

How can I keep my home construction project within budget?

Now that you are getting serious about building your custom home or doing the remodeling project that you have pondered for years, you are asking yourself the question, “How do I make sure this project does not go over budget?”

Staying on budget requires three things: planning, discipline, and investigation. You should start planning for your project’s budget even before the plans are drawn. The amount should be determined by how much you want to spend, how much you can afford to spend, and even how much would be a good investment. Once this number is in your mind, meet jointly with your designer/architect and builder, telling them what you would like to do and what your budget needs to be. They can then work together to create rough plans/sketches that will match your expectations. The budget should be line-item and list all aspects of the project in detail—definitely *not* a bottom-line number.

Now that the plans and budget are established and the project has started, you need to be disciplined to stick to it. While you may be tempted, you cannot select tile, cabinetry, or carpet that is outside your allowance. Stand firm. If you spend less than expected on one item, then save that money and come in under budget.

Lastly, it is important that you do some investigation and check the references of your builder and architect. Ask past clients if their projects came in on budget. If they went over, find out why. For example, did lumber increase in price, or did the lumber just cost more than the builder budgeted? All builders have a track record on whether they stay in budget—make sure you know your builder’s.

W. Hugh Nelson is a general contractor and owner of W. Hugh Nelson Builders. He builds in the Green Hills, Brentwood, and Belle Meade areas. For more information about custom home building in Middle Tennessee, call him at (615) 500-3377, e-mail him at hughnelson@whughnelsonbuilders.com, or visit www.whughnelsonbuilders.com.