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Q+A: Nostra Homes' Anthony Caruana on going from a $10,000 deposit to 450 homes a year

Caruana has turned firm into major townhouse builder across Melbourne

Anthony Caruana built his first home 20 years ago after scraping together a $10,000 deposit from the money he earned working part-time at Hungry Jack's, making pizza and packing boxes on factory floors.

Just 19 at the time, and while completing an apprenticeship as a fitter and turner, Caruana worked in the evening till 1am and did 16-hour days at the weekend to complete his maiden project.

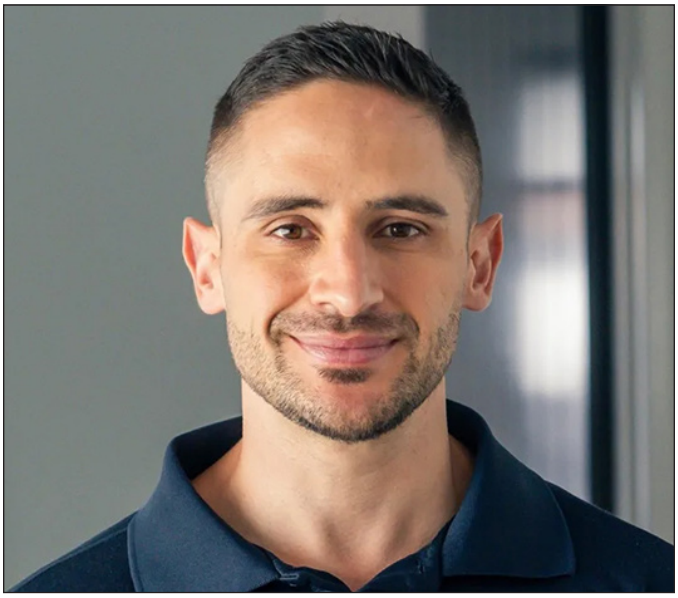
"There was no YouTube, so I taught myself by asking questions at Home Hardware and of anyone who'd listen," he recalls. "I learnt decking, eaves, insulation, sarking, levelling walls, laying solid floorboards, and painting the house with a friend. I made plenty of mistakes, but I can say I've physically done most parts of building a house from start to finish."

The hands-on experience proved invaluable and laid the foundations for the establishment of Nostra Homes, which delivered more than 400 homes in the last financial year. A big part of that growth has been a decision to shift away from freestanding homes to townhouses.

"When we started Nostra Homes almost 20 years ago, the housing market looked very different. What people can afford, where they want to live and the types of homes they're considering have all evolved," Caruana says. "We saw an opportunity to create homes that gave people the space and quality they wanted while making better use of increasingly valuable land."

Medium-density products now make up around 90% of Nostra projects. Despite a challenging Victorian housing market, the business is targeting 450 home starts in FY27 and plans to maintain annual volumes of between 400 and 500 homes in the following years.

As the business turns 20, Caruana spoke to Green Street News about Nostra's focus on medium density, the opportunities and challenges that lie ahead and the secrets to success as a family-owned builder.



Anthony Caruana

What drove the move into medium-density housing?

My first lot was a 512 sq m block in Caroline Springs [in Melbourne's west]. When I sold it, I wanted to buy two more lots but couldn't afford to. At the time, Caroline Springs was releasing smaller lots near its planned town centre, and most of the larger builders had no appetite to design homes to suit them.

Given my financial limits, and wanting to learn and challenge myself, I designed product specifically for those smaller lots. After completing about 20 builds, I approached developers to ask if they'd subdivide lots for me in their estates. I was lucky to have finished product on the ground to show them.

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Where is the townhouse market heading, given affordability challenges?

I expect demand to keep rising year on year, driven by affordability. A townhouse is still a house, and many Nostra designs have multiple bathrooms, multiple living spaces and a rear yard.

Some of our customers consider only houses within the established market, and they're surprised by how much space is offered once they visit one of our display homes. They comment on how much natural light, space and privacy our townhomes offer, and on top of that they're brand new with a 25-year structural guarantee.

How have you grown in a tough market, and why are you bullish about 2027?

We treat our staff as importantly as our customers, and we partner with trusted brands that share our value of putting the customer first, every time. We're delivering 450 homes this financial year, and we're very mindful that we don't take on more than we can manage. And we never compromise on quality.

What does it take operationally to scale medium-density delivery?

A lot of hard work and focus on delivering on our customer promise for every customer. That means paying every trade and supplier on time, every time, always pushing the boundaries on quality and design, and treating customers as if they were our own family.

Is Nostra using or exploring prefabrication?

We recently moved to prefabricated wall frames and will keep exploring further options where it makes sense to. Because of our long-standing local trade base, we haven't needed to go further yet, but innovation is always front of mind.

What are the key lessons from 20 years in residential construction?

Consistent quality comes first: delivering a reliable product and correcting problems when they occur. Over time, customer trust and reputation become increasingly valuable, as referrals, repeat clients and strong relationships build up. Adaptability matters too, because you have to keep adjusting to changing markets, customer expectations, regulations, technology and economic cycles.

People and culture are just as important: attracting employees who share the same values, retaining experienced staff and creating accountability. The same goes for long-term supplier and partner relationships, where treating stakeholders fairly means they continue supporting the business.

Continuous improvement is another one, learning from mistakes and steadily improving designs and construction methods, along with resilient leadership. And on quality, consistent standards, supervision and inspections deliver better outcomes than fixing defects at handover.

What has driven the growth of the business?

Relationships drive our pipeline. Strong partnerships with developers create opportunities and provide a continuing pipeline of work from sales through to construction and handover. Customer and market needs shape our approach, so we align our homes and delivery model with the needs of customers and development partners, balancing quality, affordability and liveability.

Shared standards strengthen our partnerships, and our customer service charter guides how we work with developers, trades and suppliers, setting clear expectations and supporting mutual growth.

Financial discipline supports sustainable growth: careful management of costs, cash flow and projects helps us deliver reliably and grow responsibly. And continuous improvement strengthens our performance, as we use feedback and lessons to improve our designs, processes, delivery and service.