NEW HOME
CONSTRUCTION COST INDICATOR

2026 EDITION

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Caribbean Style Home, Mont Albert, VIC

PREPARED BY

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Establishing the likely cost of a new home can be a difficult process and many people underestimate how much it might cost to translate their ideas into reality.

CKA Group has designed hundreds of homes in Australia, United States, China, India, UAE and other countries. These have varied from modest villas up to substantial palaces with correspondingly varying price tags.

Most people have an idea of what they think a house should cost to build on a square metre basis, or even per square (one square being 100 square feet or approximately 10 square metres). However, the rate can vary dramatically depending on the site conditions, standard of finishes, size of the house and many other factors. Homes we have designed have varied from $1,800 to $10,000 per square metre.

What we do know is that we can provide stunning magazine-quality, award-winning homes to suit almost any budget and brief. We can help you achieve that too.

This guide aims to provide some clarity on what your house might cost by breaking down its components into manageable items.

Note
Construction costs have fluctuated significantly over the past 12 months.
Government expenditure on major infrastructure projects has placed sustained upward pressure on both material supply and trade availability. This was further exacerbated by supply chain disruptions and fuel shortages linked to the Middle East war, with costs of key materials such as concrete, steel and plastics increasing by 30%.
However, these same pressures contributed to a slowdown in the building development sector. As demand softened and fuel prices began to stabilise, material costs have eased and the availability of builders and trades has improved. As a result, construction prices have largely stabilised and are now only slightly higher than they were 12 months ago. Looking ahead, the outlook remains uncertain. Ongoing impacts from the Middle East war may continue to place upward pressure on costs, while potential government changes to capital gains tax and negative gearing may have a downward effect. The combined result of these factors is difficult to assess.

For some context, we have calculated the approximate finished square metre costs of some of our recent projects. We have updated these to current prices. You can find more details about them on our website at **www.ckagroup.com.au**.

Ringwood House $2,300 /m²

Mornington House $2,450 /m²

Nunawading House $2,650 /m²

Lum Road House $4,850 /m²

Electric Tree House $5,500 /m²

Approximate new home costs can be calculated using the following estimating process:

STAGE 01	Calculate the structural cost of new construction (the shell)
STAGE 02	Calculate the fitout cost of kitchen, bathrooms, and laundries and add these to the structural cost
STAGE 03	Calculate the cost of decks, verandas, garages etc
STAGE 04	Calculate the cost of professional fees, permits, authorities charges, connection fees and add GST

STRUCTURAL (SHELL) COST

Standard Construction	
Typical timber or metal frame, brick veneer, weatherboard, rendered sheet finishes, carpet, floating timber or tile floor, 2.7m ceiling	
Under 200 m²	$1,750 - 2,000 /m²
Over 200 m²	$1,500 - 1,870 /m²
Quality Construction	
Brick block, Hebel or similar construction, rendered finishes, carpet, floating timbers or tile floor, 3m ceiling, some external decorative finishes	
Under 300 m²	$2,100 - 2,500 /m²
Over 300 m²	$1,860 - 2,240 /m²
Luxury Construction	
Brick block, Hebel or similar construction, rendered finishes, quality carpet, tiles or solid timber flooring, 3 - 4 m ceilings, decorative features to windows, doors, eaves etc, basement garage	
Under 300 m²	$3,100 - 3,780 /m²
Over 300 m²	$2,870 - 3,550 /m²

FITOUT COST

Kitchen	
Standard Kitchen	$14,360 - 19,760
Quality Kitchen	$22,200 - 35,600
Luxury Kitchen	$32,690 - 50,900
Bathroom	
Standard Bathroom	$13,360 - 22,810
Quality Bathroom	$20,640 - 32,150
Luxury Bathroom	$32,000 - 50,360
Ensuite	
Standard Ensuite	$8,490 - 13,090
Quality Ensuite	$15,020 - 21,200
Luxury Ensuite	$22,540 - 34,090
Laundry	
Standard - Luxury	$6,000 - 22,680
Powder Room	
Standard - Luxury	$6,550 - 21,530

GARAGES, CARPORTS & DECKS

On a relatively flat site with good soil, add the following percentage allowance for external works and services to cover fencing, paths, driveways, landscaping, drainage and water supply, electrical and gas connections.

External Works & Services	
Project up to $500K	Add 10% - 15%
Project from $500K - 1.5m	Add 8% - 12%
Project over $1.5m	Add 6% - 8%

Adjustments may need to be made to the above percentages depending on site conditions such as soil condition, slope of site and accessibility to the work site. We can help estimate these costs.

GST & PROFESSIONAL FEES

You will need to add 10% GST to your estimate. You may be able to claim some of this back, depending on your personal taxation structure and the nature of your new home. Your accountant or taxation consultant can advise you of this.

You will also need to make an allowance for architects, structural engineers and possibly other design consultants' fees. New building works require planning and building permits, as well as council approvals, and in some cases, zoning approval. Speak with your Council, as they should be able to provide you with estimates of costs, as well as expected approval time frames. These would typically be a total of 10% to 15% of the construction cost, and generally need to be paid in the early stages of the project.

TOTAL COST STRUCTURE

The approximate cost structure of new construction and renovations is as follows:

- Materials 40%
- Labour 30%
- GST, taxes, fees, permits 20%
- Builder's profit margin 10%

OWNER BUILDERS

For people considering being owner builders, savings can be made in labour costs and builders' profit margin, although plumbing and electrical work must be carried out by a licensed contractor.

Owner builders may not obtain the same trade discounts as builders so a premium of 5% to 10% on materials may apply.

Owner builders must be registered and will need to pay Homeowners Warranty Insurance. CKA Group can assist through this process.

Thank you for taking the time to read our New Home Construction Cost Indicator. If you have any questions or would like to find out how we can transform your dream home into reality, reach out to us today.

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