





ACT Building Lic: 2012767



# What is Dual Occupancy Canberra

Our business has helped hundreds of Canberra families build Secondary Dwellings on their existing properties since the rule change to the Territory Plan and Planning and Development Act in 2017, which allowed the building of a Secondary Dwelling on existing residential blocks.

The ACT government has recently announced new code rule changes allowing unit titling on RZ1 blocks greater than 800sqm.

The dwelling size, Gross Floor Area (GFA), will need to be at most 120 sqm based on the current announcements of the ACT Chief Minister.

We are the experts in Design, Planning Approvals and Building Secondary Dwellings on established Canberra properties.

We manage the entire process of beginning to construction: planning approvals, designs, and building underpinned by a lifetime guarantee.

We work exclusively in Canberra using our employee-based business model, which specialises in consumer direct, full service (we manage the entire process) custom residential building.

Email: info@cgfb.com.au

Call: 1300 979 658

Visit: 80 Emu Bank Belconnen ACT 2617

Mon-Fri 9am til 5pm

Thank you, we look forward to working with you in the future.

Dual Occupancy Canberra



Nick Constable

DIRECTOR & LICENSED



Frank Walmsley

DIRECTOR & CUSTOMER



Yana del Valle

CLIENT DESIGNS

MANAGER

# **Dual Occupancy Pricing Information**



#### **Build value**

This is the total value to fully complete the build with all premium inclusions and means that the property is ready to move into with nothing left to spend.



#### Planning fees and charges

This includes payment of all home warranty and associated insurances, ACT Government fees, engineers, related plans and certificates, and building approvals. These charges will be determined by a site evaluation.



#### **Utility connections**

These include connecting sewage, stormwater, electrical line +sub board, communications, site excavation and preparation for a standard block (80% of properties fall into this category). These charges will be determined by a site evaluation.

Unlike secondary residences and extensions, Dual occupancy planning costs can vary drastically by suburb if the Crown lease needs any variation. These variations come from the ACT Planning legislation and are outside of our control. Utility connections can vary based on the needs of your block as, in order to get Unit Titled, separate utility connections are required. Throughout the process our team can advise you on the cost of these values once we have more information on your block and Crown lease.

The build cost encompasses the value of completing the build, including all inclusions. The total value will be the sum of the build cost, planning fees and utility charges. Before you make any commitment to engage with us, we will provide you with a customised, detailed, fixed-price agreement. This agreement will outline all costs and inclusions, supported by our HIA agreement and protected by our foundational guarantees.

# **Building Specifications**



DWELLING GFA











119 64

3 x Bedrooms

2 x Bathroom

Living Room

2 x Courtyards

Laundr









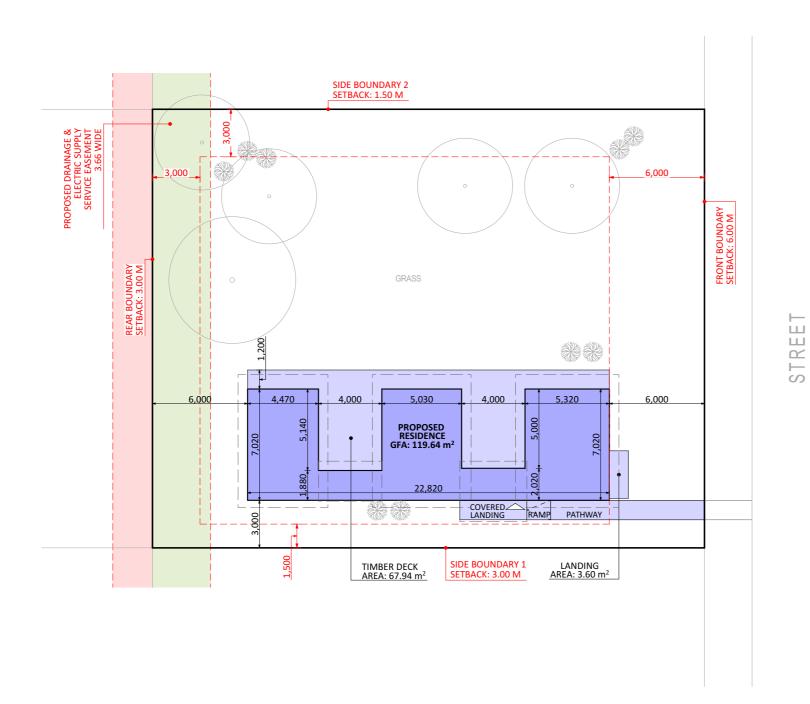


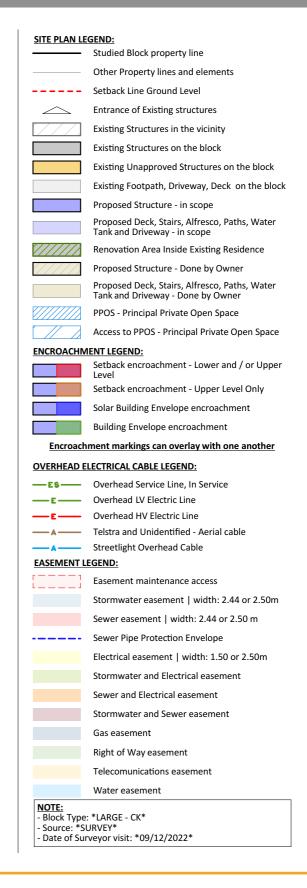






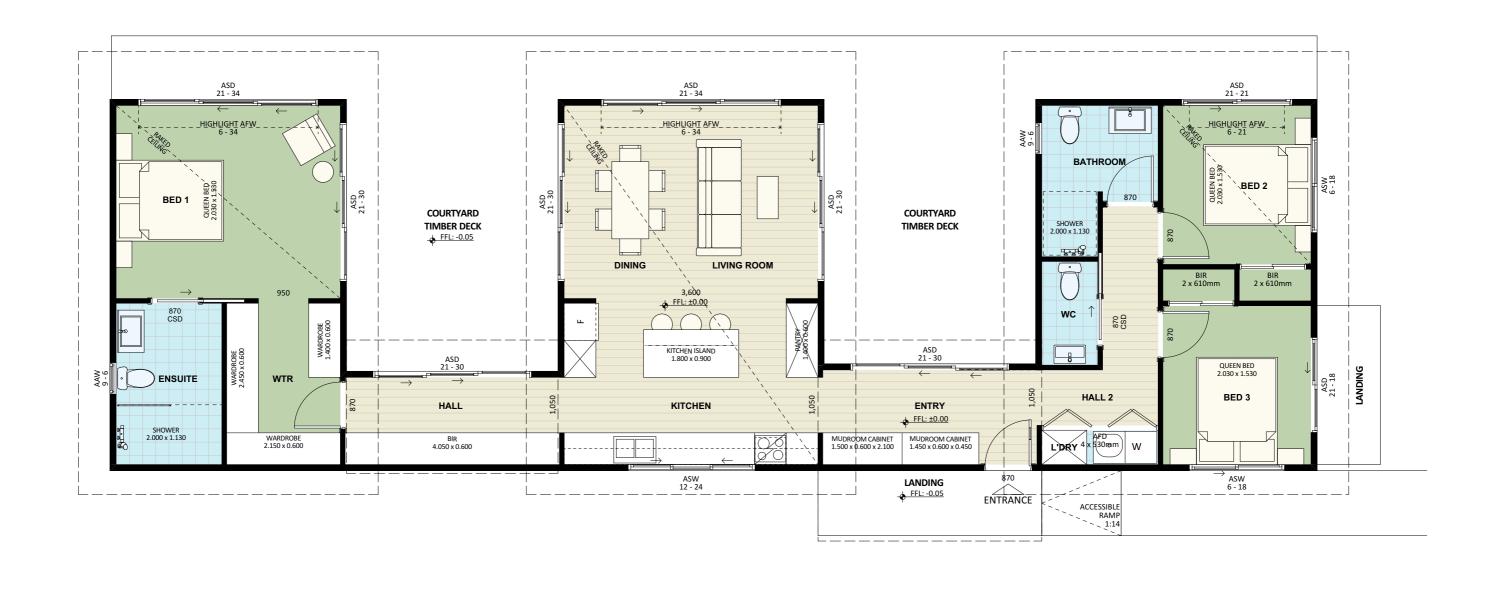
## Site Plan





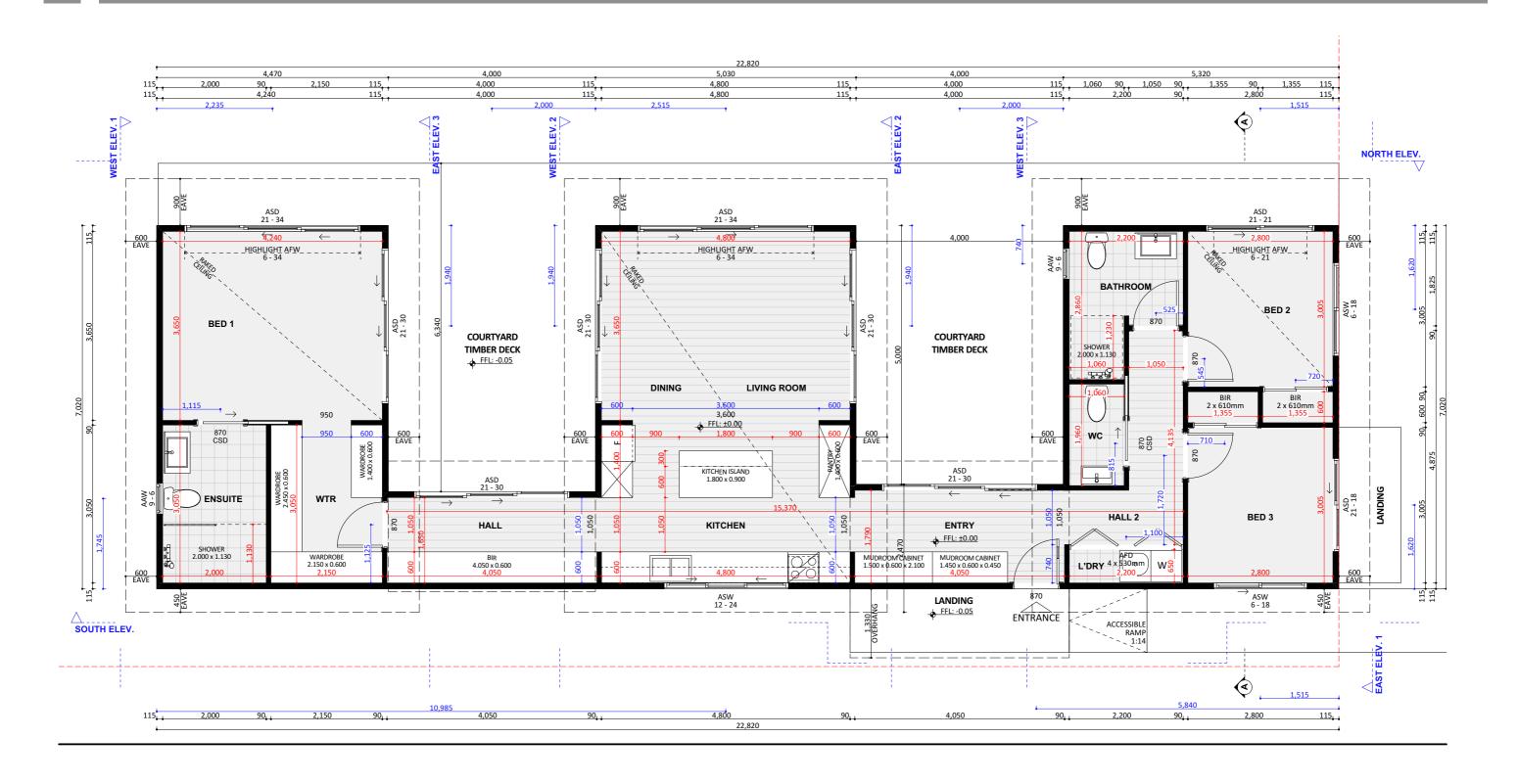
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# Dimensional Floorplan

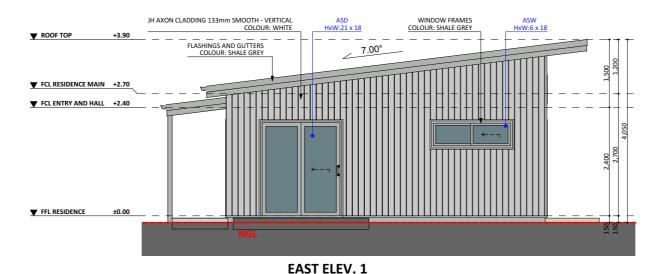


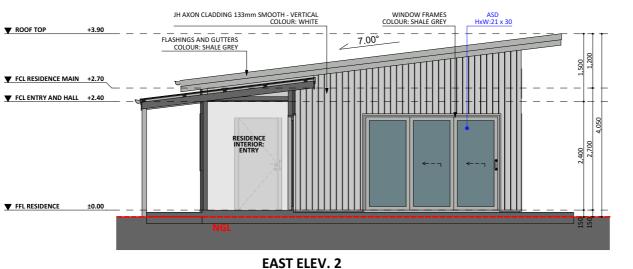


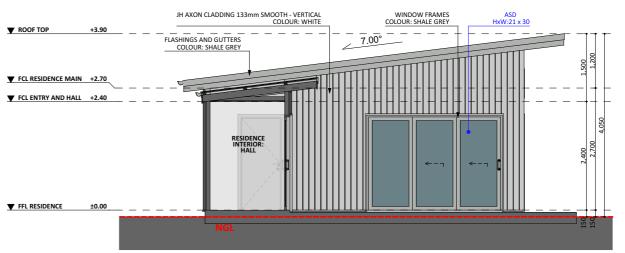
An elevation is the height of the structure from ground level to the height of the roof.



- NOTE:
   Source: \*SURVEY\*
- Date of Surveyor visit: \*09/12/2022\*
   For Solar Envelope and Building Envelope, see drawing: "SOLAR AND BUILDING ENVELOPE"







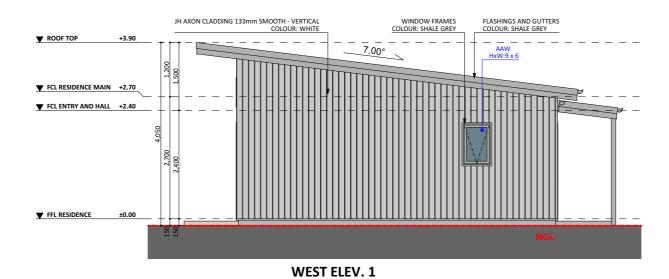
**EAST ELEV. 3** 

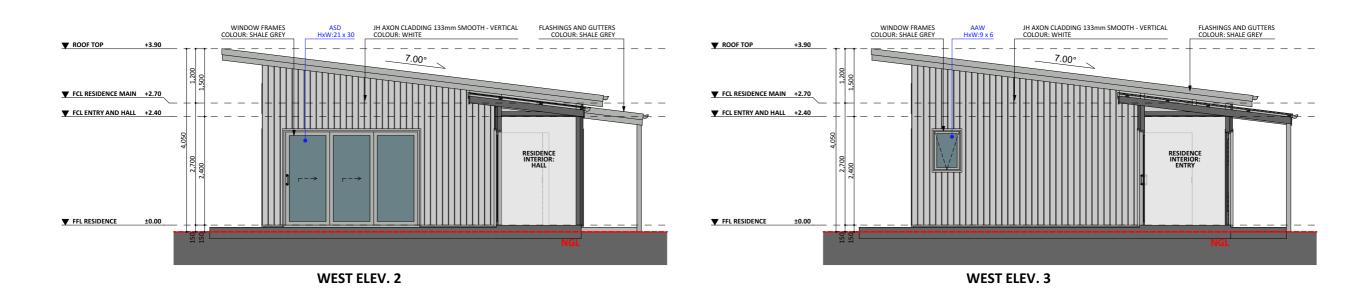


An elevation is the height of the structure from ground level to the height of the roof.



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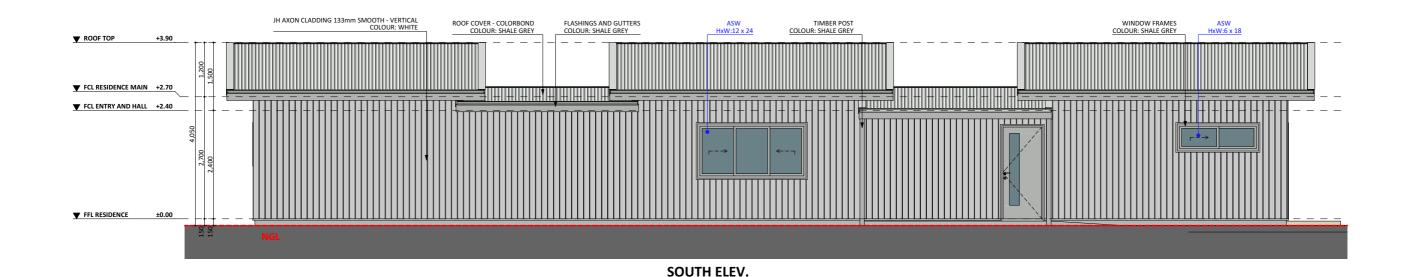


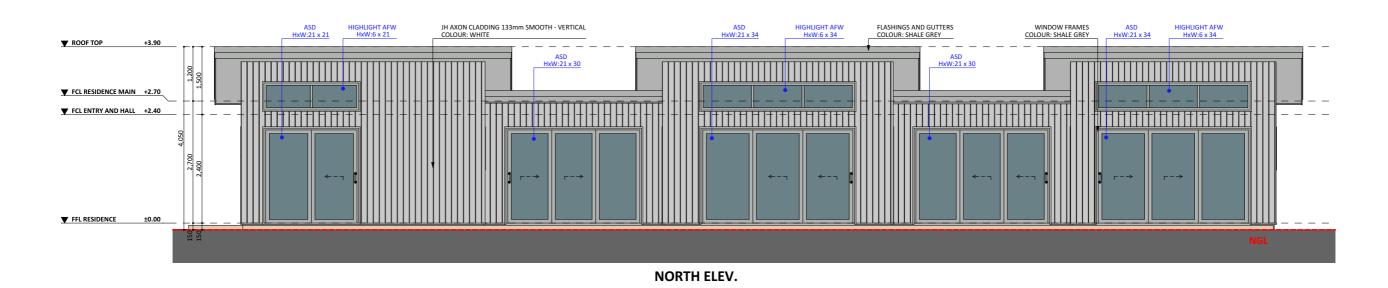




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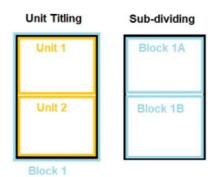




#### 1. What types of blocks are eligible?

Owners of RZ1 blocks can Unit Title secondary residences on the block, provided the block has a minimum size of 800m2 and one dwelling has a maximum size of 120m2 (excl. the garage). This means that the secondary residence can be sold or rented separately to the primary residence. QAID: 877, 25/07/24.

### 2. What's the difference between Unit Title and Sub-Division?



Unit titling has one single block with separate units which can be leased and sold separately from one another. Therefore, when sold or rented, a single block is divided into units that share ownership of common land (e.g. driveways, landscaping, to the midpoint of any adjoining wall).

The new legislation does not allow sub-division of the block to create an additional block (two separate blocks as shown above). QAID: 877, 25/07/24.

#### 3. What costs are involved to unit title?

#### Cost to vary a lease

If varying a crown lease to increase the number of dwellings permitted on the land the cost of the variation

can be calculated in three different ways. Either, through payment of 25% of the added value to the block, through a flat payment of \$40,000 per dwelling (if there was no specified number of dwellings on the crown lease) or calculated by increased number of dwellings × additional dwelling amount. The calculated cost varies drastically based on locality, anywhere from \$60,000 - \$300,000.

#### Survey cost

Surveys must be completed to determine the elements of the property, and the energy and water supply, this costs approximately \$1,100 - \$2,500 but depends entirely on your property.

#### DA cost % amount

To lodge a development application, the expected cost is dependent on the cost of development.

Band	Base	Plus		
\$0 to \$1,500	\$131.90	Nil		
\$1,501 to \$5,000	\$131.90	0.751% of the amount in excess of \$1,500		
\$5,001 to \$20,000	\$160.25	0.751% of the amount in excess of \$5,000		
\$20,001 to \$100,000	\$275.75	0.545% of the amount in excess of \$20,000		
\$100,001 to \$150,000	\$723.75	0.545% of the amount in excess of \$100,000		
\$150,001 to \$250,000	\$1006.05	0.545% of the amount in excess of \$150,000		
\$250,001 to \$500,000	\$1,567.35	0.408% of the amount in excess of \$250,000		
\$500,001 to \$1,000,000	\$2,621.35	0.408% of the amount in excess of \$500,000		
\$1,000,001 to \$10 million	\$5,532.65	0.270% of the amount in excess of \$1 million		
More than \$10 million	\$30,683.60	0.160% of the amount in excess of \$10 million		

#### **Cost to title**

The expected cost to unit title is approximately \$2,500-\$3,000.

Source: Unit Titles (Fees) Determination 2023, 1.1

#### Sale of the property

Stamp duty (otherwise referred to as Conveyance duty)
- From 27 November 2023 to 30 June 2026, the ACT
Government is offering a duty exemption for the first
transfer of unit titled properties on RZ1 blocks with a

dutiable value of \$800,000 or less that have been newly subdivided under the Unit Titles Act 2001.

Eligibility requirements include:

- the RZ1 block is subdivided under unit title on or after 27 November 2023;
- the transaction must be the first transfer of the RZ1 unit (being either of the units on the block) after registration of the unit plan for the property;
- contracts must be signed and exchanged on or after 27 November 2023; and the dutiable value of the unit must be \$800,000 or less. QAID: 877, 25/07/24.

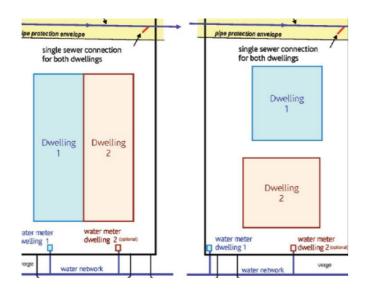
### 4. What steps need to be taken if I do want dual occupancy?

- a. Crown lease The crown lease must allow for multiunit titling, if the lease does not allow multi-unit titling a Crown Lease Variation must be lodged.
- b. Survey of the property
- c. Plans for the new dwelling
- d. DA Approval
- e. Engage a Unit title assessor (can be the lessee, a developer or a solicitor on behalf of the lessee)
  - Applicant must provide in writing:
    - Details of the parcel of land to be subdivided
    - Details of who is applying
    - Class of units A or B, staged or un-staged
    - Commencement and completion dates
    - Relevant DA approval
    - A signature
- f. Submit the Unit title application to EPSDD in person or by post
- g. Register the title at Land Titles QAID: 877, 25/07/24.

### 5. Do we need all separate sewer connections, or can we tie in from the existing sewer connection?

Each leased premises (residence and land) must be separately serviced with dedicated connections to the Icon Water networks in accordance with the principles shown in Figure 29.

For dual occupancy (if subdivided), there must be two independent connections to the water network (one for each dwelling). Each connection must be fitted with an Icon Water meter; and - one shared connection to the sewer network.



QAID: 877, 25/07/24.

## 6. How do I know what the Lease Variation Charges are for my suburb?

The Lease Variation Charges are dependent on suburb per the Planning (Lease Variation Charges) Determination 2024 in Table 2 of Schedule 2.

To update your Crown lease to 'specify the number of dwellings', the LVC is determined under Schedule 1 of the Determination. This allows for unit titling, where the Crown lease doesn't already specify the number of units.

Fees if you want to vary your Crown lease to:

- increase the number of residential dwellings allowed in the Crown lease. See Schedule 2 of the Determination.
- Increase the maximum gross floor area (GFA) of a building on the land under a commercial or industrial lease. See Schedule 3 of the Determination.

QAID: 877, 25/07/24.

#### 7. When do I need to pay the lease variation fees?

Once the Territory Planning Authority (the authority) gives consent to change the Crown Lease.

After the DA is approved and the Lease Variation Charge is calculated, you will get a Notice of Assessment if you're the applicant or lessee. The Notice of Assessment includes the charges to vary the Crown lease. The Notice also gives payment options and provides options to review the decision. QAID: 877, 25/07/24.

#### 8. Can we build then pay the LVC?

Generally, no. The Lease Variation charge is required before the Crown Lease is varied. However, if the payment of the lease variation charge is over \$50,000 it can be deferred through the Planning and Development (Lease Variation Charge Deferred Payment Scheme). Deferring payment of the LVC does incur interest and the payment must be made based on the earlier of:

- The Certificate of Occupancy being issued
- The end of the four-year period from the day the LVC was issued, or
- The settlement date should the property be sold.

#### 9. Can you get the DA approved and sell without building?

Yes, the DA and subsequent payment to vary the lease to allow for dual occupancy allows for the property to be sold, even if building has not commenced. However, the lease variation charge must be paid at settlement, even if the lease variation charge has been deferred.

To read our comprehensive list of Dual Occupancy FAQs, visit dualoccupancycanberra.com.au. QAID: 877, 25/07/24.

#### 10. Is there a minimum street frontage needed?

The front setback of the property needs to comply with multi-unit or dual occupancy standards.

Table 4: Multi-unit housing front boundary setbacks – all residential zones

floor level	blocks in subdivisions approved on or after 18 October 1993	blocks in subdivisions approved before 18 October 1993	exceptions			
			corner blocks		Front boundaries	Front boundaries
			secondary street frontage - mid-sized blocks	secondary street frontage- large blocks	setback to pedestrian paths equal to or less than 6m at their widest point	setback to public open space, or pedestrian paths wider than 6m
lower floor level	4m	6m	3m	4m	3m	4m
upper floor levels	6m	6m	3m	6m	4m	4m
Garage or carport	5.5 m with a minimum of 1.5 m behind the front building line	6m	5.5m	5.5m	4m	4m

Note: A new subdivision does not reset the date in regard to these tables. It is based on the original block/estate creation

QAID: 877, 25/07/24

### 11. If you opt for the 75% of the change value how is that assessed – can get analysis on both then opt?

A DA for a section 332 non-standard chargeable variation (the variation which is charged at 75% of the change value) must be supported by a full valuation report. You can ask an accredited valuer to help with this in line with the Act. They also need to give you a valuation certificate that identifies the V1 and V2 values. The accredited valuer's assessment will help you estimate the amount of LVC you need to pay. QAID: 877, 25/07/24.

### 12. If you don't want separate water metering is that an option and how does that work?

If both properties are separately Unit Titled, then only one property would require a water meter for the block. This would have to be noted in the referral to entities.

**NOTE:** You can only have joint servicing if there is a single lease (which is the case if the properties are separately Unit Titled, but not if there has been Yes 887 25/07/24 subdivision.) Separate units built from 1 July 2025 must be independently metered. QAID: 877, 25/07/24.

#### 13. Can you provide a DA timeline?

The time for DAs, or Development Applications depend somewhat on the type of work planned and how complex the development is. Generally, you can expect the DA process to take 6 months.

Preparation of DA documents – up to 1 month depending on whether pre-application advice is sought.

Initial Check of Document completeness – 10-15 working days.

DA Lodgement (including Public Notification, entity referral, assessment by the Territory Planning Authority and pre-decision advice.) - 90 working day statutory timeframe. QAID: 877, 25/07/24.

#### 14. What if we can't get a second driveway?

In order to be eligible to separately unit title, the second dwelling must comply with the ACT standards.

If an internal driveway is not possible, that is not an issue. There is no assessment requirement for a second driveway to be installed if there is not space. As the Residential Zone Policy's outcome of

'Vehicle and bicycle parking, access and egress sufficiently caters for the development while permitting safe and legible movement for all users (including pedestrians) and minimising visual impacts from the street or public space. This includes consideration of parking dimensions, the number of spaces provided, vehicle maneuverability and access routes'

Therefore, in the development application the outcome of suitable access to parking can be met even if you cannot have a secondary driveway on the property.

QAID: 877, 25/07/24.

### 15. If the existing home is 100sqm, can we make the new unit title bigger than 120sqm?

If it is the intention to separately unit title (under the Unit Titles Act 2001), in accordance with the Subdivision Policy, dual occupancy development is permitted on a standard block that is a minimum of 800m2 and where one dwelling has a maximum dwelling size of 120m2. Note - For the purpose of this requirement, dwelling size is the floor area measured to the outside face of external

walls (including internal walls between the living areas and garage) but excludes the garage.

If an existing dwelling does not exceed the 120m2 limitation, the second house can be built larger, provided it still meets the mandatory assessment requirements in the Residential Zones Policy (i.e. site coverage, number of storeys, etc). QAID: 877, 25/07/24.

#### 16. It's been explained to us that that we need to pay the lease variation charge per unit/dwelling. So, that means we must pay for our 40-year-old house and the new one we are building, is that right?

It depends on what the lease permits. Advisory Note 11 working out Crown lease maximum number of dwellings assists you to identify which schedule you will fall into of the instrument we use to calculate the lease variation charge. The current instrument is at Planning (Lease Variation Charges) Determination 2024 | Disallowable instruments (act.gov.au). If the LVC is calculated under schedule 1, it is for the total number of dwellings, including the existing dwelling/s. If it is calculated under schedule 2 it for the additional number of dwellings above what is already permitted by the lease at the rate that matches the total number of dwellings that the lease will permit post variation.

The disallowable instrument that is in place at the time of decision will be used to determine the lease variation charge. QAID: 877, 25/07/24.

## 17. If we have a courtyard that is surrounded by three walls will this contribute to the 45% site coverage

No, if the courtyard is not roofed then it will not contribute to site coverage calculations.

Site coverage does not include unroofed structures including decks, terraces, pergolas, patio, swimming pool, awnings, eaves and the like, other hard surface treatments including retaining walls and driveways. QAID: 877, 25/07/24.

18. We are at the beginning of the process, and we want to know if we are better off paying per unit or better paying of a % of the changed value of the UV. How can we find out whats better for us? Can you explain the process of determining the changed value of the blocks/units before we decide?

The amount you are likely to pay varies on what your current crown lease states.

For Crown leases that do not limit the maximum number of dwellings, the codified LVC under schedule 1 (DI2O24-184) of \$40,000 per dwelling will apply. (A lease variation to specify a maximum of two dwellings will result in an LVC of \$80,000). This charge applies to variations of older residential leases and is expected to capture most lease variation applications.

For Crown leases that do limit the maximum number of dwellings, and are covered by schedule 2, (DI2024-184) the codified LVC ranges from \$63,333 to \$315,000 (a 25% remission would currently be included) per additional dwelling depending on suburb and locality. This LVC applies to variations in established areas where the Crown lease expresses a limit on the number of dwellings.

RZ1 blocks in new suburbs that are not covered by either schedule 1 or 2, such as Strathnairn and Whitlam, will be subject to LVC of 75 per cent of the increase in land value (and any applicable LVC remissions or increases as required by the Act). The variation application will need to be accompanied by a private valuer's report.

Section 332 non-standard chargeable variation is calculated using the formula in the Planning Act 2023. LVC =  $(V1 - V2) \times 75\%$  Where: V1 = After Value and V2 = Before Value.

When working out the V1 and V2 values, don't account for an improvement on the land comprised in the lease. The charge is based on the added value attributed to the lease by the variation.

A DA for a section 332 non-standard chargeable variation must be supported by a full valuation report. You can ask an accredited valuer to help with this in line with the Act. They also need to give you a valuation certificate that identifies the V1 and V2 values.

The accredited valuer's assessment will help you estimate the amount of LVC you need to pay. Please note the final amount of LVC payable is not determined until a DA is approved. QAID: 877, 25/07/24.

19. We were told that we might not have to pay for both units that being our existing home and the new one we are going to build. That there is something in the crownlease that means we only need to pay the fees for the new unit?

Yes, in the lease there should be a clause that states the purpose of the property and how many dwellings are permitted.

This advisory note from the <u>ACT</u> gives examples of how the clause in your lease will affect the amount that the lease variation charge is.

If the LVC is calculated under schedule 1, it is for the total number of dwellings, including the existing dwelling/s. If it is calculated under schedule 2 it is for the additional number of dwellings above what is already permitted by the lease at the rate that matches the total number of dwellings that the lease will permit post variation.

QAID: 877, 25/07/24.

20. We had a secondary dwelling built by your company. If we meet the rules, can we please unit title our block and sell the new one?

Yes it can.

A secondary residence is not permitted to be subdivided under the Unit Titles Act 2001.

If the secondary dwelling fits all of the rules of a dual occupancy, then in the DA to vary the lease the property will have to be reclassified as a dual occupancy in order to Unit Title the property.

if meeting the requirements for RZ1 subdivision (under the unit titles act) the secondary residence will require a DA to change it to a dual occupancy development, which will require a full set of drawings and a development outcomes report addressing the mandatory requirements of the Residential Zones Policy and Subdivision Policy. Please note, a lease variation may be required to permit the second dwelling, if this is the case, the Lease Variation Policy will require a response as well. QAID: 877, 25/07/24.



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