

HOW MUCH WILL IT COST TO BUILD?

Contractors, not architects, actually place real world prices on projects, but architects generally develop “wild guess” estimates in order to get the design in the right general ballpark. And then there's a back and forth to arrive at a construction cost that works for the client. Generally what would be construed as “Project Cost” is more than likely made up of two primary categories.

- HARD COSTS:
 - Construction Cost (What it costs to build the building itself.)
 - Sitework Cost (what it costs to prepare your particular site for the building, including access for people and cars, utilities, sewer or septic, landscaping)

- SOFT COSTS:
 - Design and Consultants' Fees and Reimbursable Expenses, and
 - Permit Fees.
 - Insurance etc.

Before getting into ball park “Hard Cost's” lets layout a few assumptions:

To the best of our knowledge, these estimated prices reflect conditions in San Diego as of February 2018

- For a new ground up building - the site is relatively level and soils are suitable for building loads & seismic stability. For a renovation, the existing foundation is in good shape and structurally sound. Total square footage is between 1,800 and 8,200 S/F, including the square footage of an unfinished basement and garage. Cost per square foot generally is higher on smaller projects and lower on larger projects because of the fact that regardless of size the contractor needs to mobilize and coordinate the building site.
- You hire an excellent, reliable, licensed and bonded contractor who maintains adequate insurance, pays his/her (legal) workers decent wages and safely and professionally executes his/her contract.
- You start construction eight months to a year from now. If the project gets put off for over a year it's safe to assume a 3-5% cost increase for inflation for both hard and soft costs)

FOLLOWING NUMBERS DO NOT INCLUDE DESIGN OR PERMIT FEES.

- MIXED USE & COMMERCIAL BUILDINGS – These projects can vary considerably. Generally you can expect about \$300 per square foot plus sitework for the residential portion, \$300-\$450/ SF for typical commercial space. This would cover a small to mid-sized development. Larger projects experience an “economy of scale” benefit allowing for the costs per square foot to be reduced. \$300/ SF is the lowest metric we would use for any new conditioned space in San Diego.
- ADAPTIVE REUSE/ URBAN INFILL – Dependent on existing structural, seismic & egress provisions of the project and how “raw” the final finish will be we typically forecast 15-25%+ more than a new construction project. \$375/ SF and up. We HIGHLY recommend you conduct an interior and exterior 3D point cloud survey when considering utilizing or modifying any existing structures.
- TENANT IMPROVEMENT:
 - a. Minor Remodel: \$15-\$25/ SF (≤ 50% GLA)
 - b. Major Remodel: \$35-\$50/ SF (≥ 50% GLA)
 - c. New construction on warm shell space (restrooms & lobbies already in place) \$50-\$65/ SF
 - d. New construction on a cold shell space (restrooms & lobbies not in place) \$65-\$80/ SF

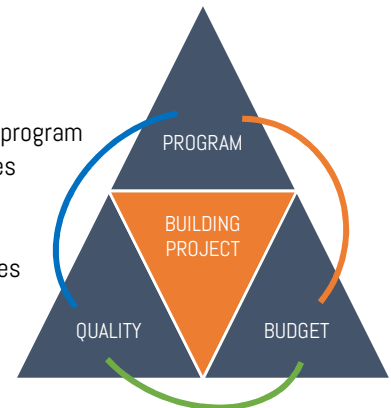
HOW HARD COSTS CAN BE REDUCED:

- ✓ Less program = less square footage (typically the largest reducer of cost)
- ✓ Fewer bump-outs and corners in the foundations
- ✓ Limiting building materials & material transitions
- ✓ Simplified design
- ✓ Clustering & stacking restroom & wet utility spaces.
- ✓ Less experienced contractor*
- ✓ Consider constructing multiple projects simultaneously as sharing walls and amenities can have significant reductions in cost because there will be more properties to share the cost.

*One thing to keep in mind, less experienced contractors may make more mistakes, some (not all) can be costly mistakes; please take this into consideration. We can help you qualify and setup interview times with potential contractors to be sure they fit with your expectation and project goals.

THE PROGRAM, QUALITY AND BUDGET TRIFECTA

- PROGRAM
This is the list of spaces and functions you want to include in your project. The program typically also includes intentions or styles of the various spaces, and sometimes detailed requirements for the functionality.
- QUALITY
Includes both the level of fit and finish and the kinds of materials and assemblies in the work. This can be paint
- BUDGET
Self-explanatory



As the owner, you can pick any two of these three things to be fixed. The third must remain a variable that the architect or contractor "controls." These are listed as follows:

- If you have a fixed budget and a fixed program, you have to allow the quality to be the variable.
- If you have a fixed budget and a fixed level of quality, you have to let the program be the variable.
- If you have a fixed program and fixed level of quality, the budget has to be variable.

The beginning of every project starts by the owner choosing how they will prioritize and balance these areas. Giving up limited quality and a little program most clients choose to proceed. There are limits to how much each of the three main components can affect the mix. "Program" can only be reduced so much—chances are you'll still need to retain most of the normal components of a building—someplace to work, live, entertain, eat, etc.

If someone says they can design and build a project in San Diego for less than shown here, we encourage you to do some serious research, and find out what you're giving up in the "program" or "quality" departments.

SOFT COSTS

Soft costs include permit fees, insurance, architectural, engineering & project specific consulting fees. These fees can range greatly depending on the specialized scope. Feel free to contact us to discuss your project in more detail to get a better understanding: info@naluarchitecture.com | (858) 381-0141

We encourage all of our clients or people interested in possibly starting a project to take our [Pre-Design Questionnaire](#)