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House extension cost Sydney 2024

Does your family need additional space because you just welcomed a new bundle of joy? Or maybe you require a home office or want to move some relatives into your home. The reasons for needing a bigger house are versatile.

Bottom line is that you are at the point where you need a bigger space. So, what do you do? There are two avenues you can take, either move into a bigger house or extend your existing home so it meets your family's requirements.

Advantages of a house extension

If your current location is close to both your work and the kids' school while you like the vibe of your street and neighbourhood, extending your current place is a great option. This can be done in two ways, either you

- extend the footprint outwards into the backyard ('going out') or
- add a second storey on top of your existing home ('going up').

But the question is, how much will it cost to add more space to your existing home? Here, I share my experience and breakdown of the cost of a house extension in Sydney. This guide gives you a comprehensive and realistic picture of what to budget for.

Overview house extension cost*

Have a look at the table below. First you need to distinguish whether you wish to go up or out, then measure the area of the extension and multiply with the price per square metre. If the addition includes a new kitchen or new bathroom, you need to add those costs on top.

	Price per m²	Add for kitchen	Add for each bathroom
Ground floor extension	\$2,300 - \$2,800	\$45,000 - \$75,000	\$30,000 - \$45,000
First floor addition	\$3,500 - \$3,700	\$45,000 - \$75,000	\$30,000 - \$45,000

^{*}This information is to be used as a guide only. The prices apply to Sydney NSW. All costs include GST.

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Ground floor extension

For a brick veneer ground floor extension, you should allow for \$2,300 to \$2,800 per square metre. This includes quality finishes but is not high-end. So, what decides if you are on the lower or higher end of this range? It depends on the:

- foundation required
- size of extension (the smaller, the higher the cost per m²)
- site access to your block and whether it is sloping or flat
- building materials used

House addition going up

Not everyone has a big enough backyard to push out horizontally. If this is the case, you can consider building another storey on top of your existing property. Be aware that not only the walls of your building will be climbing up, but the expenses do so, too. You need to allow for \$3,500 to \$3,700 per square metre. Here are a few reasons why the vertical expansion is usually more expensive:

- You lose your roof and need to build a new one
- The existing ground floor walls may need reinforcement to carry the weight of the second storey
- You need a staircase

Add cost for new kitchen

Irrespective of whether you are going up or out, adding a new kitchen to the equation increases the costs of your undertaking. For a standard, good-quality kitchen, you will need to allow \$45,000 to \$75,000 for cabinetry and benchtop alone. Not included in this amount are your selections of appliances, including your oven, cooktop, dishwasher, fridge and so on. But as always, when it comes to renovating or building, the sky is the limit. Nowadays, it is easy to spend over \$100,000 on a kitchen with luxurious finishes.

Each bathroom increases expenses

Another space that is tough on the budget is the bathroom, for which you need to allow \$30,000 to \$45,000 each. The biggest part of this is labour; think about tiling, waterproofing, plumbing and electrical work, whereas not even a third pays for the materials used, such as tiles, vanity, shower screen, bathtub, etc. This means that saving on these finishes does not have a huge impact on the overall bathroom expenses, unfortunately.

Bottom-line examples

All in all, what do you need to put aside for a ground floor extension measuring 120m^{2,} including a new bathroom and kitchen? Based on the table above, you need to allow between \$351,000 to \$456,000 to get it all done.

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When adding another storey on top with an area of 120m², including an ensuite for you and a bathroom for the kids, it would come up with \$480,000 to \$534,000 when it's all finished, and you can move in.

Work included in the figures

Whether you decide to expand vertically or horizontally, the figures above include:

- demolition
- excavation
- building materials such as timber frames, bricks and roof
- windows
- doors internal and exterior
- flooring
- insulation
- plumbing
- electrical services

Quality builder

It is assumed that the work is carried out and managed by a quality builder. They will be a member of either The Housing Industry Association (HIA) or the Master Builders Association (MBA). Both industry bodies require proof of industry skills and knowledge while also offering workshops for continuous professional development. To be a member of one of these associations can be regarded as an endorsement for the builder.

Homeowners insurance

Also included is the premium for The Home Building Compensation Fund (HBCF), which is often called homeowner's warranty. This provides a safety net for you in case your licensed builder or contractor goes into insolvency, disappears or dies. The premium alone can be between \$3,000 and \$6,000 for a simple ground-floor home extension.

Fees for design, planning and building permit

You might wish to add fees for design, planning and the building permit:

- building designer or architect for planning your new space
- surveyor for surveying your block of land and property
- engineer for structural assessment and compliance
- council or private certifier for building permit DA or CDC
- interior designer for impeccable looks, flow and functionality

As a rule of thumb for all those services combined, you wish to allow for \$40,000 to \$80,000 for your home extension project.

To wrap it up, it is necessary to have a contingency of 10 to 20% of the construction cost, as unwanted surprises can pop up when getting into the structure of an existing building. Make sure you are prepared for some unforeseen expenses that may arise during the construction process.

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Return on investment

If nothing else, this article has shown you that housing does not come cheap in Sydney, not that you were in doubt anyway. But with property prices being among the highest in the world, the return on investment might multiply in the years to come. This is particularly true when the new building part is well-planned and executed with quality craftsmanship.

But before going down the path of considering the resale of your property, you need to enjoy your recently extended family haven first. Sit back, relax and watch your family being happy in the bigger space. And on this, you can't put a figure on, can you?

If you need help with getting your home renovation or extension started, feel free to contact Martina Hayes at martina@martinahayes.com.au or on 0434 498 450 for an initial chat free of charge. Using her 10+ years of experience as an interior designer and building designer, Martina can point you in the right direction on the next steps to undertake.

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