



Seller Disclosure Update

Property Law Act and Regulation



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A Quick About Me

- I have been practicing exclusively in property and conveyancing since 2013.
- Started my own practice in 2022 and have grown from my just my Wife and I, to a team of 7.
- We look after approximately 1000 conveyance matters per calendar year.
- Our growth is attributive to our focus on conveyancing, communication and heavy front -end client service.



What are we talking about today?

1. Property Law Act 2023;
2. Property Law Regulation 2024;
3. Practical Implications for Conveyancing
4. Questions and Answers





Now for a RECAP

- Current Seller Disclosure Obligations – “Buyer Beware”
- Drastic contrast from the Laws and processes in NSW and Victoria.
- Queensland is usually a few years behind – EG NSW mandated PEXA in 2019 and VIC in 2018. QLD in 2023.
- Rework of the Property Law act started in around 2017 with QUT releasing a report recommending significant modernisation

Property Law Act 2023

- Passed on 25 October 2023.
- Proclamation of commencement on 19 September 2024.
- Commencement for 1 August 2025.
- The Act proposes both minor and major changes to reflect contemporary commercial practices and repeals outdated/unnecessary provisions.
- Increase certainty surrounding conveyancing practices.





The Main Event

- The Act introduces a new statutory seller disclosure scheme for Queensland.
- Under the scheme a seller must give a seller disclosure statement in the approved form and prescribed certificates to a buyer before entering into a contract of sale.
- Subject to some exceptions which are set out in the new Act, seller disclosure is compulsory and the seller and buyer cannot ‘contract out’ of the requirements.

What do we know?

- Spoiler Alert – like you, I only know what the legislation tells us, and the official pro forma Disclosure Statement – *PLA Form 2*
- QLS and REIQ are working on the new version Contracts.
- Once that occurs – Lexon can start finalizing the protocols and risk tools. Lexon asked me to convey their commitment to supporting practitioners as soon as it is possible to do so.
- Until then – we only have what the practitioners can predict based on their practical experience of conveyancing risk mitigation.



Seller disclosure statement



Queensland
Government

Property Law Act 2023 section 99
Form 2, Version 1 | Effective from: 1 August 2025

WARNING TO BUYER – This statement contains important legal and other information about the property offered for sale. You should read and satisfy yourself of the information in this statement before signing a contract. You are advised to seek legal advice before signing this form. You should not assume you can terminate the contract after signing if you are not satisfied with the information in this statement.

WARNING – You must be given this statement before you sign the contract for the sale of the property.

This statement does not include 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
- » the presence of asbestos within buildings or improvements on the property.

You are encouraged to make your own inquiries about these matters before signing a contract. You may not be able to terminate the contract if these matters are discovered after you sign.

Part 1 – Seller and property details

Seller

Insert seller name

Property address
(referred to as the “property” in this statement)

Insert property address (Line 1)

Insert property address (Line 2)

Lot on plan description

Insert reference

Community titles scheme or BUGTA scheme:

Is the property part of a community titles scheme or a BUGTA scheme:

☐ Yes

*If **Yes**, refer to Part 6 of this statement for additional information*

☐ No

*If **No**, please disregard Part 6 of this statement as it does not need to be completed*

Part 2 – Title details, encumbrances and residential tenancy or rooming accommodation agreement

Title details

The seller gives or has given the buyer the following—

A title search for the property issued under the *Land Title Act 1994* showing interests registered under that Act for the property.

☐ Yes

A copy of the plan of survey registered for the property.

☐ Yes

Registered encumbrances

Registered encumbrances, if any, are recorded on the title search, and may affect your use of the property. Examples include easements, statutory covenants, leases and mortgages.

You should seek legal advice about your rights and obligations before signing the contract.

Unregistered encumbrances (excluding statutory encumbrances)

There are encumbrances not registered on the title that will continue to affect the property after **settlement**.

☐ Yes☐ No

Note—If the property is part of a community titles scheme or a BUGTA scheme it may be subject to and have the benefit of statutory easements that are **NOT** required to be disclosed.

Unregistered lease (if applicable)

If the unregistered encumbrance is an unregistered lease, the details of the agreement are as follows:

» the start and end day of the term of the lease:

Insert date range

» the amount of rent and bond payable:

Insert amount of rent and bond

» whether the lease has an option to renew:

Insert option to renew information

Other unregistered agreement in writing (if applicable)

If the unregistered encumbrance is created by an agreement in writing, and is not an unregistered lease, a copy of the agreement is given, together with relevant plans, if any.

☐ Yes

Unregistered oral agreement (if applicable)

If the unregistered encumbrance is created by an oral agreement, and is not an unregistered lease, the details of the agreement are as follows:

Insert names of parties to the agreement, term of the agreement and any amounts payable by the owner of the property

Statutory encumbrances

There are statutory encumbrances that affect the property.

☐ Yes☐ No

*If **Yes**, the details of any statutory encumbrances are as follows:*

Insert a description of the encumbrance and a copy of the plan showing the location of the infrastructure, if available, is given

Residential tenancy or rooming accommodation agreement

The property has been subject to a residential tenancy agreement or a rooming accommodation agreement under the *Residential Tenancies and Rooming Accommodation Act 2008* during the last 12 months.

☐ Yes☐ No

If **Yes**, when was the rent for the premises or each of the residents’ rooms last increased? *(Insert date of the most recent rent increase for the premises or rooms)*

Note—Under the *Residential Tenancies and Rooming Accommodation Act 2008* the rent for a residential premises may not be increased earlier than 12 months after the last rent increase for the premises.

As the owner of the property, you may need to provide evidence of the day of the last rent increase. You should ask the seller to provide this evidence to you prior to settlement.

New VS Old Disclosure

Search:	New System:	Old System:
Title Search (Under the Land Title Act 1994)	✓	Not required – but common anyway
A copy of plan of survey for the property	✓	X
Registered encumbrances	✓	Disclosure Required, but not the dealings
Unregistered encumbrances	✓	✓
Unregistered Lease (if applicable)	✓	✓
Other unregistered agreement in writing (if applicable)	✓	✓
Unregistered oral agreement (if applicable)	✓	✓
Statutory encumbrances	✓	✓
Residential tenancy or rooming accommodation agreement	✓	✓
Zoning	✓	X
Transport Proposals and resumptions	✓	Standard Condition 7.7(1)(b) ✓
Contaminated Land & EMR	✓	EPA s408 ✓
Trees Disputes	✓	REIQ Reference Schedule ✓
Heritage (State and Cth)	✓	X
Swimming Pool (compliance + safety)	✓	✓
Unlicenced building work under permit	✓	QBCCA s47 ✓
Notices and orders (Building Act 1975 or Planning Act 2016)	✓	Standard Condition 7.7(1)(f) ✓
Rates and Water	✓	X
Community titles schemes and BUGTA schemes	✓	Limited to existing BCCMA Disclosure





Who Prepares the Disclosure

- **Sellers who are self -acting**
 - Limited by where/how they obtain the searches necessary to accurately complete the Disclosure
- **Agents**
 - National brands may instead rely on inhouse staff or legal departments to produce as part of their vendor onboard process.
 - Risk 1 – is interpretation of searches legal advice?
 - Risk 2 – Errors in reading searches/ instruction results in Consumer Law breaches as regular misrepresentations do.



Who Prepares the Disclosure

- Solicitors
 - Taking instructions
 - VOI
 - Order Searches (\$400 to \$600 in disbursement)
 - Money in Trust?
 - Timeframes for return of searches and preparation of Disclosure Statement.
 - Professional Fees
- May as well draft the Contract too.
- Very similar to NSW Practice

REQUIREMENTS FOR PRESCRIBED CERTIFICATION

Section 5 of the Regulations prescribes which of the searches/documents must be provided with the Disclosure Statement

- Title Search and Registered Plan
- Notices under QBCCA, Building Act, Planning Act
- Noticed under EPA
- Notices from any Authority – Eg Local/State Govs
- Pool Cert/ Notice no Pool Cert
- Notices regarding Neighborhood Disputes/Trees
- Notice regarding Qld Transport
- Notice regarding Heritage
- Registered CMS
- Body Corp Certificate (s205)



ADDITIONAL IMPORTANT CHANGES MADE TO SELLER'S DISCLOSURE REGIME

Property Sale Transactions

- Provisions have been updated to reflect modern conveyancing processes such as electronic conveyancing

Delay Events

- Provisions dealing with delay of settlement due to an adverse event (weather, emergency etc.) now apply. New Provisions also relate to inoperative computer systems on date of settlement to ensure consistency between paper and electronic transactions
- These provisions already present in REIQ Contracts, now reflected in Legislation to more broadly apply.

Easements

- New Provisions confirm that unless the easement specifically confers a covenant to a party personally, both positive and negative covenants in registered easements will bind a grantor and the grantee of the easement, and their respective successors in title.

Right to rescind contract of sale on destruction of or damage to dwelling house

- Provisions relating to the right of a buyer to rescind a contract if property is unfit for occupation
- See S77 of PLA regarding terminations of Contracts relating to Dwellings that are damaged or destroyed.

ESSENTIAL PREPERATION STEPS FOR NAVIGATING THE TRANSITION

- Consider the resource requirements for additional scopes of work
- Consider the appropriate revision of Professional Fees
- Consider your advices to Buyers, should they be re-ordering searches if they were all provided as part of Seller Disclosure?
- Once materials and tools released by QLS/REIQ and LEXON, spend time to learn before 1 August 2025.
- Consider that all this is happening in addition to the major reform regarding Anti-money laundering and AUSTRAC Reporting.




Final Thoughts

- Potentially the biggest change for Property since the Property Occupation commencement in 2014.
- There is more scope of work for lawyers, we must make sure we adequately charge for the urgency and risk of the work.
- Less Contracts will fall over; Less risk for Purchase Conveyancing.
- I don't see the scope for Purchase Conveyancing changing, Buyers still carry the ultimate responsibility.
- **QUESTIONS?**



THANK YOU

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