



12 STEPS

OF THE DEVELOPMENT PROCESS

STEP THREE: FINDING THE RIGHT SITE

Finding a good development site is one of the biggest challenges. Many people start their journey looking for opportunities directly neighboring where they currently live. I have heard hundreds of people tell me how good their area is and is “going” to grow, not based on any information, merely their opinion. Unfortunately there is a bit more to sourcing a good site than any one person’s opinion. In fact, as you will see as this course progresses, Property Development is less about opinion, and more about numbers and actual known parameters.

Now our next special report coming up will cover off a couple of the most important sections of Property Development. It’s the stuff that will 100% determine if your development will be successful or not. Most people don’t take the time to learn this information, but mess it up, and your whole plan could go down the drain! So check our special report “What’s all the fuss about the DCP”.

But to start with, let’s look at 7 important aspects to help you focus on what you need for your development to work. Once you have found the area you want to develop in, it then comes down to good site selection.

When looking at a development site, consider:

- Location (Location, Location)
- Aspect
- Slope
- Frontage
- Depth
- What’s on top of the land
- What’s underneath the land



1. Location

The location of your development site is obviously important. Being close to community amenities is top priority, whether you are planning to keep your new dwellings or sell them.

Think about being close to:

- Schools and Universities
- Shops
- Transport
- Medical facilities

Consider checking out the neighbourhood, as the quality of the surrounding homes will have an impact on the values of your development. Ask the locals about crime rates and take a drive around the streets to get a 'feel' for the area. Trust your gut feel or intuition; you will often get an instant negative feeling if something is not quite right.

2. Aspect

This is the direction the land faces; north, south, east or west. It's important to have the living areas of your development as close to facing north as possible to maximise natural light. Aspect is also very important for the energy rating of your development.

A great view is also a massive plus for any site. A major drawcard can often be having the ability to see the horizon. It might seem like a small thing, but the value differences derived from not looking at another wall is a massive drawcard for re-sale.



3. Slope

The slope of the block is important. Most people think a flat block may be good for developing and, while it may be better than a steep sloping site, you may need to build up the site with fill and retain it to meet drainage issues. So the ideal block will slope or fall slightly to the street which will assist with natural storm water runoff and drainage.

4. Frontage

A wider frontage or width of the block is usually desirable, particularly if you are looking at a medium density development, as you will be losing some of the width to a driveway to access the rear dwellings.

Some councils have a calculation as to how wide the driveway needs to be based on the number of dwellings, so make sure you have taken this into consideration and have a wide enough block.

5. Depth

Depth is important and will determine how many dwellings you may get onto the land. Be careful with very deep blocks as the deeper the block, the longer the driveway. A long driveway can add thousands to your costs. You may also need to run services such as sewer, water, gas and electricity from the front of the block to the back, depending on where the connection points for these services are located.

6. What's on top of the land?

For a quick assessment, take a look around to see how many large trees may need to be cleared. A mature gum tree can cost up to \$5,000 to remove so if there are a few of these, you will need to allow more for your site clearing costs.

Also look out for asbestos sheds on concrete slabs which are expensive to remove. If there is an existing house that you plan to keep, check there is good access to the back of the block for the large site clearing machinery that may be required.

7. What's underneath the land?

In some areas, you should check for old mines. If you know it's a mining area, then you can apply to the local mine board for a subsidence report. You can still build over an old mine, but it adds considerable foundation costs.

Is there a natural water course running under the land?

The soil type is also important. This will impact on how any development is built, and what types of materials will be required to ensure a stable construction. Think of your soil as a bit like an elastic band, expanding and contracting in the hot and cold, dampness and dryness. As the soil expands or contracts, any structure built will be affected by these movements. In most cases, you won't know the soil type unless you organise a geotechnical report. A "Geo-Tech" report measures the reactivity of the soil on your site & how likely movement is to occur.

Where's the sewer line, junctions and manholes? Some of these may be built over but you'll need to confirm. You can request the sewer diagram from the agent or the local water authority. A detailed survey will show other important things so again, if you are serious about the site, get a detail/contour survey done as you will need this to have a builder or architect work on a design for your project.

Once you've got a hold on the above you'll have a much clearer idea of where to start.

