WHAT IS A GRANNY FLAT?

While many people think they know what a granny flat is, it's a loose term that requires much more definition. There are so many other ways to define a secondary building.

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What is a granny flat?

You might have noticed a lot of discussion about granny flats in the media recently. But although everyone may appear to understand what a granny flat is, if you ask a diverse group of people this question, you'll get a variety of different answers. In fact everyone seems to have a different understanding or definition of what a granny flat is!

To give you a better understanding, let's take a look at what a granny flat was originally designed for and then dive into some different uses that will require better or more relevant terminology.

How did granny flats originate and what was their intended use?

Granny flats were first introduced in the Victorian era and were commonly known as a dowager or dower house. In those days, this was a small dwelling that was positioned on a large estate to house the widow of the person who previously owned the property.

The idea was to provide somewhere for the widow to live out her retirement when the new property owner or heir took over the main dwelling. This type of secondary building was self-contained so that the widow would still have her own independence without relying on the new owners of the property.

Over time, large estates were split up into smaller suburban areas and dowager houses became formally known as granny flats. These were usually attached to the main house on the suburban blocks but were fully self-contained with usually 1 bedroom, a small kitchen, a sitting room and a bathroom.

These modern granny flats had a similar purpose in that they provided accommodation for an elderly relative who could no longer live alone. For a time, granny flats fell out of favour, and it wasn't until the early 21st century that they started to make an appearance again.

With the current housing crisis and the ageing population, even the State and Federal governments have jumped on the idea that granny flats or secondary dwellings are a good solution to the need for more housing.

A secondary building can be so much more.

Now that you know how granny flats came about, it's important to understand that this term is loosely applied to secondary buildings or structures that can actually have a wide range of purposes. That's why it's now necessary to differentiate these secondary dwellings so that we can refer to them in a more relevant way.

So what are some of the most common uses of a 'granny flat' and how can we distinguish these? Here are just a few.

Art or music studio.

People who are into art or music, usually like to have their own space where they can get on with their pursuits without disturbing the rest of the family. We see it where they decide to build a studio in the backyard that's separate from the main house. So instead of calling this type of structure a granny flat, it's simply a 'studio'.

Holiday rental unit or Air BNB unit.

Property owners with larger blocks who like the idea of some extra income, sometimes consider placing a separate accommodation unit away from the main house that they can rent out short-term on Air BNB or through some other holiday rental service. This can also be quite useful when family from interstate or overseas come to visit. So this type of secondary building is referred to as a holiday unit.

Home office.

It's no secret that many more people are now working from home. In fact remote and hybrid work has risen greatly over the past 4 years or so and is likely to become more and more popular. While it's not that difficult to set up a home office within the main dwelling, this isn't always convenient if there are young children in the home that can throw a spanner in the works while you're trying to make that amazing presentation on Zoom! That's why a smaller, separate unit in the backyard that's referred to as a 'home office' is often a smart solution, and even smarter when you consider how easily it can double up as accommodation for friends & family when they come to visit.

Long-Term Rental Unit.

Another idea that seems to be taking off is the possibility of placing a separate unit in the backyard and renting it out on a permanent basis. This is different to an Air BNB because the unit is rented out over a much longer term. It allows homeowners to supplement their income and offset the increased cost of their mortgages.

Worker's accommodation.

Many property owners in regional and remote areas will often have secondary buildings, commonly known as accommodation units, on their property to provide accommodation for their farm workers as well as other uses. This is especially useful when the nearest town is a good distance away from the property – saving on all sorts of costs and risks!

We also find that some property owners are also using these accommodation units to offer farm-stay opportunities through agritourism while they're not using them for workers. This is a great way for them to add a secondary income stream in the off-season.



Caretaker's cottage.

Some property owners in rural areas will find that they simply can't keep up with the maintenance of the property themselves. So they employ a caretaker and provide a separate unit for the caretakers to live in. Often the rent of the unit is reduced in return for help in the property's upkeep. These types of secondary buildings are known as caretaker's cottages.

Dependent person's unit (DPU).

A dependent person's unit has the same purpose as the original granny flat had. It provides separate accommodation for an elderly or disabled relative who can no longer manage living in their own home. Rather than referring to this simply as a granny flat, in Victoria this is known as a dependent person's unit. It sounds better, don't you think?

Teenager's retreat.

Often when kids get to a certain age, they want more independence from their parents, for better or for worse! They also want a space that's a little more private from their siblings where they can do their own thing without being interrupted. This is referred to a teenager's retreat and can provide all the amenities for complete independence while still being close by and also keeping costs down.

Co-habitation unit or Secondary Dwelling.

As you would be aware, it can be difficult to save a deposit to buy a home while you're also paying rent. Especially with the current cost of rental accommodation. That's why many young couples are moving back home but living in the main house does pose limitations. For this reason, parents are choosing to put a secondary building in their backyard for their adult children to live in so that they can save to buy their own home. This is often known as relying on the Bank of Dad & Mum.

Games room.

Another popular use for a secondary building in the backyard is as a games room or entertainment centre. This is particularly useful when the kids are getting a bit older but not yet ready to live independently. Having a separate area for them to hang out with their friends takes the pressure off the rest of the household, keeping Mum & Dad sane for just a little bit longer!

Home gym.

Along the same lines, having a separate unit in the yard to be used as a gym is a good idea for many families. It gets all of that gym equipment out of the main house and helps to cut down on the noise that might otherwise disturb the rest of the family, allowing them to stick to their fitness regime.

Man cave or hobby den.

We're all familiar with the term 'man cave', which was usually the garage, but we shouldn't forget the female head of the family either! She might be an avid crafts person or enjoy some other creative pursuits that warrant a separate space away from the family.

A secondary building provides flexibility and adds value to your property.

Now that you know that a secondary building is so much more and should be referred to with a term that reflects its purpose, understand also that this purpose can be totally flexible and change with time. For example, if your initial intention was to use the unit as a teenager's retreat, you can convert it to a rental unit when your teenager finally flies the coop.

But bear in mind that the purpose of the unit often determines the size of the unit, the type of construction, the final price and also what type of approvals you might need from your local council.

It's also important to note that adding an art studio, home gym, home office or teenager's retreat as a separate dwelling can add value to your property. Because a separate unit offers so much versatility, it's definitely a welcome addition that will draw greater interest when you decide it's time to sell.



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