



## PRACTICAL GUIDE

# Renovation Budget Reality Check

Square-metre rates for kitchen, bathroom, extension and structural work in Melbourne, to sanity-check the agent's spruik.

## Realistic Melbourne ranges (2025)

- Kitchen: \$25k entry, \$60k to \$90k mid, \$150k+ premium.
- Bathroom: \$20k to \$40k typical.
- Single-storey rear extension: \$4,500 to \$7,000 per sqm.
- Second storey addition: \$5,500 to \$9,000 per sqm.

## Hidden cost categories

- Architect/draftsperson: 6% to 12% of construction value.
- Building permit and surveyor: \$3k to \$8k.
- Town planning permit if applicable: \$5k to \$20k.
- Engineer and energy report: \$2k to \$5k.

## Contingency

- Allow 10% to 15% contingency on every renovation budget.
- On heritage homes or pre-1960 construction, allow 20%.
- Asbestos, rotten stumps, hidden services routinely add costs.

## Sequencing

- Design and approvals: 3 to 9 months.
- Builder tender and selection: 1 to 2 months.
- Construction: 4 to 18 months depending on scope.
- Defect liability period: 12 months post-completion.

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