

MEET YOUR LOCAL EXPERT



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Michael manages the Boston office. With more than 18 years of industry experience, Michael is responsible for construction cost data research, cost management, project management, and project leadership for both public and private sector clients.

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COST CONSIDERATIONS THINGS TO WATCH OUT FOR



MARKET TREND RLB observed a year-over-year increase of 9.91% to our construction cost index in Boston. Supply and demand challenges, global shipping, labor shortages, and a high volume of work are all impacting construction costs, and almost all projects and sectors are being affected. Timing will be everything in 2022 as the industry juggles speed-to-market against ongoing supply chain issues and rising construction costs.



UP-AND-COMING The infrastructure sector bears watching in 2022 and beyond as we start to see the \$1.2 trillion Infrastructure Investment and Jobs Act (bipartisan infrastructure bill) come into effect.



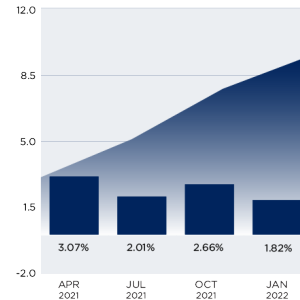
BIDDING ENVIRONMENT Supply chain disruptions continue to put pressure on lead times and schedules, causing ongoing pricing volatility and a reluctance to hold bid pricing. Construction employment numbers continue to rise and have increased the burden on available labor at all levels.

Even with some positive traction on supply chain issues, the high volume of work and demand for construction materials means we may not see a drastic reduction in pricing just yet.

CONSTRUCTION COST DRIVERS

SELECT MATERIALS	APPROX. INCREASE FROM Q3 2021
Rebar	▲ 7.0%
Structural Steel	▲ 0.9%
Ready-Mix Concrete	▼ -0.9%
Lumber	▲ 39.9%
Copper	▼ -3.3%
Plumbing Fixtures	▲ 0.7%
Diesel	▲ 4.1%

CITY COST INDEX



PROJECTED MARKET TRENDS

9.91%
Boston YOY
Escalation Rate

8.04%
National YOY
Escalation Rate



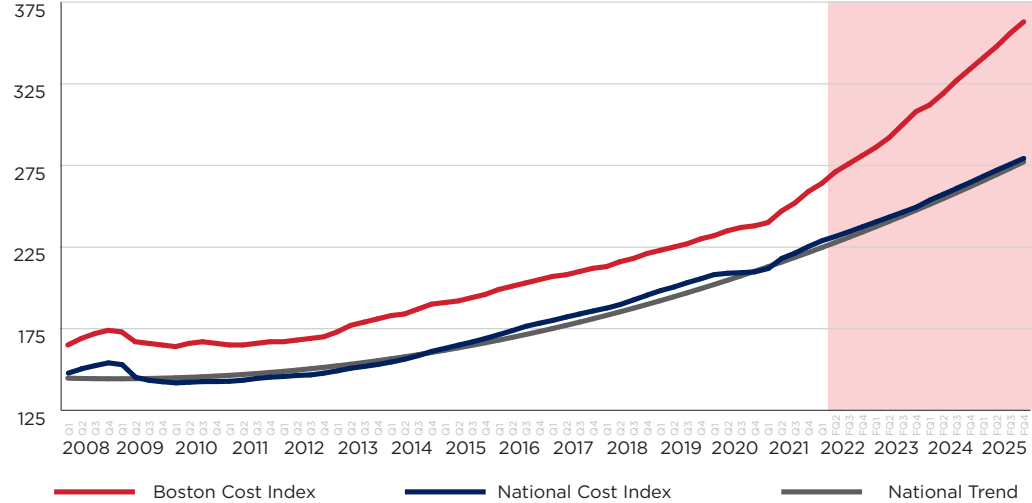
**DON'T MISS OUT ON
FUTURE INSIGHTS!**



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

High demand for construction materials, ongoing supply chain issues, and extreme weather are continuing to have an effect on both the cost and delivery of construction materials. Construction workforce in Massachusetts continues to rise and labor shortages will continue to be a concern in 2022 and likely beyond. Even with improvements to the materials supply chain and labor shortages, the high volume of work projected for 2022, and beyond, means we may not see a drastic return in pricing levels just yet.