

REIANEWS

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From L to R: Dame Rosanne Meo DNZM OBE, Chair REINZ, finalists Bronte Manuel (SA), John Bowring (NZ), winner Andrew North (NZ), Alec Brown (ACT), Mitch Peereboom (QLD) and Malcolm Gunning, REIA President

IMAGE BY REINZ

2018 Australasian Real Estate Institutes' Auctioneering Championships Highlights

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PRESIDENT'S REPORT

Mr Malcolm Gunning
REIA President



WELCOME FROM REIA'S PRESIDENT

Welcome to the October edition of REIA News.

This month we feature coverage of the Australasian Real Estate Institutes' Auctioneering Championships held in Auckland, New Zealand on 14 to 16 October. The event showcases the best talent auctioneering currently has to offer. The standard has lifted to another level again this year and I don't think there has ever been a harder test for our Aussie and Kiwi rivalry.

After three years of Australia holding the title it was won by Andrew North of New Zealand who also won it in 2014. This was the third year of the Australasian Auctioneering Schools Championship with New Zealand

competing in this for the first time. The Schools Championships aims to introduce students to the world of real estate as a first career choice. This year's winner, South Australia's Vincent Doran of Underdale High School, would like to pursue a career in real estate upon completion of his studies.

Profiles of the two winners are included in the coverage.

The REIA looks forward to next year when the Championships will be back in Australia.

This month there is a helpful article from the ATO on lodging your BAS.

I hope you enjoy reading this month's edition.

Mr Malcolm Gunning
REIA PRESIDENT



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Australasian Real Estate Institutes'
**Auctioneering
Championships**



**Australasian
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KIWI CLAIMS AUSTRALASIA'S BEST AUCTIONEER TITLE

After a tight competition the Australasian Real Estate Institutes' Auctioneering Championship for 2018 has been awarded to Andrew North of New Zealand at a gala dinner at the Maritime Room in Auckland on 16 October.

Real Estate Institute of Australia (REIA) President Malcolm Gunning said the event, hosted this year by the Real Estate Institute of New Zealand (REINZ), who stage the event every four years, showcases the best talent auctioneering currently has to offer.

"The standard has lifted to another level again this year and I don't think there has ever been a harder test for our Aussie and Kiwi rivalry," Mr Gunning said.

"This is the second time Andrew North has taken home the title of Australasian Real Estate Institutes' Auctioneering Champion, having won in 2014. He is a well deserving winner who demonstrated he is highly skilled in the craft of auctioneering in what was a very tight competition."

After a 16-year career Mr North said he would down his gavel and retire from competition. He is also a four-time winner of the REINZ National Real Estate Auctioneer of the Year title and a five-time winner of the Harcourts New Zealand Auctioneer of the Year.

Mr Gunning paid tribute to the finalists, Bronte Manuel representing South Australia, Mitch Peereboom of Queensland, Alec Brown of the Australian Capital Territory, and John Bowring representing New Zealand and the other competitors and their mentors.

"Auctioneering is special part of our profession and it is wonderful to see that our auctioneers have created their own Guild where older and experienced auctioneers really get behind their young peers and mentor them.

"This is a key reason why the standard continues to rise. It's great to see such strong competition, which inspires auctioneers to excel in their profession," Mr Gunning said.

"The competitors were judged by experienced auctioneers on their ability to 'mock sell' a property at auction. To enhance the competition, finalists are excluded from each other's auctions.

"Auctions provide an important alternative option for sellers and buyers alike to private sales and these championships, which are conducted jointly by the Real Estate Institute of New Zealand and REIA are designed to encourage professionalism and skill in the art of conducting an auction."

Young talent showcased

The Schools Auctioneering Championships were taken out by South Australia's Vincent Doran of Underdale High School. The 17-year-old who would like to pursue a career in real estate upon completion of his studies beat out fellow South Australian, Enrique Bisbal of Endeavour College, Conall Cassidy of Launceston Church Grammar School representing Tasmania, as well as Rose Elliott and Max Hart of Kerikeri High School, who represented New Zealand for the first time in the championship's history.

In its third year, the Schools Auctioneering Championships aim to introduce students to the world of real estate as a first career choice.



Get to know the winner of 2018 Australasian Auctioneering Championships: Andrew North



Andrew North, auctioneer at Harcourts Cooper & Co was recently crowned winner of the 2018 Australasian Auctioneering Championships in Auckland.

IMAGE BY REINZ

Andrew North of Harcourts Cooper & Co, won the 2018 Australasian Auctioneering Championships. It marks the second time Andrew North has taken home the award, after winning in 2014.

*Article kindly supplied by
The Real Estate Conversation*

Williams Media caught up with Andrew in the whirlwind of his most recent success to find out how he prepared for the event, his advice for anyone entering next year, and what's next for him.

Congratulations on your win Andrew! How did you first get into real estate, and decide to become an auctioneer?

I started in real estate at the age of 22 after falling out of university, failing statistics three times. I had purchased a house with a good friend and loved the process, so thought I would give it a go.

I did my first auctioneer course at age 25, and would auction off teddy bears to raise money for the New Zealand Heart Foundation to warm up the crowd before the "proper" auctioneers would come on.

You just won the 2018 Australasian Auctioneering Championship. What did winning mean to you personally, and for your career?

This competition has been great for my career. This is the seventh time I have competed in the Australasian competition and only the second time I have won. So it means a lot as I have found it so hard to win.

The plan is to retire from competition auctioneering, so this is a fairytale way to finish.

» *article continues*

Get to know the winner of 2018 Australasian Auctioneering Championships: Andrew North

» *continued*



Andrew North accepting his award at the 2018 Australasian Auctioneering Championships in Auckland.

IMAGE BY REINZ

How do you prepare for auctioneering competitions?

I have worked harder this year than ever before to be a contender. The numbers and adding side has always been my challenge, so that is where I applied the most focus.

I purchased a stationary book about six weeks ago and have been writing down ideas, when I am driving I add up the number plates of the passing cars, I have met with fellow auctioneers at least twice a week to get put through my paces.

I visualised the win, I have tried to get fit and healthy and be really happy.

Can you tell us about an interesting property you've sold?

People think that we are in the property business, but it is really the people business.

I certainly have plenty of funny stories that are probably best I don't share about the people I have sold for!

What do you enjoy most about your job?

Mostly the people. My wife might say "being the centre of attention" which I don't deny I enjoy!

The hours can be long but there are very few days that I feel like I have 'worked'.

You're from New Zealand. Can you tell us about the New Zealand market at the moment?

I am based in Auckland which has been a lot like your Sydney market for the last five years. Thankfully it has cooled a bit, and what I love about our market is that it is the best market for everyone.

Buyers can buy well and sellers can still sell well. Of course, that means the opposite can happen, but fundamentally we are still living in a city and country where people want to live. It is a beautiful thing.

What advice would you give to anyone entering the competition next year?

When I started there was no template. Now there is. Understand it's a different game to a real auction. Many auctioneers complain saying "that didn't represent reality" and they are right.

In the competition there were bidders bidding \$80,000 increases, \$3,500 plus fifteen hundred, and so forth.

Learn the rules and it becomes simple. Watch those before you and learn.

Get to know the winner of 2018 Australasian Auctioneering Championships: Andrew North

» *continued*



*Andrew North with his award at
the 2018 Australasian
Auctioneering Championships.*

IMAGE BY REINZ

What has been the highlight of your career so far?

From an auctioneering perspective, I have been lucky to work with some amazing people.

I have won the New Zealand competition four times and this one is right up there with real significance, as I feel this is the one that I have worked the hardest for.

From a career perspective, I am shareholder in Harcourts New Zealand's largest franchise group, being Harcourts Cooper and Co (I am the Co).

I bought into the business in 2006 when the group only had four offices. That same year I got married, my wife Suzette fell pregnant, we sold our house, bought another, changed job, purchased shares in Cooper and Co. and then had our son in November.

I was 31 and didn't know what was happening. In 2008 we got smashed with GFC and I remember my business partner Martin Cooper saying to me "there is nothing like the cool winds of profit and loss flowing up your trouser pants to get you excited about getting out of bed in the morning".

Getting through that period – a highlight.

What's next for you?

I am going back to managing one of our offices that needs re-building, it is close to my home and kids schools.

I want to spend the next five years (while my kids still like me!) being involved in their lives. I will still call auctions, I will still be busy.

I have a fantastic life which auctioneering has largely been responsible for. I am very grateful,

and with regard to this competition I look forward to giving back, like I have been given to.

<https://www.therealestateconversation.com.au/>



2018 Australasian Real Estate Institutes' Auctioneering Championships: Highlights



- 1 Dame Rosanne Meo DNZM OBE, Chair REINZ
- 2 From L to R: Malcolm Gunning, Gaye Gunning and Hayden Groves
- 3 Malcolm Gunning, REIA President
- 5 Mark Sumich, Chief Judge REINZ
- 4 From L to R: Justin Nickerson (Winner of the Australasian Real Estate Institutes' Auctioneering Championships in 2016 and 2017) and Peter Batrouney

2018 Australasian Real Estate Institutes' Auctioneering Championships: Highlights



- 1 *Bindi Norwell, CEO REINZ*
- 2 *From L to R: Michael Walsh, Dame Rosanne Meo DNZM OBE and Adrian Kelly*
- 3 *From L to R: Enrique Bisbal, Vincent Doran, Bronte Manuel and Simon Jones*
- 4 *From L to R: Greg Troughton, Robin Matters, Tanja Troughton, Jen Toop, Emma Troughton*
- 5 *Audience at Rangitira, Q Theatre Auckland*

2018 Australasian Real Estate Institutes' Auctioneering Championships: Highlights



- 1 From L to R: John Abbott, Vincent Doran, Dame Rosanne Meo DNZM OBE and Malcolm Gunning
- 2 Trophies
- 3 Bryan Thomson (REINZ) MC at the competitor draw
- 4 From L to R: Bronte Manuel (SA), John Bowring (NZ), Andrew North (NZ), Alec Brown (ACT) and Mitch Peereboom (QLD)
- 5 From L to R: Schools Competition competitors, Conall Cassidy (SA), Max Hart (NZ), winner Vincent Doran (SA), Enrique Bisbal (SA) and Rose Elliott (NZ)

2018 Australasian Real Estate Institutes' Auctioneering Championships: Highlights



- 1 Andrew North – finalist NZ and winner of 2018 competition
- 2 Alec Brown – finalist ACT
- 3 Bronte Manuel – finalist SA
- 4 John Bowring – finalist NZ
- 5 Mitch Peereboom – finalist QLD



Get to know **Vincent Doran**, winner of 2018 Schools Auctioneering Championship



Vincent Doran competing at the 2018 Australasian Auctioneering Competition in Auckland.

IMAGE BY REINZ

Vincent Doran, student at Underdale High School, was recently crowned winner of the 2018 Australasian Schools Auctioneering Championships in Auckland.

It's the first time the Secondary Schools Auctioneering Championship has had students from a New Zealand high school competing in the competition.

Article kindly supplied by The Real Estate Conversation

Williams Media caught up with Vincent Doran after his win to find out how he prepared for the competition, how he became interested in auctioneering, and what's next for him.

Congratulations on your win Vincent! How did you first become interested in auctioneering?

I was first exposed to auctioneering when my careers councillor, Rob Portsch, pushed me to do Lindsay Warner's Schools Auction Championships in 2017.

I was hesitant at first, but once I had gone through some basic training and grasped an understanding of the art of auction, I became passionate about it.

I really enjoy being on stage and having the pressure on me to not mess up. It also forces me to be spontaneous and quick witted. I love just blurting out a random comment or quip that comes to mind in the moment.

After the competition in 2017, I competed again in 2018. Both years I was a finalist. This year, I also competed in the Harcourts Novice Auction competition as well, and of course the REISA comp.

Every time I compete, my call slightly improves and I learn something new.

» *article continues*

Get to know **Vincent Doran**, winner of 2018 Schools Auctioneering Championship

» *continued*



Far left: Vincent Doran with his mum, and mentor AJ Colman.

Left: Vincent Doran with his award at the 2018 Australasian Auctioneering Championships.

IMAGES BY REINZ

How did you prepare for the competition?

I was training once a week with (mentor and auctioneer) AJ Colman, and in the final week we did three sessions together.

I trained at least once a week, usually more with Simon Jones, one of the senior competitors, who is also my boss at Harcourts Plus Seaton. I am doing a two day a week traineeship alongside him.

I also did some training with Brett Roenfeldt (fellow auctioneer) leading up to the REISA competition earlier this year. By myself, I practiced my script daily in the week leading up to the competition to get it down pat.

What was the highlight of the event for you?

The highlight of the event for me was getting to watch all of the seniors perform, both in the heats and seniors. The level they perform at is unreal and I strive to be that good one day.

I take notes and observe how they do their calls to implement some of those things into mine to improve it.

Do you hope to pursue a career as an auctioneer?

I do hope to pursue a career in real estate as an auctioneer, probably as an agent or auctioneer, but who knows yet.

As I mentioned, I am doing a traineeship which has taught me a lot about the industry. Hopefully I can find my feet next year and start my career!

What would be your advice to those looking to enter the competition next year?

My biggest tip would be to just have fun with it. If you're enjoying yourself, it reflects onto the crowd and engages them, which is a big part of an auction, and has a lot of weight in terms of the scoring.

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REI SUPER CUTS INSURANCE PREMIUMS AND PENSION ACCOUNT FEES

This article is brought to you by **Mal Smith**
CEO, REI Super



The industry super fund for real estate employees has just cut its death and disablement insurance premiums and the fee on its pension accounts.

Effective 1 October 2018, REI Super has reduced death and disablement insurance premiums for the large majority of its superannuation account members and cut administration fees for its pension account members.

The new group cover deal REI Super has successfully negotiated with its insurer, Metlife, has enabled the Fund to pass on savings of 5-6% on premiums to most of its members.

“Lower insurance premiums translate into more money in our members’ superannuation savings,” said Mal Smith, REI Super’s Chief Executive Officer.

REI Super also announced it has slashed the administration fee on its pension account from \$182 to \$85.80 per annum. (This fee is in addition to the percentage-based fees on members’ chosen investment option or options.)

“We’ve achieved some great efficiencies and we’re delighted to be able to pass on the resulting fee savings to our pension members,” said Mal Smith.

“As Australia’s real estate industry super fund, REI Super’s sole purpose is to maximise our members’ retirement savings. This is in contrast to bank-owned super funds, which pass on profits to their shareholders,” said Mal Smith.

» *The information contained in this release does not constitute financial product advice. REI Super does not give any warranty to the accuracy, completeness or currency of the information provided. Although REI Super makes every reasonable effort to maintain current and accurate information, you should be aware that there is still the possibility of inadvertent errors and technical inaccuracies. REI Superannuation Fund Pty Ltd ABN 68 056 044 770, AFSL 240569, RSE L0000314 Trustee of REI Super (ABN 76 641 658 449), SPIN REI0001AU, RSE R1000412. MySuper unique identifier 76641658449129*

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GST AND BAS TIPS TO KEEP YOUR BUSINESS ON TRACK

Get on top of your record keeping early and be better prepared for lodging your BAS – it can help manage your cash flow and get you your refund faster.

Keep your business on track with these GST and BAS tips:

1. Keep all of the records you use to prepare your BAS. Generally, these records must be kept for five years.
2. Only claim GST credits for business purchases that include GST in the sale price from suppliers that are registered for GST.
3. Make sure you have a tax invoice for any purchases over \$82.50.
4. Fill in the amounts on your activity statement as whole dollars – leave out cents and don't round up to the nearest dollar.
5. Lodge your BAS using our online services. It'll prompt you to correct any errors and allow you to check whether you've completed your BAS correctly.
6. Putting money aside in a separate bank account for the GST you receive may make it easier to pay your BAS and manage your cash flow.
7. If you think you might not be able to pay, contact us as soon as possible before your BAS is due. Even if you can't pay, you still need to lodge your BAS on time.

For more information visit

ato.gov.au/BAStips

Find out about:

- [Lodging and paying your BAS](#)
- [Lodging your activity statement online](#)
- [Due dates for lodging and paying your BAS](#)
- [If you can't lodge and pay on time](#)



THE AUSTRALIAN REAL ESTATE PROFESSION AIMS AND OBJECTIVES

The Real Estate Institute of Australia is in the process of creating a National Professional Standards Scheme for the Real Estate Industry.

The purpose of the scheme is:

- To raise the bar on ethics and practice standards for the betterment of consumers
 - To transform the service experience to exceed consumer expectations
 - To become more valuable and relevant in a rapidly changing world whilst still retaining the emotive human element
 - To set new education standards to meet the required skill levels of our clients' needs
 - To address and influence regulatory creep caused by poor consumer experiences
 - To provide Professional Agents with a readily identifiable consumer "mark" for personal and community credibility
- To create an environment where Professional Agents are considered as Trusted Advisors
 - To hold Professional Agents accountable to their standards and commitments
 - To show Agents there is a better more collaborative way, the Pathway to be a Professional
 - To create the blueprint for a thriving career in a new transparent and evolved era
 - To see Industry Associations guiding Professional Agents on the way to service innovation and consumer care.

Please see [P2P website](#) for further details and register your interest.



Leadership development
scholarships available
for women working in
real estate
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LEADERSHIP DEVELOPMENT SCHOLARSHIPS NOW AVAILABLE

Building on the significant developmental momentum achieved during #100daysforchange, Women & Leadership Australia is administering a national initiative to support the development of female leaders across Australia's real estate sector.

The initiative is providing women with grants of between \$3,000 and \$7,000 to enable participation in a range of leadership development programs.

The scholarship funding is provided with the specific intent of providing powerful and effective development opportunities for women in the industry; however the funding is strictly limited and has to be allocated prior to the end of 2018.

Expressions of Interest

Find out more and register your interest by completing the Expression of Interest form here prior to 7 December, 2018:
www.wla.edu.au/funding1

Professional indemnity claims: A real risk for real estate professionals

When you're focused on racing to property inspections, managing tenants and negotiating contracts, professional indemnity risk is probably the last thing on your mind. But the reality is that these everyday real estate scenarios can expose you to risks that could lead to a compensation claim.

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INDUSTRY UPDATE

Industry news from around Australia



Third female president in 82 years for REIV



*Robyn Waters, President of the Real Estate Institute of Victoria
[Image: Real Estate Institute of Victoria]*

The Real Estate Institute of Victoria (REIV) is pleased to announce that the Board has elected Robyn Waters as President for 2018-19.

A formidable force in the Victorian real estate industry, Ms Waters was the first Australian woman to be appointed World President of the International Real Estate Federation (FIABCI) in May 2014. She served on the REIV Board as Senior Vice President in 2017-18 and Director from 2001 to 2006 as well as being a ministerial appointment to the Estate Agents Council from 2015 to 2018.

Ms Waters is a licensed estate agent who operates as a sole trader providing real estate services to a select portfolio of clients. She is the FIABCI's Trustee to the International Ethical Standards Coalition and a fellow of the REIA and Royal Institution of Chartered Surveyors (RICS).

"I am delighted to be appointed as the third female REIV President since 1936 at this crucial time for Victoria's real estate industry," Ms Waters said.

"I was born and raised in a real estate family in the northern suburbs of Melbourne and witnessed the industry's evolution since the early 1980s. "Through my work with the International Real Estate Federation, I have learnt that the real estate industry is intrinsically linked to the livability and prosperity of our community and has a major role to play in shaping our future."

Ms Waters' role with FIABCI, an NGO member of the Economic and Social Committee of the United Nations, has taken her to 38 countries. Some of the FIABCI's current work is in the areas of protection of property rights, sustainability and affordability.

"I look forward to working with our members, legislators, interest groups and stakeholders to elevate the role of the REIV to provide further insight and perspective on policy and issues that will mold our communities and enhance the way we live," Ms Waters said.

Ms Waters congratulated Senior Vice President Leah Calnan and Vice President Adam Docking and thanked Immediate Past President Richard Simpson for his contribution in the role during 2017-18.

"Richard has done a brilliant job leading the REIV through the largest review of property legislation in the State's history and will continue to be a valued counsel to me on the Board."

Source: The Real Estate Institute of Victoria

Damian Collins elected new REIWA President



Damian Collins, President of the Real Estate Institute of Western Australia.

The REIWA Council has elected [Damian Collins](#) as the Institute's new President.

Following [Hayden Groves' announcement last week](#) he would be finishing his term as President, the 2018-19 REIWA Council met on Thursday 4 October and elected Mr Collins to the Institute's top position.

Mr Collins has served on the REIWA Council since 2011 and as Deputy President since 2015.

He brings to the Institute a wealth of real estate knowledge, having been in the industry for 25 years. Mr Collins is the founder and Managing Director of [Momentum Wealth](#), a Perth-based property investment consultancy, and Chairman of commercial property funds management business, Mair Property Funds.

Mr Collins has completed a Bachelor of Business at RMIT University in Melbourne and a Graduate Diploma in Property at Curtin University in Perth, Western Australia. He is also a

» *article continues*

INDUSTRY UPDATE

Industry news from around Australia



» *continued*

member of the Institute of Chartered Accountants in Australia and the Financial Services Institute of Australasia.

“It is an honour to be elected President and I thank Council for bestowing me with the privilege of representing the Institute on behalf of its members. I would also like to thank Hayden Groves for his hard work and dedication to the Institute during his tenure as President,” Mr Collins said.

“The Council and I are dedicated to continuing to build upon [REIWA's 100 year legacy](#) of advocating on behalf of our members and the WA public. The [WA marketplace](#) remains a challenging environment for agents and vendors alike and there is much work to be done as our local market begins its recovery.”

Mr Collins will be assisted in his role by [Lisa Joyce](#) from [Joyce Property Investments](#), who was elected Deputy President.

Source: The Real Estate Institute of Western Australia

REIV unveils its policy priorities ahead of 2018 State Election

The REIV last week released its 2018 Victorian Election wish list on behalf of the 2,300 real estate agencies and 5,000 individual members that it represents. REIV CEO Gil King said the industry manages \$76 billion in transactions which represents 20 per cent of Gross State Product.

“Property has underpinned Victoria’s economic productivity over the past

decade: we need a sound legislative, policy, infrastructure and funding structure if we want that to continue,” Mr King said.

“Property taxes make up 47 per cent of the Victorian Government’s tax income.

“The REIV will be vocal in presenting our election priorities to all sides of politics. We want to see the tax burden eased, improved investment in training, slashing of red tape, an urgent review of CBD planning controls and better outcomes for Regional Victoria.”

Mr King said the REIV facilitates further education and training for more than 1,000 real estate professionals annually.

“It is critical that training and ongoing professional development keeps up with the increasingly complex, highly regulated and changing environment in which the real estate industry operates,” Mr King said.

“Real estate agencies are often significant employers in regional towns and centres where employment levels may be low and this has major flow-on effects for these communities.

“The next Government must collaborate with the REIV to bolster traineeships and other employment opportunities for young people in the real estate industry. This may include further incentivising real estate businesses in the country by reintroducing payroll tax exemptions.”

The REIV’s policy platform calls for a Parliamentary Inquiry to identify how Melbourne’s growing reputation as a global elite city can benefit Regional Victoria.

“The REIV will highlight the need for an urgent review into CBD planning controls, the depoliticisation of planning decisions and prioritising development along transport corridors,” Mr King said.

“The REIV will advocate for the creation of a Property Services Commissioner to oversee all aspects of the property market.

“Victoria’s taxation regime is fundamental to our productivity and the ability to attract and retain business and we’d like to see the Government reduce its reliance on land tax and payroll tax.

“Property is the biggest source of revenue for the Victorian Government with 14 new property taxes introduced in the last three years including Vacant Residential Land Tax, absentee owner surcharge, removal of off the plan stamp duty concessions and foreign owner stamp duty.”

Land tax and stamp duty are forecast to continue increasing at rates well above CPI. The tax thresholds have not been adjusted since 2008-09 when property prices were much lower. Revenue from these taxes has been driven by a combination of increasing property prices, bracket creep and increased activity.

Source: The Real Estate Institute of Victoria

POLITICAL WATCH

Information and news from government



New Foreign Owner Duty Surcharge a disappointing blow for WA property market

REIWA is disappointed the members of WA Parliament have ignored the concerns of the property industry by voting to pass the Foreign Owner Duty Surcharge tax.

REIWA President Damian Collins said the new tax would likely have significant consequences for the WA property market, which was just starting to show signs of a recovery.

“The WA property market has endured a challenging few years. We are just starting to see the green shoots of a recovery on the horizon. A new tax will only serve to further dampen our already weak market and deter much needed foreign investment from the state.

“WA has the lowest level of foreign investment of any state, second only to the Northern Territory. This ill-timed tax will place an additional barrier for people wanting to move to WA and set up a home.

“Although foreign buyers only make up a small proportion of the WA market, it’s a proportion we can’t afford to lose. Especially at a time when the market is showing signs of stabilising,” Mr Collins said.

Foreign buyers of residential properties in Western Australia will pay a seven per cent surcharge from 1 January 2019.

Source: The Real Estate Institute of Western Australia

Dwelling approvals fall in August

The number of dwellings approved in Australia fell by 1.9 per cent in August 2018 in trend terms, according to data released by the Australian Bureau of Statistics (ABS) recently.

“The fall was mainly driven by private dwellings excluding houses, which decreased by 2.7 per cent in August,” said Justin Lokhorst, Director of Construction Statistics at the ABS. “Private sector houses also fell, by 1.2 per cent.”

Among the states and territories, dwelling approvals fell in August in Victoria (5.1 per cent), South Australia (3.6 per cent) and New South Wales (1.6 per cent) in trend terms.

Dwelling approvals rose in trend terms in Western Australia (2.7 per cent), Tasmania (2.3 per cent), Northern Territory (1.5 per cent) and Australian Capital Territory (0.1 per cent). Dwelling approvals were flat in Queensland.

In trend terms, approvals for private sector houses fell 1.2 per cent in August. Private sector house approvals fell in Queensland (3.3 per cent), Victoria (1.4 per cent), New South Wales (1.1 per cent) and South Australia (0.7 per cent), but rose in Western Australia (1.4 per cent).

In seasonally adjusted terms, total dwellings fell by 9.4 per cent in August, driven by a 17.2 per cent decrease in private dwellings excluding houses. Private houses fell 1.9 per cent in seasonally adjusted terms.

The value of total building approved fell 1.3 per cent in August, in trend terms, and has fallen for nine months. The value of residential building fell 0.8 per cent while non-residential building fell 2.3 per cent.

Source: Australian Bureau of Statistics

Tax relief five years earlier for small & medium-sized businesses

The Coalition Government is getting on with the job of fast-tracking tax relief for 3.3 million small and medium-sized businesses with the introduction of legislation into Parliament recently.

The *Treasury Laws Amendment (Lower Taxes for Small and Medium Businesses) Bill 2018* will fast-track tax relief for small and medium businesses five years earlier than planned and is part of our plan for a stronger economy.

In a sector of our economy that employs around seven million Australians, this will mean more investment, more jobs and higher wages.

Under the new legislation, a business with a turnover below \$50 million will have a tax rate of just 25 per cent in 2021-22, rather than from 2026-27 as currently legislated. Similar timing changes will also apply to the roll out of the 16 per cent tax discount for unincorporated businesses.

This means that a small business such as a café that makes \$100,000 profit will have an additional \$1,500 in 2020-21 and \$2,500 in 2021-22 or an independent supermarket with a \$500,000 profit

POLITICAL WATCH

Information and news from government



» *continued*

will have an additional \$7,500 and \$12,500 over the same time period.

When businesses are able to keep more of their own money, they are able to invest back into the business, to create jobs, to boost their productivity and grow.

This builds on the first stage of company tax relief that our Government delivered in March 2017 because we believe in a fair go for those who have a go – that’s what our tax plan is all about.

In contrast, you can’t trust Bill Shorten when it comes to small business – he changes his position by the day. The only thing you can rely on Labor for is higher taxes on your business, income, savings, property and electricity bill.

Our plan to fast-track tax relief for Australian businesses is an important investment in the future economic growth of our nation.

Under the economic stewardship of the Coalition, the economy has grown at 3.4 per cent through the year, the best since the mining boom, and more than a million jobs have been created, as promised.

Source: The Hon Josh Frydenberg MP, Treasurer of the Commonwealth of Australia

New polling: housing and cost of living top voter concerns

Housing affordability and cost of living are among the top three issues voters want the Government to address over the next 12 months, new polling released today shows.

The Essential Report shows cost of living is the most important concern for voters ahead of the federal election (60%), followed by improving the health system (37%) and housing affordability (29%) – ahead of employment, economic growth and education funding¹.

Everybody’s Home campaign spokesperson, Kate Colvin said housing is the single biggest cost for households², making addressing housing affordability the most pressing issue for voters, despite a slight fall in capital city real estate prices.

“It’s little wonder people are anxious about housing,” Ms Colvin said.

“The reality is that even with talk that the real estate bubble is over, Sydney’s median dwelling price is still more than nine times average yearly household earnings and Melbourne’s median dwelling is nearly eight times yearly average earnings, and in terms of affordability most areas are not far behind,” Ms Colvin said.

“Low income earners in particular are struggling with housing costs, spending twice as much of their household income on average on housing than high income earners.

“One in three renting families have struggled to pay the rent³ and there

are 116,000 Australians homeless. At the same investment in social housing is falling – with 500,000 new social and affordable homes needed just to return us to the levels we had 20 years ago.

“It’s time that politicians realise that homelessness and housing stress is not just a Sydney Melbourne issue, it’s a national one that needs a response from all our national leaders.”

The Everybody’s Home campaign is calling on governments to:

1. Develop a national strategy to provide the national shortfall of 500,000 social and affordable homes;
2. Prioritise home buyers over investors by resetting the tax system;
3. Ensure a better deal for renters;
4. Increase Commonwealth Rent Assistance to provide immediate relief for renters in chronic rental stress;
5. Support a national plan to end homelessness by 2030.

Source: Everybodyshome.com.au

Footnotes:

- 1 [Latest Essential Report](#)
- 2 <https://hia.com.au/-/media/HIA-Website/Files/Media-Centre/Media-Releases/2018/national/a-long-path-ahead-to-restore-affordability.ashx>
- 3 <https://aifs.gov.au/publications/childrens-housing-experiences>



VALE DAVID NITSCHKE

INDUSTRY LEADER PASSES

It is with great sadness that First National Real Estate advises the passing of immediate past Chairman, Mr David Nitschke.

David led First National Real Estate as its National Chairman from 2015 to 2018, following many years of participation within the network's management structure.

He and his strong team joined First National Real Estate 18 years ago, opening their first office in Mount Barker, Adelaide as First National Real Estate Nitschke. Seven years later, a second office was opened in Strathalbyn, which continues today to be one of the strongest agencies, not only within its region, but the state.

In 2005, David commenced his directorship with First National by joining the South Australia Regional Council, and soon progressed to the role of Vice Chairman – a position he held until 2013 when he became South Australia Chairman, which was

also a role he maintained until very recently. He joined First National's Board of Directors in 2013 as the Director for South Australia, and ultimately became Chairman in 2015.

Current Chairman David Forrest says 'the entire network is saddened by this news and David's legacy will be that of "I just want every member to have a better business and life". The Board of Directors and the entire network are not the same without the sound business acumen and personality of David'.

Chief Executive Ray Ellis also commented, 'having worked together very closely with David for over a decade, words are not enough in outlining the sadness surrounding his passing. Our thoughts are with the entire extended Nitschke family, and in particular, Karen. This is one of those occasions when the First National family is strong'.





FIABCI GLOBAL CALENDAR

The year has not yet come to an end and reserves a busy agenda for Real Estate professionals.

Plenty of opportunities to meet your peers during Trade shows, Award Galas, Conventions and FIABCI's Global Business Summit.

To discover the full program of events visit our *global calendar* section on our website.

November 2018

2	Prix d'Excellence Germany 2018 – Gala FIABCI-Deutschland Berlin, Germany
2-5	Realtors® Convention & Expo Boston, USA
6	MIPIM Proptech (*) New York, USA
9-10	IELP Expo Event (*) Cannes, France
14-16	MAPIC Cannes, France
17	Malaysia Property Award™ 2018 – Gala FIABCI-Malaysia Kuala Lumpur, Malaysia
26-27	FNAIM Real Estate Congress Paris, France
26-27	IELP Expo Event (*) Kyiv, Ukraine
27-28	MIPIM Asia Summit (*) Hong Kong, Hong Kong S.A.R.
29-30	IELP Expo Event (*) Moscow, Russia

December 2018

5-8	37th FIABCI Global Business Summit Bali, Indonesia
6-7	IELP Expo Event (*) Shenzen, China

(*) *Special advantages for FIABCI Members only (special rates, invitations) please contact: fiabcihq@fiabci.org*

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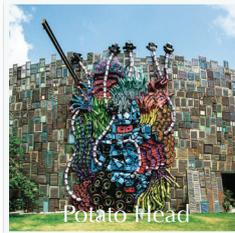
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THE WORLD

Property news from around the world



Asia has the strongest annual property price growth, global cities index shows

The average value of a property in 150 key cities worldwide increased by 4.3% in the year to June 2018, with Asia the strongest performing region, the latest global index shows.

The Indian city of Ahmedabad leads the annual rankings, registering a 19% rise. Two other Indian cities also made the top 10 with prices in Hyderabad up 16% and in Pune up 14%, according to the Knight Frank Global Residential Cities Index.

According official Government data the Indian economy grew by 8.2% in the year to the first quarter of 2018 and this is filtering through to housing demand and consumer confidence, says the index report.

The data also shows that Budapest, Rotterdam and Amsterdam are Europe's frontrunners with price growth of 15%, 14% and 13% respectively. But Turin is the city with the weakest rate of annual growth globally.

'Domestic and international buyers alike have recognised Budapest's comparative value whilst Dutch house prices, which were falling up until 2013, have undergone a sharp correction,' said Kate Everett-Allen, head of international research at Knight Frank.

Overall, of the 150 cities monitored, some 123 or 82% recorded a rise in residential prices during the year to June. Asia is the strongest performing world region, on

average prices ended the year to June 5.1% higher across the Asian cities tracked.

In second place was North America registering 5% growth. Long term strong performer, Hong Kong, registered a marginal slowdown in annual growth although prices in the year to June still accelerated 15%.

The report points out that at the end of September, Hong Kong's banks raised prime rates for the first time in 12 years, which is feeding through into mortgage payments, influencing Hong Kong borrowers.

Of those countries where a rate rise has taken place in 2018, a number have a significant gap between their strongest and weakest performing city such as 16% in Canada, 11% in the UK, and 10% in the US.

'With some already registering negative annual growth, we expect any further tightening of monetary policy to be slow and steady. In some cities, the performance of the mainstream and prime market is diverging,' said Everett-Allen.

'A lack of prime supply is cushioning the top segment of the market in Sydney and Dubai where annual prime price growth is closer to 5.7% and down 0.8% respectively. Elsewhere, tax changes targeting foreign buyers or higher stamp duty such as in Vancouver, Toronto, and Hong Kong, and has led to slower growth at the luxury end of the market,' she added.

Source: PropertyWire.com

Suburbs becoming more unaffordable for buyers and renters in the US

Housing affordability across the United States is especially tough in the nation's urban areas, but in the country's largest metros it's often the suburbs that are the least affordable, a new analysis has found.

Finding a home within their budget is the top concern for both renters and home buyers, according to the 2018 consumer housing trends report from real estate firm Zillow.

Urban home buyers nationwide have to dedicate a larger share of their income to monthly mortgage payments at 26.5% than buyers in the suburbs or rural areas do at 20.2% and 13.4% respectively.

In urban areas of the Seattle metro, for example, buyers would need to dedicate 40.4% of their income to monthly housing costs, more than they would have to in either the suburbs at 27.4% or rural areas at 24.4%. The same hold true in less than a third of the country's largest markets.

The suburbs are the most common destination for today's home buyers, with 48% of all buyers purchasing a home in the suburbs, yet the analysis says that suburban living is a bigger financial burden for buyers in nearly half of the country's largest markets, some 17 of the top 35 metros, compared with the costs of urban or rural housing.

In San Diego, for example, paying for a suburban home requires 40.9% of the median household income. Mortgage

THE WORLD

Property news from around the world



» *continued*

payments on a rural home would take up 37.3% of the median income, and housing costs for an urban home would require 35% of the typical income.

‘Choosing where to live depends on many factors other than strictly financial terms. The size and space of the home, and the nearby amenities have to meet your needs, or come as close as possible, said Skylar Olsen, Zillow director of economic research.

‘How close you can come to those ideal options is always limited by what you can afford, and trade-offs are almost always necessary. Finding a home in your budget can be a stressful process, whether you’re looking to buy or rent. The difference between an urban core or more distant suburb could make all the difference,’ Olsen added.

Across the country, renters signing a new lease typically spend more of their income on monthly housing costs than homeowners do, in large part due to still low interest rates for buyers. The difference between national affordability trends and what is happening in the 35 largest housing markets is more pronounced for renters.

Nationally, rental payments in an urban area require 36.8% of the median household income each month, well above the commonly recommended 30%. Suburban rents are also slightly above that threshold, requiring 31.8% of the median household income. Rural rents nationwide are the smallest financial burden, taking 23.9% of the typical income.

Urban rents in the Dallas market take up a much larger share of income than those in suburban or rural areas of the metro. The financial burden for urban renters exceeds the 30% standard, with the typical urban rent requiring 38.8% of the median income.

However, in about two thirds of the biggest US housing markets rents are least affordable in the suburbs, where rental supply is slow to grow. Renting a home in the suburbs of Chicago, for example, requires 30% of the median income, more than what would be required in either urban or rural parts of the metro.

Source: PropertyWire.com

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