

**Financial advisor Anthony Anderson makes the most of your property pennies**

If you apply to the banks for a loan, there are things they'll want to see before they hand out any money.

As a minimum, they'll want to sight your current payslips together with your latest group certificate or tax return. If you are self-employed, they will want your last two tax returns and tax assessment notices or your financial statements for the past two years. An accountant or tax agent should prepare these. If you have other sources of income, such as rentals or dividends, then you will also need to provide evidence of these.

Unfortunately, many people can't provide all of the evidence and documentation required by a bank. This includes people with poor financial records or people with poor credit ratings. It also includes those with a bad credit history, loan arrears or a previous bankruptcy.

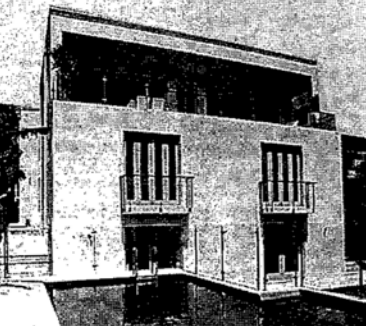
People in this category need to apply for what is commonly known as a non-conforming loan. This is a growing market that is increasingly being serviced by non-bank lenders. According to some estimates, these non-bank lenders currently provide 20 per cent of housing loans in Australia.

The non-bank lenders understand the variety of situations that may make it difficult for borrowers to provide all the documentation required by banks. Having said that, they will usually seek some paperwork from you. They will most likely want a written self-certification of income as well as a certification from your accountant as to the ability to repay the debt.

Non-conforming loans have a higher interest rate than normal loans. In the current competitive market, however, there are some good deals around. Depending on your risk profile, you may be able to pick up a non-conforming loan with a rate as low as 7.75 per cent.

**Q** A bank has rejected my loan application, so I want to go through a non-bank lender. What percentage of a property's value will I be able to borrow?

**A** Non-bank lenders usually want a larger deposit than banks. In some instances, they will lend 90 per cent, but, if they think you're a high-risk proposition, they will want you to put down 30 per cent or more.



If you have any questions about financing property, email [finance@sundaytelegraph.com.au](mailto:finance@sundaytelegraph.com.au)



*moving day*

# easy riders

It sounds like a plan hatched on a Friday night just before the pub closes. Pick up a house being given away in the back of the newspaper, stick it on the back of a truck and haul it to your place. But, as Melissa Rimac asks, is it as far fetched as it sounds?

**W**e've become a throw-away society - nothing is sacred, and every day, perfectly good clothes, furniture, cars and even houses fall victim to our insatiable desire for bright, shiny, new things.

One person's trash is another person's treasure - and in the dog-eat-dog property world, house relocation is a rare example of an all-round winner - those offloading their house save on demolition costs, while the folk adopting the house can end up with a unique home at minimal cost. Both parties have assisted the environment by reducing landfill.

It may be a mammoth recycling mission, but it's hardly a new idea. In earlier times, houses were hoisted aboard bullock drays and steam tractors, and many grand mansions were originally dismantled and shipped from England.

In Queensland, relocation of the traditional, timber "Queenslanders" is pursued with a passion. But the trend is now sweeping into NSW, with many relocation contractors booked up for months ahead.

## the big attraction

So what's inspiring people to shift old houses on the back of a truck? And who snaffles the best bargain?

Lynette Lawry has just rescued an old weatherboard house that will be moved in full from Port Stephens to Bulahdelah. Like many of the people moving and reviving giveaway houses, she's driven equally by finances and a fondness for old classics.

"I really can't stand to see them bulldozed," she says.

"Starting from scratch is a waste of money and new houses are so bland -

this one's got character." Lawry is expecting to spend about \$40,000 to \$50,000 to obtain a functional three-bedroom house and "granny flat".

If the house is chosen carefully and the process goes well, experts say relocations such as Lawry's can result in both a sound and



## BAG A BARGAIN

Houses for relocation are often free or sold cheaply as long as you move them within a certain time and leave the block cleared. Here are the best places to look...

- In the classified section of newspaper publications.
- Council development applications. Then, where a suitable house is earmarked for demolition, contact the owners.
- Developing areas, where houses are about to be demolished. Again, contact the owners or developers.
- Put up notices indicating that you are looking for a building suitable for relocation.
- Call the house-relocation companies - most of these act as matchmakers between people who want a place removed and people seeking to relocate a building to their land. They may have a yard with several houses for relocation.

attractive house at a fraction of the cost of building from scratch or purchasing a kit home.

"In effect, you're getting heaps of good-quality, pre-assembled building materials, and you've bypassed many of the labour costs," says David Lawrence, manager of the NSW and ACT branches of Archicentre, which is the Royal Australian Institute of Architects' Home Advisory Service.

## doggy deal or savvy sale?

As any garage-sale devotee can attest, second-hand isn't necessarily second rate. Peter Meredith, director of housing at the Master Builders Association of NSW, says that in many cases you're getting materials and workmanship far superior to their modern counterparts.

Another factor keeping relocators busy is the lure of charm that faux finishes will never replicate. "Loads of people love old houses and don't want to live in anything else," says Geoff Wallace, director of ACT House Relocators, who has been moving houses for the past 40 years.

"It's a great way of getting an authentic old house in a location that you want," says building designer Frank Kosztelnik, who has consulted on many relocations.

He says that as older Federation-style houses are very sturdy and have wider internal timber fixtures, they transport very well, so there's less likelihood of internal cracking. He adds that classic period features, such as ornate ceilings and architraves, may be restored very effectively.

But it doesn't have to be a classic Federation charmer to merit moving. In fact, says Lawrence, a seemingly

boring, box-shaped house may have classic "good bones", making it easier to extend, modernise or tie in with other structures.

And without elaborate internal finishes to fuss over, relining the interior for a fresh finish becomes much more feasible.

Try this for a party trick: invite your friends around for a "house moving drink" and then watch them gasp as the roof gets peeled back and the house gets sliced with a chainsaw, jacked up, hoisted on to the back of a truck, then shimmied through your neighbourhood roads.

frame. Experts say making the wrong choice here is the shortcut to a horror story.

"Talk to other people who've used the company and check the quality of the work," suggests Meredith.

"You need to make sure they'll move and rejoin it on time and that the people putting it back together are adequately skilled - they should have builders' licences."

## not shaken or stirred

Bearing in mind that you want the house moved, but not shaken or stirred, its structural soundness is

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But the novelty aspect aside, the practicalities can be sobering. Take the worst-case scenarios - think whole sections of houses falling off trucks, gaping internal wounds, and floors with a list that could well induce a bout of seasickness.

## wheels in motion

But, first, there are initial costs to consider. You may get the house free, but there are still big bucks to be spent. Count on at least \$25,000 to \$35,000 for the move, which usually involves a package including the cutting, transportation, all traffic permits and reassembly.

Costs vary depending on the terrain and ease of access at either end, the distance and the route.

The extent to which the house is finished off also varies.

In most cases, the owner must organise piers (structural supports), the reconnection of services, such as power (rewiring is often required) and plumbing, as well as cosmetic surgery, such as plaster repairs, all of which may set you back between \$10,000 and \$15,000.

The real rub, however, is finding a reliable contractor to move the house within the required time

a pivotal issue. A thorough pre-purchase inspection where special attention is paid to the frame is essential, says Lawrence.

Kosztelnik says to choose a house that suits the site and your future needs. Some houses are easier to cut, which minimises damage, and lend themselves more readily to seamless reassembly.

The ideal scenario, he says, is to get hold of narrow, long buildings that can be moved intact. Falling that, you'll want someone who has a delicate touch with their chainsaw.

Due to their inherent flexibility, weatherboards are considered ideal for relocation. But it is possible to move brick veneer and fibro houses - although this may entail extra expenses in cutting asbestos. A low roof will make moving easier, with less concerns about bridges.

Consider unusual structures, such as halls and churches, Lawrence says, because they move well and may be used for interesting designs.

## end of the road

Caroline Pidcock, NSW president of the RAlA, says resiting a house might open up design possibilities. "You may end up with something more interesting and pleasant," she says. "It's possible to rejig it to suit the site and the orientation." She



*welcome, ex, neighbour*

adds the break may even be celebrated, rather than hidden, for instance, by creating pavilions linked to courtyards.

Other reconfigurations that work well, says Gloria Wallace, former secretary of the NSW Building and House Relocation Association, include joining two or more houses to form one, and then jacking it up and building underneath. Another option is to stagger sections to create a split-level design.

In theory, councils treat house relocations as new developments, but Kosztelnik says many are taking a progressive and flexible approach in view of the environmental merits.

## when the dust settles

So is it really a bargain, or more akin to buying a stylish old classic car that spends most of its life at the mechanics?

Property research manager at Macquarie Bank Rod Cornish says that because its never a good idea to spend too much on the house, relocation may offer an opportunity to value add to land without overcapitalising.

"It has to be the right house," he adds, "ideally, something that's unique and can't be built again." But he warns that costs may escalate where a major overhaul is required.

John Peden, NSW manager of rural properties at Elders Real Estate, says that in terms of profiting at resale, the house needs to be finished off well and in sympathy with its environment.

"You really don't want it to look as though it fell off the back of a truck," he adds.

"In fact, an attractive traditional timber house can command a premium in some areas."

## RELOCATION THE CHECKLIST

Use these eight essential tips for a smooth drive to your new home...

- Ensure you're aware of all costs in the package, including disconnection of services at the original site, whether piers are needed, plaster needs patching and the roof needs weatherproofing.
- Does the relocater have storage facilities in the event of the weather turning bad or other mishaps, such as mismatched timing? Is this included in the cost of the job?
- Is the relocater fully insured? They should have transport or cargo insurance, workers' compensation and public liability insurance. Ask them if you may see the policy.
- Should you take out additional insurance on the building before and after it's moved? (While the home is in transit, the contractor has full responsibility.)
- What are the likely hidden costs? For example, tarpaulins to cover exposed roof areas, excavation at the new site, bonds payable to utility companies.
- Is the house vandal proof prior to being moved and at the storage area?
- Will the house be rejoined immediately upon reaching the new site?
- Research the optimal siting to keep costs down. Consider distance to utilities, such as power and water, and how level the land is, given design imperatives, such as orientation, maximising views, privacy, and allowing for future extensions.

## ASK THE EXPERTS



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