

# MELBOURNE METRO

Reference guide to assist with real estate business under Stage 4 restrictions effective to 16 Aug 2020.

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**Version 2**  
**DATE : 12 August 2020**

Please refer to [www.reiv.com.au/covid-19](http://www.reiv.com.au/covid-19) for further information and resources.



# REIV

## Conducting the business of real estate – A reference guide

In this document we refer to the Q&A provided by Business Victoria and provide additional guidance from the REIV.

### Key documents for reference with regards to this Reference Guide:

*Note: Some of these have been updated since 6 August 2020.*

- [Restricted Activity Directions \(Restricted Areas\) \(No. 6\)](#)
- [Area Directions \(No. 6\)](#)
- [Permitted Work Premises](#)
- [Stay at Home Directions \(Restricted Areas\) \(No 10\)](#)
- [Workplace Directions \(No 2\)](#)
- [Permitted Worker ... Permit Scheme Directions \(No 2\)](#)

### Effective to 11:59pm 16 August 2020

We believe the end date of these Directions was set for less than 2 weeks to allow the government the opportunity to update and amend if required. The REIV is preparing for the Chief Health Officer to update the Directions on Sunday, 16 August and will notify members once they have been updated and the REIV have reviewed the changes.

Due to the complexity of the information, we will provide ongoing updates. This document summarises some initial questions only. Further detail to follow.

**Latest updates on current restriction levels should be accessed from**  
<https://www.dhhs.vic.gov.au/victorias-restriction-levels-covid-19>

## Business Victoria Q&A

### **Does my real estate office need to close?**

*Yes. Real estate services are a permitted industry but the offices must close under Stage 4 restrictions, with all staff working remotely. Employers that require their staff to attend their place of work (such as for emergency maintenance or supporting a permitted service or industry) must issue a [Permitted Worker Permit](#) to their employees – this is the employer’s responsibility.*

REIV: There are substantial fines for the incorrect use of [Permitted Worker Permits](#). Members should bear in mind not only the financial penalties but also the reputational damage that can impact on the Real Estate Profession as a result of manipulation of Directions that have a fundamental purpose of limiting movement and contact with others to reduce the risk of the spread of infections.

### **How do I manage inspections or auctions under Stage 4 ‘Stay at Home’ restrictions?**

*Property inspections for rental accommodation and sales must move to virtual platforms under Stage 4 restrictions. It is not permitted for potential renters/buyers to visit a property in person.*

REIV: If you do not already have the photography images and/or videos to support the online or virtual inspection of a property you are likely going to have to wait until the restrictions are relaxed. If a property is being vacated and you are doing a final inspection you could consider taking some images to use to re-lease. This should NOT be the purpose of your attendance however and it would be unwise to spend longer in the property than is necessary for the purpose stated in your [Permitted Worker Permit](#).

### **Can deliverables under a Section 32 or contract of sale be met under Stage 4 ‘Stay at Home’ restrictions?**

*Yes. Deliverables under a Section 32 or contract of sale, including settlement obligations, bank valuations, building and pest inspections or final inspections, can be delivered under Stage 4 restrictions if the agreement was made prior to 11:59pm, Wednesday 5 August.*

REIV: Members should take note that this work can only be done for contracts in place prior to the commencement of the restricted period (11:59pm 5 August 2020). These activities cannot be done for contracts entered into since that time.

*Section 32 or contracts of sale signed during the Stage 4 restrictions must include provisions for delivery of each clause beyond 13 September 2020 and cannot be actioned during the restriction period.*

REIV: This makes it very clear that if a person enters into a Sale of Land contract during the period where restrictions apply, they will have to wait until after the restrictions have eased to carry out the relevant functions described above. At this stage that is 13 September, but that could be changed to earlier or later.

While care has been taken to ensure that the information contained here is true and correct at the time of the publication, changes in the circumstances may impact the accuracy of this information. The REIV recommends members only consider the advice provided by government agencies and official health experts when considering and implementing any Coronavirus-related workplace health and safety policies.

### **Can tenants provide notice to vacate under Stage 4 restrictions?**

*Yes. Notice can be provided under Stage 4 restrictions.  
Where possible, it is encouraged that vacancy (no new tenants signed on) is held out until beyond the restriction period set to conclude on 13 September 2020.*

REIV: Members should bear in mind the exemptions around domestic violence situations and provide assistance and understanding as applicable to enable those fleeing those situations to seek accommodation.

### **Can exit inspections occur under Stage 4 restrictions?**

*Yes. Exit inspections can occur under Stage 4 restrictions if the property is vacant and the Property Manager or applicable administrator attends the property on their own. The property owner cannot attend with the Property Manager or applicable administrator.*

REIV: Members are reminded that a [Permitted Worker Permit](#) is required to perform this function and must be on them at all times and be able to demonstrate that it is the reason for their attendance at the property.

Managers should consider the safety of their employees as they are required to attend the property on their own. E.g. ensuring they lock the door behind them once they enter the property to ensure no one enters after them.

### **Can maintenance occur under Stage 4 restrictions?**

*Only urgent and emergency maintenance can be carried out under Stage 4 restrictions across all residential accommodation.*

REIV: Members will be able arrange this with contractors however if the keys are required to enter the property suitable arrangements need to be made with the tenant/s.

### **Are removalists able to work under Stage 4 restrictions?**

*Yes. A removalist can be used to support vacating a property under Stage 4 restrictions.*

REIV: There is no reason for the Estate Agent to be involved in this process

### **Can a person in Metro Melbourne travel to regional Victoria to inspect a property sale or lease by private appointment?**

*No. You can only attend an inspection or auction for a house or property remotely.*

REIV: Regional Victoria agents are able to attend the property to provide/arrange a virtual tour for potential Metro Melbourne Tenants/Purchasers.

**Can a person commence a lease during the 6-week period – that is move in? If so, does this extend to non-residential property?**

*Yes. You are still able to move to a new house or non-residential property if you had already arranged to move, but the curfew hours still apply. You should also take extra steps to stay safe including wearing a face covering.*

REIV: An example of this would be were a person has made arrangements to move out of a property and have not yet secured a new property. In these circumstances they would be able to make arrangements to move. However, this provision would be less likely to apply if they made the decision to move during the restriction period.

*You may also commence a new lease if it would be unsafe not to do so.*

REIV: REIV's discussions with Government has indicated that a person who may become homeless (have no where to live) would fall into the unsafe category therefore they would be able to move. This would not apply to non-residential properties. The domestic violence provisions would also apply here.

**Can an agent commence a campaign to sell a property during this 6-week period by getting either photographs or filming done for on-line auctions?**

*No. Stage 4 restrictions are intended to facilitate the finalising of existing arrangements and ensure people have ongoing access to housing and not enable additional transactions beyond this.*

REIV: Members would still be able to commence a campaign if it could be done contact free and they already have the promotional material available for marketing the property. Alternatively, a property could be marketed and sold subject to an inspection at the end of the restriction period.

The intention of this restriction is to limit contact between people and properties.

**Can an agent do work to commence a lease as well as the permitted tasks necessary for end-of-lease given that the removalist is likely to be taking the furniture somewhere?**

*Yes. You are still able to move to (or facilitate a move to) a new house or non-residential property if the move has already been arranged, but the curfew hours still apply. You should also take extra steps to stay safe including wearing a face covering.*

REIV: The agent is able to complete the permitted tasks required to facilitate the commencement of a lease. The Government is trying to limit movement of Metro Melbourne residents. The REIV has explained the 'domino effect' of property transactions. Members should take a cautious approach to facilitating unnecessary movement.

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**What is the intention of the different references to ‘private inspection’ and what does a private inspection extend to? We assume this is an inspection for Condition Reports, vacant possession etc.**

Services related to property settlement or end-of-lease are permitted to occur (for example condition reports). The property must be vacant for end of lease tasks to occur. Inspections to view new properties can only happen virtually.

REIV: The reference to ‘private inspection’ in these circumstances is different to the private appointment inspection for viewing a property for sale or lease and extends to pre-settlement inspections, condition report inspections and the like.

**Can estate agents attend vacant sites to record videos/walkthroughs to assist in the sale process?**

No. Making videos is not a permitted reason under Stage 4 restrictions.

REIV: This is self-explanatory

**Can real estate agents complete non-auction or inspection real estate tasks such as, condition reports, repairs or inspections?**

Services related to property settlement or commencement/end-of-lease can continue to operate. This includes condition reports and cleaning, only once the property is vacated. Other end-of-lease activities should be minimised wherever possible and done online.

REIV: Members are reminded that a [Permitted Worker Permit](#) is required to perform these functions and must be on them at all times and be able to demonstrate the reason for their attendance at the property.