

COMMON LAND TERMS

- 1 Land deposit:** this is the initial deposit paid to the land owner by you - usually 10%, but sometimes it can 5% for example. At the same time as the deposit, you will be signing your land contract. Make sure you get a conveyancer to review your land contract.
- 2 Land settlement:** reflects the agreed timing in which you will pay the land owner the balance of funds - less your initial deposit - and officially take over ownership of that block of land.
- 3 Titled land:** titled land is when a block officially becomes registered through the relevant council and is ready for you to settle on and the builder to build on. Settlement terms on titled land may be 30 days for example, meaning you must get finance approved within 30 days of signing the contract. The benefits with titled land is that you can begin building sooner and as there is no risk of being delayed. The only catch to this - you need your finances in order right away.
- 4 Untitled land:** this is land that is not titled, and therefore cannot be built on and cannot be settled on. Let's say land is expected to in 6 months from today, you can still pay the initial deposit and sign the land contract, and even proceed with a builder quotation as well... but the settlement won't be required until the land is actually titled. The benefit of this is that it essentially allows you to lock in a block of land and a house quotation today, but gives you those extra 6 months to continue saving your deposit before having to settle on the land. The risk with untitled land though are land delays, so if that block does not title in 6 months as planned and take another 6 months, you will have to wait for it, and also the builder will likely add contingency pricing to your quote or contract as result of the delay.
- 5 Plan Of subdivision or POS:** A document approved by council that shows the boundaries, dimensions, and layout of the newly created lots within a subdivision. It also outlines restrictions that are to be applied - which can be found on the last page or 2 usually.
- 6 Engineering plan:** A document that shows more detailed information about the proposed site conditions, easements, crossover locations, etc. Essentially, a builder uses this document to work the site costs for you by reading the various 'levels' noted in each corner of the block to work out fall, fill and other relevant site conditions such as easements and so on.
- 7 Easements:** an easement is a portion of the land in which the relevant services or utilities are running underground. Essentially, it's the big pipes connected to things such as sewerage for example which mostly run along the rear of some blocks in the street. Easements usually cannot be built upon, and they also impact the price of site costs as any home within close proximity to an easement must have additional piling under the slab to support the house in the event the relevant authority needs to dig up the entire easement to attend to a repair for example.
- 8 Estate covenants / requirements / guidelines:** Essentially these are the rules and requirements stipulated by the land developer outlining the items you must have on or in your home, along with a range of other requirements around landscaping, fencing, locations of bins and the list goes on. Estate requirements are a positive thing as they uplift the appeal of your estate, which can attract more owner-occupiers and discourage investors. These guidelines are usually noted in the land contract and sometimes in a thing called and MCP (see next term), but these days most developers provide a nice visual design guideline document that is much easier to follow than just all text.
- 9 MCP:** Stands for Memorandum of Common Provisions. Basically, it's an additional document that provides rules and conditions that apply to your land. It usually dictates such things as the building envelope area in which you are allowed to build on the height restrictions as well as listing the relevant requirements/covenants applied to your block in relation to what your home must have on or in it to comply with the MCP.
- 10 Building envelopes:** the permitted area that a dwelling can be built on within an overall block.
- 11 Setbacks:** the distance required from the boundary to a certain point of your home. For example, a front setback is the distance from the front boundary to your home. A garage setback is the distance from the front boundary to your garage. There will also be side and rear setbacks outlining the minimum distance required for your home to be built away from those relevant boundaries.
- 12 Level 1 compaction report:** is a report provided by the developer and this is a measure of any fill placed on the land and Level 1 is considered to be well compacted and good for building upon and less likely to subside under the home. An engineer must be present when any fill is placed on the lot and will test every 200mm to ensure it has been compacted to the required level of pressure.
- 13 Bushfire zone or BAL 12.5:** Bushfire zone is anywhere where it is considered a home could be easily damaged or burnt down if there was a bush or grass fire in the near vicinity. This is mapped by the government and can change as the surrounding land is developed. BAL 12.5 refers to a set of building standards or requirements that a home must meet if it is considered in a bushfire zone. Example of these items would be metal flyscreens, additional wrap to the roof areas etc. This is to help stop embers attach in a fire situation. There are higher levels requiring more specific upgrades to the home to protect it from fire. Eg Bal 29, and BAL 40 - both of which require more items and will cost more as a result.
- 14 Rescode:** A minimum set of standards regarding the siting of the home, building height, windows, neighbour overlooking restrictions, sunlight neighbour's, sunlight access to the home and shading from a dwelling on the neighbour's home or yard.
- 15 Small Lot Housing Code:** for blocks under 300m2 that are in new growth corridors (new estates), it is a set of building standards with respect to siting, setbacks, building heights, etc that avoid the need for town planning and if compliant make the process of building on these lots more streamlined. The block is allocated either a Type A or Type B and different requirements for each apply.
- 16 Boundary or survey pegs:** Every block will have - or is meant to have - boundary or survey pegs. These pegs outline exactly where the boundary of your block is located, which is naturally to ensure that the builder builds exactly in the right location.
- 17 Re-establishment survey:** In the event your survey pegs are moved or missing, the builder will need to order a re-establishment survey whereby they will ensure that the survey pegs are located in the correct position.