

MEET YOUR LOCAL EXPERT



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COST CONSIDERATIONS THINGS TO WATCH OUT FOR



UP-AND-COMING We foresee power and infrastructure to be major up-and-coming sectors. The Inflation Reduction Act will invest more than \$350 billion in renewable energy infrastructure, including solar and wind (with strong labor standards to ensure quality jobs). And as a result of the previous Bipartisan Infrastructure Act, New York is expected to see a significant increase in federal funding for infrastructure projects, especially in road, rail, and aviation.



THRIVING IN THE BIG CITY The New York has a track record for being one of the best long-term real estate investments in the U.S., with NYC home prices nearly doubling in the last decade. Residential and commercial construction will continue to dominate the New York construction market. With supply and demand continuing to favor sellers, prices continue to rise year-over-year. Moreover, the Inflation Reduction Act will provide incentives for making homes more energy efficient.

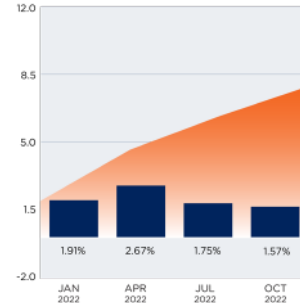


LOOKING AHEAD As we continue to navigate these unpredictable waters with inflation and supply chain issues, we foresee coming out of these unstable years and into a stabilizing economy, prospering again in time. Tourism will be recovered, workers will continue coming back to the office. The recently passed Inflation Reduction Act will direct hundreds of billions of dollars toward renewable energy in New York. The resulting construction jobs may be able to accommodate the demands of the same workers who have been displaced and disproportionately burdened by COVID's job loss and job recovery.

CONSTRUCTION COST DRIVERS

MATERIALS	APPROX. CHANGE FROM Q3 2022
Rebar	▼ -11.8%
Structural Steel	▲ 1.0%
Ready-Mix Concrete	▼ -3.0%
Lumber	▼ -30.3%
Copper	▲ 6.8%
Plumbing Fixtures	▼ -5.9%
Diesel	▼ -22.7%

CITY COST INDEX



PROJECTED MARKET TRENDS

8.14%
New York YOY Escalation Rate

8.35%
National YOY Escalation Rate



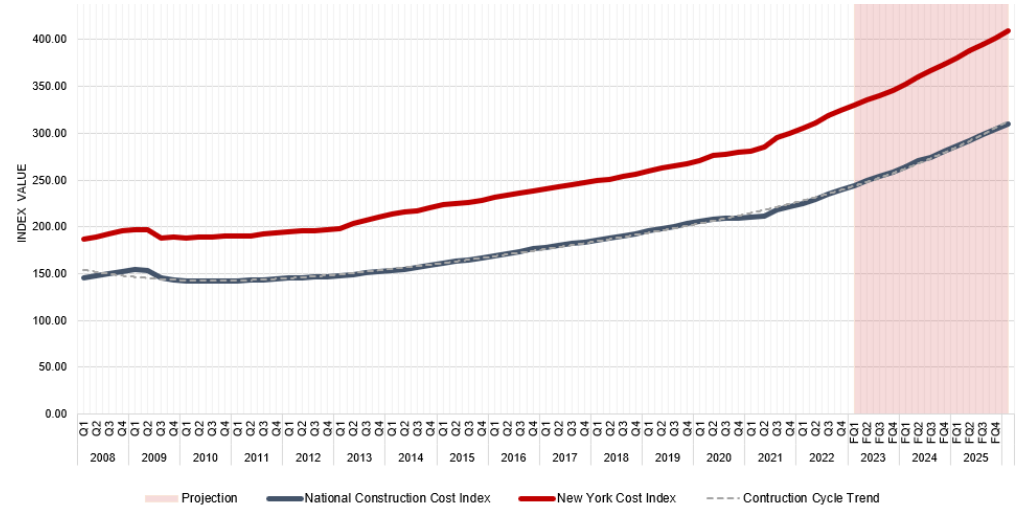
DON'T MISS OUT ON FUTURE INSIGHTS!



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

The industry is continuing to rebound from a very slow 2021. The outlook of the next six months is challenging to predict with increasing interest rates, making it very attractive to borrowing money. However, looking a year ahead, we anticipate the large spend provided by the Biden infrastructure bill to have a knock-on-effect throughout the construction industry as a whole.