



ACCREDITATION PROGRAM

Course Brochure

PROPERTY
INVESTMENT
PROFESSIONALS
OF AUSTRALIA



Who is PIPA?

The Property Investment Professionals of Australia (PIPA) was formed by industry practitioners with the objective of representing and raising the professional standards of all those industries involved with property investment.

By developing codes of ethics and conduct, and professional standards of accreditation and education, PIPA and its members demonstrate to the investing public, government, regulators, media, and other stakeholders their commitment to excellence.

Program aim

PIPA has developed the PIPA Accreditation Program, a professional industry award, to address the need for professionals in the property investment industry and related industries to be appropriately qualified to give advice in property investment.

PIPA is committed to the development of industry standards in property investment advice. It has developed the PIPA Accreditation Program as the first step in quality education for all those involved in giving property investment advice to retail property investors.

The PIPA Accreditation Program has been aligned with the Financial Services Reform (FSR) provisions of the Corporations Act and with ASIC Regulatory Guide 146 training requirements for regulated financial services.

"This program has been developed as an industry benchmark of knowledge and skills for all those professionals in industries involved with property investment and for individuals wishing to develop a career in property investment advising."



Program structure

This program is an Industry Accreditation Program, consisting of six modules. Each module is divided into topics which you progress through via the online learning portal.

Assessment is a blended approach, consisting of end of topic assessments and a final online exam for each module, plus a skills assessment as a third assessment component of Module 6.

Each module is designed to be studied at your own pace, with a time limit to complete each module of 6 months from the date of enrolment. Modules should be studied in sequence from Module 1 to Module 6 – that is, later modules will assume that you have already completed the earlier ones.

Participants who successfully complete the program and satisfy PIPA criteria will be entitled to use the post-nominal “QPIA®” (Qualified Property Investment Adviser).

In a recent study independently conducted by PIPA
96% of property investors would choose an accredited professional over one that isn't.



Program enrolment fees

Option 1

Order modules as you require them. Once despatched, you will be provided with **six calendar months** to complete your module.

Module 1: An introduction to property investing

+

Module 2: Legislation and regulation of property

+

Module 3: Property and the broader economy

+

Module 4: Property as an investment

+

Module 5: The purchase process and financing

+

Module 6: Property advice and the advice model

Option 2

Order and pay for all modules in advance to obtain a discount.

Module 1: An introduction to property investing

Module 2: Legislation and regulation of property

Module 3: Property and the broader economy

Module 4: Property as an investment

Module 5: The purchase process and financing

Module 6: Property advice and the advice model

Buy all modules in advance = saving \$\$\$

The pathway to becoming a QPIA®

You might have spotted that some of our members use the post-nominal QPIA®. That's a sign to you that they've:

+ **Successfully** completed the PIPA Accreditation Program;

+ **Are able to demonstrate** at least 2 years of relative industry experience i.e. real estate & associated services, finance, or mortgage services, etc;

+ **Maintained** full individual or corporate membership of PIPA or are gainfully employed by a member company;

+ **Undertaken** the QPIA® Continuing Professional Development Program; and

+ **Registered** their QPIA® status with PIPA, renewing annually.



Program content

Module 1: An introduction to property investing

This module includes a brief introduction to the principles of risk and return, considers the aspects of direct property that distinguish it from other asset classes, as well as providing a brief history of property investment.

Investment in property can be a highly successful strategy for wealth creation; however, it needs to be considered in light of the mix of assets contained in your client's investment portfolio. Investors need to understand the relative merits, risks, and possible returns of all different types of investment classes in order to make an informed decision. Being able to research, analyse and evaluate the merits of property is a necessary skill for a property investment adviser.

Module 1 is therefore designed to provide you with the foundational knowledge base to complete the rest of the course.



Content outline

Topic 1 – Introduction to property and property types

Topic 2 – Investment, property as an investment and property advice

Topic 3 – Principles of strategy development

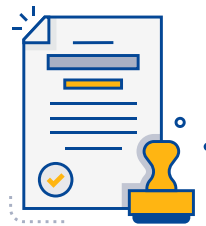
Topic 4 – Other property strategies and exit strategies

Learning objectives

- + **Define** the concept of property as an item that can be purchased and held
- + **Explain** the possible positive benefits associated with investing in property
- + **Compare** five different categories of property and their benefits and downsides
- + **Explain** the different structures available to purchase investment property
- + **Discuss** the relative merits of property types such as off the plan, commercial, niche, and residential property
- + **Understand** what it means to invest
- + **Identify** property investment as a unique type of investment
- + **Understand** the concepts of advice and property advice
- + **Identify** the types of advice that can be given to clients and the distinctions between them
- + **Identify** the roles and responsibilities of property investment and financial planning professionals
- + **Identify** the importance of different types of basic investing principles such as diversity, risk, research, and finance
- + **List** the criteria applicable to assess potential property investment suitability for clients
- + **Describe** property investment strategies such as trading, developing, and speculating
- + **Define** the importance of an exit strategy for your clients and what that involves including selling, keeping, or selling part thereof
- + **Introduce** the concept of a Property Investment Report (PIR)

Module 2: Legislation and regulation of property

This module identifies the issues and the different areas of law that interact with property. We have already mentioned that property advice is currently an unregulated space. However, while advice is unregulated, many other areas of law and regulation impact property investing. This includes historical common law protections, consumer protection legislation and regulation impacting conduct with clients, legislation in relation to property, landlords, and tenants, OH&S, etc. As well there is the space of relevant codes of practice, such as PIPA's own. These need to be taken into account as you help your client think about their overall investment position.



Content outline

Topic 1 – Consumer protection

Topic 2 – Other legislation impacting property

Topic 3 – Code of practice

Topic 4 – External regulatory advisers

Learning objectives

- + **List** basic contract law principles applicable to property investment
- + **Describe** Duty of Care and Fiduciary Duty
- + **Describe** unconscionable conduct
- + **List** examples of misleading and deceptive conduct and their implications in property investment
- + **Describe** the Privacy Act and Consumer Credit Code
- + **Describe** possible implications of the Corporations Act, Financial Services Reform, and Hawking Guidelines
- + **Explain** basic building legislation, laws applicable to property investment around construction, leasing, and tenancy agreements
- + **Explain** basic legislation applicable to real estate agents
- + **Describe** where to source information regarding foreign investment in real estate in Australia
- + **Describe** the PIPA Code of Conduct and brainstorm ethics based issues
- + **Define** financial literacy
- + **Describe** other organisations Code of Conducts and Rules of Practice
- + **Understand** the relevance of major players in the property investment and financial services sector
- + **Describe** the role of ASIC, APRA, the ACCC, and other financial services legislation and regulatory bodies and acts
- + **List** the laws applicable to an Australian Financial Services Licence holder
- + **List** the necessary documentation required to run an Australian Financial Services practice
- + **Explain** the importance and necessary contents of an Occupational Health and Safety policy

Module 3: Property and the broader economy

Module 3 will assist your understanding of property as a part of the broader Australian economy.

The history of the Australian economy, albeit since British colonisation, is discussed as well as sectors of the Australian economy and the concept of cycles of economic activity.

The module also discusses property as an industry that crosses all economic sectors and is a vital part of each. But, within the property industry, there are times of boom and bust, times of property 'bubbles' (perceived highpoints in property values), and downturns.



Content outline

Topic 1 – The economic history of Australia

Topic 2 – Way to look at a contemporary economy

Topic 3 – Business (or economic) cycles

Topic 4 – The property industry as part of the Australian economy

Learning objectives

- + **Understand** the post-colonial history of the Australian economy
- + **Sectors** of the Australian economy
- + **Cycles** of economic activity
- + **Define** a mixed economy
- + **Define** a market economy
- + **Understand** the difference between open and closed economies
- + **Understand** Gross Domestic Product (GDP) and the industry sectors that generate GDP
- + **Describe** what makes economies strong and understanding the different sectors
- + **List** the four phases of business or economic cycles
- + **Understand** what contributes to expansions in economic activity
- + **Understand** what contributes to contractions in economic activity
- + **Understand** the factors that influence the demand for goods and services
- + **Explain** how property is an industry in its own right that spans across all sectors
- + **List** the many variables that impact the property industry
- + **Government** policies that directly impact the property industry
- + **Explain** the cyclical characteristics of the real estate market
- + **Explain** how supply and demand factors influence the value of properties and the rents they command

Module 4: Property as an investment

Module 4 identifies the issues that need to be taken into account as you help your client think about their overall investment position.

Investment in property can be a highly successful strategy for wealth creation; however, it needs to be considered in light of the mix of assets contained in your client's investment portfolio. Investors need to understand the relative merits, risks, and possible returns of all different types of investment classes in order to make an informed decision.

Module 4 also covers different property types, land and building use principles and gives you an overview of building and construction types used in Australia.



Content outline

Topic 1 – Property investment

Topic 2 – Researching, collecting and analysing

Topic 3 – Evaluating property

Topic 4 – Direct property types

Topic 5 – Land use and town planning principles

Topic 6 – Building re-use and renovations

Topic 7 – Construction and building regulation and implications

Topic 8 – Property management

Topic 9 – Establishing ongoing management

Topic 10 – Determining client ownership structures

Topic 11 – Taxation issues

Learning objectives

- + **Explain** the possible positive benefits associated with investing in property
- + **Explain** the possible negative issues associated with investing in property
- + **Identify** the five reasons that would potentially match property investment as a tool for investors
- + **Compare** five different categories of property and their benefits and downsides
- + **Explain** the different structures available to purchase an investment property
- + **Discuss** the relative merits of property types such as off the plan, commercial, niche, and residential property
- + **Identify** the elements that constitute an appropriate financial plan for a client
- + **Explain** the concepts of risk and return
- + **List** the characteristics that constitute a quality property investment
- + **Describe** the importance of determining the client's financial goals and objectives
- + **Explain** the impact of demographics on property investment related decisions
- + **Describe** the difference between gross and net returns on investment
- + **Discuss** the importance of 'ease of management' characteristics
- + **Analyse** potential risk factors
- + **Describe** other features such as location, fixtures, land size, and quality
- + **List** the advantages and disadvantages of investing in residential property
- + **List** the advantages and disadvantages of investing in commercial and industrial property

Module 4: Property as an investment cont.

- + **List** the advantages and disadvantages of investing in rural and special use property
- + **Describe** the differences between local, state, and federal government planning involvement in land use
- + **List** the relevant building codes necessary for property investors
- + **Explain** the meaning of the terms caveat, covenant, and easement
- + **Describe** the trend of renovation of investment property in Australia state by state
- + **List** the national Top 10 renovation trends
- + **Explain** the merits of different types of renovation trends
- + **Discuss** possible impacts of greenhouse emissions in regard to building renovations
- + **List** statutory requirements for building
- + **Describe** the common components in a building contract
- + **List** necessary items to check for in both new and older property regarding the condition of the property
- + **Describe** the importance of a property pre-purchase inspection
- + **Describe** the principles of effective property management
- + **List** common elements contained in property management agreements
- + **Discuss** appropriate ways to deal with common property maintenance issues
- + **Differentiate** between urgent and non-urgent repairs and maintenance
- + **Compare** different types of property management
- + **Describe** the process of engaging a property manager's services
- + **Discuss** the state based residential tenancy acts
- + **Compare** seven different types of client ownership structures and their relative merits
- + **Explain** the rules associated with a client investing within a self-managed super fund
- + **Describe** the process for valuing property using both the net present value and discounted cash flow techniques as well as other valuation methodology
- + **Describe** taxation types which may or may not be currently applicable to property investment such as capital gains tax, stamp duty, land tax, and income tax
- + **List** income tax deductions applicable to property investors
- + **Define** the concepts of tax avoidance, tax evasion, and tax planning
- + **Explain** common taxation issues that property investors encounter in Australia
- + **List** income tax deductions applicable to property investors
- + **Explain** capital gains tax (CGT)



Module 5: The purchase process and financing

Buying property requires a series of steps to be completed in a specific order (which also is explained state by state). It is imperative as a property investment adviser, that you have a sound knowledge of all aspects of this process to advise and assist your clients.

We also explain due diligence, settlement, caveats, deposits, deposit bonds, and cooling-off periods. Negotiation skills are also covered in this module.

This module will also provide an overview of both a client's financial capacity as well as their borrowing capacity. You will need to have knowledge of different types of loans and loan products available to your clients and which ones may be more suitable given their personal circumstances.

We also cover the various loan structures, types of borrowers, and client ownership structures, which may be applicable to your clients. Each part of the loan application process is also covered.



Content outline

Topic 1 – Valuations

Topic 2 – Buying the property

Topic 3 – The roles of associated professionals

Topic 4 – Overview of the settlement process

Topic 5 – Gearing

Topic 6 – Financial capacity

Topic 7 – Loans

Topic 8 – Types of loan products

Topic 9 – Types of borrowers

Topic 10 – Sources of finance

Topic 11 – Applying for the loan

Learning objectives

- + **Explain** the buying and selling process in depth state by state
- + **List** different valuation methodology used such as government, summation, bank valuations and appraisals and when they are used
- + **Describe** the process of making offers on property
- + **Brainstorm** appropriate negotiation tactics that your clients should use
- + **List** the steps necessary to ensure settlement of a property occurs
- + **Describe** the tasks required of the purchaser, the vendor, and all associated professionals
- + **Explain** the different types of property title applicable in Australia
- + **Describe** the term due diligence and explain appropriate due diligence steps
- + **Explain** the meaning of the terms caveat, covenant, and easement
- + **List** features of contracts state by state
- + **List** the necessary steps for settlement
- + **Explain** the concept of gearing and how it applies to investing
- + **Explain** the characteristics of positive gearing, negative gearing, neutral gearing, and positive cash flow
- + **Identify** different risks associated with gearing such as cash flow, return, and risk
- + **Explain** the concept of capital growth

Module 5: The purchase process and financing cont.

- + **Explain** the factors impacting a potential client's financial capacity
- + **List** and explain the importance of the four factors that affect a client's borrowing capacity
- + **List** the different loan types typically offered by lenders and their suitability for different investor needs such as principal and Interest, line of credit, and interest only
- + **Explain** the different types of loan products
- + **Explain** the different types of borrowers
- + **List** the different types of lending institutions that lenders may access to purchase investment properties
- + **Describe** the process for applying for loans from start to finish
- + **Explain** the four different methods that borrowers may use to raise a deposit



Module 6: Property advice and the advice model

This module discusses the importance of working with clients in a way that builds their confidence and trust in the professionalism of the property investment adviser. We also take you through to completion of their service, including all six steps of the property investment advice model.

Your rapport and communication skills as a qualified property investment adviser are paramount to the successful relationship between adviser and client. These skills are explored in this module. We also cover the after purchase considerations and how to maintain a long-term relationship with your client, as well as things you'll need to consider such as recording and filing documentation and evaluating the success of the strategy on a longer-term basis.

All you need to do to ensure you can help your clients select, buy, manage, and realise the benefit of their investment, come together here. Module 6 takes you from selecting properties to meet your client's needs right through to helping clients review their investment strategies to make sure their investment aims, and goals are being realised.



Content outline

Topic 1 – Considerations for a property investment strategy

Topic 2 – The Advising process

Topic 3 – Concluding consultations with the client

Topic 4 – Evaluating performance

Topic 5 – Preparing and filing client documentation

Learning objectives

- + **Describe** the concepts of rental growth and return, capital growth and reducing tax
- + **Describe** risks associated with different property types such as residential, commercial, rural and specialist use
- + **Describe** the importance of determining the client's true investment goals and financial objectives
- + **List** potential risks in the investment property process such as gearing, illiquidity and market volatility
- + **List** the six steps in the property investment advice model
- + **Explain** the concept of rapport and why it is imperative in the Property Investment Adviser-Client Relationship
- + **Brainstorm** the essential elements of effective communication
- + **Describe** the importance and relevance of an investing timeline
- + **Set** SMART goals and help clients set SMART goals
- + **Describe** other complimentary services that you as a property investment adviser may offer and their applicability
- + **List** the steps to evaluate an investments performance including growth, rental yield, and loan product structures
- + **Explain** other factors such as market fluctuations, interest rate cycles and tenant issues
- + **Describe** and list the principles for on-going portfolio reviews with clients
- + **List** the necessary steps to effectively file documents and keep appropriate records
- + **Practice** using the property investment fact finder to maximum effect

Suggested study schedules

The following is a suggested timeframe only. As this is a self-paced learning program, you can take as much or as little time as you need. The time you are able to spend on the program will depend on your work and other commitments.

The following schedule is suggested for a person who is fitting in study around full-time work. If you are not working full time and can devote more time to study, you may find you can progress more quickly.

Module 1: An introduction to property investing

Week 1	Read through the course introduction
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Week 2	Read topic 1 and do the activities
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Week 3	Read topic 2 and do the activities
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Week 4	Read topic 3 and do the activities
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Week 5	Read topic 4 and do the activities
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Week 6	Read the module summary
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Week 7	Complete the assessments
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Module 2: Legislation and regulation of property

Week 1	Read through the course introduction
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Week 2	Read topic 1 and do the activities
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Week 3	Read topic 2 and do the activities
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Week 4	Read topic 3 and do the activities
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Week 5	Read topic 4 and do the activities
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Week 6	Read the module summary
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Week 7	Complete the assessments
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Module 3: Property and the broader economy

Week 1 Read through the course introduction

Week 2 Read topic 1 and do the activities

Week 3 Read topic 2 and do the activities

Week 4 Read topic 3 and do the activities

Week 5 Read topic 4 and do the activities

Week 6 Read the module summary

Week 7 Complete the assessments



Module 4: Property as an investment

Week 1 Read through the course introduction

Week 2 Read topic 1 and do the activities

Week 3 Read topic 2 and do the activities

Week 4 Read topic 3 and do the activities

Week 5 Read topic 4 and do the activities

Week 6 Read topic 5 and do the activities

Week 7 Read topic 6 and do the activities

Week 8 Read topic 7 and do the activities

Week 9 Read topic 8 and do the activities

Week 10 Read topic 9 and do the activities

Week 11 Read topic 10 and do the activities

Week 12 Read topic 11 and do the activities

Week 13 Read the module summary

Week 14 Complete the assessments



Module 5: The purchase process and financing

Week 1 Read through the course introduction

Week 2 Read topic 1 and do the activities

Week 3 Read topic 2 and do the activities

Week 4 Read topic 3 and do the activities

Week 5 Read topic 4 and do the activities

Week 6 Read topic 5 and do the activities

Week 7 Read topic 6 and do the activities

Week 8 Read topic 7 and do the activities

Week 9 Read topic 8 and do the activities

Week 10 Read topic 9 and do the activities

Week 11 Read topic 10 and do the activities

Week 12 Read topic 11 and do the activities

Week 13 Read the module summary

Week 14 Complete the assessments



Module 6: The advice model

Week 1 Read through the course introduction

Week 2 Read topic 1 and do the activities

Week 3 Read topic 2 and do the activities

Week 4 Read topic 3 and do the activities

Week 5 Read topic 4 and do the activities

Week 6 Read topic 5 and do the activities

Week 7 Read the module summary

Week 8 Complete the assessments





To learn more about the PIPA Accreditation Program visit:

www.pipa.asn.au/qpia/