



REIA

REAL ESTATE INSTITUTE
OF AUSTRALIA

real news

The official newsletter for the real estate profession - Issue 47

**DEPOSIT
POWER**

Your deposit, guaranteed

Part of the Vero Group

Housing Affordability Report

REIA to release Deposit Power Housing Affordability Report

REIA will release the September quarter edition of the Deposit Power Housing Affordability Report on Monday 7 December 2009.

Although the three interest rate increases over the past three months will not be reflected in the September data, there is likely to be little to no change in the state of housing affordability for the reporting period.

The REIA's Deposit Power Housing Affordability Report is the most comprehensive report on the ability of Australians to meet the finance cost of home purchase, being based on data from the Australian Bureau of Statistics (ABS), major lending institutions and state and territory Real Estate Institutes; all of which undertake extensive sampling to determine market trends.

To subscribe to receive your copy of the report on Monday, [click here](#).

New award for real estate profession announced

The AIRC handed down their determination for Stage 4 Modern Awards, which includes the Modern Award for the real estate industry, at 12.30pm today.

The decision in relation to the real estate industry contains the following determinations:

- Coverage of Clerks
- Strata and Community Title Management
- Commission Only Employment
- Annualised Salary Provision

For a copy of the Stage 4 Modern Awards, [click here](#).

REIA, as a member of the Real Estate Employers' Combined Consultative Group (REECCG) will provide a more detailed response after we have had the opportunity to review and consider the issues identified above and the Modern Award that was released today.



terri **scheer**

Tis' the season to be safe, not sorry

Property managers can help landlords to look after their tenants and properties by offering the following tips:

Locks and smoke alarms:

Check locks on doors, windows and sheds in the lead-up to the holiday season to ensure they are in good repair.

Theft and damage to investment properties is common over December and January so it is important that preventative measures are taken.

Landlords should be encouraged to test the smoke alarms in their properties to ensure they are in good working order.

Air conditioning:

With another long, hot summer looming, it is a good idea for landlords to service air conditioning units.

This is especially important for ducted air conditioning systems that may need to be manually switched over and have vents re-opened.

Fire hazards:

A routine check for fire hazards should be undertaken with any debris cleared away and disposed of appropriately.

This is particularly important for properties in regional or vegetation-dense areas.

It may also be worthwhile suggesting to landlords that they consider installing a fire extinguisher on their property as a further safeguard.

Insurance:

The end of the year is a good time to remind landlords to review their insurance policies to ensure they have protection for some of the unforeseen circumstances.

For further information regarding Landlord Insurance please visit www.terrischeer.com.au or call 1800 804 016



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RBA increase official interest rates

The Reserve Bank of Australia this week increased official interest rates for the third consecutive month, a move that REIA President, Mr David Airey said was 'too much, too soon'.

"We need to be mindful that we are still in uncertain times; although we have not felt the impact of the Global Financial Crisis like other economies have, three rate rises in three months is quite dramatic and is quite a significant increase and will hit Australian families hard in the lead up to Christmas."

To view the REIA's media release on this issues, [click here](#).

Small business tax break ends soon

Assistant Treasurer, Senator Nick Sherry, and Small Business Minister, Dr Craig Emerson, this week reminded businesses they need to act by 31 December 2009 to benefit from the small business tax break.

The business tax break offers small businesses a 50% tax deduction on eligible assets that cost \$1,000 or more, as long as their annual turnover is less than \$2 million.

Small business owners who want to take advantage of the 50% small business tax break need to purchase assets, or enter into a contract to buy them, on or before 31 December 2009.

The tax break is an extra tax deduction businesses can claim at the rate of 50% in their tax return for the year the asset is first used or installed.

A new information kit about the small business tax break is now available on the Tax Office website at www.ato.gov.au and enquiries can also be directed to the info line on 1300 337 921.

ABS releases Economic Indicators publication

The Australian Bureau of Statistics (ABS) have released the Economic Indicators publication for December 2009. The publication contains statistics on consumption and investment, production, prices, labour force and demography, incomes and labour costs, financial markets, state comparisons and international comparisons.

To view the document, [click here](#).



Section 52 of the Trade Practices Act: Do you comply?

The Trade Practices Act 1974 (or "TPA") is Commonwealth legislation which continues to give rise to a large number of claims against real estate agents across Australia.

In particular, there has been a noted increase in claims against agents (usually by buyers or potential buyers) where it is alleged that the agents have engaged in misleading or deceptive conduct in contravention of section 52 of the TPA.

So when does section 52 apply?

Generally speaking, section 52 of the TPA will apply where:

1. A corporation (such as a real estate agency);
2. Makes a representation;
3. Which is misleading or deceptive, or likely to mislead or deceive.

Buyers and potential buyers frequently anticipate that much of the marketing jargon produced by agents is simply puffery and promotion. However, agents should be aware of the very serious consequences when puffery crosses the line and becomes misleading or deceptive conduct.

For further information, call your local Aon representative on 1300 734 274 or visit our website at www.aon.com.au/realestate.

The information in this article is of a general nature only and individuals should consider their own circumstances before proceeding in reliance on such information.

Whilst care has been taken in preparing this article, and the information contained in it has been obtained from sources that the Aon Group of Companies (Aon) believe to be reliable, Aon does not warrant, represent or guarantee the accuracy, completeness or fitness for purpose of that information.

Aon accordingly accepts no liability for any loss resulting from the use of the information in this article.

Large homes and climate change on collision course

The Archicentre has said that the efficiency of the building industry, new materials, cheaper methods of construction and cheap imported housing fittings is providing Australians with an ability to build larger homes.

David Hallett, Victorian State Manager of Archicentre said, the growth of the average floor area of the Australian home from 150 sqm in 1985 to almost 215 sqm in 2009 has been a response to people wanting and needing more space in the homes due to social trends and housing affordability.

To view the full media release, [click here](#).

Population continues to grow

Australia recorded 301,000 births for the year ending 30 June 2009 according to preliminary figures released this week by the Australian Bureau of Statistics (ABS). A population growth rate of 2.1% was recorded for the year ending 30 June 2009, up from 1.7% recorded last year. This is the highest growth rate in 40 years (2.1% in 1969).

To view the full report, [click here](#).

APRA releases monthly banking statistics

The Australian Prudential and Regulation Authority (APRA) have released banking statistics for the month of October.

The Monthly Banking Statistics publication provides selected information on the banking business of individual banks within the domestic market.

To view the document, [click here](#).

Next week...

- REIA Deposit Power Housing Affordability Report to be released

Find your REI

REIA has eight members, these members are the state and territory Real Estate Institutes.

Your state or territory body can assist you with information which is relevant to being an agent in your state or territory.

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