Owner-building? Do your research

Choosing to owner-build your home can be satisfying. But did you know that an owner-builder takes on all the risks and responsibilities of a registered builder?

And if you sell your property within six and a half years of completion as an owner-builder, you must also provide domestic building insurance cover to the purchaser and a technical inspection report that identifies any defects?

Before you decide to owner-build, it is important to get the facts.

“Genuine owner-builders set out to make a home, rather than a business,” said the Victorian Building Authority’s Jarrod Edwards, Director of Technical and Regulation.

“Building regulations mandate that Victorian owner-builders can only build or renovate one home every three years and cannot build multi-unit developments, such as apartments or units.”

According to Victorian building regulations, owner-builders are also required to:

- construct or renovate their home on their own land
- obtain a certificate of consent for work over $12,000 in order to obtain a building permit
- live in or intend to reside in their owner-built home
- carry out all work in compliance with the Building Act 1993 and Building Regulations 2006.

Mr Edwards explained “just like builders, owner-builders must maintain a safe workplace and have public safety insurance policies in place, such as protection against fire, theft and defective building work. When protection work is required, owner-builders must also have insurance for adjoining property protection during construction and for 12 months after completion.”

But these are not the only things an owner-builder should take into account. Owner-builders should also consider:

- financial risks – such as occupational health and safety claims and cost increases through underestimating
- quality risks – like the technical ability to direct and assess workmanship
- time risks – such as identifying and engaging suitable tradespeople
- future risks – like the fact that if you sell your property within six and a half years of completion, you will have to provide warranty insurance for the new owner.

You can download an owner-builder application form at www.vba.vic.gov.au or contact the VBA on 1300 815 127.

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