



SELLING AGENT'S DISCLOSURE TO BUYER

— WHAT WE MUST TELL YOU BEFORE YOU SIGN

This form must be completed and handed to the buyer before the contract for sale of residential property is entered into. Failure to make the required disclosure to the buyer will attract a penalty.

To the buyer: The purpose of this form is to make you aware of relationships that your selling agent has with persons to whom they refer you, and of benefits that your selling agent and other people receive from the sale.

A **selling agent** must complete this form if they are one or more of the following:

- Real estate agent
- Real estate salesperson acting for a real estate agent
- Property developer
- Property developer salesperson
- Person acting as a real estate agent although not authorised by a licence to do so
- Person acting as a property developer although not authorised by a licence to do so

No attachments or schedules may be added to this form.

If you need more information about this form, you can visit the Office of Fair Trading website at www.fairtrading.qld.gov.au.

Part 1 - Selling agent details

Please tick appropriate box.

Name

Licence No. / Registered No.

Part 2 - Property details

Address

Suburb/Town State Postcode

Lot Plan

Title Reference

Part 3 - Selling agent's disclosure

3.1 Benefits

Notice to selling agent:

You **MUST** complete this section if you have referred the buyer to anyone for professional services associated with the sale and

- a) you have any relationship (personal or commercial) with that person or entity to whom you have referred the buyer; and/or
- b) you derive or expect to derive any consideration (whether monetary or otherwise) from that person or entity to whom you have referred the buyer.

For guidance on completing table and meaning of **benefit**, see Notes on page 3 of this form.

| 1. Name of person/entity to whom buyer referred | 2. Nature of relationship with selling agent | 3. Benefit derived by selling agent (if any) \$ Amount (see notes page 3) | 4. Benefit to person/entity to whom buyer referred (if any). \$ Amount (see notes page 3) |
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Only complete this section if the described applies. If this does not apply to you, go to section 3.2.

If you have disclosed a benefit in this section, you DO NOT need to disclose it again in section 3.2.

If insufficient space, an additional Form 27c must be completed for the additional information.

NOTES TO COMPLETING SECTIONS 3.1 AND 3.2

In Section 3.1:

1. "Relationship" includes, but is not limited to, the following types of relationship:
 - Family
 - Business (other than a casual business relationship)
 - Fiduciary
 - Relationship in which one person is accustomed, or obliged, to act in accordance with the directions, instructions, or wishes of the other.
2. In Column 3 of the table you must disclose the amount (\$) or value (%) of consideration which you derive or expect to derive from the person or entity to whom you have referred the buyer.
3. In Column 4 of the table you must disclose the amount, value or nature of any benefit, which the person or entity to whom you have referred the buyer has received, receives or expects to receive in connection with the sale, or for promoting the sale, or for providing a service in connection with the sale, of the property.
4. For guidance on what to disclose as a "benefit" see note below for Section 3.2.

In Section 3.2:

What you should disclose as a "benefit"

It is your obligation to disclose any benefit, to your knowledge, which any person has received, receives, or expects to receive in connection with the sale, or for promoting the sale, or providing a service in connection with the sale, of the property. The following lists are not exhaustive.

You NEED to disclose:

- your fees, commissions and remuneration
- fees, commissions and remuneration to be paid to financial institutions, finance brokers, financial advisers, financiers, valuers, marketing agents and promoters
- all benefits dependent on a successful sale (e.g. a commission or fee paid to any person as a success fee)
- marketing, advertising and promotion costs, where their payment is contingent on the sale of the lot ("the lot" is the property described in Item 2 on page 1 of this form).

Examples:

- a) where a marketing company will receive money or another benefit because the lot has sold – DO disclose
- b) where a marketing company will receive money or another benefit for the sale of three lots, and the lot is one of those – DO disclose, even where the other two lots have not yet sold.

As a general rule, you need to disclose any benefits contingent on the sale of the property.

You NEED NOT disclose:

- mortgage pay-outs
- performance bonuses
- expenses incurred prior to the sale in preparation of the property for sale (such as painting or maintenance) and in developing the land (such as professional fees and disbursements paid to engineers, surveyors, architects and town planners)
- vendor's profit or net proceeds of sale
- property developer's profit or development fees
- non-monetary benefits, where the total value of those benefits in any 12 month period does not exceed \$100
- solicitors' professional fees and ordinary disbursements in relation to the developing, selling or purchasing of the property
- amounts payable to local, State or Federal Government.

\$ Amount (or value or nature) of the benefit

You must provide the amount, value or nature of the benefit as *accurately* as is possible at the time of the disclosure. You should express the benefit as follows:

1. **Amount** (\$) including GST. If you can not do this, then –
2. a **value** (%). If you can not do this, then –
3. describe the **nature** of the benefit. You should **ONLY** do this if the benefit can not be described as an amount or value.

If you do not know the exact amount or value of the benefit, provide a reasonable estimate of the final amount or value, based on the purchase price at the time of disclosure.

Selling agent's commission

If you are a real estate agent — you are only required to disclose the total commission paid to your agency. You are not required to disclose how the commission is distributed to persons involved in the sale.

If you are a property developer — you must disclose the total commission paid on sale to your employees and/or salespersons. You are not required to disclose how the commission is distributed to persons involved in the sale.

THIS PAGE IS PART OF THE APPROVED FORM AND MUST NOT BE DETACHED.