

Title	Prepare sale and purchase agreements for complex situations relating to rural property		
Level	4	Credits	4

Purpose	<p>This unit standard is for people who are currently working in the residential sector of the real estate industry.</p> <p>People credited with this unit standard are able to:</p> <ul style="list-style-type: none"> – identify and correct errors and omissions in an Agreement for Sale and Purchase of Real Estate form; – prepare two clauses for an Agreement for Sale and Purchase of Real Estate form to cover complex situations; – draft an Agreement for Sale and Purchase of Real Estate form for pastoral or arable property; – draft an Agreement for Sale and Purchase of Real Estate form for a horticultural or specialised unit; – explain the obligations, restrictions and implications for licensees in the drafting of an Agreement for Sale and Purchase of Real Estate form; and – demonstrate knowledge of after-sales service methods in the real estate industry.
----------------	--

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

Available grade	Achieved
------------------------	----------

Prerequisites	Unit 23137, <i>Demonstrate knowledge of the sale and purchase agreement and facilitate a sale of real estate</i> , or demonstrate equivalent knowledge and skills.
----------------------	--

Guidance Information

- 1 References
- Building Act 2004;
 - Climate Change Response Act 2002;
 - Conservation Act 1987;
 - Consumer Guarantees Act 1993;
 - Crown Minerals Act 1991;
 - Employment Relations Act 2000;
 - Fair Trading Act 1986;
 - Forests Act 1949;
 - Goods and Services Tax Act 1985;
 - Holidays Act 2003;

Human Rights Act 1993;
Overseas Investment Act 2005;
Overseas Investment Regulations 2005;
Privacy Act 2020;
Property (Relationships) Act 1976;
Real Estate Agents Act 2008;
Residential Tenancies Act 1986;
Resource Management Act 1991;
River Boards Act 1908;
Te Ture Whenua Māori Act 1993;
Unit Titles Act 2010;
and all subsequent amendments and replacements.

2 Definitions

Common Law is also known as case law – judgements made by courts, rather than laws written by parliament. Judgements relating to the duties of an ‘agent’ may be applicable to this unit standard.

Industry requirements mean all actions must comply with relevant professional body standards, legislation, codes of professional conduct and client care, and approved guides. Legislation is available from <http://www.legislation.govt.nz> and codes of professional conduct and client care, and approved guides are available from <http://www.rea.govt.nz>.

Approved guides mean the two approved guides developed by the Real Estate Agents Authority covering an agency agreement and a sale and purchase agreement. These are available from <http://www.rea.govt.nz>.

Client means the person on whose behalf an agent carries out real estate agency work and is commonly known in the industry as a vendor or seller.

Customer means a person who is a buyer or potential buyer of land or a business and is commonly known in the industry as purchaser or buyer.

Prospective customer means a person who is considering or intending to enter into an agency agreement with an agent to carry out real estate agency work.

Agent means a real estate agent who holds, or is deemed to hold, a current license as an agent under the Real Estate Agents Act 2008.

Agreement for Sale and Purchase of Real Estate form is the REINZ and Auckland District Law Society (ADLS) approved form or the REINZ Agreement for Buying and Selling Real Estate and the book of REINZ Standard Clauses.

REINZ means the Real Estate Institute of New Zealand.

Agency Agreement means an agreement under which an agent is authorised to undertake real estate agency work for a client in respect of a transaction. It is commonly known in the industry as a listing form.

Licensee means an agent, branch manager or salespersons.

Complex situations include resource management issues, water and discharge consents, subdivision rights, good husbandry clauses, stock and plant requirements, profit à prendre, company shares, co-operative requirements, Overseas Investment Act 2005 approvals, GST requirements.

Parties include client and or customer.

Plain English is wording that either does not use industry specific words (jargon), or limits use of jargon and explains any terms, with the intent to be understandable to those who are outside the industry.

Specialised unit property may include factory farming such as for chickens, a hatchery, fish farming, prawn farming, animal breeding for scientific reasons.

- 3 REINZ Codes of Practice guides available from REINZ National Office or at <http://www.reinz.co.nz>.
- 4 **Assessment**
This unit standard must be assessed on the basis of evidence of demonstrated performance in the workplace or in simulated work situations designed to draw upon similar performance to that required in the workplace.
- 5 Evidence must be presented of preparing an Agreement for Sale and Purchase of Real Estate form for one pastoral or arable property and one horticultural or specialised unit property.

Outcomes and performance criteria

Outcome 1

Identify and correct errors and omissions in an Agreement for Sale and Purchase of Real Estate form.

Range for assessment a copy of the Agreement for Sale and Purchase of Real Estate form will be supplied by the assessor.

Performance criteria

- 1.1 Errors and omissions in an Agreement for Sale and Purchase of Real Estate form are identified that are not consistent with legal, client and industry requirements.
- 1.2 Errors and omissions in an Agreement for Sale and Purchase of Real Estate form are corrected to meet client and industry requirements.
- 1.3 Agreement is valid and enforceable in accordance with industry requirements.

Outcome 2

Prepare two clauses for an Agreement for Sale and Purchase of Real Estate form to cover complex situations.

Performance criteria

- 2.1 Clauses meet legal requirements, and the requirements of the parties, and are in plain English.

Range clauses from the REINZ *Useful Clauses and Authorities* may be used.

Outcome 3

Draft an Agreement for Sale and Purchase of Real Estate form for pastoral or arable property.

Performance criteria

- 3.1 Agreement for Sale and Purchase of Real Estate form is drafted consistent with parties' instructions and client and industry requirements.
- Range draft includes but is not limited to – financing arrangements, GST content requirements, and clauses for use on the Further Terms of Sale page of the agreement.
- 3.2 Two special clauses are drafted in accordance with industry requirements.
- 3.3 Need for written offers and accuracy of information recorded on the draft agreement is explained in accordance with industry requirements.
- Range includes but is not limited to – timeframes for various clauses used in the agreement.
- 3.4 Rapport is maintained throughout the drafting process in accordance with industry requirements.
- 3.5 Accuracy of information recorded on the draft is demonstrated and explained in terms of legal requirements and client and customer requirements.
- Range includes but is not limited to – timeframes for various clauses used in the Agreement, correct legal descriptions, correct client and customer name.
- 3.6 The Agreement for Sale and Purchase of Real Estate form is explained to the customer before obtaining customer's signature in accordance with industry requirements.
- 3.7 Sufficient originals and copies are identified and provided to meet legislative requirements and the obligation of the licensee to retain copies is explained in terms of industry requirements.

Outcome 4

Draft an Agreement for Sale and Purchase of Real Estate form for a horticultural or specialised unit.

Performance criteria

- 4.1 An Agreement for Sale and Purchase of Real Estate form is drafted consistent with prospective customer's instructions, client requirements, and industry requirements.
- Range draft includes but is not limited to – financing arrangements, GST content requirements, clauses for use on the Further Terms of Sale page of the agreement.
- 4.2 Two special clauses are drafted in accordance with industry requirements.

- 4.3 Need for written offers and accuracy of information recorded on the draft agreement is explained in accordance with industry requirements.
- Range includes but is not limited to – timeframes for various clauses used in the agreement.
- 4.4 Rapport is maintained throughout the drafting process in accordance with industry requirements.
- 4.5 Accuracy of information recorded on the draft is demonstrated and explained in terms of legal requirements and client and customer requirements.
- Range includes but is not limited to – timeframes for various clauses used in the Agreement, correct legal descriptions, correct client and customer name.
- 4.6 Agreement for Sale and Purchase of Real Estate form is explained to the customer before obtaining customer's signature in accordance with industry requirements.
- 4.7 Sufficient originals and copies are identified and provided to meet legislative requirements and the obligation of the licensee to retain copies is explained in terms of industry requirements.

Outcome 5

Explain the obligations, restrictions and implications for licensees in the drafting of an Agreement for Sale and Purchase of Real Estate form.

Range licensees – agent, branch manager, salesperson.

Performance criteria

- 5.1 Restrictions and implications are explained in terms of s 50 and schedule 2 s 36 (2a) of the Real Estate Agents Act 2008.
- Range implications – misleading and deceptive conduct.
- 5.2 Obligations of licensee are explained in terms of the agreement, providing misleading or false information, and disclosure of information.
- Range includes but is not limited to – approved guides, codes of professional conduct and client care, explanation of specific clauses and obligations of confidence or trust between the parties.

Outcome 6

Demonstrate knowledge of after-sales service methods in the real estate industry.

Performance criteria

6.1 After-sales service methods are described consistent with industry requirements.

Range follow-up of client and customer regarding dates for general and further terms of sale within specified timeframes; maintenance of a database.

Replacement information	<p>This unit standard replaced unit standard 4673.</p> <p>This unit standard was replaced by unit standard 30505.</p>
--------------------------------	---

This unit standard is expiring. Assessment against the standard must take place by the last date for assessment set out below.

Status information and last date for assessment for superseded versions

Process	Version	Date	Last Date for Assessment
Registration	1	18 December 2006	31 December 2013
Review	2	12 February 2010	31 December 2013
Rollover and Revision	3	16 August 2012	31 December 2020
Review	4	26 October 2017	31 December 2020
Rollover	5	1 November 2018	31 December 2020
Rollover	6	26 March 2020	31 December 2021
Rollover	7	26 November 2020	31 December 2022
Rollover	8	29 April 2021	30 June 2023

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

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