December 5, 2014



Australian College of Professionals, Level 2, St Andrew's House, Sydney, 2000 www.acop.edu.au enquiries@acop.edu.au 1300 88 48 10

CPD COURSES

Sydney Strata Tue 16th Dec

Sydney

Sales or Prop Mgmt
Thu 18th Dec

Sydney

Sales or Prop Mgmt
Thu 15th Jan

Newcastle

Sales & Prop Mgmt Wed 21st Jan

Castle Hill

Sales & Prop Mgmt
Thu 5th Feb

Bathurst

Stock & Station or Sales & Prop Mgmt
Mon 9th Feb

Tweed Heads

Sales & Prop Mgmt or Strata Tue 17th Feb

Blue Mountains

Sales & Prop Mgmt Wed 18th Feb

Northern Beaches

Sales & Prop Mgmt
Tue 24th Feb

We're still talking Agency Agreements

As we promised in our last newsletter, we are going to talk about agency agreements for a few newsletters, as we continue to receive questions on a daily basis in relation to these matters. By the way, thanks for all the positive feedback in relation to last fortnight's newsletter – we really appreciate that people are valuing our input into the industry.

When completing documentation for the first time people tend to use more effort, concentrate and try to "get it right". But as we continue to fill in the same documentation on a day to day basis, as a general rule, people tend to become complacent about the forms they are completing and may begin to take short cuts. It is these short cuts that can cause an agent to lose a lot of money!

The Property, Stock and Business Agents Regulation (the Regulations) set out the rules for our agency agreements. These rules are not merely a guideline for agents, but they are enforceable by way of section 55 of the NSW Property, Stock and Business Agents Act 2002 (the Act).

Schedule 8, clause 8, of the Regulations states that "A sales inspection report is to form part of the agency agreement - The agreement must include a copy of any sales inspection report prepared by the agent and given to the person on behalf of whom the agent is acting under clause 2 of Schedule 2." This means that an agent must treat the inspection report with as much importance as the agency agreement. The Regulations also set out what must be addressed within the inspection report:

- (a) the name and address of the person on behalf of whom the agent is acting,
- (b) the date of preparation of the report,
- (c) the agent's name, business address and telephone number,
- (d) a description of the property, including the address of the property and such other details as may be necessary to enable the property to be readily identified,
- (e) a description of any fittings and fixtures that are to be included in the sale of the property,
- (f) any terms and conditions of sale known to the agent (for example, whether or not vacant possession is to be given),
- (g) the agent's recommendation as to the most suitable method of sale of the property,

CPD 2 HOUR BREAKFAST SEMINARS

Full 12 points!!

Gosford

Sales & Prop Mgmt Wed 10th Dec

Parramatta

Sales & Prop Mgmt Wed 10th Dec

Sydney

Business Broking Wed 17th Dec

Wollongong

Sales & Prop Mgmt
Thu 18th Dec

Sydney

Strata Fri 16th Jan

Parramatta

Sales & Prop Mgmt
Tue 20th Jan

Sydney

Sales & Prop Mgmt
Thu 29th Jan

Sydney

Trust Accounting Fri 30th Jan

Liverpool

Sales & Prop Mgmt Wed 11th Feb

Parramatta

Sales & Prop Mgmt
Tue 20th Jan

- (h) the agent's estimate of the selling price (or price range) for the property,
- (i) details of any covenants, easements, defects, local government notices or orders affecting the property that are known to the agent,
- (j) details of any special instructions about the marketing and showing of the property,
- (k) the name, business address, telephone number and address for service of documents of the solicitor of the person on behalf of whom the agent is acting.

For every one of these items listed from the Regulations, you MUST provide a response. And this is where the person who fills in documentation every day starts to have their problems. Because every section must be completed we start to develop standard responses for sections that may or may not be relevant for a property. Let us be clear – standard responses are fine, providing they are the correct standard responses.

When addressing certain sections for example – Description of fittings and fixtures – you should never use the response "as per contract for sale." There are many reasons for not using this phrase, the first of which is usually you do not have the contract for sale at the time of signing your agency agreement.

The second and just as valid reason is that the Act is asking you to describe the fittings and fixtures that are included and referring to the contract is not answering the question. Even if you have the contract for the sale of land at the time of signing the agency agreement, you are still not addressing the question as per the Regulations.

It is not unusual for some agents to use "As per contract for sale" in a number of sections, including "Details of any covenants easements, defects, local government notices or orders affecting the property that are known to the agent."

Yes, logically that is where you would find such information. However, once again you generally don't have the contract at this time and even if you did, it is asking for information that is known to the agent, not information that is held within the contract. It is suggested that you use the phrase "Not known to Agent" as the section is asking for the details known to the agent at that time.

We understand that it can be a little annoying having someone telling you that you need to change the way you do something that you have been doing for a long time, however, not using the phrase "as per contract" within your agency agreement is certainly a more professional way to complete your documentation and could potentially save your commission. We also understand that a vendor

www.acop.edu.au enquiries@acop.edu.au

CERTIFICATE OF REGISTRATION COURSES

Sydney

Mon 15th - Wed 17th Dec

Sydney

Mon 12th - Wed 14th Jan

Sydney

(Dist Ed + 2 day workshop)
Sat 17th – Sun 18th Jan

Gosford

(Dist Ed + 1 day workshop)

Tue 20th Jan

Parramatta

Wed 21st - Fri 23rd Jan

Castle Hill

Mon 2nd - Wed 4th Feb

Bathurst

(Dist Ed + 1 day workshop)

Tue 10th Feb

Goulburn

(Dist Ed + 1 day workshop)

Thu 19th Feb

FINANCE AND MORTGAGE BROKING COURSES

Cert IV in Finance & Mortgage Broking Sydney

Mon 19th - Wed 21st Jan

Dip of Finance & Mort Broking Mgmt

Upgrade for existing Cert IV holders

Sydney

Thu 22nd - Fri 23rd Jan

contesting your commission based on the agency agreement (which remember includes the sales inspection report) usually only happens if they, or the person assisting them with their conveyancing, knows the rules on agency agreements and section 55. But really......do you want to take that chance?

Good luck with all your property dealings this week.

Til next time, Wishing you every success in your business ventures, Rosy Sullivan

News from the Office

As the year comes to a close there is no sign of the College slowing down, with super busy Finance, Business and Property courses running throughout NSW and VIC. In our office at St Andrew's House, you can definitely tell Christmas is coming, Imogen has gone above and beyond in her duties bringing the office into the festive season with countless Christmas decorations. Christmas carols are playing everywhere - including Rosy playing the Michael Bublé CD non-stop.

The College will be closed from December 19 and returning after New Year on the 5th January. If you currently completing an ACOP course and would like your assessments marked before Christmas, you will need to have all of them submitted before December 12.

We would like to welcome Brittany to the ACOP team. She will be working with Dominique in the accounts department and is very quickly fitting into our workplace environment.

The College recently held its annual Christmas Party and all in attendance agree that the night was a big hit! We would like to thank Coast Harbour Cruises for their outstanding hospitality, Triple Grip for the fantastic live music and for all the friends and extended ACOP family for making the night so memorable...for some....

Check out our Facebook page for some photos of our night out.

Our office closes on Friday 19th December 2014 and re-opens Monday 5th January 2015.

Social Media









Property Licence Courses

Experienced Agents Property Licence Program Sydney

Mon 8th - Fri 12th Dec

Trust Accounting Sydney

Mon 8th - Wed 10th Dec

Property Management Sydney

Wed 10th - Fri 12th Dec

Business Broking Agency Practices Sydney

Thu 11th - Fri 12th Dec

Sales for Real Estate **Sydney**

Tue 10th - Fri 13th Feb

Strata Management Agency Practices Sydney

Stock & Station Agency Practices Sydney

Mon 11th - Fri 15th May

Financial Management Sydney

Tue 27th - Wed 28th Jan 2015

Staff Management Sydney

Thu 5th - Fri 6th Feb 2015

Is it Time You Upgraded to Your Licence?

ACoP runs an Experienced Agents Property Licence Program which, in conjunction with Recognition of Prior Learning (RPL) assessment, will enable you to complete your Real Estate Licence qualification in 5 days with take home assessments.

We will also assist you with completion and submission of your licence application to NSW Fair Trading free of charge.

Free Assessment

Send us your resume & copies of any qualification transcripts you may have for a free and confidential preliminary RPL assessment.

Business Broking Agency Practices Course

for existing Real Estate, Strata and Stock & Station Licensees

Thurs 11th to Fri 12th December

Why not try online CPD for \$99?

