



**Australian Government**

**Department of Education, Employment and Workplace Relations**

# **CPPDSM4001A Act as a buyer's agent**

**Release: 1**

## **CPPDSM4001A Act as a buyer's agent**

### **Modification History**

Not Applicable

### **Unit Descriptor**

#### **Unit descriptor**

This unit of competency specifies the outcomes required to act as a buyer's agent and represent buyers in the purchase of properties. It includes establishing buyer requirements, confirming buyer engagement of the agency, sourcing properties that meet buyer requirements, negotiating the purchase of property on behalf of the buyer, monitoring settlement of the sale and maintaining communication with sellers and buyers.

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 who act as buyer's agents and represent buyers in the purchase of properties.

### **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
<b>1 Establish buyer requirements.</b>	<p>1.1 <i>Enquiries</i> from prospective buyers are handled promptly to enable high quality service delivery according to agency requirements.</p> <p>1.2 <i>Appropriate rapport</i> is established with prospective buyer.</p> <p>1.3 <i>Buyer requirements</i> are clarified and accurately assessed using <i>appropriate interpersonal communication techniques</i> and data collection techniques.</p>
<b>2 Confirm engagement of agency by buyer.</b>	<p>2.1 <i>Agency services</i> and <i>fee structure</i> are discussed with buyer in line with agency practice.</p> <p>2.2 Buyer engagement of agency, including agreed services and fees, is confirmed in writing in line with agency practice and legislative requirements.</p>
<b>3 Source properties that meet buyer requirements.</b>	<p>3.1 <i>Information on properties that meet buyer requirements</i> is gathered and organised in a format suitable for analysis and interpretation in line with agency practice.</p> <p>3.2 <i>Reliable methods</i> are used to collect information on properties in line with agency practice.</p> <p>3.3 <i>Relevant people</i> are consulted to gather additional data using appropriate communication techniques.</p> <p>3.4 Information is analysed using reliable and valid methods in line with agency practice.</p> <p>3.5 Assumptions and conclusions are supported by <i>verifiable evidence</i> in line with agency practice.</p> <p>3.6 Situations requiring <i>specialist advice</i> are identified and assistance is sought as required in line with agency practice.</p> <p>3.7 <i>Report</i> on properties that meet buyer requirements is prepared and discussed with client in line with agency practice.</p>
<b>4 Negotiate purchase of property on behalf of buyer.</b>	<p>4.1 <i>Buyer instructions on purchase of property</i> are actioned in line with legislative requirements and agency practice.</p> <p>4.2 Purchase process is managed in a professional manner in line with buyer's instructions, <i>method of sale</i>, agency practice, ethical standards and legislative requirements.</p> <p>4.3 Negotiations are conducted on behalf of buyer in line with buyer instructions, legislative requirements,</p>

<b>ELEMENT</b>	<b>PERFORMANCE CRITERIA</b>
	ethical standards and agency practice.
	4.4 Negotiations are conducted in a professional manner, including showing respect for seller and buyer in line with agency practice, ethical standards and legislative requirements.
	4.5 <i>Effective negotiation techniques</i> are used to persuade and reach agreement with seller.
	4.6 <i>Effective techniques are used for dealing with conflict and breaking deadlocks</i> where required.
	4.7 <i>Effective techniques are used for closing the purchase.</i>
	4.8 Mutually agreed price and conditions of sale are established and confirmed with seller and referred to buyer.
	4.9 Statutory sales documentation is checked for accuracy prior to signing by buyer in line with agency practice.
<b>5 Monitor settlement of sale.</b>	5.1 Settlement process is monitored to ensure compliance with contract details and legislative requirements.
	5.2 Payments to be made by buyer as part of the settlement process are checked for compliance with contract details and legislative requirements.
<b>6 Maintain communication with relevant parties.</b>	6.1 Buyer confidence in agency activities is maintained through ongoing contact and correspondence.
	6.2 Opportunities to promote <i>agency services</i> are implemented in line with 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, sale authorities, reports from professional service providers and contracts
- application of risk management strategies associated with advising buyers on selection of properties

## **REQUIRED SKILLS AND KNOWLEDGE**

- computing skills to access agency databases, send and receive emails and complete standard forms online
- decision making and problem solving skills to analyse situations and make decisions consistent with legislative and ethical requirements
- literacy skills to access and interpret a variety of texts, including legislation, regulations and rules of ethics; prepare general information and papers; prepare formal and informal letters, reports and applications; and complete standard forms
- negotiation skills to reach agreement with sellers and real estate agents acting on behalf of sellers, on the price and conditions of sale of property
- numeracy skills to calculate and interpret data, such as agency fees for the provision of services to buyers
- planning, organising and scheduling skills to undertake work-related tasks, such as inspecting properties
- research skills to identify and locate documents and information relating to property sales.

### **Required knowledge and understanding:**

- consumer protection principles that impact on the sale of property, including:
  - cooling off provisions
  - false representations and misleading conduct in relation to the sale of land
  - impact of consumer protection legislation on contracts
  - insurance provisions
  - penalties and remedies for breaches
  - protection offered for consumers
  - rights and obligations of estate agents
  - secret commissions
- ethical and conduct standards
- general legal principles that impact on property law relating to the sale of property, including:
  - adverse possession
  - contracts
  - easements
  - fee simple and life estates
  - general law system and the Torrens system of title
  - mortgages
  - real and personal property
  - restrictive covenants
  - types of interest in land
- insurance
- methods of sale, including:
  - auction

## REQUIRED SKILLS AND KNOWLEDGE

- off the plan
- private treaty
- reverse auction
- set sale
- specialised properties
- tender
- negotiation techniques
- property inspections
- property sales, including:
  - after-sales procedures
  - agency and statutory documentation
- 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
  - environmental issues
  - financial services
  - franchises and business structure
  - OHS
  - privacy
  - property sales
- risks and risk management strategies
- role and responsibilities of buyer's agents, including:
  - act in client's best interests
  - client authority
  - confidentiality
  - conflict of interest
  - fair trading
  - fiduciary obligations
  - inducements
  - knowledge of legislation
  - licensing
  - obtain best possible purchase price
  - privacy
  - referral of buyer to service providers
  - rights and duties.

## 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 practical demonstration of acting as a buyer's agent and representing buyers in the purchase of properties. Targeted written (including alternative formats where necessary) or verbal questioning to assess the candidate's underpinning knowledge would provide additional supporting evidence of competence. The 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:

- confirming buyer engagement of the agency in line with agency practice, ethical standards and legislative requirements
- establishing buyer requirements in line with agency practice, ethical standards and legislative requirements
- knowledge of agency practice, ethical standards and legislative requirements affecting the sale or purchase of properties
- maintaining communication with sellers and buyers
- monitoring settlement of the sale in line with agency practice, ethical standards and legislative requirements
- negotiating the purchase of property on behalf of the buyer in line with agency practice, ethical standards and legislative requirements
- sourcing properties that meet buyer requirements in line with agency practice, ethical standards and legislative requirements.

#### 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.

- Enquiries*** from buyers may be received through:
- email
  - inspections
  - office
  - open houses
  - referral
  - telephone
  - website.
- Appropriate rapport*** relates to use of techniques that:
- establish and build confidence and trust in the agency and its representatives
  - make the buyer feel valued
  - promote and maintain an effective relationship with the buyer.
- Buyer requirements*** may include:
- access to transport and facilities
  - finance
  - location
  - price
  - purpose of purchase, including:
    - business
    - holiday
    - investment
    - private residence
  - settlement period
  - size of property
  - style of property.
- Appropriate interpersonal communication techniques*** may include:
- active listening
  - providing an opportunity for sellers or buyers to clarify their understanding of the sales process
  - soft questioning and seeking feedback from sellers or buyers to confirm own understanding of their needs and expectations
  - summarising and paraphrasing to check understanding of seller or buyer message

- Agency services** may include:
- using appropriate body language.
  - auction bidding
  - identifying client requirements
  - monitoring settlement
  - negotiating purchase
  - property search and selection.
- Fee structure** may include:
- engagement fee
  - standard fee for particular services, such as bidding at auction
  - variable fee, such as percentage of purchase price.
- Information on properties that meet buyer requirements** may be obtained from:
- advertisements
  - business brokers
  - licensed real estate agents
  - property developers
  - private listings
  - professional and business networks
  - property websites
  - stock and station agents.
- Reliable methods** may include:
- checklists
  - cost data analysis
  - expert and peer review
  - interviews
  - observation
  - property inspection
  - questionnaires
  - reports
  - review of quality assurance data
  - search of local government records.
- Relevant people** may include:
- architects
  - building consultants
  - clients
  - colleagues
  - consumers
  - government officials
  - industry professionals and members of industry associations
  - legal representatives
  - licensed real estate agents
  - planners
  - professional service providers
  - property developers
  - supervisors

- Verifiable evidence** may include:
- tradespeople.
  - guarantees for work performed
  - inspection checklists, records and notes
  - plans and specifications
  - property reports
  - qualitative and quantitative data
  - sales figures
  - visual assessment of the physical and aesthetic aspects of the property.
- Specialist advice** may include:
- architects
  - bankers and financiers
  - builders
  - government officials
  - industry professionals and members of industry associations
  - investment consultants
  - planners
  - real estate agents
  - solicitors
  - subcontractors
  - supervisors and colleagues
  - technical experts
  - valuers.
- Reports** may be:
- verbal
  - written.
- Buyer instructions on purchase of property** may include:
- contracts
  - deposits
  - fixtures and fittings
  - price range
  - property characteristics
  - settlement period
  - special conditions
  - statutory documentation.
- Method of sale** may include:
- auction
  - off the plan
  - private treaty
  - reverse auction
  - set sale
  - specialised properties
  - tender.
- Effective negotiation**
- analytical skills
  - listening techniques

*techniques* may include:

- non-verbal communication skills
- personal attributes
- presentation techniques
- questioning techniques
- speaking skills.

*Effective techniques for dealing with conflict and breaking deadlocks* may include:

- calling in a third party
- clarifying the positions of both parties
- deferring the decision
- preparing a compromise
- restating the position
- summarising the progress to date.

*Effective techniques for closing the purchase* may include:

- alternate option close
- assumption close
- competition close
- customer close
- deal or concession close
- direct close
- indirect close
- summary-of-benefits close
- time-driven close.

*Agency services* may include:

- property development
- property management
- property sales.

## **Unit Sector(s)**

**Unit sector**

Property development, sales and management

## **Competency field**

**Competency field**

Real estate