

REIANEWS

ISSUE 101: SEPTEMBER 2020



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CLAIMING DEDUCTIONS FOR
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ABOUT PROMOTING YOUR
BRAND IN **REIA NEWS**?

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PRESIDENT'S REPORT

Mr Adrian Kelly
REIA President



WELCOME FROM REIA'S PRESIDENT

September has proved to be another interesting and challenging month for the Australian real estate industry, and all of our critical stakeholders, from tenants, sellers, buyers, investors and regulators.

In good news for both our agents and customers, JobKeeper has been extended on a two tiered basis until March 2021 and REIA's long advocated for First Home Deposit Loan Scheme (FHLDS) shows promising signs of delivering to first home buyers in both cities and region (page 6).

Our September Housing Affordability Report (HAR) and Real Estate Market Facts (REMF) also showed a strong performance of our industry (page 15); and the best rental affordability since 2007. We expect the December reports will further highlight key rental and sales trends as a result of the pandemic driven policy shutdown.

REIA has been busy engaging the Federal Government and Opposition on pre and post pandemic market awareness and initiatives, and has joined forces with the Australian Banking Association to make the Australian real estate industry a truly digital one for the first time ever.

On the other hand, the stagnation of Australia's second largest market in the Victorian Stage 4 lockdown will prompt a difficult period for all players in the market, and we hope that 1:1 inspections and marketing activities can

recommence as soon as practicable as case numbers ease (page 8). REIA has also commenced work on a single national standard for real estate agents through Treasurer Frydenberg's Automatic Recognition initiative.

Looking ahead, REIA will be attending the Federal Budget 2020 lockup on 6 October. It goes without saying that this is one of critical Federal budgets of our time; and we look forward to hearing from Minister for Housing on the impacts and benefits on property and real estate agents in an exclusive post budget address to REIA.

Read on to hear about REIA's 5 point Federal Budget action plan for 2020.

Thanks to all for their ongoing support of our industry throughout 2020 and I encourage you all to stay in touch by subscribing to REIA News.

Mr Adrian Kelly

REIA PRESIDENT



Follow us on Twitter [@REIANational](https://twitter.com/REIANational)

WHAT REIA WOULD LIKE TO SEE...

In the critical 2020 Budget, REIA has made 5 key recommendations to Treasury that benefits all real estate stakeholder: agents, investors, buyers, sellers and tenants.



FEDERAL BUDGET 2020-2021 KEY RECOMMENDATIONS

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5 key areas to support the industry and Australian economy for Budget 2020



1
Expand the First Home Loan Deposit Scheme to include all first home owners.



2
Extend First Home Super Saver to include pre-July 2017 extra contributions and earnings.



3
Lower the limits of HomeBuilder.



4
Extend JobKeeper and JobSeeker for sectors affected in the long term by Covid-19.



5
Extension of rental support.



The Australian agency sector at a glance

\$300bIn

Value of property to the Aussie economy.

75%

Agents represented by REIA.

120,000

Australians are employed in real estate.

99%

of Aussie real estate are small businesses.



Our recommendations are based on industry led research and proven international models

**3.5x
Multiplier
effect**

HomeBuilder to GDP*, a critical driver in a recession economy.

*Source: MasterBuilders

**Proven
international
models**

First home ownership funded by super exists in Canada, New Zealand and Singapore.

**80%
of agents**

Australia-wide strongly see the need for an extension of JobKeeper.

**1-5%
of renters**

in Australia have negotiated rental reduction in properties managed by agents.

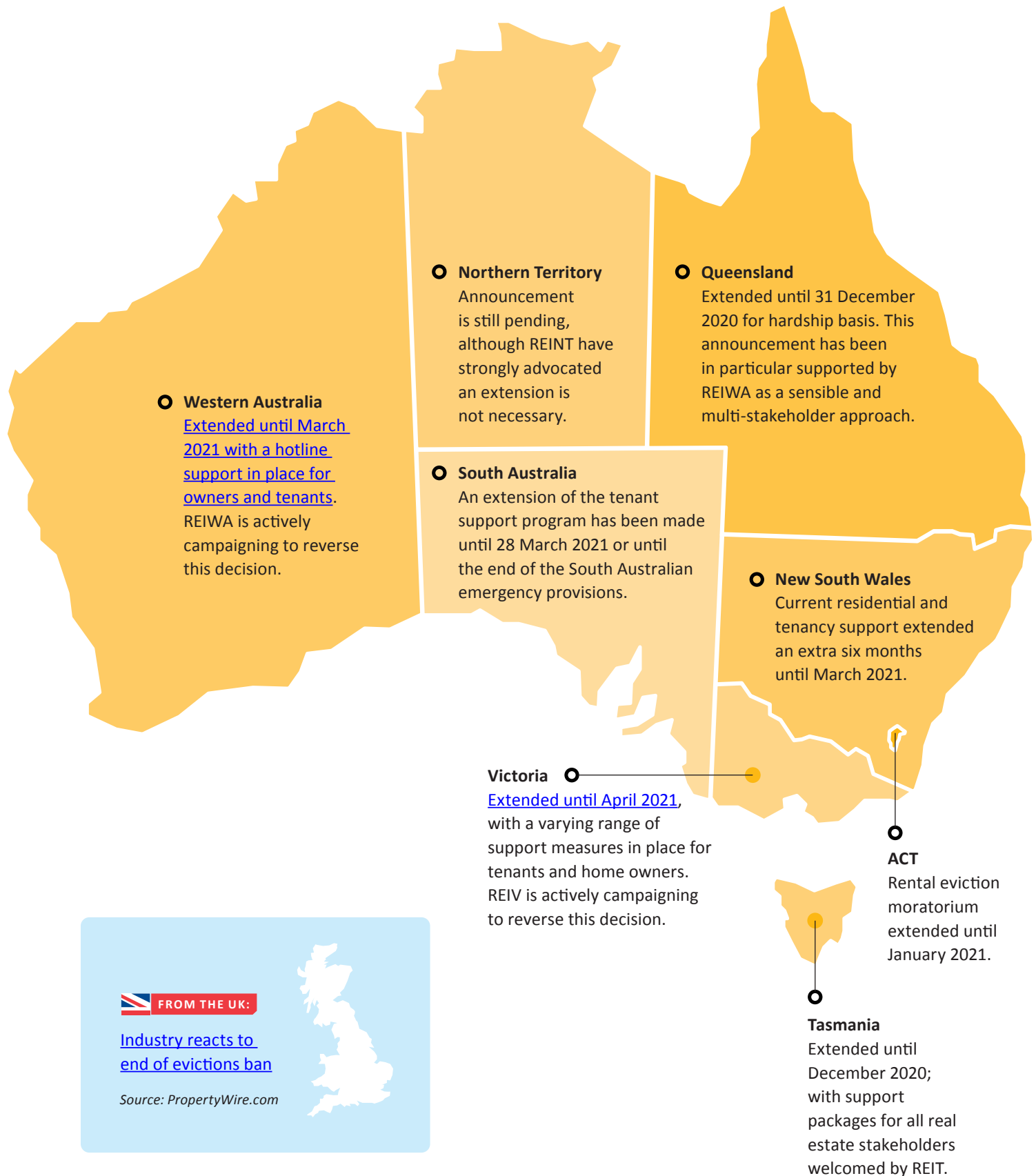
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WATCH THIS SPACE

RENTAL EVICTION MORATORIUM AUSTRALIA WIDE

This month was due to see National Cabinet's rental eviction moratorium conclude. The majority of states and territories have extended this from December 2020 – March 2021 with various support packages in place.



POLITICAL WATCH

Information and news from Canberra



Lending figures

Minister for Housing, the Hon Michael Sukkar, said HomeBuilder programme has delivered for Australia's construction pipeline.

REIA President Adrian Kelly was quoted by the Minister in that the figures "...reflect the uptake of the Government's HomeBuilder initiative to boost building activity."

The [ABS](#) said the number of dwelling finance commitments for owner occupiers, excluding refinancing, rose by 9.7 per cent in July 2020. Or the strongest monthly growth since January 2009.

Read more: [Minister for Housing and Assistant Treasurer](#)

JobKeeper extended

Agents and real estate stakeholders alike have welcomed the two-tiered extension of JobKeeper and JobSeeker.

REIA is actively watching how the changes in rates affect our tenants and investors; as well as the end of the [6 month mortgage deferral program announced by banks](#).

For more information for business: [Australian Taxation Office](#)

A level playing for residential property

With a comprehensive review of Australia's foreign investment framework being conducted by Treasury, REIA has called for 4 key areas to level the playing field for residential property investors.

This is particularly critical in recession, as over the past 25 years, the gap between Australia's domestic savings and its investment needs has been between 4 and 5% of GDP.

Our Submission to Treasury: [Real Estate Institute of Australia](#)

REIA joins forces to go digital

REIA have teamed up with the Australian Banking Association and 8 other business groups to take property transactions digital – from mortgages through to e-signatures.

ABA CEO Anna Bligh said that, "Federal and State Governments are to be congratulated for moving swiftly during COVID-19 to use their emergency powers to facilitate these e-transactions, it's now time to make these changes permanent to make transactions easier, keep the cost lower and reduce the hassle of transactions which rely on 'in person' signatures and paper documents."

View the A New Digital Economy Campaign: [Australian Banking Association](#)

First Home Buyers win in cities and regions

NHFIC has this month released its First Home Loan Deposit Scheme Trend and Insight Report.

REIA sees this as promising sign that our long-standing policy, an equitable approach for first home buyers in Australia's regions, is being achieved through the Scheme.

62.3 per cent of Scheme first home buyers bought in major cities with 37.7 per cent purchased in Australia's regions. This is broadly in line with population distribution. 67.7 per cent of Aussies living in major cities and 32.3 per cent in regional areas.

Source: [Real Estate Institute of Australia](#)

Watchdog warns Aussies on rental scams

Australians have lost over \$300,000 to rental and accommodation scams this year, an increase of 76 per cent compared to the same time last year.

Scamwatch has received 560 reports of rental scams so far this year, an increase of 56 per cent, with many using tactics related to the COVID-19 pandemic.

Rental Scams: [Australian Competition and Consumer Commission](#)

POLITICAL WATCH

Information and news from Canberra



ATO: Here to help

The Australian Taxation Office (ATO) has reminded businesses doing it tough as a result of COVID-19 that they have a range of options including claiming a deduction for losses.

REIA have been regularly liaising with the ATO and REIs on support avenues for agencies.

Check out page 13 and page 14 for more information to support your taxation needs.

REIA gets to work on Automatic Recognition

REIA and our REIs are actively working on the Treasurer's Automatic Recognition announcement and what this means in working towards a high quality common national standard for our industry.

This has been housed by Prime Minister & Cabinet's Occupational Mobility Project as part of the broader business [deregulation agenda](#).

Automatic Recognition:
[The Hon Josh Frydenberg MP, Treasurer](#)

Democracy! ACT + Queensland head to polls

In October, ACT and QLD will head to the polls in a socially distanced way.

The majority of State Budgets – delayed due to Covid-19 – will be handed down.

Keep your eye on REIA media releases for what this means for Australia's real

estate agents as State Governments test their Covid-19 health and economic responses with voters.

Or better yet, follow REIA on:

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[REIA](#)

[instagram.com/reiaustralia/](#)

[linkedin-reia](#)

McGrath mentioned in Parliamentary Debate on Jobkeeper

"This government provided the biggest ever lifeline of any government in our history, and supported hundreds of thousands of businesses and millions of Australian workers—businesses like the Settlers Inn in Port Macquarie, the Observatory Apartments in Coffs Harbour and the West Kempsey Hotel."

"I was contacted by the owner of McGrath real estate, who asked me to pass on his personal thanks to this government because he was able to keep on his seven employees."

Member for Cowper, Mr Pat Conaghan MP

Federal announcement of consumer credit reforms a positive for house listings Australia wide

The Real Estate Institute of Australia (REIA) believes the Australian Government's plan to increase the flow of credit to households and businesses should have a positive impact on the housing market.

REIA President Adrian Kelly said the Treasurer's announcement reduces the cost and time for consumers and businesses to access credit while moving away from the 'one size fits all' system, providing assurance for those who have held off listing their properties due to the pandemic-induced recession.

[Real Estate Institute of Australia](#)

Insolvency reforms to support small businesses recovery

The Morrison Government will undertake the most significant reforms to Australia's insolvency framework in 30 years as part of our economic recovery plan to keep businesses in business and Australians in jobs.

The reforms, which draw on key features from Chapter 11 of the Bankruptcy Code in the United States, will help more small businesses restructure and survive the economic impact of COVID-19. As the economy continues to recover, it will be critical that distressed businesses have the necessary flexibility to either restructure or to wind down their operations in an orderly manner.

Read more: [The Hon Josh Frydenberg MP, Treasurer of the Commonwealth of Australia and The Hon Michael Sukkar MP, Minister for Housing and Assistant Treasurer](#)

INDUSTRY UPDATE

Industry news from around Australia



Victoria

REIA welcomes the reopening of Australia's second-largest property market

The Real Estate Institute of Australia (REIA) welcomes the announcement today by the Premier of Victoria, Hon. Daniel Andrews, MP that private inspections for purchase or leasing of Victorian residential properties can recommence from 11:59 pm on Sunday 27 September 2020.

As part of the updated regulations, private property and display home inspections must consist of one agent and one prospective purchaser or tenant, who may be accompanied by one other person from an existing household or an intimate partner.

REIA President Adrian Kelly said the easing of restrictions signalled an important step forward for Victoria's property industry, the stakeholders of which had been forced to make unprecedented sacrifices across the past few weeks.

Media Release, [click here](#)

Victoria

REIV calls for an independent review of Victoria's roadmap

The Real Estate Institute of Victoria (REIV) has called for an independent review of the roadmap announced by the Andrews government.

Voices across the community have labelled the Victorian government's response as disproportionate, alarmist and short sighted.

Media release, [click here](#)

Stay up to date with [REIV](#)

Australian Capital Territory

2020 REIACT Charity Auctioneer Event – Nominations now open

Calling all auctioneers, novice to experienced – we need your help. In lieu of a championship competition this year we are thrilled to use your skills to make a difference to the Walk A Mile In Their Shoes foundation. Regardless of your experience or expertise, this fun-filled evening will be a chance for you to showcase your style and help raise much needed funds for our

charity partner. Held simultaneously on site and online, the competition is a relaxed forum free from the rigors of championship rules and regulations. Charity auctions are a staple of our industry and a brilliant way for the budding caller to hone their craft.

Venue: QT Hotel Canberra

Date: Saturday, 31 October 2020
(Subject to COVID-19 restrictions)

Time: 6:00pm – 9:00pm

Entries are now open, we challenge all auctioneers or enthusiasts to get involved.

Complete the attached Nomination Form and email to admin@reiaact.com.au, nominations close on Friday, 2 October 2020 at 4:00pm.

New South Wales

Regional Women in Real Estate

REINSW President Leanne Pilkington was in Dubbo last week at launch of "Regional Women in Real Estate". Friday (18 September) Leanne joined the team at Bob Berry Real Estate for "Footy colours day" raising funds for kids with cancer.

INDUSTRY UPDATE

Industry news from around Australia



REIA's new CEO speaks to REB



LISTEN NOW



LISTEN TO THE LATEST PODCAST RIGHT NOW

How the REIA is working with government through the pandemic

In this episode of the Secrets of the Top 100 Agents podcast, special guest Anna Neelagama joins Phil Tarrant to discuss why it's imperative to keep a finger on the pulse of policy change as Australia continues to navigate its way through the COVID-19 crisis.

The new chief executive of the Real Estate Institute of Australia (REIA), Anna shares the lessons learnt from the pandemic so far, including how digital solutions have become even more in demand.

In this episode, find out:

- Why real estate remains the backbone of the nation's economy
- The work the REIA is doing to combat uncertainty in the property market
- How the real estate bodies are collaborating during the pandemic

Tune in now to hear all of this and much, much more in this episode of Secrets of the Top 100 Agents!



Anna Neelagama
REIA

LISTEN HERE



LISTEN ON
YOUR DEVICE





Build your super savings using these hidden super perks.



Dreaming of retiring? So are we, and that's why we want to help you achieve your goals by uncovering some perks within superannuation which you may not be aware of.

No matter your income bracket, no one needs to miss out on a comfortable retirement. Live the life in retirement that you have always dreamed of.

Here are some of those hidden perks.

Compounding interest

Let us tell you what we think is the best perk of all, and that is compounding interest. The best thing is, that everyone gets to benefit from this perk, no matter your super account balance, income bracket or age we all get to reap the benefits of compounding interest.

Simply put, compounding means you earn interest on your previous interest. If you think of a snowball, the higher the hill the bigger the

snowball will grow when it reaches the bottom of the hill. The earlier you start, the bigger your super account will grow and especially if you make extra contributions.

Go on, have a play with this [online calculator](#) and see how you could be benefitting from compounding interest.

Reduce your income tax bill

Many people could reduce the amount of income tax they pay now and improve their future retirement by making [extra contributions](#) to super, also known as voluntary contributions.

The two main ways to add to your super:

1. Voluntary before-tax contributions through an agreement with your employer (*salary sacrificing*). [Salary sacrificing](#) can help transfer money that you would have lost in tax into your super savings. Use our [salary sacrifice calculator](#) to see how much tax you could be saving.

2. Voluntary after-tax contributions.

You can make [after-tax contributions](#) in lump sums from your after tax income. These lump sum personal contributions are not taxed as you've already paid the tax on the income.

However, it is important to be aware of the restrictions and conditions around tax deductions for after-tax contributions. Some of these restrictions include;

- If the fund no longer holds the contribution.
- On a payment to your super that is a rollover from another fund
- On [First Home Super Saver Scheme](#) (FHSSS) amounts released to you then recontributed to your super fund.

Advantages of investing consistently

'Dollar Cost Averaging' is a no-stress way to overcome the unpredictability of investment markets.

Dollar Cost Averaging means investing consistently in your super, instead of



» continued



investing a lump sum all in one go, you invest smaller fixed amounts on a regular basis for a period of time. So as unit prices move up and down you buy more units when the unit prices are low and fewer units when they are high. The idea is, that you are taking away the risks associated with trying to time the market which is a tempting to try to achieve when investing a lump sum.

You can maximise the effect of averaging by also making additional personal contributions on a regular basis.

Free money from the government

Here are two Government initiatives designed to assist low-income earners by providing up to \$500 additional

super per year if you make personal contributions of up to \$1,000.

Earn less than \$37,000 p.a.?

You may be eligible to receive a government payment, usually paid directly into your super fund, known as the low-income super tax offset (LISTO). The more you contribute up to \$1,000, the more the government kicks in, up to \$500.

Earn less than \$54,837 p.a.?

If you earn more than \$37,000 but less than \$54,837, you may still be eligible to receive a government payment, with the maximum LISTO of \$500, usually paid directly into your super fund, reducing as your income goes up.

You and your partner can benefit

If you work part-time or not working right now, often due to family commitments, your spouse or partner could add a bit extra to your super. On top of boosting your balance, your spouse could get a tax offset that could benefit both of you.

If you earn less than \$37,000 a year, your spouse can add as much as \$3,000 into your super and get an 18% tax offset.

Super isn't always straightforward, but this doesn't need to be the case. At REI Super we're dedicated in providing every single person with the personalised service they deserve.

Visit [REI Super's website](#) to learn more about the benefits of joining your dedicated industry super fund.

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AUSTRALIAN TAXATION OFFICE

CAPITAL GAINS QUICK-GUIDE TO SELLING YOUR RENTAL PROPERTIES

When you sell or dispose of your rental property working out your capital gain or loss doesn't need to be stressful. Generally, this amount is the difference between what it cost you to buy and improve the property, and what you receive when you sell it.

Getting your cost base right:

It's important to get your cost base calculation right. Your cost base is usually the cost of the property when you bought it and any costs associated with acquiring or selling it. These can be things like stamp duty, legal fees, valuations and real estate sales fees. You may also need to subtract any capital works claimed.

Other things to remember when working out your capital gain or loss:

If you are a co-owner of a rental property, any capital gain or loss will be apportioned in accordance with your share of the ownership interest in the property.

The income year you report your capital gain or loss depends what date you entered into the contract for sale or disposal, not when settlement happens. If there is no contract, the CGT event takes place when the change of ownership occurs.

When is a capital gain or loss not applicable:

Generally, your main residence is exempt from CGT, however if you lived in the property before it became a rental property, or used part of your main residence to produce income, (such as renting out a room or running a business), you are not entitled to the full main residence exemption. Your property stops being your main residence once you stop living in it, however, you can choose to continue treating it as your main residence for CGT purposes:

- for up to six years, if it is used to produce income
- indefinitely, if it is not used to produce income

However, you can't treat any other property as your main residence for the same period.

It is possible for your capital gain or loss to be disregarded, if a rollover applies i.e. your property was destroyed or it was transferred to a former spouse under a formal family law settlement.

Keep your records

It is important to keep detailed records of transactions involving acquiring, holding and selling your rental property. You need to keep:

- a copy of the purchase contract and receipts for expenses relating to the purchase, such as legal fees and stamp duty.
- all records relating to the sale such as sale contracts, real estate selling fees and legal fees
- records of your costs of owning the property including interest, rates and land taxes, insurance premiums and the cost of repairs
- records of capital expenditure on improvements such as extensions, additions or improvements.

If you made a capital gain you need to keep your records for at least 5 years after the sale of the property, however if you make a capital loss, you should keep your records for a further 2 years after you've offset the loss against a capital gain.

For more information regarding capital gains and selling your property head to:

- www.ato.gov.au/saleofpropertyCGT
- www.ato.gov.au/General/Capital-gains-tax/Your-home-and-other-real-estate/Keeping-records-for-real-estate/



AUSTRALIAN TAXATION OFFICE

CLAIMING DEDUCTIONS FOR HOME-BASED BUSINESS

If your home is your main place of business – you run your business at or from home, and have a room or space set aside exclusively for business activities – you may be able to claim the business portion of some expenses in your income tax return.

Your business structure (whether you're a sole trader, partnership, trust or company) affects your entitlements and obligations when claiming deductions for your home-based business.

You may be able to calculate your home-based business running expenses using:

- a fixed rate of 52 cents an hour for each hour you operate your business from home
 - This covers heating, cooling, lighting, cleaning and the depreciation of furniture and furnishings.
 - You will need to separately calculate phone and internet expenses, consumables and certain depreciation expenses.
- the temporary working from home shortcut method of 80 cents an hour
 - This can be used by individuals running home-based businesses from 1 March 2020 until 30 September 2020.
 - This covers all the expenses normally included under the 52 cents rate and all additional deductible running expenses.
- any other reasonable method.

You may also be able to claim occupancy expenses, like rent, in certain circumstances. If you're entitled to claim occupancy expenses or you own your own home and receive rental income from your business, there may be capital gains tax implications when you sell your home. The main residence exemption may not apply for the proportion of your home and the periods that you used it for your business.

You can only claim the business portion of expenses that relate to running your business, so remember to separate your business and private use (and exclude your private living costs) when you calculate your claim. Keep records to substantiate your claims for all your home-based business expenses for at least five years.

In addition, you can't claim the same expenses two different ways. The temporary working from home shortcut method is all-inclusive. For example, you can't claim the full cost of purchasing a photocopier using instant asset write-off and also claim with the home shortcut method.

For more information, visit ato.gov.au/homebasedbusiness



Real Estate Market Facts

A QUARTERLY REVIEW OF MAJOR PROPERTY MARKETS IN AUSTRALIA, JUNE QUARTER 2020

HOUSE AND OTHER DWELLING PRICES DECREASE OVER JUNE QUARTER

Fast facts

June quarter 2020

National Market Snapshot

EXTRACTED FROM REAL ESTATE MARKET FACTS
JUNE QUARTER 2020

Fast Facts:

June quarter 2020

- ▶ Quarterly Australian weighted median house price is \$770,359
- ▶ Quarterly Australian weighted median other dwellings price is \$592,415

Median house prices up:

Darwin 1.6% to \$477,500

Median house prices stable

Adelaide 0.0% to \$480,000

Median house prices down:

Brisbane -0.9% to \$525,000
Perth -1.0% to \$475,000
Sydney -2.0% to \$1,143,012
Canberra -2.1% to \$690,000
Melbourne -3.5% to \$864,000
Hobart -7.0% to \$535,000

Median other dwelling prices up:

Adelaide 4.4% to \$381,000
Hobart 0.5% to \$405,000

Median other dwelling prices down:

Canberra -0.2% to \$471,000
Perth -1.5% to \$373,500
Sydney -1.9% to \$735,417
Melbourne -2.5% to \$621,000
Brisbane -3.1% to \$371,000
Darwin -7.5% to \$280,000



Housing Affordability Report

June quarter 2020

Housing affordability improves for both housing and rental in June quarter

National Affordability Snapshot

EXTRACTED FROM REIA HOUSING AFFORDABILITY REPORT
JUNE QUARTER 2020

Fast Facts:

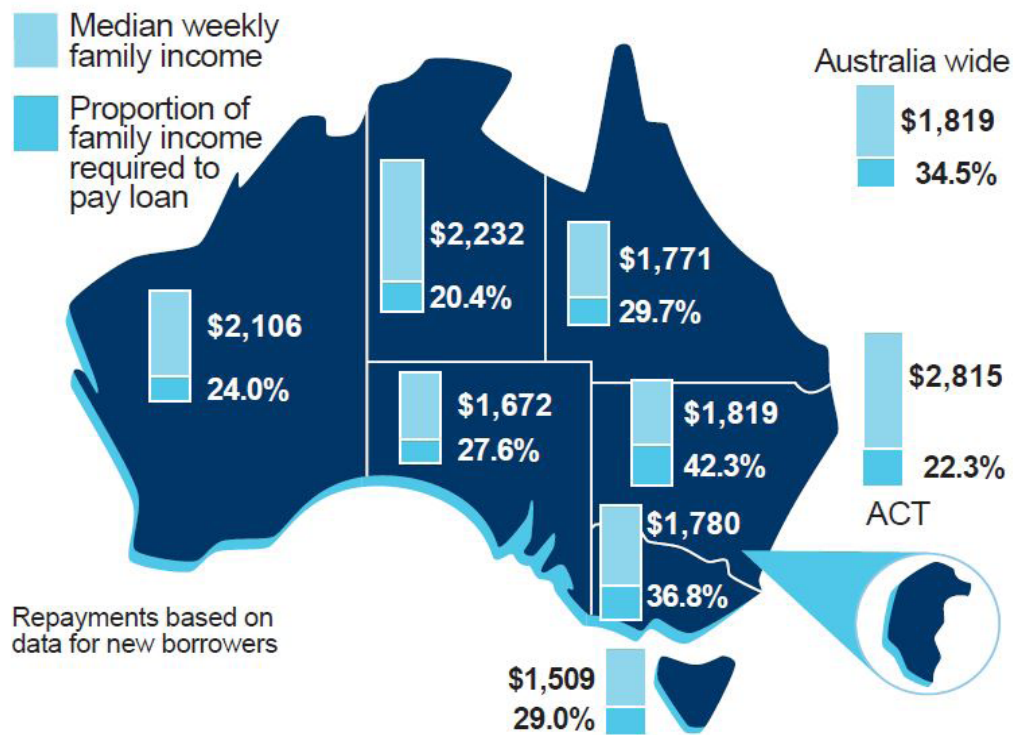
June quarter 2020

	Jun 2020	Mar 2020	Jun 2019
Proportion of family income to meet:			
Home loan repayments	34.5%	34.7%	33.2%
Rent payments	23.3%	23.7%	23.8%

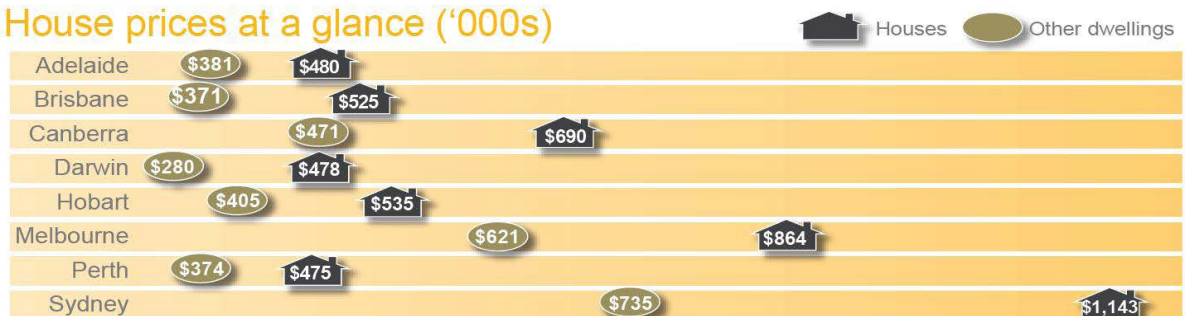
- NSW** Monthly loan repayments increased 8.0% over the previous year
- VIC** Victoria's rental affordability improved to 22.5% of family income
- QLD** Queensland housing affordability improved over the quarter to 29.7%
- SA** South Australia continues to have the lowest percentage of first home buyers entering the market (27.5%)
- WA** Western Australia had the highest quarterly improvement in housing affordability
- TAS** Tasmania had the largest improvement in rental affordability
- NT** Northern Territory had the largest increase in the average loan amount to first home buyers (3.1%)
- ACT** Australian Capital Territory had the highest annual increase of new loans (13.4%)

Across Australia

Proportion of family income required to meet loan repayments & median weekly family income



House prices at a glance ('000s)



Weekly rent prices at a glance





REIA PUBLICATIONS

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 REIA Housing Affordability Report and the REIA Real Estate Market Facts may be purchased as a 6 or 12 month subscription. For more about the 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.



RELEASE DATES FOR THE 2020 REPORTS ARE AS FOLLOWS:

REIA Housing Affordability Report

- December quarter 2019 – Wednesday 4 March 2020
- March quarter 2020 – Wednesday 3 June 2020
- June quarter 2020 – Wednesday 2 September 2020
- September quarter 2020 – Wednesday 2 December 2020

REIA Real Estate Market Facts

- December quarter 2019 – Wednesday 11 March 2020
- March quarter 2020 – Wednesday 10 June 2020
- June quarter 2020 – Thursday 10 September 2020
- September quarter 2020 – Wednesday 9 December 2020

COVID-19 & the Future of the Real Estate Industry

Our thoughts on how COVID-19 may shape the future of the real estate industry.

The property market has never been one that could be deemed acyclical, and when 2020 threw a global pandemic into the mix, it was 'business as unusual'. Banning of open homes; virtual inspections and auctions, and rent negotiations all meant that real estate agents suddenly had to take on a slightly varied role.

There's no crystal ball telling us when things will get back to normal, or if they ever will. But how is COVID-19 likely to shape the future of the Real Estate industry? Are any of the practices adopted during this time here to stay? And what are the insurance implications of some of these practices? Below, we share our thoughts on a few of the matters real estate agents have dealt with, and how they can expect to move forward.

Virtual Inspections & Auctions – The way forward?

When restrictions were imposed across various states, virtual property inspections and auctions were adopted by many agents as a way of continuing to operate among the lockdown. So could COVID-19 be a catalyst for a permanent shift towards virtual inspections and auctions, like it has been for remote work?

Read full article [here](#)



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NOVICE AUCTIONEERS COMPETITION



Josh Logan-Pye wins the 2020 REINSW Novice Auctioneers Competition

Even though the states and territories were not able to proceed with this year's AUSTROS due to the COVID-19 pandemic, REINSW was still determined to support NSW's budding auctioneers.

More than 50 excited bidders, supporters and industry leaders came together at the McGrath Head Office in Pyrmont, Sydney earlier this month to watch the crowning of the 2020 REINSW Novice Auctioneers Competition champion.

Over 25 novice auctioneers battled it out over the course of the competition but, in the end, Josh Logan-Pye was named the winner.

"I'm blown away to be crowned NAC Champion," says Logan-Pye. "I decided to compete in this year's competition to help conquer my fear of speaking in front of people and to really challenge myself to get out of my comfort zone. I'd not ever called an auction before the competition, so I've just been practising, practising, practising in front of friends, family and my colleagues at Belle Property Lake Macquarie over the past few weeks."

NAC Head Judge, Thomas McGlynn, says Logan-Pye came close to winning the Newcastle heat so the judges chose to send him through to the final as a wild card entrant.

"The judges look for a level of improvement from finalists between their heat and the final," says McGlynn. "Josh displayed a high level of commitment; it was very noticeable how much practice he had put in in order to refine his auction call and make it so polished and professional."

"There has been a long history of novices in this competition going on to become notable auctioneers and Josh has a great career in auctioneering ahead of him," says McGlynn.

The NAC is a platform for the state's would-be and up-and-coming auctioneers to try their hand at auctioneering. During the heats, each participant auctions a luxury item

of their choice for charity. This year, for the first time ever, the pressure was stepped up with the finalists given an actual property to auction off – a 2-bedroom unit in Hornsby.

The final was followed by a charity auction by three industry auctioneers. Over \$4,000 was raised from the heats and the charity auction for REINSW's 2020 charity partner, [RISE](#) – a mental health resource for the real estate industry in Australia and New Zealand that provides education, prevention and intervention.

"It's time for us to put mental health, wellness and wellbeing squarely at the top of our agenda," says REINSW President, Leanne Pilkington, "particularly now with the enormous pressure on the industry as a result of the COVID-19 pandemic". "Led by a real estate industry collective, RISE is a 'movement for good' and has created the opportunity for our industry to work together to raise money for such an important cause."

NAC 2020 finalists

Sydney East	Lee Dowdall
Sydney CBD	Bret Ransley
Newcastle	Mel Payne
Wildcard	Josh Logan-Pye (winner)
Wildcard	Meredith O'Reilly

UP & COMING THE MONTH AHEAD

Date	Where	What
17 June 2020	WA	Awards
3 October 2020	NT	Awards
8 October 2020	WA	2020-21 Budget
10 October 2020	TAS	Awards
13 October 2020	VIC	2020-21 Budget
22 October 2020	VIC	Awards
30 October 2020	NSW	Awards Proposed
31 October 2020	QLD	2020-21 Budget
October 2020	ACT	2020-21 Budget
October 2020	NT	2020-21 Budget
10 November 2020	SA	2020-21 Budget
12 November 2020	TAS	2020-21 Budget
17 November 2020 (confirmed*)	NSW	2020-21 Budget
21 November 2020	ACT	Awards
2021	SA	Awards



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Make sure you're part of the growth, we look forward to seeing you there.

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UPDATE ON LANDLORD INSURANCE

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



Australia's property managers are valued members of the Terri Scheer community. We understand that the past few months haven't been easy and we thank you for your ongoing support.

As you may be aware, Terri Scheer temporarily ceased selling new insurance policies as a result of COVID-19.

We are pleased to announce we have lifted this temporary restriction in all states and territories except Victoria and will once again be selling our Landlord Preferred Policy, for new customers with professionally managed long-term rentals.

This decision acknowledges the support that you, as property managers, provide to your landlord customers in helping them to manage their tenant-related risks.

Temporary restrictions on the sale of new policies remain in place for Victoria, where the current eviction moratorium will remain in place beyond the end of September. We do not yet have a date when temporary restrictions on the sale of new policies in Victoria will be lifted.

Unfortunately, we are still not able to offer new Terri Scheer Short Stay policies, due to travel restrictions across Australia and the additional risks this creates for holiday rentals. This does not impact renewing customers.

Terri Scheer's goal is to help landlords realise their capital and financial growth potential by protecting their

investment property and rental income from tenant-related and other risks.

We remain committed to supporting you to help your landlords protect their investments and rental income into the future.

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

» *About Terri Scheer Insurance* Terri Scheer Insurance Pty Ltd ABN 76 070 874 798 (Terri Scheer) provides insurance cover for landlords, helping to protect them against the risks associated with owning a rental property. These include malicious damage by tenants, accidental damage, landlord's legal liability and loss of rental income. Terri Scheer acts on behalf of AAI Limited ABN 48 005 297 807 AFSL 230859 trading as 'Vero Insurance', the insurer which issues the insurance cover. Terri Scheer has not taken into account the reader's objectives, financial situation or needs. If you are interested in any of Terri Scheer's insurance products, the relevant Product Disclosure Statement should be considered first. It can be viewed online at www.terrischeer.com.au or obtained by calling 1800 804 016. Based in Adelaide, Terri Scheer services all states, territories and capital cities.

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NRLA: Almost a quarter of landlords lose rent due to COVID-19

Almost a quarter (22%) of private landlords with properties in England surveyed have lost rental income as a result of COVID-19 according to the latest research by the National Residential Landlords Association (NRLA).

Whilst 19% of those questioned had lost up to half of their usual rental income as a result of COVID-19, with 3% having lost more than half.

Amongst those landlords surveyed who said they have faced a loss of rent, the average loss was between £751 and £1,000. Applied across the sector as a whole, total rental income lost by private landlords has been between £328m and £437m according to the NRLA.

The research also reveals that 9% of landlords plan to leave the market, with 7% saying they will sell some of their rental properties over the next 12 months.

The research shows that 61% of landlords surveyed rent out just one residential property, and 34% of those said they are retired and rental income represents all or part of their pension.

The NRLA are calling for an "urgent financial package" from the Government to pay off COVID related rent arrears

and sustain tenancies. The association are proposing that the Government follows the examples set in Wales and Scotland and develop interest-free, Government guaranteed hardship loans for tenants to cover arrears built since lockdown began in March.

Ben Beadle, chief executive of the NRLA, said: "Where COVID-19 has caused difficulties for tenants, the vast majority of landlords have reached agreements with them to avoid problems. That said, most landlords are not property tycoons and cannot be expected to go indefinitely without any or only part of the rent they are owed.

"To date there has been no direct financial support for the rental market, with individual landlords unable to access small business grants or bounce back loans. The furlough scheme is due to end, benefits do not cover average rents in any given area and the mortgage deferral scheme only builds up the amount landlords have to pay for the remainder of the term of their mortgage.

"The Government needs to step in and ensure tenants and landlords in England have the same level of support being provided in Scotland and Wales to pay off rent arrears and sustain tenancies."

Source: *PropertyWire.com*



Homeowners remortgaging due to financial pressures of COVID-19

Almost one in 10 UK homeowners say they have remortgaged to relieve financial anxieties caused by the COVID-19 pandemic, according to a recent survey by Natwest.

Natwest commissioned a survey to look into the remortgaging habits and attitudes of homeowners in the UK to gain a snapshot of how the pandemic has financially impacted homeowners.

The survey also found that two fifths of homeowners were planning to sell their home before the pandemic, but now 38% of these prospective sellers are no longer considering selling their property indefinitely. Almost half (47%) of homeowners are now postponing the sale of their property until they can make a clear financial decision, and in light of the pandemic 62% of homeowners would consider remortgaging a second time to fund home improvements.

The survey found that reasons for deciding to remortgage ranged from reducing monthly payments (43%) to funding home improvements (19%). Some homeowners are reportedly factoring COVID-19 into their decisions more than others, with 31% of 18-30 year old homeowners saying they are more likely to move house as a

THE WORLD

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» continued

result of the pandemic. By comparison, just 18% of 31-45 year olds and 16% of 46-60 year olds thought the same.

In regards to seeking mortgage advice, banks and lenders came out on top (28%) closely followed by online search (25%).

Overall, 74% found that remortgaging had a positive impact on their lives, with over three quarters (77%) of 18-30 year olds listing mental health as the primary or secondary reason for their decision to remortgage. Just 23% said their decision was purely financial.

Across all ages, 43% of homeowners say remortgaging has also had a positive impact on their mental health, with 23% saying it had a significant improvement.

Source: PropertyWire.com



Sellers not reducing prices as UK property market bounces back

Despite almost half (45%) of buyers asking for a price reduction on properties in light of the COVID-19 pandemic, home sellers are not budging on price according to the latest research by online estate agent Strike.

The area most likely for buyers to ask for a price reduction is London, where 70% of sellers say they've been asked to lower their property prices. Alternatively, regions including Northern Ireland and the South

West saw buyers less likely to ask for a price reduction. On a UK-wide basis, just one fifth of sellers say no reduction has been asked for at all in recent months.

Strike's research suggests that not all sellers are willing to accept a lower price, whilst a quarter would consider a reduction between 5% to 10%. Almost a third (29%) say they wouldn't accept a lower offer. Half of home sellers say they refuse to let COVID-19 stop them from moving and a third believe prices will actually rise in their area post-pandemic.

More than half (52%) of sellers are confident that they can make a sale this year according to the research and almost one in five (18%) say they have even had more interest in their property than they expected.

Further industry figures suggests the property market is bouncing back after a challenging few months. According to separate research from Rightmove, monthly sales in July were the highest seen in ten years, with seven UK regions reporting record high price hikes.

Sam Mitchell, chief executive at online estate agent Strike, said: "Now that restrictions have been lifted, property demand is booming. Not only was there pent up demand to move after months of being unable to, but the Government's stamp duty holiday being released into a low-interest-rate environment has also worked wonders for the UK property market's revival.

"Over the past few months, we've seen at least a 50% increase in demand from buyers now versus before lockdown and we are on average agreeing twice as many sales per week as we were pre-lockdown which is astonishing.

"While buyers are always going to try and get a good deal on a property, and who can really blame them for trying, demand is so high that sellers might not feel the need to lower prices in the current market.

"Many of our own customers are seeing multiple offers to choose from – an ideal situation to be in. But it is also important to remember, the quality of any offer is also worth weighing up.

"For example, has the buyer sold, can they move quickly and has their mortgage already been agreed? If a buyer goes into it fully prepared and the answers to these questions align with the seller's motivations, then accepting whatever the offer may be could be in the seller's best interest."

Source: PropertyWire.com

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