YieldChecker

SAMPLE REPORT

FULL FEASIBILITY *Yield Study plus overshadowing test, sales evidence, costs, land value and program*

Sample B · Altona North, Hobsons Bay

REPORT REF	DATE	PREPARED FOR	PREPARED BY
YC-SAMPLE-002	9 October 2026	Sample client	Benni Trajcevski

OUR VIEW

3 or 4 townhouses fit, but not at the asking price. The land supports about $549k–$651k for a 15% margin.

At $800,000, the middle of the asking range, the 3-townhouse scheme makes about **$11k** (0.5% margin on cost) and the 4-townhouse scheme makes about **$153k** (6.5%). For a 15% margin on cost you could pay about **$549k** for 3 townhouses or **$651k** for 4 ($501k and $603k with a 5% construction contingency, which takes the margins at $800,000 to −1.9% and 4.0%). The asking price reflects the value of a 534 m² house block, not what a developer can pay.

- ✓ Planning: both layouts meet every standard we tested (sections 03–05).
- ! To make 15% at $800,000, sale prices would need to average about $957k (3-bedroom) or $726k (2-bedroom), against our assumptions of $830k and $670k.
- ✓ If you keep the homes instead of selling: 4 townhouses create about **$266k** of equity at $800,000 (about $66k per home); 3 townhouses about $103k. That is the better test if you plan to live in one or hold them.
- ! Allow about 2 years from purchase to completion, including the SLO3 permit and DTP's input on access.

LIKELY YIELD	SITE AREA	FRONTAGE × DEPTH	ZONE	OVERLAYS
3–4 double-storey townhouses	**534 m²** approx., per property report	**17.4 × 30.6** metres · near-rectangular	**NRZ5** Neighbourhood Residential	**SLO3** creek landscape

Your brief

At least three townhouses, with balconies facing the reserve to the west. Test whether four are possible. The property is for sale with an asking range of $785,000–$815,000. Parking is Category 2 (Clause 52.06) and the title has two easements.

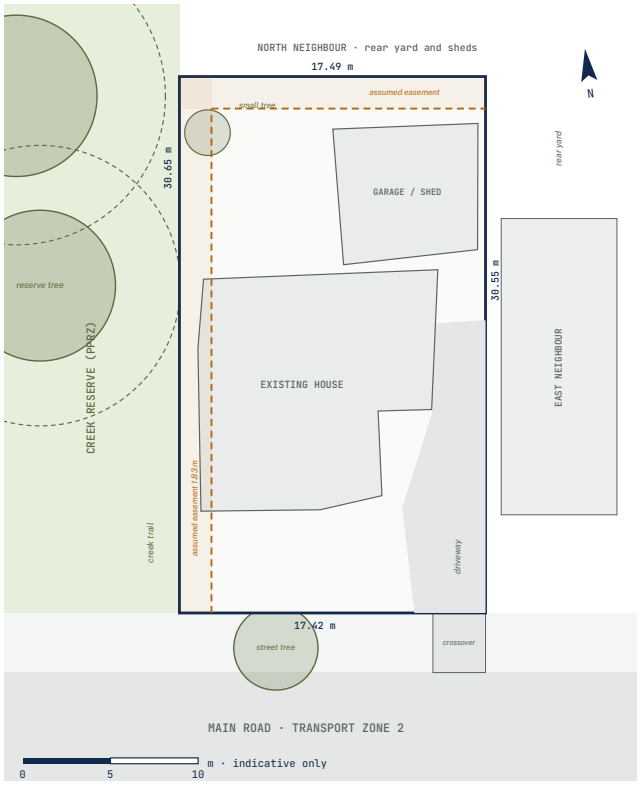
01 Site and planning controls

Title	One lot (title details withheld)
Council	Hobsons Bay City Council
Site area	534 m² (approx.)
Dimensions	17.42 m frontage to the main road, 30.65 m (west) and 30.55 m (east) deep, 17.49 m rear. Near-rectangular.

Zone	Neighbourhood Residential Zone, Schedule 5 (NRZ5), “Garden Suburban and Garden Court Areas”
Overlays	Significant Landscape Overlay, Schedule 3 (SLO3): the local creek corridor. Applied by Amendment VC278 in January 2026.
Flooding	Not mapped as flood affected

Orientation	Frontage faces south-south-west. The west boundary adjoins the creek reserve, so west-facing rooms look over parkland. New shadow falls mostly on the road and, in the morning, the reserve.
Existing use	Single-storey brick house with a garage and shed at the rear, and a driveway along the east boundary.
Abutting road	The abutting main road appears to be in a Transport Zone 2 (principal road network). The property report lists TRZ2 as an adjoining zone, and the eastern neighbour needed a permit for a vehicle crossing in 2018.

Bushfire / landslip	Not affected
Aboriginal cultural heritage	**Within, or near, an area of cultural heritage sensitivity** (most likely because of the creek)
Easements	Two, per your brief. The property report map shows easements along the west and rear (north) boundaries. We have assumed 1.83 m wide, which is typical for this era of subdivision. Confirm on title.
Permit history	No planning permits recorded for this property



reserve tree root zone (est.)

assumed easement

Existing conditions. Buildings are traced from aerial imagery. Easement widths and the reserve trees' root zones are our estimates. The plan is drawn square to the boundaries; true north is about 8° to the left.

02 Planning controls that shape the yield

CONTROL	REQUIREMENT	WHAT IT MEANS FOR THIS SITE
Building height	Max. 9 m and 2 storeys at any point (Clause 32.09-11). NRZ5 sets no other limit.	Two storeys only. A third-floor or loft solution is not available in this zone.
Minimum garden area	30% of a lot over 500 m² up to 650 m² (Clause 32.09-4)	At least **160 m²** of open garden. Driveways and roofed areas don't count.

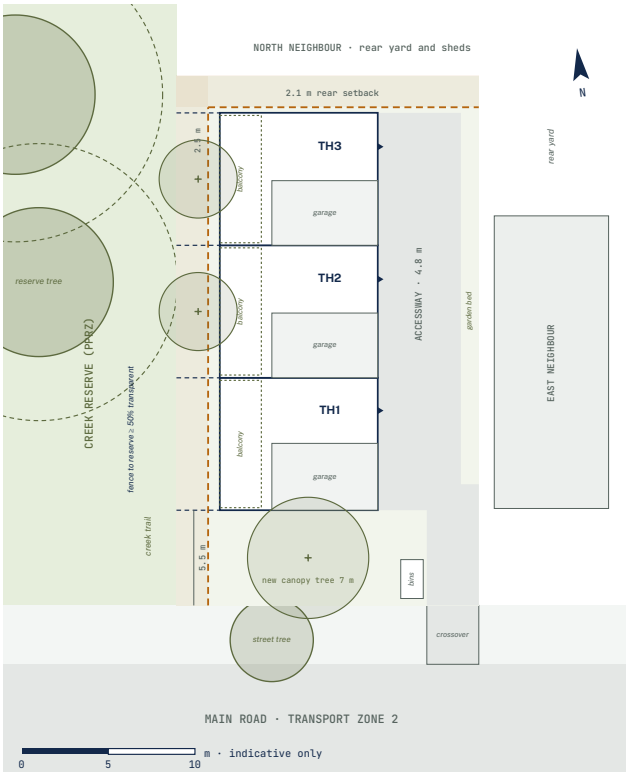
Site coverage	Max. 60% in the NRZ (Standard B2-5)	Up to 320 m^2 of building. Not the limiting factor.
Permeability	Min. 20% (Standard B5-1)	At least 107 m^2 of permeable surface.
Canopy trees	Canopy cover at maturity of 10% for sites up to 1,000 m^2, with at least one canopy tree in the front setback (Standard B2-7)	About **53 m^2 of canopy**, which one 7 m tree plus two small trees can provide. Each tree needs the deep soil in Table B2-7.2.
Street setback	The same as the abutting building facing the street, or 6 m if less (Table B2-1). The reserve to the west has no building.	Set by the eastern neighbour, about **5.5 m** from aerial imagery. Confirm on the survey.
Side and rear setbacks	1 m, plus 0.3 m for every metre of height over 3.6 m (Standard B2-3)	About 2.1 m for a 7 m two-storey wall.
Private open space	25 m^2 of ground-level SPOS (min. 3 m wide), **or** a balcony off the living area: 12 m^2 and 2.4 m deep (3 bed) or 8 m^2 and 2.0 m deep (2 bed) facing west (Standard B3-5)	West balconies off upstairs living areas meet the standard on their own, which suits the reserve outlook.
Overshadowing	Neighbours keep sun on 50% (or 25 m^2) of their secluded open space for 5 hours, 9 am–3 pm on 22 September (Standard B4-3)	Only the eastern neighbour is affected, and only in the afternoon.
Overlooking	No direct views into neighbours' windows or yards within 9 m, or screens and sills at 1.7 m (Standard B4-4)	Screen east-facing upper windows and the north end of the rear balcony.
Car parking	Category 2: min. 1 space per dwelling, no visitor parking (Clause 52.06)	One single garage per townhouse.
Access to the main road	No increase in access points to a Transport Zone 2 road, and accessways max. 40% of a frontage under 20 m (Standard B2-6). Cars must be able to leave in a forward direction (Clause 52.06-9).	Use the existing crossover. The accessway needs room in front of the garages for cars to turn.
Front fence	Max. 1.5 m within 3 m of a street in a Transport Zone 2 (NRZ5)	A 1.5 m front fence helps with road noise.
Significant Landscape Overlay	SLO3 (Clause 42.03): permit needed for buildings over 6 m high, for removing trees over 6 m high (or with a 0.4 m trunk or 4 m canopy), and for most fences near the corridor	Two-storey townhouses need an SLO3 permit, with a visual impact assessment from the reserve and muted, natural, low-reflective materials.

Standards are from the Townhouse and Low-Rise Code (Clause 55). NRZ5's earlier local variations (a 4 m rear setback, extra canopy trees and larger open space) were removed when the Code was aligned in 2025. Only its front fence height remains. Check the current clause wording before lodging an application.

03 Layout options tested

We tested three and four townhouses in a single row along the reserve side, all facing west. Each home has its living area upstairs, opening onto a west balcony over the creek reserve, with bedrooms and a single garage downstairs (reverse living). Cars use the existing crossover on the east side. A 4.8 m accessway in front of the garages lets cars turn and leave the main road in a forward direction. Both options use the same building footprint, so they perform the same against the site standards. The difference is the size of each home.

Option 1 · 3 townhouses, 3 bedrooms



townhouse · garage · west balcony (first floor) · accessway · garden · fence · assumed easement · reserve tree · root zone (est.) · new canopy tree · entry

Option 1. Three townhouses about 7.7 m wide. Ground floor 2.5 m from the reserve boundary. The first-floor living wall sits 4.9 m back, with the balcony above the ground floor.

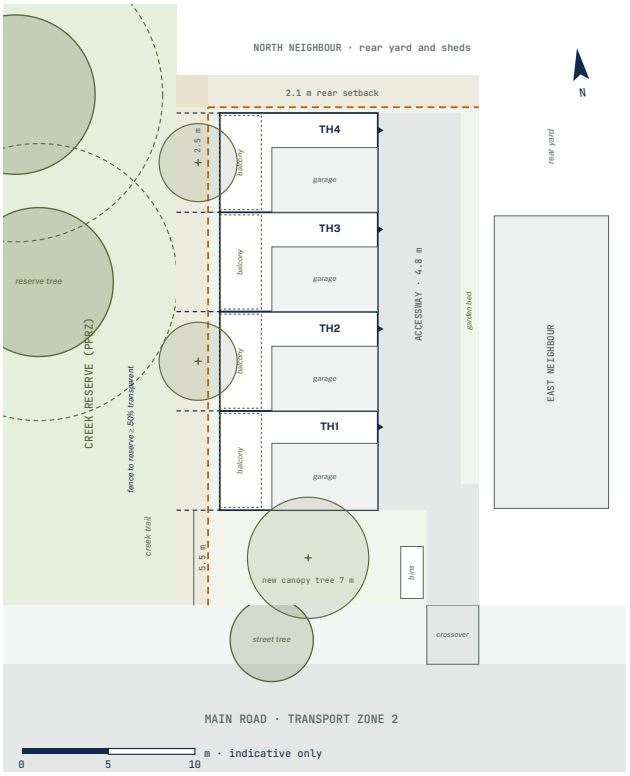
Option 1 at a glance

- 3 × 3-bedroom, 2-bathroom reverse-living townhouses, about 121 m² each including a single garage (70 m² ground, 51 m² first floor)
- West balcony of about 18 m², 2.4 m deep, off the upstairs living area (12 m² needed)
- 2.5 m courtyard on the reserve side for every home, with a new tree in two of them
- TH1 addresses the main road with a 5.5 m front garden, a new canopy tree and a 1.5 m fence
- Bedrooms 2 and 3 downstairs open to the courtyard

Why we recommend this option

At 7.7 m wide, each home fits a proper open-plan living area and the main bedroom upstairs, and two bedrooms downstairs. It is the product most buyers expect in Altona North, and it is what most nearby approvals look like (three dwellings on a lot).

Option 2 · 4 townhouses, 2 bedrooms



townhouse · garage · west balcony (first floor) · accessway · garden · fence · assumed easement
reserve tree · root zone (est.) · new canopy tree · entry

Option 2. Four townhouses about 5.74 m wide in the same footprint as Option 1.

Option 2 at a glance

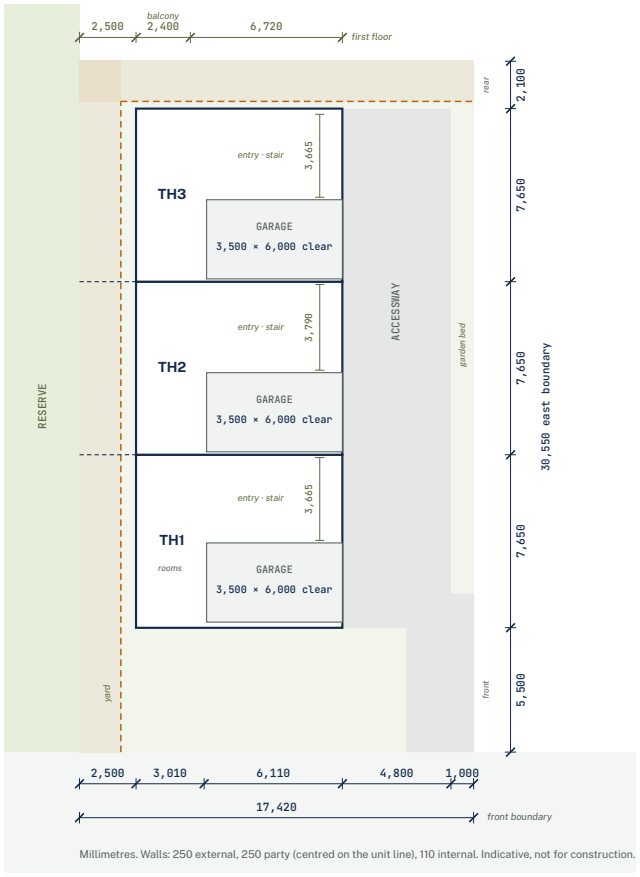
- 4 × 2-bedroom, 1.5-bathroom townhouses, about 91 m² each including the garage (52 m² ground, 38 m² first floor)
- West balcony of about 14 m², 2.4 m deep (8 m² needed)
- Upstairs: open living and kitchen with one bedroom. Downstairs: garage, entry, second bedroom and bathroom.
- Meets the same standards as Option 1

The catch with Option 2

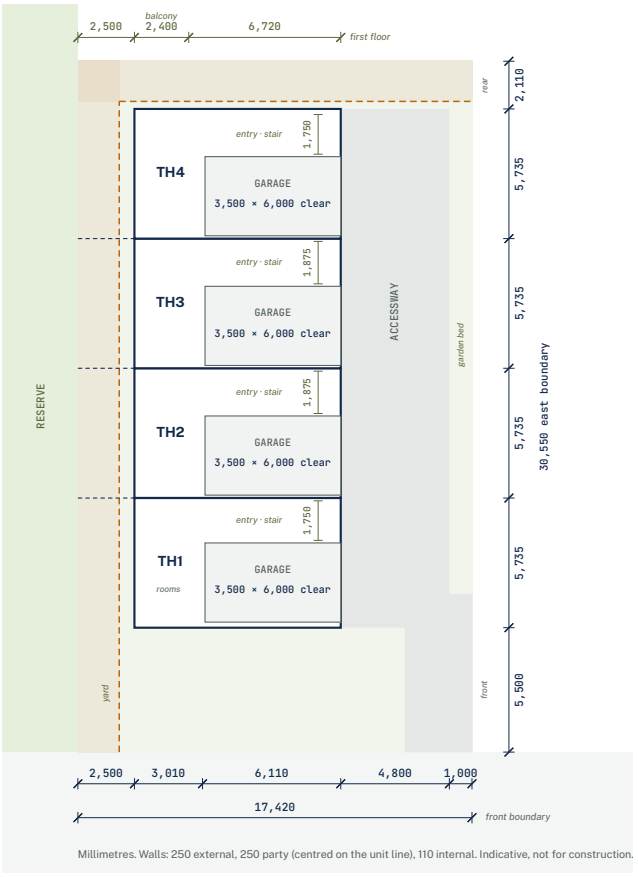
Four homes fit, but each is only 5.74 m wide. That leaves about 2 m beside each garage for the entry and stair, and about 68 m² of living area. That narrows the market to first-home buyers and investors. Extending the first floor 1 m over the accessway would add about 6 m² per home, but adds bulk facing the eastern neighbour.

Will it fit? Dimension check

Both options drawn to dimension, with every garage at **3,500 mm clear internal width** and 6,000 mm clear length (Clause 52.06). Depths are checked against the shorter east boundary (30,550) and widths against the narrower front boundary (17,420), so these are the worst case.



Option 1 · 3 townhouses



Option 2 · 4 townhouses

CHECK (MM)	OPTION 1 · 3	OPTION 2 · 4	
Depth along east boundary (30,550)	5,500 front + 3 × 7,650 + 2,100 rear	5,500 front + 4 × 5,735 + 2,110 rear	**Fits**
Rear setback (≥ 2,090 for a 7 m wall)	2,100 east · 2,200 west	2,110 east · 2,210 west	**Meets**
Width along front boundary (17,420)	2,500 yard + 3,010 rooms + 6,110 garage (6,000 + 110 wall) + 4,800 accessway + 1,000 garden bed		**Fits**
Garage zone per townhouse	TH1: 250 external wall + 3,500 clear + 110 = 3,860 · other townhouses: 125 (half party wall) + 3,500 + 110 = 3,735		**3,500 clear**
Clear width beside garage (entry, stair)	3,665–3,790	1,750–1,875	**Tight in Option 2**
Rooms west of the garages	3,010 gross, 2,760 clear inside the 250 external wall		**Compact**
First floor and balcony	2,500 yard + 2,400 balcony + 6,720 first floor (over the garage)		**Fits**

What's tight: Option 2 leaves only 1,750–1,875 mm beside each garage for the front door, hall and stair. That works with a straight 1,000 mm stair but leaves no room for anything else on that side. In both options the rooms west of the garages are about 2,760 mm deep inside, so they suit a bathroom, laundry or a compact bedroom rather than a main bedroom. Moving the ground floor 500 mm closer to the reserve (2,000 from the boundary, still clear of the assumed 1,830 easement) would make that 3,260, if the easement and the reserve trees allow.

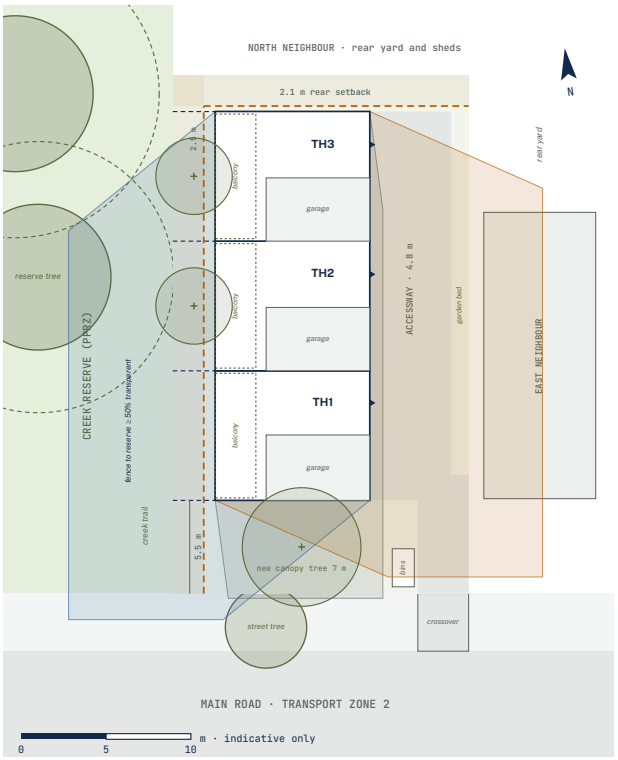
04 Site calculations

STANDARD	REQUIREMENT	OPTION 1 · 3	OPTION 2 · 4	
Garden area	≥ 160 m² (30%)	190 m² (36%)	189 m² (35%)	**Meets**
Site coverage	≤ 320 m² (60%)	209 m² (39%)	209 m² (39%)	**Meets**
Permeability	≥ 107 m² (20%)	≈ 190 m² (36%)	≈ 189 m² (35%)	**Meets**
Canopy cover	≥ 53 m² (10%), one tree in front setback	≈ 70 m²	≈ 70 m²	**Meets**
Car parking	1 per dwelling	3 garages	4 garages	**Meets**
Private open space (balcony)	3 bed: 12 m², 2.4 m · 2 bed: 8 m², 2.0 m	18 m² · 2.4 m	14 m² · 2.4 m	**Meets**
Side and rear setbacks	≥ 2.1 m (7 m wall)	West 2.5 m ground, 4.9 m first floor · East 5.8 m · Rear 2.1 m		**Meets**
Street setback	As the eastern neighbour's front wall (≈ 5.5 m)	5.5 m	5.5 m	**Meets***
Height	≤ 9 m, 2 storeys	2 storeys, ≈ 7–7.5 m	2 storeys, ≈ 7–7.5 m	**Meets**
Access width and points	≤ 6.97 m (40%), no new crossover	3.0 m, existing crossover	3.0 m, existing crossover	**Meets**
Forward exit (Clause 52.06-9)	Cars leave in a forward direction	4.8 m turning aisle	4.8 m turning aisle	**Meets***
Overshadowing (the eastern neighbour)	See section 05	Sun 9 am–2 pm	Sun 9 am–2 pm	**Meets**
Solar access to SPOS (B3-6)	No wall to the north within 2 + 0.9h	West-facing, open to north	West-facing, open to north	**Meets**
Overlooking (B4-4)	Screens or 1.7 m sills within 9 m	East windows, north balcony end	East windows, north balcony end	**Meets with screens**

*Subject to the survey (the eastern neighbour's front wall) and the traffic engineer's swept paths. Garage doors in Option 2 would be about 2.4 m wide. Garden area excludes the buildings, the accessway and the bin pad. The 1 m garden bed along the east boundary counts. If the engineer needs a 5.2 m accessway, the bed is lost and garden area falls to about 30%, right at the minimum, so confirm the aisle width early. **Canopy:** one 7 m canopy tree in the front garden (36 m² of deep soil, min. 4 m wide) and two 4.5 m trees in the courtyards (12 m² each, min. 2.5 m wide). If the easement authority won't allow trees over the west easement, one 9 m tree in the front garden (64 m² of deep soil, min. 5 m wide) meets the 10% on its own.

05 Overshadowing test

We tested the full row at 7.5 m high, at 9 am, noon and 3 pm on 22 September, the date the standard uses, allowing for the site's rotation of about 8° from true north.



9 am shadow 12 noon shadow 3 pm shadow

Equinox shadows from the townhouse row, Option 1. Option 2 has the same footprint and height, so the result is the same.

The eastern neighbour: afternoon only

Shadow reaches the boundary with the eastern neighbour at about 2 pm and extends about **4.4 m** over it by 3 pm, across the side of the eastern neighbour's house and the western edge of its rear yard. The yard keeps full sun from 9 am to 2 pm, which is the 5 hours Standard B4-3 requires.

Reserve and street

Morning shadow falls on the reserve, which is public open space, not a neighbour's secluded open space, so B4-3 does not apply. At noon, shadow stays within the site's own front garden and courtyards. The northern neighbour, to the north, gets no new shadow.

TIME, 22 SEPT	SUN HEIGHT	SHADOW LENGTH	REACH SOUTH	OVER THE EASTERN NEIGHBOUR'S BOUNDARY
9 am	33.9°	11.15 m	7.0 m	—
10 am	43.1°	8.0 m	6.5 m	—
11 am	49.7°	6.36 m	6.1 m	—
12 noon	52.1°	5.83 m	5.8 m	—
1 pm	49.7°	6.36 m	5.4 m	—
2 pm	43.1°	8.0 m	5.0 m	0.4 m
3 pm	33.9°	11.15 m	4.5 m	4.4 m

Solar time, latitude 37.86° S, 7.5 m wall height. Formal shadow diagrams are needed for the application. Overlooking: east-facing upper windows are about 5.8 m from the eastern neighbour's boundary and need high sills or screens. Screen the north end of the rear balcony (TH3 or TH4) to 1.7 m, because the northern neighbour's yard is within 9 m.

06 Red flags

ISSUE	IMPACT	WHY IT MATTERS	WHAT TO DO
Creek landscape overlay (SLO3)	MEDIUM	New since January 2026. The exemptions only cover buildings under 6 m high and more than 50 m from the top of the creek bank, so two-storey townhouses need a permit. Council will look at how the buildings appear from the reserve, whether they step back from the open space, and at colours, materials and fencing. West balconies are the most visible part of the design.	Survey the distance to the top of bank. Use recessive, natural materials and a transparent fence to the reserve. Raise the design at a pre-application meeting.
Access to the main road	MEDIUM	A Transport Zone 2 road. No new crossover is allowed (Standard B2-6), and cars must leave in a forward direction. Changing the existing crossover needs a permit under Clause 52.29, with referral to the Department of Transport and Planning.	Keep the existing crossover on the east side. Traffic engineer to confirm swept paths for the 4.8 m accessway.
Two easements	MEDIUM	The property report shows easements along the west and rear boundaries. Our layouts keep buildings at least 2.1 m clear, assuming 1.83 m widths. A wider easement, or one along the east side, would change the layout. Trees over an easement may need the authority's consent.	Read the title plan in the contract of sale. Ask Greater Western Water for asset locations.
Reserve trees	MEDIUM	Large eucalypts stand 8–10 m inside the reserve. Their root zones (TPZ under AS 4970) may reach the west boundary. Council will expect them to be protected.	Arborist to assess the reserve trees' root zones before design. Keep the ground floor 2.5 m off the boundary on shallow footings if needed.
Road noise	LOW	The main road is a busy arterial road. TH1 faces it directly. Noise affects buyer appeal more than planning.	Acoustic glazing and a 1.5 m solid front fence. Living areas face the reserve, away from the road.
Aboriginal cultural heritage	LOW	The site is mapped as sensitive, most likely because of the creek. Three or more dwellings is normally a high impact activity, but the exemption in regulation 10 of the Aboriginal Heritage Regulations 2018 covers lots under 0.11 ha that are not coastal land. This 0.053 ha lot appears to qualify, so a CHMP should not be needed.	Heritage advisor desktop check to confirm the exemption.
Existing house	LOW	Brick house and outbuildings of an age that commonly contains asbestos.	Asbestos survey before demolition.
Title and covenants	LOW	No contract of sale was supplied. A restrictive covenant could limit the number of dwellings.	Review the title and any covenant before signing.

07 Planning pathway

PERMISSION	NOTES
Planning permit: two or more dwellings on a lot	Clause 32.09, assessed against Clause 55 (Townhouse and Low-Rise Code). Meeting each deemed-to-comply standard means the related objective is met.
Significant Landscape Overlay	Clause 42.03 (SLO3), same application. Survey to top of bank, visual impact assessment, landscape plan, materials schedule.
Access to a Transport Zone 2 road	Clause 52.29 permit if the crossover is altered, referred to the Head, Transport for Victoria (DTP). Expect DTP input either way.
Cultural heritage	CHMP not expected (regulation 10 exemption). Confirm with a heritage advisor.
Fees and levy	Permit fee and advertising. No Metropolitan Planning Levy (cost about $1.13m).
VicSmart fast track	New 10-day pathway for up to four homes (October 2026), with no advertising. Unlikely here, as the SLO3 and access permits are separate triggers.
Review rights	Assume objectors keep review rights, via the SLO3 and access permits.
Subdivision	With or after the development permit: 3 or 4 lots plus common property.

Expect to lodge: design response and Clause 55 assessment, feature and level survey (including the top of bank), visual impact assessment, landscape plan, arborist report on the reserve trees, traffic report with swept paths, shadow diagrams, sustainable design assessment and stormwater (STORM) report, and a waste management note.

08 Dwelling schedule

OPTION	TYPE	WIDTH	GROUND	FIRST	TOTAL INCL. GARAGE	LIVING AREA	BALCONY
Option 1 · TH1–TH3	3 bed · 2 bath · 1 car	7.7 m	70 m^2	51 m^2	121 m^2	≈ 98 m^2	18 m^2
Option 2 · TH1–TH4	2 bed · 1.5 bath · 1 car	5.74 m	52 m^2	38 m^2	91 m^2	≈ 68 m^2	14 m^2

Single garage 3.5 × 6.0 m inside. Each home also has a ground-floor courtyard of about 19 m^2 (Option 1) or 14 m^2 (Option 2) on the reserve side.

09 Sales evidence

3-bedroom townhouses

ADDRESS	TYPE	PRICE	SOLD
47 Edward Avenue	3 bed · 2 bath · 1 car	$850,000	Aug 2026
2/28 Irwin Avenue	3 bed · 2 bath · 1 car	$835,000	Apr 2026
2/82 May Street	3 bed · 2 bath · 1 car	$825,000	Apr 2026
2/101 Millers Road (main road)	3 bed · 2 bath · 2 car	$795,000	Mar 2026
4/123 Millers Road (main road)	3 bed · 2 bath · 2 car	$735,000	May 2026
20a Cherry Avenue	3 bed · 2 bath · 1 car	$990,000	Aug 2026

2-bedroom townhouses

ADDRESS	TYPE	PRICE	SOLD
84 Phoenix Road	2 bed · 2 bath · 1 car	$710,000	Sep 2026
3/14 Collins Avenue	2 bed · 1 bath · 1 car	$692,500	Mar 2026
128A Chambers Road	2 bed · 2 bath · 2 car	$673,000	Jul 2026
2/21 Huxtable Avenue	2 bed · 1 bath · 1 car	$655,000	Apr 2026

Assumed sale prices: $830,000 average for the 3-bedroom homes, $670,000 for the 2-bedroom homes. New homes with a reserve outlook should beat older stock. But The main road is a busy arterial, the homes have single garages, and Option 1's homes are compact for 3 bedrooms (about 98 m^2 of living area). Main-road townhouses on Millers Road sold for $735,000–$795,000. The $990,000 Cherry Avenue sale is a larger home in a quiet street.

Altona North sales from Domain and view.com.au, March–October 2026. A real estate agent's appraisal is recommended before purchase.

10 Indicative feasibility at the asking price

At $800,000 for the land, 3 townhouses make about $11k (0.5%); 4 townhouses make about $153k (6.5% margin).

AT A LAND PRICE OF $800,000	OPTION 1 · 3	OPTION 2 · 4
Gross sales (incl. GST)	$2,490,000	$2,680,000
less GST payable on sales (margin scheme)	−$153,636	−$170,909
Net sales revenue	**$2,336,364**	**$2,509,091**
DEVELOPMENT COSTS (EXCL. GST)		
Land purchase	$800,000	$800,000
Stamp duty and purchase legals	$46,070	$46,070
Demolition incl. asbestos allowance	$30,000	$30,000
Construction ($2,800/m² on 364 m² / 363 m²)	$1,018,080	$1,016,960
External works: accessway, landscaping, fencing, drainage	$80,000	$85,000
Design, engineering, surveys and reports	$65,000	$72,000
Planning permit fee	$3,981	$3,981
Metropolitan Planning Levy (below threshold)	$0	$0
Advertising the application (allowance)	$600	$600
Public open space contribution (5% of land, to confirm)	$40,000	$40,000
Authority connections (water, sewer, power, NBN)	$36,000	$48,000
Subdivision and titles	$15,000	$18,000
Finance: 80% loan at 7.5% p.a., drawn in stages	$132,666	$133,020
Selling costs: agent 1.6%, marketing, legals	$58,440	$62,680
Total development cost	**$2,325,837**	**$2,356,311**
Developer profit	**$10,527**	**$152,780**
Margin on cost	0.5%	6.5%
IF YOU ADD A 5% CONSTRUCTION CONTINGENCY		
Construction contingency (5% of construction and external works)	$54,904	$55,098
Total development cost with contingency	$2,381,507	$2,412,178
Developer profit with contingency	**−$45,144**	**$96,913**
Margin on cost with contingency	−1.9%	4.0%
All-in cost per townhouse	$775,279	$589,078
IF YOU KEEP THE HOMES INSTEAD OF SELLING		
Cost to build and keep (no selling costs; GST on building costs not claimable)	$2,386,705	$2,414,027
Finished value of the homes	$2,490,000	$2,680,000
Equity created	**$103,295**	**$265,973**

11 Land value: what you can pay vs what it's worth

What the land is worth on the open market

Asking range **$785,000–$815,000**. That is in line with recent sales of similar-sized house blocks:

RECENT SALE	LAND	PRICE	SOLD
54 Chambers Road	534 m²	$800,000	Sep 2026
70 Chambers Road	534 m²	$835,000	Aug 2026
6 Lawrence Court	540 m²	$855,000	Aug 2026
29 Harris Street	530 m²	$950,000	Sep 2026

Chambers Road is also a busier road, which makes it the closest comparison. Quiet-street blocks sell for more.

What this means

The market prices this property as a house block. A developer looking for a 15% margin can pay about **$549k** (3 townhouses) or **$651k** (4), roughly $149k–$251k below the asking range.

It reads differently if you keep the homes. With no selling costs or GST on sales (but no GST credits on building costs), the 4-townhouse scheme creates about **$266k** of equity at $800,000. The 3-townhouse scheme creates about $103k. These figures exclude a construction contingency.

Profit and margin on cost at different purchase prices, for both layouts, plus the equity created if you keep the homes. Below about 15% margin on cost, most lenders and developers would walk away.

IF YOU PAY	PROFIT · 3	MARGIN · 3	PROFIT · 4	MARGIN · 4	EQUITY IF KEPT · 3	EQUITY IF KEPT · 4
$600,000	$242,391	11.7%	$384,644	18.3%	$353,341	$516,019
$700,000	$126,459	5.7%	$268,712	12.0%	$228,318	$390,996
$785,000	$27,917	1.2%	$170,170	7.3%	$122,049	$284,726
$815,000	−$6,863	−0.3%	$135,390	5.7%	$84,542	$247,219

Sensitivity

CHANGE	LAND VALUE · 3	LAND VALUE · 4
Base case (15% margin)	$549,000	$651,000
Sale prices +5%	$631,000	$740,000
Sale prices −5%	$466,000	$562,000
Build cost −10%	$637,000	$739,000
Build cost +10%	$461,000	$563,000
For comparison: at a 20% margin	$477,000	$574,000
At a 10% margin	$627,000	$735,000

Land value here means the most you could pay and still make the stated margin on cost (residual land value).

What would have to change

- **Price:** at $800,000 for the land, a 15% margin needs average sales of about $957,000 (3-bedroom) or $726,000 (2-bedroom). For comparison, 20% needs about $1,000,000 or $759,000.
- **Land:** buy at about $651k or less (4 townhouses) for a 15% margin.
- **Purpose:** build to live in or hold, where the test is cost against value rather than margin.

12 Program

STAGE	ALLOW	NOTES
Due diligence: title, survey, arborist, heritage check	1 month	Ideally before or during a cooling-off period
Design and pre-application meeting	2–3 months	Include the SLO3 visual impact assessment
Planning permit	4–8 months	DTP's input on access and the SLO3 assessment can extend this
Building permit, documentation and tender	2–3 months	
Construction	10–12 months	3 or 4 townhouses built as one stage
Subdivision, sales and settlement	1–2 months	Off-the-plan sales can start once permits are issued
Total, purchase to final settlement	**about 2 years**	

13 Nearby decisions

The property report lists council decisions near the site since 2015. Three-dwelling developments are well established here: a three-dwelling approval opposite the site (December 2023) and several more on the same road and in the streets behind between 2015 and 2021. Two double-storey dwellings have been approved in several surrounding streets. A two-dwelling application nearby was refused in 2004.

What this means: three townhouses fits the established pattern on this part of the main road. Four would be the most intensive on a lot this size nearby, so it needs a strong design response, particularly to the reserve.

For a live job we also search VCAT decisions on AustLII for the surrounding streets.

Feasibility assumptions

- Sale prices including GST: $830,000 per 3-bedroom townhouse (Option 1) and $670,000 per 2-bedroom townhouse (Option 2). GST on sales is calculated under the margin scheme, assuming the purchase qualifies. Get tax advice.
- Land $800,000 (middle of the asking range), stamp duty at Victorian general rates. Land held 24 months.
- Construction $2,800/m^2 excl. GST on total floor area including garages, mid-range finishes, one builder contract. External works $80k–$85k, demolition $30k. Results are shown without a construction contingency first; a 5% contingency is shown separately.
- Professional fees $65k–$72k: design and documentation, engineering, survey, arborist, landscape, visual impact assessment, traffic, sustainability, building surveyor.
- Planning permit fee $3,981 and about $600 for advertising. No Metropolitan Planning Levy (estimated cost of development about $1.13m, below the threshold). Public open space contribution assumed at 5% of land value (check the Hobsons Bay rate in Clause 53.01). Authority connections $12k per townhouse.
- Finance: 20% of project costs from your own cash first (about $427k–$432k), then an 80% loan at 7.5% p.a. drawn as costs fall due. Builder paid by stage (deposit, base, frame, lock-up, fixing, completion); interest added monthly; 0.5% establishment. Selling: agent 1.6%, marketing, legals.
- **Equity if kept:** finished value less the cost to build and hold, with no selling costs or GST on sales, but 10% GST added to building, external works, demolition and fees (credits generally can't be claimed). Excludes holding costs after completion. Get tax advice.
- Indicative figures for comparing options and setting a price limit; not a valuation or a quantity surveyor's estimate.

Walk-through meeting

Your Full Feasibility includes a 30-minute phone or video meeting within 30 days to go through the report, test different assumptions and plan the next steps. **To book:** reply to the email your report arrived with, or email ask@yieldchecker.com.au.

Engage Achieve Design Group within 6 months and $1,000 of this report's fee is credited against the design fee.

Assumptions and limitations

- **Title and easements:** no contract of sale was supplied for this sample. We have assumed two 1.83 m easements along the west and rear boundaries, as indicated on the property report map, and no covenant or section 173 agreement. In a live report we review the title and plan of subdivision in the contract of sale (Section 32) you send us. Have your conveyancer review the title before you sign.
- **Estimates from imagery:** reserve tree sizes and root zones, existing buildings and the eastern neighbour's 5.5 m front setback are estimated from aerial and street-level imagery. Arborist advice is not included.
- Dimensions and area are approximate, from the property report. Plans are drawn square to the boundaries (the lot is rotated about 8° from true north). A feature and level survey is needed before design. This is a desktop assessment; we have not inspected the site.
- Controls are current at the date of this report. Permit approval is a decision for council, referral authorities and VCAT.

Sources: Property report (October 2026); Hobsons Bay Planning Scheme: Clause 32.09 and Schedule 5, Schedule 3 to Clause 42.03 (Amendments VC278 and GC282), Clauses 52.06, 52.29 and 55; Townhouse and Low-Rise Code Guidelines (DTP, May 2025); Aboriginal Heritage Regulations 2018; aerial and street-level imagery. Townhouse sales: Domain and view.com.au, March–October 2026. House sales used for land value: Domain, August–September 2026.

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