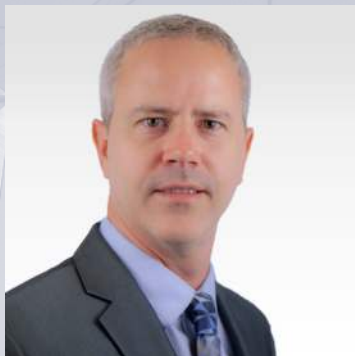


MEET YOUR LOCAL EXPERT



KIRK MILLER
Principal
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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!

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COST CONSIDERATIONS THINGS TO WATCH OUT FOR



BUILT ENVIRONMENT OUTLOOK RLB observed a year-over-year increase of 6.20% in our construction cost index in Washington, DC, a minor decrease from the 6.72% reported in Q2. 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.



INFRASTRUCTURE The recently awarded \$2.2B Rebuilding American Infrastructure with Sustainability and Equity (RASIE) program will help urban and rural communities make transportation systems safer, accessible, affordable, and sustainable. And, exciting for the Washington DC region is the RAISE award of \$20M for a 2,300-foot-long bicycle-pedestrian bridge that crosses the Potomac River.



UP-AND-COMING Affordable multi-family and senior housing projects have remained steadfast with local government funding. The National Air and Space Museum renovation is nearing completion, and plans around the Union Station development are exciting to witness. Though years out, these extensive upgrades will provide a better experience for travelers in Washington, DC.

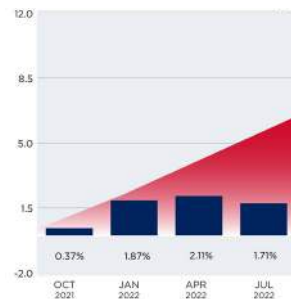


MATERIALS Material prices have begun to show a decrease after an extended period of upward trend. We have experienced a drastic price drop in lumber prices and slight decreases in most other construction materials. The volatility in lead times has stabilized, while remaining long, are not being pushed out further.

CONSTRUCTION COST DRIVERS

MATERIALS	APPROX. CHANGE FROM Q2 2022
Rebar	▲ 2.2%
Structural Steel	▼ -2.3%
Ready-Mix Concrete	▼ -0.8%
Lumber	▼ -39.7%
Copper	▼ -2.2%
Plumbing Fixtures	▼ -1.7%
Diesel	▲ 27.4%

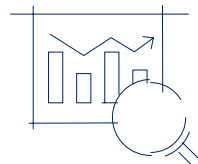
CITY COST INDEX



PROJECTED MARKET TRENDS

6.20%
DC YOY
escalation rate

8.28%
National YOY
escalation rate



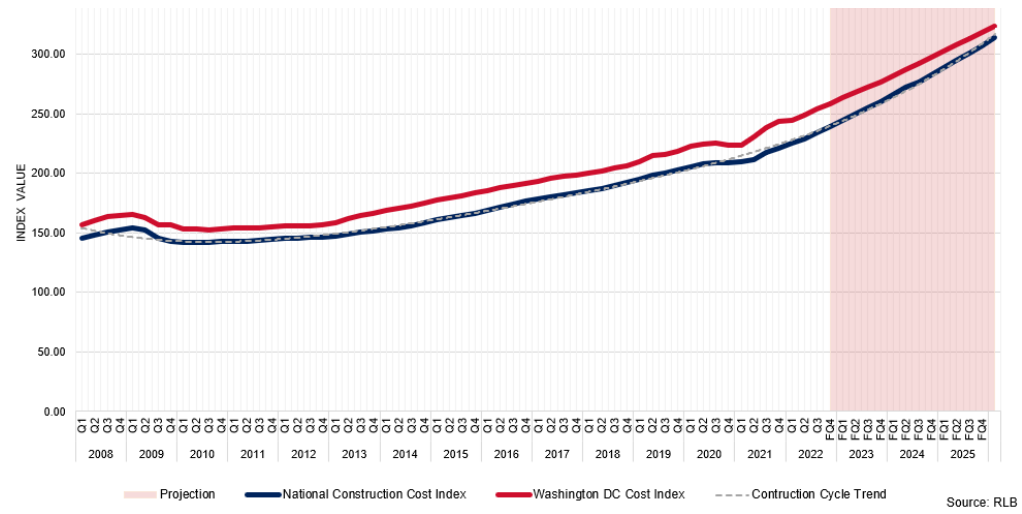
DON'T MISS OUT ON
FUTURE INSIGHTS!



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

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

While we are starting to see some stabilization in material cost, long lead times are still delaying projects. Strategic cost planning with potential value engineering is required to mitigate these procurement delays. Be conscious of your budget and consider early release and pre-purchase packages.