

Real Estate Auction School

Held 18th and 19th September

Conducted by Brett Roenfeldt & Rod Adcock

Once again Rod Adcock and Brett Roenfeldt put together an exciting, action packed two-day Auction School. There was no doubt that each participant gained an incredible insight into how the Auction system works and what is required to formulate an impressive Auction performance. The positive feedback from the participants

indicates that this School is without question the best Real Estate Auction Training Forum in this State.

Comments:

Did Brett & Rod inspire you to change your way of thinking on any issues?

"Yes, the way to handle Vendor Bids was excellently explained", "Greater understanding of working an Auction and how to take control of the situation".

What do you perceive as the major benefits of this Workshop?

"Increasing my level of confidence", "Helping me to understand my weaknesses", "Understanding the Auction process", "Impact of legislation re Vendor bids".

Would you recommend this Workshop to others?

"Yes (unanimously from all participants), all good salespeople who work Auction Properties, even if they



have no intention of Auctioning personally", "Thank you for a great couple of days, thank you for the time spent by two top professionals in our Industry."

Note: The non-Members who attended this Workshop have all subsequently joined the Society.

For a 2004 Auction calendar contact CEO, Garry Topp 8372 7830.



Kerry Benton (LJ Hooker Plympton), John Berno (Ray White Grange), Grant Lkuske and Sally Ness (Weston Raine & Horne Strathalbyn) and Judy Valon (Ray White Clare Valley)

General Auction School

Held 16th and 17th October

Conducted by Brett Roenfeldt & Garry Topp

agreed that the major benefit was their increased confidence in presentation skills, especially stress relief exercises, breathing exercises and voice projection techniques. Comments received in the post-course evaluation by participants included the instilled desire to strive for professionalism that was gained by all.

These Workshops are being very well received in our Industry and can be tailored for Individual Offices or Franchise Groups if required. **All details**

call CEO Garry Topp 8372 7830.



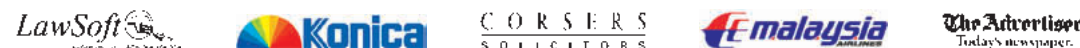
Brett Roenfeldt, Anthony Hurl, Dennis Rielly, Tina Aslanoglou, Orlando Pirone and Barry Styan.

This intensive and interactive Workshop was held for the first time at the Airport Club where the Training Facility opens onto an oval, which was the perfect environment for participants to demonstrate their newly acquired skills. Each participant unanimously

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The Official Newsletter of the Society of Auctioneers & Appraisers (SA) Incorporated

NOVEMBER 2003

The Most Important Breakfast for 2003

by JARROD TAGNI MSA
Vice President



Chris Gill, Rex Wilson, Barry MacKenzie and Bernard Booth

The "Most Important Breakfast meeting for 2003" was held at the Next Generation Memorial Drive on Thursday, 23rd October.

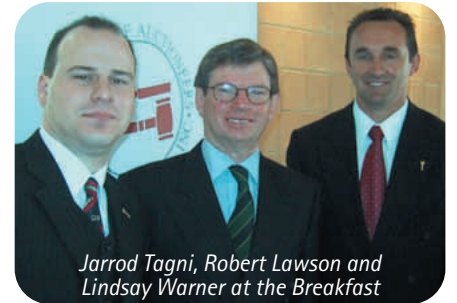
The meeting was strongly supported, with CEO Garry Topp having to put some members on standby lists to attend! Vice President Jarrod Tagni welcomed the sponsors and members and spoke about current and eminent changes within the industry. He took us back to 1973 with a copy of *The Advertiser* Real Estate section and pointed out the differences between



then and now and speculated about what the future might hold.

Clinton Alcock from Portfolio Planning Solutions gave a brief and enlightening summary as to the current state of the insurance industry. Past President Lindsay Warner spoke next and updated the room as to the progress of the proposed legislative changes and then introduced the key note speaker for the morning, The Shadow Attorney General the Honourable Robert Lawson QC MLC.

Mr Lawson spoke very well and had the room captivated with his up-to-date knowledge of the proposed changes and the industry in general. By the time he



Jarrod Tagni, Robert Lawson and Lindsay Warner at the Breakfast

had finished and taken questions from the floor there was an overwhelming sense in the room that the Liberal Government were not just going to let all the proposed changes "just happen" and that a commonsense approach was being taken by the opposition.

Society Breakfast Meetings have been informative and very well supported in 2003. With Key Note Speakers from John Rau, Peter Hurley and Robert Lawson the Society Board looks forward to continuing to bring to its membership the people "in the know" and who you want to hear from! See you in 2004.



An Auctioneer's Dream

The first time in Brett Roenfeldt's auctioneering history a situation has occurred which not many of us have EVER experienced!



This would not have happened to many Society Members! Brett has been instructed to offer by public auction, 3 non-contingent lots at Birdwood on behalf of a family deed of arrangement.
Lot 1 - Homestead title including 88 acres
Lot 2 - Broadacre title 176 acres
Lot 3 - 10 acre residential Living allotment
Scenario as it unfolds . . .

15 minutes before the auction is due to commence, Brett seeks instructions from the Solicitor regarding reserves on the properties and was flabbergasted when his written instructions specifically indicated that each lot was to be sold unreserved with no Vendor bids allowed!

The reality was that 130 or so people attended with 11 registered bidders and the auctions unfolded.

Lot 1 - Brett called for \$400,000 and excited bidding pushed it to a sale

price of \$720,000.

Lot 2 - Commenced at \$500,000, same excitement and the hammer went down at \$769,000.

Lot 3 - Commenced at \$120,000 and sold at \$172,500.

Brett said that this had never happened to him before. However, the bonus is that he now has an example for the other 99.9% of Vendors of the benefits of selling unreserved, although the reality is it just isn't going to happen!

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FROM THE PRESIDENT'S DESK

Firstly, a warm welcome to our new Board members for this year, in Phil Rogers, Rob Mitchell and Board Advisor, Brett Roenfeldt.

To Jamie Codling, Alf Talotta, Paul Henry and immediate Past President Lindsay Warner, a sincere thanks for your superb contributions to the team effort.

At a recently convened meeting, Society members voted to support a motion that we adopt the REI Auction Code of Conduct, pending new

Legislation. It was generally felt that as the REI had already publicly announced a new "Best Practice", it was appropriate that we approach this most important issue with a united voice to avoid any possible confusion and boost public confidence in the Auction system.

Following our thought-provoking Strategic Planning day, your Society will shortly be announcing some exciting new initiatives planned for the

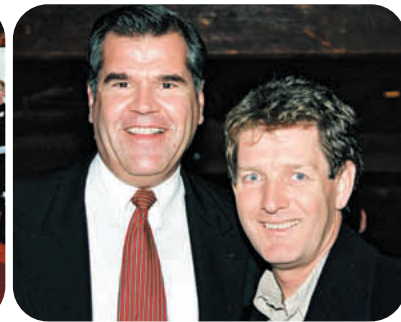
by PETER ECONOMOU MSAA
PRESIDENT



forthcoming year, which will contain value-added benefits for all members as well as our sponsors.

We look forward to sharing these events with you in the challenging period ahead.

AGM 2003



Rod Adcock Given Recognition

Rodney Arthur Adcock joined the Society in April 1994. Since then he has been instrumental in his commitment to the Society, its Members and the Industry in South Australia. Rod has served as a Board Member, President, Vice President, Past President and Board Advisor and

by GARRY TOPP FSAA (Life)
Chief Executive Officer

Anthony Toop in consultation with SA Great the Event received enormous publicity for the Society and its Members.

Rod has competed in the Messenger Newspapers Adelaide Bank Golden Gavel Competition every year since joining the Society with the exception of the year that he served as President. This year he achieved his dream, being awarded joint winner of the Golden Gavel for 2003. He went on to represent South Australia at the Australasian Senior Auction Championships in Wellington New Zealand on 9th September. 17 of the best Auctioneers from Australia and New Zealand competed for the Award and Rod achieved the elite position as **Australasian Grand Finalist.**



Rod Adcock receives Life Membership Award from Society CEO Garry Topp

now holds the role of Trainer exclusive to the Society of Auctioneers & Appraisers and jointly conducts the two-day Real Estate School with Brett Roenfeldt.

When President Rod set about profiling Real Estate Auctions in SA and set up the Great Auction Challenge with Michael Brock, Bernard Booth and

Rod's dedication and commitment is acknowledged with his articulate nature and specifically by serving the Society as REISA Liaison Officer for several years whilst serving on the Board where he was the **driving force that jointly wrote and saw the introduction of the Jointly badged Conditions of Sale, The Code of Conduct for Real Estate Auctions in South**

Australia and the Proxy Bidding Forms. It is in recognition of Rod's outstanding dedication and commitment to not only the Society but to the entire Industry and through his personal initiative and the ability to create and uphold the professional standards that he has created by continually raising the bar that we award Rod Life Membership of the Society of Auctioneers & Appraisers SA Inc.

Our sincere congratulations from Garry Topp (CEO) on behalf of the Board and Membership of the Society of Auctioneers & Appraisers (SA) Inc.

Under the Glass REAL ESTATE AGENCY FACTS

- The average operating surplus of residential real estate agencies in Australia and New Zealand is 20% to 30%.
- The average operating surplus of residential real estate agencies in the USA is 5% to 6%.
- The internet is now the Number 1 source of new business to Australasian residential real estate agencies. The average Australian and New Zealand new business enquiry is: Sales 35%, Property Management 55%.
- Prospective sellers who phone an estate agent's office and get their call answered by a recorded voice instead of a real, dialogue-capable telephonist within four rings will hang up and phone the next agent on their list.
- Most personnel working in Australian residential property management departments see their current role as a stepping stone to a career in residential sales. The top 10% of property management businesses, however, are staffed by people who do not have this desire and treat the role as a vocation.
- 74% of Australian real estate agencies have a local market share below 10%.
- 16% of Australian real estate agencies have a local market share between 10% and 30%.
- 10% of Australian real estate agencies have a local market share above 30%.
- 71% of Australian residential property investors (landlords) live in the same geographic location (town/suburb) as their investment property.
- 3% of Australian residential property investors own an investment property in another state or territory.

Source: www.bestpractice.com.au

Lines of Communication Open

Most vendors who are shopping around for an agent to sell their home first evaluate prospective agents according to two fundamental criterion; Will the property sell fast for the right price, and will I be kept informed?

Agents who at the appraisal interview sprout about all the other homes they have sold in the neighbourhood, lose the prospective client at this point. Remember all the sales facts and figures are impressive, but what the prospective client wants to know is: *What are you going to do for me and my home?*

Vendors who complain about the selling and marketing experience after the event often say that what they lacked was communication: in other words, they weren't kept up-to-date with the details of marketing and inspections.

Agents and Auctioneers must remember that we are selling and marketing property all day, every day. The average person sells their family home once every seven years!

Lack of feedback may not mean that an agent is slack but it is inevitably translated by anxious vendors as such.

Vendors report that their number one need during marketing is up-to-date information that puts them right where the action is. Let clients know what is going on even if nothing is! Many complain that they

didn't receive regular communication from their agent during the selling period and had little idea of what purchasers were saying about their home. It is not surprising that many vendors assume the agent is doing very little on their behalf and is being overpaid.

One of the reasons that agents fail to provide adequate feedback is that good news is easy to communicate but hardly seems necessary (Tell your clients every single thing you are doing for them and their home, no matter how small you think it is - to them it's like water to a plant) while bad news goes into the "too-hard basket" (nobody likes asking for a price reduction).

Agents who fail to communicate with vendors may also not have the skills or rapport in place when it comes to negotiate the ultimate selling price. Furthermore, an agent who has taken the time to build rapport with a vendor is better able to represent them and in a stronger position during the negotiation process. This means fewer lost opportunities and is likely to result in a higher sale price at the end of the day.

With mobile phones, fixed line phones, pagers, the Internet, e-mail, fax, post, motor vehicle, aeroplane, helicopter, walking and running there are no excuses not be communicating with your vendors on a regular basis.

by JARROD TAGNI MSAA
Vice President