Sun City Legal Services

Seller's Guide

to Body Corporate Disclosure in Queensland

What the law requires, and what it does not

If you are selling a lot within a body corporate scheme in Queensland, understanding your disclosure obligations will save you time, money, and unnecessary stress. This guide explains what the law actually requires from a seller, and what it does not.

> ⚠ **Important**
> This guide is provided for general information only and does not constitute legal advice. Speak with your solicitor about your specific disclosure obligations before listing your property for sale.

What Does the Law Actually Require?

From 1 August 2025, the way property is sold in Queensland has changed with the introduction of a new statutory seller disclosure regime under the *Property Law Act 2023* (Qld), sellers of lots within a community titles scheme are required to provide the buyer with a Form 2 Seller Disclosure Statement before a contract is entered into.

The Form 2 is a structured form. It requires the seller to provide specific prescribed information about the property and the body corporate. It is not a bundle of records. It is a form.

In addition to the Form 2, the following prescribed documents must be attached:

The Form 2 Seller Disclosure Statement: What It Covers

Before you sign a contract to sell your property, you're required to give the buyer a Form 2 Seller Disclosure Statement under the Property Law Act 2023. It's set out in six parts, summarised in plain English below.

#	Part	What It Covers
1	**Part 1: You and the Property**	Your name, the property address, lot and plan details, and whether the property is in a community titles scheme or a BUGTA scheme.
2	**Part 2: Title and Any Agreements**	The title search and survey plan; any encumbrances, registered or not, such as easements, leases, or verbal agreements; any statutory rights others hold over the property (e.g. infrastructure access); and tenancy details, including recent rent increases.

#	Part	What It Covers
3	**Part 3: Land Use and Environment**	Zoning, notices about future transport projects or land resumption, environmental contamination notices, and any tree orders or heritage listings.
4	**Part 4: Buildings on the Property**	Pool safety compliance (if there's a pool), any owner-builder work and its notices, and any outstanding show cause or enforcement notices from council.
5	**Part 5: Rates and Water**	The most recent rates and water charges, or whether the property is exempt from rates or doesn't receive a separate water notice.
6	**Part 6: Body Corporate and Community Titles**	The Community Management Statement, and the Body Corporate Certificate, or, if one is not provided, a statement explaining why.

Getting the Form 2 right matters. An incomplete or inaccurate disclosure can give the buyer grounds to terminate the contract. If you're unsure what applies to your property, talk to your solicitor or contact Sun City Legal.

✗ Not Prescribed, Not Required

The following are not prescribed documents and sellers are not required to provide them:

- Body Corporate meeting minutes (AGM, EGM, Committee)
- Financial statements (Administration Fund, Sinking Fund)
- Correspondence and email records
- Sinking Fund Forecast reports
- Committee reports, levy notices, or management contracts
- Any other raw body corporate records

> *"Search results obtained to answer [Form 2] questions do not need to be attached to the Form 2, unless it is a prescribed certificate as defined. The list of prescribed certificates appears in Property Law Regulation 2024, s 5."*
>
> **Queensland Law Society, Property and Development Law Committee, July 2025**

The Real Cost of Over-Disclosure

Some sellers are being advised to compile and attach hundreds of pages of body corporate records to their Form 2, sometimes 400 to 600 pages. This is not required by law and it creates three real problems:

Unnecessary Cost	Delays	Unintended Exposure
Compiling bulk records costs the seller money for a service that has no legislative basis. They are paying for volume, not compliance.	Gathering bulk records takes time, delaying the Form 2 being ready and therefore delaying the buyer signing the contract.	Over-disclosure can surface issues that give a buyer's solicitor grounds to negotiate harder, terminate, or raise concerns that would not otherwise arise.

✓ **Key Point**

The Form 2 discloses. It does not analyse. Compliance does not require volume.

The Buyer's Responsibility

Providing the Form 2 and prescribed documents is the seller's obligation. Satisfying themselves about the body corporate records is the buyer's responsibility.

A buyer who wants to understand the financial health of the scheme, what decisions have been made at meetings, whether there are any unresolved defects, or what major works are planned needs to commission their own body corporate inspection report. That is not the seller's obligation to provide. It is the buyer's investment in their own due diligence.

🔍 **Why a Buyer Needs Their Own Report**

Even when bulk records are attached to a Form 2, a buyer receiving 500 pages of minutes and financials is no better protected than a buyer who receives none. The critical issues are buried in that volume: an underfunded sinking fund, a looming special levy, an unresolved building defect, a problematic caretaking arrangement. A Sun City Legal Body Corporate Inspection Report finds the needle in the haystack. It gives the buyer expert analysis, in plain language, of every issue that matters to their purchase.

The Statutory Warranties Report: Section 223

Sun City Legal provides one specialist report that is relevant to sellers, the Statutory Warranties Report under Section 223 of the Body Corporate and Community Management Act 1997.

This report is not a body corporate records search for buyer due diligence. It is a specific statutory document relevant to particular circumstances under the BCCM Act. If your solicitor has advised that a Section 223 report is required for your transaction, contact Sun City Legal to discuss.

What we do
Sun City Legal searches the records of the Body Corporate and then compiles the report based on what is disclosed in those records.

What the Seller should do
Check each answer to (a) to (g) in our report. Body Corporate records do not necessarily confirm whether a particular defect has been rectified to the satisfaction of owners, so it is the Seller's responsibility to check the suggested answers to each question and confirm that, to their knowledge, these answers are correct.

Omitting an issue could put the buyer's contract rights into play, including a right to terminate within the timeframe the Act allows, or to claim compensation, so it is important every answer is checked and correct.

📋 **Note**

For all other body corporate disclosure purposes, the seller's obligation is met by providing the Form 2 and the prescribed documents listed above. Sun City Legal's Comprehensive Body Corporate Inspection Report is commissioned by the buyer, and for the buyer.

Three Things Every Seller Should Know

1	**The Form 2 is a form, not a document bundle** Your obligation is to complete the Form 2 accurately and attach the prescribed documents. You are not required to compile, pay for, or provide bulk body corporate records. If someone is asking you to do this, ask them to point to the legislative requirement, because it does not exist.
2	**Accurate disclosure protects you, over-disclosure can harm you** Providing records you are not required to provide can surface issues that a buyer's solicitor uses to negotiate harder or seek to terminate. Your solicitor's job is to prepare the Form 2 accurately based on information you provide, not to attach records that go beyond what is prescribed.
3	**The buyer's due diligence is the buyer's responsibility** Once you have provided the Form 2 and prescribed documents, the buyer must satisfy themselves about the body corporate records. That is their risk to manage, not yours. Directing them to commission their own inspection report is the right advice, and it genuinely protects them.

What Sun City Legal Does for Sellers

What Sun City Legal Does for You
Sun City Legal has provided specialist body corporate reports across all of Queensland for over 35 years. When you commission a Sun City Legal Statutory Warranties Report, you receive:

- A thorough review of the body corporate records: minutes, financials, correspondence, insurance, specialist reports, and more
- Suggested answers to (a) to (g) as required to be answered by you, the seller, in the Contract of Sale, not a document dump
- AI-assisted analysis to identify financial trends, lot-specific matters, and flags for review
- A report prepared by experienced report writers who understand Queensland body corporate law

Our reports are designed to find what matters, not to overwhelm. As a seller, engaging Sun City Legal gives you confidence that your report is accurate, current, and prepared to the standard your buyer's solicitor will expect, protecting you from the risk of an incomplete or incorrect disclosure or termination of the Contract of Sale.

Contact Sun City Legal

Phone: (07) 5458 6878

Email: helpdesk@scls.com.au

Web: www.scls.com.au

PO Box 5122, Maroochydore BC QLD 4558