



Australian Government

CPPREP4002 Access and interpret ethical practice in real estate

Release: 1

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Modification History

Release 1 This version first released with CPP Property Services Training Package Release 8.0.

Supersedes but is not equivalent to CPPDSM4007A Identify legal and ethical requirements of property management to complete agency work, CPPDSM4008A Identify legal and ethical requirements of property sales to complete agency work, CPPDSM4015B Minimise agency and consumer risk and CPPDSM4057 Monitor a safe workplace in the property industry.

Merged to reduce duplication. Updated to the Standards for Training Packages.

Application

This unit specifies the skills and knowledge required to work ethically in real estate.

It includes expressing a thorough understanding of ethical standards in real estate.

This unit supports real estate professionals in reducing financial and reputational risks, in meeting consumer protection standards, and in dealing responsibly with ethical breaches and challenges.

This unit applies to people currently working in or seeking to work in real estate.

State or territory licensing requirements may apply to this unit.

Pre-requisite Unit

Nil

Unit Sector

Real estate

Elements and Performance Criteria

Elements describe the essential outcomes.

Performance criteria describe the performance needed to demonstrate achievement of the element.

1 Analyse ethical practice in real estate.

1.1 Research and examine the foundation for ethical practice applicable to real estate and its relationship to ethical behaviour.

1.2 Explain ethical consideration in personal

		decision-making.
	1.3	Analyse and examine statutory and industry standards, codes of practice or codes of conduct in relation to ethical practice in real estate.
2	Interpret consumer protection requirements in real estate.	2.1 Access, read and interpret consumer protection requirements in real estate to identify risks. • risks to consumer • risk to agency • risk to industry • personal risk. 2.2 Explain the impact of fraudulent activities on consumer and agency.
3	Source and review ethical practices in real estate.	3.1 Source and review statutory and industry standards and codes of practice or codes of conduct for ethical practice in real estate. 3.2 Describe ethical practice standards for privacy, confidentiality and security of customer information. 3.3 Review and explain ethical standards for: • privacy, confidentiality and security of customer information • disclosure of material facts, conflict of interest and referrals • price guide recommendations. 3.4 Describe communication strategies for clear representations of consumer rights and responsibilities, and complaints resolution processes. 3.5 Demonstrate appropriate communication strategies for ethical practice in relationships with customers, clients and external agencies.
4	Examine strategies to resolve concerns	4.1 Research and record sources of specialist advice about ethical practice in real estate. 4.2 Explain strategies to respond to concerns about discrepancies between personal or agency practice and

real estate ethical practice standards.

Foundation Skills

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

Unit Mapping Information

Supersedes but is not equivalent to:

- CPPDSM4007A Identify legal and ethical requirements of property management to complete agency work
- CPPDSM4008A Identify legal and ethical requirements of property sales to complete agency work
- CPPDSM4015B Minimise agency and consumer risk
- CPPDSM4057 Monitor a safe workplace in the property industry.

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 CPPREP4002 Access and interpret ethical practice in real estate

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Performance Evidence

To demonstrate competency in this unit, a person must access a published real estate industry prosecution where consumer protection requirements were breached and develop a report that includes:

- a description of the unethical practice
- an explanation of how the unethical practice relates to consumer protection requirements
- an explanation of real estate ethical standards and codes of conduct or codes of practice related to the prosecution, including those that could have been applied and would demonstrate ethical practice
- options available to respond to a discrepancy between unethical practice and ethical practice standards including sources of specialist advice.

In doing this, the person must meet the performance criteria for this unit.

Knowledge Evidence

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

- principles of ethical practice and their application in real estate:
 - client protection
 - client focus
 - fairness
 - honesty
 - respect
 - clear communication
 - professional courtesy
 - confidentiality, security of information and privacy

- risks to clients, agency, industry, community and self, arising from real estate transactions and fraudulent activities
- legislation relevant to real estate agent practices and consumer protection in the state or territory:
 - real estate agents and licensing
 - property sales and management
 - privacy
 - fair trading and consumer protection
 - discrimination
 - work health and safety/occupational health and safety
 - environmental (sustainability)
 - employment and industrial relations
 - foreign investment
 - secret commissions
- codes and standards for ethical practice in real estate
- penalties for breaches of codes and standards for ethical practice in real estate
- ethical practice in real estate:
 - maintaining and developing industry qualifications, licences, competency and currency
 - maintaining knowledge of relevant legislation and truly demonstrating this knowledge in real estate activities and transactions
 - complying with fiduciary duty and obligations
 - acting with honesty, fairness and professionalism
 - exercising skill, care and diligence
 - acting in the best interest of clients
 - following principal's instructions unless unlawful
 - maintaining confidentiality and security of information
 - obtaining and acting according to client authority and instructions
 - maintaining independence and disclosing and managing potential conflicts of interest
 - disclosing real and potential conflicts of interest, including disclosing material particulars or material facts, beneficial interests, commission, rebates
 - making sure advertising and communications are not false or misleading
 - using clear communication in all dealings with all parties to the real estate transaction, including providing written documents and signed documents
- behaviours considered unethical
- strategies to respond to concerns and discrepancies between personal or agency practice and real estate standards for ethical practice
- role of procedures, forms and documents in managing risk of unethical practice
- sources of advice about ethical practices:
 - industry bodies
 - regulators
 - technical experts

- communication strategies for responding to client complaints.

Assessment Conditions

Assessors must satisfy the requirements for assessors listed in the Standards for Registered Training Organisations.

Assessment must be conducted in the workplace or in a simulated workplace environment.

Assessors are responsible for ensuring that the person demonstrating competency has access to:

- case notes and details of prosecutions within real estate relating to unethical practices and breaches of consumer protection standards
- real estate, fair trading and consumer protection legislation in the state or territory of operation, including offences and penalties
- statutory and industry standards for ethical practice in real estate, including codes of conduct or codes of practice
- sample industry standard forms and documents that support ethical practice in real estate transactions.

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