

5 things to know

- Don't assume just because your neighbour did it, you can too.
- Your fence line may not correspond with your title boundary. Employ a surveyor to avoid costly legal battles.
- Make sure your subdivision is marketable – it needs to be big enough to attract a developer.
- Seek professional help and use a surveyor registered with the Institution of Surveyors Victoria.
- Do your maths – it may be more profitable to keep your block whole.



ing your block

Sub-dividing can have multiple perks, but it's not for everyone

consideration the financial impact any subdivision will have on their existing house.

Poorly managed subdivisions can demolish the existing family home and build beyond any potential profits.

"The idea of cutting the back off your block can work for some people but it's not always the case," Tim Fletcher, director of Fletcher Real Estate, said. "Don't assume two blocks will automatically give you more money. A small house on a large block might be worth more to a potential buyer than a single small block. Buyers can be willing to pay more to get your block, demolish the house and build a big new house with a swimming pool and backyard for the sale."

What goes up next to your home will also impact its price. Mr Fletcher said homeowners considering subdividing their backyard needed to think about the character of the development that would stand next to it.

"If you have a development going up that is out of character with your house and it just does not fit the block, then there is going to have an impact," he said.

"People considering a subdivision need to think about it very carefully, and get professional advice."

JOHN DAVAGE
Navy editor

WHEN urban residential areas like Parklea collapse, with 100 blocks decimated from the 1400-bedrooms house on a quarter-acre block to a new two-bedroom townhouse in the same area, he soon found himself pointed out of the market.

Rather than move out of the area, Mr Phillips is now considering cutting 300sq m out of the backyard and using the proceeds to not only fund a renovation of his home, but put a marble-duct in the next page as well.

DO YOUR HOMEWORK

It sounds easy, but subdividing your backyard isn't for the faint-hearted. It involves negotiating boundaries

of red tape and potential legal liabilities. It's not quick either – the average applicant will take 12 months and can easily stretch to 24.

Correct land boundaries must be determined as they can potentially differ from your fence line. Local councils need to be consulted for specific restrictions governing land use, zoning, easements and prohibited uses. Council overlays covering environmental heritage and design issues also need to be investigated.

Scott Johns, president of the Institution of Surveyors Victoria, said homeowners were often surprised to learn their fence line did not follow their property's title boundary.

"The older the original title, the more likely it will differ from the fence line," Mr Johns said. "You cannot just assume fences, walls or whatever else will delineate a block's title boundaries."

Hidden costs also abound. The cost of removing trees from any new block is often not accounted for, while putting in stormwater drains and connecting power to the block can also provide your wallet with a heavier-than-expected hit.

"People looking at a subdivision often forget about the infrastructure side of things," said Kathy Voss.



A small house on a large block might be worth more to a potential buyer

TIM FLETCHER

Fort, director of Backyard Buyers. "Going through all that can be a costly process."

Objections from neighbours can also slow another unexpected – and potentially financially and emotionally damaging – spawner into your subdivision works.

"If you are in an area where there has been a fair bit of subdivision already carried

out, it is generally not an issue but if you are the first person in the area to go down the subdivision path, you can have problems," Mrs Voss Fort explained.

And just because your neighbour made a lucrative return, their backyard is half and building two townhouses on it, don't assume you can do the same.

Scott Voss, director of Property Subdivisions, said budding developers frequently get themselves into trouble by assuming they can copy what someone else in the street has done.

"Doing region-specific and by-law changes on a daily basis," Mr Voss said.

"These laws are changing all the time, so you need to be ready up to date with them."

DON'T DEVALUE YOUR HOME

Homeowners blessed with extra space are also cautioned to carefully take into