

REIA NEWS

ISSUE 55: APRIL 2016



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PRESIDENT'S REPORT

Mr Neville Sanders
REIA President



WELCOME FROM REIA'S PRESIDENT

Hello and a warm welcome to the April edition of REIA News.

Last month saw REIA host the 11th REIA National Awards for Excellence at the Crown Melbourne. The Awards recognise the outstanding contributions of those in the real estate profession, rewarding them for their hard work, community service and consumer focus. My sincere congratulations to all of the finalists and special congratulations to the winners of the 2016 Awards.

Images from what was a great event have been included in this edition. The night of course would not be possible without this year's sponsors which were: Terri Scheer,

Direct Connect, Rockend, AON, Mercedes-Benz, realestateview and Top Snap photography. Your support is much appreciated.

This edition also includes an interview with one of the Award winners – Dianne Brereton, from Call2View Real Estate, in the Northern Territory who won the Achievement Award which recognises excellence amongst newcomers to the industry in either the residential or commercial sectors.

Next month's edition of REIA News will highlight Treasurer Scott Morrison's first Budget and how it will affect you. We will see whether the Treasurer has been true to his words when he promised not to do anything "crazy" with housing investment taxes.

Mr Neville Sanders

REIA PRESIDENT

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REIA 2016 NATIONAL AWARDS FOR EXCELLENCE

The focus of this month's REIA News is on the annual awards recognising the best performers across a wide spectrum of categories including residential, commercial, rural, sales, property management, buyers agent, marketing and innovation.

The Real Estate Institute of Australia's 11th National Awards for Excellence were held at the Crown Melbourne on 10 March. At the National Awards it is the winners at the state level competing against their peers. It is the ultimate accolade to be a national winner.

The annual awards are an industry highlight. They acknowledge the hard work and effort by individuals in achieving the best results for their clients and encourage and promote excellence and best practice in the real estate profession.

The Awards recognise the outstanding contributions of those in the real estate profession, rewarding them for their hard work, community

service and consumer focus. Being a national winner brings with it not only the recognition of being the best of the best but it also brings monetary rewards. Past national winners have attested that being a national winner attracts many tens of thousands of additional revenue to the agency.

Customers too benefit. The competing professionals and agencies set new benchmarks in customer service and contribute to best practice in real estate sales and management – not just by the winners but by all those that enter the competitions.

Winners of sixteen categories have been awarded the highest honour in Australian real estate.

Western Australia was celebrating, taking five of the sixteen categories, including the recipient of the Commercial Salesperson of the Year Award, Daniel Sanzone of CBRE Western Australia and Laura Levisohn of M Residential named the Residential Property Manager of the Year.

The ACT also had a rewarding night, taking three major awards, including Independent Property Group as Large Residential Agency of the Year and Jonathan Charles of Independent Property Group Woden as Residential Salesperson of the Year.

South Australia also took home three major awards including Toop & Toop Real Estate who won the Communications Award and Innovation Award.

Victoria, the host state, celebrated with CBRE Victoria winning the Commercial Agency of the Year enabling them to be inducted into the REIA Hall of Fame in 2017 for winning the same category in 2014, 2015 and 2016. CBRE Victoria will join Hall of Fame inductees Independent Property Group ACT for Large Residential Agency of the Year 2008, 2009, 2010, and Communications Award 2008, 2009 and 2010, Toop & Toop Real Estate South Australia for Innovation Award 2006, 2007,



2008 Sissons Estate Agents for Small Residential Agency of the Year 2008, 2009, 2010 and Simon Pressley from Propertyology for Buyer's Agent of the Year Award 2012, 2013 and 2014.

The prestigious President's Award for 2016 recognising significant contribution made by an individual to the real estate profession was presented by REIA President, Neville Sanders to Neil Laws of Kerleys Coastal Real Estate in Queenscliff, Victoria. Neil has been in real estate for over 40 years and an REIV member since 1987. He has served in various senior positions at the REIV, including one as President, two terms as Chairman of Members Council, nearly eight years as Chairman of the Board of Realestateview.com.au, and on the Estate Agents Council. Neil is a committed member of the REIV Auctioneering Chapter, judging and convening Australasian Auctioneering Competitions for many years.

The Victorian Minister for Consumer Affairs, Gaming & Liquor Regulation, the Hon Jane Garrett MP attended the evening and presented several awards. Special guests also included representatives from the National Association of REALTORS® in the United States of America and representatives from the Real Estate Institute of New Zealand.

The recipients of the 2016 REIA National Awards for Excellence are:

BUSINESS BROKER OF THE YEAR

Simon Winter, Raine & Horne Corporate Business Sales, SA

BUYER'S AGENT OF THE YEAR

Kent Cliffe, Momentum Wealth, WA

CORPORATE SUPPORT PERSON OF THE YEAR

Jennifer Wright, Realmark, WA

RESIDENTIAL PROPERTY MANAGER OF THE YEAR

Laura Levisohn, M Residential, WA (proudly sponsored by Rockend)

COMMERCIAL PROPERTY MANAGER OF THE YEAR

Kevin Dwyer, Raine & Horne Commercial, ACT

COMMUNITY SERVICE AWARD

LJ Hooker Cessnock and Kurri Kurri, NSW. (proudly sponsored by Terri Scheer)

INNOVATION AWARD

Toop & Toop Real Estate, SA

COMMUNICATIONS AWARD

Toop & Toop Real Estate, SA (proudly sponsored by Top Snap Photography)

ACHIEVEMENT AWARD

Dianne Brereton, Call2View Real Estate, NT

COMMERCIAL SALESPERSON OF THE YEAR

Daniel Sanzone, CBRE, WA

RESIDENTIAL SALESPERSON OF THE YEAR

Jonathan Charles, Independent Property Group Woden, ACT

COMMERCIAL AGENCY OF THE YEAR

CBRE, VIC

SMALL RESIDENTIAL AGENCY OF THE YEAR

One Agency Launceston, TAS

MEDIUM AGENCY OF THE YEAR

Realestate 88, WA (proudly sponsored by Direct Connect)

LARGE RESIDENTIAL AGENCY OF THE YEAR

Independent Property Group, ACT (proudly sponsored by Direct Connect)

PRESIDENT'S AWARD

Neil Laws, Kerleys Coastal Real Estate, VIC

REIA 2016
NATIONAL AWARDS
FOR EXCELLENCE



REIA 2016
NATIONAL AWARDS
FOR EXCELLENCE

Highlights



1 Neville Sanders, President, REIA – Opening Address

2 Toop & Toop Real Estate SA – Winner of Communications Award with Ralf Barschow of Top Snap

3 Kent Cliffe, Momentum Wealth WA – Winner of Buyers's Agent of the Year

4 Neville Sanders, President REIA with Jonathan Charles, Independent Property Group Woden ACT – Winner of Residential Salesperson of the Year

5 Kevin Dwyer, Raine & Horne Commercial ACT – Winner of Commercial Property Manager of the Year Award with Minister for Consumer Affairs VIC, the Hon Jane Garrett MP

6 Neville Sanders, President REIA with Dianne Brereton, Call2View Real Estate NT – Winner of Achievement Award

7 MC for the evening Colin Lane



- 1 Daniel Sanzone of CBRE WA – Winner of Commercial Salesperson of the Year with Hon Jane Garrett MP – Minister for Consumer Affairs VIC
- 2 Belinda Butler of Terri Scheer Insurance with Chris Mourd, Head of Real Estate Australia, LJ Hooker accepting Community Service Award on behalf of LJ Hooker Cessnock and Kurri Kurri NSW
- 3 Toop & Toop Real Estate SA – Winner of Innovation Award with Hayden Groves, Deputy President REIA
- 4 MC for the evening Colin Lane
- 5 The black tie event was held at Crown Melbourne
- 6 Tom Fraser of Direct Connect with the team from Realestate 88, WA – Winners of the Medium Residential Agency of the Year
- 7 Geoff White – President REIV – Simon Winter – Raine & Horne Corporate Business Sales SA – Winner of Business Broker of the Year Award
- 8 Neville Sanders President of REIA with Neil Laws of Kerleys Coastal Real Estate VIC – Winner of the prestigious REIA President's Award for 2016



1 Winners of the REIA National Awards for Excellence 2016

2 Geoff White, President REIV with Jennifer Wright, Realmark WA – Winner Corporate Support Person of the Year

3 Alister Maple-Brown, CEO of Rockend with Laura Levisohn, M Residential WA – Winner Residential Property Manager of the Year

4 Team from One Agency Launceston TAS with Enzo Raimondo, CEO REIV – Winners of the Small Residential Agency of the Year

5 Entertainment for the evening, Savannah Club

6 Team from CBRE Victoria – Winner of Commercial Agency of the Year

7 Independent Property Group ACT – Winners of Large Residential Agency of the Year

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This article is brought to you by
Fons Caminiti National Manager
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IT PAYS TO USE A MORTGAGE BROKER



The journey to finding a new home can be long and arduous. And for some, the road to funding that dream can be even more intimidating.

With so many lenders to choose from, all with different rates, fees and conditions, many homebuyers simply don't know where to start.

Some buyers go straight for a bank they're familiar with, in fear of heading out into the mortgage jungle alone. Even if that means missing out on the best loan to suit their budget or circumstances.

Others race for the lowest interest rate, without realising that once fees and charges are added to the mix, there's nothing at all competitive about their choice.

But on the whole, the home loan landscape has changed dramatically in recent times, with more and more Australians turning to mortgage brokers to fulfil their funding needs.

The mortgage broker route has a long list of advantages, whether you're a first home buyer, looking to refinance or a seasoned property investor.

Mortgage brokers take the leg work out of the home loan process, acting on your behalf to navigate through a range of suitable loan opportunities. Once they've found the right answer, they'll explain it to you, process the paperwork and manage the application on your behalf.

Mortgage brokers are also masters when it comes to demystifying home loan processes and products. They're like translators who break down bank talk into everyday language. Their aim is to ensure your loan works well with your overall plans and that you understand exactly what you're signing up for.

Mortgage brokers are great negotiators too. Having built strong relationships with the lenders they work with, they're in an ideal position to negotiate the best deal on your behalf.

And, when you find a good mortgage broker, their service doesn't end when the loan settles. The best brokers make a point of regularly keeping in touch down the track, to ensure your loan remains the right product for you. And is still competitive.

Having worked with a wide range of accredited brokers for the last 15 years, I'm increasingly impressed with how committed they are to both their customers and maintaining the integrity of their industry.

At the risk of sounding biased, I can't think of a more efficient way to finding a home loan that best suits your needs.



REIA has published property market data and analysis for several decades. It has an excellent reputation as a highly credible source of information and considered opinion on the residential and commercial property markets in Australia.



REIA publications use information collated from a wide variety of sources including real estate agencies, industry and government. Both raw data and analysis are published in REIA reports.

The Adelaide Bank/REIA Housing Affordability Report and the REIA Real Estate Market Facts may be purchased as single copies or by subscription. For more about the Adelaide Bank/REIA Housing Affordability Report, [click here](#). For more about the REIA Real Estate Market Facts publication, [click here](#).

Also, “datacube” spreadsheets provide key information on quarterly median values, dating from the beginning of REIA data collection through to the current quarter, for all capital cities where data is available. For more information on REIA datacubes, please call 02 6282 4277.



A NEW BILATERAL COOPERATION AGREEMENT SIGNED BETWEEN REIA AND THE NATIONAL ASSOCIATION OF REALTORS® (NAR)

On Thursday 10th March 2016 a new Bilateral Cooperation Agreement was signed between the Real Estate Institute of Australia (REIA) and the National Association of Realtors® (NAR).



Neville Sanders, REIA President (left) with Gary Thomas, Presidential Liaison Officer National Association of Realtors

REIA and NAR desire to become associated with each other by entering this non-exclusive Bilateral Cooperation Agreement is to provide for exchange representation and other mutual benefits by:

- Promoting the promulgation and enforcement of mutually acceptable codes of ethics and the advancement and enforcement of high standards of professionalism in the real estate industry;
- Seeking to facilitate business opportunities for members of the Cooperating Associations who may be working in each other's markets;
- Exchanging current information on the state of real estate markets, real estate procedures, relevant licensing, tax, and foreign investment laws, and association facts;
- Initiating and hosting trade missions and networking opportunities between and among members of the Cooperating Associations;
- Coordinating and promoting products, services and educational courses offered by the respect Cooperating Associations;
- Promoting and protecting trademarks, copyrights and all other forms of intellectual property owned, respectively, by the Cooperating Associations;
- Promoting private property rights around the world in public and international forums and supporting the efforts of the United Nations goal of achieving adequate shelter for all;
- Promoting the practice among members of the respective Cooperating Associations of referring business to members of the other in the expectation of compensation; and
- Cooperating for all other purposes which are mutually beneficial to REIA and NAR.

Di Brereton, REIA 2016
Achievement Award Winner



AN INTERVIEW WITH DI BRERETON REIA 2016 ACHIEVEMENT AWARD WINNER



This is what one client had to say about Di Brereton:

'She has a genuine interest in getting you the best outcome possible and if that means arriving early to an open to pick up a few fronds in the garden or wiping a kitchen bench down, or lighting candles for a sense of zen on open day, then she's onto it. From start to finish, Di's focus is on YOU and the commitment to the sale of your property. This commitment never waivers. She is a genuine breath of fresh air in what can sometimes be seen as a greedy, impersonal male-dominated profession.'

What did you do before entering real estate?

My background is in hospitality. During my career I have held management positions in general operations; event management including weddings and other celebrations; and also in HR.

Why did you enter the real estate industry?

As a mature worker I was looking for a new challenge and the opportunity came up to go into real estate. I have always been interested in property, gardens, interior design and the like and so I was very excited to be able to work amongst things that were of interest to me. I also thought that with my background in customer service it would be a natural fit. I was also attracted to the flexibility real estate offers and the potential earning capacity the industry offers.

You mentioned that the 'opportunity came up'. How did that come about?

My current boss knew me by reputation and thought that I would make a good agent and so I was offered a position.

Do you think that the skills/ attributes that made you successful in your last position are transferable to real estate?

Definitely! Customer service, follow-up and an eye for detail are essential for a real estate agent. Also, I think that the same attitude I had in hospitality which was that you 'do what you have to do to get it done and you make it work' is essential in real estate.

What or who has been your greatest influence in real estate and why?

Definitely my clients! The positive feedback they give me and the testimonials I have received have given me the energy and motivation to increase my client base.

What's the best advice you have received in business?

Believe in yourself and treat people with respect and understanding – this came naturally to me as I believe in the adage 'treat people how you would like to be treated'.

What have been the most effective marketing initiatives or programs you have used to promote yourself / your business?

I have done a lot of charity work over the last 20 years. I found it extremely rewarding to provide help and raise funds for others. A completely unexpected result of that is that people know me, recognise me and trust me and so that has helped to build my profile.

I work hard at keeping up-to-date with computer programs that are available to help with current market trends and values. As a mature person, I have realised the place of Social Media in business and so I have tried to embrace it and use it to help me in my marketing.

» *article continues*

AN INTERVIEW WITH DI BRERETON

» *continued*

What would you say is your greatest professional accomplishment to date?

Winning the REIA 2016 Achievement Award and prior to that winning the REINT 2015 Achievement Award.

What have been the most useful training activities or resources you have used for professional development?

Attending Christine Guidotti Women in Business Conference in the Gold Coast and following Glen Twiddle's ideas on marketing.

What is Number One Business Goal you plan to accomplish over the next year?

I would like to achieve 70% market share in my local area. I am always looking to grow my client base. Currently my appraisal to listing ratio is 67% and my percentage of referral appraisals is 46%.

What have you found to be the benefits of your career choice?

Self satisfaction, and the flexibility of working within a supportive team.

Going into real estate was a big decision as it meant forgoing a regular income and becoming a commission

only salesperson. But, it has given me the opportunity to earn enough to provide myself with a comfortable lifestyle so that ultimately I will be able to spend more time with family.

What is it that you love about your profession?

I love that it is a very challenging but rewarding profession to be involved in. And that it is constantly changing.

It gives me great satisfaction helping clients when they are either buying or selling their family home or building an investment portfolio as this is one the biggest decisions that they may ever make.

What difference has winning the national award made to you and how do you think it will impact on your business?

I think that in terms of prospective clients, it (the award) will give them the confidence to employ me as their agent.

Winning the award has proven to me that the little extra things that I do are worthwhile and are appreciated by my clients. It's all about building that relationship with your clients, striving

to go above and beyond for them and exceeding their expectations. That's what gives me a point of difference.

Do you have an ambition for the profession as a whole?

Absolutely! I would like to see all people involved in real estate to step out of their comfort zone and do something extra for their clients to help improve the image of real estate across the board.



LAND PRICE INFLUENCES IN HOUSING MARKETS – LAND LEVERAGE

This article is brought to you by
Greg Costello, School of Economics
and Finance, Curtin University

How do land price changes within a city influence the value of the overall housing market? Do land prices and house prices change at the same rate over time?

These have been questions of interest for real estate analysts for many years but the answers have been difficult to ascertain due to the fact that housing is a *composite asset* comprising both land and buildings which vary as proportions of total value over space and time. This characteristic makes it difficult to separate the values of individual land and building components. Although many analysts have opinions on these issues it has been difficult to research due to data restrictions and problems with methodology. In recent years, academic research has begun to examine these issues within the context of what has become known as *land leverage* studies.

The term *land leverage* refers to the ratio of the value of the land component to the buildings (improvements) component. As an example, a property sells for \$1Million and it is established that the land is worth \$600K and the improvements \$400K the land leverage ratio is $\$600K/\$1M = .60 = 60\%$. Land leverage ratios vary by location and age of buildings. The general pattern is that within new housing areas, land leverage ratios are lower, land represents a lower proportion of the total value of a house. In older established areas as buildings become older and depreciate land leverage ratios begin to rise.

This is an important overall pricing influence within citywide housing markets. If the overall land leverage ratio is high it then “leverages” overall

housing prices to continuing higher price levels. Some influential US studies have found that within major housing markets overall land prices increased significantly above the levels of buildings.

More recently, a detailed study (Costello 2014) has examined these relationships in Perth, W.A. using individual house level transaction data and REIWA definitions of relevant housing submarkets. The results confirm significant land leverage influences throughout the Perth Metropolitan region. The highest ratios (70-79%) were found in those areas of older housing stock, central regions of the Perth Metropolitan area. The lowest ratios (46-61%) were found in the outer areas of the city where significant volumes of vacant land were still available for sale.

In general, the results provide accurate estimates for both land and building rates of price change and provide strong evidence that land price changes account for the major proportion of overall house price changes both citywide and in specific sub regional markets. It is reported that for the overall Perth citywide market, building values grew at an average rate of 8.7% p.a. whereas land values grew at 13.9% p.a. The land leverage influence has meant that house prices have been increasing at an accelerating rate due to the greater increase in the land value component.

Another important feature of the results is the fact that the influence of land leverage is not consistent or uniform across all regions of the city. Land values tend to change at different rates and at different times according to location and

stages of the development cycle. Within the Perth region, the most significant land leverage influences occurred during the period 2003-2008, coinciding with a peak development period and rapidly increasing house prices. Overall, the results confirm that house price responses are closely related to rates of land leverage.

The results have some important implications for policy development in Australian housing markets. The results suggest that land supply is an important driver of housing price change but it is also subject to significant consumer discretion whereby purchasers of land seek “quality” in terms of location and infrastructure which in turn impacts upon overall house price levels.

These influences also have some important implications concerning housing wealth, the demographic profile of Australian cities and the stability of those financial markets connected to the levels of house/land prices within Australian cities. In the areas of highest land leverage, house prices have appreciated most rapidly suggesting that land leverage can also increase house price volatility above levels of the past.

For further reading and detail on this subject, interested readers are referred to:

Costello, G., 2014. Land price dynamics in a large Australian urban housing market. *International Journal of Housing Markets and Analysis*, 7(1), pp.42-60.

<http://dx.doi.org/10.1108/IJHMA-11-2012-0059>



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LANDLORD INSURANCE PROVIDES FINANCIAL PEACE OF MIND

This article is brought to you by [Carolyn Parrella](#), Executive Manager, Terri Scheer



While ownership of an investment property can provide significant financial benefits, many landlords want assurance that their property will provide a steady flow of rental income.

Insurance can ease a landlord's concerns about receiving regular rental payments when an insurable event happens at the property.

Australia's leading landlord insurance specialists, Terri Scheer Insurance, say having a suitable insurance policy in place can help provide peace of mind if the unforeseen should occur.

"Even the most fastidious tenant is able to damage a property, whether accidental or otherwise," Terri Scheer Executive Manager Ms Carolyn Parrella said.

This can be extremely costly for the landlord in terms of repairs and the loss of rental income.

Seeking a specialized form of insurance cover can protect investors from many of the risks associated with owning a rental property.

Ms Parrella said when choosing an insurance policy, landlords should give careful consideration to ensure it contains cover specific to their needs.

"The most common risks for a landlord are loss of rental income, malicious damage by a tenant, theft, accidental damage and legal liability," she said.

"Landlords should consider an insurance policy that has been specifically designed to address these needs".

Ms Parrella said key clauses in an insurance policy for landlords should cover the following:

Loss of rental income

In instances where malicious damage has been caused to a property, a loss of rental income may result during the time required for the property to be repaired or cleaned. Loss of rental income can also result from absconding tenants, defaulting payments, death of a sole tenant, failure to give vacant possession or a court awarding a tenant a release from lease obligations due to hardship. Choosing a policy that covers these incidents will help ensure the landlord continues to receive a steady flow of rental income.

Malicious damage by a tenant

Malicious damage covers everything from holes punched in walls and doors that have been kicked in, through to intentional damage to carpets and floors.

Accidental damage

This covers unintentional damage to a property. It might include the accidental breakage of a window or the spilling of red wine on a white carpet. Accidental damage may also cover damaged caused by small children, but does exclude gradual "wear and tear" that has been sustained over time.

Legal Liability

This covers expenses incurred if a law suit arises as a result of a tenant suffering bodily injury or property damage or loss where the landlord is found responsible.

Tax audits

Some landlord insurance policies cover landlords for up to a certain level of professional fees relating to an investment property audit undertaken by the Australian Tax Office.

"An insurance policy that takes into consideration these specific risks can assist landlords to safeguard their investment and ensure they continue to receive a steady flow of rental income," Ms Parrella said.

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This article is brought to you by
Grant Harrod CEO LJ Hooker



AUCTION CLEARANCE RATES GIVE US INSIGHTS INTO MANY ASPECTS OF THE PROPERTY MARKET, BUT CERTAINLY NOT EVERYTHING



As we return to more stable conditions, it is becoming increasingly evident that we cannot rely on clearance rates alone to create the full picture of what is happening in Australian real estate.

Clearance rates refer to the number of properties selling under the hammer on a particular day. It doesn't include the number of homes selling just prior or being sold after being passed in at auction.

At the end of last year, clearance rates fell to 50 per cent in Sydney, triggering speculation of a spiraling market.

But two things were at play distorting these figures.

Firstly, the number of properties being auctioned was at record highs as opportunities to sell in 2015 diminished, giving buyers a lot more choice and lessening competition.

Secondly, auctions only made up 23 per cent of all sales in 2015, so large proportions were being sold through private treaty, a more traditional method of sale.

This year we have seen some robust clearance figures in Sydney consistently around 75 per cent, and while volumes are similar to the number listed this time last year, it is significantly less than we saw in the lead-up to Christmas.

The number of homes being auctioned along the East Coast is expected to remain steady up to the June long weekend, but will be quieter over winter as it usually is.

Victoria last year recorded the highest percentage of auction versus private sales at 33.8 per cent, followed closely behind by the ACT at 33.4 per cent and NSW at 26.3 per cent.

In contrast, auctions in Western Australia and Tasmania accounted for just 2.6 per cent of the market.

When determining how property is performing, we can't just limit ourselves to what is selling under the hammer. We need to look at how many people are attending open homes and the number of enquiries received by agents to determine the market strengths.

It needs to take into consideration the micro-trends that are now starting to emerge within different

capitals. What is happening in one suburb may not reflect what is happening across the city.

Auctions are fundamentally a methodology to market a property – it isn't just a sales process.

It puts pressure on both buyers and sellers within a four-week time frame and importantly provides the best feedback on what buyers expect to pay.

Whether you decide to go to auction or not depends on many factors. The vendor needs to be happy to invest in both on and off-line marketing to promote the property. This investment is crucial in drawing out buyers.

An agent also won't go to auction if they don't feel there is enough competition on the day. Some may, however, run the sales campaign just to allow them to determine the right price and then sell through a private negotiation.

To truly understand the state of the market one should talk to their local agent, as they know intimately know their local market dynamics and the market more widely.



REVIEW OF RESIDENTIAL TENANCY LAWS - VICTORIA

This article is brought to you by
Enzo Raimondo CEO of the Real
Estate Institute of Victoria



If you reside in or own one of Victoria's 500,000 rental properties, then it's likely you'll be impacted by any changes to the Residential Tenancies Act (RTA).

The State Government is currently undertaking a comprehensive review of Victoria's residential tenancy laws, which govern the rights and responsibilities of both tenants and landlords in relation to rent, bonds, dispute resolution and security of tenure.

At present, metropolitan Melbourne has a weekly median rent of \$400 and a vacancy rate – that is, the amount of available properties that are currently unoccupied – of 3.1 per cent.

The Government's Plan for Fairer, Safer Housing is considering a range of measures to ensure median rents and availability of rental properties remains affordable and appropriate for our growing population. These measures include mandating long-term leases, pets in rental properties, rent reviews and maximum bonds.

The Real Estate Institute of Victoria is carrying out independent surveys of both landlords and tenants. These surveys are currently available below and allow respondents to provide anonymous input on key areas of the review.

Consumer feedback from these surveys will help the REIV formulate responses to future Issues and Options Papers and ensure proposed changes best serve all stakeholders.

Individuals can also provide their feedback on the review directly to Consumer Affairs Victoria (CAV) via the website fairersaferhousing.vic.gov.au.

[Landlords Survey](#)

[Tenants Survey](#)

For more information on the Government's Plan for Fairer, Safer Housing visit the [website](#).



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Officer, Panama Canal Authority.
- International Networking and
Marketing Sessions.
- FIABCI General Assembly, World
Council and Committee Meetings.
- FIABCI World Prix d'Excellence
Awards and Gala Dinner.
- The Celebration of FIABCI World
President Danielle
Grossenbacher's Successful Year
and the Inauguration of the New
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INDUSTRY UPDATE

Industry news from around Australia



FAST FACTS

Extracted from

Adelaide Bank/REIA Housing Affordability Report

December Quarter 2015

NSW

NSW is the least affordable state or territory to rent.

Victoria

Victoria is one of two states where the average loan size exceeds \$400,000.

Queensland

Queensland recorded no change in housing affordability over the last quarter of 2015.

South Australia

Of all Australian home buyers, 6.0% were from South Australia.

Western Australia

Western Australia was the only state or territory to record a decrease in the number of loans to first home buyers over the quarter.

Tasmania

Tasmania recorded the largest increase in the number of first home buyers across the country.

Northern Territory

Northern Territory recorded the best improvement in housing affordability across all jurisdictions.

Australian Capital Territory

The Australian Capital Territory remains the most affordable state or territory in which to buy a home or rent.

FAST FACTS

Extracted from

Real Estate Market Facts

December Quarter 2015

Quarterly Australian weighted average median house price is \$695,788

Quarterly Australian weighted average median other dwelling price is \$543,468

Median house prices up:

Brisbane	3.2% to \$490,000
Perth	0.4% to \$535,000
Hobart	9.8% to \$392,000
Darwin	0.5% to \$608,750
Canberra	3.7% to \$593,000

Median house prices down:

Sydney	2.5% to \$1,025,478
Melbourne	0.1% to \$718,000

Median house prices unchanged:

Adelaide at \$430,000

Median other dwelling prices up:

Melbourne	1.6% to \$537,500
Perth	1.2% to \$435,000
Hobart	2.2% to \$295,500
Canberra	2.5% to \$415,000

Median other dwelling prices down:

Sydney	2.1% to \$662,770
Brisbane	1.2% to \$405,000
Adelaide	1.5% to \$322,000
Darwin	0.9% to \$490,000

Vacancy rates

Sydney	2.1%
Melbourne	3.1%
Brisbane	3.1%
Adelaide	n/a
Perth	6.0%
Hobart	3.1%
Darwin	8.9%
Canberra	2.8%

MAKING NEWS

General national news



Australian Government

Australian Taxation Office

Less than 80 days to go until SuperStream deadline for small businesses

More than 60 per cent of all Australia's small businesses are already on board with SuperStream. If your business is not one of them, you've got less than 80 days remaining to get it done.

With the 30 June 2016 rapidly approaching, the Australian Taxation Office (ATO) is encouraging small businesses to make becoming SuperStream ready a priority.

SuperStream – the standardisation of how employers make super contributions on behalf of their employees – involves employers sending all super payments and employee information electronically in a standard format.

Deputy Commissioner James O'Halloran says there are a number of options your business can choose to become SuperStream ready. These include using a payroll system that meets the SuperStream standard, a superfund's online system, a super clearing house or a messaging portal.

Your business may already use one of these options to pay super, and if so, you may only need to initiate a few simple changes to meet the SuperStream standard.

"Some small business owners, who are currently using SuperStream, have reportedly cut time spent on super processing by around 70 per cent each cycle.

"We recognise that businesses operate differently and that's why there's more than one SuperStream option to choose from. This enables individual employers to select how SuperStream best fits into your business," says Mr O'Halloran.

"The super industry is prepared and ready to help you, so contact your chosen SuperStream solution service provider to ask questions and seek advice.

"If you're worried you won't be able to use SuperStream as you don't operate electronically, be assured that there is a SuperStream option to suit every business.

"You can also use a third party, such as your bookkeeper or accountant as they can pay your super using SuperStream on your behalf.

Deputy Commissioner James O'Halloran says now is the time for employers dwelling on SuperStream to make it number one on their to-do list.

"By taking action, now employers can use the coming months to set up SuperStream. This will ensure things are running smoothly in you will be

able to avoid any last minute stress as the 30 June deadline approaches.

"Regardless of the SuperStream option you choose, now is the time – before the deadline – to overcome concerns and create real efficiencies with SuperStream," concluded Mr O'Halloran.

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We are committed to providing you with accurate, consistent and clear information to help you understand your rights and entitlements and meet your obligations.

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If you feel that our information does not fully cover your circumstances, or you are unsure how it applies to you, contact us or seek professional advice.

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POLITICAL WATCH

Information and news from government



Gunner Labor Government plans to extend first home buyers scheme if elected

The first home buyers scheme will be extended to existing properties if a Gunner Labor Government is elected in the Northern Territory.

Currently the first home buyers grant is only available to new housing construction.

Opposition Leader Michael Gunner revealed yesterday a “total housing package” would be released before the election but it would be extended to include existing properties. He did not say what form it would take.

A \$25,000 grant is available now for newly constructed \$500,000 homes.

The real estate industry has been lobbying for stamp duty exemptions or relief for first home buyers in the existing home market. This has been rejected by the Giles Government.

“If you are going to have a first homeowners scheme then it has to apply to new homes and established homes,” Mr Gunner said. “The CLP have confused two things here. A grant to get people into a new home and a construction stimulation grant.”

The construction of homes under the changed scheme has been successful. However in a falling property market the overall transactions in

the real estate industry has fallen by 100 homes per quarter.

REINT chief executive officer Quentin Kilian said it was an encouraging development.

“The devil will be in the detail as to how this will be delivered and what the offer to existing home buyers in the market will be,” he said.

“We’ve been arguing for a reversal of the decision or some form of other change for over 12 months now. The impacts we’ve seen on the Alice Springs and Katherine markets have been catastrophic.

“Our preference is for the removal of stamp duty because that lowers the cost for the homebuyer to buy in.”

Mr Kilian said incentives with stamp duty exemption will not push prices up but it will stimulate sales in the lower end of the property market.

“The average property price is \$608,000,” he said. “There is a dearth of properties below for sale and we’d like to see it targeted at those properties.”

New legislative changes for NSW real estate agents

New laws, which come into effect before July 2016, will require NSW real estate agents to disclose all reports taken out by a vendor or potential buyer.

The amendments to the *Property, Stock and Business Agents Regulation*

2014 (NSW) mean that agents will now need to provide any buyer who takes out a sales contract with the names of companies that have recently completed inspections of the property. They will also be required to update their disclosures after each new report is completed.

The recent changes were announced by the NSW Minister for Innovation and Better Regulation Victor Dominello earlier this month aimed at helping to reduce the duplication of property inspection reports.

According to the Minister, the laws will also mean lower costs, less wasted time and greater transparency for property buyers and changes should have minimal impact on agents’ day-to-day business processes.

THE WORLD

Property news from around the world



UK tenants can now request energy improvements to their rented property

From the beginning of April UK tenants can request consent from their landlords to make energy saving improvements for the properties they rent and landlords will not be able to refuse their consent without good reason. Unless otherwise agreed, the tenants will need to ensure that they have a way of funding improvements at no cost to the landlord.

Making these improvements can be beneficial to both tenants and landlords, saving on costs and having a positive impact on the environment, according to the National Association of Landlords (NLA).

It pointed out that a property that is energy efficient can also be an attractive prospect for potential tenants. Indeed, according to a recent NLA survey some 35% of tenants said they considered the energy efficiency of a property to be an important factor when choosing a place to live. Lower fuel bills and more comfort mean that tenants may be inclined to stay for longer, thus reducing void periods.

Under The Energy Efficiency Regulations 2015, further measures will take effect in 2018, including it being unlawful to grant new tenancies with an Energy Performance Certificate rating of less than E and in 2020 when this will apply to all residential tenancies, both new and existing.

More US housing markets were less affordable in first quarter of 2016

New research shows that more housing markets in the United States are less affordable now than their historically normal levels. Some 9% of county real

estate markets were less affordable compared with 2% a year ago, according to the analysis of median home prices from publicly recorded sales deed data collected by RealtyTrac and average wage data from the US Bureau of Labour Statistics.

The top 20 county housing markets least affordable in the first quarter of 2016 compared to their historic affordability norms included counties in Denver, New York City, Omaha, Nebraska, Austin, Dallas, San Francisco and St. Louis.

The top 20 county housing markets most affordable in the first quarter of 2016 compared to their historic affordability norms included counties in Boston, Baltimore, Birmingham Alabama, Providence, Rhode Island and Chicago.

The top five least affordable counties based on percentage of average wages to buy a median priced home were Kings County and Brooklyn New York at 120.4%, Marin County California at 109.2%, Santa Cruz County California at 106.9%, Manhattan New York at 105.1% and San Francisco County at 95.3%.

The top five most affordable counties based on percentage of average wages to buy a median priced home were Wayne County Michigan at 8.5%, Baltimore County Maryland at 9.2%, Clayton County Georgia at 10.1%, Bay County Michigan at 11.5% and Rock Island Illinois at 12.3%.

Top end property prices in Hong Kong set to fall by 15% this year

Stock market volatility and the interest rate rise in the United States has dampened investment sentiment in the property markets in Hong Kong, according to a new report.

Overall the luxury sector prices remained broadly steady, with apartment prices on Hong Kong Island and Kowloon recording some mild declines, says the latest briefing report from Savills World Research.

In the fourth quarter of 2015 primary sales rebounded after the quiet summer months but secondary sales declined further and total transaction volumes of 10,000 were the lowest since 2002.

The report suggests that prime residential prices are on course to decline by 15% this year, with little positive news expected in the short term.

The data shows that sales on Hong Kong Island declined by 36% quarter on quarter in the final three months of 2015 while prime apartment prices fell 0.9%. However, there was still a 9.3% price growth over the year as a whole.

Mass residential prices declined by 2.9% across the board in the fourth quarter of 2015 and the report says that unlike previous declines in 2012 and 2013 which were in response to various restrictive government measures and thus short lived, the residential market seems to have turned a corner, due to the uncertain economic environment, a further possible rate hike and a potential tightening of funding to reduce capital outflows.

However, the report also adds that the super luxury segment should prove more immune to the current market downturn, given the scarcity of stock and the number of ultra-high net worth individuals looking for trophy assets.

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