

There is a **GLOBAL ADJUSTMENT** factor that modifies every percentage based on the number you enter. This feature allows you to truly make the schedule your own.

FEE TABLE		GLOBAL ADJUSTMENT	
0.00			
GROUP I		GROUP II	
constr cost	percent	constr cost	percent
over:		over:	
1.00	26.00	1.00	25.50
10,000.00	20.00	10,000.00	19.50
25,000.00	16.00	25,000.00	15.50
50,000.00	14.00	50,000.00	13.50
75,000.00	13.00	75,000.00	12.50

USE AT YOUR OWN RISK			
GROUP IV		GROUP V	
percent	constr cost	percent	baseline percentages
	over:		
24.50	1.00	24.00	26.00
18.50	10,000.00	18.00	20.00
14.50	25,000.00	14.00	16.00
12.50	50,000.00	12.00	14.00

2,000,000.00	7.50	2,000,000.00	7.00
2,250,000.00	7.30	2,250,000.00	6.80
2,500,000.00	7.10	2,500,000.00	6.60
2,750,000.00	7.00	2,750,000.00	6.50
3,000,000.00	6.80	3,000,000.00	6.30
4,000,000.00	6.70	4,000,000.00	6.20
5,000,000.00	6.60	5,000,000.00	6.10
7,000,000.00	6.40	7,000,000.00	5.90
9,000,000.00	6.20	9,000,000.00	5.70
11,000,000.00	6.00	11,000,000.00	5.50

5.80	2,250,000.00	5.30	7.30
5.60	2,500,000.00	5.10	7.10
5.50	2,750,000.00	5.00	7.00
5.30	3,000,000.00	4.80	6.80
5.20	4,000,000.00	4.70	6.70
5.10	5,000,000.00	4.60	6.60
4.90	7,000,000.00	4.40	6.40
4.70	9,000,000.00	4.20	6.20
4.50	11,000,000.00	4.00	6.00

THE BEAUTY OF THE FEE AS A PERCENTAGE OF CONSTRUCTION COST

One of the great features of a percentage of construction cost fee schedule is that it stays current with inflation. If you are still providing the same service as you were in 1972, then you can charge the same percent of construction cost for your fee. As the value of the cost of the construction changes, so does the amount you earn for your work. But...

HOW TODAY'S COMPLEX PROJECTS AFFECT THE FEE SCHEDULE

What if you aren't providing the same service as you were in 1972 because codes are more complex, energy savings has become a thing, and clients have noticed that not all buildings must have gray carpet, 2x4 ceilings, ivory walls and black metal doors and frames. More complexity means more work. You can do one of two things, adjust your fee schedule by an amount equivalent to the extra work required; or you can treat those new issues as additional services and charge separately for them. The latter option is a continuing headache. There's a better way - read on.

HOW AN ARCHITECTURAL FEE SCHEDULE WORKS

A fee schedule is made up of several tables, five in this case. Each table addresses a Group of building types and is adjusted up or down to suit the complexity of the buildings in that Group. The Building Groups range from completely unique to completely utilitarian:

- **GROUP I** - monumental buildings, custom homes;
- **GROUP II** - exceptional complexity, or expensive mechanical/electrical systems;
- **GROUP III** - moderate complexity, but custom;
- **GROUP IV** - conventional character, not custom;
- **GROUP V** - utilitarian character.

FEE TABLE

GLOBAL ADJUSTMENT

USE AT YOUR OWN RISK

GROUP I		GROUP II		GROUP III		GROUP IV		GROUP V		baseline percentages
constr cost	percent									
over:		over:		over:		over:		over:		
1.00	26.00	1.00	25.50	1.00	25.00	1.00	24.50	1.00	24.00	26.00
10,000.00	20.00	10,000.00	19.50	10,000.00	19.00	10,000.00	18.50	10,000.00	18.00	20.00
25,000.00	16.00	25,000.00	15.50	25,000.00	15.00	25,000.00	14.50	25,000.00	14.00	16.00
50,000.00	14.00	50,000.00	13.50	50,000.00	13.00	50,000.00	12.50	50,000.00	12.00	14.00
75,000.00	13.00	75,000.00	12.50	75,000.00	12.00	75,000.00	11.50	75,000.00	11.00	13.00
100,000.00	11.00	100,000.00	10.50	100,000.00	10.00	100,000.00	9.50	100,000.00	9.00	11.00
200,000.00	9.90	200,000.00	9.40	200,000.00	8.90	200,000.00	8.40	200,000.00	7.90	9.90
300,000.00	9.40	300,000.00	8.90	300,000.00	8.40	300,000.00	7.90	300,000.00	7.40	9.40
400,000.00	9.00	400,000.00	8.50	400,000.00	8.00	400,000.00	7.50	400,000.00	7.00	9.00
500,000.00	8.70	500,000.00	8.20	500,000.00	7.70	500,000.00	7.20	500,000.00	6.70	8.70
600,000.00	8.50	600,000.00	8.00	600,000.00	7.50	600,000.00	7.00	600,000.00	6.50	8.50
700,000.00	8.40	700,000.00	7.90	700,000.00	7.40	700,000.00	6.90	700,000.00	6.40	8.40
800,000.00	8.30	800,000.00	7.80	800,000.00	7.30	800,000.00	6.80	800,000.00	6.30	8.30
900,000.00	8.00	900,000.00	7.50	900,000.00	7.00	900,000.00	6.50	900,000.00	6.00	8.00
1,000,000.00	7.90	1,000,000.00	7.40	1,000,000.00	6.90	1,000,000.00	6.40	1,000,000.00	5.90	7.90
1,250,000.00	7.80	1,250,000.00	7.30	1,250,000.00	6.80	1,250,000.00	6.30	1,250,000.00	5.80	7.80
1,500,000.00	7.70	1,500,000.00	7.20	1,500,000.00	6.70	1,500,000.00	6.20	1,500,000.00	5.70	7.70
1,750,000.00	7.60	1,750,000.00	7.10	1,750,000.00	6.60	1,750,000.00	6.10	1,750,000.00	5.60	7.60
2,000,000.00	7.50	2,000,000.00	7.00	2,000,000.00	6.50	2,000,000.00	6.00	2,000,000.00	5.50	7.50
2,250,000.00	7.30	2,250,000.00	6.80	2,250,000.00	6.30	2,250,000.00	5.80	2,250,000.00	5.30	7.30
2,500,000.00	7.10	2,500,000.00	6.60	2,500,000.00	6.10	2,500,000.00	5.60	2,500,000.00	5.10	7.10
2,750,000.00	7.00	2,750,000.00	6.50	2,750,000.00	6.00	2,750,000.00	5.50	2,750,000.00	5.00	7.00
3,000,000.00	6.80	3,000,000.00	6.30	3,000,000.00	5.80	3,000,000.00	5.30	3,000,000.00	4.80	6.80
4,000,000.00	6.70	4,000,000.00	6.20	4,000,000.00	5.70	4,000,000.00	5.20	4,000,000.00	4.70	6.70
5,000,000.00	6.60	5,000,000.00	6.10	5,000,000.00	5.60	5,000,000.00	5.10	5,000,000.00	4.60	6.60
7,000,000.00	6.40	7,000,000.00	5.90	7,000,000.00	5.40	7,000,000.00	4.90	7,000,000.00	4.40	6.40
9,000,000.00	6.20	9,000,000.00	5.70	9,000,000.00	5.20	9,000,000.00	4.70	9,000,000.00	4.20	6.20
11,000,000.00	6.00	11,000,000.00	5.50	11,000,000.00	5.00	11,000,000.00	4.50	11,000,000.00	4.00	6.00

Within each Group's table there is also adjustment for the value of the construction cost. The percentage fee goes DOWN as the value of the project goes UP. Using an architectural fee schedule is a two-step process. First you select the table **Group** that is appropriate for the complexity of the work, second you find the estimated **construction cost** of the project, which shows you the appropriate percentage fee. This link takes you to a more detailed listing of the five **Building Groups**.

AN EXAMPLE OF SELECTING AN ARCHITECTURAL FEE

Let's say you have landed a corporate office building. You might use the Group III table, moderate complexity if this is a manufacturer's headquarters. If this is the new home for a large law firm, I think it is safe to say you will need to use the Group II table or even the Group I table. From there you find the estimated construction cost, say \$2,400,000, and you will see that the fee from the Group II table is 6.8%. Note that the percentage fees are for construction costs OVER the dollar amounts listed.

USING THIS FEE SCHEDULE

Now is a good time to remind you of the Architekwiki **Terms of Use** because, since I am sharing my fee schedule with you, I don't want you to hurt yourself.

MAKE THIS YOUR FEE SCHEDULE

One last thing about this fee schedule that you need to know is that there are two ways to make this fee schedule truly your own. First is a Global Adjustment number that modifies every fee percentage based on the number you enter. The second way is to Calibrate the table to suit your efficiency and profitability. This is more complicated but there are three approaches that you can take.

THE GLOBAL ADJUSTMENT

The Global Adjustment number modifies every fee percentage based on the number you enter. This feature allows you to adjust the fee schedule for changes in the scope of service that you provide. The way that it makes

these adjustments is by modifying each percentage in the tables. So if you increase or decrease the global adjustment, everything changes. The adjustment number is added to all the fee percentages in the tables.

CALIBRATION

The Fee Tables were modified over time to suit my firm's needs. It is unlikely that we are the same. The only modern fee tables I have come across are either governmental (like a school system) or a bit different, like the Canadian system.

Here are three ways to make these tables your own.

A. Past Reference Project

- Compare an actual fee to one you have derived from the fee tables.
- Use the actual fee as the basis for how much to adjust the fee tables.
- Select a project for comparison that had a simple scope of service, that had a simple scope of work, and that was profitable.

B. Fee Table You Use Now

- Maybe you already have a fee table based on your projects...
- Determine which Fee Group your fee table represents.
- Interpolate your table to represent a Fee Group I table. The Fee Groups step 0.5% from Group to Group in the example fee tables.
- Overwrite the 'baseline percentages' with the Group I fees that you determined.
- You may have to also interpolate the percentages to match the 'steps' in construction cost. Or change the steps to suit your fee table.

C. Calibrate Based On Your Current Fee Calculation Method

- Use both methods to calculate a fee.
- Determine the amount the fee percent from these tables would have to change to match your fee.
- Repeat for a couple more projects.
- Ideally you would make a 'global adjustment' that would make these tables match your method. If not, then see 'B' above.

In all of these methods, do several comparisons using different sizes and types of projects. The goal is to get to the point of trusting the tables as soon as possible.

I hope this makes determining an appropriate fee just a little easier.



PS If you find this helpful, you might also want to explore my complete fee calculation method, [FeeCalqs](#). Click the link to see all the extras in [FeeCalqs](#).

