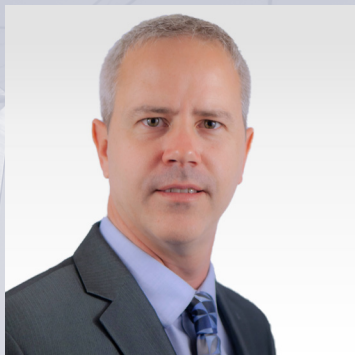


MEET YOUR LOCAL EXPERT



KIRK MILLER
Principal
Washington DC

Kirk Miller, Principal, manages our Washington, DC office. With more than 23 years of industry experience, he is responsible for project leadership for both public and private sector clients.

Let's connect!

T: +1 410 740 1671

E: kirk.miller@us.rlb.com

in /in/kirkmillerrlb/

RLB.com

COST CONSIDERATIONS
THINGS TO WATCH OUT FOR



BUILT ENVIRONMENT OUTLOOK RLB observed a year-over-year increase of 8.81% in our construction cost index in Washington, DC, an increase from the 6.20% reported in Q3. Supply and demand challenges and labor shortages are impacting construction costs. The Washington, DC market is seeing construction in full swing with contractors, subcontractors, and designers at near capacity.



DISRUPTIONS Long lead times on electrical panels, switchgear, and other MEP-related equipment are resulting in a delay in commissioning and completion dates. Delays in the design of some projects (for example, a large generator for a project), could take a year for delivery, and the re-design for two or three small generators could extend to a six-month delivery. COVID continues to impact lead times for some materials as manufacturers play catch-up.

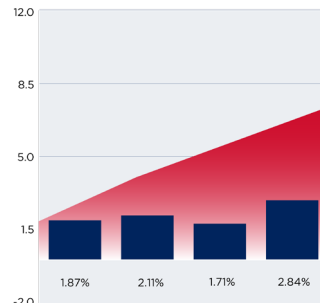


UP-AND-COMING We are noticing an incredible increase in the number of Electric Vehicle (EV) Charging Stations. These stations are for public use as well as commercial use including, bus stations and trucking companies. Medical and pharmaceutical projects have increased with warehouses being renovated into labs to facilitate cold rooms.

CONSTRUCTION COST DRIVERS

MATERIALS	APPROX. CHANGE FROM Q3 2022
Rebar	▼ -12.1%
Structural Steel	▲ 0.7%
Ready-Mix Concrete	▼ -3.3%
Lumber	▼ -30.5%
Copper	▲ 6.4%
Plumbing Fixtures	▼ -6.3%
Diesel	▼ -22.9%

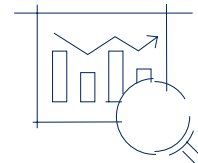
CITY COST INDEX



PROJECTED MARKET TRENDS

8.81%
DC YOY
escalation rate

8.35%
National YOY
escalation rate



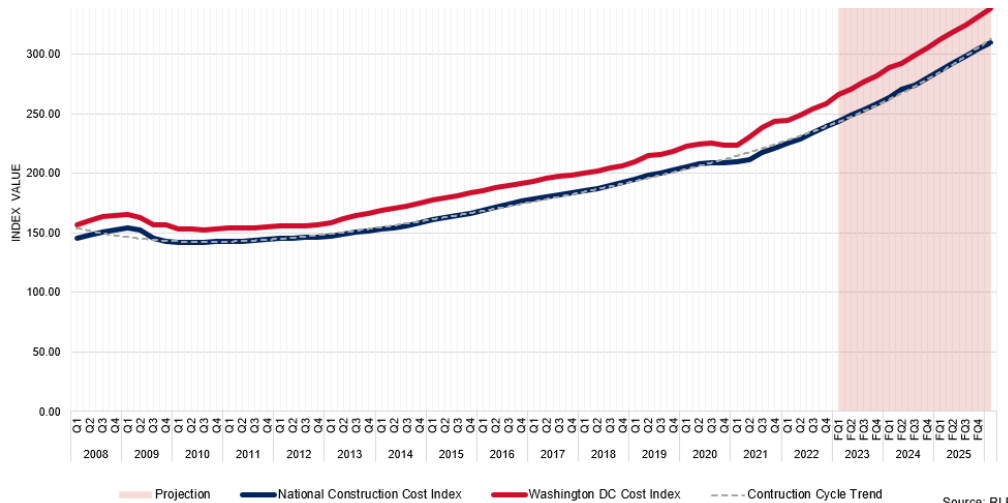
DON'T MISS OUT ON FUTURE INSIGHTS!



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

Be conscious of your budget and consider early release and pre-purchase packages. Identify long-lead items, and conduct strategic cost planning with potential value engineering. Strategize material selection and be flexible to alternatives, and review contract language.

Source: RLB