

GRANNY FLAT: An opportunity for additional income

By Iftekhar Abdullah

We are involved in few “Granny Flat or secondary dwellings” development schemes and we thought of informing our community about a new policy initiated by Australian government under affordable rental housing scheme. The new policy will better support opportunities for the creation of granny flat or garden flat in line with the State Government’s actions to boost the supply of affordable rental accommodation.

Through this policy, addition of a granny flat to your existing house can be a positive way to add value and flexibility to the use of your land. Investing for a granny flat can appreciate worth of your existing house by the value of the newly built granny flat. In addition to that, the newly built granny flat can return a rental income at the rate of approximately 9% per year.

What is Granny Flat?

A Granny flat is self-contained extension of the family home that:

- (a) is established in conjunction with a house. This can be either within the house, or attached to the house, or separate from the house; and
- (b) is on the same lot of land as the principal house, but is not on a separate lot, strata plan or in a community title scheme.

What are the requirements for a Granny Flat (major extracts only):

Granny flats are now permitted in all residential zones across the State. Following are some essential requirements:

- There is only one house and one granny flat on the lot & the minimum size of the lot is 450 Sqm (Some special exemption may apply)
- The maximum floor area of the granny flat as per council & LEP is usually not greater than 60Sqm
- It can be detached or attached depending on; design of the existing house, site configuration and the planning guide-line
- The granny flat meets the requirements of the Housing Code & Building Code of Australia.

Other helpful significant new regulations:

- No additional private open space or parking space is required for the Granny Flat, other than that was required for the original house. However in some cases, there may be a requirement for separate entry to the granny flat
- It can be attached or detached to an existing house, as a new wing or a new floor on the top of the garage.

What is the construction cost?

The cost of construction varies significantly for different reasons such as site constraints, demolition and fixtures and finishing materials.

Detached Granny flat:

A standard detached Granny flat with basic finish could be within \$65,000 to \$ 75,000 which includes:

- Total 60Sqm floor area with two bed, living, dining, kitchen, laundry and Toilet
- Externally brick veneer and metal/concrete roof tiles
- Internally Timber stud with plaster board partitions, ceramic tiled or vinyl floor and carpets in bed rooms

Attached Granny flat (Some council calls it Garden Flat)

- This would be cheaper than the detached granny flat depending on how much area it is covering. There are also few limitations in floor area, structure, plumbing/drainage, termite control and other construction / demolition issues.

Who can help you with the plan?

If you want to build a granny flat, you might want to speak to an architect, building professionals and/or planning consultants who can advise what sort of development you can undertake.

ideas team is more than willing to discuss and undertake your project to get a complying development certificate approval within ten days or to lodge a development application (DA) when there is a variation to meet the full compliance. As professionals we provide all supports from the initiation of the project, selecting builder and right up to the completion of the project with in the agreed budget.

We can be contacted:

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On going Granny flats by ideas: (Computer generated image)



Side Entry Option



Front Entry Option