



CERTIFICATE IV IN PROPERTY (REAL ESTATE AGENCY PRACTICE) – 21525VIC PRDRE23A Maintain agency/client relationship

EXAMINER REPORT (May 2007)

1. OVERVIEW

The examination comprises multiple-choice questions (10 marks), short-answer questions (50 marks) and case studies (40 marks), totalling 100 marks. To pass the examination, a candidate must achieve a score of 60 or more marks out of 100.

This examination is two hours in duration (plus 15 minutes reading time). An unmarked copy of the *Estate Agents Act 1980* is permitted in this examination.

<div style="display: flex; justify-content: space-between; align-items: center;">   </div> <div style="margin-top: 10px;"> <table border="1" style="border-collapse: collapse; width: 100%;"> <tr> <td style="padding: 2px;">Version Number</td> <td style="padding: 2px;">????</td> </tr> </table> </div> <div style="margin-top: 10px;"> <p>Candidate Name: _____</p> <p>Candidate Number: _____</p> <p>RTO: _____</p> <p>Date of examination: _____</p> </div> <div style="text-align: center; margin-top: 20px;"> <p>Certificate IV in Property (Real Estate Agency Practice) - 21525VIC</p> <p>PRDRE23A Maintain agency/client relationship</p> </div> <div style="margin-top: 10px;"> <p><u>Instructions to Candidates</u></p> <ul style="list-style-type: none"> • Complete the candidate information in the spaces provided above. • Do not start writing until told to do so. • Time allowed: <ul style="list-style-type: none"> – Reading Time: 15 minutes – Writing Time: 2 hours • To pass this examination a candidate must achieve a score of 60 or more marks out of 100. </div> <div style="margin-top: 10px;"> <p><u>Legislation</u></p> <p>One unmarked copy of the <i>Estate Agent's Act 1980</i>.</p> </div> <div style="margin-top: 10px;"> <table border="1" style="width: 100%; border-collapse: collapse; text-align: center;"> <thead> <tr> <th colspan="3">Mark Allocation (Examiner's Use Only)</th> </tr> <tr> <th>Part</th> <th>Possible Marks</th> <th>Actual Marks</th> </tr> </thead> <tbody> <tr> <td>Part 1: Multiple-choice</td> <td>10</td> <td></td> </tr> <tr> <td>Part 2: Short-answer</td> <td>50</td> <td></td> </tr> <tr> <td>Part 3: Case Studies</td> <td>40</td> <td></td> </tr> <tr> <td>Total possible marks</td> <td>100</td> <td></td> </tr> </tbody> </table> </div> <div style="text-align: center; font-size: small; margin-top: 10px;"> <p>Certificate IV in Property (Real Estate Agency Practice) – 21525VIC Page 1 of 5</p> </div>	Version Number	????	Mark Allocation (Examiner's Use Only)			Part	Possible Marks	Actual Marks	Part 1: Multiple-choice	10		Part 2: Short-answer	50		Part 3: Case Studies	40		Total possible marks	100		<div style="text-align: center; font-size: small; margin-bottom: 10px;"> <p>PRDRE23A Examination</p> <hr/> </div> <div style="text-align: center; font-weight: bold; margin-bottom: 10px;"> <p>INSTRUCTIONS TO CANDIDATES</p> </div> <ol style="list-style-type: none"> 1. You should attempt ALL questions in the SPACES provided in this booklet. 2. You ARE permitted to bring a copy of the <i>Estate Agents Act 1980</i> into the examination room. The copy must NOT contain any notes or be marked in any way. 3. You are NOT permitted to bring any other legislation, reference books or written notes into the examination room. 4. You are NOT permitted to bring a mobile phone and/or any other electronic device into the examination room. 5. During reading time you may study the questions and your copy of the legislation. You must NOT begin to write on or mark your examination paper, or the legislation, in any way until you are told to commence writing. 6. Do NOT use pencil. Papers submitted in pencil will NOT be accepted for marking. 7. Do NOT remove any part of this question booklet from the examination room. 8. Do NOT remove staples - the question booklet must remain intact. 9. At the end of the examination return your completed question booklet to the supervisor. <div style="text-align: center; font-size: small; margin-top: 10px;"> <p>Certificate IV in Property (Real Estate Agency Practice) – 21525VIC Page 1 of 5</p> </div>
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2. COMMENTS ON QUESTION TYPES

2.1 Multiple-choice questions

Generally, this is the section of the examination in which candidates answer most questions correctly. However, this year a small minority of candidates appear to randomly select answers with consequent poor results. This suggests a lack of preparation and/or underpinning knowledge.

Most candidates correctly answer questions on topics such as the essential elements of a contract, legal capacity, warranties, express terms and exemption clauses. There does not appear to be a pattern of common errors. Where errors do occur it would seem that some candidates fail to properly read the question and consider the range of potential answers in any depth, rather than a lack of underpinning knowledge relating to contractual concepts or legislation.

2.2 Short-answer questions

These questions continue to generate results that vary considerably. Some candidates handle them fairly adequately whilst others seem unable to answer what can reasonably be considered straightforward, basic questions, such as defining consideration or repudiation.

Questions on capacity and misrepresentation are generally answered well, but common errors occur in relation to negligence and remedies. There seems to be a problem for candidates in understanding the elements of negligence in a real estate context. Similarly, there seems to be difficulties in understanding the concept of remedies and applying them to simple factual scenarios.

Other areas of difficulty among candidates are mistake, undue influence and persons who are considered beneficially interested under the *Estate Agents Act*. The answers to questions on Section 55 of the *Estate Agents Act* have improved over the last year in relation to the penalties for breaching the legislation, but identification of relevant persons who are actually beneficially interested seems surprisingly difficult for some candidates. This suggests that candidates may not have read the relevant legislation. There is no substitute for candidates reading the actual sections and regulations of the relevant legislation for themselves. There is not a significant amount of legislation covered in the learner guide.

Many short-answer questions have very clear and unambiguous instructions such as “Give three examples of concept X “. “Define concept X” and “Distinguish between concepts X and Y”. Thorough study of the full range of concepts and related legislation addressed in the learner guide is vital to competent responses to such questions.

Candidates should also be advised to carefully read the instructions accompanying short-answer questions and answer after considering the issue or issues raised in the question. For example, some candidates provide more than the number of examples nominated by a question or fail to provide the name of legislation or a section or regulation number when requested to do so.

2.3 Case study questions

Many candidates find the case study questions difficult to handle and answer adequately.

Generally, each of the three different case studies presents a number of facts relating to a situation that could arise in everyday real estate practice. Candidates are required to make a judgement about the legal obligations of one or more parties in the situation and back up each judgement with an explanation based on common law or legislative requirements.

Answering the case studies competently requires accurate knowledge, understanding and application of relevant common law principles and legislation. Many candidates appear to lack the breadth and depth of knowledge and understanding required to do this. Many also appear to experience difficulties in identifying key issues in the real estate scenario posed and in providing clear and relevant answers to the specific questions. Sometimes candidates’ answers to case studies offer practical but irrelevant solutions which are not based on the specific material covered in the learners’ guide. Consequently, a significant number of candidates tend to answer the case study questions inadequately (lacking relevance) or incorrectly (lacking sufficient understanding of relevant concepts).

Many candidates do not carefully read the facts in each case study nor understand the particular questions arising from the case study. Identifying the legal concepts arising in the case study is a good starting point for candidates to approach an answer. Once the legal concepts have been identified, the general principles relating to the concept should be considered and any exceptions to those general principles should be kept in

mind. Candidates should be aware that case study questions are sometimes based on exceptions to general principles.

The concept of consideration has caused problems for many candidates in the last year. The areas of past consideration and adequacy of consideration seem to be weaknesses exposed in case studies. The concept of “frustration of contract” (impossibility of performance) still challenges some candidates, with some candidates resorting to answers involving the *Residential Tenancies Act* or insurance policies. In the area of offer and acceptance, some candidates may need to re-examine the postal acceptance rule.

3. AREAS OF STRENGTHS AND WEAKNESSES DISPLAYED BY CANDIDATES

3.1 Strengths

Candidates tend to have a good knowledge of basic contractual concepts. Relatively straightforward questions on offer/acceptance, capacity, discharge of contract, express terms, and exemption clauses are generally answered competently.

3.2 Weaknesses

Candidates tend to display weaknesses in relation to the following underpinning knowledge, concepts and legislation: consideration (illegal or vague), negligence, beneficially interested persons under Section 55 of the *Estate Agents Act*, undue influence, remedies and the postal acceptance rule.

4. GENERAL COMMENTS

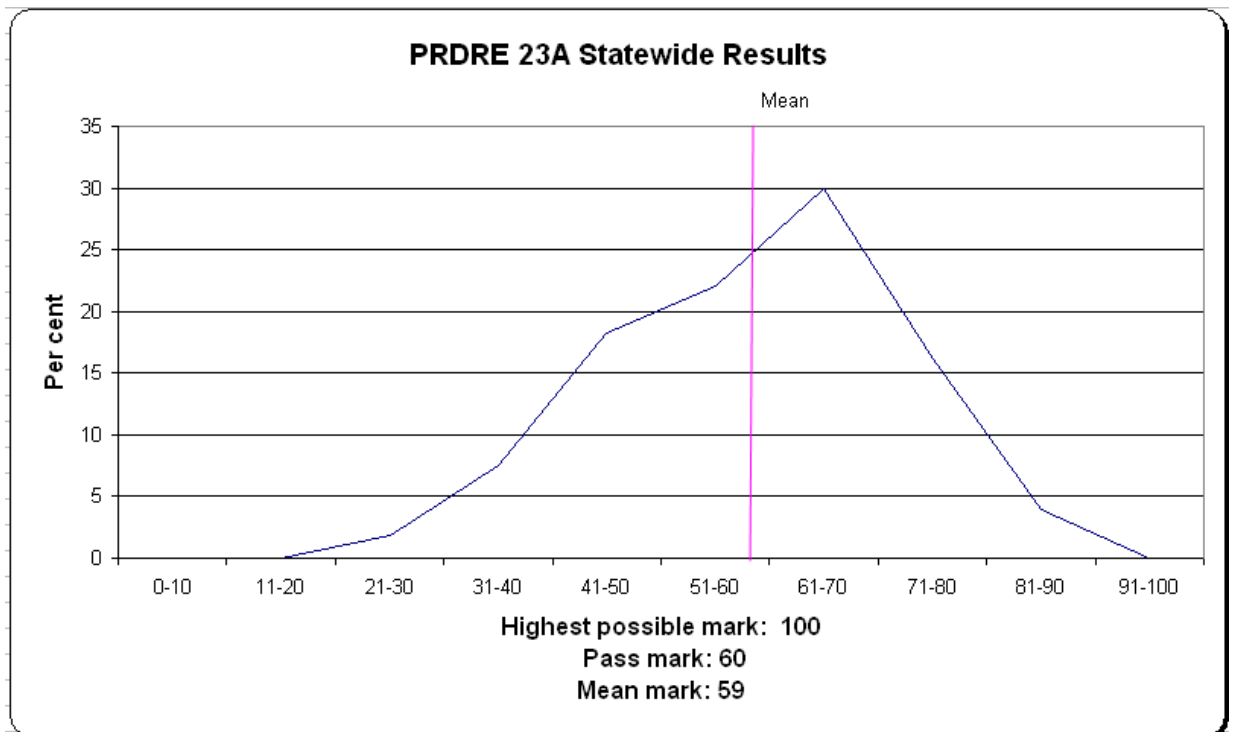
The general level of knowledge of legislation could be improved. Candidates need to read the actual section or regulation carefully rather than rely on secondary sources. Compared with other units, there is not a significant amount of legislation covered in the learner guide and this should not be a difficult task for candidates. As with last year, some candidates are tempted to offer opinions in response to questions. Answers which fail to identify the legal concept that the question was designed to examine risk digressing into irrelevant areas which wastes time and costs the candidate potential marks. An example which is still common occurs in the case study on frustration (impossibility of performance). Some candidates are tempted to offer an opinion such as “the landlord’s insurance policy will pay for the repair of the building”.

Candidates with weak literacy skills seem to have difficulties with the examination in general. Some candidates fail to answer many

questions, and when answers are given, they tend to be illegible or even incomprehensible. The prescribed entry requirements for the *Certificate IV in Property (Real Estate Agency Practice)* include acquisition of competency to “read, comprehend and discuss printed information in English and write simple sentences”. This entry requirement is addressed in the descriptors for literacy at level 2 of the *National Reporting System (NRS)*.

Some candidates who appear to have adequate literacy skills fail to answer or give only sketchy answers to many questions, particularly in the case study questions. This may indicate a failure to allocate sufficient time and weight to the questions as a whole.

5. CANDIDATE RESULTS



PASS/FAIL RATES	
PASS	60.06%
FAIL	39.94%