

So What Will My Building Cost?



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A universal question in nearly every church building project is, "What is the cost per square foot?" This seems like a simple straightforward question, but the fact is, there is no simple straightforward answer. Speak to any architect, contractor or design/builder and he will have a different understanding of what is included in the square foot costs of a project. For instance, in many cases, a contractor will not include such items as sound systems, furnishings, utility hookup, site work etc. as part of construction costs. Likewise, seldom are architectural fees considered in the square foot costs of a building project and yet all of the items mentioned above are necessary for the completion of a successful project.

The real problem for church leadership is understanding exactly what the total project is going to cost. It does a church no good to budget for a million dollar project and then find out at the last minute that there is an additional half a million dollars needed for "soft costs" that hadn't been considered. The sad truth is, this is exactly what happens to countless churches. So what are the real costs in a building project? It really does depend on what you want included, but it's usually safe to figure on the following:

- Construction costs will usually account for 70 to 80 percent of the total project costs.
- Architectural and engineering fees will likely cost 7 to 12 percent of the construction costs.
- Construction loan costs will likely run 2 to 5 percent of construction cost.
- Furnishings usually cost 5 to 10 percent of construction cost.
- Landscaping will cost 3 to 5 percent of the construction cost.
- Construction contingencies are usually 5 to 10 percent of the construction cost.
- Parking can cost \$750 to \$1000 per paved parking space.

A few other things to be considered as additional costs include utility connection fees, permitting costs, closing costs of the loan, etc. While this is not a comprehensive list, it gives you some idea of how complex something as simple as square foot costs really are.