

Cost Report

Brooklyn, Gut Renovation

The following report uses a proprietary algorithm and educated guesses from your Bolster Professionals to quickly arrive at a statistically accurate estimate of your project's cost and financial implications in an effort to help you make informed decisions about its design, scope and quality. It is exclusively intended for informational purposes and is not to be mistaken for an estimate of costs or a bid.

Property value

\$1,200,000

Potential appreciation

(\$36,000)

Property size (SF)

3000

Property type

BK 1-3 Family

Project type

Gut Renovation

Area being renovated

40%



TALK TO YOUR SPECIALIST

	Current Budget	Forecasted Min	Forecasted Max
	\$250,000	\$222,652	\$280,760
Design Fees	\$37,574	\$33,464	\$46,160
Compliance Fees	\$9,474	\$8,438	\$10,600
Rough Construction & Labor Costs	\$101,476	\$90,375	\$112,000
Fixtures, Finishes & Appliances Allowance	\$20,295	\$18,075	\$22,400
Project Management & Mandatory Insurances	\$30,443	\$27,113	\$33,600
Contractor Overhead & Profit	\$50,738	\$45,188	\$56,000
Project Sub Total (PPSF)	\$83	\$74	\$94

	Typical Contractor	Bolster Contractor	Financial Guarantee
Project Financial Risk	\$174,647	\$21,122	\$0
	Current Budget	Forecasted Min	Forecasted Max
Bolster Financial Guarantee (optional)	\$10,148	\$9,038	\$11,200
Total Project With Financial Guarantee	\$260,148	\$231,689	\$291,960

	Current Budget	Forecasted Min	Forecasted Max
Property Appreciation	(\$36,000)	(\$36,000)	(\$36,000)
Out of Pocket Project Cost	\$286,000	\$258,652	\$316,760
Out of Pocket Project Cost (with Financial Guarantee)	\$296,148	\$267,689	\$327,960

Interpreting your Cost Report

Controlling your project costs. To control your Design Fees, reduce your scope of work and limit the amount of design revisions. To control your Compliance Fees, reduce your scope of work. To control your Rough Construction & Labor Costs, limit the moving of waste and supply lines. To control your Fixtures, Finishes & Appliances Allowance, reduce the quality of your selections. To control your Project Management & Mandatory Insurances costs and Contractor Overhead & Profit costs, reduce the quality of your Fixtures, Finishes & Appliances selections and reduce your scope of work.

Financial Risk. Although it is normal to expect a 10% cost overrun on your renovation, it turns out that on approximately half of all traditional renovation projects, cost overruns are between 40% and 200%. Also every year, 17.2% of contractors in New York go out of business taking 77,245 projects and \$700M of homeowner's money with them. That's why we developed an algorithm to show how these financial exposures are reduced, and potentially eliminated, when you renovate with Bolster. If you choose to hire a Bolster Contractor following the Bolster Process (rather than hiring a traditional general contractor following the traditional approach to renovation) AND purchase Bolster's Financial Guarantee, your exposure to cost overruns and contractor failure issues will be \$0.

Property Appreciation. Using publicly available data from accredited real estate consulting companies in Manhattan can give you an estimate of how much your property may appreciate in value for the duration of your living there. The "Potential Property Appreciation" figure shown here does not take into account your renovation project's potential to increase or decrease your property's value and you are advised to seek the professional advice of a licensed real estate broker in Manhattan.