



# SMASH PROPERTY

MINI EBOOK

# how a granny flat builds \$100k passive income.

## WHY GRANNY FLATS

# a second income on land you already own.

A granny flat isn't a side project — it's a way to take a single property and turn it into two cash flows. Same block, same loan, second tenant. Done well, it's the fastest path most investors have to positive cash flow without buying again.

**WHY WE LIKE THEM**

- Dual income on a single block
- Faster route to positive cash flow
- Lifts valuation — refinance and recycle
- Built for investors who want to scale

**WHAT WE RUN**

A full feasibility before any deal — site, zoning, rents, build cost, end value. If the numbers don't work, we don't build.



**02 // WHEN IT WORKS**

# does this block stack up?

A granny flat is a tool, not a bolt-on. The site has to support it before any of the upside is real.

**LAND SIZE**

Typically **450-600 m<sup>2</sup>** minimum, subject to council overlays and setbacks.

**ACCESS**

Side or rear access — a flat is worthless if you can't get a tradesman or a tenant to it.

**ZONING**

Local zoning has to permit a secondary dwelling — and the council has to support it in practice, not just on paper.

**RENTS**

The market rent on the granny flat has to comfortably justify the build. Below that line, it's a bad deal dressed up as an opportunity.

**QUICK FILTER**

If three or more of the above are missing, walk away. Don't try to force a granny-flat thesis onto a block that won't carry it — there are better deals waiting.

## COSTS &amp; RETURNS

# what you'll spend. what it'll pay back.

**\$140-180k**

TURNKEY BUILD

**\$350-550<sub>/wk</sub>**

GRANNY-FLAT RENT

**10-15%**

TARGET GROSS YIELD

## WORKED EXAMPLE

## HOUSE + FLAT ON A \$600K BLOCK

COMPONENT	DETAIL	INCOME
Main house	3-bed family home	\$550 / week
Granny flat	2-bed self-contained	\$400 / week
<b>Combined rent</b>	<b>Same block, two tenants</b>	<b>\$950 / week</b>
Total cost	\$600k purchase + \$160k build	\$760k all-in
<b>Gross yield</b>	<b>\$49.4k annual rent ÷ \$760k</b>	<b>~6.5%</b>

Numbers are illustrative. Real deals depend on location, build cost, vacancy, rates, finance structure and tax position. Run the full feasibility before relying on a yield.





## COUNCIL &amp; COMPLIANCE

# every state plays by different rules.

## QLD & NSW

Generally granny-flat friendly — but the overlays still bite. Flood, bushfire, character zones, and minimum lot sizes can quietly kill a deal.

## METERING

Separate metering is preferred. Cleaner tenant relationships, easier to budget, and a stronger end product when you go to refinance.

## CERTIFIERS

Private certifiers can fast-track approvals dramatically. We pick the right one for the council, not just the cheapest.

## DUE DILIGENCE

We handle the town-planning checks, soil tests, sewer diagrams and overlays as part of the process — before you commit a dollar.

## WHAT TO WATCH OUT FOR

- Overcapitalising in an area that won't pay dual rents
- Awkward layouts that compromise the main house
- Tenant management complexity — two tenants, one block
- Time delays during approvals and build

## HOW WE HELP

# site, build, tenant — handled.

- Identify suitable sites that genuinely support a dual-income strategy
- Manage the entire process — DA, certifier, builder, leasing
- Leverage your existing equity and improve serviceability
- Run a full feasibility before any deal is greenlit — no exceptions

**SAMPLE RESTRUCTURE**

<b>Buy</b>	House on large block — \$460k
<b>Build</b>	Granny flat — \$170k (using equity)
<b>Rent</b>	+\$450 / week
<b>Net cash flow</b>	Flipped from -\$1,456 / yr to +\$2,968 / yr



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