

GUIDE TO THE NEW SELLER DISCLOSURE

New Seller Disclosure Regime in Queensland

Seller disclosure regime, Queensland

From 1 August 2025, the way property is sold in Queensland will change with the introduction of a new statutory seller disclosure regime under the Property Law Act 2023 (Qld).

The new regime has been designed to improve transparency and consistency in property transactions, ensuring that buyers receive key information about a property before they sign a contract. Whether you're buying or selling residential property, it's essential to understand what this new regime means for you.

What Is the Seller Disclosure Regime?

The 'seller disclosure regime' is new name given to the legal framework introduced in Division 4, Part 7 of the Property Law Act 2023, that will commence on 1 August 2025.

Under these new laws, a seller must provide a buyer with the following before the buyer signs a contract:

- a completed and signed Form 2 Seller Disclosure Statement; and
- all prescribed certificates relevant to the property.

These documents must be accurate and up to date at the time they are given to the buyer. The disclosure statement must be signed by the seller and can be signed electronically. While it is not mandatory for the buyer to sign the statement, it is best practice for them to do so to confirm receipt.

The regime applies to all contracts entered into on or after 1 August 2025, regardless of when the property was listed for sale. Some limited exceptions may apply.

What must be disclosed?

The information that is required to be disclosed is set out in the Property Law Regulation 2024.

The Form 2 Seller Disclosure Statement is divided into several parts including items for each of the prescribed disclosure information.

Some examples of the information include:

Part 1 – Seller and Property Details

- Seller's name
- Property address
- Lot and plan description
- Whether the property is part of a community titles scheme or BUGTA scheme

Part 2 – Title Details and Encumbrances

- Title search and survey plan
- Registered and unregistered encumbrances (e.g. easements, leases, oral agreements)
- Statutory encumbrances (e.g. infrastructure access rights)
- Tenancy history and rent increases

New Seller Disclosure Regime in Queensland cont . . .

Part 3 – Land Use, Planning and Environment

- Zoning under the local planning scheme
- Notices of transport infrastructure proposals or resumptions
- Environmental contamination notices
- Tree orders and heritage listings

Part 4 – Buildings and Structures

- Pool safety compliance
- Owner-builder work and required notices
- Show cause or enforcement notices from local authorities

Part 5 – Rates and Services

- Most recent rates and water service charges
- Whether the property is exempt from rates or has no separate water notice

Part 6 – Community Titles or BUGTA Schemes

- Community management statement
- Body corporate certificate or explanatory statement

Why Is This Important for Buyers?

The new regime gives buyers the opportunity to review important information about a property before committing to a contract. This helps buyers make informed decisions and reduces the risk of post-contract disputes.

Buyers should carefully review the Form 2 and all attachments. If anything is unclear or concerning, they should seek legal advice before signing the contract. The disclosure statement includes a warning that buyers may not be able to terminate the contract later if they discover issues that were disclosed but not understood.

Buyers should also be aware that the disclosure statement does not cover everything. For example, it does not include information about:

- Flooding or natural hazard history
- Structural soundness or pest infestation
- Building or development approvals
- Asbestos presence
- Utility connections

Buyers are encouraged to conduct their own due diligence, including building and pest inspections, flood searches, planning checks and searches on any other relevant matters.

Termination Rights

Failure to comply with the disclosure requirements can have serious consequences. If the seller does not provide the disclosure documents before the buyer signs the contract, or if the documents are inaccurate or incomplete in relation to a material matter, the buyer may have a statutory right to terminate the contract at any time before settlement.

See: Buyer termination rights: Sellers disclosure regime BELOW

Buyer Termination Rights: Seller's Disclosure Regime

Seller's disclosure, Buyer's rights

The introduction of the new seller disclosure regime under the Property Law Act 2023 (Qld) (PLA), commencing from 1 August 2025, marks a significant shift in how property transactions are conducted in Queensland.

Under the PLA, a seller must provide a buyer with a completed and signed Form 2 Seller Disclosure Statement with all prescribed certificates before the buyer signs a contract.

While the regime is designed to improve transparency and reduce disputes, it also introduces specific rights for buyers to terminate a contract if particular disclosure requirements are not met.

Grounds to Terminate

The buyer's statutory termination rights are set out under section 104 of the PLA.

These rights cannot be contracted out of, meaning that they are enforceable regardless of the parties' intentions or any special conditions in the contract.

Termination Ground 1: Failure to Provide the Disclosure Statement

The first ground for termination arises if the seller fails to provide the disclosure statement and prescribed certificates to the buyer, before the buyer signs the contract.

This is a strict requirement. The disclosure documents must be given to the buyer in full, and in a manner permitted under the legislation.

If the buyer signs the contract without having received the disclosure documents, they may terminate the contract at any time before settlement.

This right is absolute and does not require the buyer to prove any loss or disadvantage. The mere fact that the documents were not provided at the necessary time, is sufficient.

Termination Ground 2: Inaccurate or Incomplete Disclosure

The second ground for termination may arise if the disclosure documents were provided to the buyer before they signed the contract, but:

- the information was inaccurate or incomplete in relation to a material matter affecting the property;
- the buyer was not aware of the correct state of affairs at the time of signing the contract;
- the buyer can demonstrate that had they been aware, they would not have signed the contract.

Buyer Termination Rights: Seller's Disclosure Regime

To exercise this right, the buyer must satisfy all three criteria.

This ground is designed to protect buyers from being misled or disadvantaged by omissions or errors in the disclosure. However, it also requires the buyer to demonstrate that the issue was material and that it influenced their decision to purchase.

Arguably, a buyer cannot rely on this ground to terminate for minor technical errors or omissions, such as immaterial spelling mistakes or minor issues.

What Is a 'Material Matter'?

A material matter is any fact or circumstance that could reasonably be expected to influence a buyer's decision to purchase the property. Possible examples include:

- an undisclosed easement that restricts development
- a zoning classification that prohibits the buyer's intended use
- a contamination notice that affects the land's value or usability
- an unregistered lease that limits vacant possession

The Property Law Regulation 2024 provides further guidance on what is and is not considered a material matter.

Importantly, some matters are expressly excluded from being material:

- whether there is a relevant pool for the lot;
- information relating to the rates for the lot; and
- information relating to water services for the lot.

What Happens After Termination?

If the contract is terminated under either of the above grounds, the seller must refund any deposit paid by the buyer, along with any interest earned, within 14 days. The buyer is not liable for any costs or penalties.

For agents, a termination may also affect their entitlement to commission. If the contract is terminated before settlement, and the agent's entitlement to commission is conditional on settlement occurring, the agent may not be entitled to receive a commission for the sale of the property.

For sellers and agents, the key to avoiding termination is compliance.

By understanding the disclosure obligations and following best practices, they can ensure a smooth and legally sound transaction.

If you are involved in a property transaction after 1 August 2025, make sure you understand your rights and responsibilities under the new regime.

When in doubt, seek legal advice.



Who Prepares the Disclosure Statement?

It is the seller's choice as to who they want to engage to prepare the Form 2 on their behalf.

The Form 2 can be prepared by:

- the seller;
- the seller's solicitor; and
- the seller's real estate agent (if authorised).

If an agent is preparing the Form 2, they must have written instructions from the seller and follow a strict workflow.

Agents are not permitted to provide legal advice or interpret search results.

If the seller is unsure about what information must be disclosed, they must seek legal advice.

Agents may charge a fee for preparing the Form 2, provided this is disclosed in the PO Form 6 Appointment of Property Agent.

As a company First National Chinchilla have decided that in most cases we will recommend a Specialist to prepare your Disclosure Document.

The search fee's will generally be the same, however, due to the importance of this document and the repercussions of incorrect information, we highly recommend a specialist Conveyancer, Solicitor or Valuer, prepare these on your behalf.

We will have specialists available for our Vendors moving forward.

***Information provided by REIQ

DISCLAIMER: This article is provided for information purposes only and does not constitute legal advice and should not be used as such. Formal and independent legal advice should be sought in particular matters. REIQ cannot and does not warrant and nor does it represent in any way that the information contained herein is current and/or will remain current beyond the time and date of release.

