

MEET YOUR LOCAL EXPERT



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Craig Colligan is the Resident Manager for RLB. Craig has over 43 years experience in the construction industry and has a strong history of developing collaborative relationships with owners, stakeholders, and consultants to ensure industry-leading project delivery, diligent cost and schedule control, and excellent safety performance.

Let's connect!

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COST CONSIDERATIONS THINGS TO WATCH OUT FOR



INFLATION REDUCTION ACT Inflation Reduction Act (IRA) has the potential to push billions of dollars of spending through the state of Washington. The IRA touches on issues that are important to the state of WA, with its environment focus. Some of these areas include grants to help mitigate environmental impact at seaports, and funding to expand high-voltage transmission lines, allowing the state to finally move energy from where it is generated to where it is needed without risk of blackouts. As this money gets allocated, we'll see a shift in active sectors which benefit from the new funding.



MATERIALS We recommend buying American made materials and supplies wherever possible and procuring them early on in the process. It may even be wise to stock and store materials in bonded warehouses to avoid costly delays.



MARKET TRENDS As the year-over-year escalation rate for Seattle continues to surpass the national rate, timing will be everything for the remainder of 2022 as the industry in Seattle juggles speed-to-market against ongoing supply chain issues and rising construction costs.

CONSTRUCTION COST DRIVERS

SELECT MATERIALS	APPROX. INCREASE FROM Q2 2022
Rebar	▲ 2.2%
Structural Steel	▼ -2.3%
Ready-Mix Concrete	▼ -0.8%
Lumber	▼ -39.8%
Copper	▼ -2.2%
Plumbing Fixtures	▼ -1.7%
Diesel	▲ 27.4%

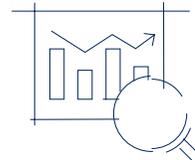
CITY COST INDEX



PROJECTED MARKET TRENDS

11.18%
Seattle YOY Escalation Rate

8.28%
National YOY Escalation Rate



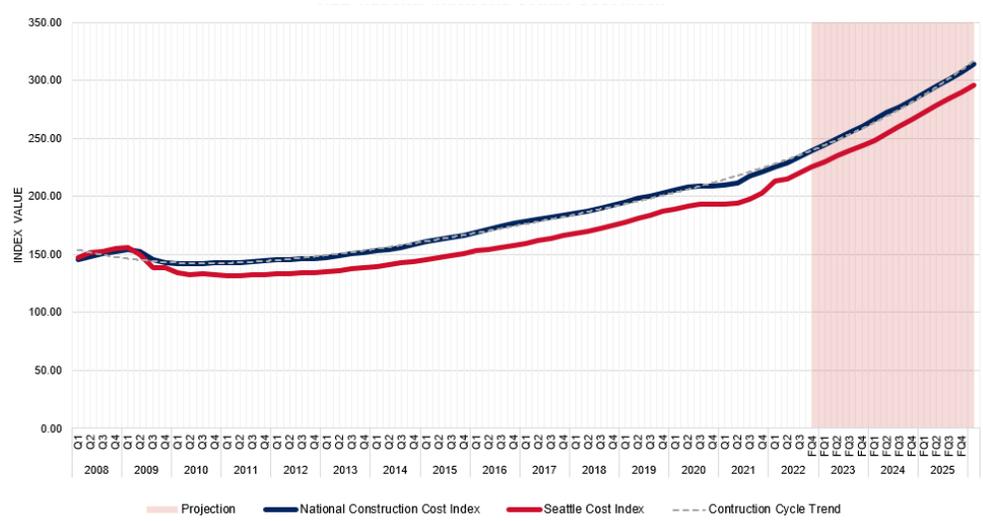
DON'T MISS OUT ON FUTURE INSIGHTS!



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

RLB expects that the National and local construction cost index will rise at a steady rate over the next three years, staying in line with the construction cycle trend.

WHAT THIS MEANS FOR YOU

Local construction costs have historically resided below the national average. It is evident in the chart above that the COVID-19 impact felt across the country had a steeper local impact. As we look ahead, we anticipate that Seattle’s construction market will experience escalation above the national average in the next few years, with it leveling back out a few years after that.