

This information has been made available for your use by Paul Spite of Maffett-Bouton and Associates, One South Jefferson Ave., Suite One, Cookeville, TN, 38501, (931) 526-7920 or (931) 261-3269. Additional information can be obtained by contacting Mr. Spite at Maffett-Bouton & Associates or by e-mail at [paul@maffett-bouton.com](mailto:paul@maffett-bouton.com) or [afd1@frontiernet.net](mailto:afd1@frontiernet.net)

## REALISTIC BUDGETING

It is easy, when we hear about another church getting a building erected for \$40 per square foot, to set budgets based on such numbers. We assume we can divide our budgets by such a cost to determine how large of a facility we can afford to build. Realistically, all of the following costs must be absorbed by the budget and the building cost is only one line item. The following checklist can be used to estimate what the total cost of a project might become. Any items not relevant to a specific project can simply be discarded.

### Land Costs

- Raw cost of the land
- Realty fees
- Surveys, both boundary and topographical
- Environmental impact assessment if required
- Soil testing for septic and / or structural capacity
- Variance / rezoning hearings / document preparation / legal ads
- Site engineering / cost of platting if applicable
- Possible traffic control outside of site such as lights or passing blisters
- Street pavement
- Curbs and gutters
- Drives and parking paving
- Clearing / grubbing / erosion control
- Storm water drainage / retention / detention
- Sanitary sewer / septic system on site
- Potable water on site / private well
- Cost to bring gas, power, cable, and telephone on site
- Irrigation systems
- Excavation and grading
- Sidewalks
- Landscaping / erosion control/ screening / fencing
- Recreation facilities
- Site lighting and signage
- Cost of necessary easements over adjacent land
- Any demolition or relocation of existing structures or improvements
- Utility connection and inspection fees
- Dumpster use / site clean up

### Financing Costs

- Points for making the loan
- Credit analysis
- Paperwork preparation fee
- Appraisal fee
- Mortgage preparation fee
- Filing fee
- Mortgage insurance
- Other miscellaneous costs

## **Building Costs**

- Attorney and / or accountant fees if used
- Architectural fees
- Structural / mechanical engineering fees if used
- State design release application fees
- Local permit fees
- Inspection fees
- Cost of obtaining bids, copies of prints, mailing, etc.
- General conditions: job site office, telephone, copies, generators, toilets, etc.
- Temporary utilities on site / cost of use during construction period
- Contractors liability insurance
- Owners builders risk insurance
- Any performance or surety bonds required by owner or municipality
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- Contractors overhead and profit or management fee
- Any demolition / site preparation for building pad
- Temporary security / storage of materials / site safety precautions
- Preparation of staging area / construction drive or entry
- Actual cost of building itself
- Cost of protection from winter / wet weather
- Interest on construction loan during construction period, including possible delays
- Testing fees during construction to insure quality
- Building cleanup
- Required changes to existing to tie into new construction, dust protection, etc.

## **Other Costs:**

- Furnishings
- Sound system if not in project already
- Labor to relocate
- Interim rental of space between sale of existing and completion of new
- Food for volunteers
- Liability insurance if volunteers are used