



REAL ESTATE EXCELLENCE

INDUSTRY UPDATE – MID MAY 2010

Well, the season is certainly changing as these last few days have seen the almost welcome chill of winter in the air! I hope this note finds you all well.

As of this edition of Real Estate Excellence Industry Update, information and updates will only be provided to people who have subscribed to the mailing list and will no longer be loaded onto the site www.realestateexcellence.com.au. Thank you for your support and valued feedback to date. Feel free to pass this information onto colleagues and licensees who you feel would benefit from receiving and please continue to encourage people to subscribe to the mailing list. Thanks!

INDUSTRY UPDATE

The first prosecution of an agent for breaching the DO NOT CALL REGISTER Act has occurred; regrettably it is a QLD agent. Click here for more information; http://www.realestateexcellence.com.au/useful-information-and-training-events/cat_view/2-queensland-civil-and-administrative-tribunal

A reminder that Stacey Holt Real Estate Excellence can conduct PRIVATE IN House training to remind salespeople and property managers of the laws relating to marketing (including the SPAM Act, Privacy Act and the Do Not Call Register Act) – please see attached. If you would like an investment proposal to consider this option (or any other option) for your business, just let me know! Information is attached about programs for property management and sales PRIVATE IN House training.

A reminder also about the WORKING ON YOUR BUSINESS DAY to be held in Brisbane on the 26th May – a day designed for licensees, business owners and managers. The day begins at 10am with morning tea and networking – the 10am start is hoped to assist

licensees from outside of Brisbane who may wish to attend. The PSAQ will then provide an overview of the new Industrial Awards.

The information session will be held until noon. There is a short private lunch break, and then the day re-commences at 12.45pm with a short presentation from Michael Davoren (www.2bid2.com). I will then be presenting a two part “Is your business at risk?” workshop. The day concludes at 3.30pm. (more information is attached) I am really looking forward to the day. If you have any questions, please don't hesitate to contact me anytime via phone or email. Please note that all of Real Estate Excellence Services come with a satisfaction guarantee.

LICENSEE AND ADMINISTRATION best practice

A licensee faced every business owners worst nightmare in these past few weeks; a visit from the Office of Fair Trading and a situation whereby around 140 of the management agreements were invalid. The licensee is in a position of facing the possibility of reimbursing commissions that have been illegally collected, and also the reality that at this stage (and until the appointments are corrected); commissions cannot be collected. At the Brisbane Administrators and Office Managers workshop held in Brisbane yesterday (12 May); a great discussion was had with managers in relation to this common oversight in some businesses. Property managers, managers and licensees need to have a sound understanding of the PAMD Laws relating to disclosure of rent collection commissions, letting commissions and management fees. Commissions are regulated by law and must be separated from the management fee in the appointment. A reminder that Real Estate Excellence provides a ‘BUSINESS HEALTH CHECK” service for your business, which includes reviewing sales and property management files. If you would like more information about this service, contact me anytime.

SALES best practice

During a PRIVATE IN House sales training meeting of Tuesday this week, it became very evident to a licensee of the variance of procedures amongst her sales team of 7 people. The training discussed was the PAMD Form 22a and the focus being protect your commission. The clear evidence in the group was that almost all salespeople were presenting and explaining the PAMD Form 22a to their clients, in completely different ways. The most common (though there are few areas that some people are not clear enough on) area of confusion is the 'ASSIGNMENT CLAUSE". Assignment means transfer. Most salespeople say to me that it means "that if they go to another office, the listing goes with them". They could not be more wrong. The ASSIGNMENT CLAUSE in the PAMD Appointment Forms is all about if the "agency name (part 2)" changes during the listing term and has nothing to do with individual salespeople (or property managers). Though it would be rare for a sales listing to be affected by a transfer of company during a listing, if the client had in fact ticked "I agree" to the transfer, then the 'new owner' then could take over the sales listing. If the client had ticked that they 'do not agree' to the transfer, then a new PAMD Form 22a would have to be completed in order to sell that property. I commonly educate salespeople on the fact that they don't actually own the listing; it is the licensee and business/company listed in Part 2 of the Appointment that 'owns' the listing and is entitled to receive commission.

PROPERTY MANAGEMENT best practice

During the last few weeks, I have had several occasions where the same issue has arisen in regards to what appears to be a misunderstanding from some property managers in regards to the 2 weeks emergency maintenance expenditure limit. The RTRA Act allows for the tenant to spend up to two weeks rent in an emergency situation if the lessor/agent cannot be contacted, or the lessor/agents has not responded to the request within a reasonable time frame. As most would know, the definition of an emergency repair is defined in section 214 of the RTRA Act, with sections 216, 218 and 219 covering the procedures and expenditure limits in the event repairs are not completed by the lessor/agent. The misunderstanding that was evident from a number of property managers in recent weeks has been the fact that people have thought that agents had that 2 week expenditure right; which is not correct. The tenant has the right to spend the 2 weeks etc, if the above criterion has occurred; not the agent. Regrettably the agent must obtain the landlord clients written consent if monies need to be spent above the amount authorized to be incurred in your management agreement. (see section 27 of the PAMD Real Estate Agency Practice Code of Conduct). This is very

difficult sometimes in reality and education and communication with the client is as always, paramount.

Property managers; have you read the RTA GREEN BOOK for agents? Click here and scroll down to MANAGING GENERAL TENANCIES. http://www.realestateexcellence.com.au/useful-information-and-training-events/cat_view/6-residential-tenancies-authority (A GREAT READ!)

UPCOMING EVENTS – May and June

QCAT training – Fraser Coast – 19th May

QCAT training – Bundaberg – 18th May

Working on your business day – Brisbane - May 26th

PM CAREER DEVELOPMENT SERIES ONE – Sunshine Coast – 9th June

PM CAREER DEVELOPMENT SERIES TWO – Gold Coast - 17th June

For more information email me stacey.holt@realestateexcellence.com.au. I hope this industry update from REAL ESTATE EXCELLENCE has been of benefit to you, your team and to your business.

Until next time, take care.



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