

Budget Fun: Seeing Renovation Numbers Clearly

Who are we kidding? Maybe budgets are fun for accountants but the fact of the matter is when you google “who likes budgets?” every article that generates is tips for people who hate budgets or articles on why people hate them. Ever walk into Target to buy one thing and leave with a cart full of stuff? Never?! Then you should write a book about self-discipline. If yes, then you belong in the ‘normal shopper person’ majority and our resources are just for you.

Money is easy to spend. And as you dream about your project, it’s all too easy to overspend or ignore cost. This can lead to stress, regret, and sometimes unfinished projects. We believe building your dream project is possible for everyone. Establishing your budget early on is key. It helps you spend your money wisely. Splurging on things you can’t live without works as your designer helps you figure out how to save money elsewhere. Sometimes knowing what you want is the easy part. The tougher question is figuring out how much you can afford. Ask Karr Bick experts your questions and use our resources.

Follow this plan to arrive at answers:

01. Consider Your Motivation

Trying to fix things up for the purpose of reselling? Then think about return on investment. Or are you hoping to live in your home with your family and have things fitted just for your taste? If so, you don’t have to worry about your return on investment as much, rather focus on what you are comfortable spending.

02. Budget Preparation

There’s a large range in terms of itemized cost with remodels. A kitchen faucet, for example, can range from \$20 to \$3,000. Backsplash tiles might run from \$7 to \$900 per square foot -- yes, can you believe we just said nine hundred

bucks? Think in terms of two categories.

There’s a good percentage that you have to set

BUDGET PERCENTAGES

Labor/Installation: 35%-50%

Cabinets: 30%-40%

Countertops: 05%-10%

Appliances: 10%-20%

Other: 10%

Plumbing, Hardware, Lighting



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aside for 'bricks and mortar,' in addition to 'pretty things.'

Bricks and mortar spending includes a general contractor, time in man power labor, electrical, plumbing, etc. The bricks and mortar can eat up a budget quickly. Think 2 x 4s, wiring, nails getting into the nuts and bolts (hahaha...nuts & bolts. That's funny). If your floor plan will change or the designer extensively moves things around then this might be costly.

Pretty things in your design that you will spend \$ on include cabinets, appliances, countertops, backsplashes, etc. In spaces that don't have as many materials your budget can be less. For instance, if you are doing a bedroom, laundry room or mud room, it will be less expensive because there is less material needed for those spaces and can sometimes amount to simply flooring materials and paint. New construction will be much more expensive because of all the labor and materials needed.

03. Ballpark the Costs

First, get a handle on how much your remodeling dreams could cost. In general, major upgrades, such as a bathroom or kitchen remodel should cost about 10% to 20% of the resale value of your home. Then what? We've provided guidance on what percentage of the total budget (on average) certain elements eat up in a typical kitchen project. These are just guidelines and are different for every project based on your specific existing conditions and your priorities.

♦ **Labor/Installation: 35% - 50%**

** Installation: demolition & disposal of the old kitchen to new floors, wall & windows to the labor for installing everything. If you are extensively working on a kitchen/bathroom try to save roughly half your budget for*



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construction and the other half for materials & design.*

♦ **Cabinets: 30% -40%**

* Numbers: Expect the cabinets to cost about \$15,000 on a \$50,000 kitchen project, \$30,000 on a \$100,000 project, and \$45,000 on a \$150,000 project.*

♦ **Countertops: 5%-10%**

♦ **Appliances: 10% - 20%**

♦ **Other: Plumbing, Hardware, Lighting, etc: 10%**

04. Get Design & Quote

Let us help you determine what the actual cost will be by designing the space, selecting the materials and getting you quotes. Your project description and specific product lists helps the contractor know exactly what he or she will be installing so there will be no guesstimates in your pricing. Aside from things we can't see inside the walls or things you might add along the way, your quote should be within range of your final expenditures.

To help you, we analyzed our numbers. In

2015 we found our clients spent:

Cost range of Karr Bick remodel products: \$15,000 - \$160,000

Cost range of Karr Bick remodel installation: \$15,000 - \$117,000

05. Set Priorities and Trim the Project to Fit Your Budget

This is where the Karr Bick team can help! We will work with you until we find a design and selection of materials that best fit your needs.

Bonus Budgeting Tip: Cook more 😊

