Disclosure of asbestos in residential property – information for buyers and sellers

Fact Sheet



Both sellers and real estate agents have obligations to tell a potential buyer if a home contains asbestos.

A seller of a residential property should disclose to a buyer if the home contains asbestos, and real estate agents are legally obligated to not provide false or misleading information.

If a potential buyer asks about the presence of asbestos in a property, a real estate agent must disclose that information if it is known to them.

The table below sets out what the laws require in your state or territory.

State and territory disclosure requirements for selling residential properties



If a current asbestos assessment report prepared by a licensed asbestos assessor is available for the property, the **seller** or **agent** must provide it with the contract of sale.

If no asbestos assessment report is available, the **seller** or **agent** must provide a copy of the ACT Government's asbestos advice with the contract of sale.

Agents must also act honestly, fairly and professionally with all parties in a transaction, and not mislead or deceive any parties in negotiations or a transaction.



If a property was built before 1985, the contract for sale must include a warning that the home may contain loose-fill asbestos insulation and that a prospective buyer should search the **loose-fill asbestos insulation register** and request records from local council.

An **agent** has an obligation to disclose to prospective buyers if the property is listed on the loose-fill asbestos insulation register.

An **agent** must also disclose any other known material fact, including any significant health and safety risks associated with the property. These facts must be known by the agent, or ought to be known by the agent, for this disclosure obligation to apply.

An **agent** also has a duty to act honestly, fairly and not to mislead.





State and territory disclosure requirements for selling residential properties



Under the Real Estate Practitioners Code of Conduct, agents should:

- disclose pertinent facts of which they are aware
- not exaggerate, misrepresent or conceal relevant facts regarding a transaction of which they are aware.



A **seller** must ensure the contract for sale includes words recommending the buyer obtain independent property valuation and independent legal advice before signing.

An **agent** must not represent to someone else anything that is false or misleading relating to the sale of a property. They must take reasonable steps to find out or verify the facts material to the sale to avoid error, omission, exaggeration or misrepresentation.



A **seller** or **agent** must supply prospective buyers with a **Buyers Information Notice** (also known as Form R3). It provides advice about finding out if there are features of the property, such as asbestos, that may affect the value of the property, or the buyer's enjoyment or safety.

South Australian Government guidance also recommends adding a condition to the contract making the sale subject to a satisfactory building inspection report and that the presence of asbestos in the property should be evaluated by a suitably qualified building consultant.



An **agent** must act fairly, honestly and in a reasonable manner towards all customers, including by:

- exercising due care, diligence and skills when interacting with a customer
- ascertaining all pertinent facts in relation to a transaction so as to avoid error, exaggeration or misrepresentation
- not knowingly making false or misleading statements or representations.



A **seller** or **agent** must not knowingly conceal any material facts about the property, including that the home contains asbestos.

An **agent** must act fairly, honestly, in good faith and to the best of their knowledge and ability in performing their functions.



Agents must comply with the Real Estate and Business Agents and Sales Representatives Code of Conduct 2016, including by:

- acting in good faith in the best interests of the client
- exercising due care, diligence and skills when acting for a client
- being honest in all dealings with all persons involved in a transaction.

The Code places a legal obligation on agents to make reasonable efforts to ascertain or verify the facts which are material to a transaction.







Buying a home built before 1990? Find out where asbestos might be.

It's possible that the information you get about a residential property may be out of date or incomplete. For example, the obligation to disclose a material fact relies on the presence of asbestos being known by the seller or their agent.

You can't tell if a material contains asbestos just by looking at it. So to stay safe, engage an asbestos professional for advice before carrying out any renovations or maintenance work on a residential property. See the guide on **Asbestos safety for householders and home renovators** and other **information about asbestos in the home**.



You can also refer to our **Asbestos in residential property disclosure tool** for guidance on the common places where asbestos might be in a home.

Pre-purchase building inspection reports may not cover asbestos.

A pre-purchase building inspection is not required to include whether asbestos is present in the property¹.



However, a building inspector with the necessary experience and skills to carry out an asbestos assessment may be able to do so.

The scope of pre-purchase building inspections is also limited in that they only cover

accessible parts of the building and what the inspector can see at the time of the inspection.

A building inspector is not prohibited from noting asbestos may be present based on a visual inspection. In fact, some building inspection services include

asbestos assessments for an additional fee. Other inspectors may note whether they think asbestos is likely present.

However, unless a building inspector is also an asbestos professional, it is unlikely they can provide expert advice about whether asbestos is present or not.

Asbestos assessors can be engaged to carry out an asbestos inspection of the property – see our fact sheet on assessments for further information.



1. Australian Standard 4349.1-2007 Inspection of buildings – Pre-purchase inspections – Residential buildings sets out the minimum requirements for carrying out pre-purchase inspections and preparing reports to provide advice to a prospective buyer. The standard expressly states that a building inspector does not need to inspect or report on asbestos.

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