



Australian Government

Department of Education, Employment and Workplace Relations

CPPDSM4021A Sell and finalise sale of rural property by private treaty

Release: 1

CPPDSM4021A Sell and finalise sale of rural property by private treaty

Modification History

Not Applicable

Unit Descriptor

Unit descriptor

This unit of competency specifies the outcomes required to sell rural property by private treaty and manage the contract for sale to settlement. It includes qualifying buyers, arranging for potential buyers to inspect listed properties, delivering effective sales presentations, submitting offers, negotiating property sales with sellers and buyers, and maintaining communication with sellers and prospective buyers. It also includes monitoring the lodgement of documents for the correct transfer of ownership required for a legal sale of rural property and preparing documentation for agency disbursements. The unit does not include the sale of rural property by auction.

The unit may form part of the licensing requirements for persons engaged in stock and station agency 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 stock and station agents and stock and station representatives or certificate holders involved in selling rural property using general property sales procedures and techniques and managing the sale process to settlement.

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 Qualify buyer.

- 1.1 *Enquiries from potential buyers* regarding purchase of **rural property** are handled promptly to enable high quality service delivery according to agency requirements.
- 1.2 *Appropriate rapport* is established with potential buyer.
- 1.3 *Buyer requirements* are clarified and accurately assessed using **appropriate interpersonal communication techniques**.
- 1.4 *Factors likely to influence purchase of rural properties* are identified and used to confirm buyer's intentions.
- 1.5 Potential buyers are provided with information about available and prospective listings and assisted to find the listing that best matches their requirements.
- 1.6 Potential buyers are assisted in making a decision to view properties using information obtained from sellers and buyers.
- 1.7 Qualified prospects are recorded to maximise future marketing activities.

2 Arrange property inspection for potential buyer.

- 2.1 Appointments are made for property inspections in line with agency practice, ethical standards and **legislative requirements**.
- 2.2 Preparations are made for property inspection in line with agency practice.
- 2.3 **Promotional material** on the property is used to describe main sales features of property.
- 2.4 **Effective questioning techniques** are used to clarify buyer interest in property.
- 2.5 **Records of inspection** are accurately completed in line with agency practice.

3 Maintain communication with seller.

- 3.1 Seller confidence in agency marketing activities is maintained through ongoing contact and correspondence.
- 3.2 Communication is diarised to provide an accurate and objective record of progress reports to seller.

4 Deliver effective sales presentation.

- 4.1 *Factors affecting the successful conclusion of the sale* are identified and addressed in the sales presentation.
- 4.2 **Key decision makers** are identified to ensure that their needs and concerns are met in sales presentation.

ELEMENT**PERFORMANCE CRITERIA**

- 4.3 Main features of rural property are matched to buyer's stated needs and motivations.
- 4.4 Relevant legal and financial information is used to support sales presentation.
- 4.5 Effective communication and **presentation** skills are used to create buyer interest and focus buyer attention on property.
- 4.6 Buyer is given time and space to evaluate rural property while time is used to maximum advantage to promote property.
- 4.7 Buyer is encouraged to clarify key aspects of property before a decision is made to purchase property.
- 4.8 Buyer questions are answered fully and honestly.
- 4.9 Details of offer to purchase property submitted by buyer are confirmed and documented.
- 5 **Submit offer and negotiate property sale.**
 - 5.1 Offer from buyer is submitted to seller in line with agency practice, ethical standards and legislative requirements.
 - 5.2 Professional agency advice is provided to seller that incorporates declared knowledge of buyer's motivations.
 - 5.3 Negotiations are conducted with buyer according to seller response in a professional manner and showing respect for seller and buyer in line with agency practice, ethical standards and legislative requirements.
 - 5.4 **Effective negotiation techniques** are used to persuade and reach agreement between seller and buyer.
 - 5.5 Alternative offers are discussed and their viability assessed.
 - 5.6 **Effective techniques are used for dealing with conflict and breaking deadlocks** where required.
 - 5.7 **Effective techniques are used for closing sale.**
 - 5.8 Mutually agreed price and conditions of sale are established and confirmed with seller and buyer in writing in line with agency practice.
 - 5.9 Relevant **sale of property documentation** is explained to seller and buyer in line with agency and statutory requirements for finalisation of property transaction.
 - 5.10 Documented agreed price and conditions of sale are made accessible that provide an accurate record of agreement and meet agency and statutory requirements

ELEMENT**PERFORMANCE CRITERIA**

for finalisation of property transaction.

6 Manage contract to settlement.

- 6.1 **Settlement requirements** are identified and checked with relevant parties to minimise misunderstanding or breaches of contract in line with agency practice and legislative requirements.
- 6.2 Requests from buyer to inspect rural property prior to settlement are facilitated in line with agency practice and legislative requirements.
- 6.3 Information on buyer and seller responsibilities with regard to building and content insurance prior to settlement is provided in line with agency practice and legislative requirements.
- 6.4 Procedures for the holding and release of **deposit funds** during the settlement period are implemented in line with agency policy and legislative requirements.
- 6.5 Settlement within the contract's legal framework is ensured by liaison with **settlement agents and other assisting professionals** representing the seller and buyer.
- 6.6 Contingency plans are prepared in consultation with relevant legal agents to avoid the possibility of one or more parties to the transaction being unable to fulfil contractual obligations.
- 6.7 Appropriate procedures are implemented if one or more parties to the transaction are unable to fulfil contractual obligations.
- 6.8 Effective communication techniques are used in liaising with seller, buyer or other parties representing the seller and buyer through the settlement process.
- 6.9 Progress of settlement agents and other assisting professionals is monitored in line with agency practice.

7 Prepare documentation for agency disbursements.

- 7.1 Settlement financial transactions are checked for accuracy against contractual documentation.
- 7.2 Agency fees are calculated and safeguarded during disbursement activities.
- 7.3 Authorised agency disbursements are obtained within contractual, agency and statutory requirements.
- 7.4 Financial systems are updated to reflect authorised transactions.
- 7.5 Due and proper attention is paid to obtaining required authorisations, signatures and identifications prior to disbursement.

ELEMENT	PERFORMANCE CRITERIA
8 Decide on future contact with prospects.	8.1 Nature of future contact with prospects is assessed in light of likely future agency-client interaction. 8.2 Business correspondence records are held on file to provide justification for the continuation or termination of contact, and are communicated without prejudice to the parties involved.
9 Maintain client relationships.	9.1 Business relationships are established and maintained by mutual evaluation of seller and buyer satisfaction with services provided. 9.2 Business records and databases are updated to facilitate networking and inform marketing strategy planning.

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 people from a range of social, economic and cultural backgrounds and with varying physical and mental abilities on matters associated with sale of rural property
- analytical skills to interpret documents such as contracts, legislation and regulations
- application of risk management strategies associated with the sale of rural property
- 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 associated with sale of rural property
- literacy skills to access and interpret a variety of texts, including legislation, regulations and contracts; prepare general information, papers, formal and informal letters, reports and applications; and complete standard and statutory forms
- negotiation skills to assist sellers and buyers to reach agreement on price and conditions of sale of rural property
- numeracy skills to perform calculations associated with rural property sales
- planning, organising and scheduling skills to make appointments with sellers and buyers in the process of selling rural property

REQUIRED SKILLS AND KNOWLEDGE

- research skills to identify and source documents and information related to sale of rural property.

Required knowledge and understanding:

- agency disbursements, including:
 - authorisations, signatures and identifications that must be obtained prior to disbursement
 - calculation and protection of agency fees during disbursement activities
 - documentation for agency disbursements
 - financial transactions that take place at settlement
- consumer protection principles that impact on the sale of rural property, including:
 - cooling off provisions
 - false representation 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 agents
 - secret commissions
- contracts for sale of rural property, including:
 - chattels and fixtures
 - contract inclusions, such as pasturing of livestock, clearing of timber, verification of equipment specifications, irrigation equipment, trailers, pipes, machinery, fencing materials and electric fencing components
 - contract requirements for special circumstances, such as providing finance
 - defects in property
 - defects in title
 - affect of acceptance of title
 - implied matters
 - prescribed or permitted forms
 - requisitions on title
 - special conditions, such as insurance, natural increases, timber, crops, water licences, permissive occupancy, possession prior to completion or depasturing
- deposit funds, including:
 - capacity in which an agent holds deposit moneys
 - circumstances in which deposit moneys may be released by the agent to the seller
 - procedures an agent must follow when receiving deposit funds from a buyer
- ethical and conduct standards
- general legal principles that affect property law relating to the sale of rural

REQUIRED SKILLS AND KNOWLEDGE

property, including:

- adverse possession
- contracts
- easements
- fee simple and life estates
- mortgages
- real and personal property
- restrictive covenants
- the general law system and the Torrens system of title
- types of interest in land
- insurance
- marketing aids
- methods of sale, such as:
 - auction
 - off the plan
 - private treaty
 - reverse auction
 - specialised properties
 - tender
- negotiation techniques
- property inspections
- property knowledge, including:
 - cropping properties: yields, seasons, types of crops, soils, facilities such as grain storage and transport, diseases and rotational cropping
 - dairies: quotas, breeds, lactation, dairy layout and equipment and conversion factors, such as dairy set up, herd, access and distance to market
 - general: local market conditions, trends in sector and industry, land titles, geophysical and topographical characteristics, carrying capacity and local land characteristics
 - grazing properties: dry sheep equivalent (DSE)/carrying capacity, pastures, soil types and breeds
 - irrigated properties: water licence availability, soil types, topography and types of reticulation, such as flood, drip, direct or row cropping
 - water
- qualifying buyers
- relevant federal and state or territory legislation and local government regulations related to:
 - animal health
 - anti-discrimination

REQUIRED SKILLS AND KNOWLEDGE

- aquaculture
- consumer protection
- crown land
- environmental issues
- equal employment opportunity (EEO)
- financial probity
- franchises and business structure
- industrial relations
- livestock
- native title
- OHS
- privacy
- rural property sales, leasing and management
- taxation
- water rights
- rural property sales, including:
 - after sales procedures
 - agency and statutory documentation
- sales presentation
- settlement, including:
 - buyer's rights to inspect property prior to settlement
 - contingencies that may emerge prior to settlement and actions that can be taken to avoid one or more parties being unable to fulfil contractual obligations
 - forms prepared at settlement
 - procedures for handling possible deterioration of stock, chattels and property if the sale fails to complete
 - procedure for settling the sale of property
 - responsibilities of sellers and buyers
 - responsibility of sellers and buyers with regard to building and content insurance prior to settlement
 - rights of sellers and buyers if either party is unable to settle on due date
- techniques for identifying needs and motivations of buyers
- trust accounting.

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 selling different types of rural property, monitoring the lodgement of documents for the correct transfer of ownership required for a legal sale of rural property, and preparing documentation for agency disbursements. 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:

- arranging and conducting property inspections for potential buyers
- completing standard and statutory documentation associated with the sale of rural property
- knowledge and application of approaches for qualifying buyers
- knowledge of agency practice, ethical standards and legislative requirements affecting the sale of rural property, the transfer of ownership required for the legal sale of rural property and agency disbursements
- knowledge of consumer protection principles that affect the sale of rural property
- maintaining business records associated with the sale of property
- maintaining communications with sellers and buyers throughout the sales process
- negotiating the sale of property with sellers and buyers
- planning and delivering effective sales presentations to facilitate sale of rural property
- managing contracts for sale of rural property to settlement
- monitoring the lodgement of documents for the correct transfer of ownership required for a legal sale of all types of rural property and businesses
- preparing documentation for agency disbursements.

Context of and specific resources for assessment

Resource implications for assessment include:

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

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 potential buyers may be received through:

- email
- inspections
- office
- open houses
- referral
- telephone
- website.

Rural property may include:

- commercial
- farm, including:
 - acreage
 - aquaculture
 - cropping
 - dairy
 - grazing
 - hobby farm
 - horticulture
 - mixed uses
 - olive
 - orchard
 - trees and forests
 - viticulture
- industrial
- residential
- retail
- water.

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 buyer.

Buyer requirements may

- access to transport and facilities

include:

- access to suppliers and markets
- finance
- location
- price
- purpose of purchase, including:
 - business
 - farming activities
 - holiday
 - investment
 - private residence
 - water
- settlement period
- size and style of property
- zoning.

Appropriate interpersonal communication techniques
may include:

- active listening
- providing an opportunity for the buyer or seller to clarify 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's message
- using appropriate body language.

Factors likely to influence purchase of rural properties
may include:

- climatic
- economic
- historical
- political
- seasonal
- technological.

Legislative requirements
may include:

- relevant federal and state or territory legislation and local government regulations related to:
 - animal health
 - anti-discrimination
 - aquaculture
 - consumer protection
 - crown land
 - environmental issues
 - EEO
 - financial probity
 - franchises and business structure
 - industrial relations

- livestock
- native title
- OHS
- privacy
- rural property sales
- taxation
- water rights.

Promotional material may include:

- agent and agency profile
- brochures and pamphlets
- posters
- property descriptions
- web page entry.

Effective questioning techniques may include:

- active listening
- clarity of questions
- different question types
- reflection
- using silences.

Records of inspection may include:

- buyer reaction to property
- buyer requirements
- name and contact details of potential buyers.

Factors affecting the successful conclusion of the sale may include:

- area and environment in which the property is located
- availability of comparable properties
- circumstances of buyer or seller
- marketing preferences of seller
- professional skills and resources of agent
- state of the market for type of property
- type and condition of property.

Key decision makers may include:

- buyer's agent
- business associates
- executors
- family members
- financiers
- friends of buyer
- providers of professional advice, such as:
 - accountants
 - building advisers
 - financial advisers
 - legal representatives
 - rural property advisers
- spouse or partner
- trustees.

Presentation may include:

- active listening
- appearance
- body language
- use of information technology, such as website, virtual tours and online databases
- use of support and promotional materials
- voice.

Effective negotiation techniques may include:

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

Effective techniques used 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 used for closing sale 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.

Sale of property documentation may include:

- agency agreement
- contract of sale, contract note or contract for the sale of businesses
- contract inclusions, such as pasturing of livestock, clearing of timber and verification of equipment specifications
- declaration of selling agent
- financial statement to buyer
- receipt for deposit
- special conditions, including insurance, natural increases, timber, crops, water licences, permissive occupancy, possession prior to completion and depasturing

- Settlement requirements** may include:
- vendor's statement and trading statement.
 - buyer settlement responsibilities include:
 - anything new the lender requires, such as a notice of acquisition or a disbursement order
 - bank cheques for the balance of purchase money plus or minus adjustments
 - seller settlement responsibilities include:
 - any other documents necessary to provide a clear title to the buyer, such as discharge of mortgage, withdrawal of caveats and change of name declaration
 - disconnection of services, such as water, gas, electricity and telephone
 - keys
 - notify rating and taxation authorities of sale
 - title
 - transfer of land
 - value of land and chattels.
- Deposit funds** may refer to:
- capacity of agent to hold
 - capacity of agent to release to seller.
- Settlement agents and other assisting professionals** may include:
- accountants
 - conveyancers
 - financiers and financial institutions
 - landlords, managing agents and owners
 - legal advisers
 - licensed settlement agents.

Unit Sector(s)

Unit sector Property development, sales and management

Competency field

Competency field Stock and station agency