

# Planning FOR THE UNFORESEEN



BY MARK NOONAN

Grandpa always said, “Plan for the best and expect the worst” and “Budgets were made to be broken.” How he knew then that I’d grow up to work in the renovation business is beyond me – but as always, he was wise and practical, and delivered a good dose of on-the-ground experience.

So, after having spent a few decades in the home improvement field, I’ve come to realize that most homeowners forget about keeping a little budget back for unforeseen events. As a result, they often find themselves short on cash when it comes to realizing their renovation dreams.

Unforeseen events can be big things, little things and things in between. It might be that the homeowner decides on upgrades not in the original budget. Then again, maybe the contractor did miss a detail or two – something honest and unforeseen – a pipe where no pipe should be, a duct that goes nowhere. Sometimes you open a wall or peel back a floor to find things that require you to bring in other experts, like exterminators.

It’s a shame when this happens, but chances are your contractor’s estimate was reasonable and fair to him and you. So

what will it cost you to plan for the unforeseen? What kind of dollars will you need to cover yourself against Murphy’s Law?

Well, if you started out right, with a quality quote from a reputable, experienced firm, then expecting to have a 15% to 20% reserve should be enough. The details of the quote should be accurate and the renovator’s numbers completely up to snuff.

But if you cut corners with the contractor, then it is buyer beware; you get what you pay for. I know that this hurts, but a 30% to 40% contingency fund is more to the point in such cases. Pay now or pay later. So don’t get caught in this trap, do it right from the start and don’t pay less – pay for the value received.

Having a contingency fund is for your security. Used properly, your little financial reserve will ensure a smooth renovation – even with a few curves thrown in. So let’s all heed a little sound advice from our elders and approach our next renovation with a little more clarity on our cost expectations. 🌿

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