Development & Building Feasibility Checklist

Check the site and the numbers before you're financially committed

Whether you're eyeing a block with development potential or planning a knockdown-rebuild or major renovation, the same discipline applies: check the site and the numbers before you're financially committed, not after.

Part 1 — Assessing a development site

Buying a property with development potential is a different exercise to buying a home to live in — the site itself is the product.

- [ ] Confirm the zoning and what it actually permits (not what a listing implies)
- [ ] Check planning overlays that could limit what you can build — flood, bushfire, heritage, environmental
- [ ] Run a rough feasibility: land cost + construction cost + holding costs, against likely end value
- [ ] Get an early read from a town planner on approval likelihood and timeframes before you're locked in
- [ ] Factor in holding costs for the full approval and build period, not just construction

Note: A site that "looks" like it has development potential and a site that's actually feasible once real costs and approval risk are factored in are two very different things.

Part 2 — If you're building or renovating

The building contract matters as much as the site itself. Before signing with a builder:

- [ ] Get a detailed, itemised quote — know exactly what's included versus what's a chargeable upgrade
- [ ] Ask about the builder's track record: completed projects, typical delays, and how they handle variations
- [ ] Check their licensing, insurance (including home warranty insurance), and financial stability
- [ ] Understand the payment schedule and what triggers each progress payment
- [ ] Build in a contingency (commonly 10-15%) — building projects rarely land exactly on the original budget

Common cost blowout traps

- Site costs (rock, poor soil, sloping blocks) not properly assessed before the contract price was fixed
- "Provisional sum" items (kitchen, tiling, fixtures) that end up well above the allowance once you choose finishes
- Council or authority delays that extend holding costs beyond what was budgeted
- Scope creep from mid-build changes, each of which usually carries a variation fee

Staying involved after the contract is signed

The day the contract is signed is the start of the process, not the end of it. Keeping a second set of eyes on the build — checking variations, progress claims, and timeline against the original plan — is where a lot of avoidable cost overruns get caught early instead of at the end.

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