

Why Pricing a Home by the Square Foot is a Flawed Method

One of the most frequent questions that we receive as a custom home builder is “how much does a [insert square footage] new home cost?” Unfortunately, this question is extremely challenging to answer. To use an automotive analogy, consider that the average Toyota Camry and Porsche 911 both weigh about 3,500 pounds. Yet, about the only thing that these two vehicles have in common is four wheels. Pricing a house “per square foot” is like trying to price a vehicle by the pound.



Square footage seldom reflects the full picture

Square footage only tells you the size of a home's climate-controlled spaces, it doesn't account for the quality, premium

finishes, design complexities, or challenges associated with the building site.

For example, a home with granite countertops and custom cabinetry will obviously cost more than one with laminate counters and in-stock cabinets. Furthermore, adding garages, decks, and un-finished basements increases the cost of building a new home, although such areas aren't necessarily calculated in the conditioned square footage. But, if you go ahead and finish the garage or basement out, then you need to figure that in the conditioned square footage.

Energy-efficient building methods like [triple-pane windows](#), premium insulation, and [Passive House techniques](#) can save homeowners a considerable amount of energy in the long run, however, they do have a higher up-front cost.



Not all rooms are created equal

You might not have thought about this, but kitchen and bathrooms are much more expensive to build than, say, bedrooms. There's extra plumbing, fixtures, cabinetry, and tile to account for. An 1,800 square foot house with three bathrooms will be costlier to build than a nearly identical home with two bathrooms.

Location, location, location

Sometimes, factors besides the structure itself can influence pricing. Certain parts of Colorado are remote and while such locations can afford breathtaking views and a quiet, off-grid lifestyle, they also require tradespeople to travel long distances on unpaved roads. Likewise, land with considerable slope may require additional grading or foundation work, while the lack of central utilities nearby will require well, septic, and complex electricity systems installed.



Planning is key

The only way to get a truly accurate price for your custom home is to engage a builder that believes in detailed planning and analysis. Old Country Construction in Westcliffe, Colorado will take the time to carefully evaluate every aspect of your build, from materials and labor to site preparation and permits. By working through these details together, we provide you with a comprehensive price that ensures there are no surprises down the road.

All that said, some potential clients still want at least a ballpark figure of what their dream home might cost before investing time in planning. We get it. At Old Country Construction the majority of our custom homes in south-central Colorado typically cost between \$300 and \$500 per square foot. However, to close with another automotive analogy, your mileage may vary.

For your free pricing consultation, [contact us today](#).