



Australian Government

CPPREP4235 End commercial property lease

Release: 1

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Modification History

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

New unit of competency.

Application

This unit specifies the skills and knowledge required to end a commercial property lease.

It includes analysing lease documentation to clarify the circumstances of termination and obligations of lessors and lessees, and monitoring and negotiating termination processes including make good, handover and financial settlement.

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 what needs to be done to demonstrate achievement of the element.
1. Respond to request to terminate commercial property lease.	1.1 Receive request to end lease and clarify circumstances requiring termination. 1.2 Analyse lease documentation to verify conditions of termination and confirm lessor and lessee responsibilities. 1.3 Clarify make-good obligations and property handover requirements. 1.4 Inform lessor and lessee of termination request according to agency requirements. 1.5 Document request to terminate lease according to legislative requirements. 1.6 Seek specialist advice as required to clarify contractual

	obligations and inform lessor and lessee.
2. Implement and monitor processes to terminate commercial property lease.	2.1 Notify lessor and lessee of responsibilities and obligations associated with lease termination. 2.2 Consult with lessee to monitor satisfactory completion of make-good requirements. 2.3 Conduct and document property inspection to verify outgoing property condition according to terms and conditions of lease. 2.4 Facilitate financial settlement according to terms and conditions of lease. 2.5 Record financial transactions according to legislative requirements.
3. Finalise termination of commercial property lease.	3.1 Organise and monitor property handover procedure to lessor satisfaction. 3.2 Negotiate with lessor and lessee to resolve areas of conflict. 3.3 Identify breach of lease terms and conditions, and implement actions required for resolution according to agency requirements. 3.4 Complete and secure end of lease documentation according to legislative requirements.

Foundation Skills

This section describes the language, literacy, numeracy and employment skills essential to performance in this unit but not explicit in the performance criteria:

- writing skills to record observations during property inspections
- reading skills to interpret lease documents that may include legal terminology
- speaking skills to negotiate and resolve conflict
- numeracy skills to calculate financial payments for lease settlement
- problem-solving skills to recognise breaches of lease and apply specific lease clauses to circumstances of termination.

Unit Mapping Information

No equivalent unit.

New unit of competency.

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 CPPREP4235 End commercial property lease

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Performance Evidence

To demonstrate competency in this unit, a person must document and action a plan for the termination of commercial leases in two of the following circumstances:

- expiry of term of lease
- frustration of lease
- breach of lease
- surrender of lease.

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:

- legislation and regulations governing termination of commercial property leases
- required documentation to be completed and maintained when ending commercial property leases
- assignment and sub-leasing procedures
- circumstances that may lead to termination of a commercial lease:
 - breach of lease
 - frustration of lease
 - expiry of term of lease
 - surrender of lease
- fit-out, repair and make-good obligations
- lease breach or default notification procedures and consequences
- methods and considerations for financial settlement when terminating leases for commercial property:
 - arrears recovery
 - cash settlement in lieu of make-good
 - payment of monies owed
 - return of bond

- ethical standards, regulatory requirements and role of real estate agents in terminating commercial property leases.
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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:

- materials and equipment meeting the operational requirements for a real estate agency:
- policies, procedures and documentation relating to ending commercial property leases
- legislation in the state or territory of operation relating to ending commercial property leases
- equipment, communication and data access and storage technology required to prepare documentation and maintain records for the termination of commercial property leases
- lessees, lessors and information to support the termination of commercial property leases.

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