

77min / 20 slides  
 2.75min / slide  
 4 slides = 11min

1:45pm - 3:10pm  
 = 1hr 25min  
 = 85min  
 - 8min Activity  
 = 77min

**FASTPROFITS** Subdivisions Step by Step **I LOVE REAL ESTATE**

1

Tam

1:45pm

**Subdivision**  
 Biggest Bang for your Buck (Maybe not QLD - but still Good)

2

Tam

5.5min

1:50.5pm

**GREAT as a PPR Strategy**  
**Cosmetic Reno + Subdivision 1 into 2**

- Cosmetic reno completed and revalued with \$100k uplift! (Benefited from high growth in area)
- Subdivision DA recently lodged

\$222k Profit Est. - If Sell Vacant Land & House

3

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**Great for Off Market Deals**

- \$532k Purchase costs (incl. stamp duty, legal, holding costs.)
- \$330k Total development costs (incl. DA, professionals. fee, etc)
- \$1.03 mil Net realisation (\$585k + \$470k after selling costs etc)
- \$164k profit, 19% profit on costs

4

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11min

1:56pm

**Great as a Strategy to Pay off DEBT**  
**Platinum Students paying off Debt with 2 Deals**

- Needed chunk deals with multiple exit strategies
- Wanted to be mortgage free on PPR

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**First Deal after joining I Love Real Estate**

- Reno 2 bed house + build 2 x 3 bed duplexes
- 790m2 dual access block
- Added deck and carport to existing house
- 18% ROI

Purchase Price	\$545,000
Purchase and holding costs	\$52,000
Strategy costs	\$845,000
Sale costs	\$61,000
Projected Sale Price	\$1,830,000
Projected Profit	\$285,000

6

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16.5min

2:01.5

### 2<sup>nd</sup> Deal after joining I Love Real Estate

- Subdivide block to 2 lots + 2x Duplex Build
- 1226m<sup>2</sup> block
- 23% ROI

Purchase Price	\$450,000
Purchase and holding costs	\$43,000
Strategy costs	\$630,000
Sale costs	\$50,000
Projected Sale Price	\$1,500,000
Projected Profit	\$289,000

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### Great for Easy Cruisy Meet Edo – Platinum Student

- Family of 4
- Previous property experience in Hong Kong
- Home business selling auto parts

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8

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22min  
2:07pm

### Victorians call Strata a Subdivision

- 1 into 2 subdivision + build side-by-side duplex
- High demand for newly-built townhouses in the area

Purchase Price	\$831,000
Purchase and hold cost	\$125,860
Duplex Build & Costs	\$1,000,000
Sale Costs	\$46,000
Sale Price	\$2,300,000
Estimated Profit	\$184,320

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### Next Deal for Edo & family

- 1 into 2 battle-axe subdivision
- Duplex build on 2<sup>nd</sup> block
- High demand for newly-built townhouses in the area

Purchase Price	\$1,600,000
Purchase and hold cost	\$238,380
Duplex Build & Costs	\$1,200,000
Sale Costs	\$92,500
Sale Price	\$3,700,000
Profit	\$350,250

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27.5min  
2:12.5

### Great as a Stacker Deal Jenny – Platinum Student

- Subdivision 1 into 2 + duplex build
- Chunk deal to improve AWE
- 12 month project time

Purchase Price	\$217,000
Purchase and holding costs	\$36,300
Strategy costs	\$529,990
Sale costs	\$24,440
Projected Sale Price	\$920,000
Projected Profit	\$100,270

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### Who is Excited about doing Subdivision?

Who thinks Subdivisions will be one of their next 3 Deals



12

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33min  
2:18pm

**The Process - Step 1.**  
**Engage Town Planner**

- Main 'go to' person in subdivision
- Determines compliance with council requirements
- Good working relationship is key
- Get fee proposal and estimate costs including council contributions
- Potential to project manage subdivision
- Confirm site constraints before contract unconditional. e.g. Significant trees, slope, bus stop, council sign obstructing proposed access, fire hydrant proximity, footpaths to install, location of underground services etc.







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**Step 2.**  
**Initial Site Survey**

- Land survey = Alignment of boundaries, true & accurate size, contours / fall
- Location of services
- Forms the basis for plan of subdivision




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A

38.5 min  
 2:23.5 pm

**Step 3.**  
**Draft Plan of Subdivision**

- Surveyor or town planner prepares draft plan of subdivision – lot configurations, boundaries, driveway/road access, retained house?
- Ensure you understand the plans and ask lots questions








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**Step 4.**  
**DA Application**

- Pre-lodgement meeting – beneficial to gain Council feedback
- Town planner compiles DA application demonstrating compliance with Council requirements – Lot Reconfiguration
- Draft house plans submitted in certain States (e.g. Victoria) & small lot subdivisions

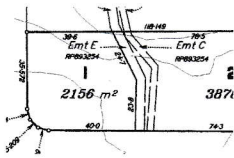


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44 min  
 2:29 pm

**Step 5.**  
**Request For Information (RFI)**

- Council may request for more information
- Sometimes used by Council to slow down approval process
- Our job = respond ASAP

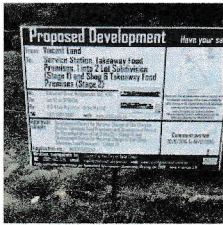






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**Step 6.**  
**Public Notification**

- Certain Councils & larger subdivisions trigger public notification
- Neighbours & public notified of intention to subdivide
- Signage on site, ad in Newspaper, letter to neighbours
- Submissions against application must be based on town planning reasons
- Town planner manages this process

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49.5 min  
 2:34.5 pm

**Step 7.**  
**DA Approval**

- Approved DA issued with Conditions
- Devil is in the detail – have town planner, civil engineer etc. review
- YOU must understand every condition
- Operational Works Approval condition – Council requires greater engineering details. Assessed by council engineers
- Sometimes very onerous conditions of approval can be negotiated – consult your town planner

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**Step 8.**  
**Subdivision Site Works**

- Post DA Approval & Op Works Approval (if triggered), site works commence = installation of services (sewer, water, power, gas, Telstra, NBN), storm water management works, driveways / roads, fencing, retaining, lighting & landscaping etc.
- Project management is key



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55 min  
2:40 pm

**Step 9.**  
**Final Survey & Plan Sealing**

- Surveyor re-surveys end-product & creates Final survey plans
- Final plans submitted to Council – flags to them you are finished
- Triggers Council site inspection to confirm all DA conditions fulfilled
- Council Contribution / Headworks payable
- Council Stamps “Seals” the plans



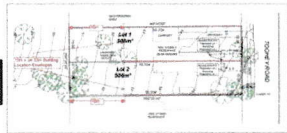
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**Step 10.**  
**Mortgagee Consent**

- If Bank lent money to deal and has mortgage over land (Security), because subdivision is altering underlying bank security, their consent is required = Mortgagee Consent
- Bank won't consent until Plan Sealing complete (= Council go-ahead)
- Liaise with Finance Specialist / Broker to ensure docs get to right Bank Department



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1 hr  
60 min  
2:45.5 pm

**Step 11.**  
**Title Registration**

- Submit to Titles Office for Title Registration= Sealed Plans + Mortgagee Consent + Easement Doc/s
- You, town planner, surveyor, or Solicitor can lodge with Titles Office
- Old lot cancelled & new lots created
- Registered Titles = New lots can now be sold separately
- Pre-sales / off-the-plan sales can now settle



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**Typical QLD Timeframe**

0 → 1.5 → 4.5 → 6.5 → 7.5 Months

Prepare Docs For DA (at 0 months)  
 Council DA Assessment (at 1.5 months)  
 Site Works (at 4.5 months)  
 Tiling (at 6.5 months)

DA Lodged (at 1.5 months)  
 DA Approved (at 4.5 months)

- Fast-track DA application could reduce 3mth DA process to 1mth
- NSW, Victoria, WA approx. 8-9mths

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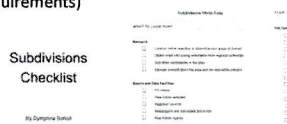
24

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65.5 min  
2:51 pm

**Subdivision Check List**

- Download Subdivision Checklist
- Guide to ensure everything covered off & feasibility accurate
- Applies to large scale subdivisions & smaller projects (smaller projects = less requirements)



FASTPROFITS Available - On the ILRE Website I LOVE REAL ESTATE

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**Step 12.**

- Sell or Refinance newly created lots
- Celebrate your Profit
- Review what could have been done better
- Look for next one!



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A

71min  
2:56.5pm

**Subdivision is a great Stacker Strategy**

**Group Exercise**  
What Strategies could be effectively Stacked with Subdivision?



27

Brian Acharya  
T


79min  
3:05pm

**Subdivision is a great Stacker Strategy**

The more you Stack  
– the more you make – Generally

**Stacker Options**

- Subdiv / Build
- Subdiv / Build Multi
- Subdiv / Reno existing
- Subdiv / Reno / Build
- Subdiv / PPR



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3:10pm

**Short Break**

10 mins to clear our heads

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