

DATE HERE
YOUR NAME HERE

RE: YOUR PROJECT

Dear

If you refer to the attached spreadsheet, you'll see that I've compared the preliminary pricing from the four contractors we've talked with. Our budget of 986,000 shows in column D. The four contractor average of 960,000 shows in column E.

Even though the numbers look reasonably good at this stage, I would caution you that the price will creep up as we complete the drawings. On the other hand, I think we can benefit by looking closely at the variation in plumbing and mechanical numbers. My summary is outlined below.

POSSIBLE SAVINGS

1. electrical wiring - shop among subs a little more
2. mech / plumbing - same as above
3. wood windows
4. appliances

POSSIBLE INCREASES

1. contractor assumptions about the trim and cabinets are too basic
2. I'll have to research the wood floor a little more. Looks like I may be a bit low.
3. again, my vision of the light fixtures is a little higher than contractor assumptions. We should use allowances for these items if we can't get specific fixtures selected by the time we begin construction.

Despite the above, I think we are safe in continuing in the direction we are headed. Any further adjustments should be made when we get the final pricing.

Steve Culbertson
Landmark Enterprises