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| <b>Title</b> | <b>Prepare appraisals of horticultural and specialised unit properties</b> |                |          |
| <b>Level</b> | <b>4</b>   | <b>Credits</b> | <b>5</b> |

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| <b>Purpose</b> | <p>This unit standard is for people who are preparing to enter, or who are currently working in, the rural sector of the real estate industry.</p> <p>People credited with this unit standard are able to:</p> <ul style="list-style-type: none"> <li>– explain and demonstrate methods of appraisal as applicable to horticultural and specialised unit properties; and</li> <li>– demonstrate an understanding of the need to confirm appraisals of market values for horticultural properties and specialised units.</li> </ul> |
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| <b>Classification</b> | Real Estate > Rural, Residential, Commercial and Business Sales |
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| <b>Available grade</b> | Achieved |
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### 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;
  - Financial Transactions Reporting Act 1996;
  - Forest 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 subsequent amendments and replacements.

## 2 Definitions

*Appraise/appraisal* is estimating the market value set upon a property.

*Code* means the Real Estate Agents Act (Professional Conduct and Client Care) Rules 2009 which set out the code of professional conduct and client care, available from <http://www.rea.govt.nz>.

*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/>.

*Specialised unit property* may include factory farming such as for chickens (meat and eggs), a hatchery, fish farming, prawn farming, animal breeding for scientific reasons, wind farms, pip and stone fruit, vegetables, tree crops, nursery and plant propagation.

## 3 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.

- 4 Evidence must be presented of two different properties; one horticultural property and one specialised unit property.

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## Outcomes and performance criteria

### Outcome 1

Explain and demonstrate methods of appraisal as applicable to horticultural and specialised unit properties.

Range may include – analysis of sales (CMA), net rate method, per hectare method, site valuation method, area value method, unit of improvement or density method, unit metre frontage, direct sales comparison, zoning factors, site factors, reconciliation of values, production-related methods.

### Performance criteria

- 1.1 Methods of appraisal are explained as a process for establishing indications of the current market value.
- 1.2 Obligations of salesperson are explained in terms of the Real Estate Agents Act 2008 and the Code.

Range includes but is not limited to – need for written appraisal; s 130 of the Real Estate Agents Act 2008.

- 1.3 Appraisals of vacant land are completed and produced to establish indicative market value consistent with the Code.
- 1.4 Effects of legal ownership arrangements and special features of the property are assessed to explain possible differences in appraisal results for similar properties in accordance with company and industry requirements.

**Outcome 2**

Demonstrate an understanding of the need to confirm appraisals of market values for horticultural properties and specialised units.

**Performance criteria**

- 2.1 Explain the need for comprehensive methods of checking appraisals to ensure compliance with company and industry requirements.
- 2.2 Need for confirmation of appraisal by branch manager or agent is explained in terms of implications for salesperson and agent.
- 2.3 Explanation includes the need to record the confirmation in terms of industry requirements.

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| <b>Replacement information</b> | <p>This unit standard and unit standard 23154 replaced unit standard 4709.</p> <p>This unit standard and unit standards 15501 and 23154 were replaced by unit standard 30503.</p> |
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**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             |

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| <b>Consent and Moderation Requirements (CMR) reference</b> | 0003 |
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This CMR can be accessed at <http://www.nzqa.govt.nz/framework/search/index.do>.