

MEET YOUR TRUSTED ADVISOR



CHRIS HARRIS MRICS

Associate Principal
Chicago, Illinois

With over 40 years of experience in the construction industry, Chris is an expert in the field of cost management. He assists owners, design professionals and lenders in controlling the financial and time aspects of their projects.

Let's connect!

T: +1 312 819 4250

E: chris.harris@us.rlb.com

ln /in/chris-harris-69212a8/

RLB.com

COST CONSIDERATIONS THINGS TO WATCH OUT FOR



INFRASTRUCTURE At this time we're seeing more activity in the transport sector with improvements for rail and bus stations throughout the region. We expect infrastructure work to continue growing.



UP-AND-COMING The last of the office towers are being completed and some office interior fit-out is occurring. Still many older office buildings are only partial let, even with the work force coming back into the City. The market is currently focused on new apartment buildings and converting condos to apartments.



BIDDING ENVIRONMENT There have been unprecedented supply chain disruptions, workforce shortages and material pricing variances. These factors impact project deadlines and budgets, as well as quality and safety challenges if there aren't enough skilled personnel on site.



PROCUREMENT To make your project successful, proper communication is the most critical component. This is true of communication amongst all construction stakeholders. Substitutions and material delays, for instance, must be discussed in order to mitigate, if not eliminate, a lot of potential problems.

CONSTRUCTION COST DRIVERS

SELECT MATERIALS	APPROX. INCREASE FROM Q1 2022
Rebar	▲ 11.5%
Structural Steel	▲ -0.1%
Ready-Mix Concrete	▲ 2.6%
Lumber	▲ 41.5%
Copper	▲ 4.4%
Plumbing Fixtures	▲ 2.6%
Diesel	▲ 44.2%

CITY COST INDEX



PROJECTED MARKET TRENDS

9.01%
Chicago YOY
escalation rate



7.50%
RLB YOY
escalation rate

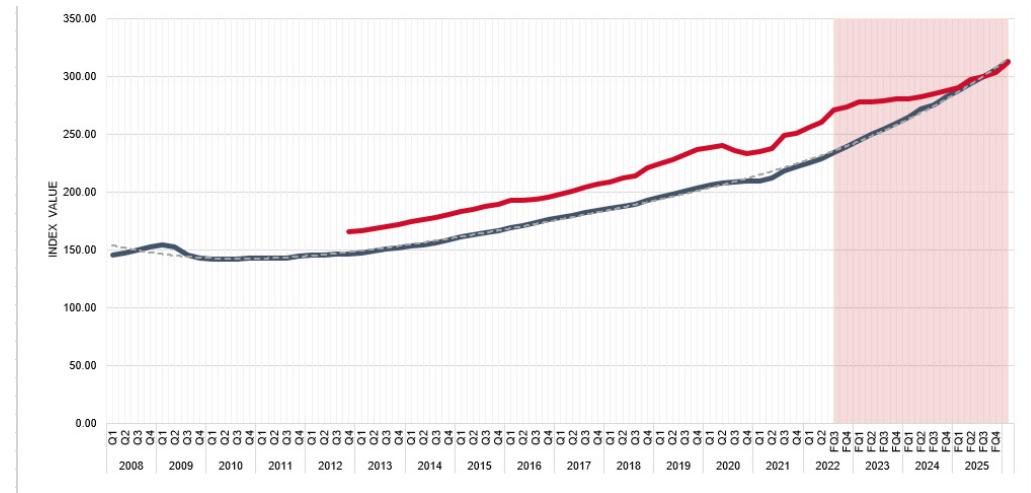
DON'T MISS OUT ON
FUTURE INSIGHTS!



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

RLB's construction cost indexes track the "true" bid cost of construction which includes in addition to costs of trade works, the general contractor and sub-contractor overhead costs and fees (profit). The graph shows a comparison between Chicago and the National average of costs.

WHAT THIS MEANS FOR YOU

The graph shows that construction costs in Chicago have been on a steady increase over the last 10 years, out pacing the national average. Given the cost escalation experienced over the last couple of years, RLB is forecasting this to continue over the short to medium term.