



Australian Government

Department of Education, Employment and Workplace Relations

CPPDSM4008A Identify legal and ethical requirements of property sales to complete agency work

Release: 1

CPPDSM4008A Identify legal and ethical requirements of property sales to complete agency work

Modification History

Not Applicable

Unit Descriptor

Unit descriptor

This unit of competency specifies the outcomes required to meet the core legal and ethical requirements associated with property sales. This includes awareness of the legislation relating to property sales, the role and responsibility of agency personnel in property sales, the administration of sales transactions and the completion of sales documentation.

The unit may form part of the licensing requirements for persons engaged in real estate activities in those States and Territories where these are regulated activities.

Application of the Unit

Application of the unit

This unit of competency supports the work of licensed real estate agents and real estate representatives involved in property sales. It addresses the requirements for licensed real estate agents and real estate representatives to be able to identify and explain relevant legislation, roles, responsibility and documentation.

Licensing/Regulatory Information

Refer to Unit Descriptor

Pre-Requisites

Prerequisite units Nil

Employability Skills Information

Employability skills The required outcomes described in this unit of competency contain applicable facets of employability skills. The Employability Skills Summary of the qualification in which this unit of competency is packaged, will assist in identifying employability skills requirements.

Elements and Performance Criteria Pre-Content

Elements describe the essential outcomes of a unit of competency.

Performance criteria describe the required performance needed to demonstrate achievement of the element. Where ***bold italicised*** text is used, further information is detailed in the required skills and knowledge and/or the range statement. Assessment of performance is to be consistent with the evidence guide.

Elements and Performance Criteria

ELEMENT

PERFORMANCE CRITERIA

1 Develop knowledge of property sales.

- 1.1 Types and characteristics of *land tenure systems* are identified in line with legislation.
- 1.2 *Legislation* regulating the sale of properties is identified in line with agency practice.
- 1.3 Information provided on the *Certificate of Title* is checked for accuracy against the agency agreement.
- 1.4 *Types of property ownership* are identified in line with legislation.
- 1.5 Legal requirements relating to the sale of property are identified and interpreted in line with legislation and agency requirements.
- 1.6 Requirements of ethical and conduct standards and consumer protection and privacy legislation in relation to the sale of property are identified in line with legislative requirements and agency practice.

2 Develop knowledge of sales process.

- 2.1 Need for demonstrating *effective communication strategies* in establishing rapport with clients, determining client needs, providing accurate advice, addressing client concerns and dealing with conflict is identified in line with agency practice.
- 2.2 *Listing* opportunities are identified and assessed in the context of legislative requirements and agency practice.
- 2.3 *Methods of selling property* are identified and assessed in the context of legislative requirements and agency practice.
- 2.4 *Sale authority agreements* are identified, completed and stored in line with legislative requirements and agency practice.
- 2.5 Strategies for marketing property are identified and assessed in the context of legislative requirements and agency practice.
- 2.6 Purpose and terms of *statutory statements required to be prepared by sellers* for the sale of property and businesses are identified and interpreted in the context of legislative requirements and agency practice.
- 2.7 *Contractual documents* relating to the sale of property are identified, interpreted, completed and stored in line with legislative requirements and agency practice.
- 2.8 Process for settling the sale of property is identified in the context of legislative requirements and agency practice.
- 2.9 Processes for receipt, recording, banking and release of deposit moneys are identified in the context of

ELEMENT

PERFORMANCE CRITERIA

legislative requirements and agency practice.

ELEMENT

PERFORMANCE CRITERIA

3 Identify roles and responsibilities of sales personnel.

- 3.1 Relationship between salesperson and agency principal is identified in the context of legislative requirements and agency practice.
- 3.2 ***Roles and responsibilities of agent in sale of property*** including general disclosure requirements are identified, interpreted and assessed in the context of legislative requirements and agency practice.
- 3.3 ***Restrictions on agents purchasing property*** and sanctions for violations of restrictions are identified, interpreted and complied with in line with legislative requirements and agency practice.
- 3.4 Controls and sanctions on secret commissions are identified in the context of legislative requirements and agency practice.
- 3.5 Entitlements and commissions for agents are identified and calculated in the context of legislative requirements and agency practice.

Required Skills and Knowledge

REQUIRED SKILLS AND KNOWLEDGE

This section describes the essential skills and knowledge and their level, required for this unit.

Required skills:

- ability to communicate with and relate to a range of people from diverse social, economic and cultural backgrounds and with varying physical and mental abilities
- analytical skills to interpret documents such as legislation, regulations, contracts, contract notes, sale authority documents and Certificates of Title
- computing skills to access agency and resource databases, use standard software packages, send and receive emails, access the internet and web pages, and complete and lodge standard documents online
- decision making and problem solving skills to analyse situations and make decisions associated with the sale of property
- literacy skills to access and interpret a variety of texts, including contracts; prepare general information and papers; prepare formal and informal letters, reports and applications; and complete prescribed forms
- negotiation skills required for interacting with sellers and buyers
- numeracy skills to calculate and interpret data, such as deposits, entitlements and commissions
- planning, organising and scheduling skills to undertake work-related tasks, such as preparing correspondence, organising deposits and arranging property inspections

REQUIRED SKILLS AND KNOWLEDGE

- research skills to identify and locate documents and information relating to the sale of property
- risk management skills to identify risks associated with discussing sale and purchase options with sellers and buyers
- self-management skills to organise own work, deliver quality customer service and effectively manage competing demands
- teamwork skills to work effectively in and promote communication between sales, property management and administrative teams in an agency environment
- verbal communication skills required for face-to-face communication with real estate sellers and buyers.

Required knowledge and understanding:

- agent entitlements and commissions
- contract law in the real estate industry, including agent liability for breach of contract and negligence
- ethical and conduct standards relevant to licensed real estate agents and real estate representatives
- key principles of consumer protection and privacy legislation
- key principles and terminology of property law
- legislative limitations on agency practice
- offences and penalties under legislation
- relevant federal, and state or territory legislation and local government regulations relating to:
 - anti-discrimination and equal employment opportunity
 - consumer protection, fair trading and trade practices
 - employment and industrial relations
 - financial services
 - OHS
 - privacy
 - property sales
- risk and risk management strategies
- roles and responsibilities of estate agency personnel in relation to the sale of property
- sales process, including ways of obtaining listings, methods of selling property, strategies for marketing property, and the process for settling the sale of property
- trust funds and legislative controls on trust funds.

Evidence Guide

EVIDENCE GUIDE

The evidence guide provides advice on assessment and must be read in conjunction with the performance criteria, required skills and knowledge, the range statement and the Assessment Guidelines for this Training Package.

Overview of assessment

This unit of competency could be assessed through case studies, demonstrations, practical exercises and targeted written (including alternative formats where necessary) or verbal questioning relating to the legal and ethical requirements of property sales. The case studies, demonstration and questioning would include collecting evidence of the candidate's knowledge and application of ethical standards and relevant federal, and state or territory legislation and regulations. This assessment may be carried out in a simulated or workplace environment.

Critical aspects for assessment and evidence required to demonstrate competency in this unit

A person who demonstrates competency in this unit must be able to provide evidence of:

- ability to communicate effectively and accurately with clients
- application and knowledge of ethical and conduct standards and key principles of consumer protection and privacy in relation to the sale of property
- application and knowledge of the sales process, including ways of obtaining listings, methods of selling property, strategies for marketing property, and the process for settling the sale of property
- application and knowledge of accurately completing statutory and agency sales documentation, including authorities and contracts
- application and knowledge of the legislation and regulatory framework relevant to the sale of property
- application and knowledge of the role and responsibilities of the agent in the sale of property, including the legislative restrictions on agents purchasing property and the controls and sanctions associated with secret commissions.

Context of and specific resources for assessment

Resource implications for assessment include:

- access to suitable simulated or real opportunities and resources to demonstrate competence
- assessment instruments that may include personal planner and assessment record book
- access to a registered provider of assessment services.

Where applicable, physical resources should include equipment modified for people with disabilities. Access must be provided to appropriate learning and/or

assessment support when required.

Assessment processes and techniques must be culturally appropriate, and appropriate to the language and literacy capacity of the candidate and the work being performed. Validity and sufficiency of evidence require that:

- competency will need to be demonstrated over a period of time reflecting the scope of the role and the practical requirements of the workplace
- where the assessment is part of a structured learning experience the evidence collected must relate to a number of performances assessed at different points in time and separated by further learning and practice with a decision of competence only taken at the point when the assessor has complete confidence in the person's competence
- all assessment that is part of a structured learning experience must include a combination of direct, indirect and supplementary evidence
- where assessment is for the purpose of recognition (RCC/RPL), the evidence provided will need to be current and show that it represents competency demonstrated over a period of time
- assessment can be through simulated project-based activity and must include evidence relating to each of the elements in this unit.

In all cases where practical assessment is used it will be combined with targeted questioning to assess the underpinning knowledge. Questioning will be undertaken in such a manner as is appropriate to the language and literacy levels of the candidate and any cultural issues that may affect responses to the questions, and will reflect the requirements of the competency and the work being performed.

Range Statement

RANGE STATEMENT

The range statement relates to the unit of competency as a whole. It allows for different work environments and situations that may affect performance. ***Bold italicised*** wording in the performance criteria is detailed below. Add any essential operating conditions that may be present with training and assessment depending on the work situation, needs of the candidate, accessibility of the item, and local industry and regional contexts.

- Land tenure systems*** may include:
- freehold or fee simple
 - leasehold.
- Legislation*** may include:
- relevant federal, and state or territory legislation and local government regulations relating to:
 - anti-discrimination and equal employment opportunity
 - consumer protection, fair trading and trade practices
 - employment and industrial relations
 - financial services
 - OHS
 - privacy
 - property sales.
- Certificate of Title*** may include:
- a plan of the land
 - details of caveats over the land, such as easements and covenants
 - lot, plan and subdivision
 - names of registered proprietors
 - names of the mortgagees and dates of registration and discharge
 - volume and folio numbers.
- Types of property ownership*** may include:
- company ownership
 - joint tenants
 - sole owner
 - tenants in common.
- Effective communication strategies*** may include:
- active listening
 - being non-judgemental
 - exploring problems
 - expressing an individual perspective
 - providing sufficient time for questions and responses
 - providing summarising and reflective responses in conflict situations

- using appropriate words, behaviour and posture
- using clarifying and summarising questions
- using clear and concise language
- using culturally appropriate communication
- using plain English
- using verbal and non-verbal communication.

- Listings** may include:
- advertising
 - after-sales letters
 - builders and developers
 - callers to the office
 - conjunctions and multiple listings
 - farming
 - open for inspections
 - owner boards and seller advertisements
 - recommendations
 - telemarketing.
- Methods of selling property** may include:
- alternative sales methods, such as set sales
 - auction
 - conjunctional sales
 - private sale or treaty
 - sale by tender
 - vendor sale.
- Sale authority agreements** may include:
- auction authority
 - exclusive sale authority
 - general sale authority
 - sole sale authority.
- Statutory statements required to be prepared by sellers** may include:
- additional vendor's statement
 - vendor's statement
 - statement for the sale of a small business.
- Contractual documents** may include:
- contract note
 - contract of sale of real estate
 - finance statement to buyers
 - prescribed or permitted forms used by agents in property sales
 - release of deposit moneys.
- Roles and responsibilities of agent in sale of property** may include:
- agreement to sell
 - communication
 - completing contract documents
 - ethical and conduct standards
 - general disclosure requirements
 - legal responsibility
 - listing
 - marketing
 - negotiating sale terms and conditions
 - office procedures for presenting the property
 - prospecting
 - providing information to buyer

Restrictions on agents purchasing property may include:

- sale settlement.
- restrictions on licensed real estate agents and real estate representatives
- restrictions on support staff
- restrictions on the spouse or domestic partner, parent, brother, sister or child of licensed real estate agents or real estate representatives.

Unit Sector(s)

Unit sector	Property development, sales and management
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Competency field

Competency field	Real estate
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