



# SUBDIVISION MASTERY





# **SUBDIVISION** MASTERY

APPENDIX

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# Data Collection (v5.94)

## Financial Feasibility Study - , , VIC

Error Messages are Temporarily Disabled due to a lack of Input Data

<b>Council Website 1</b>	<b>Council Website 3</b>	<b>Google Maps</b>	<b>RealEstateView</b>	<b>Wikipedia</b>	<b>On The House</b>	<b>Investar</b> Members Login	<b>Property Reporter</b>	<b>Operating Information</b> <input type="checkbox"/> Reproduction Costs <input type="checkbox"/> Subdivision / Strata Costs <input type="checkbox"/> Building / Construction Costs <input type="checkbox"/> Project Timeline Plan <input type="checkbox"/> Sales & Mktg. Income <input type="checkbox"/> Financing/Procurement
<b>Council Website 2</b>	<b>A.B.S.</b>	<b>Google Earth</b>	<b>Domain Postcode Profile</b>	<b>Street Directory</b>	<b>Walk Score</b>	<b>RPData</b> Members Login	<b>Planning Alerts</b>	

### Property Information

[Put website link to property advertisement here](#)

Street Address :		Value of Vacant Land :	\$ -
Suburb / Town :		Current Market Valuation :	\$ -
State :	VIC	Statutory Valuation :	\$ -
Post Code :	Post Code not Found	Confidence :	
Possible Local Government Areas (1) :	Not Currently Available	Number of Titles in the Project :	
(2) :			
(3) :			

GST BAS Reporting :	A. Monthly
GST Scheme :	B. Non Registered Seller - Margin Scheme applied by Purchaser

### Pre-Purchase Costs (excl GST)

Setup Cost for new Company	\$ -
Setup Cost for new Trust	\$ -
Stamp Duty for new Trust	\$ -
ASIC registration	\$ -
Register Trading Name	\$ -
Legals for JV Agreement	\$ -
Pest and Building Inspections	\$ -
Other	\$ -
Other	\$ -
Other	\$ -
Other	\$ -
Other	\$ -
Other	\$ -
Other	\$ -
Sub-Total Pre Purchase Costs	\$ -
Sub-Total Purchase Costs	\$ -
Total Purchase Costs	\$ -

### Purchase Costs (excl GST)

Estimated Purchase Price	\$ -
Stamp Duty - Victoria - non PPR	\$ -
Titles Office Transfer on Purchase	\$ -
Rates Adjustments at Settlement	\$ -
Conveyancing Fees	\$ -
Miscellaneous Bank Fees	\$ -
Mortgage Registration Fee	\$ -
Title Transfer Fee	\$ -
Bank Legal Fees on Purchase	\$ -
Bank Property Valuation	\$ -
Bank Loan Application Fee	\$ -
Insurance on Existing Buildings	\$ -
Other	\$ -
Other	\$ -
Sub-Total Purchase Costs	\$ -

### Operating Information for Hold Properties

#### Rental Income Calculator

Type of tenancy	Weeks at rate	Rent per week	Occupy %	Income p.a.
Residential - Long term		\$ -		\$ -
Holiday - Peak season		\$ -		\$ -
Holiday - shoulder season		\$ -		\$ -
Holiday - off season		\$ -		\$ -
Income from Incentive Programs		(non Taxable Income such as NRAS)		\$ -
<b>Total</b>		\$ -		\$ -

Multiply Values for ALL HOLD Properties

Revised Income	
Revised Outgoings	
Revised Net Income	
Number of Titles Held	

#### Annual Outgoings

Management Fees	\$ -
State Land Taxes - (Check)	\$ -
Council Rates	\$ -
Body Corporate Fees	\$ -
Insurance - Building and Contents	\$ -
Insurance - Landlord	\$ -
Repairs and Maintenance	\$ -
Utility Costs	\$ -
Accounting Fees	\$ -
ASIC Fees	\$ -
Other	\$ -
Other	\$ -
Other	\$ -
<b>Total</b>	\$ -

#### Management Fees

\$ -	5.20%
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Rent shown here is specifically for "Hold" properties and is used in the "Equity Growth" and "Cash Flow" sheets for calculating potential yield. This section should not be used for Rental Income received during a construction or renovation project where the property will be sold. This income needs to be entered in the "Project Timeline Plan" section of this sheet and will be used in the calculation of Holding Costs, ROI and Cash on Cash Returns. Income entered in this section will be not be included in the Profit/Loss of the Project while income entered in the "Project Timeline Plan" section will be.

Estimated Annual Growth in Property Value % :	6.00%	Estimated Average Consumer Price Index % :	2.50%
Estimated Annual Growth in Rental Income % :	3.50%	Rate of Depreciation on Fixtures and Fittings	20.00%
Property Market Value when Rented (Total) :	\$ -	Rate of Depreciation on Buildings and Renovations	2.50%
Value of Fixtures and Fittings :	\$ -		
Improvement and Construction Costs :	\$ -		
Residual Value Write Off : (If Applicable)	\$ -		

Acquisition Cost : (for assessing existing holdings only)	\$ -	*Note - Values entered here will replace all values entered for Purchase Costs and are used exclusively for assessing projects on properties that are already part of the users portfolio.
Amount of Borrowings against Acquisition Cost :	\$ -	

## Estimated Renovation Costs

Area	Unit 1	Unit 2	Unit 3	Unit 4	Actions Required
<b>Interior Rooms</b>					
Lounge Room	\$ -	\$ -	\$ -	\$ -	
Dining Room	\$ -	\$ -	\$ -	\$ -	
Family Room	\$ -	\$ -	\$ -	\$ -	
Bathroom 1	\$ -	\$ -	\$ -	\$ -	
Bathroom 2	\$ -	\$ -	\$ -	\$ -	
Laundry	\$ -	\$ -	\$ -	\$ -	
Kitchen	\$ -	\$ -	\$ -	\$ -	
Stove	\$ -	\$ -	\$ -	\$ -	
Cooktop	\$ -	\$ -	\$ -	\$ -	
Range Hood	\$ -	\$ -	\$ -	\$ -	
Dishwasher	\$ -	\$ -	\$ -	\$ -	
Sink and Taps	\$ -	\$ -	\$ -	\$ -	
Bedroom 1	\$ -	\$ -	\$ -	\$ -	
Bedroom 2	\$ -	\$ -	\$ -	\$ -	
Bedroom 3	\$ -	\$ -	\$ -	\$ -	
Bedroom 4	\$ -	\$ -	\$ -	\$ -	
Study	\$ -	\$ -	\$ -	\$ -	
<b>General</b>					
Floor Coverings	\$ -	\$ -	\$ -	\$ -	
Light Fittings	\$ -	\$ -	\$ -	\$ -	
Curtains and Drapes	\$ -	\$ -	\$ -	\$ -	
<b>Exterior</b>					
External Walls	\$ -	\$ -	\$ -	\$ -	
Front Entrance	\$ -	\$ -	\$ -	\$ -	
Rear Entrance	\$ -	\$ -	\$ -	\$ -	
Patios and Decks	\$ -	\$ -	\$ -	\$ -	
Carports and Garages	\$ -	\$ -	\$ -	\$ -	
Roof	\$ -	\$ -	\$ -	\$ -	
Guttering and Downpipes	\$ -	\$ -	\$ -	\$ -	
Restumping	\$ -	\$ -	\$ -	\$ -	
Windows and Doors	\$ -	\$ -	\$ -	\$ -	
Fencing	\$ -	\$ -	\$ -	\$ -	
Landscaping	\$ -	\$ -	\$ -	\$ -	
Driveways, Paths, Crossovers etc	\$ -	\$ -	\$ -	\$ -	
<b>Construction (NOT Substantial)</b>					
New Bedrooms	\$ -	\$ -	\$ -	\$ -	
New Bathrooms	\$ -	\$ -	\$ -	\$ -	
New Carports, Garages	\$ -	\$ -	\$ -	\$ -	
New Patios and Decks	\$ -	\$ -	\$ -	\$ -	
<b>Total Renovation Costs</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Or Calculate Budget for Renovations as a % of the Purchase Price</b>					16%

## Subdivision / Strata Costs

<b>Local Government Fees (excl GST)</b>	
<b>Planning Application</b>	
Development of Land Application	\$ -
Application for Subdivision	\$ -
Certification of Subdivision	\$ -
Application Advertising Costs	\$ -
Drainage Investigation Levy	\$ -
Application for Demolition	\$ -
Open Space or Council Contribution Fees	\$ - **
Plan Sealing	\$ -
Other	\$ -
Other	\$ -
<b>Building Permits</b>	
Building Permits @ 0.75%	\$ - **
HIH Insurance Levy @ 0.032%	\$ - **
Building Permit Levy @ 0.128%	\$ - **
Building Permit Lodgement Fee	\$ -
Demolition Permit	\$ -
Certificates of Consent/Compliance	\$ -
Miscellaneous Fees	\$ -
Asset Protection Fees and Bond	\$ -
Other	\$ -
Other	\$ -
<b>Other Charges</b>	
Council Rates	\$ -
Other	\$ -
Other	\$ -
Other	\$ -
Other	\$ -
<b>State Government Fees (excl GST)</b>	
Register Plan of Subdivision	\$ -
Register Plan of Subdivision extra Lots	\$ -
Register Owners Corporation	\$ -
Titles Office New Titles Fee	\$ -
Strata Title Fees	\$ -
Mortgage Registration on Title	\$ -
<b>State Land Taxes - VIC (Check Manually)</b>	\$ - **
Other	\$ -
Other	\$ -
<b>Total Government Charges</b>	
<b>Total Sundry Development Costs</b>	\$ -
<b>Total Development Costs</b>	\$ -
<b>Renovation Costs</b>	\$ -
<b>Construction Costs</b>	\$ -
<b>Miscellaneous Costs</b>	
Contingencies	\$ -
Interest Charges	\$ -
<b>Total Miscellaneous Costs</b>	\$ -
<b>Total Outgoings</b>	\$ -

<b>Sundry Development Costs (incl GST)</b>	
<b>Planning Costs</b>	
Town Planner fees	\$ -
Surveyor Fees	\$ -
Concept Drawings	\$ -
Other	\$ -
<b>Utility Co. Meters and Connections</b>	
Electricity	\$ -
Gas	\$ -
Water	\$ -
Sewerage	\$ -
Stormwater	\$ -
Telephone	\$ -
Cable TV / Internet	\$ -
Other	\$ -
Other	\$ -
<b>Architect Fees Planning/Building/Landscaping</b>	
Planning Drawings	\$ -
Site Analysis	\$ -
Boundary Reallocation	\$ -
Landscape Plan	\$ -
Building Plans	\$ -
Structural Engineering	\$ -
Civil Engineering	\$ -
Hydraulic Engineering	\$ -
Electrical Engineering	\$ -
Soil Analysis	\$ -
Energy Assessment	\$ -
Other	\$ -
<b>Other Costs</b>	
Sinking Fund for Owners Corporation	\$ -
Legals for plan of subdivision	\$ -
Building / Site Insurance	\$ -
Owner / Builder Warranty Insurance	\$ -
Owner / Builder Warranty Defects Report	\$ -
Gas, Electricity, Water Supplies	\$ -
Pre-Handover Inspection Fees	\$ -
Accounting Fees	\$ -
Demolition of Existing Buildings	\$ -
Create Owners Corporation	\$ -
Rubbish and Waste Removal	\$ -
Bank Fees for Consent to Subdivide	\$ -
Pre-Sale Marketing Costs	\$ -
Staging and Decorating prior to Sale	\$ -
Landscape Design	\$ -
Photography	\$ -
Private Certification	\$ -
Other	\$ -
Other	\$ -
<b>Total Sundry Development Costs</b>	\$ -

## Building / Construction Costs

Selection and Allocation of Costs	Month	Enter Manually		Distribute	Balance	Errors
		Amount	Percent			
Method 6 - No Construction in the Project	1	\$ -	5.0%			
B. Distribution by Percentage	2	\$ -	10.0%			
	3	\$ -	15.0%			
Construction Duration (in months) <b>6</b>	4	\$ -	15.0%			
	5	\$ -	20.0%			
Method 6 - No Construction in the Project	6	\$ -	25.0%		0	
	7	\$ -	10.0%			
<b>Total Cost of Construction</b>		\$ -	100.0%	\$ -	\$ -	

## Project Timeline Plan

Todays Date and Project Start Date :	30/03/2019	1/04/2019 **
	Start Month	Duration (in months)
\$ Settlement Period on Purchase		
\$ Demolition of Existing Structures		
<b>Subdivision and Sale of Vacant Allotments</b>		
\$ Subdivision of Vacant Lots		
\$ Marketing and Sale - Vacant Lots		
\$ Settlement period on Sale of Lots		
<b>Renovation &amp; Sale of Existing Dwellings</b>		
\$ Renovation of Existing Structures		
\$ Marketing and Sale - Existing		
\$ Settlement period on Sale - Reno		
<b>Subdivision, Renovation and Sale of Strata Dwellings</b>		
\$ Town Planning Strata/Subdivision		
\$ Renovation of Existing Units		
\$ Marketing and Sale - Renovated Units		
\$ Settlement period on Sale		
<b>Construction and Sale of New Dwellings</b>		
\$ Town Planning Application		
\$ Construction of New Premises		
\$ Marketing and Sale - New Units		
\$ Settlement period on Sale - New		

Months	Rent and Other Income Received or Lost During the Project			
	1	2	3	4
1	\$ -	\$ -	\$ -	\$ -
2	\$ -	\$ -	\$ -	\$ -
3	\$ -	\$ -	\$ -	\$ -
4	\$ -	\$ -	\$ -	\$ -
5	\$ -	\$ -	\$ -	\$ -
6	\$ -	\$ -	\$ -	\$ -
7	\$ -	\$ -	\$ -	\$ -
8	\$ -	\$ -	\$ -	\$ -
9	\$ -	\$ -	\$ -	\$ -
10	\$ -	\$ -	\$ -	\$ -
11	\$ -	\$ -	\$ -	\$ -
12	\$ -	\$ -	\$ -	\$ -
<b>Totals</b>	\$ -	\$ -	\$ -	\$ -

The rent and other income specified in this section is only for income received in a Project prior to the property becoming available for rental in a manner that is normally associated with properties that are held for income or growth. Income specified in this section will be treated as capital and not income. Values should only be entered for months that are within the Project Period. Negative values can be entered if rent or other income is lost during the course of a project or if there are expenses that are to be applied to specific months such as lump sum dividends at the end of the project. Tasks with a \$ symbol next to them are used to calculate Interest Costs.

## Sales Information, Property Values and Miscellaneous Income

Estimated Sale Prices or Property Values	1	2	3	4	5	6	Totals
<b>Existing or Post Renovated Properties</b>							
\$ Projected Month of Sale (Settlement)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ Revised Month of Sale (Settlement Month or Hold)							
<b>Existing or Post Strata / Subdivision Land</b>							
\$ Projected Month of Sale (Settlement)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ Revised Month of Sale (Settlement Month or Hold)							
<b>Existing or Post Strata / Subdivision Dwellings</b>							
\$ Projected Month of Sale (Settlement)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ Revised Month of Sale (Settlement Month or Hold)							
<b>Post Construction New Dwellings</b>							
\$ Projected Month of Sale (Settlement)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ Revised Month of Sale (Settlement Month or Hold)							
<b>Total Sales</b>							\$ -
<b>Total Lots or Properties Valued, Sold or Held</b>							

The Projected Month of Sale (Settlement) in the table above is set, in the first instance, by the months entered in the Project Timeline Plan in the section preceding this one. It is assumed, for the purpose of budgeting, that the settlement of similar sale types will occur on the same date. These months can be changed to move the settlement dates of any Dwelling or Allotment to a different month by entering a month number in the cell immediately below the month that needs to be changed. Enter "Hold" in this cell if the property is not to be included as a sale but held for growth or income. Holding Costs are adjusted accordingly but there is no adjustment made for the distribution of Renovation and Building Costs. This can be done by setting the durations of these tasks to a period that is consistent with the required settlement dates.

Government Grants, Incentives & other Income	1	2	3	4	5	6	Totals
\$ Green Grants	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ Solar Grants	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ Water Wise grants	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ First Home Owners	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ Regional Grants & Incentives	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ Good Neighbour Fencing Policy	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ Other Income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ Other Income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total Other Income</b>							\$ -

**Sales Costs**

<b>Agents Commission :</b>	2.00%
<b>Sale Costs (incl GST)</b>	
Agents commission on sales @ 2%	\$ -
Advertising and Marketing	\$ -
Conveyancing and Settlement Fees	\$ -
Other	\$ -
Other	\$ -
<b>Sale Costs (excl GST)</b>	
Rates Adjustments on Settlement	\$ -
Mortgage Discharge Fee	\$ -
Register Discharge - Titles Office	\$ -
Other	\$ -
Other	\$ -
<b>Goods and Services Tax</b>	
Net GST Liability	\$ -
<b>Total Sale Costs</b>	\$ -

**GST Summary**

<b>B. Non Registered Seller - Margin Scheme applied by Purchaser</b>	
<b>Liability on Sales</b>	
Post Renovated Property	\$ -
Post Strata / Subdivision Land	\$ -
Post Strata / Subdivision Dwelling	\$ -
Post Construction New Dwelling	\$ -
<b>Sub Total</b>	\$ -
<b>Less Input Credits</b>	
Purchase Price	\$ -
Renovation Costs	\$ -
Sundry Development Costs	\$ -
Construction Costs	\$ -
Sales Costs	\$ -
Contingencies	\$ -
<b>Sub Total</b>	\$ -
<b>Net GST Liability</b>	\$ -

### Financing Information (Mandatory)

Project Duration (mths)	
Averaged Interest Rate on existing lines of Credit and Cash	
Average Interest Rate for JV Partner loans (If Applicable)	
Intended Percentage Borrowings (LVR) on loan for Initial Purchase	
Deposit on Purchase	

LVR of	80%
	10%

Interest Rates	
at the rate of	4.90%
at the rate of	5.80%
at the rate of	5.20%

Average

### Financial Information (Optional)

Period of Principal and Interest Loans (Max 25 Years)	
Start Date of Principal and Interest Loans	
Marginal Taxation Rate for the Purchasing Entity	
Overall Assessment of your Experience with this type of Project	
Target Cash on Cash Return	
Target Return on Investment	
Target Net Rent Return on Hold Properties	

25
30/03/2019
46.5%
7.2
100%
30%
6%

Defaults to Today's Date

(1=Low - 10=High)

Note: When "OTHER" is selected as the State, it is assumed that the investment being assessed is located Internationally. Therefore the currency used in the data entry sheet above this text is assumed to be the first named currency above and the financing section below this text is assumed to be the second named currency above.  
 These options are displayed only when the State selected is "OTHER".  
 All loan calculations are made on an interest only basis. Provisions in Cashflow projections need to be made manually for principle and interest loans

### Affordability Information (Optional)

<b>Cash or Equity Available for Investment</b>	
Cash at Bank	
Existing Lines of Credit	
Existing Redraw Facilities	
Additional Loan Facilities - Finance Providers	
Funds Available from Joint Venture Partner(s)	
<b>Total Cash</b>	
Borrowing Capacity (Serviceability) for Joint Venture Partner(s)	

Available funds	
\$	
\$	
\$	
\$	
\$	
\$	
\$	
\$	
\$	

<b>JV Partner Funds</b>	
\$	50%

Additional Equity Available to 'Draw Down' For Deposits and Costs						
Equity Available	Market Value	Loan Value	% LVR	Refinance to 80.0%	Interest Rate	Annual Int Payments
PPR	\$ -	\$ -	-	\$ -	-	\$ -
Property 1	\$ -	\$ -	-	\$ -	-	\$ -
Property 2	\$ -	\$ -	-	\$ -	-	\$ -
Property 3	\$ -	\$ -	-	\$ -	-	\$ -
Property 4	\$ -	\$ -	-	\$ -	-	\$ -
Property 5	\$ -	\$ -	-	\$ -	-	\$ -
<b>Total</b>	<b>\$ -</b>	<b>\$ -</b>	<b>-</b>	<b>\$ -</b>	<b>-</b>	<b>\$ -</b>

<b>Income</b>	
Job 1	
Job 2	
Rent - Property One	
Property Two	
Property Three	
Property Four	
Property Five	
<b>Rental Income from property under review</b>	
Dividends	
Business Income	
Interest & Investment Income	
Other Income	
<b>Total Income</b>	
<b>Income Available to Service Debt</b>	

Gross Income p.a.

\$	
\$	
\$	
\$	
\$	
\$	
\$	
\$	
\$	
\$	
\$	
\$	
\$	
\$	

30% assumed to be available for servicing new loans

70% assumed to be available for servicing new loans

30% assumed to be available for servicing new loans

The above calculation is based on taking into account 30% of earned and Investment Income and 70% of Rental Income. This is a 'rule of thumb' lending Criteria of most Financial Institutions for Employees or Self Employed applicants. Check with your Financial Institution for more accurate figures.

### Current Debt Servicing Commitments

	Max limits	Total Annual Min Repay	Monthly Min Repay
Existing Properties	\$ -	\$ -	\$ -
Total Credit Card Debt	\$ -	\$ -	\$ -
Total Store Card Debt	\$ -	\$ -	\$ -
Other Bank Loans	\$ -	\$ -	\$ -
Other Debts	\$ -	\$ -	\$ -
<b>Total Existing Debts</b>	<b>\$ -</b>		

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# Subdivision Act fees Effective 1 July 2017

The value of a fee unit is \$14.22

## Common fees

Section of Act	Description	Fee \$
22	Plan of subdivision Application to register a plan of subdivision Plus for each parcel Calculate the fees using Land Use Victoria's online fee calculator, available on the <a href="#">Fees</a> page at <a href="http://www.propertyandlandtitles.vic.gov.au">www.propertyandlandtitles.vic.gov.au</a> >Fees.	595.50 184.10
22	Staged plan of subdivision For staged plans of subdivision: Application to register a master plan of subdivision Plus for each parcel  For a plan for the second or subsequent stage plus for each parcel	595.50 184.10  595.50 184.10
22	Plan of consolidation Application to register a plan of consolidation, other than under Section 32(j) of the Act	595.50
22(1B)	Service of notice for consent Application for service of a notice – for each mortgage, charge, lease, sub-lease, annuity or caveat	94.60
23	Easements – creation, removal, variation Plan to create, vary or remove an easement or condition in the nature of an easement in a Crown grant, other than under Section 32(i) of the Act	595.50
23	Restrictions – creation, removal, variation Plan to create, vary or remove a restriction, other than under Section 32(i) of the Act	94.60
24A	Removal of reservation Plan to remove or vest and remove a reservation under Section 24A of the Act Plus for each parcel	595.50 184.10
24A	Vesting Plan to vest land referred to in column 2 of the table in Section 24A of the Act	189.10

# Subdivision Act fees Effective 1 July 2017

## Common fees

Section of Act	Description	Fee \$
26	Boundary plans Application for approval of a boundary plan	189.10
27E(1)	Owners corporation rules For any rules for an owners corporation, including recording rules that accompany a plan creating an owners corporation, or merging owners corporations	47.20
27H(2)	Owners corporation Application to alter the purposes of the owners corporation	94.60
27H(3)	Owners corporation Application to alter the functions or obligations of a limited owners corporation Note: a separate application is required for each owners corporation	94.60
32(c)	Owners corporation Plan to alter the boundaries of any land affected by the owners corporation Plus for each parcel	595.50 184.10
32(d)	Owners corporation Plan to increase or reduce the number of lots affected by the owners corporation	94.60
32(e)	Owners corporation Plan to create new lots or new common property Plus for each parcel	595.50 184.10
32(f)	Owners corporation Plan to create a new owners corporation	94.60
32(g)	Owners corporation Plan to dissolve an owners corporation	94.60
32(h)	Owners corporation Plan to merge owners corporations	94.60
32(i)	Owners corporation Plan to create, vary or remove an easement or condition in an owners corporation	595.50
32(i)	Owners corporation Plan to create, vary or remove a restriction in an owners corporation	94.60
32(j)	Owners corporation Application to consolidate parcels in an owners corporation	595.50

# Subdivision Act fees Effective 1 July 2017

## Common fees

Section of Act	Description	Fee \$
32(k)	Owners corporation Plan to create, alter or extinguish a lot entitlement or lot liability in an owners corporation	94.60
32(l)	Owners corporation Plan to amend or cancel a scheme of development under the <i>Cluster Titles Act 1974</i> in an owners corporation	94.60
32	Owners corporation Plan containing more than one alteration as referred to in Sections 32(a), (b), (c), (d), (e), (f), (g), (h), (i), (j), (k) and (l) of the Act	The fee is the aggregate of each individual item, to a maximum of 595.50
	Plus for each parcel	184.10
32A(2)	Owners corporation Plan of consolidation, subdivision or alteration of land affected by an owners corporation	595.50
	Plus for each parcel	184.10
32A(1)	Owners corporation Plan of consolidation or re-subdivision of the whole of the land affected by an owners corporation	595.50
	Plus for each parcel	184.10
32B	Owners corporation Plan to create an owners corporation	94.60
33(1)	Owners corporation Application to alter a lot entitlement or lot liability other than under Section 32(k) of the Act	94.60
34(2)	Owners corporation address Application to alter the address for service of notice of the owners corporation	29.20
34G	Owners corporation Notice of application to VCAT for an order that the owners corporation be wound up	47.20
34H	Owners corporation Application to amend or cancel a registered plan in accordance with an order of VCAT	189.10
35(1)	Application by an acquiring authority to register a plan	595.50
	Plus for each parcel	184.10

# Subdivision Act fees Effective 1 July 2017

## Common fees

Section of Act	Description	Fee \$
44(4A)	Accessory lot – removal Amendment of a plan to no longer show a lot as an accessory lot on a plan of strata subdivision or a plan of cluster subdivision – for each lot	47.20
44(5)	Notice of restriction – removal Application to amend a plan to remove a restriction on a plan of strata subdivision or a plan of cluster subdivision – for each lot	47.20
44(5A)	Scheme of development Application to cancel or alter a scheme of development accompanying a plan of cluster subdivision	94.60

## Miscellaneous fees

Section of Act	Description	Fee \$
120(2) of TLA	Where no fee is prescribed Any other instrument, application or document for which a fee is not specified in these regulations or under the <i>Transfer of Land Act 1958</i>	94.60
108(10) of TLA	Re-lodgement For re-lodgement of a transaction that has previously been withdrawn or rejected (where there is no material change to the transaction document)	Half the current fee at the time of re-lodgement
142 of OC Act	Owners corporation rules To make or amend rules under Section 142 of the <i>Owners Corporation Act 2006</i>	47.20

## Contact us

Land Use Victoria location and contact details are available at [www.propertyandlandtitles.vic.gov.au/contact-us](http://www.propertyandlandtitles.vic.gov.au/contact-us).

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### Accessibility

If you would like to receive this publication in an alternative format, please telephone DELWP Customer Service Centre on 136 186 or email [customer.service@delwp.vic.gov.au](mailto:customer.service@delwp.vic.gov.au). Alternatively, telephone the National Relay Service on 133 677 ([www.relayservice.com.au](http://www.relayservice.com.au)). This document is also available on the internet at [www.delwp.vic.gov.au](http://www.delwp.vic.gov.au).

Our ref: **[Insert Ref]** AMP/RH/KLY

**[Insert date]**

**[Insert Client details]**

Dear **[Insert Client name]**,

**Re: [Insert Project]  
[Insert Formal Description]  
[Insert Project Address]**

I refer to our ongoing discussions regarding the **[insert project]** of your property at **[insert address]**. We have undertaken a preliminary investigation to ascertain the application requirements and to formulate a fee proposal for your consideration.

#### Initial Assessment

Our initial investigations reveal the following:

- **[insert, zones, overlays, other planning considerations]**
- **[insert, other requirements such as soil testing, geotech]**
- **[insert, cultural heritage? Native Veg?]**

**[DELETE IF SEWERED]** Given the property is not sewerred, we will need to demonstrate to Council that the proposed **subdivision/development** is capable of treating wastewater on site by providing a Land Capability Assessment Report. We are able to source quotations from suitably qualified firms for this Report on your behalf, or alternatively you may wish to source your own direct.

**[DELETE IF NO EMO]** The site's inclusion within the Erosion Management Overlay will trigger the need for a Geotechnical Risk Assessment to accompany the Planning Application. There are limited suitably qualified Geotechnical Engineers within the local area, however we can obtain a quotation from one local firm for your consideration. Alternatively, you may wish to source your own Geotechnical Risk Assessment direct and provide it to our office for lodgement with the Planning Application.

**[DELETE IF NO DWELLING PLANS REQUIRED]** A Dwelling Plan set inclusive of Site Plan, Floor Plan and Elevations together with schedule of materials and colours will need to be lodged as part of the Application. These plans will then be endorsed and form part of the Permit. We would appreciate this information being provided to us at your earliest convenience.

#### Scope of Works

Based on our initial assessment we recommend the following course of action:

- Arrange a pre-application meeting with Council to discuss the proposal and ascertain their level of support, any concerns they may have, changes they may recommend, other information they may require in support of an application.
- Undertake a site survey to determine the relationship between existing fences and the Title boundaries, locate features and levels on your property (including the existing dwelling, outbuildings, driveway, service meters, significant trees etc) and locate dwellings on adjoining properties (including setbacks, overlooking windows, maximum heights etc).
- Prepare a series of plans required to support the design process and a planning application. This will include at a minimum a Re-establishment & Feature Plan, a Site Context Plan, a Design Response and a Proposed Subdivision Plan.

These plans will be used for the purpose of determining the subdivision boundary, supporting an application to Council for planning approval.

- Seek proposals and engage other consultants if necessary.
- Make alterations/amendments to the prepared plans as required by Council.
- Prepare a comprehensive Planning Report and Planning Assessment (Clause ??) in support of an application for [insert project] and lodge the application with Council seeking approval.
- Address additional information requests issued by Council (if required) and conduct the public notification process (if required). In the event that Objections or issues arise additional professional fees will be calculated on a time basis.
- Upon the issue of the Planning Permit, undertake the Survey component inclusive of the preparation of the necessary documentation and the necessary marking of the allotment boundaries in accordance with the *Subdivision Act 1988*.
- Prepare and lodge the formal Plan of Subdivision with Council for Certification and monitor the process to Certified Plan stage.
- Upon receipt of the Certified Plan we shall prepare the necessary documentation such as Abstract of Field Records and a Surveyors Report. Following issue of the Statement of Compliance, these documents will be released to your chosen Solicitor/Conveyancer for lodgement with Land Registry.

### Fees/Other costs

We have attempted to quantify a fixed fee for as many aspects of the proposal as possible. Our fee for Survey, Town Planning and project coordination as detailed within the above scope of works would be **\$0,000.00** (plus GST). This can basically be attributed in the following manner:

- Plan of Re-establishment & Features	\$0,000.00
- Town planning assessment/report/application	\$0,000.00
- Formal Plan Preparation & Lodgement	\$0,000.00

Accounts will be issued upon the completion of each of the milestones as listed above. Professional fees quoted are valid for 6 months from the date of this document.

This fee proposal has been prepared in view of current planning requirements. In the event there are any changes to Policy or Legislation, this fee estimate may need to be reviewed.

In the case that any unexpected costs are encountered outside of this estimate, additional professional fees may apply. Where possible you will be advised prior to commencement of that aspect of the project.

#### Other Costs/Exclusions

Planning Permit fee	\$1,286.10
Certification fee	\$170.50
Title Search for Council lodgements (14 days old or less)	\$50 min per search
Plan Search	\$20 min per search
Printing, Postage & Petties	\$30
Large Scale Plan Printing, Scanning, Copying	TBA
Fees from other Consultants (if required)	TBA
Fees payable to Service Authorities (if required)	TBA

Please note the amount quoted for Council's Planning Permit fee is valid for the 2018/2019 Financial Year only.

In the case that other consultants are required, we will work with you to source fee proposals, facilitate engagement and manage suitably qualified people.

#### Estimated time frames for Council approval

- Planning Permit Application phase – 4 months from lodgement
- Certification Process - 2 months from lodgement

Once the permit has been issued and the plan certified, the completion of the subdivision is dependent upon all conditions on permit being satisfied. Conditions on permit may require you to liaise with service providers and/or contractors and generally we do not undertake this component of the project on your behalf. We are able to assist with the completion of the conditions upon request however additional professional fees will be incurred.

Please note that whilst the permit and certification phase takes approximately 6 months to complete, the project as a whole may take longer depending on the conditions incurred on the permit and the developer's willingness to complete the conditions.

Once all the relevant planning permit conditions have been addressed and referral responses received Council will undertake to issue the Statement of Compliance which along with other relevant survey documentation will be forwarded to your Solicitor/Conveyancer for lodgement with Land Registry.

#### Next Step

All that is required to commence the process is for you to forward to us:

- [DELETE IF NOT APPLICABLE] Confirmation of acceptance and instruction for us to seek quotations for a Land Capability Assessment / Geotechnical Risk Assessment. A simple note, email or telephone call will suffice.
- [DELETE IF NOT APPLICABLE] Dwelling Plan Set including Site Plan, Floor Plan, Elevations and schedule of external materials and colours.

- Confirmation of your acceptance of our fee proposal by completing and signing the attached Fee Agreement.
- Council fees in the amount of \$1,286.10. The enclosed Fee Agreement lists the payment options available for this fee.

**[DELETE IF NOT APPLICABLE]** Please find enclosed for your review a copy of Proposed Subdivision Plan (Version ??). If you would like to discuss any aspect of this plan, or require any modifications, please contact our office at your earliest convenience.

Please do not hesitate to contact either myself or a member of our planning team should you wish to discuss any element of this matter further.

We welcome you as a new Client and look forward to a productive and mutually rewarding relationship with you into the future.

Regards,

Managing Director

*Encl: Fee Agreement  
Proposed Subdivision Plan (Version x)*

## Fee Agreement

Our ref: .....  
Client: .....  
Project: .....  
Address: .....

Professional Fees: **\$0,000.00** (plus GST)

By signing this agreement, I hereby authorise *Town Planner Pty Ltd* to undertake the work outlined in the accompanying proposal and accept responsibility for the payment of the fees rendered in connection with that work.

Full Name: \_\_\_\_\_

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

The Client's business / trading name (For invoicing purposes)

\_\_\_\_\_

Postal Address: \_\_\_\_\_

Mobile No. \_\_\_\_\_ Email: \_\_\_\_\_

Ph No. \_\_\_\_\_ ABN/ACN \_\_\_\_\_

Preferred method of correspondence (please tick): Email  Post

**Note:** Payment of our account is due 30 days from the date of issue. Any costs accrued in recovering outstanding fees shall be borne by the client.

Please sign and return this agreement via hand, email, fax or post to:

Email:

### Payment methods for Council Application Fees - Please tick payment method

- I have enclosed a cheque payable to ##### *Shire Council* for \$1,286.10
- I have paid \$1,286.10 into your bank account with reference (Insert Job No.)  
Direct Credit to account: Town Planner Pty Ltd BSB: 000-000 A/C No.: 77790-0000
- Please process a credit card payment on my behalf for \$1,286.10

Card Number: \_\_\_\_\_ Exp Date: \_\_\_\_ / \_\_\_\_

Name on Card: \_\_\_\_\_ Signature: \_\_\_\_\_

20 December 2018

**Greg Miller**

**Email:**

**Quote Reference:**

**Job Ref: W----**

Dear Greg

**RE: QUOTATION – FEATURES & LEVELS SURVEY**

**PROPERTY:**

Thank you for the opportunity to submit a fee proposal for the above mentioned project.

We have vast experience in surveys of this type and are eager to secure the brief. We welcome the opportunity to discuss with you any aspect of the fee proposal provided below.

**SCOPE OF WORKS**

The scope of the works as we understand from your brief provided is to provide the following:-

**Features & Levels Survey**

- Undertake a features & Levels survey of the subject site as shown in red on the attached image including:-
- Extending survey into Cuthbert Street Road Reserve to the edge of seal as shown in yellow on the attached image;
- All Major Structures and other structure outlines (including FLL)
- Existing Edge of Seal
- Existing Edge of Formation
- Retaining walls
- Invert of drains
- Top/Toe of Banks
- Location of fences, gates, tracks – fence type and alignment
- All Service pits and pit markers (Including Power, Telstra, Water, Sewer and Gas Utility Services)
- Drainage Pits including upstream and downstream inverts, type and diameter if they exist;
- Existing Vegetation (above 100mm dia to be picked up as points)
- Existing Vegetation (less than 100mm dia to be picked up as strings)
- Natural Surface (NS) points and break lines to achieve a contour interval of 0.2m
- Survey level datum will be Australian Height Datum (AHD) & MGA 94 for horizontal co-ordinate datum.
- Provide a Plan of Existing conditions Survey at an appropriate scale that shows all of the above features.
- Plans provided in hard copy & digitally



**OCCUPATIONAL HEALTH & SAFETY**

It is company policy at Raso Consulting Surveyors that we undertake our internal OH&S risk analysis and prepare a Safe Work Method Statement for the nominated site. We prepare a Safe Work Method

Statement at the start of each day for the section of road that we work on. We are able to Supply council with copies of these statements throughout the course of the project.

### **TRAFFIC MANAGEMENT**

In order to comply with the requirements of the Occupation Health and Safety Act 2004, we have visited the site to understand and consider the applicable OH&S aspects in relation to the project. During the course of our visit to the site, we studied the traffic movements over a short period of time over different sections of the road.

RCS will provide our own safe working areas using the principles and diagrams identified in the Surveyor's Field Guide To Safe Work and Practices Within Road Reserves to assist in determining our control measures for short term works.

### **FEES**

Our fees for the provision of survey services are:

Feature Levels Survey **\$8492.50+\$849.25GST=\$9341.75inc.GST**

### **TIMING**

We strive to work with the client to achieve completion in a timely manner. We anticipate the commencement of the survey works to be conducted on Monday 14 January 2019 with completion and delivery of the Feature & Levels Survey plan on 24 January 2019 and upon receiving the signed acceptance of our quotation.

### **ADDITIONAL SERVICES**

Any additional services required as a result of changes to the specified scope or any other additional services outside the specified scope will be charged at hourly rates. Our labour rates for additional work will be based on the following hourly rates (fees quoted below are ex GST):

Cad Operator	\$135 per hour
Field Crew (Cadastral)	\$245 per hour min
Field Crew (Feature & Levels)	\$200 per hour min
L.S and assistant	\$315 per hour min
Robotic one man	\$85 per hour min
GPS and Operator	\$105 per hour min
Set-Out	\$200 per hour 4hr min
Further Planning Representation	\$135 per hour

### **ACCOUNTS**

Accounts will be issued upon completion of the survey works.

Our payment terms are 14 days from the date of our invoice.

### **ENGAGEMENT**

We trust this proposal meets with your approval and look forward to working together with you on this project. Should you wish that we proceed, we require confirmation of our appointment and acceptance of our fees and terms by signing and dating a copy of the ‘‘ Deed of agreement for the provision of surveying & consulting services’ .

This signed agreement also becomes an authority for us to commence works.

I thank you for this opportunity to submit a fee proposal for your project and look forward to hearing from you in the near future. I am available to discuss any of the above information at your convenience on mobile

Regards

A handwritten signature in black ink, consisting of several fluid, connected strokes that form a stylized, somewhat abstract shape.

Managing Director

## Useful Websites

WA

[www.planning.wa.gov.au](http://www.planning.wa.gov.au)

<https://espatial.planning.wa.gov.au/mapviewer/index.html?viewer=planwa>

NSW

<https://www.planningportal.nsw.gov.au>

<https://www.lgnsw.org.au/about-us/council-links>

VIC

[www.land.vic.gov.au](http://www.land.vic.gov.au)

QLD

PD Online (Council Specific)

SA

[www.location.sa.gov.au](http://www.location.sa.gov.au)

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## The Development Application/Assessment (DA)

What is a DA? A DA is a formal request to build or carry out development within a Local Government Area (LGA). A DA is made up of forms and documents that show the merits of your project and how it adheres to local, state and federal building requirements.

This includes:

- Site plans
- Architectural plans
- Independent reports
- A statement from you as to whether you have made any political contributions to local council.

What is a construction certificate?

You will also need to lodge a construction certificate application that, once approved, will allow your builder to start construction. This application relates to plans that will be used for building your development and needs to be approved by council or a private certifier before construction can begin. An application for a construction certificate will usually be lodged after your DA is approved, but in some cases can be submitted at the same time.

How do I submit my DA?

Your path to becoming a developer will allow you to make many new 'friends' at local council, so don't be surprised if you find yourself on a first-name basis with administration staff as you will probably be making quite a few calls. But within council there is one group of people you will be dealing with most of the time:

### Development Advisory Unit/Planning Unit

The Development Advisory Unit (DAU), or local equivalent, is the first stop before you even think about filling out forms or lodging a DA. Made up of senior staff experienced in development planning, the DAU exists to identify potential problems and solve them before you lodge your DA. This will go a long way in avoiding delays, which can become frustrating and often expensive. There are two ways to speak to the DAU: either by phone or face-to-face.

Face-to-face appointments are free, and by going in you can speak one-on-one to the council's town planners and ask any questions you might have. You can also take your plans with you and be advised on any problems that might arise.

In every state of Australia, developments that include blocks of units, apartments and/or villas require a 'multiple-dwelling' DA to be submitted before you break ground. Almost all local councils have a similar DA form, but each LGA can have its own variations and it is imperative that you check with your local council to find out what is specifically required for your project.

But in most instances you can expect to need:

1. A filled-out application form

You can download these forms from the Planning Department page of your local council's website.

2. An owner's consent form

If you are the landowner, you will need to sign this form. If you are leasing the land, the owner will need to provide consent for your development, no matter what your plan is. These forms are also available to download from your council's Department of Planning webpage.

3. A Statement of Environment Effects (SEE)

This is a document that demonstrates how your project complies with local, regional and state building and planning requirements. It primarily covers the design, footprint and environmental impact of your project, but in some cases additional information is required, depending on where your land is located.

In most cases a SEE will require:

- A description of the site and adjacent areas, including vegetation
- How the site will be used and what it was used for previously
- A list of any existing structure
- A detailed description of your plans
- Any possible impacts to the environment
- How these impacts have been identified
- Steps that will be taken to lessen any expected environmental harm

#### 4. Site plans

Site plans show your project drawn to scale and how it will fit on the lot. They include all framework, major construction and pieces of infrastructure, including decks, fences, drains, retaining walls, walkways and driveways, pool and patios. These plans will usually be drawn up by an architect, draftsman or engineer.

#### 5. Floor plans

The floor plan depicts the layout of rooms in your dwelling/s, how big each one is, and what room goes where. This plan shows how many bedrooms, bathrooms and other rooms your dwelling will have, as well as the location of doors and windows. These plans will also usually be drawn up by an architect, draftsman or engineer.

#### 6. Elevations and sections

The elevation shows the exterior of your development. The most important part of the elevation is the shape and style of the property, whether it is single storey or multistorey, tile or tin roof, brick or weatherboard; where access areas are; is there a veranda, and so on.

#### 7. Electricity Act Declaration Form

In some states, including SA, DAs must include an Electricity Act Declaration stating that any proposed dwelling or building will not be constructed within a specific setback distance from power lines.

#### 8. Additional documentation

Depending on your project and the location of your land, council may require some additional information. "If your land has any of the following issues, your project may become an 'Integrated Development', meaning you will require consent from organisations outside local council.

You can find out if your land is in a bushfire-prone area by checking with council or your state fire service. Should your land be located in a bushfire-prone area, you will need to contact a bushfire-accredited consultant to analyse any risk against documentation provided by the Rural Fire Service for bushfire protection.

"A certified bushfire consultant will assess the proximity of your boundary to the location of a potential fire hazard; the likelihood of existing vegetation catching fire; the slope of land, wind direction, and what you can do to limit the risk to your dwelling. A consultant can be found online and should cost between \$2,000 to \$5,000,"

Has my land been affected by flooding?

Most councils have an interactive map on their website that allows you to key in an address and see if an area is classed as flood-prone. If so, you may need to purchase a flood certificate. If the location is in an area affected by the 1% flood level, meaning the average recurrence of the site flooding is once in every 100 years, then you will need the help of a flood or hydraulic engineer. "They will assess where a 1% flood could impact the site, and then the council may require the design of the building be half a metre above that level to make it habitable.

The flood certificate, which advises the levels required for the dwelling, can be provided by council for about \$200, while a private consultant can cost more than \$2,000, depending on the size of the land.

Is my land in a heritage conservation area, or in the vicinity of a heritage item?

A heritage conservation area is any area deemed worthy of preserving. This could be due to a collection of historically significant buildings; historical subdivision patterns; its reflection of particular historical periods, and so on.

A council's Local Environmental Plan will list all heritage items in the area and includes a clause stating that should your land be affected you will be required to conduct an assessment of heritage impact. That will require a consultant to assess what you should plan to do and how any heritage-listed items may be affected.

The price of a heritage consultant can vary greatly, depending on what the heritage item is and whether it is a physical or cultural item.

Is the sewer already connected?

Local council will determine whether you are required to connect to an urban sewer or construct an onsite effluent disposal, which is more likely in a rural area.

The cost of connecting to the sewer will be determined by the area's governing water authority, or in a rural area the council's sewer and water department will advise on the process and price to connect. In an urban area with an existing sewerage system, you will need council approval, and building a sewer can cost about \$150 per metre to install.

Are there significant trees on my land?

All trees present on your land must be identified by species as part of your SEE. Should some of these trees be identified by council as needing to be retained, you will have to incorporate them into your design plans. Trees identified to be retained must be protected in accordance with Australian Standard AS 4970 – Protection of Trees on Development Sites, and you may be required to submit an independent arborist report as part of your DA.

Should any of these above scenarios affect your application, you will usually be referred to a state department, such as the Office of Environment and Heritage, Department of Primary Industries and Roads and/or Maritime Services, for further assistance.

What happens after I submit my DA?

Once your DA is submitted, council will begin its assessment process. While each application is unique, most applications for small developments are likely to be circulated internally to council's civil engineering and architectural officers.

"These officers will check that council's existing infrastructure services, like sewer, water and road networks, can accommodate the demand generated by the development, and that the design appropriately addresses the planning scheme provisions,".

"More than likely you will have no direct input or liaison with the subject officers unless there is a service capability deficiency in the existing network and/or a design non-conformance."

However, if the site is subject to other planning scheme overlays such as ecological, heritage or natural hazards overlays, your application will then be distributed to corresponding specialist officers within council or outside governing organisations.

How long will it all take?

The length of time it takes to assess a DA varies depending on the complexity of the project and where it is going to be built. The good news is that all councils have a maximum time period in which they are required to respond to a DA, but the bad news is that if your application is not straightforward and requires further sight inspections, reports and permissions, approval time could begin to drag out.

Victorian Department of Transport, Planning and Local Infrastructure spokesperson Emma Gumbleton says state government regulations stipulate a timeframe of 60 days in Victoria. "After that you can refer your application to the Victorian Civil Administrative Tribunal if council fails to make a decision within 60 days of receipt. If you are asked for further information, it is 60 days from the date all the information is received," she advises.

Who can help me?

Submitting your DA can be confusing, especially if it is your first time. But help is available, and on the off chance that the circumstances of your application are not clear cut, it may end up being cheaper to pay an advisor than to try to do it all yourself. Following are some professionals that you may want to have on your side.

### Draftsman /engineer

A draftsman or engineer can supply you with professional plans for your project that you can submit to council along with your DA.

Best found: Online, word of mouth, LinkedIn, Yellow Pages, council recommendation.

Cost: A number of factors could influence price – for example topography, design constraints, quality of product and council requirements – but this is nominally in the range of \$5,000 to \$15,000, excluding detailed design and documentation, tender drawings, construction drawings and so on. Many design consultants will work on a percentage of projected construction cost, usually between 6% and 12%.

### Town planner

A town planner can help you do most of your due diligence and also assist with filling out forms and reports. Should you need to go to court for any reason, a town planner can also represent your interests and project.

Best found: Online, word of mouth, LinkedIn, Yellow Pages, council recommendation.

Cost: \$3,000–\$4,000

### Hydraulics engineer

A hydraulics engineer can provide flood reports should your land be located in a flood-prone area.

Best found: Online, word of mouth, LinkedIn, Yellow Pages, council recommendation.

Cost: \$2,000–\$5,000.

### Stormwater engineer

A stormwater engineer can provide drainage and stormwater solutions for your land parcel.

Best found: Online, word of mouth, LinkedIn, Yellow Pages, council recommendation.

Cost: A number of factors could influence price, including topography and design constraints, but nominally it could be in the range of \$3,000 to \$7,000.

### Geotechnical engineer

A geotechnical engineer can provide soil assessments and reports for your land parcel.

Best found: Online, word of mouth, LinkedIn, Yellow Pages, council recommendation.

Cost: A number of factors could influence price, including topography, constraints, size of property, and measurements required, such as soil type, pH, topsoil depths, acid sulphate soils and contamination, but expect to pay between \$4,000 and \$5,000 for drill rig sampling, testing and reporting.

### Surveyor

A surveyor will provide detailed survey identification of property boundaries, contours, vegetation, infrastructure and structures on site for use by design and engineering consultants, and they will prepare plan of survey for registration in the titles office.

Best found: Online, word of mouth, LinkedIn, Yellow Pages, council recommendation.

Cost: A number of factors could influence price, including topography, design constraints, size of property and extent of survey, but expect to pay between \$3,000 and \$10,000.

### Most common hold-ups for DAs

While the above information will go a long way in assisting you in the pursuit of a successful DA outcome, sometimes things just don't go as planned.

Most hold-ups stem from applicants failing to submit a correctly completed application.

Most common mistakes people make on their application are:

1. Not ensuring that the correct landowner details are provided. For most councils this is the person/company listed on the rates notice and no other derivation of the name will suffice.
2. Missing deadlines for complying with assessment timeframes, which may mean an application has to revert to a previous stage in the assessment process or may even lapse.
3. Not being aware of all site constraints, which can result in design changes during the assessment process. This can cause not only changed plans but also changes to supporting documentation and consultant reports. For example, prior to lodgement, not knowing or taking into account the fact that part of a site is required for council road widening purposes may have significant repercussions on site layout and design of buildings.

Be as up front and transparent as possible when completing an application, because any missing information will only result in delaying the process. "Choosing to not include information when you are aware that it is required by council, as a way to save either time or money up front, and hoping that it may be overlooked, is a mistake.

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# Subdivisions Made Easy

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## YOUR 'A' TEAM

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### The Team

- Lawyer that specialises in development
- Money Lender or Broker
- Civil Engineer that will help with design, planning, feasibility and contracting
- Town Planner
- Architect
- Land Surveyor
- Hydraulic Engineer
- Civil Hydraulic Engineer
- Electrical Engineer
- Quantity Surveyor (for larger developments)
- Landscape Architect
- Real estate agent / purchasing agent
- Graphic Artist
- Advertising Agency

### The Individuals

- Look for individuals that specialises in real estate development
- Ask for references or examples of their work/clients
- Ask for a schedule of their fees and charges
- Discuss the range of services that you will require from each individual
- Ensure that professionals are members of Professional Associations where relevant. Eg. Building Assoc. , Institute of Engineers, Law Society, Institute of Quantity Surveyors etc.
- Ensure professionals are completely familiar with local and state regulations
- Ensure all professionals have the necessary insurances and certification
- Don't discuss the actual development during the interview process
- Ensure that they are in touch with the latest laws, innovations and developments within the industry

## Subdivisions Made Easy

- Ask what sub-consultants and contractors that they use
- Ensure the individuals on your 'A' Team understand your time constraints
- Check on the progress on individuals to keep them on target

# Subdivisions Made Easy

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## *STRUCTURES*

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### **Types of structures**

- Company
- Company Discretionary Trust
- Company Unit Trust
- Company Hybrid Trust

# Subdivisions Made Easy

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## NEGOTIATING

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### Negotiating the land purchase

- Prepare the contract for the purchase of the land
- Sign the deal there and then if you have made a decision
- Ensure your contract is conditional and include an 'opt out' clause just in case
- Be specific about the terms and make sure they are to your advantage
- Make sure that all of the sellers are present when negotiating to sign
- Ensure that all names and addresses are spelt correctly on the contract
- Include a clause in the contract for the seller to sign development applications
- Negotiate directly with the owner of the property wherever possible

### Building Contracts

- Call for Tenders and negotiate a building contract with the best one
- Ensure that you understand your contract documents thoroughly
- Seek legal advice if necessary for anything that you are unclear about
- Clarify the terms of progress payments in the contract if any
- Clarify what the builders' insurance will cover
- Clarify contract date commencement and conclusion and your rights
- Ensure that the contract has been completed properly and there are no blank spaces
- Contracts should clearly state:
  - Start and finish dates
  - Rates for variations
  - Liquidated damages if the project runs late
  - A defects liability period
  - A dispute resolution process
  - A clear and concise contract price
  - A list of prime cost allowances

# Subdivisions Made Easy

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## FINANCE

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### Securing Finance

- Look for a lender or broker that specialises in real estate development
- Ensure that you deal with a lender / broker that understands your needs
- Determine interest rates, charges and fees and negotiate the terms
- Lodge your application with a Commercial Finance Broker or Department
- Get Finance for the entire development project, not just the land
- Make sure that you include all the relevant documentation in your application

### What to include in your application for finance

- Introduction
- Financial Proposal / Commitment
- Site Information – Mapping, Description, Zoning
- Surveyor's plan of the site
- Preliminary design or plans and submission information
- Environmental Factors report –traffic flow, landscaping, land usage etc.
- Development Application letter
- Building quotes or contracts
- Concept design description and an architect's perspective drawings
- Demographic and target market for sales
- Complete financial analysis of costs, expenses and projected profits
- Cash flow analysis
- Time Line of work flow
- Conclusion

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## Risk Assessment

- Supply a report of your financial history, assets and cash flow
- Get a copy of your credit report from the CRA and make sure it is correct
- Offer development land as your security but be wary of cross securitisation

## Finance Approval

- Read and make sure you understand your loan documents and fees
- Instruct your lawyer to perform Title Searches on the day of settlement
- Arrange a time and date for your lender to present your cheque
- Organise a cover note for Public Liability Insurance upon settlement of site
- Instruct Engineer to commence work – ask for written confirmation
- Approval may be granted on the condition that a percentage of lots are sold in pre-sales prior to granting further development finance.

## Purchasing and Finance fees and charges

- Conveyancing and title search fees
- Stamp Duty (vary from State to State)
- Legal Fees and Miscellaneous legal fees
- Company establishment Fees
- Council Rates and Local Authority fees or adjustments
- Real Estate agent purchasing commissions
- Valuation or Appraisal Fees by the lender
- Accountancy Fees
- Interest on Finance
- Application and Lodgement Fees

## Development and Sales Costs

- Plan Sealing Fees
- Monthly consultant and construction progress payments
- Construction of actual development (work out a per lot rate)
- Landscaping Fees

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- Legal Fees on the sale of lots
- Advertising and Marketing Costs
- Sales Commissions
- Maintenance upon completion
- Annual Council Rates
- Land Taxes (can vary regionally)
- Insurance to cover the entire development during and after construction
- Development Management Fee – usually paid to you, the developer
- Sundry Costs – allow a little extra for any additional costs that you may incur
- Body Corporate Fees
- External road works levees

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## *DUE DILIGENCE & FEASIBILITY STUDIES*

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### **Zoning**

- Shire block criterion - how many blocks per land size?
- Zoning Maps – available at planning departments at local shires
- Shire and Zoning regulations – available at planning dep't and shires
- Determine if the zoning allows your proposed subdivision
- Town Plan – available at planning dep't & shires or online

### **Research your area of interest**

- What are the affluent areas or areas that are experiencing development?
- Identify the price ranges of areas so you can make comparisons
- Keep a map with shires and councils mark and a list of contact offices
- Set up a spreadsheet with area information for easy reference
- Visit subdivisions in your area and record prices and marketing strategies
- Research the infrastructure; amenities, schools, transport etc.
- Look at changes in infrastructure planned for the future
- Study the demographics and data projections of the area

### **Choosing your site**

- Accumulate facts and details of the area that could affect the development
- List your selected sites in order of preference

### **Due Diligence**

- Make sure a lawyer does a final Land Title Search the day prior to settlement
- Confirm all instructions in writing
- Create a time line of the entire construction process and budget

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## Feasibility studies

- Prepare several feasibility studies with varying options prior to committing
- Always enter full amounts in costings, not potential discounted prices
- Calculate legal fees and establishment cost as well as any duties or taxes
- Calculate expected sales income and balance it against the expected return
- Does it meet a profit return target of 33.33% - this is your target for viability
- Visit other development sites and analyse their data; land price, location, etc.
- Talk to Real Estate Agents about developments in your area
- Make timelines realistic – allow for inclement weather or unforeseen hold ups
- Estimate timeframes for how long it will take to gain any returns
- If your feasibility studies show that your project is not financially viable, review the costings with your Civil Engineer. If it is still not viable - DO NOT proceed
- Assess what the Council Planning regulations and constraints may be
- Assess what the Civil Engineering requirements and constraints may be
- Once construction costs are established revise you initial feasibility study
- Asses what the tax implications of your development may be

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## DESIGN & MAPPING

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### Mapping

- Enlist a Land Surveyor to establish the boundaries of any land purchases
- Land Surveyor will map out the development site when approval is granted
- Land Surveyor will check boundaries on plans and pre sales contracts

### Initial Design

- Select a Civil Engineer
- Lodge a Development Application for the initial design
- Hydraulic Engineer plans drainage, water management and site plumbing
- Quantity Surveyor may establish a budget and time line for the development

### Detailed Design

- Develop the detailed design for Building Approval
- Construction drawings are submitted to council by Civil Engineer for approval
- Electrical Engineer will coordinate their design with that of the Civil Engineer

### Meeting with the Civil Engineer - what you will need to take along

- Description of the site
- Dimensions of the site
- Some photographs to indicate the lay of the land
- A design brief which includes information about:
  - Average Lot sizes
  - Quantity of lots
  - Road widths
  - Public pathways
  - Cut and Fill
  - Park designations if required by Councils

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- Covenants
- Utilities access – water, electricity, gas, optic cable
- Design features
- Landscaping
- Site Survey Plan
- Examples of any subdivisions or the concept you are wanting to create

### **What the Civil Engineer will come back to you with:**

- A design brief which includes information about:
  - Numbered Lots
  - Lot sizes
  - Road layouts
  - Designated Park areas
  - Layout of Power Supply
  - Layout of Water Reticulation
  - Layout of Storm water and Drainage
  - Time frame for completion
- Estimates cost of the development construction

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## APPLICATIONS, PERMITS & QUOTATIONS

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### Finance

- Put together a Finance Real Estate Development Proposal
- Include a Cash Flow Analysis and Financial Analysis
- Double check that all figures are correct

### Development Approvals

- Lodge a Development Application for the preliminary design
- Submit Construction Drawings for building approval
- Submit Electrical Engineers drawings for building approval
- Write a personal letter to the Town Planner stating your specific requirements
- The Town Planner will assess the application in accordance to the town plan's zoning guidelines. If it is satisfactory it will be presented before the Town Planning Committee
- Development approvals will be issued in writing from the Planning Authority
- Understand any Terms and Conditions that the approval may contain
- Attend a pre-lodgement meeting with your local council prior to lodging applications

### Quotations

- Civil Engineer calls for tenders on construction while awaiting building approval
- Builder is selected from tender applications and a contract is negotiated
- Builder to supply cost estimates for all design and building services
- Enlist a Quantity Surveyor to estimate and monitor construction budgets
- Electrical Engineers will provide estimated costings to the Civil Engineer
- Compare individual contractor quotations with the Civil Engineer's estimates
- Ensure Tender contracts and documents don't include any unusual clauses

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## *IMPLEMENTATION OF CAPITAL WORKS*

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### **Construction Phase**

- Quantity Surveyor monitors Progress Payments during construction
- Ensure that Progress Payments reflect work completed on the site
- Once the building contract is signed, the builder is in charge of the site
- Make sure you always advise the builder when you are on site
- Any comments or concerns should be made to the engineer NOT the builder

### **Completion Phase**

- Civil Engineer and consultants carry out a final inspection upon completion
- Complete a Builder's Defect List
- Re-inspections of repaired defects
- Civil Engineer issues a Certificate of Practical Completion to authorise the release of any Retention Money
- Quantity Surveyor produces the final account report

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## *ISSUING OF TITLE*

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### **Administrative Management**

- Create a Body Corporate for lot owners of Pre-sales to supervise fund budget
- Body Corporate Manager will assist with the first Administrative Budget
- Body Corporate manager can also prepare the 'Sinking Fund'
- Keep records of the 'minutes' of each Body Corporate Committee meeting

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## MARKETING YOUR SUBDIVISION

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### Advertising and Marketing Costs

- Sign Writers or Graphic Designer to design signage / branding
- Perspective Artist to create an image of what the development will look like
- Printers to print brochures or print media for promotion of the development
- Advertising Agency that specialises in Real Estate promotion
- Media costs for advertising in newspapers etc.
- Keep a record of advertising rates for various sizes
- Real estate agents will expect you to pay for your own advertising

### Commencement of Marketing

- Create a pictorial signboard of the development as soon as it commences
- List features that will attract buyers based on your feasibility studies
- Print brochures or other promotional media
- Prepare a Price List for pre-sales
- Make sure you direct ads at your target market and they generate inquiries

### Site Sales

- Get lawyer to prepare a Pre-Sales Contract so sites can be sold of the plan
- Ensure that any special clauses are included in this contract
- A standard real estate Sales Contract can be used once the development is complete and the Title Plan is registered
- Understand what your Sales Contracts mean and ask questions if necessary
- Ensure that Sales Contract are filled out correctly by you and the purchaser
- Ensure that the deposit has been banked into the agreed account

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## TAX

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### Tax in general

- Enlist the services of a qualified accountant that specialises in real estate
- Determine the tax implications prior to beginning your development so that you understand your obligations
- Put structures in place to minimise risk and maximise tax benefits
- Determine the Stamp Duty payable, if any, for the area you are looking at

### Capital Gains Tax

- Understand your Capital Gains Tax obligations
- Record all of your expenses throughout the development process

### GST (Goods and Services Tax)

- Understand your GST obligations
- Keep a record of all GST paid and received
- Lodge BAS (Business Activity Statements)#