





Guide to the Seller Disclosure Scheme

Property Law Act 2023

The statutory Seller Disclosure Scheme (the Scheme) for sales of freehold land in Queensland begins on **1 August 2025**.

The Scheme requires a seller to disclose specific information to a buyer before the buyer enters into a contract for sale.

This guide outlines key information about the Scheme to assist sellers, buyers and their agents in understanding their rights and obligations.

The Scheme is established under the following legislation:

- Property Law Act 2023 (Part 7, Division 4);
- Property Law Regulation 2024;
- Body Corporate and Community Management Act 1997 (Chapter 4, Part 2, Division 2) and its associated regulation modules (Chapter 9, Part 4 of most regulation modules; Chapter 7, Part 4 of the specified two-lot schemes module)
- <u>Building Units and Group Titles Act 1980</u>. (Part 4, Division 1) and the <u>Building Units and Group Titles</u> <u>Regulation 2008</u> (Part 4).

Warning – This guide is designed to help sellers, buyers, and their agents in understanding the Scheme. It does not constitute or replace legal advice about your particular circumstance. Sellers and buyers should seek independent legal advice about their obligations under the Scheme.

Creative Commons

© The State of Queensland (Department of Justice) 2025

Published by the Queensland Government, August 2025, 1 William St, Brisbane, Qld, 4000.



Unless otherwise noted, all copyright material in this document is licensed under a <u>Creative Commons Attribution-Non-commercial-No Derivatives</u> 4.0 International License.

In essence, you are free to copy, communicate and adapt this document, as long as you attribute the work to the State of Queensland (Department of Justice).

Contents

1.	Commencement and purpose	2
2.	Application of the Scheme	2
3.	Seller disclosure obligations	3
	3.1 Seller Disclosure Statement	3
	3.2 Prescribed certificates	3
	3.3 Information a seller is not required to disclose	4
	3.4 Agents and other representatives	4
	3.5 How disclosure documents may be given	4
	3.6 Sales by auction	5
4.	Seller Disclosure Statement	7
	4.1 Seller and property details (Part 1)	7
	4.2 Title details, encumbrances and residential tenancy or rooming accommodation agreement (Part 2)	7
	4.3 Land use, planning and environment (Part 3)	9
	4.4 Buildings and structures (Part 4).	. 10
	4.5 Rates and water services (Part 5)	. 11
	4.6 Community titles schemes and BUGTA schemes (Part 6).	. 11
5.	Prescribed Certificates	. 12
	5.1 Titles details	. 12
	5.2 Land use planning and environment	. 12
	5.3 Building and structures	. 12
	5.4 Community titles schemes and BUGTA schemes	. 14
6.	Termination rights	. 15
	6.1 Buyer's right to terminate the contract	. 15
	6.2 Exceptions to termination rights	.16
7.	Transitional provisions	. 16
8.	Further information	. 16



1. Commencement and purpose

The Scheme begins on **Friday, 1 August 2025**. The Scheme applies to contracts for sale entered into on or after 1 August 2025. A contract for sale is entered into when both the buyer and seller have signed the contract.

The purpose of the Scheme is to:

- clarify the disclosure obligations of sellers;
- introduce a transparent and effective form of disclosure for sales of freehold land; and
- provide information of value to the buyer in making a decision to purchase.

2. Application of the Scheme

Subject to some exceptions (listed below), the Scheme applies to all contracts for sale of freehold land, including residential premises (such as houses, units and townhouses) and commercial premises (such as warehouses and office spaces). However, the Scheme does not apply to sales of proposed lots which are subject to their own disclosure requirements.

The Scheme applies to sales by treaty and tender, sales by auction, sales by a mortgagee or receiver, and an option for the sale of the lot.

The Scheme applies despite any agreement to the contrary between the parties, meaning the seller and buyer cannot agree to waive the disclosure obligations unless allowed under the Scheme.

Exceptions

A seller is **not** required to provide disclosure to a buyer under the Scheme if:

- the sale price is more than \$10 million (including GST) and the buyer waives the disclosure requirement;
- the buyer and seller, or if there is more than one, all of the buyers and all of the sellers, are related and a waiver has been given (see section 96 of the *Property Law Act 2023* for when a buyer and seller are 'related' – for example, family members);
- the buyer is:
 - a State, the Commonwealth, or a local government;
 - a constructing authority under the Acquisition of Land Act 1967;
 - a statutory body;
 - a listed corporation or subsidiary;

- the seller is a local government and the sale is to recover overdue rates or charges, provided the seller gives the buyer a notice that the seller is not required to give the disclosure documents;
- the seller is the State and the buyer was a tenant of the lot for at least the previous 3 years, provided the seller gives the buyer a notice that the seller is not required to give the disclosure documents;
- the seller and buyer are co-owners;
- the sale is to adjust a common boundary between the seller and buyer;
- the sale gives effect to:
 - a court order;
 - an enforcement warrant under the Supreme Court of Queensland Act 1991;
 - a financial agreement under the Family Law Act 1975 (Cth);
- the sale gives effect to transmission because of the death of an owner;
- the sale is made under section 41 of the Acquisition of Land Act 1967 (regarding disposal of land that a constructing authority no longer requires); and
- the contract for the sale of the lot arises from the exercise of an option for the sale of the lot, where the buyer under the contract and the option are the same and there was previous disclosure by the seller to the buyer in relation to the sale of the lot.

Warning – Sellers should obtain independent legal advice about whether they are exempt from seller disclosure requirements.

3. Seller disclosure obligations

Before a contract for sale is signed by the buyer, the seller must give the buyer the disclosure documents:

- a Seller Disclosure Statement (Disclosure Statement) in the approved form; and
- any prescribed certificates that are applicable to the lot.

3.1 Seller Disclosure Statement

Sellers must use the approved <u>Disclosure Statement</u> which is published on the Queensland Government website.

The Disclosure Statement must be completed with information that is true at the time it is given to the buyer. There is no obligation under the Scheme for the seller to update the Disclosure Statement after it has been given to the buyer.

The Disclosure Statement may be a physical document or an electronic document.

The Disclosure Statement must be signed by the seller (which includes electronic signatures).

The information to be included in the Disclosure Statement is set out in detail below.

3.2 Prescribed certificates

Sellers must give any prescribed certificates that are relevant to the lot. These prescribed certificates might be documents that are also required to be given under other legislation.

Prescribed certificates do not need to be attached to the Disclosure Statement. However, all applicable prescribed certificates must be given to the buyer before the buyer signs the contract.

Further information about prescribed certificates is set out in detail below.

3.3 Information a seller is <u>not</u> required to disclose

The Scheme does not require sellers to disclose information about:

- flooding or other natural hazard history;
- structural soundness of the building or pest infestation;
- current or historical use of the property;
- current or past building or development approvals for the property;
- limits imposed by planning laws on the use of the land;
- services that are or may be connected to the property; and
- the presence of asbestos within buildings or improvements on the property.

Buyers are encouraged to make their own inquiries about these matters before signing a contract for sale.

3.4 Agents and other representatives

Sellers and buyers can authorise an agent (for example, a real estate agent or solicitor) to act on their behalf in relation to complying with the Scheme.

For example, a real estate agent may be specifically authorised to act for a seller in order to sign the Disclosure Statement and give it to the buyer.

3.5 How disclosure documents may be given

If there is more than one seller or buyer, the disclosure documents may be given by any one of the sellers, to any one of the buyers, to satisfy the disclosure obligations. The seller has the onus of proving that the disclosure documents were given to the buyer.

Methods of giving the disclosure documents

The disclosure documents may be given by:

- personal delivery (if the buyer is an individual);
- leaving the documents at or posting the documents to:
 - for an individual: their last known place of residence or business;
 - for a corporation or other incorporated body: their registered office, principal office, or principal place of business in Queensland;
- qiving the buyer a separate physical document stating that:
 - the disclosure documents can be viewed using an electronic link (with the link provided in the document); and
 - the buyer may ask the seller for a copy of the disclosure documents, and if the buyer asks, giving the buyer a copy of the disclosure documents in hard copy or electronic form;
- if the buyer consents to the disclosure documents being sent to an electronic address, sending an electronic communication to that address which either:
 - attaches the disclosure documents;
 - includes the content of the disclosure documents; or
 - includes an electronic link to view and copy the disclosure documents.

When the disclosure documents are taken to be received

The disclosure documents must be given before the buyer signs the contract for sale. Therefore, it is important for a seller to understand when the documents are taken to be received by the buyer.

Under the Scheme, unless otherwise agreed between the seller and the buyer, the disclosure documents are taken to be received as follows:

- personal delivery or leaving at an address: When the documents are given to the person or left at the address;
- **post:** 7 business days after they were sent, unless the actual time of delivery can be proved;
- electronic: When the electronic communication becomes capable of being retrieved by the buyer at the electronic address.

If the seller gives the buyer an **electronic link** to access the disclosure documents, the buyer must be able to view and copy the documents at the time the link is given and for a reasonable period afterwards.

3.6 Sales by auction

The Scheme applies to sales by auction, but different rules apply to the way the disclosure documents are given due to the unique nature of these sales.

Under the Scheme, a contract for sale is taken to be signed by the buyer at the completion of the auction. Therefore, it is necessary for sellers to have complied with their obligations under the Scheme before completion of the auction.

There are two different processes for how a seller can give disclosure documents at an auction depending on when the buyer (i.e. the successful bidder) registers for the auction.

Buyer registered before the start of the auction

If the buyer of the lot was registered as a bidder before the start of the auction, the seller must give the buyer the disclosure documents before the start of the auction.

Buyer registered after the start of the auction

If the buyer of the lot registers as a bidder after the start of the auction, and was not given the disclosure documents before the start of the auction, either of the following must have been complied with by the seller depending on how the auction is conducted:

- for an auction conducted in person, the seller must, from the start to completion of the auction, display at the place of the auction either:
 - a physical copy of the disclosure documents; or
 - a physical document stating the disclosure documents can be viewed using an electronic link provided, and if the buyer asks for a physical copy:
 - give the buyer a physical copy of the disclosure documents; or
 - display a physical copy of the disclosure documents at the place of the auction;
- for an auction conducted electronically, the seller must, from the start to completion of the auction, and in the same electronic medium being used to conduct the auction, make available either:
 - a copy of the disclosure documents; or
 - a document stating that the disclosure documents can be viewed and copied using an electronic link provided.



4. Seller Disclosure Statement

Sellers must use the approved <u>Disclosure Statement</u> which is available on the Queensland Government website.

The approved Disclosure Statement contains all of the warnings and statements required under the Scheme.

The seller must disclose the information set out below in the Disclosure Statement.

Note – If you cannot fit all the necessary information in the boxes provided in the Disclosure Statement, additional content can be included in a separate document given with the Disclosure Statement.

For example, you may need more room to write an extra paragraph that does not fit in the box on page 2 of the Disclosure Statement about unregistered encumbrances. You could write in the final sentence of the box 'see additional document for further details about the unregistered encumbrance' and then give a document containing the additional information.

4.1 Seller and property details (Part 1)

Part 1 of the Disclosure Statement requires information about:

- the name of the seller or sellers;
- the address and lot-on-plan description of the lot; and
- whether the lot is included in a community titles scheme under the Body Corporate and Community Management Act 1997 (BCCM Act) or a BUGTA scheme (defined as a plan under the Building Units and Group Titles Act 1980 (BUGT Act)).

4.2 Title details, encumbrances and residential tenancy or rooming accommodation agreement (Part 2)

Part 2 of the Disclosure Statement requires information about:

- whether a title search for the property and copy of the plan of survey is given to the buyer (see also Section 5 - Prescribed Certificates below);
- details of each unregistered encumbrance on the lot; and
- if the lot was subject to a residential tenancy or rooming accommodation agreement in the previous 12 months—the date of the last rent increase (if any).

Unregistered encumbrances

Unregistered encumbrance means any of the encumbrances in the table below that will remain after settlement and are not registered on the title for the lot. If an unregistered encumbrance exists, the seller must provide the details for the encumbrance indicated in the table below.

Type of unregistered encumbrance	Details to include in Disclosure Statement
Unregistered lease (for example, a residential tenancy agreement or a short lease).	 start and end day of the term of the lease; amount of rent and bond payable under the lease; and whether the lease has an option to renew.
Access agreement, opt-out agreement, deferral agreement or conduct and compensation agreement under the <i>Mineral and Energy Resources</i> (Common Provisions) Act 2014.	If created by an agreement in writing:a copy of the agreement;the plans, if any, showing the encumbrance.
Unregistered charge, mortgage, easement or profit a prendre known, or reasonably expected to be known, to the seller.	 If created by an oral agreement: the names of the parties to the agreement; the term of the agreement the amounts, if any, payable by the owner of the land in relation to the encumbrance.
Statutory encumbrance.	 a description of the encumbrance; if the encumbrance relates to infrastructure and the seller has a plan showing the location of the infrastructure—a copy of the plan.

Unregistered agreements

An agreement that is not registered on the title to the lot but is attached to the lot and will remain after settlement is an unregistered agreement. An unregistered agreement is a type of unregistered encumbrance and can include unregistered leases, informal agreements and infrastructure not listed on the title.

For example, the homeowner has made an informal oral agreement with their neighbour to allow the neighbour to use the homeowner's driveway to access the neighbour's lot in exchange for the neighbour agreeing to maintain the driveway.

Statutory encumbrances

Statutory encumbrances are rights created under statute, and typically relate to essential infrastructure services required for the upkeep of a property or surrounding properties. For example, overhead power lines, drainage and sewerage pipes both above and below the land. Various entities, such as local councils, Energex, and Urban Utilities, may be granted statutory rights to keep infrastructure on the lot, or to access the lot to repair or maintain that infrastructure.

A statutory encumbrance may also be a statutory charge over land arising from the non-payment of money to the Commonwealth, State or a local government.

Warning – Sellers should obtain independent legal advice about unregistered encumbrances for the lot.

4.3 Land use, planning and environment (Part 3)

Part 3 of the Disclosure Statement requires information about:

- zoning of the lot;
- whether the lot is affected by a notice given to the seller by a Commonwealth, State or local government entity about a transport infrastructure proposal;
- whether the lot is affected by a notice of intention to resume the lot or any part of the lot;
- contamination and environmental protection matters under the Environmental Protection Act 1994;
- whether the lot is affected by a tree application or order under the Neighbourhood Disputes (Dividing Fences and Trees) Act 2011; and
- whether the lot is affected by the *Queensland Heritage Act 1992* or is included in the World Heritage List under the Environment Protection and Biodiversity Conservation Act 1999 (Cwlth).

Transport infrastructure proposals

The seller is required to disclose whether the lot is affected by a notice given to the seller by a Commonwealth, State or local government entity about a transport infrastructure proposal to—

- locate transport infrastructure on the lot; or
- alter the dimensions of the lot.

Transport infrastructure proposal means a plan or option relating to transport infrastructure that has been given effect by resolution or adopted under an official process.

Transport infrastructure is defined under the Transport Infrastructure Act 1994 to include:

- air, busway, light rail, miscellaneous, public marine, rail or road transport infrastructure; and
- transport infrastructure relating to ports; and
- other rail infrastructure; and
- active transport infrastructure.

Notice of intention to resume

The seller is required to disclose whether the lot is affected by a notice of intention to resume. A notice of intention to resume is the formal first step in the process of a government or other resuming authority acquiring land or an interest in land through compulsory acquisition.

The notice informs landowners and other stakeholders of the government or resuming authority's intention to take the property for a specific purpose, outlines the process for objection, and provides details about potential compensation.

If the Governor in Council approves the compulsory land acquisition, a resumption notice (a different kind of notice) is published in the Queensland Government Gazette and a copy of the notice is sent to all interested parties.

Information about contaminated land and relevant notices

Contaminated land is defined under the *Environmental Protection Act 1994* to mean land contaminated by a hazardous contaminant.

To determine if land is on the contaminated land register or environmental management register, a search can be conducted through the Queensland Government's <u>search facility</u> (available at: <u>products.des.qld.gov.au/shopping/home</u>).

The seller must also disclose whether notices under sections 347(2), 369C(2) or 408(2) the *Environmental Protection Act 1994* are or have been given to the buyer:

- section 347(2) requires the seller to give written notice to the buyer of the existence of a prescribed transitional environmental program;
- section 369C(2) requires the seller to give written notice to the buyer of the existence of an environmental enforcement order;
- section 408(2) requires the seller to give written notice to the buyer if:
 - the land is recorded in a relevant land register; or
 - the land is the subject of:
 - a show cause notice that the land will be recorded on a relevant land register;
 - an environmental evaluation that includes a requirement to conduct or commission a site investigation;
 - an environmental enforcement order that includes a requirement to provide a validation report;
 - a notice that the landowner must prepare a draft site management plan;
 - a notice that the administering authority has prepared the site management plan; or
 - the land is the subject of an order to conduct a site investigation or conduct work.

4.4 Buildings and structures (Part 4)

Part 4 of the Disclosure Statement requires information about:

- whether there is a pool on the lot;
- if the lot is included in a community titles scheme under the BCCM Act or a BUGTA scheme, whether there is a pool on the common property;
- whether building work was carried out on the property under an owner builder permit in the last 6 years by way of a notice under section 47 of the *Queensland Building and Construction Commission Act* 1991 (see also Section 5 Prescribed Certificates below);
- whether there are unsatisfied show case or enforcement notices under relevant sections of the *Building Act* 1975 or *Planning Act* 2016 (see also Section 5 Prescribed Certificates below);
- whether the seller has been given a notice or order from the Commonwealth, a State or a local government, or a court, tribunal or other competent authority, requiring work to be done or money to spent in relation to the property that remains in effect (see also Section 5 Prescribed Certificates below).

Disclosure obligations when there is a pool on the lot and a shared pool on common property

If a property is part of a community titles scheme under the BCCM Act or a BUGTA scheme, and there is a pool on the lot (for example a private pool within the boundaries of the lot) and also a shared pool on the common property, each pool is a relevant pool. The seller must give pool compliance certificates and/or notice of no pool safety certificate for each relevant pool individually.



4.5 Rates and water services (Part 5)

Part 5 of the Disclosure Statement requires information about:

- the total amount of rates and charges (without any discount) payable for the lot as stated in the most recent rate notice, or if applicable, a statement that the lot is a rates exempt lot or that no separate assessment of rates is issued by a local government. A 'rate notice' is defined to take its meaning from section 96(2) of the City of Brisbane Regulation 2012 or section 104(2) of the Local Government Act 2009; and
- if a water services notice is issued for the property, the amount payable as charges for water services under the most recent water notice, or if no separate water services notice is issued for the lot, an estimate of the amount payable for water services for the most recent period. A 'water services notice' means a notice issued by a water service provider for the provision of a water service under the Water Supply (Safety and Reliability) Act 2008.

4.6 Community titles schemes and BUGTA schemes (Part 6)

Part 6 of the Disclosure Statement requires information about:

- whether the lot is part of a community titles scheme under the BCCM Act or a BUGTA scheme; and
- whether a body corporate certificate and community management statement (if applicable) is given to the buyer (see also Section 5 – Prescribed Certificate below).

5. Prescribed Certificates

A seller must give the buyer any prescribed certificates relevant to the lot. This ensures buyers receive copies of important documents and notices to inform their decision to purchase.

Prescribed certificates do <u>not</u> have to be *attached* to the Disclosure Statement, but must be given to the buyer before they sign the contract for sale.

The prescribed certificates that may be required are set out below.

Warning – Sellers should obtain independent legal advice about prescribed certificates relevant to their lot.

5.1 Titles details

A seller must give the buyer:

- a title search showing interests registered under the Land Title Act 1994 for the lot; and
- a copy of the plan of survey registered under the Land Title Act 1994 for the lot.

Note – Sellers can contact Titles Queensland to obtain a copy of the title search and survey plan for a lot.

5.2 Land use planning and environment

If applicable or required, a seller must give the buyer a copy of:

- **a** notice given to the seller by the Commonwealth, State or local government about a transport infrastructure proposal affecting the lot;
- a notice of intention to resume the lot or any part of the lot;
- a notice under section 347(2), 369C(2) or 408(2) of the *Environmental Protection Act 1994* in relation to the sale of the lot (for example, land is contaminated, show cause notice, requirement for site investigation, clean up notice, site management plan, environment enforcement order, or transitional environmental program applies); and
- a tree application or order under the *Neighbourhood Disputes (Dividing Fences and Tress) Act 2011* affecting the property.

Note – See Section 4.3 of this Guide above for further information about these types of notices.

5.3 Building and structures

If applicable or required, a seller must give the buyer a copy of:

- either a pool compliance certificate or a notice that there is no pool compliance certificate in effect for each relevant pool under the *Building Act 1975*;
- a notice under the *Queensland Building and Construction Commission Act 1991* regarding unlicensed building work;
- a show cause or enforcement notice under the *Building Act 1975* or the *Planning Act 2016* that remains in effect; and
- a notice or order given to the seller by a local, State or Commonwealth government, a court or tribunal or other competent authority requiring work to be done or money to be spent in relation to the lot, that remains in effect.

Unlicensed building work

Section 47(1)(a) of the *Queensland Building and Construction Commission Act 1991* defines unlicensed building work as any building work that is carried out on land by a person who is not licensed to carry out that building work. For example, a homeowner who is not a licensed builder builds a new dividing wall in the house themselves.

Show cause and enforcement notices under the Building Act 1975 and Planning Act 2016

Section 246AG of the *Building Act 1975* relates to a show cause notice from the local government regarding the cancellation of a pool safety certificate.

Section 247 of the Building Act 1975 relates to a show cause for why an enforcement or revocation notice should not be given to the person.

Section 248 of the Building Act 1975 relates to an enforcement notice from a local government to the owner of a building, structure or building work if the local government reasonably believes the building, structure or building work:

- was built before the commencement of the section without, or not in accordance with, the approval of the local government; or
- is dangerous; or
- is in a dilapidated condition; or
- is unfit for use or occupation; or
- is filthy, infected with disease or infested with vermin.

Section 167 of the *Planning Act 2016* relates to show cause notices that may be issued if an enforcement authority reasonably believes a person has committed or is committing a development offence and is considering giving an enforcement notice to the person.

Section 168 of the Planning Act 2016 relates to enforcement notices that may be issued if an enforcement authority reasonably believes a person has committed, or is committing, a development offence. The enforcement authority may give an enforcement notice to the person or the owner of the premises. An enforcement notice requires a person to refrain from committing a development offence or to remedy the effect of a development offence in a stated way.

Notices requiring work to be done or money spent

A notice that requires work to be done or money to be spent could originate from several sources and the wording of the disclosure requirement is intentionally broad. For example, these notices could arise from a court order about enforcing a debt, a Queensland Civil and Administrative Tribunal (QCAT) decision about a dividing fence, a notice from the local government authority to remedy a leaking pool or to clean up property, or, if there is a lease for the property that will continue after settlement and QCAT has given a notice to remedy a breach in relation to the tenancy.

5.4 Community titles schemes and BUGTA schemes

Community titles schemes

If the lot is included in a community titles scheme under the *Body Corporate and Community Management Act 1997*, the seller must give the buyer:

- a copy of the most recent community management statement (CMS) for the scheme as recorded under the *Land Title Act 1994* or another Act; and
- a copy of the body corporate certificate for the lot.

Where the lot is in a community titles scheme that is part of a layered arrangement of community titles schemes, only the community management statement for the scheme containing the lot is required to be provided. Sellers can contact Titles Queensland or the relevant body corporate to obtain a copy of the CMS

Sellers can contact the body corporate for their community titles scheme to obtain a body corporate certificate for the lot. The body corporate must provide a certificate for the lot in the approved form within five business days of a written request accompanied with the fee of 76.75 fee units. An additional fee of 27.35 fee units is payable for a request for a certificate to be given within 24 hours. The body corporate must refund this fee if the certificate is not given within 24 hours. If a body corporate manager is engaged by the body corporate, it may be practical to contact the relevant body corporate manager in the first instance. A seller should ensure that if they are given any documents with the body corporate certificate, that these documents are also provided to the buyer.

However, if the seller cannot obtain a body corporate certificate because one of the following reasons apply, the seller must instead provide the buyer with an explanatory statement stating the applicable reason:

- the body corporate for the scheme has advised the seller in writing that it does not have records that could be used to prepare a body corporate certificate, including for example, because the records are missing, destroyed or in disarray; or
- all of the following apply:
 - a module other than the specified two-lot schemes module applies to the scheme; and
 - the original owner control period for the scheme has ended; and
 - the first annual general meeting of the body corporate has been held; and
 - no committee for the body corporate has been chosen; and
 - if the scheme is not a commercial module scheme, no body corporate manager has been engaged to carry out the functions of the committee for the body corporate.

BUGTA schemes

If the lot is included in a plan under the *Building Units and Group Titles Act 1980* (defined as a 'BUGTA scheme'), a seller must give the buyer a copy of the body corporate certificate for the lot. BUGTA scheme lots will not require inclusion of a CMS as a prescribed certificate.

Sellers can contact the body corporate for the relevant BUGTA scheme to obtain a body corporate certificate. The body corporate must provide a certificate for the lot in the approved form within five business days of a written request accompanied with the fee of 76.75 fee units. An additional fee of 27.35 fee units is payable for a request for a certificate to be given within 24 hours. The body corporate must refund this fee if the certificate is not given within 24 hours. If a body corporate manager is engaged by the body corporate, it may be practical to contact the relevant body corporate manager in the first instance. A seller should ensure that if they are given any documents with the body corporate certificate that these documents are also provided to the buyer.

However, if the seller cannot obtain a body corporate certificate because one of the following reasons apply, the seller must instead provide the buyer with an explanatory statement stating the applicable reason:

- the body corporate for the scheme has advised the seller in writing that it does not have records that could be used to prepare a body corporate certificate, including for example, because the records are missing, destroyed or in disarray; or
- no committee for the body corporate has been elected or appointed and no body corporate manager has been appointed.

6. Termination rights

6.1 Buyer's right to terminate the contract

A buyer may terminate a contract for sale at any time prior to settlement if:

- the seller fails to give the buyer the Disclosure Statement or an applicable prescribed certificate before the buyer signs the contract for sale; or
- the seller gives the buyer a Disclosure Statement or applicable prescribed certificate but all of the following apply:
 - the Disclosure Statement or prescribed certificate contains an inaccuracy or omission about a *material matter* affecting the lot at the time it is given to the buyer; and
 - the buyer was unaware of the matter when the contract was entered into; and
 - the buyer would not have entered into the contract had they been aware of the correct state of affairs.

What will be a *material matter* affecting the lot for a sale may vary depending on the particular circumstances of the sale. However, the *Property Law Regulation 2024* provides that information relating to rates and water services for a lot are not a material matter affecting a lot.

The buyer of the lot may terminate the contract for sale by giving a notice (a termination notice) to the seller terminating the contract. The termination notice may be given at any time before settlement.

Termination is the only remedy for the buyer under the Scheme. For example, a buyer cannot sue the seller under the Scheme for compensation if the seller gave the buyer a prescribed certificate that was inaccurate. However, a seller should obtain legal advice if they have any concerns about other types of liability.

If the contract is terminated under the Scheme, the seller must repay to the buyer any amount paid towards the purchase of the lot, including any interest that accrued while the amount was held by or on behalf of the seller. This repayment must occur within 14 days of the contract being terminated.

Warning - Buyers and sellers should seek independent legal advice about termination rights.

6.2 Exceptions to termination rights

The termination right does not apply if the seller's failure to give the disclosure documents, or an inaccuracy or omission in the disclosure documents, is also a failure to comply with another Act. In these circumstances, the consequence provided in the other Act will apply instead.

For example, the failure of a seller to give a copy of a notice that work had been carried out under an owner-builder permit under the QBCC Act results in the seller being taken to give the buyer a contractual warranty that the work was properly carried out. The buyer has no right to terminate the contract for the seller's failure to give the notice.

Warning – Sellers and buyers are encouraged to make their own inquiries about these matters before signing a contract. Buyers should note that they may not be able to terminate the contract if these matters are discovered after a contract is signed.

7. Transitional provisions

The Scheme will only apply to contracts for sale entered into on or after 1 August 2025. A contract for sale is entered into when both the buyer and seller have signed the contract.

If a contract for sale is signed by the buyer **before** 1 August 2025, but is not signed by the seller until **on or after** 1 August 2025, the contract will be formed on or after 1 August 2025 and the Scheme will apply.

There is a risk that a Disclosure Statement (given prior to 1 August 2025) would not be effective because it was given before the Scheme commences.

Accordingly, if a buyer signs a written offer to purchase property in the form of a written contract on or before 31 July 2025, and the seller cannot sign the contract by 31 July 2025, the seller should consider issuing a new contract with the necessary disclosure documents for the buyer to sign on or after 1 August 2025.

Warning – Sellers should seek independent legal advice about complying with their obligations over the transition period.

8. Further information

Sellers and buyers should seek professional advice from their real estate agent and legal advice from their solicitor specific to their circumstances and the lot the subject of the sale.

Further information of a general nature is also available online:

Buying and selling a property

Before you put your home on the market

Buying a body corporate property



