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| Example – section 32A plans |
| Plan under the *Subdivision Act 1988* |

This is a guide to preparing plans under the *Subdivision Act 1988* for a total re-subdivision or consolidation of land affected by one or more owners corporations.

Section 32A of the *Subdivision Act 1988* enables the total re-subdivision or consolidation of land affected by an owners corporation to occur without the need to lodge multiple dealings.

## Key elements for preparing a plan under section 32A

Note: some of the points below are referenced on the pages that follow.

1. The plan is to be prepared pursuant to section 32A of the *Subdivision Act 1988* and lodged as a new plan with a new plan number.

Note: the new plan must contain all the land affected by a particular owners corporation.

1. The new plan may contain land in addition to that land affected by an owners corporation. Lots on the previous plan that are not members of the owners corporation may or may not be included in the new plan. Likewise, land from outside the previous plan may be included in the new plan.
2. Upon registration of the new plan, the owners corporation of the previous plan will be dissolved. Prior to registration of the new plan the Registrar must be satisfied that the previous owners corporation does not have any accrued or accruing debts. The Registrar will requisition a statutory declaration from the lodging party of the new plan to satisfy this requirement.
3. If all the land affected by the owners corporation of the previous plan is in the same proprietorship, the new folios will issue in that name and manner of holding.

When proprietorship differs, the new folios issue as tenants in common of all of the former lot owners in proportion to their lot entitlements (excluding any land not affected by the owners corporation, which will be issued as a NICO folio if applicable).

1. Upon registration of the new plan, the new folios of the land affected by the previous owners corporation will issue free from any mortgages, caveats, charges, leases or sub-leases.
2. The encumbrances on any land included in the new plan that was not land affected by the owners corporation of the previous plan will remain on the new folio(s) of the relevant land in the new plan.
3. The land affected by the owners corporation in the previous plan will be freed from any existing easements under section 12 in the new plan, unless those easements were created before the previous plan was registered. (Note: new easements may be created in the section 32A plan.)
4. Following the registration of the new plan, transfers of land may need to be lodged to refine ownership. Land Use Victoria encourages lodgement of any necessary transfers (and mortgages etc.) at the same time as the new section 32A plan is lodged.
5. When refinancing is required over the new lots, mortgages can be lodged to follow the registration of the plan.

Note: the following example is a re-subdivision of the land in an owners corporation from a *Strata Titles Act 1967* plan (being units 1, 2, 3 and the common property), to create new lots 1 2 and 3 on a new plan.

Sheet 1 of plan containing loaction of land details and notations regarding boundaries defined by buildings

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Sheet 2 of plan of subdivision showing lots 1 to 3 with boundaries defined by buildings.

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