

Title	Facilitate the sale and purchase of a business		
Level	5	Credits	5

Purpose	<p>This unit standard is for people preparing to enter into, or who are currently working in, the business broking sector of the real estate industry.</p> <p>People credited with this unit standard are able to:</p> <ul style="list-style-type: none"> – draft and present an offer for a business using a current Agreement for Sale and Purchase of Real Estate form; and – demonstrate knowledge of processes from initial contact to settlement date.
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Classification	Real Estate > Rural, Residential, Commercial and Business Sales
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Available grade	Achieved
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Guidance information

- 1 Legislation
 - Consumer Guarantees Act 1993;
 - Contract and Commercial Law Act 2017;
 - Fair Trading Act 1986;
 - Health and Safety at Work Act 2015;
 - Human Rights Act 1993;
 - Privacy Act 1993;
 - Property Law Act 2007;
 - Real Estate Agents Act 2008;
 - Resource Management Act 1991;
 - and all subsequent amendments and replacements.

- 2 Definitions
 - Agency procedures* – are the specific procedures used in real estate agencies and vary from agency to agency. All procedures must comply with the Real Estate Agents Act 2008, applicable regulations, and the Code.
 - Agreement for Sale and Purchase of Real Estate form* – is the Real Estate Institute of New Zealand and Auckland District Law Society 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 and employees which must comply with relevant professional standards, legislation, and rules made under the provision of applicable legislation.

Licensee – a salesperson, branch manager, or agent.

3 Assessment

Assessment against this unit standard must be based on the following criteria: If a candidate holds a current real estate licence, evidence must be derived from a real or a simulated workplace situation. If a candidate is not licensed, evidence must be drawn from a simulated workplace situation. A simulated workplace situation must reflect industry requirements and requires performance that replicates a real working environment.

Outcomes and performance criteria

Outcome 1

Draft and present an offer for a business using a current Agreement for Sale and Purchase of Real Estate form.

Performance criteria

- 1.1 Draft an offer using a current Agreement for Sale and Purchase of Real Estate form, consistent with client requirements and customer instructions.
- 1.2 Assess customer instructions and client requirements to identify if special clauses and/or extra documentation may need to be included in the offer.

Range documentation may include but is not limited to – chattels, fixtures and equipment included or excluded, and current business agreements.
- 1.3 Explain the need to clarify timelines for the conditions in the Agreement for Sale and Purchase of Real Estate form, and the care and responsibility of the licensee in terms of the timelines.
- 1.4 Confirm client and customer agreement on price apportionment of tangible assets, intangible assets, and stock.
- 1.5 Explain the tax implications and need to recommend expert advice for price apportionment of tangible assets, intangible assets, and stock.
- 1.6 Explain turnover warranty, client assistance period, client restraint of trade, lease details, and facts of the business in terms of their relevance to the offer.
- 1.7 Present the offer to the client, and explain the obligations of the client, licensee, and customer in accordance with industry requirements.
- 1.8 Apply negotiation techniques to facilitate an agreement, in accordance with industry requirements.
- 1.9 Obtain initials and signatures relevant to the agreement, in accordance with industry requirements.

Outcome 2

Demonstrate knowledge of processes from initial contact to settlement date.

Performance criteria

- 2.1 Identify and explain the licensee's role and responsibilities between contract date and settlement date in accordance with agency procedures.
- 2.2 Provide three examples of potential issues that may affect the sale of the business between contract date and settlement date, and explain how the licensee would resolve each issue.
- 2.3 Explain after-sales service methods the licensee performs for the client, customer, and agency in accordance with agency procedures.

Range service methods to a client and customer may include – follow up after the sale, asking referral and testimonials;
service methods to an agency may include – reports or filing documentation.

Replacement information	This unit standard replaced unit standard 23145 and unit standard 23146.
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Planned review date	31 December 2022
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Status information and last date for assessment for superseded versions

Process	Version	Date	Last Date for Assessment
Registration	1	26 October 2017	N/A

Consent and Moderation Requirements (CMR) reference	0003
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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.