

Understanding Seller Disclosure

A guide to Queensland's new requirements for sellers

RAY WHITE CALAMVALE

RayWhite



The image shows a family of four walking on a paved path next to a white picket fence. The father is on the left, wearing a grey t-shirt and dark pants. The mother is in the center, holding a baby, wearing a white top and blue jeans. A young boy in a plaid shirt and blue jeans is walking ahead of them. To the right, a Ray White 'SOLD' sign is posted in the ground. The sign features a photo of a house with a yellow 'SOLD' banner across it. Below the photo, the text reads 'Auction' and lists property details and agent contact information.

Another SOLD

Auction 3 2 2

- Cottage charm, recently renovated, a/c
- Living, dining, fire, sunroom or study
- Stone kitchen, self-contained studio
- Workshop, walk to rail, bus, schools

Saturday 15 May, 11am
Onsite

View
Wed 10:30am
Sat 1:30pm

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What is Seller Disclosure?

What is the seller disclosure regime in Queensland?

Introduced under the Property Law Act 2023, the new statutory regime requires that a seller must provide a buyer with:

- a signed seller disclosure statement for the property; and
- copies of any applicable prescribed certificates, before the purchaser signs the sale contract.

It applies to all sales of freehold properties with exception for off the plan sales.

When does seller disclosure commence?

All contracts executed from 1 August 2025 will require the seller's disclosure to be completed and provided to the buyer. If you are thinking of listing your property after 30 June 2025, we recommend that the seller's disclosure be prepared rather than take any risk if the property was on the market for longer than four weeks.



What is included in the disclosure statement?

There are two key parts that make up the seller disclosure statement. The first is the Form 2, a prescribed form, that is completed by the seller. The second part attaches searches based on the answers on the form.

The disclosure is separated into more than 5 segments:

1. Seller and property details

- Vendor's name, lot address, lot-on-plan description;
- Whether the lot is included in a community titles scheme or Building Unit and Group Titles Act 1980 (Qld);

2. Titles, encumbrances and tenancy or rooming accommodation

- Title search and plan of survey
- Registered encumbrances
- Any unregistered encumbrances (eg. unregistered lease or mortgage)
- Statutory encumbrances
- For rental properties, when the most recent rent increase occurred

3. Land use, planning and environment

- Zoning information of the lot from the local council's planning scheme
- Transport proposals affecting the property
- Contamination and environmental protection
- Neighbourhood disputes regarding tree orders
- Whether the property is affected under heritage laws

4. Buildings and structures

- If there is a swimming pool on the property, and if there is a pool compliance certificate
- Building works completed under an owner-builder permit
- Any other notices or orders

5. Rates and Services

- Most recent rates and water charges on the property

6. Community titles scheme and BUGTA schemes

7. Attached prescribed certificates

While agents can help with this process, it is important that sellers and buyers seek independent legal advice when preparing and reviewing this document.

What are the ‘prescribed certificates’ that must be provided under the new disclosure regime?

A prescribed certificate under the regime refers to the searches, notices and documents related to the property and the answers contained in the Form 2.

The below should be included:

- Title search and copy of the plan
- Any notice relating to owner-builder work completed
- Copy of any show cause or notice that remains in effect before the buyer signs the sale contract
- Any notice that the lot is subject to a transitional environmental program, enforcement order, evaluation or show cause under the Environmental Protection Act
- A copy of any documentation relating to:
 - Applications or orders for tree disputes
 - Transport infrastructure proposals that will alter the dimensions of the property or locate transport infrastructure on the property
- Any notice of intention to resume issued by a competent authority
- Whether the lot is affected by heritage laws
- Swimming pool certificate or a notice that there is no pool safety certificate
- For apartments, units or other properties in a community titles scheme, this also includes a copy of:
 - The community management statement
 - Body corporate certificate for the lot
 - By-laws or allocations of common property

How can we obtain the prescribed certificates and how much will it cost?

The searches can be obtained through the relevant authority directly (eg, councils or State departments) or through search providers. The cost for searches will depend on the number of lots being sold and whether the property is part of a community titles scheme.

We expect that costs for searches would start at around \$1,000 but would generally be in the thousands.



Completing the Disclosure Statement

Can a disclosure statement be signed electronically?

Yes, the Form 2 can be signed electronically providing there is consent from the client.

Can an agent sign on behalf of their client?

While an agent can sign the disclosure statement on behalf of a seller, we recommend that our agents do not sign the disclosure statement.

Can I be sued if the disclosure statement I provide is wrong?

Both the seller and agent may be sued if the purchaser experiences loss due to a mistake in the statement. To minimise this risk, we recommend you engage a solicitor or conveyancer to prepare the disclosure statement.

Do buyers need to sign and acknowledge the disclosure statement prior to signing the contract? How is this done?

While it's not mandatory for a purchaser to sign the disclosure, there is a section of the disclosure statement where the purchaser can sign to acknowledge receipt. **Your agent should either request written confirmation that the purchaser has received the disclosure statement or request that the purchaser return a signed copy** of the disclosure statement prior to signing the sale contract to rely on as evidence that the disclosure laws have been complied with.



What happens if we fail to comply with the disclosure regime?

The buyer of the property has the right to terminate the sales contract at any time prior to settlement in two situations:

- They were not provided the disclosure statement and prescribed certificates prior to the contract being signed
- The disclosure statement provided was incomplete or inaccurate at the time it was given to the buyer.

To help reduce these risks, you may be asked to review the initial disclosure statement prior to any offers being presented. If either of these occurs, the purchaser is entitled to a refund of their full deposit.

Are there any exemptions to the disclosure regime?

For most real estate transactions the seller disclosure will be required to be completed. Some examples of when an exemption may apply include:

- Sales between related parties where the purchaser waives the right to disclosure
- Court-ordered sales
- Transfers to a personal representative or beneficiary under a will
- Where the seller is a local government and the sale is to recover overdue costs
- Where the state is the seller and the purchaser has been a tenant in the home for at least three years
- Where the purchaser is a publicly listed company, the state or a statutory body



Sellers Disclosure and Auctions

Is there any difference to the disclosure process for auction or private treaty sales?

If you are selling your home via auction, the seller disclosure statement still needs to be provided. Your agent will ensure that all registered bidders receive the disclosure statement prior to the auction commencing as well as having a copy on display.



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