

Successful Dual Occupancy Strategy in Western Australia

Step 1

Pre-approval of Finance

Dual Occupancy Finance is looked at differently to standard residential home loans. We recommended a specialist Development Financier who has the experience and knowledge. Its important before considering any areas, suburbs or housing designs that you have Pre-Approved Finance in place.

Step 2

Decide what type of development you want to achieve

Are you aiming for positive Cash Flow! Do you want to live in one side and rent the other side out! Do you want to expand the home up by building in non-load-bearing walls allowing the home to be a 5 bedroom 3 bathroom plus games & bar area in the future insuring greater resale in a flatter market... Do you need a house plan with a genuine granny flat attached that can cater for your parents & In-laws, or allow your own children to stay in privacy and comfort for long stays. Is the accommodation for short term stays such as a Bed & breakfast..

Step 3

Check for any local planning policy

Check for any local planning policy that is additional to the WA State policies. Check with land developers and Estates as to any Covenant's that could affect min areas, street frontage facades etc. Be aware of new planning policies that councils are considering. Is local zoning going to change one day...If local Zoning is on the cards for change, could I design a dual occupancy residence that could be strata titled into two separate titles in the future!

Step 4

Understand the area's you want to Invest into

Look at the median house price & average rents. Talk to experienced rental managers. Show them house designs and plans of what you anticipate on Building. How many rentals are in the local areas. Could you build a Du-Oc investment and undercut the average rent (cheaper rentals are always more popular and have longer tenancies).

Step 5

Don't just think large lot estates

Could I create a Du-Oc home in an inner Perth Suburb. Could I afford a better area as I am generating additional rent to a standard property investment. Could I consider a House Behind House scenario where I could realign boundaries to suite. Would building a double story at the front allow me to create the min 450m² at the rear to allow a three way tenanted development where everyone else in the street can only create a standard duplex.

Step 6

Know the true costs of the Land

Is the Land in a clay area, is there additional drainage or engineering requirements. What are my average site costs for the area going to be! Is it worth paying extra for a clean "Class A" site with minimal site costs than paying less for a Clay or water logged site. Is there acoustic or bush fire rules you need to abide by (these can costs up to \$40K+ extra). How far away are my services (sewer, gas, electricity, water). We can offer a free cost feasibility on your proposed site which you can use in Land purchase negotiation.

Step 7

Run your Own feasibility on the numbers

Does this look and feel right to you. Have your accountant check the numbers.

Step 8

Secure your Block and start a final Concept Design of the proposed House Plan

Where possible, ask for a long settlement as this delays payment of the lot. The builders plans and approvals will take at least 4.5 to 6.5 months to be ready for a physical start, so a 6 month settlement with the approval & signature from the current owner gains the ability to lodge planning forms before you physically own the land....

Step 9

Start the construction Process