



Australian Government

CPPDSM6002 Conduct property investment feasibility study

Release: 1

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Modification History

Release 1 This version first released with CPP Property Services Training Package Release 15.0.

Supersedes and is equivalent to CPPDSM6002A Conduct a property investment feasibility study. Minor change to unit title. Unit updated to meet the Standards for Training Packages 2012.

Application

This unit of competency specifies the skills and knowledge required to assess property investment feasibility. It includes establishing study requirements, conducting research, analysing comparative market data, formulating investment scenarios, and documenting findings and conclusions.

This unit is for individuals who use their broad theoretical and technical skills and knowledge to analyse information, provide advice and devise solutions to sometimes complex problems in compliance with regulatory requirements for the provision of property services.

Legislative, regulatory or certification requirements apply to work in property services in some states and territories. For further information, check with the relevant regulatory authority.

Pre-requisite Unit

Nil.

Unit Sector

Strata Community Management.

Elements and Performance Criteria

Elements describe the essential outcomes.

Performance criteria describe what needs to be done to demonstrate achievement of the element.

1 Establish study requirements.

1.1 Establish aims and objectives of property investment feasibility study according to client and workplace requirements.

1.2 Negotiate and agree study objectives and timelines in consultation with relevant persons.

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| | 1.3 | Gather and review relevant information to identify regulatory compliance and other critical requirements of the study. |
| | 1.4 | Conduct initial comparisons with similar properties to allow effective comparison with client expectations. |
| | 1.5 | Identify situations requiring specialist advice and seek support as required according to workplace requirements. |
| 2 | Conduct research to access relevant information. | |
| | 2.1 | Use technologies to conduct research and access information relevant to study according to workplace requirements. |
| | 2.2 | Access market information and evaluate its validity, reliability and relevance according to identified analysis requirements. |
| | 2.3 | Consult with relevant persons to gather additional information to support study. |
| | 2.4 | Conduct environmental scan to identify and assess factors that may impact study. |
| | 2.5 | Document research findings in a format suitable for analysis according to workplace requirements. |
| 3 | Analyse investment information. | |
| | 3.1 | Undertake quantitative and qualitative analysis of comparative market data using standard financial analysis techniques. |
| | 3.2 | Identify and evaluate relevant economic trends and market developments to determine potential implications and impact on study objectives. |
| | 3.3 | Identify and analyse factors increasing or diminishing investment risk and discuss findings with client. |
| | 3.4 | Apply sound reasoning to analysis findings to ensure interpretations and decisions are supported by rationale. |
| 4 | Formulate investment scenarios. | |
| | 4.1 | Develop alternative investment scenarios to meet study requirements. |

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| | 4.2 | Use consultative processes to obtain relevant expertise to support formulation of investment scenarios. |
| | 4.3 | Verify investment scenarios against prescribed criteria and analyse to minimise subjective assessment. |
| | 4.4 | Perform sensitive analysis on data to identify degree of convergence within identified industry and market benchmarks. |
| | 4.5 | Identify property trends and market conditions and evaluate against study requirements. |
| 5 | Finalise property investment feasibility study. | |
| | 5.1 | Prepare comprehensive property investment feasibility study in an appropriate format, style and structure according to client and workplace requirements. |
| | 5.2 | Distribute study to relevant persons within agreed timeframes according to workplace requirements. |
| | 5.3 | Document conclusions that are verifiable, current and sufficiently detailed to meet identified client and workplace requirements. |
| | 5.4 | Securely maintain investment feasibility study and related documentation according to regulatory and workplace requirements. |

Foundation Skills

Foundation skills essential to performance are explicit in the performance criteria of this unit of competency.

Unit Mapping Information

Supersedes and is equivalent to CPPDSM6002A Conduct a property investment feasibility study.

Links

Companion volumes to this training package are available at the VETNet website - <https://vetnet.gov.au/Pages/TrainingDocs.aspx?q=6f3f9672-30e8-4835-b348-205dfcf13d9b>

Assessment Requirements for CPPDSM6002 Conduct property investment feasibility study

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Performance Evidence

To demonstrate competency, a candidate must meet the elements and performance criteria of this unit by conducting two property investment feasibility studies.

Knowledge Evidence

To be competent in this unit, a candidate must demonstrate knowledge of:

- alternative property uses
- analysis methods and techniques:
 - computer modelling
 - examination of cash flows and other financial projections
 - examination of collected data
 - quantitative and qualitative analysis
 - probability analysis
 - time series recognition
- compliance requirements of legislation, regulations, codes and standards relevant to conducting property investment feasibility studies:
 - anti-discrimination
 - building control legislation
 - consumer protection
 - environmental protection
 - financial probity
 - franchise and business structures
 - National Construction Code (NCC) and relevant Australian Standards
 - privacy
 - property sales, leasing and management
 - work health and safety (WHS)

- factors that might increase or diminish property investment risk:
 - constraints on use
 - existing land use and ownership
 - government zoning and restrictions
 - project financing
 - staging of investment or development
 - structure of leases
 - type and number of tenants
- project assessment methods
- risks associated with property investment:
 - asset allocation and investment spread
 - borrowing
 - gearing
 - economics
 - lifestyle choices
 - market and property sector risks: fluctuations in the economic cycle, interest rates and stock market
 - client return expectations
 - volatility of income and capital
- sources of industry and market information related to property investment
- types of property markets
- value management associated with property investment
- workplace requirements for conducting property investment feasibility studies:
 - client service
 - documentation and reporting
 - work role boundaries - responsibilities, limitations and professional abilities.

Assessment Conditions

Assessors must meet the requirements for assessors contained in the Standards for Registered Training Organisations.

Assessment must be conducted in the workplace or a simulated workplace using realistic conditions, materials, activities, responsibilities, procedures, safety requirements and environmental considerations.

Candidates must have access to documentation, information and technologies required to achieve the performance criteria and performance evidence.

Links

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