



## How two homes can be cheaper than one

Chris Owen | 26th Jul 2013 6:00 AM



*NEW OPTION: QA Developments director Justin Poole and Gorman Property director Dan Gorman check out the new housing development at Bundamba.*

Claudia Baxter

IT'S the perfect situation for first-home buyers: live in your new home and have someone else pay off the mortgage.

It may seem too good to be true, but such an opportunity exists with a unique, new housing development at Bundamba.

The properties are called auxiliary homes, an urban planning term used to describe two conjoined properties.

In simpler terms, each house has its own "granny flat" with a separate entrance, kitchen, garage, bathroom and living area.

In the past, legislation required that only a dependant relative could live in a granny flat.

But after recent reforms by Ipswich City Council, home owners can now use the second dwelling as a rental for an unrelated third party.

Property developer Dan Gorman said Ipswich was the only council in Queensland to allow this, and he hoped other councils would follow suit.

Mr Gorman, whose company is developing the 54 lots in Bundamba, said the homes were designed from the viewpoint of creating an affordable option for first-home buyers.

"Your traditional four-bedroom, two bathroom-style home averages about \$375,000 in price, which is a lot of money for a first-home buyer to repay," he said.

"In some instances, people have bought an investment property and had to live with their folks so they can afford to pay it off.

"With this new development you can buy the home, live in the primary section and rent out the secondary section to reduce the cost of getting into the

housing market. Or you could live in the smaller section and charge a higher rent for the larger part.

"The average rent rate today is about \$350 so you would be living for less than rent."

Mr Gorman said he had taken advantage of an old development approval from the 1990s that allowed him to build the larger auxiliary homes in Bundamba.

"The approval was granted years ago when the motivation was for residents to build on larger blocks," he said.

"So we're constructing on lots that range from about 600sq m to 1800sq m, with the average lot size about 800sq m."

Mr Gorman said prices began at \$449,000, which included extras like fencing, landscaping, carpet and tiling and television-aerial installation.

Despite the financial benefits, Mr Gorman said first-home buyers were still entitled to claiming the state's first-home-owners grant of \$15,000. Director of QA Developments Justin Poole, whose company is building the investment properties, said the homes were selling like crazy.

Mr Poole said without even advertising, nine homes had been sold in the past weekend, with 20 expected to be under contract by the end of the week.

"And that's just been through word of mouth," he said.

Ipswich mayor Paul Pisasale said he was pleased to be able to support the development.

A seminar for interested buyers will take place on September 3 at Ipswich Turf Club at 6.30pm.

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