

14 January 2016

Mr Rod Stowe  
Commissioner  
NSW Fair Trading  
PO Box 972  
PARRAMATTA NSW 2150

Dear Rod

## **REVIEW OF TRAINING FOR LICENSED OCCUPATIONS IN THE NSW PROPERTY SERVICES INDUSTRY**

Strata is the fastest growing form of residential property ownership in Australia. Over half the new dwellings to be built in our metropolitan areas over the next decades will be strata titled, and these dwellings are becoming increasingly complex, raising important questions over strata property purchase, ownership and governance.<sup>1</sup>

The Owners Corporation Network of Australia Limited (OCN) is the peak body representing residential strata and community title owners and occupiers. OCN is therefore a key consumer voice in this review.

### **Property (Real Estate) Professionals**

OCN has had the opportunity to review, and strongly supports the REINSW submission calling for vastly improved training standards.

Purchasing a property is probably the largest single investment many people will make. It is vital that they are competently advised by well trained professionals. The current poor training standards are detrimental to consumers, to the agents themselves, and the industry. Consumers are often not provided with adequate information to make an informed choice. The industry suffers an abnormally high churn rate and poor reputation.

Particular danger is posed when purchasing Off the Plan. Purchasers are not well served by untrained agents making unsubstantiated claims as to inclusions etc. They are rarely informed of the perils of buying a vision and their dreams routinely turn to ashes when the finished product is substantially different to the plan.

Problems also exist when purchasing established property, in terms of information gaps, lack of understanding of levies.

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More rigorous entry and ongoing training for property professionals will benefit the community and the industry.

### **Strata & Community Managers**

In Australia almost a trillion dollars of the common wealth is managed by unskilled volunteers.

The rapid growth of strata and increasingly complex strata and community title developments make the need for vastly improved training for strata and community managers urgent. The strata management sector has evolved organically out of the real estate industry. But while basic book-keeping and management skills sufficed when the world was full of two and three storey walk ups, much more sophistication is required to manage the high rise towers and planned communities of today.

OCN welcomes this review and is happy to engage with the Panel on any aspect of this submission.

Sincerely

Karen Stiles  
Executive Officer