

<b>Title</b>	<b>Analyse and select personal financing options for purchasing a property</b>		
<b>Level</b>	<b>3</b>	<b>Credits</b>	<b>4</b>

<b>Purpose</b>	People credited with this unit standard are able to analyse and select personal financing options for purchasing a property.
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<b>Classification</b>	Core Generic > Financial Capability
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<b>Available grade</b>	Achieved, Merit, and Excellence
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<b>Criteria for Merit</b>	Analysis includes reasons for the selection of property financing and purchasing options and links those options to personal financial circumstances.
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<b>Criteria for Excellence</b>	Analysis includes justification for the selection of property financing and purchasing options in terms of their suitability over other options relative to personal financial circumstances.
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**Explanatory notes**

- 1 This unit standard can be awarded with *Achieved*, *Merit*, or *Excellence*. For the *Achieved* grade to be awarded, the outcome must be achieved as specified in the outcome statement. For *Merit* or *Excellence* to be awarded, the candidate must meet the *Merit* or *Excellence* criteria specified above.
- 2 **Definitions**  
*Deposit* refers to – money sources from savings, KiwiSaver, and/or family/whānau which is used to reduce the borrowing; Deposit criteria may apply to different mortgage options.  
*Interest rates* refer to fixed and floating.  
*Mortgage provider* refers to – family/whānau, iwi, banks, finance companies, building societies, mortgage brokers.  
*Mortgage types* refer to – table, reducing, interest only, revolving, first mortgage, second mortgage, bridging finance.
- 3 Assessment may be based on a case study or simulation, but where the candidate’s real situation is used, every care must be taken to protect privacy, and the provisions of the Privacy Act 1993 will apply.

- 4 Legislation may include but is not limited to:  
 Credit Contracts and Consumer Finance Act 2003  
 Credit (Repossession) Act 1997  
 Financial Advisers Act 2008  
 Financial Service Providers (Registration and Dispute Resolution) Act 2008  
 Privacy Act 1993.
- 5 Reference  
 Sorted: Your Independent Money Guide – <https://www.sorted.org.nz/>.

## Outcomes and evidence requirements

### Outcome 1

Analyse and select personal financing options for purchasing a property.

### Evidence requirements

- 1.1 Factors that influence purchasing a property are described and explained in terms of advantages and disadvantages.
- Range factors include – two mortgage types, deposit, interest rates, Land Information Memorandum (LIM) report, builder's report, insurance.
- 1.2 Other considerations for purchasing a property are described in terms of their influence on the purchasing decision.
- Range mortgage provider fees and incentives, lawyer fees, ability to service loan, repairs and maintenance, property management fees, body corporate fees.
- 1.3 Options for financing and purchasing a property, in relation to a purchase, are analysed and selected according to their suitability for personal financial circumstances.
- Range different mortgage type(s), term(s), repayment amount(s) and frequency(ies), costs; different deposit amount(s) and source(s); other purchase costs.

<b>Planned review date</b>	31 December 2020
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### Status information and last date for assessment for superseded versions

Process	Version	Date	Last Date for Assessment
Registration	1	12 December 2013	31 December 2018
Review	2	21 July 2016	N/A

<b>Consent and Moderation Requirements (CMR) reference</b>	0226
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This CMR can be accessed at <http://www.nzqa.govt.nz/framework/search/index.do>.

**Please note**

Providers must be granted consent to assess against standards (accredited) by NZQA, before they can report credits from assessment against unit standards or deliver courses of study leading to that assessment.

Industry Training Organisations must be granted consent to assess against standards by NZQA before they can register credits from assessment against unit standards.

Providers and Industry Training Organisations, which have been granted consent and which are assessing against unit standards must engage with the moderation system that applies to those standards.

Requirements for consent to assess and an outline of the moderation system that applies to this standard are outlined in the Consent and Moderation Requirements (CMR). The CMR also includes useful information about special requirements for organisations wishing to develop education and training programmes, such as minimum qualifications for tutors and assessors, and special resource requirements.

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**Comments on this unit standard**

Please contact NZQA National Qualifications Services [nqs@nzqa.govt.nz](mailto:nqs@nzqa.govt.nz) if you wish to suggest changes to the content of this unit standard.