

Title	Prepare appraisals of multi-unit residential properties		
Level	4	Credits	4

Purpose	<p>This unit standard is for currently working in the real estate industry.</p> <p>People credited with this unit standard are able to:</p> <ul style="list-style-type: none"> – complete and explain the inspection and agency agreement process; – explain and demonstrate methods of appraisal as applicable to multi-unit residential properties; and – demonstrate knowledge of the need to confirm appraisals of market values of multi-unit residential properties.
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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 References

Companies Act 1993;
 Consumer Guarantees Act 1993;
 Contractual Remedies Act 1979;
 Fair Trading Act 1986;
 Financial Transactions Reporting Act 1996;
 Goods and Services Tax Act 1985;
 Human Rights Act 1993;
 Land Transfer Act 1952;
 Overseas Investment Act 2005;
 Overseas Investment Regulations 2005;
 Privacy Act 2020;
 Real Estate Agents Act 2008;
 Residential Tenancies Act 1986;
 Unit Titles Act 2010;
 and all subsequent amendments and replacements.

2 Definitions

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>.

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.

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.

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.

Company procedures are the specific procedures used in real estate companies and vary from company to company. All must comply with the Real Estate Agents Act 2008 and any applicable real estate regulations that may apply.

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.

Outcomes and performance criteria

Outcome 1

Complete and explain the inspection and agency agreement process.

Range two different multi-unit residential properties.

Performance criteria

1.1 Purpose of property inspection is explained in a logical sequence in accordance with industry requirements.

1.2 Inspection is completed and information obtained is used to complete an appraisal and agency agreement form in accordance with industry requirements.

Outcome 2

Explain and demonstrate methods of appraisal as applicable to multi-unit residential properties.

Range may include but is not limited to – replacement cost less depreciation, net rate, sales comparison, development analysis, residual method, capitalisation of net income, capital value per square metre method, sales multiple method. Evidence of two is required.

Performance criteria

- 2.1 Methods of appraisal are explained as a process for establishing indications of the current market value.
- 2.2 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.
- 2.3 Appraisals of multi-unit residential property are completed and produced to establish indicative market value consistent with the Code and approved guides.
- 2.4 Effects of legal ownership arrangements are assessed in accordance with company procedures and legal requirements.

Range may include but is not limited to – cross lease, townhouse, company ownership, unit titles.

Outcome 3

Demonstrate knowledge of the need to confirm appraisals of market values of multi-unit residential properties.

Performance criteria

- 3.1 Need for confirmation of appraisal by branch manager and agent is explained in terms of implications for salesperson and agent.
- 3.2 Explanation includes the need to record the confirmation in terms of industry requirements.

Replacement information	This unit standard and unit standard 23151 were replaced by unit standard 30499.
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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	27 July 1995	31 December 2013
Review	2	26 March 1996	31 December 2013
Revision	3	13 November 1997	31 December 2013
Review	4	19 January 1999	31 December 2013
Review	5	18 December 2006	31 December 2013
Review	6	12 February 2010	31 December 2013
Rollover and Revision	7	16 August 2012	31 December 2020
Review	8	26 October 2017	31 December 2020
Rollover	9	1 November 2018	31 December 2020
Rollover	10	26 March 2020	31 December 2021
Rollover	11	26 November 2020	31 December 2022
Rollover	12	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>.