



SUBDIVISION GUIDE



In recent times, subdividing land has become a popular form of property development, particularly for inexperienced or first time investors looking to getting into property development. The subdivision of land is a property investment strategy which splits up one property into smaller lots, which can then be developed and sold separately. Once the land has been subdivided, there are a number of options including:

- Holding the lots and waiting for a rising market;
- Developing them by constructing a new house on each vacant lot;
- Selling one of the lots to reduce debt on the remaining or for some extra capital;
- Selling both lots.

Unlike traditional methods which rely on holding property for long-term capital gains, subdividing land can be a very successful strategy for active property investors who are looking for short term (6 – 12 month) gains. We are often contacted by potential investors who are looking to subdivide their land or purchase a site for the purpose of subdivision; however, there is very little information available for the inexperienced developer. The purpose of this guide is to provide detailed information on the subdivision process in Queensland, including approximate costs associated with the process. This guide is based on Brisbane City Council requirements but the general process is similar for other Council areas.

CAN I SUBDIVIDE MY LAND?

The first thing to consider when it comes to the subdivision of land is to determine whether or not your site can be subdivided. In Brisbane City Council, minimum lot sizes, minimum frontage and other requirements for new lots vary according to the zoning of the subject site. The Brisbane City Plan 2014 interactive mapping tool (<http://cityplan2014maps.brisbane.qld.gov.au/CityPlan/>) allows you to view your property on a map to see the zones, overlays and neighbourhood plans that apply to your site.

Once you have used the interactive mapping tool to work out which zone your property is in, you will need to check the minimum lot sizes and frontages of that zone. A selection of the most common minimum lot sizes for standard zones are listed in **Figure 1** below; however, these are also subject to meeting requirements for minimum frontage, average width and development rectangle. In some cases it may not be appropriate to subdivide due to characteristics of the land, such as excessive slope, protected vegetation, location of infrastructure, flooding or the location of heritage or character buildings or other relevant planning scheme overlays. A more detailed investigation is recommended to determine whether there are any other issues that may impact on the future development potential of your site.

Figure 1 – Minimum Lot Sizes

ZONE	ZONE PRECINCT	FRONT LOT (m ²)	REAR LOT (m ²)
Low density residential	-	450	600
	-	400 (small lot)	600
Low density residential around centres*	-	300 (small lot)	600
Character residential	Character	450	600
	Infill housing	300	450
Low-medium density residential	2 storey mix	260	350
	2 or 3 storey mix	260	350
	Up to 3 stories	180	350
Rural residential	-	10,000	-



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WHAT IS INVOLVED IN THE SUBDIVISION PROCESS?

The Subdivision Process generally involves 3 main Stages, which are briefly described below:

Stage 1 – Town Planning Approval

After the site has been surveyed and a Subdivision Plan has been prepared, a development application for a Reconfiguration of a Lot (Subdivision) is prepared and lodged to Council for approval. Depending on the type of application, a typical subdivision application takes on average between 3 – 6 months to be approved by Council. Brisbane City Council has introduced a RiskSMART (fast track) process for low-risk applications which meet all of Council's requirements. These are generally approved in approximately 2 weeks. Once approved, Council will issue a Development Permit which will contain a list of conditions that will need to be met before the subdivision can be completed.

Stage 2 – Meeting Conditions

Once the development application has been approved, the next stage involves ensuring that all of the conditions of approval have been met. This may include connecting all lots to existing services (i.e. sewer, water, stormwater etc), demolishing the existing house, preparation of any easement documents, pegging of the new lot boundaries etc. Standard water/sewer connections are able to be undertaken by QUU, but often a Civil Engineer is required to design things like sewer main/water main extensions, stormwater management etc which may involve separate approvals through QUU or Council. Stage 2 can take approximately 2 – 3 months to complete, depending on the work that is involved and the approvals process that is required for servicing. Once the proposed lots have been connected to all relevant services and all other conditions of approval have been met, Stage 3 can commence.

Stage 3 – Plan Sealing and Survey Plan Registration

Following Stages 1 and 2, a Plan Sealing application is required to be lodged with Council along with evidence which demonstrates that all conditions of approval have been met and a copy of the original Survey Plan (prepared by a Surveyor). The plan of subdivision (or survey plan) is required to be 'signed' and 'sealed' by Council prior to registering the plan at the titles office of the Queensland Department of Natural Resources & Mines (DNRM). Once registration and issuance of titles has occurred, the lots can then be sold. Often, the proposed lots will be offered for sale following Stage 1, with settlement being effected following plan sealing.

ARE THERE ANY ISSUES THAT CAN AFFECT THE SUBDIVISION POTENTIAL OF MY SITE?

Town Planning Constraints:

The zoning and existing lot size largely determines whether a site can be subdivided. However, some Council planning schemes also have various overlays that may affect the ability of the land to be subdivided. This information alone may be enough to eliminate some properties from being able to be subdivided as some zones and overlays place constraints and restrictions. These may include flooding, protected vegetation, slope etc. Expert advice should be obtained from a Town Planning Consultant to determine whether the property is able to be subdivided and what constraints may apply.

Site Constraints:

There are a number of site constraints that can impact on the development potential of a site including:

- The size and positioning of easements;
- Steepness of the site;
- Restrictive covenants;
- Significant trees;
- Existing buildings that can't be removed (i.e. pre-1946 character houses);
- Driveway requirements & crossover issues (particularly if on a main road);
- Nature strip assets (electricity poles, bus stops etc)

Engineering Constraints:

The location of existing infrastructure such as water, sewer and stormwater mains is very important when subdividing and can potentially stop a project from proceeding. It is a requirement of Council (and the relevant distributor-retailer i.e. QUU, Urban Utilities) that each lot is able to be connected to the existing infrastructure, including sewer, water, electricity and telecommunications. Often these services will be located within



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the street, but this is not always the case. For sites that slope away from the street, sewer pipes are often located in the backyard or on a neighbouring property. Consent may be required from an adjoining landowner to connect into the existing sewer/stormwater pipe on their property. All lots are also required to discharge all stormwater via gravity feed to a "lawful point of discharge". This is normally the kerb and channel of a street or an existing stormwater pipe. On sloping sites where it is not possible to gravity feed stormwater to the kerb and channel at the frontage of the site, permission is required from a downstream neighbour to construct a stormwater pipe through their property to the kerb and channel of their street. Brisbane City Council previously allowed landowners to look at alternative stormwater measures (i.e. rubble pits) where consent could not be obtained from the neighbour. However, this is no longer the case and the refusal of a neighbour can often mean the end of a project. Rear access lots are generally more expensive to create than street facing lots due to the additional expense of extending the existing services. Often, you will need to provide a water hydrant within the access easement, depending on the location of the nearest water hydrant.

A review of all constraints should be undertaken as early as possible in the project to determine whether or not the site can be subdivided and also to provide a guide to the costs associated with the subdivision.

WHAT WILL IT COST?

Subdivision costs can vary greatly depending on the size of the subdivision, constraints of the site, planning scheme overlays and the location of the existing infrastructure. As a general ballpark figure for a 1 into 2 lot subdivision in Brisbane, the entire process including Council Infrastructure Charges (which are currently \$28,000 per additional lot) will cost approximately \$70,000 – \$100,000. Please note, this is a general guide only and each subdivision requires a detailed financial analysis and feasibility assessment.

The common costs associated with the proposed subdivision will include (but is not limited to) the following:

- Town planning Fees;
- Survey Fees;
- Council Fees;
- Civil Engineering Fees;
- Electrical Engineering Fees;
- Civil Construction Costs (i.e. new sewer connection, water meter, stormwater connections etc.);
- Title Registration Fees.

Other requirements may also apply which will increase the costs associated with the subdivision, which could include (but is not limited to) the following:

- Demolition Costs associated with clearing the site;
- Other Civil Construction Costs (i.e. new footpath, new driveway, earthworks, extension to sewer/water main)
- Upgrade of electrical/telecommunication services;
- Street Tree planting;
- Earthworks (i.e. construction of retaining walls, filling etc.);
- Ecologist/Arborist Fees, where the site is affected by environmental constraints;
- Hydraulic Engineering Fees, where the site is affected by flooding;
- Geotechnical Engineer, where the site is affected by steep slopes;

CAN AAD MANAGE THE ENTIRE PROCESS?

The concept of subdividing land sounds relatively straightforward but it can be a time consuming and complex process. We can manage the entire process from conception to the registration of the new titles. Using a team of experienced specialist consultants, including surveyors, civil engineers, hydraulic engineers and civil contractors, we will ensure that each project is completed economically and as quickly as possible.

HOW DO I GET MORE INFORMATION?

If you are interested in subdividing your site, looking to purchase a subdividable site or just want some additional information on the new Brisbane City Plan changes, please do not hesitate to contact us today for a free assessment of your property.