



Australian Government

Department of Education, Employment and Workplace Relations

CPPDSM4064A Participate in research of property investment

Release: 1

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Modification History

Not Applicable

Unit Descriptor

Unit descriptor

This unit of competency specifies the outcomes required to research and provide advice on a current or proposed property investment. It requires the ability to determine client requirements and collect and analyse appropriate data from a range of sources.

The unit may form part of the licensing requirements for persons working in the property industry, including in the real estate, business broking, stock and station agency and property operations and development sectors, 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 those involved in researching and providing advice on current or proposed property investments.

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

- | | |
|---|---|
| <p>1 Determine client requirements.</p> | <p>1.1 Consultative processes are used to verify client expectations and objectives according to organisational requirements.</p> <p>1.2 Valid and relevant information is obtained to determine the complexity of client needs according to organisational requirements.</p> <p>1.3 Client investment history is analysed to determine client profile according to legislative requirements.</p> <p>1.4 Specialised resources and sources of property market information are identified and accessed according to organisational requirements.</p> |
| <p>2 Access property market information.</p> | <p>2.1 Property market information is gathered and organised in a format suitable for analysis and interpretation.</p> <p>2.2 Reliable methods for gathering information are used according to organisational requirements, making efficient use of time and resources.</p> <p>2.3 Appropriate communication techniques are used to access relevant information from individuals and groups.</p> <p>2.4 Comparative market data is documented and categorised to enable valid comparisons to be made against industry benchmarks.</p> <p>2.5 Discrepancies in data are identified by obtaining and comparing data from a variety of sources.</p> |
| <p>3 Interpret trends and market developments.</p> | <p>3.1 Relevant industry benchmarks are identified and used in providing clients with information on property market.</p> <p>3.2 Property trends and market conditions are identified and evaluated against industry benchmarks to determine risk.</p> <p>3.3 Analysis is undertaken of comparative market data using standard industry analysis techniques.</p> <p>3.4 Factors increasing or diminishing investment risk are identified, analysed and discussed with the client.</p> <p>3.5 Limitations in evaluating market information are identified and specialist advice is sought as required according to organisational requirements.</p> |
| <p>4 Make recommendations.</p> | <p>4.1 Property investment research and options are documented and distributed according to organisational requirements.</p> <p>4.2 Recommendations are made that are verifiable, current</p> |

ELEMENT**PERFORMANCE CRITERIA**

and sufficiently detailed to meet client, organisational and legislative requirements.

4.3 ***Business equipment and technology*** are used to complete and process client and market information according to applicable OHS and organisational requirements.

4.4 Information is securely maintained with due regard to client confidentiality, and legislative and organisational requirements.

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:

- analytical skills to apply basic statistical research methods and techniques
- computing skills to access the internet and web pages, prepare and complete online forms, lodge electronic documents and search online databases
- interpersonal skills to relate to people from a range of social, cultural and ethnic backgrounds and varying physical and mental abilities and to liaise with property investment stakeholders
- organisational skills to maintain records and databases, use organisational filing systems, organise and prepare property investment submissions and propose models for property investment
- problem solving skills to anticipate factors that may affect property markets
- research skills to identify relevant sources of information and to source, analyse and interpret property and market information
- technology skills to use financial and assessment software and spreadsheets efficiently and to access market information.

Required knowledge and understanding:

- building and construction methods
- concepts and strategies for placement of capital in property for investment
- effective communication strategies
- ethical practices and relevant codes of conduct
- industry benchmarks
- investment risk factors and relationship to return expectations
- investor psychology

REQUIRED SKILLS AND KNOWLEDGE

- local property market conditions and overall trends in the industry
- range of research methods and analysis techniques
- relevant federal and state or territory legislation and local government regulations related to:
 - anti-discrimination
 - consumer protection
 - environmental issues
 - equal employment opportunity (EEO)
 - financial probity
 - franchise and business structures
 - industrial relations
 - OHS
 - property sales, leasing and management
- theory and practice of land economics
- valuation and appraisal methods.

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 researching and providing advice on a current or proposed property investment. 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:

- carrying out comprehensive data analysis of relevant market information sufficient to make valid recommendations

- knowledge of organisation's practices, ethical standards and legislative requirements associated with researching and providing advice on a current or proposed property investment
- providing accurate property investment information for defined client purposes
- sourcing specialist advice when required
- sourcing, organising, analysing and maintaining information using appropriate technology
- using appropriate research and data analysis techniques.

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.

Clients may include:

- bankers and fund managers
- fund providers
- institutions
- internal and external property groups
- owner-occupiers
- private investors.

Client expectations may relate to:

- immediate capital gains
- long-term capital gains.

Organisational requirements may be outlined and reflected in:

- access and equity principles and practice guidelines
- business and performance plans
- complaint and dispute resolution procedures
- goals, objectives, plans, systems and processes
- legal and ethical requirements and codes of practice
- mission statements and strategic plans
- OHS policies, procedures and programs
- policies and procedures in relation to client service
- quality and continuous improvement processes and standards
- quality assurance and procedure manuals.

Information may relate to:

- required and projected cash flows
- existing client risk management strategies
- individual investment preferences and aversion or tolerance to risk
- other client details, such as employment security, and likely events and their impact on the client
- relevant personal, financial and business details
- taxation obligations.

Client profile may include:

- client current and proposed operating environment, assets and systems
- details of client needs and objectives for income, security, liquidity and time period.

Legislative requirements

- Australian standards

may be outlined and reflected in:

- general duty of care to clients
- home building requirements
- privacy requirements
- relevant federal, and state or territory legislation that affects organisational operation, including:
 - anti-discrimination and diversity
 - environmental issues
 - EEO
 - industrial relations
 - OHS
- relevant industry codes of practice covering the market sector and industry, financial transactions, taxation, environment, construction, land use, native title, zoning, utilities use (water, gas and electricity), and contract or common law
- strata, community and company titles
- tenancy agreements
- trade practices laws and guidelines.

Sources of property market information may include:

- consultants
- industry and organisational databases
- information services
- press clippings
- published industry data, including industry indices
- third parties
- trade journals.

Communication techniques may include:

- active listening
- clear, legible writing
- maintaining eye contact
- non-verbal communication, including body language and personal presentation
- speaking clearly and concisely
- using appropriate language and tone of voice
- using open and closed questions.

Comparative market data may include:

- best practice information
- national and international benchmarking
- inter-organisation comparison data.

Industry benchmarks may include:

- discounted cash flow
- employment rates
- industry association performance index
- inflation rate
- internal rate of return
- life cycle costing

Market conditions may include:

- published vacancy factors
- tenancy mix.
- availability of alternatives
- business confidence
- economic conditions
- level of competition.

Analysis:

- may be:
 - explorative, descriptive, causative or predictive
 - quantitative and qualitative
- may include:
 - basic statistical analysis
 - critical analysis
 - mathematical calculations
 - problem solving.

Specialist advice may be sought from:

- architects
- bankers and financiers
- business consultants
- land economists
- members of industry associations
- other developers
- planners
- real estate agents
- solicitors
- taxation and accounting practitioners
- valuers.

Business equipment and technology may include:

- computers
- data storage devices
- email
- facsimile machines
- internet, extranet and intranet
- photocopiers
- printers
- scanners
- software applications, such as databases and word applications.

Unit Sector(s)

Unit sector Property development, sales and management

Competency field

Competency field Property operations and development