

Friday 11th December, 2020

RE-ELECTED REIA PRESIDENT, ADRIAN KELLY SAYS MEMBERS ARE REPORTING STRONG RECOVERY AFTER CHALLENGING YEAR

REIAs AGM sees President, Adrian Kelly and Deputy-President, Hayden Groves re-elected after providing strong leadership in a challenging year.

In addressing the AGM, Mr Kelly said although it's been a difficult year, property values have largely held in all regions and in fact in most regional parts of Australia, property values are on the rise.

Mr Kelly said this is largely being fuelled by people wanting to leave the larger cities, something which was happening prior to Covid-19 but which has now been amplified due to the pandemic.

"The wild predictions of thirty percent of our tenants becoming unemployed has proved to be unfounded with our members reporting less than five percent of tenants being impacted in the larger capital cities, in particular Melbourne and Sydney and less than one percent in regional locations. In fact, we are now seeing rental vacancy rates tightening across many markets.

"We were very concerned about what impact the forced lockdown in Victoria would have given that this is Australia's second largest market meaning that if something happens in that state it would have flow on consequences for other parts of the country.

"Thankfully, that lockdown and the measures implemented managed to suppress the virus and the property market across that state is showing great resilience in most suburbs though there remains some pockets which are slower to recover than others," he said.

Mr Kelly said the pandemic saw REIs deal with the fastest changing policy settings ever seen.

"The response from the REIs was a true testament to the power of team work of the State and Territory REIs under the banner of REIA.

"With their expertise in training, advocacy and membership communications, REIs were able to immediately respond to the initial lockdown and facilitate property agents with virtual support, up-to-the-minute advice on current regulation, on site materials and training assistance," he said.

Mr Kelly said that although legislation was introduced to protect tenants from being evicted, investors who also faced job losses were left unprotected.

"The saving grace in this scenario was the banks coming to the party by enabling mortgages to be paused by those owners who found themselves in some difficulty. The federal government should also be commended for the introduction of the JobKeeper and Jobseeker wage subsidies which in effect were forms of rental assistance.

"Our property managers found themselves between a rock and a hard place particularly given that the tenant lobby groups were being very vocal in the media whilst forgetting or ignoring the impact on our property owners.

“As we reach the final stages of 2020, it is clear that our industry and the property market generally has withstood the shocks that were previously forecast.

“2021 will be one to watch with the tenant non eviction periods coming to an end early in the year coinciding with the finalisation of mortgage pauses and no doubt these things will be centre stage in the New Year,” Mr Kelly concluded.

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