



## QUICK REFERENCE GUIDE

# KEY UPDATES FOR LEASING Property Law Act 2023 (QLD)

The Property Law Act 2023 (QLD) (**PLA 23**) commences **1 August 2025**, replacing the Property Law Act 1974 (QLD). It introduces several changes, including a new seller disclosure regime, various amendments to leasing practice, and a number of other matters affecting property law generally. The PLA 23 is supplemented by the Property Law Regulation 2024 (QLD).

This *Practical Guidance Property* Quick Reference Guide takes you through some of those key changes affecting leases of real property. See also the quick reference guides on the PLA 23 Seller Disclosure Regime and the PLA 23 Additional Significant Changes. Unless stated otherwise, all changes take effect on 1 August 2025.

## Lessor Consent (Section 142)

If a lease requires a lessee to obtain lessor consent to:

- » assign the lease;
- » enter into a sublease;
- » part with or share possession of the leased premises;
- » change the use of the leased premises from a use that is permitted under the lease;
- » create a mortgage over the lessee's interest in the land;
- » make an alteration or carry out works in relation to the leased premises; or
- » do any of the above in relation to a part of the leased premises or for a period of the term of the lease,

then:

- » the lessee can give the lessor a proposal notice requesting consent, containing any information required under the lease;
- » the lessor can request further information if it considers the proposal notice does not contain sufficient information to enable the lessor to make a decision; and
- » the lessor must within 1 month (or such longer period agreed by the parties) after receiving full particulars of the request for consent give the lessee a decision notice stating the lessor's decision and:
  - if the lessor gives consent, include any conditions of consent and the reasons for the conditions; or
  - if the lessor withholds consent, the reasons why.

The lessor must not unreasonably withhold consent.

The lessee can apply to the Supreme Court to make a decision about the proposal if:

- » the lessee believes the lessor has unreasonably withheld consent;
- » the lessee believes a consent condition is unreasonable, unnecessary, or onerous; or
- » the lessor does not give notice of its decision within the relevant time frame.

If a lessee makes alterations or carries out works without consent, the lessee must reinstate the premises.

**TIP:**



The new consent provisions do not apply if a lease outright prohibits the action from being taken.

Section 142 applies to any dealings post 1 August 2025, regardless of when the relevant lease was entered into.

### **Abolishment of Touch and Concern Rule (Sections 140 and 143)**

If there is an assignment of lease by a lessee to an assignee, or a transfer of the reversion by a lessor to a transferee, the assignee or transferee (as applicable) is bound by and benefits from each term of the lease to the extent such term bound or benefitted the lessee or lessor (as applicable) immediately before the assignment or transfer.

This applies regardless of whether the terms touch and concern the land, or are express, implied, or imposed by law.

However, this does not apply to a term where:

- » the lease expressly provides the term is personal;
- » the lease expressly excludes the operation of section 140(2), (3) and (4) (in respect of transfers of land to a new lessor) or section 143(2) (in respect of assignments of lease to a new lessee) to the term;
- » in respect of an assignment, the lessee and assignee expressly agree in writing that the benefit of the term remains with the lessee, and either: the benefit of the term accrued to the lessee before the assignment; or the lessor consents to the benefit remaining with the lessee; or
- » in respect of a transfer, the lessor and transferee expressly agree in writing that the benefit of the term remains with the lessor.

Sections 140 and 143 apply to any dealings post 1 August 2025, regardless of when the relevant lease was entered into.

### **Release of Original Lessee and Guarantor on Subsequent Assignment (Section 144)**

If:

- » a lessee assigns a lease to an assignee (**assignee**); and
- » the assignee later assigns the lease to a subsequent assignee (**subsequent assignee**),

the lessee and its guarantors (if any) are released from liability to the lessor for any breach of the lease by the subsequent assignee.

Section 144 only applies to leases entered into on and from 1 August 2025.

### **Relief Against Refusal to Renew or Extend Term, or Sell Reversion of Lease (Sections 163 to 167)**

If a lease contains an option to renew or extend the term, or purchase the reversion, and the exercise of the option is conditional on one or more of:

- » the fulfilment by the lessee of a condition precedent to the exercise of the option, but the lessee has not fulfilled the condition;
- » the performance by the lessee of the terms of the lease, but the lessee has not performed the terms; and/or

- » the lessee giving an option notice exercising the option, but the lessee has not complied with a requirement under the lease about the form of the notice, the way in which the notice is to be given, or to whom the notice is to be given,

the lessor may only refuse to renew, extend, or sell if the lessor, within 10 business days of receipt of the option notice (for a breach that occurred on or before the giving of the notice) or 10 business days after the relevant breach (for a breach that occurs after the giving of the option notice), gives the lessee a breach notice on the [approved form](#).

#### TIPS:



- » The breach notice must state the matters set out in section 164(2), which are generally replicated by the approved form.
- » **Lease** includes agreements for lease.

A copy of the breach notice must be given to any mortgagee or receiver of the lessee's interest in the land known to the lessor, although failure to do so does not limit or affect the lessor's right to refuse to renew, extend, or sell.

The lessee may within 1 month of receipt of a breach notice apply to the Supreme Court for relief. The Supreme Court may make any order that the nature of the case requires. If the lease ends before the Supreme Court makes an order, the lease is taken to continue on the same terms that applied immediately before the lessee's application is made up until the court makes an order.

#### TIPS:



- » These relief provisions do not apply if an option notice is given outside of the timeframes required by the lease.
- » Not all leases are subject to sections 163 to 167, such as residential tenancies or certain resources leases. See section 150 for a full list of excluded leases.

Sections 163 to 167 apply to leases from 1 August 2025 regardless of when the relevant lease was entered into.

### Termination of Leases and Relief Against forfeiture (Sections 152 to 162)

Unless a lessor reasonably believes a lessee has already given up possession of the land (in which case they may re-enter without first giving notice), a lessor may only exercise a right to re-enter land under a term of a lease for breach of a term of the lease if:

- » the lessor has first given the lessee a notice to remedy breach on the [approved form](#) stating the matters set out in section 153(1)(a) (which includes the lessor stating a reasonable period within which the lessee is required to remedy the breach and/or pay compensation); and
- » the breach has not been remedied and/or the compensation has not been paid by the end of the reasonable period set out in the notice.

The period must be reasonable having regard to all of the circumstances, including the nature and extent of the breach and the nature of the steps the lessee must take to remedy the breach (if applicable).

## TIPS:



- » The approved form of notice to remedy breach generally replicates the matters set out. [\(Section 153\(1\)\(a\)\)](#).
- » **Breach** includes the happening of an event of default that under the terms of the lease gives the lessor a right to forfeit the lease.
- » **Lease** includes agreements for lease.

A copy of the notice to remedy breach must be given to any guarantor, sublessee, any prior assignors or their guarantors which have not been released from liability, and any mortgagee or receiver of the lessee's or any sublessee's interest in the land (known to the lessor), although failure to do so does not prevent the lessor from exercising a right to terminate, re-enter or make an application to the court for relief. Alternatively, if the lessor re-enters on the reasonable belief the lessee has already given up possession of the land, the lessor must give notice of its re-entry to all such persons.

Lessors may exercise a right of re-entry under a term of a lease for breach by:

- » peaceably re-entering the land;
- » making a written demand for possession of the land if the lessor cannot peaceably re-enter; or
- » applying to the Supreme Court for recovery of possession if the lessee refuses to give up possession after a written demand has been made.

Lessees may apply to the Supreme Court for relief against the proposed or actual forfeiture of lease because of a breach by the lessee of a term of the lease. The application can be an originating process, or made in a proceeding brought by the lessor for recovery of possession. If the application is made during proceedings by the lessor for recovery of possession, it must be made:

- » within one month after the lessor has re-entered the land; or
- » if the lessor has made an application for recovery, before the Supreme Court makes an order for possession,

or such longer period as allowed by the Supreme Court.

Not all leases are subject to sections 152 to 162, such as residential tenancies or certain resource leases. See section 150 for a full list of excluded leases.

Sections 152 to 162 apply to leases from 1 August 2025 regardless of when the relevant lease was entered into.

## Termination of Particular Leases (Sections 170 to 176)

The PLA 23 has further provisions dealing with the termination of:

- » leases terminable at will;
- » periodic tenancies; and
- » certain other tenancies.

While those provisions can be contracted out of, the PLA 23 should be consulted before steps are taken to give notice to end such leases or other tenancies.

## Practical Guidance

This Quick Reference Guide has been prepared by LexisNexis® Practical Guidance Property to assist with the transition to and application of the Property Law Act 2023 (QLD) from 1 August 2025.

For more information on the impacts of the Property Law Act 2023 (QLD), or property law resources generally, visit [Practical Guidance Property](#).



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