

REIANEWS

ISSUE 76: MARCH 2018



*Celebrating excellence
in the real estate profession*

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PRESIDENT'S REPORT

Mr Malcolm Gunning
REIA President



WELCOME FROM REIA'S PRESIDENT

Welcome to the March edition of REIA News.

This month's REIA News feature REIA's National Awards for Excellence recognising the best performers across a wide spectrum of categories including residential, commercial, rural, sales, property management, buyers agent, marketing and innovation.

These 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, promote and showcase excellence and best practice in the real estate profession. It is the ultimate accolade to be a national winner. Being a national winner brings with it 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.

Each year new standards in agency practice are established by the entrants and replicated by progressive professionals throughout Australia. I am encouraged by the increasing number of professionals that strive to be recognised as the best in Australia.

To the Award sponsors our sincerest thanks. Without their support a night of such significance could not occur. I would also like to thank all the judges for so willingly contributing their time and expertise in judging the contestants' submissions.

Following on from the articles in REIA News last year on the journey the REIA has embarked on towards professionalism this month we have two further articles in that series. A further one from the Chairman of REIA's Professionalism Committee, John Cunningham and another from the Acting CEO of the Professional Standards Authority, John Rappell.

Mr Malcolm Gunning
REIA PRESIDENT

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PATHWAY TO PROFESSIONALISM PART 6 ENTITY

This article is brought to you by
John Cunningham, Chair, REIA
Professionalism Committee
and REIA Project Leader of the
Pathway to Professionalism



Achieving recognition as a profession isn't a one-off occurrence. Professional status is something that's closely monitored and assessed over time to ensure the appropriate standards are consistently being met. REINSW President John Cunningham explains the role of the professional entity in this process.

For a profession to exist, there must be a capable entity – usually a professional association – to oversee and administer professional entry, standards and compliance expectations on behalf of the community. The instrument under which the entity does this is called a Professional Standards Scheme.

A Professional Standards Scheme is a legal instrument that binds an association to monitor, enforce and improve the professional standards of their members and protect consumers of professional services. The association must be approved by the Professional Standards Councils to represent their members as professionals for the purposes of professional standards legislation. In return for certain commitments, the Professional Standards Scheme caps the civil liability or damages that professionals taking part in the association's scheme may be required to pay.

In the case of our industry, the Real Estate Institute of Australia will be the entity responsible for the Professional Standards Scheme.

They will, in cooperation with state and territory Real Estate Institutes, expect and enforce high standards of practice by those members who achieve professional status.

Through the Professional Standards Scheme, and via REIA as the professional entity, we'll be able to implement a range of measures to improve professional standards – from effective risk management strategies and CPD programs to codes of ethics and integrity systems.

“REIA will, in cooperation with state and territory REI's, expect and enforce high standards of practice by those members who achieve professional status”.

Making co-regulation a reality

Improving professional standards has been high on REINSW's lobbying agenda for years and the Institute has been pushing to revamp the industry's regulatory environment through the introduction of co-regulation.

Under a Professional Standards Scheme, we'll effectively be working in a co-regulatory environment.

We've long held the view that REINSW can make a valuable contribution to the regulatory environment and professional conduct of real estate agents.

The beauty of a Professional Standards Scheme is that co-regulation will happen.

Key to co-regulation in a professional environment is ensuring a two-way flow of information and knowledge between the regulator and practising agents. Co-regulation generates a far better regulatory environment that can more effectively respond to the issues facing contemporary real estate practice.

In New South Wales, REINSW will be actively involved in developing and maintaining a robust regulatory environment.

Our proximity to the everyday challenges and issues facing the industry and profession gives us a unique insight and understanding of the needs of agents, consumers and the market. This puts us in a prime position to assist the regulator to make decisions that better reflect the contemporary issues facing the industry and to

» *article continues*

PATHWAY TO PROFESSIONALISM PART 6 ENTITY

» *continued*

effectively communicate regulatory obligations to the profession.

Moreover, REINSW is in the position to respond more quickly to emerging trends and changing consumer expectations.

The government machine is a slow and unwieldy beast. Getting any sort of reform through the bureaucratic red tape can take years. But REINSW, under the umbrella of REIA and the Professional Standards Scheme, will be able to ensure professional agents are responding to what's happening 'on the ground' by adjusting standards and training as required, and monitoring behaviour accordingly.

Acting on complaints and being able to take disciplinary action will be an important part of REINSW's role.

Let's be honest, we're currently a bit 'toothless'. We rely on the regulator to have the teeth. But they're just not as steeped in the industry as we are and there can be a tendency for the regulator to focus on the wrong issues, rather than tackle the ones that really matter.

Working with REIA as the professional entity, a Professional Standards Scheme will allow REINSW to take a more active and meaningful role in not just enforcing standards, but also improving them.

Improving transparency for consumers

One of the criticisms often levelled at real estate agents is that there's a lack of transparency.

Far too often there's a perception of a lot of smoke and mirrors. Consumers crave transparency. They want to understand what they can expect from their agent at every stage of the real estate transaction and they want to know that the information they're receiving is true and correct.

REIA, as part of the push towards professional recognition, is building a comprehensive online knowledge hub for consumers.

The aim is to 'pull back the curtain' on all things real estate. It will provide transparency across all areas of the property industry – sales, leasing, commercial, strata and more.

Consumers will find the answers to all their questions and will know what they should expect from their agent. Then, when they deal with an agent who acts in compliance with what is set out in the knowledge hub, they can be secure in the knowledge that the agent is a professional acting transparently.

It will be our industry's 'axis of truth'.

Next steps

In the coming months, we'll be working closely with our members to ensure the most appropriate framework is in place so our application to the Professional Standards Councils for recognition as a profession is successful.

We'll be collaborating with members of the REIs to bring about positive change for our industry and we're looking forward to being able to provide them with a clear pathway to become professional members of REIA.

PATHWAY TO PROFESSIONALISM PART 6 ENTITY

» continued

John Rappell, Acting
CEO of the Professional
Standards Authority



A dynamic profession needs a dynamic entity

Acting CEO of the Professional Standards Authority, John Rappell, explains why a strong and dynamic association is at the centre of professionalism.

Professionalism is more than just a label someone can apply to themselves. It's one thing for an individual to self-assess and say 'I'm a professional', but the label is only truly deserved when it's applied through some sort of external recognition process. It's that external recognition that's the key ingredient, because the individual can prove that they've met certain standards set down by the professional entity that has been recognised with a formal Professional Standards Scheme.

Role of the entity

In the case of every recognised profession there must be an entity, usually an occupational association, capable of overseeing and administering compliance.

The professional association has a special role to play as the representative body sitting between the regulator and the regulated. In the case of real estate, the Real Estate Institute of Australia will play that role. REIA will sit between the government, who

is the regulator, and (though the state and territory REI's) the professional agents, who are those being regulated.

Importantly, the professional association is a conduit in both directions, ensuring information is passed from the regulator to the regulated and vice versa.

The entity is also involved in negotiating what is the appropriate level of regulation, acting as a broker of sorts to get the right balance.

The regulator has an obvious interest in ensuring recognised professionals are doing their work properly, and so the entity must communicate the professional groups' activities to them. Equally, the entity must inform their professional members of the regulator's position on regulation, which is dynamic and will evolve over time.

We often think of professions as static, but they're far from it. The way regulation is balanced between the regulator and the regulated is dynamic. It needs to be re-balanced and recalibrated all the time to take account of changing technology, changing views of value and changing consumer needs and expectations. This dynamism comes in at the entity level, so the profession is responsive to the community it serves.

According to Mr Rappell, a professional association is in a unique position to monitor

behaviour, collect data and understand the professional space in a more constructive and intelligent way than anyone else. Why? Because they view the profession through a much wider lens. They see the bigger picture.

As the professional entity, these associations see what others don't.

They have information and intelligence about what's happening 'on the ground', which they can pass to the regulator. This could be anything from a trend that's occurring in the industry to an upswing in consumer complaints about a particular behaviour or activity. This helps the regulator to better assess the regulatory framework and make changes accordingly.

They also have a close understanding about what the regulator is doing, which they can pass back to their professional members.

It's a constant balancing and re-balancing act and, ultimately, the regulator wants professionals to be able to regulate themselves through their professional entity in a way where oversight by the regulator is only an

» article continues

PATHWAY TO PROFESSIONALISM PART 6 ENTITY

» continued

extreme measure when absolutely necessary. To get to this point, there has to be this transfer backwards and forwards and the entity is in the unique position to act as facilitator.

Community expectations

The community looks to professional entities for assurance.

Consumers want to know that the individual professional they're dealing with has met certain standards – that they're ethical, have undertaken specified training, and have the skills, knowledge and experience to carry out their role.

They also expect professional entities to provide an avenue of redress. If something goes wrong, they expect there to be a complaints system in place that is actively managed. They also expect that disciplinary action will be taken if a member of the profession is found to no longer meet the required professional standards. This might be in the form of re-education and mentoring or, where required, expulsion from the profession.

Overall, the community looks to professional entities to set the tone and be 'model citizens'. They expect to see leadership and integrity in the way professional associations operate. It's about more than simply 'talking the talk'. They expect them to 'walk the walk'.

It should never be forgotten that professional associations also have a role to play in ensuring the wellness of their members.

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. Professional entities help their members by teaching them how to take care of themselves and deal with pressures to safeguard their wellness.

"The professional association has a special role to play as the representative body sitting between the regulator and the regulated"

Becoming a professional

REIA is working with the Professional Standards Councils (PSC) and its agency, the Professional Standards Authority, to explore how real estate agents can be formally recognised as a profession.

The PSC uses the 5 Es to define the elements that are necessary to qualify as a profession. Over the course of 2017, we've featured an article in previous editions of REIA News about one of the following Es to explain the pathway forward.

1. Ethics

The prescribed professional and ethical standards that clients rightfully expect their professional to exhibit.

2. Education

The specific technical and professional requirements to practice in a discrete professional area, linked to formal entry-level qualifications.

3. Experience

The personal capabilities and expectations of experience required to practice as a professional in a specific area.

4. Examination

The mechanism by which qualifications and ongoing compliance are assessed and assured to the community.

5. Entity

There must be an entity, usually a professional association, capable of overseeing and administering compliance expectations on behalf of consumers who rely on the professionals.

Evolution

We need to add another E to our journey – evolution.

If real estate agents are to be recognised as professionals, then along with the 5 Es we must also embrace the reality that our industry must evolve. If we don't collectively embrace a mindset of evolution, we simply won't be in a position to commit to the work required to elevate ourselves to a recognised professional standard.



Highlights

REIA AWARDS FOR
excellence



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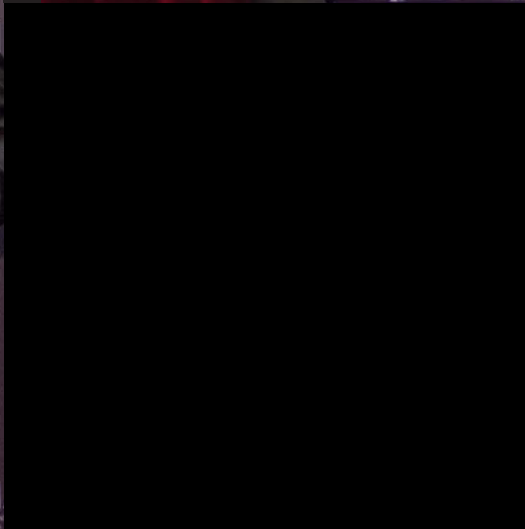
1 Medium Residential Agency of the Year: Peter Blackshaw Woden & Weston Creek, ACT

2 Malcolm Gunning and David Airey winner of the President's Award

3 Hall of Fame, Communications Award: Anthony Toop – Toop and Toop Real Estate, SA and Malcolm Gunning

4 Suzannah Toop and Anthony Toop – Chairman, Toop & Toop Real Estate, SA – winners of the Large Residential Agency of the Year, Innovation Award and inducted into REIA Hall of Fame – Communications Award

REIA AWARDS FOR
excellence



- 1 Small Residential Agency of the Year: Mint Real Estate Claremont, WA and Residential Sales Person of the Year: Peter Clements, Mint Real Estate Claremont, WA
- 2 Commercial Agency of the Year: Colliers International Victoria, Malcom Tyson
- 3 Achievement Award: Chantel Jones – Independent Property Group, ACT
- 4 Commercial Salesperson of the Year: Lewis Tong – CBRE, Vic

REIA AWARDS FOR excellence



1 Communications Award: Chadwick Real Estate, NSW

2 Community Service Award: Key2 Property, TAS – Ananda Cairns, Tameka Smith and Kate Woods

3 Commercial Property Manager of the Year: Liam Coyle – Knight Frank, TAS. Jim Playsted collecting on behalf of Liam Coyle and Andrew Larter – MyConnect

4 Residential Property Manager of the Year: Laura Levisohn – M Residential, WA



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2



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1 Hall of Fame, Buyer's Agent of the Year: Kent Cliffe, WA and Malcolm Gunning

2 Buyer's Agent of the Year: Amanda Gould – HighSpec Properties, NSW

3 Corporate Support Person of the Year: Emily Antill – Peter Blackshaw Woden & Weston Creek, ACT and Jenna Sammut – JTL

4 Business Broker of the Year: Simon Winter – Raine & Horne Business Sales, SA and Joe Walton – RECON Daily

REIA AWARDS FOR
excellence



1



2



3



1 Malcolm Gunning (REIA President)

2 Farouk Mahmoud (World President FIABCI), Gary Thomas – NAR Presidential Liaison to Australia and New Zealand, Malcolm Gunning and Gaye Gunning

3 MC – Kerri-Anne Kennerley

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MyConnect is independently owned and partners with the top utility providers in the country, offering a wide array of choice for the customer for both their energy and telco needs.

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4. RECON DAILY

RECON Daily is a free daily newsletter presenting a sophisticated take on the residential property market. We are dedicated to keeping you informed with breaking news, exclusive data and blogs written by industry experts. RECON Daily is published by Schwartz Williams in conjunction with the Real Estate Institute of Australia (REIA).

Schwartz Williams are a publisher and developer of a series of niche community portals and link these with innovative listing and media hubs to redefine property transactions for vendors, agents, occupiers and buyers worldwide. Our network of portals allow global traffic to connect with local markets as well as keeping up to date with international real estate news and transactions. We have 14 publications and over 2.4 million newsletters being distributed monthly covering 28 countries.

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To find out more go to www.terrischeer.com.au or call 1800 804 016.



8. VIEW

Launched in 2001, realestateVIEW.com.au quickly became one of Australia's leading online property platforms, simplifying the process of buying, renting and selling property.

In August 2017 the company rebranded to view.com.au to better reflect its evolving values and goals – namely that every single home buyer is entitled access to free property data. We are now a property insights site, and with the development of our Property Price Estimate tool, home buyers can access up-to-date property data about their home, as well as every other address in Australia.

More recently, View Home Loans has been launched, ensuring view.com.au provides a complete home solution experience for all home buyers.



WINTER PROOF YOUR RENTAL PROPERTY

This article is brought to you by Carolyn Parrella, Terri Scheer Insurance Executive Manager



Storms, hail stones and water damage can wreak havoc on poorly maintained investment properties.

Prevention is much better – and often cheaper – than cure. At this time of year landlords and property managers should take the time to assess any potential or existing issues at their investment properties.

Winter's seasonal conditions could escalate maintenance issues and cause damage which is expensive to repair, and put a tenant's safety at risk, creating potential for the landlord to be legally liable.

The last thing you want is a phone call from your tenant informing you there is an emergency at the property.

When undertaking winter-related property maintenance, landlords and property managers should consider the following:

Gutters

One of the most common winter household maintenance issues is clogged gutters. This can cause leaking and water damage. Landlords should ensure that gutters are free from leaves, twigs and other debris.

Fences

Fences should be well maintained and secure. Check that footings are stable and fence panels – regardless of material – are in order. Landlords should check with neighbouring property owners if shared or boundary fences are in need of repair, as they may be a joint responsibility.

Roofing and eaves

Check for cracked or loose roof panels and tiles. This can cause leaking and water damage which can quickly spread to other areas of the property. Also look for rotting or water damaged eaves, as they can lead to salt damp on interior and exterior walls.

Trees and shrubs

Prune loose or dead branches that could potentially injure a tenant if they were to fall during strong winds. Likewise, check if there are any branches that overhang the building and consider pruning. This maintenance can be dangerous, and

while it may incur a nominal cost, it could be worthwhile bringing in the professional to ensure both your safety and that of your tenants.

Heating and hot water

A tenant's comfort in a property will ultimately define whether they have a positive rental experience.

Landlords should ensure their property's heating is functioning correctly to avoid a cold winter for tenants. Checking the hot water system is running efficiently could save hundreds on energy bills. Landlords should consider servicing their investment property's heating and hot water systems before winter. These costs may be tax deductible.

Condensation and mould

Mould is not only unsightly, but can pose a health risk to tenants if not addressed appropriately. If ignored it can be very difficult to remove. Landlords should pay close attention to wet areas during

WINTER PROOF YOUR RENTAL PROPERTY

» *continued*

property inspections and act quickly if mould appears to be forming.

During winter, damp and mould can worsen. This is due to condensation, often caused by heated roofs with poor or no ventilation and wet clothes drying on a clothes airer.

Landlords could consider adding mechanisms to windows so they can be locked open to assist with ventilation while the tenant isn't home. Landlords could also give their tenants tips on how to reduce damp and condensation in the home over winter.

Gaps and cracks

Sealing gaps in door and window frames and repairing cracks in walls and roofs can improve your property's insulation, reduce heating bills and block drafts.

For further information, visit www.terrischeer.com.au or call 1800 804 016.

Media contact: Ben Smeaton, Corporate Conversation, (08) 8224 3535.

EDITOR'S NOTE

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NETWORK DELIVERS MORE CUSTOMERS & GREATER PROFITS

This article is brought to you by Ray Ellis, CEO of First National Real Estate



**first
national**
REAL ESTATE

We put you first

First National Real Estate introduced a groundbreaking strategy in 2017 to deliver more customers and greater profits to its members. Using the world's leading inbound marketing technology, the network successfully delivered its agents the names and contact details of nearly 4,000 Australians considering selling their homes.

'This achievement represents a quantum leap over previous organic results and created unopposed listing opportunities worth \$34.5 million in selling fees for members' said First National's chief executive, Ray Ellis.

'Also of particular relevance is the fact that the network successfully disrupted agent finder services that would otherwise have sought \$6.9 million in referral fees from First National's members, had they captured those contacts first'.

The strategy employs multiple elements to attract consumers to First National Real Estate's digital assets, and then converts those homeowners and landlords to appraisal requests on behalf of the network's members. Email nurturing and remarketing campaigns are deployed for customers who won't be

selling or needing a rental appraisals until sometime further in the future.

'As a result of our inbound marketing activities, our national website has experienced a 260 per cent increase in page views, subscribers have surged, and engagement across our social media publishing platform has been massively amplified' said Mr Ellis.

'By addressing the challenges Australians face at different stages of their real estate journey through content marketing, we're establishing new levels of trust in the First National brand and reinforcing a pipeline of future business for our members.'

First National Real Estate has approximately 400 offices throughout Australia, New Zealand and the South Pacific, and is the country's most successful cooperative.



Real Estate Market Facts

A QUARTERLY REVIEW OF MAJOR
PROPERTY MARKETS IN AUSTRALIA,
DECEMBER QUARTER 2017

UNIT AND FLAT PRICES DECLINE OVER THE DECEMBER QUARTER

In the December quarter 2017, median prices increased in the Australian residential property market. The weighted average capital city median price increased by 1.0% for houses and 0.0% for other dwellings.

Over the December quarter, the median rent for three-bedroom houses increased in all capital cities except Sydney, Brisbane and Perth where it remained steady. In the 12 months to the December quarter, the median rent increased.

Fast facts

December quarter 2017

\$769,501

Quarterly Australian weighted
median house price



NATIONAL MARKET SNAPSHOT

EXTRACTED FROM REAL ESTATE MARKET FACTS
DECEMBER QUARTER 2017

- ▶ *Quarterly Australian weighted median house price is \$769,501*
- ▶ *Quarterly Australian weighted median other dwellings price is \$590,455*

Median house prices up:

Hobart 5.2% to \$459,000
Darwin 3.6% to \$513,000
Adelaide 2.2% to \$465,000
Brisbane 1.9% to \$530,000
Perth 1.5% to \$517,500
Melbourne 1.1% to \$821,000
Sydney 0.5% to \$1,179,519

Median house prices down:

Canberra 2.7% to \$622,000

Median other dwelling prices up:

Hobart 4.8% to \$342,333
Adelaide 3.6% to \$362,750
Brisbane 2.5% to \$410,000
Canberra 2.1% to \$439,000
Perth 1.4% to \$405,000
Melbourne 1.2% to \$594,500

Median other dwelling prices down:

Sydney 0.4% to \$736,879
Darwin 7.4% to \$375,000



Housing Affordability Report



AdelaideBank
it's personal

December quarter 2017

Housing affordability declined across Australia

State of the nation

The December quarter 2017 showed a decline in housing affordability nationally with the proportion of income required to meet loan repayments increasing to 31.6%, an increase of 1.3 percentage points over the quarter but a decrease of 0.1 percentage points compared to the corresponding quarter of 2016.

Over the quarter, housing affordability declined in all states and territories. Compared to the December quarter 2016, housing

Lending trends

The total number of loans (excluding refinancing) increased to 119,880, an increase of 1.5% over the December quarter and 6.7% over the same quarter last year.

Over the quarter, the total number of loans (excluding refinancing) increased in all states and territories except New South Wales and Western Australia. Compared to the corresponding quarter 2016, the number of loans increased in all states and territories.



NATIONAL AFFORDABILITY SNAPSHOT

EXTRACTED FROM ADELAIDE BANK/REIA HOUSING
AFFORDABILITY REPORT, DECEMBER QUARTER 2017

	Dec 2017	Sep 2017	Dec 2016
Proportion of family income to meet:			
Home loan repayments	31.6%	30.3%	31.7%
Rent payments	24.5%	24.4%	24.3%

- NSW** Rental affordability improved marginally in NSW in the December quarter
- VIC** Victoria had the largest number of first home buyers (9,892) in the December quarter
- QLD** Queensland had the lowest quarterly increase in home loan repayments
- SA** Rental affordability in South Australia is at 21.9% of family income
- WA** Western Australia had the largest decrease in the number of housing loans (-4.2%)
- TAS** Tasmania had the largest increase in average loan amount (10.6%)
- NT** Over the past year, NT had the largest decrease in average loan repayments (-1.7%)
- ACT** ACT had the largest increase in the number of new loans (8.2%)

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Ceil Rosenbaum, REI Super member

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GET CYBER SECURE



Learn how to protect your businesses data and your new privacy obligations

- **43% of all cybercrimes are targeted at Small business.**¹
- **60% of small businesses who experience a significant cyber breach go out of business within the following 6 months.**²

Most Real Estate agencies hold confidential data and information on both their own operations and their customers. This may include customer's bank or credit card details, personal contact details or even private information about your work with your customers.

As of the 22nd February 2018, it is now a legal requirement by the Australian Government to report if any third party information has been accessed by unauthorised parties (data breach) within 30 days of the incident if your agency earns over \$3 million in revenue.

What is considered a data breach?

A data breach is any unauthorised access to, unauthorised release of, or loss of personal information that

an employee or business holds that is likely to result in serious harm to the individual/s affected.

Who do you need to contact?

If your agency or employees have experienced a data breach you need to contact the affected individual/s and notify the Australian Information Commissioner. There can be fines of up to \$2.1 million if reports are not made.

How to notify a breach?

The notification to the Commissioner can be made using the Office of the Australian Information Commissioner's (OAIC) Notifiable Data Breach form which can be found at: <https://www.oaic.gov.au/privacy-law/privacy-act/notifiable-data-breaches-scheme#how-to-notify>

¹ smallbiztrends.com/2016/04/cyber-attacks-target-small-business.html

² Testimony of Dr. Jane LeClair, Chief Operating Officer, National Cybersecurity Institute at Excelsior College, before the U.S. House of Representatives Committee on Small Business (Apr. 22, 2015), available at docs.house.gov/meetings/SM/SM00/20150422/103276/HHRG-114-SM00-20150422-SD003-U4.pdf.

GET CYBER SECURE

» *continued*

Cyber Security Checklist

With Cyber-attacks on the rise it is important to take preventative measures. Hackers are increasingly targeting small businesses as data security tends to be less advanced than larger businesses. The costs of a cyber-attack often outweigh the costs of preventative measures and this checklist can help you better protect your business:

- Ensure employees only have access to the information that they require to perform their work. Reducing access can prevent the risk of an 'insider' accidentally or intentionally releasing information.
- Provide regular training and awareness information on the management of confidential data and cyber scams for new employees and current staff.
- Employees should be reminded to be on the lookout for suspicious emails or websites and not to provide personal or financial data. Avoid interacting with suspicious emails or websites as these can expose your computer to viruses.
- Have current antivirus software installed and consult your IT provider. Ensure that electronic information is always backed up and test that the backups work.
- Create complex computer passwords with a combination of words, numbers and symbols. Ensure each employee has unique passwords and that passwords are changed bi-monthly.
- Make sure all devices including, phone, tablet and computer have an auto lock when not in use and advise all staff to lock their computer when leaving their desk.
- The purchase of cyber insurance can help manage the financial loss of a cyber-attack. Learn more: aon.com.au/cyberagent
- View common online cyber threats and more preventative measures at Stay Smart Online *Small Business Guide*.³

» For more information on cyber security visit aon.com.au/cyberagent or call 1300 734 274.

³ https://ssogreen.govcms.gov.au/sites/g/files/net1886/f/Stay-Smart-Online-Small-Business-Guide_1.pdf



New data privacy laws are here.

Are you prepared?

New data privacy legislation came into effect on the 22nd February 2018. If your agency collects and stores personal information about your clients you need to ensure you have the right processes and protection in place.

What would you do if your agency fell victim to a cyber-breach and are you adequately insured?

How do the data privacy laws affect you?

1300 734 274

au.realestate@aon.com

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* Conditions apply. Price dependant on exposure risk and selected limits. For full policy wording please contact 1300 734 274.

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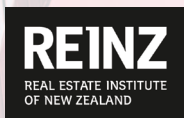
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INDUSTRY UPDATE

Industry news from around Australia



REIWA celebrates 100 years of WA real estate

The Real Estate Institute of Western Australia and the State Library of Western Australia are presenting a public exhibition celebrating a century of REIWA service.

REIWA CEO Neville Pozzi, said the centenary was a major milestone in the Institute's history and he was delighted to be able to share how REIWA has grown and positively influenced the state over the past 100 years.

"We have been preparing for this exhibition since 2011 when our Archive Committee convened. A lot of hard work and preparation has gone into organising our historical records and artefacts. The exhibition of materials has been complemented by drawing from the collections in the State Library of Western Australia.

"We are delighted to have partnered with the State Library who have assisted us in selecting materials and in making the exhibition appealing to a wide audience," Mr Pozzi said.

The exhibition will draw upon the Institute's archives, and those of its members. It will also include items from the J.S Batty Library of West Australian History to help tell the story of WA's rich real estate history, buying and selling through the decades, and the colourful characters and influencers in the industry.

"Property affects all of our lives in some shape or form and I think this exhibition will provide West Australians with a fascinating insight into the evolution of the association that has been at the forefront of real estate in WA to the benefit of its members and the public alike," Mr Pozzi said.

The Honourable Bill Johnston MLA, Minister for the Department of Mines, Industry, Regulation and Safety, will formally open the exhibition.

The exhibition will run at the State Library of Western Australia in the Ground Floor Gallery from 1 March to 31 May 2018.

Find out more about REIWA's centenary.

Source: The Real Estate Institute of Western Australia

Landmark real estate education reforms pass

A Bill that will lift education standards across the property services industry has been passed and is expected to come into effect from 1 July 2018, according to the Real Estate Institute of New South Wales.

REINSW CEO Tim McKibbin said this is a landmark day for the real estate profession.

"The passing of the Property, Stock and Business Agents Amendment (Property Industry Reform) Bill 2017 through the NSW Legislative Council will see education standards increase across the entire spectrum of the profession.

"It is a generational change that will see agents deliver a higher quality standard of service, which is a win for the consumer, market and agents," Mr McKibbin said.

"We have lobbied hard and long for these changes which are one of the first steps on our path to professionalism.

"The Bill elevates best business practices and procedures into the legislation," Mr McKibbin said.

The bill will now be sent to the Governor of NSW for his assent and reforms are expected to be implemented on 1 July 2018.

Source: The Real Estate Institute of New South Wales

REINSW Roadshow outlines real estate reforms

The massive changes to the training and licensing requirements for the real estate industry will be the focus of the [REINSW 2018 Roadshow](#) series.

REINSW CEO Tim McKibbin said for the past three years NSW Fair Trading and REINSW have together been developing the new industry standard that is being implemented from 1 July this year.

He said: "These changes will support and enhance the profession going forward and it is vitally important that all real estate professionals understand the truth about what this means for them.

"I urge agents to join NSW Fair Trading and REINSW at one of our Roadshow information sessions being run at 20 locations across NSW from March to June. We will be able to provide the facts about what lies ahead, and what the obligations and options are.

"Come along and get the facts from the people that developed the reforms, and have your questions answered. This is one of the most important changes our industry has ever seen, and it is vital that agents understand it."

Joining REINSW in the annual roadshow are representatives from NSW Fair Trading, the Real Estate Employers' Federation (REEF), as well as newly elected REINSW President Leanne Pilkington.

Find out more about the Roadshow, or book your ticket [here](#). You can also watch a video of Tim give an overview of what to expect [here](#).

[Click here for Roadshow tour dates](#)

Source: The Real Estate Institute of New South Wales

POLITICAL WATCH

Information and news from government



New laws for property managers set to start

New laws will soon come into effect in South Australia for property managers, offering greater security for tenants and landlords alike.

Changes to the laws include penalties that come into effect this April for people who steal from trust funds, and a requirement that all property managers are registered by September next year.

“These laws will ensure that all property managers are appropriately qualified,” Commissioner for Consumer Affairs Dini Soulio said.

Mr Soulio said property managers will be able to apply for registration from February next year.

“All property managers will need to undertake relevant training to ensure they can be registered by September 2019,” he said.

“By ensuring a lengthy transitional period, we have endeavoured to give all property managers sufficient time to undertake requisite training.”

Mr Soulio said training providers will now be able to begin offering courses to help property managers secure the approved qualifications, which cover subjects including:

- The legal and ethical requirements of property management
- Listing and marketing a property for lease
- Minimising agency and consumer risk
- Monitoring and managing leases or tenancy agreements.

In addition, from April this year the Commissioner for Consumer Affairs can prosecute individuals who steal money from a trust account, with a maximum penalty of up to \$100,000 or five years imprisonment.

Real Estate Institute of South Australia Chief Executive Officer Greg Troughton welcomed the changes, saying managing a property is a complex profession, requiring special skills.

“Property management is a tough job – perhaps the toughest in real estate,” he said.

“These changes are all about consumer protection – everyone wins here.

“Landlords and tenants will benefit from more knowledge, better service and more transparency in property management transactions.”

Mr Soulio encouraged anyone working in the real estate sector wishing to learn more about how they will be impacted by the changes to visit www.cbs.sa.gov.au/property-management-reforms or contact Consumer and Business Services on 131 882.

Source: Consumer and Business Services, Attorney-General's Department, Government of South Australia

Dwelling approvals up 0.1 per cent in January

The number of dwellings approved rose 0.1 per cent in January 2018, in trend terms, after falling for the previous three months, according to data released by the Australian Bureau of Statistics (ABS) recently.

“Dwelling approvals rose in January, driven by a large increase in private dwellings excluding houses,” said Justin Lokhorst, Director of Construction Statistics at the ABS. “Approvals for private sector houses have remained stable.”

Dwelling approvals increased in Victoria (2.6 per cent), Tasmania (2.0 per cent), Queensland (1.1 per cent) and Western Australia (0.5 per cent), but decreased in the Australian Capital Territory (32.6 per cent), the Northern Territory (9.3 per cent), South Australia (3.2 per cent) and New South Wales (2.3 per cent) in trend terms.

In trend terms, approvals for private sector houses fell 0.1 per cent in January. Private sector house approvals fell in Queensland (1.6 per cent) and South Australia (1.4 per cent), but rose in New South Wales (0.7 per cent), Victoria (0.3 per cent) and Western Australia (0.3 per cent).

The value of total building approved fell 1.4 per cent in January, in trend terms, and has now fallen for four months. The value of residential building rose 0.5 per cent while non-residential building fell 4.7 per cent.

Source: The Australian Bureau of Statistics

THE WORLD

Property news from around the world



Research reveals just how much financial support first time buyers get from parents

Parents are loaning an average of £24,347 to help their children get on the property ladder in the UK and for those who gift the money it is £32,101, according to new research.

Overall some 16%, one in six, of first time buyers, amounting to 2.2 million, are funding their home purchase with a parental loan yet 87% of them have no property agreement in place, according to the report from Post Office Money.

Indeed, the majority of parents do not formalise an agreement with their house buying children and are failing to provide a deed of gift or letter of intent which could put them at risk legally.

Only one in five buyers agree a monthly repayment plan with parents. Those who do pay back £500 a month for an average of four years but 23% will need to renegotiate due to a change in their circumstances, the research also found.

Parents on the whole are very keen to help their children realise their property dreams with 83% wanting to do so. Some 38% do so on the understanding it will be a loan. They say this is to protect their own finances and also to be able to help more than one of their offspring.

‘The level of support that the UK’s parents want to provide their children is truly heartwarming. High house prices and a challenging cost of living has meant that families have had to increasingly live out of each other’s pockets to make the most of their combined financial capability,’ said Owen Woodley, managing director of Post Office Money.

‘Indeed, 46% of young people who receive money from their parents anticipate that they will support them financially later in life. Despite this, it’s important for everyone to be clear about the nature of their agreement so that everyone’s expectations are aligned,’ he added.

Source: PropertyWire.com

Tampa named as the best housing market for first time US buyers

Tampa in Florida is the best place in the United States for first time buyers with more affordable homes and a less competitive housing market, according to new research.

Tampa also has a strong price growth forecast, says the latest research report from real estate firm Zillow, while the most difficult markets for those buying their first home are all in California.

Zillow ranked the 35 largest housing markets based on where first time buyers have the best chance to find an affordable home with little buyer competition and strong forecasted home value appreciation.

The report points out that currently the housing market is competitive for all buyers, as there are not enough homes for sale to meet strong buyer demand. This is at a time where first time buyers make up 40% of all home seekers.

It also points out that in 2017, nearly a quarter of home sales were above the listed price and this puts first time buyers at a disadvantage as they won’t have the capital from a previous home sale to help fund a down payment or keep up with bidding wars. Saving up for a

down payment is the most commonly cited barrier to home ownership.

Overall new buyers will have it easiest in the Southeast, especially Texas and Florida. Five of the top 10 markets for first time buyers are in those two states. Homes in those markets require a smaller down payment, and buyers are more likely to encounter price cuts.

First-time buyers are likely to face the most difficulty in pricy West Coast markets, especially California metros. Not only are homes expensive, but inventory is especially limited, and it takes longer to break even on a home purchase.

After Tampa the next best market for first time buyers is Indianapolis, followed by Houston in Texas, Orlando in Florida, San Antonio in Texas, Saint Louis in Missouri. Philadelphia, Atlanta, Las Vegas and Dallas.

‘More and more millennials are reaching the point in their lives where they are ready to buy a home, but they are entering a highly competitive housing market that has been plagued by low inventory, especially among entry level homes,’ said Zillow senior economist Aaron Terrazas.

‘Southeastern markets will be easiest for new buyers, where homes are more affordable and there’s less competition. People planning to buy for the first time in some of the tougher markets should be prepared to face a more competitive environment, but that doesn’t mean they should count out buying entirely,’ he added.

Source: PropertyWire.com

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