March 27, 2015

College Chronicle

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

Taree Sales & Prop Mgmt Tue 31st Mar

Sydney Business Broking Wed 1st Apr

Castle Hill Sales & Prop Mgmt Thu 2nd Apr

Orange Sales & Prop Mgmt Thu 2nd Apr

Tamworth Stock & Station or Sales & Prop Mgmt Fri 10th Apr

Sales or Prop Mgmt Thu 16th Apr

Coffs Harbour Sales & Prop Mgmt or Strata Mon 20th Apr

> Sydney Strata Tue 21st Apr

Northern Beaches Sales or Prop Mgmt Fri 1st May

DISCLOSURES

Consider this. You invest in a company, let's suggest that company provides marketing services. Your subscription is your investment amount, and the company provides you with shares based on your initial subscription amount. At the end of the financial year, the company divides any profits based on the number of shares issued and for every share there is a dollar amount that is paid. If you had been given 100 shares, and at the end of the end of the financial year the profits are calculated as paying \$100 per share, you stand to make a dividend in that year of \$10,000. Keep in mind, that not every year will the shareholders be paid a dividend. The issue here is that there is a potential payment to the agent.

Now consider that you invoice your vendors a portion of your initial subscription amount when they sign with you? You use the company mentioned above for the marketing of all properties that you list, and as such, charge your vendors a premium for advertising their properties with that company. This isn't unusual – in fact agents implement this process on a daily basis - we charge our vendors for marketing.

What are you to do however, if you find yourselves in the situation that you stand to profit from the marketing money you charge your vendors?

As an agent, you are working in an industry that demands transparency from its participants. NSW Fair Trading as well as the legislation that regulates how agents behave, the Property, Stock and Business Agents Act 2002 (PSBAA) have processes in place for the occasion when an agent should be making disclosures.

If you were to find yourself in a position where you are possibly going to make money in the above scenario, you will find that you are within the realms of "Conflict of Interest" and required to disclose within the confines of Section 57 of the PSBAA:

57 Agency agreement must disclose rebates, discounts and commissions

(1) A licensee is not entitled to any expenses from a person for or in connection with services performed by the licensee in the capacity of licensee for or on behalf of the person in connection with a real estate transaction unless the agency agreement pursuant to which the licensee performs those services contains a statement:

CPD 2 HOUR BREAKFAST SEMINARS

Full 12 points!!

Sales & Prop Mgmt Tue 31st Mar

Parramatta Trust Accounting Thu 2nd Apr

Bankstown Sales & Prop Mgmt Fri 17th Apr

Parramatta Sales & Prop Mgmt Fri 24th Apr

Sales & Prop Mgmt Evening Seminar Tue 28th Apr

Gosford Sales & Prop Mgmt Tue 28th Apr

Sydney Trust Accounting Mon 3rd May

Liverpool Sales & Prop Mgmt Mon 4th May

Newcastle Trust Accounting Wed 6th May (a) identifying the source of all rebates, discounts or commissions that the licensee will or may receive in respect of those expenses, and

(b) specifying the estimated amount of those rebates, discounts (or commissions (to the extent that the amount can reasonably be estimated).

NSW Fair Trading addresses the issue as follows:

"Another aspect of the agency relationship that demands greater transparency is the receipt of rebates and discounts by agents in relation to expenses payable by the client, such as advertising and property maintenance. These benefits from third parties have usually been received without the knowledge of the client, who is required to pay the full cost of the service. These 'commissions' provide the real estate agent with a financial advantage over and above their agreed fee.... If the agent fails to make the required disclosures, they lose their entitlement to be reimbursed by the client for any expenses incurred under the agreement."

The bottom line is, if you are going to make money "off the money" your client pays you for your services, and in the scenario above you probably would, you need to disclose that within your agency agreement. By signing the agency agreement, your vendor is agreeing to you being paid. If you do not make the disclosure you would be in clear breach of the PSBA Act.

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

Online CPD now available for Real Estate Sales, Property Management, Business Broking, Strata, Stock and Station and On-site Residential Property Management.

New topics for 2015 available for Sales, Property

Management, Business Broking, Stock & Station & Strata!

\$99

USI

If you are a student studying nationally-recognised training at a Registered Training Organisation like the Australian College of Professionals (ACOP) you are required to have a Unique Student Identifier from 1st January 2015. The USI will give you ongoing access to your records and results, so they are always available if you choose to enrol in further training or need to show a future employer.

You can create your USI here: http://www.usi.gov.au/create-your-USI/Pages/default.aspx

CERTIFICATE OF REGISTRATION COURSES

Wollongong (Dist Ed + 1 day workshop)

Tue 7th Apr

Tamworth (Dist Ed + 1 day workshop) Thu 9th Apr

Sydney Mon 13th – Wed 15th Apr

Newcastle (Dist Ed + 1 day workshop) Tue 14th Apr

Sydney (Dist Ed + 2 day workshop) Sat 18th – Sun 19th Apr

Coffs Harbour (Dist Ed + 1 day workshop) Tue 21st Apr

Castle Hill Mon 4th – Wed 6th May

FINANCE AND MORTGAGE BROKING COURSES

Cert IV in Finance & Mortgage Broking Sydney Tue 31st Mar - Thu 2nd Apr

Dip of Finance & Mort Broking Mgmt Upgrade for existing Cert IV holders Sydney Thu 9th - Fri 10th Apr

News from the Office

Another busy couple of weeks in the office! The time has been filled with lots of phone calls and hard work and plenty of cake. We wished a big happy birthday, or 'gut zum geburstag' (in German) to Charlotte who turned 25, Anthony our Marketing Manager who celebrated his birthday on Thursday and Rosy our College Principal who celebrated a very special birthday by turning 39 for the 11th time!!

We also farewelled Megan Malu who has worked at the College on and off for many years. Although it is sad to see her leave, we are all very excited for her to pursue a new career working in the McDonalds training college. The staff are especially keen for her to receive her McDonalds discount card (20% off we hear).

Our trainers have had a hectic two weeks - John training at Dubbo, Rosy working with our in-house clients at Newcastle and Rosemary travelling to Albury, Bathurst, Mudgee and Wagga to run courses.

We are also very happy to have George back in the office after spending time with his grandaughter. It was extremely quiet without George and his witty comments. We are very happy to have him back to entertain us!

Certificate IV in Finance & Mortgage Broking

Tuesday 31st March - Thursday 2nd April

Diploma of Finance & Mortgage Broking Management (Upgrade Course)

Thursday 9th - Friday 10th April

Sydney CBD

Social Media



Property Licence Courses

Experienced Agents Property Licence Program Castle Hill Mon 25th - Fri 29th May

Trust Accounting Castle Hill

Mon 25th - Wed 27th May

Property Management Castle Hill Wed 27th - Fri 29th May

Business Broking Agency Practices Sydney Thu 30th Apr - Fri 1st May

Sales for Real Estate Sydney Tue 7th - Fri 10th Apr

Strata Management Agency Practices Sydney Tue 5th - 8th May

Stock & Station Agency Practices Sydney Mon 11th - Fri 15th May

Financial Management Sydney Wed 15th - Thu 16th Apr

Staff Management Sydney Thu 23rd - Fri 24th Apr

Auctioneer Accreditation Sydney Fri 5th Jun

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 30th April to Fri 1st May

Sydney CBD

