

FOREWORD

Developing property for profit and wealth building can be one of the most exciting and rewarding activities around. Whether part-time or maybe you see this as a full-time income generating activity, the possibilities are endless. Being a property developer requires vision, courage, perseverance and tenacity to be very strong traits in your personality. Developing can be a very challenging and risky business for those who really don't know what they are doing - fortunes can and have been made and lost. In my 25 years of being involved in property investing and property development, I have learned many lessons. First among these is that when attempting something new, the best thing you can do to increase your chance of success is to model someone successful in the field or activity in which you wish to excel. In other words, get some powerful education and information about what you want to do. Whatever it is you want to get involved in, odds are, someone else has been before you and beaten the hard path, made the mistakes, learnt the lessons and is probably now much more the wiser (and richer!) for the experience. So why not be smart, and find someone who has done just that?

Brett Taylor has written an excellent, thought-provoking and systematic hand-book on what it takes to succeed in property developing. I particularly like the technique used to get an extra block from the sub-division, just by using a simple two stage sub-division process and knowing how the rules work. This publication will provide you with an awesome reference guide in your journey to become a property developer - whether you just want to build a duplex, or you want to do a 50 lot sub-division. I thoroughly recommend Brett's book - invest in it if you want to shorten your path to successful property developing.

Craig Turnbull

Founder, Aspire Organisation

PREFACE TO THIS MANUAL

Ever thought of becoming a developer, buying large blocks, subdividing and reaping the rewards? You circle potential development sites in the paper, meet the agent on site, have a look around, and then say to yourself, “I don’t have a clue what I am looking for, and I don’t know who to go to for unbiased expert advice!” I know a lot of people in this predicament: people wanting financial freedom, people taking the first step then stopping due to lack of knowledge and confidence, and unsure where to turn for advice they can trust.

This is why I started **PROPERTY INVESTMENT *Made Easy***. Our aim is in our name. We make it easy. Our range of client services includes development consultations, project management, educational workshops, web-based tools and educational material.

Choosing a Site for Subdivision, our first manual, gives you the knowledge to assess potential development sites and make an informed decision. The manual is in four parts. The first part gives all the background information you need as a developer, covering the differences between the three subdivision types and the general terminology (the lingo). The second part of the manual is the *rule book*, explaining the requirements for successful subdivisions. The third part of the manual, the *game plan*, puts all the rules together in the form of an on-site inspection example. The fourth part is the *advanced game plan*, showing what you can do when you know how to play the game as an **informed developer**.

I have designed this manual as a reference tool that you should have handy while you do your property research. It is a tool that you should customize to suit your own requirements. Draw your own sketches, make your own notes, and record your own experiences in the available space at the end of each chapter. Remember each local council is different; learn their rules and do your own due diligence checks on every purchase. Record your learnings in the manual for future reference.

Lastly if you visit our website at www.informeddeveloper.com.au you can download some more examples, and if you think you can benefit from our development workshop or any of our other services send us an email.

Brett Taylor
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2.3 What is the density code (R rating)?

In Western Australia, **density code** is set out in the Residential Design Codes (R-Codes) and is referred to by an R followed by a number i.e. R25. From this density code you will be able to work out how much land you need for each dwelling. Refer page 120 for a copy of the R-Codes table. This comes from the following site:

<http://www.wapc.wa.gov.au/Publications/Rcodes2002tables.pdf?id=59>

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There are some traps in calculating site areas: For example some people simply divide their available area by the R-Code value (of say R20) to work out how much land is required per unit. This works some of the time, but not all of the time.

For example, using R20, you could divide $10,000\text{m}^2 / 20 = 500\text{m}^2$. If you now refer to the R-Codes extract below you will see that I have highlighted the average area for a R20 site; the calculation is correct in this case. Now try for R25: $10,000\text{m}^2 / 25 = 400\text{m}^2$ Look up the R-Codes chart again and you will see that for a R25 site the average area required is 350m^2 , not 400m^2 . In this example the formula doesn't hold true. For this reason **I prefer to always use the R-Codes Chart.**

1 R Code	2 Dwelling Type	3 Minimum Site Area per dwelling (m ²)	4 Minimum Lot Area/Rear Battleaxe (m ²)	5 Maximum Plot Ratio	6 Minimum Frontage	7 Open Space			8 Minimum Setbacks (m)		
						Min Total (% of site)	Min Communal (m ²)	Min O/door Living (m ²)	Primary Street	Secondary Street	Other/rear
R20	Single House or Grouped Dwelling	Min 440	540	-	10	50	-	30	6	1.5	*
		Av 500									
R25	Single House or Grouped Dwelling	Min 320	445	-	8	50	-	30	6	1.5	*
		Av 350									

To establish the density code for your block you can contact the local council or the Planning Commission for your state. Generally these authorities will have a web page available to help you, such as the example below.

<http://www.wapc.wa.gov.au/Region+schemes/Local+planning+schemes/default.aspx>

Your safest bet is always to contact the council, as the web page might not be the most up-to-date source.