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| Title | **Demonstrate knowledge of methods for sale of real estate in New Zealand** |
| Level | **4** | **Credits** | **4** |

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| Purpose | This unit standard is for people preparing for entry into, or who are currently working in, the real estate industry as licensees.People credited with this unit standard are able to:– explain the auction method of sale for real estate;– explain the tender method of sale for real estate;– explain other common methods of sale for real estate in New Zealand; and– demonstrate knowledge of mortgagee sales. |

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| Classification | Real Estate > Rural, Residential, Commercial and Business Sales |

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| Available grade | Achieved |

**Guidance information**

1 Legislation

Auctioneers Act 2013;

Consumer Guarantees Act 1993;

Contractual Remedies Act 1979;

Fair Trading Act 1986;

Human Rights Act 1993;

Overseas Investment Act 2005;

Overseas Investment Regulations 2005;

Privacy Act 1993;

Property Law Act 2007;

Real Estate Agents Act 2008;

Residential Tenancies Act 1986;

Resource Management Act 1991;

Unit Titles Act 2010;

and all subsequent amendments and replacements.

2 Definitions

*Auction form* – the Sale of Real Estate by Auction form, approved by the Real Estate Institute of New Zealand (REINZ) and Auckland District Law Society (ADLS) approved form.

*Client* – the person on whose behalf an agent carries out real estate agency work.

*Customer* – a person who is a party or potential party to a transaction and excludes a prospective client and client.

*Industry requirements* – all actions by licensees must comply with relevant professional standards, legislation, and rules made under the provision of applicable legislation.

*Licensee* – an agent, branch manager, or salesperson.

*Tender form* – is the Sale of Real Estate by Tender form, approved by REINZ and ADLS.

**Outcomes and performance criteria**

**Outcome 1**

Explain the auction method of sale for real estate.

**Performance criteria**

1.1 Explain legal and industry requirements for the auction process.

Range includes but is not limited to – Auctioneers Act 2013, Fair Trading Act 1986, Real Estate Agents Act 2008, Contractual Remedies Act 1979.

1.2 Explain requirements for conduct of auction in accordance with the approved auction form.

1.3 Explain obligations of the real estate agent, licensee, auctioneer, client, and customer as applied to a sale by auction.

1.4 Explain key terminology in the approved auction form in terms of the implications for the real estate agent, licensee, auctioneer, client, and customer.

1.5 Explain to a client the advantages and disadvantages of auction as a method of sale, in accordance with industry requirements.

**Outcome 2**

Explain the tender method of sale for real estate.

**Performance criteria**

2.1 Explain legal and industry requirements for the tender process.

Range includes but is not limited to – Fair Trading Act 1986, Real Estate Agents Act 2008, Contractual Remedies Act 1979.

2.2 Explain requirements for conduct of tender in accordance with the approved tender form.

2.3 Explain obligations of the real estate agent, licensee, client, and customer as applied to a sale by tender.

2.4 Explain key terminology in the approved tender form in terms of the implications for the real estate agent, licensee, client, and customer.

2.5 Explain to a client the advantages and disadvantages of tender as a method of sale in accordance with industry requirements.

**Outcome 3**

Explain other common methods of sale for real estate in New Zealand.

**Performance criteria**

3.1 Explain sale methods in terms of current marketing terminology and industry requirements.

Range includes but is not limited to – marketing with or without a price, marketing with or without a deadline, private treaty.

3.2 Explain the multi-offer process in accordance with industry requirements.

**Outcome 4**

Demonstrate knowledge of mortgagee sales.

**Performance criteria**

4.1 Explain mortgagee sales in terms of the identified client and sale process to meet legal requirements, in accordance with industry requirements.

4.2 Explain how mortgagee sales differ from other common methods of sale, in accordance with industry requirements.

Range includes but is not limited to – licensee obligations, vendor warranties, chattels, possession.

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| Replacement information | This unit standard replaced unit standard 23155. |

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| Planned review date | 31 December 2026 |

**Status information and last date for assessment for superseded versions**

| Process | Version | Date | Last Date for Assessment |
| --- | --- | --- | --- |
| Registration | 1 | 12 February 2010 | 31 December 2013 |
| Rollover and Revision | 2 | 16 August 2012 | 31 December 2019 |
| Review | 3 | 16 February 2017 | N/A |
| Review | 4 |  | N/A |

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| Consent and Moderation Requirements (CMR) reference | 0003 |

This CMR can be accessed at <http://www.nzqa.govt.nz/framework/search/index.do>.

**Comments on this unit standard**

Please contact The Skills Organisation reviewcomments@skills.org.nz if you wish to suggest changes to the content of this unit standard.