

MEET YOUR LOCAL EXPERT



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Paul Brussow is Executive Vice President for RLB in North America. Leading our Las Vegas office, he is an expert in construction project management, having advised clients on more than \$10 billion worth of projects, developing and executing custom construction-management programs.

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COST CONSIDERATIONS THINGS TO WATCH OUT FOR



RESIDENTIAL

Residential construction remains strong, while commercial projects continue to be limited, as Las Vegas recovers from the pandemic.



COMMERCIAL

Expect commercial projects to return as renovations are required to many of the hotels, and many projects were put on hold during the pandemic. This will be dependent on international tourism and conventions returning to Las Vegas. The new Fontainebleau Las Vegas project has recommenced, and there are a few larger commercial projects beginning construction or bidding in the next several months.



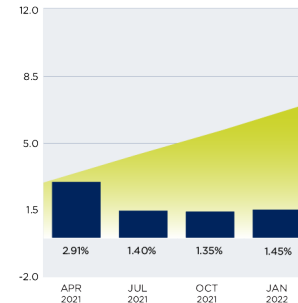
SUPPLY CHAIN & LABOR

Supply chain issues continue, trucking costs are still rising, and many contractors who worked on commercial projects returned to other states due to the pandemic, so ramp-up will be slow. There are regulatory issues as many County offices have not returned to pre-pandemic staffing levels.

CONSTRUCTION COST DRIVERS

SELECT MATERIALS	APPROX. INCREASE FROM Q4 2021
Rebar	▲ 2.6%
Structural Steel	▲ 1.7%
Ready-Mix Concrete	▲ 1.5%
Lumber	▲ 38.8%
Copper	▲ 1.3%
Plumbing Fixtures	▲ 2.8%
Diesel	▲ 4.1%

CITY COST INDEX



PROJECTED MARKET TRENDS

7.29%
Las Vegas YOY Escalation Rate

8.04%
National YOY Escalation Rate



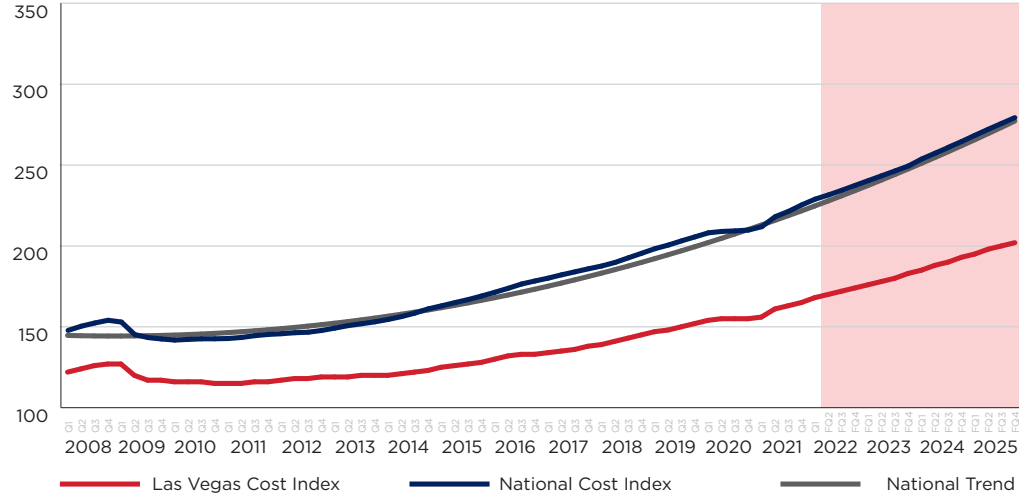
DON'T MISS OUT ON FUTURE INSIGHTS!



For more than 20 years, we have published a quarterly construction cost report to provide you with the most accurate and up-to-date construction pricing information in the market.

SCAN TO SUBSCRIBE

CONSTRUCTION COST INDEX, ESCALATION, AND TRENDS



ABOUT THE CHART

This chart compares our National Construction Cost Index with local escalation, the construction cycle trend, and provides our projection through 2025.

WHAT THIS MEANS FOR YOU

Early 2020 showed a steep decline in cost of construction due to the decrease in new projects starting during that period because of the pandemic. 2021 is marked by a large increase in demand and, with a crippled supply chain, led to a spike in construction costs that has started to normalize coming into 2022. This year will show slightly lower construction volume when compared to 2019, but supply chains should start to correct themselves, leading to more predictable cost trends.