

Title	Demonstrate knowledge of the business broking sector in the real estate industry		
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"> – demonstrate knowledge of business broking in real estate practice; and – demonstrate knowledge of franchises consistent with industry requirements.
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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
 - Building Act 2004;
 - Consumer Guarantees Act 1993;
 - Contract and Commercial Law Act 2017;
 - Fair Trading Act 1986;
 - Goods and Services Tax Act 1985;
 - Health and Safety at Work Act 2015;
 - Human Rights Act 1993;
 - Privacy Act 1993;
 - Real Estate Agents Act 2008;
 - Residential Tenancies Act 1986;
 - Resource Management Act 1991;
 - and all subsequent amendments and replacements;

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

Demonstrate knowledge of business broking in real estate practice.

Performance criteria

- 1.1 Describe the different responsibilities of a business broking licensee to licensees working in other sales sectors in the real estate industry.
- Range other sales sectors include residential, commercial, industrial, and rural.
- 1.2 Explain how legislation is applicable for a licensee selling businesses in practice.
- Range legislation may include but is not limited to – Employment Relations Act 2000, Contractual Remedies Act 1979, Commerce Act 1986.
- 1.3 Identify three different types of businesses and explain what a licensee needs to consider to facilitate an agreement for each business type.
- 1.4 Describe what a licensee will need to consider and carry out when selling a business with a lease.
- Range considerations may include but are not limited to – special clauses, lease signed by all parties, chattels.

Outcome 2

Demonstrate knowledge of franchises consistent with industry requirements.

Performance criteria

- 2.1 Identify a franchise-styled business and explain the considerations when selling and listing a franchise business.
- Range considerations includes but are not limited to – franchise licence and transfer fees, royalties, special clauses, sale and purchase agreements, requirements of a client and customer, benefits and risks on the client and customer.

- 2.2 Compare the process of selling an existing franchise to the process of selling a new franchise opportunity, to determine similar and different responsibilities of a licensee in each situation.

Replacement information	This unit standard replaced unit standard 23147.
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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.