be fully licenced.

REIQ offers great training and many people come into the industry qualified and licenced, but fail because there is a whole practical component that they missed because it isn’t required.

I’d really like to see the gap filled between theoretical learning and genuine practical experience. Industry entrants should know what it takes to generate leads. They should also undertake a work experience program which sees them going into a business before being released ‘into the wild’. And they should also undertake a practical assessment, particularly around pricing and handling of auctions.

When hiring, I try to target the real estate orphans who haven’t had the right training and support; people who are already in real estate and aren’t going to make it if they aren’t in the right environment.

We have regular industry leading trainers come in to our office. It’s less about seminars and more about professional development, not just ‘hyped’ training. Everyone who comes to our training goes onto the path of continual development and we ensure they’re also listening to coaches like Josh Phegan and Michael Sheargold.”

---

**Suzannah Toop**
Chief Executive Officer at Toop & Toop, South Australia

*Years in real estate:* 6 years

“Education and professionalism in the real estate industry are paramount.

The legislative framework is constantly changing. So too is what customers are expecting from their agent. Therefore ensuring that we not only meet the standards, but exceed them, is very important.

Education standards in South Australia are improving, which is great to see. Finding like-minded principals who believe in the importance of professionalism and upholding high standards will really help the industry keep on this path.

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Hank Petrusma  
**Director at EIS Property, Tasmania**  
Years in real estate: 46 years

“I started out with LJ Hooker in a new branch in Moonah, Tasmania with an office, desk, chair, typewriter and receptionist. I had no training and was self-taught.

I rate education standards across the real estate industry nationally as the best it has been in 50 years. I can say this with some authority as I was National Trainer for First National in the late nineties and early 2000s. I’ve also been one of the keynote speakers at the National Association of Realtors conference in the United States and for other real estate groups.

Real estate training here in Tasmania is very good, but there’s always room to improve our standards to a point where we are better acknowledged as a respected profession within our community.

Here at EIS, we’re heavily committed to a program of education and training, as well as personal development. We have more quality trainers and coaches in Australia than ever before, like Michael Sheargold, Josh Phegan, Lee Woodward and others. We’re so fortunate to have people of this calibre who operate in this country.

It’s important that people who enter the profession determine what their purpose in their real estate career is, as this helps to bring passion, which, in turn, brings activity and brings results.

I’d like there to be more mentoring and coaching, and to see how our top professional performers do what they do so well.”

Sophie Lyon  
**Director at REIV and Partner & General Manager – Property Manager at Jellis Craig, Victoria**  
Years in real estate: 29 years

“Education levels are so vastly different from state to state.

I see compulsory CPD as being a huge benefit to the level of education for agents. However, it’s not in place in Victoria. While I know that REIV works hard to deliver courses that teach and improve the skills of agents, lack of time overrides the good intentions of many to do voluntary education.

From an REIV perspective, we’re working on our online platform to be able to deliver a suite of training that not only delivers on improving skill levels and knowledge, but also enables people to undertake training from wherever and whenever.

In my own company, we undertake training fortnightly within our own office as well as taking part in franchise led training, which allows us to teach consistency of service, skills and industry knowledge.

It’s an undertaking in our team that you won’t be left in the same spot, for either education or career, as you were when you arrived.

Education is there to benefit the client, but also to allow the property manager to grow in their knowledge and how they can deliver value to the client.

We need to appreciate that no one knows everything – that we need to share our knowledge and experience, so we can all grow and add value to the profession. The sooner we agree that this is the best way forward, we can move from an industry to a profession.

Ongoing training is important and vital to the success of the individual, and therefore the success of companies that understand that as well. That’s where we need to head – in a direction where quality education and effective transfer of knowledge is a benefit, not a time-consuming waste of time.”

Adrian Abel  
**CEO at Abel Property, Western Australia**  
Years in real estate: 14 years

“I think the quality of education should be central and not managed by the states. An agent in Western Australia can’t write a contract in New South Wales or Victoria, and the standard is different nationally. Anecdotally REIWA is stronger than the other Institutes. This is because there is more material and interaction in Western Australia between agents and their peers.

I find that when recruiting staff, one of their biggest questions is what level of mentoring and training does my organisation offer. This doesn’t exist on a state level, so we formed a division called Abel Academy, which is based on educating agents and laying a pathway to success. Overall, I feel the entry bar for a career in real estate is too low and sales representatives should be better qualified before earning a licence.

I try to lead from the front and, in particular, place an emphasis on our cadet training program. One of the biggest issues is that people are quick to join the industry, but not encouraged or nurtured. Some 90 per cent who enter the real estate industry will not be there in five years’ time.

The training organisation’s job is to get bums on seats, but they aren’t successful in translating how hard it is to work ‘on the ground’ as an agent. We really need to make it much harder to get in, so that people will think more seriously about it.”
NSW training reforms

Improving the standard of real estate practice through better education, robust licensing requirements and targeted ongoing training has been high on REINSW’s lobbying agenda for many years.

In late 2015, the NSW Government commissioned an independent panel to perform a review of existing training standards. In its submission to the review, REINSW strongly advocated for a range of reforms aimed at substantially improving the education standards of agents in NSW.

Then, in November 2016, the government announced a reform package incorporating many of our recommended changes. REINSW continued to work closely with the government to ensure the reform package met the needs of all stakeholders and in late 2017, the Minister for Innovation and Better Regulation, Matt Kean, introduced the Property, Stock and Business Agents Amendment (Property Industry Reform) Bill into Parliament.

The reforms are a massive win for REINSW and are in keeping with the Institute’s goal to professionalise real estate agents.

The reforms will apply to new industry entrants and new licence applicants. Grandfathering arrangements will be put in place for existing Certificate holders and Licensees, and for Licensees acting as a Licensee-in-charge. The reforms will be introduced over a period of time to allow the industry to adjust to the new arrangements.

CERTIFICATE OF REGISTRATION

• New entrants to the industry will be required to complete seven units of competence (up from the current requirement of four units) to obtain their Certificate of Registration.
• The activities that Certificate holders are able to undertake will be specified, placing greater emphasis on the responsibility of the Licensee-in-charge to ensure proper supervision. For example, Certificate holders will not be able to enter into contracts on behalf of the agency or authorise trust account transactions.

LICENCE

• To obtain a Licence, agents will be required to complete the Certificate IV qualification from the Property Services Training Package, along with at least 12 months’ practical experience.
• The activities that Licence holders can undertake will be specified, placing greater emphasis on the responsibility of the Licensee-in-charge to ensure proper supervision. For example, prohibiting Licence holders from authorising trust account transactions.

LICENSEE-IN-CHARGE

• A new licence category will be created – Licensee-in-charge.
• To become a Licensee-in-charge, an agent will need to complete a Diploma level qualification from the Property Services Training Package (or a Certificate IV in Property Services and an equivalent qualification in business management) and at least two years’ experience within a licensed business.

CPD

• Annual CPD for Certificate holders will be comprised of competency units from the Certificate IV qualification from the Property Services Training Package until the qualification is completed.
• Annual CPD for Licence holders and Licensees-in-charge will increase from four hours to six hours. The six hours CPD will comprise three hours of compulsory topics and three hours of elective topics.
• Licensees-in-charge will also be required to complete an additional three hours of CPD focused on business skills.

The reforms are a massive win for REINSW and are in keeping with the Institute’s goal to professionalise real estate agents.
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The Advantage program has supported more than 30,000 real estate professionals in the past year and includes community grants, industry sponsorships, events and activations, as well as professional development opportunities.

At realestate.com.au, we believe it’s important to work together to ensure our local communities remain vibrant places to live and work. By working together on the issues that are important to us, we can help bring about positive, long-lasting change and ensure our communities are well-positioned for the future. The Advantage Community Grants program aims to support you and your involvement in your local community groups, sporting organisations and other charitable causes close to your heart. We want to help bring projects of all kinds to life. Whether you’re wanting to sponsor a kids’ footy team, host a charity fundraiser or even paint the local library, we want to help!

Our Advantage program also includes hosting and sponsoring a range of events. These events are designed to be educational and informative, and to celebrate your success. They range from hosting our own small and large scale events – such as our webinars with industry experts, Momentum and the Annual REA Excellence Awards – to sponsorship of major industry events such as AREC, ARPM and the Women in Real Estate breakfast series.

We know that you love to surprise and delight your customers and that’s why we continue to provide activations throughout the year, such as coffee and ice cream carts for your auctions, open-for-inspections and agency events.

realestate.com.au’s Advantage program has already helped thousands of agents and agencies get ahead. Find out how you can get involved, and how we can help you, by visiting agent.realestate.com.au/advantage, or by contacting your Account Manager.

“"The Advantage program has supported more than 30,000 real estate professionals in the past year and includes community grants, industry sponsorships, events and activations, as well as professional development opportunities.”"
Education: It’s all about attitude

By TANJA M JONES

Change is constant. There are countless innovations, technological developments and disruptors all striving to be more, give more and make more. And with consumers more informed than ever before, agents need to step up and improve their attitude to learning and education to fulfil expectations.

An ambitious real estate leader needs to employ driven individuals who are keen to develop. Their potential can only be realised through education – and, after all, the more people know, the more they can contribute to the success of an agency.

But it’s about more than just education. It’s about attitude. A positive attitude to learning is more likely to drive success than education levels alone.

The Real Estate of Leadership report, a research project conducted by TMJ Coaching in partnership with CoreLogic, found that 31 per cent of agents had no formal business training other than their real estate licence, while 41 per cent had undertaken short courses in business to improve their skills. Interestingly, the research also showed that those agencies where the principal had an MBA or university business degree were more likely to experience very strong revenue growth. Of those with no formal education or short courses in business, each experienced negative growth.

The research revealed that while one in five real estate agents hold tertiary qualifications, it’s experience and attitude to leadership, training and personal learning that’s more likely to define success. Principals who are open to learning, improving skills and are prepared to invest in themselves and their staff in this regard will see the greatest business benefits overall.

Here are my top 5 ways to create a culture and mindset of continuous learning.

1. **Start with why.** Leaders need to cultivate dynamic learning environments where individuals have a clear pathway for progress and an accurate roadmap to fulfil their why. This will significantly increase employee satisfaction, productivity and morale while reducing the risk of staff turnover.

2. **Put it in the plan.** Ensure every team member, regardless of role or level, has a personal development plan. The plan must be reverse engineered to successfully fulfil their agreed KPI’s. Let them drive it and be sure to support them in the process.

3. **Asset map.** Great leaders create greater leaders. They are inspired by breathing life into their people. By asset mapping you can provide opportunities for top performers to train others in your team, motivating people to achieve excellence and share skills. It also increases your ability to become an attraction office and brand.

4. **Embrace mistakes.** Mistakes are inevitable. Great leaders create safe environments to stuff up. Put ‘embrace mistakes’ on the weekly team agenda and openly share your biggest blunders. Top leaders remain eternal students, and humility breeds trust and transparency.

5. **Hire a professional.** Our results are simply a financial scorecard of our energetic output. Engaging a professional to support the evolution of your people and your business will see you go beyond where you may normally have stopped or even quit.

“

A positive attitude to learning is more likely to drive success than education levels alone.

TANJA M JONES is the CEO of TMJ Coaching
After a long battle, the Fair Work Commission has now finalised the four-year review and the new Real Estate Industry Award will commence on 2 April 2018.

With D Day fast approaching, every real estate employer needs to be aware of the changes and understand what they need to do before the new award kicks in.

The changes are, in some respects, disappointing from an employer’s perspective – with the increases to the minimum rates of pay being the most notable example.

But, when considered as a whole, REEF is pleased with the outcome from this protracted review process. It could have been much worse. This is especially the case when viewed against the backdrop of the horrendous claims lodged by the unions at the beginning of the process.

REEF succeeded in protecting the industry against the proposed abolition of commission-only arrangements and the serious threat that the debit-credit commission system would be undermined. We were also successful in insulating the industry against the introduction of penalty rates for weekend work.

The new Real Estate Industry Award will introduce a number of important changes. Here’s a quick summary of the main things to note.

**Broad-band classification structure**

Gone are the old job titles such as Property Sales Associate, Property Sales Representative, Property Sales Supervisor and the corresponding titles for property management and strata management.

There will now be a four-tiered classification based on skills, duties and responsibilities, and every operational employee must be placed into one of these levels:

- **REAL ESTATE EMPLOYEE LEVEL 1 (ASSOCIATE LEVEL)**
  If an employee is engaged to assist either a salesperson, property manager or strata manager, they’ll be classified at the Associate Level.
  For example, someone who is employed as a property sales associate.

- **REAL ESTATE EMPLOYEE LEVEL 2 (REPRESENTATIVE LEVEL)**
  If an employee is engaged to perform the duties of a real estate salesperson, property manager or strata manager, they’ll be classified at the Representative Level.

- **REAL ESTATE EMPLOYEE LEVEL 3 (SUPERVISORY LEVEL)**
  If an employee is engaged to supervise Level 2 employees, they’ll be classified at the Supervisory Level. An example of an employee at this level is someone employed as a sales manager.

- **REAL ESTATE EMPLOYEE LEVEL 4 (IN-CHARGE LEVEL)**
  If the employee is responsible for ensuring the business complies with its obligations under real estate law, they’ll be classified at the In-Charge Level. For example, someone employed as a Licensee-in-charge.

This new broad-band classification structure will make classifying employees much easier, as it will no longer matter if an employee performs a mix of duties across sales, property management and strata management. Employees will simply be classified at a level, rather than by their job title.

**Mobile phone allowance**

The new Real Estate Industry Award prescribes a formula for reimbursing an employee for the use of their own mobile phone in the course of their employment: 50 per cent of the employee’s mobile phone plan up to a maximum plan of $100 per month.

This means the maximum employers will be required to pay an employee is $50 per month. If an employee’s plan is $80 per month, the payment will be $40 (i.e. 50 per cent of the $80 plan).

**Motor cycle allowance**

The new Real Estate Industry Award introduces a new allowance to reimburse an employee who uses a motor cycle in the course of their employment (e.g. to complete letter box drops).

Without this change, employers would have been required to pay the employee the full car allowance rate.
MINIMUM RATES OF PAY

The first full pay period commencing on or after 2 April 2018 will see changes to the minimum rates of pay for most employees.

After working out the new classification level for each operational employee, employers must determine whether their current rate of pay is at least equal to the rates set out in the following table.

NEW WEEKLY MINIMUM WAGE FROM 2 APRIL 2018

<table>
<thead>
<tr>
<th>Broad-band classification</th>
<th>New wage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Real Estate Employee Level 1 (Associate Level) – first 12 months</td>
<td>$728.20</td>
</tr>
<tr>
<td>Real Estate Employee Level 1 (Associate Level) – after 12 months</td>
<td>$768.60</td>
</tr>
<tr>
<td>Real Estate Employee Level 2 (Representative Level)</td>
<td>$809.10</td>
</tr>
<tr>
<td>Real Estate Employee Level 3 (Supervisory Level)</td>
<td>$890.00</td>
</tr>
<tr>
<td>Real Estate Employee Level 4 (In-Charge Level)</td>
<td>$930.50</td>
</tr>
</tbody>
</table>

If an employee’s current rate of pay is not at least equal to the rates set out in the table above, employers must adjust the employee’s rate of pay to the new minimum rate relevant to their classification.

If an employee’s current rate of pay is equal to or above the new minimum rate relevant to their classification, no adjustment is necessary.

Commission-only employment

The rules relating to commission-only arrangements have undergone a great deal of change. Employers who engage salespeople on a commission-only basis, or intend to do so in the future, need to understand the new rules as errors could have disastrous financial consequences.

NEW QUALIFICATION TEST

For an employee to be engaged on a commission-only basis from 2 April 2018, the new Minimum Income Threshold Amount (MITA) qualification criteria must be satisfied.

The MITA is satisfied if the employee can show that in a consecutive 12-month period in the three years immediately prior to entering into the commission-only agreement they received a salary (including commission or bonus payments, but excluding allowances and superannuation) at least equal to 125 per cent of the employee’s classification rate under the new Real Estate Industry Award, calculated as an annual amount. The MITA will increase as the minimum rates of pay change.

The MITA applies only to employees who are employed after 2 April 2018. Employees who currently qualify can continue to be employed on a commission-only basis after 2 April 2018.

ANNUAL ASSESSMENT TEST

The employer must assess a commission-only employee’s remuneration (i.e. commission received) at the end of each 12-month period.

If the assessment reveals that the employee received commission less than the MITA over the previous 12 months, the employee can no longer continue to be employed on a commission-only basis. The employee must revert to a salaried position, either with or without an associated commission arrangement. Termination may also be an option, provided appropriate performance management processes have been observed.

The annual assessment is an integral part of the revised commission-only employment system from 2 April 2018. For employees employed prior to 2 April 2018, the first annual assessment will need to occur by 1 April 2019. For employees employed after 2 April 2018, the first annual assessment will take place 12 months after the commencement of employment.

REVISED MINIMUM COMMISSION-ONLY RATE

The minimum commission-only rate of pay prescribed in the award is now 31.5 per cent of the employer’s gross commission (rather than 35% of employer’s net commission).

This is a structural change only and should not affect the monetary entitlement of a commission-only employee.

‘ALL-UP’ RATE NO LONGER APPLIES

The Fair Work Commission has confirmed that commission-only arrangements that provide for pre-payment of annual and personal/carer’s leave are unlawful and inconsistent with the Fair Work Act.

Employers who have commission-only employees who are paid an ‘all-up’ commission rate must immediately transition them to an arrangement that is lawful under the Fair Work Act. REEF has developed a commission-only arrangement – the commission margin model – that overcomes the problem.

Post-employment commission entitlement

Currently, following the termination of an employee’s employment, an entitlement remains for the employee to be credited with commission or bonus payments from a property transaction in accordance with their employment agreement, provided a legally enforceable contract is in place either before the cessation of employment or during the notice period. This is commonly referred to as the ‘line in the sand’ for a commission or bonus entitlement.

This line moves slightly under the new Real Estate Industry Award. The entitlement to be credited with commission or bonus payments after the termination of employment will now remain alive for the duration of the fixed term of the exclusive agency agreement.
No more cyber breach secrets

By CATH DICKINSON

It’s an unfortunate fact that far too many real estate agencies take a “she’ll be right” attitude when it comes to cyber security. Smaller agencies, in particular, tend to believe “no one’s going to bother to hack us because we’re too small”. But it’s not true.

Small businesses like real estate agencies are easy targets. Hackers often don’t bother with the bigger end of town where there are dedicated cyber security resources in place. Why would they when they can more easily attack a smaller business with weaker defenses? While larger businesses are potentially more lucrative targets, they’re better protected. Smaller businesses tend to be more exposed.

Take a moment to think about the sheer bulk of personal information held by your real estate agency. Databases and CRMs are a veritable treasure trove of details that hackers can potentially exploit for their own advantage. It’s not hard to imagine the potential fallout a cyber breach might have on your agency, including the damage it would wreak on your reputation if your clients’ personal details were compromised.

Keeping quiet in the wake of a cyber security breach is now a thing of the past, after laws mandating notification came into force on 22 February 2018. Here’s what you need to know about the new scheme.

Visibility will lead to awareness
With increased visibility will come a shift in mindset about the need to address cyber security.

“The security industry has been pushing for mandatory notification for a long time and we’re one of the last countries in the world to implement this type of legislation,” Mr Weis said. “The new laws won’t change the cyber security landscape in the short-term, and attacks will continue to increase in sophistication. But what they will do is provide a degree of visibility that we’ve never had before.

“We have reports from major security vendors on the number and severity of Australian data breaches each year, but it’s only a small percentage of the actual breaches that occur. The reality is that most businesses don’t report breaches because they’re scared of reputational fallout. A good example of this is when Uber suffered a massive data breach in 2016 and then paid hackers to keep it quiet.”

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Understanding the scope of the problem
The Notifiable Data Breaches scheme requires businesses captured by the Privacy Act 1988 (Cth) to inform people when their personal information has been compromised due to a data breach and serious harm is likely to result. The long-anticipated scheme aligns Australia with other countries, which have had notification requirements in place for years.

For Dan Weis, Penetration Tester and Security Specialist at leading technology and security solutions company Kiandra IT, the new laws are long overdue.

“The security industry has been pushing for mandatory notification for a long time and we’re one of the last countries in the world to implement this type of legislation,” Mr Weis said. “The new laws won’t change the cyber security landscape in the short-term, and attacks will continue to increase in sophistication. But what they will do is provide a degree of visibility that we’ve never had before.

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Notifiable Data Breach Scheme

What is the Notifiable Data Breach scheme?
The scheme requires organisations covered by the Privacy Act 1988 (Cth) to notify individuals likely to be at risk of serious harm by a data breach. The notice must include a description of the data breach, the kinds of information concerned and recommendations about the steps individuals should take in response to the data breach. The Australian Information Commissioner must also be notified.

Which data breaches require notification?
The Notifiable Data Breaches scheme requires notification of ‘eligible data breaches’. These are breaches that are likely to result in serious harm to any of the individuals to whom the accessed information relates. A data breach occurs when personal information held by an organisation is lost or subjected to unauthorised access or disclosure. Examples include when:

- a device containing customers’ personal information is lost or stolen
- a database containing customers’ personal information is hacked
- customers’ personal information is mistakenly provided to the wrong person.

Why is the scheme important?
The scheme will strengthen the protections afforded to everyone’s personal information and will improve transparency in the way organisations respond to serious data breaches. This will, in turn, support consumer confidence that personal information is being respected and protected.

When does the scheme take effect?
The scheme commenced on 22 February 2018 and only applies to eligible data breaches that occur on or after that date.

To find out more about the Notifiable Data Breaches scheme and access resources, go to www.oaic.gov.au

Reducing your risk

Dan Weis, Penetration Tester and Security Specialist at Kiandra IT, details the top five cyber security risks of real estate agencies and how to effectively respond to them.

1. USERS

Even the most heavily fortified environments can be penetrated by a well-crafted phishing email. Agencies should invest in awareness training to educate staff about common types of attacks to ensure they understand the latest threats.

2. PASSWORDS

Strong password usage should be implemented by agencies, with regular password changes enforced and filters applied to prevent easily guessed passwords. Internet facing systems (such as VPN’s, Outlook Web Access and other web portals) should have multi-factor authentication.

3. IT

All too often, IT teams provide too much open access, fail to apply the necessary security controls, misconfigure systems and don’t implement intrusion prevention and detection measures. Agencies should ask their IT team what security controls they have in place to protect the business.

4. PENETRATION TESTING

Penetration tests assess and report on risks, threats and vulnerabilities and the overall security profile of a business, and detail what remedial steps need to be taken. Regular testing is one of the best ways to mitigate against security breaches.

5. INCIDENT RESPONSE

Agencies must assume their business will be breached at some point and need to have a documented incident response plan in place to ensure they can detect, recover and communicate with clients should a breach occur.

Insurance matters

Irrespective of the new laws, given the pace and complexity of the cyber space and pervasive nature of technology, cyber liability insurance is a necessary safeguard for businesses to transact securely with their clients.

Cyber liability insurance provides essential cover for business interruption, as well as support with data recovery and the management of any resulting reputational crisis. From a client perspective, the cost of monitoring the impact of a data breach can be significant. Cyber cover can include support with notification and monitoring costs, as well as managing legal costs resulting from any litigation.

One of the broader benefits of cyber liability insurance is also the peace of mind it brings. Agency owners can rest easy that appropriate safeguards are in place to help the business keep moving forward, while at the same time ensuring they have adequate security strategies in place to resolve any issues and appropriately mitigate any concerns regarding data security.

But the strength of cyber liability insurance also lies in the breadth and quality of its pre and post-incident response service. The typical real estate agent doesn’t have anyone to turn to if their computer screen suddenly freezes and a ransom message appears. This is where a quality cyber liability insurance policy can assist.

Made up of IT security and forensics, legal, credit monitoring, public relations and communications professionals, an incident response team will help from the moment a business becomes aware of an incident through to its resolution, helping to mitigate potential loss and exposure.
By RUTH SMYTH

Increasing your sources of revenue by adding additional services and offerings can help you to grow your business. Ruth Smyth from Rockend explains how moving into strata management can help your agency reap returns.

You’ve set yourself and your business some solid goals and targets for the year. What do you need to do to achieve them? Whether you’ve just opened your agency and only have a handful of properties under management or you’re an industry veteran, it’s crucial to always be thinking of ways to gain a competitive edge and grow.

You see, revenue fluctuates for every real estate agency according to what’s happening in the market. And, if recent years have taught us anything, it’s that agencies need to embrace change in order to survive and thrive.

Many agencies have invested in growing their property management departments as a means of increasing revenue and providing a saleable part of the business as part of succession planning. If you’ve done this and are looking for a new way to accelerate your business’s growth, you’re ready to enter the world of strata management.

Entering the world of strata management
Selling, property management and strata management all work together. They’re all part of the property lifecycle.

Think about it. Real estate is about building relationships with people in your community, so that when they’re ready to buy or sell you can provide them with a service that’s tailored to their individual needs.

Where a salesperson in your agency sells a property, there’s an opportunity to provide further services to both the buyer and the seller. The seller may be looking for their next property, so you can certainly help them there. And the buyer may have purchased the property as an investment, which presents the opportunity to offer property management services.

But what if the property is in a strata scheme? Consider the people who own properties in strata schemes. They know and have built a rapport with their strata manager. If your agency provides strata management services, you have the opportunity to offer services beyond selling and property management.

What’s changed?
As in all other areas of real estate, technology and client needs are changing the face of strata management. Owners want information at their fingertips 24 hours a day, seven days a week. They don’t really want to attend meetings in person. They want to be able to pre-vote on resolutions. And they want the peace of mind of knowing that their strata manager knows how to improve their asset.

Real estate agents are in an ideal position to provide this service as they’ve been doing it for years.

Also, the strata industry is booming! Just look up. Our skylines are awash with cranes and residential developments are rising on every corner. There’s never been a better time to embrace this opportunity.

The difference
Strata revenue comes from levies paid by owners from which a management fee is deducted. Owners agree on what they want to contribute throughout the year to keep their building in
tip-top shape. They engage the strata manager to look after this, to provide maintenance, contracting, reports and insurance. Every day brings something new – just like property management – however there’s consistency that comes from repeatable functions for meetings, contracted works, insurance renewals and budgeting.

Instead of looking after one unit or townhouse, strata managers look after every unit in the complex. The benefit? You’ll have the opportunity to engage with an entire complex of people at different stages in the property life cycle that will need your services.

The upside is that the majority of agencies already have a technology supplier that can provide the systems they need for strata management.

**Benefits of adding strata management services**

There are many benefits to adding strata management services to your agency’s offering. Increased revenue, professionalism, access to a new group of potential vendors and tenants, a business arm that you can sell in the future – the list goes on!

Owners must feel heard and understood, the building must be well maintained and information must be shared regularly and clearly from the client’s point of view. To ensure this is a successful venture, it’s non-negotiable that the person you entrust to run your strata department must have:

- a valid strata licence
- exceptional negotiation abilities
- strong people management skills
- excellent verbal and written communication skills
- sound accounting knowledge
- access to strata management software.

With major real estate groups already making a play in strata management, and even more individuals and groups reviewing it, and given the recent developments in technology married with the growth in numbers of strata schemes, now is the time to consider strata management for your agency.

**KEY CONSIDERATIONS**

- **Choose your managements wisely.** People can be harder to manage than the property. Remember to always do your due diligence before committing to a management.

- **Flexibility is a must.** If a strata scheme wants meetings in the evening or on a weekend, you’ll need to provide that service.

- **Build relationships.** Time out of the office in strata management is minimal when compared to property management and sales. Sometimes the building you manage will have an on-site building or facilities manager who will work with your team. If not, the committee members are your eyes and ears about potential issues and situations. In either case, building relationships is key.

- **Use technology to your advantage.** Check if your software provider has a strata management option. You’ll want to ensure it manages finances, insurance, meetings, maintenance and provides access to what your clients need 24/7 via a portal.
By CATH DICKINSON

Having a professional on both sides of the real estate transaction undoubtedly has benefits. Here leading agents reveal how they’re contributing to the elevation of industry standards and the value of selling agents and buyers’ agents working together.

In so many other aspects of our lives we engage professional advisors to represent our interests. When planning to secure our financial future, we talk to a financial advisor. When writing our will, we seek advice from a solicitor. When tax time comes around, we go to an accountant to ensure our return is maximised. And when we sell our home, we engage the services of a real estate agent to ensure we achieve top dollar.

So why is it different when it comes to buying property? Buying a property, whether as a home or an investment, is one of the biggest and most complex transactions most people will ever undertake. Even so, it’s largely done without professional representation.

“It’s an unusual situation,” Jacque Parker, Director at House Search Australia and Deputy Chair of the REINSW Buyers’ Agents Chapter, said. “You have two parties coming to a contractual agreement, large amounts of money are involved, but only one party is represented. The seller has professional representation on their side, but the buyer has none.”

According to Jacque, it’s this imbalance which can often find buyers on the back foot.

“The vast majority are buying property irregularly and they find themselves in a position where they’re dealing with a seasoned selling agent who negotiates for a living. The scales just aren’t balanced,” she said.

Rich Harvey, Managing Director at propertybuyer, Chair of the REINSW Buyers’ Agents Chapter and President of the Real Estate Buyers’ Agents Association, agrees.

“Lots of people believe they’re good negotiators, but there’s no way they’re at the same level as a selling agent who does it day in, day out,” he said.

“They also mistakenly believe that because they have access to more information and data than ever before, they’re equipped to deal with the complexities that come along with transacting real estate. But having this information and data can be as much a problem as it is a benefit.

“Most people don’t know how to interpret the data and apply the information to their own situation. Sellers have someone – their agent – to do this for them. But, in the absence of engaging their own representation, buyers don’t and they’re at a disadvantage.

“Buying property is a very nuanced process and the average consumer is just not fully equipped to navigate those nuances. Engaging the use of an exclusive buyers’ agent helps to address the power imbalance, because we’re advocates for our clients. We’re on their side. We represent them and only them.”

Greater visibility of value

The value buyers’ agents bring to the table is obvious, so why is their engagement an exception rather than the rule? Jacque points to fees as one possible reason.

“When you’re selling a property, the agent’s commission is a disbursement that comes out of the settlement. In a sense, the seller is not actually reaching into their pocket and handing over money. It’s somewhat hidden,” she said.

“But with buyers’ agents, a retainer is paid up front. It’s ‘real money’. And then we’re also paid a fee when we unconditionally purchase.

“We’re providing a service and are paid accordingly, but it’s not necessarily a service for everyone. First home buyers, for example, who
have only just managed to scrape together a deposit are unlikely to use a buyers’ agent. Even though they would undoubtedly benefit, they simply can’t afford to outsource.

“But if you’re time poor, if you’re not familiar with the market, if you don’t have specific knowledge of an area and you don’t have access to the best information, then a buyers’ agent is a great choice.”

Rich agrees. “Cost is always a hurdle for people. But, as that great quote goes: ‘the price is forgotten long after a quality result is achieved.’

“Buyers’ agents now have a much more prominent role, both in the search and negotiation process. Buyers are nervous about making mistakes and, in a competitive market, they feel a buyers’ agent can provide them with an advantage. According to Rich, buyers’ agents are becoming more mainstream.

“Ten years ago, I could walk into a room and ask a group of 20 people how many of them knew what a buyers’ agent was. Maybe one or two hands would go up. Today, pretty much every hand will be raised.

“Consumers are recognising the value we bring to the table.”

Professionals working together

Jacque and Rich agree that the future is bright for buyers’ agents, as recognition of the valuable service they provide continues to grow.

“Selling agents are no longer viewing us as a threat, because they understand what we bring to the table,” Jacque said. “They know that, at the end of the day, we make their job easier. Once a price has been agreed, we follow up and liaise with all the relevant parties and ensure the process proceeds without any hiccups.

“Working alongside another professional elevates practice standards. It’s all about collaboration – and the benefits of collaboration between selling agents and buyers’ agents are undeniable.”

Consumers too are increasingly recognising the benefits of working with buyers’ agents.

“A lot of people still have the perception that buyers’ agents are just for the wealthy. But nothing could be further from the truth. Increasingly we’re working with people from a wide range of demographics – first home buyers, up-graders, down-sizers, investors, commercial buyers and developers,” Rich explained.

“More and more people are recognising the value we offer. They see us as professionals who provide a professional service. And having agents on both sides of the transaction can only have a positive impact on consumers’ opinions of the real estate industry.”

7 ways buyers’ agents can help selling agents

1. **QUALIFIED BUYERS**
   It goes without saying that not all buyers are genuine or ready to buy. Some are serial time-wasters. Others don’t have their finances sorted. And then there are those who are unrealistic in their expectations. Buyers’ agents’ clients are serious and committed to the process – otherwise they wouldn’t have engaged a buyers’ agent. They’re motivated and ready to transact.

2. **GENUINE OFFERS**
   Buyers’ agents know the markets that they specialise in. They’re up to date with values and the wide range of factors affecting the marketplace, and are able to advise their clients accordingly. They only place genuine offers with a view to securing the property.

3. **SAVE TIME AND MONEY**
   Buyers’ agents don’t unnecessarily waste selling agents’ time. They know the market, present their clients with vetted properties and aim to transact as efficiently as possible. For ‘off market’ listings, a suitable buyer may already be on the buyers’ agent’s books – saving the vendor and selling agent time and money when it comes to marketing campaigns.

4. **SPEED IN DECISION MAKING**
   The fact that a buyers’ agent has received a specific brief and selects a property to meet that brief means they’re able to move quickly and act more efficiently throughout the transaction. This means there’s less procrastination as compared to dealing with other buyers, shorter cooling-off periods and unconditional contracts.

5. **SMOOTHER TRANSACTIONS**
   Buyers’ agents assist throughout the process – from the property search, right through to settlement – making sure the buyer is looked after. They can help with everything from the interpretation of inspection reports through to liaison with the conveyancer or solicitor. It all comes together to make the selling agent’s job easier.

6. **OBJECTIVITY**
   Buyers’ agents aren’t emotionally attached to the property and, as such, can provide unbiased advice about value to their clients. Buyer’s remorse and cold feet are common when dealing with emotive buyers. But when working with a buyers’ agent, the selling agent can be assured the offer is genuine and based on established facts, and rest easy in the knowledge that the buyer has been qualified and has realistic expectations.

7. **REFERRALS**
   Buyers inevitably become sellers, and buyers’ agents are in an ideal position to provide their clients with recommendations about the best-selling agents within their area. Buyers’ agents’ clients often ask who they should use to sell their property, so it makes sense for selling agents to build strong relationships with buyers’ agents as a source of referral business.
Social media is changing before our eyes every day. Algorithms are tweaked. New features are introduced. And the rules governing reach are changed. But in the midst of so much flux, one thing remains steadfast: the power of Instagram’s visual content.

A picture paints a thousand words. It’s an age-old adage that resonates with all of us. And in this social media age, perhaps nowhere more so than Instagram.

The industries that have flourished in the world of Instagram are beautiful. Think fashion, fitness and, of course, homes. As a visual platform, Instagram is perfect for real estate and it’s now one of the core tactics of the social media strategy of many real estate agencies. But what can you do differently to stand out and successfully gain traction for your business?

Authenticity counts
When it comes to the content you post to Instagram, you need to be authentic. Yes, the real estate social media feeds we scroll through every day are almost always about homes. But I believe they don’t have to be.

If you’re doing the same thing as everyone else, you’re already behind the trend. You need to be different to stand out – and showing your followers who you are as a person and letting them see a more intimate side to both you and your business is vital. This will not only help you build an emotional connection with them, but it’s also the key to allowing your followers to feel as though they know you and would like to work with you.

Remember to stick to the 30/30/30 golden rule of content: 30 per cent of posts should relate directly to your work (e.g. listings, sales, open for inspections), 30 per cent should be about homes (e.g. gardening, cleaning, seasonal tips) and 30 per cent should add a human touch (e.g. your dog, a restaurant review, participating in a charity fun run) – and then you have 10 per cent to have fun with!

All hail the #hashtag
Don’t forget to hashtag. In the past, you could get away without using hashtags. But no more. To be effective on Instagram, you need to use hashtags. The purpose of hashtags is to help your posts get indexed for keywords, so that users searching for something in particular will find you. In short, using hashtags means your content is searchable and will make you more visible on Instagram.

But how do you know which hashtags to use?

The best way to incorporate hashtags into your posts is to use an app that allows you to type in what you’re posting about – for example, #house or #realestate – and then apply the most relevant tags to your post. A good one to try is hashtagify.me.

Keep it broad and check the popularity of particular tags. But remember, you can’t rely on using the same hashtags over and over. You need to change things up to reach a wider number of users.

And be prepared for your hashtags to start working immediately. You’ll

#pictureperfect

By ALEXANDRA HAINSWORTH
get followers and likes right away – and that’s great.

**Telling your story**
A great way to reach a wider selection of potential followers is by using Instagram Stories to showcase yourself in action. If you’re not familiar with the Stories feature, make sure you check it out. Stories appear in a separate feed to regular Instagram posts, and the format allows viewers to watch videos and photos one after the other as a slideshow before they disappear in 24 hours. The real-time nature of Stories content creates a sense of urgency for viewers to watch it before it’s gone forever.

You can use Instagram Stories to show yourself slaying all the tasks it takes to sell a home. One of the comments agents often hear is: “What do you actually do to earn your commission?” You can combat this by showing what you’re doing every day. Take a selfie while you’re doing call backs, walking to set up an open for inspection or putting out some brochures. Even the funnier things that sometimes come up, like trying to sweep stray leaves off a walkway in the midst of gale-force winds before an open, make for great Stories content because they show a more human side to your business.

It all adds up to an overall perception of you. Not just who you are as an agent, but also who you are as a person. And this helps to break down barriers.

One of the hardest parts of being an agent is not having enough time to build great relationships with enough future clients. Instagram Stories is a way to build relationships with multiple people all at once. Let them learn your sense of humour, get to know what you look like and see what you stand for.

Using the Stories feature is a great way to increase your agency’s engagement on Instagram, because people are now using it just as much, if not more, than scrolling down through the regular feed.

You can also pin a Story to your profile page, preserving content that would otherwise disappear after 24 hours and giving you the chance to market messages you want a bigger audience to see for a longer period of time. Importantly, pinned Stories appear chronologically, which means people can always stay up to date with what’s happening with you, your team and even your dog!

**Time is ticking**
Time of day is a key ingredient in the secret recipe of Instagram success.
You can post several times a day, but if you aren’t monitoring the times your posts went up and the level of engagement for each, you won’t get anything out of it. Pay attention. Consistency is everything and part of that is monitoring your posts’ success.

Does 11pm work best for you in terms of great engagement? What about 5am? Noon? Everyone is different, so don’t read too much into it. You want a bigger audience to see for the times that work best for you. Yes, those times are generally accurate, but sometimes even fifteen minutes can make a huge difference in term of engagement – so remember, timing matters.

**Extending engagement**
So how do you grow an ever-increasing loyal following? It comes down to time. Pure and simple.

You need to invest time in liking and commenting on other users’ Instagram posts and building rapport within your community. And you need to be patient.

A great tactic to build your following and become known in your local community is to find other local businesses to work with. Create a short video with a business with a successful following and cross share with each other. And when you make the video, don’t forget to take some photos and video clips to use in Instagram Stories as a behind the scenes (#BTS) post.

Whatever you do, do it organically. Don’t follow people for the sole purpose of gaining their follow in return – and definitely don’t then unfollow them (called ‘follow-unfollowing’) because it may result in Instagram taking disciplinary actions, like disabling your account.

**Picture perfect posts**
Stunning content is at the heart of Instagram, so part of grabbing the attention of an amazing following and showing off what you stand for is the quality of your content. Instagram is geared towards beautiful photos and few words. So when it comes to your regular posts, don’t use iPhone photos. Yes, they’re OK for Instagram Stories – but for your regular post, use professional images. You have less than a second to grab the attention of that new follower or potential client scrolling through your feed. Use that time wisely and don’t waste it by using low quality photos and content.

Remember, Instagram requires time, research, authentic communication and networking with your community every week and simply seeing what works best for you and your own team. Consistency is the key.

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**INSTAGRAM DON'TS**

1. **Start and stop.** If you’re going to start using Instagram, then do it. Don’t start and then go quiet for weeks or months on end. Be consistent.

2. **Post divisive or inappropriate images.** Keep it professional.

3. **Use bad photos.** One breathtaking image will do more for your brand than five mediocre images.

4. **Follow tons of people to get likes.** You might get noticed, but if you quickly unfollow them, Instagram will discipline you.

5. **Use the image splitter.** There’s no need to post multiple photos in the same image square. You can now post up to 10 photos in a row.

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**REAL ESTATE JOURNAL / Mar-Apr 2018 / 35**

**ALEXANDRA HAINSWORTH** is the Managing Director at Hainsworth Consulting Company.
Low risk? No way!

Think property management is a low risk service? Think your insurance premiums should be lower? Think again. Property management claims are on the rise, which is a growing concern for the real estate industry and insurers alike.

By JENNA SAMMUT

Why are the number of property management claims continuing to rise? Is it human error? Are tenants and landlords becoming more precious? Or is it simply because property managers are the easiest target to blame?

There are lots of incidents that can occur when it comes to property management.

Claims by tenants
Tenants may look to a property manager for compensation in all manner of circumstances. Here’s a few examples:

- **Slip and fall incidents:** Unsteady steps, slippery ground, carpet that’s lifting, holes in the backyard and more. The list of things that can trip up a tenant is endless. The cost of defending a claim for bodily injury and paying compensation can run to hundreds of thousands of dollars.
- **Balcony accidents:** Balcony collapses resulting in serious injury or death are not uncommon. These incidents can be ‘worst case’ scenarios, leading to lengthy and extremely costly claims and legal proceedings. Compensation can potentially be in the millions.
- **Broken tiles:** Shower tiles, as well as ceramic soap holders, can easily wear over time. Sharp edges can cause cuts and bruises, and an injured tenant may blame the agent for not keeping the property safe.

Claims by landlords
But it’s not only tenants who are making claims against property managers. Claims by landlords are also on the rise. Some common claims include:

- **Unwanted pets:** Sometimes tenants will have a pet, despite the landlord having a ‘no pets’ policy. In such cases, the landlord may claim against the property manager for damage and wear caused to the property by the pet.
- **Failing to notify landlords:** Sometimes landlords take responsibility for liabilities that arise, but if the property manager doesn’t notify the landlord of certain issues with the property, the claim may fall back on them.
- **Poor tenant screening and lack of routine inspections:** Failing to conduct thorough tenant screening and inspections can result in the possible loss of rent for a landlord, as well as ongoing damage to the property should it not be suitably maintained.

Minimising risk
With so much potential for claims, it’s no wonder that insurers struggle to provide less expensive premiums. But there are a range of things you can do to minimise the risk of being faced with a property management claim:

1. Ensure regular and thorough inspections are made. Document all findings.
2. Pass your inspections and recommendations onto the landlord. Recommend the use of experts for inspections of structural areas. Follow up on all maintenance required.
3. Place liability back onto owners when they refuse to invest in repairs and/or maintenance by recording your recommendations in writing.
4. Complete paperwork and documentation may be the key to the successful defence in court proceedings. Ensure detailed file notes are kept. Don’t rely on giving verbal advice or instructions.
5. Ensure owners, contractors and handymen all have their own public liability or landlords’ insurance to reduce the possibility of a claim falling back on your professional indemnity insurance. Keep records of their certificates of insurance.
6. Don’t cross out the indemnity clause in your management agreements. It can assist in defending against a claim.
7. Make use of technology, such REI Forms Live, that can enhance time efficiencies and reduce risks in your business.
8. Recommend your landlords to have their own landlords’ insurance. Landlords insurance can cover loss of rent as well as damage to the property.

JENNA SAMMUT is an Account Executive at Jardine Lloyd Thompson Pty Limited (JLT). Realcover is underwritten by QBE Insurance (Australia) Ltd and managed by JLT

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Historic training changes ahead

By DANIELLE ANDREWS

This year marks one of the most important moments in the history of our industry, with the landmark education reforms and a new training package set to be introduced later this year.

REINSW has lobbied for many improvements over the last 10 years, but without doubt the training reforms are the most significant win for both the Institute and the industry.

The training reforms will help to raise the education standards of agents, benefiting both the industry and consumers. It will also help protect agents from disrupters, as they will be skilled up to offer better services and become more respected.

Ultimately, what’s good for consumers and the community is also good for agents and real estate businesses, which fits with REINSW’s move towards professionalism.

We’ve had many conversations with NSW Fair Trading about how the reforms will unfold over the coming months. Fair Trading are presenting at the upcoming REINSW Roadshow, which is visiting 20 different locations across New South Wales between March and June. They are providing an in-depth introduction to the training reforms and the key legislative reviews that are also underway.

Qualifications fit for purpose
This year will also see the introduction of the new and improved national Property Services Training Package, which aims to make real estate qualifications fit for purpose. The qualifications underpin the regulatory requirements of the overarching reforms and will be introduced at the same time.

The update will produce training that’s more suitable to meet job roles and outcomes. As the chair of a technical advisory group to oversee the project to improve the qualifications and provide input into the new package which has been looking at:
• A full redevelopment of the Certificate IV as a licensing qualification
• A redevelopment of the Diploma to provide the professional development pathway and underpin the new Licensee-in-charge licensing category
• The review of the Certificate III as entry into the industry.

What do agents need to do?
Agents need to fully understand the reforms and qualification changes to ensure they and their business are ready to transition and hit the ground running. It’s vitally important for everyone in the industry to ensure they’re up-to-date with the changes, so they’re not left behind.

REINSW will be updating and guiding you every step of the way. You’ll be able to find all the latest information at reinsw.com.au, via our email newsletters, at our events and of course here in the Journal.

Ultimately, what’s good for consumers and the community is also good for agents and real estate businesses, which fits with REINSW’s move towards professionalism.

DANIELLE ANDREWS
is the REINSW Education & Training Manager.
Gaining your Real Estate Licence is a great way to set yourself apart from other agents. It shows you’re committed to your career and have taken the time to ensure your knowledge and skills are of a higher standard.

By DANIELLE ANDREWS

By completing the CPP40307 Certificate IV in Property Services (Real Estate) qualification, you can obtain your Real Estate Licence* by successfully completing all courses in the program over a 12-month period.

The method of learning is also flexible, with four different ways you can study:
1. Face-to-face in the classroom
2. Online with our eLearning system
3. Blended with a mixture of eLearning and classroom clusters

The best reputation

Two learners who successfully completed their Real Estate Licence with REINSW spoke highly of the course and the level of training.

Amanda Balding, Sales Agent at Goodyer Real Estate said: “I thought the level of training and support at REINSW was fantastic. I’m a very literal person and found the training style worked well for me and made things easy to learn.”

Grace Lancken said: “There was a great emphasis on the importance of good business practice, attention to detail, and the importance of good communication. I’ve been able to retain what I learnt, because of the trainers’ teaching methods and practical examples.”

To find out more, visit reinsw.com.au/licence or contact REINSW Training by calling (02) 9264 2343 or emailing training@reinsw.com.au

Recognition of Prior Learning

REINSW has a flexible approach to helping you upgrade your qualifications and doesn’t believe you should have to spend time re-learning things you already know.

If you already have experience in real estate, it can be recognised via our Recognition of Prior Learning* program to help you gain your Certificate IV in Property Services (Real Estate).

To start the program, you need to complete the self-assessment questions and provide evidence demonstrating your existing knowledge, skills and experience. An REINSW assessor will then review your application.

You’ll be advised of the outcome of the review, and a plan will be put in place to confirm your skills and knowledge and to provide any additional training required to enable you to be issued with a Statement of Attainment or the full Certificate IV in Property Services (Real Estate).

If you cannot meet all the requirements via the recognition program, you can undertake additional training to complete the full Certificate IV in Property Services (Real Estate).

Then it’s a simple application to NSW Fair Trading and you’ve got your licence!

To find out more, email rpl@reinsw.com.au or call (02) 9264 2343. We’ll connect you with one of our training consultants, who will explain how the process works, costs, timings etc in a confidential and “no pressure” way.

*This training is recognised within the Australian Qualifications Framework
RTO: The Real Estate Institute of New South Wales Ltd

DANIELLE ANDREWS is the REINSW Education & Training Manager.
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NAC NOVICE AUCTIONEERS COMPETITION 2018

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Funds raised will go to supporting R U OK?

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- Heat One - Sydney CBD
- Heat Two - Eastern Sydney
- Heat Three - Byron Bay, NSW
- Heat Four - Castle Hill, NSW
- Heat Five - Wollongong, NSW
- Heat Six - Inner West, Sydney
- Heat Seven - Newcastle, NSW

Proudly supporting: R U OK?

Principal partner: realestate.com.au

To secure your spot, register at www.reinsw.com.au/NAC today!
New members

Today the real estate business is more competitive than ever before and membership of REINSW has never been more important. We’re proud to welcome the following agencies to our membership ranks.

Ann Paterson Real Estate
Darling Point
Forster-Tuncurry First National Real Estate
Tuncurry
GJ Keighran & KP Keighran
Garwoods Estate Agents
Cammeray
HomeGround Real Estate Sydney
Strawberry Hills
Horizons Realty
Bella Vista
Julia Patricia Holmes
Lismore Heights
Laing+Simmons Rosebery
Rosebery
Latham Cusack Property Services
Balgowlah
LJ Hooker Umina Beach
Umina Beach
Mirren Investment Properties
Bella Vista
Multi Dynamic
Ingleburn
One Agency Sharron Tucker
Erina
Paras & Baz Real Estate
Baulkham Hills
Portcam
Saratoga
Premium Strata
Surry Hills
PRGrand
Maroubra
Professional Choice Realty
Hurstville
Propertylocator
Thirroul
Ray White Commercial (NSW – Sydney Office Leasing)
Sydney
Ray White Ferguson
Cammeray
Ray White Swansea Lake Macquarie
Swansea
Rosalie Douglas Real Estate
Panania
Standen Estate Agents
Longueville
Stone Real Estate Turramurra
Turramurra
The Agency NSW
Bondi Beach
Thomas Real Estate
Tenterfield
Wiseberry Lake Munmorah
Lake Munmorah

The agencies listed took out membership in December 2017 and January 2018.
What’s the buzz?

Discussion about the pros and cons of flat-fee agents generated lots of media attention in recent weeks, as did REINSW’s ongoing push for stamp duty reform.

There has been a lot of press surrounding companies that offer a flat fee upfront to sell a consumer’s home rather than the traditional commission model. But the current market highlights the impact upfront fees have on sellers.

LEANNE PILKINGTON
REINSW President
Avoid flat fee agents, industry body warns
Smart Property Investment
11 January 2018

Never take anything on face value. Do your research and ensure that you are making the best decision. As the market cools, the true value of an experienced real estate professional can really be seen.

LEANNE PILKINGTON
REINSW President
REINSW backs traditional fee structures, warns against flat-fee agents
Real Estate Business
12 January 2018

We encourage consumers to explore a full range of options when it comes to selling their most valuable asset. Don’t just go for the lowest cost option as the risks are too high if you get it wrong.

LEANNE PILKINGTON
REINSW President
Cooling market highlights quality of flat fee agents
Australian Property Investor
14 January 2018

There’s no motivation or incentive for these agents to take a professional approach in achieving the best possible result, as they have already been paid regardless of the outcome. As the peak body, REINSW is concerned for sellers in this changing market who are vulnerable to such low cost high risk strategies that have the potential to leave them in the lurch.

LEANNE PILKINGTON
REINSW President

People just can’t afford the Sydney market. Especially as wages aren’t keeping pace with the increases in property prices. There has to be a point where people can’t afford to keep going up with rent as well.

TIM MCKIBBIN
REINSW CEO
What $500 p/w rent gets you around Australia
Pedestrian TV, 16 January 2018

The real estate training reforms passed by the NSW Legislative Assembly mark a generational change and are the culmination of 10 years of lobbying.

TIM MCKIBBIN
REINSW CEO
Real estate training reforms
Illawarra Mercury
9 February 2018

REINSW has lobbied ferociously for a review of stamp duty because of bracket creep. A review feeds into REIA’s calls for a federal minister for property, so that a whole country review of property taxes can be undertaken. The federal government should be taking a leadership role and looking at property taxes at a federal level.

MALCOLM GUNNING
REIA President and REINSW Past President
HIA stamp duty report fuels calls for national review of property taxes
The Real Estate Conversation
16 January 2018

As well as holding back fresh stock and fueling unsustainable price growth, stamp duty also jeopardises employment opportunities in the real estate industry as reduced transaction volumes means agents simply aren’t able to employ new people. It’s a short term revenue booster with disastrous long term consequences.

LEANNE PILKINGTON
REINSW President

NSW, you can’t dine out on stamp duty forever
Elite Agent
13 December 2017

READ MORE
reinsw.com.au/journal

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