

THE NEWCASTLE

DUPLEX & TOWNHOUSE DEVELOPER HANDBOOK

A practical guide to assessing sites, controlling construction risk and
choosing the right builder.



BEFORE YOU COMMIT CAPITAL, READ THIS.

I've been building duplexes, townhouses and custom homes across Newcastle and the Hunter for more than a decade. In that time, I've walked a lot of sites with a lot of developers — some experienced, some buying their first development block, some just testing whether their own backyard has potential.

Almost every one of them has asked me some version of the same question: "Is this actually going to work?"

→ Continued on next page



Chris Walkom

Director, Walkom Constructions

Usually, that question isn't really about construction. It's about the numbers. What's the GDV once the dwellings are built and sold? What does the site actually cost once you load consultants, statutory fees, holding costs and a genuine contingency onto the build price — not just the build price sitting on its own in a spreadsheet? And what return are you actually working towards, on cost or on equity, once all of that is accounted for?

I'm not a valuer or a financier, and this handbook won't turn you into a feasibility expert. But after pricing hundreds of these projects, I've seen how often a development stacks up on paper and then unravels on site — because the contingency line was theoretical rather than considered, the construction figure was a rough guess dressed up as a quote, or nobody worked back from GDV to a realistic residual land value before the offer went in.

By the time these things surface, the money's already spent. The land is bought, the DA is lodged, the architect's fee is paid. Options are limited, and they're usually expensive.

After more than a decade building across Newcastle and the Hunter, we've learnt that successful developments are rarely won on site alone. They're usually won much earlier — during feasibility, design, budgeting and planning. The developers who get the best outcomes are the ones who pressure-test the numbers and the construction risk together, early, before they commit capital — not after.

This handbook is our attempt to put some of that thinking down on paper. It's not a marketing brochure and it's not a substitute for proper advice from your planner, solicitor, engineer, quantity surveyor or accountant. It's a builder's perspective on the practical things that affect cost, programme and risk on small-to-medium residential developments — the kind of things that turn a feasibility spreadsheet into a number you can actually stand behind.

If it helps you ask one better question before your next site purchase or builder proposal, it's done its job.



Successful developments are rarely won on site alone. They're usually won much earlier — during feasibility, design, budgeting and planning.

Chris Walkom

Director, Walkom Constructions

HOW TO USE THIS HANDBOOK

This guide is written from a **builder's perspective**, not a planner's, lawyer's or financial adviser's. It covers the **practical issues** that affect **construction cost, programme and delivery risk** on duplex and townhouse projects in the Newcastle, Lake Macquarie, Maitland and wider Hunter region.

It is **not a substitute** for professional planning, legal, financial or engineering advice. Every site is different, and the points raised here are general in nature. Always get specific advice for your specific site before committing capital.



Read it in order if you're starting from scratch, or jump to the section that matches where you are right now.



USE THIS GUIDE WHEN YOU ARE

Assessing a potential development site
before making an offer

Comparing quotes or proposals
from different builders

Planning a duplex or townhouse project
on land you already own

Reviewing early architectural
or design concepts

Preparing to move from design
into construction

IS THE SITE WORTH BUYING?



A site can look perfect on a real estate listing and still carry construction risks that erode your margin before the first slab is poured. Photos don't show sewer capacity. Floor plans don't show rock. A pretty street doesn't tell you whether a concrete truck can actually get in.

This section covers the practical things worth checking before you sign a contract — not instead of your planner or solicitor, but alongside them.

1 Zoning and Planning Controls

Zoning tells you what's theoretically possible on a site. It doesn't tell you what's actually achievable.

Dual occupancy or multi-dwelling housing might be permitted under the zone, but actual yield depends on a stack of other controls: the Local Environmental Plan (LEP), the Development Control Plan (DCP), floor space ratio (FSR), height limits, setbacks, landscaped area requirements, private open space minimums, car parking rates and site-specific controls that apply to your street or precinct.

Two blocks with identical zoning can produce very different outcomes once you factor in minimum lot size, frontage requirements and local DCP provisions. This is where a lot of "should be easy" sites turn into drawn-out design exercises.

2 Slope and Site Levels

Sloping sites aren't a dealbreaker, but they change the cost equation. Cross-fall and battle-axe drop can add cost through:

- additional excavation and cut/fill
- retaining walls
(which can become one of the largest line items on a sloping site)
- stormwater management and subsoil drainage
- vehicle access and driveway grades
- construction sequencing
- working across levels usually takes longer than working on a flat pad

A site with a metre of fall across it is a very different proposition to one with three or four metres of fall. **Get levels checked early.**

3 Sewer and Stormwater

This is one of the most commonly underestimated cost areas on small developments.

Sewer capacity in the existing main isn't guaranteed just because a house already sits on the block — multiple dwellings usually means a heavier load, and authority approval can require upgrades that weren't anticipated in the initial feasibility.

Stormwater is similar. Legal point of discharge needs to be confirmed, not assumed. Detention requirements, easements over neighbouring properties, and any need to upgrade downstream infrastructure can all add cost and time that don't show up in a rough site inspection.

4 Access

Tight streets, one-way access, battle-axe driveways and limited on-site storage all affect how efficiently a site can be built. This isn't just a convenience issue — it's a cost issue.

Poor access can mean smaller deliveries, more trips, restricted crane positions, limited concrete pump placement, and subcontractors working less efficiently because materials can't be staged close to where they're needed. On a tight inner-Newcastle block, access planning often needs to happen before the design is finalised, not after.



5 Existing Structures and Demolition

If there's an existing dwelling or structure on site, demolition brings its own risks: asbestos identification and removal, service disconnections (power, gas, water, sewer, telecommunications), demolition sequencing, and protection of neighbouring properties and structures during the works.

None of this is unusual — but it all needs to be priced and programmed, not treated as an afterthought.

WALKOM INSIGHT

"The best time to discover a development constraint is before you buy the site — not after the design is finished."

6 Mine Subsidence, Bushfire (BAL), Flood and Heritage

Much of the Hunter region sits within a mine subsidence district, and parts of Newcastle, Lake Macquarie and Maitland carry bushfire, flood or heritage overlays. None of these automatically stop a development. But they can all affect design requirements, the approval pathway, construction methodology and cost — sometimes significantly.

The earlier these are identified, the more options you have to design around them.

SITE FEASIBILITY QUICK CHECK

Is the zoning suitable?

Is dual occupancy or multi-dwelling housing permissible?

Have you reviewed minimum lot size and frontage?

Are there easements?

Is sewer capacity confirmed?

Is stormwater discharge clear?

Is the site affected by slope?

Is retaining likely?

Is access difficult?

Has a builder reviewed the site before purchase?

Are there trees, BAL, flood, heritage or mine subsidence constraints?

THE COSTS DEVELOPERS OFTEN MISS



Construction cost is only one line in a feasibility study. Plenty of developments that looked viable on paper have come unstuck because of costs that sit outside the headline build price. This section covers the ones we see catch people out most often.

1 Civil and Site Works

Excavation, retaining, driveways, drainage, rock encountered during dig, imported fill and spoil removal can add up to a substantial figure on sites that aren't flat and clear. Spoil removal in particular is easy to underestimate — trucking costs, tip fees and haul distance all matter, and rock (if encountered) changes excavation methodology and cost significantly.

2 Authority Connections and Upgrades

New or upgraded connections for sewer, water, gas, power and NBN are often required for multi-dwelling developments, even on sites that already have one dwelling connected. Authority-imposed upgrade costs — for example, if the existing infrastructure doesn't have capacity for the additional dwellings — can be a genuine surprise if they aren't checked early.

3 Consultant and Approval Costs

Beyond the architect, a small development typically needs some combination of a town planner, structural and civil engineer, land surveyor, hydraulic consultant, private certifier, BASIX/NatHERS assessor, and — depending on the site — a landscape architect, bushfire consultant or acoustic engineer. These fees add up and are frequently underestimated in early budgets.

4 Holding Costs

Finance interest, council rates, insurance and the simple cost of time all erode margin. Every month a project runs over programme is a month of holding costs that weren't in the original feasibility — and delays compound if they push settlement or sale dates.

5 Variations and Incomplete Documentation

Unclear scopes of work, provisional sums that turn out to be understated, and incomplete engineering documentation at tender stage are among the most common sources of budget blowout. If a builder's price is based on incomplete drawings, the gaps get filled with assumptions — and assumptions become variations.

Cost Items Worth Checking Early

COST ITEM	WHY IT MATTERS	WHAT TO CHECK
Sewer	Capacity or upgrade costs can affect feasibility	Main line capacity and connection point with the authority
Stormwater	May require detention, easements or upgrades	Legal point of discharge and any detention requirements
Retaining	Can become a major cost on sloping sites	Engineering advice on wall height, type and likely cost
Power	Upgrades may be required for multiple dwellings	Supply capacity with the authority for the added dwellings
Demolition	Asbestos and service disconnections add cost	Asbestos inspection and service disconnection requirements
Holding Costs	Delays reduce profitability	Realistic interest, rates and insurance across the full programme

WALKOM INSIGHT

“The cheapest construction price is not always the cheapest project. What matters is what has been allowed for, what has been excluded and what assumptions sit behind the number.”

DA vs CDC: Understanding Approval Pathways

One of the first practical questions on any duplex or townhouse project is which approval pathway applies. This affects programme, documentation and when construction can realistically start — so it's worth understanding early, even in general terms.



Development Application (DA)

Many duplex and townhouse projects proceed via a Development Application to council, particularly where the site carries constraints, the design includes variations to standard controls, or the project is more complex than a straightforward compliant build. A DA involves assessment by council against the LEP, DCP and any relevant state policies, and timeframes vary depending on council workload and the complexity of the application.



Complying Development Certificate (CDC)

A Complying Development Certificate can offer a faster approval pathway where both the site and the design meet strict, defined requirements. It is assessed and issued through an accredited certifier where the project is eligible — it isn't an automatic or universal option, and not every duplex or townhouse project will qualify.

BUILDER'S PERSPECTIVE

"The approval pathway matters because it affects programme, documentation, consultant coordination and when construction can realistically commence."

Common reasons a site or design may not be eligible for CDC include:

heritage listing or heritage conservation areas

flood-affected land

bushfire-prone land (BAL constraints)

mine subsidence district requirements

easements affecting the building envelope

non-compliant setbacks

an unusual or irregular site shape

design variations to standard requirements



APPROVAL PATHWAY CHECK



Whether DA or CDC applies to your project is a question for your planner or certifier based on your specific site and design — this section is intended to help you understand the conversation, not replace it.

CHOOSING THE RIGHT BUILDER



Comparing builder quotes on price alone is one of the most common mistakes we see developers make. Two quotes for the same job can differ by six figures — and the cheaper one isn't necessarily the better deal. Here's what's worth digging into before you sign.

1 Experience With Similar Projects

Has the builder actually delivered duplexes, townhouses or multi-dwelling projects — not just custom homes? Have they worked on Class 2 buildings where relevant, constrained or sloping sites, or architect-designed homes with more complex detailing? Experience with your project type matters more than general experience.

2 Pre-Construction Involvement

A builder who reviews the site and design before plans are locked in can flag buildability, access and cost issues while they're still cheap to fix. A builder who only sees the project at tender stage can only price what's in front of them — including any problems baked into the drawings.

3 Transparent Pricing

A proposal is only as good as what sits behind the number. Ask what's included, what's excluded, what assumptions have been made, and which items are provisional sums or prime cost allowances rather than fixed prices. Site works in particular are a common area where scope gets blurred between quotes.

4 Communication Systems

Developers — especially those managing multiple projects, living interstate, or juggling day jobs — need structured reporting: regular updates, site photos, programme tracking and early notice when decisions are needed. A builder without a system for this will fall back on ad hoc phone calls, which don't scale and don't leave a paper trail.

5 Quality Assurance

Quality should be checked throughout construction — at frame stage, at waterproofing, at fixing stage — not just inspected at practical completion when most things are already covered up.



QUESTIONS TO ASK A BUILDER BEFORE SIGNING

Have you delivered projects similar to mine?

Can you review the site before design is finalised?

What assumptions are included in your price?

What is excluded?

Which items are provisional sums?

How are variations approved?

How often will I receive updates?

Who manages the site?

What quality inspections are completed?

How do you manage delays?

Can I see a completed project or case study?

MANAGING PROGRAMME AND BUDGET DURING CONSTRUCTION



Getting a project started is one thing. Keeping it on programme and on budget through to completion is where most of the value — and most of the risk — actually sits. Delivery is a function of systems, not luck.

1 Programme Certainty

A realistic programme is built on weekly planning, clear trade sequencing, and coordinated subcontractor bookings — not just a Gantt chart produced at the start and never looked at again. Long-lead items need to be identified and ordered well ahead of when they're needed on site.

2 Procurement

Ordering key materials early, placing deposits to secure supply, and understanding supply chain risk all reduce programme exposure. The building industry learnt hard lessons on this through COVID-era shortages — the developments that stayed on programme were often the ones that locked in materials months ahead, not weeks.

3 Variations

Some variations are unavoidable — site conditions change, clients refine their brief, authorities impose new requirements. What matters is that variations are transparent, properly documented and approved before the work proceeds, not raised retrospectively as a surprise on the next invoice.

4 Neighbour and Site Management

On tight streets with live neighbours either side, day-to-day site management — deliveries, parking, noise, dust and communication — has a real effect on how smoothly a project runs. A builder who manages this proactively avoids a lot of friction that otherwise ends up costing time.

5 Reporting

Interstate owners, developers juggling multiple sites, and investors who can't be on-site regularly all benefit from consistent written updates and photographs. It's a simple thing, but it's often the difference between a client who trusts the process and one who's calling every other day for reassurance.



WALKOM INSIGHT

"Developers do not just need a builder who can build. They need a builder who can communicate clearly, manage risk early and keep the project moving."



CASE STUDY

MARGARET ST

Project Snapshot

Project Name	Margaret St
Project type	Three townhouse development
Location	Margaret St, Newcastle NSW
Client	Private Developer
Architect	SJC Lawler Architects
Procurement	Construct Only
Construction value	\$1.4 million
Site area	850m ²
Construction programme	10 months
Status	Completed

THE OPPORTUNITY

An 850m² site in Newcastle presented an opportunity for a three-townhouse development for a private developer based interstate. With SJC Lawler Architects delivering the design, Walkom was engaged on a Construct Only basis to deliver the build.

The site itself was straightforward in planning terms — there were no council issues through the approval process. The real challenges sat in delivery: a tight, one-way street with limited access, an interstate client who needed to stay closely informed without being on site, and a construction period that ran straight through COVID-19 restrictions.

THE CHALLENGE

Three things made this project genuinely demanding to deliver well.

First, access. Margaret St is a tight, one-way street, which limited delivery windows, truck movements and material staging. Every delivery had to be planned rather than improvised.

Second, the client was based interstate. That meant decisions, approvals and reassurance all had to happen remotely, without the benefit of the client regularly walking the site themselves.

Third, the build ran through COVID-19 restrictions, which affected everything from subcontractor availability to material supply and site access protocols.

The project also required new sewer, water, gas and power connections to public services for all three dwellings — a significant scope of civil and authority coordination work sitting underneath the visible construction.



OUR APPROACH

1 Communication Built Around the Client.

Because the owners lived interstate, regular reporting wasn't a nice-to-have — it was central to how the project needed to run. We built a communication rhythm around written updates and progress photography so the client always knew where the project stood, without needing to be physically present. That consistency mattered more on this project than on most.

2 Delivering Budget Certainty.

With materials and subcontractor availability under pressure through COVID, we secured key materials early and placed deposits ahead of schedule to protect the programme from supply chain disruption. On the design side, we worked through value engineering with the design team — changing the slab design from a waffle slab to a raft slab, which reduced the amount of spoil requiring removal from site, and working with the frame manufacturer on a design that reduced overall steel requirements. Both changes protected budget without compromising the design intent.

3 Quality Across Every Home.

To manage the tight site and maintain momentum through COVID restrictions, we split the project into three individual sites — one per townhouse — and ran simultaneous operations across all three. This let us keep trades moving even as restrictions limited how work could be sequenced, and meant quality control could be applied consistently across each dwelling rather than treating the row as a single undifferentiated build.

WALKOM INSIGHT

"Splitting the site into three independent operations wasn't just a COVID workaround — it gave us better control over quality and programme on each individual home."

THE OUTCOME

The project was delivered on budget, with only client-requested changes affecting the final scope — variations were minimal and driven by client preference rather than site or documentation issues.

Communication throughout the build kept an interstate owner confident in the project’s progress from start to finish, and the development was completed without any council issues.

Project Delivery Snapshot

Delivered on Budget	Yes
Council Issues	None
Client Variations	Minimal — client-requested only
Programme	10 months
Delivery Approach	Three simultaneous individual site operations
Key Value Engineering	Waffle-to-raft slab change; reduced-steel frame design

CLIENT TESTIMONIAL



[...] the foresight and planning by Walkom Constructions meant our build progressed with next to no disruption and no increase costs over the original contract price. [...]

However, the communication we had with the project supervisor Dion and Walkom’s use of the digital platform CoConstruct put our minds at ease. We were constantly provided with progress updates as well as a significant amount of photos over the course of the build.

THE TURNER FAMILY

Custom New Build of 3 Townhouses

DEVELOPER READINESS CHECKLIST



A practical checklist to work through before you buy a site or commit to a builder. Use the notes column to record what you actually find, not just whether you looked.

WHERE TO FIND THIS INFORMATION

Many of the Site items below — zoning, easements, heritage, flood, bushfire and mine subsidence overlays — can be checked through the NSW Planning Portal (planningportal.nsw.gov.au) or the Section 10.7 Planning Certificate, which is normally included as part of the contract for sale. The remaining items — services capacity, buildability, budget assumptions and builder-specific questions — are best worked through directly with your builder.

SITE

ITEM	NOTES / YOUR ANSWER
Zoning checked	
Site dimensions confirmed	
Frontage confirmed	
Easements identified	
Slope reviewed	
Access assessed	
Trees reviewed	
BAL / flood / mine subsidence / heritage checked	

SERVICES

ITEM	NOTES / YOUR ANSWER
Sewer capacity reviewed	
Stormwater discharge confirmed	
Water connection reviewed	
Power supply reviewed	
Gas / NBN requirements reviewed	
Authority upgrade risks considered	

DESIGN

ITEM	NOTES / YOUR ANSWER
Builder reviewed concept	
Buildability reviewed	
Retaining considered	
Parking and access reviewed	
Waste and storage considered	
Landscaping and private open space reviewed	

BUDGET

ITEM	NOTES / YOUR ANSWER
Construction budget prepared	
Site works included	
Authority fees considered	
Consultants included	
Holding costs included	
Contingency included	
Provisional sums understood	

BUILDER

ITEM	NOTES / YOUR ANSWER
Similar project experience confirmed	
Proposal inclusions reviewed	
Exclusions reviewed	
Programme reviewed	
Reporting process confirmed	
Variation process understood	
Quality assurance process confirmed	

BEFORE YOU COMMIT

Use the notes column to record what you actually find, not just whether you looked.

YOUR WORKING CHECKLIST

The two checklists below are gathered here as a working, fillable record. Tick each item as it's confirmed, and use the notes column to record what you actually found — not just whether you checked it. The Developer Readiness Checklist in Section 7 is already set out the same way, so it isn't repeated here. Print these pages, or fill them in digitally, as you move through site selection, design review and builder comparison.

SITE FEASIBILITY QUICK CHECK

ITEM	NOTES / YOUR ANSWER
Is the zoning suitable?	
Is dual occupancy or multi-dwelling housing permissible?	
Have you reviewed minimum lot size and frontage?	
Are there easements?	
Is sewer capacity confirmed?	
Is stormwater discharge clear?	
Is the site affected by slope?	
Is retaining likely?	
Is access difficult?	
Are there trees, BAL, flood, heritage or mine subsidence constraints?	
Has a builder reviewed the site before purchase?	

QUESTIONS TO ASK A BUILDER BEFORE SIGNING

ITEM	NOTES / YOUR ANSWER
Have you delivered projects similar to mine?	
Can you review the site before design is finalised?	
What assumptions are included in your price?	
What is excluded?	
Which items are provisional sums?	
How are variations approved?	
How often will I receive updates?	
Who manages the site?	
What quality inspections are completed?	
How do you manage delays?	
Can I see a completed project or case study?	

ABOUT WALKOM CONSTRUCTIONS



Walkom Constructions is a Newcastle and Hunter region builder delivering custom homes, duplexes, townhouses and multi-residential projects.

We work with developers, investors and homeowners who want a builder involved early — reviewing sites, testing buildability and pressure-testing budgets before major decisions are locked in. That early involvement is deliberate. It's where the biggest risks on a project either get managed or get missed, and we'd rather be part of that conversation from the start than inherit someone else's assumptions at tender stage.

Through construction, we run structured communication and reporting so clients — whether they're on-site every week or managing a project from interstate — always know where things stand. Programme and cost control are treated as ongoing disciplines, not one-off exercises at the start of the job.

We've been recognised with industry awards for our work, but what we'd rather be known for is straightforward: projects delivered on budget, built to a high standard, with a client who was kept properly informed the whole way through.

Chris Walkom remains directly involved in every project we take on. We'd rather deliver fewer projects well than take on more than we can properly oversee.

**Quality over volume.
That's the whole approach.**

Planning a Duplex or Townhouse Development?



If you're assessing a site, reviewing early plans, or preparing to move into construction, getting builder input early can help reduce risk before major costs are committed.

We're happy to look at a site, review a set of plans, or talk through where a project currently stands — before you've signed anything.

BOOK A DEVELOPMENT CONSULTATION

SEND US YOUR SITE OR PLANS FOR REVIEW

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